

\$27,900,000
THE BOARD OF EDUCATION OF MARSHALL COUNTY
(WEST VIRGINIA) PUBLIC SCHOOL BONDS, SERIES 2007

Date Of Closing: June 26, 2007

Approving Opinion

BOWLES RICE McDAVID GRAFF & LOVE LLP
600 QUARRIER STREET
CHARLESTON, WEST VIRGINIA 25301

\$27,900,000

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

PUBLIC SCHOOL BONDS, SERIES

DATE OF CLOSING: JUNE 26, 2007

BOND TRANSCRIPT

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FILE

AN ORDER OF THE BOARD OF EDUCATION
OF THE COUNTY OF MARSHALL DIRECTING
AN ELECTION TO BE HELD FOR THE PURPOSE OF
SUBMITTING TO THE VOTERS OF MARSHALL COUNTY
SCHOOL DISTRICT ALL QUESTIONS
CONNECTED WITH THE CONTRACTING OF A DEBT AND THE ISSUING
OF BONDS IN THE PRINCIPAL AMOUNT NOT TO EXCEED
TWENTY SEVEN MILLION NINE HUNDRED SEVENTY THOUSAND DOLLARS
(\$27,900,000)

BE IT ORDERED BY THE BOARD OF EDUCATION OF THE COUNTY OF MARSHALL: It appears to the Board of Education of the County of Marshall (hereinafter called "the Board") from the experience of the Board in operating the schools in the Marshall County School District (hereinafter called the "School District") and after carefully studying and considering reports, recommendations and the needs of the School District regarding the desire for an improved educational program and based upon this information, the Board does accordingly find that:

1. There are now and have been for several years in the School District deficiencies in the school building facilities presently existing which generally result in insufficient space, overcrowding, and a lack of efficiency. To correct these deficiencies, there is a need to enlarge, equip, extend, furnish, improve, construct and renovate certain school facilities in all grade and age levels, as soon as possible, in the manner hereinafter stated.

2. The funds derived from current levies which this Board is now authorized by law to lay, after providing for administration of the affairs of the Board and meeting the current expenses thereof required by law, are insufficient to finance the projects required by a comprehensive building program and, therefore, Bonds should be issued to provide funds for such projects.

3. To obtain the necessary funds for the projects hereinafter described, it will be necessary to incur debt and issue Bonds for the acquisition, construction, erection, improvement, equipping and furnishing of such projects. Studies by the Board show that the School District must spend at least the sum of Twenty Seven Million Nine Hundred Thousand Dollars (\$27,900,000) for such purposes, including the proceeds of the sale of the Bonds in the amount not to exceed Twenty Seven Million Nine Hundred Thousand Dollars (\$27,900,000) all for the general purpose of providing adequate, safe and convenient educational facilities for the School District. The School District has received a Needs Grant from the SBA in the amount of Eight Million Dollars (\$8,000,000) (the "Needs Grant") for use in the acquisition and construction of addition and improvements to five (5) school facilities, which Needs Grant will be withdrawn if local funds for such project are not approved by the voters in the School District prior to July 1, 2007.

4. The valuation of the taxable property in the School District, as shown by the last assessment thereof for State and County taxation purposes, is \$1,254,186,588, and valuation of each class of property within the School District is as follows:

Class I	\$2,261,153
Class II	\$319,632,292
Class III	\$762,141,393
Class IV	\$170,151,750
Total	\$1,254,186,588

5. The Board and the School District now has no outstanding bonded indebtedness. The unbonded indebtedness of the School District is for current expenses and can be paid from current levy funds. The maximum bonded indebtedness the Board may incur is \$62,709,329. Accordingly, Bonds in the amount of \$27,900,000 being less than five percent (5%) of the value of such taxable property as ascertained by the last assessments thereof for State and County taxes, while taking into account the School Districts outstanding bonded indebtedness, may be issued and sold without violating any constitutional or statutory provision.

6. Bonds in the denomination of \$5,000.00 each, or integral multiples thereof, aggregating up to \$27,900,000 should be issued and sold, the proceeds of which shall be used for the projects hereinafter described, provided, however, that in the event that any part of the Bond proceeds should not be needed for completion of the projects, such unneeded part shall be deposited with the Municipal Bond Commission of West Virginia to be used solely for the purchase of any Bonds of this issue outstanding at not more than the par value thereof plus accrued interest to date of purchase or for the payment of such Bonds and the interest thereon at the maturities thereof. The proceeds of sale of the Bonds will not be used except as herein specified; and, provided, further, 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 shall be reimbursed from levy money collected.

7. The question of incurring said debt and issuing said Bonds and all other questions properly connected therewith shall be submitted to the voters of the School District at the general election to be held on the 7th day of November 2006, and the commissioners and clerks for holding said election, at each of the legally established voting precincts in Marshall County, shall be those commissioners and clerks designated, appointed and certified by the County Commission of Marshall County, West Virginia in connection with said special election.

8. The Bonds shall bear interest at a rate or rates not exceeding the rate of six and ninety five/100 percent (6.95%) per annum, payable semiannually, but it is hoped that the best bid for the Bonds will provide a lower interest rate (which might result in somewhat lower levy rates needed to pay the Bonds and the interest thereon); and the Bonds shall be payable for a maximum term of fifteen (15) years from the date thereof.

9. The Bonds shall be issued only in book entry or registered form as to principal and interest in compliance with the United States Internal Revenue Code sections 103 and 149 (26 USCA 103 and 149), as amended, and as authorized by the West Virginia Public Obligations Registration Act, Article 2F, Chapter 13 of the Code of West Virginia of 1931, as amended (the "Code").

10. The projects for which the proceeds of the Bonds, if authorized by the voters, are to be expended are as follows:

<u>PROJECT</u>	<u>LOCATION</u>	<u>ESTIMATED COST</u>	
Cameron Elementary School Renovate portions of building and pay all fees	Existing Cameron Elementary School, Cameron, West Virginia	Bond Funds:	\$1,197,140
Central Elementary School Multi-Use Addition 6 Classroom Addition Kitchen Addition & Renovations Selected Renovations Site Parking & Service Upgrades Property Acquisition	Existing Central Elementary School Moundsville, West Virginia	Bond Funds: SBA Grant:	\$2,033,455 \$1,800,000
McNinch Elementary School Multi-Use Addition Art/Classroom Addition(s) Kitchen Addition & Renovations Selected Renovations	Existing McNinch Elementary School McNinch, West Virginia	Bond Funds: SBA Grant:	\$2,699,798 \$1,160,000
Park View Elementary School School to be closed and building renovated for Alternative Education and construct 60' X 80' Maintenance Building	Existing Park View Elementary School Moundsville, West Virginia	Bond Funds:	\$389,146
New Elementary Acquire property and develop, construct, furnish, equip and pay all fees for a new building of approximately 45,000 S.F. to house 410 students PK-5 grades	New Elementary School Sherrard, West Virginia	Bond Funds:	\$9,507,836
Moundsville Middle School 4 Classroom Addition	Existing Moundsville Middle School Moundsville, West Virginia	Bond Funds: SBA Grant:	\$197,633 \$660,000
Sherrard Middle School 4 Classroom Addition Cafeteria/Kitchen Addition Selected Renovations	Existing Sherrard Middle School Sherrard, West Virginia	Bond Funds: SBA Grant:	\$1,758,276 \$2,200,000
Cameron High School New Fieldhouse (Gymnasium) Property Acquisition Selected Renovations	New Fieldhouse – Cameron High School Existing Cameron High School Cameron, High School	Bond Funds: Bond Funds: SBA Grant:	\$4,654,976 \$ 377,116 \$2,180,000
John Marshall High School Local College Satellite Facility Selected Renovations	Existing John Marshall High School Moundsville, West Virginia	Bond Funds:	\$1,028,884
John Marshall High School Monarch Stadium Renovations	Existing John Marshall High School Moundsville, West Virginia	Bond Funds:	\$2,910,288

<u>PROJECT</u>	<u>LOCATION</u>	<u>ESTIMATED COST</u>	
J.M. Fieldhouse Renovations			
SANFORD ELEMENTARY SCHOOL School to be closed and building demolished	Moundsville, West Virginia	Bond Funds:	\$280,000
OLD MOUNDSVILLE JUNIOR HIGH SCHOOL Old school building and old bus garage to be demolished	Moundsville, West Virginia	Bond Funds:	\$800,000
TOTAL PROPOSED BOND CALL:		Project Costs:	\$35,834,548
		Costs of Issuance	\$ 65,452
		SBA Funds:	<u>(\$8,000,000)</u>
		Total Proposed Bond Call	\$27,900,000

CLOSURES

In the event the Bond issue is approved and the Bonds are issued, the following school closures will be undertaken:

Sherrard Elementary School to be closed; former students to be served by New School;

Limestone Elementary School to be closed; former students to be served by New School.

Park View Elementary School to be closed; former students to be served by Central Elementary School and McNinch Elementary School.

Sanford Elementary School to be closed; former students to be served by Central Elementary School and McNinch Elementary School.

The above amounts are made up of the aggregate principal amount of the Bond issue in the sum of Twenty Seven Million Nine Hundred Thousand Dollars (\$27,900,000).

The foregoing amounts include the costs of acquiring necessary lands, sites and rights-of-ways, if any, engineering and architectural costs, construction including but not limited to the cost of using county maintenance personnel, the costs and estimated costs of the issuance of the Bonds, and such other costs, fee, and expenses as may be necessary and/or properly incurred in carrying out the foregoing projects. All Handicapped and E.S.S.I.A. Title 1 expenditures are subject to written approval by the West Virginia Department of Education. If for any reason any one or more of the above enumerated projects cannot be constructed, carried out, or completed, the amount above set out for any such project and any sums remaining unused upon completion of any of the foregoing projects may be allocated by the Board in its discretion, to and expended for any one or more of the

remaining projects set out above, as provided by Section 6(a), Article 1, Chapter 13, of the Code. In the event the Board shall obtain additional money by grant or otherwise from the state or federal government, or from any agency of either, or from any other source, for use in the acquisition, construction, renovation, improvement, furnishing, and/or equipping of the above enumerated projects, such additional money may be used either in substitution for or in addition to the proceeds of the sale of the Bonds proposed hereby, as may be determined by the Board and the granting body or agency, unless otherwise set forth in this Order.

11. If the voters of the School District approve the incurring of said debt and the issuance of said Bonds, the Board will lay annually upon the assessed valuation of all the taxable property within the School District a levy sufficient to provide funds for the payment of the annual interest upon the Bonds as such interest accrues semiannually and the principal of the Bonds at maturity, for which purposes a levy upon each \$100 valuation, based upon the last assessment of such property for State and County purposes, will be required as follows:

Upon Class I Property approximately	6.99 cents
Upon Class II Property approximately	13.98 cents
Upon Class III Property approximately	27.96 cents
Upon Class IV Property approximately	27.96 cents

12. In the laying of said levy, the assessment levy authorized to be laid by said Board by the Constitution of West Virginia and the statutes enacted pursuant thereto shall not be exceeded; provided, however, that said rates hereinabove set forth may, whenever necessary, be exceeded in making the annual levy for interest and principal of said Bonds within statutory and constitutional limitations; and that in the levy, collection and disbursement of taxes within constitutional and statutory limitations, this levy for interest and principal shall have preference over all other taxes collected by said School District for any purpose whatsoever, except the payment of the interest and sinking fund requirements on any other bond issue or issues which lawfully have been authorized heretofore or which may be authorized hereafter.

13. If the debt represented by this Bond issue shall be approved by the voters, such Bonds, together with all existing bonded indebtedness heretofore incurred under Section 1, Article X, of the Constitution, will not exceed in the aggregate five percent (5%) of the taxable property in the School District ascertained in accordance with Sections 8 and 10, Article X, of the Constitution of this State and will be payable from a direct annual tax levied and collected in each year on all taxable property in said School District, sufficient to pay the principal and interest maturing on said Bonds in each year, which maximum rates are provided for tax levies for 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 outside the limits fixed by Section 1, Article X of the Constitution.

14. If the debt and Bonds submitted to the voters shall be approved, by virtue of Section 8, Article X of the Constitution, known as the "School Bond Amendment", and the enabling legislation enacted by the Legislature of West Virginia Regular Session, 1951, amending and reenacting Sections 3 and 4, Article 1, Chapter 13, of the Code, and the enabling legislation enacted by the Legislature of West Virginia, Regular Session, 1959, amending and reenacting Section 4 and adding Section 34, Article 1, Chapter 13, of the Code, 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 purposes 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 School District, and the Board does further find that after laying and allocating said special levies for payment of principal and interest requirements of said Bonds, there will be, out of the levies authorized by law and apportioned for current expenses, a

sufficient levy authorized by law which, when added to other income, will be sufficient to carry out the proper requisite functions of said Board and of said School District.

BE IT FURTHER ORDERED BY THE BOARD OF EDUCATION OF THE COUNTY OF MARSHALL AS FOLLOWS:

After careful study and due deliberation, the Board finds that available funds are insufficient for the payment of general current expenses and for correcting deficiencies in school building facilities. Wherefore, the Board orders the submission to the voters of Marshall County at the special election to be held on November 7, 2006, of the question of whether the Board should incur debt and issue Bonds in an amount not to exceed \$27,900,000 for the purposes set forth in this order.

1. The commissioners and clerks appointed and certified for the purpose of the election shall be the same commissioners and clerks designated, appointed and certified by the County Commission and as adopted by a supplemental order of this Board.

2. Notice of this question shall be given by publication of this Order at least once each week for two (2) successive weeks before the election and within fourteen (14) consecutive days next preceding the election in the *Wheeling News Register*, *The Wheeling Intelligencer* and *Moundsville Daily Echo* which are newspapers of general circulation in the School District.

3. The ballot shall be in the form that follows:

OFFICIAL BALLOT
MARSHALL COUNTY BOARD OF EDUCATION
SCHOOL BOND ELECTION
November 7, 2006

Shall the Board of Education of the County of Marshall incur debt and issue bonds in the amount of \$27,900,000, maturities on such bonds to run not more than fifteen (15) years from the date of such bonds, with interest not exceeding the rate of six and ninety-five/100 per annum (6.95%), payable semiannually, for the purpose of constructing, enlarging, extending, reconstructing, improving, furnishing and/or equipping the school buildings, facilities and structures in the Marshall County Public School District to provide adequate, safe and convenient facilities for the School District, namely:

<u>PROJECT</u>	<u>LOCATION</u>	<u>ESTIMATED COST</u>	
Cameron Elementary School Renovate portions of building and pay all fees	Existing Cameron Elementary School, Cameron, West Virginia	Bond Funds:	\$1,197,140
Central Elementary School Multi-Use Addition 6 Classroom Addition Kitchen Addition & Renovations Selected Renovations Site Parking & Service Upgrades Property Acquisition	Existing Central Elementary School Moundsville, West Virginia	Bond Funds: SBA Grant:	\$2,033,455 \$1,800,000
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<u>PROJECT</u>	<u>LOCATION</u>	<u>ESTIMATED COST</u>	
Cameron High School	New Fieldhouse -- Cameron High School	Bond Funds:	\$4,654,976
New Fieldhouse (Gymnasium)	Existing Cameron High School	Bond Funds	\$ 377,116
Property Acquisition	Cameron, High School	SBA Grant:	\$2,180,000
Selected Renovations			
John Marshall High School	Existing John Marshall High School	Bond Funds:	\$1,028,884
Local College Satellite Facility	Moundsville, West Virginia		
Selected Renovations			
John Marshall High School	Existing John Marshall High School	Bond Funds:	\$2,910,288
Monarch Stadium Renovations	Moundsville, West Virginia		
J.M. Fieldhouse Renovations			
SANFORD ELEMENTARY SCHOOL	Moundsville, West Virginia	Bond Funds:	\$280,000
School to be closed and building demolished			
OLD MOUNDSVILLE JUNIOR HIGH SCHOOL	Moundsville, West Virginia	Bond Funds:	\$800,000
Old school building and old bus garage to be demolished			
TOTAL PROPOSED BOND CALL:		Project Costs:	\$35,834,548
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The above amounts are made up of the aggregate principal amount of the Bond issue in the sum of Twenty Seven Million Nine Hundred Thousand Dollars (\$27,900,000).

The foregoing amounts include the costs of acquiring necessary lands, sites and rights-of-way, if any, engineering and architectural costs, including but not limited to the cost of using County maintenance personnel, the costs and estimated costs of the issuance of the bonds, and such other costs, fees, and expenses as may be necessary and/or properly incurred in carrying out the foregoing projects. All Handicapped and E.S.S.I.A. Title 1 expenditures are subject to written approval by the West Virginia Department of Education. If for any reason any one or more of the above enumerated projects cannot be constructed, carried out, or completed, the amount above set out for any such project and any sums remaining unused upon completion of any of the foregoing projects may be allocated by the Marshall County Board of Education in its discretion, to and expended for any one or more of the remaining projects set out above, as provided by Section 6(a) Article 1, Chapter 13, of the Code of West Virginia, 1931, as amended. The amount of the Bond issue reflects a Needs Grant in the amount of \$8,000,000 having been made to the School District for use in the acquisition and additions and improvements at Central Elementary School (\$1,800,000), McNinch Elementary School (\$1,160,000), Moundsville Middle School (\$660,000), Sherrard Middle School (\$2,200,000) and Cameron High School (\$2,180,000), which Needs Grant will be withdrawn if local funds for such project are not approved by the voters in the School District prior to July 1, 2007. In the event the Marshall County Board of Education shall obtain additional money by grant or otherwise from the state or federal government, or from any agency of either, or from any other source, for use in the acquisition, construction, renovation, improvement, furnishing, and/or equipping of the above enumerated projects, such additional money may be used either in substitution for or in addition to the proceeds of the sale of the bonds proposed hereby, as may be determined by said Board and the granting body or agency.

Yes (For the Bond Issue.)

No (Against the Bond Issue.)

NOTICE TO VOTERS:

To vote in favor of the proposition (for the Bond Issue) submitted on this ballot, mark an "X" in the box next to "Yes."

To vote against the proposition (against the Bond Issue), mark an "X" in the box next to "No".

4. The Secretary of the Board with the assistance of the Clerk of the County Commission, which said Clerk is hereby designated and appointed as an agent of this Board for this election, are 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 things necessary for conducting the election, as provided by Chapter 13, Article 1, Section 11 of the Code, and perform all duties imposed by law upon clerks of the County Commission and Circuit Court in relation to primary and general elections, and in accordance with Chapter 13, Article 1, Section 13 of the Code.

5. Absentee ballots shall be applied for, obtained from and returned to the Clerk of the Circuit Court of the County of Marshall, and said Clerk is hereby appointed the agent for the Board to perform all duties relating to absentee ballots in a primary or general election.

6. The registration of voters and the use of the registration booths shall be governed by the permanent registration law of the State, and the Board hereby adopts the registration list of Marshall County as the official registration list of the School District for this election.

Adopted on the 8th day of August 2006.

THE BOARD OF EDUCATION OF THE
COUNTY OF MARSHALL

By: Roger Spurch
President

By: David L. Hall
Member

By: Thomas E. Gilbert
Member

By: Mary Ellen Komarowski
Member

By: Lori E. Kestner
Member

ATTEST:

A. N. Reyle
Secretary

Given under my hand this 8th day of August 2006

A. N. Reyle
Secretary of the Board of Education of the County of Marshall.

LAST	FIRST	ADDRESS	CITY/STATE	POSITION
LAST	HELEN	1411 7TH ST	MOUNDSVILLE WV 26041	POLL CLERK
BUCY	BEVERLY	1037 FOURTH ST	MOUNDSVILLE WV 26041	ELECTION COMMISSIONER
HOWARD	LINDA	RT 2 BOX 143	PROCTOR WV 26055	ELECTION COMMISSIONER
MCGINNIS	DORIS	1321 RUBY ST	MOUNDSVILLE WV 26041	POLL CLERK
PARKER	KATHRYN	1518 NINTH ST	MOUNDSVILLE WV 26041	SUPPLY COMMISSIONER
STAHL	RAE	1009 FIFTH ST	MOUNDSVILLE WV 26041	ELECTION COMMISSIONER
BAKER	JUDY	RD 3 BOX 299	MOUNDSVILLE WV 26041	POLL CLERK
COX	CYNTHIA	1814 VIRGINIA ST	MOUNDSVILLE WV 26041	ELECTION COMMISSIONER
PRICE	JAMES	1410 4TH ST	MOUNDSVILLE WV 26041	POLL CLERK
STEPHENS	JESSE	1203 3RD ST	MOUNDSVILLE WV 26041	SUPPLY COMMISSIONER
WRIGHT	WILLIAM	608 JEFFERSON AVE	GLEN DALE WV 26038	POLL CLERK
BLAKE	BECKY	205 BIRCH AVE	MOUNDSVILLE WV 26041	POLL CLERK
COX	JACQUELINE	1223 SECOND ST	MOUNDSVILLE WV 26041	ELECTION COMMISSIONER
FEDORKE	KATHY	RD 5 BOX 140	MOUNDSVILLE WV 26041	ELECTION COMMISSIONER
HOLPP	ANN	RD 4 BOX 82	MOUNDSVILLE WV 26041	SUPPLY COMMISSIONER
WILSON	REED	609 WOODRIDGE DR	GLEN DALE WV 26038	POLL CLERK
HUBBS	MILDRED	26 COVERT ST	MOUNDSVILLE WV 26041	ELECTION COMMISSIONER
KINNEY	DALE	1525 7TH ST	MOUNDSVILLE WV 26041	ELECTION COMMISSIONER
LOY	PATTY	1525 7TH ST	MOUNDSVILLE WV 26041	SUPPLY COMMISSIONER
LOY	ALICE	1410 4TH ST	MOUNDSVILLE WV 26041	POLL CLERK
STEPHENS	MARLENE	416 SHORT POPLAR A	MOUNDSVILLE WV 26041	POLL CLERK
BONAR	GLADYS	8 PRIMROSE ST	MOUNDSVILLE WV 26041	POLL CLERK
DOBBS	THELMA	223 SANDY AVE	MOUNDSVILLE WV 26041	SUPPLY COMMISSIONER
GITLIN	SUE	107 BLANEY AVE	MOUNDSVILLE WV 26041	ELECTION COMMISSIONER
MARL	ALLISON	RD 3 BOX 331	MOUNDSVILLE WV 26041	ELECTION COMMISSIONER
PAYNE	PEGGY	44 FOSTORIA AVE	MOUNDSVILLE WV 26041	ELECTION COMMISSIONER
GAMBLE	BOB	2005 MEIGHEN AVE	MOUNDSVILLE WV 26041	SUPPLY COMMISSIONER
MCHENRY	KATHY	RD 3 BOX 331	MOUNDSVILLE WV 26041	POLL CLERK
PAYNE	SHARON	16 N HIGHLAND AVE	MOUNDSVILLE WV 26041	ELECTION COMMISSIONER
SCALES	MARJORIE	RD 4 BOX 399	MOUNDSVILLE WV 26041	POLL CLERK
SMITH	CODY	16 POTOMAC ST	MOUNDSVILLE WV 26041	POLL CLERK
DOYLE	CAROL	RD 3 BOX 4A	MOUNDSVILLE WV 26041	POLL CLERK
HARTZELL	CYNTHIA	309 S HIGHLAND AVE	MOUNDSVILLE WV 26041	SUPPLY COMMISSIONER
MENENDEZ	MARY MARGARET	rd 4 box 364-1 Ridgevie	MOUNDSVILLE WV 26041	ELECTION COMMISSIONER
RINE	CLARA	1 MELBA TERRACE	MOUNDSVILLE WV 26041	ELECTION COMMISSIONER
ROBINSON	NANCY	RD 1 BOX 389	MOUNDSVILLE WV 26041	POLL CLERK
EMERY				

FILE

GAMBLE	LORETTA	RD 3 BOX 390A	MOUNDSVILLE WV 26041	SUPPLY COMMISSIONER
HEATH	ELEN (IONA)	RD 1 BOX 402	MOUNDSVILLE WV 26041	ELECTION COMMISSIONER
KESTNER	CLARICE	RT 1 BOX 344AA	MOUNDSVILLE WV 26041	POLL CLERK
LOGSDON	JUDITH	RD 1 BOX 332	MOUNDSVILLE WV 26041	ELECTION COMMISSIONER
BUCHANAN	DONNA	7 ZITKO TERR	GLEN DALE WV 26038	POLL CLERK
FILTER	MARY	639 6TH ST	GLEN DALE WV 26038	SUPPLY COMMISSIONER
PAITH	REGINA	314 WHEELING AVE	GLEN DALE WV 26038	ELECTION COMMISSIONER
TYLER	SHIRLEY	1712 CENTER ST	MOUNDSVILLE WV 26041	ELECTION COMMISSIONER
ZELINSKI	DONNA	315 3RD ST	GLEN DALE WV 26038	POLL CLERK
BORSUK	FRAN	328 2ND ST	GLEN DALE WV 26038	ELECTION COMMISSIONER
BROOKOVER	JANICE	111 OLIVE AVE	MOUNDSVILLE WV 26041	POLL CLERK
EPIFANO	MARY	202 GLENVIEW DR	GLEN DALE WV 26038	SUPPLY COMMISSIONER
HORNER	ARELENA	RD 1 BOX 396	MOUNDSVILLE WV 26041	ELECTION COMMISSIONER
SUTTON	THOMAS	300 7TH ST	GLEN DALE WV 26038	POLL CLERK
CALDWELL	KATHERN	1403 7TH ST	MOUNDSVILLE WV 26041	POLL CLERK
CARNEY	NANCY	RT 4 BOX 126	MOUNDSVILLE WV 26041	ELECTION COMMISSIONER
HANKET	LEXIE	236 CURTIS AVE	MOUNDSVILLE WV 26041	ELECTION COMMISSIONER
HEWITT	SANDRA	35 STEWART ST	MOUNDSVILLE WV 26041	SUPPLY COMMISSIONER
STERN	MARGARET	1415 9TH ST	MOUNDSVILLE WV 26041	POLL CLERK
HOOKER	NELSON	421 CLINTON AVE	MOUNDSVILLE WV 26041	ELECTION COMMISSIONER
HOOKER	CAROLYN	425 CLINTON AVE	MOUNDSVILLE WV 26041	SUPPLY COMMISSIONER
MENENDEZ	PENNY	RD 2 BOX 60	MOUNDSVILLE WV 26041	ELECTION COMMISSIONER
MYSLIWIEC	MILDRED	2419 2ND ST	PROCTOR WV 26055	POLL CLERK
RICHMOND	STEPHANIE	209 POPLAR AVE	MOUNDSVILLE WV 26041	ELECTION COMMISSIONER
BROWN	PAM	P O BOX 982	MOUNDSVILLE WV 26041	POLL CLERK
CARNEY	RONALD	RD 2 BOX 317	MOUNDSVILLE WV 26041	SUPPLY COMMISSIONER
CARNEY	GLENNA	RD 2 BOX 317	MOUNDSVILLE WV 26041	ELECTION COMMISSIONER
HEWITT	PHYLLIS	16 HICKORY AVE	MOUNDSVILLE WV 26041	ELECTION COMMISSIONER
NELSON	DOLLY	2916 BRENTWOOD AV	MOUNDSVILLE WV 26041	ELECTION COMMISSIONER
FETTY	JUDY	508B BOGGS RUN RD	MOUNDSVILLE WV 26041	POLL CLERK
KUBANCIK	RITA	521 BOGGS RUN RD	BENWOOD WV 26031	SUPPLY COMMISSIONER
MORRIS	MARTHA	548 BOGGS RUN RD	BENWOOD WV 26031	ELECTION COMMISSIONER
PARKER	LILLIAN	612 BOGGS RUN RD	BENWOOD WV 26031	ELECTION COMMISSIONER
ZEIGLER	DOROTHY	545 BOGGS RUN RD	BENWOOD WV 26031	POLL CLERK
ANDERSON	RUTH ANN	1445 SUNSET LANE	BENWOOD WV 26031	POLL CLERK
DINGER	BLANCHE	45 ROOSEVELT AVE	GLEN DALE WV 26038	POLL CLERK
LINBARGAER	VIRGINIA	4807 EOFF ST	45 ROOSEVELT AVE BENW	POLL CLERK
			BENWOOD WV 26031	SUPPLY COMMISSIONER

RESZCZYNSKI	BLANCHE	4832 EOFF ST	BENWOOD WV 26031	ELECTION COMMISSIONER
ANDERSON	KENNETH	1445 SUNSET LANE	GLEN DALE WV 26038	SUPPLY COMMISSIONER
GILL	DONALD	1407 CENTER ST	MOUNDSVILLE WV 26041	POLL CLERK
HUSS	LORETTA JEAN	917 OLD FAIRMONT PI	WHEELING WV 26003	ELECTION COMMISSIONER
MARKOWICZ	MARTINA	3 HALL ST	WHEELING WV 26003	POLL CLERK
WILSON	SANDEE	12 MOZART MEADOW:	WHEELING WV 26003	ELECTION COMMISSIONER
AVDAKOV	GREGORY	41 SUN VALLEY	GLEN DALE WV 26038	ELECTION COMMISSIONER
BENSON	COLLEEN	RD 3 BOX 222C	WHEELING WV 26003	POLL CLERK
CHRISTMAN	DELORIS	20 MOZART MEADOW:	WHEELING WV 26003	ELECTION COMMISSIONER
SAVOLDI	HELEN	1408 HIGH ST	BENWOOD WV 26031	SUPPLY COMMISSIONER
SCHOTT	MARGE	208 JEFFERSON AVE	GLEN DALE WV 26038	POLL CLERK
BAKER	NANCY	1029 GRANDVIEW RD	GLEN DALE WV 26038	SUPPLY COMMISSIONER
OTTE	JANE	1014 MARKEY LN	GLEN DALE WV 26038	ELECTION COMMISSIONER
WILLIAMS-FISH	MARY	1201 GRANDVIEW RD	GLEN DALE WV 26038	POLL CLERK
WISEMAN	WILLIAM	RD 4 BOX 376	CAMERON WV 26033	ELECTION COMMISSIONER
WISEMAN	MARTHA	RD 4 BOX 376	CAMERON WV 26033	POLL CLERK
BRAUTIGAN	VIRGINIA	1970 SESAME ST	GLEN DALE WV 26038	SUPPLY COMMISSIONER
HUMMEL	JEAN ANN	4873 EOFF ST	BENWOOD WV 26031	ELECTION COMMISSIONER
MAXWELL	HELEN	42 SEVENTH ST	MCMEECHEN WV 26040	ELECTION COMMISSIONER
MAXWELL	PAUL	42 SEVENTH ST	MCMEECHEN WV 26040	POLL CLERK
MHALOVICH	GERTRUDE	434 MCMEECHEN ST	BENWOOD WV 26031	POLL CLERK
BRAUTIGAN	FRED	1970 SESAME ST	GLEN DALE WV 26038	POLL CLERK
GORDON	JOYCE	320 E BALTIMORE AVE	MCMEECHEN WV 26040	ELECTION COMMISSIONER
HENRY	CONNIE	610 WATER ST	BENWOOD WV 26031	POLL CLERK
PLYLE	JEAN ANN	714 GRANT ST	MCMEECHEN WV 26040	ELECTION COMMISSIONER
RENZELLA	ELSI E	2021 HIGH ST	BENWOOD WV 26031	SUPPLY COMMISSIONER
BUTLER	BRENDA	RD 4 BOX 381	CAMERON WV 26033	POLL CLERK
DOBBS	GARY BRENT	16 MAPLE AVE	CAMERON WV 26033	POLL CLERK
GREGORY	CHARLES	2 HIGHLAND HTS	WHEELING WV 26003	ELECTION COMMISSIONER
MURPHY	BONNIE	RD 3 BOX 242B	WHEELING WV 26003	ELECTION COMMISSIONER
TICHNELL	MARY ANN	RD 3 BOX 422	MOUNDSVILLE WV 26041	SUPPLY COMMISSIONER
BRAUTIGAN	KEITH	1115 LINCOLN ST	MCMEECHEN WV 26040	POLL CLERK
FULLERTON	CONNIE	2513 2ND ST	MOUNDSVILLE WV 26041	ELECTION COMMISSIONER
HORNER	AARON	RD 1 BOX 396	MOUNDSVILLE WV 26041	POLL CLERK
JOHNSON	LEONA F	2200 MARSHALL ST	AF BENWOOD WV 26031	ELECTION COMMISSIONER
RAYL	FRANCES	925 OLD FAIRMONT PI	WHEELING WV 26003	SUPPLY COMMISSIONER
KLUG	SANDRA K	RD 3 BOX 161	WHEELING WV 26003	SUPPLY COMMISSIONER

KLUG	KARMAN	RT 3 BOX 161	WHEELING WV 26003	POLL CLERK
MORRIS	JOSEPH	RD 3 BOX 546	WHEELING WV 26003	POLL CLERK
MOSA	STEPHANIE	RD 3 BOX 546	WHEELING WV 26003	ELECTION COMMISSIONER
RENZELLA	PATRICIA	1519 MARSHALL LN	GLEN DALE WV 26038	ELECTION COMMISSIONER
BENNET	JACKIE	314 MARSHALL ST	MCMECHEN WV 26040	ELECTION COMMISSIONER
CORVINO	DEBBIE	41 9TH ST	MCMECHEN WV 26040	SUPPLY COMMISSIONER
KRAMERICK	BRENDA	209 THORN AVE	MOUNDSVILLE WV 26041	POLL CLERK
POLINELLI	INA	1109 MARSHALL ST	MCMECHEN WV 26040	ELECTION COMMISSIONER
WOLFE	ELIZABETH	1109 LOGAN ST	MCMECHEN WV 26040	POLL CLERK
JOHNSON	LINDA	105 MAPLE AVE	MOUNDSVILLE WV 26041	POLL CLERK
LONG	HARRY	302 12TH ST	GLEN DALE WV 26038	SUPPLY COMMISSIONER
LONG	SHIRLEY	302 12TH ST	GLEN DALE WV 26038	ELECTION COMMISSIONER
TATAR	ERMA	54 SCHUBERTS LN	WHEELING WV 26003	POLL CLERK
WILSON	SUSAN	2904 CAPEWOOD CT	MOUNDSVILLE WV 26041	ELECTION COMMISSIONER
DAGUE	MAJORIE	901 LOCUST LN	GLEN DALE WV 26038	ELECTION COMMISSIONER
DEFIBAUGH	DORIS	495 BENWOOD HILL R	BENWOOD WV 26031	POLL CLERK
HUSS	CECIL	917 OLD FAIRMONT PI	WHEELING WV 26003	SUPPLY COMMISSIONER
ROGERSON	KENNETH	2100 GRANDVIEW RD	GLEN DALE WV 26038	ELECTION COMMISSIONER
ROGERSON	HAZEL	2100 GRANDVIEW RD	GLEN DALE WV 26038	POLL CLERK
COFFIELD	BETTY	RD 1 BOX 473	MOUNDSVILLE WV 26041	POLL CLERK
FRANCIS	BEVERLY JEAN	RD 1 BOX 467	MOUNDSVILLE WV 26041	SUPPLY COMMISSIONER
GAMBLE	EVELYN	RD 3 BOX 388	MOUNDSVILLE WV 26041	ELECTION COMMISSIONER
HIGINBOTHAM	VERCHIE	RD 3 BOX 386	MOUNDSVILLE WV 26041	ELECTION COMMISSIONER
PETTIT-FOX	MYRTLE	RT 4 BOX 98A	MOUNDSVILLE WV 26041	POLL CLERK
CAIN	ANN	RD 4 BOX 251	CAMERON WV 26033	ELECTION COMMISSIONER
DOMAN	HELEN	RD 4 BOX 81	CAMERON WV 26033	SUPPLY COMMISSIONER
HOFFMAN	CHER	RD 3 BOX 384	CAMERON WV 26033	POLL CLERK
SHIPMAN	DAVID	RT 4 BOX 255	CAMERON WV 26033	ELECTION COMMISSIONER
WISEMAN	LAURA LEE	RD 4 BOX 84	CAMERON WV 26033	POLL CLERK
MURRIN	NANCY	P O BOX 187	DALLAS WV 26036	ELECTION COMMISSIONER
SHAW	DELORES	RD 1 BOX 98	DALLAS WV 26036	ELECTION COMMISSIONER
SUPLER	ANN	RD 1 BOX 4	DALLAS WV 26036	POLL CLERK
ULLOM	DONNA	RD 1 BOX 100	DALLAS WV 26036	POLL CLERK
ULLOM	PAULA	RD 1 BOX 9A	DALLAS WV 26036	SUPPLY COMMISSIONER
DOBBS	ROSE	RD 4 BOX 347	CAMERON WV 26033	POLL CLERK
GREGORY	DONNA	RD 2 BOX 800	WHEELING WV 26003	SUPPLY COMMISSIONER
GUMP	KAPRIEL	RD 2 BOX 202	MOUNDSVILLE WV 26041	ELECTION COMMISSIONER

ROHM	KATHY	RD 1 BOX 57	DALLAS WV 26036	POLL CLERK
WESTFALL	DELLA J	305 ROBERTS AVE	WHEELING WV 26003	ELECTION COMMISSIONER
ANDERSON	JACKIE	RD 5 BOX 607	CAMERON WV 26033	POLL CLERK
CROW	PATRICIA	RD 5 BOX 178	CAMERON WV 26033	ELECTION COMMISSIONER
ELSON	DEBORAH	RD 5 BOX 210	CAMERON WV 26033	SUPPLY COMMISSIONER
STERN	WINIFRED	RD 5 BOX 608	CAMERON WV 26033	ELECTION COMMISSIONER
STERN	KAREN	RD 5 BOX 609	CAMERON WV 26033	POLL CLERK
CRAWFORD	DONNA	RD 1	GLEN EASTON WV 26039	POLL CLERK
DOLGOVSKIJ	BONNIE	RD 1 BOX 75AA	GLEN EASTON WV 26039	ELECTION COMMISSIONER
HARRIS	VELMA	RD 1 BOX 82A	GLEN EASTON WV 26039	SUPPLY COMMISSIONER
JORDON	GEORGIE	RD 1 BOX 75B	GLEN EASTON WV 26039	POLL CLERK
MINOR	KELLY	RR 5 BOX 129	CAMERON WV 26033	ELECTION COMMISSIONER
HIGGINBOTHAM	KAREN	RD 2 BOX 236B	MOUNDSVILLE WV 26041	ELECTION COMMISSIONER
MCCLURE	CECELIA	RD 2 BOX 157Z	PROCTOR WV 26055	POLL CLERK
RINE	DEBRA	RD 2 BOX 102	PROCTOR WV 26055	ELECTION COMMISSIONER
WHITFIELD	IMOGENE	RD 2 BOX 197	MOUNDSVILLE WV 26041	SUPPLY COMMISSIONER
WILLIAMS	LINDA	RD 2 BOX 192	MOUNDSVILLE WV 26041	POLL CLERK
DANTRESSY-GILL	KATHERINE R	1407 CENTER ST	MOUNDSVILLE WV 26041	SUPPLY COMMISSIONER
HOLMES	DIANE	1104 WEAVER AVE	MOUNDSVILLE WV 26041	POLL CLERK
SIMMONS	ROGER	RR 3 BOX 23	MOUNDSVILLE WV 26041	ELECTION COMMISSIONER
TUCKER-FOX	KIM	14 LOCUST AVE	MOUNDSVILLE WV 26041	POLL CLERK
WHETZEL	DIANE	1109 EIGHTH ST	MOUNDSVILLE WV 26038	ELECTION COMMISSIONER
HUBBS	CAROL	609 WOODRIDGE DR	GLEN DALE WV 26038	SUPPLY COMMISSIONER
HUSTEAD	CAROL	37 LINDEN AVE	MOUNDSVILLE WV 26041	ELECTION COMMISSIONER
WILLIAMSON	BARBARA	RD 3 BOX 121	MOUNDSVILLE WV 26041	POLL CLERK
WILLIAMSON	BRENDA	RR 1 BOX 181A	GLEN EASTON WV 26039	ELECTION COMMISSIONER
WILSON	RUBIE	136 PEARL ST	MOUNDSVILLE WV 26041	POLL CLERK
CHAPLIN	ELLA BEA	RD 2 BOX 159	MOUNDSVILLE WV 26041	POLL CLERK
LAMBERT	MARY	RD 4 BOX 358	PROCTOR WV 26055	SUPPLY COMMISSIONER
MYERS	PAM	211 GRANT AVE	MOUNDSVILLE WV 26041	ELECTION COMMISSIONER
ROBERTS	CAROLYN	RD 4 BOX 138	MOUNDSVILLE WV 26041	POLL CLERK
TRIBETT	NETTIE	RD 4 BOX 285	MOUNDSVILLE WV 26041	POLL CLERK
CAIN	ROSEMARY	RD 5 BOX 244	MOUNDSVILLE WV 26041	ELECTION COMMISSIONER
CHAMBERS	MARTHA	RD 5 BOX 236	CAMERON WV 26033	ELECTION COMMISSIONER
EARNEST	JAN	RD 5 BOX 247	CAMERON WV 26033	POLL CLERK
MACKEY	KATHLEEN	RD 5 BOX 272	CAMERON WV 26033	SUPPLY COMMISSIONER
QUIGLEY	ELLEN	RD 5 BOX 213	CAMERON WV 26033	POLL CLERK

ARRUDA	RENEE	RD 2 BOX 140B	PROCTOR WV 26055	POLL CLERK
NEELY	CAROL	RD 2 BOX 65	PROCTOR WV 26055	ELECTION COMMISSIONER
RIGGENBACH	SHARON	RD 2 BOX 43B	PROCTOR WV 26055	ELECTION COMMISSIONER
ROBBINS	DIANA	RD 2 BOX 147	PROCTOR WV 26055	SUPPLY COMMISSIONER
YOHO	MARY	RD 2 BOX 64	PROCTOR WV 26055	POLL CLERK
ALLEN	SHIRLEY	RD 5 BOX 6	CAMERON WV 26033	SUPPLY COMMISSIONER
ANDERSON	JOY C	78 HIGH ST	CAMERON WV 26033	POLL CLERK
SCOTT	SALLY	RD 3 BOX 108	CAMERON WV 26033	ELECTION COMMISSIONER
STRAIT	TRACEY	RD 5 BOX 502	CAMERON WV 26033	ELECTION COMMISSIONER
WENDT	CAROLYN	RD 3 BOX 121	CAMERON WV 26033	POLL CLERK
CHAMBERS	JEAN	57 HOWARD ST	CAMERON WV 26033	ELECTION COMMISSIONER
LAHEW	LORENA	P O BOX 73	CAMERON WV 26033	SUPPLY COMMISSIONER
O'NEIL	BONITA	RD 1 BOX 131A	GLEN EASTON WV 26039	POLL CLERK
RIGGS	BETTY	31 NORTH AVE	GLEN EASTON WV 26033	ELECTION COMMISSIONER
THOMAS	DEBBIE	RD 1 BOX 7A	GLEN EASTON WV 26039	POLL CLERK
DOTY	LINDA	PO BOX 142	GLEN EASTON WV 26039	POLL CLERK
GARDNER	CAROL	RD 3 BOX 62A	MOUNDSVILLE WV 26041	SUPPLY COMMISSIONER
HINERMAN	JUDY	PO BOX 214	GLEN EASTON WV 26039	ELECTION COMMISSIONER
SIMMONS	MELINDA	RD3 BOX 123AA	MOUNDSVILLE WV 26041	POLL CLERK
WHYTE	BRITNEY	RD 3 BOX 277B	CAMERON WV 26033	ELECTION COMMISSIONER
CUNNINGHAM	MARY	RD 3 BOX 373	CAMERON WV 26033	POLL CLERK
MCELWEE	SALLY	52 MAPLE AVE	CAMERON WV 26033	POLL CLERK
WHYTE	REEDA	RD 3 BOX 277B	CAMERON WV 26033	SUPPLY COMMISSIONER
WRIGHT	BEVERLY	RD 4 BOX 435A	CAMERON WV 26033	ELECTION COMMISSIONER
WRIGHT	RELEDA	35 GABLE AVE	CAMERON WV 26033	ELECTION COMMISSIONER
GARRISON	RUTH	406 POPLAR AVE	MOUNDSVILLE WV 26041	ELECTION COMMISSIONER
GARRISON	LACIE	406 POPLAR AVE	MOUNDSVILLE WV 26041	POLL CLERK
GARRISON	CHARLES	406 POPLAR AVE	MOUNDSVILLE WV 26041	SUPPLY COMMISSIONER
GONCHOFF	REGINA	RD 5 BOX 50	MOUNDSVILLE WV 26041	POLL CLERK
LIGHTNER	LINDA	2400 SECOND ST	MOUNDSVILLE WV 26041	ELECTION COMMISSIONER
CROW	RUTH	RD 5 BOX 306	MOUNDSVILLE WV 26041	POLL CLERK
CROW	DORA MAE	RD 5 BOX 277	MOUNDSVILLE WV 26041	SUPPLY COMMISSIONER
HUPP	CONNIE	RD 5 BOX 262	MOUNDSVILLE WV 26041	ELECTION COMMISSIONER
TASKALINES	MARY ANN	1907 MEIGHEN AVE	MOUNDSVILLE WV 26041	ELECTION COMMISSIONER
WITZGALL	MAXINE	RR 5 BOX 322	MOUNDSVILLE WV 26041	POLL CLERK
CLARK	CAROL	RD 2 BOX 138A	MOUNDSVILLE WV 26041	POLL CLERK
GRAY	JOAN	1027 GRANDVIEW RD	GLEN DALE WV 26038	ELECTION COMMISSIONER

MCWHORTER LORRAINE 1011 GRANDVIEW RD GLEN DALE WV 26038 ELECTION COMMISSIONER
SCHOENE NORMA 316 1ST ST GLEN DALE WV 26038 SUPPLY COMMISSIONER
WOODS SANDRA 2113 7TH ST MOUNDSVILLE WV 26041 POLL CLERK
LAST FIRST ST CITY POS

MARTIN VIRGINIA 22 - 21ST ST REAR MCMECHEN WV 26040

WEST VIRGINIA, MARSHALL COUNTY, SCT:

I, JAN PEST, CLERK OF THE COUNTY COMMISSION, OF SAID COUNTY, DO HEREBY CERTIFY THAT THE FOREGOING WRITING IS A TRUE AND CORRECT COPY AS APPEARS IN MY OFFICE AS FILED FOR THE 2006 GENERAL ELECTION. GIVEN UNDER MY HAND THIS 7th DAY OF DECEMBER, 2006.



CLERK OF THE COUNTY COMMISSION
By:  Deputy

FILE

**BOARD OF CANVASSERS' CERTIFICATE OF VOTES
CAST**

FOR CANDIDATES AT THE GENERAL ELECTION

Office of County Commission
Marshall County, West Virginia

The Board of Canvassers of the County of Marshall, State of West Virginia,
having carefully and impartially examined the returns of the Election held in
said County, in each District thereof, on the 7TH day of November, 2006, do
hereby certify that in said County on the **SCHOOL BOND ELECTION**

FOR THE BOND ISSUE received	
Five thousand, five hundred one	(5,501)
AGAINST THE BOND ISSUE received	
Five thousand, two hundred ninety-two	(5,292)

Given under our hands this 1st day of December, 2006.

Jason E. Pech

Donald K. Mason

H. L. Byard

WEST VIRGINIA, MARSHALL COUNTY, SCT.:

I, JAN PEST, Clerk of the County Commission, of said County, do hereby certify that the foregoing writing is a true and correct copy as appears of record in my office in as filed Book No. _____ at Page No. _____, of said records.

Given under my hand this 5th day of December, 2006.

Jan Pest
Clerk of the County Commission

FILE

**MARSHALL COUNTY BOARD OF EDUCATION
RESOLUTION AND ORDER DIRECTING ISSUANCE OF BONDS**

WHEREAS, the Board of Education of the County of Marshall (the "Issuer"), has heretofore, on the 8th day of August 2006, made and entered of record an order upon the question of authorizing bonds in the amount of Twenty-seven Million Nine Hundred Thousand Dollars (\$27,900,000) to be issued and sold for the purpose of providing funds for making certain improvements in Marshall County School District (the "District");

WHEREAS, partially in pursuance of said order an election was held on the 7th day of November 2006, 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 Marshall County, sitting as The Board of Canvassers of the County of Marshall, on the 4th day of December 2006 was 5,501 votes for and 5,292 votes against the issuance of said bonds; so that more than fifty percent (50%) of the voters, to wit, fifty and ninety-seven hundredths percent (50.97%) voting upon said proposition 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 MARSHALL AS FOLLOWS:

1. Bonds in the aggregate principal amount of \$27,900,000 (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 inhabitants of the District. Upon completion of the Project and payment therefore 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 Bonds of this proposed issue outstanding at a price of not more than the par value thereof plus accrued interest to the date of such purchase 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 six and ninety-five hundredths percent (6.95%) per annum, payable semiannually, on May and November 1, commencing November 1, 2007, but it is hoped that the best bid for the Bonds will provide a lower interest rate (which might result in somewhat lower levy rates needed to pay the Bonds and the interest thereon), and the Bonds shall be payable in the principal amounts and shall mature as follows:

Bonds in the amount of \$1,115,000 due and payable May 1, 2008;
Bonds in the amount of \$1,190,000 due and payable May 1, 2009;
Bonds in the amount of \$1,275,000 due and payable May 1, 2010;
Bonds in the amount of \$1,365,000 due and payable May 1, 2011;
Bonds in the amount of \$1,460,000 due and payable May 1, 2012;
Bonds in the amount of \$1,560,000 due and payable May 1, 2013;
Bonds in the amount of \$1,665,000 due and payable May 1, 2014;
Bonds in the amount of \$1,785,000 due and payable May 1, 2015;
Bonds in the amount of \$1,910,000 due and payable May 1, 2016;
Bonds in the amount of \$2,040,000 due and payable May 1, 2017;
Bonds in the amount of \$2,180,000 due and payable May 1, 2018;
Bonds in the amount of \$2,335,000 due and payable May 1, 2019;
Bonds in the amount of \$2,495,000 due and payable May 1, 2020;
Bonds in the amount of \$2,670,000 due and payable May 1, 2021;
Bonds in the amount of \$2,855,000 due and payable May 1, 2022;

3. 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 redemption price or prices to be set forth in the Notice of Sale of 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.

Whenever the Bonds shall be redeemed in part, in case a fully registered Bond is a denomination larger than \$5,000, a portion of such fully registered Bond (\$5,000 or any integral multiple thereof) may be redeemed, but the Bonds shall be redeemed only in the principal amount of \$5,000 each or any integral multiple thereof.

Notice of the call for any such redemption identifying the Bonds to be redeemed shall be promulgated by the Paying Agent, as defined below, at the request of and on behalf and in the name of the Issuer by mailing a copy of the redemption notice by registered or certified mail at least thirty (30) days prior to the Date of Redemption to the registered owner of each Bond to be redeemed at the address shown on the registration books. Failure to give such notice by mailing, or any defect therein, shall not affect the validity of any proceedings for the redemption of Bonds.

Prior to the Date of Redemption, cash funds shall be placed with the Paying Agent to pay the principal amount of Bonds called, accrued interest thereon to the Date of Redemption and the required premium, if any. Upon the happening of the above conditions, the Bonds or portions thereof so designated for redemption shall become and be due and payable on the Date of Redemption at the applicable redemption price hereinabove specified, and from and after said date, unless default shall be made in the payment of the Bonds or portions thereof so designated for redemption shall cease to accrue and interest coupons maturing after the Date of Redemption shall become void, and the same shall not be deemed to be outstanding.

Upon surrender of any Bond for redemption in part only, the designated Registrar shall authenticate and deliver to the holder thereof, a new Bond or Bonds of authorized denominations in aggregate principal amount equal to the unredeemed portion of the Bond surrendered, such Bonds to be fully registered Bonds.

4. Both the Bonds and the interest thereon shall be payable in lawful money of the United States of America at the Office of State Treasurer of West Virginia (the "Paying Agent"), as agent for 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 maturity.
5. The Bonds shall be issued under the five percent (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 fifteen (15) years, or 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.
6. It is hereby found and determined by the Issuer that the aggregate amount of such Bonds, to wit, Twenty-seven Million Nine Hundred Thousand Dollars (\$27,900,000) together with all other bonds of the District currently outstanding, there being none, does not exceed or violate any provisions or limitations in any manner provided by the School Bond Amendment and the Better Schools Amendment.

7. 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."
8. 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, 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 B", shall have been manually executed by the duly appointed registrar for the Bonds (the "Registrar").
9. 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 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.
10. 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 of the Bonds ("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 hand 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 Resolution and Order. All Bonds surrendered in any such exchanges or transfers shall forthwith be canceled 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 obligated 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.

11. The Issuer shall assure that (i) not in excess of ten percent (10%) of the Net Proceeds of the Bonds are used for Private Business Use if, in addition, the payment of more than ten percent (10%) of the principal or ten percent (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 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 five percent (5%) of the Net Proceeds of the Bonds are used for a Private Business Use, and (B) in excess of five percent (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 five percent (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, 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.
12. The Issuer shall assure that not in excess of five percent (5%) of the Net Proceeds of the Bonds are used, directly or indirectly, to make or finance a loan (other than loans constituting Non-purpose Investments) to persons other than state or local government units.
13. The Issuer shall not take any action or permit or suffer any action to be taken, the result of which would be to cause the Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Internal Revenue Code of 1986, as amended, or any successor provision (the "Code"), and Regulations promulgated thereunder.

14. 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.
15. 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 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.
16. 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.
17. 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.
18. 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 general election held on the 7th day of November 2006, 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 and do further acts as may legally be required by any individual or corporate purchaser of the Bonds hereby authorized or any of them.
19. Before offering the Bonds hereby authorized for sale, they shall first be advertised as required by Section 21, Article 1, Chapter 13 of the Code of West Virginia, and the officers of the Issuer are hereby authorized to place such advertisement as required thereby.

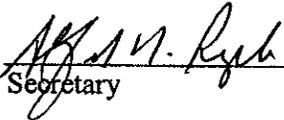
20. This Resolution and Order shall be effective immediately upon its adoption and entry of record.

Adopted and entered of record this 12th day of December 2006.

THE BOARD OF EDUCATION
OF THE COUNTY OF MARSHALL



President



Secretary

EXHIBIT "A"

FORM OF A BOND

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA

THE BOARD OF EDUCATION OF THE COUNTY OF MARSHALL
PUBLIC SCHOOL BONDS, SERIES 2007
(WEST VIRGINIA)

NO. R-_____	MATURITY DATE	BOND DATE	\$ _____
INTEREST RATE	May 1, _____	_____, 2007	CUSIP
_____%			_____

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____ AND 00/100 DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That THE BOARD OF EDUCATION OF THE COUNTY OF MARSHALL, Marshall County, West Virginia, a public corporation created and existing under the laws of the State of West Virginia (the "Board"), 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 preceding the date of authentication hereof or, if authenticated after the date preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date (as hereinafter defined) or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, at the Interest Rate per annum specified above, semiannually, on May 1 and November 1 in each year, beginning November 1, 2007 (each an "Interest Payment Date"). The Treasurer of the State of West Virginia has designated the West Virginia Municipal Bond Commission, Charleston, West Virginia as paying agent for the Bonds (the "Paying Agent"). [_____] [_____] West Virginia has been designated as registrar for the Bonds (the "Registrar"). The principal of this Bond is payable in any coin or currency which, on the date of payment thereof, is legal tender for the payment of public and private debts under the laws of the United States of America at the principal office of the [_____] in [_____] West Virginia; and interest on this Bond is payable by check or draft, mailed to the Registered Owner at his address as it appears on the books of the Registrar on the 15th day of the month next preceding said Interest Payment Date (the "Record Date").

The Bonds maturing on or after May 1, 2018, are subject to redemption on or after May 1, 2017, at the option of the Board, in whole at any time or in part on any interest payment date, from any moneys available for such purpose, at the applicable Redemption Price of 100% of principal amount to be so redeemed, plus interest, if any, accrued to the date fixed for redemption.

In the event of such optional redemption, the Board may direct the maturity or maturities of the Bonds and the amounts thereof to be redeemed, provided that the Bonds will be redeemed in whole multiples of \$5,000 in principal amount and in the minimum principal amount of \$50,000.

REFERENCE IS HEREBY MADE TO THE FURTHER PROVISIONS OF THIS BOND SET FORTH ON THE REVERSE HEREOF, WHICH FURTHER PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS IF SET FORTH HEREIN.

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 Board 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 said levies do not exceed any constitutional or statutory limitations; and that the amount of this Bond, together with all other indebtedness of the Board, does not exceed any statutory or constitutional limitation thereon.

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

The Board has covenanted in the Resolution and Order described on the reverse hereof that it shall include in its budget the amount of the debt service for each fiscal year of the Board 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.

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.

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 Board 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 Resolution and Order nor shall it be valid, obligatory or enforceable for any purpose until the Certificate of Authentication and Registration shall have been signed by the Paying Agent.

IN WITNESS WHEREOF, THE BOARD OF EDUCATION OF THE COUNTY OF MARSHALL 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 Resolution and Order, and has caused this Bond to be dated as of the Bond Date specified above.

THE BOARD OF EDUCATION
OF THE COUNTY OF MARSHALL

(SEAL)

President

Secretary

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, 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 Bowles Rice McDavid Graff & Love LLP, 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.

Dated: _____, 2007.

As Registrar

By: _____
Vice President and Trust Officer

FURTHER PROVISIONS

This Bond is one of a series of bonds of the Board designated as "Public School Bonds, Series 2007" (the "Bonds"), issued by the Board in the aggregate principal amount of Twenty-seven Million Nine Hundred Thousand Dollars (\$27,900,000). The Bonds were authorized to be issued by a majority of voters at a general election held on November 7, 2006. 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 (the "Resolution and Order") duly adopted by the Board for the purpose of providing funds for the acquisition, construction, renovation and other capital expenditures of twelve (12) projects as permitted by law, with all necessary appurtenances, situated in Marshall 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 amount which the transferee is entitled to receive at the earliest practicable time. The Board 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 Board 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 Board 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 Resolution, against any member, officer or employee, past, present or future, of the Board or of any successor body, as such, either directly or through the Board 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.

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.

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 Code of West Virginia of 1931, as amended, that notice of my approval hereof was published as required by Section 25 of said 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 approval 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 Marshall, a corporation, the authority issuing the same, and upon the taxable property within Marshall 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 the ____ day of _____ 2007.

Attorney General of the State of West Virginia

EXHIBIT "B"

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, 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 Bowles Rice McDavid Graff & Love LLP 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.

Dated: _____ 1, 2007

[_____] , As Registrar

By: _____
[Vice President and Trust Officer]

MAY 1, 2007

IN THE MATTER OF THE BOARD OF EDUCATION OF MARSHALL COUNTY
STATE OF WEST VIRGINIA
\$27,900,000.00
PUBLIC SCHOOL BOND, SERIES 2007

ATTORNEY GENERAL'S APPROVAL

At a regular meeting of the Board of Education of the County of Marshall, State of West Virginia, held on the 8th day of August 2006, an order was adopted and entered of record authorizing a vote to be taken of legal voters of the County of Marshall at a general election to be held on the 7th day of November 2006, upon all questions connected with the incurring of debt and issuing bonds in the aggregate principal amount of Twenty Seven Million Nine Hundred Thousand Dollars (\$27,900,000), and levying taxes to pay the interest on and the principal of said bonds, the proceeds from the sale of such bonds to be used for the following purposes:

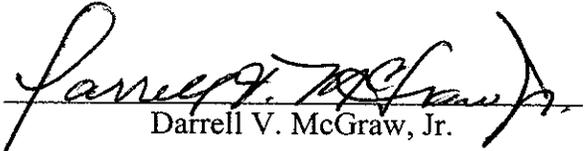
PROJECT	LOCATION	ESTIMATED COST	
Cameron Elementary School Renovate portions of building and pay all fees	Existing Cameron Elementary School, Cameron, West Virginia	Bond Funds:	\$1,197,140
Central Elementary School Multi-Use Addition 6 Classroom Addition Kitchen Addition & Renovations Selected Renovations Site Parking & Service Upgrades Property Acquisition	Existing Central Elementary School Moundsville, West Virginia	Bond Funds: SBA Grant:	\$2,033,455 \$1,800,000
McNinch Elementary School Multi-Use Addition Art/Classroom Addition(s) Kitchen Addition & Renovations Selected Renovations	Existing McNinch Elementary School McNinch, West Virginia	Bond Funds: SBA Grant:	\$2,699,798 \$1,160,000
Park View Elementary School School to be closed and building renovated for Alternative Education and construct 60' X 80' Maintenance Building	Existing Park View Elementary School Moundsville, West Virginia	Bond Funds:	\$389,146
New Elementary Acquire property and develop, construct, furnish, equip and pay all fees for a new building of approximately 45,000 S.F. to house 410 students PK-5 grades	New Elementary School Sherrard, West Virginia	Bond Funds:	\$9,507,836

PROJECT	LOCATION	ESTIMATED COST	
Moundsville Middle School 4 Classroom Addition	Existing Moundsville Middle School Moundsville, West Virginia	Bond Funds:	\$197,633
		SBA Grant:	\$660,000
Sherrard Middle School 4 Classroom Addition Cafeteria/Kitchen Addition Selected Renovations	Existing Sherrard Middle School Sherrard, West Virginia	Bond Funds:	\$1,758,276
		SBA Grant:	\$2,200,000
Cameron High School New Fieldhouse (Gymnasium) Property Acquisition Selected Renovations	New Fieldhouse – Cameron High School Existing Cameron High School Cameron, High School	Bond Funds:	\$4,654,976
		Bond Funds:	\$ 377,116
		SBA Grant:	\$2,180,000
John Marshall High School Local College Satellite Facility Selected Renovations	Existing John Marshall High School Moundsville, West Virginia	Bond Funds:	\$1,028,884
John Marshall High School Monarch Stadium Renovations J.M. Fieldhouse Renovations	Existing John Marshall High School Moundsville, West Virginia	Bond Funds:	\$2,910,288
SANFORD ELEMENTARY SCHOOL School to be closed and building demolished	Moundsville, West Virginia	Bond Funds:	\$280,000
OLD MOUNDSVILLE JUNIOR HIGH SCHOOL Old school building and old bus garage to be demolished	Moundsville, West Virginia	Bond Funds:	\$800,000
		Project Costs:	\$35,834,548
		Costs of Issuance	\$ 65,452
		SBA Funds:	<u>(\$8,000,000)</u>
		Total Proposed	
		Bond Call	\$27,900,000

The Board of Education of the County of Marshall, pursuant to the provisions of Chapter 13, Article 1, Section 25, of the West Virginia Code of 1931, as amended, has caused to be transmitted to me certified copies of all pertinent orders, ordinances, proclamations, certificates of valuation, notices, advertisements, affidavits, resolutions and records of all the proceedings connected with or pertaining to such bond issue, and I have examined the same.

It appears from the records so transmitted to me that with respect to the proposition of incurring debt and issuing bonds, as provided in said order, Five Thousand Five Hundred One (5,501) votes were cast for and Five Thousand Two Hundred Ninety Two (5,292) votes were cast against the issuance of said bonds, so that a majority of the votes were cast for the proposition.

In my opinion, there has been substantial compliance with the law relating to the issuance of said bonds, and I therefore approve the validity of such bond issue pursuant to the provisions of Chapter 13, Article 1, Section 25, of the West Virginia Code of 1931 as amended.


Darrell V. McGraw, Jr.

Charleston, West Virginia

May 1, 2007

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA

THE BOARD OF EDUCATION OF THE COUNTY OF MARSHALL
PUBLIC SCHOOL BONDS, SERIES 2007
(WEST VIRGINIA)

NO. R-1	MATURITY DATE	BOND DATE	\$1,390,000
	May 1, 2008	June 26, 2007	
INTEREST RATE			CUSIP
4.00%			572274 AZ1

REGISTERED OWNER: CEDE & CO.

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

KNOW ALL MEN BY THESE PRESENTS: That THE BOARD OF EDUCATION OF THE COUNTY OF MARSHALL, Marshall County, West Virginia, a public corporation created and existing under the laws of the State of West Virginia (the "Board"), 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 preceding the date of authentication hereof or, if authenticated after the date preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date (as hereinafter defined) or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, at the Interest Rate per annum specified above, semiannually, on May 1 and November 1 in each year, beginning November 1, 2007 (each an "Interest Payment Date"). The Treasurer of the State of West Virginia has designated the West Virginia Municipal Bond Commission, Charleston, West Virginia as paying agent for the Bonds (the "Paying Agent"). United Bank, Inc., Charleston, West Virginia has been designated as registrar for the Bonds (the "Registrar"). The principal of this Bond is payable in any coin or currency which, on the date of payment thereof, is legal tender for the payment of public and private debts under the laws of the United States of America at the principal office of the West Virginia Municipal Bond Commission in Charleston, West Virginia; and interest on this Bond is payable by check or draft, mailed to the Registered Owner at his address as it appears on the books of the Registrar on the 15th day of the month next preceding said Interest Payment Date (the "Record Date").

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA

THE BOARD OF EDUCATION OF THE COUNTY OF MARSHALL
PUBLIC SCHOOL BONDS, SERIES 2007
(WEST VIRGINIA)

NO. R-2	MATURITY DATE	BOND DATE	\$1,445,000
	May 1, 2009	June 26, 2007	
INTEREST RATE			CUSIP
4.25%			572274 BA5

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: ONE MILLION FOUR HUNDRED FORTY-FIVE THOUSAND DOLLARS AND 00/100 DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That THE BOARD OF EDUCATION OF THE COUNTY OF MARSHALL, Marshall County, West Virginia, a public corporation created and existing under the laws of the State of West Virginia (the "Board"), 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 preceding the date of authentication hereof or, if authenticated after the date preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date (as hereinafter defined) or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, at the Interest Rate per annum specified above, semiannually, on May 1 and November 1 in each year, beginning November 1, 2007 (each an "Interest Payment Date"). The Treasurer of the State of West Virginia has designated the West Virginia Municipal Bond Commission, Charleston, West Virginia as paying agent for the Bonds (the "Paying Agent"). United Bank, Inc., Charleston, West Virginia has been designated as registrar for the Bonds (the "Registrar"). The principal of this Bond is payable in any coin or currency which, on the date of payment thereof, is legal tender for the payment of public and private debts under the laws of the United States of America at the principal office of the West Virginia Municipal Bond Commission in Charleston, West Virginia; and interest on this Bond is payable by check or draft, mailed to the Registered Owner at his address as it appears on the books of the Registrar on the 15th day of the month next preceding said Interest Payment Date (the "Record Date").

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA

THE BOARD OF EDUCATION OF THE COUNTY OF MARSHALL
PUBLIC SCHOOL BONDS, SERIES 2007
(WEST VIRGINIA)

NO. R-3	MATURITY DATE	BOND DATE	\$1,505,000
	May 1, 2010	June 26, 2007	
INTEREST RATE			CUSIP
4.25%			572274 BB3

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: ONE FIVE HUNDRED FIVE THOUSAND DOLLARS AND 00/100 DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That THE BOARD OF EDUCATION OF THE COUNTY OF MARSHALL, Marshall County, West Virginia, a public corporation created and existing under the laws of the State of West Virginia (the "Board"), 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 preceding the date of authentication hereof or, if authenticated after the date preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date (as hereinafter defined) or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, at the Interest Rate per annum specified above, semiannually, on May 1 and November 1 in each year, beginning November 1, 2007 (each an "Interest Payment Date"). The Treasurer of the State of West Virginia has designated the West Virginia Municipal Bond Commission, Charleston, West Virginia as paying agent for the Bonds (the "Paying Agent"). United Bank, Inc., Charleston, West Virginia has been designated as registrar for the Bonds (the "Registrar"). The principal of this Bond is payable in any coin or currency which, on the date of payment thereof, is legal tender for the payment of public and private debts under the laws of the United States of America at the principal office of the West Virginia Municipal Bond Commission in Charleston, West Virginia; and interest on this Bond is payable by check or draft, mailed to the Registered Owner at his address as it appears on the books of the Registrar on the 15th day of the month next preceding said Interest Payment Date (the "Record Date").

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA

THE BOARD OF EDUCATION OF THE COUNTY OF MARSHALL
PUBLIC SCHOOL BONDS, SERIES 2007
(WEST VIRGINIA)

NO. R-4	MATURITY DATE	BOND DATE	\$1,565,000
	May 1, 2011	June 26, 2007	
INTEREST RATE			CUSIP
4.25%			572274 BC1

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: ONE MILLION FIVE HUNDRED SIXTY-FIVE THOUSAND DOLLARS AND 00/100 DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That THE BOARD OF EDUCATION OF THE COUNTY OF MARSHALL, Marshall County, West Virginia, a public corporation created and existing under the laws of the State of West Virginia (the "Board"), 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 preceding the date of authentication hereof or, if authenticated after the date preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date (as hereinafter defined) or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, at the Interest Rate per annum specified above, semiannually, on May 1 and November 1 in each year, beginning November 1, 2007 (each an "Interest Payment Date"). The Treasurer of the State of West Virginia has designated the West Virginia Municipal Bond Commission, Charleston, West Virginia as paying agent for the Bonds (the "Paying Agent"). United Bank, Inc., Charleston, West Virginia has been designated as registrar for the Bonds (the "Registrar"). The principal of this Bond is payable in any coin or currency which, on the date of payment thereof, is legal tender for the payment of public and private debts under the laws of the United States of America at the principal office of the West Virginia Municipal Bond Commission in Charleston, West Virginia; and interest on this Bond is payable by check or draft, mailed to the Registered Owner at his address as it appears on the books of the Registrar on the 15th day of the month next preceding said Interest Payment Date (the "Record Date").

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA

THE BOARD OF EDUCATION OF THE COUNTY OF MARSHALL
PUBLIC SCHOOL BONDS, SERIES 2007
(WEST VIRGINIA)

NO. R-5	MATURITY DATE	BOND DATE	\$1,630,000
	May 1, 2012	June 26, 2007	
INTEREST RATE			CUSIP
4.50%			572274 BD9

REGISTERED OWNER: CEDE & CO.

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

KNOW ALL MEN BY THESE PRESENTS: That THE BOARD OF EDUCATION OF THE COUNTY OF MARSHALL, Marshall County, West Virginia, a public corporation created and existing under the laws of the State of West Virginia (the "Board"), 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 preceding the date of authentication hereof or, if authenticated after the date preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date (as hereinafter defined) or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, at the Interest Rate per annum specified above, semiannually, on May 1 and November 1 in each year, beginning November 1, 2007 (each an "Interest Payment Date"). The Treasurer of the State of West Virginia has designated the West Virginia Municipal Bond Commission, Charleston, West Virginia as paying agent for the Bonds (the "Paying Agent"). United Bank, Inc., Charleston, West Virginia has been designated as registrar for the Bonds (the "Registrar"). The principal of this Bond is payable in any coin or currency which, on the date of payment thereof, is legal tender for the payment of public and private debts under the laws of the United States of America at the principal office of the West Virginia Municipal Bond Commission in Charleston, West Virginia; and interest on this Bond is payable by check or draft, mailed to the Registered Owner at his address as it appears on the books of the Registrar on the 15th day of the month next preceding said Interest Payment Date (the "Record Date").

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA

THE BOARD OF EDUCATION OF THE COUNTY OF MARSHALL
PUBLIC SCHOOL BONDS, SERIES 2007
(WEST VIRGINIA)

NO. R-6	MATURITY DATE	BOND DATE	\$1,695,000
	May 1, 2013	June 26, 2007	
INTEREST RATE			CUSIP
4.50%			572274 BE7

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: ONE MILLION SIX HUNDRED NINETY-FIVE THOUSAND DOLLARS AND 00/100 DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That THE BOARD OF EDUCATION OF THE COUNTY OF MARSHALL, Marshall County, West Virginia, a public corporation created and existing under the laws of the State of West Virginia (the "Board"), 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 preceding the date of authentication hereof or, if authenticated after the date preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date (as hereinafter defined) or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, at the Interest Rate per annum specified above, semiannually, on May 1 and November 1 in each year, beginning November 1, 2007 (each an "Interest Payment Date"). The Treasurer of the State of West Virginia has designated the West Virginia Municipal Bond Commission, Charleston, West Virginia as paying agent for the Bonds (the "Paying Agent"). United Bank, Inc., Charleston, West Virginia has been designated as registrar for the Bonds (the "Registrar"). The principal of this Bond is payable in any coin or currency which, on the date of payment thereof, is legal tender for the payment of public and private debts under the laws of the United States of America at the principal office of the West Virginia Municipal Bond Commission in Charleston, West Virginia; and interest on this Bond is payable by check or draft, mailed to the Registered Owner at his address as it appears on the books of the Registrar on the 15th day of the month next preceding said Interest Payment Date (the "Record Date").

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA

THE BOARD OF EDUCATION OF THE COUNTY OF MARSHALL
PUBLIC SCHOOL BONDS, SERIES 2007
(WEST VIRGINIA)

NO. R-7	MATURITY DATE	BOND DATE	\$1,760,000
	May 1, 2014	June 26, 2007	
INTEREST RATE			CUSIP
4.50%			572274 BF4

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: ONE MILLION SEVEN HUNDRED SIXTY THOUSAND DOLLARS AND 00/100 DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That THE BOARD OF EDUCATION OF THE COUNTY OF MARSHALL, Marshall County, West Virginia, a public corporation created and existing under the laws of the State of West Virginia (the "Board"), 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 preceding the date of authentication hereof or, if authenticated after the date preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date (as hereinafter defined) or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, at the Interest Rate per annum specified above, semiannually, on May 1 and November 1 in each year, beginning November 1, 2007 (each an "Interest Payment Date"). The Treasurer of the State of West Virginia has designated the West Virginia Municipal Bond Commission, Charleston, West Virginia as paying agent for the Bonds (the "Paying Agent"). United Bank, Inc., Charleston, West Virginia has been designated as registrar for the Bonds (the "Registrar"). The principal of this Bond is payable in any coin or currency which, on the date of payment thereof, is legal tender for the payment of public and private debts under the laws of the United States of America at the principal office of the West Virginia Municipal Bond Commission in Charleston, West Virginia; and interest on this Bond is payable by check or draft, mailed to the Registered Owner at his address as it appears on the books of the Registrar on the 15th day of the month next preceding said Interest Payment Date (the "Record Date").

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA

THE BOARD OF EDUCATION OF THE COUNTY OF MARSHALL
PUBLIC SCHOOL BONDS, SERIES 2007
(WEST VIRGINIA)

NO. R-8	MATURITY DATE	BOND DATE	\$1,835,000
	May 1, 2015	June 26, 2007	
INTEREST RATE			CUSIP
4.50%			572274 BG2

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: ONE MILLION EIGHT HUNDRED THIRTY-FIVE THOUSAND DOLLARS AND 00/100 DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That THE BOARD OF EDUCATION OF THE COUNTY OF MARSHALL, Marshall County, West Virginia, a public corporation created and existing under the laws of the State of West Virginia (the "Board"), 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 preceding the date of authentication hereof or, if authenticated after the date preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date (as hereinafter defined) or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, at the Interest Rate per annum specified above, semiannually, on May 1 and November 1 in each year, beginning November 1, 2007 (each an "Interest Payment Date"). The Treasurer of the State of West Virginia has designated the West Virginia Municipal Bond Commission, Charleston, West Virginia as paying agent for the Bonds (the "Paying Agent"). United Bank, Inc., Charleston, West Virginia has been designated as registrar for the Bonds (the "Registrar"). The principal of this Bond is payable in any coin or currency which, on the date of payment thereof, is legal tender for the payment of public and private debts under the laws of the United States of America at the principal office of the West Virginia Municipal Bond Commission in Charleston, West Virginia; and interest on this Bond is payable by check or draft, mailed to the Registered Owner at his address as it appears on the books of the Registrar on the 15th day of the month next preceding said Interest Payment Date (the "Record Date").

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA

THE BOARD OF EDUCATION OF THE COUNTY OF MARSHALL
PUBLIC SCHOOL BONDS, SERIES 2007
(WEST VIRGINIA)

NO. R-9	MATURITY DATE	BOND DATE	\$1,905,000
	May 1, 2016	June 26, 2007	
INTEREST RATE			CUSIP
4.50%			572274 BH0

REGISTERED OWNER: CEDE & CO.

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

KNOW ALL MEN BY THESE PRESENTS: That THE BOARD OF EDUCATION OF THE COUNTY OF MARSHALL, Marshall County, West Virginia, a public corporation created and existing under the laws of the State of West Virginia (the "Board"), 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 preceding the date of authentication hereof or, if authenticated after the date preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date (as hereinafter defined) or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, at the Interest Rate per annum specified above, semiannually, on May 1 and November 1 in each year, beginning November 1, 2007 (each an "Interest Payment Date"). The Treasurer of the State of West Virginia has designated the West Virginia Municipal Bond Commission, Charleston, West Virginia as paying agent for the Bonds (the "Paying Agent"). United Bank, Inc., Charleston, West Virginia has been designated as registrar for the Bonds (the "Registrar"). The principal of this Bond is payable in any coin or currency which, on the date of payment thereof, is legal tender for the payment of public and private debts under the laws of the United States of America at the principal office of the West Virginia Municipal Bond Commission in Charleston, West Virginia; and interest on this Bond is payable by check or draft, mailed to the Registered Owner at his address as it appears on the books of the Registrar on the 15th day of the month next preceding said Interest Payment Date (the "Record Date").

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA

THE BOARD OF EDUCATION OF THE COUNTY OF MARSHALL
PUBLIC SCHOOL BONDS, SERIES 2007
(WEST VIRGINIA)

NO. R-10	MATURITY DATE	BOND DATE	\$1,985,000
	May 1, 2017	June 26, 2007	
INTEREST RATE			CUSIP
4.50%			572274 BJ6

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: ONE MILLION NINE HUNDRED EIGHT-FIVE THOUSAND DOLLARS AND 00/100 DOLLARS

KNOW ALL MEN BY THESE PRESENTS: That THE BOARD OF EDUCATION OF THE COUNTY OF MARSHALL, Marshall County, West Virginia, a public corporation created and existing under the laws of the State of West Virginia (the "Board"), 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 preceding the date of authentication hereof or, if authenticated after the date preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date (as hereinafter defined) or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, at the Interest Rate per annum specified above, semiannually, on May 1 and November 1 in each year, beginning November 1, 2007 (each an "Interest Payment Date"). The Treasurer of the State of West Virginia has designated the West Virginia Municipal Bond Commission, Charleston, West Virginia as paying agent for the Bonds (the "Paying Agent"). United Bank, Inc., Charleston, West Virginia has been designated as registrar for the Bonds (the "Registrar"). The principal of this Bond is payable in any coin or currency which, on the date of payment thereof, is legal tender for the payment of public and private debts under the laws of the United States of America at the principal office of the West Virginia Municipal Bond Commission in Charleston, West Virginia; and interest on this Bond is payable by check or draft, mailed to the Registered Owner at his address as it appears on the books of the Registrar on the 15th day of the month next preceding said Interest Payment Date (the "Record Date").

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA

THE BOARD OF EDUCATION OF THE COUNTY OF MARSHALL
PUBLIC SCHOOL BONDS, SERIES 2007
(WEST VIRGINIA)

NO. R-11	MATURITY DATE	BOND DATE	\$2,065,000
	May 1, 2018	June 26, 2007	
INTEREST RATE			CUSIP
5.00%			572274 BK3

REGISTERED OWNER: CEDE & CO.

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

KNOW ALL MEN BY THESE PRESENTS: That THE BOARD OF EDUCATION OF THE COUNTY OF MARSHALL, Marshall County, West Virginia, a public corporation created and existing under the laws of the State of West Virginia (the "Board"), 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 preceding the date of authentication hereof or, if authenticated after the date preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date (as hereinafter defined) or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, at the Interest Rate per annum specified above, semiannually, on May 1 and November 1 in each year, beginning November 1, 2007 (each an "Interest Payment Date"). The Treasurer of the State of West Virginia has designated the West Virginia Municipal Bond Commission, Charleston, West Virginia as paying agent for the Bonds (the "Paying Agent"). United Bank, Inc., Charleston, West Virginia has been designated as registrar for the Bonds (the "Registrar"). The principal of this Bond is payable in any coin or currency which, on the date of payment thereof, is legal tender for the payment of public and private debts under the laws of the United States of America at the principal office of the West Virginia Municipal Bond Commission in Charleston, West Virginia; and interest on this Bond is payable by check or draft, mailed to the Registered Owner at his address as it appears on the books of the Registrar on the 15th day of the month next preceding said Interest Payment Date (the "Record Date").

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA

THE BOARD OF EDUCATION OF THE COUNTY OF MARSHALL
PUBLIC SCHOOL BONDS, SERIES 2007
(WEST VIRGINIA)

NO. R-12	MATURITY DATE	BOND DATE	\$2,145,000
	May 1, 2019	June 26, 2007	
INTEREST RATE			CUSIP
5.00%			572274 BL1

REGISTERED OWNER: CEDE & CO.

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

KNOW ALL MEN BY THESE PRESENTS: That THE BOARD OF EDUCATION OF THE COUNTY OF MARSHALL, Marshall County, West Virginia, a public corporation created and existing under the laws of the State of West Virginia (the "Board"), 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 preceding the date of authentication hereof or, if authenticated after the date preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date (as hereinafter defined) or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, at the Interest Rate per annum specified above, semiannually, on May 1 and November 1 in each year, beginning November 1, 2007 (each an "Interest Payment Date"). The Treasurer of the State of West Virginia has designated the West Virginia Municipal Bond Commission, Charleston, West Virginia as paying agent for the Bonds (the "Paying Agent"). United Bank, Inc., Charleston, West Virginia has been designated as registrar for the Bonds (the "Registrar"). The principal of this Bond is payable in any coin or currency which, on the date of payment thereof, is legal tender for the payment of public and private debts under the laws of the United States of America at the principal office of the West Virginia Municipal Bond Commission in Charleston, West Virginia; and interest on this Bond is payable by check or draft, mailed to the Registered Owner at his address as it appears on the books of the Registrar on the 15th day of the month next preceding said Interest Payment Date (the "Record Date").

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA

THE BOARD OF EDUCATION OF THE COUNTY OF MARSHALL
PUBLIC SCHOOL BONDS, SERIES 2007
(WEST VIRGINIA)

NO. R-13	MATURITY DATE	BOND DATE	\$2,235,000
	May 1, 2020	June 26, 2007	
INTEREST RATE			CUSIP
5.00%			572274 BM9

REGISTERED OWNER: CEDE & CO.

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

KNOW ALL MEN BY THESE PRESENTS: That THE BOARD OF EDUCATION OF THE COUNTY OF MARSHALL, Marshall County, West Virginia, a public corporation created and existing under the laws of the State of West Virginia (the "Board"), 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 preceding the date of authentication hereof or, if authenticated after the date preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date (as hereinafter defined) or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, at the Interest Rate per annum specified above, semiannually, on May 1 and November 1 in each year, beginning November 1, 2007 (each an "Interest Payment Date"). The Treasurer of the State of West Virginia has designated the West Virginia Municipal Bond Commission, Charleston, West Virginia as paying agent for the Bonds (the "Paying Agent"). United Bank, Inc., Charleston, West Virginia has been designated as registrar for the Bonds (the "Registrar"). The principal of this Bond is payable in any coin or currency which, on the date of payment thereof, is legal tender for the payment of public and private debts under the laws of the United States of America at the principal office of the West Virginia Municipal Bond Commission in Charleston, West Virginia; and interest on this Bond is payable by check or draft, mailed to the Registered Owner at his address as it appears on the books of the Registrar on the 15th day of the month next preceding said Interest Payment Date (the "Record Date").

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA

THE BOARD OF EDUCATION OF THE COUNTY OF MARSHALL
PUBLIC SCHOOL BONDS, SERIES 2007
(WEST VIRGINIA)

NO. R-14	MATURITY DATE	BOND DATE	\$2,325,000
	May 1, 2021	June 26, 2007	
INTEREST RATE			CUSIP
5.00%			572274 BN7

REGISTERED OWNER: CEDE & CO.

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

KNOW ALL MEN BY THESE PRESENTS: That THE BOARD OF EDUCATION OF THE COUNTY OF MARSHALL, Marshall County, West Virginia, a public corporation created and existing under the laws of the State of West Virginia (the "Board"), 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 preceding the date of authentication hereof or, if authenticated after the date preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date (as hereinafter defined) or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, at the Interest Rate per annum specified above, semiannually, on May 1 and November 1 in each year, beginning November 1, 2007 (each an "Interest Payment Date"). The Treasurer of the State of West Virginia has designated the West Virginia Municipal Bond Commission, Charleston, West Virginia as paying agent for the Bonds (the "Paying Agent"). United Bank, Inc., Charleston, West Virginia has been designated as registrar for the Bonds (the "Registrar"). The principal of this Bond is payable in any coin or currency which, on the date of payment thereof, is legal tender for the payment of public and private debts under the laws of the United States of America at the principal office of the West Virginia Municipal Bond Commission in Charleston, West Virginia; and interest on this Bond is payable by check or draft, mailed to the Registered Owner at his address as it appears on the books of the Registrar on the 15th day of the month next preceding said Interest Payment Date (the "Record Date").

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA

THE BOARD OF EDUCATION OF THE COUNTY OF MARSHALL
PUBLIC SCHOOL BONDS, SERIES 2007
(WEST VIRGINIA)

NO. R-15	MATURITY DATE	BOND DATE	\$2,415,000
	May 1, 2022	June 26, 2007	
INTEREST RATE			CUSIP
5.00%			572274 BP2

REGISTERED OWNER: CEDE & CO.

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

KNOW ALL MEN BY THESE PRESENTS: That THE BOARD OF EDUCATION OF THE COUNTY OF MARSHALL, Marshall County, West Virginia, a public corporation created and existing under the laws of the State of West Virginia (the "Board"), 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 preceding the date of authentication hereof or, if authenticated after the date preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date (as hereinafter defined) or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, at the Interest Rate per annum specified above, semiannually, on May 1 and November 1 in each year, beginning November 1, 2007 (each an "Interest Payment Date"). The Treasurer of the State of West Virginia has designated the West Virginia Municipal Bond Commission, Charleston, West Virginia as paying agent for the Bonds (the "Paying Agent"). United Bank, Inc., Charleston, West Virginia has been designated as registrar for the Bonds (the "Registrar"). The principal of this Bond is payable in any coin or currency which, on the date of payment thereof, is legal tender for the payment of public and private debts under the laws of the United States of America at the principal office of the West Virginia Municipal Bond Commission in Charleston, West Virginia; and interest on this Bond is payable by check or draft, mailed to the Registered Owner at his address as it appears on the books of the Registrar on the 15th day of the month next preceding said Interest Payment Date (the "Record Date").

The Bonds maturing on or after May 1, 2018, are subject to redemption on or after May 1, 2017, at the option of the Board, in whole at any time or in part on any interest payment date, from any moneys available for such purpose, at the applicable Redemption Price of 100% of principal amount to be so redeemed, plus interest, if any, accrued to the date fixed for redemption.

In the event of such optional redemption, the Board may direct the maturity or maturities of the Bonds and the amounts thereof to be redeemed, provided that the Bonds will be redeemed in whole multiples of \$5,000 in principal amount and in the minimum principal amount of \$50,000.

REFERENCE IS HEREBY MADE TO THE FURTHER PROVISIONS OF THIS BOND SET FORTH ON THE REVERSE HEREOF, WHICH FURTHER PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS IF SET FORTH HEREIN.

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 Board 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 said levies do not exceed any constitutional or statutory limitations; and that the amount of this Bond, together with all other indebtedness of the Board, does not exceed any statutory or constitutional limitation thereon.

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

The Board has covenanted in the Resolution and Order described on the reverse hereof that it shall include in its budget the amount of the debt service for each fiscal year of the Board 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.

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.

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 Board 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 Resolution and Order nor shall it be valid, obligatory or enforceable for any purpose until the Certificate of Authentication and Registration shall have been signed by the Paying Agent.

IN WITNESS WHEREOF, THE BOARD OF EDUCATION OF THE COUNTY OF MARSHALL 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 Resolution and Order, and has caused this Bond to be dated as of the Bond Date specified above.

THE BOARD OF EDUCATION
OF THE COUNTY OF MARSHALL

(SEAL)

President

Secretary

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, 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 Bowles Rice McDavid Graff & Love LLP, 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.

Dated: June 26, 2007.

UNITED BANK, INC.
As Registrar

By: _____
Vice President and Trust Officer

FURTHER PROVISIONS

This Bond is one of a series of bonds of the Board designated as "Public School Bonds, Series 2007" (the "Bonds"), issued by the Board in the aggregate principal amount of Twenty-seven Million Nine Hundred Thousand Dollars (\$27,900,000). The Bonds were authorized to be issued by a majority of voters at a general election held on November 7, 2006. 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 (the "Resolution and Order") duly adopted by the Board for the purpose of providing funds for the acquisition, construction, renovation and other capital expenditures of twelve (12) projects as permitted by law, with all necessary appurtenances, situated in Marshall 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 amount which the transferee is entitled to receive at the earliest practicable time. The Board 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 Board 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 Board 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 Resolution, against any member, officer or employee, past, present or future, of the Board or of any successor body, as such, either directly or through the Board 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.

STATEMENT OF INSURANCE

MBIA Insurance Corporation (the "Insurer") has issued a policy containing the following provisions, such policy being on file at the West Virginia Municipal Bond Commission, Charleston, West Virginia.

The Insurer, in consideration of the payment of the premium and subject to the terms of this policy, hereby unconditionally and irrevocably guarantees to any owner, as hereinafter defined, of the following described obligations, the full and complete payment required to be made by or on behalf of the Issuer to the West Virginia Municipal Bond Commission or its successor (the "Paying Agent") of an amount equal to (i) the principal of (either at the stated maturity or by any advancement of maturity pursuant to a mandatory sinking fund payment) and interest on, the Obligations (as that term is defined below) as such payments shall become due but shall not be so paid (except that in the event of any acceleration of the due date of such principal by reason of mandatory or optional redemption or acceleration resulting from default or otherwise, other than any advancement of maturity pursuant to a mandatory sinking fund payment, the payments guaranteed hereby shall be made in such amounts and at such times as such payments of principal would have been due had there not been any such acceleration, unless the Insurer elects in its sole discretion, to pay in whole or in part any principal due by reason of such acceleration); and (ii) the reimbursement of any such payment which is subsequently recovered from any owner pursuant to a final judgment by a court of competent jurisdiction that such payment constitutes an avoidable preference to such owner within the meaning of any applicable bankruptcy law. The amounts referred to in clauses (i) and (ii) of the preceding sentence shall be referred to herein collectively as the "Insured Amounts." "Obligations" shall mean:

\$27,900,00

**THE BOARD OF EDUCATION OF THE
COUNTY OF MARSHALL [WEST VIRGINIA]
PUBLIC SCHOOL BONDS, SERIES 2007**

Upon receipt of telephonic or telegraphic notice, such notice subsequently confirmed in writing by registered or certified mail, or upon receipt of written notice by registered or certified mail, by the Insurer from the Paying Agent or any owner of an Obligation the payment of an Insured Amount for which is then due, that such required payment has not been made, the Insurer on the due date of such payment or within one business day after receipt of notice of such nonpayment, whichever is later, will make a deposit of funds, in an account with U.S. Bank Trust National Association, in New York, New York, or its successor, sufficient for the payment of any such Insured Amounts which are then due. Upon presentment and surrender of such Obligations or presentment of such other proof of ownership of the Obligations, together with any appropriate instruments of assignment to evidence the assignment of the Insured Amounts due on the Obligations as are paid by the Insurer, and appropriate instruments to effect the appointment of the Insurer

as agent for such owners of the Obligations in any legal proceeding related to payment of Insured Amounts on the Obligations, such instruments being in a form satisfactory to U.S. Bank Trust National Association, U.S. Bank Trust National Association shall disburse to such owners or the Paying Agent payment of the Insured Amounts due on such Obligations, less any amount held by the Paying Agent for the payment of such Insured Amounts and legally available therefor. This policy does not insure against loss of any prepayment premium which may at any time be payable with respect to any Obligation.

As used herein, the term "owner" shall mean the registered owner of any Obligation as indicated in the books maintained by the Paying Agent, the Issuer, or any designee of the Issuer for such purpose. The term owner shall not include the Issuer or any party whose agreement with the Issuer constitutes the underlying security for the Obligations.

Any service of process on the Insurer may be made to the Insurer at its offices located at 113 King Street, Armonk, New York 10504 and such service of process shall be valid and binding.

This policy is non-cancellable for any reason. The premium on this policy is not refundable for any reason including the payment prior to maturity of the Obligations.

MBIA INSURANCE CORPORATION

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.

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 Code of West Virginia of 1931, as amended, that notice of my approval hereof was published as required by Section 25 of said 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 approval 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 Marshall, a corporation, the authority issuing the same, and upon the taxable property within Marshall 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 the 26th day of June, 2007.

Attorney General of the State of West Virginia

**STANDARD
& POOR'S**

55 Water Street, 38th Floor
New York, NY 10041-0003
tel 212 438-2074
reference no.: 40188890

June 25, 2007

MBIA Insurance Corporation
113 King Street
Armonk, NY 10504
Attention: Mr. Adam Carta, Assistant Vice President

Re: *\$27,900,000 The Board of Education of the County of Marshall (West Virginia),
Public School Bonds, Series 2007, dated: Date of Delivery, due: May 1, 2008-2022,
(POLICY #497960)*

Dear Mr. Carta:

Standard & Poor's has reviewed the rating on the above-referenced obligations. After such review, we have changed the rating to "AAA" from "AA-". The rating reflects our assessment of the likelihood of repayment of principal and interest based on the bond insurance policy your company is providing. Therefore, rating adjustments may result from changes in the financial position of your company or from alterations in the documents governing the issue.

The rating is not investment, financial, or other advice and you should not and cannot rely upon the rating as such. The rating is based on information supplied to us by you but does not represent an audit. We undertake no duty of due diligence or independent verification of any information. The assignment of a rating does not create a fiduciary relationship between us and you or between us and other recipients of the rating. We have not consented to and will not consent to being named an "expert" under the applicable securities laws, including without limitation, Section 7 of the Securities Act of 1933. The rating is not a "market rating" nor is it a recommendation to buy, hold, or sell the obligations.

This letter constitutes Standard & Poor's permission to you to disseminate the above-assigned rating to interested parties. Standard & Poor's reserves the right to inform its own clients, subscribers, and the public of the rating.

Standard & Poor's relies on the issuer and its counsel, accountants, and other experts for the accuracy and completeness of the information submitted in connection with the rating. This rating is based on financial information and documents we received prior to the issuance of this letter. Standard & Poor's assumes that the documents you have provided to us are final. If any subsequent changes were made in the final documents, you must notify us of such changes by sending us the revised final documents with the changes clearly marked.

Mr. Adam Carta

Page 2

June 25, 2007

Standard & Poor's is pleased to be of service to you. For more information please visit our website at www.standardandpoors.com. If we can be of help in any other way, please contact us. Thank you for choosing Standard & Poor's and we look forward to working with you again.

Sincerely yours,

Standard & Poor's Ratings Services
a division of The McGraw-Hill Companies, Inc.

A handwritten signature in black ink that reads "Standard and Poor's" followed by a stylized monogram or initials.

kb



June 26, 2007

The Board of Education of the County of Marshall
2700 Fourth Street
Moundsville, West Virginia 26041

Robert W. Baird & Co., Inc.
380 Knollwood Street, Suite 440
Winston Salem, North Carolina 27103

\$27,900,000
The Board of Education of the County of Marshall
(West Virginia)
Public School Bonds, Series 2007

Ladies and Gentlemen:

I am Deputy General Counsel of the MBIA Insurance Corporation, a New York corporation (the "Corporation"), and have acted as counsel to the Corporation in connection with the issuance of Financial Guaranty Insurance Policy No. 497960 (the "Policy") relating to \$27,900,000 The Board of Education of the County of Marshall (West Virginia), Public School Bonds, Series 2007.

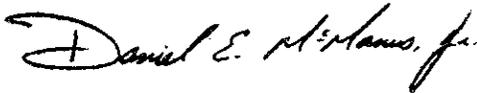
In so acting, I have examined a copy of the Policy and such other relevant documents as I have deemed necessary.

Based upon the foregoing, I am of the following opinion:

1. The Corporation is a stock insurance corporation, duly incorporated and validly existing under the laws of the State of New York and is licensed and authorized to issue the Policy under the laws of the State of New York.

2. The Policy has been duly executed and is a valid and binding obligation of the Corporation enforceable in accordance with its terms except that the enforcement of the Policy may be limited by laws relating to bankruptcy, insolvency, reorganization, moratorium, receivership and other similar laws affecting creditors' rights generally and by general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

Very truly yours,



Daniel E. McManus, Jr.
Deputy General Counsel

FINANCIAL GUARANTY INSURANCE POLICY



MBIA Insurance Corporation
Armonk, New York 10504

Policy No. 497960

MBIA Insurance Corporation (the "Insurer"), in consideration of the payment of the premium and subject to the terms of this policy, hereby unconditionally and irrevocably guarantees to any owner, as hereinafter defined, of the following described obligations, the full and complete payment required to be made by or on behalf of the Issuer to West Virginia Municipal Bond Commission, Charleston, West Virginia or its successor (the "Paying Agent") of an amount equal to (i) the principal of (either at the stated maturity or by any advancement of maturity pursuant to a mandatory sinking fund payment) and interest on, the Obligations (as that term is defined below) as such payments shall become due but shall not be so paid (except that in the event of any acceleration of the due date of such principal by reason of mandatory or optional redemption or acceleration resulting from default or otherwise, other than any advancement of maturity pursuant to a mandatory sinking fund payment, the payments guaranteed hereby shall be made in such amounts and at such times as such payments of principal would have been due had there not been any such acceleration, unless the Insurer elects in its sole discretion, to pay in whole or in part any principal due by reason of such acceleration); and (ii) the reimbursement of any such payment which is subsequently recovered from any owner pursuant to a final judgment by a court of competent jurisdiction that such payment constitutes an avoidable preference to such owner within the meaning of any applicable bankruptcy law. The amounts referred to in clauses (i) and (ii) of the preceding sentence shall be referred to herein collectively as the "Insured Amounts." "Obligations" shall mean:

\$27,900,000

The Board of Education of the County of Marshall
(West Virginia)
Public School Bonds, Series 2007

Upon receipt of telephonic or telegraphic notice, such notice subsequently confirmed in writing by registered or certified mail, or upon receipt of written notice by registered or certified mail, by the Insurer from the Paying Agent or any owner of an Obligation the payment of an Insured Amount for which is then due, that such required payment has not been made, the Insurer on the due date of such payment or within one business day after receipt of notice of such nonpayment, whichever is later, will make a deposit of funds, in an account with U.S. Bank Trust National Association, in New York, New York, or its successor, sufficient for the payment of any such Insured Amounts which are then due. Upon presentment and surrender of such Obligations or presentment of such other proof of ownership of the Obligations, together with any appropriate instruments of assignment to evidence the assignment of the Insured Amounts due on the Obligations as are paid by the Insurer, and appropriate instruments to effect the appointment of the Insurer as agent for such owners of the Obligations in any legal proceeding related to payment of Insured Amounts on the Obligations, such instruments being in a form satisfactory to U.S. Bank Trust National Association, U.S. Bank Trust National Association shall disburse to such owners, or the Paying Agent payment of the Insured Amounts due on such Obligations, less any amount held by the Paying Agent for the payment of such Insured Amounts and legally available therefor. This policy does not insure against loss of any prepayment premium which may at any time be payable with respect to any Obligation.

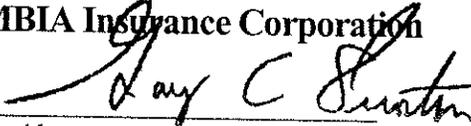
As used herein, the term "owner" shall mean the registered owner of any Obligation as indicated in the books maintained by the Paying Agent, the Issuer, or any designee of the Issuer for such purpose. The term owner shall not include the Issuer or any party whose agreement with the Issuer constitutes the underlying security for the Obligations.

Any service of process on the Insurer may be made to the Insurer at its offices located at 113 King Street, Armonk, New York 10504 and such service of process shall be valid and binding.

This policy is non-cancellable for any reason. The premium on this policy is not refundable for any reason including the payment prior to maturity of the Obligations.

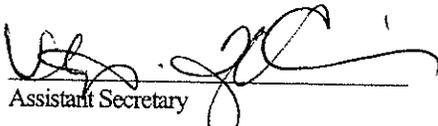
IN WITNESS WHEREOF, the Insurer has caused this policy to be executed in facsimile on its behalf by its duly authorized officers, this 26th day of June, 2007.

MBIA Insurance Corporation



President

Attest:



Assistant Secretary



June 26, 2007

West Virginia Municipal Bond Commission
Charleston, West Virginia

\$27,900,000
The Board of Education of the County of Marshall
(West Virginia)
Public School Bonds, Series 2007

Ladies and Gentlemen:

In connection with the above-described obligations (the "Obligations") of which you are acting as paying agent (the "Paying Agent"), please be advised that the payment to you of principal of and interest on the Obligations has been guaranteed by a policy of financial guaranty insurance (the "Policy") issued by the MBIA Insurance Corporation (the "Insurer"). U.S. Bank Trust National Association, New York, New York, (the "Fiscal Agent") is acting as the fiscal agent for the Insurer.

The Policy unconditionally and irrevocably guarantees to any owner or holder of the Obligations or, if applicable, of the coupons appertaining thereto (the "Owner"), the full and complete payment required to be made by or on behalf of the issuer of the Obligations (the "Issuer") to the Paying Agent or its successor of an amount equal to (i) the principal of (either at the stated maturity or by any advancement of maturity pursuant to a mandatory sinking fund payment) and interest on, the Obligations as such payments shall become due but shall not be so paid (except that in the event of any acceleration of the due date of such principal by reason of mandatory or optional redemption or acceleration resulting from default or otherwise, other than any advancement of maturity pursuant to a mandatory sinking fund payment, the payments guaranteed by the Policy shall be made in such amounts and at such times as such payments of principal would have been due had there not been any such acceleration); and (ii) the reimbursement of any such payment which is subsequently recovered from any Owner pursuant to a final judgment by a court of competent jurisdiction that such payment constitutes an avoidable preference (a "Preference") to the Owner within the meaning of any applicable bankruptcy law. The amounts referred to in clauses (i) and (ii) of the preceding sentence are referred to collectively in this letter as the "Insured Amounts."

The Policy does not insure against loss of any prepayment premium which may at any time be payable with respect to any Obligations. The Policy does not, under any circumstance, insure against loss relating to: (i) optional or mandatory redemptions (other than mandatory sinking fund redemptions); (ii) any payments to be made on an accelerated basis; (iii) payments of the purchase price of Obligations upon tender by an Owner thereof; or (iv) any Preference relating to (i) through (iii) above.



-2-

In the event that the Issuer does not make full and complete payment when due of the principal of and interest on the Obligations, please immediately notify, by telephone or telegraph, the Insurer, 113 King Street, Armonk, New York, 10504, (914) 273-4545. On the due date or within one business day after receipt of such notice, whichever is later, the Insurer will deposit funds with the Fiscal Agent sufficient to pay the Obligations (or, if applicable, coupons appertaining thereto) then due. Upon presentment and surrender of such Obligations (or, if applicable, coupons) or presentment of such other proof of ownership of Obligations together with any appropriate instruments of assignment to evidence the assignment of the Insured Amounts due on the Obligations as are paid by the Insurer, and appropriate instruments to effect the appointment of the Insurer as agent for the Owners in any legal proceeding related to payment of Insured Amounts on the Obligations (or, if applicable, coupons), such instruments being in a form satisfactory to the Fiscal Agent, the Fiscal Agent shall disburse to you payment of the Insured Amounts due on such Obligations (and, if applicable, coupons), less any amount held by you for the payment of such Insured Amounts and legally available therefor.

Forms of such instruments of assignment and instruments to effect the appointment of the Insurer as such agent for the Owners (collectively, the "Claim Documents"), which are currently acceptable to the Fiscal Agent and the Insurer, are on file with the Fiscal Agent. The Insurer may, from time to time, file revised forms of Claim Documents with the Fiscal Agent in substitution for the forms previously filed with the Fiscal Agent, and upon such filing, the revised forms shall supersede all forms of Claim Documents previously filed with the Fiscal Agent, except as otherwise directed by the Insurer in writing.

In the event that you shall have prior knowledge of an impending failure by the Issuer to make payment on the Obligations (or, if applicable, coupons) when due, please immediately notify the Insurer so that it will be possible to have funds available for you on the due date to make payments against surrendered Obligations (and, if applicable, coupons).

Your cooperation in this matter will be most appreciated and will make it possible for the Owners of Obligations guaranteed by the Insurer to be assured of all payments when due.

Very truly yours,

A handwritten signature in black ink that reads "Gary C. Dunton". The signature is written in a cursive style with a large initial "G".

Gary C. Dunton
President



TAX CERTIFICATE

The Board of Education of the County of Marshall
2700 Fourth Street
Moundsville, West Virginia 26041

RE: \$27,900,000 The Board of Education of the County of Marshall (West Virginia), Public School Bonds, Series 2007
(the "Obligations")

Ladies and Gentlemen:

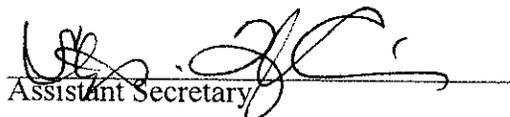
In connection with the issuance of the above-referenced obligations (the "Obligations"), MBIA Insurance Corporation (the "Insurer") is issuing a financial guaranty insurance policy (the "Policy") securing the payment of principal and interest on the Obligations.

This is to advise you that:

1. The Policy is an unconditional obligation of the Insurer to pay scheduled payments of principal and interest on the Obligations in the event of a failure to do so by the The Board of Education of the County of Marshall (the "Issuer");
2. The insurance premium in the amount of \$36,400 for the Policy, represents the charge for a transfer of credit risk and was determined in arm's length negotiations and is required to be paid as a condition to the issuance of the Policy;
3. No portion of such premium represents an indirect payment of costs related to the issuance of the Obligations other than for the transfer of credit risk;
4. The Insurer does not reasonably expect that it will be called upon to make any payment under the Policy; and
5. To the extent the Insurer is called upon to make any payment under the Policy, the Insurer reasonably expects to pursue all available legal remedies to secure reimbursement for such payment.

Dated: June 26, 2007

MBIA Insurance Corporation


Assistant Secretary



CERTIFICATE OF MBIA INSURANCE CORPORATION

I, Stephanie Taylor Ciavarello, Assistant Secretary of MBIA Insurance Corporation, do hereby certify that the information concerning MBIA Insurance Corporation and its policies as set forth in the Official Statement, dated June 14, 2007 under the caption "Bond Insurance", regarding \$27,900,000 The Board of Education of the County of Marshall (West Virginia), Public School Bonds, Series 2007, is accurate.

IN WITNESS WHEREOF, I hereunto set my hand and deliver this Certificate on this 26th day of June, 2007.


Assistant Secretary

FINANCIAL GUARANTY INSURANCE POLICY

MBIA Insurance Corporation Armonk, New York 10504

Policy No. [NUMBER]

MBIA Insurance Corporation (the "Insurer"), in consideration of the payment of the premium and subject to the terms of this policy, hereby unconditionally and irrevocably guarantees to any owner, as hereinafter defined, of the following described obligations, the full and complete payment required to be made by or on behalf of the Issuer to [PAYING AGENT/TRUSTEE] or its successor (the "Paying Agent") of an amount equal to (i) the principal of (either at the stated maturity or by any advancement of maturity pursuant to a mandatory sinking fund payment) and interest on, the Obligations (as that term is defined below) as such payments shall become due but shall not be so paid (except that in the event of any acceleration of the due date of such principal by reason of mandatory or optional redemption or acceleration resulting from default or otherwise, other than any advancement of maturity pursuant to a mandatory sinking fund payment, the payments guaranteed hereby shall be made in such amounts and at such times as such payments of principal would have been due had there not been any such acceleration, unless the Insurer elects, in its sole discretion, to pay in whole or in part any principal due by reason of such acceleration); and (ii) the reimbursement of any such payment which is subsequently recovered from any owner pursuant to a final judgment by a court of competent jurisdiction that such payment constitutes an avoidable preference to such owner within the meaning of any applicable bankruptcy law. The amounts referred to in clauses (i) and (ii) of the preceding sentence shall be referred to herein collectively as the "Insured Amounts." "Obligations" shall mean:

[PAR]

[LEGAL NAME OF ISSUE]

Upon receipt of telephonic or telegraphic notice, such notice subsequently confirmed in writing by registered or certified mail, or upon receipt of written notice by registered or certified mail, by the Insurer from the Paying Agent or any owner of an Obligation the payment of an Insured Amount for which is then due, that such required payment has not been made, the Insurer on the due date of such payment or within one business day after receipt of notice of such nonpayment, whichever is later, will make a deposit of funds, in an account with U.S. Bank Trust National Association, in New York, New York, or its successor, sufficient for the payment of any such Insured Amounts which are then due. Upon presentment and surrender of such Obligations or presentment of such other proof of ownership of the Obligations, together with any appropriate instruments of assignment to evidence the assignment of the Insured Amounts due on the Obligations as are paid by the Insurer, and appropriate instruments to effect the appointment of the Insurer as agent for such owners of the Obligations in any legal proceeding related to payment of Insured Amounts on the Obligations, such instruments being in a form satisfactory to U.S. Bank Trust National Association, U.S. Bank Trust National Association shall disburse to such owners, or the Paying Agent payment of the Insured Amounts due on such Obligations, less any amount held by the Paying Agent for the payment of such Insured Amounts and legally available therefor. This policy does not insure against loss of any prepayment premium which may at any time be payable with respect to any Obligation.

As used herein, the term "owner" shall mean the registered owner of any Obligation as indicated in the books maintained by the Paying Agent, the Issuer, or any designee of the Issuer for such purpose. The term owner shall not include the Issuer or any party whose agreement with the Issuer constitutes the underlying security for the Obligations.

Any service of process on the Insurer may be made to the Insurer at its offices located at 113 King Street, Armonk, New York 10504 and such service of process shall be valid and binding.

This policy is non-cancellable for any reason. The premium on this policy is not refundable for any reason including the payment prior to maturity of the Obligations.

IN WITNESS WHEREOF, the Insurer has caused this policy to be executed in facsimile on its behalf by its duly authorized officers, this [DAY] day of [MONTH, YEAR].

COUNTERSIGNED:

Registered Licensed Agent

City, State

STD-RCS-7
01/05

MBIA Insurance Corporation

President

Attest:

Assistant Secretary



June 22, 2007

Edd McDevitt
Bowles Rice McDavid Graff & Love, PLLC
600 Quarrier Street
Charleston, West Virginia 25301

RE: \$27,900,000 The Board of Education of the County of Marshall (West Virginia),
Public School Bonds, Series 2007

Dear Mr. McDevitt:

Enclosed please find the following documents relating to the above referenced transaction:

1. Financial Guaranty Insurance Policy No. 497960;
2. Letter of Instruction addressed to West Virginia Municipal Bond Commission, as Paying Agent for the referenced obligations;
3. Two original Opinions of Counsel;
4. Tax Certificate; and
5. Certificate of MBIA Insurance Corporation relating to the accuracy of the Official Statement.

The premium in the amount of \$36,400 should be wired on the day of closing to:

JP Morgan Chase Bank, New York, New York
Account Number 910-2-721728
ABA# 021000021
Please reference Policy No. 497960

Please call me at (914) 765-3056 and notify me when the wiring is completed. We will need the Federal wire number in order to facilitate verification of the transaction. Once receipt of the premium has been verified, clearance will be given to release the Policy and letter of instruction to West Virginia Municipal Bond Commission, Charleston, West Virginia. We would appreciate receiving two CD's of the closing transcripts within 60 days of the closing.



WISDOM IN ACTIONSM

Page 2

Edd McDevitt
Bowles Rice McDavid Graff & Love, PLLC

Thank you for agreeing to act in our behalf at the closing. If you have any questions, please contact our offices.

Sincerely,

A handwritten signature in cursive script that reads "Clifford Pritchard".

Clifford Pritchard

Associate

Documentation and Closing Dept.

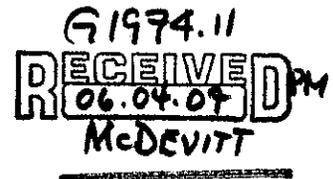
Direct Dial: (914) 765-3056

Fax: (914) 765-3161

Clifford.pritchard@mbia.com

**STANDARD
& POOR'S**

55 Water Street, 38th Floor
New York, NY 10041-0003
tel 212 438-2066
reference no.: 837268



May 23, 2007

Marshall County Schools
2700 Fourth Street
P.O. Box 578
Moundsville, WV 26041
Attention: Mr. Jim Tuel, Treasurer

Re: **US\$27,900,000 Marshall County Board of Education, West Virginia, Public School Bonds, Series 2007, dated: Date of Delivery, due: May 1, 2008-2022**

Dear Mr. Tuel:

Pursuant to your request for a Standard & Poor's rating on the above-referenced obligations, we have reviewed the information submitted to us and, subject to the enclosed *Terms and Conditions*, have assigned a rating of "AA-". Standard & Poor's views the outlook for this rating as stable. A copy of the rationale supporting the rating is enclosed.

The rating is not investment, financial, or other advice and you should not and cannot rely upon the rating as such. The rating is based on information supplied to us by you or by your agents but does not represent an audit. We undertake no duty of due diligence or independent verification of any information. The assignment of a rating does not create a fiduciary relationship between us and you or between us and other recipients of the rating. We have not consented to and will not consent to being named an "expert" under the applicable securities laws, including without limitation, Section 7 of the Securities Act of 1933. The rating is not a "market rating" nor is it a recommendation to buy, hold, or sell the obligations.

This letter constitutes Standard & Poor's permission to you to disseminate the above-assigned rating to interested parties. Standard & Poor's reserves the right to inform its own clients, subscribers, and the public of the rating.

Standard & Poor's relies on the issuer/obligor and its counsel, accountants, and other experts for the accuracy and completeness of the information submitted in connection with the rating. This rating is based on financial information and documents we received prior to the issuance of this letter. Standard & Poor's assumes that the documents you have provided to us are final. If any subsequent changes were made in the final documents, you must notify us of such changes by sending us the revised final documents with the changes clearly marked.

To maintain the rating, Standard & Poor's must receive all relevant financial information as soon as such information is available. Placing us on a distribution list for this information would facilitate the process. You must promptly notify us of all material changes in the financial

Mr. Jim Tuel
Page 2
May 23, 2007

information and the documents. Standard & Poor's may change, suspend, withdraw, or place on CreditWatch the rating as a result of changes in, or unavailability of, such information. Standard & Poor's reserves the right to request additional information if necessary to maintain the rating.

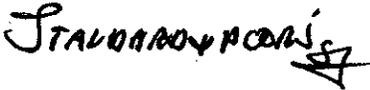
Please send all information to:

Standard & Poor's Ratings Services
Public Finance Department
55 Water Street
New York, NY 10041-0003

Standard & Poor's is pleased to be of service to you. For more information on Standard & Poor's, please visit our website at www.standardandpoors.com. If we can be of help in any other way, please call or contact us at nypublicfinance@standardandpoors.com. Thank you for choosing Standard & Poor's and we look forward to working with you again.

Sincerely yours,

Standard & Poor's Ratings Services
a division of The McGraw-Hill Companies, Inc.



ed
enclosures

cc: Mr. David Kirby
Edd McDevitt, Esq.

Marshall County Board of Education, WV

Primary Credit Analysts:

Armen Hratchian
New York
(1) 212-438-7983
armen_hratchian@
standardandpoors.com

Secondary Credit Analysts:

Eden Perry
New York
(1) 212-438-7967
eden_perry@
standardandpoors.com

Credit Profile

US\$27.9 mil pub sch bnds ser 2007 due 05/01/2022

Long Term Rating

AA-/Stable

New

Rationale

The 'AA-' rating on Marshall County Board of Education, W.Va.'s public school bonds reflects the district's eligibility for and participation in West Virginia's Municipal Bond Program. The rating also reflects the state's strong debt service oversight and the legislature's replenishment provision for the bond commission's sinking fund. Under the program, the state annually appropriates sufficient funds to meet any shortfall in an issuer's debt service payment to bondholders.

Standing Appropriation Programs

Standard & Poor's Ratings Services rates four different types of state programs, in more than 20 states, that provide enhancement for school bond issues. These program types include state guarantee, permanent fund, standing or annual appropriation, and state intercept or withholding programs. Each state program is analyzed according to the program type and the rating is based on the characteristics of the particular program and funding mechanisms. West Virginia is one of five states with Standard & Poor's- rated standing appropriation programs, along with California, Minnesota, New Jersey and Texas. Because appropriation programs are dependent on the ability of a state to use its cash reserves to make up any debt service deficiencies, a program's rating is directly linked to the state's own credit quality. Therefore, the program rating will move in tandem with its related state rating, keeping the relative rating

differential between the program rating and the state rating constant. The program's rating outlook will always reflect the state's rating outlook.

West Virginia's Municipal Bond Program

As authorized by Chapter 13, Article 3 of the West Virginia Code, the state's bond commission serves as the bond trust agent, administering the GO debt sinking funds for the state's school districts and municipalities. Also, the commission has debt service levy oversight. All funds collected to meet debt service on a municipality's GO bonds are turned over to the commission for payment of debt service.

In addition to this statutory provision, the commission's administrative guidelines include notifying the local government unit 35 days before a debt service payment, if available funds are insufficient for debt service. If sufficient funds are not on hand 15 days before the debt service payment, the entity is contacted again. Whenever the amount deposited for any issuer is not sufficient to meet the interest or principal due, it shall be the duty of the school district's treasurer, upon being notified of that fact by the commission, to immediately remit all funds in his possession that have been earmarked by the issuer for the purpose of amortizing bonded indebtedness plus such additional funds as are necessary to meet the interest or principal due. Since 1921, the state legislature has made an annual blanket appropriation in the budget authorizing the governor to meet any deficiency in the state sinking fund because of a school district or governmental unit's failure to meet its debt service obligations.

Marshall County Board of Education

The district is coterminous with Marshall County, W.Va., located in the northern part of the state. The district covers 300 square miles, including Moundsville, W.Va. The population served by the district was 34,617 in 2004 and enrollment in 11 elementary schools, two junior high schools, and two high schools was 5,135 in fiscal 2006. The bond proceeds will be used for capital projects.

Outlook

The stable outlook reflects the outlook on the state's GO bond rating.

Ratings Detail (As Of 24-May-2007)

Marshall Cnty Brd of Ed pub sch bnds ser 2007 due 05/01/2022

Long Term Rating

AA-/Stable

New Rating

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Ratings Services receives compensation for its ratings. Such compensation is normally paid either by the issuers of such securities or by the underwriters participating in the distribution thereof. The fees generally vary from US\$2,000 to over US\$1,500,000. While Standard & Poor's reserves the right to disseminate the rating, it receives no payment for doing so, except for subscriptions to its publications.

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The McGraw-Hill Companies

STANDARD & POOR'S

Standard & Poor's Ratings Services Terms and Conditions Applicable To U.S. Public Finance Ratings

Request for a rating. Standard & Poor's issues public finance ratings for a fee upon request from an issuer, or from an underwriter, financial advisor, investor, insurance company, or other entity, provided that the obligor and issuer (if different from the obligor) each has knowledge of the request. The term "issuer/obligor" in these Terms and Conditions means the issuer and the obligor if the obligor is different from the issuer.

Agreement to Accept Terms and Conditions. Standard & Poor's assigns Public Finance ratings subject to the terms and conditions stated herein and in the rating letter. The issuer/obligor's use of a Standard & Poor's public finance rating constitutes agreement to comply in all respects with the terms and conditions contained herein and in the rating letter and acknowledges the issuer/obligor's understanding of the scope and limitations of the Standard & Poor's rating as stated herein and in the rating letter.

Fees and expenses. In consideration of our analytic review and issuance of the rating, the issuer/obligor agrees to pay Standard & Poor's a rating fee. Payment of the fee is not conditioned on Standard & Poor's issuance of any particular rating. In most cases an annual surveillance fee will be charged for so long as we maintain the rating. The issuer/obligor will reimburse Standard & Poor's for reasonable travel and legal expenses if such expenses are not included in the fee. Should the rating not be issued, the issuer/obligor agrees to compensate Standard & Poor's based on the time, effort, and charges incurred through the date upon which it is determined that the rating will not be issued.

Scope of Rating. The issuer/obligor understands and agrees that (i) an issuer rating reflects Standard & Poor's current opinion of the issuer/obligor's overall financial capacity to pay its financial obligations as they come due, (ii) an issue rating reflects Standard & Poor's current opinion of the likelihood that the issuer/obligor will make payments of principal and interest on a timely basis in accordance with the terms of the obligation, (iii) a rating is an opinion and is not a verifiable statement of fact, (iv) ratings are based on information supplied to Standard & Poor's by the issuer/obligor or by its agents and upon other information obtained by Standard & Poor's from other sources it considers reliable, (v) Standard & Poor's does not perform an audit in connection with any rating and a rating does not represent an audit by Standard & Poor's, (vi) Standard & Poor's relies on the issuer/obligor, its accountants, counsel, and other experts for the accuracy and completeness of the information submitted in connection with the rating and surveillance process, (vii) Standard & Poor's undertakes no duty of due diligence or independent verification of any information, (viii) Standard & Poor's does not and cannot guarantee the accuracy, completeness, or timeliness of the information relied on in connection with a rating or the results obtained from the use of such information, (ix) Standard & Poor's may raise, lower, suspend, place on CreditWatch, or withdraw a rating at any time, in Standard & Poor's sole discretion, and (x) a rating is not a "market" rating nor a recommendation to buy, hold, or sell any financial obligation.

Publication. Standard & Poor's reserves the right to publish, disseminate, or license others to publish or disseminate the rating and the rationale for the rating unless the issuer/obligor specifically requests that the rating be assigned and maintained on a confidential basis. If a confidential rating subsequently becomes public through disclosure by the issuer/obligor or a third party other than Standard & Poor's, Standard & Poor's reserves the right to publish it. Standard & Poor's may publish explanations of Standard & Poor's ratings criteria from time to time and nothing in this Agreement shall be construed as limiting Standard & Poor's ability to modify or refine Standard & Poor's criteria at any time as Standard & Poor's deems appropriate.

Information to be Provided by the Issuer/obligor. The issuer/obligor shall meet with Standard & Poor's for an analytic review at any reasonable time Standard & Poor's requests. The issuer/obligor also agrees to provide Standard & Poor's promptly with all information relevant to the rating and surveillance of the rating including information on material changes to information previously supplied to Standard & Poor's. The rating may be affected by Standard & Poor's opinion of the accuracy, completeness, timeliness, and reliability of information received from the issuer/obligor or its agents. Standard & Poor's undertakes no duty of due diligence or independent verification of

information provided by the issuer/obligor or its agents. Standard & Poor's reserves the right to withdraw the rating if the issuer/obligor or its agents fails to provide Standard & Poor's with accurate, complete, timely, or reliable information.

Standard & Poor's Not an Advisor, Fiduciary, or Expert. The issuer/obligor understands and agrees that Standard & Poor's is not acting as an investment, financial, or other advisor to the issuer/obligor and that the issuer/obligor should not and cannot rely upon the rating or any other information provided by Standard & Poor's as investment or financial advice. Nothing in this Agreement is intended to or should be construed as creating a fiduciary relationship between Standard & Poor's and the issuer/obligor or between Standard & Poor's and recipients of the rating. The issuer/obligor understands and agrees that Standard & Poor's has not consented to and will not consent to being named an "expert" under the applicable securities laws, including without limitation, Section 7 of the U.S. Securities Act of 1933.

Limitation on Damages. The issuer/obligor agrees that Standard & Poor's, its officers, directors, shareholders, and employees shall not be liable to the issuer/obligor or any other person for any actions, damages, claims, liabilities, costs, expenses, or losses in any way arising out of or relating to the rating or the related analytic services provided for in an aggregate amount in excess of the aggregate fees paid to Standard & Poor's for the rating, except for Standard & Poor's gross negligence or willful misconduct. In no event shall Standard & Poor's, its officers, directors, shareholders, or employees be liable for consequential, special, indirect, incidental, punitive or exemplary damages, costs, expenses, legal fees, or losses (including, without limitation, lost profits and opportunity costs). In furtherance and not in limitation of the foregoing, Standard & Poor's will not be liable in respect of any decisions made by the issuer/obligor or any other person as a result of the issuance of the rating or the related analytic services provided by Standard & Poor's hereunder or based on anything that appears to be advice or recommendations. The provisions of this paragraph shall apply regardless of the form of action, damage, claim, liability, cost, expense, or loss, whether in contract, statute, tort (including, without limitation, negligence), or otherwise. The issuer/obligor acknowledges and agrees that Standard & Poor's does not waive any protections, privileges, or defenses it may have under law, including but not limited to, the First Amendment of the Constitution of the United States of America.

Term. This Agreement shall terminate when the ratings are withdrawn. Notwithstanding the foregoing, the paragraphs above, "Standard & Poor's Not an Advisor, Fiduciary, or Expert" and "Limitation on Damages", shall survive the termination of this Agreement or any withdrawal of a rating.

Third Parties. Nothing in this Agreement, or the 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 the rating. No person is intended as a third party beneficiary to this Agreement or to the rating when issued.

Binding Effect. This Agreement shall be binding on, and inure to the benefit of, the parties hereto and their successors and assigns.

Severability. In the event that any term or provision of this Agreement shall be held to be invalid, void, or unenforceable, then the remainder of this Agreement shall not be affected, impaired, or invalidated, and each such term and provision shall be valid and enforceable to the fullest extent permitted by law.

Complete Agreement. This Agreement constitutes the complete agreement between the parties with respect to its subject matter. This Agreement may not be modified except in a writing signed by authorized representatives of both parties.

Governing Law. This Agreement and the rating letter shall be governed by the internal laws of the State of New York. The parties agree that the state and federal courts of New York shall be the exclusive forums for any dispute arising out of this Agreement and the parties hereby consent to the personal jurisdiction of such courts.

\$27,900,000
The Board of Education of Marshall County
(West Virginia) Public School Bonds, Series 2007

DIRECTION TO AUTHENTICATE AND DELIVER BONDS

United Bank, Inc.
500 Virginia Street, East
Charleston, West Virginia 25301

Ladies Gentlemen:

There are delivered to you herewith:

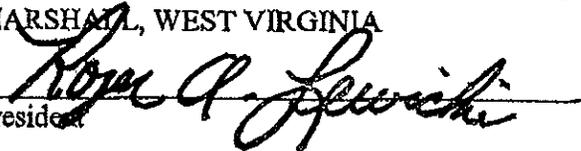
1. Bonds Nos. R-1 through R-15, constituting the entire original issue of The Board of Education of the County of Mason Public School Bonds, Series 2007, dated June 26, 2007, in the aggregate principal amount of \$27,900,000 (the "Bonds") executed by the President and Secretary of The Board of Education of the County of Mason (the "Issuer") and bearing the official seal of the Issuer. The Bonds are authorized to be issued under and pursuant to a Resolution adopted by the Issuer on December 12, 2006, as modified on June 14, 2007 (the "Resolution");
2. A copy of the Resolution, duly certified by the Secretary of the Issuer;
3. A list of the names in which the Bonds are to be registered upon original issuance, together with taxpayer identification information as requested by you (see below);
4. A signed, unqualified approving opinion of nationally recognized Bond Counsel designated by the Issuer and acceptable to the Original Purchaser.

You are hereby requested and authorized to authenticate, register the Bonds in the name of "CEDE & CO." and deliver the Bonds to The Depository Trust Company in New York, New York, on behalf of Robert W. Baird & Co., as original purchaser thereof.

Dated this 26th day of June, 2007.

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

By _____
President



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 Marshall (West Virginia)

[Name of Issuer and Co-issuer(s), if applicable]

June 18, 2007

[Date]

[For Municipal Issues:
Underwriting Department—Eligibility; 25th Floor]

[For Corporate Issues:
General Counsel's Office; 22nd Floor]

The Depository Trust Company
55 Water Street
New York, NY 10041-0099

Ladies and Gentlemen:

This letter sets forth our understanding with respect to all issues (the "Securities") that Issuer shall request be made eligible for deposit by The Depository Trust Company ("DTC").

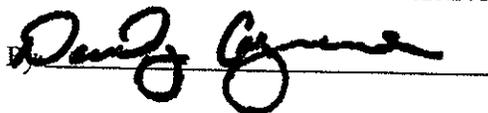
To induce DTC to accept the Securities as eligible for deposit at DTC, and to act in accordance with DTC's Rules with respect to the Securities, Issuer represents to DTC that Issuer will comply with the requirements stated in DTC's Operational Arrangements, as they may be amended from time to time.

Note:

Schedule A contains statements that DTC believes accurately describe DTC, the method of effecting book-entry transfers of securities distributed through DTC, and certain related matters.

Received and Accepted:

THE DEPOSITORY TRUST COMPANY

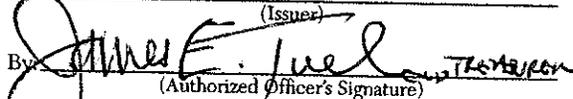




The Depository Trust &
Clearing Corporation

Very truly yours,

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

By:  (Authorized Officer's Signature)

James E. Tuel, Treasurer

(Print Name)

2700 Fourth Street

(Street Address)

Moundsville, WV USA 26041
(City) (State) (Country) (Zip Code)

(304) 843-4439

(Phone Number)

jtuel@access.k12.wv.us

(E-mail Address)

See note on page 2.

[3/05]

Additional Signature Page to DTC Blanket Issuer Letter of Representation
for use with Co-Issuers

[Name of Issuer and Co-issuer(s)]

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)

NOTE: United Bank, Inc. will
be Fast Transfer Agent (#2719)

(To Blanket Issuer Letter of Representations)

SAMPLE OFFERING DOCUMENT LANGUAGE
DESCRIBING BOOK-ENTRY-ONLY ISSUANCE

(Prepared by DTC—bracketed material may be applicable only to certain issues)

1. The Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the securities (the “Securities”). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for [each issue of] the Securities, [each] in the aggregate principal amount of such issue, and will be deposited with DTC. [If, however, the aggregate principal amount of [any] issue exceeds \$500 million, one certificate will be issued with respect to each \$500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.]

2. DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 2.2 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Fixed Income Clearing Corporation and Emerging Markets Clearing Corporation (NSCC, FICC, and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has Standard & Poor’s highest rating: AAA. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC’s records. The ownership interest of each actual purchaser of each Security (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC’s records reflect only the identity

of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. [Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.]

[6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.]

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from Issuer or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Issuer or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

[9. A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to [Tender/Remarketing] Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to [Tender/Remarketing] Agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to [Tender/Remarketing] Agent's DTC account.]

10. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to Issuer or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

11. Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

12. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that Issuer believes to be reliable, but Issuer takes no responsibility for the accuracy thereof.

THE BOARD OF EDUCATION OF THE COUNTY OF MARSHALL, WEST VIRGINIA
\$27,900,000 PUBLIC SCHOOL BONDS, SERIES 2007

CROSS-RECEIPT FOR BONDS AND BOND PROCEEDS

The undersigned, for and on behalf of Robert W. Baird & Co. ("Purchaser"), and Roger A. Lewicki, President, and Alfred N. Renzella, Secretary, of THE BOARD OF EDUCATION OF THE COUNTY OF MARSHALL (the "Issuer"), hereby certify as follows:

1. On the 26th day of June, 2007, in New York, New York, the Purchaser received the entire original issue of \$27,900,000 in aggregate principal amount of The Board of Education of the County of Marshall Public School Bonds, Series 2007 (the "Bonds"). The Bonds, as so received on original issuance, are in various denominations, are dated June 26, 2007, and are numbered from R-1 to R-15, inclusive.

2. At the time of such receipt of the Bonds, all the Bonds had been executed by Roger A. Lewicki, President, and Alfred N. Renzella, Secretary, respectively, of the Issuer, by their respective facsimile signatures, and the official seal of the Issuer had been imprinted upon each Bond, and each Bond had been authenticated by United Bank, Inc. as Registrar.

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

Total Bond Proceeds

Purchase Price (100% of par plus premium of \$625,280.85)	\$28,525,280.85
Accrued Interest	-0-
TOTAL	\$28,525,280.85

Payment for the Bonds was made in Federal Funds in the amount of \$28,525,280.85 on the date hereof.

IN WITNESS WHEREOF, Robert W. Baird & Co. duly signed and delivered this receipt on behalf of the Purchaser and THE BOARD OF EDUCATION OF THE COUNTY OF MARSHALL has caused this receipt to be executed by its President and Secretary, this 20th day of June, 2007.

ROBERT W. BAIRD & CO.

By: *Alfred N. Rucker*
Its: **Fixed Income Specialist**

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

By: _____
Roger A. Lewicki, President

By: _____
Alfred N. Renzella, Secretary

IN WITNESS WHEREOF, Robert W. Baird & Co. duly signed and delivered this receipt on behalf of the Purchaser and THE BOARD OF EDUCATION OF THE COUNTY OF MARSHALL has caused this receipt to be executed by its President and Secretary, this 20th day of June, 2007.

ROBERT W. BAIRD & CO.

By: _____
Its: _____

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

By: Roger A. Lewicki
Roger A. Lewicki, President

By: Alfred N. Renzella
Alfred N. Renzella, Secretary

THE BOARD OF EDUCATION OF THE COUNTY OF MARSHALL
(WEST VIRGINIA)
\$27,900,000 Public School Bonds, Series 2007

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

1. TERMS
2. NO LITIGATION
3. AWARD OF BONDS; SIGNATURES
4. DELIVERY AND PAYMENT
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6. NO ADVERSE FINANCIAL CHANGE; INDEBTEDNESS
7. MEETINGS, ETC.
8. INCUMBENCY; AND OFFICIAL NAME
9. OFFICIAL STATEMENT CERTIFICATION
10. DESIGNATION OF REGISTRAR AND PAYING AGENT

We, the undersigned PRESIDENT and SECRETARY of The Board of Education of the County of Marshall, West Virginia (the "Issuer"), and the undersigned Attorney for the Issuer, hereby certify in connection with the \$27,900,000 aggregate principal amount of The Board of Education of the County of Marshall (West Virginia) Public School Bonds, Series 2007 (the "Bonds"), as follows:

1. TERMS: All capitalized words and terms used in this General Certificate and not otherwise defined herein shall have the same meaning as in the Resolution and Order Directing Issuance of Bonds of the Issuer, adopted December 12, 2006, as modified on June 14, 2007 (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, nor in any manner questioning the proceedings and authority by which the Issuer authorized the issuance and sale of the Bonds nor in any manner affecting the validity or enforceability of the Bonds, the Resolution, the bidding procedures relating to sale of the Bonds or any agreement or instrument relating thereto, or any provisions made or authorized for the payment of the Bonds; nor in any manner questioning the valid existence of the Issuer, the authority of titles of the President and Secretary and the members of the Issuer 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, except as noted in the opinion delivered herewith by the Attorney for the Issuer, or the acquisition and construction of the Project financed with - proceeds of the Bonds which is not set forth in the Official Statement relating to the bonds.

3. AWARD OF BONDS; SIGNATURES: Pursuant to Chapter 13, Article 1 of the Code of West Virginia of 1931, as amended (the "Act"), the Bonds were advertised for sale and three (3) bids were received, the best bid being that of Robert W. Baird & Co., all as appears from the Resolution on award of the Bonds, a copy of which is delivered herewith. The Bonds were thereupon awarded to Robert W. Baird & Co., (the "Purchaser"), at the price of \$28,525,280.85, which sum included a premium of \$625,280.85. The Bonds were duly signed by the duly established signatures of the President and Secretary, and the official seal of the Issuer, which seal is impressed upon this Certificate, was imprinted thereon.

4. DELIVERY AND PAYMENT: The undersigned President did, on the date hereof, deliver to the Purchaser, the entire issue of the Bonds, in various denominations and numbered R-1 to R-15, inclusive.

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

Purchase Price (including premium)	\$28,525,280.85
Accrued interest	-0-
Total Received	\$28,525,280.85

5. CERTIFICATION OF DOCUMENTS: There are delivered herewith true and correct copies of the following documents, all of 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:

- Minutes (or excerpt) of various Board Meetings
- Bond Election Order
- Resolution and Order Directing Issuance of Bonds
- Attorney General's Approval
- Affidavit of Publication of Attorney General's Approval
- Bid of Robert W. Baird & Co.
- Certificate of Valuations (Amended)
- Copy of Letter of Clerk of Supreme Court of Appeals
- Affidavits of Publication of Notice of Sale
- Preliminary Official Statement
- Official Statement

Specimen Bond

6. NO ADVERSE FINANCIAL CHANGE; INDEBTEDNESS: There has been no adverse change in the financial condition of the Issuer since June 30, 2006, except as may be set forth in the Official Statement. There is no 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 acquisition, construction and equipping of the Project were authorized or adopted at meetings of the Board of the Issuer duly and regularly called and held pursuant to the Rules of Procedure of the Issuer and all applicable statutes, including Chapter 6, Article 9A of the Code of West Virginia of 1931, as amended, and a quorum of duly elected, qualified and acting board 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 Mason" and it is a validly existing school board and public corporation of the State of West Virginia, and constitutes the governing body of Marshall County School District, in Marshall County of said State. The Issuer is composed of five (5) members. The names, offices and dates of commencement and termination of current terms of office of the members of the Issuer, are as follows:

<u>Name and Office</u>	<u>Date of Commencement Of Office</u>	<u>Date of Termination Of Office</u>
Roger A. Lewicki, President	07/01/06	06/30/10
David L. Hall, Vice President	07/01/04	06/30/08
Lori E. Kestner	07/01/04	06/30/08
Dr. Mary Ellen Komorowski	07/01/06	06/30/10
Thomas Gilbert	07/01/06	06/30/10

The duly appointed Superintendent and Secretary of the Issuer is Alfred N. Renzella, whose term expires June 30, 2009.

The Counsel ("Attorney") for the Issuer is Bowles Rice McDavid Graff & Love LLP, Parkersburg, West Virginia.

9. OFFICIAL STATEMENT CERTIFICATION: The Issuer has duly authorized the execution, delivery and distribution of the Official Statement. At and since the date of the Official Statement nothing has come to the attention of any signer hereof which would lead any such signer to believe that 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 therein, in the light of the circumstances under which they were made, not misleading.

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

WITNESS our signatures and the official corporate seal of THE BOARD OF EDUCATION OF THE COUNTY OF MARSHALL on this 26th day of June, 2007.

[CORPORATE SEAL]

Signature

Roger A. Lewicki

ROGER A. LEWICKI

Alfred N. Renzella

ALFRED N. RENZELLA

Bowleskie David Gruff & Pive LLP

Official Title

President

Secretary

Attorney for Issuer

\$27,900,000

THE BOARD OF EDUCATION OF THE COUNTY OF MARSHALL
(WEST VIRGINIA)
Public School Bonds, Series 2007

TAX AND NON-ARBITRAGE CERTIFICATE

I, Roger A. Lewicki, President and Alfred N. Renzella, Superintendent and Secretary of The Board of Education of the County of Marshall, West Virginia (the "Issuer"), being officials of the Issuer duly charged with the responsibility for the issuance of the \$27,900,000 Public School Bonds, Series 2007, of the Issuer, dated June 26, 2007, (the "Bonds"), hereby certify as follows, jointly, unless otherwise stated, all capitalized terms used herein and not otherwise defined to have the meanings ascribed thereto in the Resolution and Order Directing Issuance of Bonds adopted by the Issuer on December 12, 2006, as supplemented and amended (collectively, the "Resolution"), pursuant to which the Bonds are issued:

A. DEFINITIONS

Capitalized terms used herein which are not otherwise defined herein shall have the respective meanings set forth in the Bond Resolution and in Sections 103 and 141 through 150 of the Internal Revenue Code of 1986, as amended (the "Code"), and related Regulations. The following terms, when used in this Agreement, shall have the following meanings:

"Bond Insurance Policy" means the municipal bond issuance policy issued by the Bond Insurer, pursuant to which the bond Insurer guarantees or insures the payment of the principal and interest on the Bonds.

"Bond Insurer" means MBIA Insurance Corporation.

"Costs of Qualified Guarantee" means the costs associated with the Bond Insurance Policy, including fees and expenses of counsel to the Bond Insurer.

"Regulations" means the relevant regulations under the Code.

B. GENERAL

1. This certificate is being executed and delivered pursuant to Section 148 of the Code and Regulations. 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 am 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 Bonds are being issued and sold by the Issuer pursuant to approval of the Issuer's electorate at a special election held on November 7, 2006, and pursuant to Chapter 13, Article 1 of the West Virginia Code of 1931, as amended, and under the provisions of the

Resolution. The principal amounts, interest rates, and interest and principal payment dates are as set forth in EXHIBIT A hereto.

4. This certificate is based upon facts, circumstances, estimates and expectations of the Issuer in existence on June 26, 2007, the date on which the Bonds are to be physically delivered in exchange for the issue price thereof (the "Date of Issue"), and to the best of our knowledge and belief, the expectations of the Issuer set forth herein are reasonable.

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

6. The Bonds were sold and delivered on June 26, 2007, to Robert W. Baird & Co. (the "Purchaser") for a purchase price of _____.

7. The Bonds are being delivered simultaneously with the delivery of this certificate and are issued for the purposes of providing moneys necessary (i) to pay a portion of the costs of design, acquisition, construction and equipping of new public school facilities and renovations, improvements and additions to existing public school facilities in Cabell County School District (the "Project") and (ii) to pay costs of issuance of the Bonds and related costs.

8. The face amount of the Bonds of \$60,455,000. The sources and uses of proceeds of the Bonds is as follows:

Sources

Par amount of Bonds	\$27,900,000
Premium	\$735,015.25
Total Sources	\$28,635,015.25

Uses

Underwriter's Compensation	\$0
Bond Insurance Premium	\$0
Costs of Issuance	\$164,209.00
Funds Available to Board for Project Costs	\$28,470,806
Total Uses	\$28,635,015

9. The Purchaser has stated, in its certificate, a copy of which is attached hereto as EXHIBIT C- PURCHASER'S CERTIFICATE (the "Purchaser's Certificate") that the Bonds have been reoffered, and a substantial amount thereof sold, to purchasers other than bond houses, brokers or other intermediaries, at the initial offering prices not greater than the respective prices shown on the cover page of the Official Statement for the Bonds.

C. THE PROJECT AND USE OF BOND PROCEEDS

1. The proceeds of the Bonds are being used to finance the Project and pay costs of issuance of the Bonds. The proceeds of the Bonds, and any premium thereon, (the "Net Sale Proceeds") will be deposited in a project construction fund (the "Construction Fund") and expended solely for payment of costs of the Project and Costs of Issuance of the Bonds. The Issuer expects to expend the Net Sale Proceeds of the Bonds in accordance with the expenditure schedule attached as Exhibit D. The Issuer reasonably expects that:

(a) it will incur, or has already incurred, a substantial binding obligation to a third party to expend at least 5% of the Net Sale Proceeds within 6 months following the Date of Issue;

(b) completion of the Project and allocation of the Net Sale Proceeds to expenditures for Project costs will proceed with due diligence; and

(c) it will expend (including reimbursements of prior expenditures) at least 85% of the Net Sale Proceeds and earnings thereon for Project costs within 3 years of the Date of Issue.

Based on the above expectations, the Net Sale Proceeds qualify for a three-year temporary period, beginning on the Date of Issue, during which time such Net Sale Proceeds are not subject to yield restriction. Net Sale Proceeds remaining unexpended at the end of such three-year period will be invested either (A) at a yield not in excess of the yield on the Bonds or (B) at an unrestricted yield, in which latter event in the Issuer shall pay yield reduction payments to the Internal Revenue Service pursuant to § 1.148-5(c) of the Regulations.

2. 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 governmental unit the jurisdiction of which is entirely within the jurisdiction of the Issuer). No portion of the Bonds is issued to refund other obligations.

3. All property financed with proceeds of the Bonds will be held by or on behalf of a qualified governmental unit, and the Project will be operated solely for a public purpose as a governmental activity.

4. 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.

5. The Project is used only in activities directly related to the Issuer's exempt governmental purpose. No other person owns or uses the Project either directly or indirectly, including use through a management agreement, and neither the Issuer nor any other state or local government unit currently having ownership interest in the Project will transfer ownership of the Project while the Bonds are outstanding.

D. THE BONDS

1. The principal amounts, interest rates, and interest and principal payment dates, with respect to the Bonds are set forth in EXHIBIT A hereto.

2. 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. The Debt Service Account qualifies as a Bona Fide Debt Service Fund and all moneys in the Debt Service Account will be invested without restriction as to yield and are not subject to rebate.

3. 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. 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.

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

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

6. For purposes of this Tax Certificate, yield is calculated as set forth in Section 148(h) of the Code and Sections 1.148-4 and 1.148-5 of the Regulations. Thus, yield generally means that discount rate which, when used in computing the present value of all unconditionally payable payments of principal and interest with respect to an obligation and the cost of qualified guarantees (if any) paid and to be paid with respect to such obligation, produces an amount equal to the issue price of the obligation.

7. The Issuer certifies, based upon representations done of the Purchaser shown in EXHIBIT C hereto, that the aggregate reoffering price of the Bonds is \$28,635,015,

which represents the price at which the Bonds were sold to the public (excluding bond houses, brokers and other intermediaries). For purposes hereof, yield shall be calculated on a 360-day year basis with interest compounded semiannually. The yield on the Bonds on an aggregate basis as computed by the Purchaser is 4.3092%.

8. Unless otherwise authorized by an Opinion of Bond Counsel, during any period in which any amounts held in the Bona Fide Debt Service Fund, that remain unexpended after 13 months from the date of accumulation in such funds, at any time in aggregate exceeds \$100,000, the excess will be investigated either (i) in assets that comply with the requirements for qualified yield reduction payments set forth in Regulation § 1.148-5(c) or (ii) in Investment Property with a yield not exceeding the yield on the Bonds.

9. The Issuer has used equity to pay certain capitalized costs of the Project, prior to the Issue Date, and will use proceeds of the Bonds to reimburse those costs (i) either paid not earlier than 60 days prior to August 8, 2006, the date on which the Board of the Issuer made a declaration of intent to reimburse certain expenditures with proceeds of a tax-exempt obligation, (ii) expenditures which constitute "preliminary expenditures" within the meaning of Regulation Section 1.150-2(f)(2) or (iii) expenditures meeting the de minimis expenditure exception as set forth in Regulation Section 1.150-2(f)(1). A copy of the declaration of intent is attached hereto as Exhibit D. No funds corresponding to the reimbursement will be used within one year after the allocation of proceeds of the Bonds to pay or provide for payment of any issue of tax-exempt obligations.

10. Based on the certifications of the Purchaser in Exhibit, attached hereto, the Issuer expects that the present value of the premium for the Bond Insurance Policy is less than the present value of interest expected to be saved on the Bonds as a result of the Bond Insurance Policy.

11. Pursuant to Regulation Section 1.148-6(d)(1)(i) the Issuer hereby elects to use the "gross proceeds spent first method" for purposes of allocating proceeds of the Bonds to expenditures.

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 IL., 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 4.5(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 4.5(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 4.5(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 contract for which a qualifying bid is made (determined net of broker's

(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 \$_____ 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 \$_____ 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 Proceed. 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. 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.

2. The Issuer shall file Form 8038-G in a timely fashion with the Internal Revenue Service Center, Ogden, Utah. The information set forth in EXHIBIT B - 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. 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.

4. 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.

5. 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 Regulations promulgated or to be promulgated thereunder.

6. 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.

7. 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.

8. 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.

9. 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.

10. 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,

11. 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.

12. 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.

13. 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.

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

15. 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.

16. 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 of the Issuer hereby in good faith certifies 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.

17. 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.

18. 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.

19. 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.

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

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

22. Notwithstanding anything in this Tax Certificate or any other provisions of the Resolution to the contrary, the obligation to remit the rebate amount to the United States Department of the Treasury and to comply with all other requirements contained in this Tax Certificate shall survive the defeasance or payment in full of the Bonds.

23. The yield restrictions contained herein or any other restriction or covenant contained herein need not be observed or may be changed if the Issuer receives an opinion of Bond Counsel to the effect that such noncompliance or change will not adversely affect the exclusion of interest on the Bonds for federal income tax purposes.

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

25. The headings of this Tax Certificate are inserted for convenience only and shall not be deemed to constitute a part of this Tax Certificate.

IN WITNESS WHEREOF, we have set our hands this 6th day of June 2006.

THE BOARD OF EDUCATION OF THE
COUNTY OF MARSHALL

By: _____
Its: President

By: _____
Its: Secretary

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EXHIBIT B

IRS FORM 8038-G

[Included in Transcript as Document Number 27]

EXHIBIT C – PURCHASER’S CERTIFICATE

[Included in Transcript as Document Number 17]

EXHIBIT D – EXPENDITURE SCHEDULE

CERTIFICATE OF VALUATION

Board of Education

Marshall

(Levying Body)

(County)

TO: **Fred Renzella, Superintendent**

(County Commission President, School Board Secretary or Municipal Clerk or Recorder)

The undersigned Assessor and County Clerk of said County do hereby certify the assessed value of the various classes of real estate, personal property and public utility property for the assessment year **2007**

	Column A Assessed Value Including Back Tax And New Property (Total)	Column B All Other Exempt Value (excluding P U)	Column C Gross Assessed (Col A Plus Col B)	Column D Homestead Exempt Value	Column E Assessed Valuation For Tax Purposes (w/o Homestead & Exempt) (Col A Minus Col D)
Class I					
Personal Property	2,123,205	0	2,123,205		2,123,205
Public Utility Property	0	0	0		0
Total Class I	2,123,205	0	2,123,205		2,123,205
Class II					
Real Estate	405,642,990	203,780	405,846,770	73,408,150	332,234,840
Personal Property	2,941,881	0	2,941,881	670,882	2,270,999
Total Class II	408,584,871	203,780	408,788,651	74,079,032	334,505,839
Class III					
Real Estate	146,691,820	22,119,520	168,811,340		146,691,820
Personal Property	338,866,618	0	338,866,618		338,866,618
Public Utility Property	345,792,872	0	345,792,872		345,792,872
Total Class III	831,351,310	22,119,520	853,470,830		831,351,310
Class IV					
Real Estate	85,766,110	63,543,930	149,310,040		85,766,110
Personal Property	88,715,149	0	88,715,149		88,715,149
Public Utility Property	15,564,095	0	15,564,095		15,564,095
Total Class IV	190,045,354	63,543,930	253,589,284		190,045,354
TOTAL FOR LEVYING BODY	1,432,104,740	85,867,230	1,517,971,970	74,079,032	1,358,025,708

Given under our hands this 1st day of March, 2007

[Signature]
County Clerk

[Signature]
Assessor

NOTE: The above certificate must be in the hands of the levying body no later than March 3. (Section 6, Article 3, Chapter 11, Code of 1931, as amended.) The Assessor is required to certify the valuation of real estate and personal property and the County Clerk is required to certify the value of public utility property as assessed by the Board of Public Works. To avoid confusion this joint certificate is to be used.

When completed, submit original copy to the levying body, printed copy to the Department of Tax and Revenue, Property Tax Division, P.O. Box 2389, Charleston, WV 25328-2389, printed copy to the State Auditor's Office, Local Government Services Division, 1900 Kanawha Blvd E, Building 1 Room 416, Charleston, WV 25305, and retain a printed copy for your office file. Only a printed copy of the Board of Education page should be forwarded to the State Department of Education.

Original signed copy - Levying Body Photocopy - Auditor's Office Photocopy - Board of Ed. Only - State Dept. of Education
 Photocopy - Tax Dept. Photocopy - Retain

ASSESSED VALUES FOR CALCULATING REDUCED (ROLLED BACK) LEVY RATES

Board of Education

Marshall

(Levying Body)

(County)

TO:

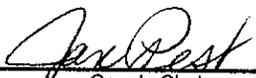
Fred Renzella, Superintendent

(County Commission President, School Board Secretary or Municipal Clerk or Recorder)

The undersigned Assessor and County Clerk of said County, do hereby certify the assessed value of the various classes of real estate, personal property and public utility property FOR THE CALCULATION OF THE REDUCED (ROLLED BACK) LEVY RATE for the assessment year 2007

	Column A Assessed Valuation For Tax Purposes <small>(w/o Homestead & Exempt)</small>	Column B New Property and Back Tax Property	Column C TIF Tax Incremental Financing Value	Column D Assessed Valuation For Tax Purposes Minus New Property, Back Tax Property & TIF <small>(Col A Minus Col B and C)</small>
Class I				
Personal Property	2,123,205	0	0	2,123,205
Public Utility Property	0	0	0	0
Total Class I	2,123,205	0	0	2,123,205
Class II				
Real Estate	332,234,840	6,082,080	0	326,152,760
Personal Property	2,270,999	0	0	2,270,999
Total Class II	334,505,839	6,082,080	0	328,423,759
Class III				
Real Estate	146,691,820	679,470	0	146,012,350
Personal Property	338,866,618	17,621,241	0	321,045,377
Public Utility Property	345,792,872	1,727,996	0	344,064,876
Total Class III	831,351,310	20,228,707	0	811,122,603
Class IV				
Real Estate	85,766,110	6,288,660	141,300	79,336,150
Personal Property	88,715,149	11,262,354	0	77,452,795
Public Utility Property	15,564,095	926,395	0	14,637,700
Total Class IV	190,045,354	18,477,409	141,300	171,426,645
TOTAL FOR LEVYING BODY	1,358,025,708	44,788,196	141,300	1,313,096,212

Given under our hands this 1st day of March, 2007



County Clerk



Assessor

The valuations above do not include values attributable to back-tax property, homestead property, new construction and improvements or new personal property.

THE VALUATIONS ARE TO BE USED ONLY FOR THE CALCULATION OF A REDUCED LEVY RATE as required by W.Va. Code § 11-8-6e and 6f. This rate must be applied to the CERTIFICATE OF VALUATIONS (enclosed) for budgeting purposes. These values, like the Certificate of Valuation, are to be in the hands of the levying body not later than March 3.

Print on **BLUE** paper - Levying Body
Photocopy - Tax Dept.
Photocopy - Auditor's Office
Photocopy - Retain
Photocopy -
Board of Ed. Only - State Dept. of Education

When completed, submit blue copy to the levying body, photocopy to the Department of Tax and Revenue, Property Tax Division, P.O. Box 2389, Charleston, WV 25328-2389, photocopy to the State Auditor's Office, Local Government Services Division, 1900 Kanawha Blvd E, Bldg 1, Room W-416, Charleston, WV 25305, and retain a photocopy for your office file. Only a photocopy of the Board of Ed. page should be forwarded to the State Dept. of Education.

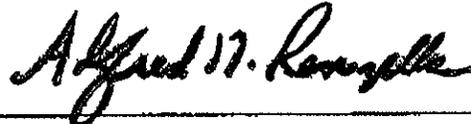
THE BOARD OF EDUCATION OF THE COUNTY OF MARSHALL, WEST VIRGINIA
\$27,900,000 PUBLIC SCHOOL BONDS, SERIES 2007

CERTIFICATE OF BONDED INDEBTEDNESS

I, Alfred N. Renzella, Superintendent of Schools of the County of Marshall and Secretary of the Board of Education of said County, hereby certify that the Marshall County School District had no outstanding bonded indebtedness as of August 8, 2006, the date on which said Board entered an order submitting the question of issuance of \$27,900,000 Public School Bonds to an election (which election was held on November 7, 2006, and resulted in approval by the voters of Marshall County School District of issuance of such Bonds).

The assessed valuation of taxable property in Marshall County School District at said date was \$1,254,86,588 and five percent (5%) thereof is \$62,709,588.

WITNESS my signature and the seal of said Board on this the 26th day of June, 2007.



Superintendent and Secretary of The Board of
Education of Marshall County, West Virginia

THE BOARD OF EDUCATION OF THE COUNTY OF MARSHALL, WEST VIRGINIA
\$27,900,000 PUBLIC SCHOOL BONDS, SERIES 2007

PURCHASER'S CERTIFICATE

The undersigned, as purchaser (the "Purchaser") of the above-captioned Bonds (the "Bonds"), hereby certifies that:

(a) All 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) at prices no higher than, or yields no lower than, those shown on the cover of the Official Statement dated June 14, 2007, relating to the Bonds. We have made a bona fide public offering of all Bonds at the public offering price.

(b) To the best of our knowledge, based on our records and other information available to us which we believe to be correct, we reasonably expect to sell ten percent (10%) of each maturity of the Bonds to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) at initial offering prices not greater than the respective prices shown on the cover of the Official Statement. At the time we agreed to purchase the Bonds, based upon our assessment of the then prevailing market conditions, we had no reason to believe any of the Bonds would be initially sold to the public (excluding such bonds 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.

(c) This certificate may be relied upon by the Issuer with respect to its Tax and Non-Arbitrage Agreement relating to the Bonds, and by Bowles Rice McDavid Graff & Love LLP in rendering their tax opinion with respect to the Bonds.

Dated as of June 26, 2007.

ROBERT W. BAIRD & CO.

By:


Its: **Director**

THE BOARD OF EDUCATION OF THE COUNTY OF MARSHALL, WEST VIRGINIA
\$27,900,000 PUBLIC SCHOOL BONDS, SERIES 2007

REGISTRAR AND AUTHENTICATING AGENT'S CERTIFICATE

The undersigned, Vice President of United Bank, Inc., Charleston, West Virginia, (the "Bank"), hereby certifies as follows with respect to the above-captioned Bonds (the "Bonds"):

The Bank has full power and authority to enter into and carry out the provisions of the Registrar's Agreement, dated June 26, 2007, by and between The Board of Education of the County of Marshall (the "Issuer") and the Bank (the "Agreement").

The persons whose titles, names and signatures are set forth below hold the positions, by election or appointment by the Board of Directors of the Bank shown opposite their respective names, and such persons have been named and designated as authorized officers of the Bank to authenticate and register the Bonds, to deliver certificates on behalf of the Bank in connection with the closing of the sale of the Bonds and to take any other actions required by the Agreement.

<u>Title</u>	<u>Name</u>	<u>Signature</u>
Vice President	Kathy Smith, CCTS	

Kathy Smith was duly authorized to, and did on or prior to the date hereof, execute and deliver the Agreement to the Issuer on behalf of the Bank.

The undersigned has received on or prior to the date hereof a direction on behalf of the Issuer to authenticate and deliver the Bonds to Robert W. Baird & Co., as original purchase thereof.

The Bank has received from the Issuer on the date hereof the Bonds, in the respective numbers and denominations, maturing on May 1 of such years, and bearing interest at such rates, all as set forth in the Official Statement dated June 14, 2007, relating thereto. At the time of such receipt, each of the Bonds had been executed by the signature of the President and the seal of the Issuer had been impressed or affixed thereto and attested by the signature of the Attorney General of the State of West Virginia.

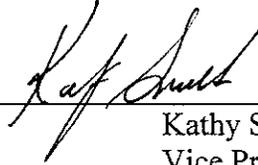
The Bank has duly authenticated the Bonds originally issued as June 26, 2007, by manually executing on each of such Bonds a certificate in the following form:

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 and has been duly registered in the name of the Registered Owner set forth above, as of the date set forth below. Imprinted on the reverse hereof is the complete text of the opinion of Bowles Rice McDavid Graff & Love LLP, 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.

UNITED BANK, INC.

By:



Kathy Smith
Vice President

Dated: June 26, 2007

WITNESS MY SIGNATURE this the 26th day of June, 2007.

By:



I. William Snider
Assistant Secretary

101 South Queen Street
Martinsburg, West Virginia 25401
(304) 263-0836

7000 Hampton Center, Suite K
Morgantown, West Virginia 26505
(304) 285-2500

155 East Main Street, Suite 300
Lexington, Kentucky 40507
(859) 252-2202



600 Quarrier Street
Charleston, West Virginia 25301

Post Office Box 1386
Charleston, West Virginia 25325-1386
(304) 347-1100

www.bowlesrice.com

480 West Jubal Early Drive
Suite 130
Winchester, Virginia 22601
(540) 723-8877

5th Floor, United Square
501 Avery Street
Parkersburg, West Virginia 26101
(304) 485-8500

June 26, 2007

The Board of Education of the County of Marshall
2700 Fourth Street
Moundsville, West Virginia 26041

Re: \$27,900,000 The Board of Education of Marshall County
(West Virginia) Public School Bonds, Series 2007

Dear Ladies and Gentlemen:

We have examined a record of the proceedings relative to the issuance and sale of \$27,900,000 Public School Bonds, Series 2007 (the "Bonds"), of Marshall County School District, by and through The Board of Education of the County of Marshall (the "Issuer") in the State of West Virginia. The Bonds are issued in fully registered form, are dated May 1, 2007, upon original issuance, are numbered in order of maturity from R-1 consecutively upward, are of the denominations of \$5,000 or integral multiples thereof, mature on May 1 in the years and amounts and bear interest payable each May 1 and November 1, commencing November 1, 2007, as follows:

Year	Principal Amount	Interest Rate
2008	\$1,390,000	4.00%
2009	1,445,000	4.25
2010	1,505,000	4.25
2011	1,565,000	4.25
2012	1,630,000	4.50
2013	1,695,000	4.50
2014	1,760,000	4.50
2015	1,835,000	4.50
2016	1,905,000	4.50
2017	1,985,000	4.50
2018	2,065,000	5.00
2019	2,145,000	5.00
2020	2,235,000	5.00
2021	2,325,000	5.00
2022	2,415,000	5.00

The Board of Education of the County of Marshall
June 26, 2007
Page 2

The Bonds were authorized at the general election held in the Marshall County School District on November 7, 2006, and by a Resolution and Order adopted by the Issuer on August 8, 2006, as supplemented (such Resolution and Order, as supplemented, herein called the "Resolution"), and are issued pursuant to Chapter 13, Article 1 of the West Virginia Code of 1931, as amended (the "Act"), for the purposes of providing funds for the acquisition, construction, renovation, repair and equipping of certain public school buildings, together with the sites thereof and all necessary appurtenances, in the Marshall County School District, and paying costs of issuance of the Bonds.

As to questions of fact material to our opinion, we have relied upon the representations, covenants and certifications of the Issuer contained in the Resolution, a Tax and Arbitrage Certificate of the Issuer dated the date hereof (the "Tax Certificate") and the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation.

We have not been engaged or undertaken to review the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the Bonds (except to the extent, if any, stated in the Official Statement), and we express no opinion relating thereto (excepting only the matters set forth as our opinion in the Official Statement).

Based upon the foregoing, and assuming compliance with the representations, covenants and certifications of the Issuer contained in the Resolution, the Tax Certificate and the certified proceedings and the certifications made in connection with the issuance of the Bonds, we are of the opinion that, under existing law:

1. The Issuer is a school district presently existing under the laws of, and a political subdivision of, the State of West Virginia, with full power and authority to adopt the Resolution and to issue and sell the Bonds under the provisions of the Act and other applicable provisions of law.

2. The Bonds have been duly authorized and validly issued by the Issuer in accordance with the Constitution and statutes of the State of West Virginia and constitute valid and legally binding general obligations of the Issuer, and unless the Bonds are paid from other sources, the Issuer has power and is obligated to levy ad valorem taxes upon all the taxable property within the Marshall County School District to pay the Bonds and the interest thereon, without limitation as to rate or amount.

The Board of Education of the County of Marshall
June 26, 2007
Page 3

3. Under existing laws, regulations, rulings and judicial decisions of the United States of America, as presently written and applied, the interest on the bonds is not includable in gross income of the owners thereof for Federal income tax purposes and is not an item of tax preference for purposes of the Federal alternative minimum tax imposed upon individuals and corporations; it should be noted, however, that interest on the Bonds held by a corporation May be indirectly subject to alternative minimum tax because of its inclusion in the reported income or earnings and profits of such corporate holder. The opinions set forth in the preceding sentence are subject to the condition that the Issuer comply, on a continuing basis, with all representatives, covenants and certifications set forth in the Resolution and the Tax Certificate of the Issuer. Failure to comply with such representations, covenants and certifications could cause the interest on the Bonds to be includable in gross income retroactive to the date of issuance of the Bonds. We express no opinion regarding other federal tax consequences arising with respect to the Bonds.

4. Under the Act, as presently written and applied, the Bonds are exempt from direct taxation by the State of West Virginia or any political subdivision thereof and the interest on the Bonds is exempt from personal and corporate income taxes imposed directly thereon by the State of West Virginia.

In expressing this opinion, we have considered the litigation instituted in certain states including the State of West Virginia, such as *Pauley v. Bailey*, 324 S.E.2d 128 (W.Va. 1984) challenging the constitutionality of present systems of levying taxes and applying funds for public school purposes and, in our opinion, such litigation will not modify the rights of the holders of the Bonds to ultimate recourse to unlimited ad valorem taxes upon all the taxable property within Marshall County, West Virginia, for the payment of the Bonds if not paid from other sources and does not modify or qualify the conclusions elsewhere stated in this opinion.

Please be advised that the enforcement of remedies with respect to the Bonds is subject to any applicable bankruptcy, reorganization, insolvency, moratorium or other laws affecting the enforcement of creditors' rights heretofore or hereafter enacted, and that 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 authorized.

Very truly yours,

101 South Queen Street
Martinsburg, West Virginia 25401
(304) 263-0836

7000 Hampton Center, Suite K
Morgantown, West Virginia 26505
(304) 285-2500

155 East Main Street, Suite 300
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501 Avery Street
Parkersburg, West Virginia 26101
(304) 485-8500

June 26, 2007

The Board of Education of the County of Marshall
2700 Fourth Street
Moundsville, West Virginia 26041

Re: \$27,900,000 The Board of Education of Marshall County
(West Virginia) Public School Bonds, Series 2007

Dear Ladies and Gentlemen:

We have examined a transcript of proceedings relating to the issuance of \$27,900,000 aggregate principal amount of Public School Bonds, Series 2007 (the "Bonds"), of The Board of Education of the County of Marshall (the "Issuer"), and a "Tax and Non-Arbitrage, Certificate of Issuer" executed by the President of the Issuer on this date.

Based upon such Certificate, we are of the opinion that the facts, estimates and circumstances set forth therein are sufficient to satisfy the requirements of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), to support the conclusion that the Bonds are not "arbitrage bonds" as therein defined. While we have undertaken no independent investigation or verification of the statements, expectations or representations set forth in such Certificate, no matters have come to our attention which make unreasonable or incorrect such statements, expectations or representations.

Accordingly, it is our opinion that, under existing statutes, regulations, rulings and court decisions, the Bonds are not "arbitrage bonds" as so defined.

The opinions set forth above are subject to the conditions that the Issuer comply with all requirements of the Code relating to arbitrage that must be satisfied subsequent to the Issuance of the Bonds in order that interest thereon be (or continue to be) excludable from gross income for Federal income tax purposes. Failure to comply with such requirements could cause the interest on

The Board of Education of the County of Marshall
June 26, 2007
Page 2

the Bonds to be so included in gross income retroactive to the date of issuance of the Bonds. The Issuer has covenanted to comply with all such requirements.

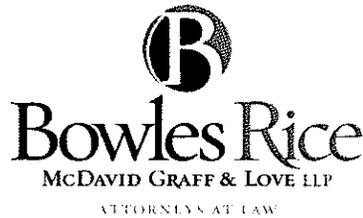
Very truly yours,

Bowles Rice / David Graff & Love LLP

101 South Queen Street
Martinsburg, West Virginia 25401
(304) 263-0836

7000 Hampton Center, Suite K
Morgantown, West Virginia 26505
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501 Avery Street
Parkersburg, West Virginia 26101
(304) 485-8500

June 26, 2007

The Board of Education of the
County of Marshall
Post Office Box 578
Moundsville, West Virginia 26041-0578

Re: \$27,900,000 The Board of Education of the
County of Marshall (West Virginia)
Public School Bonds, Series 2007

Ladies and Gentlemen:

We are Special Counsel to the Board of Education of the County of Marshall, West Virginia (the "Board") with respect to the issuance and sale of its \$27,900,000 Public School Bonds, Series 2007 (the "Bonds").

We have reviewed copies of the approving opinion of Bowles Rice McDavid Graff & Love LLP, Charleston, West Virginia, as Bond Counsel, and the Resolution and Order (the "Resolution") relating to the Bonds and such other documents and certificates we deem relevant or necessary for purposes of rendering the opinions herein. All capitalized terms used herein and not otherwise defined herein shall have the meanings set forth in said opinion and Resolution.

Based upon the foregoing, we are of the opinion that:

1. The Board is a duly organized and validly existing school board under and pursuant to the Constitution and laws of the State of West Virginia, with full legal right, power and authority to adopt the Resolution, to pledge the security as set forth in the Resolution, to issue, sell and deliver the Bonds to the purchaser thereof, to own and operate the public school facilities of Mason County and conduct the business thereof as set forth in and contemplated by the Official Statement and to carry out, give effect to and consummate the transactions contemplated by the Bonds, the Resolution and the Official Statement.

2. The Bonds have been duly authorized, executed and delivered by, and the Resolution has been duly adopted by, and each constitutes a legal, valid and binding agreement and obligation of the Board, enforceable in accordance with their terms, except as enforcement

The Board of Education of the County Marshall
June 26, 2007
Page 2

may be limited by bankruptcy, reorganization, insolvency, moratorium or other laws affecting the enforcement of creditors' rights from time to time in effect and except that no opinion is expressed as to the enforceability of Section 3 of the Registrar's Agreement insofar as the provisions thereof require the Board to indemnify and hold harmless the Paying Agent in certain circumstances.

3. The Board has duly authorized the execution, delivery and distribution of the Official Statement.

4. The Board is not, to the best of our knowledge after reasonable investigation, in breach of or in default under any constitutional provision, applicable law or administrative rule or regulation of the State of West Virginia, the United States, or of any department, division, agency or instrumentality of either thereof, or any applicable court or administrative decree or order, or note, ordinance, resolution, indenture, contract, agreement or other instrument to which the Board is a party or to which the Board or any of the properties or assets of the public school facilities of Marshall County are otherwise subject or bound, which breach or default, in any material way, directly or indirectly, would affect operation hereof, the issuance, execution or delivery of the bonds or the validity thereof, the validity or enactment of the Resolution and Order or the execution or delivery of the Official Statement or the other instruments contemplated by any of such documents to which the Board is a party; and no event has occurred and is continuing which, with the passage of time or the giving of notice or both, would constitute such a breach or default; and the adopting of the Resolution, and the execution and delivery of the Bonds, the Official Statement and the other documents and instruments contemplated by any of such documents, and compliance with the provisions of each thereof, will not conflict with or constitute a breach of or default under any constitutional provision, applicable law or administrative rule or regulation of the State of West Virginia, the United States, or of any department, division, agency or instrumentality of either thereof, or any applicable court or administrative decree or order, or any loan agreement, note, ordinance, resolution, indenture, contract, or other instrument to which the Board is a party or to which the Board or any of the properties or assets of the Board are otherwise subject or bound.

5. All approvals, consents, authorizations, elections and orders of or filings or registrations with any governmental authority, legislative body, board, agency or commission having jurisdiction, which would constitute conditions precedent to, or the absence of which would materially adversely affect the due performance by the Board of its obligations under the Resolution or the Bonds have been duly obtained and are in full force and effect, except for such approvals, consents and orders as may be required under the Blue Sky or securities laws of any state in connection with the offering and sale of the Bonds, as to which no opinion is hereby expressed.

The Board of Education of the County Marshall
June 26, 2007
Page 3

6. No action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body, is pending or, to our knowledge, threatened in any way questioning or affecting the existence of the Board, or the titles of the officers and members of the Board to their respective offices, or seeking to prohibit, restrain or enjoin the issuance, sale or delivery of the Bonds, the application of the proceeds thereof in accordance with the Resolution or the collection or application of the ad valorem taxes of Marshall County, West Virginia and any other assets pledged or to be pledged to pay the principal of and interest on the Bonds, or in any way contesting or affecting the validity or enforceability of the Bonds, the Resolution or any action of the Board, contemplated by any of said documents, or in any way contesting the completeness or accuracy of the Official Statement or contesting the powers or authority of the Board, with respect to the issuance, sale or delivery of the Bonds, the adoption of the Resolution, or the execution and delivery of the Bonds, or any action on the part of the Board, which would adversely affect the exemption of interest to be paid on the Bonds from federal income taxation, nor to our knowledge is there any basis therefor.

7. Without having made any independent investigations of the operation or affairs of the Board, or any independent certification of the statements of fact contained in the Official Statement including the appendices thereto, the Official Statement (except as to any financial and statistical data contained in the Official Statement, as to which no opinion or belief is hereby expressed) does not contain any untrue statement of a material fact or omit to state a material fact which, in our judgment, is required to be stated therein in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

Very truly yours,

Bowles Rice / David Graff & Love LLP

Marshall County Schools

Board of Education

Minutes 06-14-2007

The Marshall County Board of Education met in special session Thursday, June 14, 2007, 11:00 a.m., at the Offices of the Board of Education, all members having been notified of business to be considered.

Present were: President Roger A. Lewicki (attending via speaker phone); Vice President David L. Hall; Members Mary Ellen Komorowski, Lori E. Kestner, Thomas E. Gilbert, Jr.; Secretary Alfred N. Renzella; Members of the County Administrative Staff.

The purpose of the meeting was to open and to consider bids to purchase the \$27,900,000 Public School Bonds, Series 2007 (the "Bonds"), in accordance with the revised maturity schedule attached as Schedule 1, to be issued by the Board and to authorize the sale of the Bonds to the low bidder.

David P. Kirby of Scott & Stringfellow, Inc., the Board's Financial Advisor, was also present. Present by telephone was Edward D. McDevitt of Bowles Rice McDavid Graff & Love LLP, Bond Counsel. Mr. Kirby read the name of the low bidder for the purchase of the Bonds along with the blended interest rate for the entire issue to the Board members.

Motion by Mrs. Kestner and seconded by Mr. Gilbert that the Board recognize adjustments to principal amounts in serial maturities of the 2007 Bonds. Motion carried.

Motion by Mr. Gilbert and seconded by Mrs. Kestner that the Board approve bid for the sale of the 2007 Bonds. Motion carried.

Motion by Mrs. Kestner and seconded by Mr. Gilbert that the Board accept the low bid of Public School Bonds, Series 2007, to Robert W. Baird & Co., Inc. in the amount of \$28,525,280.98 and authorized President Lewicki to sign the official, formal bid proposal which was stated at a rate of 4.439165% and with the maturity schedule on Schedule 1 (attached). Motion carried with all members voting in favor of the motion (5-0).

Motion by Mrs. Kestner and seconded by Mr. Gilbert, and carried that the meeting be adjourned.

Vice President Hall adjourned the meeting at 11:40 a.m.

CERTIFICATION

I, Alfred N. Renzella, Secretary of the Board of Education of the County of Marshall, West Virginia, do hereby certify that the attached is a true and accurate copy of the Minutes of the June 14, 2007, meeting of the Board.

Dated this 26th day of June, 2007.



Alfred N. Renzella, Superintendent and
Secretary of the Board

[SEAL]

CERTIFICATION

I, Alfred N. Renzella, Secretary of the Board of Education of the County of Marshall, West Virginia, do hereby certify that the attached is a true and accurate copy of the Minutes of the August 8, 2006, meeting of the Board.

Dated this 26th day of June, 2007.



Alfred N. Renzella, Superintendent and
Secretary of the Board

[SEAL]

The Marshall County Board of Education met in regular session Tuesday, August 8, 2006, 7:30 p.m., at the Offices of the Board of Education, all members having been notified of business to be considered.

Present were: President Roger A. Lewicki; Vice President David L. Hall; Members Mary Ellen Komorowski, Thomas E. Gilbert, Jr., Lori E. Kestner (on vacation but attending via speaker phone); Secretary Alfred N. Renzella; Members of the County Administrative Staff.

President Lewicki presented a brief report regarding the recent Board of Education Retreat August 3-4-5, 2006 at Lakeview Resort, Morgantown, WV. President Lewicki thanked the Superintendent and staff that helped organize this eventful retreat. President Lewicki requested that Superintendent Renzella place the following topics on the agenda at the August 22nd board meeting for discussion or approval:

- 1) Clarify delegation handling procedures at board meetings
- 2) Goal setting as a board
- 3) Change the way we handle proceedings according to Robert's Rules
- 4) Concerns or notes from Superintendent or President placed as last Wrap up item on agenda

Minutes of the Regular Session, July 25, 2006, were approved on motion by Vice President Hall and seconded by Mr. Gilbert. Motion carried.

Sally Gaughenbaugh presented a power point summarization of the Summer Schools Program. John Marshall hosts a summer school program that enables students to makeup one or one half credit of classes in the core areas of instruction. Physical Education is also offered. The goals of JMHS summer school is to promote the *NO CHILD LEFT BEHIND ACT* encouraging success, defining area's of weaknesses, and providing motivation and support for each individual child. The John Marshall summer school enabled ten students to graduate this past summer.

Elementary level students attended McNinch and Cameron Elementary. The programs provided learning opportunities that may not exist within the instructional year. There were various summer school programs this year including:

- SPARKS* – Focuses on Title I Reading and Mathematics skills.
- START SMART* – Designed for students to help prepare them for entering kindergarten.
- ENERGY EXPRESS* – Designed to address academic skills focusing on reading that children may lose during the summer and provide structured learning opportunities.
- MAGIC* – Enrichment program providing hands on creative problem solving activities in science, social studies, and math.

College students from West Liberty State College, West Virginia Northern, Ohio University, Bethany and Wheeling Jesuit participated in a joint practice between colleges and Marshall County Schools. This summer, Marshall County Schools created an Autism Program in conjunction with West Liberty State College. Mrs. Gaughenbaugh concluded her presentation with Marshall County Schools future depends on the success of our students.

Connie Young, McNinch Summer School Principal, expressed her thanks to the Board on behalf of the students, faculty, staff and community for approving the Marshall County Elementary Summer School Program located at McNinch. Ms. Young presented the Board an informational handout and informed the Board that 227 students attended the McNinch program this summer ranging in ages 3-21. Ms. Young emphasized that summer school was a challenging and rewarding experience.

Richard Redd, Special Education Director, reported that Summer School at John Marshall this year was attended by 91% of the students being average students or higher during the regular school year and most students were high school Juniors and Seniors.

Motion by Vice President Hall and seconded by Mrs. Kestner that the Board approve the second and final reading of Policy 3.37 Department Head. Motion carried.

Motion by Vice President Hall and seconded by Dr. Komorowski that the Board approve the first reading and move to second and final reading of Policy 3.1.26 Safety Policy. Motion carried.

Motion by Vice President Hall and seconded by Mr. Gilbert that the Board approve the first reading and move to second and final reading of Policy 5.4 Progress and Promotion. Motion carried.

Motion by Dr. Komorowski and seconded by Mrs. Kestner, and carried that the following out of county student transfer requests be approved:

- Rebecca Conaway, for her son, *Dwayne Conaway, Jr.*, to attend Ohio County Schools
- Nancy Phillips, for her daughters, *Anna-Marie Phillips* and *Meghan Nichole Phillips*, to attend Ohio County Schools
- Tamera J. Clark, for her daughter, *Krista M. Grob*, to attend Ohio County Schools

Motion by Mrs. Kestner and seconded by Dr. Komorowski, and carried that the following in county student transfer requests be approved:

- Treva Ross, for her sons, *Jacob Ross* and *Michael Ross*, to attend Marshall County Schools

Motion by Vice President Hall and seconded by Mr. Gilbert that the Board approve *Columbian Life Insurance Company* to provide student accident insurance. Motion carried.

Motion by Vice President Hall and seconded by Mr. Gilbert that the Board approve the Budget Revision Supplement Request FY07. Motion carried.

James Tuel, Business Manager/Treasurer, presented information to the Board regarding the school board's annual audit. Mr. Tuel recommends *Tetrick & Bartlett, PLLC, Clarksburg, WV* for a three year contract at the following costs:

1st year - \$14,500 2nd year - \$18,000 3rd year - \$18,500

Mr. Tuel stated that this contract is for a one year approval and will be brought back to the Board for approval again each spring and the three year contract can be cancelled at any time.

Motion by Mr. Gilbert and seconded by Vice President Hall that the Board approve the CPA firm (*Tetrick & Bartlett, PLLC, Clarksburg, WV*) for the school board's annual audit for the 1st year at a cost of \$14,500. Motion carried.

Motion by Vice President Hall and seconded by Mrs. Kestner, and carried that the Board approve the following School Building Leases for FY07 and the President of the Organizations;

Mount Hope School – Dry Ridge Community Association

President: Myrtle Pettit

Gorby School – Bowman Ridge Community Association

President: Ivan Gorby

Big Run – Big Run Community Association

President: Donna Jones

Graysville School – Graysville Community Association

President: Connie Cunningham

Dallas School – Dallas Community Association

President: Laura Fonner

→ Motion by Vice President Hall, seconded by Mr. Gilbert, and carried that the Board approve the *Execution Copy* of the Bond Call with the following correction on page 1 line 8: Twenty Seven Million Nine Hundred Seventy Thousand Dollars to Twenty

Moundsville, West Virginia
August 8, 2006
Page 4

Seven Million Nine Hundred Thousand Dollars.

Motion by Vice President Hall and seconded by Mr. Gilbert that the Board establish August 23, 2006 (3:30 p.m.) as a Special Board Meeting at John Marshall High School Auditorium for facility visits. Motion carried.

Motion by Mrs. Kestner, seconded by Vice President Hall, and carried that attendances at the following professional meetings be approved:

David Parsons to attend *Differentiated Instruction*, August 17-18, 2006, Stonewall Jackson, WV, with expenses paid by Title II and Staff Development Funds.

Thomas Gorby and James Richmond to attend *Bendix Air Brake Training*, September 26-28, 2006, York, PA, with time and expenses paid by Transportation Funds.

It is understood by all participants at each meeting that they will be expected to share their learnings with colleagues in the county following the workshop/meeting/conference.

President Lewicki announced a request that the Board go into an executive session as authorized by Chapter 6, Article 9A, Section 4 (2A) of the State Code to discuss personnel matters.

Motion by Dr. Komorowski and seconded by Mr. Gilbert that the Board go into an executive session. Voting aye: President Lewicki, Vice President Hall, Members Gilbert and Komorowski. Member Kestner abstained. Motion carried.

Motion by Vice President Hall and seconded by Mr. Gilbert that the Board come out of executive session and return to regular session. Voting aye: President Lewicki, Vice President Hall, Members Gilbert and Komorowski. Member Kestner abstained. Motion carried.

Motion by Vice President Hall and seconded by Mr. Gilbert that the following personnel items as recommended by the Superintendent are approved:

Resignation(s) (if any)

Danny Prado - Activities Coordinator and Yearbook Advisor, John Marshall High, effective August 8, 2006

Cassandra Sherman – Teacher of Grade 1, Center McMechen Elementary, effective September 29, 2006

I, Alfred N. Renzella, Secretary, certify that these are the actual Board Minutes.

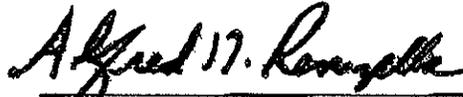
Alfred N. Renzella

Seal

CERTIFICATION

I, Alfred N. Renzella, Secretary of the Board of Education of the County of Marshall, West Virginia, do hereby certify that the attached is a true and accurate copy of the Minutes of the December 12, 2006, meeting of the Board.

Dated this 26th day of June, 2007.



Alfred N. Renzella, Superintendent and
Secretary of the Board

[SEAL]

Moundsville
West Virginia
December 12, 2006

The Marshall County Board of Education met in regular session Tuesday, December 12, 7:30 p.m., at Central Elementary School, all members having been notified of business to be considered.

Present were: President Roger A. Lewicki; Vice President David L. Hall; Members Mary Ellen Komorowski, Thomas E. Gilbert, Jr.; Secretary Alfred N. Renzella; Members of the County Administrative Staff, with member Lori E. Kestner being absent.

The Board met and conferred with representatives from the School Improvement Councils of Washington Lands Elementary, Central Elementary, and Moundsville Junior High.

Michael Hince, Principal, spoke on behalf of the Washington Lands Elementary School Improvement Council. Washington Lands Elementary's Partners in Education are Bayer Corp., American Electric Power, Krogers, Washington Lands Fire Department and H. E. Neumann.

Mr. Hince addressed the Board regarding goals that Washington Lands have set for the 2006-07 school year including Mastery of Writing Assessment and Language Arts. He emphasized that the staff is tracking specific academic weaknesses and performances on the WESTEST.

Principal Karen Klamut introduced members of the Central Elementary School Improvement Council including Linda Kolas, Jennifer Finley, Beth Howard, Carol Schleicher, and Patricia Matayja. Central Elementary's Partners in Education are Wesbanco, Grisell's Funeral Home, Long John Silver's, Altmeyers Funeral Home, and Kelch's Giant Eagle.

Mrs. Klamut informed the Board of Central Elementary's goals and programs being implemented at Central for the 2006-07 school year.

- Goals:
- Continue to meet the standards designated by No Child Left Behind.
 - Continue to increase positive behavior at Central Elementary.
 - Increase enrollment
 - WV Pre-K
 - Increase parent involvement.
 - Advancement of Technology
 - New computer equipment
 - Using Odyssey and Plato Edutest to enhance the learning of all students.
 - Continue to increase the involvement of parents in the CPT organization.

Programs being implemented at Central:

- Title I School-wide Program

Moundsville, West Virginia

December 12, 2006

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- Student Assistant Program Counselor
- CHOICES
- AmeriCorp's Partnership for Learning Excellence Program Kids Care Club
- 21st Century Community Learning Center After-school Program
- WV PreK
- Central Parents and Teachers (CPT)
- Home Activities for breaks and cancellations
- Remediation Strategies
- Positive Behavior Support Programs
- Staff Development
- Technology Lab
- Six Pillars of Character Education including the 'CHARMS' program
 - Mrs. Klamut introduced students Jonathan and Lauren Taylor who showed the various charms they had received.

Cheryl Tuba, gifted teacher at Moundsville Junior High, presented a Power Point slide program highlighting the following programs and activities that are occurring at MJHS:

- | | |
|-----------------------------------------------------------|--------------------------------|
| ▪AmeriCORPS Volunteer Program | ▪Leo Club |
| ▪Art Club | ▪Northwood Health Systems |
| ▪Archery | ▪Odyssey of the Mind |
| ▪Athletic Programs | ▪Resource Officer |
| ▪Band | ▪Robotics |
| ▪Biometric Finger Scanning | ▪Student Council |
| ▪Benchmarking and Assessment | ▪Site Based Management Team |
| ▪Choir – 7 th & 8 th grade students | ▪Technology |
| ▪Constitution Day | ▪Technology Opportunity Center |
| ▪Dolphin Research | ▪Writing Awards |
| ▪Future City | ▪Yearbook |
| ▪Golden Horseshoe | |

Moundsville Junior High School's Partners in Education are BB&T and Teletech.

Mr. John Kurpil asked the following questions regarding the Project Manager for Marshall County Schools:

- When will the Project Manager be chosen?
- Where was the position advertised?
- How many applicants applied for this position?
- How many applicants were interviewed and who was on the interviewing committee?
- What will be the cost for the Project Manager?

Mr. Kurpil would like information sent regularly to his email address regarding progress of the Project Manager.

President Lewicki explained that the Project Manager position is on the agenda for this meeting and his questions will be answered when this item is presented.

Minutes of the Regular Session, November 28, 2006, were approved on motion by Vice President Hall and seconded by Mr. Gilbert. Motion carried.

→ Motion by Vice President Hall and seconded by Mr. Gilbert that the Board approve the Marshall County Board of Education Resolution and Order Directing Issuance of Series 2007 Bonds. Motion carried.

President Lewicki announced a request that the Board go into an executive session as authorized by Chapter 6, Article 9A, Section 4 (9) of the State Code to discuss the Project Manager for Marshall County Schools (SBA and Bond Project). Motion carried.

Motion by Vice President Hall and seconded by Mr. Gilbert that the Board go into an executive session. Motion carried.

Motion by Dr. Komorowski and seconded by Vice President Hall that the Board come out of executive session and return to regular session. Motion carried.

Motion by Vice President Hall and seconded by Mr. Gilbert that the Board approve PCS (Project and Construction Services, Inc.) as Project Manager for Marshall County Schools (SBA and Bond Project). Motion carried.

Superintendent Renzella informed the Board that there were two Project Manager Proposal applications submitted and interviewed; advertisements were in local newspapers, Charleston, WV newspapers; and the architects sent out notifications; interview committee consisted of Ronald Pettit, James Tuel, Wayne Simms, Alfred Renzella and William Burrall. Mr. Renzella stated that the cost for the Project Manager will be brought back to the Board for final approval. The Building Pride and Progress Committee is going to do monthly newspaper articles to inform and communicate with the public and all minutes of the Building Pride and Progress Committee will be on the Marshall County Schools website.

Motion by Mr. Gilbert and seconded by Vice President Hall that the Board approve County Early Notification of Retirement Incentive. Motion carried.

Motion by Dr. Komorowski, seconded by Mr. Gilbert, and carried that the following out of county transfer requests be approved:

◆Michael Berisford for his daughters, *Cassandra Jo Berisford* and *Katelynn Jean Berisford*, to attend Ohio County Schools

Motion by Vice President Hall and seconded by Mr. Gilbert that the Board approve the submission of the November 2006 Monthly Financial Report. Motion carried.

I, Alfred N. Renzella, Secretary, certify that these are the actual Board Minutes.

Alfred N. Renzella

Seal

WEST VIRGINIA, MARSHALL COUNTY, SCT:

I, JAN PEST, CLERK OF THE COUNTY COMMISSION OF SAID COUNTY,
DO HEREBY CERTIFY THAT THE FOREGOING WRITING IS A TRUE AND
ACCURATE SAMPLE BALLOT FOR THE SCHOOL BOND ELECTION HELD IN
SAID COUNTY ON THE 7TH DAY OF NOVEMBER, 2006.

GIVEN UNDER MY HAND THIS 18TH DAY OF APRIL, 2007.



CLERK

OFFICIAL BALLOT - GENERAL ELECTION
Marshall County, West Virginia
November 7, 2006

OFFICIAL LEVY BALLOT

SCHOOL BOND ELECTION

OFFICIAL BALLOT
MARSHALL COUNTY BOARD OF EDUCATION
SCHOOL BOND ELECTION
November 7, 2006

Shall the Board of Education of the County of Marshall incur debt and issue bonds in the amount of \$27,900,000, maturities on such bonds to run not more than fifteen (15) years from the date of such bonds, with interest not exceeding the rate of six and ninety-five/100 per annum (6.95%), payable semiannually, for the purpose of constructing, enlarging, extending, reconstructing, improving, furnishing and/or equipping the school buildings, facilities and structures in the Marshall County Public School District to provide adequate, safe and convenient facilities for the School District, namely:

Cameron Elementary School

2 Classroom Addition
Renovate portions of building and pay all fees
LOCATION: Existing Cameron Elementary School, Cameron, West Virginia
ESTIMATED COST:
Bond Funds: \$1,197,140

Central Elementary School

Multi-Use Addition
6 Classroom Addition
Kitchen Addition & Renovations
Selected Renovations
Site Parking & Service Upgrades
Property Acquisition
LOCATION: Existing Central Elementary School, Moundsville, West Virginia
Bond Funds: \$2,033,455
SBA Grant: \$1,800,000

McNinch Elementary School

Multi-Use Addition
Art/Classroom Addition(s)
Kitchen Addition & Renovations
Selected Renovations
LOCATION: Existing McNinch Elementary School, Moundsville, West Virginia
ESTIMATED COST:
Bond Funds: \$2,609,798
SBA Grant: \$1,160,000

Park View Elementary School

School to be closed and building renovated for Alternative Education and construct 60' X 60' Maintenance Building
LOCATION: Existing Park View Elementary School, Moundsville, West Virginia
ESTIMATED COST:
Bond Funds: \$389,146

New Elementary

Acquire property and develop, construct, furnish, equip and pay all fees for a new building of approximately 45,000 S.F. to house 410 students PK-5 grades
LOCATION: New Elementary School, Sherrard, West Virginia
ESTIMATED COST:
Bond Funds: \$9,507,836

Moundsville Jr. High School

4 Classroom Addition
LOCATION: Existing Moundsville Jr. High School, Moundsville, West Virginia
ESTIMATED COST:
Bond Funds: \$197,638
SBA Grant: \$600,000

Sherrard Jr. High School

4 Classroom Addition
Cafeteria/Kitchen Addition
Selected Renovations
LOCATION: Existing Sherrard Jr. High School Sherrard, West Virginia
ESTIMATED COST:
Bond Funds: \$1,758,276
SBA Grant: \$2,200,000

Contest Continued Next Column

Contest Continued on Next page



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OFFICIAL BALLOT - GENERAL ELECTION
Marshall County, West Virginia
November 7, 2006

SCHOOL BOND ELECTION

Contest Continued...

Cameron High School

New Fieldhouse (Gymnasium)
 Property Acquisition
 Selected Renovations
 LOCATION: New Fieldhouse - Cameron High School
 Existing Cameron High School
 Cameron, West Virginia
 ESTIMATED COST:
 Bond Funds: \$4,654,976
 Bond Funds: \$ 377,116
 SBA Grant: \$2,180,000

John Marshall High School

Local College Satellite Facility
 Selected Renovations
 LOCATION: Existing John Marshall High School, Glen Dale,
 West Virginia
 ESTIMATED COST:
 Bond Funds: \$1,028,884

John Marshall High School

Monarch Stadium Renovations
 J.M. Fieldhouse Renovations
 LOCATION: Existing John Marshall High School, Moundsville,
 West Virginia
 ESTIMATED COST:
 Bond Funds: \$2,910,288

Sanford Elementary School

School to be closed and building demolished
 LOCATION: Moundsville, West Virginia
 ESTIMATED COST:
 Bond Funds: \$280,000

Old Moundsville Junior High School

Old school building and old bus garage to be demolished
 LOCATION: Moundsville, West Virginia
 ESTIMATED COST:
 Bond Funds: \$800,000

TOTAL PROPOSED BOND CALL:

Project Costs:	\$35,834,548
Costs of Issuance	\$ 65,452
SBA Funds:	(\$ 8,000,000)
Total Proposed Bond Call	\$27,900,000

CLOSURES

In the event the Bond issue is approved and the Bonds are issued, the following school closures will be undertaken:

Sherrard Elementary School to be closed; former students to be served by New School;

Limestone Elementary School to be closed; former students to be served by New School

Park View Elementary School to be closed; former students to be served by Central Elementary School and McNinch Elementary School.

Sanford Elementary School to be closed; former students to be served by Central Elementary School and McNinch Elementary School.

The above amounts are made up of the aggregate principal amount of the Bond issue in the sum of Twenty Seven Million Nine Hundred Thousand Dollars (\$27,900,000).

The foregoing amounts include the costs of acquiring necessary lands, sites and rights-of-way, if any, engineering and architectural costs, including but not limited to the cost of using County maintenance personnel, the costs and estimated costs of the issuance of the bonds, and such other costs, fees, and expenses as may be necessary and/or properly incurred in carrying out the foregoing projects. All Handicapped and E.S.S.I.A. Title 1 expenditures are subject to written approval by the West Virginia Department of Education. If for any reason any one or more of the above enumerated projects cannot be constructed, carried out, or completed, the amount above set out for any such project and any sums remaining unused upon completion of any of the foregoing projects may be allocated by the Marshall County Board of Education in its discretion, to and expended for any one or more of the remaining projects set out above, as provided by Section 6 (a) Article 1, Chapter 13, of the Code of West Virginia, 1931, as amended. The amount of the Bond issue reflects a Needs Grant in the amount of \$8,000,000 having been made to the School District for use in the acquisition and additions and improvements at Central Elementary School (\$1,900,000), McNinch Elementary School (\$1,160,000), Moundsville Middle School (\$660,000), Sherrard Middle School (\$2,200,000) and Cameron High School (\$2,180,000), which Needs Grant will be withdrawn if local funds for such project are not approved by the voters in the School District prior to July 1, 2007.

Contest Continued Next Column

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OFFICIAL BALLOT - GENERAL ELECTION
Marshall County, West Virginia
November 7, 2006

SCHOOL BOND ELECTION

Contest Continued...

In the event the Marshall County Board of Education shall obtain additional money by grant or otherwise from the state or federal government, or from any agency of either, or from any other source, for use in the acquisition, construction, renovation, improvement, furnishing, and/or equipping of the above enumerated projects, such additional money may be used either in substitution for or in addition to the proceeds of the sale of the bonds proposed hereby, as may be determined by said Board and the granting body or agency.

NOTICE TO VOTERS:

To vote in favor of the proposition (for the Bond Issue) submitted on this ballot, touch the screen before "Yes (For the Bond Issue.)"

To vote against the proposition (against the Bond Issue) submitted on this ballot, touch the screen before "No (Against the Bond Issue.)"



Yes (For the Bond Issue)



No (Against the Bond Issue)



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Review



PRELIMINARY OFFICIAL STATEMENT DATED JUNE 5, 2007

New Issue - Full Book Entry

Rating: Standard & Poor's: AA-

In the opinion of Bond Counsel, under existing laws, regulations, rulings and judicial decisions of the United States of America, as presently written and applied, interest on the Bonds is not includable in gross income of the owners thereof for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations upon the conditions and subject to the limitations set forth under the caption "TAX MATTERS" herein; however, interest on the Bonds held by a corporation may be indirectly subject to alternative minimum tax because of its inclusion in adjusted current earnings of such corporate holder. In the opinion of Bond Counsel, under existing laws of the State of West Virginia, the Bonds are exempt from direct taxation by the State of West Virginia or any political subdivision thereof. See "TAX MATTERS" herein.

\$27,900,000

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

Public School Bonds, Series 2007

Dated: Date of Delivery

Due: May 1, as shown below

The bonds are general obligations of The Board of Education of the County of Marshall, West Virginia (the "Board"), which Board has the power and is obligated to levy ad valorem taxes upon all the taxable property within the Marshall County School District to pay the Bonds and the interest thereon, without limitation as to rate or amount.

The Bonds will be issued in fully registered form only, without coupons, and, when issued will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository of the Bonds. Individual purchases will be made in book-entry form only in the principal amount of \$5,000 or integral multiples thereof. Purchasers of the Bonds will not receive certificates representing their interests in the Bonds.

Pursuant to Chapter 13, Article 1 of the Code of West Virginia, 1931, as amended, both the principal of and interest on the Bonds are payable at the office of the West Virginia State Treasurer. The State Treasurer has designated the West Virginia Municipal Bond Commission, Charleston, West Virginia, as Paying Agent for payment of the Bonds and United Bank, Charleston, West Virginia, as Registrar.

Interest on the Bonds will accrue from the Date of Delivery, and will be payable November 1, 2007 and semiannually thereafter (each May 1 and November 1) in each year to maturity. The principal of and interest on the Bonds are payable by the Paying Agent to DTC, which will in turn remit such principal and interest to its Participants for subsequent distribution to the Owners of the Bonds, as described herein.

The bonds are subject to redemption prior to maturity as described herein.

MATURITIES, AMOUNTS, RATES AND YIELDS

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Price/ Yield</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Price/ Yield</u>
2008	\$1,390,000			2016	\$1,905,000		
2009	1,445,000			2017	1,985,000		
2010	1,505,000			2018	2,065,000		
2011	1,565,000			2019	2,145,000		
2012	1,630,000			2020	2,235,000		
2013	1,695,000			2021	2,325,000		
2014	1,760,000			2022	2,415,000		
2015	1,835,000						

The bonds are offered for delivery when, as and if issued, subject to approval of legality by Bowles Rice McDavid Graff & Love LLP, Charleston, West Virginia, Bond Counsel. Certain legal matters will be passed upon for the Board by Bowles Rice McDavid Graff & Love LLP, Parkersburg, West Virginia, Counsel to the Board. It is expected that the Bonds will be available for delivery to DTC, New York, New York on or about June 26, 2007.

The date of this Preliminary Official Statement is June 5, 2007.

This Preliminary Official Statement is deemed final for the purpose of SEC Rule 15c2-12. Certain information contained herein is subject to completion and amendments or other change without notice. The Bonds may not be sold nor may an offer to buy be accepted prior to the time the Official Statement is delivered in final form. 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 Bonds in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any jurisdiction.

**THE BOARD OF EDUCATION
Of
THE COUNTY OF MARSHALL (WEST VIRGINIA)**

ELECTED OFFICIALS

	<u>Term Expires</u>
Roger A. Lewicki, President	June 30, 2010
David L. Hall	June 30, 2008
Lori E. Kestner	June 30, 2008
Dr. Mary Ellen Komorowski	June 30, 2010
Thomas Gilbert	June 30, 2010

APPOINTED OFFICIALS

Alfred N. Renzella, Superintendent
James E. Tuel, Treasurer

BOARD'S COUNSEL

Bowles Rice McDavid Graff & Love, LLP
Parkersburg, West Virginia

BOND COUNSEL

Bowles Rice McDavid Graff & Love LLP
Charleston, West Virginia

FINANCIAL ADVISOR

Scott & Stringfellow, Inc.
Charleston, West Virginia

No dealer, broker, salesman, or other person has been authorized by the Board of Education of the County of Marshall, West Virginia, to give any information or to make any representations, other than those 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 sales of the Bonds herein described by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been obtained by the Board from sources which are believed to be reliable but it is not guaranteed as to accuracy or completeness. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Board since the date hereof.

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

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OFFICIAL STATEMENT
relating to
\$27,900,000
THE BOARD OF EDUCATION OF
THE COUNTY OF MARSHALL (WEST VIRGINIA)
Public School Bonds, Series 2007

INTRODUCTION

The purpose of this Official Statement is to set forth certain information in connection with the sale by the Board of Education of the County of Marshall (West Virginia) (the "Board") of its \$27,900,000 Public School Bonds, Series 2007 (the "Bonds"), to be issued in accordance with the Official Notice of Sale of the Board. In connection therewith, a brief description of the Marshall County School District (the "School District" or "District") and the County of Marshall, West Virginia (the "County" or "Marshall County"), with which the School District is coterminous, is provided, together with a description of the Bonds and sources of payment therefor.

AUTHORITY AND PURPOSE

The issuance of the Bonds and the levy of taxes sufficient to pay the interest on and the principal of such Bonds were authorized and approved at a special election held on November 7, 2006, pursuant to, Chapter 13, Article 1 of the Code of West Virginia, 1931, as amended, and to a Resolution and Order duly entered and adopted by the Board on December 12, 2006 (the "Resolution and Order"). The ballot question also stipulated a maximum term of fifteen (15) years from the date of the Bonds and an interest rate not exceeding six and ninety-five hundredths percent (6.95%) per annum. The canvass of said special election showed 5,501 "Yes" votes and 5,292 "No" votes, a 50.97% voter approval of those who participated.

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 Chapter 13, Article 1 of the Code of West Virginia, 1931, (the "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. Section 8 of Article X of the Constitution and Sections 20 and 24 of the Act require the annual levy and collection of a tax sufficient to pay the principal of and interest on such bonds.

The School Building Authority of West Virginia (the "Authority") was created in 1989 to implement a program for providing funding for modern, efficient elementary and secondary public school facilities to meet the educational needs of the students of West Virginia (the "Program"). In order to facilitate its Program, the Authority granted \$8,000,000 to the School District on December 19, 2005. When combined with the \$27,900,000 proceeds from the sale of bonds, and \$8,000,000 of available funds from the District, \$35,900,000 will be available for the projects. For a complete description of the projects to be financed by the Bonds, see "Appendix C - Proposed Facilities."

THE BONDS

General

The Bonds are dated the Date of Delivery, will bear interest from that date, payable semiannually on each May 1 and November 1, commencing on November 1, 2007; principal of the Bonds is payable on May 1, in the years and amounts, as follows:

Year	Principal Amount	Interest Rate	Price/Yield	Year	Principal Amount	Interest Rate	Price/Yield
2008	\$1,390,000			2016	\$1,905,000		
2009	1,445,000			2017	1,985,000		
2010	1,505,000			2018	2,065,000		
2011	1,565,000			2019	2,145,000		
2012	1,630,000			2020	2,235,000		
2013	1,695,000			2021	2,325,000		
2014	1,760,000			2022	2,415,000		
2015	1,835,000						

Pursuant to the Act, both the principal of and interest on the Bonds are payable at the office of the Treasurer of the State of West Virginia (the "Treasurer"). The Treasurer has designated the West Virginia Municipal Bond Commission, Charleston, West Virginia, as Paying Agent for payment of the Bonds and United Bank, Charleston, West Virginia, to act as transfer agent and maintain the registration books.

The Bonds will be available to individual purchasers in book-entry form only, in the principal amount of \$5,000 and integral multiples thereof. Purchasers of the Bonds will not receive certificates representing their interests in the Bonds purchased.

Interest on the bonds will accrue from Date of Delivery and will be payable November 1, 2007 and semiannually thereafter (each May 1 and November 1) in each year to maturity. Such interest will be paid by check to the registered owner on each such interest payment date at his address as shown on the registration books kept for that purpose by the Paying Agent as of the 15th day of the month preceding each such interest payment date. In the case of an owner of \$500,000 or more of 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.

Optional Redemption

The Bonds maturing on or after May 1, 2018, are subject to redemption on or after May 1, 2017, at the option of the Board, in whole or in part on any interest payment date, from any moneys available for that purpose, at par, plus interest, if any, accrued to the date fixed for redemption.

In the event of such optional redemption, the Board may direct the maturity or maturities of the Bonds and the amounts thereof to be redeemed, provided that the Bonds will be redeemed in whole multiples of \$5,000 in principal amount and in the minimum principal amount of \$50,000.

Notice of any redemption of Bonds shall be given by the Registrar, on behalf of the Board, to registered owners of the Bonds to be redeemed at least thirty (30) days 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 their 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 Board shall default in the payment of the redemption price), such Bonds shall cease to bear interest.

Book-Entry System

The description which follows of the procedures and recordkeeping with respect to beneficial ownership interests in the Bonds, payments of principal of and interest on the Bonds to DTC, its nominee, Direct Participants (defined below) or Beneficial Owners (defined below), confirmation and transfer of beneficial ownership interests in the Bonds and other bond-related transactions by and between DTC, the Direct Participants and Beneficial Owners is based solely on information furnished by DTC.

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository ("Securities Depository") for the Bonds. The ownership of one fully registered Bond for each maturity as set forth on the cover page of this Official Statement, each in the aggregate principal amount of such maturity, will be registered in the name of Cede & Co., as nominee of DTC. DTC is a limited purpose trust company organized under the laws of the State of New York, 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, as amended. DTC was created to hold securities on behalf of its Participants (the "Participants") and to facilitate the clearance and settlement of securities transactions among Participants in such securities through electronic book-entry changes in accounts of the Participants, thereby eliminating the need of physical movement of securities certificates. Participants include securities brokers and dealers, banks, trust

companies, clearing corporations, and certain other organizations, some of which (and/or their representatives) own DTC. DTC is also owned by the New York Stock Exchange, Inc., the American Stock Exchange, Inc. and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others, such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Participant, either directly or indirectly.

Beneficial ownership interest in the Bonds may be purchased by or through Participants and will be recorded on the records of the Participants, whose interests will be recorded on a computerized book-entry system operated by DTC. Such Participants and the persons for whom they acquire interests in the Bonds as nominees ("Beneficial Owners") will not receive certificates, but each such Participant will receive a credit balance in the records of DTC in the amount of such Participant's interest in the Bonds, which will be confirmed in accordance with DTC's standard procedures. Each such person for which a Participant acquires an interest in the Bonds, as nominee, may desire to make arrangements with such Participant to receive a credit balance in the records of such Participant, and may desire to make arrangements with such Participant to have all communications by the Paying Agent to DTC which may affect such persons to be forwarded in writing by such Participant and to have notification made of all interest payments. DTC will receive payments from the Paying Agent to be remitted to Participants for subsequent disbursement to the Beneficial Owners. The Paying Agent and the Board may treat DTC (or its nominee) as the sole and exclusive owner of the Bonds registered in its name for the purposes of payment of the principal of or interest on the Bonds giving any notice permitted or required to be given to Bondholders, registering the transfer of Bonds, obtaining any consent or other action to be taken by Bondholders and for all other purposes whatsoever; and neither the Paying Agent nor the Board shall be affected by any notice to the contrary. Neither the Paying Agent nor the Board shall have any responsibility or obligation to any Participant, any person claiming a beneficial ownership interest in the Bonds under or through DTC or any Participant, or any other person which is not shown on the registration books of the Paying Agent, as Registrar, as being an owner of the Bonds, with respect to the accuracy of any records maintained by DTC or any Participant; the payment by DTC or any Participant of any amount in respect of the principal of or interest on the Bonds; any notice which is permitted or required to be given to Bondholders or any consent given or other action taken by DTC as Bondholder.

When reference is made to any action which is required or permitted to be taken by the Beneficial Owners, such reference shall only relate to those permitted to act (by statute, regulation or otherwise) on behalf of such Beneficial Owners for such purposes. When notices are given, they shall be sent by the Paying Agent to DTC with a request that DTC forward (or cause to be forwarded) the notices to the Participants so that such Participants may forward (or cause to be forwarded) the notices to the Beneficial Owners.

Beneficial Owners will receive a written confirmation of their purchase detailing the terms of the Bonds acquired. Transfers of ownership interests in the Bonds will be accomplished by book-entries made by DTC, and in turn by the Participants which act on behalf of the Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except as described below. Interest and principal will be paid by the Paying Agent to DTC, then paid by DTC to the Participants and thereafter paid by the Participants to the Beneficial Owners when due, but the Paying Agent will have no responsibility for payment other than to DTC. For every transfer or exchange of the Bonds the Beneficial Owner may be charged a sum sufficient to cover any tax, fee or other government charge that may be imposed in relation thereto.

In the event the Board determines that it is in the best interest of the Beneficial Owners that they be able to obtain Bond certificates, the Board may notify DTC and the Paying Agent, whereupon DTC will notify the Participants, of the availability through DTC of Bond certificates. In such event, the Paying Agent shall issue, transfer or exchange Bond certificates as requested by DTC and any other Bondholders in appropriate amounts. DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving notice to the Board and the Paying Agent and discharging its responsibilities with respect thereto under applicable law. Under such circumstances (if there is no successor Securities Depository), the Board and the Paying Agent shall be obligated to deliver Bond certificates. In the event Bond certificates are issued, the provisions of the resolution and orders shall apply to, among other things, the transfer and exchange of such certificates and the method of payment of principal and interest on such Bond certificates. Whenever DTC requests the Board and the Paying Agent to do so, the Paying Agent 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 Bonds to any DTC Participant having Bonds credited to his DTC account or (b) to arrange for another Securities Depository to maintain custody of certificates evidencing the Bonds.

Security and Source of Payment

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

The West Virginia Municipal Bond Commission (the "Commission"), is charged with the administration of the interest and sinking funds created to service the debt of the State and its subdivisions. The proceeds of taxes levied for debt service by the Board are collected by the sheriff, as treasurer of the county, who then forwards the proceeds to the Commission. The 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 Commission customarily sets the levy rates at 110% of the annual principal and interest required so as to provide a margin to cover the statutory 2 1/2% discount for early payment of taxes and any attrition occasioned by delinquencies, improper assessments and exonerations. There has not been a default on the payment of principal or interest of any general obligation bonds in the State of West Virginia since the 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 2007 Budget Bill is indicative:

Sec.14. Sinking fund deficiencies - There is hereby appropriated to the governor a sufficient amount to meet any deficiencies that may arise in the mortgage finance bond insurance fund of the West Virginia housing development fund which is under the supervision and control of the municipal bond commission as provided by section twenty-b, article eighteen, chapter thirty-one of the code, 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 provision 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 or the County of Marshall. 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.

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MARSHALL 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 members elected by the voters of the County without reference to political party affiliation. Presently the terms of the members are for four years and are staggered so that no more than three terms expire at one time. The terms of such members begin on the first day of July next following the primary election at which they were elected.

Board members' duties are established by State statute with the State 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 corporation and as such may sue and be sued, plead or be impleaded, and enter into contracts. The School District is fiscally independent of the County and all other political subdivisions.

During the fiscal year 2006-2007, the Marshall County Board of Education has 718 employees, 434 of whom are professional and 284 service staff. Of the 434 professionals, 13 are administrative, 17 are principals and 404 are teachers. The County's pupil-teacher ratio, based upon the County Superintendent's Second Month Attendance Report for the school year 2006-2007 is 12.71:1.

Facilities of the District

The present facilities of the Marshall County School District include 2 high schools, 2 junior high/middle schools and 11 elementary schools.

The District also maintains a board office, transportation center and maintenance building.

School Facilities within the District

<u>School</u>	<u>Grades</u>	<u>Type of Construction</u>	<u>Date of Construction</u>	<u>Renovations & Additions/year</u>
High Schools:				
Cameron	7-12	Masonry Non-combustible	1956	1967, 1968,1974,1983
Cameron Annex		Masonry Non-combustible	2000	
John Marshall High	9-12	Masonry Non-combustible	1968	None
Middle/Junior High Schools:				
Moundsville Junior High	7-8	Masonry	2001	None
Sherrard Junior High	7-8	Masonry	1976	None
Elementary Schools:				
Cameron	K-6	Masonry Non-cumbustible	1978	None
Central	K-6	Masonry Non-combustible	1954	None
Glen Dale	K-6	Masonry Non-combustible	1965	1973
Limestone	K-6	Steel and Wood Frame	1924	1975
Center McMechen	K-6	Steel Frame	1977	None
McNinch	K-6	Masonry	1977	None
Park View	K-6	Masonry Non-combustible	1927	1974
Sand Hill	K-6	Masonry	1954	1982,2000
Sanford	K-6	Masonry Non-combustible	1920	1955,1962
Sherrard	K-6	Masonry	1955	1965,1972,
Washington Lands	K-6	Masonry	1975	None

Source: Marshall County Board of Education

Historical Enrollment by School Year

<u>Grades</u>	<u>2002-03</u>	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>	<u>2006-07</u>
PreK	22	25	29	48	68
K	307	392	345	371	362
1	372	355	378	332	351
2	383	359	346	372	326
3	417	375	366	326	357
4	411	420	383	354	337
5	428	405	417	372	349
6	435	418	404	423	374
7	450	447	423	399	415
8	468	449	441	415	400
9	418	484	447	443	414
10	424	412	478	431	422
11	380	409	359	453	423
12	397	342	378	359	415
Early Childhood		37	49	88	122
TOTALS	5,375	5,329	5,243	5,186	5,135

Source: Marshall County Board of Education

Projected Enrollment by School Year

<u>Grades</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
Pre-K	180	240	280	300
K	345	356	356	356
1	350	335	343	343
2	338	335	319	329
3	315	337	335	319
4	354	312	330	329
5	336	349	308	328
6	356	334	350	306
7	382	359	338	355
8	419	379	357	336
9	407	419	380	357
10	404	390	402	365
11	382	365	352	363
12	362	358	341	330
TOTALS	4,930	4,868	4,791	4,633

Source: Marshall County Board of Education

Assessed Valuations

The Marshall County School District includes all of Marshall County and has the same assessed valuation of property therein as does the entire county. Between 1973 and the current fiscal year, the average assessment for each of the four classes of property in a county had to be at least at approximately 50% of the State appraised values. The State Tax Commissioner has authority to "appraise" property to determine its "true and actual value". Thus, in practice, most properties by class were assessed at least at approximately 50% of their appraised values.

Chapter 11, Article IC of the West Virginia Code, as amended by Acts of the 1990 Legislature, regular and third special session, requires all assessors to appraise all property at fair market value (except for certain farm property), within three years of the effective date of the legislation and to perform updated appraisals every three years thereafter. The State Tax Commissioner is required to monitor the assessors in the performance of their duties and to perform the valuation process on industrial and natural resource property within the aforesaid three-year period. The legislation limits the increase in property taxes that could result from the new valuation to one percent (1%) per year, unless, in the case of local governmental units (i.e. school boards), the Legislature after a public hearing deems a greater increase is necessary. Such increase is limited under the legislation to 10% per year. The legislation specifically stated to 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 three-year reappraisal cycle, which became effective July 1, 1994. The Board does not believe the legislation will have any impact on the Board's ability to levy taxes to pay the principal of or interest on the Bonds.

Assessment Procedures

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 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. The assessor annually, not later than March 7, 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 2007 assessment year valuations were made as of July 1, 2006, with taxes levied and collected during the fiscal year July 1, 2006, through June 30, 2007.

The State Tax Commissioner has the responsibility of 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 assessment 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 allocations being approved by the Board of Public Works.

Property Classification

Article X, Section 1, of the Constitution of the State 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 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, all notes, bonds, bills, accounts receivable, stocks and any other intangible personal property, not including bank deposits and money; Class II - owner-occupied residential property and certain farm lands; Class III - all real and personal property other than Class I and II property, situated outside of municipalities; Class IV - all real and personal property other than Class I and II, situated within municipalities. Public utility property falls within Class III or Class IV, as appropriate. Article 10, Section 1 b of the West Virginia Constitution and Chapter 1, Article 6 B, Section 5 of the West Virginia Code of 1931, as amended, provide that the first twenty thousand dollars of assessed valuation of any real property, or of personal property in the form of a mobile home, used exclusively for residential purposes and occupied by the owner or one of the owners thereof as his residence who is a citizen of the State and who is sixty-five years of age or older or is certified as being permanently or totally 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.

Assessed Valuation by Property Class

Class	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
I	\$ 1,888,496	\$ 1,979,312	2,017,945	\$ 2,261,153	\$ 2,123,205
II*	282,500,518	301,616,223	308,224,677	319,632,292	334,505,839
III	660,442,509	695,972,122	692,840,378	762,141,393	831,351,310
IV	161,464,857	159,539,986	158,583,372	170,151,750	190,045,354
Totals	<u>\$1,106,296,380</u>	<u>\$1,159,107,643</u>	<u>\$1,161,666,372</u>	<u>\$1,254,186,588</u>	<u>\$1,358,025,708</u>

Assessed Valuation by Property Category

	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
Real*	\$ 447,688,940	\$ 464,665,100	\$ 483,850,640	\$ 492,406,500	\$ 564,692,770
Personal	348,010,566	360,506,385	342,543,436	403,038,569	431,975,971
Utility	310,596,874	333,936,158	335,272,296	358,741,519	361,356,967

* Excludes property from ad valorem property taxation pursuant to the Homestead and Taxation Amendment.

Source: Marshall County Assessor's Office

The amount of Class II property so excluded from the above table was as follows:

<u>Year</u>	<u>Amount</u>
2003-2004	\$71,257,742
2004-2005	72,412,998
2005-2006	72,827,674
2006-2007	72,744,868
2007-2008	74,079,032

Source: Marshall County Assessor's Office

Ten Largest Assessed Valuations 2006-07

<u>Property Owner</u>	<u>Product/Service</u>	<u>Assessed Valuation</u>
Ohio Power Company	Utility	\$246,700,802
PPG	Chemicals	62,635,808
Bayer Material Science	Chemicals	58,304,820
Consol – McElroy Mine	Coal mining	43,414,558
Columbia Gas Transmission	Gas pipelines	28,711,038
Wheeling Power Co.	Utility	19,308,795
Consol – McElroy Preparation Plant	Coal mining	19,111,509
Texas Eastern Transmission	Gas pipelines	18,720,700
Consol – Shoemaker mine	Coal mining	17,552,317
GESF-F Inc.	Longwall mining equipment	12,098,800

Source: Marshall County Assessor's Office

Tax Collection Procedures

All taxes for real estate and personal property are collected by the 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 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 the taxes were 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. If no person bids the amount of taxes, interest and charges then due, the Sheriff shall purchase the property on behalf of the State for the amount so 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 of the County. The Sheriff accounts for and pays over such money as if it had been paid to him for redemption before sale.

Tax Rate Comparisons

The following table compares Marshall County property tax rates (to be charged on property located outside a municipality) in cents per \$100 assessed valuation, to surrounding counties for the tax year 2006, fiscal year ending June 30, 2007:

<u>County</u>	<u>Class I</u>	<u>Class II</u>	<u>Class III/IV</u>
MARSHALL	56.78	113.56	227.12
Ohio	58.30	116.60	233.20
Brooke	69.35	138.69	277.38
Wetzel	56.43	112.86	225.72
Tyler	59.15	118.30	236.60
Hancock	56.67	113.34	226.68

Source: State of West Virginia
Auditor's Office

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 rates may be increased by up to 100% by boards of education. The increased levies cannot 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.

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The aggregate county tax rates, per \$100 assessed valuation for fiscal year ending June 30, 2007, are as follows:

	<u>Class I</u>	<u>Class II</u>	<u>Class III</u>	<u>Class IV</u>
Unincorporated Areas	.5678	1.1356	2.2712	
Incorporated Areas: Benwood	.7360	1.4720		2.9440
Cameron	.6928	1.3856		2.7712
Glen Dale	.6928	1.3856		2.7712
McMechen	.7360	1.4720		2.9440
Moundsville	.6928	1.3856		2.7712
Wheeling	.7283	1.4566		2.9132

Source: State of West Virginia Auditor's Office

School Tax Rates

Taxes for school purposes are uniform throughout the County. In accordance with Chapter 11, Article 18, 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 \$.2295 per \$100 assessed valuation in respect to Class I; \$.4590 per \$100 in respect to Class II; and \$.9180 per \$100 in respect to Classes III and IV.

By favorable vote of at least a simple majority of the voters voting in an election, the above limitation may be increased by up to 100% for the period of five years, after which a referendum 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.

The Marshall County School District currently has an excess levy and as of the date of this official statement has no bond levy other than what is contemplated by this official statement as approved by a majority of voters voting in the special election on November 7, 2006.

Marshall County, West Virginia
School Tax Rates - By Property Class
Cents Per \$100

	<u>2005-2006</u>	<u>2006-2007</u>	<u>2007-2008</u>
Class I	42.97	42.54	41.89
Class II	85.94	85.08	83.78
Class III/IV	171.88	170.16	167.56

Source: Marshall County Board of Education

The maximum tax rates described above are divided among the several levying bodies by statute. Under Chapter 11, Article 8 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

The tax rates for the citizens of the County, including those imposed by the Marshall County Board of Education, but not including those relating to the proposed bond, in cents per \$100 assessed valuation for the 2006-2007 fiscal year, are as follows:

Rates of Levy

<u>Tax Type</u>	<u>Class I</u>	<u>Class II</u>	<u>Class III/IV</u>
State Current	.25	.50	1.00
County Current	13.99	27.98	55.96
County Excess	-0-	-0-	-0-
School Current	20.05	40.10	80.20
School Excess	22.49	44.98	89.96
School Bonds	-0-	-0-	-0-

Source: State of West Virginia Auditor's Office

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 2006-2007 fiscal year:

Rates of Levy

<u>Municipality</u>	<u>Class I</u>	<u>Class II</u>	<u>Class IV</u>
Benwood	16.82	33.64	67.28
Cameron	12.50	25.00	50.00
Glen Dale	12.50	25.00	50.00
McMechen	16.82	33.64	67.28
Moundsville	12.50	25.00	50.00
Wheeling	16.05	32.10	64.20

Source: County of Marshall, West Virginia
Assessor's Office

The aggregate county taxes for school purposes, per \$100 assessed valuation after implementing the proposed bond levy rates will be as follows:

	<u>Class I</u>	<u>Class II</u>	<u>Class III/IV</u>
School Current Expenses and permanent improvement levy	19.40	38.80	77.60
100% Excess Levy	22.49	44.98	89.96
*Bond Levy	7.06	14.12	28.24

*Bond levy amounts reflect bonds being issued at the maximum allowable rate as approved by the voters on November 7, 2006 in a special election.

Tax Levies and Collections*

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Real Estate	\$8,703,230.61	\$8,289,766.68	\$8,659,766.99
Personal Property	8,213,084.88	9,158,518.29	8,667,804.81
Plus: Add Ons	<u>374,673.95</u>	<u>353,858.04</u>	<u>345,392.70</u>
GROSS LEVY	\$17,290,989.44	\$17,802,143.01	\$17,672,964.50
Less: Exonerations, discounts and other credits	<u>(498,025.77)</u>	<u>(543,589.55)</u>	<u>(612,861.25)</u>
NET LEVY	\$16,792,963.67	\$17,258,553.46	\$17,060,103.25
Less:			
Delinquencies	<u>(1,118,126.44)</u>	<u>(982,659.47)</u>	<u>(922,526.50)</u>
Current Collections	\$15,674,837.23	\$16,275,893.99	\$16,137,576.75
Current Collections as Percentage of Net Levy	93.34%	94.31%	94.59%
Add: Prior delinquencies and penalties collected	<u>\$123,317.57</u>	<u>\$130,862.65</u>	<u>\$118,560.46</u>
TOTAL COLLECTIONS	\$15,798,154.80	\$16,406,756.64	\$16,256,137.21
Total Collections as percentage of Net Levy	94.08%	95.06%	95.29%

*Excludes public utility taxes collected and transmitted directly by the state auditor to the sheriff as county treasurer, for distribution to various levying bodies within the County, including the School District.

Source: Marshall County Sheriff's Office

School District Debt Statement

As heretofore stated, under Article X, Section 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. Under such constitutional and statutory standard, the computation of the debt limit of the School District and its debt contracting margin are as follows:

Summary of Statistical Debt Information (pro-forma)

Population (2004).....	34,617
Assessed Valuation (2007-08 Figures) *.....	\$1,358,025,708
Debt Limit (5% of Assessed Valuation).....	\$67,901,285
Outstanding Debt (Including the 2007 Bonds).....	\$27,900,000
Debt Contracting Margin.....	\$40,001,285
Per Capita Debt.....	\$805.96
Outstanding Debt as a Percentage of Assessed Valuation.....	2.055%

* Assessed valuation is estimated to be approximately 60% of appraised or market value

Source: Marshall County Assessor's Office , West Virginia Department of Tax and Revenue

Debt Service Requirements

Upon issuance of the Bonds, based on the interest rates and yields set forth on the cover page, the Board of Education will have the following debt:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2008	\$1,390,000			2016	\$1,905,000		
2009	1,445,000			2017	1,985,000		
2010	1,505,000			2018	2,065,000		
2011	1,565,000			2019	2,145,000		
2012	1,630,000			2020	2,235,000		
2013	1,695,000			2021	2,325,000		
2014	1,760,000			2022	2,415,000		
2015	1,835,000						

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. Collections are transferred periodically to the State Municipal Bond Commission. the 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".)
2. Bond Construction Fund - The Bond Construction Fund is a separate and distinct Fund used for revenues from the sale of local bonds authorized by an election, from State School Building Funds and from special funds that are categorically identified and authorized to supplement local bond proceeds or State School Building 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 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.

School District's Budget

	2003-04	2004-05	2005-06
Revenue:			
Property taxes	\$15,624,740	\$16,323,172	\$16,320,921
Other sources	507,615	392,330	478,744
Intermediate sources	25,000	25,000	25,000
State sources	24,031,192	22,995,036	23,326,473
Federal sources	3,716,665	4,485,670	4,608,454
Miscellaneous	-0-	30,000	40,000
Total revenue	\$43,905,212	\$44,251,208	\$44,799,592
Expenditures:			
Regular elem/sec instruction	27,332,733	25,473,863	24,632,786
Supporting services			
Students	1,386,650	1,496,260	1,515,800
Instructional staff	560,677	509,590	540,280
Central administration	1,444,562	1,428,081	1,345,090
School administration	2,414,784	2,341,130	2,383,850
Business	251,550	266,630	546,100
Operation and maintenance of facilities	4,041,492	4,127,240	4,021,430
Student transportation	3,474,049	3,197,540	3,716,362
Food Services	2,121,930	2,139,600	2,467,179
Community services	-0-	47,810	55,470
Reserved	-0-	-0-	3,464,705
Debt service	-0-	224,580	384,220
Total expenditures	\$43,028,427	\$41,252,324	\$45,073,272
Other financial sources (uses):			
Proceeds from note payable	-0-	-0-	(76,320)
Transfers	423,475	-0-	-0-
Total other financing sources (uses):			-0-
Net change in fund balances	1,300,260	2,998,884	(350,000)
Actual fund balance at end of prior year	1,730,776	5,431,777	4,840,243
Projected fund balance at end of current year	<u>\$3,031,036</u>	<u>8,430,661</u>	<u>4,490,243</u>

Source: Marshall County Board of Education

School District Budget for Fiscal Year 2006-07

Revenue:	
Property Taxes	\$17,546,844
Other Sources	693,756
Intermediate Sources	-0-
State Sources	24,187,552
Federal Sources	4,519,733
Estimated transfers in/out and beginning balance	250,000
Miscellaneous	-0-
Total Revenue	\$47,197,885
Expenditures:	
Reg. Elem/Sec. Inst.	\$19,485,210
Special Education	4,204,320
Vocational Program	1,484,830
Other Elem/Sec Programs	-0-
Adul/Continuing Education	74,970
Community Services	55,450
Undistributed Support Services	<u>21,893,105</u>
Total Expenditures	\$47,197,885

Source: Marshall County Board of Education

Teachers' Retirement System (TRS)

The State Teachers' Retirement System (TRS) was established on July 1, 1941 for the purpose of providing retirement benefits for teachers and school service personnel. TRS is a defined benefit plan that currently has approximately 18,633 active members and 27,389 retired members. An active member contributes 6% of his or her gross monthly salary into the retirement plan. The employer contributes an additional 15% of the member's gross monthly salary into the plan for employees hired before July 1, 2005 and 7.5% for employees hired for the first time on or after July 1, 2005.

TRS funding policy provides for member contributions based on 6% of members' annual compensation. Contributions as a percentage of payroll for members and employers are established by State law and are not actuarially determined. The employers make the following contributions:

The county boards of education, utilizing funds made available through the State's School Aid formula, contribute 15% of the compensation of their TRS-covered employees. The State contributes 15% of the compensation of TRS members employed by the State. Other employers contribute 15% of their TRS-covered employees' compensation.

In addition, the State contributes a certain percentage of fire insurance premiums paid by State residents and an amount determined by the State actuary as being needed to extinguish the TRS unfunded liability by June 30, 2034. Counties contribute 15% of the compensation of TRS members' salaries not covered under the State's School Aid formula.

The most recent actuarial valuation of TRS was performed July 1, 2006 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, 2006, the unfunded liability of TRS was \$4,703,410,000. The funded percentage was 31.6%. The TRS unfunded accrued liability should be extinguished on or about June 30, 2034.

Source: West Virginia Consolidated Public Retirement Board

Teachers' Defined Contribution Retirement System (TDC)

The Teachers' Defined contribution Retirement System (TDC) is a multiple employer defined contribution retirement system covering full time employees of the State's 55 county public school systems, the State Department of Education, several Higher Education employees, and the School for the Deaf and Blind who are hired after June 30, 1991. TDC members may also include former TRS plan members, including higher education employees, who have elected to transfer into or participate in TDC. As of July 1, 2006, active members totaled 19,602 TDC benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are required to participate from the date of employment. Chapter 18, Article 7B of the West Virginia Code establishes the plan provision for TDC.

The West Virginia Code requires employees to contribute 4.5% of their gross compensation and the employers to contribute 7.5% of covered members' gross compensation from amounts allocated to the employers through the State's School Aid formula. Employer contributions for each employee (and interest earnings and/or losses allocated to the employee's account) become 1/3 vested after six years, 2/3 vested after nine years and fully vested after 12 complete years of service. Non-vested employer contributions and earnings are forfeited by employees who leave employment prior to becoming fully vested. In the event the employee does not return to active participant status within five years the forfeited amount will be used to reduce the employer's current period contribution requirement. Any such forfeitures arising from contributions, plus earnings thereon, will be used to reduce future employer contributions.

Source: West Virginia Consolidated Public Retirement Board

SUMMARY OF INSURANCE COVERAGE

Type:	<u>Amount in force</u>
Fire, extended coverage/buildings and personal property	\$110,034,410
Subject to the following limitations:	
Fidelity Honest Bond	\$1,500,000
Money and Securities	1,500,000
Public official position bond:	
Superintendent	\$ 50,000
Board president	50,000
Treasurer	350,000

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 Continental Casualty Company. The Board is an Additional Insured under the policies for the coverage period July 1, 2006 to July 1, 2007, 12:01 Eastern Time.

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
- Garagekeeper's Insurance

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 \$1,000.
- Defense Costs: Defense costs are in addition to the each occurrence limit of liability.

Source: West Virginia Board of Risk and Insurance Management

THE COUNTY OF MARSHALL

Introduction

Marshall County (the "County") is located in the northern panhandle of West Virginia and its 2000 population was 35,519. Moundsville, the county seat, is 57 miles from Pittsburgh, PA, 123 miles from Columbus, OH, 177 miles from Cleveland, OH, 425 miles from New York, NY, and 450 miles from Charlotte, NC. Moundsville is located at the intersection of U. S. Route 250 and State Route 7. In addition to Moundsville, McMechen, Benwood, Glen Dale, and Cameron are the other incorporated communities in Marshall County.

Marshall County is 301 square miles in size and is surrounded by Ohio County to the north, Wetzel County to the south, Belmont and Monroe Counties, in the State of Ohio to the west and Green and Washington Counties, in the State of Pennsylvania to the east.

Since 1990, the population of the County has fluctuated as indicated in the following table:

	<u>1990</u>	<u>2000</u>	<u>2004</u>
Marshall County	37,356	35,519	34,617
West Virginia	1,782,958	1,807,442	1,812,548

Since 2000, it is estimated that Marshall County's population has fluctuated as follows:

<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
35,519	35,298	35,009	34,872	34,617

Economy

The economy of Marshall County is driven by the coal, chemical, and power generation industries. Marshall County's economy is influenced by the economies of Pittsburgh, PA, Columbus, OH, and Cleveland, OH. The east/west corridor of Interstate 70 passing just to the north of Marshall County and the north/south corridor of the Ohio River, provide links to the national economy. Marshall County is located in the Wheeling Metropolitan Statistical Area, which also incorporates Ohio County, West Virginia and Belmont County, Ohio. There are 437,602 people living within the Wheeling Metropolitan Statistical Area.

There are four financial institutions in the County with total assets of \$336,338,000:

Employment and Income Statistics

Average Annual Unemployment Rates

	<u>Marshall County</u>	<u>West Virginia</u>	<u>United States</u>
2006	5.70%	4.90%	4.60%
2005	5.60%	5.00%	5.10%
2004	6.00%	5.30%	5.50%
2003	6.40%	6.10%	6.00%
2002	6.60%	6.10%	5.80%

Source: West Virginia Bureau of Employment Programs
 Work Force West Virginia
 United States Department of Labor, Bureau of Labor Statistics

Employment by Industry

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Mining	959	1,121	1,213	1,366
Construction	304	354	374	428
Manufacturing	2,083	1,913	1,847	1,759
Trade, Transportation and Utilities	1,784	1,698	1,710	1,767
Information	77	79	70	44
Finance, Insurance and Real Estate	217	247	268	268
Professional and Business Services	577	624	605	787
Education and Health Services	1,457	1,434	1,461	1,541
Leisure and Hospitality	726	733	772	845
Other Services	207	233	239	235
Government	2,013	1,940	1,896	1,882

Source: Work Force West Virginia
 West Virginia Bureau of Employment Programs

Average Employment and Wages for 2005

	<u>Marshall County</u>	<u>West Virginia</u>	<u>United States</u>
Average Employment	10,926	695,300	130,307,840
Average Annual Wage	\$38,573	\$31,344	\$37,870

Source: West Virginia Bureau of Employment Programs

Wages per Industry for 2005

<u>Industry</u>	<u>Total Wages</u>	<u>Average Annual Wage</u>	<u>Average Weekly Wage</u>
Agriculture	\$ -0-	\$ -0-	\$ -0-
Mining	93,283,408	68,139	1,310.38
Construction	15,052,581	35,170	676.35
Manufacturing	124,306,124	70,669	1,359.02
Trade, Transportation and Utilities	57,223,260	32,384	622.77
Information	1,032,175	23,458	451.13
Finance, Insurance and Real Estate	6,589,441	24,587	472.83
Professional and Business Services	19,294,614	24,516	471.48
Education and Health Services	36,641,896	23,778	457.27
Leisure and Hospitality	7,772,889	9,198	176.90
Other Services	3,669,312	15,614	300.27
Government	<u>56,582,830</u>	<u>30,064</u>	<u>578.17</u>
Total	<u>\$ 421,448,530</u>	<u>\$38,573</u>	<u>\$741.79</u>

Source: West Virginia Bureau of Employment Programs

Per Capita Personal Income

<u>Location</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
United States	31,484	33,050	\$33,050
West Virginia	24,002	24,515	25,792
Marshall County	22,537	23,510	24,859

Source: United States Department of Commerce
Bureau of Economic Analysis

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Ten Largest Employers

<u>Employer</u>	<u>Product/Service</u>	<u>Number of Employees</u>
Marshall County Board of Education	Public education	718
PPG Industries, Inc.	Chemical manufacturing	595
Bayer Polymers	Chemical manufacturing	564
Consol Energy	Coal production	478
Reynolds Memorial Hospital	Health care	458
Teletech	Business process outsourcing	450
WalMart	Retail	370
American Electric Power	Electric power generation	270
Kroger	Retail grocery	250
Tecnocap	Manufacturing	130

Education

The availability of higher education opportunities around Marshall County is abundant. Wheeling Jesuit University in nearby Wheeling, West Virginia is eleven miles from Moundsville, the Marshall County seat. Wheeling Jesuit is one of twenty-eight Jesuit schools in the United States and offers bachelor of arts or bachelor of science degrees, as well as special academic and/or pre-professional programs, in business, the sciences, mathematics, education, engineering, medicine, and law. Wheeling Jesuit also offers several masters degree programs including business, accounting, and nursing. Additionally, it also offers a doctorate program in physical therapy.

West Virginia Northern Community College, also in Wheeling is a public, multi-campus comprehensive community college which serves the six counties of Ohio, Brooke, Hancock, Marshall, Wetzel and Tyler. The college offers certificates and associate degrees in several areas including business, education, criminal justice, and nursing.

Bethany College is a private, four year liberal arts institution in nearby Brooke County, West Virginia. It offers bachelor degrees in various fields of study including business, science, education, communications, foreign language, and music. It also offers pre-professional studies in several areas.

West Liberty State College is a public, four-year traditional college offering a variety of programs. It is located in nearby Ohio County, West Virginia and offers bachelor degrees in business, education, liberal arts, and science.

The Moundsville-Marshall County Library houses more than 70,000 volumes in Moundsville, with branches throughout the County. The Marshall County Library compliments all aspects of basic and higher education.

Transportation

Moundsville, the county seat, is located on the Ohio River, which is a major waterway for barge freight. US Route 250 intersects the County from southeast to northwest. West Virginia Route 2 is a four lane highway and runs the entire length of the county from north to south. Rail service is provided by CSX. The Chesapeake and Ohio mainline runs through the Ohio River valley along the county's western border.

Pittsburgh International Airport is 71 miles from Moundsville. Columbus (Ohio) International Airport is 131 miles from Moundsville.

Recreation and Tourism

Marshall County is very sports oriented. It is home to the largest annual boys baseball tournament in the United States. The Ohio Valley Athletic Association is the largest sports conference in the country. There are twelve golf courses in a thirty-five mile radius.

A local group is currently restoring the 86 year old Strand Theatre with a seating capacity of 600. Originally a 1920 Vaudeville playhouse, it will be the new home of a performing arts center.

There are nine museums in a ten mile radius of Moundsville.

Marshall County is home to the gothic-style fortress formerly used as the West Virginia Penitentiary. Tours are conducted of this facility which is a part of the National Historic Register. The official Marx Toy Museum is located in Glen Dale. The Fostoria Glass Museum is in Moundsville as is the Grave Creek Mound Archaeology Complex. It is the largest and most famous burial mound built by the Adena people.

Communications

There are three newspapers that cover events in Marshall County, including the *Moundsville Daily Echo* and two newspapers in nearby Wheeling, Ohio County, *The Wheeling Intelligencer*, and the *Wheeling News Register*. There is one radio station in Marshall County. There are no television stations based in Marshall County.

Utilities and Services

Electricity is provided by American Electric Power. The City of Moundsville has an ultra modern clean water plant under construction. This facility has the capacity to serve all of Marshall County and as the City of Moundsville and Marshall County move toward a regional approach to services, this facility may soon be providing water to the entire county. Currently several municipalities and public service districts provide clean water to Marshall County users. Verizon provides land-based phone service to Marshall County. Natural gas is provided by Mountaineer Gas Company and telecable is provided by Comcast Cable.

Health Care

Reynolds Memorial Hospital, Ohio Valley Medical Center, Wheeling Hospital, Mound View Health Care and Wood Health Care Clinic all serve Marshall County and they are situated in and around Marshall County. Nearby Wheeling serves as the medical center of the northern panhandle of West Virginia and access to medical facilities in Pittsburg are only minutes away from all points in Marshall County.

TAX MATTERS

In the opinion of Bond Counsel, under existing laws, regulations, rulings and judicial decisions of the United States of America, as presently written and applied, interest on the Bonds is not includable in gross income of the owners thereof for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals or corporations upon the conditions and subject to the limitations set forth in this section and under existing West Virginia Law, the Bonds are exempt from all taxation by the State of West Virginia or any political subdivision thereof.

Under the provisions of the Internal Revenue Code of 1986, as amended (the "Code"), there are certain restrictions that must be met subsequent to the delivery of the Bonds, including restrictions that must be complied with throughout the term of the Bonds. These include requirements applicable to the use and investment of the proceeds of the Bonds. Failure to comply with one or more of these requirements could result in the inclusion of the interest payable on the Bonds in gross income for federal income tax purposes, effective from the date of their issuance. The Board has covenanted to regulate the investment of the proceeds of the Bonds and to take such other actions as may be required to maintain the excludability from gross income for federal income tax purposes of interest on the Bonds. Bond Counsel's opinion assumes compliance with such covenants and that the Board will take such action.

The Code imposes an alternative minimum tax with respect to individuals and corporations on alternative minimum taxable income. Interest on the Bonds is not treated as a preference item in calculating the alternative minimum taxable income. The interest on the Bonds will be included in the adjusted current earnings of certain corporations and such corporations are required to include in the calculation of alternative minimum taxable income 75% of the excess of such corporation's adjusted current earnings over its alternative minimum taxable income (determined without regard to this adjustment and prior to reduction of certain net operating losses). The adjusted current earnings of a corporation will include the amount of any income received that is otherwise exempt from taxes, such as interest on the Bonds. In addition, interest income on the Bonds will be includable in the applicable taxable base for the purposes of determining the environmental tax imposed by the Code on corporations for taxable years beginning before January 1, 1996, and the branch profits tax imposed by the Code on foreign corporations engaged in a trade or business in the United States.

Under the Code, the exclusion of interest from gross income for federal income tax purposes may have certain adverse federal income tax consequences on items of income, deductions or credit for certain taxpayers, including financial institutions, certain insurance companies, recipients of Social Security and Railroad Retirement benefits, those that are deemed to incur or continue indebtedness to acquire or carry tax-exempt obligations, and individuals otherwise eligible for the earned income tax credit. The applicability and extent of these and other tax consequences will depend

upon the particular tax status or other tax items of the owner of the Bonds. Bond Counsel will express no opinion regarding those consequences.

Other consequences for federal income tax purposes of ownership of obligations such as the Bonds also result from the Code under certain circumstances. Owners of the Bonds should consult their own tax advisors as to the effects of the Code in their particular circumstances. Bond Counsel will render no opinion with respect to these or other collateral tax consequences of owning the Bonds.

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 5, 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 Board 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 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 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 the 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 alleges 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 request 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 are stated in the complaint. The complaint contains no allegation that relates to the right or ability of the Board of issue its Bonds.

In the opinion of Bond Counsel, the final resolution of the Pauley, Boards of Education, and Harris decisions by the courts of the State will not affect the validity or binding obligation of the Bonds or modify the rights 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 special 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 expected that Board liability in any such matters is likely to have an adverse effect on the financial condition of the Board.

At the time of payment for and delivery of the Bonds, the purchasers will be furnished with a certificate of the Secretary of the Board that there is no litigation pending or threatened affecting the validity of the Bonds or any of the proceedings taken with respect to the issuance and sale thereof or the levy or collection of any taxes to pay the principal of or interest on the Bonds. Such certificate shall also state that there is no litigation pending or threatened against the Board, which materially adversely affects the financial condition of the Board.

LEGAL MATTERS

All legal matters incident to the authorization, issuance, sale and delivery of the Bonds are subject to the approval of Bowles Rice McDavid Graff and Love LLP, Charleston, West Virginia, whose approving legal opinion will be delivered with such Bonds.

CONTINUING DISCLOSURE

The Board has agreed for the benefit of the holders of the Bonds to provide each Nationally Recognized Municipal Securities Information Repository and, if established, the State Information Depository, on an annual basis on or before 180 days after the end of each fiscal year, certain financial and operating data and in a timely manner, notices of certain material events, in order to comply with Rule 15c2-12 promulgated by the Securities Exchange Commission (the "Rule"). The Board has hired United Bank, Charleston, West Virginia to provide dissemination services in

conjunction with its continuing disclosure obligations for its Series 2007 Bonds and expects to comply with the continuing disclosure requirements as set forth in the Continuing Disclosure Agreement related to the 2007 Bonds. The form of the Continuing Disclosure Agreement is attached hereto as Appendix D.

SALE AT COMPETITIVE BIDDING

The 2007 Bonds are offered by the Board at competitive bidding on June 14, 2007 in accordance with the Official Notice of Sale.

RATINGS

Standard & Poor's, 55 Water Street, New York, NY 10041, has assigned the 2007 Bonds its rating of 'AA-'. The Board has not applied for other ratings. This rating reflects only the views of Standard and Poor's and reference is made to them 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 rating agency, if in the judgment of such rating agency, circumstances so warrant. Any downward revision or withdrawal of such rating may have a negative impact upon the market price or value of the 2007 Bonds.

FINANCIAL ADVISOR

Scott & Stringfellow, Inc., Charleston, West Virginia, Financial Advisor to the Board, or its directors or employees, may hold, own or dispose of bonds, including the Bonds issued by the Board. BB&T Capital Markets, a subsidiary of Scott & Stringfellow, Inc., may wish to bid alone or as a member of a syndicate for the purchase of these Bonds.

CONCLUDING STATEMENT

The information furnished in this Official Statement is set forth for the benefit of prospective purchasers of the \$27,900,000 in aggregate principal amount of the Board of Education of the County of Marshall, West Virginia Public School Bonds, Series 2007. The material contained in the Official Statement was compiled for and at the direction of the Board by Scott & Stringfellow, Inc., in its capacity as Financial Advisor to the Board.

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.

So far as any statements are made in this Official Statement involving matters of opinion, whether or not expressly so stated, they are set forth as such and not as representations of fact. Neither this Official Statement nor any statement which may have been made orally or in writing is to be construed as a contract with the holders of any of the Bonds.

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

By:
President

APPENDIX A

**Audited Financial Statement for the
Fiscal Year ending June 30, 2006**

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INDEPENDENT AUDITOR'S REPORT

The Honorable Members of the
Marshall County Board of Education
Moundsville, West Virginia

We have audited the accompanying financial statements of the Marshall County Board of Education as of and for the year ended June 30, 2006, as listed in the table of contents. These financial statements are the responsibility of the Marshall County Board of Education's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in the notes to the financial statements, the Marshall County Board of Education prepares its financial statements on a prescribed basis of accounting that demonstrates compliance with the regulatory basis of accounting of 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 differences between the regulatory basis of accounting and accounting principles generally accepted in the United States of America are also described in the notes to the financial statements.

In our opinion, because of the Marshall County Board of Education's policy to prepare its financial statements on the basis of accounting discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Marshall County Board of Education, as of June 30, 2006, or the results of its operations for the year then ended.

Additionally, as described more fully in the notes to the financial statements, fixed assets are stated at appraisal value, which does not demonstrate compliance with the regulatory basis of accounting of the West Virginia Department of Education. It was not practicable to determine the effects of the fixed assets being stated at appraisal value.

Also, in our opinion, except for the effects of stating the fixed assets on the appraisal value, the financial statements referred to above present fairly, in all material respects, the financial position of the Marshall County Board of Education, as of June 30, 2006, and the results of its operations for the year then ended, in conformity with the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, we have also issued a report dated November 3, 2006 on our consideration of the Marshall County Board of Education's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in conjunction with this report in considering the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the financial statements of the Marshall County Board of Education, taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Tetrick & Battlett, PLLC

November 3, 2006

**MARSHALL COUNTY BOARD OF EDUCATION
COMBINED BALANCE SHEET -
GOVERNMENTAL FUNDS
JUNE 30, 2006**

	<u>General</u> <u>Current</u> <u>Expense</u>	<u>Special</u> <u>Revenue -</u> <u>Restricted</u> <u>Projects</u>	<u>Debt</u> <u>Service</u>	<u>Capital</u> <u>Projects</u>	<u>Total</u> <u>Governmental</u> <u>Funds</u>
ASSETS					
Cash and cash equivalents	\$ 10,588,811	\$ -0-	\$ 433,562	\$ -0-	\$ 11,022,373
Cash - restricted	500,742	-0-	-0-	-0-	500,742
Taxes receivable, net	111,657	-0-	-0-	-0-	111,657
Other receivables	131,757	23,415	-0-	-0-	155,172
Due from other governments:					
State aid receivable	193,064	7,351	-0-	-0-	200,415
PEIA allocation receivable	599,862	-0-	-0-	-0-	599,862
Reimbursements receivable	-0-	712,060	-0-	-0-	712,060
Prepaid BRIM insurance	67,910	-0-	-0-	-0-	67,910
Due from other funds	<u>-0-</u>	<u>4,623,872</u>	<u>-0-</u>	<u>843,294</u>	<u>5,467,166</u>
TOTAL ASSETS	\$ <u>12,193,803</u>	\$ <u>5,366,698</u>	\$ <u>433,562</u>	\$ <u>843,294</u>	\$ <u>18,837,357</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Salaries payable and related payroll liabilities	\$ 3,343,695	\$ -0-	\$ -0-	\$ -0-	\$ 3,343,695
Workers' compensation payable	55,750	-0-	-0-	-0-	55,750
PEIA premiums payable	792,673	-0-	-0-	-0-	792,673
Deferred revenue	-0-	23,415	-0-	-0-	23,415
Due to other funds	<u>5,201,428</u>	<u>265,738</u>	<u>-0-</u>	<u>-0-</u>	<u>5,467,166</u>
Total liabilities	<u>9,393,546</u>	<u>289,153</u>	<u>-0-</u>	<u>-0-</u>	<u>9,682,699</u>
Fund Balances					
Reserved for:					
Encumbrances	180,134	610,491	-0-	-0-	790,625
Debt service	-0-	-0-	433,562	-0-	433,562
Special projects	94,042	4,623,872	-0-	-0-	4,717,914
Capital projects	501,742	-0-	-0-	843,294	1,345,036
Unreserved:					
Undesignated (deficit)	<u>2,024,339</u>	<u>(156,818)</u>	<u>-0-</u>	<u>-0-</u>	<u>1,867,521</u>
Total unreserved	<u>2,024,339</u>	<u>(156,818)</u>	<u>-0-</u>	<u>-0-</u>	<u>1,867,521</u>
Total fund balances	<u>2,800,257</u>	<u>5,077,545</u>	<u>433,562</u>	<u>843,294</u>	<u>9,154,658</u>
TOTAL LIABILITIES AND FUND BALANCES	\$ <u>12,193,803</u>	\$ <u>5,366,698</u>	\$ <u>433,562</u>	\$ <u>843,294</u>	\$ <u>18,837,357</u>

The accompanying independent auditor's report and notes are integral parts of this combined statement.

**MARSHALL COUNTY BOARD OF EDUCATION
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2006**

	<u>General</u> <u>Current</u> <u>Expense</u>	<u>Special</u> <u>Revenue -</u> <u>Restricted</u> <u>Projects</u>	<u>Debt</u> <u>Service</u>	<u>Capital</u> <u>Projects</u>	<u>Total</u> <u>Governmental</u> <u>Funds</u>
Revenues					
Property taxes	\$ 16,822,015	\$ -0-	\$ -0-	\$ -0-	\$ 16,822,015
Other local sources	443,500	418,878	6,767	-0-	869,145
Intermediate sources	26,091	-0-	-0-	-0-	26,091
State sources	23,806,489	1,641,157	-0-	29,134	25,476,780
Federal sources	2,702	5,692,299	-0-	-0-	5,695,001
Miscellaneous sources	<u>223,325</u>	<u>104,860</u>	<u>-0-</u>	<u>-0-</u>	<u>328,185</u>
Total revenues	<u>41,324,122</u>	<u>7,857,194</u>	<u>6,767</u>	<u>29,134</u>	<u>49,217,217</u>
Expenditures					
Instruction	24,749,951	3,931,819	-0-	-0-	28,681,770
Supporting services:					
Students	1,496,045	268,580	-0-	-0-	1,764,625
Instructional staff	397,883	768,760	-0-	-0-	1,166,643
Central administration	1,380,313	28,222	-0-	-0-	1,408,535
School administration	2,548,859	67,343	-0-	-0-	2,616,202
Business	639,409	3,692	-0-	-0-	643,101
Operation and maintenance of facilities	4,730,855	86,396	-0-	-0-	4,817,251
Student transportation	3,871,422	357,741	-0-	-0-	4,229,163
Food services	-0-	2,776,450	-0-	-0-	2,776,450
Community services	54,621	-0-	-0-	-0-	54,621
Capital outlay	-0-	-0-	-0-	65,840	65,840
Debt services:					
Principal retirement	217,630	-0-	-0-	-0-	217,630
Interest and fiscal charges	<u>84,806</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>84,806</u>
Total expenditures	<u>40,171,794</u>	<u>8,289,003</u>	<u>-0-</u>	<u>65,840</u>	<u>48,526,637</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,152,328</u>	<u>(431,809)</u>	<u>6,767</u>	<u>(36,706)</u>	<u>690,580</u>
Other Financing Sources (Uses)					
Transfers in	126,706	1,228,068	83,333	880,000	2,318,107
Transfers (out)	<u>(1,368,166)</u>	<u>(949,941)</u>	<u>-0-</u>	<u>-0-</u>	<u>(2,318,107)</u>
Total other financing sources(uses)	<u>(1,241,460)</u>	<u>278,127</u>	<u>83,333</u>	<u>880,000</u>	<u>-0-</u>
Net change in fund balances	<u>(89,132)</u>	<u>(153,682)</u>	<u>90,100</u>	<u>843,294</u>	<u>690,580</u>
Fund balance – July 1, 2005	<u>2,889,389</u>	<u>5,231,227</u>	<u>343,462</u>	<u>-0-</u>	<u>8,464,078</u>
Fund balance – June 30, 2006	<u>\$ 2,800,257</u>	<u>\$ 5,077,545</u>	<u>\$ 433,562</u>	<u>\$ 843,294</u>	<u>\$ 9,154,658</u>

The accompanying independent auditor's report and notes are integral parts of this combined statement.

MARSHALL COUNTY BOARD OF EDUCATION
STATEMENT OF ASSETS, LIABILITIES AND
FUND BALANCE - REGULATORY BASIS
GENERAL FIXED ASSET ACCOUNT GROUP
JUNE 30, 2006

ASSETS

Land, buildings, and equipment	\$ <u>120,413,787</u>	
TOTAL ASSETS		\$ <u>120,413,787</u>
 LIABILITIES AND FUND BALANCES		
Fund balance		
Investment in general fixed assets	\$ <u>120,413,787</u>	
Total fund balance		\$ <u>120,413,787</u>
TOTAL LIABILITIES AND FUND BALANCE		\$ <u>120,413,787</u>

The accompanying independent auditor's report and notes are integral parts of this statement.

MARSHALL COUNTY BOARD OF EDUCATION
STATEMENT OF ASSETS, LIABILITIES AND
FUND BALANCE – REGULATORY BASIS
GENERAL LONG TERM DEBT ACCOUNT GROUP
JUNE 30, 2006

ASSETS

Amount available in Debt Service Fund	\$	433,562	
Amount to be provided for retirement of general long-term debt		<u>10,208,163</u>	
TOTAL ASSETS			\$ <u>10,641,725</u>

LIABILITIES AND FUND BALANCES

Liabilities

Compensated absences	\$	7,812,781	
Portion of long-term debt due in upcoming year -- capital leases		230,619	
Long term debt, net of current portion		<u>2,598,325</u>	
Total liabilities			<u>10,641,725</u>
TOTAL LIABILITIES AND FUND BALANCE			\$ <u>10,641,725</u>

The accompanying independent auditor's report and notes are integral parts of this statement.

MARSHALL COUNTY BOARD OF EDUCATION
 BUDGETARY COMPARISON SCHEDULE -
 GENERAL CURRENT EXPENSE FUND
 FOR THE YEAR ENDED JUNE 30, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u> <u>Favorable</u> <u>(Unfavorable)</u>
Revenues				
Property taxes	\$ 16,320,921	\$ 16,815,983	\$ 16,822,015	\$ 6,032
Other local sources	121,022	382,710	443,500	60,790
Intermediate sources	25,000	26,091	26,091	-0-
State sources	22,075,037	23,686,466	23,806,489	120,023
Federal sources	-0-	2,585	2,702	117
Miscellaneous sources	<u>40,000</u>	<u>211,938</u>	<u>223,325</u>	<u>11,387</u>
Total revenues	<u>38,581,980</u>	<u>41,125,773</u>	<u>41,324,122</u>	<u>198,349</u>
Expenditures				
Instruction	23,707,787	25,136,825	24,749,951	386,874
Supporting services:				
Students	1,418,080	1,504,379	1,496,045	8,334
Instructional staff	465,630	423,894	397,883	26,011
Central administration	1,318,730	1,590,690	1,380,313	210,377
School administration	2,336,890	2,557,999	2,548,859	9,140
Business	546,100	665,194	639,409	25,785
Operation and maintenance of facilities	4,021,430	4,889,807	4,730,855	158,952
Student transportation	3,412,960	3,963,543	3,871,422	92,121
Reserved - contingency	288,000	947,362	-0-	947,362
Community services	55,470	55,510	54,621	889
Capital outlay	-0-	7,976	-0-	7,976
Debt service:				
Principal retirement	384,220	302,436	217,630	84,806
Interest and fiscal charges	<u>-0-</u>	<u>-0-</u>	<u>84,806</u>	<u>(84,806)</u>
Total expenditures	<u>37,955,297</u>	<u>42,045,615</u>	<u>40,171,794</u>	<u>(1,873,821)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>626,683</u>	<u>(919,842)</u>	<u>1,152,328</u>	<u>2,072,170</u>

MARSHALL COUNTY BOARD OF EDUCATION
 BUDGETARY COMPARISON SCHEDULE -
 GENERAL CURRENT EXPENSE FUND (CONT'D)
 FOR THE YEAR ENDED JUNE 30, 2006

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		<u>Favorable (Unfavorable)</u>
Other Financing Sources (Uses)				
Transfers in	-0-	115,351	126,706	11,355
Transfers (out)	(976,683)	(1,368,166)	(1,368,166)	-0-
Total other financing sources (uses)	(976,683)	(1,252,815)	(1,241,460)	11,355
Net change in fund balances	(350,000)	(2,172,657)	(89,132)	2,083,525
Fund balance – July 1, 2005	<u>2,889,389</u>	<u>2,889,389</u>	<u>2,889,389</u>	-0-
Fund balance – June 30, 2006	\$ <u>2,539,389</u>	\$ <u>716,732</u>	\$ <u>2,800,257</u>	\$ <u>2,083,525</u>

The accompanying independent auditor's report and notes are integral parts of this statement.

MARSHALL COUNTY BOARD OF EDUCATION
 BUDGETARY COMPARISON SCHEDULE -
 SPECIAL REVENUE FUND - RESTRICTED PROJECTS
 FOR THE YEAR ENDED JUNE 30, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u> <u>Favorable</u> <u>(Unfavorable)</u>
Revenues				
Local sources	\$ 357,722	\$ 415,722	\$ 418,878	\$ 3,156
State sources	1,251,436	1,641,157	1,641,157	-0-
Federal sources	4,608,454	8,752,561	5,692,299	(3,060,262)
Miscellaneous sources	-0-	108,329	104,860	(3,469)
Total revenues	<u>6,217,612</u>	<u>10,917,769</u>	<u>7,857,194</u>	<u>(3,060,575)</u>
Expenditures				
Instruction	924,999	7,655,303	3,931,819	3,723,484
Supporting services:				
Students	97,720	341,131	268,580	72,551
Instructional staff	74,650	1,459,576	768,760	690,816
Central administration	26,360	22,854	28,222	(5,368)
School administration	46,960	60,746	67,343	(6,597)
Business	-0-	27,396	3,692	23,704
Operation and maintenance of facilities	-0-	163,642	86,396	77,246
Student transportation	303,402	424,822	357,741	67,081
Food services	2,467,179	2,849,380	2,776,450	72,930
Reserved - contingency	3,176,705	3,594,300	-0-	3,594,300
Capital outlay	-0-	157,041	-0-	157,041
Total expenditures	<u>7,117,975</u>	<u>16,756,191</u>	<u>8,289,003</u>	<u>8,467,188</u>
Excess (deficiency) of revenues over (under) expenditures	(900,363)	(5,838,422)	(431,809)	5,406,613
Other Financing Sources (Uses)				
Transfers in	976,683	1,233,031	1,228,068	(4,963)
Transfers (out)	(76,320)	(392,073)	(949,941)	(557,868)
Total other financing sources (uses)	<u>900,363</u>	<u>840,958</u>	<u>278,127</u>	<u>(562,831)</u>
Net change in fund balances	-0-	(4,997,464)	(153,682)	4,843,782
Fund balance – July 1, 2005	<u>1,950,854</u>	<u>1,950,854</u>	<u>5,231,227</u>	<u>3,280,373</u>
Fund balance – June 30, 2006	\$ <u>1,950,854</u>	\$ (<u>3,046,610</u>)	\$ <u>5,077,545</u>	\$ <u>8,124,155</u>

The accompanying independent auditor's report and notes are integral parts of this statement.

MARSHALL COUNTY BOARD OF EDUCATION
 BUDGETARY COMPARISON SCHEDULE -
 DEBT SERVICE FUND
 FOR THE YEAR ENDED JUNE 30, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u> <u>Favorable</u> <u>(Unfavorable)</u>
Revenues				
Other local sources	\$ <u>-0-</u>	\$ <u>-0-</u>	\$ <u>6,767</u>	\$ <u>6,767</u>
Total revenues	<u>-0-</u>	<u>-0-</u>	<u>6,767</u>	<u>6,767</u>
Other Financing Sources (Uses)				
Transfers in	<u>-0-</u>	<u>-0-</u>	<u>83,333</u>	(<u>83,333</u>)
Total other financing sources (uses)	<u>-0-</u>	<u>-0-</u>	<u>83,333</u>	(<u>83,333</u>)
Net change in fund balances	-0-	-0-	90,100	90,100
Fund balance – July 1, 2005	<u>-0-</u>	<u>-0-</u>	<u>343,462</u>	<u>343,462</u>
Fund balance – June 30, 2006	\$ <u>-0-</u>	\$ <u>-0-</u>	\$ <u>433,562</u>	\$ <u>433,562</u>

The accompanying independent auditor's report and notes are integral parts of this statement.

MARSHALL COUNTY BOARD OF EDUCATION
 BUDGETARY COMPARISON SCHEDULE -
 CAPITAL PROJECTS FUND
 FOR THE YEAR ENDED JUNE 30, 2006

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
State sources	\$ -0-	\$ <u>500,000</u>	\$ <u>29,134</u>	\$ (<u>470,866</u>)
Total revenues	<u>-0-</u>	<u>500,000</u>	<u>29,134</u>	(<u>470,866</u>)
Expenditures				
Capital outlay	<u>-0-</u>	<u>1,400,000</u>	<u>65,840</u>	<u>1,334,160</u>
Total expenditures	<u>-0-</u>	<u>1,400,000</u>	<u>65,840</u>	<u>1,334,160</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-0-</u>	(<u>900,000</u>)	(<u>36,706</u>)	<u>863,294</u>
Other Financing Sources (Uses)				
Transfers in	<u>-0-</u>	<u>900,000</u>	<u>880,000</u>	(<u>20,000</u>)
Total other financing sources (uses)	<u>-0-</u>	<u>900,000</u>	<u>880,000</u>	(<u>20,000</u>)
Net change in fund balances	<u>-0-</u>	<u>-0-</u>	<u>843,294</u>	<u>843,294</u>
Fund balance – July 1, 2005	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Fund balance – June 30, 2006	\$ <u>-0-</u>	\$ <u>-0-</u>	\$ <u>843,294</u>	\$ <u>843,294</u>

The accompanying independent auditor's report and notes are integral parts of this statement.

MARSHALL COUNTY BOARD OF EDUCATION
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
JUNE 30, 2006

	<u>Agency Funds</u> <u>School Activity</u> <u>Funds</u>
ASSETS	
Cash and cash equivalents	\$ <u>565,151</u>
TOTAL ASSETS	\$ <u>565,151</u>
LIABILITIES	
Liabilities	
Due to student groups	\$ <u>565,151</u>
TOTAL LIABILITIES	\$ <u>565,151</u>

The accompanying independent auditor's report and notes are integral parts of this statement.

**MARSHALL COUNTY BOARD OF EDUCATION
SCHEDULE OF CHANGES IN SCHOOL ACTIVITY FUNDS
FOR THE YEAR ENDED JUNE 30, 2006**

<u>Schools</u>	<u>(Restated)</u>			<u>Ending</u>
	<u>Beginning</u>			<u>Cash</u>
	<u>Cash</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Balance</u>
	<u>Balance</u>			
Cameron Elementary School – General Fund	\$ 9,567	\$ 42,947	\$ 40,405	\$ 12,109
Cameron Elementary School – Faculty Senate	2,437	5,204	4,944	2,697
Cameron High School – General Fund	66,830	234,522	242,846	58,506
Cameron High School – Faculty Senate	7,359	9,045	13,056	3,348
Center McMechen Elementary School – General Fund	20,680	21,422	19,646	22,456
Center McMechen Elementary School – Faculty Senate	2,129	3,000	2,695	2,434
Central Elementary – General Fund	12,475	33,038	32,918	12,595
Central Elementary – Faculty Senate	2,169	3,338	5,174	333
Glen Dale Elementary – General Fund	13,801	42,814	43,875	12,740
Glen Dale Elementary – Faculty Senate	2,516	3,600	3,986	2,130
Limestone Elementary – General Fund	411	35,256	25,773	9,894
Limestone Elementary – Faculty Senate	1,237	1,800	1,461	1,576
McNinch Elementary - General Fund	10,613	72,244	72,686	10,171
McNinch Elementary – Faculty Senate	1,710	6,214	5,997	1,927
Moundsville Junior High School – General Fund	89,802	132,694	138,601	83,895
Moundsville Junior High School – Faculty Senate	5,041	6,206	7,768	3,479
Park View Elementary – General Fund	2,666	23,737	23,032	3,371
Park View Elementary – Faculty Senate	3,109	2,400	2,932	2,577
Sand Hill Elementary – General Fund	2,285	7,088	6,684	2,689
Sand Hill Elementary – Faculty Senate	50	800	790	60
Sanford Elementary – General Fund	3,423	17,824	17,864	3,383
Sanford Elementary – Faculty Senate	2,207	4,250	2,559	3,898
Sherrard Elementary – General Fund	6,854	37,370	40,997	3,227
Sherrard Elementary – Faculty Senate	3,709	7,215	5,727	5,197
Sherrard Junior High School – General Fund	35,506	71,158	68,634	38,030
Sherrard Junior High School – Faculty Senate	6,099	5,220	5,607	5,712
Washington Lands Elementary School – General Fund	9,078	53,917	49,568	13,427
Washington Lands Elementary School – Faculty Senate	2,637	5,400	5,239	2,798
John Marshall High School – General Fund	192,381	382,322	385,334	189,369
John Marshall High School – Faculty Senate	2,751	20,164	20,006	2,909
John Marshall High School – Athletic Fund	<u>43,571</u>	<u>153,072</u>	<u>148,429</u>	<u>48,214</u>
Total – All Schools	\$ <u>565,103</u>	\$ <u>1,445,281</u>	\$ <u>1,445,233</u>	\$ <u>565,151</u>

The accompanying independent auditor's report and notes are integral parts of this statement.

**MARSHALL COUNTY BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2006**

1. Summary of Significant Accounting Policies

The Marshall County Board of Education (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.

The accompanying financial statements have been prepared in conformity with generally accepted accounting principles for governmental entities with the exceptions that: (1) government-wide financial statements, management's discussion and analysis, and the other reporting requirements specified by the Government Accounting Standards Board (GASB) Statement 34, are not included, and (2) account group financial statements are included. Consequently, the accompanying financial statements are considered to be presented on a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

A. Reporting Entity

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. Funds

The financial activities of the Board are recorded in individual funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts, which comprises its assets, liabilities, fund equity, revenue and expenditures. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions.

The accompanying independent auditor's report is an integral part of these notes.

MARSHALL COUNTY BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED JUNE 30, 2006

The funds maintained by the Board are:

General Current Expense Fund

The General Current Expense Fund is the operating fund of the Board and accounts for all revenues and expenditures not encompassed within other funds. All general tax revenues and other receipts that are not allocated by law or contractual agreement to other funds are accounted for in this fund. General operating expenditures and the capital improvement costs that are not paid through other funds are paid from the General Current Expense Fund.

Special Revenue Fund

The Special Revenue Fund is an operating fund of the Board and accounts for all revenues and expenditures attributable to state and federal grants and other revenue sources that are legally restricted to expenditure for specific purposes.

Debt Service Fund

The Debt Service Fund is used to account for the resources accumulated and payments made for principal, interest, and related costs on general obligation bonds issued by the Board for the acquisition of capital assets.

Capital Projects Funds

Capital Projects Funds are used to account for all resources used for the acquisition of capital facilities by the Board. These funds can include: a bond construction fund, used to account for the proceeds from the issuance of general obligation bonds; a permanent improvement fund established under the authority of West Virginia Code §18-9B-14 to account for the proceeds of resources used for the support of various building and permanent improvement projects, and; one or more capital projects funds used to account for the resources used in the construction of a specific capital facility.

Agency Funds

Agency funds are used to account for assets that the Board holds for others in an agency capacity. These include: 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.

The accompanying independent auditor's report is an integral part of these notes.

MARSHALL COUNTY BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED JUNE 30, 2006

C. Measurement Focus and Basis of Accounting

The *governmental fund financial statements* were prepared using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Board considers all revenues available if they are collected within 30 days after year-end. Expenditures are recorded generally when the related fund liability is incurred, except for unmatured principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing resources.

Fiduciary funds are custodial in nature (assets equal liabilities) and do not present results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting. These funds are used to account for assets that the School Board holds for others in an agency capacity.

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 as reservations of fund balances since they do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year.

The accompanying independent auditor's report is an integral part of these notes.

MARSHALL COUNTY BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
 FOR THE YEAR ENDED JUNE 30, 2006

E. Cash and Investments

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the Board's deposits may not be returned to it. It is the Board's policy for deposits to be 100% secured by collateral valued at market or par, whichever is lower, less the amount of Federal Deposit Insurance Corporation insurance. Cash on hand and deposits with banking institutions either in checking or savings accounts are presented as cash in the accompanying financial statements. Such deposits at June 30, 2006 are not entirely covered by federal depository insurance or secured by adequate bond or other securities held by the banking institutions in the Board's name.

Boards of education are authorized by statute to provide excess funds to either the State Consolidated Investment Pool or the Municipal Bond Commission for investment purposes, or to invest such funds in the following classes of securities: Obligations of the United States or any agency thereof, certificates of deposit and repurchase agreements. Funds of the Board are temporarily invested by the West Virginia Municipal Bond Commission specifically on behalf of the Board as part of the Commission's consolidated investment pool. These investments are considered cash and cash equivalents due to their liquid nature.

Cash and cash equivalents of the Board at June 30, 2006 consisted of the following:

	<u>Carrying Amount</u>	<u>Market Value</u>
Checking	\$ 12,010	\$ 12,010
State Investment Pool	253	253
Money rate and Money Market	11,430,842	11,430,842
Repurchase Agreements	<u>80,010</u>	<u>80,010</u>
 Total cash and cash equivalents	 \$ <u>11,523,115</u>	 \$ <u>11,523,115</u>

F. Food Service Receivables

The accounts receivable for the Food Service Program has been reduced for uncollectible accounts. The allowance for uncollectible accounts was calculated based upon historical data maintained by the Board.

The accompanying independent auditor's report is an integral part of these notes.

MARSHALL COUNTY BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED JUNE 30, 2006

G. Interfund Receivables and Payables

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the year are referred to as either "due to/from other funds" (i.e., current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans).

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

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 made to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the financial statements.

J. Fixed Assets

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds and the related assets are reported in the General Fixed Asset Account Group. Fixed assets should be valued at actual historical cost or estimated historical cost if actual historical cost records are not available. However, the Marshall County Board of Education's fixed assets are valued at appraisal value. This is considered NOT to be in compliance with the West Virginia Department of Education basis of accounting. Furthermore, no depreciation is recognized for assets in the General Fixed Asset Account Group. Interest incurred during construction is not capitalized on general fixed assets.

The accompanying independent auditor's report is an integral part of these notes.

MARSHALL COUNTY BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED JUNE 30, 2006

K. Compensated Absences and Special Termination Benefit

Compensated Absences:

It is the Board's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Vacation and sick benefits can be accumulated up to 15 day and unlimited days, respectively, 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. In lieu of a cash payment at retirement an employee can elect to use accumulated annual leave toward their postemployment health care insurance premium. Employees also earn sick leave benefits which accumulate but do not vest.

Special Termination Benefits:

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. Historically, the West Virginia State Legislature appropriates funds that are used by the Board to pay for its obligations for this special termination benefit. Because such appropriations are at the discretion of the Legislature and not guaranteed, the liability for sick leave convertible to health insurance premiums using the vesting method is recorded in the Board's general long-term debt account group.

L. Long-Term Obligations

The current portion of long-term debt due in the upcoming fiscal year and the remaining portion of long-term debt obligations is reported in the general long-term debt account group. Capital lease obligation payments are reported in the general current or special revenue funds. Remaining capital lease obligations and bond issuances are reported entirely in the general long-term debt account group.

The accompanying independent auditor's report is an integral part of these notes.

MARSHALL COUNTY BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED JUNE 30, 2006

M. Fund Equity

Governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent that portion of fund equity committed by official Board action prior to June 30 of each year for specific purposes. Said specific purposes and amounts are recorded in the official Board minutes of the fiscal year ended June 30, 2006.

N. 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 statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

O. Restricted Resources

Restricted resources should be applied first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

P. Recent Accounting Statements

In November 2003, the GASB issued Statement No. 42, *Accounting and Financial Reporting for Impairment of Capital Assets for Insurance Recoveries*. This statement establishes accounting and reporting requirements for the impairment of capital assets, and clarifies guidance for accounting for insurance recoveries. The implementation of this statement would require additional disclosures only if impairment of capital assets or insurance recoveries occur.

In June 2004, the GASB issued Statement No. 45, *Accounting and Financial Reporting by Employers for Post Employment Benefits other than Pensions*. This statement establishes accounting and reporting for other post employment benefits (OPEB) expense/expenditures and related OPEB assets or liabilities, note disclosures, and required supplementary information in the financial statements of state and local governments. The Board intends to adopt the provisions of this statement for the year ended June 30, 2008.

The accompanying independent auditor's report is an integral part of these notes.

**MARSHALL COUNTY BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED JUNE 30, 2006**

In December 2004, the GASB issued Statement No. 46, *Net Assets Restricted by Enabling Legislation*. This statement clarifies the meaning of enabling legislation, and specifies the accounting and reporting requirements if new enabling legislation replaces existing legislation, or if legal enforceability is reevaluated. This statement also requires governments to disclose the portion of total net assets that is restricted by enabling legislation. The Board intends to adopt the provisions of this statement for the year ended June 30, 2007.

Q. Total Columns

Total columns on the combined statements are captioned "Total" to indicate that they are presented only to aid in financial analysis. Interfund eliminations have not been made to the aggregation of this data; and it is, therefore, not comparable to consolidation.

2. Stewardship, Compliance and Accountability

A. Budgets and Budgetary Accounting

All boards of education within West Virginia are required by statute to prepare annual budgets and levy rate estimates on prescribed forms and submit these for approval. Budgets are presented on the modified accrual basis of accounting for all governmental funds. Budgets are not adopted for agency funds. The following procedures are followed in preparing the annual budget:

1. Pursuant to State statute, the Board is required to hold a meeting or meetings between the seventh and twenty-eighth days of March to ascertain its financial condition and to determine the amount that is to be raised from the levy of taxes for the fiscal year commencing July 1. The Board adjourns the meeting and submits its Schedule of Proposed Levy Rates to the State Auditor's Office for approval. The Board then reconvenes its meeting on the third Tuesday of April to formally lay the approved levy.
2. The Board is also required to submit its proposed budget for the subsequent year to the State Board of Education for approval by the date established in the budget calendar. The Board is also required to hold a public hearing on the proposed budget before it is submitted for approval. The proposed budget must be made available for public inspection for at least 10 days before the public hearing is held.

Revisions to the budget are authorized only with the prior written approval of the State Board of Education.

The accompanying independent auditor's report is an integral part of these notes.

MARSHALL COUNTY BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED JUNE 30, 2006

3. Change in Accounting Policy

For the year ended June 30, 2006, the Board implemented GASB Statement No. 40 Deposit and Investment Risk Disclosures, which updated the credit risk and disclosure requirements of GASB Statement No. 3, and established more comprehensive disclosure requirements, addressing interest rate risk and concentration of credit risk of the deposits and investments of state and local governments. The implementation of this statement resulted in additional disclosures relating to cash and investments.

4. Risk Management

The Board is exposed to various risks or loss related to torts, theft, or damage to and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The Board, pursuant to the provisions of State law, participates in the following risk management programs administered by the State.

Board of Risk and Insurance Management (BRIM): The Board participates in the West Virginia Board of Risk and Insurance Management, a common risk insurance pool for all State agencies, component units, boards of education and other local governmental agencies who wish to participate. The Board pays an annual premium to BRIM for its general insurance coverage. Fund underwriting and rate setting policies are established by BRIM. The cost of all coverage as determined by BRIM is paid by the participants. The BRIM risk pool retains the risk of the first \$2 million per property event and purchases excess insurance on losses above that level. BRIM has \$1 million per occurrence coverage maximum on all third-party liability claims.

Public Employees Insurance Agency (PEIA): The Board provides employees health and basic life insurance benefits through the Public Employees Insurance Agency. PEIA was established by the State of West Virginia to provide a program of health and life insurance for employees of State agencies, institutions of higher learning, boards of education, and component units of the State. In addition, local governmental agencies and certain charitable and public service organizations may request to be covered. PEIA provides a general employee benefit insurance program which includes hospital, surgical, major medical, prescription drug and basic life and accidental death. Fund underwriting and rate setting policies are established by the PEIA Finance Board. The cost of all coverage as determined by the Finance Board is paid by the participants.

The accompanying independent auditor's report is an integral part of these notes.

MARSHALL COUNTY BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED JUNE 30, 2006

Coverage under these programs is limited to \$1 million lifetime for health and \$10,000 of life insurance coverage. Insureds 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 to 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): West Virginia has a single private insurance company, BrickStreet Insurance, which provides workers' compensation coverage to all employers in the state. Other private insurance companies can begin to offer coverage to private-sector employers beginning July 1, 2008 and to government employers July 1, 2012. Nearly every employer in the State, including all boards of education, who have a payroll must have coverage. The cost of all coverage, as determined by BrickStreet, is paid by the employers.

The WCF risk pool retains the risk related to the compensation of injured employees under the program.

5. 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; all notes, bonds and accounts receivable, stocks and any other evidences of indebtedness. |
| 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 <u>outside</u> of municipalities, exclusive of Classes I and II property. |
| Class IV | All real and personal property situated <u>inside</u> of municipalities, exclusive of Classes I and II property. |

The accompanying independent auditor's report is an integral part of these notes.

**MARSHALL COUNTY BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED JUNE 30, 2006**

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
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 hold a public hearing. The amounts to be paid to the Assessor's Valuation Fund are also to be excluded from the calculation. The rates of levy for the 2006 year were: 20.48¢ for Class I property, 40.96¢ for Class II property and 81.92¢ for classes III and IV property.

County boards of education are also authorized to impose an additional (excess) levy not to extend beyond five years if approved by at least a majority of the voters. The rates of levy cannot exceed the maximum rates specified above and must be proportional for all classes of property.

The assessed valuations and levy rates levied by the Board per \$100 of assessed valuation for each class of property for the fiscal year ended June 30, 2006 were:

<u>Class of Property</u>	<u>Assessed Valuations For Tax Purposes</u>	<u>Current Expense</u>	<u>Excess Levy</u>
Class I	\$ 2,017,945	20.48¢	22.49¢
Class II	\$ 308,224,677	40.96¢	44.98¢
Class III	\$ 692,840,378	81.92¢	89.96¢
Class IV	\$ 158,583,372	81.92¢	89.96¢

The accompanying independent auditor's report is an integral part of these notes.

**MARSHALL COUNTY BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED JUNE 30, 2006**

The taxes on real property and the interest and other charges upon 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.

6. Excess Levy

The Board had an excess levy in effect during the fiscal year ended June 30, 2006. The levy was authorized by the voters of the county at an election held on November 5, 2002, for the fiscal years ended June 30, 2003 through June 30, 2006 to provide funds for the following purposes:

- | | |
|------------------------------------------------------------------------------------------------------------------------------------------------|--------------|
| 1. To provide textbooks, teaching supplies, instructional equipment, and library books, in an amount annually of: | \$ 400,500 |
| 2. To improve access to technology through the purchase of hardware, software, infrastructure, repair, and training, in an amount annually of: | \$ 150,000 |
| 3. To provide special education services for identified students, in an amount annually of: | \$ 213,000 |
| 4. To provide maintenance on equipment, in the amount annually of: | \$ 125,000 |
| 5. To provide maintenance and repairs to buildings, in an amount annually of: | \$ 250,000 |
| 6. To provide toward employee salaries and benefits: | |
| • To provide local county salary supplements, fixed charges, and substitute cost, in an amount annually of: | \$ 6,035,932 |
| • To provide for extra duty salary supplements: | |
| ◦ Circular positions, in an amount annually of: | \$ 90,000 |
| ◦ Athletic positions, in an amount annual of: | \$ 275,000 |

The accompanying independent auditor's report is an integral part of these notes.

**MARSHALL COUNTY BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED JUNE 30, 2006**

• To provide extended employment for summer maintenance, in an amount annually of:	\$ 75,000
• To provide dental and optical plan, in an amount annually of:	\$ 450,000
• To provide for long-term disability insurance, in an amount annually of:	\$ 127,000
7. To provide athletic trainer services, in an amount annually of:	\$ 30,000
8. To assist in providing library services through the county library, in an amount annually of:	\$ 8,500
9. To provide support to the Marshall County 4-H through the WVU Extension Service, in an amount annually of:	\$ 47,000
10. To provide a contract with the Marshall County Health Department for health services to students, in an amount annually of:	\$ 42,000

A total of \$8,885,606 was received by the Board from the excess levy during the fiscal year ended June 30, 2006.

7. Fixed Assets

At June 30, 2006, the general fixed asset account group consisted of the following:

	<u>Balance at June 30, 2006</u>
Land	\$ 2,100,000
Buildings and improvements	97,056,062
Furniture and equipment	17,907,725
Vehicles	<u>3,350,000</u>
 Total	 \$ <u>120,413,787</u>

The fixed assets are recorded at appraisal value, and are NOT considered to be in compliance with the West Virginia Department of Education basis of accounting.

The accompanying independent auditor's report is an integral part of these notes.

MARSHALL COUNTY BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
 FOR THE YEAR ENDED JUNE 30, 2006

8. Leases

The Board has entered into various lease/purchase agreements with the private sector, primarily for equipment. These agreements, accounted for as capital leases, are for various terms. While these agreements contain clauses indicating that their continuation is subject to continuing appropriation by the Legislature, these leases are accounted for as capital leases and are considered noncancelable 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, 2006 were \$7,178.

The future minimum operating lease obligations as of June 30, 2006, are as follows:

For the Year Ended June 30

2007	\$ 7,178
2008	\$ 599

The Board has entered into a capital lease-purchase agreement with Progress Bank for a period of ten years beginning May 1, 2001. At the end of the contract period, the Board will have ownership of the equipment. By contract, the Board has the option of discontinuing the lease purchase and returning the equipment at the end of any fiscal year, if funding for the lease payments for the next fiscal year is not available. The future minimum lease obligations as of June 30, 2006, are as follows:

<u>Year</u>	
2007	\$ 146,500
2008	146,000
2009	145,250
2010	149,250
2011	<u>267,750</u>
Total minimum lease payments	854,750
Less: Amount representing interest	<u>124,750</u>
Present value of minimum lease payments	\$ <u>730,000</u>

The accompanying independent auditor's report is an integral part of these notes.

**MARSHALL COUNTY BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED JUNE 30, 2006**

The 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 (or description of other equipment being leased). The equipment is leased for a period of ten years beginning May 7, 2004. At the end of the contract period, the Board will have ownership of the equipment. By contract, the Board has the option of discontinuing the lease purchase and returning the equipment at the end of any fiscal year, if funding for the lease payments for the next fiscal year is not available. The future minimum lease obligations as of June 30, 2006, are as follows:

<u>Year</u>	
2007	\$ 159,639
2008	159,639
2009	159,639
2010	159,639
2011	159,639
2012	159,639
2013	159,639
2014	<u>159,639</u>
Total minimum lease payments	1,277,112
Less: Amount representing interest	<u>178,168</u>
Present value of minimum lease payments	\$ <u>1,098,944</u>

The Board has entered into a capital lease-purchase agreement pursuant to the provisions of federal legislation which authorizes the issuance of qualified zone academy bonds (QZABs). The funding was used for Moundsville Junior High and those assets are leased from BB&T for a period of ten years beginning September 10, 2000. At the end of the contract period, the Board will have ownership of the equipment. By contract, the Board has the option of discontinuing the lease purchase and returning the equipment at the end of any fiscal year, if funding for the lease payments for the next fiscal year is not available.

The accompanying independent auditor's report is an integral part of these notes.

**MARSHALL COUNTY BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED JUNE 30, 2006**

The following is a summary of the future minimum required payments by year under the lease purchase agreement together with the present value of the net minimum payments as of June 30, 2006 for the Board's QZAB lease:

<u>Year</u>	
2007	\$ 83,333
2008	83,333
2009	83,333
2010	83,333
2011	83,333
2012	83,333
2013	<u>83,333</u>
Total minimum lease payments	\$ <u>583,331</u>

9. Employee Retirement System

All full-time board of education employees are required to participate in one of two statewide, cost-sharing, multiple-employer retirement benefit plans, the Teachers' Defined Benefit Retirement System or the Teachers' Defined Contribution Retirement System. For the year ended June 30, 2006, the Board's total payroll for all employees was \$28,767,568 and the payroll was \$26,941,672 for employees covered by the two retirement programs.

Of the total amount appropriated by the State for retirement, the portion equal to the employers' average required contribution rate for both the defined benefit and the defined contribution plans is considered to be the employers' contribution for the current cash flow requirements for personnel funded under the Public School Support Program and is reflected as state revenue (Contributions For/On Behalf of the LEA) in the Board's financial statements. The balance is considered to be the State's contribution toward the past service unfunded liability and is not included either as a revenue or an expenditure in the Board's financial statements.

Trend Information: Ten-year historical trend information relating to the accumulation of assets and the unfunded liability of both plans is available from the Consolidated Public Retirement Board.

Conversion of leave for post-retirement: Upon retirement, an employee's vacation and sick leave may be converted to a greater retirement benefit or payment of health insurance premiums. The cost of the increased retirement benefit or payment of health insurance premiums must be absorbed by the last agency employing the retiree.

The accompanying independent auditor's report is an integral part of these notes.

**MARSHALL COUNTY BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (CONTD)
FOR THE YEAR ENDED JUNE 30, 2006**

Teachers' Defined Benefit Retirement System:

Plan Description: The Teachers' Defined Benefit Retirement System is a cost-sharing, multiple-employer public employee defined benefit retirement system which was established on July 1, 1941 and was closed for new members on July 1, 1991. Beginning July 1, 2005, all new employees become members of this plan. To qualify for full benefits, a member must be age 60 with at least five years of credited service, or be age 55 with at least 30 years of credited service or any age with at least 35 years of credited service. A member may receive a disability benefit after completing ten years of service, if the member is disabled for six months, unable to perform his or her regular occupation, and the Retirement Board expects the disability to be permanent.

Upon retirement members select one of five benefit payment options. If a member terminates employment with at least five years of credited service, he may freeze his membership until he qualifies for retirement or he may withdraw his contributions from the plan. The employers' contributions remain with the plan. Retirement benefits are based on two percent of the average member's five highest fiscal years of total earnings from covered employment during the member's last 15 years of service.

The normal form of benefit is a single life annuity paid monthly, in an amount equal to 2% of the final average salary times years of credited service. Other forms of benefits may be elected subject to actuarial reduction: Cash Refund Annuity, 50% or 100% Contingent Joint and Survivor Annuities, and ten year Certain and Life Annuities. Pre-retirement death benefits are paid to the spouse of a deceased member who had attained the age 50 and completed 25 years of credited service. The annuity payment is computed as if the member had retired on the date of death with a 100% Joint and Survivor pension. If the member's age and service are less than that required, the sum of the accumulated member's and employer contributions with interest is paid to the member's beneficiary or estate.

Funding Status: According to the 2005 Actuarial Valuation Report, the plan's actual unfunded liability was \$4.99 billion as of July 1, 2005.

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 accompanying independent auditor's report is an integral part of these notes.

**MARSHALL COUNTY BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED JUNE 30, 2006**

The employers' contributions are derived from state appropriations and county funds. Federally funded grant programs provide the funding for the employer contributions for salaries paid from federal grants.

The required contributions for the year ended June 30, 2006 and the two previous years are as follows:

<u>Year ended June 30</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Required contribution	\$ <u>333,208,000</u>	\$ <u>334,533,000</u>	\$ <u>339,815,000</u>
As a % of current year covered payroll	<u>24.13%</u>	<u>23.66%</u>	<u>23.83%</u>

Total payments reflected in the Board' financial statements to the defined benefit plan for the year ended June 30, 2006 were:

Employees' contributions (6%)	\$ 1,019,812
Employer's contributions (15% or 7.5%)	<u>2,448,527</u>
Total contributions	\$ <u>3,468,339</u>

Teachers' Defined Contribution Retirement System

Plan Description: All Board employees hired after July 1, 1991 but before July 1, 2005, participated in the Teachers' Defined Contribution Retirement System. Employees in the Teachers' Defined Benefit System could freeze their benefits in the old plan and become a member of this plan. Members with less than five years of service in the old defined benefit plan could change to this plan and transfer the funds that were deposited in the old plan to this plan. Once a member transferred to the defined contribution plan, the member was not allowed to rejoin the defined benefit plan.

Effective July 1, 2005, the Teachers' Defined Contribution Plan was closed to new membership. All employees hired after that date became members of the Teachers' Defined Benefit Retirement System which was reopened for participation on July 1, 2005. A merger whereby the Defined Contribution Plan would cease to exist and all assets and members be transferred into the Defined Benefit Plan was slated to occur on July 1, 2006. However, that merger is being contested in court and a temporary injunction has been issued pending the court's decision.

The accompanying independent auditor's report is an integral part of these notes.

MARSHALL COUNTY BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
 FOR THE YEAR ENDED JUNE 30, 2006

A unique feature of the Teachers' Defined Contribution Plan is that each member chooses the investment options and may make changes at the beginning of each calendar quarter. Seven investment options are provided from which a participant may choose in multiples of five percent. The investment options are: Vanguard Money Market Fund, Bond Fund of America, Franklin Income Fund, Fidelity Growth Opportunities, Washington Mutual Investors, Federated Max-Cap, and Valic Individually Allocated Fixed Annuity.

Employees are eligible to participate from the date of employment. Employee contributions are fully vested, and employer contributions and earnings vest with the member as follows: one-third after 6 years, two-thirds after 9 years, and 100% after 12 years. The member is fully vested at death or disability. As of June 30, 2005, this plan has approximately \$645.73 million in net assets for pension benefits. Retirement or disability benefits are based solely on the accumulation of dollars in the member's individual account at the time of retirement. The accounting administration of the Plan is the responsibility of Milliman & Robertson, an independent third party administrator.

Funding Status: There is no unfunded liability for a defined contribution plan since a member's total maximum lifetime benefit is limited to that which has accumulated in the member's account from employee and employer contributions and all investment earnings thereon. Any forfeited, unvested employer contributions are, by statute, to be transferred to the Teachers' Defined Benefit Retirement System.

Contribution Requirements and Payments Made: This is a fully-qualified plan by the Internal Revenue Service. Therefore, all employee contributions are tax deferred. Participants contribute 4.5% of their gross salary and the board of education contributes 7.5% of covered members' gross compensation to the retirement plan, for a total of 12% annually.

Total payments reflected in the Board's financial statements to the defined contribution plan for the year ended June 30, 2006 were:

Employees' contributions (4.5%)	\$	447,504
Employer's contributions (7.5%)		<u>753,591</u>
 Total contributions	 \$	 <u>1,201,095</u>

The accompanying independent auditor's report is an integral part of these notes.

**MARSHALL COUNTY BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED JUNE 30, 2006**

10. Pending Litigation

The Board is involved in a number of legal proceedings and claims, involving students, employees and citizens who have sued the Board for damages. While it is not possible to determine the ultimate outcome of any lawsuit with certainty, management believes that the ultimate outcome will not have a material adverse effect on the financial position of the Board. The Board's insurance through the State Board of Risk and Insurance Management appears adequate to fully cover any potential liability.

11. Commitments, contingencies and Subsequent Events

During the fiscal year ended June 30, 2006, the Board was awarded a grant of \$500,000 from the School Building Authority (SBA) to finance the construction of Sherrard Junior High HVAC system.

12. Interfund Balances and Transfers

Interfund Balances

The composition of interfund balances as of June 30, 2006 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
<i>Due to/from other funds:</i>		
	General Fund	\$ 5,201,428
Special Projects		4,358,134
Capital Projects		843,294

Interfund Transfers

<u>Fund Transferred From:</u>	<u>Fund Transferred To:</u>	<u>Purpose/Program</u>	<u>Amount</u>
General Current Expense	Special Revenue	Child Nutrition	\$ 1,034,833
General Current Expense	Debt Service	QZAB Payment	83,333
General Current Expense	Capital Projects	Local Match for SBA	250,000
Special Revenue	General Current Expense	Indirect cost	82,371
Special Revenue	General Current Expense	Summer School	44,335
Special Revenue	Capital Projects	Local Match for SBA	630,000
Special Revenue	Special Revenue	Transfer between Projects	<u>193,235</u>
Total Interfund Transfers			\$ <u>2,318,107</u>

The accompanying independent auditor's report is an integral part of these notes.

MARSHALL COUNTY BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED JUNE 30, 2006

13. Major Sources of Revenue

The largest single source of revenue received by the Board is state aid funds through the Public School Support Program. In addition, the Board receives financial assistance from federal and state governments in the form of grants. The disbursements of funds received under these programs generally require compliance with terms and conditions specified in the grant agreements and is subject to audit by the Board's independent auditors and state and federal regulatory agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable fund. Based on prior experience, the Board believes such disallowance, if any, would be immaterial.

The accompanying independent auditor's report is an integral part of these notes.

APPENDIX B

Form of Legal Opinion

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June __, 2007

The Board of Education of the County of Marshall
2700 Fourth Street
Moundsville, West Virginia 26041

Re: \$27,900,000 The Board of Education of Marshall County
(West Virginia) Public School Bonds, Series 2007

Dear Ladies and Gentlemen:

We have examined a record of the proceedings relative to the issuance and sale of \$27,900,000 Public School Bonds, Series 2007 (the "Bonds"), of Marshall County School District, by and through The Board of Education of the County of Marshall (the "Issuer") in the State of West Virginia. The Bonds are issued in fully registered form, are dated May 1, 2007, upon original issuance, are numbered in order of maturity from R-1 consecutively upward, are of the denominations of \$5,000 or integral multiples thereof, mature on May 1 in the years and amounts and bear interest payable each May 1 and November 1, commencing November 1, 2007, as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2008	\$1,390,000	
2009	1,445,000	
2010	1,505,000	
2011	1,565,000	
2012	1,630,000	
2013	1,695,000	
2014	1,760,000	
2015	1,835,000	
2016	1,905,000	
2017	1,985,000	
2018	2,065,000	

The Board of Education of the County of Marshall

June __, 2007

Page 2

2019	2,145,000
2020	2,235,000
2021	2,325,000
2022	2,415,000

The Bonds were authorized at the general election held in the Marshall County School District on November 7, 2006, and by a Resolution and Order adopted by the Issuer on August 8, 2006, as supplemented (such Resolution and Order, as supplemented, herein called the "Resolution"), and are issued pursuant to Chapter 13, Article 1 of the West Virginia Code of 1931, as amended (the "Act"), for the purposes of providing funds for the acquisition, construction, renovation, repair and equipping of certain public school buildings, together with the sites thereof and all necessary appurtenances, in the Marshall County School District, and paying costs of issuance of the Bonds.

As to questions of fact material to our opinion, we have relied upon the representations, covenants and certifications of the Issuer contained in the Resolution, a Tax and Arbitrage Certificate of the Issuer dated the date hereof (the "Tax Certificate") and the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation.

We have not been engaged or undertaken to review the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the Bonds (except to the extent, if any, stated in the Official Statement), and we express no opinion relating thereto (excepting only the matters set forth as our opinion in the Official Statement).

Based upon the foregoing, and assuming compliance with the representations, covenants and certifications of the Issuer contained in the Resolution, the Tax Certificate and the certified proceedings and the certifications made in connection with the issuance of the Bonds, we are of the opinion that, under existing law:

1. The Issuer is a school district presently existing under the laws of, and a political subdivision of, the State of West Virginia, with full power and authority to adopt the Resolution and to issue and sell the Bonds under the provisions of the Act and other applicable provisions of law.

2. The Bonds have been duly authorized and validly issued by the Issuer in accordance with the Constitution and statutes of the State of West Virginia and constitute valid and legally binding general obligations of the Issuer, and unless the Bonds are paid from other sources, the Issuer has power and is obligated to levy ad valorem taxes upon all the taxable property within

The Board of Education of the County of Marshall
June __, 2007
Page 3

the Marshall County School District to pay the Bonds and the interest thereon, without limitation as to rate or amount.

3. Under existing laws, regulations, rulings and judicial decisions of the United States of America, as presently written and applied, the interest on the bonds is not includable in gross income of the owners thereof for Federal income tax purposes and is not an item of tax preference for purposes of the Federal alternative minimum tax imposed upon individuals and corporations; it should be noted, however, that interest on the Bonds held by a corporation May be indirectly subject to alternative minimum tax because of its inclusion in the reported income or earnings and profits of such corporate holder. The opinions set forth in the preceding sentence are subject to the condition that the Issuer comply, on a continuing basis, with all representatives, covenants and certifications set forth in the Resolution and the Tax Certificate of the Issuer. Failure to comply with such representations, covenants and certifications could cause the interest on the Bonds to be includable in gross income retroactive to the date of issuance of the Bonds. We express no opinion regarding other federal tax consequences arising with respect to the Bonds.

4. Under the Act, as presently written and applied, the Bonds are exempt from direct taxation by the State of West Virginia or any political subdivision thereof and the interest on the Bonds is exempt from personal and corporate income taxes imposed directly thereon by the State of West Virginia.

In expressing this opinion, we have considered the litigation instituted in certain states including the State of West Virginia, such as *Pauley v. Bailey*, 324 S.E.2d 128 (W.Va. 1984) challenging the constitutionality of present systems of levying taxes and applying funds for public school purposes and, in our opinion, such litigation will not modify the rights of the holders of the Bonds to ultimate recourse to unlimited ad valorem taxes upon all the taxable property within Marshall County, West Virginia, for the payment of the Bonds if not paid from other sources and does not modify or qualify the conclusions elsewhere stated in this opinion.

Please be advised that the enforcement of remedies with respect to the Bonds is subject to any applicable bankruptcy, reorganization, insolvency, moratorium or other laws affecting the enforcement of creditors' rights heretofore or hereafter enacted, and that 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 authorized.

Very truly yours,

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APPENDIX C

Proposed Facilities

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CEFP UPDATE REVISIONS – FINAL COST ESTIMATE

Marshall County Board of Education – September 29, 2005

<u>SCHOOL</u>	<u>PROJECT</u>	<u>COST</u>	<u>FUNDING</u> ¹
ELEMENTARY SCHOOL FACILITIES			
♦ CAMERON	2 Clrm Pre-K Addition	\$ 440,000	\$ 546,000 Bond
	Selected Renovations ⁶	\$ 470,000	\$ 364,000 'Needs'
♦ CENTRAL	Cafeteria Addition	\$ 680,000	\$1,659,000 Bond
	6 Classroom Addition	\$1,050,000 ²	\$1,106,000 'Needs'
	Selected Renovations ⁶	\$1,035,000	
♦ GLENDALE	No "Needs"/Bond work	\$ -0-	\$ -0-
♦ LIMESTONE	Closed ³	\$ -0-	\$ -0-
♦ McMECHEN	No 'Needs'/Bond Work	\$ -0-	\$ -0-
♦ McNINCH	Cafeteria Addition	\$ 850,000	\$1,056,000 Bond
	1 Classroom Addition	\$ 210,000	\$ 704,000 'Needs'
	Selected Renovations ⁶	\$ 700,000	
♦ PARKVIEW	Closed; Convert to Alt Ed	\$ -0-	\$ -0-
	Alternative Ed Renovations ⁶	\$ 150,000	\$ 150,000 Bond
	60'x80' Maintenance Building	\$ 240,000	\$ 240,000 Bond
♦ SANFORD	Closed; Demolish School	\$ 100,000	\$60,000 Bond;\$40,000 'Needs'
♦ SAND HILL	No 'Needs'/Bond Work	\$ -0-	\$ -0-
♦ SHERRARD	Closed ³	\$ -0-	\$ -0-
♦ WASHINGTON LANDS	No 'Needs'/Bond Work	\$ -0-	\$ -0-
♦ NEW ELEMENTARY	370 Student School ³	\$ 7,100,000	\$4,260,000 Bond
	Land Acquisition Allowance	\$ 400,000	\$2,840,000 'Needs'
			\$ 400,000 Bond ⁴
MIDDLE SCHOOL FACILITIES			
♦ MOUNDSVILLE	4 Classroom Addition ⁵	\$ 700,000	\$ 600,000 Bond
	Demolish Old School	\$ 250,000	\$ 400,000 'Needs'
	Demolish Bus Garage	\$ 50,000	
♦ SHERRARD	General Renovations ⁶	\$1,213,000	\$1,868,000 Bond
	4 Classroom Addition ⁵	\$ 700,000	\$1,245,000 'Needs'
	Cafeteria/Kitchen Addition	\$1,200,000	
	Upgrade Playing Field	\$ 222,000	\$ 222,000 Bond ⁷
HIGH SCHOOL FACILITIES			
♦ CAMERON	General Renovations ⁶	\$1,920,000	\$1,872,000 Bond
	Gymnasium Addition	\$1,200,000	\$1,248,000 'Needs'
♦ JOHN MARSHALL	Local College Satellite Facility	\$ 950,000	\$ 600,000 Bond
	General Renovations ⁶	\$ 50,000	\$ 400,000 'Needs'
	Monarch Stadium Renovations	\$ 400,000	\$ 400,000 Bond'
	Replace 1,800 Seat Fieldhouse	\$2,700,000	\$2,700,000 Bond
ESTIMATE TOTALS		\$24,980,000	\$16,633,000 BOND
			\$ 8,347,000 'NEEDS'

FOOTNOTES:

- 1 Bond/'Needs' funding ratio assumed at 60%:40%. Actual amount of SBA grant, if any, may be more or less than this amount.
- 2 Does not include costs of potential land acquisition.
- 3 Included in New Elementary school replacement for Limestone and Sherrard
- 4 SBA does not participate in funding of land acquisition
- 5 Subject to SBA approval, after evaluation of individual school's Program Utilization
- 6 Cost does not include technology upgrades; separately funded
- 7 SBA does not participate in funding of athletic field work

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APPENDIX D

Form of Continuing Disclosure Agreement

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FORM OF CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (the "Disclosure Agreement") is executed and delivered by THE BOARD OF EDUCATION OF THE COUNTY OF MARSHALL (the "Issuer"), and UNITED BANK, INC. (the "Dissemination Agent"), in connection with the issuance of \$27,900,000, The Board of Education of the County of Marshall (West Virginia), Public School Bonds, Series 2007 (the "Bonds");

In connection with the foregoing, and in consideration thereof, the Issue and the Dissemination Agent covenant and agree as follows:

SECTION 1. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the Issue and the Dissemination Agent for the benefit of the Holders and Beneficial Owners of the Bonds and in order to assist the Underwriter in complying with the Rule (defined below).

Any filing under this Disclosure Agreement may be made solely by transmitting such filing to the Texas Municipal Advisory Council, (the "MAC") as provided at <http://www.disclosure.org> unless the United States Securities and Exchange Commission has withdrawn the interpretive advice as its letter to the MAC dated September 7, 2004.

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

"Annual Report" shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Section 3 and 4 of this Disclosure Agreement.

"Audited Financial Statements" mean the annual financial statements, if any, of the Issuer, audited by such auditor as shall then, be required or permitted by the laws of the State. Audited Financial Statements shall be prepared in accordance with GAAP.

"Beneficial Owner" shall mean any person which has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries) and as the term may be modified by an interpretation of the Rule by the Securities and Exchange Commission (the "SEC").

"Central Post Office" shall mean the MAC, which shall received Annual Reports and Listed Events and then electronically transmit them to the National Repositories and the State Repository.

"Disclosure Representative" shall mean the President of the Issuer or his or her designee, or such other person as the Issuer shall designate in writing to the Dissemination Agent from time to time.

“Holders” shall mean (i) the registered owner of any Bond or (ii) the Beneficial Owner of any Bond.

“Listed Events” shall mean any of the events listed in Section 5(a) of this Disclosure Agreement.

“National Repository” shall mean the Nationally Recognized Municipal Securities Information Repository for purposes of the Rule. National Repositories as of the date of this Disclosure Agreement set out in Exhibit B.

“Repository” shall mean each National Repository and the State Repository.

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“State” shall mean the State of West Virginia.

“State Repository” shall mean any public or private repository or entity designated by the State as the state repository for the purpose of the Rule and recognized as such by the Securities and Exchange Commission. As of the date of this Disclosure Agreement, there is no State Repository.

“Unaudited Financial Statements” mean the Audited Financial Statements except that they shall not have been audited.

“Underwriter” shall mean any of the underwriters in connection with the sale of the Bonds required to comply with the Rule in connection with the sale of the Bonds.

SECTION 3. Provision of Annual Reports.

(a) The Issuer shall, or shall cause the Dissemination Agent to, not later than 300 days after the end of the Issuer’s fiscal year (presently June 30), commencing with the report for the 2006-2007 Fiscal Year, provide to the Central Repository for delivery to each Repository an Annual Report that is consistent with the requirements of Section 4 of this Disclosure Agreement. In each case, the Annual Report 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 Disclosure Agreement; provided that the Audited Financial Statements of the Issuer may be submitted, when and if available, separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by the date. If the Issuer’s fiscal year changes, it shall give written notice of such change in the same manner as for a Listed Event under Section 5(f).

(b) Not later than fifteen (15) Business Days prior to the date specified in subsection (a) for providing the Annual Report to the Central Post Offices for deliver to the Repositories, the Issuer shall provide or cause to be provided the Annual Report to the Dissemination Agent. If by such date the Dissemination Agent has not received a copy of the

Annual Report, the Dissemination Agent shall contact the Issuer to determine if the Issuer is in compliance with the first sentence of this subsection (b).

(c) If the Dissemination Agent has not received a copy of the Annual Report by the date required in subsection (a), the Dissemination Agent shall send a notice to the Central Post Office for delivery to each Repository in substantially the form attached as Exhibit A.

(d) The Dissemination Agent shall:

(i) determine each year prior to the date for providing the Annual Report the name and address of each Repository; and

(ii) file a report with the Issuer certifying that the Annual Report has been provided pursuant to this Disclosure Agreement, stating the date it was provided, and listing all the Repositories to which it was provided.

SECTION 4. Content of Annual Report. This Issuer's Annual Report shall consist of the Audited Financial Statements of the Issuer for the most recently completed fiscal year, prepared in accordance with GAAP as promulgated from time to time by the Financial Accounting Standards Board. If the Issuer's Audited Financial Statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements, and the Audited Financial Statements shall be filed in the same manner as the Annual Report when they become available.

SECTION 5. Reporting of Listed Events.

(a) Pursuant to the provisions of this Section 5, the Issuer shall give, or cause to be given, notice of the Dissemination Agent of the occurrence of any of the following events with respect to the Bonds, if material:

1. principal and interest payment delinquencies;
2. non-payment related defaults;
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 or events affecting the tax-exempt status of the Bonds;
7. modification to rights of holders of the Bonds;
8. bond calls;
9. defeasances;
10. release, substitution, or sale of property security repayment of the bonds; and
11. rating changes.

(b) The Dissemination Agent, shall within one (1) Business Day of obtaining actual knowledge of the occurrence of any of the Listed Events contact the Central Post Office and the Disclosure Representative, and inform such person of the event, and request that the

Issuer promptly notify the Dissemination Agent in writing whether or not to report the event pursuant to subsection (f).

(c) Whenever the Issuer obtains knowledge of the occurrence of a Listed Event, because of a notice from the Dissemination Agent pursuant to subsection (b) or otherwise, the Issuer shall as soon as possible determine if such event would be material under applicable federal securities laws.

(d) If the Issuer has determined that knowledge of the occurrence of a Listed Event would be material under applicable federal securities laws, the Issuer shall promptly notify the Central Post Office and the Dissemination Agent. Such notice shall instruct the Central Post Office and the Dissemination Agent to report the occurrence pursuant to subsection (f).

(e) If in response to a request under subsection (b), the Issuer determines that the Listed Event would not be material under applicable federal securities law, the Issuer shall so notify the Central Post Office and the dissemination Agent in writing and instruct the Central Post Office and the dissemination Agent not to report the occurrence pursuant to subsection (f).

(f) If the Central Post Office and the Dissemination Agent has been instructed by the Issuer to report the occurrence of a Listed Event, the Dissemination Agent shall file a notice of such occurrence with the Municipal Securities Rulemaking Board and the Central Post Office for delivery to each Repository with a copy of the Issuer. Notwithstanding the foregoing, notice of the occurrence of a Listed Event described in subsections (a)(8) and (9) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to the Holders of affected Bonds pursuant to the Resolution.

SECTION 6. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Agreement shall terminate (i) upon the legal defeasance, prior redemption or payment in full of all of the Bonds or (ii) when the Issuer is not an obligated person with respect to the Bonds, as provided in Rule. If the Issuer's obligations under the this Disclosure Agreement are assumed in full by some other entity, such person shall be responsible for compliance with this Disclosure Agreement in the same manner as if it were the Issuer and the Issuer shall have no further responsibility hereunder. If such termination or substitution occurs prior the final maturity of the Bonds, the Issuer shall give notice of such termination or substitution in the same manner as for a List Event under Section 5(f).

SECTION 7. Dissemination Agent. United Bank, Inc. is hereby appointed as the Dissemination Agent. The Issuer may, from time to time, appoint or engage an alternate or successor Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Issuer pursuant to this Disclosure Agreement. If at any time there is not any other designated Dissemination Agent, the Issuer shall be the Dissemination Agent.

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Issuer and the Dissemination Agent may amend this Disclosure Agreement and any provision of this Disclosure 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 identify, nature or status of an obligated person with respect to the 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 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 Bonds in the same manner as provided in the Resolution for amendments to the Resolution if permitted, with the consent of Holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Agreement, the Issuer shall describe such amendment in the next Annual Report, 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 by the Issuer. In addition, if the amendment relates to the accounting principles to be following in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Events under Section 5(f), and (ii) the Annual Report 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 Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is specifically required by this Disclosure Agreement, the Issuer shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 10. Default. In the event of a failure of the Issuer or the Dissemination Agent to comply with any provision of this Disclosure Agreement, the Dissemination agent may (and, at the request of the Holders of a least 25% aggregate principal amount of Outstanding Bonds, shall), or any Holder or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific

performance by court order, to cause the Issuer or the dissemination Agent, as the case may be, to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an Event or Default under the Resolution, and the sole remedy under this Disclosure Agreement in the event of any failure of the Issuer or the Dissemination Agent to comply with this Disclosure Agreement shall be an action to compel performance.

SECTION 11. Duties, Immunities, and Liabilities of Dissemination

Agent. The Dissemination Agent (if any than the Paying Agent or the Paying Agent in its capacity as Dissemination Agent) shall have only such duties as are specifically set forth in this Disclosure Agreement. The Issuer, to the extent permitted by law, agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expense (including reasonable attorneys fees) or defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's gross negligence or willful misconduct. The obligations of the Issue under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

SECTION 12. Notices. Any notices or communications to or among any

of the parties to this Disclosure Agreement may be given as follows:

To the Issuer: The Board of Education of the County of Marshall
Attn: Treasurer
2400 Fourth Street
Moundsville, West Virginia 26041

To the Dissemination Agent: United Bank, Inc.
Attn: Corporate Trust Department
500 Virginia Street, East
Charleston, West Virginia 25301

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 13. Beneficiaries. This Disclosure Agreement shall inure

solely to be the benefit of the Issuer, the Dissemination Agent, the Underwriter, the Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

SECTION 14. No Previous Non-Compliance. The Issuer represents that

since July 3, 1995, they have not failed to comply in any material respect with any previous undertaking in a written contract or a agreement, as entered into by the Issuer specified in paragraph (b)(5)(i) of the Rule.

SECTION 15. Counterparts. This Disclosure Agreement may be

executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 16. Fees. The Issuer agrees to pay all fees and expenses of the dissemination Agent including, without limitation, all reasonable expenses, charges, costs, attorney's fees and other disbursements in the administration and performance of the Dissemination Agent's duties.

SECTION 17. Right to Resign. The Dissemination Agent may resign at any time by providing sixty (60) days' written notice to the Issuer.

SECTION 18. Right to Counsel. The Dissemination Agent shall have the right to consult with counsel in carrying out its duties under this Disclosure Agreement and to rely upon an opinion of counsel.

Date: June ____, 2007

THE BOARD OF EDUCATION OF THE
COUNTY OF MARSHALL [West Virginia]

By: _____
Title: President

UNITED BANK, INC.,
a West Virginia state
banking corporation

By: _____
Title: Vice President

EXHIBIT B

NATIONALLY RECOGNIZED MUNICIPAL SECURITIES INFORMATION REPOSITORIES APPROVED BY THE SECURITIES AND EXCHANGE COMMISSION AS OF MAY __, 2007

Central Post Office

Website: <http://www.disclosureusa.org>

Bloomberg Municipal Repository

100 Business Park Drive

Skillman, New Jersey 08558

Telephone: 609.279.3225

Facsimile: 609.279.5962

Website: <http://www.bloomberg.com/markets/rates/municontracts.html>

E-Mail: Munis@Bloomberg.com

FT Interactive Data

Attention: NRMSIR

15th Floor

100 William Street

New York, New York 10038

Telephone: 212.771.6999; 800.689.8466

Facsimile: 212.771.7390

Website: <http://www.ftid.com>

E-Mail: NRMSIR@interactivedata.com

Standard & Poor's Securities Evaluations, Inc.

45th Floor

55 Water Street

New York, New York 10041

Telephone: 212.438.4595

Facsimile: 212.438.3975

Website: <http://www.disclosuredirectory.standardandpoors.com>

E-Mail: nrmsir_repository@sandp.com

DPC Data Inc.

One Executive Drive

Fort Lee, New Jersey 07024

Facsimile: 201.346.0701

Website: <http://www.dpcdata.com>

E-Mail: nrmsir@dpcdata.com

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APPENDIX E

Official Notice of Sale

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OFFICIAL NOTICE OF SALE

\$27,900,000

THE BOARD OF EDUCATION OF THE COUNTY OF MARSHALL, WEST VIRGINIA PUBLIC SCHOOL BONDS SERIES 2007

Electronic bids only will be received by The Board of Education of the County of Marshall, West Virginia (the "Board"), in accordance with this Official Notice of Sale until 11:00 a.m., Local Time, on June 14, 2007 (the "Date of Sale"). In the case of a malfunction in submitting an electronic bid, facsimile bids will be allowed, as more fully described below.

Immediately thereafter, the bids will be publicly announced, and the Board will act upon the bids by 2:00 p.m., Local Time.

Bid Submission

Solely as an accommodation to bidders, electronic bids via BIDCOMP/PARITY (the "Electronic Bidding System") will be accepted in accordance with this Official Notice of Sale. The Board is using BIDCOMP/PARITY as a communication mechanism to conduct the electronic bidding for the sale of its \$27,900,000 Public School Bonds, Series 2007 (the "Bonds"), as described herein. To the extent any instructions or directions set forth in BIDCOMP/PARITY conflict with this Official Notice of Sale, the terms of this Official Notice of Sale shall control. Each bidder submitting an electronic bid agrees (i) that it is solely responsible for all arrangements with BIDCOMP/PARITY, (ii) that BIDCOMP/PARITY is not acting as the agent of the Board, and (iii) that the Board is not responsible for ensuring or verifying bidder compliance with any of the procedures of BIDCOMP/PARITY. The Board assumes no responsibility for, and each bidder expressly assumes the risks of and responsibility for, any incomplete, inaccurate or untimely bid submitted by such bidder through BIDCOMP/PARITY. Each bidder shall be solely responsible for making necessary arrangements to access the Electronic Bidding System for purposes of submitting its bid in a timely manner and in compliance with the requirements of this Official Notice of Sale. Neither the Board nor the Electronic Bidding System shall have any duty or obligation to provide or assure such access to any bidder, and neither the Board nor BIDCOMP/PARITY shall be responsible for proper operation of, or have any liability for, any delays or interruptions of, or any damages caused by, BIDCOMP/PARITY. For further information about BIDCOMP/PARITY, potential bidders may contact i-Deal at 1359 Broadway, 2nd Floor, New York, New York 10018, telephone (212) 849-5021.

In the event of a malfunction of the Electronic Bidding System at 11:00 a.m., Local Time, on the Date of Sale, an attempt will be made to reschedule the bidding for 12:00 noon, Local Time, on the Date of Sale. Should the Electronic Bidding System malfunction a second time, facsimile transmission bids will be accepted at the discretion of the Board in coordination with its Financial Advisor, Scott & Stringfellow, Inc. (the "Financial Advisor"). To the extent possible, the rescheduled bid time will be communicated to the bidders. Bidders choosing to submit bids in the case of a malfunction by facsimile transmission shall use the following telecopier number for such transmission: (804) 649-3964 (Attention: Matt Palumbo). Transmissions received after the deadline shall be rejected. It is the responsibility of the bidder to ensure that the bid is legible, that the bid is received not later than the deadline as communicated to bidders and that the bid is sent to the telecopier number set forth above. Illegible transmissions shall be rejected. The Financial Advisor, will, on behalf of the Board, verify receipt of each bid submitted through facsimile transmission by contacting each bidder by telephone once the bid has been received. The Financial Advisor will in no instance correct, alter or in any way change bids submitted through facsimile transmission. The Board and the Financial Advisor will not be responsible for bids submitted by facsimile transmission not received in accordance with the provisions of this Official Notice of Sale. Bidders submitting bids via facsimile transmission will bear full and complete responsibility for the transmission of such bid.

Each bid must be unconditional.

Change of Date and Time for Receipt of Bids

The Board expects to take bids on the Bonds on June 14, 2007. However, the Board reserves the right to postpone the date and time established for the receipt of bids. Any such postponement will be announced by TM3 newswire, or any other such service. If the receipt of bids is postponed, any alternative date for receipt of bids will be announced via TM3 newswire, or any other such service. Any bidder must submit a sealed bid for the purchase of the Bonds on such alternative sale date in conformity with the provisions of this Official Notice of Sale, except for any changes announced via the TM3 newswire, or any other such service, as described therein.

Principal Redemption

The Bonds will be dated the date of their delivery (the "Dated Date"), and will mature, on May 1 in years and amounts as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2008	1,390,000	2016	1,905,000
2009	1,445,000	2017	1,985,000
2010	1,505,000	2018	2,065,000
2011	1,565,000	2019	2,145,000
2012	1,630,000	2020	2,235,000
2013	1,695,000	2021	2,325,000
2014	1,760,000	2022	2,415,000
2015	1,835,000		

Book-Entry-Only System

The Bonds will be issued by means of a book-entry system with no distribution of physical Bond certificates made to the public. One Bond certificate for each maturity of the Bonds will be issued to The Depository Trust Company, New York, New York ("DTC"), or its nominee, and immobilized in its custody. The book-entry system will evidence beneficial ownership of the Bonds in principal amounts of \$5,000 or multiples thereof, with transfers of beneficial ownership effected on the records of DTC and its participants pursuant to rules and procedures established by DTC and its participants. Bond certificates registered in the name of Cede & Co. will be deposited with DTC. Interest on the Bonds will be payable from their date semiannually on each May 1 and November 1, beginning November 1, 2007, and principal of the Bonds will be paid annually on May 1, beginning May 1, 2008, to DTC or its nominee as registered owner of the Bonds. Transfer of principal, premium and interest payments to beneficial owners by participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. The Board will not be responsible or liable for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants.

DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to the Board. Under such circumstances, in the event that a successor securities depository is not obtained, Bond certificates are required to be prepared, executed and delivered.

The Board may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that case, either a successor depository will be selected by the Board or Bond certificates will be prepared, executed and delivered.

Optional Redemption

The Bonds maturing on or after May 1, 2018, are subject to redemption on or after May 1, 2017, at the option of the Board, in whole or in part on any interest payment date, from any moneys available for that purpose, at par, plus interest, if any, accrued to the date fixed for redemption.

In the event of such optional redemption, the Board may direct the maturity or maturities of the Bonds and the

amounts thereof to be redeemed, provided that the Bonds will be redeemed in whole multiples of \$5,000 in principal amount and in the minimum principal amount of \$50,000.

Notice of any redemption of Bonds shall be given by the Registrar, on behalf of the Board, to registered owners of the Bonds to be redeemed at least thirty (30) days 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 their 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 Board shall default in the payment of the redemption price), such Bonds shall cease to bear interest.

The Issue; Authorizing Resolution; Security

The issuance of the Bonds and the levy of taxes sufficient to pay the interest on and the principal of such Bonds were authorized and approved at a special election held on November 7, 2006, pursuant to, Chapter 13, Article I of the Code of West Virginia, 1931, as amended, and to a Resolution and Order duly entered and adopted by the Board on December 12, 2006 (the "Resolution and Order"). The ballot question also stipulated a maximum term of fifteen (15) years from the date of the Bonds and an interest rate not exceeding six and ninety-five hundredths percent (6.95%) per annum. The canvass of said special election showed 5,501 "Yes" votes and 5,292 "No" votes, a 50.97% voter approval of those who participated.

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 Chapter 13, Article I of the Code of West Virginia, 1931, (the "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. Section 8 of Article X of the Constitution and Sections 20 and 24 of the Act require the annual levy and collection of a tax sufficient to pay the principal of and interest on such bonds.

The Bonds will be general obligations of the Board, secured by an irrevocable pledge of its full faith and credit. The Board is authorized and required, unless other funds are lawfully available and appropriated, for timely payment of the Bonds, to levy and collect an annual ad valorem tax, over and above all other taxes authorized or limited by law and without limitations as to rate or amount, upon all locally taxable property in Marshall County sufficient to pay principal of and interest on the Bonds as the same respectively become due and payable, all as more fully described in the Board's Preliminary Official Statement dated June 5, 2007 (the "Preliminary Official Statement").

Bidding Rules; Award of Bonds

Bidders may only bid to purchase all of the Bonds. Each proposal must state the amount bid for the Bonds (not less than \$27,900,000 or greater than 106% of the par value of the Bonds) and must state in multiples of 1/20 or 1/8 of 1% the rates of interest per annum which the Bonds are to bear, but must not state (a) any interest rate which is in excess of 6.95%, (b) more than one interest rate for any Bonds having like maturity, or (c) any interest rate for Bonds which exceeds the interest rate stated in such proposal for any other Bonds by more than two percent (2%). The repetition of a rate will not be considered a different rate.

As promptly as reasonably possible after the bids are received, the Board will notify the bidder to whom the Bonds will be awarded, if and when such award is made. Such bidder, upon such notice, shall advise the Board of the initial reoffering prices or yields to the public of each maturity of the Bonds (the "Initial Reoffering Prices or Yields"). The winning bid will remain firm for a period of no less than five hours after the time specified for the opening of bids. An award of the Bonds, if made, will be made by the Board Administrator within such five hour period or, with the express consent of the winning bidder, such longer time period as deemed necessary.

The Board reserves the right to reject any and all proposals, not conforming to this Official Notice of Sale. Unless all bids are rejected, the Bonds will be awarded to the bidder complying with the terms of this Official Notice of Sale and submitting a bid which provides the lowest "true" or "Canadian" interest cost to the Board. The true interest cost shall be determined for each bid by doubling the semiannual interest rate, compounded semiannually, necessary to discount the debt service to the date of the Bonds and to the price bid. If more than one bid offers the same lowest true interest cost, the successful bid will be selected by the Board Administrator by lot.

Bids for the Bonds shall not be conditioned upon obtaining insurance or any other credit enhancement. If a bidder proposes to obtain a policy of municipal bond insurance or any other credit enhancement, any such purchase of insurance or commitment therefor shall be at the sole option and expense of the bidder, and the bidder must pay any increased costs of issuance of the Bonds as a result of such insurance or commitment. Any failure by the bidder to obtain such a policy of insurance shall not in any way relieve such bidder of its contractual obligations arising from the acceptance of its bid for the purchase of the Bonds.

Good Faith Deposit

Bidders must submit a certified or cashier's check for 2% of the par value of the bonds (\$558,000) drawn upon a solvent bank or trust company and payable unconditionally to the order of the The Board of Education of the County of Marshall, West Virginia, to secure the Board against any loss resulting from the failure of the successful bidder to comply with the terms of its bid. The check of the successful bidder will be deposited and credited toward the purchase price, and no interest will be allowed thereon to accrue to the benefit of the successful bidder. The proceeds of the check will be retained by the Board as liquidated damages in case the successful bidder fails to accept delivery of and pay for the Bonds. Checks of unsuccessful bidders will be returned promptly upon award of the Bonds. Bidders must also clearly indicate to whom the check should be returned in the event of an unsuccessful bid.

In lieu of the check described above, the deposit may be in the form of a Financial Surety Bond in the amount of \$558,000 payable to the Board. The Financial Surety Bond must be from an insurance company acceptable to the Board and licensed to issue such a bond in the State of West Virginia, and such Financial Surety Bond must be in a form acceptable to the Board. The Financial Surety Bond must identify each bidder whose deposit is guaranteed by such Financial Surety Bond. If the Bonds are awarded to a bidder utilizing a Financial Surety Bond, then such successful bidder is required to submit its deposit to the Board in the form of a cashier's or certified check or wire transfer not later than 11:00 a.m., Local Time, on the next business day following the award. If such deposit is not received by such time, the Financial Surety Bond may be drawn by the Board to satisfy the deposit requirement.

Bidders must deliver the good faith check (or, in lieu thereof, a Financial Surety Bond) by 11:00 a.m., Local Time, on June 14, 2007, to the Financial Advisor, Scott & Stringfellow, Inc., 909 East Main Street, 8th Floor, Richmond, Virginia 23219 (Attention: Mr. Matt Palumbo).

Delivery of the Bonds

The Bonds will be delivered at the expense of the Board in New York, New York, through the facilities of DTC on or about June 26, 2007. The Bonds will be delivered upon payment of the balance of the purchase price in Federal Funds payable to the order of "The Board of Education of the County of Marshall, West Virginia".

It will be a condition to the obligation of the successful bidder to accept delivery of and pay for the Bonds that prior to or contemporaneously with such delivery, the successful bidder will be furnished with the final approving opinion of Bowles Rice McDavid Graff & Love LLP, Charleston, West Virginia, Bond Counsel. The opinion of Bond Counsel will include an opinion that under existing laws, regulations, rulings and judicial decisions of the United States of America, as presently written and applied, interest on the Bonds is not includable in gross income of the owners thereof for federal income tax purposes and that the Bonds are exempt from all taxation by the State of West Virginia or any political subdivision thereof. Said opinion shall also contain further statements to the effect that (a) said Bond Counsel has considered litigation in certain states, including the State of West Virginia, such as Pauley v. Bailey, challenging the constitutionality of present systems of levying taxes and applying funds for public school purposes and that, in their opinion, such litigation will not modify the rights of the holders of the

Bonds to ultimate recourse to unlimited ad valorem taxes upon all the taxable property within Marshall County, West Virginia, for payment of the Bonds if not paid from other sources and does not modify or qualify the conclusions elsewhere stated in such approving opinion; and (b) 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.

It will be a further condition of delivery of any payment for the Bonds that there also be delivered at such time certificates satisfactory to said Bond Counsel evidencing proper execution and delivery of the Bonds, including (i) a certificate dated the Date of Delivery of the Bonds, stating that there is no litigation pending or threatened affecting the validity of the Bonds, or wherein an adverse judgment or ruling could have a material adverse impact on the financial condition of the Board, or adversely affect the power of the Board to levy, collect and enforce the collection of taxes or other revenues for the payment of the Bonds, (ii) a certificate dated the Date of Delivery of the Bonds, of the President and Secretary of the Board, to the effect that at the time of the sale of the Bonds and at all times subsequent thereto up to and including the time of delivery of the Bonds, to the best of their knowledge, the Official Statement in final form and as of its date, did not contain any 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, and (iii) a tax and arbitrage certificate executed on behalf of the Board which will include, among other things, covenants relating to compliance with the Internal Revenue Code of 1986, as amended (the "Code"), with the owners of the Bonds that the Board, will, among other things, (a) take all actions on its part necessary to cause interest on the Bonds not to be includable in the gross income of the owners thereof for federal income tax purposes, including, without limitation, restricting, to the extent necessary, the yield on investments made with the proceeds of the Bonds and investment earnings thereon, making required payments to the federal government, if any, and maintaining books and records in a special manner, where appropriate, and (b) refrain from taking any action which would cause interest on the Bonds to be includable in the gross income of the owners thereof for federal income tax purposes, including, without limitation, refraining from spending the proceeds of the Bonds and investment earnings thereon on certain specified purposes. The Bonds will also bear the signed approval of the Attorney General of West Virginia to the effect that the Bonds are binding obligations of the Board and are incontestable.

Certificates of Winning Bidder

The successful bidder must, by facsimile transmission or overnight delivery received by the Board within 24 hours after receipt of bids for the Bonds, furnish the following information to complete the Official Statement in final form, as described below:

- A. The offering prices for the Bonds (expressed as the price or yield per maturity).
- B. Selling compensation (aggregate total anticipated compensation to the underwriters expressed in dollars, based on the expectation that all Bonds are sold at the prices or yields described in Subpart A above).
- C. The identity of the underwriters if the successful bidder is a part of a group or syndicate.
- D. Any other material information necessary to complete the Official Statement in final form but not known to the Board.

Prior to delivery of the Bonds, the successful bidder shall furnish to the Board a certificate, in form acceptable to the Board's counsel, to the effect that the successful bidder has made a bona fide public offering of the Bonds at the initial public offering prices set forth in such certificate, that the successful bidder has complied with Rule G-37 of the Municipal Securities Rulemaking Board (the "MSRB") with respect to the Board and that a substantial amount of the Bonds of each maturity were sold to the public (excluding bond houses, brokers and other intermediaries) at such initial public offering prices. Such certificate shall state that (1) it is made on the best knowledge, information and belief of the successful bidder and (2) 10% or more in par amount of the Bonds of each maturity was sold to the public at the initial public offering price (such amount being sufficient to establish the sale of a substantial amount of the Bonds).

CUSIP Numbers

It is anticipated that CUSIP identification numbers will be printed on the Bonds, but neither the failure to print such numbers on any Bond nor any error with respect thereto shall constitute cause for failure or refusal by the successful bidder thereof to accept delivery of and pay for the Bonds in accordance with the terms of its bid. The Board will assume responsibility for the expense of the initial printing of CUSIP numbers; provided, however, that the Board assumes no responsibility for any CUSIP Service Bureau or other charges that may be imposed for the assignment of such numbers. All expenses in connection with the assignment of CUSIP numbers shall be paid by the successful bidder. It shall be the obligation of the successful bidder to furnish to DTC an underwriter questionnaire and to the Board the CUSIP numbers for the Bonds within two business days following the date of award.

Official Statement

The Board will furnish to the successful bidder, at the expense of the Board, up to 300 copies of the final Official Statement within seven business days from the date of the award of the Bonds, as specified in Rule 15c2-12 (the "Rule") of the Securities and Exchange Commission (the "SEC") and the rules of the MSRB; provided that minor delays in furnishing such final Official Statements will not be a basis for failure to pay for and accept delivery of the Bonds. Additional copies will be made available at the successful bidder's request and expense. The Board assumes no responsibility or obligation for the distribution or delivery of the Official Statement to anyone other than the successful bidder.

The successful bidder, by executing the Official Bid Form, agrees to provide one copy of the Official Statement to at least one Nationally Recognized Municipal Securities Information Repository ("NRMSIR") within the meaning of the Rule upon receipt of the Official Statement from the Board and two copies of the Official Statement (with any required forms) to the MSRB or its designee no later than ten business days following the Date of Sale. The successful bidder shall notify the Board as soon as practicable of (1) the date which is the end of the underwriting period (such "underwriting period" is described in the Rule) and (2) the date of filing of the Official Statement with a NRMSIR and the MSRB or its designee.

If the Bonds are awarded to a syndicate, the Board will designate the senior managing underwriter of the syndicate as its agent for purposes of distributing copies of the Official Statement to each participating underwriter. Any underwriter executing and delivering a bid form with respect to the Bonds agrees thereby that if its bid is accepted it shall accept such designation and shall enter into a contractual relationship with all participating underwriters for the purposes of assuring the receipt and distribution by each such participating underwriter of the Official Statement, unless another firm is so designated by the syndicate in writing and approved by the Board.

Legal Opinion

The approving opinion of Bowles Rice McDavid Graff & Love LLP with respect to the Bonds will be furnished to the successful bidder at the expense of the Board. The opinion will state that the Bonds constitute valid and binding general obligations of the Board for the payment of which the Board's full faith and credit are irrevocably pledged and that the Board is authorized and required by law unless funds are lawfully available, to levy and collect taxes annually over and above all other taxes, upon all taxable property within the Board without limitation as to rate or amount sufficient to pay when due the principal of and interest on the Bonds.

Tax Exemption

The Official Statement relating to the Bonds contains a discussion of the effect of the Internal Revenue Code of 1986, as amended, on the exclusion from gross income of interest on the Bonds and a discussion of the opinion of Bowles Rice McDavid Graff & Love LLP insofar as it concerns such exclusion.

Federal and State Securities Laws

No action has been taken to qualify the Bonds under the federal securities laws.

Continuing Disclosure

The Board will agree, pursuant to a Continuing Disclosure Agreement, to provide certain annual financial information and operating data and notices of the occurrence of certain events, if material. A description of these undertakings is set forth in the Preliminary Official Statement for the Bonds and will also be set forth in the final Official Statement for the Bonds (See Appendix D of the Preliminary Official Statement).

Additional Information

For further information relating to the Bonds and the Board, reference is made to the Board's Preliminary Official Statement. The Board has deemed the Preliminary Official Statement to be final as of its date within the meaning of the Rule, except for the omission of certain pricing and other information permitted to be omitted pursuant to the Rule. The Official Bid Form and the Preliminary Official Statement may be obtained from the Board's Financial Advisor, Scott & Stringfellow, Charleston, West Virginia (304) 357-6508.

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

By: /s/ Alfred N. Renzella,
Secretary, The Board of Education
of the County of Marshall, West Virginia

Dated: June 5, 2007

New Issue - Full Book Entry

Rating: Standard & Poor's: AAA
Underlying Rating: Standard & Poor's: AA-
(See "RATINGS", herein)

In the opinion of Bond Counsel, under existing laws, regulations, rulings and judicial decisions of the United States of America, as presently written and applied, interest on the Bonds is not includable in gross income of the owners thereof for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations upon the conditions and subject to the limitations set forth under the caption "TAX MATTERS" herein; however, interest on the Bonds held by a corporation may be indirectly subject to alternative minimum tax because of its inclusion in adjusted current earnings of such corporate holder. In the opinion of Bond Counsel, under existing laws of the State of West Virginia, the Bonds are exempt from direct taxation by the State of West Virginia or any political subdivision thereof. See "TAX MATTERS" herein.

\$27,900,000

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

Public School Bonds, Series 2007

Dated: Date of Delivery

Due: May 1, as shown below

The bonds are general obligations of The Board of Education of the County of Marshall, West Virginia (the "Board"), which Board has the power and is obligated to levy ad valorem taxes upon all the taxable property within the Marshall County School District to pay the Bonds and the interest thereon, without limitation as to rate or amount.

The Bonds will be issued in fully registered form only, without coupons, and, when issued will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository of the Bonds. Individual purchases will be made in book-entry form only in the principal amount of \$5,000 or integral multiples thereof. Purchasers of the Bonds will not receive certificates representing their interests in the Bonds.

Pursuant to Chapter 13, Article 1 of the Code of West Virginia, 1931, as amended, both the principal of and interest on the Bonds are payable at the office of the West Virginia State Treasurer. The State Treasurer has designated the West Virginia Municipal Bond Commission, Charleston, West Virginia, as Paying Agent for payment of the Bonds and United Bank, Charleston, West Virginia, as Registrar.

Interest on the Bonds will accrue from the Date of Delivery, and will be payable November 1, 2007 and semiannually thereafter (each May 1 and November 1) in each year to maturity. The principal of and interest on the Bonds are payable by the Paying Agent to DTC, which will in turn remit such principal and interest to its Participants for subsequent distribution to the Owners of the Bonds, as described herein.

The Bonds are subject to redemption prior to maturity as described herein.

The payment, when due, of principal of and interest on the Series 2007 Bonds will be insured as more fully described herein by MBIA Insurance Corporation.



MATURITIES, AMOUNTS, RATES AND YIELDS

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Price/Yield</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Price/Yield</u>
2008	\$1,390,000	4.00%	3.800%	2016	\$1,905,000	4.50%	4.190%
2009	1,445,000	4.25	3.870	2017	1,985,000	4.50	4.240
2010	1,505,000	4.25	3.970	2018	2,065,000	5.00	4.350
2011	1,565,000	4.25	4.000	2019	2,145,000	5.00	4.390
2012	1,630,000	4.50	4.050	2020	2,235,000	5.00	4.500
2013	1,695,000	4.50	4.080	2021	2,325,000	5.00	4.540
2014	1,760,000	4.50	4.120	2022	2,415,000	5.00	4.570
2015	1,835,000	4.50	4.150				

The bonds are offered for delivery when, as and if issued, subject to approval of legality by Bowles Rice McDavid Graff & Love LLP, Charleston, West Virginia, Bond Counsel. Certain legal matters will be passed upon for the Board by Bowles Rice McDavid Graff & Love LLP, Parkersburg, West Virginia, Counsel to the Board. It is expected that the Bonds will be available for delivery to DTC, New York, New York on or about June 26, 2007.

Robert W. Baird & Co

Dated: June 14, 2007

**THE BOARD OF EDUCATION
Of
THE COUNTY OF MARSHALL (WEST VIRGINIA)**

ELECTED OFFICIALS

	<u>Term Expires</u>
Roger A. Lewicki, President	June 30, 2010
David L. Hall	June 30, 2008
Lori E. Kestner	June 30, 2008
Dr. Mary Ellen Komorowski	June 30, 2010
Thomas Gilbert	June 30, 2010

APPOINTED OFFICIALS

Alfred N. Renzella, Superintendent
James E. Tuel, Treasurer

BOARD'S COUNSEL

Bowles Rice McDavid Graff & Love LLP
Parkersburg, West Virginia

BOND COUNSEL

Bowles Rice McDavid Graff & Love LLP
Charleston, West Virginia

FINANCIAL ADVISOR

Scott & Stringfellow, Inc.
Charleston, West Virginia

No dealer, broker, salesman, or other person has been authorized by the Board of Education of the County of Marshall, West Virginia, to give any information or to make any representations, other than those 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 sales of the Bonds herein described by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been obtained by the Board from sources which are believed to be reliable but it is not guaranteed as to accuracy or completeness. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Board since the date hereof.

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

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OFFICIAL STATEMENT
relating to
\$27,900,000
THE BOARD OF EDUCATION OF
THE COUNTY OF MARSHALL (WEST VIRGINIA)
Public School Bonds, Series 2007

INTRODUCTION

The purpose of this Official Statement is to set forth certain information in connection with the sale by the Board of Education of the County of Marshall (West Virginia) (the "Board") of its \$27,900,000 Public School Bonds, Series 2007 (the "Bonds"), to be issued in accordance with the Official Notice of Sale of the Board. In connection therewith, a brief description of the Marshall County School District (the "School District" or "District") and the County of Marshall, West Virginia (the "County" or "Marshall County"), with which the School District is coterminous, is provided, together with a description of the Bonds and sources of payment therefor.

AUTHORITY AND PURPOSE

The issuance of the Bonds and the levy of taxes sufficient to pay the interest on and the principal of such Bonds were authorized and approved at a special election held on November 7, 2006, pursuant to, Chapter 13, Article 1 of the Code of West Virginia, 1931, as amended, and to a Resolution and Order duly entered and adopted by the Board on December 12, 2006 (the "Resolution and Order"). The ballot question also stipulated a maximum term of fifteen (15) years from the date of the Bonds and an interest rate not exceeding six and ninety-five hundredths percent (6.95%) per annum. The canvass of said special election showed 5,501 "Yes" votes and 5,292 "No" votes, a 50.97% voter approval of those who participated.

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 Chapter 13, Article 1 of the Code of West Virginia, 1931, (the "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. Section 8 of Article X of the Constitution and Sections 20 and 24 of the Act require the annual levy and collection of a tax sufficient to pay the principal of and interest on such bonds.

The School Building Authority of West Virginia (the "Authority") was created in 1989 to implement a program for providing funding for modern, efficient elementary and secondary public school facilities to meet the educational needs of the students of West Virginia (the "Program"). In order to facilitate its Program, the Authority granted \$8,000,000 to the School District on December 19, 2005. When combined with the \$27,900,000 proceeds from the sale of bonds, and \$8,000,000 of available funds from the District, \$35,900,000 will be available for the projects. For a complete description of the projects to be financed by the Bonds, see "Appendix C - Proposed Facilities."

THE BONDS

General

The Bonds are dated the Date of Delivery, will bear interest from that date, payable semiannually on each May 1 and November 1, commencing on November 1, 2007; principal of the Bonds is payable on May 1, in the years and amounts, as follows:

Year	Principal Amount	Interest Rate	Price/Yield	Year	Principal Amount	Interest Rate	Price/Yield
2008	\$1,390,000	4.00%	3.800%	2016	\$1,905,000	4.50%	4.190%
2009	1,445,000	4.25	3.870	2017	1,985,000	4.50	4.240
2010	1,505,000	4.25	3.970	2018	2,065,000	5.00	4.350
2011	1,565,000	4.25	4.000	2019	2,145,000	5.00	4.390
2012	1,630,000	4.50	4.050	2020	2,235,000	5.00	4.500
2013	1,695,000	4.50	4.080	2021	2,325,000	5.00	4.540
2014	1,760,000	4.50	4.120	2022	2,415,000	5.00	4.570
2015	1,835,000	4.50	4.150				

Pursuant to the Act, both the principal of and interest on the Bonds are payable at the office of the Treasurer of the State of West Virginia (the "Treasurer"). The Treasurer has designated the West Virginia Municipal Bond Commission, Charleston, West Virginia, as Paying Agent for payment of the Bonds and United Bank, Charleston, West Virginia, to act as transfer agent and maintain the registration books.

The Bonds will be available to individual purchasers in book-entry form only, in the principal amount of \$5,000 and integral multiples thereof. Purchasers of the Bonds will not receive certificates representing their interests in the Bonds purchased.

Interest on the bonds will accrue from Date of Delivery and will be payable November 1, 2007 and semiannually thereafter (each May 1 and November 1) in each year to maturity. Such interest will be paid by check to the registered owner on each such interest payment date at his address as shown on the registration books kept for that purpose by the Paying Agent as of the 15th day of the month preceding each such interest payment date. In the case of an owner of \$500,000 or more of 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.

Optional Redemption

The Bonds maturing on or after May 1, 2018, are subject to redemption on or after May 1, 2017, at the option of the Board, in whole or in part on any interest payment date, from any moneys available for that purpose, at par, plus interest, if any, accrued to the date fixed for redemption.

In the event of such optional redemption, the Board may direct the maturity or maturities of the Bonds and the amounts thereof to be redeemed, provided that the Bonds will be redeemed in whole multiples of \$5,000 in principal amount and in the minimum principal amount of \$50,000.

Notice of any redemption of Bonds shall be given by the Registrar, on behalf of the Board, to registered owners of the Bonds to be redeemed at least thirty (30) days 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 their 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 Board shall default in the payment of the redemption price), such Bonds shall cease to bear interest.

Book-Entry System

The description which follows of the procedures and recordkeeping with respect to beneficial ownership interests in the Bonds, payments of principal of and interest on the Bonds to DTC, its nominee, Direct Participants (defined below) or Beneficial Owners (defined below), confirmation and transfer of beneficial ownership interests in the Bonds and other bond-related transactions by and between DTC, the Direct Participants and Beneficial Owners is based solely on information furnished by DTC.

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository ("Securities Depository") for the Bonds. The ownership of one fully registered Bond for each maturity as set forth on the cover page of this Official Statement, each in the aggregate principal amount of such maturity, will be registered in the name of Cede & Co., as nominee of DTC. DTC is a limited purpose trust company organized under the laws of the State of New York, 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, as amended. DTC was created to hold securities on behalf of its Participants (the "Participants") and to facilitate the clearance and settlement of securities transactions among Participants in such securities through electronic book-entry changes in accounts of the Participants, thereby eliminating the need of

physical movement of securities certificates. Participants include securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations, some of which (and/or their representatives) own DTC. DTC is also owned by the New York Stock Exchange, Inc., the American Stock Exchange, Inc. and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others, such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Participant, either directly or indirectly.

Beneficial ownership interest in the Bonds may be purchased by or through Participants and will be recorded on the records of the Participants, whose interests will be recorded on a computerized book-entry system operated by DTC. Such Participants and the persons for whom they acquire interests in the Bonds as nominees ("Beneficial Owners") will not receive certificates, but each such Participant will receive a credit balance in the records of DTC in the amount of such Participant's interest in the Bonds, which will be confirmed in accordance with DTC's standard procedures. Each such person for which a Participant acquires an interest in the Bonds, as nominee, may desire to make arrangements with such Participant to receive a credit balance in the records of such Participant, and may desire to make arrangements with such Participant to have all communications by the Paying Agent to DTC which may affect such persons to be forwarded in writing by such Participant and to have notification made of all interest payments. DTC will receive payments from the Paying Agent to be remitted to Participants for subsequent disbursement to the Beneficial Owners. The Paying Agent and the Board may treat DTC (or its nominee) as the sole and exclusive owner of the Bonds registered in its name for the purposes of payment of the principal of or interest on the Bonds giving any notice permitted or required to be given to Bondholders, registering the transfer of Bonds, obtaining any consent or other action to be taken by Bondholders and for all other purposes whatsoever; and neither the Paying Agent nor the Board shall be affected by any notice to the contrary. Neither the Paying Agent nor the Board shall have any responsibility or obligation to any Participant, any person claiming a beneficial ownership interest in the Bonds under or through DTC or any Participant, or any other person which is not shown on the registration books of the Paying Agent, as Registrar, as being an owner of the Bonds, with respect to the accuracy of any records maintained by DTC or any Participant; the payment by DTC or any Participant of any amount in respect of the principal of or interest on the Bonds; any notice which is permitted or required to be given to Bondholders or any consent given or other action taken by DTC as Bondholder.

When reference is made to any action which is required or permitted to be taken by the Beneficial Owners, such reference shall only relate to those permitted to act (by statute, regulation or otherwise) on behalf of such Beneficial Owners for such purposes. When notices are given, they shall be sent by the Paying Agent to DTC with a request that DTC forward (or cause to be forwarded) the notices to the Participants so that such Participants may forward (or cause to be forwarded) the notices to the Beneficial Owners.

Beneficial Owners will receive a written confirmation of their purchase detailing the terms of the Bonds acquired. Transfers of ownership interests in the Bonds will be accomplished by book-entries made by DTC, and in turn by the Participants which act on behalf of the Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except as described below. Interest and principal will be paid by the Paying Agent to DTC, then paid by DTC to the Participants and thereafter paid by the Participants to the Beneficial Owners when due, but the Paying Agent will have no responsibility for payment other than to DTC. For every transfer or exchange of the Bonds the Beneficial Owner may be charged a sum sufficient to cover any tax, fee or other government charge that may be imposed in relation thereto.

In the event the Board determines that it is in the best interest of the Beneficial Owners that they be able to obtain Bond certificates, the Board may notify DTC and the Paying Agent, whereupon DTC will notify the Participants, of the availability through DTC of Bond certificates. In such event, the Paying Agent shall issue, transfer or exchange Bond certificates as requested by DTC and any other Bondholders in appropriate amounts. DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving notice to the Board and the Paying Agent and discharging its responsibilities with respect thereto under applicable law. Under such circumstances (if there is no successor Securities Depository), the Board and the Paying Agent shall be obligated to deliver Bond certificates. In the event Bond certificates are issued, the provisions of the resolution and orders shall apply to, among other things, the transfer and exchange of such certificates and the method of payment of principal and interest on such Bond certificates. Whenever DTC requests the Board and the Paying Agent to do so, the Paying Agent 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 Bonds to any DTC Participant having Bonds credited to his DTC account or (b) to arrange for another Securities Depository to maintain custody of certificates evidencing the Bonds.

Security and Source of Payment

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

The West Virginia Municipal Bond Commission (the "Commission"), is charged with the administration of the interest and sinking funds created to service the debt of the State and its subdivisions. The proceeds of taxes levied for debt service by the Board are collected by the sheriff, as treasurer of the county, who then forwards the proceeds to the Commission. The 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 Commission customarily sets the levy rates at 110% of the annual principal and interest required so as to provide a margin to cover the statutory 2 1/2% discount for early payment of taxes and any attrition occasioned by delinquencies, improper assessments and exonerations. There has not been a default on the payment of principal or interest of any general obligation bonds in the State of West Virginia since the 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 2007 Budget Bill is indicative:

Sec.14. Sinking fund deficiencies - There is hereby appropriated to the governor a sufficient amount to meet any deficiencies that may arise in the mortgage finance bond insurance fund of the West Virginia housing development fund which is under the supervision and control of the municipal bond commission as provided by section twenty-b, article eighteen, chapter thirty-one of the code, 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 provision 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 or the County of Marshall. 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.

BOND INSURANCE

The MBIA Insurance Corporation Insurance Policy

The following information has been furnished by MBIA Insurance Corporation ("MBIA") for use in this Official Statement. Reference is made to Appendix E for a specimen of MBIA's policy (the "Policy").

MBIA does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding the Policy and MBIA set forth under the heading "Bond Insurance". Additionally, MBIA makes no representation regarding the Bonds or the advisability of investing in the Bonds.

The MBIA Policy unconditionally and irrevocably guarantees the full and complete payment required to be made by or on behalf of the Board to the Paying Agent or its successor of an amount equal to (i) the principal of (either at the stated maturity or by an advancement of maturity pursuant to a mandatory sinking fund payment) and interest on, the Bonds as such payments shall become due but shall not be so paid (except that in the event of any acceleration of the due date of such principal by reason of mandatory or optional redemption or acceleration resulting from default or otherwise, other than any advancement of maturity pursuant to a mandatory sinking fund payment, the payments guaranteed by the MBIA Policy shall be made in such amounts and at such times as such payments of principal would have been due had there not been any such acceleration, unless MBIA elects in its sole discretion, to pay in whole or in part any principal due by reason of such acceleration); and (ii) the reimbursement of any such payment which is subsequently recovered from any Owner of the Bonds pursuant to a final judgment by a court of competent jurisdiction that such payment constitutes an avoidable preference to such Owner within the meaning of any applicable bankruptcy law (a "Preference").

MBIA's Policy does not insure against loss of any prepayment premium which may at any time be payable with respect to any Bonds. MBIA's Policy does not, under any circumstance, insure against loss relating to: (i) optional or mandatory redemptions (other than mandatory sinking fund redemptions); (ii) any payments to be made on an accelerated basis; (iii) payments of the purchase price of Bonds upon tender by an owner thereof; or (iv) any Preference relating to (i) through (iii) above. MBIA's Policy also does not insure against nonpayment of principal of or interest on the Bonds resulting from the insolvency, negligence or any other act or omission of the Paying Agent or any other paying agent for the Bonds.

Upon receipt of telephonic or telegraphic notice, such notice subsequently confirmed in writing by registered or certified mail, or upon receipt of written notice by registered or certified mail, by MBIA from the Paying Agent or any owner of a Bond the payment of an insured amount for which is then due, that such required payment has not been made, MBIA on the due date of such payment or within one business day after receipt of notice of such nonpayment, whichever is later, will make a deposit of funds, in an account with U.S. Bank Trust National Association, in New York, New York, or its successor, sufficient for the payment of any such insured amounts which are then due. Upon presentment and surrender of such Bonds or presentment of such other proof of ownership of the Bonds, together with any appropriate instruments of assignment to evidence the assignment of the insured amounts due on the Bonds as are paid by MBIA, and appropriate instruments to effect the appointment of MBIA as agent for such owners of the Bonds in any legal proceeding related to payment of insured amounts on the Bonds, such instruments being in a form satisfactory to U.S. Bank Trust National Association, U.S. Bank Trust National Association shall disburse to such owners or the Paying Agent payment of the insured amounts due on such Bonds, less any amount held by the Paying Agent for the payment of such insured amounts and legally available therefor.

MBIA Insurance Corporation

MBIA Insurance Corporation ("MBIA") is the principal operating subsidiary of MBIA Inc., a New York Stock Exchange listed company (the "Company"). The Company is not obligated to pay the debts of or claims against MBIA. MBIA is domiciled in the State of New York and licensed to do business in and subject to regulation under the laws of all 50 states, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, the Virgin Islands of the United States and the Territory of Guam. MBIA, either directly or through subsidiaries, is licensed to do business in the Republic of France, the United Kingdom and the Kingdom of Spain and is subject to regulation under the laws of those jurisdictions.

The principal executive offices of MBIA are located at 113 King Street, Armonk, New York 10504 and the main telephone number at that address is (914) 273-4545.

Regulation

As a financial guaranty insurance company licensed to do business in the State of New York, MBIA is subject to the New York Insurance Law which, among other things, prescribes minimum capital requirements and contingency reserves against liabilities for MBIA, limits the classes and concentrations of investments that are made by MBIA and requires the approval of policy rates and forms that are employed by MBIA. State law also regulates the amount of both the aggregate and individual risks that may be insured by MBIA, the payment of dividends by MBIA, changes in control with respect to MBIA and transactions among MBIA and its affiliates.

The Policy is not covered by the Property/Casualty Insurance Security Fund specified in Article 76 of the New York Insurance Law.

Financial Strength Ratings of MBIA

Moody's Investors Service, Inc. rates the financial strength of MBIA "Aaa."

Standard & Poor's, a division of The McGraw-Hill Companies, Inc., rates the financial strength of MBIA "AAA."

Fitch Ratings rates the financial strength of MBIA "AAA."

Each rating of MBIA should be evaluated independently. The ratings reflect the respective rating agency's current assessment of the creditworthiness of MBIA and its ability to pay claims on its policies of insurance. Any further explanation as to the significance of the above ratings may be obtained only from the applicable rating agency.

The above ratings are not recommendations to buy, sell or hold the Bonds, and such ratings may be subject to revision or withdrawal at any time by the rating agencies. Any downward revision or withdrawal of any of the above ratings may have an adverse effect on the market price of the Bonds. MBIA does not guaranty the market price of the Bonds nor does it guaranty that the ratings on the Bonds will not be revised or withdrawn.

MBIA Financial Information

As of December 31, 2006, MBIA had admitted assets of \$10.9 billion (audited), total liabilities of \$6.9 billion (audited), and total capital and surplus of \$4.0 billion (audited) determined in accordance with statutory accounting practices prescribed or permitted by insurance regulatory authorities. As of March 31, 2007, MBIA had admitted assets of \$11.2 billion (unaudited), total liabilities of \$7.0 billion (unaudited), and total capital and surplus of \$4.2 billion (unaudited) determined in accordance with statutory accounting practices prescribed or permitted by insurance regulatory authorities.

For further information concerning MBIA, see the consolidated financial statements of MBIA and its subsidiaries as of December 31, 2006 and December 31, 2005 and for each of the three years in the period ended December 31, 2006, prepared in accordance with generally accepted accounting principles, included in the Annual Report on Form 10-K of the Company for the year ended December 31, 2006 and the consolidated financial statements of MBIA and its subsidiaries as of March 31, 2007 and for the three month period ended March 31, 2007 and March 31, 2006 included in the Quarterly Report on Form 10-Q of the Company for the quarter ended March 31, 2007, which are hereby incorporated by reference into this Official Statement and shall be deemed to be a part hereof.

Copies of the statutory financial statements filed by MBIA with the State of New York Insurance Department are available over the Internet at the Company's web site at <http://www.mbia.com> and at no cost, upon request to MBIA at its principal executive offices.

Incorporation of Certain Documents by Reference

The following documents filed by the Company with the Securities and Exchange Commission (the "SEC") are incorporated by reference into this Official Statement:

- (1) The Company's Annual Report on Form 10-K for the year ended December 31, 2006; and
- (2) The Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2007.

Any documents, including any financial statements of MBIA and its subsidiaries that are included therein or attached as exhibits thereto, filed by the Company pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date of the Company's most recent Quarterly Report on Form 10-Q or Annual Report on Form 10-K, and prior to the termination of the offering of the [Bonds/Securities] offered hereby shall be deemed to be incorporated by reference in this Official Statement and to be a part hereof from the respective dates of filing such documents. Any statement contained in a document incorporated or deemed to be incorporated by reference herein, or contained in this Official Statement, shall be deemed to be modified or superseded for purposes of this Official Statement to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Official Statement.

The Company files annual, quarterly and special reports, information statements and other information with the SEC under File No. 1-9583. Copies of the Company's SEC filings (including (1) the Company's Annual Report on Form 10-K for the year ended December 31, 2006, and (2) the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2007) are available (i) over the Internet at the SEC's web site at <http://www.sec.gov>; (ii) at the SEC's public reference room in Washington D.C.; (iii) over the Internet at the Company's web site at <http://www.mbia.com>; and (iv) at no cost, upon request to MBIA at its principal executive offices.

MARSHALL 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 members elected by the voters of the County without reference to political party affiliation. Presently the terms of the members are for four years and are staggered so that no more than three terms expire at one time. The terms of such members begin on the first day of July next following the primary election at which they were elected.

Board members' duties are established by State statute with the State 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 corporation and as such may sue and be sued, plead or be impleaded, and enter into contracts. The School District is fiscally independent of the County and all other political subdivisions.

During the fiscal year 2006-2007, the Marshall County Board of Education has 718 employees, 434 of whom are professional and 284 service staff. Of the 434 professionals, 13 are administrative, 17 are principals and 404 are teachers. The County's pupil-teacher ratio, based upon the County Superintendent's Second Month Attendance Report for the school year 2006-2007 is 12.71:1.

Facilities of the District

The present facilities of the Marshall County School District include 2 high schools, 2 junior high/middle schools and 11 elementary schools.

The District also maintains a board office, transportation center and maintenance building.

School Facilities within the District

<u>School</u>	<u>Grades</u>	<u>Type of Construction</u>	<u>Date of Construction</u>	<u>Renovations & Additions/year</u>
High Schools:				
Cameron	7-12	Masonry Non-combustible	1956	1967, 1968,1974,1983
Cameron Annex		Masonry Non-combustible	2000	
John Marshall High	9-12	Masonry Non-combustible	1968	None
Middle/Junior High Schools:				
Moundsville Junior High	7-8	Masonry	2001	None
Sherrard Junior High	7-8	Masonry	1976	None
Elementary Schools:				
Cameron	K-6	Masonry Non-cumbustible	1978	None
Central	K-6	Masonry Non-combustible	1954	None
Glen Dale	K-6	Masonry Non-combustible	1965	1973
Limestone	K-6	Steel and Wood Frame	1924	1975
Center McMechen	K-6	Steel Frame	1977	None
McNinch	K-6	Masonry	1977	None
Park View	K-6	Masonry Non-combustible	1927	1974
Sand Hill	K-6	Masonry	1954	1982,2000
Sanford	K-6	Masonry Non-combustible	1920	1955,1962
Sherrard	K-6	Masonry	1955	1965,1972,
Washington Lands	K-6	Masonry	1975	None

Source: Marshall County Board of Education

Historical Enrollment by School Year

<u>Grades</u>	<u>2002-03</u>	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>	<u>2006-07</u>
PreK	22	25	29	48	68
K	307	392	345	371	362
1	372	355	378	332	351
2	383	359	346	372	326
3	417	375	366	326	357
4	411	420	383	354	337
5	428	405	417	372	349
6	435	418	404	423	374
7	450	447	423	399	415
8	468	449	441	415	400
9	418	484	447	443	414
10	424	412	478	431	422
11	380	409	359	453	423
12	397	342	378	359	415
<u>Early Childhood</u>		37	49	88	122
TOTALS	5,375	5,329	5,243	5,186	5,135

Source: Marshall County Board of Education

Projected Enrollment by School Year

<u>Grades</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
Pre-K	180	240	280	300
K	345	356	356	356
1	350	335	343	343
2	338	335	319	329
3	315	337	335	319
4	354	312	330	329
5	336	349	308	328
6	356	334	350	306
7	382	359	338	355
8	419	379	357	336
9	407	419	380	357
10	404	390	402	365
11	382	365	352	363
12	362	358	341	330
TOTALS	4,930	4,868	4,791	4,633

Source: Marshall County Board of Education

Assessed Valuations

The Marshall County School District includes all of Marshall County and has the same assessed valuation of property therein as does the entire county. Between 1973 and the current fiscal year, the average assessment for each of the four classes of property in a county had to be at least at approximately 50% of the State appraised values. The State Tax Commissioner has authority to "appraise" property to determine its "true and actual value". Thus, in practice, most properties by class were assessed at least at approximately 50% of their appraised values.

Chapter 11, Article 1C of the West Virginia Code, as amended by Acts of the 1990 Legislature, regular and third special session, requires all assessors to appraise all property at fair market value (except for certain farm property), within three years of the effective date of the legislation and to perform updated appraisals every three years thereafter. The State Tax Commissioner is required to monitor the assessors in the performance of their duties and to perform the valuation process on industrial and natural resource property within the aforesaid three-year period. The legislation limits the increase in property taxes that could result from the new valuation to one percent (1%) per year, unless, in the case of local governmental units (i.e. school boards), the Legislature after a public hearing deems a greater increase is necessary. Such increase is limited under the legislation to 10% per year. The legislation specifically stated to 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 three-year reappraisal cycle, which became effective July 1, 1994. The Board does not believe the legislation will have any impact on the Board's ability to levy taxes to pay the principal of or interest on the Bonds.

Assessment Procedures

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 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. The assessor annually, not later than March 7, 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 2007 assessment year valuations were made as of July 1, 2006, with taxes levied and collected during the fiscal year July 1, 2006, through June 30, 2007.

The State Tax Commissioner has the responsibility of 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 assessment 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 allocations being approved by the Board of Public Works.

Property Classification

Article X, Section 1, of the Constitution of the State 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 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, all notes, bonds, bills, accounts receivable, stocks and any other intangible personal property, not including bank deposits and money; Class II - owner-occupied residential property and certain farm lands; Class III - all real and personal property other than Class I and II property, situated outside of municipalities; Class IV - all real and personal property other than Class I and II, situated within municipalities. Public utility property falls within Class III or Class IV, as appropriate. Article 10, Section 1 b of the West Virginia Constitution and Chapter 1, Article 6 B, Section 5 of the West Virginia Code of 1931, as amended, provide that the first twenty thousand dollars of assessed valuation of any real property, or of personal property in the form of a mobile home, used exclusively for residential purposes and occupied by the owner or one of the owners thereof as his residence who is a citizen of the State and who is sixty-five years of age or older or is certified as being permanently or totally 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.

Assessed Valuation by Property Class

Class	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
I	\$ 1,888,496	\$ 1,979,312	2,017,945	\$ 2,261,153	\$ 2,123,205
II*	282,500,518	301,616,223	308,224,677	319,632,292	334,505,839
III	660,442,509	695,972,122	692,840,378	762,141,393	831,351,310
IV	161,464,857	159,539,986	158,583,372	170,151,750	190,045,354
Totals	<u>\$1,106,296,380</u>	<u>\$1,159,107,643</u>	<u>\$1,161,666,372</u>	<u>\$1,254,186,588</u>	<u>\$1,358,025,708</u>

Assessed Valuation by Property Category

	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
Real*	\$ 447,688,940	\$ 464,665,100	\$ 483,850,640	\$ 492,406,500	\$ 564,692,770
Personal	348,010,566	360,506,385	342,543,436	403,038,569	431,975,971
Utility	310,596,874	333,936,158	335,272,296	358,741,519	361,356,967

* Excludes property from ad valorem property taxation pursuant to the Homestead and Taxation Amendment.

Source: Marshall County Assessor's Office

The amount of Class II property so excluded from the above table was as follows:

Year	Amount
2003-2004	\$71,257,742
2004-2005	72,412,998
2005-2006	72,827,674
2006-2007	72,744,868
2007-2008	74,079,032

Source: Marshall County Assessor's Office

Ten Largest Assessed Valuations 2006-07

Property Owner	Product/Service	Assessed Valuation
Ohio Power Company	Utility	\$246,700,802
PPG	Chemicals	62,635,808
Bayer Material Science	Chemicals	58,304,820
Consol - McElroy Mine	Coal mining	43,414,558
Columbia Gas Transmission	Gas pipelines	28,711,038
Wheeling Power Co.	Utility	19,308,795
Consol - McElroy Preparation Plant	Coal mining	19,111,509
Texas Eastern Transmission	Gas pipelines	18,720,700
Consol - Shoemaker mine	Coal mining	17,552,317
GESF-F Inc.	Longwall mining equipment	12,098,800

Source: Marshall County Assessor's Office

Tax Collection Procedures

All taxes for real estate and personal property are collected by the 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 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 the taxes were 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. If no person bids the amount of taxes, interest and charges then due, the Sheriff shall purchase the property on behalf of the State for the amount so 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 of the County. The Sheriff accounts for and pays over such money as if it had been paid to him for redemption before sale.

Tax Rate Comparisons

The following table compares Marshall County property tax rates (to be charged on property located outside a municipality) in cents per \$100 assessed valuation, to surrounding counties for the tax year 2006, fiscal year ending June 30, 2007:

<u>County</u>	<u>Class I</u>	<u>Class II</u>	<u>Class III/IV</u>
MARSHALL	56.78	113.56	227.12
Ohio	58.30	116.60	233.20
Brooke	69.35	138.69	277.38
Wetzel	56.43	112.86	225.72
Tyler	59.15	118.30	236.60
Hancock	56.67	113.34	226.68

Source: State of West Virginia
Auditor's Office

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 rates may be increased by up to 100% by boards of education. The increased levies cannot 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.

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The aggregate county tax rates, per \$100 assessed valuation for fiscal year ending June 30, 2007, are as follows:

	<u>Class I</u>	<u>Class II</u>	<u>Class III</u>	<u>Class IV</u>
Unincorporated Areas	.5678	1.1356	2.2712	
Incorporated Areas: Benwood	.7360	1.4720		2.9440
Cameron	.6928	1.3856		2.7712
Glen Dale	.6928	1.3856		2.7712
McMechen	.7360	1.4720		2.9440
Moundsville	.6928	1.3856		2.7712
Wheeling	.7283	1.4566		2.9132

Source: State of West Virginia Auditor's Office

School Tax Rates

Taxes for school purposes are uniform throughout the County. In accordance with Chapter 11, Article 18, 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 \$.2295 per \$100 assessed valuation in respect to Class I; \$.4590 per \$100 in respect to Class II; and \$.9180 per \$100 in respect to Classes III and IV.

By favorable vote of at least a simple majority of the voters voting in an election, the above limitation may be increased by up to 100% for the period of five years, after which a referendum 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.

The Marshall County School District currently has an excess levy and as of the date of this official statement has no bond levy other than what is contemplated by this official statement as approved by a majority of voters voting in the special election on November 7, 2006.

Marshall County, West Virginia
School Tax Rates - By Property Class
Cents Per \$100

	<u>2005-2006</u>	<u>2006-2007</u>	<u>2007-2008</u>
Class I	42.97	42.54	41.89
Class II	85.94	85.08	83.78
Class III/IV	171.88	170.16	167.56

Source: Marshall County Board of Education

The maximum tax rates described above are divided among the several levying bodies by statute. Under Chapter 11, Article 8 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

The tax rates for the citizens of the County, including those imposed by the Marshall County Board of Education, but not including those relating to the proposed bond, in cents per \$100 assessed valuation for the 2006-2007 fiscal year, are as follows:

Rates of Levy

<u>Tax Type</u>	<u>Class I</u>	<u>Class II</u>	<u>Class III/IV</u>
State Current	.25	.50	1.00
County Current	13.99	27.98	55.96
County Excess	-0-	-0-	-0-
School Current	20.05	40.10	80.20
School Excess	22.49	44.98	89.96
School Bonds	-0-	-0-	-0-

Source: State of West Virginia Auditor's Office

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 2006-2007 fiscal year:

Rates of Levy

<u>Municipality</u>	<u>Class I</u>	<u>Class II</u>	<u>Class IV</u>
Benwood	16.82	33.64	67.28
Cameron	12.50	25.00	50.00
Glen Dale	12.50	25.00	50.00
McMechen	16.82	33.64	67.28
Moundsville	12.50	25.00	50.00
Wheeling	16.05	32.10	64.20

Source: County of Marshall, West Virginia
Assessor's Office

The aggregate county taxes for school purposes, per \$100 assessed valuation after implementing the proposed bond levy rates will be as follows:

	<u>Class I</u>	<u>Class II</u>	<u>Class III/IV</u>
School Current Expenses and permanent improvement levy	19.40	38.80	77.60
100% Excess Levy	22.49	44.98	89.96
*Bond Levy	7.06	14.12	28.24

*Bond levy amounts reflect bonds being issued at the maximum allowable rate as approved by the voters on November 7, 2006 in a special election.

Tax Levies and Collections*

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Real Estate	\$8,703,230.61	\$8,289,766.68	\$8,659,766.99
Personal Property	8,213,084.88	9,158,518.29	8,667,804.81
Plus: Add Ons	<u>374,673.95</u>	<u>353,858.04</u>	<u>345,392.70</u>
GROSS LEVY	\$17,290,989.44	\$17,802,143.01	\$17,672,964.50
Less: Exonerations, discounts and other credits	<u>(498,025.77)</u>	<u>(543,589.55)</u>	<u>(612,861.25)</u>
NET LEVY	\$16,792,963.67	\$17,258,553.46	\$17,060,103.25
Less:			
Delinquencies	<u>(1,118,126.44)</u>	<u>(982,659.47)</u>	<u>(922,526.50)</u>
Current Collections	\$15,674,837.23	\$16,275,893.99	\$16,137,576.75
Current Collections as Percentage of Net Levy	93.34%	94.31%	94.59%
Add: Prior delinquencies and penalties collected	<u>\$123,317.57</u>	<u>\$130,862.65</u>	<u>\$118,560.46</u>
TOTAL COLLECTIONS	\$15,798,154.80	\$16,406,756.64	\$16,256,137.21
Total Collections as percentage of Net Levy	94.08%	95.06%	95.29%

*Excludes public utility taxes collected and transmitted directly by the state auditor to the sheriff as county treasurer, for distribution to various levying bodies within the County, including the School District.

Source: Marshall County Sheriff's Office

School District Debt Statement

As heretofore stated, under Article X, Section 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. Under such constitutional and statutory standard, the computation of the debt limit of the School District and its debt contracting margin are as follows:

Summary of Statistical Debt Information (pro-forma)

Population (2004).....	34,617
Assessed Valuation (2007-08 Figures) *.....	\$1,358,025,708
Debt Limit (5% of Assessed Valuation).....	\$67,901,285
Outstanding Debt (Including the 2007 Bonds).....	\$27,900,000
Debt Contracting Margin.....	\$40,001,285
Per Capita Debt.....	\$805.96
Outstanding Debt as a Percentage of Assessed Valuation.....	2.055%

* Assessed valuation is estimated to be approximately 60% of appraised or market value

Source: Marshall County Assessor's Office , West Virginia Department of Tax and Revenue

Debt Service Requirements

Upon issuance of the Bonds, based on the interest rates and yields set forth on the cover page, the Board of Education will have the following debt:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2008	\$1,390,000	\$1,095,617	\$2,485,617	2016	\$1,905,000	\$734,300	\$2,639,300
2009	1,445,000	1,237,588	2,682,588	2017	1,985,000	648,575	2,633,575
2010	1,505,000	1,176,175	2,681,175	2018	2,065,000	559,250	2,624,250
2011	1,565,000	1,112,213	2,677,213	2019	2,145,000	456,000	2,601,000
2012	1,630,000	1,045,700	2,675,700	2020	2,235,000	348,750	2,583,750
2013	1,695,000	972,350	2,667,350	2021	2,325,000	237,000	2,562,000
2014	1,760,000	896,075	2,656,075	2022	2,415,000	120,750	2,535,750
2015	1,835,000	816,875	2,651,875				

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. Collections are transferred periodically to the State Municipal Bond Commission. the 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".)
2. Bond Construction Fund - The Bond Construction Fund is a separate and distinct Fund used for revenues from the sale of local bonds authorized by an election, from State School Building Funds and from special funds that are categorically identified and authorized to supplement local bond proceeds or State School Building 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 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: (1) Debt Service Fund, and (2) 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 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 Investment Management Board (the "IMB"). The IMB is governed by a board of trustees consisting of the Governor of the State of West Virginia, the Auditor of the State of West Virginia, the Treasurer of the State of West Virginia, and ten members appointed by the Governor. The Bond Commission currently invests its funds in the Consolidation 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 ninety (90) days.

Accounting Practices

The accounts and fund structure presented in the Board's financial statements are in accordance with Financial Accounting for Local and State School Systems, Handbook II, a system used by all school systems in the State, which is prescribed by the West Virginia Department of Education. This does not agree in certain respects with the accounts and fund structure required by accounting principles generally accepted in the United States of America.

Annual Audit

The Marshall County Board of Education is investigating the impact of potential changes in its financial reporting that may be required due to the implementation of Government Accounting Standards Board (GASB) Statements No 34 and related pronouncements.

An annual audit of accounts is prepared by the State Tax Department. Revenue and expenditures for all funds are reported on a modified cash basis with accrual requirements by separate reports for funds receivable, encumbrances, earmarked funds and payroll deductions/withholdings payable. Salaries and wages are reported against budget appropriations in terms of gross earnings whether or not payroll deductions have been paid within the current fiscal period. Unpaid salaries and wages of the current fiscal period are reported as liabilities at the close of the current fiscal period together with all other incurred obligations for purchases and/or contracts.

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:

January - The Superintendent reviews current year's budget to determine that current year's projections are accurate and within budget.

February - The Superintendent shall begin preliminary work on budget preparation. Estimates of receipts established. Preliminary priorities discussed.

March - Assessed valuations and preliminary State aid calculations received on or about March 3. The Board of Education shall meet between the budget hearing date and March 28 for approval of the proposed levy rates. Budget and levy rates must be submitted to the Department of Tax and Revenue by March 28.

April - On the third Tuesday in April, the Board enters the levy order for taxes commencing July 1.

September - Board advised of ending balances for previous fiscal year. Board evaluates status for current fiscal obligations in relation to ending balances and establishes budgetary changes necessitated

Internal Control

The system of internal control includes budgetary control, periodic operating reports and statistical analysis. The System checks the accuracy and reliability of its accounting data, promotes operations 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 Auditor of the State of West Virginia.

School District's Revenues and Expenses

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Revenue:			
Property taxes	\$16,125,550	\$16,947,191	\$16,822,015
Other sources	691,410	584,235	869,145
Intermediate sources	0	23,745	26,091
State sources	25,466,297	24,454,184	25,476,780
Federal sources	4,139,631	4,632,064	5,695,001
Miscellaneous	31,162	253,188	328,185
Total Revenue	<u>\$46,454,050</u>	<u>\$46,894,607</u>	<u>\$49,217,217</u>
Expenditures:			
Regular Elem/Sec Inst	26,735,027	27,247,642	28,681,770
Community Services	46,856	48,736	54,621
Student Support	1,880,296	1,597,556	1,764,625
Staff Support	584,253	1,209,025	1,166,643
General Administration	1,713,823	1,383,531	1,408,535
School Administration	2,323,497	2,406,199	2,616,202
Business Office	257,070	318,409	643,101
Operation - Maintenance	4,418,608	5,586,809	4,817,251
Transportation	3,683,326	3,703,667	4,229,163
Food Services	2,212,147	2,510,218	2,776,450
Capital Outlay	719	55,803	65,840
Debt Service – Principal	142,808	207,608	217,630
Interest and fiscal charges		93,688	84,806
Total Expenditures	<u>\$43,998,430</u>	<u>\$46,368,891</u>	<u>\$48,526,637</u>
Excess (Deficiency) of Revenues Collected over Expenditures Paid	<u>2,455,620</u>	<u>525,716</u>	<u>690,580</u>
Other Finance Sources			
Proceeds from note payable	1,327,479		
Operating transfers in	612,484	1,694,089	2,318,107
Operating transfers out	(612,484)	(1,694,089)	(2,318,107)
Total Other Financing Sources	<u>1,327,479</u>	<u>-0-</u>	<u>-0-</u>
Extraordinary items	-0-	2,250,000	-0-
Excess (Deficiency) of Revenues Collected and Other Financing Sources Over Expenditures Paid	<u>3,783,099</u>	<u>\$2,775,716</u>	<u>\$690,580</u>
Gross Fund at Beginning of Year	<u>1,902,296</u>	5,685,395	8,464,078
Prior period adjustments		2,966	
Gross fund balance at beginning of year, restated		<u>5,688,361</u>	
Gross Fund Balance at Year End	<u>\$5,685,395</u>	<u>\$8,464,077</u>	<u>\$9,154,658</u>

Source: Marshall County Board of Education

School District's Budget

	2003-04	2004-05	2005-06
Revenue:			
Property taxes	\$15,624,740	\$16,323,172	\$16,320,921
Other sources	507,615	392,330	478,744
Intermediate sources	25,000	25,000	25,000
State sources	24,031,192	22,995,036	23,326,473
Federal sources	3,716,665	4,485,670	4,608,454
Miscellaneous	-0-	30,000	40,000
Total revenue	<u>\$43,905,212</u>	<u>\$44,251,208</u>	<u>\$44,799,592</u>
Expenditures:			
Regular elem/sec instruction	27,332,733	25,473,863	24,632,786
Supporting services			
Students	1,386,650	1,496,260	1,515,800
Instructional staff	560,677	509,590	540,280
Central administration	1,444,562	1,428,081	1,345,090
School administration	2,414,784	2,341,130	2,383,850
Business	251,550	266,630	546,100
Operation and maintenance of facilities	4,041,492	4,127,240	4,021,430
Student transportation	3,474,049	3,197,540	3,716,362
Food Services	2,121,930	2,139,600	2,467,179
Community services	-0-	47,810	55,470
Reserved	-0-	-0-	3,464,705
Debt service	-0-	224,580	384,220
Total expenditures	<u>\$43,028,427</u>	<u>\$41,252,324</u>	<u>\$45,073,272</u>
Other financial sources (uses):			
Proceeds from note payable	-0-	-0-	(76,320)
Transfers	423,475	-0-	-0-
Total other financing sources (uses):			<u>-0-</u>
Net change in fund balances	1,300,260	2,998,884	(350,000)
Actual fund balance at end of prior year	<u>1,730,776</u>	<u>5,431,777</u>	<u>4,840,243</u>
Projected fund balance at end of current year	<u>\$3,031,036</u>	<u>8,430,661</u>	<u>4,490,243</u>

Source: Marshall County Board of Education

School District Budget for Fiscal Year 2006-07

Revenue:	
Property Taxes	\$17,546,844
Other Sources	693,756
Intermediate Sources	-0-
State Sources	24,187,552
Federal Sources	4,519,733
Estimated transfers in/out and beginning balance	250,000
Miscellaneous	-0-
Total Revenue	<u>\$47,197,885</u>
Expenditures:	
Reg. Elem/Sec. Inst.	\$19,485,210
Special Education	4,204,320
Vocational Program	1,484,830
Other Elem/Sec Programs	-0-
Adult/Continuing Education	74,970
Community Services	55,450
Undistributed Support Services	<u>21,893,105</u>
Total Expenditures	<u>\$47,197,885</u>

Source: Marshall County Board of Education

Teachers' Retirement System (TRS)

The State Teachers' Retirement System (TRS) was established on July 1, 1941 for the purpose of providing retirement benefits for teachers and school service personnel. TRS is a defined benefit plan that currently has approximately 18,633 active members and 27,389 retired members. An active member contributes 6% of his or her gross monthly salary into the retirement plan. The employer contributes an additional 15% of the member's gross monthly salary into the plan for employees hired before July 1, 2005 and 7.5% for employees hired for the first time on or after July 1, 2005.

TRS funding policy provides for member contributions based on 6% of members' annual compensation. Contributions as a percentage of payroll for members and employers are established by State law and are not actuarially determined. The employers make the following contributions:

The county boards of education, utilizing funds made available through the State's School Aid formula, contribute 15% of the compensation of their TRS-covered employees. The State contributes 15% of the compensation of TRS members employed by the State. Other employers contribute 15% of their TRS-covered employees' compensation.

In addition, the State contributes a certain percentage of fire insurance premiums paid by State residents and an amount determined by the State actuary as being needed to extinguish the TRS unfunded liability by June 30, 2034. Counties contribute 15% of the compensation of TRS members' salaries not covered under the State's School Aid formula.

The most recent actuarial valuation of TRS was performed July 1, 2006 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, 2006, the unfunded liability of TRS was \$4,703,410,000. The funded percentage was 31.6%. The TRS unfunded accrued liability should be extinguished on or about June 30, 2034.

Source: West Virginia Consolidated Public Retirement Board

Teachers' Defined Contribution Retirement System (TDC)

The Teachers' Defined contribution Retirement System (TDC) is a multiple employer defined contribution retirement system covering full time employees of the State's 55 county public school systems, the State Department of Education, several Higher Education employees, and the School for the Deaf and Blind who are hired after June 30, 1991. TDC members may also include former TRS plan members, including higher education employees, who have elected to transfer into or participate in TDC. As of July 1, 2006, active members totaled 19,602 TDC benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are required to participate from the date of employment. Chapter 18, Article 7B of the West Virginia Code establishes the plan provision for TDC.

The West Virginia Code requires employees to contribute 4.5% of their gross compensation and the employers to contribute 7.5% of covered members' gross compensation from amounts allocated to the employers through the State's School Aid formula. Employer contributions for each employee (and interest earnings and/or losses allocated to the employee's account) become 1/3 vested after six years, 2/3 vested after nine years and fully vested after 12 complete years of service. Non-vested employer contributions and earnings are forfeited by employees who leave employment prior to becoming fully vested. In the event the employee does not return to active participant status within five years the forfeited amount will be used to reduce the employer's current period contribution requirement. Any such forfeitures arising from contributions, plus earnings thereon, will be used to reduce future employer contributions.

Source: West Virginia Consolidated Public Retirement Board

SUMMARY OF INSURANCE COVERAGE

Type:	<u>Amount in force</u>
Fire, extended coverage/buildings and personal property	\$110,034,410
Subject to the following limitations:	
Fidelity Honest Bond	\$1,500,000
Money and Securities	1,500,000
Public official position bond:	
Superintendent	\$ 50,000
Board president	50,000
Treasurer	350,000

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 Continental Casualty Company. The Board is an Additional Insured under the policies for the coverage period July 1, 2006 to July 1, 2007, 12:01 Eastern Time.

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
- Garagekeeper's Insurance

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 \$1,000.

Defense Costs Defense costs are in addition to the each occurrence limit of liability.

Source: West Virginia Board of Risk and Insurance Management

THE COUNTY OF MARSHALL

Introduction

Marshall County (the "County") is located in the northern panhandle of West Virginia and its 2000 population was 35,519. Moundsville, the county seat, is 57 miles from Pittsburgh, PA, 123 miles from Columbus, OH, 177 miles from Cleveland, OH, 425 miles from New York, NY, and 450 miles from Charlotte, NC. Moundsville is located at the intersection of U. S. Route 250 and State Route 7. In addition to Moundsville, McMechen, Benwood, Glen Dale, and Cameron are the other incorporated communities in Marshall County.

Marshall County is 301 square miles in size and is surrounded by Ohio County to the north, Wetzel County to the south, Belmont and Monroe Counties, in the State of Ohio to the west and Green and Washington Counties, in the State of Pennsylvania to the east.

Since 1990, the population of the County has fluctuated as indicated in the following table:

	<u>1990</u>	<u>2000</u>	<u>2004</u>
Marshall County	37,356	35,519	34,617
West Virginia	1,782,958	1,807,442	1,812,548

Since 2000, it is estimated that Marshall County's population has fluctuated as follows:

<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
35,519	35,298	35,009	34,872	34,617

Economy

The economy of Marshall County is driven by the coal, chemical, and power generation industries. Marshall County's economy is influenced by the economies of Pittsburgh, PA, Columbus, OH, and Cleveland, OH. The east/west corridor of Interstate 70 passing just to the north of Marshall County and the north/south corridor of the Ohio River, provide links to the national economy. Marshall County is located in the Wheeling Metropolitan Statistical Area, which also incorporates Ohio County, West Virginia and Belmont County, Ohio. There are 437,602 people living within the Wheeling Metropolitan Statistical Area.

There are four financial institutions in the County with total assets of \$336,338,000:

Employment and Income Statistics

Average Annual Unemployment Rates

	<u>Marshall County</u>	<u>West Virginia</u>	<u>United States</u>
2006	5.70%	4.90%	4.60%
2005	5.60%	5.00%	5.10%
2004	6.00%	5.30%	5.50%
2003	6.40%	6.10%	6.00%
2002	6.60%	6.10%	5.80%

Source: West Virginia Bureau of Employment Programs
 Work Force West Virginia
 United States Department of Labor, Bureau of Labor Statistics

Employment by Industry

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Mining	959	1,121	1,213	1,366
Construction	304	354	374	428
Manufacturing	2,083	1,913	1,847	1,759
Trade, Transportation and Utilities	1,784	1,698	1,710	1,767
Information	77	79	70	44
Finance, Insurance and Real Estate	217	247	268	268
Professional and Business Services	577	624	605	787
Education and Health Services	1,457	1,434	1,461	1,541
Leisure and Hospitality	726	733	772	845
Other Services	207	233	239	235
Government	2,013	1,940	1,896	1,882

Source: Work Force West Virginia
 West Virginia Bureau of Employment Programs

Average Employment and Wages for 2005

	<u>Marshall County</u>	<u>West Virginia</u>	<u>United States</u>
Average Employment	10,926	695,300	130,307,840
Average Annual Wage	\$38,573	\$31,344	\$37,870

Source: West Virginia Bureau of Employment Programs

Wages per Industry for 2005

<u>Industry</u>	<u>Total Wages</u>	<u>Average Annual Wage</u>	<u>Average Weekly Wage</u>
Agriculture	\$ -0-	\$ -0-	\$ -0-
Mining	93,283,408	68,139	1,310.38
Construction	15,052,581	35,170	676.35
Manufacturing	124,306,124	70,669	1,359.02
Trade, Transportation and Utilities	57,223,260	32,384	622.77
Information	1,032,175	23,458	451.13
Finance, Insurance and Real Estate	6,589,441	24,587	472.83
Professional and Business Services	19,294,614	24,516	471.48
Education and Health Services	36,641,896	23,778	457.27
Leisure and Hospitality	7,772,889	9,198	176.90
Other Services	3,669,312	15,614	300.27
Government	<u>56,582,830</u>	<u>30,064</u>	<u>578.17</u>
Total	<u>\$ 421,448,530</u>	<u>\$38,573</u>	<u>\$741.79</u>

Source: West Virginia Bureau of Employment Programs

Per Capita Personal Income

<u>Location</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
United States	31,484	33,050	\$33,050
West Virginia	24,002	24,515	25,792
Marshall County	22,537	23,510	24,859

Source: United States Department of Commerce
Bureau of Economic Analysis

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Ten Largest Employers

<u>Employer</u>	<u>Product/Service</u>	<u>Number of Employees</u>
Marshall County Board of Education	Public education	718
PPG Industries, Inc.	Chemical manufacturing	595
Bayer Polymers	Chemical manufacturing	564
Consol Energy	Coal production	478
Reynolds Memorial Hospital	Health care	458
Teletech	Business process outsourcing	450
WalMart	Retail	370
American Electric Power	Electric power generation	270
Kroger	Retail grocery	250
Tecnocap	Manufacturing	130

Education

The availability of higher education opportunities around Marshall County is abundant. Wheeling Jesuit University in nearby Wheeling, West Virginia is eleven miles from Moundsville, the Marshall County seat. Wheeling Jesuit is one of twenty-eight Jesuit schools in the United States and offers bachelor of arts or bachelor of science degrees, as well as special academic and/or pre-professional programs, in business, the sciences, mathematics, education, engineering, medicine, and law. Wheeling Jesuit also offers several masters degree programs including business, accounting, and nursing. Additionally, it also offers a doctorate program in physical therapy.

West Virginia Northern Community College, also in Wheeling is a public, multi-campus comprehensive community college which serves the six counties of Ohio, Brooke, Hancock, Marshall, Wetzel and Tyler. The college offers certificates and associate degrees in several areas including business, education, criminal justice, and nursing.

Bethany College is a private, four year liberal arts institution in nearby Brooke County, West Virginia. It offers bachelor degrees in various fields of study including business, science, education, communications, foreign language, and music. It also offers pre-professional studies in several areas.

West Liberty State College is a public, four-year traditional college offering a variety of programs. It is located in nearby Ohio County, West Virginia and offers bachelor degrees in business, education, liberal arts, and science.

The Moundsville-Marshall County Library houses more than 70,000 volumes in Moundsville, with branches throughout the County. The Marshall County Library compliments all aspects of basic and higher education.

Transportation

Moundsville, the county seat, is located on the Ohio River, which is a major waterway for barge freight. US Route 250 intersects the County from southeast to northwest. West Virginia Route 2 is a four lane highway and runs the entire length of the county from north to south. Rail service is provided by CSX. The Chesapeake and Ohio mainline runs through the Ohio River valley along the county's western border.

Pittsburgh International Airport is 71 miles from Moundsville. Columbus (Ohio) International Airport is 131 miles from Moundsville.

Recreation and Tourism

Marshall County is very sports oriented. It is home to the largest annual boys baseball tournament in the United States. The Ohio Valley Athletic Association is the largest sports conference in the country. There are twelve golf courses in a thirty-five mile radius.

A local group is currently restoring the 86 year old Strand Theatre with a seating capacity of 600. Originally a 1920 Vaudeville playhouse, it will be the new home of a performing arts center.

There are nine museums in a ten mile radius of Moundsville.

Marshall County is home to the gothic-style fortress formerly used as the West Virginia Penitentiary. Tours are conducted of this facility which is a part of the National Historic Register. The official Marx Toy Museum is located in Glen Dale. The Fostoria Glass Museum is in Moundsville as is the Grave Creek Mound Archaeology Complex. It is the largest and most famous burial mound built by the Adena people.

Communications

There are three newspapers that cover events in Marshall County, including the *Moundsville Daily Echo* and two newspapers in nearby Wheeling, Ohio County, *The Wheeling Intelligencer*, and the *Wheeling News Register*. There is one radio station in Marshall County. There are no television stations based in Marshall County.

Utilities and Services

Electricity is provided by American Electric Power. The City of Moundsville has an ultra modern clean water plant under construction. This facility has the capacity to serve all of Marshall County and as the City of Moundsville and Marshall County move toward a regional approach to services, this facility may soon be providing water to the entire county. Currently several municipalities and public service districts provide clean water to Marshall County users. Verizon provides land-based phone service to Marshall County. Natural gas is provided by Mountaineer Gas Company and telecable is provided by Comcast Cable.

Health Care

Reynolds Memorial Hospital, Ohio Valley Medical Center, Wheeling Hospital, Mound View Health Care and Wood Health Care Clinic all serve Marshall County and they are situated in and around Marshall County. Nearby Wheeling serves as the medical center of the northern panhandle of West Virginia and access to medical facilities in Pittsburg are only minutes away from all points in Marshall County.

TAX MATTERS

In the opinion of Bond Counsel, under existing laws, regulations, rulings and judicial decisions of the United States of America, as presently written and applied, interest on the Bonds is not includable in gross income of the owners thereof for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals or corporations upon the conditions and subject to the limitations set forth in this section and under existing West Virginia Law, the Bonds are exempt from all taxation by the State of West Virginia or any political subdivision thereof.

Under the provisions of the Internal Revenue Code of 1986, as amended (the "Code"), there are certain restrictions that must be met subsequent to the delivery of the Bonds, including restrictions that must be complied with throughout the term of the Bonds. These include requirements applicable to the use and investment of the proceeds of the Bonds. Failure to comply with one or more of these requirements could result in the inclusion of the interest payable on the Bonds in gross income for federal income tax purposes, effective from the date of their issuance. The Board has covenanted to regulate the investment of the proceeds of the Bonds and to take such other actions as may be required to maintain the excludability from gross income for federal income tax purposes of interest on the Bonds. Bond Counsel's opinion assumes compliance with such covenants and that the Board will take such action.

The Code imposes an alternative minimum tax with respect to individuals and corporations on alternative minimum taxable income. Interest on the Bonds is not treated as a preference item in calculating the alternative minimum taxable income. The interest on the Bonds will be included in the adjusted current earnings of certain corporations and such corporations are required to include in the calculation of alternative minimum taxable income 75% of the excess of such corporation's adjusted current earnings over its alternative minimum taxable income (determined without regard to this adjustment and prior to reduction of certain net operating losses). The adjusted current earnings of a corporation will include the amount of any income received that is otherwise exempt from taxes, such as interest on the Bonds. In addition, interest income on the Bonds will be includable in the applicable taxable base for the purposes of determining the environmental tax imposed by the Code on corporations for taxable years beginning before January 1, 1996, and the branch profits tax imposed by the Code on foreign corporations engaged in a trade or business in the United States.

Under the Code, the exclusion of interest from gross income for federal income tax purposes may have certain adverse federal income tax consequences on items of income, deductions or credit for certain taxpayers, including financial institutions, certain insurance companies, recipients of Social Security and Railroad Retirement benefits, those that are deemed to incur or continue indebtedness to acquire or carry tax-exempt obligations, and individuals otherwise eligible for the earned income tax credit. The applicability and extent of these and other tax consequences will depend

upon the particular tax status or other tax items of the owner of the Bonds. Bond Counsel will express no opinion regarding those consequences.

Other consequences for federal income tax purposes of ownership of obligations such as the Bonds also result from the Code under certain circumstances. Owners of the Bonds should consult their own tax advisors as to the effects of the Code in their particular circumstances. Bond Counsel will render no opinion with respect to these or other collateral tax consequences of owning the Bonds.

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 5, 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 Board 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 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 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 the 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 alleges 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 request 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 are stated in the complaint. The complaint contains no allegation that relates to the right or ability of the Board of issue its Bonds.

In the opinion of Bond Counsel, the final resolution of the Pauley, Boards of Education, and Harris decisions by the courts of the State will not affect the validity or binding obligation of the Bonds or modify the rights 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 special 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 expected that Board liability in any such matters is likely to have an adverse effect on the financial condition of the Board.

At the time of payment for and delivery of the Bonds, the purchasers will be furnished with a certificate of the Secretary of the Board that there is no litigation pending or threatened affecting the validity of the Bonds or any of the proceedings taken with respect to the issuance and sale thereof or the levy or collection of any taxes to pay the principal of or interest on the Bonds. Such certificate shall also state that there is no litigation pending or threatened against the Board, which materially adversely affects the financial condition of the Board.

LEGAL MATTERS

All legal matters incident to the authorization, issuance, sale and delivery of the Bonds are subject to the approval of Bowles Rice McDavid Graff and Love LLP, Charleston, West Virginia, whose approving legal opinion will be delivered with such Bonds.

CONTINUING DISCLOSURE

The Board has agreed for the benefit of the holders of the Bonds to provide each Nationally Recognized Municipal Securities Information Repository and, if established, the State Information Depository, on an annual basis on or before 180 days after the end of each fiscal year, certain financial and operating data and in a timely manner, notices of certain material events, in order to comply with Rule 15c2-12 promulgated by the Securities Exchange Commission (the "Rule"). The Board has hired United Bank, Charleston, West Virginia to provide dissemination services in conjunction with its continuing disclosure obligations for its Series 2007 Bonds and expects to comply with the continuing disclosure requirements as set forth in the Continuing Disclosure Agreement related to the 2007 Bonds. The form of the Continuing Disclosure Agreement is attached hereto as Appendix D.

SALE AT COMPETITIVE BIDDING

The 2007 Bonds were offered by the Board at competitive bidding on June 14, 2007 in accordance with the Official Notice of Sale.

UNDERWRITING

Robert W. Baird & Company, Inc. (the "Underwriter") has agreed to purchase the Bonds at an aggregate purchase price of \$28,525,280.85, which includes a premium of \$625,280.85 and no accrued interest, pursuant to a proposal submitted on June 14, 2007 in connection with the Board's Official Notice of Sale of the Bonds, dated June 5, 2007. The Underwriter may offer and sell the Bonds to certain dealers (including dealers depositing such Bonds into investment trusts) and others at prices lower than the public offering price on the cover page hereof. The Underwriter will purchase all of the Bonds if any are purchased. The Underwriter expects to make a bona fide public offering of the Bonds at the prices set for the on the cover page hereto. However, such public offering prices may be changed after the initial offering by the Underwriter.

RATINGS

Standard & Poor's, 55 Water Street, New York, NY 10041, has assigned the Bonds its rating of "AAA", with the understanding that the standard municipal bond insurance policy of MBIA, guaranteeing the timely payment of principal and interest on the Bonds, will be issued upon delivery of the Bonds. The Board was assigned an underlying rating of "AA-", based on the West Virginia Municipal Bond Commission program. The Board has not applied for other ratings. These ratings reflect only the views of Standard and Poor's and reference is made to them for the meaning of such ratings. 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 rating agency, if in the judgment of such rating agency, circumstances so warrant. Any downward revision or withdrawal of such rating may have a negative impact upon the market price or value of the 2007 Bonds.

FINANCIAL ADVISOR

Scott & Stringfellow, Inc., Charleston, West Virginia, Financial Advisor to the Board, or its directors or employees, may hold, own or dispose of bonds, including the Bonds issued by the Board. BB&T Capital Markets, a subsidiary of Scott & Stringfellow, Inc., may wish to bid alone or as a member of a syndicate for the purchase of these Bonds.

CONCLUDING STATEMENT

The information furnished in this Official Statement is set forth for the benefit of prospective purchasers of the \$27,900,000 in aggregate principal amount of the Board of Education of the County of Marshall, West Virginia Public School Bonds, Series 2007. The material contained in the Official Statement was compiled for and at the direction of the Board by Scott & Stringfellow, Inc., in its capacity as Financial Advisor to the Board.

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.

So far as any statements are made in this Official Statement involving matters of opinion, whether or not expressly so stated, they are set forth as such and not as representations of fact. Neither this Official Statement nor any statement which may have been made orally or in writing is to be construed as a contract with the holders of any of the Bonds.

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

By: Roger A. Lewicki,
President

APPENDIX A

**Audited Financial Statement for the
Fiscal Year ending June 30, 2006**

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INDEPENDENT AUDITOR'S REPORT

The Honorable Members of the
Marshall County Board of Education
Moundsville, West Virginia

We have audited the accompanying financial statements of the Marshall County Board of Education as of and for the year ended June 30, 2006, as listed in the table of contents. These financial statements are the responsibility of the Marshall County Board of Education's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in the notes to the financial statements, the Marshall County Board of Education prepares its financial statements on a prescribed basis of accounting that demonstrates compliance with the regulatory basis of accounting of 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 differences between the regulatory basis of accounting and accounting principles generally accepted in the United States of America are also described in the notes to the financial statements.

In our opinion, because of the Marshall County Board of Education's policy to prepare its financial statements on the basis of accounting discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Marshall County Board of Education, as of June 30, 2006, or the results of its operations for the year then ended.

Additionally, as described more fully in the notes to the financial statements, fixed assets are stated at appraisal value, which does not demonstrate compliance with the regulatory basis of accounting of the West Virginia Department of Education. It was not practicable to determine the effects of the fixed assets being stated at appraisal value.

Also, in our opinion, except for the effects of stating the fixed assets on the appraisal value, the financial statements referred to above present fairly, in all material respects, the financial position of the Marshall County Board of Education, as of June 30, 2006, and the results of its operations for the year then ended, in conformity with the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, we have also issued a report dated November 3, 2006 on our consideration of the Marshall County Board of Education's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in conjunction with this report in considering the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the financial statements of the Marshall County Board of Education, taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Tetrick & Battlett, PLLC

November 3, 2006

**MARSHALL COUNTY BOARD OF EDUCATION
COMBINED BALANCE SHEET -
GOVERNMENTAL FUNDS
JUNE 30, 2006**

	<u>General Current Expense</u>	<u>Special Revenue - Restricted Projects</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and cash equivalents	\$ 10,588,811	\$ -0-	\$ 433,562	\$ -0-	\$ 11,022,373
Cash - restricted	500,742	-0-	-0-	-0-	500,742
Taxes receivable, net	111,657	-0-	-0-	-0-	111,657
Other receivables	131,757	23,415	-0-	-0-	155,172
Due from other governments:					
State aid receivable	193,064	7,351	-0-	-0-	200,415
PEIA allocation receivable	599,862	-0-	-0-	-0-	599,862
Reimbursements receivable	-0-	712,060	-0-	-0-	712,060
Prepaid BRIM insurance	67,910	-0-	-0-	-0-	67,910
Due from other funds	<u>-0-</u>	<u>4,623,872</u>	<u>-0-</u>	<u>843,294</u>	<u>5,467,166</u>
TOTAL ASSETS	\$ <u>12,193,803</u>	\$ <u>5,366,698</u>	\$ <u>433,562</u>	\$ <u>843,294</u>	\$ <u>18,837,357</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Salaries payable and related payroll liabilities	\$ 3,343,695	\$ -0-	\$ -0-	\$ -0-	\$ 3,343,695
Workers' compensation payable	55,750	-0-	-0-	-0-	55,750
PEIA premiums payable	792,673	-0-	-0-	-0-	792,673
Deferred revenue	-0-	23,415	-0-	-0-	23,415
Due to other funds	<u>5,201,428</u>	<u>265,738</u>	<u>-0-</u>	<u>-0-</u>	<u>5,467,166</u>
Total liabilities	<u>9,393,546</u>	<u>289,153</u>	<u>-0-</u>	<u>-0-</u>	<u>9,682,699</u>
Fund Balances					
Reserved for:					
Encumbrances	180,134	610,491	-0-	-0-	790,625
Debt service	-0-	-0-	433,562	-0-	433,562
Special projects	94,042	4,623,872	-0-	-0-	4,717,914
Capital projects	501,742	-0-	-0-	843,294	1,345,036
Unreserved:					
Undesignated (deficit)	<u>2,024,339</u>	<u>(156,818)</u>	<u>-0-</u>	<u>-0-</u>	<u>1,867,521</u>
Total unreserved	<u>2,024,339</u>	<u>(156,818)</u>	<u>-0-</u>	<u>-0-</u>	<u>1,867,521</u>
Total fund balances	<u>2,800,257</u>	<u>5,077,545</u>	<u>433,562</u>	<u>843,294</u>	<u>9,154,658</u>
TOTAL LIABILITIES AND FUND BALANCES	\$ <u>12,193,803</u>	\$ <u>5,366,698</u>	\$ <u>433,562</u>	\$ <u>843,294</u>	\$ <u>18,837,357</u>

The accompanying independent auditor's report and notes are integral parts of this combined statement.

**MARSHALL COUNTY BOARD OF EDUCATION
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2006**

	<u>General</u> <u>Current</u> <u>Expense</u>	<u>Special</u> <u>Revenue -</u> <u>Restricted</u> <u>Projects</u>	<u>Debt</u> <u>Service</u>	<u>Capital</u> <u>Projects</u>	<u>Total</u> <u>Governmental</u> <u>Funds</u>
Revenues					
Property taxes	\$ 16,822,015	\$ -0-	\$ -0-	\$ -0-	\$ 16,822,015
Other local sources	443,500	418,878	6,767	-0-	869,145
Intermediate sources	26,091	-0-	-0-	-0-	26,091
State sources	23,806,489	1,641,157	-0-	29,134	25,476,780
Federal sources	2,702	5,692,299	-0-	-0-	5,695,001
Miscellaneous sources	<u>223,325</u>	<u>104,860</u>	<u>-0-</u>	<u>-0-</u>	<u>328,185</u>
Total revenues	<u>41,324,122</u>	<u>7,857,194</u>	<u>6,767</u>	<u>29,134</u>	<u>49,217,217</u>
Expenditures					
Instruction	24,749,951	3,931,819	-0-	-0-	28,681,770
Supporting services:					
Students	1,496,045	268,580	-0-	-0-	1,764,625
Instructional staff	397,883	768,760	-0-	-0-	1,166,643
Central administration	1,380,313	28,222	-0-	-0-	1,408,535
School administration	2,548,859	67,343	-0-	-0-	2,616,202
Business	639,409	3,692	-0-	-0-	643,101
Operation and maintenance of facilities	4,730,855	86,396	-0-	-0-	4,817,251
Student transportation	3,871,422	357,741	-0-	-0-	4,229,163
Food services	-0-	2,776,450	-0-	-0-	2,776,450
Community services	54,621	-0-	-0-	-0-	54,621
Capital outlay	-0-	-0-	-0-	65,840	65,840
Debt services:					
Principal retirement	217,630	-0-	-0-	-0-	217,630
Interest and fiscal charges	<u>84,806</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>84,806</u>
Total expenditures	<u>40,171,794</u>	<u>8,289,003</u>	<u>-0-</u>	<u>65,840</u>	<u>48,526,637</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,152,328</u>	<u>(431,809)</u>	<u>6,767</u>	<u>(36,706)</u>	<u>690,580</u>
Other Financing Sources (Uses)					
Transfers in	126,706	1,228,068	83,333	880,000	2,318,107
Transfers (out)	<u>(1,368,166)</u>	<u>(949,941)</u>	<u>-0-</u>	<u>-0-</u>	<u>(2,318,107)</u>
Total other financing sources(uses)	<u>(1,241,460)</u>	<u>278,127</u>	<u>83,333</u>	<u>880,000</u>	<u>-0-</u>
Net change in fund balances	<u>(89,132)</u>	<u>(153,682)</u>	<u>90,100</u>	<u>843,294</u>	<u>690,580</u>
Fund balance -- July 1, 2005	<u>2,889,389</u>	<u>5,231,227</u>	<u>343,462</u>	<u>-0-</u>	<u>8,464,078</u>
Fund balance -- June 30, 2006	<u>\$ 2,800,257</u>	<u>\$ 5,077,545</u>	<u>\$ 433,562</u>	<u>\$ 843,294</u>	<u>\$ 9,154,658</u>

The accompanying independent auditor's report and notes are integral parts of this combined statement.

MARSHALL COUNTY BOARD OF EDUCATION
STATEMENT OF ASSETS, LIABILITIES AND
FUND BALANCE - REGULATORY BASIS
GENERAL FIXED ASSET ACCOUNT GROUP
JUNE 30, 2006

ASSETS

Land, buildings, and equipment	\$ <u>120,413,787</u>	
TOTAL ASSETS		\$ <u>120,413,787</u>

LIABILITIES AND FUND BALANCES

Fund balance		
Investment in general fixed assets	\$ <u>120,413,787</u>	
Total fund balance		\$ <u>120,413,787</u>
TOTAL LIABILITIES AND FUND BALANCE		\$ <u>120,413,787</u>

The accompanying independent auditor's report and notes are integral parts of this statement.

MARSHALL COUNTY BOARD OF EDUCATION
STATEMENT OF ASSETS, LIABILITIES AND
FUND BALANCE – REGULATORY BASIS
GENERAL LONG TERM DEBT ACCOUNT GROUP
JUNE 30, 2006

ASSETS

Amount available in Debt Service Fund	\$	433,562	
Amount to be provided for retirement of general long-term debt		<u>10,208,163</u>	
TOTAL ASSETS			\$ <u>10,641,725</u>

LIABILITIES AND FUND BALANCES

Liabilities			
Compensated absences	\$	7,812,781	
Portion of long-term debt due in upcoming year – capital leases		230,619	
Long term debt, net of current portion		<u>2,598,325</u>	
Total liabilities			<u>10,641,725</u>
TOTAL LIABILITIES AND FUND BALANCE			\$ <u>10,641,725</u>

The accompanying independent auditor's report and notes are integral parts of this statement.

MARSHALL COUNTY BOARD OF EDUCATION
 BUDGETARY COMPARISON SCHEDULE -
 GENERAL CURRENT EXPENSE FUND
 FOR THE YEAR ENDED JUNE 30, 2006

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property taxes	\$ 16,320,921	\$ 16,815,983	\$ 16,822,015	\$ 6,032
Other local sources	121,022	382,710	443,500	60,790
Intermediate sources	25,000	26,091	26,091	-0-
State sources	22,075,037	23,686,466	23,806,489	120,023
Federal sources	-0-	2,585	2,702	117
Miscellaneous sources	<u>40,000</u>	<u>211,938</u>	<u>223,325</u>	<u>11,387</u>
Total revenues	<u>38,581,980</u>	<u>41,125,773</u>	<u>41,324,122</u>	<u>198,349</u>
Expenditures				
Instruction	23,707,787	25,136,825	24,749,951	386,874
Supporting services:				
Students	1,418,080	1,504,379	1,496,045	8,334
Instructional staff	465,630	423,894	397,883	26,011
Central administration	1,318,730	1,590,690	1,380,313	210,377
School administration	2,336,890	2,557,999	2,548,859	9,140
Business	546,100	665,194	639,409	25,785
Operation and maintenance of facilities	4,021,430	4,889,807	4,730,855	158,952
Student transportation	3,412,960	3,963,543	3,871,422	92,121
Reserved - contingency	288,000	947,362	-0-	947,362
Community services	55,470	55,510	54,621	889
Capital outlay	-0-	7,976	-0-	7,976
Debt service:				
Principal retirement	384,220	302,436	217,630	84,806
Interest and fiscal charges	<u>-0-</u>	<u>-0-</u>	<u>84,806</u>	<u>(84,806)</u>
Total expenditures	<u>37,955,297</u>	<u>42,045,615</u>	<u>40,171,794</u>	<u>(1,873,821)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>626,683</u>	<u>(919,842)</u>	<u>1,152,328</u>	<u>2,072,170</u>

MARSHALL COUNTY BOARD OF EDUCATION
 BUDGETARY COMPARISON SCHEDULE -
 GENERAL CURRENT EXPENSE FUND (CONTD)
 FOR THE YEAR ENDED JUNE 30, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u> <u>Favorable</u> <u>(Unfavorable)</u>
Other Financing Sources (Uses)				
Transfers in	-0-	115,351	126,706	11,355
Transfers (out)	(976,683)	(1,368,166)	(1,368,166)	-0-
Total other financing sources (uses)	(976,683)	(1,252,815)	(1,241,460)	11,355
Net change in fund balances	(350,000)	(2,172,657)	(89,132)	2,083,525
Fund balance – July 1, 2005	<u>2,889,389</u>	<u>2,889,389</u>	<u>2,889,389</u>	-0-
Fund balance – June 30, 2006	\$ <u>2,539,389</u>	\$ <u>716,732</u>	\$ <u>2,800,257</u>	\$ <u>2,083,525</u>

The accompanying independent auditor's report and notes are integral parts of this statement.

MARSHALL COUNTY BOARD OF EDUCATION
 BUDGETARY COMPARISON SCHEDULE -
 SPECIAL REVENUE FUND - RESTRICTED PROJECTS
 FOR THE YEAR ENDED JUNE 30, 2006

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Local sources	\$ 357,722	\$ 415,722	\$ 418,878	\$ 3,156
State sources	1,251,436	1,641,157	1,641,157	-0-
Federal sources	4,608,454	8,752,561	5,692,299	(3,060,262)
Miscellaneous sources	-0-	<u>108,329</u>	<u>104,860</u>	<u>(3,469)</u>
Total revenues	<u>6,217,612</u>	<u>10,917,769</u>	<u>7,857,194</u>	<u>(3,060,575)</u>
Expenditures				
Instruction	924,999	7,655,303	3,931,819	3,723,484
Supporting services:				
Students	97,720	341,131	268,580	72,551
Instructional staff	74,650	1,459,576	768,760	690,816
Central administration	26,360	22,854	28,222	(5,368)
School administration	46,960	60,746	67,343	(6,597)
Business	-0-	27,396	3,692	23,704
Operation and maintenance of facilities	-0-	163,642	86,396	77,246
Student transportation	303,402	424,822	357,741	67,081
Food services	2,467,179	2,849,380	2,776,450	72,930
Reserved - contingency	3,176,705	3,594,300	-0-	3,594,300
Capital outlay	-0-	<u>157,041</u>	<u>-0-</u>	<u>157,041</u>
Total expenditures	<u>7,117,975</u>	<u>16,756,191</u>	<u>8,289,003</u>	<u>8,467,188</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(900,363)</u>	<u>(5,838,422)</u>	<u>(431,809)</u>	<u>5,406.613</u>
Other Financing Sources (Uses)				
Transfers in	976,683	1,233,031	1,228,068	(4,963)
Transfers (out)	<u>(76,320)</u>	<u>(392,073)</u>	<u>(949,941)</u>	<u>(557,868)</u>
Total other financing sources (uses)	<u>900.363</u>	<u>840.958</u>	<u>278,127</u>	<u>(562,831)</u>
Net change in fund balances	-0-	(4,997,464)	(153,682)	4,843,782
Fund balance -- July 1, 2005	<u>1,950,854</u>	<u>1,950,854</u>	<u>5,231,227</u>	<u>3,280,373</u>
Fund balance -- June 30, 2006	\$ <u>1,950,854</u>	\$ <u>(3,046,610)</u>	\$ <u>5,077,545</u>	\$ <u>8,124,155</u>

The accompanying independent auditor's report and notes are integral parts of this statement.

MARSHALL COUNTY BOARD OF EDUCATION
 BUDGETARY COMPARISON SCHEDULE -
 DEBT SERVICE FUND
 FOR THE YEAR ENDED JUNE 30, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u> <u>Favorable</u> <u>(Unfavorable)</u>
Revenues				
Other local sources	\$ <u>-0-</u>	\$ <u>-0-</u>	\$ <u>6,767</u>	\$ <u>6,767</u>
Total revenues	<u>-0-</u>	<u>-0-</u>	<u>6,767</u>	<u>6,767</u>
Other Financing Sources (Uses)				
Transfers in	<u>-0-</u>	<u>-0-</u>	<u>83,333</u>	<u>(83,333)</u>
Total other financing sources (uses)	<u>-0-</u>	<u>-0-</u>	<u>83,333</u>	<u>(83,333)</u>
Net change in fund balances	-0-	-0-	90,100	90,100
Fund balance -- July 1, 2005	<u>-0-</u>	<u>-0-</u>	<u>343,462</u>	<u>343,462</u>
Fund balance -- June 30, 2006	\$ <u>-0-</u>	\$ <u>-0-</u>	\$ <u>433,562</u>	\$ <u>433,562</u>

The accompanying independent auditor's report and notes are integral parts of this statement.

MARSHALL COUNTY BOARD OF EDUCATION
 BUDGETARY COMPARISON SCHEDULE –
 CAPITAL PROJECTS FUND
 FOR THE YEAR ENDED JUNE 30, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u> <u>Favorable</u> <u>(Unfavorable)</u>
Revenues				
State sources	\$ <u>-0-</u>	\$ <u>500,000</u>	\$ <u>29,134</u>	\$ (<u>470,866</u>)
Total revenues	<u>-0-</u>	<u>500,000</u>	<u>29,134</u>	<u>(470,866)</u>
Expenditures				
Capital outlay	<u>-0-</u>	<u>1,400,000</u>	<u>65,840</u>	<u>1,334,160</u>
Total expenditures	<u>-0-</u>	<u>1,400,000</u>	<u>65,840</u>	<u>1,334,160</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-0-</u>	<u>(900,000)</u>	<u>(36,706)</u>	<u>863,294</u>
Other Financing Sources (Uses)				
Transfers in	<u>-0-</u>	<u>900,000</u>	<u>880,000</u>	<u>(20,000)</u>
Total other financing sources (uses)	<u>-0-</u>	<u>900,000</u>	<u>880,000</u>	<u>(20,000)</u>
Net change in fund balances	<u>-0-</u>	<u>-0-</u>	<u>843,294</u>	<u>843,294</u>
Fund balance – July 1, 2005	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Fund balance – June 30, 2006	\$ <u>-0-</u>	\$ <u>-0-</u>	\$ <u>843,294</u>	\$ <u>843,294</u>

The accompanying independent auditor's report and notes are integral parts of this statement.

MARSHALL COUNTY BOARD OF EDUCATION
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
JUNE 30, 2006

	<u>Agency Funds</u> <u>School Activity</u> <u>Funds</u>
ASSETS	
Cash and cash equivalents	\$ <u>565,151</u>
TOTAL ASSETS	\$ <u>565,151</u>
LIABILITIES	
Liabilities	
Due to student groups	\$ <u>565,151</u>
TOTAL LIABILITIES	\$ <u>565,151</u>

The accompanying independent auditor's report and notes are integral parts of this statement.

**MARSHALL COUNTY BOARD OF EDUCATION
SCHEDULE OF CHANGES IN SCHOOL ACTIVITY FUNDS
FOR THE YEAR ENDED JUNE 30, 2006**

<u>Schools</u>	<u>(Restated)</u>			<u>Ending Cash Balance</u>
	<u>Beginning Cash Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	
Cameron Elementary School – General Fund	\$ 9,567	\$ 42,947	\$ 40,405	\$ 12,109
Cameron Elementary School – Faculty Senate	2,437	5,204	4,944	2,697
Cameron High School – General Fund	66,830	234,522	242,846	58,506
Cameron High School – Faculty Senate	7,359	9,045	13,056	3,348
Center McMechen Elementary School – General Fund	20,680	21,422	19,646	22,456
Center McMechen Elementary School – Faculty Senate	2,129	3,000	2,695	2,434
Central Elementary – General Fund	12,475	33,038	32,918	12,595
Central Elementary – Faculty Senate	2,169	3,338	5,174	333
Glen Dale Elementary – General Fund	13,801	42,814	43,875	12,740
Glen Dale Elementary – Faculty Senate	2,516	3,600	3,986	2,130
Limestone Elementary – General Fund	411	35,256	25,773	9,894
Limestone Elementary – Faculty Senate	1,237	1,800	1,461	1,576
McNinch Elementary - General Fund	10,613	72,244	72,686	10,171
McNinch Elementary – Faculty Senate	1,710	6,214	5,997	1,927
Moundsville Junior High School – General Fund	89,802	132,694	138,601	83,895
Moundsville Junior High School – Faculty Senate	5,041	6,206	7,768	3,479
Park View Elementary – General Fund	2,666	23,737	23,032	3,371
Park View Elementary – Faculty Senate	3,109	2,400	2,932	2,577
Sand Hill Elementary – General Fund	2,285	7,088	6,684	2,689
Sand Hill Elementary – Faculty Senate	50	800	790	60
Sanford Elementary – General Fund	3,423	17,824	17,864	3,383
Sanford Elementary – Faculty Senate	2,207	4,250	2,559	3,898
Sherrard Elementary – General Fund	6,854	37,370	40,997	3,227
Sherrard Elementary – Faculty Senate	3,709	7,215	5,727	5,197
Sherrard Junior High School – General Fund	35,506	71,158	68,634	38,030
Sherrard Junior High School – Faculty Senate	6,099	5,220	5,607	5,712
Washington Lands Elementary School – General Fund	9,078	53,917	49,568	13,427
Washington Lands Elementary School – Faculty Senate	2,637	5,400	5,239	2,798
John Marshall High School – General Fund	192,381	382,322	385,334	189,369
John Marshall High School – Faculty Senate	2,751	20,164	20,006	2,909
John Marshall High School – Athletic Fund	<u>43,571</u>	<u>153,072</u>	<u>148,429</u>	<u>48,214</u>
Total – All Schools	\$ <u>565,103</u>	\$ <u>1,445,281</u>	\$ <u>1,445,233</u>	\$ <u>565,151</u>

The accompanying independent auditor's report and notes are integral parts of this statement.

**MARSHALL COUNTY BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2006**

1. Summary of Significant Accounting Policies

The Marshall County Board of Education (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.

The accompanying financial statements have been prepared in conformity with generally accepted accounting principles for governmental entities with the exceptions that: (1) government-wide financial statements, management's discussion and analysis, and the other reporting requirements specified by the Government Accounting Standards Board (GASB) Statement 34, are not included, and (2) account group financial statements are included. Consequently, the accompanying financial statements are considered to be presented on a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

A. Reporting Entity

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. Funds

The financial activities of the Board are recorded in individual funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts, which comprises its assets, liabilities, fund equity, revenue and expenditures. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions.

The accompanying independent auditor's report is an integral part of these notes.

MARSHALL COUNTY BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED JUNE 30, 2006

The funds maintained by the Board are:

General Current Expense Fund

The General Current Expense Fund is the operating fund of the Board and accounts for all revenues and expenditures not encompassed within other funds. All general tax revenues and other receipts that are not allocated by law or contractual agreement to other funds are accounted for in this fund. General operating expenditures and the capital improvement costs that are not paid through other funds are paid from the General Current Expense Fund.

Special Revenue Fund

The Special Revenue Fund is an operating fund of the Board and accounts for all revenues and expenditures attributable to state and federal grants and other revenue sources that are legally restricted to expenditure for specific purposes.

Debt Service Fund

The Debt Service Fund is used to account for the resources accumulated and payments made for principal, interest, and related costs on general obligation bonds issued by the Board for the acquisition of capital assets.

Capital Projects Funds

Capital Projects Funds are used to account for all resources used for the acquisition of capital facilities by the Board. These funds can include: a bond construction fund, used to account for the proceeds from the issuance of general obligation bonds; a permanent improvement fund established under the authority of West Virginia Code §18-9B-14 to account for the proceeds of resources used for the support of various building and permanent improvement projects, and; one or more capital projects funds used to account for the resources used in the construction of a specific capital facility.

Agency Funds

Agency funds are used to account for assets that the Board holds for others in an agency capacity. These include: 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.

The accompanying independent auditor's report is an integral part of these notes.

MARSHALL COUNTY BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED JUNE 30, 2006

C. Measurement Focus and Basis of Accounting

The *governmental fund financial statements* were prepared using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Board considers all revenues available if they are collected within 30 days after year-end. Expenditures are recorded generally when the related fund liability is incurred, except for unmatured principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing resources.

Fiduciary funds are custodial in nature (assets equal liabilities) and do not present results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting. These funds are used to account for assets that the School Board holds for others in an agency capacity.

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 as reservations of fund balances since they do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year.

The accompanying independent auditor's report is an integral part of these notes.

**MARSHALL COUNTY BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (CONTD)
FOR THE YEAR ENDED JUNE 30, 2006**

E. Cash and Investments

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the Board's deposits may not be returned to it. It is the Board's policy for deposits to be 100% secured by collateral valued at market or par, whichever is lower, less the amount of Federal Deposit Insurance Corporation insurance. Cash on hand and deposits with banking institutions either in checking or savings accounts are presented as cash in the accompanying financial statements. Such deposits at June 30, 2006 are not entirely covered by federal depository insurance or secured by adequate bond or other securities held by the banking institutions in the Board's name.

Boards of education are authorized by statute to provide excess funds to either the State Consolidated Investment Pool or the Municipal Bond Commission for investment purposes, or to invest such funds in the following classes of securities: Obligations of the United States or any agency thereof, certificates of deposit and repurchase agreements. Funds of the Board are temporarily invested by the West Virginia Municipal Bond Commission specifically on behalf of the Board as part of the Commission's consolidated investment pool. These investments are considered cash and cash equivalents due to their liquid nature.

Cash and cash equivalents of the Board at June 30, 2006 consisted of the following:

	<u>Carrying Amount</u>	<u>Market Value</u>
Checking	\$ 12,010	\$ 12,010
State Investment Pool	253	253
Money rate and Money Market	11,430,842	11,430,842
Repurchase Agreements	<u>80,010</u>	<u>80,010</u>
 Total cash and cash equivalents	 \$ <u>11,523,115</u>	 \$ <u>11,523,115</u>

F. Food Service Receivables

The accounts receivable for the Food Service Program has been reduced for uncollectible accounts. The allowance for uncollectible accounts was calculated based upon historical data maintained by the Board.

The accompanying independent auditor's report is an integral part of these notes.

MARSHALL COUNTY BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED JUNE 30, 2006

G. Interfund Receivables and Payables

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the year are referred to as either "due to/from other funds" (i.e., current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans).

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

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 made to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the financial statements.

J. Fixed Assets

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds and the related assets are reported in the General Fixed Asset Account Group. Fixed assets should be valued at actual historical cost or estimated historical cost if actual historical cost records are not available. However, the Marshall County Board of Education's fixed assets are valued at appraisal value. This is considered NOT to be in compliance with the West Virginia Department of Education basis of accounting. Furthermore, no depreciation is recognized for assets in the General Fixed Asset Account Group. Interest incurred during construction is not capitalized on general fixed assets.

The accompanying independent auditor's report is an integral part of these notes.

**MARSHALL COUNTY BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED JUNE 30, 2006**

K. Compensated Absences and Special Termination Benefit

Compensated Absences:

It is the Board's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Vacation and sick benefits can be accumulated up to 15 day and unlimited days, respectively, 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. In lieu of a cash payment at retirement an employee can elect to use accumulated annual leave toward their postemployment health care insurance premium. Employees also earn sick leave benefits which accumulate but do not vest.

Special Termination Benefits:

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. Historically, the West Virginia State Legislature appropriates funds that are used by the Board to pay for its obligations for this special termination benefit. Because such appropriations are at the discretion of the Legislature and not guaranteed, the liability for sick leave convertible to health insurance premiums using the vesting method is recorded in the Board's general long-term debt account group.

L. Long-Term Obligations

The current portion of long-term debt due in the upcoming fiscal year and the remaining portion of long-term debt obligations is reported in the general long-term debt account group. Capital lease obligation payments are reported in the general current or special revenue funds. Remaining capital lease obligations and bond issuances are reported entirely in the general long-term debt account group.

The accompanying independent auditor's report is an integral part of these notes.

**MARSHALL COUNTY BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED JUNE 30, 2006**

M. Fund Equity

Governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent that portion of fund equity committed by official Board action prior to June 30 of each year for specific purposes. Said specific purposes and amounts are recorded in the official Board minutes of the fiscal year ended June 30, 2006.

N. 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 statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

O. Restricted Resources

Restricted resources should be applied first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

P. Recent Accounting Statements

In November 2003, the GASB issued Statement No. 42, *Accounting and Financial Reporting for Impairment of Capital Assets for Insurance Recoveries*. This statement establishes accounting and reporting requirements for the impairment of capital assets, and clarifies guidance for accounting for insurance recoveries. The implementation of this statement would require additional disclosures only if impairment of capital assets or insurance recoveries occur.

In June 2004, the GASB issued Statement No. 45, *Accounting and Financial Reporting by Employers for Post Employment Benefits other than Pensions*. This statement establishes accounting and reporting for other post employment benefits (OPEB) expense/expenditures and related OPEB assets or liabilities, note disclosures, and required supplementary information in the financial statements of state and local governments. The Board intends to adopt the provisions of this statement for the year ended June 30, 2008.

The accompanying independent auditor's report is an integral part of these notes.

**MARSHALL COUNTY BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED JUNE 30, 2006**

In December 2004, the GASB issued Statement No. 46, *Net Assets Restricted by Enabling Legislation*. This statement clarifies the meaning of enabling legislation, and specifies the accounting and reporting requirements if new enabling legislation replaces existing legislation, or if legal enforceability is reevaluated. This statement also requires governments to disclose the portion of total net assets that is restricted by enabling legislation. The Board intends to adopt the provisions of this statement for the year ended June 30, 2007.

Q. Total Columns

Total columns on the combined statements are captioned "Total" to indicate that they are presented only to aid in financial analysis. Interfund eliminations have not been made to the aggregation of this data; and it is, therefore, not comparable to consolidation.

2. Stewardship, Compliance and Accountability

A. Budgets and Budgetary Accounting

All boards of education within West Virginia are required by statute to prepare annual budgets and levy rate estimates on prescribed forms and submit these for approval. Budgets are presented on the modified accrual basis of accounting for all governmental funds. Budgets are not adopted for agency funds. The following procedures are followed in preparing the annual budget:

1. Pursuant to State statute, the Board is required to hold a meeting or meetings between the seventh and twenty-eighth days of March to ascertain its financial condition and to determine the amount that is to be raised from the levy of taxes for the fiscal year commencing July 1. The Board adjourns the meeting and submits its Schedule of Proposed Levy Rates to the State Auditor's Office for approval. The Board then reconvenes its meeting on the third Tuesday of April to formally lay the approved levy.
2. The Board is also required to submit its proposed budget for the subsequent year to the State Board of Education for approval by the date established in the budget calendar. The Board is also required to hold a public hearing on the proposed budget before it is submitted for approval. The proposed budget must be made available for public inspection for at least 10 days before the public hearing is held.

Revisions to the budget are authorized only with the prior written approval of the State Board of Education.

The accompanying independent auditor's report is an integral part of these notes.

MARSHALL COUNTY BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED JUNE 30, 2006

3. Change in Accounting Policy

For the year ended June 30, 2006, the Board implemented GASB Statement No. 40 Deposit and Investment Risk Disclosures, which updated the credit risk and disclosure requirements of GASB Statement No. 3, and established more comprehensive disclosure requirements, addressing interest rate risk and concentration of credit risk of the deposits and investments of state and local governments. The implementation of this statement resulted in additional disclosures relating to cash and investments.

4. Risk Management

The Board is exposed to various risks or loss related to torts, theft, or damage to and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The Board, pursuant to the provisions of State law, participates in the following risk management programs administered by the State.

Board of Risk and Insurance Management (BRIM): The Board participates in the West Virginia Board of Risk and Insurance Management, a common risk insurance pool for all State agencies, component units, boards of education and other local governmental agencies who wish to participate. The Board pays an annual premium to BRIM for its general insurance coverage. Fund underwriting and rate setting policies are established by BRIM. The cost of all coverage as determined by BRIM is paid by the participants. The BRIM risk pool retains the risk of the first \$2 million per property event and purchases excess insurance on losses above that level. BRIM has \$1 million per occurrence coverage maximum on all third-party liability claims.

Public Employees Insurance Agency (PEIA): The Board provides employees health and basic life insurance benefits through the Public Employees Insurance Agency. PEIA was established by the State of West Virginia to provide a program of health and life insurance for employees of State agencies, institutions of higher learning, boards of education, and component units of the State. In addition, local governmental agencies and certain charitable and public service organizations may request to be covered. PEIA provides a general employee benefit insurance program which includes hospital, surgical, major medical, prescription drug and basic life and accidental death. Fund underwriting and rate setting policies are established by the PEIA Finance Board. The cost of all coverage as determined by the Finance Board is paid by the participants.

The accompanying independent auditor's report is an integral part of these notes.

MARSHALL COUNTY BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED JUNE 30, 2006

Coverage under these programs is limited to \$1 million lifetime for health and \$10,000 of life insurance coverage. Insureds 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 to 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): West Virginia has a single private insurance company, BrickStreet Insurance, which provides workers' compensation coverage to all employers in the state. Other private insurance companies can begin to offer coverage to private-sector employers beginning July 1, 2008 and to government employers July 1, 2012. Nearly every employer in the State, including all boards of education, who have a payroll must have coverage. The cost of all coverage, as determined by BrickStreet, is paid by the employers.

The WCF risk pool retains the risk related to the compensation of injured employees under the program.

5. 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; all notes, bonds and accounts receivable, stocks and any other evidences of indebtedness. |
| 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 <u>outside</u> of municipalities, exclusive of Classes I and II property. |
| Class IV | All real and personal property situated <u>inside</u> of municipalities, exclusive of Classes I and II property. |

The accompanying independent auditor's report is an integral part of these notes.

MARSHALL COUNTY BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS (CONTD)
 FOR THE YEAR ENDED JUNE 30, 2006

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
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 hold a public hearing. The amounts to be paid to the Assessor's Valuation Fund are also to be excluded from the calculation. The rates of levy for the 2006 year were: 20.48¢ for Class I property, 40.96¢ for Class II property and 81.92¢ for classes III and IV property.

County boards of education are also authorized to impose an additional (excess) levy not to extend beyond five years if approved by at least a majority of the voters. The rates of levy cannot exceed the maximum rates specified above and must be proportional for all classes of property.

The assessed valuations and levy rates levied by the Board per \$100 of assessed valuation for each class of property for the fiscal year ended June 30, 2006 were:

<u>Class of Property</u>	<u>Assessed Valuations For Tax Purposes</u>	<u>Current Expense</u>	<u>Excess Levy</u>
Class I	\$ 2,017,945	20.48¢	22.49¢
Class II	\$ 308,224,677	40.96¢	44.98¢
Class III	\$ 692,840,378	81.92¢	89.96¢
Class IV	\$ 158,583,372	81.92¢	89.96¢

The accompanying independent auditor's report is an integral part of these notes.

**MARSHALL COUNTY BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (CONTD)
FOR THE YEAR ENDED JUNE 30, 2006**

The taxes on real property and the interest and other charges upon 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.

6. Excess Levy

The Board had an excess levy in effect during the fiscal year ended June 30, 2006. The levy was authorized by the voters of the county at an election held on November 5, 2002, for the fiscal years ended June 30, 2003 through June 30, 2006 to provide funds for the following purposes:

1. To provide textbooks, teaching supplies, instructional equipment, and library books, in an amount annually of:	\$ 400,500
2. To improve access to technology through the purchase of hardware, software, infrastructure, repair, and training, in an amount annually of:	\$ 150,000
3. To provide special education services for identified students, in an amount annually of:	\$ 213,000
4. To provide maintenance on equipment, in the amount annually of:	\$ 125,000
5. To provide maintenance and repairs to buildings, in an amount annually of:	\$ 250,000
6. To provide toward employee salaries and benefits:	
• To provide local county salary supplements, fixed charges, and substitute cost, in an amount annually of:	\$ 6,035,932
• To provide for extra duty salary supplements:	
◦ Circular positions, in an amount annually of:	\$ 90,000
◦ Athletic positions, in an amount annual of:	\$ 275,000

The accompanying independent auditor's report is an integral part of these notes.

**MARSHALL COUNTY BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (CONTD)
FOR THE YEAR ENDED JUNE 30, 2006**

• To provide extended employment for summer maintenance, in an amount annually of:	\$ 75,000
• To provide dental and optical plan, in an amount annually of:	\$ 450,000
• To provide for long-term disability insurance, in an amount annually of:	\$ 127,000
7. To provide athletic trainer services, in an amount annually of:	\$ 30,000
8. To assist in providing library services through the county library, in an amount annually of:	\$ 8,500
9. To provide support to the Marshall County 4-H through the WVU Extension Service, in an amount annually of:	\$ 47,000
10. To provide a contract with the Marshall County Health Department for health services to students, in an amount annually of:	\$ 42,000

A total of \$8,885,606 was received by the Board from the excess levy during the fiscal year ended June 30, 2006.

7. Fixed Assets

At June 30, 2006, the general fixed asset account group consisted of the following:

	<u>Balance at June 30, 2006</u>
Land	\$ 2,100,000
Buildings and improvements	97,056,062
Furniture and equipment	17,907,725
Vehicles	<u>3,350,000</u>
Total	\$ <u>120,413,787</u>

The fixed assets are recorded at appraisal value, and are NOT considered to be in compliance with the West Virginia Department of Education basis of accounting.

The accompanying independent auditor's report is an integral part of these notes.

MARSHALL COUNTY BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
 FOR THE YEAR ENDED JUNE 30, 2006

8. Leases

The Board has entered into various lease/purchase agreements with the private sector, primarily for equipment. These agreements, accounted for as capital leases, are for various terms. While these agreements contain clauses indicating that their continuation is subject to continuing appropriation by the Legislature, these leases are accounted for as capital leases and are considered noncancelable 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, 2006 were \$7,178.

The future minimum operating lease obligations as of June 30, 2006, are as follows:

For the Year Ended June 30

2007	\$ 7,178
2008	\$ 599

The Board has entered into a capital lease-purchase agreement with Progress Bank for a period of ten years beginning May 1, 2001. At the end of the contract period, the Board will have ownership of the equipment. By contract, the Board has the option of discontinuing the lease purchase and returning the equipment at the end of any fiscal year, if funding for the lease payments for the next fiscal year is not available. The future minimum lease obligations as of June 30, 2006, are as follows:

<u>Year</u>	
2007	\$ 146,500
2008	146,000
2009	145,250
2010	149,250
2011	<u>267,750</u>
Total minimum lease payments	854,750
Less: Amount representing interest	<u>124,750</u>
Present value of minimum lease payments	\$ <u>730,000</u>

The accompanying independent auditor's report is an integral part of these notes.

MARSHALL COUNTY BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
 FOR THE YEAR ENDED JUNE 30, 2006

The 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 (or description of other equipment being leased). The equipment is leased for a period of ten years beginning May 7, 2004. At the end of the contract period, the Board will have ownership of the equipment. By contract, the Board has the option of discontinuing the lease purchase and returning the equipment at the end of any fiscal year, if funding for the lease payments for the next fiscal year is not available. The future minimum lease obligations as of June 30, 2006, are as follows:

<u>Year</u>	
2007	\$ 159,639
2008	159,639
2009	159,639
2010	159,639
2011	159,639
2012	159,639
2013	159,639
2014	<u>159,639</u>
Total minimum lease payments	1,277,112
Less: Amount representing interest	<u>178,168</u>
Present value of minimum lease payments	\$ <u>1,098,944</u>

The Board has entered into a capital lease-purchase agreement pursuant to the provisions of federal legislation which authorizes the issuance of qualified zone academy bonds (QZABs). The funding was used for Moundsville Junior High and those assets are leased from BB&T for a period of ten years beginning September 10, 2000. At the end of the contract period, the Board will have ownership of the equipment. By contract, the Board has the option of discontinuing the lease purchase and returning the equipment at the end of any fiscal year, if funding for the lease payments for the next fiscal year is not available.

The accompanying independent auditor's report is an integral part of these notes.

**MARSHALL COUNTY BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED JUNE 30, 2006**

The following is a summary of the future minimum required payments by year under the lease purchase agreement together with the present value of the net minimum payments as of June 30, 2006 for the Board's QZAB lease:

<u>Year</u>	
2007	\$ 83,333
2008	83,333
2009	83,333
2010	83,333
2011	83,333
2012	83,333
2013	<u>83,333</u>
 Total minimum lease payments	 \$ <u>583,331</u>

9. Employee Retirement System

All full-time board of education employees are required to participate in one of two statewide, cost-sharing, multiple-employer retirement benefit plans, the Teachers' Defined Benefit Retirement System or the Teachers' Defined Contribution Retirement System. For the year ended June 30, 2006, the Board's total payroll for all employees was \$28,767,568 and the payroll was \$26,941,672 for employees covered by the two retirement programs.

Of the total amount appropriated by the State for retirement, the portion equal to the employers' average required contribution rate for both the defined benefit and the defined contribution plans is considered to be the employers' contribution for the current cash flow requirements for personnel funded under the Public School Support Program and is reflected as state revenue (Contributions For/On Behalf of the LEA) in the Board's financial statements. The balance is considered to be the State's contribution toward the past service unfunded liability and is not included either as a revenue or an expenditure in the Board's financial statements.

Trend Information: Ten-year historical trend information relating to the accumulation of assets and the unfunded liability of both plans is available from the Consolidated Public Retirement Board.

Conversion of leave for post-retirement: Upon retirement, an employee's vacation and sick leave may be converted to a greater retirement benefit or payment of health insurance premiums. The cost of the increased retirement benefit or payment of health insurance premiums must be absorbed by the last agency employing the retiree.

The accompanying independent auditor's report is an integral part of these notes.

**MARSHALL COUNTY BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED JUNE 30, 2006**

Teachers' Defined Benefit Retirement System:

Plan Description: The Teachers' Defined Benefit Retirement System is a cost-sharing, multiple-employer public employee defined benefit retirement system which was established on July 1, 1941 and was closed for new members on July 1, 1991. Beginning July 1, 2005, all new employees become members of this plan. To qualify for full benefits, a member must be age 60 with at least five years of credited service, or be age 55 with at least 30 years of credited service or any age with at least 35 years of credited service. A member may receive a disability benefit after completing ten years of service, if the member is disabled for six months, unable to perform his or her regular occupation, and the Retirement Board expects the disability to be permanent.

Upon retirement members select one of five benefit payment options. If a member terminates employment with at least five years of credited service, he may freeze his membership until he qualifies for retirement or he may withdraw his contributions from the plan. The employers' contributions remain with the plan. Retirement benefits are based on two percent of the average member's five highest fiscal years of total earnings from covered employment during the member's last 15 years of service.

The normal form of benefit is a single life annuity paid monthly, in an amount equal to 2% of the final average salary times years of credited service. Other forms of benefits may be elected subject to actuarial reduction: Cash Refund Annuity, 50% or 100% Contingent Joint and Survivor Annuities, and ten year Certain and Life Annuities. Pre-retirement death benefits are paid to the spouse of a deceased member who had attained the age 50 and completed 25 years of credited service. The annuity payment is computed as if the member had retired on the date of death with a 100% Joint and Survivor pension. If the member's age and service are less than that required, the sum of the accumulated member's and employer contributions with interest is paid to the member's beneficiary or estate.

Funding Status: According to the 2005 Actuarial Valuation Report, the plan's actual unfunded liability was \$4.99 billion as of July 1, 2005.

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 accompanying independent auditor's report is an integral part of these notes.

**MARSHALL COUNTY BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED JUNE 30, 2006**

The employers' contributions are derived from state appropriations and county funds. Federally funded grant programs provide the funding for the employer contributions for salaries paid from federal grants.

The required contributions for the year ended June 30, 2006 and the two previous years are as follows:

<u>Year ended June 30</u>	<u>2004</u>	<u>20045</u>	<u>2006</u>
Required contribution	\$ <u>333,208,000</u>	\$ <u>334,533,000</u>	\$ <u>339,815,000</u>
As a % of current year covered payroll	<u>24.13%</u>	<u>23.66%</u>	<u>23.83%</u>

Total payments reflected in the Board' financial statements to the defined benefit plan for the year ended June 30, 2006 were:

Employees' contributions (6%)	\$ 1 019,812
Employer's contributions (15% or 7.5%)	<u>2,448,527</u>
Total contributions	\$ <u>3,468,339</u>

Teachers' Defined Contribution Retirement System

Plan Description: All Board employees hired after July 1, 1991 but before July 1, 2005, participated in the Teachers' Defined Contribution Retirement System. Employees in the Teachers' Defined Benefit System could freeze their benefits in the old plan and become a member of this plan. Members with less than five years of service in the old defined benefit plan could change to this plan and transfer the funds that were deposited in the old plan to this plan. Once a member transferred to the defined contribution plan, the member was not allowed to rejoin the defined benefit plan.

Effective July 1, 2005, the Teachers' Defined Contribution Plan was closed to new membership. All employees hired after that date became members of the Teachers' Defined Benefit Retirement System which was reopened for participation on July 1, 2005. A merger whereby the Defined Contribution Plan would cease to exist and all assets and members be transferred into the Defined Benefit Plan was slated to occur on July 1, 2006. However, that merger is being contested in court and a temporary injunction has been issued pending the court's decision.

The accompanying independent auditor's report is an integral part of these notes.

**MARSHALL COUNTY BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
 FOR THE YEAR ENDED JUNE 30, 2006**

A unique feature of the Teachers' Defined Contribution Plan is that each member chooses the investment options and may make changes at the beginning of each calendar quarter. Seven investment options are provided from which a participant may choose in multiples of five percent. The investment options are: Vanguard Money Market Fund, Bond Fund of America, Franklin Income Fund, Fidelity Growth Opportunities, Washington Mutual Investors, Federated Max-Cap, and Valic Individually Allocated Fixed Annuity.

Employees are eligible to participate from the date of employment. Employee contributions are fully vested, and employer contributions and earnings vest with the member as follows: one-third after 6 years, two-thirds after 9 years, and 100% after 12 years. The member is fully vested at death or disability. As of June 30, 2005, this plan has approximately \$645.73 million in net assets for pension benefits. Retirement or disability benefits are based solely on the accumulation of dollars in the member's individual account at the time of retirement. The accounting administration of the Plan is the responsibility of Milliman & Robertson, an independent third party administrator.

Funding Status: There is no unfunded liability for a defined contribution plan since a member's total maximum lifetime benefit is limited to that which has accumulated in the member's account from employee and employer contributions and all investment earnings thereon. Any forfeited, unvested employer contributions are, by statute, to be transferred to the Teachers' Defined Benefit Retirement System.

Contribution Requirements and Payments Made: This is a fully-qualified plan by the Internal Revenue Service. Therefore, all employee contributions are tax deferred. Participants contribute 4.5% of their gross salary and the board of education contributes 7.5% of covered members' gross compensation to the retirement plan, for a total of 12% annually.

Total payments reflected in the Board's financial statements to the defined contribution plan for the year ended June 30, 2006 were:

Employees' contributions (4.5%)	\$	447,504
Employer's contributions (7.5%)		<u>753,591</u>
 Total contributions	 \$	 <u>1,201,095</u>

The accompanying independent auditor's report is an integral part of these notes.

**MARSHALL COUNTY BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED JUNE 30, 2006**

10. Pending Litigation

The Board is involved in a number of legal proceedings and claims, involving students, employees and citizens who have sued the Board for damages. While it is not possible to determine the ultimate outcome of any lawsuit with certainty, management believes that the ultimate outcome will not have a material adverse effect on the financial position of the Board. The Board's insurance through the State Board of Risk and Insurance Management appears adequate to fully cover any potential liability.

11. Commitments, contingencies and Subsequent Events

During the fiscal year ended June 30, 2006, the Board was awarded a grant of \$500,000 from the School Building Authority (SBA) to finance the construction of Sherrard Junior High HVAC system.

12. Interfund Balances and Transfers

Interfund Balances

The composition of interfund balances as of June 30, 2006 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
<i>Due to/from other funds:</i>		
	General Fund	\$ 5,201,428
Special Projects		4,358,134
Capital Projects		843,294

Interfund Transfers

<u>Fund Transferred From:</u>	<u>Fund Transferred To:</u>	<u>Purpose/Program</u>	<u>Amount</u>
General Current Expense	Special Revenue	Child Nutrition	\$ 1,034,833
General Current Expense	Debt Service	QZAB Payment	83,333
General Current Expense	Capital Projects	Local Match for SBA	250,000
Special Revenue	General Current Expense	Indirect cost	82,371
Special Revenue	General Current Expense	Summer School	44,335
Special Revenue	Capital Projects	Local Match for SBA	630,000
Special Revenue	Special Revenue	Transfer between Projects	<u>193,235</u>
Total Interfund Transfers			\$ <u>2,318,107</u>

The accompanying independent auditor's report is an integral part of these notes.

MARSHALL COUNTY BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED JUNE 30, 2006

13. Major Sources of Revenue

The largest single source of revenue received by the Board is state aid funds through the Public School Support Program. In addition, the Board receives financial assistance from federal and state governments in the form of grants. The disbursements of funds received under these programs generally require compliance with terms and conditions specified in the grant agreements and is subject to audit by the Board's independent auditors and state and federal regulatory agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable fund. Based on prior experience, the Board believes such disallowance, if any, would be immaterial.

The accompanying independent auditor's report is an integral part of these notes.

APPENDIX B

Form of Legal Opinion

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Martinsburg, West Virginia 25401
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480 West Jubal Early Drive
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(540) 723-8877

5th Floor, United Square
501 Avery Street
Parkersburg, West Virginia 26101
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June __, 2007

The Board of Education of the County of Marshall
2700 Fourth Street
Moundsville, West Virginia 26041

Re: \$27,900,000 The Board of Education of Marshall County
(West Virginia) Public School Bonds, Series 2007

Dear Ladies and Gentlemen:

We have examined a record of the proceedings relative to the issuance and sale of \$27,900,000 Public School Bonds, Series 2007 (the "Bonds"), of Marshall County School District, by and through The Board of Education of the County of Marshall (the "Issuer") in the State of West Virginia. The Bonds are issued in fully registered form, are dated May 1, 2007, upon original issuance, are numbered in order of maturity from R-1 consecutively upward, are of the denominations of \$5,000 or integral multiples thereof, mature on May 1 in the years and amounts and bear interest payable each May 1 and November 1, commencing November 1, 2007, as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2008	\$1,390,000	
2009	1,445,000	
2010	1,505,000	
2011	1,565,000	
2012	1,630,000	
2013	1,695,000	
2014	1,760,000	
2015	1,835,000	
2016	1,905,000	
2017	1,985,000	
2018	2,065,000	

The Board of Education of the County of Marshall
June __, 2007
Page 2

2019	2,145,000
2020	2,235,000
2021	2,325,000
2022	2,415,000

The Bonds were authorized at the general election held in the Marshall County School District on November 7, 2006, and by a Resolution and Order adopted by the Issuer on August 8, 2006, as supplemented (such Resolution and Order, as supplemented, herein called the "Resolution"), and are issued pursuant to Chapter 13, Article 1 of the West Virginia Code of 1931, as amended (the "Act"), for the purposes of providing funds for the acquisition, construction, renovation, repair and equipping of certain public school buildings, together with the sites thereof and all necessary appurtenances, in the Marshall County School District, and paying costs of issuance of the Bonds.

As to questions of fact material to our opinion, we have relied upon the representations, covenants and certifications of the Issuer contained in the Resolution, a Tax and Arbitrage Certificate of the Issuer dated the date hereof (the "Tax Certificate") and the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation.

We have not been engaged or undertaken to review the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the Bonds (except to the extent, if any, stated in the Official Statement), and we express no opinion relating thereto (excepting only the matters set forth as our opinion in the Official Statement).

Based upon the foregoing, and assuming compliance with the representations, covenants and certifications of the Issuer contained in the Resolution, the Tax Certificate and the certified proceedings and the certifications made in connection with the issuance of the Bonds, we are of the opinion that, under existing law:

1. The Issuer is a school district presently existing under the laws of, and a political subdivision of, the State of West Virginia, with full power and authority to adopt the Resolution and to issue and sell the Bonds under the provisions of the Act and other applicable provisions of law.

2. The Bonds have been duly authorized and validly issued by the Issuer in accordance with the Constitution and statutes of the State of West Virginia and constitute valid and legally binding general obligations of the Issuer, and unless the Bonds are paid from other sources, the Issuer has power and is obligated to levy ad valorem taxes upon all the taxable property within

The Board of Education of the County of Marshall
June __, 2007
Page 3

the Marshall County School District to pay the Bonds and the interest thereon, without limitation as to rate or amount.

3. Under existing laws, regulations, rulings and judicial decisions of the United States of America, as presently written and applied, the interest on the bonds is not includable in gross income of the owners thereof for Federal income tax purposes and is not an item of tax preference for purposes of the Federal alternative minimum tax imposed upon individuals and corporations; it should be noted, however, that interest on the Bonds held by a corporation May be indirectly subject to alternative minimum tax because of its inclusion in the reported income or earnings and profits of such corporate holder. The opinions set forth in the preceding sentence are subject to the condition that the Issuer comply, on a continuing basis, with all representatives, covenants and certifications set forth in the Resolution and the Tax Certificate of the Issuer. Failure to comply with such representations, covenants and certifications could cause the interest on the Bonds to be includable in gross income retroactive to the date of issuance of the Bonds. We express no opinion regarding other federal tax consequences arising with respect to the Bonds.

4. Under the Act, as presently written and applied, the Bonds are exempt from direct taxation by the State of West Virginia or any political subdivision thereof and the interest on the Bonds is exempt from personal and corporate income taxes imposed directly thereon by the State of West Virginia.

In expressing this opinion, we have considered the litigation instituted in certain states including the State of West Virginia, such as *Pauley v. Bailey*, 324 S.E.2d 128 (W.Va. 1984) challenging the constitutionality of present systems of levying taxes and applying funds for public school purposes and, in our opinion, such litigation will not modify the rights of the holders of the Bonds to ultimate recourse to unlimited ad valorem taxes upon all the taxable property within Marshall County, West Virginia, for the payment of the Bonds if not paid from other sources and does not modify or qualify the conclusions elsewhere stated in this opinion.

Please be advised that the enforcement of remedies with respect to the Bonds is subject to any applicable bankruptcy, reorganization, insolvency, moratorium or other laws affecting the enforcement of creditors' rights heretofore or hereafter enacted, and that 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 authorized.

Very truly yours,

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APPENDIX C

Proposed Facilities

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CEFP UPDATE REVISIONS – FINAL COST ESTIMATE

Marshall County Board of Education – September 29, 2005

<u>SCHOOL</u>	<u>PROJECT</u>	<u>COST</u>	<u>FUNDING</u> ¹
ELEMENTARY SCHOOL FACILITIES			
◆ CAMERON	2 Clrm Pre-K Addition	\$ 440,000	\$ 546,000 Bond
	Selected Renovations ⁶	\$ 470,000	\$ 364,000 'Needs'
◆ CENTRAL	Cafeteria Addition	\$ 680,000	\$1,659,000 Bond
	6 Classroom Addition	\$1,050,000 ²	\$1,106,000 'Needs'
	Selected Renovations ⁶	\$1,035,000	
◆ GLENDALE	No 'Needs'/Bond work	\$ -0-	\$ -0-
◆ LIMESTONE	Closed ³	\$ -0-	\$ -0-
◆ McMECHEN	No 'Needs'/Bond Work	\$ -0-	\$ -0-
◆ McNINCH	Cafeteria Addition	\$ 850,000	\$1,056,000 Bond
	1 Classroom Addition	\$ 210,000	\$ 704,000 'Needs'
	Selected Renovations ⁶	\$ 700,000	
◆ PARKVIEW	Closed; Convert to Alt Ed	\$ -0-	\$ -0-
	Alternative Ed Renovations ⁶	\$ 150,000	\$ 150,000 Bond
	60'x80' Maintenance Building	\$ 240,000	\$ 240,000 Bond
◆ SANFORD	Closed; Demolish School	\$ 100,000	\$60,000 Bond;\$40,000 'Needs'
◆ SAND HILL	No 'Needs'/Bond Work	\$ -0-	\$ -0-
◆ SHERRARD	Closed ³	\$ -0-	\$ -0-
◆ WASH'TON LANDS	No 'Needs'/Bond Work	\$ -0-	\$ -0-
◆ NEW ELEMENTARY	370 Student School ³	\$ 7,100,000	\$4,260,000 Bond
	Land Acquisition Allowance	\$ 400,000	\$2,840,000 'Needs'
			\$ 400,000 Bond ⁴
MIDDLE SCHOOL FACILITIES			
◆ MOUNDSVILLE	4 Classroom Addition ⁵	\$ 700,000	\$ 600,000 Bond
	Demolish Old School	\$ 250,000	\$ 400,000 'Needs'
	Demolish Bus Garage	\$ 50,000	
◆ SHERRARD	General Renovations ⁶	\$1,213,000	\$1,868,000 Bond
	4 Classroom Addition ⁵	\$ 700,000	\$1,245,000 'Needs'
	Cafeteria/Kitchen Addition	\$1,200,000	
	Upgrade Playing Field	\$ 222,000	\$ 222,000 Bond ⁷
HIGH SCHOOL FACILITIES			
◆ CAMERON	General Renovations ⁶	\$1,920,000	\$1,872,000 Bond
	Gymnasium Addition	\$1,200,000	\$1,248,000 'Needs'
◆ JOHN MARSHALL	Local College Satellite Facility	\$ 950,000	\$ 600,000 Bond
	General Renovations ⁶	\$ 50,000	\$ 400,000 'Needs'
	Monarch Stadium Renovations	\$ 400,000	\$ 400,000 Bond'
	Replace 1,800 Seat Fieldhouse	\$2,700,000	\$2,700,000 Bond
ESTIMATE TOTALS		\$24,980,000	\$16,633,000 BOND
			\$ 8,347,000 'NEEDS'

FOOTNOTES:

- 1 Bond/'Needs' funding ratio assumed at 60%:40%. Actual amount of SBA grant, if any, may be more or less than this amount.
- 2 Does not include costs of potential land acquisition.
- 3 Included in New Elementary school replacement for Limestone and Sherrard
- 4 SBA does not participate in funding of land acquisition
- 5 Subject to SBA approval, after evaluation of individual school's Program Utilization
- 6 Cost does not include technology upgrades; separately funded
- 7 SBA does not participate in funding of athletic field work

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APPENDIX D

Form of Continuing Disclosure Agreement

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FORM OF CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (the "Disclosure Agreement") is executed and delivered by THE BOARD OF EDUCATION OF THE COUNTY OF MARSHALL (the "Issuer"), and UNITED BANK, INC. (the "Dissemination Agent"), in connection with the issuance of \$27,900,000, The Board of Education of the County of Marshall (West Virginia), Public School Bonds, Series 2007 (the "Bonds");

In connection with the foregoing, and in consideration thereof, the Issue and the Dissemination Agent covenant and agree as follows:

SECTION 1. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the Issue and the Dissemination Agent for the benefit of the Holders and Beneficial Owners of the Bonds and in order to assist the Underwriter in complying with the Rule (defined below).

Any filing under this Disclosure Agreement may be made solely by transmitting such filing to the Texas Municipal Advisory Council, (the "MAC") as provided at <http://www.disclosure.org> unless the United States Securities and Exchange Commission has withdrawn the interpretive advice as its letter to the MAC dated September 7, 2004.

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

"Annual Report" shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Section 3 and 4 of this Disclosure Agreement.

"Audited Financial Statements" mean the annual financial statements, if any, of the Issuer, audited by such auditor as shall then, be required or permitted by the laws of the State. Audited Financial Statements shall be prepared in accordance with GAAP.

"Beneficial Owner" shall mean any person which has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries) and as the term may be modified by an interpretation of the Rule by the Securities and Exchange Commission (the "SEC").

"Central Post Office" shall mean the MAC, which shall received Annual Reports and Listed Events and then electronically transmit them to the National Repositories and the State Repository.

"Disclosure Representative" shall mean the President of the Issuer or his or her designee, or such other person as the Issuer shall designate in writing to the Dissemination Agent from time to time.

“Holders” shall mean (i) the registered owner of any Bond or (ii) the Beneficial Owner of any Bond.

“Listed Events” shall mean any of the events listed in Section 5(a) of this Disclosure Agreement.

“National Repository” shall mean the Nationally Recognized Municipal Securities Information Repository for purposes of the Rule. National Repositories as of the date of this Disclosure Agreement set out in Exhibit B.

“Repository” shall mean each National Repository and the State Repository.

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“State” shall mean the State of West Virginia.

“State Repository” shall mean any public or private repository or entity designated by the State as the state repository for the purpose of the Rule and recognized as such by the Securities and Exchange Commission. As of the date of this Disclosure Agreement, there is no State Repository.

“Unaudited Financial Statements” mean the Audited Financial Statements except that they shall not have been audited.

“Underwriter” shall mean any of the underwriters in connection with the sale of the Bonds required to comply with the Rule in connection with the sale of the Bonds.

SECTION 3. Provision of Annual Reports.

(a) The Issuer shall, or shall cause the Dissemination Agent to, not later than 300 days after the end of the Issuer’s fiscal year (presently June 30), commencing with the report for the 2006-2007 Fiscal Year, provide to the Central Repository for delivery to each Repository an Annual Report that is consistent with the requirements of Section 4 of this Disclosure Agreement. In each case, the Annual Report 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 Disclosure Agreement; provided that the Audited Financial Statements of the Issuer may be submitted, when and if available, separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by the date. If the Issuer’s fiscal year changes, it shall give written notice of such change in the same manner as for a Listed Event under Section 5(f).

(b) Not later than fifteen (15) Business Days prior to the date specified in subsection (a) for providing the Annual Report to the Central Post Offices for deliver to the Repositories, the Issuer shall provide or cause to be provided the Annual Report to the Dissemination Agent. If by such date the Dissemination Agent has not received a copy of the

Annual Report, the Dissemination Agent shall contact the Issuer to determine if the Issuer is in compliance with the first sentence of this subsection (b).

(c) If the Dissemination Agent has not received a copy of the Annual Report by the date required in subsection (a), the Dissemination Agent shall send a notice to the Central Post Office for delivery to each Repository in substantially the form attached as Exhibit A.

(d) The Dissemination Agent shall:

(i) determine each year prior to the date for providing the Annual Report the name and address of each Repository; and

(ii) file a report with the Issuer certifying that the Annual Report has been provided pursuant to this Disclosure Agreement, stating the date it was provided, and listing all the Repositories to which it was provided.

SECTION 4. Content of Annual Report. This Issuer's Annual Report shall consist of the Audited Financial Statements of the Issuer for the most recently completed fiscal year, prepared in accordance with GAAP as promulgated from time to time by the Financial Accounting Standards Board. If the Issuer's Audited Financial Statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements, and the Audited Financial Statements shall be filed in the same manner as the Annual Report when they become available.

SECTION 5. Reporting of Listed Events.

(a) Pursuant to the provisions of this Section 5, the Issuer shall give, or cause to be given, notice of the Dissemination Agent of the occurrence of any of the following events with respect to the Bonds, if material:

1. principal and interest payment delinquencies;
2. non-payment related defaults;
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 or events affecting the tax-exempt status of the Bonds;
7. modification to rights of holders of the Bonds;
8. bond calls;
9. defeasances;
10. release, substitution, or sale of property security repayment of the bonds; and
11. rating changes.

(b) The Dissemination Agent, shall within one (1) Business Day of obtaining actual knowledge of the occurrence of any of the Listed Events contact the Central Post Office and the Disclosure Representative, and inform such person of the event, and request that the

Issuer promptly notify the Dissemination Agent in writing whether or not to report the event pursuant to subsection (f).

(c) Whenever the Issuer obtains knowledge of the occurrence of a Listed Event, because of a notice from the Dissemination Agent pursuant to subsection (b) or otherwise, the Issuer shall as soon as possible determine if such event would be material under applicable federal securities laws.

(d) If the Issuer has determined that knowledge of the occurrence of a Listed Event would be material under applicable federal securities laws, the Issuer shall promptly notify the Central Post Office and the Dissemination Agent. Such notice shall instruct the Central Post Office and the Dissemination Agent to report the occurrence pursuant to subsection (f).

(e) If in response to a request under subsection (b), the Issuer determines that the Listed Event would not be material under applicable federal securities law, the Issuer shall so notify the Central Post Office and the dissemination Agent in writing and instruct the Central Post Office and the dissemination Agent not to report the occurrence pursuant to subsection (f).

(f) If the Central Post Office and the Dissemination Agent has been instructed by the Issuer to report the occurrence of a Listed Event, the Dissemination Agent shall file a notice of such occurrence with the Municipal Securities Rulemaking Board and the Central Post Office for delivery to each Repository with a copy of the Issuer. Notwithstanding the foregoing, notice of the occurrence of a Listed Event described in subsections (a)(8) and (9) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to the Holders of affected Bonds pursuant to the Resolution.

SECTION 6. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Agreement shall terminate (i) upon the legal defeasance, prior redemption or payment in full of all of the Bonds or (ii) when the Issuer is not an obligated person with respect to the Bonds, as provided in Rule. If the Issuer's obligations under the this Disclosure Agreement are assumed in full by some other entity, such person shall be responsible for compliance with this Disclosure Agreement in the same manner as if it were the Issuer and the Issuer shall have no further responsibility hereunder. If such termination or substitution occurs prior the final maturity of the Bonds, the Issuer shall give notice of such termination or substitution in the same manner as for a List Event under Section 5(f).

SECTION 7. Dissemination Agent. United Bank, Inc. is hereby appointed as the Dissemination Agent. The Issuer may, from time to time, appoint or engage an alternate or successor Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Issuer pursuant to this Disclosure Agreement. If at any time there is not any other designated Dissemination Agent, the Issuer shall be the Dissemination Agent.

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Issuer and the Dissemination Agent may amend this Disclosure Agreement and any provision of this Disclosure 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 identify, nature or status of an obligated person with respect to the 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 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 Bonds in the same manner as provided in the Resolution for amendments to the Resolution if permitted, with the consent of Holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Agreement, the Issuer shall describe such amendment in the next Annual Report, 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 by the Issuer. In addition, if the amendment relates to the accounting principles to be following in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Events under Section 5(f), and (ii) the Annual Report 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 Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is specifically required by this Disclosure Agreement, the Issuer shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 10. Default. In the event of a failure of the Issuer or the Dissemination Agent to comply with any provision of this Disclosure Agreement, the Dissemination agent may (and, at the request of the Holders of a least 25% aggregate principal amount of Outstanding Bonds, shall), or any Holder or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific

performance by court order, to cause the Issuer or the dissemination Agent, as the case may be, to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an Event or Default under the Resolution, and the sole remedy under this Disclosure Agreement in the event of any failure of the Issuer or the Dissemination Agent to comply with this Disclosure Agreement shall be an action to compel performance.

SECTION 11. Duties, Immunities, and Liabilities of Dissemination

Agent. The Dissemination Agent (if any than the Paying Agent or the Paying Agent in its capacity as Dissemination Agent) shall have only such duties as are specifically set forth in this Disclosure Agreement. The Issuer, to the extent permitted by law, agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expense (including reasonable attorneys fees) or defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's gross negligence or willful misconduct. The obligations of the Issue under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

SECTION 12. Notices. Any notices or communications to or among any

of the parties to this Disclosure Agreement may be given as follows:

To the Issuer: The Board of Education of the County of Marshall
Attn: Treasurer
2400 Fourth Street
Moundsville, West Virginia 26041

To the Dissemination Agent: United Bank, Inc.
Attn: Corporate Trust Department
500 Virginia Street, East
Charleston, West Virginia 25301

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 13. Beneficiaries. This Disclosure Agreement shall inure

solely to be the benefit of the Issuer, the Dissemination Agent, the Underwriter, the Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

SECTION 14. No Previous Non-Compliance. The Issuer represents that

since July 3, 1995, they have not failed to comply in any material respect with any previous undertaking in a written contract or a agreement, as entered into by the Issuer specified in paragraph (b)(5)(i) of the Rule.

SECTION 15. Counterparts. This Disclosure Agreement may be

executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 16. Fees. The Issuer agrees to pay all fees and expenses of the dissemination Agent including, without limitation, all reasonable expenses, charges, costs, attorney's fees and other disbursements in the administration and performance of the Dissemination Agent's duties.

SECTION 17. Right to Resign. The Dissemination Agent may resign at any time by providing sixty (60) days' written notice to the Issuer.

SECTION 18. Right to Counsel. The Dissemination Agent shall have the right to consult with counsel in carrying out its duties under this Disclosure Agreement and to rely upon an opinion of counsel.

Date: June ____, 2007

THE BOARD OF EDUCATION OF THE
COUNTY OF MARSHALL [West Virginia]

By: _____
Title: President

UNITED BANK, INC.,
a West Virginia state
banking corporation

By: _____
Title: Vice President

EXHIBIT A

**NOTICE TO REPOSITORIES
OF FAILURE TO FILE ANNUAL REPORT**

Name of Obligated Party: The Board of Education of the County of Marshall [West Virginia]
Name of Bond Issue: \$27,900,000 The Board of Education of the County of Marshall
[West Virginia] Public School Bonds, Series 2007
Date of Bond Issue: _____, 2007

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual Report with respect to the above-named Bonds as required by Section 3(b) of this Disclosure Agreement dated _____, 2007, to be provided. The Issuer anticipates that the Annual Report will be filed by _____.

Dated: _____

on behalf of the Issuer

cc: Marshall County Board of Education

EXHIBIT B

NATIONALLY RECOGNIZED MUNICIPAL SECURITIES INFORMATION REPOSITORIES APPROVED BY THE SECURITIES AND EXCHANGE COMMISSION AS OF MAY __, 2007

Central Post Office

Website: <http://www.disclosureusa.org>

Bloomberg Municipal Repository

100 Business Park Drive

Skillman, New Jersey 08558

Telephone: 609.279.3225

Facsimile: 609.279.5962

Website: <http://www.bloomberg.com/markets/rates/municontracts.html>

E-Mail: Munis@Bloomberg.com

FT Interactive Data

Attention: NRMSIR

15th Floor

100 William Street

New York, New York 10038

Telephone: 212.771.6999; 800.689.8466

Facsimile: 212.771.7390

Website: <http://www.ftid.com>

E-Mail: NRMSIR@interactivedata.com

Standard & Poor's Securities Evaluations, Inc.

45th Floor

55 Water Street

New York, New York 10041

Telephone: 212.438.4595

Facsimile: 212.438.3975

Website: <http://www.disclosuredirectory.standardandpoors.com>

E-Mail: nrmsir_repository@sandp.com

DPC Data Inc.

One Executive Drive

Fort Lee, New Jersey 07024

Facsimile: 201.346.0701

Website: <http://www.dpcdata.com>

E-Mail: nrmsir@dpcdata.com

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APPENDIX E

Specimen Bond Insurance Policy

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FINANCIAL GUARANTY INSURANCE POLICY

MBIA Insurance Corporation Armonk, New York 10504

Policy No. [NUMBER]

MBIA Insurance Corporation (the "Insurer"), in consideration of the payment of the premium and subject to the terms of this policy, hereby unconditionally and irrevocably guarantees to any owner, as hereinafter defined, of the following described obligations, the full and complete payment required to be made by or on behalf of the Issuer to [PAYING AGENT/TRUSTEE] or its successor (the "Paying Agent") of an amount equal to (i) the principal of (either at the stated maturity or by any advancement of maturity pursuant to a mandatory sinking fund payment) and interest on, the Obligations (as that term is defined below) as such payments shall become due but shall not be so paid (except that in the event of any acceleration of the due date of such principal by reason of mandatory or optional redemption or acceleration resulting from default or otherwise, other than any advancement of maturity pursuant to a mandatory sinking fund payment, the payments guaranteed hereby shall be made in such amounts and at such times as such payments of principal would have been due had there not been any such acceleration, unless the Insurer elects, in its sole discretion, to pay in whole or in part any principal due by reason of such acceleration); and (ii) the reimbursement of any such payment which is subsequently recovered from any owner pursuant to a final judgment by a court of competent jurisdiction that such payment constitutes an avoidable preference to such owner within the meaning of any applicable bankruptcy law. The amounts referred to in clauses (i) and (ii) of the preceding sentence shall be referred to herein collectively as the "Insured Amounts." "Obligations" shall mean:

[PAR]
[LEGAL NAME OF ISSUE]

Upon receipt of telephonic or telegraphic notice, such notice subsequently confirmed in writing by registered or certified mail, or upon receipt of written notice by registered or certified mail, by the Insurer from the Paying Agent or any owner of an Obligation the payment of an Insured Amount for which is then due, that such required payment has not been made, the Insurer on the due date of such payment or within one business day after receipt of notice of such nonpayment, whichever is later, will make a deposit of funds, in an account with U.S. Bank Trust National Association, in New York, New York, or its successor, sufficient for the payment of any such Insured Amounts which are then due. Upon presentment and surrender of such Obligations or presentment of such other proof of ownership of the Obligations, together with any appropriate instruments of assignment to evidence the assignment of the Insured Amounts due on the Obligations as are paid by the Insurer, and appropriate instruments to effect the appointment of the Insurer as agent for such owners of the Obligations in any legal proceeding related to payment of Insured Amounts on the Obligations, such instruments being in a form satisfactory to U.S. Bank Trust National Association, U.S. Bank Trust National Association shall disburse to such owners, or the Paying Agent payment of the Insured Amounts due on such Obligations, less any amount held by the Paying Agent for the payment of such Insured Amounts and legally available therefor. This policy does not insure against loss of any prepayment premium which may at any time be payable with respect to any Obligation.

As used herein, the term "owner" shall mean the registered owner of any Obligation as indicated in the books maintained by the Paying Agent, the Issuer, or any designee of the Issuer for such purpose. The term owner shall not include the Issuer or any party whose agreement with the Issuer constitutes the underlying security for the Obligations.

Any service of process on the Insurer may be made to the Insurer at its offices located at 113 King Street, Armonk, New York 10504 and such service of process shall be valid and binding.

This policy is non-cancellable for any reason. The premium on this policy is not refundable for any reason including the payment prior to maturity of the Obligations.

IN WITNESS WHEREOF, the Insurer has caused this policy to be executed in facsimile on its behalf by its duly authorized officers, this [DAY] day of [MONTH, YEAR].

STD-R-7
01/05

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101 South Queen Street
Martinsburg, West Virginia 25401
(304) 263-0836

7000 Hampton Center, Suite K
Morgantown, West Virginia 26505
(304) 285-2500

155 East Main Street, Suite 300
Lexington, Kentucky 40507
(859) 252-2202



Bowles Rice

McDAVID GRAFF & LOVE LLP

ATTORNEYS AT LAW

600 Quarrier Street
Charleston, West Virginia 25301

Post Office Box 1386
Charleston, West Virginia 25325-1386
(304) 347-1100

www.bowlesrice.com

480 West Jubal Early Drive
Suite 130
Winchester, Virginia 22601
(540) 723-8877

5th Floor, United Square
501 Avery Street
Martinsburg, West Virginia 26101
(304) 485-8500

COPY

June 29, 2007

Edward D. McDevitt
Telephone — (304) 347-1711
Facsimile — (304) 343-3058

E-Mail Address:
emcdevitt@bowlesrice.com

Internal Revenue Service Center
Ogden, Utah 84201

**CERTIFIED MAIL
RETURN RECEIPT REQUESTED
NO. 7007 0220 0004 1107 4403**

Re: \$27,900,000 The Board of Education of the County
of Marshall Public School Bonds, Series 2007

Ladies and Gentlemen:

Please find enclosed Form 8038-G, Information Return for Tax-Exempt Governmental Obligations, submitted in connection with the above-referenced bond transaction.

Also enclosed, please find a copy of said Form 8038-G which has been stamped "COPY" in the upper right-hand corner. It would be greatly appreciated if you would stamp said copy acknowledging the receipt of the subject Form 8038-G and indicate the date on which said Form 8038-G was received by your office. Please then return said copy to the undersigned in the enclosed self-addressed, postage prepaid, envelope.

If you have any questions or comments regarding the foregoing, please contact the undersigned at your convenience. Thank you for your cooperation.

Very truly yours,


Edward D. McDevitt

EMD/kw
Enclosures

Information Return for Tax-Exempt Governmental Obligations

► Under Internal Revenue Code section 149(e)
 ► See separate instructions.

OMB No. 1545-0720

Caution: If the issue price is under \$100,000, use Form 8038-GC.

Part I Reporting Authority If Amended Return, check here

1 Issuer's name Marshall County (West Virginia) Board of Education	2 Issuer's employer identification number 55 6000350
3 Number and street (or P.O. box if mail is not delivered to street address) Post Office Box 578	4 Report number 3 01
5 City, town, or post office, state, and ZIP code Moundsville, West Virginia 26041	6 Date of issue June 26, 2007
7 Name of issue \$27,900,000 The Board of Education of the County of Marshall (WV) Public School Bonds, Series 2007	8 CUSIP number 572274BP2
9 Name and title of officer or legal representative whom the IRS may call for more information James E. Tuel, Treasurer	10 Telephone number of officer or legal representative (304) 843-4439

Part II Type of Issue (check applicable box(es) and enter the issue price) See instructions and attach schedule

11 <input checked="" type="checkbox"/> Education	11 28,635,015.
12 <input type="checkbox"/> Health and hospital	12
13 <input type="checkbox"/> Transportation	13
14 <input type="checkbox"/> Public safety	14
15 <input type="checkbox"/> Environment (including sewage bonds)	15
16 <input type="checkbox"/> Housing	16
17 <input type="checkbox"/> Utilities	17
18 <input type="checkbox"/> Other. Describe ►	18
19 If obligations are TANs or RANs, check box <input type="checkbox"/> If obligations are BANs, check box <input type="checkbox"/>	
20 If obligations are in the form of a lease or installment sale, check box <input type="checkbox"/>	

Part III Description of Obligations. Complete for the entire issue for which this form is being filed.

(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21 5/1/2022	\$ 28,635,015.	\$ 27,900,000.00	8.6307 years	4.3092 %

Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)

22 Proceeds used for accrued interest	22 -0-
23 Issue price of entire issue (enter amount from line 21, column (b))	23 28,635,015.
24 Proceeds used for bond issuance costs (including underwriters' discount)	24 -0-
25 Proceeds used for credit enhancement	25 164,209
26 Proceeds allocated to reasonably required reserve or replacement fund	26 -0-
27 Proceeds used to currently refund prior issues	27 -0-
28 Proceeds used to advance refund prior issues	28 -0-
29 Total (add lines 24 through 28)	29 164,209
30 Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)	30 28,470,806

Part V Description of Refunded Bonds (Complete this part only for refunding bonds.)

31 Enter the remaining weighted average maturity of the bonds to be currently refunded	n/a years
32 Enter the remaining weighted average maturity of the bonds to be advance refunded	n/a years
33 Enter the last date on which the refunded bonds will be called	n/a
34 Enter the date(s) the refunded bonds were issued ►	

Part VI Miscellaneous

35 Enter the amount of the state volume cap allocated to the issue under section 141(b)(5)	35 n/a
36a Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (see instructions)	36a 26,970,860
b Enter the final maturity date of the guaranteed investment contract ► October 2009	
37 Pooled financings: a Proceeds of this issue that are to be used to make loans to other governmental units	37a n/a
b If this issue is a loan made from the proceeds of another tax-exempt issue, check box <input type="checkbox"/> and enter the name of the issuer ► and the date of the issue ►	
38 If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box <input type="checkbox"/>	
39 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box <input type="checkbox"/>	
40 If the issuer has identified a hedge, check box <input type="checkbox"/>	

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete.

Sign Here


June 26, 2007
James E. Tuel, Treasurer
 Signature of issuer's authorized representative Date Type or print name and title



Form **8038-G**
 (Rev. November 2000)
 Department of the Treasury
 Internal Revenue Service

Information Return for Tax-Exempt Governmental Obligations

▶ Under Internal Revenue Code section 149(e)
 ▶ See separate instructions.

OMB No. 1545-0720

Caution: If the issue price is under \$100,000, use Form 8038-GC.

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1 Issuer's name Marshall County (West Virginia) Board of Education		2 Issuer's employer identification number 55 6000350	
3 Number and street (or P.O. box if mail is not delivered to street address) Post Office Box 578		Room/suite	4 Report number 3 01
5 City, town, or post office, state, and ZIP code Moundsville, West Virginia 26041		6 Date of issue June 26, 2007	
7 Name of issue \$27,900,000 The Board of Education of the County of Marshall (WV) Public School Bonds, Series 2007		8 CUSIP number 572274BP2	
9 Name and title of officer or legal representative whom the IRS may call for more information James E. Tuel, Treasurer		10 Telephone number of officer or legal representative (304) 843-4439	

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11 <input checked="" type="checkbox"/> Education	11 28,635,015.
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17 <input type="checkbox"/> Utilities	17
18 <input type="checkbox"/> Other. Describe ▶	18
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Part III Description of Obligations. Complete for the entire issue for which this form is being filed.				
	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity
21	5/1/2022	\$ 28,635,015.	\$ 27,900,000.00	8,6307 years
				(e) Yield 4,3092 %

Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)	
22 Proceeds used for accrued interest	22 -0=
23 Issue price of entire issue (enter amount from line 21, column (b))	23 28,635,015.
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31 Enter the remaining weighted average maturity of the bonds to be currently refunded	n/a years
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33 Enter the last date on which the refunded bonds will be called	n/a
34 Enter the date(s) the refunded bonds were issued ▶	

Part VI Miscellaneous	
35 Enter the amount of the state volume cap allocated to the issue under section 141(b)(5)	35 n/a
36a Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (see instructions)	36a 26,970,860
b Enter the final maturity date of the guaranteed investment contract ▶ <u>October 2009</u>	n/a
37 Pooled financings: a Proceeds of this issue that are to be used to make loans to other governmental units	37a n/a
b If this issue is a loan made from the proceeds of another tax-exempt issue, check box <input type="checkbox"/> and enter the name of the issuer ▶ and the date of the issue ▶	
38 If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box <input type="checkbox"/>	
39 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box <input type="checkbox"/>	
40 If the issuer has identified a hedge, check box <input type="checkbox"/>	

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete.

Sign Here		June 26, 2007	James E. Tuel, Treasurer
	Signature of issuer's authorized representative	Date	Type or print name and title





School Building Authority of West Virginia

Clacy E. Williams, Executive Director

2300 Kanawha Boulevard, East • Charleston, West Virginia 25311-2306 • Office Number (304) 558-2541 • FAX Number (304) 558-2539

December 19, 2005

Mr. Alfred Renzella
Superintendent
Marshall County Schools
P.O. Box 578
Moundsville, WV 26041-0578

Dear Mr. Renzella:

I am pleased to inform you that on December 12, 2005 at its quarterly meeting, the School Building Authority approved a Needs Grant for Marshall County in the amount of \$2,666,667 for the addition and/or renovations at Central Elementary School, McNinch Elementary School, Moundsville Junior High School, Sherrard Junior High School and Cameron High School. A total of \$8,000,000 has been committed toward these projects.

Grant funds will be provided using a three year multi-funding cycle scenario and will be contingent upon passage of your local bond issue to be held in November 2006. The multi-year funding schedule will be as follows:

FY 2006	\$2,666,667
FY 2007	2,666,667
FY 2008	<u>2,666,666</u>
Total SBA Funds	<u>\$8,000,000</u>

Subject to legislative approval of the FY 2007 budget, a grant contract will be sent to you for signature and final execution. Please sign and return the contract as soon as possible. Once the contract is signed, we will transfer funds into your account at United National Bank on July 1, 2006. Funds cannot be transferred without the signed contract returned to the SBA.

We are pleased that you will be receiving sufficient funds to address your project. If you have any questions, please do not hesitate to call on me.

Sincerely,

David A. Sneed
Chief of Architectural Services

DAS:kc

cc: Carte Goodwin, Office of the Governor



(304) 845-2660
P.O. BOX 369
MOUNDVILLE
WEST VIRGINIA
26041

FILE

AFFIDAVIT OF PUBLICATION

STATE OF WEST VIRGINIA,
COUNTY OF MARSHALL, to wit:

I, Marian Walton, being first duly sworn upon my oath, do depose and say:

- that I am Co-Publisher of the MOUNDVILLE DAILY ECHO, a Republican newspaper;
- that I have been duly authorized to execute this affidavit;
- that such newspaper has been published for over 103 years, is regularly published afternoons daily except Sundays, for at least fifty weeks during the calendar year, in the municipality of Moundsville, Marshall County, West Virginia.
- that such newspaper is a newspaper of "general circulation" as defined in Art. 3, Chap. 59 of the Code of West Virginia 1931 as amended, within Moundsville and Marshall County;
- that such newspaper averages in length four or more pages, exclusive of any cover, per issue;
- that such newspaper is circulated to the general public at a definite price or consideration;
- that such newspaper is a newspaper to which the general public resorts for passing events or a political, religious, commercial and social nature and for current happenings, announcements, miscellaneous reading matters, advertisements and other notices;
- and that the annexed notice described as follows:

PARTY(ies)

Board of Education of Marshall Co.

NATURE (and agency if heard before one)

Ballot

CERTIF-BILL TO

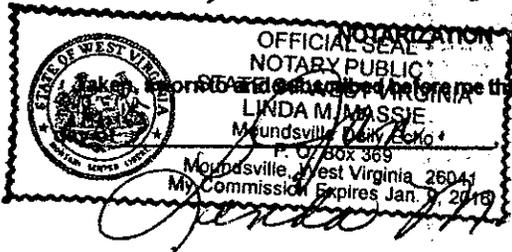
Jim Tuel
Board of Education
POB 578
Moundsville, WV 26041

WAS PUBLISHED IN SAID NEWSPAPER AS FOLLOWS:

TIMES	DATES
two	October 17, November 6, 2006

BY WORDS	PUBLICATION CHARGES
-----------------	----------------------------

(signed) Marian L Walton



2nd.
2007
Notary public
Linda M. Massie

OFFICIAL BALLOT - GENERAL ELECTION
Marshall County, West Virginia
November 7, 2006

OFFICIAL LEVY BALLOT

SCHOOL BOND ELECTION

OFFICIAL BALLOT
MARSHALL COUNTY BOARD OF EDUCATION
SCHOOL BOND ELECTION
November 7, 2006

Shall the Board of Education of the County of Marshall incur debt and issue bonds in the amount of \$27,900,000, maturities on such bonds to run not more than fifteen (15) years from the date of such bonds, with interest not exceeding the rate of six and ninety-five/100 per annum (6.95%), payable semiannually, for the purpose of constructing, enlarging, extending, reconstructing, improving, furnishing and/or equipping the school buildings, facilities and structures in the Marshall County Public School District to provide adequate, safe and convenient facilities for the School District, namely:

Cameron Elementary School
Renovate portions of building and pay all fees
LOCATION: Existing Cameron Elementary School, Cameron, West Virginia
ESTIMATED COST:
Bond Funds: \$1,197,140

Central Elementary School
Multi-Use Addition
6 Classroom Addition
Kitchen Addition & Renovations
Selected Renovations
Site Parking & Service Upgrades
Property Acquisition
LOCATION: Existing Central Elementary School, Moundsville, West Virginia
Bond Funds: \$2,033,455
SBA Grant: \$1,800,000

McNinch Elementary School

Multi-Use Addition
Art/Classroom Addition(s)
Kitchen Addition & Renovations
Selected Renovations
LOCATION: Existing McNinch Elementary School, McNinch, West Virginia
ESTIMATED COST:
Bond Funds: \$2,699,798
SBA Grant: \$1,160,000

Park View Elementary School

School to be closed and building renovated for Alternative Education and construct 60' X 80' Maintenance Building
LOCATION: Existing Park View Elementary School, Moundsville, West Virginia
ESTIMATED COST:
Bond Funds: \$389,146

New Elementary

Acquire property and develop, construct, furnish, equip and pay all fees for a new building of approximately 45,000 S.F. to house 410 students PK-5 grades
LOCATION: New Elementary School, Sherrard, West Virginia
ESTIMATED COST:
Bond Funds: \$9,507,836

Moundsville Middle School

4 Classroom Addition
LOCATION: Existing Moundsville Middle School, Moundsville, West Virginia
ESTIMATED COST:
Bond Funds: \$197,633
SBA Grant: \$660,000

Sherrard Middle School

4 Classroom Addition
Cafeteria/Kitchen Addition
Selected Renovations
LOCATION: Existing Sherrard Middle School, Sherrard, West Virginia
ESTIMATED COST:
Bond Funds: \$1,758,276
SBA Grant: \$2,200,000

OFFICIAL BALLOT - GENERAL ELECTION
Marshall County, West Virginia
November 7, 2006

SCHOOL BOND ELECTION

Contest Continued...

Cameron High School

New Fieldhouse (Gymnasium)
Property Acquisition
Selected Renovations
LOCATION: New Fieldhouse @ Cameron High School
Existing Cameron High School
Cameron, West Virginia
ESTIMATED COST:
Bond Funds: \$4,654,976
Bond Funds: \$ 377,116
SBA Grant: \$2,180,000

John Marshall High School

Local College Satellite Facility
Selected Renovations
LOCATION: Existing John Marshall High School, Moundsville,
West Virginia
ESTIMATED COST:
Bond Funds: \$1,028,884

John Marshall High School

Monarch Stadium Renovations
J.M. Fieldhouse Renovations
LOCATION: Existing John Marshall High School, Moundsville,
West Virginia
ESTIMATED COST:
Bond Funds: \$2,910,288

Sanford Elementary School

School to be closed and building demolished
LOCATION: Moundsville, West Virginia
ESTIMATED COST:
Bond Funds: \$280,000

Old Moundsville Junior High School

Old school building and old bus garage to be demolished
LOCATION: Moundsville, West Virginia
ESTIMATED COST:
Bond Funds: \$800,000

TOTAL PROPOSED BOND CALL:

Project Costs:	\$35,834,548
Costs of Issuance	\$ 66,452
SBA Funds:	(\$ 8,000,000)
Total Proposed Bond Call	\$27,900,000

CLOSURES

In the event the Bond Issue is approved and the Bonds are issued, the following school closures will be undertaken:

Sherrard Elementary School to be closed; former students to be served by New School;

Limestone Elementary School to be closed; former students to be served by New School.

Park View Elementary School to be closed; former students to be served by Central Elementary School and McNinch Elementary School.

Sanford Elementary School to be closed; former students to be served by Central Elementary School and McNinch Elementary School.

The above amounts are made up of the aggregate principal amount of the Bond Issue in the sum of Twenty Seven Million Nine Hundred Thousand Dollars (\$27,900,000).

The foregoing amounts include the costs of acquiring necessary lands, sites and rights-of-way, if any, engineering and architectural costs, including but not limited to the cost of using County maintenance personnel, the costs and estimated costs of the issuance of the bonds, and such other costs, fees, and expenses as may be necessary and/or property incurred in carrying out the foregoing projects. All Handicapped and E.S.S.I.A. Title 1 expenditures are subject to written approval by the West Virginia Department of Education. If for any reason any one or more of the above enumerated projects cannot be constructed, carried out, or completed, the amount above set out for any such project and any sums remaining unused upon completion of any of the foregoing projects may be allocated by the Marshall County Board of Education in its discretion, to and expended for any one or more of the remaining projects set out above, as provided by Section 6 (a) Article 1, Chapter 13, of the Code of West Virginia, 1931, as amended. The amount of the Bond Issue reflects a Needs Grant in the amount of \$8,000,000 having been made to the School District for use in the acquisition and additions and improvements at Central Elementary School (\$1,800,000), McNinch Elementary School (\$1,160,000), Moundsville Middle School (\$660,000), Sherrard Middle School (\$2,200,000) and Cameron High School (\$2,180,000), which Needs Grant will be withdrawn if local funds for such project are not approved by the voters in the School District prior to July 1, 2007.

OFFICIAL BALLOT - GENERAL ELECTION
Marshall County, West Virginia
November 7, 2006

SCHOOL BOND ELECTION

Contest Continued...

In the event the Marshall County Board of Education shall obtain additional money by grant or otherwise from the state or federal government, or from any agency of either, or from any other source, for use in the acquisition, construction, renovation, improvement, furnishing, and/or equipping of the above enumerated projects, such additional money may be used either in substitution for or in addition to the proceeds of the sale of the bonds proposed hereby, as may be determined by said Board and the granting body or agency.

NOTICE TO VOTERS:

To vote in favor of the proposition (for the Bond Issue) submitted on this ballot, touch the screen before "Yes (For the Bond Issue.)"

To vote against the proposition (against the Bond Issue) submitted on this ballot, touch the screen before "No (Against the Bond Issue.)"

Yes (For the Bond Issue)

No (Against the Bond Issue)

GLEN DALE

PROPOSED CHARTER AMENDMENT

**ARTICLE II
ELECTIONS**

Section 4. Prohibition of Employees from Holding Elective Office.

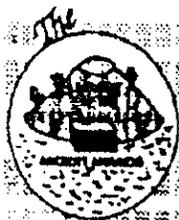
No employee of the City shall hold an elective office as Mayor, Recorder or Councilperson. City employees may be nominated for elective office, but in the event of their successful election, they must resign their City employment prior to their induction into office.

INSTRUCTIONS TO VOTERS:

To vote in favor of the proposed charter amendment submitted on this ballot, touch the screen until a checkmark appears in the square opposite the word "FOR". To vote against the proposed charter amendment, touch the screen until a checkmark appears in the square opposite the word "AGAINST".

FOR

AGAINST



THE MOUNDSVILLE DAILY ECHO
SINCE 1891

(304) 845-2860
P.O. BOX 369
MOUNDSVILLE
WEST VIRGINIA
26041

LEGAL ADVERTISEMENT

LEGAL ADVERTISEMENT
IN THE MATTER OF THE
BOARD OF EDUCATION OF MARSHALL COUNTY
STATE OF WEST VIRGINIA
\$27,900,000.00
PUBLIC SCHOOL BOND, SERIES 2007
ATTORNEY GENERAL'S APPROVAL

At a regular meeting of the Board of Education of the County of Marshall, State of West Virginia, held on the 8th day of August 2006, an order was adopted and entered of record authorizing a vote to be taken of legal voters of the County of Marshall at a general election to be held on the 7th day of November 2006, upon all questions connected with the incurring of debt and issuing bonds in the aggregate principal amount of Twenty Seven Million Nine Hundred Thousand Dollars (\$27,900,000), and levying taxes to pay the interest on and the principal of said bonds, the proceeds from the sale of such bonds to be used for the following purposes:

PROJECT: Cameron Elementary School, Renovate portions of building and pay all fees; LOCATION: Existing Cameron Elementary School, Cameron, West Virginia; ESTIMATED COST: Bond Funds: \$1,197,140.

PROJECT: Central Elementary School, Multi-Use Addition, 6 Classroom Addition, Kitchen Addition & Renovations, Selected Renovations, Site Parking & Service Upgrades, Property Acquisition; LOCATION: Existing Central Elementary School, Moundsville, West Virginia; ESTIMATED COST: Bond Funds: \$2,033,455; SBA Grant: \$1,800,000.

PROJECT: McNinch Elementary School, Multi-Use Addition, Art/Classroom Addition(s), Kitchen Addition & Renovations, Selected Renovations; LOCATION: Existing McNinch Elementary School, Moundsville, West Virginia; ESTIMATED COST: Bond Funds: \$2,699,798; SBA Grant: \$1,160,000.

PROJECT: Park View Elementary School, School to be closed and building renovated for Alternative Education and construct 60' X 80' Maintenance Building; LOCATION: Existing Park View Elementary School, Moundsville, West Virginia; ESTIMATED COST: Bond Funds: \$389,146.

PROJECT: New Elementary, Acquire property and develop, construct, furnish, equip and pay all fees for a new building of approximately 45,000

proclamations, certificates of valuation, notices, advertisements, affidavits, resolutions and records of all the proceedings connected with or pertaining to such bond issue, and I have examined the same.

It appears from the records transmitted to me that with respect to the proposition of incurring debt by issuing bonds, as provided in said order, Five Thousand Five Hundred and One (5,501) votes were cast for and Five Thousand Two Hundred Ninety Two (5,292) votes were cast against the issuance of said bonds, so that a majority of the votes were cast for the proposition.

In my opinion, there has been substantial compliance with the law relating to the issuance of said bonds and I therefore approve the validity of such bond issue pursuant to the provisions of Chapter 13, Article 1, Section 25, of the West Virginia Code 1931 as amended.

/s/ Darrell V. McGraw, Jr.
Darrell V. McGraw, Jr.
Charleston, West Virginia
May 1, 2007
PUBLISH: May 7, 14, 2007.

AFFIDAVIT OF PUBLICATION

STATE OF WEST VIRGINIA,
COUNTY OF MARSHALL, to wit:

I, Marian Walton, being first duly sworn to my oath, do depose and say:

- that I am Co-Publisher of the MOUNDSVILLE DAILY ECHO, a Republican newspaper;
- that I have been duly authorized to execute this affidavit;
- that such newspaper has been published for over 103 years, is regularly published afternoons daily except Sundays, for at least fifty weeks during the calendar year, in the municipality of Moundsville, Marshall County, West Virginia.
- that such newspaper is a newspaper of "general circulation" as defined in 3, Chap. 59 of the Code of West Virginia 1931 as amended, within Moundsville and Marshall County;
- that such newspaper averages in length four or more pages, exclusive of cover, per issue;
- that such newspaper is circulated to the general public at a definite price consideration;
- that such newspaper is a newspaper to which the general public resorts for passing events or a political, religious, commercial and social nature and for current happenings, announcements, miscellaneous reading matters, advertisements and other notices;
- and that the annexed notice described as follows:

PARTY(ies)

Marshall Co. Board of Education

NATURE (and agency if heard before one)

bonds

CERTIF-BILL TO

Bowles Rice McDavid Graff Love
600 Quarrier St.
Charleston WV 25301

WAS PUBLISHED IN SAID NEWSPAPER AS FOLLOWS:

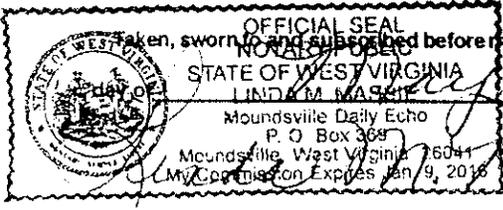
TIMES	DATES
two	May 7, 14, 2007

BY WORDS <u>1046@.2012</u>	PUBLICATION CHARGES <u>\$210.46</u>
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PLEASE PAY FROM THIS INVOICE

(signed) Marian Walton

NOTARIZATION



14th
2007
Linda M. Massey
Notary public

ary School, Sherrard West Virginia;
ESTIMATED COST: Bond Funds:
\$9,507,836.

PROJECT: Moundsville Middle School, 4 Classroom Addition; LOCATION: Existing Moundsville Middle School, Moundsville, West Virginia; ESTIMATED COST: Bond Funds: \$197,633; SBA Grant: \$660,000.

PROJECT: Sherrard Middle School, 4 Classroom Addition, Cafeteria/Kitchen Addition, Selected Renovations; LOCATION: Existing Sherrard Middle School, Sherrard, West Virginia; ESTIMATED COST: Bond Funds: \$1,758,276; SBA Grant: \$2,200,000.

PROJECT: Cameron High School, New Fieldhouse (Gymnasium), Property Acquisition, Selected Renovations; LOCATION: New Fieldhouse - Cameron High School, Existing Cameron High School, Cameron High School, Cameron, West Virginia; ESTIMATED COST: Bond Funds: \$4,654,976; Bond Funds: \$377,116; SBA Grant: \$2,180,000.

PROJECT: John Marshall High School, Local College Satellite Facility, Selected Renovations; LOCATION: Existing John Marshall High School, Moundsville, West Virginia; ESTIMATED COST: Bond Funds: \$1,028,884.

PROJECT: John Marshall High School, Monarch Stadium Renovations, J.M. Fieldhouse Renovations; LOCATION: Existing John Marshall High School, Moundsville, West Virginia; ESTIMATED COST: Bond Funds: \$2,910,288.

PROJECT: SANFORD ELEMENTARY SCHOOL, School to be closed and building demolished; LOCATION: Moundsville, West Virginia; ESTIMATED COST: Bond Funds: \$280,000.

PROJECT: OLD MOUNDSVILLE JUNIOR HIGH SCHOOL Old school building and old bus garage to be demolished; LOCATION: Moundsville, West Virginia; ESTIMATED COST: Bond Funds: \$800,000.

Project Costs: \$35,834,548
Costs of Issuance: \$65,452
SBA Funds: (\$8,000,000)
Total Proposed Bond Call
\$27,900,000

The Board of Education of the County of Marshall, pursuant to the provisions of Chapter 13, Article Section 25, of the West Virginia Code of 1931, as amended, has caused to be transmitted to me certified copies of all pertinent orders, ordinances



STATE OF WEST VIRGINIA
OFFICE OF THE ATTORNEY GENERAL
CHARLESTON 25305

DARRELL V. MCGRAW, JR.
ATTORNEY GENERAL

(304) 558-2021
FAX (304) 558-0140

May 29, 2007

The Honorable Rory L. Perry, Clerk
West Virginia Supreme Court of Appeals
State Capitol, Room E-317
Charleston, West Virginia 25305

Re: Marshall County Board of Education
\$27,900,000 Public School Bonds, Series 2007

Dear Mr. Perry:

On May 1, 2007, as Attorney General of the State of West Virginia, I approved the above-referenced bond issue as provided for by West Virginia Code § 13-1-25. As evidenced by the enclosed copy of the Affidavit of Publication, notice of my approval was published in the *Moundsville Daily Echo*, as required by law, with the last publication date being May 14, 2007.

Please advise me as to whether any person or taxpayer within ten days from and after the date of the last publication of the above-referenced notices presented any petition to the Supreme Court of Appeals or to a Judge thereof in vacation, praying that the action of the Attorney General be reversed or modified as provided in West Virginia Code § 13-1-26.

Very truly yours,

DARRELL V. MCGRAW, JR.
ATTORNEY GENERAL

By:

A handwritten signature in black ink that reads "Dawn E. Warfield".

DAWN E. WARFIELD
DEPUTY ATTORNEY GENERAL

DEW/tl
Enclosure



OFFICE OF THE CLERK

CLERK OF COURT
RORY L. PERRY II

DEPUTY CLERK
EDYTHE NASH

STATE CAPITOL, ROOM E-317
1900 KANAWHA BOULEVARD, EAST
CHARLESTON, WV 25305
PHONE: (304) 558-2601
FAX: (304) 558-3815
WEB: WWW.STATE.WV.US/WVSCA

June 4, 2007

Dawn E. Warfield, Esq.
Deputy Attorney General
Attorney General's Office
1900 Kanawha Boulevard, East
Charleston, West Virginia 25305



Re: *Marshall County Board of Education*
\$27,900,000 Public School Bonds, Series 2007

Dear Ms. Warfield:

As of this date, no person or taxpayer, within ten days from and after the date of last publication of notice (May 14, 2007) in the above-referenced bond issue of May 1, 2007, has presented a petition to the Supreme Court of Appeals, or to a judge thereof in vacation, praying that the action of the Attorney General, which approved the subject issue pursuant to West Virginia Code §13-1-25, be reversed or modified as provided in West Virginia Code §13-1-26.

If there are any other questions regarding this matter, please give me a call.

Sincerely,

Rory L. Perry II
Clerk

AFFIDAVIT OF PUBLICATION

STATE OF WEST VIRGINIA,
COUNTY OF CABELL, TO-WIT:

I, **Sarah Harmon** being first duly sworn, depose and say that I am Legal Clerk for The Herald-Dispatch, a corporation, who publishes at Huntington, Cabell County, West Virginia, the newspaper: The Herald-Dispatch, an independent newspaper, the morning seven days each week, Monday through Sunday including New Year's Day, Memorial Day, the Fourth of July, Labor Day, Thanksgiving and Christmas; that I have been duly authorized by the Board of Directors of such corporation and the newspaper mentioned herein; that the legal advertisement attached in the left margin of this affidavit and made a part hereof and bearing number LH-654553 was duly published in

The Herald-Dispatch

one time, once a week for 2 successive weeks, commencing with its issue of the 31 day of May, 2007 and ending with the issue of the 07 day of June, 2007 and was posted at the East door of the Cabell County Courthouse on 31 day of May, 2007: that said legal advertisement was published on the following dates:

: 5/31/07, 6/7/07

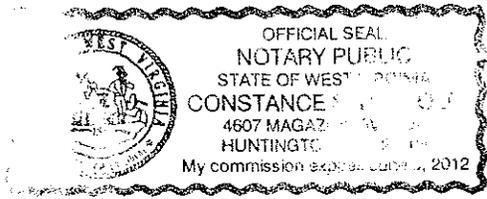
that the cost of publishing said annexed advertisement as aforesaid was \$155.58; that such newspaper in which such legal advertisement was published has been and is now published regularly, at least as frequently as once a week for at least fifty weeks during the calendar year as prescribed by its mailing permit, and has been so published in the municipality of Huntington, Cabell County, West Virginia, for at least one year immediately preceding the date on which the legal advertisement set forth herein was delivered to such newspaper for publication; that such newspaper is a newspaper of "general circulation" as defined in Article 3, chapter 59, of the West Virginia Code, within the publication area or areas of the municipality of Huntington, Cabell and Wayne Counties, West Virginia, and that such newspaper is circulated to the general public at a definite price or consideration, that such newspaper on each date published consists of not less than four pages with out a cover; and that it is a newspaper to which the general public resorts for passing events of a political, religious, commercial and social nature, and for current happenings, announcements, miscellaneous reading matters, advertisements and other notices.

Taken, subscribed and sworn to before me in my said county this 18th day of June, 2007.

My Commission expires June 4, 2012

Sarah Harmon

Constance Rappold
Notary Public
Cabell County
West Virginia



SUMMARY NOTICE OF SALE

\$27,900,000
The Board of Education of the County of Marshall, West Virginia Public School Bonds, Series 2007

SEALED BIDS will be received by The Board of Education of the County of Marshall, West Virginia (the "Board"), in accordance with its Official Notice of Sale until 11:00 a.m., Local Time, on Thursday,

JUNE 14, 2007 (the "Date of Sale"), for the purchase when issued, at not less than par of the whole of \$27,900,000. The Board of Education of the County of Marshall, West Virginia, Public School Bonds, Series 2007, provided, however, that the Board may change the Date of Sale to respond to market conditions. Changes to the Date of Sale will be communicated pursuant to the Official Notice of Sale. The Bonds are payable on May 1 in each year as follows:

Year	Amount
2008	1,390,000
2009	1,445,000
2010	1,505,000
2011	1,565,000
2012	1,630,000
2013	1,695,000
2014	1,760,000
2015	1,835,000
2016	1,905,000
2017	1,985,000
2018	2,065,000
2019	2,145,000
2020	2,235,000
2021	2,325,000
2022	2,415,000

on or after May 1, 2018, are subject to redemption on or after May 1, 2017, at the option of the Board, in whole or in part on any interest payment date, from any moneys available for that purpose, at par, plus interest, if any, accrued to the date fixed for redemption.

The Bonds will be general obligations of the Board and the full faith and credit of the Board will be pledged for payment of the principal and interest thereon.

The approving opinion of Bowles Rice McDavid Graf & Love LLP, Charleston, West Virginia, will be furnished to the successful bidder at the expense of the Board. The Bonds will be issued in book entry form only with The Depository Trust Company acting as securities depository.

A complete copy of the Official Notice of Sale and Official Bid Form is contained in the Preliminary Official Statement and may be obtained from the Board's Financial Advisor, Scott & Stringfellow, Inc., 300 Summers Street, Suite 500, Charleston, West Virginia 25301, Telephone (304) 357-6508.

By Order of the Board of Education of Marshall County, West Virginia

LH#654553
5/31, 6/7

Attn: David Kirby

OFFICIAL NOTICE OF SALE

\$27,900,000

THE BOARD OF EDUCATION OF THE COUNTY OF MARSHALL, WEST VIRGINIA PUBLIC SCHOOL BONDS SERIES 2007

Electronic bids only will be received by The Board of Education of the County of Marshall, West Virginia (the "Board"), in accordance with this Official Notice of Sale until 11:00 a.m., Local Time, on June 14, 2007 (the "Date of Sale"). In the case of a malfunction in submitting an electronic bid, facsimile bids will be allowed, as more fully described below.

Immediately thereafter, the bids will be publicly announced, and the Board will act upon the bids by 2:00 p.m., Local Time.

Bid Submission

Solely as an accommodation to bidders, electronic bids via BIDCOMP/PARITY (the "Electronic Bidding System") will be accepted in accordance with this Official Notice of Sale. The Board is using BIDCOMP/PARITY as a communication mechanism to conduct the electronic bidding for the sale of its \$27,900,000 Public School Bonds, Series 2007 (the "Bonds"), as described herein. To the extent any instructions or directions set forth in BIDCOMP/PARITY conflict with this Official Notice of Sale, the terms of this Official Notice of Sale shall control. Each bidder submitting an electronic bid agrees (i) that it is solely responsible for all arrangements with BIDCOMP/PARITY, (ii) that BIDCOMP/PARITY is not acting as the agent of the Board, and (iii) that the Board is not responsible for ensuring or verifying bidder compliance with any of the procedures of BIDCOMP/PARITY. The Board assumes no responsibility for, and each bidder expressly assumes the risks of and responsibility for, any incomplete, inaccurate or untimely bid submitted by such bidder through BIDCOMP/PARITY. Each bidder shall be solely responsible for making necessary arrangements to access the Electronic Bidding System for purposes of submitting its bid in a timely manner and in compliance with the requirements of this Official Notice of Sale. Neither the Board nor the Electronic Bidding System shall have any duty or obligation to provide or assure such access to any bidder, and neither the Board nor BIDCOMP/PARITY shall be responsible for proper operation of, or have any liability for, any delays or interruptions of, or any damages caused by, BIDCOMP/PARITY. For further information about BIDCOMP/PARITY, potential bidders may contact i-Deal at 1359 Broadway, 2nd Floor, New York, New York 10018, telephone (212) 849-5021.

In the event of a malfunction of the Electronic Bidding System at 11:00 a.m., Local Time, on the Date of Sale, an attempt will be made to reschedule the bidding for 12:00 noon, Local Time, on the Date of Sale. Should the Electronic Bidding System malfunction a second time, facsimile transmission bids will be accepted at the discretion of the Board in coordination with its Financial Advisor, Scott & Stringfellow, Inc. (the "Financial Advisor"). To the extent possible, the rescheduled bid time will be communicated to the bidders. Bidders choosing to submit bids in the case of a malfunction by facsimile transmission shall use the following telecopier number for such transmission: (804) 649-3964 (Attention: Matt Palumbo). Transmissions received after the deadline shall be rejected. It is the responsibility of the bidder to ensure that the bid is legible, that the bid is received not later than the deadline as communicated to bidders and that the bid is sent to the telecopier number set forth above. Illegible transmissions shall be rejected. The Financial Advisor, will, on behalf of the Board, verify receipt of each bid submitted through facsimile transmission by contacting each bidder by telephone once the bid has been received. The Financial Advisor will in no instance correct, alter or in any way change bids submitted through facsimile transmission. The Board and the Financial Advisor will not be responsible for bids submitted by facsimile transmission not received in accordance with the provisions of this Official Notice of Sale. Bidders submitting bids via facsimile transmission will bear full and complete responsibility for the transmission of such bid.

Each bid must be unconditional.

Change of Date and Time for Receipt of Bids

The Board expects to take bids on the Bonds on June 14, 2007. However, the Board reserves the right to postpone the date and time established for the receipt of bids. Any such postponement will be announced by TM3 newswire, or any other such service. If the receipt of bids is postponed, any alternative date for receipt of bids will be announced via TM3 newswire, or any other such service. Any bidder must submit a sealed bid for the purchase of the Bonds on such alternative sale date in conformity with the provisions of this Official Notice of Sale, except for any changes announced via the TM3 newswire, or any other such service, as described therein.

Principal Redemption

The Bonds will be dated the date of their delivery (the "Dated Date"), and will mature, on May 1 in years and amounts as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2008	1,390,000	2016	1,905,000
2009	1,445,000	2017	1,985,000
2010	1,505,000	2018	2,065,000
2011	1,565,000	2019	2,145,000
2012	1,630,000	2020	2,235,000
2013	1,695,000	2021	2,325,000
2014	1,760,000	2022	2,415,000
2015	1,835,000		

Book-Entry-Only System

The Bonds will be issued by means of a book-entry system with no distribution of physical Bond certificates made to the public. One Bond certificate for each maturity of the Bonds will be issued to The Depository Trust Company, New York, New York ("DTC"), or its nominee, and immobilized in its custody. The book-entry system will evidence beneficial ownership of the Bonds in principal amounts of \$5,000 or multiples thereof, with transfers of beneficial ownership effected on the records of DTC and its participants pursuant to rules and procedures established by DTC and its participants. Bond certificates registered in the name of Cede & Co. will be deposited with DTC. Interest on the Bonds will be payable from their date semiannually on each May 1 and November 1, beginning November 1, 2007, and principal of the Bonds will be paid annually on May 1, beginning May 1, 2008, to DTC or its nominee as registered owner of the Bonds. Transfer of principal, premium and interest payments to beneficial owners by participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. The Board will not be responsible or liable for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants.

DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to the Board. Under such circumstances, in the event that a successor securities depository is not obtained, Bond certificates are required to be prepared, executed and delivered.

The Board may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that case, either a successor depository will be selected by the Board or Bond certificates will be prepared, executed and delivered.

Optional Redemption

The Bonds maturing on or after May 1, 2018, are subject to redemption on or after May 1, 2017, at the option of the Board, in whole or in part on any interest payment date, from any moneys available for that purpose, at par, plus interest, if any, accrued to the date fixed for redemption.

In the event of such optional redemption, the Board may direct the maturity or maturities of the Bonds and the

amounts thereof to be redeemed, provided that the Bonds will be redeemed in whole multiples of \$5,000 in principal amount and in the minimum principal amount of \$50,000.

Notice of any redemption of Bonds shall be given by the Registrar, on behalf of the Board, to registered owners of the Bonds to be redeemed at least thirty (30) days 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 their 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 Board shall default in the payment of the redemption price), such Bonds shall cease to bear interest.

The Issue; Authorizing Resolution; Security

The issuance of the Bonds and the levy of taxes sufficient to pay the interest on and the principal of such Bonds were authorized and approved at a special election held on November 7, 2006, pursuant to, Chapter 13, Article 1 of the Code of West Virginia, 1931, as amended, and to a Resolution and Order duly entered and adopted by the Board on December 12, 2006 (the "Resolution and Order"). The ballot question also stipulated a maximum term of fifteen (15) years from the date of the Bonds and an interest rate not exceeding six and ninety-five hundredths percent (6.95%) per annum. The canvass of said special election showed 5,501 "Yes" votes and 5,292 "No" votes, a 50.97% voter approval of those who participated.

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 Chapter 13, Article 1 of the Code of West Virginia, 1931, (the "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. Section 8 of Article X of the Constitution and Sections 20 and 24 of the Act require the annual levy and collection of a tax sufficient to pay the principal of and interest on such bonds.

The Bonds will be general obligations of the Board, secured by an irrevocable pledge of its full faith and credit. The Board is authorized and required, unless other funds are lawfully available and appropriated, for timely payment of the Bonds, to levy and collect an annual ad valorem tax, over and above all other taxes authorized or limited by law and without limitations as to rate or amount, upon all locally taxable property in Marshall County sufficient to pay principal of and interest on the Bonds as the same respectively become due and payable, all as more fully described in the Board's Preliminary Official Statement dated June 5, 2007 (the "Preliminary Official Statement").

Bidding Rules; Award of Bonds

Bidders may only bid to purchase all of the Bonds. Each proposal must state the amount bid for the Bonds (not less than \$27,900,000 or greater than 106% of the par value of the Bonds) and must state in multiples of 1/20 or 1/8 of 1% the rates of interest per annum which the Bonds are to bear, but must not state (a) any interest rate which is in excess of 6.95%, (b) more than one interest rate for any Bonds having like maturity, or (c) any interest rate for Bonds which exceeds the interest rate stated in such proposal for any other Bonds by more than two percent (2%). The repetition of a rate will not be considered a different rate.

As promptly as reasonably possible after the bids are received, the Board will notify the bidder to whom the Bonds will be awarded, if and when such award is made. Such bidder, upon such notice, shall advise the Board of the initial reoffering prices or yields to the public of each maturity of the Bonds (the "Initial Reoffering Prices or Yields"). The winning bid will remain firm for a period of no less than five hours after the time specified for the opening of bids. An award of the Bonds, if made, will be made by the Board Administrator within such five hour period or, with the express consent of the winning bidder, such longer time period as deemed necessary.

The Board reserves the right to reject any and all proposals, not conforming to this Official Notice of Sale. Unless all bids are rejected, the Bonds will be awarded to the bidder complying with the terms of this Official Notice of Sale and submitting a bid which provides the lowest "true" or "Canadian" interest cost to the Board. The true interest cost shall be determined for each bid by doubling the semiannual interest rate, compounded semiannually, necessary to discount the debt service to the date of the Bonds and to the price bid. If more than one bid offers the same lowest true interest cost, the successful bid will be selected by the Board Administrator by lot.

Bids for the Bonds shall not be conditioned upon obtaining insurance or any other credit enhancement. If a bidder proposes to obtain a policy of municipal bond insurance or any other credit enhancement, any such purchase of insurance or commitment therefor shall be at the sole option and expense of the bidder, and the bidder must pay any increased costs of issuance of the Bonds as a result of such insurance or commitment. Any failure by the bidder to obtain such a policy of insurance shall not in any way relieve such bidder of its contractual obligations arising from the acceptance of its bid for the purchase of the Bonds.

Good Faith Deposit

Bidders must submit a certified or cashier's check for 2% of the par value of the bonds (\$558,000) drawn upon a solvent bank or trust company and payable unconditionally to the order of the The Board of Education of the County of Marshall, West Virginia, to secure the Board against any loss resulting from the failure of the successful bidder to comply with the terms of its bid. The check of the successful bidder will be deposited and credited toward the purchase price, and no interest will be allowed thereon to accrue to the benefit of the successful bidder. The proceeds of the check will be retained by the Board as liquidated damages in case the successful bidder fails to accept delivery of and pay for the Bonds. Checks of unsuccessful bidders will be returned promptly upon award of the Bonds. Bidders must also clearly indicate to whom the check should be returned in the event of an unsuccessful bid.

In lieu of the check described above, the deposit may be in the form of a Financial Surety Bond in the amount of \$558,000 payable to the Board. The Financial Surety Bond must be from an insurance company acceptable to the Board and licensed to issue such a bond in the State of West Virginia, and such Financial Surety Bond must be in a form acceptable to the Board. The Financial Surety Bond must identify each bidder whose deposit is guaranteed by such Financial Surety Bond. If the Bonds are awarded to a bidder utilizing a Financial Surety Bond, then such successful bidder is required to submit its deposit to the Board in the form of a cashier's or certified check or wire transfer not later than 11:00 a.m., Local Time, on the next business day following the award. If such deposit is not received by such time, the Financial Surety Bond may be drawn by the Board to satisfy the deposit requirement.

Bidders must deliver the good faith check (or, in lieu thereof, a Financial Surety Bond) by 11:00 a.m., Local Time, on June 14, 2007, to the Financial Advisor, Scott & Stringfellow, Inc., 909 East Main Street, 8th Floor, Richmond, Virginia 23219 (Attention: Mr. Matt Palumbo).

Delivery of the Bonds

The Bonds will be delivered at the expense of the Board in New York, New York, through the facilities of DTC on or about June 26, 2007. The Bonds will be delivered upon payment of the balance of the purchase price in Federal Funds payable to the order of "The Board of Education of the County of Marshall, West Virginia".

It will be a condition to the obligation of the successful bidder to accept delivery of and pay for the Bonds that prior to or contemporaneously with such delivery, the successful bidder will be furnished with the final approving opinion of Bowles Rice McDavid Graff & Love LLP, Charleston, West Virginia, Bond Counsel. The opinion of Bond Counsel will include an opinion that under existing laws, regulations, rulings and judicial decisions of the United States of America, as presently written and applied, interest on the Bonds is not includable in gross income of the owners thereof for federal income tax purposes and that the Bonds are exempt from all taxation by the State of West Virginia or any political subdivision thereof. Said opinion shall also contain further statements to the effect that (a) said Bond Counsel has considered litigation in certain states, including the State of West Virginia, such as Pauley v. Bailey, challenging the constitutionality of present systems of levying taxes and applying funds for public school purposes and that, in their opinion, such litigation will not modify the rights of the holders of the

Bonds to ultimate recourse to unlimited ad valorem taxes upon all the taxable property within Marshall County, West Virginia, for payment of the Bonds if not paid from other sources and does not modify or qualify the conclusions elsewhere stated in such approving opinion; and (b) 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.

It will be a further condition of delivery of any payment for the Bonds that there also be delivered at such time certificates satisfactory to said Bond Counsel evidencing proper execution and delivery of the Bonds, including (i) a certificate dated the Date of Delivery of the Bonds, stating that there is no litigation pending or threatened affecting the validity of the Bonds, or wherein an adverse judgment or ruling could have a material adverse impact on the financial condition of the Board, or adversely affect the power of the Board to levy, collect and enforce the collection of taxes or other revenues for the payment of the Bonds, (ii) a certificate dated the Date of Delivery of the Bonds, of the President and Secretary of the Board, to the effect that at the time of the sale of the Bonds and at all times subsequent thereto up to and including the time of delivery of the Bonds, to the best of their knowledge, the Official Statement in final form and as of its date, did not contain any 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, and (iii) a tax and arbitrage certificate executed on behalf of the Board which will include, among other things, covenants relating to compliance with the Internal Revenue Code of 1986, as amended (the "Code"), with the owners of the Bonds that the Board, will, among other things, (a) take all actions on its part necessary to cause interest on the Bonds not to be includable in the gross income of the owners thereof for federal income tax purposes, including, without limitation, restricting, to the extent necessary, the yield on investments made with the proceeds of the Bonds and investment earnings thereon, making required payments to the federal government, if any, and maintaining books and records in a special manner, where appropriate, and (b) refrain from taking any action which would cause interest on the Bonds to be includable in the gross income of the owners thereof for federal income tax purposes, including, without limitation, refraining from spending the proceeds of the Bonds and investment earnings thereon on certain specified purposes. The Bonds will also bear the signed approval of the Attorney General of West Virginia to the effect that the Bonds are binding obligations of the Board and are incontestable.

Certificates of Winning Bidder

The successful bidder must, by facsimile transmission or overnight delivery received by the Board within 24 hours after receipt of bids for the Bonds, furnish the following information to complete the Official Statement in final form, as described below:

- A. The offering prices for the Bonds (expressed as the price or yield per maturity).
- B. Selling compensation (aggregate total anticipated compensation to the underwriters expressed in dollars, based on the expectation that all Bonds are sold at the prices or yields described in Subpart A above).
- C. The identity of the underwriters if the successful bidder is a part of a group or syndicate.
- D. Any other material information necessary to complete the Official Statement in final form but not known to the Board.

Prior to delivery of the Bonds, the successful bidder shall furnish to the Board a certificate, in form acceptable to the Board's counsel, to the effect that the successful bidder has made a bona fide public offering of the Bonds at the initial public offering prices set forth in such certificate, that the successful bidder has complied with Rule G-37 of the Municipal Securities Rulemaking Board (the "MSRB") with respect to the Board and that a substantial amount of the Bonds of each maturity were sold to the public (excluding bond houses, brokers and other intermediaries) at such initial public offering prices. Such certificate shall state that (1) it is made on the best knowledge, information and belief of the successful bidder and (2) 10% or more in par amount of the Bonds of each maturity was sold to the public at the initial public offering price (such amount being sufficient to establish the sale of a substantial amount of the Bonds).

CUSIP Numbers

It is anticipated that CUSIP identification numbers will be printed on the Bonds, but neither the failure to print such numbers on any Bond nor any error with respect thereto shall constitute cause for failure or refusal by the successful bidder thereof to accept delivery of and pay for the Bonds in accordance with the terms of its bid. The Board will assume responsibility for the expense of the initial printing of CUSIP numbers; provided, however, that the Board assumes no responsibility for any CUSIP Service Bureau or other charges that may be imposed for the assignment of such numbers. All expenses in connection with the assignment of CUSIP numbers shall be paid by the successful bidder. It shall be the obligation of the successful bidder to furnish to DTC an underwriter questionnaire and to the Board the CUSIP numbers for the Bonds within two business days following the date of award.

Official Statement

The Board will furnish to the successful bidder, at the expense of the Board, up to 300 copies of the final Official Statement within seven business days from the date of the award of the Bonds, as specified in Rule 15c2-12 (the "Rule") of the Securities and Exchange Commission (the "SEC") and the rules of the MSRB; provided that minor delays in furnishing such final Official Statements will not be a basis for failure to pay for and accept delivery of the Bonds. Additional copies will be made available at the successful bidder's request and expense. The Board assumes no responsibility or obligation for the distribution or delivery of the Official Statement to anyone other than the successful bidder.

The successful bidder, by executing the Official Bid Form, agrees to provide one copy of the Official Statement to at least one Nationally Recognized Municipal Securities Information Repository ("NRMSIR") within the meaning of the Rule upon receipt of the Official Statement from the Board and two copies of the Official Statement (with any required forms) to the MSRB or its designee no later than ten business days following the Date of Sale. The successful bidder shall notify the Board as soon as practicable of (1) the date which is the end of the underwriting period (such "underwriting period" is described in the Rule) and (2) the date of filing of the Official Statement with a NRMSIR and the MSRB or its designee.

If the Bonds are awarded to a syndicate, the Board will designate the senior managing underwriter of the syndicate as its agent for purposes of distributing copies of the Official Statement to each participating underwriter. Any underwriter executing and delivering a bid form with respect to the Bonds agrees thereby that if its bid is accepted it shall accept such designation and shall enter into a contractual relationship with all participating underwriters for the purposes of assuring the receipt and distribution by each such participating underwriter of the Official Statement, unless another firm is so designated by the syndicate in writing and approved by the Board.

Legal Opinion

The approving opinion of Bowles Rice McDavid Graff & Love LLP with respect to the Bonds will be furnished to the successful bidder at the expense of the Board. The opinion will state that the Bonds constitute valid and binding general obligations of the Board for the payment of which the Board's full faith and credit are irrevocably pledged and that the Board is authorized and required by law unless funds are lawfully available, to levy and collect taxes annually over and above all other taxes, upon all taxable property within the Board without limitation as to rate or amount sufficient to pay when due the principal of and interest on the Bonds.

Tax Exemption

The Official Statement relating to the Bonds contains a discussion of the effect of the Internal Revenue Code of 1986, as amended, on the exclusion from gross income of interest on the Bonds and a discussion of the opinion of Bowles Rice McDavid Graff & Love LLP insofar as it concerns such exclusion.

Federal and State Securities Laws

No action has been taken to qualify the Bonds under the federal securities laws.

OFFICIAL BID FORM

Electronic bids (or facsimile bids as provided in the Official Notice of Sale) must be submitted by 11:00 am, Local Time, June 14, 2007.

The Board of Education of the County of Marshall, West Virginia
Moundsville, West Virginia

On behalf of the firm(s) listed below and pursuant to the terms and conditions listed in the Board's Official Notice of Sale, we offer to purchase the \$27,900,000 Public School Bonds, Series 2007 (the "Bonds"), of The Board of Education of the County of Marshall, West Virginia, dated the date of their delivery. This offer is made for all the Bonds and not for less than all, maturing on May 1 in years shown below. The schedule of maturities and interest rates upon which this bid is based are as follows:

<u>Maturity</u>	<u>Amount</u>	<u>Rate</u>	<u>Maturity</u>	<u>Amount</u>	<u>Rate</u>
2008	1,390,000		2016	1,905,000	
2009	1,445,000		2017	1,985,000	
2010	1,505,000		2018	2,065,000	
2011	1,565,000		2019	2,145,000	
2012	1,630,000		2020	2,235,000	
2013	1,695,000		2021	2,325,000	
2014	1,760,000		2022	2,415,000	
2015	1,835,000				

We will pay \$ _____, which is not less than \$27,900,000 or not less than par (representing a premium of \$ _____), and will accept delivery of the Bonds by means of a book-entry system at The Depository Trust Company, New York, NY.

Please indicate the appropriate choice:

_____ We have posted a surety bond in the amount of \$558,000. If awarded the bid, we will deliver to the Board \$558,000 in good faith money by 11:00 a.m., Local Time, on the next business day immediately following the date of award, or the Board will draw upon the surety bond and apply it in accordance with the Official Notice of Sale against any loss resulting from the successful bidder failing to comply with the terms of this bid.

_____ We have previously delivered a certified or cashier's check for \$558,000 drawn upon an incorporated bank or trust company as detailed in the Official Notice of Sale and payable unconditionally to the order of The Board of Education of the County of Marshall, West Virginia, which is to be applied in accordance with the Official Notice of Sale against any loss resulting from the successful bidder failing to comply with the terms of this bid.

The good faith money will be deposited and credited on the purchase price, and no interest will be credited thereon to the successful bidder. The good faith money will be retained by the Board as liquidated damages in case the successful bidder fails to accept delivery of and pay for the Bonds. Checks of unsuccessful bidders will be returned promptly upon award of the Bonds.

The undersigned hereby acknowledges receipt and review of the Preliminary Official Statement referred to in the Official Notice of Sale.

Respectfully submitted,

(Name of Bidding Firm)

(Authorized Signature)

(Name & Phone Number of Contact Person)

The good faith check has been returned and receipt thereof is duly acknowledged.

NO ADDITION OR ALTERATION, EXCEPT AS PROVIDED ABOVE, SHOULD BE MADE TO THIS BID.

(NOTE - The following is stated for information only and is not part of this bid: The true interest cost of this bid, calculated in accordance with the Official Notice of Sale, is _____% (to six decimal places).

(A list of the members of our syndicate is attached.)

Continuing Disclosure

The Board will agree, pursuant to a Continuing Disclosure Agreement, to provide certain annual financial information and operating data and notices of the occurrence of certain events, if material. A description of these undertakings is set forth in the Preliminary Official Statement for the Bonds and will also be set forth in the final Official Statement for the Bonds (See Appendix D of the Preliminary Official Statement).

Additional Information

For further information relating to the Bonds and the Board, reference is made to the Board's Preliminary Official Statement. The Board has deemed the Preliminary Official Statement to be final as of its date within the meaning of the Rule, except for the omission of certain pricing and other information permitted to be omitted pursuant to the Rule. The Official Bid Form and the Preliminary Official Statement may be obtained from the Board's Financial Advisor, Scott & Stringfellow, Charleston, West Virginia (304) 357-6508.

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

By: /s/ Alfred N. Renzella,
Secretary, The Board of Education
of the County of Marshall, West Virginia

Dated: June 5, 2007

**Robert W. Baird & Co., Inc. - Winston-Salem , NC's
Bid**



**Marshall Co BOE
\$27,900,000 Public School Bonds, Series 2007**

For the aggregate principal amount of \$27,900,000.00, we will pay you \$28,525,280.98, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate(s):

Maturity Date	Amount \$	Coupon %
05/01/2008	1,390M	4.0000
05/01/2009	1,445M	4.2500
05/01/2010	1,505M	4.2500
05/01/2011	1,565M	4.2500
05/01/2012	1,630M	4.5000
05/01/2013	1,695M	4.5000
05/01/2014	1,760M	4.5000
05/01/2015	1,835M	4.5000
05/01/2016	1,905M	4.5000
05/01/2017	1,985M	4.5000
05/01/2018	2,065M	5.0000
05/01/2019	2,145M	5.0000
05/01/2020	2,235M	5.0000
05/01/2021	2,325M	5.0000
05/01/2022	2,415M	5.0000

Total Interest Cost:	\$11,457,217.19
Premium:	\$625,280.98
Net Interest Cost:	\$10,831,936.21
TIC:	4.439165

Time Last Bid Received On:06/14/2007 10:58:31 EDST

This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of Sale, and the Preliminary Official Statement, all of which are made a part hereof.

Bidder: Robert W. Baird & Co., Inc., Winston-Salem , NC
 Contact: Tim Jackson
 Title: Director
 Telephone:336-631-5800
 Fax: 336-631-5850

Issuer Name:	The Board of Education of the County of Marshall	Company Name:	_____
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Accepted _____ Accepted _____

By:

By:

Date:

Date:

REGISTRAR'S AGREEMENT

THIS REGISTRAR'S AGREEMENT, dated as of the 26th day of June, 2007, by and between THE BOARD OF EDUCATION OF THE COUNTY OF MARSHALL, the governing body of the Marshall County School District, a public school district of the State of West Virginia (the "Issuer"), and UNITED BANK, INC. Charleston, West Virginia, a state banking corporation (the "Registrar").

WHEREAS, the Issuer has, contemporaneously with the execution hereof, issued and sold its \$27,900,000 aggregate principal amount of Public School Bonds, Series 2007, in fully registered form (the "Bonds"), pursuant to a Resolution and Order adopted December 12, 2006, as modified on June 14, 2007 (the "Resolution");

WHEREAS, capitalized words and terms used in this Registrar's Agreement and not otherwise defined herein shall have the respective meanings given them in the Resolution, a copy of which is attached as Exhibit A hereto and incorporated herein by reference;

WHEREAS, the Resolution provides for an appointment by the Issuer of a Registrar and a Paying Agent for the Bonds; and

WHEREAS, the Issuer desires to appoint, and by the Resolution and this Registrar's Agreement does appoint, the Registrar 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:

Upon the execution of this Registrar's Agreement by the Issuer and the Registrar and during the term hereof, the Registrar does accept and shall have and carry out the powers and duties of the Registrar, all 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, and shall do so with the intention of maintaining the exemption of interest on the Bonds from federal income taxation, in accordance with any rules and regulations promulgated by the United States Treasury Department or by the Municipal Securities Rulemaking Board or similar regulatory bodies as the Issuer advises it of and with generally accepted industry standards.

The Registrar 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 Registrar's 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.

The Registrar shall have no responsibility or liability for any action taken by it at the specific direction of the Issuer and the Registrar shall be fully indemnified and held harmless by the Issuer for any claims against Registrar as a result of the Registrar's following the directions of the Issuer.

As compensation for acting as Registrar pursuant to this Registrar's Agreement, the Issuer hereby agrees to pay to the Registrar, from time to time, the compensation for services rendered as provided in the annexed schedule and reimbursement for reasonable expenses incurred in connection therewith.

It is intended that this Registrar's Agreement shall carry out and implement provisions of the Resolution with respect to the Registrar. In the event of any conflict between the terms of this Registrar's Agreement and the Resolution the terms of the Resolution shall govern.

The Issuer and the Registrar each warrants and represents that it is duly authorized and empowered to execute and enter into this Registrar's 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.

This Registrar's Agreement may be terminated by either party upon sixty (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 Marshall County
 Post Office Box 578
 Moundsville, West Virginia 26041-0578
 Attention: Treasurer

REGISTRAR: United Bank, Inc.
 500 Virginia Street, East
 Charleston, West Virginia 25301
 Attention: Corporate Trust Department

The Registrar is hereby requested and authorized to authenticate and deliver the Bonds in accordance with instructions provided by the Purchaser thereof.

IN WITNESS WHEREOF, THE BOARD OF EDUCATION OF THE COUNTY OF MARSHALL and UNITED BANK, INC., a national banking association, have respectively caused this Registrar's Agreement to be signed in their names and on their behalf, all as of the day and year first above-written.

THE BOARD OF EDUCATION OF THE
COUNTY OF MARSHALL

By: *Roy A. Lewicki*
President

UNITED BANK, INC.

By: *Jeff Smith*
Vice President



State of West Virginia

OFFICE OF THE STATE TREASURER
CHARLESTON, WV 25305

JOHN D. PERDUE
STATE TREASURER

PAUL W. HILL
ASSISTANT STATE TREASURER

1-800-422-7498
304-558-5000
FAX 304-558-4097
WWW.WVSTO.COM

May 29, 2007

Mr. David P. Kirby
Vice President
Scott & Stringfellow, Inc.
300 Summers Street
Suite 500
Charleston, WV 25301

Re: The Board of Education of the County of Marshall, West Virginia,
Public School Bonds, Series 2007

Dear Mr. Kirby:

Pursuant to your request and in accordance with West Virginia Code §13-2-2, I hereby designate United Bank, Inc., of Charleston, West Virginia, to serve as Registrar and the West Virginia Municipal Bond Commission to serve as Paying Agent for the above-named issue.

If there are any questions concerning this designation, feel free to contact me.

Sincerely,

A handwritten signature in black ink that reads "John D. Perdue".

John D. Perdue
State Treasurer

JDP:ba

Scott & Stringfellow, Inc.

Trusted Advice for Successful Investors Since 1893

Member
NYSE/SIPC

300 Summers Street, Suite 500
Charleston, West Virginia 25301

Tel (304) 357-6500
Fax (304) 357-6501

May 29, 2007

Brian Archer
State of West Virginia
Office of the Treasurer
Charleston, West Virginia

Re: The Board of Education of the County of Marshall, West Virginia
Public School Bonds, Series 2007

Via: email

Dear Brian:

As financial advisor to the Board of Education of Marshall County West Virginia, I am writing to inform you that they have selected United Bank, Charleston, West Virginia to serve as registrar for the above referenced bond issue.

Please let me know at your earliest convenience if your office is in agreement with their selection.

Very truly yours,



David P. Kirby
Vice President
Financial Advisor

NOT BANK GUARANTEED * NOT FDIC INSURED * MAY LOSE VALUE

CHAPTER 13.

PUBLIC BONDED INDEBTEDNESS.

Article

1. Bond Issues for Original Indebtedness.

2. Refunding Bonds.

2A. Revenue Bond Refinancing.

2B. Validation.

2C. Industrial Development and Commercial Development Bond Act.

2D. Airport Development Bond Act.

2E. Revenue Bond Refunding Act.

2F. Public Obligations Registration Act.

2G. State Refunding Bond Act.

3. Municipal Bond Commission.

W. Va. Law Quarterly. -- For discussion of derives, see 27 W. Va. L.Q. 84.
Act of 1917, from which a part of this chapter

ARTICLE 1.

BOND ISSUES FOR ORIGINAL INDEBTEDNESS.

Sec. 13-1-1.	Political divisions authorized to issue and sell bonds.	Sec. 13-1-15.	Bonds to be payable in annual installments.
13-1-1a.	Exemption from interest rate ceilings.	13-1-15a.	Bonds may be subject to redemption.
13-1-2.	Purposes for which bonds may be issued.	13-1-16.	Recital of certification that bonds are issued in conformity with Constitution and statutes; effect thereof with attorney general's indorsement.
13-1-3.	Amount and purpose of indebtedness for which bonds may be issued.	13-1-17.	Bonds may be registered; coupon bonds may be registered as to principal.
13-1-4.	Bond issue proposal to be submitted to voters; election order.	13-1-18.	Registration of coupon bonds as to interest; exchange of registered bond for coupon bond.
13-1-5.	Engineer's estimate.	13-1-19.	Signing, sealing and delivery of bonds and coupons.
13-1-6.	Bonds may be specified for more than one purpose; single or general purpose defined.	13-1-20.	Imposition and collection of tax to pay bonds and interest.
13-1-6a.	When proceeds of bond issue specified for one project may be used for another project.	13-1-21.	Advertisement and sale of bonds.
13-1-7.	When election to be held.	13-1-22.	Purposes for which proceeds to be used; purchaser need not see to application thereof.
13-1-8.	Publication of notice of election.	13-1-23.	No law, order, ordinance, resolution, proceeding or publication necessary except as provided by this article.
13-1-9.	Registration of voters.	13-1-24.	Legal status of bonds.
13-1-10.	Election precincts.	13-1-25.	Copy of proceedings to be transmitted to attorney general for approval or disapproval; publication.
13-1-11.	General election laws to apply; recorders and secretaries to act in lieu of circuit clerks.		
13-1-12.	Form of ballot.		
13-1-13.	Time and manner of canvassing returns.		
13-1-14.	Resolution authorizing issuance and fixing terms of bonds.		

Sec. 13-1-26.	lication of approval or disapproval. Review in supreme court of appeals of action of attorney general. Bond issue and tax to pay bonds to be incontestable upon failure to file petition for review or dismissal thereof.	Amount of indebtedness authorized by § 13-1-3 may be increased by special act as to municipalities and independent school districts; bonds for assessments against abutting property excepted from this article.
13-1-27.	Indorsement on bonds by attorney general.	Bonds exempt from taxation.
13-1-28.	Costs of proceedings and expenses of attorney general to be paid out of proceeds of bonds or general fund.	Bonded indebtedness of school districts; annual tax to be levied and collected to pay same; definition of value.
13-1-29.	Files and records to be kept by attorney general.	Bonds 13-1-33. 13-1-34.
13-1-30.	Proceedings to issue bonds under authority of prior statutes; debts heretofore incurred.	13-1-35.

Michie's Jurisprudence. — Power of municipalities to incur and pay debts, borrow money and issue bonds, 13B M.J., Municipal Corporations, §§ 31-40.
Power of counties to do likewise; Counties, (count.) §§ 62, 63, 69-73.
W. Va. Law Review. — For note, "Municipal Bonds — The Need for Disclosure," see 78 W. Va. L. Rev. 391 (1976).
"Survey of Developments in West Virginia Law, 1985," 88 W. Va. L. Rev. 443 (1985).
This article was not repeated by §§ 11-8-1 et seq. — See Walker v. City of Charleston, 116 W. Va. 845, 182 S.E. 766 (1935).

§ 13-1-1. Political divisions authorized to issue and sell bonds.

Any county, by and through its county court [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 issue and sell its bonds, in the manner and subject to the limitations and conditions hereinafter contained in this article. (1923, c. 14, § 1.)

Editor's notes. — For construction of county courts as county commissions, see W. Va. Const., art. IX, § 9.
Acts 1923, Ex. Sess., c. 8, abolished "existing magisterial school districts and subdistricts and independent districts." See § 18-1-3.
Intergovernmental agreement. — A provision of an intergovernmental agreement signed by three counties, when read in conjunc-

§ 13-1-1a. Exemption from interest rate ceilings.

Notwithstanding any other provision in this Code to the contrary, any municipality, county or state agency shall be free of interest rate restrictions

when obtaining loans from the farmers home administration, housing and urban development and the economic development authority where such loans are made from federal moneys and are made for public projects. It is the intention of the legislature that the political subdivisions of this State take maximum possible advantage of federal programs and financing alternatives where such would be in the best interests of this State. (1982, c. 93.)

§ 13-1-2. Purposes for which bonds may be issued.

Debt may be incurred and bonds issued under this article for the purpose of acquiring, constructing and erecting, enlarging, extending, reconstructing or improving any building, work, utility or undertaking, or for furnishing, equipping and acquiring or procuring the necessary apparatus for any building, work, improvement or public use, or for establishing and maintaining a library or museum for the public use, or a building or structure for educational purposes, or acquiring a recreation park for the public use, or for acquiring, constructing, furnishing, equipping and maintaining civic arenas, auditoriums, exhibition halls and theaters, or for other similar corporate purpose, for which the political division is authorized to levy taxes or expend public money. But no bonds shall be issued for the purpose of providing funds for the current expenses of any body or political division. Interest accruing during the construction period, that is to say, the time when an improvement is under construction and six months thereafter, shall be deemed a part of the cost of the improvement, and shall not be deemed current expenses. All engineering and inspection costs, including a proper proportion of the compensation, salaries and expenses of the engineering staff of the political division properly chargeable to any work or improvements, as determined by the governing body, or the estimated amount of such costs, shall be deemed part of the cost of an improvement. All costs and estimated costs of the issuance of bonds shall be deemed a part of the cost of the work or improvement, or of the property, or of the carrying out of the purposes for which such bonds are to be issued. The power to acquire or construct any building, work or improvement as herein provided shall be deemed to include the power to acquire the necessary lands, sites and rights-of-way therefor.

Bonds may also be issued by any municipality having a population of fifty thousand or more or by any county for the purpose of acquiring land and constructing a building or buildings for use and occupancy as a college. The proposal for such a bond issue shall contain a provision that there shall be created a commission or committee for the purpose of operating the building or buildings and for renting the same for an amount sufficient to pay the interest and sinking fund on the bonds proposed to be issued, and shall contain a further provision that in the event a sufficient amount is not realized from rent or rents for the purpose of meeting the debt service, then the city or county shall lay a levy for such purpose in an amount sufficient within the constitutional and statutory limitation to pay the interest and principal on such bonds as the same become due and payable. The proposal may also contain a provision that when the bonds and the interest thereon shall have been paid,

then the title to the land and the building or buildings situated thereon may be transferred to the college to which the same have been rented. (1923, c. 14, § 2; 1941, c. 8; 1945, c. 17; 1974, c. 8.)

Cross references. — Political divisions authorized to issue and sell bonds, § 13-1-1. Amount of the indebtedness for which bonds may be issued, § 13-1-3. Purposes for which proceeds to be used, § 13-1-22.

Editor's notes. — Acts 1911, c. 38, § 25a, authorizing the bonding of a magisterial district for the construction of roads therein, did not contemplate bridges over large streams as a part of public roads, and it was held that an issue of magisterial district bonds under Acts 1911, c. 38, § 25a, not solely for the construction of roads in the district, but largely for the construction or purchase of bridges therein exceeding five feet in length, was illegal and void. See *Hedrick v. County Court*, 71 W. Va. 732, 77 S.E. 389 (1913).

In general. — It was said in the case of *Pfalzgraf v. County Court*, 73 W. Va. 723, 81 S.E. 397 (1914), that the section authorizing the issuance of bonds for road improvement did not implicitly repeal Acts 1905, c. 51, limiting the indebtedness of counties, cities, school districts and municipal corporations to two and one-half percent of the assessed value of the taxable property therein.

Bonds must be for municipal uses. — Under Acts 1872, c. 141, § 1, which has been superseded and in some respects modified radically by this section, it was held that it was not the intention of the legislature to authorize and empower cities, towns, or municipal corporations to issue bonds for purposes other than municipal or corporate uses. *Ohio Valley Iron Works v. Town of Moundsville*, 11 W. Va. 1 (1877).

Interest payment. — Section specifically authorizes the use of bond proceeds to pay any

interest accruing during construction or six months thereafter. *Op. Atty Gen.*, Aug. 2, 1978. **Refund of bond proceeds or reduction in tax levy prohibited until sufficient funds on deposit.** — Where in order to meet interest obligations due on bonds prior to first levy of taxes for payment of their principal and interest, county school board forwarded portion of bond proceeds to municipal bond commission, and subsequently tax collections exceeded the amount necessary to meet present principal and interest payments and would be sufficient to pay future obligations, the municipal bond commission could not refund any part of bond proceeds forwarded to the commission by the county board of education nor reduce the taxes to be levied below that sum required by § 13-1-34 until such time as sufficient funds were on deposit with the commission to pay interest accruing in all subsequent years and to retire the bonds, however, after retirement of all bonds, any balance in the account could be refunded. *Op. Atty Gen.*, Aug. 2, 1978.

Courthouse. — As to financing of new courthouses, see 45 *Op. Atty Gen.*, 409 (1953).

Dam. — Where a proposed multiple purpose dam will be constructed, operated and owned by the federal government, which will purchase the property necessary for such project along with any easements and rights-of-way which are needed, the project, upon completion, will not be the property of the county; hence, under the provisions of this chapter, a county court (now county commission) cannot be authorized to issue and sell its general obligation bonds therefor. 47 *Op. Atty Gen.*, 234 (1957).

School textbooks. — A county board of education is not authorized to incur indebtedness by the issuance of general obligation bonds for the purpose of purchasing school textbooks for students. 31 *Op. Atty Gen.*, 323 (1965).

Cited in. State ex rel. *Pardue v. County Court*, 105 W. Va. 235, 141 S.E. 874 (1928).

§ 13-1-3. Amount and purpose of indebtedness for which bonds may be issued.

No political division authorized by this article to issue bonds, except county boards of education, shall by any bond issue, become indebted to an amount, including all other indebtedness, exceeding two and one-half percent of the value of the taxable property therein, as shown by the last assessment thereof, for state and county purposes, next prior to the issuing of such bonds: Provided, that any county for the erection and equipment of a courthouse and/or jail for such county, with funds borrowed from the government of the United States or any governmental agency, federal or state, and any municipal corporation of three hundred inhabitants or more, for the purpose of grading, paving, sewerage, and otherwise improving or reimproving its streets and alleys, or for establishing and maintaining a library or museum for the public

use, or a building or structure for educational purposes, or acquiring a recreation park for the public use, or for acquiring, constructing, furnishing, equipping and maintaining civic arenas, auditoriums, exhibition halls and theatres, may become indebted and issue bonds in an additional sum not exceeding two and one-half percent of the value of the taxable property therein, ascertained as aforesaid: Provided, however, That no county board of education authorized by this article to issue bonds, shall, by any bond issue, become indebted, in any manner, or for any purpose, to an amount, including all other indebtedness, in the aggregate, exceeding five percent on the value of the taxable property therein, in the county school district to be ascertained by the last assessment for state and county taxes, previous to the incurring of such indebtedness, in the manner provided by the "School Bond Amendment," as ratified.

The term "sewerage" as used herein shall be treated in a comprehensive sense, so as to include all mains, laterals, connections, traps, incinerating and disposal plants, and other necessary and convenient accessories to a modern sanitary and efficient sewerage system and shall include storm sewers.

The county court [county commission] of any county is hereby authorized and empowered to negotiate and sell to the government of the United States or to any governmental agency, federal or state, at private sale, at not less than par any bonds issued for the purpose of erecting and equipping a courthouse or other public buildings for such county, under and by virtue of this article, without first offering them for sale at public auction, or to any other person or agency. (1923, c. 14, § 3; 1925, c. 42; 1927, c. 58; 1931, c. 36; 1935, c. 21, 1941, c. 8; 1945, c. 17; 1951, c. 153; 1974, c. 8.)

Cross references. — Tax limitation amendments, W. Va. Const., art. X, § 1.

Certain bond issues to which this section is inapplicable, § 11-8-16.

Editor's notes. — For construction of county courts as county commissions, see W. Va. Const., art. IX, § 9.

Constitutionality. — A similar act, Acts 1905, c. 51, limiting the indebtedness of counties, cities, school districts and municipal corporations to two and one-half percent of the assessed value of the taxable property therein was held not to be in conflict with W. Va. Const., art. X, § 8. *Pfalzgraf v. Wood County Court*, 73 W. Va. 723, 81 S.E. 397 (1914). See also *Sanders*

v. *County Court*, 115 W. Va. 187, 174 S.E. 878 (1934), holding that constitutional and statutory limitations on the indebtedness of distinct political divisions apply distributively and not collectively.

No obligation in excess of legally available revenue. — Obligations of political divisions of a state may not be incurred in excess of the legally available revenue derived from taxes raised by valid levies or from other legally authorized sources. *State ex rel. County Court v. Partlow*, 130 W. Va. 777, 45 S.E.2d 506 (1947).

Cited in. *Sessler v. Partlow*, 126 W. Va. 232, 27 S.E.2d 829 (1943).

§ 13-1-4. Bond issue proposal to be submitted to voters; election order.

No debt shall be contracted or bonds issued under this article until all questions connected with the same shall have been first submitted to a vote of the qualified electors of the political division for which the bonds are to be issued, and shall have received three fifths of all the votes cast for and against the same. The governing body of any political division referred to in this article may, and when requested so to do by a petition in writing, praying that bonds

be issued and stating the purpose and amount thereof, signed by legal voters of the political division equal to twenty percent of the votes cast in a county or magisterial district for governor, or in a municipal corporation or school district for mayor or members of the board of education, as the case may be, shall, by order entered of record, direct that an election be held for the purpose of submitting to the voters of the political division all questions connected with the contracting of debt and the issuing of bonds. Such order shall state:

- (a) The necessity for issuing the bonds, or, if a petition has been filed as provided herein, that such petition has been filed;
- (b) If for the construction of a county-district road or bridge thereon, a summary of the engineer's report provided for in the following section [§ 13-1-5] setting forth the approximate extent and the estimated cost of the proposed improvement, and the kind or class of work to be done thereon;
- (c) Purpose or purposes for which the proceeds of bonds are to be expended;
- (d) Valuation of the taxable property as shown by the last assessment thereof for state and county purposes;
- (e) Indebtedness, bonded or otherwise;
- (f) Amount of the proposed bond issue;
- (g) Maximum term of bonds and series;
- (h) Maximum rate of interest;
- (i) Date of election;
- (j) If a special election, names of commissioners for holding same;
- (k) If registration of voters is necessary, notice of the time, place and manner of making same;
- (l) That the levying body is authorized to lay a sufficient levy annually to provide funds for the payment of the interest upon the bonds and the principal at maturity, and the approximate rate of levy necessary for this purpose;
- (m) In the case of school bonds, that such bonds, together with all existing bonded indebtedness, will not exceed in the aggregate five percent of the value of the taxable property in such school district ascertained in accordance with section 8, article X of the Constitution; and that such bonds will be payable from a direct annual tax levied and collected in each year on all taxable property in such school district sufficient to pay the principal and the interest maturing on such bonds in such year, together with any deficiencies for prior years, within, and not exceeding thirty-four years, which tax levies will be laid separate and apart 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, and said tax may be levied outside the limits fixed by section 1, article X of the Constitution.

Any other provision which does not violate any provision of law, or transgress any principle of public policy, may be incorporated in the order. (1923, c. 14, § 4; 1951, c. 153; 1959, c. 132.)

Cross references. — Certain bond issues has adopted a rule of decision in *W. Va. Const.*, which this section is inapplicable, § 11-8-16. art. X, §§ 1 and 8, and in this section, § 13-1-4 and § 11-8-16, applicable to all bond Constitutionalality. — That West Virginia

referenda and increases in taxes, by which the strong consensus of three fifths is required before indebtedness is authorized, does not violate the equal protection clause or any other provision of the United States Constitution. *Gordon v. Lance*, 403 U.S. 1, 91 S. Ct. 1389, 29 L. Ed. 2d 273 (1971).

The supreme court of the United States in *Gordon v. Lance*, 403 U.S. 1, 91 S. Ct. 1389, 29 L. Ed. 2d 273 (1971), reversed the judgment of the West Virginia supreme court of appeals which held unconstitutional *W. Va. Const.*, art. X, §§ 1 and 8, and § 11-8-16, this section, and § 13-1-14, because violative of the equal protection clause of the Constitution of the United States. *State ex rel. Heavener v. Perry*, 155 W. Va. 353, 184 S.E.2d 136 (1971).

West Va. Const., art. X, §§ 1 and 8, singles out no discrete and insular minority for special treatment. The three-fifths voting requirement applies equally to all bond issues and tax increases for any purpose, whether for schools, sewers or highways. *Gordon v. Lance*, 403 U.S. 1, 91 S. Ct. 1389, 29 L. Ed. 2d 273 (1971).

Construction. — This section is clear and unambiguous. *State ex rel. Elliott v. Adams*, 155 W. Va. 110, 181 S.E.2d 276 (1971).

Section mandatory. — This section, which provides, *inter alia*, that a city council, when requested by petition signed by legal voters as provided therein, shall direct that an election be held to determine all questions connected with the contracting of debt and the issuing of bonds, is mandatory, and, upon the refusal by a city council to comply with those mandatory terms, where all the provisions of the statute have been complied with, mandamus lies to compel the calling of such election and the submission of such question. *State ex rel. Elliott v. Adams*, 155 W. Va. 110, 181 S.E.2d 276 (1971).

Where a valid petition is submitted to a city council in a proper case, that body has a mandatory duty to submit the question to the voters of the city in accordance with the provisions of this section. *State ex rel. Elliott v. Adams*, 155 W. Va. 110, 181 S.E.2d 276 (1971).

Mandamus. — Mandamus is the proper remedy to compel a city council to submit a question to the voters where the law provides for such submission and council refused to do so. *State ex rel. Elliott v. Adams*, 155 W. Va. 110, 181 S.E.2d 276 (1971).

When the requisite number of signatures is contained upon a valid petition, mandamus will lie to compel the council to submit the question to the voters at an election where the council has refused to adopt the ordinance or submit the question to the voters of the municipality. *State ex rel. Elliott v. Adams*, 155 W. Va. 110, 181 S.E.2d 276 (1971).

Mandamus will lie to require a city council, upon the filing of a proper petition, to submit

the question to the voters of the city, and even though the ordinance, if passed, would carry with it fatal infirmities, it would go into operation, if adopted, and become legally advantageous to the relators in mandamus. *State ex rel. Elliott v. Adams*, 155 W. Va. 110, 181 S.E.2d 276 (1971).

Where petitioners file a petition before a city council requesting that the council undertake procedure to submit a bond issue to a vote of the people in accordance with a provision of a city charter and the council fails to give petitioners the relief sought under the charter provisions, such petitioners cannot by mandamus proceed. *State ex rel. Heavener v. Perry*, 155 W. Va. 353, 184 S.E.2d 136 (1971).

Refunding bonds. — The rule that refunding bonds do not create a new debt and, therefore, may be issued without voter approval under *W. Va. Const.*, art. X, §§ 8, 10, is subject to certain qualifications: First, the amount of refunding bonds cannot increase the total indebtedness authorized by the voters on the original bond issue; secondly, refunding bonds ordinarily may not be liquidated over a period longer than authorized for the original bond issue; and thirdly, the aggregate of the principal and interest payments made on the original bonds prior to their refunding, when added to the amounts to be paid on the refunding bonds and any outstanding original bonds that are issued but not refunded, cannot exceed the original indebtedness authorized by the voters. *Board of Educ. v. Slack*, 174 W. Va. 437, 327 S.E.2d 416 (1985).

Valuation for bond levy purposes. — It is apparent from this section that the special bond levy is set annually based upon the current year's appraised values. *Board of Educ. v. Slack*, 174 W. Va. 437, 327 S.E.2d 416 (1985).

This article contemplates general obligation bonds. — See 46 Op. Atty Gen. 337 (1955).

Authority to issue revenue bonds cannot be given by affirmative vote. — Authority of the county court (now county commission) to issue revenue bonds for the construction of an armory cannot be given by an affirmative vote of the voters of the county; such authority can only be given by appropriate legislative action. 46 Op. Atty Gen. 337 (1955).

Method of financing. — The method of financing known as the "restricted special fund" theory, has been upheld by an almost unbroken line of authorities. The legislature has recently adopted the "broad special fund" theory of subjecting the revenues from the entire system to the payment of bonds issued

for the improvement and extension of an existing water plant. The validity of such legislation is now recognized in almost all jurisdictions. *Casto v. Town of Ripley*, 114 W. Va. 668, 173 S.E. 886 (1934).

Approval of bond issue in an amount in excess of that permitted by law. — County bonds in an amount which can be paid from legal maximum levies as part of a proposed issue of bonds of an aggregate in excess of the limits permitted by law are not valid and cannot be issued or used to complete a different and less costly project than the project specified in the proposed issue submitted to voters and the completion of which would require the proper expenditure of the entire principal amount of the proposed issue. *State ex rel. County Court v. Partlow*, 130 W. Va. 777, 45 S.E.2d 506 (1947).

Notice of indebtedness requirement. — The requirement that voters be correctly advised as to all existing indebtedness is mandatory and calls for the utmost good faith in its compliance on the part of the county court (now county commission). *Sessler v. Partlow*, 126 W. Va. 232, 27 S.E.2d 829 (1943).

Under this section, the failure of a county court (now county commission) to include in its

order calling an election to vote on a proposed issue of county bonds, a statement of the amount of an existing overdraft in the county fund, not provided for out of the levies of the current fiscal year, renders void the election held thereunder, and the issue of bonds attempted to be authorized thereby. *Sessler v. Partlow*, 126 W. Va. 232, 27 S.E.2d 829 (1943).

Order submitting bond issue must state approximate rate of levy needed for sinking fund requirements. — This section requires that an order submitting the approval or disapproval of a bond issue to a vote of the people state the approximate rate of levy necessary to meet the sinking fund requirements, and this rate of levy must be substantially complied with. *Baxa v. Partlow*, 132 W. Va. 859, 54 S.E.2d 825 (1949).

Rates of levy. — The rates of levy adopted by the people at a bond election are binding and where a subsequent order expressly provided that this rate could be exceeded, the provision in the order was invalid and of no effect. *Baxa v. Partlow*, 132 W. Va. 859, 54 S.E.2d 825 (1949). Stated in *Appalachian Power Co. v. County Court*, 146 W. Va. 118, 118 S.E.2d 531 (1961).

Cited in *State ex rel. Todd v. Steen*, 106 W. Va. 325, 145 S.E. 602 (1928).

§ 13-1-5. Engineer's estimate.

Before ordering an election on the question of issuing bonds to construct a county-district road or bridge, whether acting on its own motion or on petition, the county court [county commission] shall instruct the county road engineer, or some other engineer designated by it for the purpose, to make an investigation and furnish to the court an estimate of the probable cost of the proposed improvement. (1923, c. 14, § 5.)

Editor's notes. — For construction of county courts as county commissions, see W. Va. Const., art. IX, § 9.

§ 13-1-6. Bonds may be specified for more than one purpose; single or general purpose defined.

The order or ordinance submitting the proposition of issuing bonds to a vote may specify more than one purpose for which bonds are to be issued: Provided, That the amount of the proceeds of the issue to be used for each purpose shall also be specified therein: Provided further, That all expenditures, including but not limited to expenditures for the acquisition of sites, the construction, erection, equipping and furnishing of one or more buildings, structures, improvements or facilities, or group of buildings, structures, improvements or facilities, and the relocation, alteration, renovation or enlargement of any existing buildings, structures, improvements or facilities, or group of buildings, structures, improvements or facilities, for the same general purpose shall be construed to be a single purpose within the meaning of this section. It shall

not be necessary to specify in the order or ordinance submitting the proposition the amount of the proceeds of such bond issue to be used for each such site, building, structure, improvement or facility, or group of buildings, structures, improvements or facilities, which are a part of the same general purpose and it shall be sufficient compliance with this section if such order or ordinance state only the general purposes for which bonds are to be issued and the amount of the proceeds of such issue to be used for each such general purpose. (1923, c. 14, § 6; 1965, c. 125.)

Amounts for several projects must be specified. — A city bond issue for different projects cannot be sustained unless the ordinance which submitted the proposed issue to a vote of the people clearly specified the amounts to be used for the several projects, respectively. *State ex rel. Davenport v. Meadows*, 120 W. Va. 602, 199 S.E. 883 (1938).

Substantial variance invalidates issue. — In the submission to a vote of the people of a proposed bond issue embracing several municipal projects, the amounts specified in the ordinance for the projects, respectively, shall also be set forth in the ballot, and a substantial variance will invalidate the issue. *State ex rel. Davenport v. Meadows*, 120 W. Va. 602, 199 S.E. 883 (1938); *Jarrell v. Board of Educ.*, 131 W. Va. 702, 50 S.E.2d 442 (1948).

Diversion of funds prohibited. — A city may not use the balance of \$200,000, remaining after the completion of the first five individual projects contained in a bond issue, for the purpose of implementing the total amount available for project number six. Such action, if carried into effect, would constitute a diversion of the funds, which the law forbids. 47 Op. Atty. Gen. 33 (1956).

Airports. — Only one purpose was contemplated by county court (now county commission) where it had in mind to "establish, acquire and construct an airport . . ." and to submit to the voters the question of issuing bonds. Hence, it was not a case coming within the requirements of this section. *Sessler v. Partlow*, 126 W. Va. 232, 27 S.E.2d 829 (1943).

§ 13-1-6a. When proceeds of bond issue specified for one project may be used for another project.

If the order or ordinance submitting the proposition of issuing bonds to a vote specifies several projects within the same general purpose and the amount of the proceeds of such issue to be used for each project and for any reason one or more of said projects cannot be constructed, carried out, or completed, the amount of money specified for such projects and any sums remaining unused upon completion of any one of the specified projects may be allocated by the governing body in its discretion to and expended for any one or more of the remaining projects specified in said order or ordinance if said order or ordinance of submission shall contain a provision authorizing it to do so. (1965, c. 126.)

§ 13-1-7. When election to be held.

Elections for the purpose of voting upon questions of issuing bonds may be held at any general, primary, or special election which the fiscal body in its order submitting the same to a vote may designate, except that, when a petition is filed asking that bonds be issued, the fiscal body with which the same is filed, if it be not designated in the petition that the election shall be held at a general or primary election, shall order a special election to be held within sixty days from the date of the filing of such petition; or, if it be a petition for bonds for the construction of county-district roads or bridges thereon, the election shall be held within sixty days from the filing of the

§ 13-1-11. General election laws to apply; recorders and secretaries to act in lieu of circuit clerks.

All the provisions of the general election laws of this State concerning general, primary or special elections, when not in conflict with the provisions of this article, shall apply to bond elections hereunder, insofar as practicable: Provided, That in bond elections for municipalities, school or independent school districts, the recorders and secretaries, respectively, shall procure and furnish to the election commissioners at each voting precinct the ballots, pollbooks, tally sheets and other things necessary for conducting the election, and perform all duties imposed by law upon clerks of the circuit courts in relation to general elections. (1923, c. 14, § 11.)

ALR references. — Rescission of vote authorizing school district or other municipal bond issue, expenditure, or tax, 66 ALR2d 1041.

Inspection of polling places. — The secretary of state, as chief election official under § 3-1A-6, and his designates are allowed to enter polling places on election day in an effort to ensure that an election is running smoothly and without error or fraud. Op. Atty Gen., Oct. 22, 1979.

Certification of election officials. — County board of education is the proper body to certify election officials for general obligation bond issue election. 47 Op. Atty Gen. 158 (1957).

County court (now county commission) to conduct recount. — In the absence of any conflicting statute, and under the provisions of this section and § 3-6-9, the county court (now county commission), as a board of canvassers of the county, is vested with the power and authority to recount the ballots cast at a special bond election in the county and is the proper governmental instrumentality to conduct such

recount. State ex rel. Bumgarner v. County Court, 147 W. Va. 52, 125 S.E.2d 888 (1962). Recount must be prompt. — The county court (now county commission), as the board of canvassers of the county, being vested with the power and authority to conduct a recount of the ballots cast at special bond elections, is subject to the duty to conduct such recount promptly and without unnecessary delay and to comply with the public policy of the State which requires diligent and timely action by officers, boards, tribunals and courts in ascertaining, declaring and certifying the final results of an election. State ex rel. Bumgarner v. County Court, 147 W. Va. 52, 125 S.E.2d 888 (1962).

Duty to provide polling places. — The duty to provide polling places in special elections for school purposes is imposed solely upon the county court (now county commission) and not the board of education. Op. Atty Gen., July 25, 1969.

Applied in Mingo County Taxpayers Ass'n v. Board of Educ., 122 W. Va. 109, 7 S.E.2d 656 (1940).

§ 13-1-12. Form of ballot.

The ballots to be used at elections under this article shall be in substantially the following form:

Shall (name of political division) incur debt and issue bonds to the amount of \$....., to run not more than years from the date thereof, with interest not exceeding the rate of percent per annum, for the purpose of, and levy taxes sufficient to pay the interest on and the principal of such bonds.

- Yes.
 No.

NOTICE 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 it, place a similar mark before the word "No." (1923, c. 14, § 12.)

engineer's report as provided for in section five [§ 13-1-5] of this article. (1923, c. 14, § 7.)

Questions at special election designated for consideration of constitutional amendments limited. — When the legislature, by law, designates that one or more proposed amendments are to be submitted to the voters at a special election, it would be unconstitutional and prohibited for the voters of any county to consider the question(s) of whether or

§ 13-1-8. Publication of notice of election.

Notice of all bond elections shall be given by publication, within fourteen consecutive days next preceding the date of the election, of the order provided for in section four [§ 13-1-4] of this article as a Class II-0 legal advertisement in compliance with the provisions of article three [§§ 59-3-1 et seq.], chapter fifty-nine of this Code, and the publication area for such publication shall be the political division in which the election is to be held. (1923, c. 14, § 8; 1967, c. 105.)

Editor's notes. — By Acts 1921, c. 112 § 106, it was provided that the clerk shall "forthwith" in a conspicuous place in his office and at the front door of the courthouse post the order of notice, and under such section it was held that a notice of a bond issue to build a road, seven days after the order and thirty days before the election, was posted "forthwith" as required by the section. See Vineyard v. County Court, 92 W. Va. 51, 114 S.E. 380 (1922).

Section liberally construed. — Under this section a liberal rather than a technical rule of construction should be applied. Stanley v. Kanawha County Court, 84 W. Va. 619, 100 S.E. 408 (1919).

Continuous publication. — Where a publication is required "for" a given number of days or weeks, it must be for each day or week for the required number of days or weeks, thereby giving force to the preposition "for" and distinguishing that class of statutes from those where continuity is not contemplated or so indicated by the use of the preposition. Stanley v. Kanawha County Court, 84 W. Va. 619, 100 S.E. 408 (1919).

Stated in Board of Educ. v. Slack, 174 W. Va. 437, 327 S.E.2d 416 (1985).

§ 13-1-9. Registration of voters.

The registration of voters and the use of registration books prescribed by general law shall be applicable to any election under this chapter. (1923, c. 14, § 9.)

Cross references. — General law pertaining to registration of voters, §§ 3-2-1 et seq.

§ 13-1-10. Election precincts.

Elections for bond issues for counties, districts and school districts shall be held at the voting precincts established for holding general elections, for municipalities, at the precincts established for the election of municipal officers; and for independent school districts, at the precincts used for voting for boards of education. (1923, c. 14, § 10.)

Failure of municipality to use ballot prescribed does not invalidate election. — Failure to use the form of ballot prescribed by this section, in an election held by a municipality upon the question of the issuance of municipal bonds for street improvement to be paid for in whole or in part by assessment against abutting property, does not render the election invalid. *Sexton v. Lee*, 100 W. Va. 369, 130 S.E. 437 (1925).

§ 13-1-13. Time and manner of canvassing returns.

The authorities calling bond elections shall canvass the returns at the same time with reference to the election and in the same manner as is required of county courts [county commissions] for general elections. (1923, c. 14, § 13.)

Editor's notes. — For construction of county courts as county commissions, see *W. Va. Const.*, art. IX, § 9.
Authority to canvass returns. — The county board of education is authorized to can-

Ballot clearly indicating intention of voter sufficient. — If the form of ballot to be used in municipal bond elections be not prescribed by statute, a ballot which clearly indicates the intention of the voter on the proposition submitted will suffice. *Sexton v. Lee*, 100 W. Va. 389, 130 S.E. 437 (1925).

§ 13-1-14. Resolution authorizing issuance and fixing terms of bonds.

If three fifths of all the votes cast for and against the proposition to incur debt and issue negotiable bonds shall be in favor of the same, the governing body of the political division shall, by resolution, authorize the issuance of such bonds in an amount not exceeding the amount stated in the proposition; fix the date thereof; set forth the denominations in which they shall be issued; determine denominations shall be one hundred dollars or multiples thereof; determine the rate or rates of interest which the bonds shall bear, which rate or rates of interest shall be within the maximum rate stated in the proposition submitted to vote and payable semiannually; prescribe the medium with which the bonds shall be payable; require that the bonds shall be made payable at the office of the state treasurer and at such other place or places as the body issuing the same may designate; provide for a sufficient levy to pay the annual interest on the bonds and the principal at maturity; fix the times within the maximum period, as contained in the proposition submitted to vote, when the bonds shall become payable, which shall not exceed thirty-four years from the date thereof; determine whether all or a portion of the bonds shall be subject to redemption prior to the maturity thereof and, if so, the terms of the redemption; and prescribe a form for executing the bonds authorized. (1923, c. 14, § 14; 1970, c. 9; 1980, c. 33; 1981, 1st Ex. Sess., c. 2; 1990, 3rd Ex. Sess., c. 5; 1994, c. 13; 1998, c. 320.)

Effect of amendment of 1998. — The amendment, effective March 13, 1998, substituted "the state treasurer" for "the state board of investments."
Constitutionality. — The supreme court of the United States in *Gordon v. Lance*, 403 U.S.

of the Constitution of the United States. *State ex rel. Heavener v. Perry*, 155 W. Va. 353, 184 S.E.2d 136 (1971).

That West Virginia has adopted a rule of decision in W. Va. Const., art. X, §§ 1 and 8, and in § 13-1-4, this section, and § 11-8-16, applicable to all bond referenda and increases in taxes, by which the strong consensus of three fifths is required before indebtedness is authorized, does not violate the equal protection clause or any other provision of the United States Constitution. *Gordon v. Lance*, 403 U.S. 1, 91 S. Ct. 1889, 29 L. Ed. 2d 273 (1971).

West Va. Const., art. X, §§ 1 and 8, singles out no discrete and insular minority for special treatment. The three-fifths voting requirement applies equally to all bond issues and tax increases for any purpose, whether for schools, sewers, or highways. *Gordon v. Lance*, 403 U.S. 1, 91 S. Ct. 1889, 29 L. Ed. 2d 273 (1971).

Variance in interest rates. — Issuance of different blocks, amounts, or series of bonds of a total authorized bond issue, may have variance

in the coupon interest rates, provided none of the interest rates exceed the maximum authorized interest rate. 45 Op. Atty Gen. 303 (1953).

Issuance of less than total amount authorized. — Under this section, relating to an original bond issue, it appears that the legislature intended that a bond-issuing authority could issue less than the total amount of bonds authorized at the election, if under all the circumstances the projects authorized by the voters can still be completed. *Board of Educ. v. Slack*, 174 W. Va. 437, 327 S.E.2d 416 (1985).

Registration of bonds. — This section and § 13-2-2, which authorize a bond-issuing authority to have bonds payable at the office of the treasurer of state and at such other places that the bond-issuing authority may designate, provide sufficient authority to permit the bonds to be registered at the place of payment. *Board of Educ. v. Slack*, 174 W. Va. 437, 327 S.E.2d 416 (1985).

§ 13-1-15. Bonds to be payable in annual installments.

Such bonds shall be made payable in annual installments beginning not more than two years after the date thereof, and the amount payable in each year may be so fixed that, when the annual interest is added to the principal amount to be paid, the total amount payable in each year in which part of the principal is payable shall be as nearly equal as practicable. It shall be an immaterial variance if the difference between the largest and smallest amounts of principal and interest payable annually during the term of the bonds shall not exceed three percent of the total authorized issue. Or, such bonds may be payable in annual installments beginning not more than two years after the date thereof, each installment being as nearly equal in principal amount as may be practicable. (1923, c. 14, § 14.)

§ 13-1-15a. Bonds may be subject to redemption.

All or a portion of such 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 section fourteen [§ 13-1-14] of this article. The body issuing the bonds may 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 such bonds in such year. (1994, c. 13.)

§ 13-1-16. Recital of certification that bonds are issued in conformity with Constitution and statutes; effect thereof with attorney general's indorsement.

The resolution authorizing the bonds provided for in section fourteen

[§ 13-1-14] of this article may direct that they 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."

Such recital, when such bonds shall have been indorsed by the attorney general as provided in section twenty-eight [§ 13-1-28] of this article, shall be deemed an authorized declaration by the governing body of the political division and to import that there is constitutional and statutory authority for incurring the debts and issuing the bonds; that all the proceedings therefor are regular; that all the acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of the bonds, have existed, happened and been performed in due time, form and manner as required by law; that the amount of the bond and the issue of which it forms a part, together with all other indebtedness, does not exceed any limit or limits prescribed by the Constitution or statutes of this State; and that all questions connected with incurring the debt and issuing the bonds have been first submitted to a vote of the people and have received three fifths of all the votes cast for and against the same at an election regularly called and held for the purpose after notice published and posted in the manner required by law. If any bond be issued containing the said recital, and also containing the indorsement of the attorney general as aforesaid, it shall be conclusively presumed that said recital, construed according to the import hereby declared, is true, and neither the political division nor any taxpayer thereof shall be permitted to question the validity or regularity of the obligation in any court or in any action or proceeding. (1923, c. 14, § 15.)

§ 13-1-17. Bonds may be registered; coupon bonds may be registered as to principal.

The bonds issued hereunder may be registered or coupon bonds. Coupon bonds may be registered as to the principal in the owner's name by the state treasurer on books which shall be kept at its office for the purpose and the registration shall also be noted on the bonds, after which no transfer shall be valid unless made by the state treasurer on the books of registration and similarly noted on the bonds. Bonds registered as to principal may be discharged from registration by being transferred to bearer, after which they shall be transferable by delivery; but may again, and from time to time, be registered as to the principal amount as before. The registration of coupon bonds as to the principal sum shall not affect the negotiability of the interest coupons, but title to the same shall pass by delivery. (1923, c. 14, § 16; 1990, 3rd Ex. Sess., c. 5; 1998, c. 320.)

Effect of amendment of 1998. — The amendment, effective March 14, 1998, twice substituted "the state treasurer" for "the state board of investments."

§ 13-1-18. Registration of coupon bonds as to interest; exchange of registered bond for coupon bond.

Coupon bonds may also be registered as to the interest by the holder surrendering the bonds with the unpaid coupons attached, which bonds and coupons shall be canceled by the state treasurer. New bonds of the same date and tenor and for the same amounts as the bonds surrendered, or, at the option of the holder, a single bond for the aggregate amount of the bonds surrendered, but without interest coupons attached, shall be issued in the place of the coupon bonds and registered in the manner required in the preceding section. A registered bond may at any time be surrendered and be exchanged by the holder for a coupon bond by the holder delivering the registered bond to the state treasurer who shall cancel the same and who shall cause a new bond of the same date and tenor and for the same amount to be issued, and with interest coupons for the interest thereafter to accrue thereon attached, and deliver the same to the holder of the surrendered bond. The governing body of the county, municipal corporation or school district which issued the original bond shall issue and execute the new bond required by this section and shall pass the resolutions and ordinances necessary to authorize the same. The expense of such registration shall in all cases be paid by the holder of the bonds. (1923, c. 14, § 17; 1990, 3rd Ex. Sess., c. 5; 1998, c. 320.)

Effect of amendment of 1998. — The first and third sentences, substituted "the state amendment, effective March 14, 1998, in the treasurer" for "the state board of investments."

§ 13-1-19. Signing, sealing and delivery of bonds and coupons.

All bonds issued under this article by any county shall be signed by the president of the county court [county commission] and countersigned by the clerk of such court; bonds issued by any municipality shall be signed by the mayor or other chief executive and countersigned by the clerk, recorder or secretary; bonds issued by a district or independent school district shall be signed by the president of the board of education and countersigned by the secretary thereof. The seal of the political division shall be affixed to such bonds. Interest coupons shall be signed by the facsimile signatures of such officers. The delivery of any bonds or coupons so executed at any time thereafter shall be valid, although before the date of delivery the person signing such bonds or coupons shall have ceased to hold office. (1923, c. 14, § 18.)

Editor's notes. — For construction of county magisterial school districts and subdistricts courts as county commissions, see W. Va. and independent districts." See § 18-1-3 Const., art. IX, § 9. Cited in Board of Educ. v. Slack, 174 W. Va. Acts 1933, Ex. Sess., c. 8, abolished "existing 437, 327 S.E.2d 416 (1985).

§ 13-1-20. Imposition and collection of tax to pay bonds and interest.

It shall be the duty of the governing body of any political division, at or before the time of issuing bonds under this article, to provide for the imposition and collection annually of a tax, in excess of all other taxes, on all property subject to taxation by the political division under the Constitution and laws of this State, sufficient in amount to pay annually the interest on such debt and the principal thereof falling due in each year, such tax to be levied and collected by the same officers, at the same time and in the same manner as the general taxes of the political division. Should any political division neglect or fail for any reason to impose or collect such tax for the payment of the principal or interest of any bonded indebtedness incurred under this article, any person or interest or the state tax commissioner may enforce the imposition and collection thereof in any court having jurisdiction of the subject matter, and any suit, action or proceeding brought for such purpose shall be heard and disposed of with reasonable dispatch. (1923, c. 14, § 19.)

Rate adjustments. — This section appears including retirement of principal. Board of to permit annual adjustments to the levy rates, Educ. v. Slack, 174 W. Va. 437, 327 S.E.2d 416 if necessary, to meet the annual bond interest. (1985).

§ 13-1-21. Advertisement and sale of bonds.

The governing body of the political division issuing such bonds shall sell the same and collect the proceeds, which proceeds shall be deposited with its treasurer. The governing body of the political division shall advertise such bonds for sale, on sealed bids, which advertisement shall be published as a Class II legal advertisement in compliance with the provisions of article three §§ 59-3-1 et seq., chapter fifty-nine of this code, and the publication area for such publication shall be the political division. The first publication shall be made at least fourteen days before the date fixed for the reception of bids. Such advertisement shall also be published in a financial paper published either in the city of New York or the city of Chicago, or in a newspaper published in a city of this state having a population of not less than twenty thousand inhabitants, according to the last federal census. The governing body may reject any and all bids. If the bonds be not sold pursuant to such advertisement, they may within one hundred twenty days after the date advertised for the reception of bids, be sold by the governing body at private sale, but no private sale shall be made at a price less than the highest bid which shall have been received. If not sold, such bonds shall be readvertised in the manner herein provided. In no event shall bonds be sold for less than their par value. (1923, c. 14, § 20; 1967, c. 105; 1981, 1st Ex. Sess., c. 2, 1992, c. 29.)

Discount sales. — A discount sale of a refunding bond is not prohibited. Board of Educ. v. Slack, 174 W. Va. 437, 327 S.E.2d 416 (1985).

§ 13-1-22. Purposes for which proceeds to be used; purchaser need not see to application thereof.

The proceeds derived from the sale of any bonds shall be used only for the purpose or purposes for which the bonds were issued as set out in the order or ordinance submitting the question to vote, but the purchaser of the bonds shall not be obliged to see to the application thereof. (1923, c. 14, § 21.)

Limitations not forbidden by fundamental law may be imposed on expenditures. — The board of education may place upon the expenditure of funds any limitations or restrictions not forbidden by the fundamental law in the original order and bond ballot. 46 Op. Att'y Gen. 375 (1956).

Hence, it was legal and proper for a county board of education to use the proceeds designated for "Simmons" in a bond issue election for the necessary expansion of facilities at several schools in the "Simmons" community. 46 Op. Att'y Gen. 375 (1956).

Authority to designate location of municipal park when bond issue does not so provide. — See 45 Op. Att'y Gen. 426 (1953).

Bond recitals control for holders in due course. — A municipal corporation is estopped by recitals in bonds to assert, as against a holder in due course, that the recitals were false or incorrect. St. Paul Fire & Marine Ins. Co. v. Town of Monongah, 209 F. Supp. 514 (N.D.W. Va. 1962).

Expenditures for approved purposes only. — A county court (now county commission) may not expend proceeds of a bond issue made under the provisions of article 1 of this chapter for purposes other than those specifically approved by the voters of that county. Op. Att'y Gen., May 28, 1969.

§ 13-1-23. No law, order, ordinance, resolution, proceeding or publication necessary except as prescribed by this article.

This article shall, without reference to any other act of the legislature, be full authority for the issuance and sale of bonds in this article authorized. No order, ordinance, resolution or proceeding in respect to the issuance of any bond under this article shall be necessary, except such as are required by this article. No publication of any order, ordinance, resolution or proceeding relating to the issuance of such bonds shall be necessary except such as is required by this article. Any publication prescribed hereby may be made in any newspaper conforming to the terms of this article, without regard to designation thereof as the official journal of the political division. (1923, c. 14, § 22.)

§ 13-1-24. Legal status of bonds.

Bonds issued under this article, except to the extent that their status shall be affected by registration made in pursuance of this article, shall have all the qualities of negotiable paper under the law merchant and shall not be invalid for any irregularity or defect in the proceedings for the issuance thereof, and shall be incontestable in the hands of bona fide purchasers or holders thereof for value. (1923, c. 14, § 23.)

§ 13-1-25. Copy of proceedings to be transmitted to attorney general for approval or disapproval; publication of approval or disapproval.

The governing body of any political division issuing bonds under this article shall, as soon as practicable after the result of the election authorizing their

issuance shall have been officially ascertained, transmit to the attorney general a duly certified copy of all orders, ordinances, proclamations, notices, advertisements, affidavits, resolutions and records of all the proceedings connected with or pertaining to such bond issue, and any other matters relative thereto which the attorney general may require. The attorney general shall thereupon either approve or disapprove the validity of such bond issue, and shall immediately notify the governing body of the political division which authorized the issuance of the bonds of his action by mail, and as soon as practicable notify the people of such political division of his approval or disapproval of such bond issue, by causing notice thereof to be published as a Class II legal advertisement in compliance with the provisions of article three [§§ 59-3-1 et seq.], chapter fifty-nine of this Code, and the publication area for such publication shall be the political division. (1923, c. 14, § 24; 1967, c. 105.)

Cross references. — See notes to § 13-1-26.
Attorney general restricted to consideration of procedural steps in passing on validity of bond issue. — The power of the attorney general in approving or disapproving the validity of a proposed bond issue, pursuant to this section, is restricted to the procedural steps taken by the political subdivision. State ex rel. Town of S. Charleston v. Partlow, 133 W. Va. 139, 55 S.E.2d 401 (1949).

Attorney general may not rule on validity of contract affecting title to land to be purchased from proceeds of bond issue. — Under this section, the attorney general of this State has no power to pass on the validity of a contract and agreement affecting the title to land to be purchased from the proceeds of a bond issue. Such question is judicial and must be determined by a court of

competent jurisdiction. State ex rel. Town of S. Charleston v. Partlow, 133 W. Va. 139, 55 S.E.2d 401 (1949).

Proceeding by attorney general does not oust jurisdiction of court. — Where, prior to the approval of a bond issue by the attorney general, a citizen and taxpayer has instituted his suit or action attacking the legality of the election, the jurisdiction of the court to hear and determine such suit or action cannot be ousted or in any manner affected, by any proceeding on the part of the attorney general, under this and §§ 13-1-26, 13-1-27. Sessler v. Partlow, 126 W. Va. 232, 27 S.E.2d 829 (1943).

Cited in State ex rel. Davenport v. Meadows, 120 W. Va. 602, 199 S.E. 883 (1938); **State ex rel. County Court v. Partlow,** 130 W. Va. 777, 45 S.E.2d 506 (1947); **Town of South Charleston v. Board of Educ.,** 132 W. Va. 77, 50 S.E.2d 880 (1948).

§ 13-1-26. Review in supreme court of appeals of action of attorney general.

For a period of ten days from and after the date of the last publication of the notice of the attorney general of his action in approving or disapproving the validity of any bond issue as provided in the preceding section [§ 13-1-25], any person in interest, or any taxpayer within the political division for which the bonds are authorized to be issued, may present his or its petition to the supreme court of appeals or to a judge thereof in vacation, praying that the action of the attorney general in approving or disapproving such bond issue, as aforesaid, be reversed or modified; and if the court, or such judge thereof in vacation, be of the opinion to hear and determine the matters in such petition set out, the case shall be proceeded with as in cases of original jurisdiction; but the petitioner shall file with the clerk of the court a bond, with security to be approved by him, and in such sum as the court or judge may fix, for the payment of such costs as may be awarded against him in said court. The clerk

of the court shall forthwith notify the attorney general and the governing body of the political division which authorized the issuance of the bonds of the action taken by the court or judge in vacation upon such petition, and for the hearing thereof the attorney general shall file with the clerk of said court all papers, documents, evidence and records, or certified copies thereof, which were before him and on which he based his approval or disapproval; and before the day fixed for final hearing, he shall file with the clerk of said court a written statement of his reasons for the approval or disapproval of the bond issue. Upon the submission of the case, the court shall decide the matters in controversy and enter such order thereon as to it may seem to be just. (1923, c. 14, § 24.)

Exercise of discretion by attorney general must not be arbitrary. — This section does not contemplate or sanction an arbitrary exercise of the discretionary powers of the attorney general. This is indicated by the provision hereof which permits an appeal to the supreme court in the event of misuse or abuse of the authority vested in the attorney general. State ex rel. Allen v. England, 86 W. Va. 508, 103 S.E. 400 (1920).

Attorney general may not withhold approval if all preliminary proceedings have been regular. — The attorney general cannot withhold his approval if all of the preliminary proceedings to the issue of the road bonds are regular or substantially so. Nor can he be permitted to give his approval if the statutory provisions have not been complied with. State ex rel. Allen v. England, 86 W. Va. 508, 103 S.E. 400 (1920).

If a judgment by the attorney general has not been attacked by a suit within the prescribed time, such judgment becomes final. State ex rel. Allen v. England, 86 W. Va. 508, 103 S.E. 400 (1920).

Review contemplated. — The provisions of this section and § 13-1-25 contemplate that when the attorney general has ruled, his action may be reviewed by the supreme court of appeals. Sessler v. Partlow, 126 W. Va. 232, 27 S.E.2d 829 (1943).

Power of review rests solely on this section. — The jurisdiction of the supreme court of appeals to review the action of the attorney general in approving or disapproving a proposed bond issue rests solely on this section, and should be proceeded with as in cases of original jurisdiction. State ex rel. Town of S. Charleston v. Partlow, 133 W. Va. 139, 55 S.E.2d 401 (1949).

Sole question ordinarily considered on review is approval or disapproval by the

attorney general of a proposed bond issue. — Generally the supreme court of appeals will not undertake in such proceeding the supervision of the expenditure of funds to be procured as the result of such bond issue. *Baxa v. Partlow*, 132 W. Va. 859, 54 S.E.2d 825 (1949); *State ex rel. Town of S. Charleston v. Partlow*, 133 W. Va. 139, 55 S.E.2d 401 (1949).

Power of attorney general limited by § 13-1-25. — The review by the supreme court of appeals of the attorney general's action in approving or disapproving a proposed bond issue contemplated by this section is limited to his action with respect to the powers he may properly exercise pursuant to § 13-1-25. *State ex rel. Town of S. Charleston v. Partlow*, 133 W. Va. 139, 55 S.E.2d 401 (1949).

Effect of appellate review on jurisdiction of lower court. — The action of the appellate court in upholding the attorney general in sustaining a county bond issue would not oust the circuit court of the county of its jurisdiction to finally hear and determine a pending suit seeking to contest the bond election and to enjoin the issuance of the bonds. *Sessler v. Partlow*, 126 W. Va. 232, 27 S.E.2d 829 (1943).

Objection to amended petition. — An objection to an amended and supplemental petition, filed more than ten days after the date of the last publication of the notice of the attorney general of his approval of a bond issue, was held to be without merit so long as the defendant was not taken by surprise or otherwise prejudiced by the filing and consideration of the supplemental petition. *Baxa v. Partlow*, 132 W. Va. 859, 54 S.E.2d 825 (1949).

Applied in State ex rel. Davenport v. Meadows, 120 W. Va. 602, 199 S.E. 883 (1938); **State ex rel. County Court v. Partlow,** 130 W. Va. 777, 45 S.E.2d 506 (1947).

Cited in Town of South Charleston v. Board of Educ., 132 W. Va. 77, 50 S.E.2d 880 (1948).

§ 13-1-27. **Bond issue and tax to pay bonds to be incontestable upon failure to file petition for review or dismissal thereof.**

If no person in interest or taxpayer shall within ten days from and after the date of the last publication of the notice of the attorney general of his action in approving or disapproving the validity of any bond issue, as provided in this article, present his or its petition to the supreme court of appeals or to a judge thereof in vacation praying that the action of the attorney general be reversed or modified, as hereinbefore provided, or if such petition be filed and the court or judge be of the opinion not to hear and determine the matters in such petition set out, the action of the attorney general shall be final and no other appeal shall be allowed therefrom; and the bond issue approved by him shall become incontestable and shall be a valid and binding obligation upon the authority issuing the same and upon the taxable property within the political division which authorized the bond issue by the vote of the people therein; and no one shall thereafter have the right to contest in any court or in any action or proceeding the legality of any election held under this article, the bond issue provided for, or the tax required to pay the same, for any cause whatsoever. (1923, c. 14, § 24.)

Applied in *Warden v. Grafton*, 125 W. Va. 27 S.E.2d 629 (1943); *In re Proposal to Incorporate Town of Chesapeake*, 130 W. Va. 527, 45 S.E.2d 1 (1943).
Cited in *Sessler v. Partlow*, 126 W. Va. 232, S.E.2d 113 (1947).

§ 13-1-28. **Indorsement on bonds by attorney general.**

After ten days shall have elapsed from and after the date of the last publication of the attorney general's notice provided for in section twenty-five [§ 13-1-25] of this article, if no proceeding be pending to have his approval of the bond issue reversed and modified, the attorney general shall indorse upon each and every bond of the issue so approved by him his certificate to the effect that such bond has been approved by him by virtue of the authority vested in him by this article; that notice of his approval was published as required by section twenty-five of this article; that ten days have elapsed since the date of the last publication of such notice; that there has been no appeal from his decision to the supreme court of appeals; and that the bond has become incontestable and is a binding obligation upon the authority issuing the same and upon the taxable property within the political division, and that the validity of such bond shall not be contested thereafter in any court or in any action or proceeding for any cause whatsoever. (1923, c. 14, § 24.)

§ 13-1-29. **Costs of proceedings and expenses of attorney general to be paid out of proceeds of bonds or general fund.**

The cost of publishing the notice to taxpayers as herein provided, and the costs of certifying and copying all records, papers and proceedings to be used by the attorney general in passing upon the validity of the bond issue, and all

necessary expense incurred by the attorney general in connection with any bond issue, shall be paid by the authority issuing such bonds out of the proceeds arising from the sale thereof, if the same be finally approved, and if the bond issue be disapproved, such expense shall be paid out of the general fund of such authority. (1923, c. 14, § 24.)

§ 13-1-30. **Files and records to be kept by attorney general.**

The attorney general shall keep on file in his office the papers pertaining to any bond issue submitted to him, and shall record his findings of approval or disapproval in a well bound book kept for that purpose in his office, which shall be open for inspection by anyone in interest during business hours. (1923, c. 14, § 24.)

§ 13-1-31. **Proceedings to issue bonds under authority of prior statutes; debts heretofore incurred.**

Nothing contained in this article shall affect in any way proceedings heretofore begun by the governing body of any political division to issue bonds under the authority of any statutes of this State heretofore in force. Such proceedings may be completed under the statute under which the same were begun and under the provisions of this article so far as the same can be made applicable thereto. Nor shall anything contained in this article invalidate any indebtedness heretofore incurred under a law then existing. (1923, c. 14, § 25.)

§ 13-1-32. **Amount of indebtedness authorized by § 13-1-3 may be increased by special act as to municipalities and independent school districts; bonds for assessments against abutting property excepted from this article.**

Notwithstanding the provisions of section three [§ 13-1-3] of this article, when by a special act of the legislature any municipality or independent school district is authorized to become indebted for any purpose or purposes in a greater amount than is fixed by said section three, bonds may be issued under this article by such municipality or independent school district in an amount not exceeding that fixed by such special act. This article shall not affect any general or special law providing for the issuing of bonds for any improvement to be paid for in whole or in part by assessment against abutting property. (1923, c. 14, § 26.)

Editor's notes. — Acts 1933, Ex. Sess., c. 8, Cited in *Sexton v. Lee*, 100 W. Va. 389, 130 abolished "existing magisterial school districts and subdistricts and independent districts." See § 18-1-3.

§ 13-1-33. Bonds exempt from taxation.

All bonds of the State of West Virginia or of any political subdivision thereof issued hereunder, or under the provisions of chapter eight [§§ 8-1-1 et seq.] of this Code, shall be exempt from all taxation by the State or by any political subdivision thereof. (1931 Code, § 13-1-33.)

Exemption must be provided by law or contract. — Unless in some way exempted by express provision of law or by contract, bonds

issued by municipal subdivisions of the State may be taxed by the State. *State v. Page*, 100 W. Va. 166, 130 S.E. 426 (1925).

§ 13-1-34. Bonded indebtedness of school districts; annual tax to be levied and collected to pay same; definition of value.

(a) Notwithstanding any other provision of this article or of any other law to the contrary, every school district, by and through its board of education, shall levy and collect in each year a direct annual tax on all taxable property in such school district sufficient to pay the principal and interest maturing in such year, together with any deficiencies for prior years, within, and not exceeding thirty-four years, on any bonded indebtedness of such school district, now or hereafter contracted, not to exceed five percent of the value of the taxable property therein to be ascertained in accordance with section 8, article X of the Constitution, which levies shall be laid separate and apart and in addition to the maximum rates provided for tax levies by school districts on the several classes of property specified 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, and which tax may be levied outside the limits fixed by said section 1, article X of the Constitution.

(b) The term "value" as used in this section and in section 8, article X of the Constitution, is used in the same context that the term "value" is used in section 1, article X of the Constitution, and means the "worth in money" of a piece of property — its market value for ad valorem property tax purposes. (1959, c. 132; 1988, 3rd Ex. Sess., c. 7.)

Refund of bond proceeds or reduction in tax levy prohibited until sufficient funds on deposit. — Where in order to meet interest obligations due on bonds prior to first levy of taxes for payment of their principal and interest, county school board forwarded portion of bond proceeds to municipal bond commission, and subsequently tax collections exceeded the amount necessary to meet present principal and interest payments and would be sufficient to pay future obligations, the municipal bond commission could not refund any part of bond

proceeds forwarded to the commission by the county board of education nor reduce the taxes to be levied below that sum required by this section until such time as sufficient funds were on deposit with the commission to pay interest accruing in all subsequent years and to retire the bonds; however, after retirement of all bonds, any balance in the account could be refunded. *Op. Atty Gen.*, Aug. 2, 1978. *Stated in Appalachian Power Co. v. County Court*, 146 W. Va. 118, 118 S.E.2d 531 (1961).

§ 13-1-35. Bonded indebtedness of counties, magisterial districts and municipal corporations; levy and collection of taxes to pay same.

Notwithstanding any other provisions of this article or any other law to the contrary, every county, by and through its county court [county commission], either for or on behalf of the county, or for and on behalf of any magisterial district, or any group of magisterial districts therein, and any municipal corporation, by and through its council or other governing body in lieu thereof, shall levy and collect in each year a direct annual tax on all the taxable property in such county, magisterial district or districts, or municipality sufficient to pay the principal and interest maturing in such year, together with any deficiencies for prior years, within, and not exceeding thirty-four years, on any bonded indebtedness of such county, magisterial district or districts, or municipality, as the case may be, now or hereafter contracted, not to exceed in the aggregate five percent of the value of the taxable property therein, to be ascertained in accordance with section 8, article X of the Constitution, which levies shall be laid separate and apart and in addition to the maximum rates provided for tax levies by such counties, magisterial district or districts, or municipalities, as the case may be, on the several classes of property specified 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, and which tax may be levied outside the limits fixed by said section 1, article X of the Constitution.

The order of the county court, either for or on behalf of the county or for and on behalf of any magisterial district, or any group of magisterial districts therein, or of any municipal corporation, by its council or other governing body in lieu thereof, hereafter adopted calling an election on the issuance of bonds be, which together with the existing bonded indebtedness of such county, magisterial district or districts, or municipality, as the case may be, will not exceed in the aggregate five percent of the value of the taxable property in such county, magisterial district or districts, or municipality, as the case may be, the value to be ascertained in accordance with section 8, article X of the Constitution, shall contain a statement in substantially the following form:

Such bonds, together with all existing bonded indebtedness of such county, magisterial district or districts, or municipality, as the case may be, will not exceed in the aggregate five percent of the value of the taxable property in such county, magisterial district or districts, or municipality, as the case may be, ascertained in accordance with section 8, article X of the Constitution; and that such bonds will be payable upon a direct annual tax levied and collected in each year on all taxable property in such county, magisterial district or districts, or municipality, as the case may be, sufficient to pay the principal and interest maturing on such bonds in such year, together with any deficiencies for prior years, within, and not exceeding thirty-four years, which tax levies will be laid separate and apart and in addition to the maximum rates provided for tax levies by counties, magisterial district or districts, or municipalities, as

the case may be, on the several classes of property specified 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; and said tax may be levied outside the limits fixed by section 1, article X of the Constitution. (1959, c. 133.)

Editor's notes. — For construction of county courts as county commissions, see W. Va. Const., art. IX, § 9. v. County Court, 146 W. Va. 118, 118 S.E.2d 531 (1961), commented on in 63 W. Va. L. Rev. 357 (1961).
Section unconstitutional. — This section attempts to confer levying power and authority upon county courts (now county commissions)

in direct conflict with W. Va. Const., art. X, § 1 and is unconstitutional. Appalachian Power Co. v. County Court, 146 W. Va. 118, 118 S.E.2d 531 (1961), commented on in 63 W. Va. L. Rev. 357 (1961).

ARTICLE 2.

REFUNDING BONDS.

Sec. 13-2-1.	What political divisions may issue refunding bonds; when issued.	Sec. 13-2-6.	Issuance without election or notice.
13-2-2.	Terms of refunding bonds; time, place and amount of payments.	13-2-7.	Invalidity of part of article not to affect other parts.
13-2-3.	Certain provisions of article one to apply to refunding bonds.	13-2-8.	Bonds exempt from taxation.
13-2-4.	Disposition of bonds; cancellation of original bonds.	13-2-9.	Funding of orders, drafts or warrants by county courts [county commissions] and boards of education at rate lower than six percent.
13-2-5.	Article sufficient authority for issuing refunding bonds.		

W. Va. Law Review. — "Survey of Developments in West Virginia Law: 1985," 88 W. Va. L. Rev. 443 (1985).

No new indebtedness created. — The issuance by a county court (now county commission) of refunding bonds to retire existing road bonds of a magisterial district under this article does not create a new indebtedness, and levies to provide debt service for the new (refunding) bonds may be laid to the same extent and with like effect as they could have been laid for the original bonds. *Keeney v. Kanawha County Court*, 115 W. Va. 243, 175 S.E. 60 (1934); *Board of Educ. v. Slack*, 174 W. Va. 437, 327 S.E.2d 416 (1985).

The rule that refunding bonds do not create a new debt and, therefore, may be issued without voter approval under W. Va. Const., art. X, §§ 8 and 10 is subject to certain qualifications: First, the amount of refunding bonds cannot increase the total indebtedness authorized by the voters on the original bond issue; secondly, refunding bonds ordinarily may not be liquidated over a period longer than authorized for the original bond issue; and, thirdly, the aggregate of the principal and interest payments made on the original bonds prior to their refunding, when

added to the amounts to be paid on the refunding bonds and any outstanding original bonds that are issued but not refunded, cannot exceed the original indebtedness authorized by the voters. *Board of Educ. v. Slack*, 174 W. Va. 437, 327 S.E.2d 416 (1985).

In action to test validity of issue, bondholders must be made parties. — A court will not consider and pass upon the constitutionality of the statute nor upon the validity of the bonds sold under the authority thereof, unless the bondholders are made parties or have their day in court. *State ex rel. Hall v. County Court*, 100 W. Va. 11, 129 S.E. 712 (1925).

Completion of project. — Where a bonding authority has been unable to market all of its original bond issue and is unable to complete the project financed by the bond issue, it may utilize for the project any unencumbered funds in its account with the bond commission in accordance with the provisions of § 13-3-9(c), as a part of a refunding bond plan to complete the original project. *Board of Educ. v. Slack*, 174 W. Va. 437, 327 S.E.2d 416 (1985).
Use of excess funds. — Section 13-9-2c, which authorizes the transfer of funds

ISSUE: The Board of Education of County of Marshall Public School Bonds, Series 2007

ADDRESS: 2700 Fourth Street, Moundsville, WV 26041

COUNTY: Marshall

PURPOSE OF ISSUE: New Money X
Refunding _____

Refunds issue(s) dated: N/A

ISSUE DATE: June 26, 2007

CLOSING DATE: June 26, 2007

ISSUE AMOUNT: \$27,900,000

RATE: 4.524760 (NIC)

1st DEBT SERVICE DUE: November 1, 2007

1st PRINCIPAL DUE: May 1, 2008

1st DEBT SERVICE AMOUNT: \$449,023.44

PAYING AGENT: MBC

BOND COUNSEL: Bowles Rice McDavid Graff & Love LLP

UNDERWRITERS COUNSEL: N/A

Contact Person: Edd McDevitt

Contact Person: _____

Phone: (304) 347-1711

Phone: _____

CLOSING BANK: United Bank, Inc. (Registrar)

Depository Bank BB&T*

Contact Person: Kathy Smith

Contact Person: Patty Dunlap

Phone: (304) 348-8427

Phone: (304) 845-2470

KNOWLEDGEABLE ISSUER CONTACT:

FA: Scott & Stringfellow

Contact Person: James E. Tuel

Contact Person: David P. Kirey

Position: Treasurer

Position: Vice President

Phone: (304) 843-4439

Phone: (304) 357-6508

DEPOSITS TO MBC AT CLOSE: _____

Accrued Interest: \$ _____

By _____ Wire

Capitalized Interest: \$ _____

_____ Check

Reserve Account: \$ _____

_____ In-house Transfer

Other: \$ _____

REFUNDS & TRANSFERS BY MBC AT CLOSE:

By _____ Wire

To Escrow Trustee: \$ _____

_____ Check

To Issuer: \$ _____

_____ IGT

To Cons. Invest Fund \$ _____

To Other: \$ _____

NOTES: *To receive \$28,525,280.85 (includes premium of \$625,280.85)

FOR MUNICIPAL BOND COMMISSION USE ONLY:

Documents Required: _____

Transfers Required: _____

CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (the "Disclosure Agreement") is executed and delivered by THE BOARD OF EDUCATION OF THE COUNTY OF MARSHALL (the "Issuer"), and UNITED BANK, INC. (the "Dissemination Agent"), in connection with the issuance of \$27,900,000, The Board of Education of the County of Marshall (West Virginia), Public School Bonds, Series 2007 (the "Bonds");

In connection with the foregoing, and in consideration thereof, the Issue and the Dissemination Agent covenant and agree as follows:

SECTION 1. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the Issue and the Dissemination Agent for the benefit of the Holders and Beneficial Owners of the Bonds and in order to assist the Underwriter in complying with the Rule (defined below).

Any filing under this Disclosure Agreement may be made solely by transmitting such filing to the Texas Municipal Advisory Council, (the "MAC") as provided at <http://www.disclosure.org> unless the United States Securities and Exchange Commission has withdrawn the interpretive advice as its letter to the MAC dated September 7, 2004.

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

"Annual Report" shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Section 3 and 4 of this Disclosure Agreement.

"Audited Financial Statements" mean the annual financial statements, if any, of the Issuer, audited by such auditor as shall then, be required or permitted by the laws of the State. Audited Financial Statements shall be prepared in accordance with GAAP.

"Beneficial Owner" shall mean any person which has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries) and as the term may be modified by an interpretation of the Rule by the Securities and Exchange Commission (the "SEC").

"Central Post Office" shall mean the MAC, which shall received Annual Reports and Listed Events and then electronically transmit them to the National Repositories and the State Repository.

“Disclosure Representative” shall mean the President of the Issuer or his or her designee, or such other person as the Issuer shall designate in writing to the Dissemination Agent from time to time.

“Holders” shall mean (i) the registered owner of any Bond or (ii) the Beneficial Owner of any Bond.

“Listed Events” shall mean any of the events listed in Section 5(a) of this Disclosure Agreement.

“National Repository” shall mean the Nationally Recognized Municipal Securities Information Repository for purposes of the Rule. National Repositories as of the date of this Disclosure Agreement set out in Exhibit B.

“Repository” shall mean each National Repository and the State Repository.

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“State” shall mean the State of West Virginia.

“State Repository” shall mean any public or private repository or entity designated by the State as the state repository for the purpose of the Rule and recognized as such by the Securities and Exchange Commission. As of the date of this Disclosure Agreement, there is no State Repository.

“Unaudited Financial Statements” mean the Audited Financial Statements except that they shall not have been audited.

“Underwriter” shall mean any of the underwriters in connection with the sale of the Bonds required to comply with the Rule in connection with the sale of the Bonds.

SECTION 3. Provision of Annual Reports.

(a) The Issuer shall, or shall cause the Dissemination Agent to, not later than 300 days after the end of the Issuer’s fiscal year (presently June 30), commencing with the report for the 2006-2007 Fiscal Year, provide to the Central Repository for delivery to each Repository an Annual Report that is consistent with the requirements of Section 4 of this Disclosure Agreement. In each case, the Annual Report 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 Disclosure Agreement; provided that the Audited Financial Statements of the Issuer may be submitted, when and if available, separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by the date. If the Issuer’s fiscal year changes, it shall give written notice of such change in the same manner as for a Listed Event under Section 5(f).

(b) Not later than fifteen (15) Business Days prior to the date specified in subsection (a) for providing the Annual Report to the Central Post Offices for deliver to the Repositories, the Issuer shall provide or cause to be provided the Annual Report to the Dissemination Agent. If by such date the Dissemination Agent has not received a copy of the Annual Report, the Dissemination Agent shall contact the Issuer to determine if the Issuer is in compliance with the first sentence of this subsection (b).

(c) If the Dissemination Agent has not received a copy of the Annual Report by the date required in subsection (a), the Dissemination Agent shall send a notice to the Central Post Office for delivery to each Repository in substantially the form attached as Exhibit A.

(d) The Dissemination Agent shall:

(i) determine each year prior to the date for providing the Annual Report the name and address of each Repository; and

(ii) file a report with the Issuer certifying that the Annual Report has been provided pursuant to this Disclosure Agreement, stating the date it was provided, and listing all the Repositories to which it was provided.

SECTION 4. Content of Annual Report. This Issuer's Annual Report shall consist of the Audited Financial Statements of the Issuer for the most recently completed fiscal year, prepared in accordance with GAAP as promulgated from time to time by the Financial Accounting Standards Board. If the Issuer's Audited Financial Statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements, and the Audited Financial Statements shall be filed in the same manner as the Annual Report when they become available.

SECTION 5. Reporting of Listed Events.

(a) Pursuant to the provisions of this Section 5, the Issuer shall give, or cause to be given, notice of the Dissemination Agent of the occurrence of any of the following events with respect to the Bonds, if material:

1. principal and interest payment delinquencies;
2. non-payment related defaults;
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 or events affecting the tax-exempt status of the Bonds;
7. modification to rights of holders of the Bonds;
8. bond calls;
9. defeasances;
10. release, substitution, or sale of property security repayment of the bonds; and
11. rating changes.

(b) The Dissemination Agent, shall within one (1) Business Day of obtaining actual knowledge of the occurrence of any of the Listed Events contact the Central Post Office and the Disclosure Representative, and inform such person of the event, and request that the Issuer promptly notify the Dissemination Agent in writing whether or not to report the event pursuant to subsection (f).

(c) Whenever the Issuer obtains knowledge of the occurrence of a Listed Event, because of a notice from the Dissemination Agent pursuant to subsection (b) or otherwise, the Issuer shall as soon as possible determine if such event would be material under applicable federal securities laws.

(d) If the Issuer has determined that knowledge of the occurrence of a Listed Event would be material under applicable federal securities laws, the Issuer shall promptly notify the Central Post Office and the Dissemination Agent. Such notice shall instruct the Central Post Office and the Dissemination Agent to report the occurrence pursuant to subsection (f).

(e) If in response to a request under subsection (b), the Issuer determines that the Listed Event would not be material under applicable federal securities law, the Issuer shall so notify the Central Post Office and the dissemination Agent in writing and instruct the Central Post Office and the dissemination Agent not to report the occurrence pursuant to subsection (f).

(f) If the Central Post Office and the Dissemination Agent has been instructed by the Issuer to report the occurrence of a Listed Event, the Dissemination Agent shall file a notice of such occurrence with the Municipal Securities Rulemaking Board and the Central Post Office for delivery to each Repository with a copy of the Issuer. Notwithstanding the foregoing, notice of the occurrence of a Listed Event described in subsections (a)(8) and (9) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to the Holders of affected Bonds pursuant to the Resolution.

SECTION 6. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Agreement shall terminate (i) upon the legal defeasance, prior redemption or payment in full of all of the Bonds or (ii) when the Issuer is not an obligated person with respect to the Bonds, as provided in Rule. If the Issuer's obligations under the this Disclosure Agreement are assumed in full by some other entity, such person shall be responsible for compliance with this Disclosure Agreement in the same manner as if it were the Issuer and the Issuer shall have no further responsibility hereunder. If such termination or substitution occurs prior the final maturity of the Bonds, the Issuer shall give notice of such termination or substitution in the same manner as for a List Event under Section 5(f).

SECTION 7. Dissemination Agent. United Bank, Inc. is hereby appointed as the Dissemination Agent. The Issuer may, from time to time, appoint or engage an alternate or successor Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Issuer pursuant to this Disclosure Agreement. If at any time there is not any other designated Dissemination Agent, the Issuer shall be the Dissemination Agent.

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Issuer and the Dissemination Agent may amend this Disclosure Agreement and any provision of this Disclosure 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 identify, nature or status of an obligated person with respect to the 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 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 Bonds in the same manner as provided in the Resolution for amendments to the Resolution if permitted, with the consent of Holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Agreement, the Issuer shall describe such amendment in the next Annual Report, 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 by the Issuer. In addition, if the amendment relates to the accounting principles to be following in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Events under Section 5(f), and (ii) the Annual Report 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 Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is specifically required by this Disclosure Agreement, the Issuer shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 10. Default. In the event of a failure of the Issuer or the Dissemination Agent to comply with any provision of this Disclosure Agreement, the Dissemination agent may (and, at the request of the Holders of a least 25% aggregate principal amount of Outstanding Bonds, shall), or any Holder or Beneficial Owner of the Bonds may take

SECTION 15. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 16. Fees. The Issuer agrees to pay all fees and expenses of the dissemination Agent including, without limitation, all reasonable expenses, charges, costs, attorney's fees and other disbursements in the administration and performance of the Dissemination Agent's duties.

SECTION 17. Right to Resign. The Dissemination Agent may resign at any time by providing sixty (60) days' written notice to the Issuer.

SECTION 18. Right to Counsel. The Dissemination Agent shall have the right to consult with counsel in carrying out its duties under this Disclosure Agreement and to rely upon an opinion of counsel.

Date: June 26, 2007

THE BOARD OF EDUCATION OF THE
COUNTY OF MARSHALL [West Virginia]

By: *Roger A. Lewicki*
Title: President

UNITED BANK, INC.,
a West Virginia state
banking corporation

By: *Kate Smith*
Title: Vice President

EXHIBIT A

**NOTICE TO REPOSITORIES
OF FAILURE TO FILE ANNUAL REPORT**

Name of Obligated Party: The Board of Education of the County of Marshall [West Virginia]

Name of Bond Issue: \$27,900,000 The Board of Education of the County of Marshall
[West Virginia] Public School Bonds, Series 2007

Date of Bond Issue: _____, 2007

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual Report with respect to the above-named Bonds as required by Section 3(b) of this Disclosure Agreement dated _____, 2007, to be provided. The Issuer anticipates that the Annual Report will be filed by _____.

Dated: _____

on behalf of the Issuer

cc: Marshall County Board of Education

EXHIBIT B

**NATIONALLY RECOGNIZED MUNICIPAL SECURITIES
INFORMATION REPOSITORIES APPROVED BY THE
SECURITIES AND EXCHANGE COMMISSION AS OF MAY __, 2007**

Central Post Office

Website: <http://www.disclosureusa.org>

Bloomberg Municipal Repository

100 Business Park Drive

Skillman, New Jersey 08558

Telephone: 609.279.3225

Facsimile: 609.279.5962

Website: <http://www.bloomberg.com/markets/rates/municontracts.html>

E-Mail: [Munis@Bloomberg.com](mailto: Munis@Bloomberg.com)

FT Interactive Data

Attention: NRMSIR

15th Floor

100 William Street

New York, New York 10038

Telephone: 212.771.6999; 800.689.8466

Facsimile: 212.771.7390

Website: <http://www.ftid.com>

E-Mail: [NRMSIR@interactivedata.com](mailto: NRMSIR@interactivedata.com)

Standard & Poor's Securities Evaluations, Inc.

45th Floor

55 Water Street

New York, New York 10041

Telephone: 212.438.4595

Facsimile: 212.438.3975

Website: <http://www.disclosuredirectory.standardandpoors.com>

E-Mail: [nrmsir_repository@sandp.com](mailto: nrmsir_repository@sandp.com)

DPC Data Inc.

One Executive Drive

Fort Lee, New Jersey 07024

Facsimile: 201.346.0701

Website: <http://www.dpcdata.com>

E-Mail: [nrmsir@dpcdata.com](mailto: nrmsir@dpcdata.com)

Closing Memorandum

To: Edd McDevitt, Esq.
Jim Tuel
Aldine Rucker
Patty Dunlap

From: David Kirby

Re: The Board of Education of Marshall County, WVa Public School Bonds, Series 2007

Date: June 25, 2007

On Tuesday morning, June 26, 2007 at nine o'clock, Robert W. Baird & Co. will effect a wire transfer in the amount of \$27,967,280.85 to Branch Banking and Trust (BB&T) for the benefit of the Board of Education of Marshall County, West Virginia. This amount represents Baird's total bid: par amount of the 2007 Bonds, \$27,900,000, plus a premium of \$625,280.85, less good faith deposit of \$558,000. The proceeds will be wired to: Branch Banking and Trust, Credit to: Marshall County BOE, ABA: 051503394, A/N: 0005175547276, Attn: Patty Dunlap, (304) 845-2470 Ext: 184.

When the wire is received, BB&T will transfer \$558,000 from the Board's General Account, A/N 0005272800474 to the Construction Account, A/N 0005175547276 representing the good faith deposit.

BB&T will then effect the following wire transfers:

\$26,970,806.25, representing the temporary investment in the AIM Institutional money market fund to: The Bank of New York, 90 Washington St., New York, NY, Short-Term Investments Trust plc, STIC Prime-Resource Class, ABA 021000018, A/N 8900117435,

\$20,000, representing Bond Counsel's fee to: United Bank, credit to: Bowles Rice McDavid Graff & Love LLP, Client Account, ABA: 051900395, A/N: 04319 0810,

\$17,755, representing the Financial Advisor's fee and expenses to: Bank of New York, One Wall Street, New York, NY 10286, ABA# 021000018, , Credit: Scott & Stringfellow, 8006 Discovery Drive, Richmond, VA 23229, Account #8900449039, FBO: GL#23307100,

\$13,500, representing the rating agency's fee for the underlying rating on the bonds to: Bank of America, San Francisco, CA, Standard & Poor's, A/N 12334-02500, Invoice No. 10146753,

\$2,569.60, representing the printing company's fee to publish the POS and the final OS: to Bank of America, Legal Account Name: RR Donnelley Receivables, Inc., ABA 0260-0959-3, Account Number: 1233552859, CHIPS Address: 0959, SWIFT Address: BOFAUS3N, Physical Address: 100 West 33rd Street, NY NY 10001, In the OBI or Tag 6000 section, please reference the invoice number: 1208684500,

\$650.00, representing Registrar and Disclosure Agent's fee, in the form of a check to: United Bank, Inc., Attn: Kathy Smith, Corporate Trust Department, 500 Virginia Street, 3rd Floor, Charleston, WV 25301,

Approximately, \$1,500,000 will remain in the Construction Account to pay current invoices on Projects.

If anyone has questions, please contact me at 304-357-6508, or dkirby@scottstringfellow.com.

Marshall County Board of Education
Public School Bonds, Series 2007
Costs of Issuance
June 26, 2007

Bowles Rice McDavid Graff & Love, LLP		\$20,000
Bond Counsel		
Scott & Stringfellow	\$15,000	
Financial Advisor		
Expenses: Marshall County Sheriff (S&S)*	400	
Huntington Herald-Dispatch (Kirby)*	155	
S&P Cusip number assignments (S&S)*	344	
I-deal, Electronic Distribution of POS (S&S)*	1,500	
Mileage for three trips to Moundsville (Kirby)	<u>356</u>	17,755
Standard & Poor's		
Rating on the 2007 Bonds		13,500
RR Donnelley**		2,569
Printer		
United Bank		<u>650</u>
Registrar		
 Total Costs of Issuance		 <u>\$54,474</u>

* Expenses of the 2007 Bonds, but items were paid directly by Scott & Stringfellow, Inc.

** Actual invoice was \$2,569.60