



**Marble Falls ISD
Regular Meeting**

**Monday, January 24, 2011
6:00 PM**

**AGENDA OF REGULAR MEETING
MARBLE FALLS INDEPENDENT SCHOOL DISTRICT
BOARD OF TRUSTEES**

MONDAY, JANUARY 24, 2011 – 6:00 PM

Marble Falls ISD Administration Office, 1800 Colt Circle, Marble Falls, TX 78564

Notice is hereby given that on January 24, 2011, the Board of Trustees of the Marble Falls Independent School District will hold a Regular meeting at 6:00 PM, at the Marble Falls ISD Administration Office, 1800 Colt Circle, Marble Falls, TX 78564.

The subjects to be discussed or considered, or upon which any formal action may be taken are listed below. Items do not have to be taken in the order shown on this meeting notice

1. Call to Order
Presenter: Martin McLean, President
2. Roll Call
3. Invocation
Presenter: Kevin Naumann
4. Pledge to the Flags
Presenter: Rick Edwards
5. Spotlight on Excellence
 - A. Board of Trustees Recognition Month
Presenter: Jim Boyle
 - B. Marble Falls High School Athletics
Presenter: Cord Woerner
 - C. Marble Falls Middle School
Presenter: John Schumacher
 - D. Special Services Department
Presenter: Susan Maughan
6. Open Forum
7. Consent Agenda
 - A. Review and Approval of Minutes - December 7, 2010 and December 13, 2010
Presenter: Jim Boyle 4
 - B. Review of Financial Reports
Presenter: Allen Roberts 10
 - C. Review and Approval of Budget Amendments
Presenter: Allen Roberts 24
 - D. Approval of District Health Advisory Committee
Presenter: Allen Roberts 31
8. Action Items
 - A. Discussion and Possible Approval of Request to Waive Penalty and 32

- Interest on 2008 & 2009 Property Taxes
Presenter: Jim Boyle
- B. Discussion and Possible Approval of the 2009-10 Fiscal Year Financial Audit 43
Presenter: Jim Boyle
- C. Discussion and Possible Approval of Election Contract with Burnet County Election Administration for the May 14, 2011 School Board Trustee Election 120
Presenter: Allen Roberts
9. Superintendent's Report
- A. Election Information 137
Presenter: Jim Boyle
- B. Enrollment Report 138
Presenter: Jim Boyle
- C. Status Report: Development of the 2011-12 MFISD School Calendar 139
Presenter: Amy Jacobs
- D. Report on the Implementation of Skyward Financial and Student Management Software Program
Presenter: Allen Roberts
- E. Incentive Programs 142
Presenter: Allen Roberts
- F. 2011-12 MFISD Preliminary Budget Forecast 145
Presenter: Jim Boyle
10. Discussion of Proposed Agenda Items for Regular February 21st Meeting
11. Executive Session to Discuss Personnel Issues - Govt. Code 551.074 148
12. Discussion and Possible Approval of Action Arising from Executive Session
13. Adjourn

If during the course of the meeting, discussion of any item on the agenda should be held in a closed meeting, the board will conduct a closed meeting in accordance with the Texas Open Meetings Act, Texas Govt. Code, Chapter 551, Subchapters D and E. Before any closed meeting is convened, the presiding officer will publicly identify the section or sections of the Act authorizing the closed meeting. All final votes, actions, or decisions will be taken in open meeting.

FOR THE BOARD OF TRUSTEES
MARBLE FALLS INDEPENDENT SCHOOL

Jim Boyle, Interim Superintendent of Schools
Marble Falls Independent School District

Marble Falls Independent School District
Board Meeting Minutes
December 7, 2010

Martin McLean, President, called this special meeting to order at 5:02 p.m. at the City of Marble Falls Council Chambers, 800 Third Street, Marble Falls, TX. A quorum was present; notice of this meeting was posted in accordance with the Texas Open Meetings Act, Texas Government Code Chapter 551.

Board Members Present: Kelly Fox, Martin McLean, Kevin Naumann, and Karl Westerman

Board Members Absent: Tommy Chaney, Rick Edwards and Mike Savage

Administrators Present: Jim Boyle, Interim Superintendent

Members of the Press: Geoff West, *The Highlander Newspaper*

The Board met with the Marble Falls City Council in a joint workshop for the purpose of discussing possible partnerships and/or close working relationships on projects of common interest. Some of the projects discussed were: Grounds Crews, Regional Sports Complex, Completion of Monzano Mile, Economic Recovery – great schools!, Higher Education Commission, Use of Effluent on grounds (purple pipe/Go Green), Vo-Tech Center, as well as others.

No decisions have been made regarding any of these types of projects. Another meeting is tentatively scheduled for January 4th (Tuesday) @ 10:00 AM at the Lakeside Pavilion to meet with all of the groups with whom the City has met thus far. The purpose will be to discuss and narrow the list of potential joint projects to something reasonable with priorities and timelines.

Other positive effects of city/school partnerships would be a sharing of expertise/experience, grant acquisition, “in kind” donations, etc.

The City Council commented on the positive economic effect the community has enjoyed recently due to the playoff football games and basketball tourneys that have taken place the last few weeks.

The overall message gleaned from the meeting was that building strong relationships between the two entities would lead to positive gains for both.

Adjournment:

Hearing no objection the Board adjourned at 5:49 p.m.

Approved:

Martin McLean, President

Kelly Fox, Secretary

Marble Falls Independent School District
Board Meeting Minutes
December 13, 2010

Martin McLean, President, called the meeting to order at 6:00 p.m. at the Marble Falls ISD Administration Building. A quorum was present; notice of this meeting was posted in accordance with the Texas Open Meetings Act, Texas Government Code Chapter 551.

Board Members Present: Rick Edwards, Kelly Fox, Martin McLean, Kevin Naumann, Mike Savage, and Karl Westerman.

Board Members Absent: Tommy Chaney

Administrators Present: Jim Boyle, Allen Roberts, Amy Jacobs, Leslie Baty, Mary Davidson, John Schumacher, Michael Pittard, Andy Reddock, Eric Penrod, Susan Maughan, Linda Romano, Peggy Little, and George Hamilton

Members of the Press: Glynn Wilson, *The River Cities Tribune*, and Geoff West, *The Highlander Newspaper*

Spotlight on Excellence

The Board recognized Marble Falls High School teacher, Jacob Taylor, for integrating technology in the classroom and students, Mei Lei, Austin Sellers and Allana Wooley, for their use of technology to expand their learning environment outside the classroom.

Open Forum:

Peyton Wolcott presented two scholarship opportunities for MFISD students sponsored by the “Friends of Marble Falls ISD.”

Consent Agenda

Kelly Fox made a motion for the Board to approve the following items from the consent agenda:

- Minutes of previous meetings:
 - Special – November 2, 2010
 - Regular – November 15, 2010
 - Special – November 18, 2010
- Financial Reports as of November 2010
- Budget amendments as recommended by Lisa LeMon, Accounting Supervisor

Karl Westerman seconded. Mr. Westerman amended the motion to separate the approval of the budget amendments from the other two consent agenda items. Mike Savage seconded the amendment and the amendment passed.

For: 6 Against: 0 Absent: 1

Upon a motion by Rick Edwards, second by Karl Westerman, the Board approved the minutes from the previous meetings listed above and the financial reports for November 2010.

For: 6 Against: 0 Absent: 1

Upon a motion by Karl Westerman, second by Kevin Naumann, the Board approved the budget amendments as recommended.

For: Kelly Fox, Martin McLean, Kevin Naumann, Mike Savage and Karl Westerman
Against: none
Abstained: Rick Edwards
Absent: Tommy Chaney

Action Items

“Make Education a Priority” Resolution

Upon a motion by Kelly Fox, second by Rick Edwards, the Board approved a resolution urging the legislators to keep public education at the forefront of the upcoming session.

For: 6 Against: 0 Absent: 1

Out of State Trips

Upon a motion by Karl Westerman, second by Mike Savage, the Board approved out of state trips for the Marble Falls High School Choir to New York City and for the Marble Falls High School Band to Orlando, Florida.

For: 6 Against: 0 Absent: 1

Superintendent’s Report

Board Continuing Education Hours

Martin McLean, read the following regarding the status of each trustee’s training hours for the current year as required by the Texas Administrative Code (19TAC §61.1):

- Tier I: None of the trustees are first year board members and are not required to complete Tier 1 training.
- Tier II: All trustees have satisfied the requirements of the Tier II training.
- Tier III: Martin McLean, Rick Edwards, Kelly Fox, Kevin Naumann and Karl Westerman have exceeded the Tier III training requirements. Mike Savage has completed the Tier III training requirements and Tommy Chaney has not met the Tier III training requirements. Judge McLean’s and Mr. Chaney’s terms end May 2010.

The Board also received the “Framework for School Board Development” document as required by law.

Quarterly Investment Report

Allen Roberts, Assistant Superintendent of Operations, presented the quarterly investment report for the quarter ending November 2010. The total cash balance for the quarter was \$8,641,522.01 and the interest earned for the same period was \$12,009.93.

January Board Meeting Date

The Board agreed to move the January meeting date to Monday, January 24, 2011, as the previous date of January 17 is a scheduled teacher in-service/comp day.

New Financial Allocation Study for Texas (FAST) Report

Dr. Boyle explained that the report was released for the first time by the comptroller's office in December 2010 and compares student achievement with district spending using 2008-2009 data.

Enrollment Report

Dr. Boyle informed the Board that the current enrollment of 4084 is an increase of 106 students from the same time period last year.

Proposed Agenda Items for January

The only item requested for the January meeting was a report on the utilization of Skyward.

Public Hearing

At 7:00 p.m., Judge McLean opened the public hearing regarding the Academic Excellence Indicator System (AEIS). Amy Jacobs, Assistant Superintendent for Academic Programs, presented the 2009-2010 AEIS report reviewing the district and campus ratings, Gold Performance Acknowledgements by campus, academic improvements in 57 of the 67 indicators, Student Success Initiative, annual drop out rate, attendance rate of 95.9% for 2008-2009 school year, college readiness scores, and snapshot of the district. The report concludes with the required publishing of a report on violence and criminal incidents and intervention/prevention efforts.

No patrons asked to be heard. The hearing was closed at 7:21 p.m.

Executive Session

At 7:22 p.m. the Board adjourned into executive session to discuss personnel issues (Gov't Code 551.074). The Board reconvened into open session at 8:25 p.m.

Upon a motion by Rick Edwards, second by Kelly Fox, the Board approved the suspension of the superintendent search and the recommended timeline as follows:

February – May 2011	Solicit Applicants
May 16, 2011	Meet with Search Consultant/Selection of Interview Candidates
May 31 – June 20, 2011	Timeframe for Interviews (round 1 & 2)
June 20, 2011	Name the Lone Finalist
July 11, 2011	Employment Contract
August 1, 2011	Start Date

For: 6

Against: 0

Absent: 1

Upon a motion by Kelly Fox, seconded by Kevin Naumann, the Board approved the extension of Dr. Boyle's at-will contract until which time a new superintendent is permanently hired. The contract allows for a two week notice from either party to terminate the contract.

For: 6

Against: 0

Absent: 1

The Board was informed of the following professional resignations: Catherine Leslie Lehmann, 3rd grade teacher at Highland Lakes Elementary and Rhonda Nesrsta, English teacher at Falls Career High School.

Adjournment:

Hearing no objection the Board adjourned at 8:30 p.m.

Approved:

Martin McLean, President

Kelly Fox, Secretary

Marble Falls ISD

Statement of Revenues and Expenditures - General Fund

As of December 31, 2010

33% Of Fiscal Year

REVENUES	CURRENT YEAR				PRIOR YEAR		
	BUDGET	YTD ACTIVITY	BALANCE	% OF BUDGET	BUDGET	YTD ACTIVITY	% OF FINAL BUDGET
5710 LOCAL TAX REVENUES	\$30,044,700	\$10,295,096	\$19,749,604	34.27%	\$27,927,256	\$3,650,365	13.07%
57XX OTHER LOCAL REVENUES	\$478,842	\$351,680	\$127,162	73.44%	\$951,000	\$233,888	24.59%
58XX STATE PROG. REVENUES	\$5,573,472	\$4,479,363	\$1,094,109	80.37%	\$8,396,267	\$8,124,077	96.76%
5900 FEDERAL REVENUE	\$216,540	\$87,019	\$129,521	40.19%	\$31,212	\$674	2.16%
TOTAL REVENUE	\$36,313,554	\$15,213,158	\$21,100,396	41.89%	\$37,305,735	\$12,009,004	32.19%
EXPENDITURES							
11 INSTRUCTION	\$17,548,592	\$5,382,057	\$12,166,535.40	30.67%	\$18,229,192	\$5,286,265	29.00%
12 LIBRARY	\$523,583	\$189,235	\$334,348.22	36.14%	\$514,935	\$142,819	27.74%
13 STAFF DEVELOPMENT	\$164,790	\$57,035	\$107,755.07	34.61%	\$201,631	\$51,265	25.43%
21 INST ADMINISTRATION	\$755,498	\$246,475	\$509,022.74	32.62%	\$728,407	\$242,473	33.29%
23 SCHOOL ADMINISTRATION	\$2,076,408	\$682,811	\$1,393,596.52	32.88%	\$1,958,083	\$585,452	29.90%
31 GUID AND COUNSELING	\$1,082,634	\$347,283	\$735,350.80	32.08%	\$1,050,054	\$322,867	30.75%
33 HEALTH SERVICES	\$394,333	\$112,097	\$282,235.98	28.43%	\$384,912	\$112,013	29.10%
34 PUPIL TRANSP - REGULAR	\$1,596,562	\$767,688	\$828,874.45	48.08%	\$1,742,346	\$646,067	37.08%
36 CO-CURRICULAR ACT	\$1,376,327	\$546,420	\$829,906.74	39.70%	\$1,403,151	\$420,722	29.98%
41 GEN ADMINISTRATION	\$1,069,406	\$386,407	\$682,998.57	36.13%	\$990,474	\$332,416	33.56%
51 PLANT MAINT & OPERATION	\$5,098,223	\$1,696,757	\$3,401,465.78	33.28%	\$4,729,965	\$1,576,492	33.33%
52 SECURITY & MONITORING	\$80,465	\$11,298	\$69,167.27	14.04%	\$87,630	\$17,133	19.55%
53 DATA PROCESSING	\$1,151,814	\$450,074	\$701,740.27	39.08%	\$989,783	\$383,231	38.72%
61 COMMUNITY SERVICES	\$228,203	\$45,624	\$182,579.49	19.99%	\$278,929	\$93,868	33.65%
81 FACILITIES ACQ & CONST	\$-	\$-	\$-	0.00%	\$10,000	\$-	0.00%
91 STUDENT ATTENDANCE CR	\$2,861,005	\$-	\$2,861,005.00	0.00%	\$4,722,003	\$-	0.00%
99 PURCHASES & CONT SRVS	\$677,500	\$325,029	\$352,470.56	47.97%	\$600,000	\$143,649	23.94%
TOTAL EXPENDITURES	\$36,685,343	\$11,246,290	\$25,439,053	30.66%	\$38,621,495	\$10,356,732	26.82%
7000 Other Sources	\$-				Other Sources	\$-	
8000 Other Uses	\$-				Other Uses	\$-	
1200 EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES					EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES - FY 2009-2010	\$1,652,272	
3000 BEG FUND BAL 9/1/09	\$9,325,749						
3000 END FUND BAL 10/31/10	\$7,391,161						

***Marble Falls
Independent
School District***

Financial Report

January 24, 2011

*****Check Payment Fund Summary*****

*****Expenditure to Budget Report*****

Check Payment Fund Summary

For Bills Paid

December 1 – December 31, 2010

FUND SUMMARY

<u>FUND</u>	<u>DESCRIPTION</u>	<u>BALANCE SHEET</u>	<u>REVENUE</u>	<u>EXPENSE</u>	<u>TOTAL</u>
199	GENERAL FUND	0.00	13,977.34	618,703.73	632,681.07
211	TITLE I PART A, BASIC PROGRAMS	0.00	0.00	5,231.82	5,231.82
224	IDEA PART B FORMULA	0.00	0.00	7,436.61	7,436.61
225	IDEA PART B PRESCHOOL	0.00	0.00	112.68	112.68
244	VOC. ED.-BASIC GRANT	0.00	0.00	4,945.72	4,945.72
255	TITLE II PART A TCHR & PRINCPL	0.00	0.00	680.98	680.98
263	TITLE III - BILINGUAL	0.00	0.00	1,293.47	1,293.47
283	IDEA B FORMULA ARRA STIMULUS	0.00	0.00	15,168.67	15,168.67
394	LIFE SKILLS FOR STUDNT PARENTS	0.00	0.00	14.88	14.88
863	PAYROLL CLEARING	694,668.79	0.00	0.00	694,668.79
***	Fund Summary Totals ***	694,668.79	13,977.34	653,588.56	1,362,234.69

***** End of report *****

Expenditure to Budget Report

January 24, 2011

General Operating Fund

&

Food Service Fund

Obj	Obj	2010-11 ESTIMATED REVENUE	December 2010-11 MTHLY ACTIVITY	2010-11 Activity	REVENUE BALANCE	PERCENT REALIZED	2010-11 YTD %
199	GENERAL FUND						
5700	REVENUE-LOCAL & INTERMED						
	571- LOCAL REAL-PROPERTY TAXES	30,044,700.00	8,257,583.58	10,295,095.80	19,749,604.20	56.11	34.27
	573- TUITION & FEES FROM PATRONS	120,500.00	3,421.64	26,449.50	94,050.50	23.65	21.95
	574- TRANS FROM WITHIN STATE	218,842.00	29,561.34	193,334.48	25,507.52	89.95	88.34
	575- ENTERPRISING ACTIVITIES	139,500.00	32,840.05	131,896.14	7,603.86	97.90	94.55
	57-- REVENUE-LOCAL & INTERMED	30,523,542.00	8,323,406.61	10,646,775.92	19,876,766.08	56.42	34.88
5800	STATE PROGRAM REVENUES						
	581- PER CAPITA-FOUNDATION REV	3,968,472.00	140,563.00	4,081,690.00	-113,218.00	102.85	102.85
	582- STATE REVENUE DISTRBD BY TEA	5,000.00	0.00	4,059.00	941.00	117.18	81.18
	583- TRS ON BEHALF BENEFIT	1,600,000.00	132,285.48	393,614.49	1,206,385.51	24.60	24.60
	58-- STATE PROGRAM REVENUES	5,573,472.00	272,848.48	4,479,363.49	1,094,108.51	80.40	80.37
5900	FEDERAL PROGRAM REVENUES						
	592-	1,540.00	0.00	0.00	1,540.00	0.00	0.00
	593- VOC ED NON FOUNDATION	215,000.00	0.00	87,019.00	127,981.00	40.47	40.47
	59-- FEDERAL PROGRAM REVENUES	216,540.00	0.00	87,019.00	129,521.00	40.19	40.19
	---- GENERAL FUND	36,313,554.00	8,596,255.09	15,213,158.41	21,100,395.59	60.00	41.89

Obj	Obj	2010-11 ESTIMATED REVENUE	December 2010-11 MTHLY ACTIVITY	2010-11 Activity	REVENUE BALANCE	PERCENT REALIZED	2010-11 YTD %
240	FOOD SERVICE						
5700	REVENUE-LOCAL & INTERMED						
	574- TRANS FROM WITHIN STATE	0.00	446.42	1,118.99	-1,118.99	0.00	0.00
	575- ENTERPRISING ACTIVITIES	808,043.00	43,114.77	258,365.07	549,677.93	34.86	31.97
	57-- REVENUE-LOCAL & INTERMED	808,043.00	43,561.19	259,484.06	548,558.94	35.00	32.11
5800	STATE PROGRAM REVENUES						
	582- STATE REVENUE DISTRBD BY TEA	12,058.00	0.00	0.00	12,058.00	0.00	0.00
	58-- STATE PROGRAM REVENUES	12,058.00	0.00	0.00	12,058.00	0.00	0.00
5900	FEDERAL PROGRAM REVENUES						
	592-	1,427,620.00	131,937.00	453,887.81	973,732.19	31.79	31.79
	59-- FEDERAL PROGRAM REVENUES	1,427,620.00	131,937.00	453,887.81	973,732.19	31.79	31.79
	---- FOOD SERVICE	2,247,721.00	175,498.19	713,371.87	1,534,349.13	32.78	31.74

***** End of report *****

	Obj	Obj	2010-11 ESTIMATED REVENUE	December MTHLY ACTIVITY	2010-11 Activity	REVENUE BALANCE	2010-11 YTD %
199		GENERAL FUND					
	5---	REVENUE	36,313,554.00	8,596,255.09	15,213,158.41	21,100,395.59	41.89
	----	GENERAL FUND	36,313,554.00	8,596,255.09	15,213,158.41	21,100,395.59	41.89
240		FOOD SERVICE					
	5---	REVENUE	2,247,721.00	175,498.19	713,371.87	1,534,349.13	31.74
	----	FOOD SERVICE	2,247,721.00	175,498.19	713,371.87	1,534,349.13	31.74

***** End of report *****

Obj	Obj	2010-11 BUDGET	ENCUMBRANCE YTD	2010-11 EXPENDITURES	December 2010-11 ACTIVITY	2010-11 BALANCE	2010-11 YTD %
199	GENERAL FUND						
00							
	89-- OTHER USES	0.00	0.00	1,600.00	0.00	-1,600.00	0.00
	----	0.00	0.00	1,600.00	0.00	-1,600.00	0.00
11	INSTRUCTION						
	61-- PAYROLL COSTS	16,474,890.00	0.00	4,706,900.82	1,480,529.02	11,767,989.18	28.57
	62-- PURCHASE & CONTRACTED SVS	496,294.00	125,979.92	345,799.59	45,633.32	24,514.49	69.68
	63-- SUPPLIES AND MATERIALS	485,585.00	55,589.51	122,286.81	31,734.55	307,708.68	25.18
	64-- OTHER OPERATING EXPENSES	91,823.00	7,882.12	17,617.83	8,363.34	66,323.05	19.19
	---- INSTRUCTION	17,548,592.00	189,451.55	5,192,605.05	1,566,260.23	12,166,535.40	29.59
12	INST. RESOURCES & MEDIA SVCS						
	61-- PAYROLL COSTS	409,885.00	0.00	123,814.09	32,205.31	286,070.91	30.21
	62-- PURCHASE & CONTRACTED SVS	22,204.00	971.50	4,498.38	303.75	16,734.12	20.26
	63-- SUPPLIES AND MATERIALS	83,914.00	15,010.23	43,052.98	9,520.56	25,850.79	51.31
	64-- OTHER OPERATING EXPENSES	7,580.00	737.60	1,150.00	0.00	5,692.40	15.17
	---- INST. RESOURCES & MEDIA S	523,583.00	16,719.33	172,515.45	42,029.62	334,348.22	32.95
13	CURRICULUM DEV & INST STFF DEV						
	61-- PAYROLL COSTS	91,164.00	0.00	31,854.38	8,091.90	59,309.62	34.94
	62-- PURCHASE & CONTRACTED SVS	50,726.00	9,420.00	13,880.00	0.00	27,426.00	27.36
	63-- SUPPLIES AND MATERIALS	8,100.00	0.00	639.75	0.00	7,460.25	7.90
	64-- OTHER OPERATING EXPENSES	14,800.00	409.80	831.00	0.00	13,559.20	5.61
	---- CURRICULUM DEV & INST STF	164,790.00	9,829.80	47,205.13	8,091.90	107,755.07	28.65
21	INSTRUCTIONAL LEADERSHIP						
	61-- PAYROLL COSTS	697,590.00	0.00	231,369.86	58,836.29	466,220.14	33.17
	62-- PURCHASE & CONTRACTED SVS	14,350.00	1,656.28	551.72	161.47	12,142.00	3.84
	63-- SUPPLIES AND MATERIALS	23,384.00	629.77	5,792.35	885.39	16,961.88	24.77
	64-- OTHER OPERATING EXPENSES	20,174.00	1,552.34	4,922.94	1,533.69	13,698.72	24.40

Obj	Obj	2010-11 BUDGET	ENCUMBRANCE YTD	2010-11 EXPENDITURES	December 2010-11 ACTIVITY	2010-11 BALANCE	2010-11 YTD %
199	GENERAL FUND						
21	INSTRUCTIONAL LEADERSHIP						
	---- INSTRUCTIONAL LEADERSHIP	755,498.00	3,838.39	242,636.87	61,416.84	509,022.74	32.12
23	SCHOOL LEADERSHIP						
	61-- PAYROLL COSTS	1,976,762.00	0.00	629,484.88	166,727.47	1,347,277.12	31.84
	62-- PURCHASE & CONTRACTED SVS	30,228.00	15,517.82	23,059.16	1,122.46	-8,348.98	76.28
	63-- SUPPLIES AND MATERIALS	52,196.00	759.40	6,772.69	454.17	44,663.91	12.98
	64-- OTHER OPERATING EXPENSES	17,222.00	1,602.54	5,614.99	1,448.49	10,004.47	32.60
	---- SCHOOL LEADERSHIP	2,076,408.00	17,879.76	664,931.72	169,752.59	1,393,596.52	32.02
31	GUIDANCE & COUNSELING						
	61-- PAYROLL COSTS	1,029,783.00	0.00	329,856.30	94,092.62	699,926.70	32.03
	62-- PURCHASE & CONTRACTED SVS	7,753.00	0.00	602.25	0.00	7,150.75	7.77
	63-- SUPPLIES AND MATERIALS	31,426.00	4,031.86	5,427.52	1,602.65	21,966.62	17.27
	64-- OTHER OPERATING EXPENSES	13,672.00	1,608.44	5,756.83	452.90	6,306.73	42.11
	---- GUIDANCE & COUNSELING	1,082,634.00	5,640.30	341,642.90	96,148.17	735,350.80	31.56
33	HEALTH SERVICES						
	61-- PAYROLL COSTS	370,121.00	0.00	96,514.50	30,521.13	273,606.50	26.08
	62-- PURCHASE & CONTRACTED SVS	13,544.00	0.00	13,009.00	0.00	535.00	96.05
	63-- SUPPLIES AND MATERIALS	9,645.00	657.12	1,916.40	0.00	7,071.48	19.87
	64-- OTHER OPERATING EXPENSES	1,023.00	0.00	0.00	0.00	1,023.00	0.00
	---- HEALTH SERVICES	394,333.00	657.12	111,439.90	30,521.13	282,235.98	28.26
34	PUPIL TRANSPORTATION						
	61-- PAYROLL COSTS	1,222,712.00	0.00	429,336.72	114,773.30	793,375.28	35.11
	62-- PURCHASE & CONTRACTED SVS	22,546.00	8,644.34	3,598.32	1,367.69	10,303.34	15.96
	63-- SUPPLIES AND MATERIALS	373,104.00	21,462.17	137,331.51	32,076.21	214,310.32	36.81
	64-- OTHER OPERATING EXPENSES	-205,800.00	22,524.55	-36,220.06	-19,119.49	-192,104.49	17.60
	66-- CPTL OUTLY LAND BLDG & EQ	184,000.00	181,010.00	0.00	0.00	2,990.00	0.00

	Obj	Obj	2010-11 BUDGET	ENCUMBRANCE YTD	2010-11 EXPENDITURES	December 2010-11 ACTIVITY	2010-11 BALANCE	2010-11 YTD %
199		GENERAL FUND						
34		PUPIL TRANSPORTATION						
	----	PUPIL TRANSPORTATION	1,596,562.00	233,641.06	534,046.49	129,097.71	828,874.45	33.45
36		COCURR./EXTRACURR.ACTIVITIES						
	61--	PAYROLL COSTS	641,194.00	0.00	199,812.87	70,824.67	441,381.13	31.16
	62--	PURCHASE & CONTRACTED SVS	183,057.00	34,620.54	103,240.66	51,175.87	45,195.80	56.40
	63--	SUPPLIES AND MATERIALS	184,254.00	17,266.92	44,822.35	18,702.59	122,164.73	24.33
	64--	OTHER OPERATING EXPENSES	357,480.00	5,847.60	130,467.32	22,671.44	221,165.08	36.50
	66--	CPTL OUTLY LAND BLDG & EQ	10,342.00	10,342.00	0.00	0.00	0.00	0.00
	----	COCURR./EXTRACURR.ACTIVIT	1,376,327.00	68,077.06	478,343.20	163,374.57	829,906.74	34.76
41		GENERAL ADMINISTRATION						
	61--	PAYROLL COSTS	796,207.00	0.00	243,710.73	63,751.89	552,496.27	30.61
	62--	PURCHASE & CONTRACTED SVS	150,444.00	37,857.47	57,107.41	18,452.82	55,479.12	37.96
	63--	SUPPLIES AND MATERIALS	29,830.00	2,459.23	5,888.39	1,682.32	21,482.38	19.74
	64--	OTHER OPERATING EXPENSES	92,925.00	18,228.67	21,155.53	3,298.80	53,540.80	22.77
	----	GENERAL ADMINISTRATION	1,069,406.00	58,545.37	327,862.06	87,185.83	682,998.57	30.66
51		PLANT MAINTENANCE & OPERATIONS						
	61--	PAYROLL COSTS	2,413,393.00	0.00	791,210.30	200,217.67	1,622,182.70	32.78
	62--	PURCHASE & CONTRACTED SVS	1,841,330.00	97,409.61	400,045.14	115,424.37	1,343,875.25	21.73
	63--	SUPPLIES AND MATERIALS	493,500.00	88,891.74	120,462.62	38,494.14	284,145.64	24.41
	64--	OTHER OPERATING EXPENSES	195,000.00	89,659.31	91,078.50	20.00	14,262.19	46.71
	66--	CPTL OUTLY LAND BLDG & EQ	155,000.00	0.00	18,000.00	0.00	137,000.00	11.61
	----	PLANT MAINTENANCE & OPERA	5,098,223.00	275,960.66	1,420,796.56	354,156.18	3,401,465.78	27.87
52		SECURITY & MONITORING SERVICES						
	61--	PAYROLL COSTS	16,065.00	0.00	4,313.73	1,336.27	11,751.27	26.85
	62--	PURCHASE & CONTRACTED SVS	60,900.00	3,015.00	945.00	225.00	56,940.00	1.55
	63--	SUPPLIES AND MATERIALS	3,500.00	0.00	3,024.00	0.00	476.00	86.40

	Obj	Obj	2010-11 BUDGET	ENCUMBRANCE YTD	2010-11 EXPENDITURES	December 2010-11 ACTIVITY	2010-11 BALANCE	2010-11 YTD %
199		GENERAL FUND						
52		SECURITY & MONITORING SERVICES						
	----	SECURITY & MONITORING SER	80,465.00	3,015.00	8,282.73	1,561.27	69,167.27	10.29
53		DATA PROCESSING SERVICES						
	61--	PAYROLL COSTS	684,142.00	0.00	212,812.90	54,287.38	471,329.10	31.11
	62--	PURCHASE & CONTRACTED SVS	212,672.00	59,831.62	29,725.50	3,449.97	123,114.88	13.98
	63--	SUPPLIES AND MATERIALS	77,600.00	25,042.40	13,058.01	2,522.30	39,499.59	16.83
	64--	OTHER OPERATING EXPENSES	41,400.00	707.80	9,000.00	9,000.00	31,692.20	21.74
	66--	CPTL OUTLY LAND BLDG & EQ	136,000.00	62,112.25	37,783.25	37,783.25	36,104.50	27.78
	----	DATA PROCESSING SERVICES	1,151,814.00	147,694.07	302,379.66	107,042.90	701,740.27	26.25
61		COMMUNITY SERVICES						
	61--	PAYROLL COSTS	222,177.00	0.00	43,373.51	11,030.33	178,803.49	19.52
	63--	SUPPLIES AND MATERIALS	3,761.00	892.48	107.52	107.52	2,761.00	2.86
	64--	OTHER OPERATING EXPENSES	2,265.00	1,061.34	188.66	41.44	1,015.00	8.33
	----	COMMUNITY SERVICES	228,203.00	1,953.82	43,669.69	11,179.29	182,579.49	19.14
91		INTERGOVERNMENTAL CHARGES						
	62--	PURCHASE & CONTRACTED SVS	2,861,005.00	0.00	0.00	0.00	2,861,005.00	0.00
	----	INTERGOVERNMENTAL CHARGES	2,861,005.00	0.00	0.00	0.00	2,861,005.00	0.00
99		OTHR INTERGOVERNMENTAL CHARGES						
	62--	PURCHASE & CONTRACTED SVS	677,500.00	0.00	325,029.44	167,623.30	352,470.56	47.97
	----	OTHR INTERGOVERNMENTAL CH	677,500.00	0.00	325,029.44	167,623.30	352,470.56	47.97
	----	GENERAL FUND	36,685,343.00	1,032,903.29	10,214,986.85	2,995,441.53	25,437,452.86	27.84

COMPARISON OF EXPENDITURES & ENCUMBRANCE TO BUDGET (Date: 12/2010)

	Obj	Obj	2010-11 BUDGET	ENCUMBRANCE YTD	2010-11 EXPENDITURES	December 2010-11 ACTIVITY	2010-11 BALANCE	2010-11 YTD %
240		FOOD SERVICE						
35		FOOD SERVICES						
	62--	PURCHASE & CONTRACTED SVS	2,165,505.00	0.00	747,845.92	213,708.13	1,417,659.08	34.53
	63--	SUPPLIES AND MATERIALS	85,500.00	0.00	5,154.18	33.40	80,345.82	6.03
	64--	OTHER OPERATING EXPENSES	2,100.00	1,800.00	0.00	0.00	300.00	0.00
	66--	CPTL OUTLY LAND BLDG & EQ	38,000.00	37,906.39	0.00	0.00	93.61	0.00
	----	FOOD SERVICES	2,291,105.00	39,706.39	753,000.10	213,741.53	1,498,398.51	32.87
	----	FOOD SERVICE	2,291,105.00	39,706.39	753,000.10	213,741.53	1,498,398.51	32.87

***** End of report *****

		2010-11	ENCUMBRANCE	2010-11	December 2010-11		2010-11
	Obj Obj	BUDGET	YTD	EXPENDITURES	ACTIVITY	BALANCE	YTD %
199	GENERAL FUND						
	6--- EXPENDITURES	36,685,343.00	1,032,903.29	10,213,386.85	2,995,441.53	25,439,052.86	27.84
	8--- OTHER USES	0.00	0.00	1,600.00	0.00	-1,600.00	0.00
	---- GENERAL FUND	36,685,343.00	1,032,903.29	10,214,986.85	2,995,441.53	25,437,452.86	27.84
240	FOOD SERVICE						
	6--- EXPENDITURES	2,291,105.00	39,706.39	753,000.10	213,741.53	1,498,398.51	32.87
	---- FOOD SERVICE	2,291,105.00	39,706.39	753,000.10	213,741.53	1,498,398.51	32.87

***** End of report *****

**MARBLE FALLS INDEPENDENT SCHOOL DISTRICT
 GENERAL OPERATING FUND - BUDGET AMENDMENT
 December 14, 2010**

<u>Description/Function</u>	<u>Debit</u>	<u>Credit</u>
Transportation/34 Insurance Proceeds	\$1,683	\$1,683
Total	\$1,683	\$1,683
Net Affect to Adopted Budget		<u> </u> <u> </u> \$0

Add insurance proceeds to revenue budget and repair costs to expenditure budget.

Lisa Elmer
 Accounting Supervisor

12-14-10
 Date

**MARBLE FALLS INDEPENDENT SCHOOL DISTRICT
 GENERAL OPERATING FUND - BUDGET AMENDMENT
 January 20, 2011**

<u>Description/Function</u>	<u>Debit</u>	<u>Credit</u>
Instruction/11	\$22,200	
Donations		\$22,200
Total	\$22,200	\$22,200
Net Affect to Adopted Budget		<u> </u> <u> </u> \$0

The Rotary Club is donating the funds to build a rope course for use by Falls Career High School.

Lisa Lemson
 Accounting Supervisor

1-20-11
 Date

Marble Falls Independent School District

Request for Acceptance of Donation or Gift

School or Department: Falls Career High School

Amount or Value of Donation: \$22,200

Gift Description: _____ Cash: _____ Check Payable to: Marble Falls ISD

Other (If Other Please Describe): _____

Recommended Purpose of Donation or Gift: Create a Ropes Course

Estimated Cost of Installation: Equipment \$1738.00 Material - \$7860.00
Labor - \$9,602 Training \$3000.00

Any Future Maintenance: NO

Donor Name: Rotary Club

Address: _____

Telephone Number: _____

I recommend acceptance of this donation/gift to MFISD.

Signature: [Signature] Date: 1-18-11

Principal/Administrator

Apply donation to Activity Fund: _____ or General Operating Budget:

Business Manager's Signature: _____ Date: _____

Superintendent's Signature: _____ Date: _____

Approval or Reporting Date to Board of Trustees: _____



ROPE WORKS

ROPES/CHALLENGE COURSE

Quote for Construction of a Ropes/Challenge Course

This quote, dated January 7, 2011 is between *Rope Works Inc.*(contractor) and Marble Falls ISD (client)

1) SERVICES TO BE PROVIDED TO MARBLE FALLS ISD:

- A) Construction of a Ropes/Challenge course on the property of Marble Falls ISD at Marble Falls, TX.
- B) The Ropes/Challenge course includes these elements:

Low Elements

All Aboard
T.P. Shuffle
Trust Fall
Nitro Crossing/Prouty's Landing
Spider Web
Triangular Traverse/Wild Woozy
Trolley (one 12 foot set)
Zig Zag
Islands
The Wall*

High Elements

Cat Walk
34' X 10' Climbing Wall
Pamper Pole
Multiline
Zipline

- C) *All Walls built by *Rope Works Inc.* have a full-width platform on the backside, with complete railing and belay system.

2. Materials and Construction Needs:

- A) *Rope Works Inc.* will provide staffing as needed for construction of the Ropes/Challenge Course.
- B) *Rope Works Inc.* will provide all materials and supplies for the construction of the Ropes/Challenge Course including poles and anchors.

C) Rope Works will furnish the following equipment:

6 Harnesses	2 Chest Harnesses
4 Helmets	2 Belay Rope Static (80')
1 Belay Rope Dynamic (100')	12 Steel Carabiners
12 Aluminum Carabiners Pear	2 Pulleys
2 Figure 8's	10 Signs
2 Crab Claws with Auto Locks Carabiners	
2 ATC	

D) The client will be responsible for:

- a) Site preparation, maintenance and security during construction. This could include tree, bush and rock removal, any leveling required, and mowing of grass.
- b) The installation of poles and anchors
- c) Securing any permits or licenses if required
- E) All high element load-bearing poles will be Class II, and CCA treated to a .60 retention. **All wooden structures will be fastened with bolts and/or screws; (no nails will be used as fasteners).**

3) Training

A) *Rope Works Inc.* will provide five days of training for a minimum of eight (8) and a maximum of ten (10) participants. Training will be provided at the client's ropes/challenge course.

4) FINANCIAL COMMITMENTS AND ARRANGEMENTS:

- A) Pre-design, planning and consultation No Charge
- B) Travel, lodging and meals No Charge
- C) Complete Ropes/Challenge course as listed, including poles and anchors \$19,200*
 *Itemized cost breaks down on last page
- Five days of training \$ 3,000

5) WARRANTY AND LIMITATION OF WARRANTY

THE ROPES/CHALLENGE COURSES CONSTRUCTED BY *ROPE WORKS INC* ARE WARRANTED TO BE FREE FROM DEFECTS IN MATERIALS AND WORKMANSHIP FOR A PERIOD OF ONE YEAR FROM INSTALLATION. ANY DEFECTIVE MATERIALS OR WORKSMANSHIP WILL BE REPLACED AT NO CHARGE, PROVIDING AN INSPECTION BY *ROPE WORKS INC.* DISCLOSES NO MISUSE, ALTERATION OR DAMAGE, INCLUDING BY AN UNPREDICTABLE ACT OF NATURE, WHICH, IN THE SOLE OPINION OF *ROPE WORKS INC.*, HAS

EFFECTED THE CONDITION OR OPERATION OF THE PRODUCT. EXCEPT AS SPECIFICALLY PROVIDED HEREIN, NO OTHER WARRANTIES ARE EXPRESSED, IMPLIED OR INTENDED, AND ALL OTHERS ARE DENIED, INCLUDING WARRANTIES OF FITNESS AND MERCHANTABILITY.

Signed Fred Zagst General Manager
FRED ZAGST
Printed Name

for Rope Works, Inc.
551 Blue Creek Dr.
Dripping Springs, TX 78620

Date 11/11/11

Low Elements

All Aboard	\$ 100.00
T.P. Shuffle	\$ 500.00
Trust Fall	\$ 250.00
Nitro Crossing/Prouty's Landing	\$ 600.00
Spider Web	\$ 150.00
Triangular Traverse/Wild Woozy	\$ 500.00
Trolley (one 12 foot set)	\$ 200.00
Zig Zag	\$ 500.00
Islands	\$ 600.00

High Elements

The Wall*	\$ 3,000.00
Cat Walk	\$ 1,622.00
34' X 10' Climbing Wall	\$ 4,000.00
Pamper Pole	\$ 2,200.00
Multiline	\$ 1,620.00
Zipline	\$ 1,620.00

Equipment

6 Harnesses	\$ 210.00
4 Helmets	\$ 320.00

Marble Falls ISD Quote, p.4

1 Belay Rope Dynamic (100')	\$ 80.00
12 Aluminum Carabiners Pear	\$ 156.60
2 Figure 8's	\$ 28.00
2 Crab Claws with Rope Snaps Carabiners	\$ 134.00
2 ATC	\$ 32.00
2 Chest Harnesses	\$ 58.00
2 Belay Rope Static (80')	\$ 224.00
12 Steel Carabiners	\$ 275.40
2 Pulleys	\$ 180.00
10 Signs	\$ 40.00
Total Equipment Cost	\$1,738
Total Material Cost	\$7,860
Total Labor Cost	\$9,602

**Marble Falls Independent School District
District Health Advisory Committee
2010-2011**

Parent Members:

Kate Schumacher	Colt Elementary
Sarah Collard	Marble Falls Elementary
Kim Reitan	Marble Falls Elementary
Shanna Murrell	Highland Lakes Elementary
Nelly Griffith	Highland Lakes Elementary
Jennifer Brust	Marble Falls Middle School
Brigitte Nolen	Marble Falls Middle School
Amy Robles	Marble Falls High School
Paula Rogers	Marble Falls High School

Community Members:

Janis Giesecke
Linda Mezger
Dorothy Dawson

Staff Members:

Jan Tomison
Shannon O'Connor
Sandra Pollock
Emily Kelley
Sharon Dare
Allyson Black

Jan Board mtg

To: Jim Boyle

Marble Falls School District

Monday, December 20, 2010

1800 Colt Circle

Marble Falls, TX 78654

- 1/24 6PM -

Stan Hemphill

Burnet County Appraisal District

223 S. Pierce St.

Burnet, TX 78611-3136

756-8291 '0'

George Russell

City Of Marble Falls

800 Third Street

Marble Falls, TX 78654

Donna Klager

Burnet County Judge

220 S. Pierce

Burnet, TX 78611

Subject: Property Taxes ID# 29647

Restoration Specialties, Inc.

1810 W Hwy 1431

Marble Falls, TX 78654

From: Phil & Rebecca Gatton – “Note Holder”

1107 Hwy 1431 #187

Marble Falls, TX 78654

Request For Waiver Of Penalties & Interest For 2008 & 2009 Property Taxes

My name is Phil Gatton and my wife and I are the Lien Holders Of the Subject Property at 1810 W Hwy 1431, Marble Falls, TX. As residents residing in Burnet County for 12 years we invested our retirement money in subject property as a long term interest investment and never planed to be involved in Foreclosure and ownership of this property. on March 07,2007 we acted as lenders on the Real Estate Lien Note executed by Restoration Specialties, Inc., as maker, and by Mr. David Horner and Mr. William D. Ratliff, Jr., as individual Guarantors. Within 60 days from our commitment the IRS filed liens against the property for non payment of payroll taxes against Restoration Specialties. I decided to check with

the Burnet Central Appraisal District and discovered the Property Taxes had not been paid for 2007 and were delinquent. David Horner and Billy Ratliff were notified of default by my Attorney Neal A. Kennedy and both owners signed an agreement that the Property Taxes would be paid in full by June 1st 2008. This never happened and on June 27, 2008 legal action was taken and I personally went to the Burnet Central Appraisal District and paid the delinquent Property Taxes in the amount of \$13,192.57. My Attorney and I worked out a payment plan and was repaid by January 2009. 2008 Taxes were due at this time and again Restoration Specialties would not pay the Property taxes for 2008. Non payment for the Note and Property taxes caused me to file for Foreclosure of the Note for November 03, 2009. On November 02, 2009 Restoration Specialties, Inc. filed electronically Chapter 7 Bankruptcy. The Bankruptcy Court appointed a Bankruptcy Attorney to liquidate the personal assets and sell the property. The Bankruptcy Attorney has tied up the property until December 31, 2010. My hands have been tied and therefore taxes have not been paid. Effective Jan 1st the bankruptcy Attorney will release the property from the Court and I will file for Foreclosure once again for February 1st 2011. The property was listed for sale and had interest but the Property is in the Flood Way and Flood Plain. Originally when built this was not the case but FEMA came along. The restrictive use of the property makes it very difficult to enlarge and even remodel without serious engineering and remodel expenses. I will be presenting to the Appraisal Board for review of the valuation. My plea is to the taxing authority to reduce my burden in paying the Interest and Penalties and Legal Fees associated with this Property for 2008 and 2009. The Taxes due with penalties looking at the Burnet CAD are \$44,319.36 and without the penalties and interest is \$33,868.65. Stan Hemphill can verify these numbers and I have made arrangements to borrow the \$33,868.65 and pay in full before January 31, 2011. The journey to take the property back to a productive property and employ people will be difficult but as a responsible citizen I am dedicated to do so with your help in waiving the penalties and interest that have occurred. Your decision is critical in helping me and my wife to return this property into the taxing arena that is necessary to run our community. Martin Mclean, Bobbie Hensley and Stan Hemphill have been helpful in providing direction in assisting me how to address this and how to send the request to. I need your help to resolve this issue. can be contacted at the following address:

Phil Gatton email – phil@281.com

1107 Hwy 1431 #187

Marble Falls, TX 78654

Cell# 512-755-2243

Please let me know if you need any additional information.

Sincerely,



Phil Gatton

Burnet CAD

Property Search Results > 29647 RESTORATIONS SPECIALTIES INC for Year 2010

Property

Account
 Property ID: 29647 Legal Description: S6130 MARBLE FALLS CITY LOT PT OF BLK 302,138,139, & PT OF 9TH ST & AVE R 5.414
 Geographic ID: 06130-0302-00007-000 Agent Code:
 Type: Real

Location
 Address: 1810 W HWY 1431 Mapsco:
 MARBLE FALLS, TX 78654
 Neighborhood: Map ID:
 Neighborhood CD:

Owner
 Name: RESTORATIONS SPECIALTIES INC Owner ID: 20728
 Mailing Address: 1810 FM 1431 % Ownership: 100.0000000000%
 MARBLE FALLS, TX 78654-4924
 Exemptions:

Values

(+) Improvement Homesite Value: + \$0
 (+) Improvement Non-Homesite Value: + \$212,194
 (+) Land Homesite Value: + \$0
 (+) Land Non-Homesite Value: + \$386,485 Ag / Timber Use Value
 (+) Agricultural Market Valuation: + \$0 \$0
 (+) Timber Market Valuation: + \$0 \$0

(=) Market Value: = \$598,679
 (-) Ag or Timber Use Value Reduction: - \$0

(=) Appraised Value: = \$598,679
 (-) HS Cap: - \$0

(=) Assessed Value: = \$598,679

Taxing Jurisdiction

Owner: RESTORATIONS SPECIALTIES INC
 % Ownership: 100.0000000000%
 Total Value: \$598,679

Entity	Description	Tax Rate	Appraised Value	Taxable Value	Estimated Tax
CAD	County Appraisal District	0.000000	\$598,679	\$598,679	\$0.00
CMA	MARBLE FALLS	0.643500	\$598,679	\$598,679	\$3,852.50
GBU	BURNET COUNTY	0.330300	\$598,679	\$598,679	\$1,977.43
RSP	CO SPECIAL, ROAD & BRIDGE	0.038900	\$598,679	\$598,679	\$232.89
SMA	MARBLE FALLS ISD	1.290000	\$598,679	\$598,679	\$7,722.96
WCD	WATER CONSERV DIST OF CENTRAL TEXAS	0.010800	\$598,679	\$598,679	\$64.66
Total Tax Rate:		2.313500			
				Taxes w/Current Exemptions:	\$13,850.44
				Taxes w/o Exemptions:	\$13,850.44

Improvement / Building

Improvement #1:	COMMERCIAL	State Code:	F1	Living Area:	11650.0 sqft	Value:	\$212,194
Type	Description	Class CD	Exterior Wall	Year Built	SQFT		
MA	MAIN AREA	93		1980	5515.0		
MAA	MULTI MAINS	93		1980	1000.0		
SHP	SHOP	93		1980	3750.0		
CAN	CANOPY	93		1980	7600.0		
STG	STORAGE	93		1980	1696.0		
ASP	ASPHALT	93		1980	44000.0		
FEN	FENCE	93		1980	900.0		
FEN	FENCE	93		1980	200.0		
CAN	CANOPY	93		2007	1320.0		
CAN	CANOPY	93		2007	440.0		
MAA	MULTI MAINS	93		0	3685.0		
MAA	MULTI MAINS	93		1980	1450.0		

Land

#	Type	Description	Acres	Sqft	Eff Front	Eff Depth	Market Value	Prod. Value
1	F1	F1	5.4600	237837.00	0.00	0.00	\$386,485	\$0

Roll Value History


Year	Improvements	Land Market	Ag Valuation	Appraised	HS Cap	Assessed
2011		N/A	N/A	N/A	N/A	N/A
2010	\$212,194	\$386,485	0	598,679	\$0	\$598,679
2009	\$212,194	\$386,485	0	598,679	\$0	\$598,679
2008	\$207,556	\$386,485	0	594,041	\$0	\$594,041
2007	\$156,430	\$386,485	0	542,915	\$0	\$542,915
2006	\$156,431	\$386,485	0	542,916	\$0	\$542,916
2005	\$145,258	\$386,485	0	531,743	\$0	\$531,743
2004	\$145,258	\$386,485	0	531,743	\$0	\$531,743
2003	\$119,885	\$386,485	0	506,370	\$0	\$506,370
2002	\$119,885	\$386,485	0	506,370	\$0	\$506,370

Deed History - (Last 3 Deed Transactions)

#	Deed Date	Type	Description	Grantor	Grantee	Volume	Page
1	3/7/2007 12:00:00 AM	WDLIEN	WARRANTY DEED WITH VENDORS LIEN	KUVET FAMILY TR'	RESTORATIONS S		
2	10/20/2004 12:00:00 AM	WDLIEN	WARRANTY DEED WITH VENDORS LIEN	MILLS AMOS L EST	KUVET FAMILY TR'	1282	921
3	8/1/1991 12:00:00 AM	OT	OTHER	6	MILLS AMOS L	507	570

Tax Due

Property Tax Information as of 12/19/2010

Amount Due if Paid on: 

Year	Taxing Jurisdiction	Taxable Value	Base Tax	Base Taxes Paid	Base Tax Due	Discount / Penalty & Interest	Attorney Fees	Amount Due
2010	MARBLE FALLS	\$598,679	\$3852.50	\$0.00	\$3852.50	\$0.00	\$0.00	\$3852.50
2010	BURNET COUNTY	\$598,679	\$1977.43	\$0.00	\$1977.43	\$0.00	\$0.00	\$1977.43
2010	CO SPECIAL, ROAD & BRIDGE	\$598,679	\$232.89	\$0.00	\$232.89	\$0.00	\$0.00	\$232.89
2010	MARBLE FALLS ISD	\$598,679	\$7722.96	\$0.00	\$7722.96	\$0.00	\$0.00	\$7722.96
2010	WATER CONSERV DIST OF CENTRAL TEXAS	\$598,679	\$64.66	\$0.00	\$64.66	\$0.00	\$0.00	\$64.66
	2010 TOTAL:		\$13850.44	\$0.00	\$13850.44	\$0.00	\$0.00	\$13850.44
2009	MARBLE FALLS	\$598,679	\$3672.30	\$0.00	\$3672.30	\$844.63	\$903.39	\$5420.32
2009	BURNET COUNTY	\$598,679	\$1955.88	\$0.00	\$1955.88	\$449.86	\$481.15	\$2886.89
2009	CO SPECIAL, ROAD & BRIDGE	\$598,679	\$215.52	\$0.00	\$215.52	\$49.57	\$53.02	\$318.11
2009	MARBLE FALLS ISD	\$598,679	\$7693.02	\$0.00	\$7693.02	\$1769.39	\$1892.48	\$11354.89
2009	WATER CONSERV DIST OF CENTRAL TEXAS	\$598,679	\$78.43	\$0.00	\$78.43	\$18.04	\$19.29	\$115.76
	2009 TOTAL:		\$13615.15	\$0.00	\$13615.15	\$3131.49	\$3349.33	\$20095.97
2008	MARBLE FALLS	\$594,041	\$3742.45	\$1958.64	\$1783.81	\$624.33	\$481.63	\$2889.77
2008	BURNET COUNTY	\$594,041	\$1946.67	\$1018.81	\$927.86	\$324.75	\$250.52	\$1503.13
2008	CO SPECIAL, ROAD & BRIDGE	\$594,041	\$207.91	\$108.81	\$99.10	\$34.68	\$26.76	\$160.54
2008	MARBLE FALLS ISD	\$594,041	\$7455.22	\$3901.72	\$3553.50	\$1243.73	\$959.45	\$5756.68
2008	WATER CONSERV DIST OF CENTRAL TEXAS	\$594,041	\$81.38	\$42.59	\$38.79	\$13.57	\$10.47	\$62.83
	2008 TOTAL:		\$13433.63	\$7030.57	\$6403.06	\$2241.06	\$1728.83	\$10372.95
2007	MARBLE FALLS	\$542,915	\$2633.14	\$2633.14	\$0.00	\$0.00	\$0.00	\$0.00
2007	BURNET COUNTY	\$542,915	\$1888.26	\$1888.26	\$0.00	\$0.00	\$0.00	\$0.00
2007	CO SPECIAL, ROAD & BRIDGE	\$542,915	\$163.42	\$163.42	\$0.00	\$0.00	\$0.00	\$0.00
2007	MARBLE FALLS ISD	\$542,915	\$6705.00	\$6705.00	\$0.00	\$0.00	\$0.00	\$0.00
2007	WATER CONSERV DIST OF CENTRAL TEXAS	\$542,915	\$81.98	\$81.98	\$0.00	\$0.00	\$0.00	\$0.00
	2007 TOTAL:		\$11471.80	\$11471.80	\$0.00	\$0.00	\$0.00	\$0.00
	RESTORATIONS SPECIALTIES INC TOTAL:		\$52371.02	\$18502.37	\$33868.65	\$5372.55	\$5078.16	\$44319.36
2006	MARBLE FALLS	\$542,916	\$2144.52	\$2144.52	\$0.00	\$0.00	\$0.00	\$0.00
2006	BURNET COUNTY	\$542,916	\$1928.98	\$1928.98	\$0.00	\$0.00	\$0.00	\$0.00
2006	CO SPECIAL, ROAD & BRIDGE	\$542,916	\$137.90	\$137.90	\$0.00	\$0.00	\$0.00	\$0.00
2006	MARBLE FALLS ISD	\$542,916	\$7989.55	\$7989.55	\$0.00	\$0.00	\$0.00	\$0.00
2006	WATER CONSERV DIST OF CENTRAL TEXAS	\$542,916	\$89.74	\$89.74	\$0.00	\$0.00	\$0.00	\$0.00
	2006 TOTAL:		\$12290.69	\$12290.69	\$0.00	\$0.00	\$0.00	\$0.00
2005	MARBLE FALLS	\$531,743	\$2233.32	\$2233.32	\$0.00	\$0.00	\$0.00	\$0.00
2005	BURNET COUNTY	\$531,743	\$1995.10	\$1995.10	\$0.00	\$0.00	\$0.00	\$0.00
2005	CO SPECIAL, ROAD & BRIDGE	\$531,743	\$132.94	\$132.94	\$0.00	\$0.00	\$0.00	\$0.00
2005	MARBLE FALLS ISD	\$531,743	\$8720.59	\$8720.59	\$0.00	\$0.00	\$0.00	\$0.00
	2005 TOTAL:		\$13081.95	\$13081.95	\$0.00	\$0.00	\$0.00	\$0.00
2004	MARBLE FALLS	\$531,743	\$2217.37	\$2217.37	\$0.00	\$0.00	\$0.00	\$0.00

Acct: PHILLIP G GATTON

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07

PHILLIP G GATTON TT00		3352
REBECCA L GATTON		
1107 FM 1431 # 187		
MARBLE FALLS, TX 78054		
DATE <i>06/07/08</i>		
PAY TO THE ORDER OF <i>Direct Central Agency Dist</i>		\$ 13,192 ⁵⁷ / ₁₀₀
<i>7 billion Howard</i>		DOLLARS 6
QIBC		5700
MEMO <i>Don't pay</i>		
⑆337613284⑉0411000790⑆3352		

KENNEDY LAW OFFICE

a Professional Limited Liability Company

Neal A. Kennedy
Attorney at Law
neal@kennedylaw.com

404 Main Street
Marble Falls, Texas 78654
www.kennedylaw.com

(830) 693-9911 (Marble Falls)
(512) 497-3835 (Austin)
(830) 693-1908 (Fax)

June 27, 2008

VIA CERTIFIED MAIL, RETURN RECEIPT
REQUESTED NO. 7007 3020 0000 3614 3679 and
VIA REGULAR FIRST CLASS MAIL

Restoration Specialties, Inc.

Mr. David Horner

Mr. William D. Ratliff, Jr.

1810 Hwy. 1431 W.

Marble Falls, Texas 78654

Re: Notice of Default and Demand for Payment of Past-due Installment on Real Estate Lien Note dated March 7, 2007, and Notice of Intent to Accelerate Unpaid Principal Balance and Accrued Interest Owed on Note.

Our File No. 2559.01

Dear Mr. Horner and Mr. Ratliff:

I have been retained to represent Mr. Phil Gatton and Mrs. Rebecca Gatton (the "Lenders"), in connection with your indebtedness owed to the Lenders on the Real Estate Lien Note executed by Restoration Specialties, Inc., as Maker, and by Mr. David Horner and Mr. William D. Ratliff, Jr., as individual Guarantors, dated March 7, 2007, payable to the order of Phil Gatton and Rebecca Gatton, in the original principal amount of \$715,000.00 (the "Note").

You have defaulted under the terms of the Note by failing to pay installments of principal and interest and other charges as they have come due on your Note. You are currently delinquent in the payment of the June 7, 2008 installment of \$7,358.72, plus a contractual late charge in the amount of \$367.94, or five percent (5.0%) of the past due monthly payment, to defray the expense of handling the delinquent payment. An additional regular installment of principal and interest in the amount of \$7,358.72 will become due on July 7, 2008. All past-due installments shall accrue interest and late charges in accordance with the terms of the Note until paid. You may contact Mr. Gatton at (512) 755-2243 to obtain a complete statement and to arrange for payment of this debt.

Restoration Specialties, Inc.
Mr. David Horner
Mr. William D. Ratliff, Jr.
June 27, 2008
Page 2

In addition, you are in default under the terms of the Deed of Trust securing payment of the Note (the "**Deed of Trust**") for failure to pay all taxes and assessments on the property when due. In order to mitigate their damages and protect their security interest, the Lenders have exercised their right, as provided under the terms of the Deed of Trust, to advance the additional sum of **\$13,192.57**, to directly pay the Burnet County Tax Assessor-Collector for the past due ad valorem taxes, penalties and interest owed by you on the property. If the delinquent ad valorem taxes, penalties and interest had not been paid **before July 1, 2008**, substantial additional penalties, interest and attorney fees would have become due. The total amount of taxes penalties, interest and attorney fees that would have been due on July 1, 2008, was **\$16,244.08**.

In accordance with the terms of the Deed of Trust, the Lenders are entitled to be reimbursed by you, upon demand, at the place where the Note is payable, for the sum of **\$13,192.57** so paid, plus interest on this sum from June 27, 2008, the date of payment, until fully and finally paid, at the rate of eighteen percent (18.0%) per annum, the rate stated in the Note for matured, unpaid amounts.

Demand is hereby made for payment **before 3:00 P.M. on July 7, 2008**, for the balance owed on the past-due installment, in the amount of **\$7,358.72**, plus the contractual late charge in the amount of **\$367.94**, and reimbursement to the Lenders in the amount of **\$735.89**, or ten percent (10.0%) of the past due installment, for reasonable attorney's fees incurred by the Lenders in collecting the amounts owed.

Demand is further made for reimbursement to the Lenders **before 3:00 P.M. on July 7, 2008**, of the additional sum of **\$13,192.57**, which was advanced by the Lenders to pay the delinquent taxes, assessments, penalties, and interest owed on the property, together with interest thereon at the rate of eighteen percent (18.0%) per annum (which is \$6.50 per day), from June 27, 2008, until the date of payment.

Payment must be made in cash or by cashier's check at the office of the Lenders at 1107 Hwy. 1431 W., #187, Marble Falls, Texas 78654, or at the office of this firm at 404 Main Street, Marble Falls, Texas 78654.

The loan documents executed by you provide that upon default in the punctual payment of the installments due on the Note or the performance of any obligation in any instrument securing the Note (including the obligation to pay taxes under the Deed of Trust), the unpaid principal balance of the Note may be matured at the option of The Lenders. You are hereby notified that if the unpaid balance due on the past-due installment, the amount advanced for payment of taxes, penalties and interest, interest on the amount so advanced, late charges, and reasonable attorney's fees incurred by the Lenders are not paid **before 3:00 P.M. on July 7,**

Restoration Specialties, Inc.
Mr. David Horner
Mr. William D. Ratliff, Jr.
June 27, 2008
Page 3

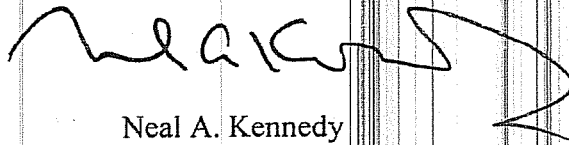
2008, the maturity of the unpaid balance of the principal of the Note shall automatically be accelerated as of 3:00 P.M. on that date, and the entire unpaid principal balance plus all accrued and earned interest shall become immediately due and payable as of that time without further notice, demand, or other action.

If you do not make up such delinquent payment and pay all delinquent taxes, assessments, penalties and interest owed on the property within the time provided, you shall owe and be immediately required to pay the Lenders (i) the principal sum of **\$687,801.75**, (ii) the additional sum of **\$13,192.57**, which was advanced by the Lenders to pay the delinquent taxes, assessments, penalties, and interest owed on the property, (iii) accrued and past due interest on the principal sum, in the approximate amount of **\$10,603.61**, (iv) late charges in the amount of **\$367.94**, (v) continuing interest on the foregoing sums at the default rate of eighteen percent (18.0%) per annum, and (vi) reasonable attorney's fees in the amount of not less than ten percent (10.0%) of the unpaid principal and interest, reimbursable to the Lenders under the Note and/or Deed of Trust.

Unless you dispute the validity of the debt, or any portion thereof, within thirty days after receipt of this notice, the debt will be assumed to be valid by the undersigned. If you notify the undersigned in writing within thirty days of receipt of this letter that the debt, or any portion thereof, is disputed, I will obtain verification of the debt and will mail a copy of the verification to you. Upon your written request, within the thirty-day period for the verification, I will provide you with the name and address of the original creditor. These thirty-day periods do not alter, waive, or affect the July 7, 2008, time for payment set forth above. You are notified that any information you give me will be used in the collection of the debt owed The Lenders.

If maturity of the indebtedness is accelerated, the Lenders shall instruct the trustee under the Deed of Trust to post the property pledged therein for public foreclosure. If a deficiency remains on your debt after the foreclosure sale, the Lenders may seek to hold you personally liable for any deficiency remaining after such foreclosure. The exercise of such rights shall not constitute a waiver of the other rights and remedies held by the Lenders.

Very truly yours,



Neal A. Kennedy

NAK/

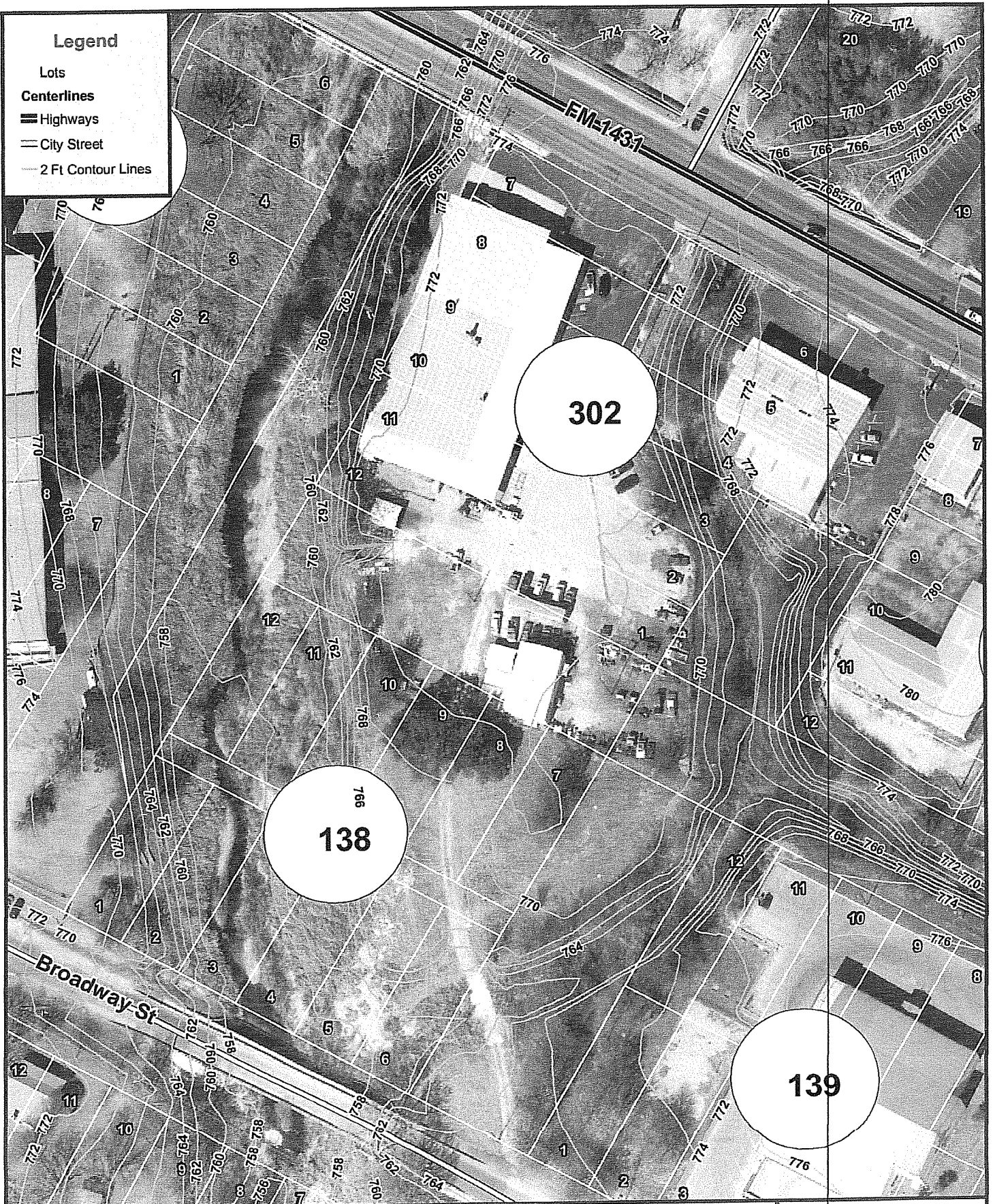
Restoration Specialties, Inc.
Mr. David Horner
Mr. William D. Ratliff, Jr.
June 27, 2008
Page 4

cc: David K. Horner
Registered Agent, Restoration Specialties, Inc.
901 Industrial Blvd.,
Marble Falls, Texas 78654
VIA CERTIFIED MAIL, RETURN RECEIPT
REQUESTED NO. 7007 3020 0000 3614 3686 and
VIA REGULAR FIRST CLASS MAIL

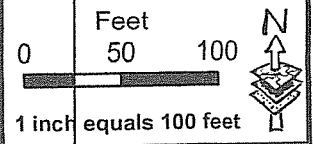
✓ Phil and Rebecca Gatton
1107 Hwy. 1431 W., #187
Marble Falls, Texas 78654

Legend

- Lots
- Centerlines
- Highways
- City Street
- 2 Ft Contour Lines

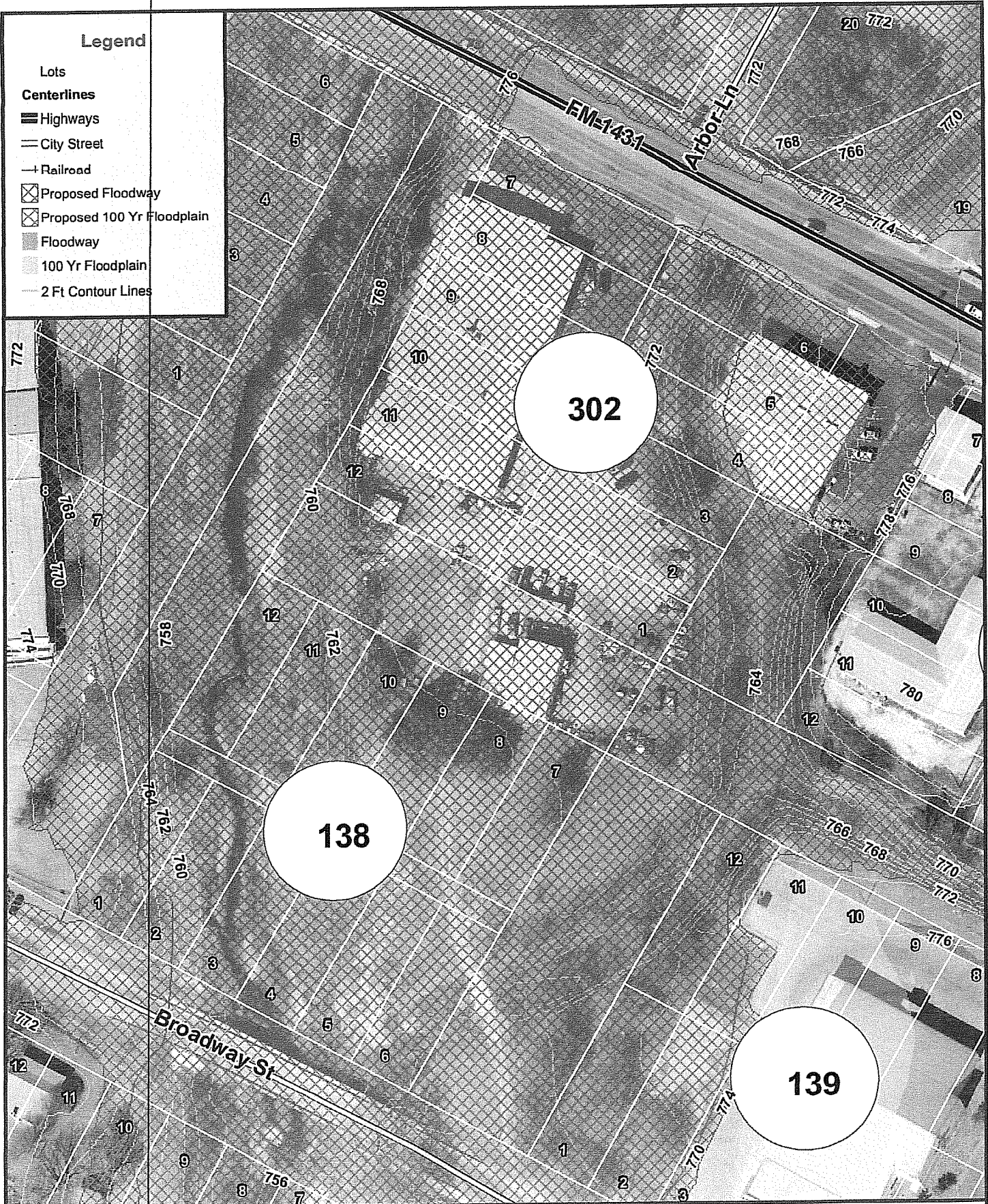


Site Map

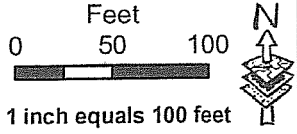


Legend

- Lots
- Centerlines
- Highways
- City Street
- Railroad
- Proposed Floodway
- Proposed 100 Yr Floodplain
- Floodway
- 100 Yr Floodplain
- 2 Ft Contour Lines



Site Map



West, Davis & Company

a limited liability partnership

January 7, 2011

Board of Trustees
Marble Falls Independent School District
Marble Falls, Texas

We have audited the August 31, 2010, financial statements of the Marble Falls Independent School District (the District) and have issued our report thereon dated January 7, 2011. Professional standards require that we provide you with the following information related to our audit. We will be pleased to discuss the contents of this letter or any related questions of the Board of Trustees at your convenience.

This information is intended solely for the use of the District and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

RESPONSIBILITY OF INDEPENDENT ACCOUNTANTS

Our responsibility under auditing standards generally accepted in the United States of America is to express an opinion on the financial statements of the District based on our audit. In carrying out this responsibility, we assessed the risk that the financial statements may contain a material misstatement, either intentional or unintentional, and designed and conducted an audit to provide reasonable, but not absolute, assurance of detecting misstatements that are material to the financial statements. We have completed the audit of the District's financial statements in accordance with generally accepted auditing standards.

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit. Also, in accordance with OMB Circular A-133, we examined, on a test basis, evidence about the District's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement applicable to each of its major federal programs for the purpose of expressing an opinion on the District's compliance with those requirements. While our audit provides a reasonable basis for our opinion, it does not provide a legal determination on the District's compliance with those requirements.

REPORT ISSUED ON 2010 AUDIT

We have issued our report, dated January 7, 2011, on the August 31, 2010, financial statements of the District. Our report is unqualified as to scope and accounting.

INTERNAL ACCOUNTING CONTROL

We considered the internal control structure in order to gain a basic understanding of the internal control policies and procedures in order to design an effective and efficient audit approach, not for the purpose of providing assurance on the internal control structure. We also considered internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

We have no comments regarding internal accounting control.

MANAGEMENT COOPERATION

We were given full access to accounting records, supporting documents and other information, which we requested.

ACCOUNTING PRINCIPLES

Management employed appropriate accounting principles as described in Note A to the financial statements and made all required disclosures in the financial statements. We noted no transactions entered into by the District during the year that were both significant and unusual, and of which, under professional standards, we are required to inform you, or transactions for which there is a lack of authoritative guidance or consensus.

MANAGEMENT JUDGMENTS AND ACCOUNTING ESTIMATES

Significant judgments or estimates included in the financial statements are estimates of asset useful lives, depreciation expense, uncollectible receivables, certain liabilities including accrued expenses and claims and judgments.

SIGNIFICANT AUDIT ADJUSTMENTS

We made adjustments as detailed in the accompanying schedule titled, "Adjustment Journal-Adjusting Entries." In addition, we made certain government-wide adjustments noted in the attached schedule titled, "Government-Wide Adjustment Journal." There were no uncorrected misstatements at August 31, 2010.

MAJOR ISSUES DISCUSSED WITH MANAGEMENT PRIOR TO RETENTION

There were no major issues discussed with management prior to our retention regarding the application of accounting principles and auditing standards.

DISAGREEMENTS WITH MANAGEMENT

We had no disagreements with management of the District regarding the application of accounting principles, the scope of our audit, disclosures to be included in the financial statements or the wording of our report on the financial statements.

CONSULTATION WITH OTHER ACCOUNTANTS

Management informed us that there were no consultations with other independent accountants regarding the application of accounting or auditing matters during 2010.

DIFFICULTIES ENCOUNTERED IN PERFORMING THE AUDIT

None.

Very truly yours,

West, Davis & Company

Marble Falls Independent School District
 Adjustment Journal - Adjusting Entries

August 31, 2010
 Accountant: GD

All Fund Types

Funds: 199, 204, 206, 211, 224, 225, 226, 240, 244, 255, 262, 263, 266, 272, 279, 283, 284, 285, 289, 394, 397, 401, 404
 411, 429, 461, 481, 599, 699, 806, 821, 824, 825, 863, 865, 901, 902

CL	Fund	Fn	Obj	So	Org	Y	Pr	S	Pd	Description	Ref	Debits	Credits	AJE#	Explanation of Adjustment
AS	199	0	1222	0	0	0	0	0	0	Receiv: Prop. Taxes-	C		14,428.00	1	TO ADJUST TAX REC
AS	199	0	1230	0	0	0	0	0	0	Receiv.: Allow. for Un	C	1,587.00		1	TO ADJUST TAX REC
LI	199	0	2311	0	0	0	0	0	0	Deferred Revenue - L	C	12,841.00		1	TO ADJUST TAX REC
EX	199	11	6144	0	0	0	11	0	0	Teacher Retirement/	31	40,572.80		2	TO RECORD MED PART D ON BEHALF
EX	199	12	6144	0	0	0	99	0	0	Teacher Retirement/	31	1,308.80		2	TO RECORD MED PART D ON BEHALF
EX	199	21	6144	0	0	0	21	0	0	Teacher Retirement/	31	1,308.80		2	TO RECORD MED PART D ON BEHALF
EX	199	23	6144	0	0	0	23	0	0	Teacher Retirement/	31	4,580.80		2	TO RECORD MED PART D ON BEHALF
EX	199	31	6144	0	0	0	31	0	0	Teacher Retirement/	31	2,617.60		2	TO RECORD MED PART D ON BEHALF
EX	199	33	6144	0	0	0	99	0	0	Teacher Retirement/	31	654.40		2	TO RECORD MED PART D ON BEHALF
EX	199	34	6144	0	0	0	99	0	0	Teacher Retirement/	31	3,272.00		2	TO RECORD MED PART D ON BEHALF
EX	199	36	6144	0	0	0	91	0	0	Teacher Retirement/	31	1,963.20		2	TO RECORD MED PART D ON BEHALF
EX	199	41	6144	0	750	0	99	0	0	Teacher Retirement/	31	1,308.80		2	TO RECORD MED PART D ON BEHALF
EX	199	51	6144	0	0	0	99	0	0	Teacher Retirement/	31	5,235.20		2	TO RECORD MED PART D ON BEHALF
EX	199	53	6144	0	0	0	99	0	0	Teacher Retirement/	31	1,963.20		2	TO RECORD MED PART D ON BEHALF
EX	199	61	6144	0	0	0	99	0	0	Teacher Retirement/	31	654.40		2	TO RECORD MED PART D ON BEHALF
RE	199	0	5831	0	0	0	0	0	0	Teacher Retirement/	31		65,440.00	2	TO RECORD MED PART D ON BEHALF
AS	199	0	1310	0	0	0	0	0	0	Inventories - Suppl. &	E		1,658.19	3	TO ADJUST POSTAGE INVENTORY
EX	199	41	6399	0	701	0	99	0	0	General Supplies	E	1,658.19		3	TO ADJUST POSTAGE INVENTORY
RE	199	0	5812	0	0	0	0	0	0	Foundation Sch. Prog	20		506,588.00	4	TO ACCRUE STATE REVENUE
AS	199	0	1241	0	0	0	0	0	0	Due from State	E	506,588.00		4	TO ACCRUE STATE REVENUE
	Totals----->											588,114.19	588,114.19		
AS	599	0	1220	0	0	0	0	0	0	Receiv: Property Tax	C	25,149.00		1	TO ADJUST TAX REC
AS	599	0	1230	0	0	0	0	0	0	Receiv.: Allow. for Un	C		2,767.00	1	TO ADJUST TAX REC
LI	599	0	2311	0	0	0	0	0	0	Deferred Revenue - L	C		22,382.00	1	TO ADJUST TAX REC
	Totals----->											25,149.00	25,149.00		

Adj Num	W.P. Ref	Class	Fund	Function	Object	Org.	Pr	Rev Fn	AW	Adjustment Amount	Adj Type	Account Description	Reconciliation Description	Reconcil. Name	Post Date	Post Time	Explanation or User Comment
1	C1	LI	199	0	2310	0	0			(12,841)	A	Deferred Revenue	Prop taxes not available	SNA2	15-Jan-2011	05:56 PM	TO ELIMINATE DEF TAX REVENUE
1	C1	RE	199	0	5711	0	0			12,841	A	Taxes, Cur. Yr. Lev	Property taxes not collected t	SOA7	15-Jan-2011	05:56 PM	TO ELIMINATE DEF TAX REVENUE
1	C1	LI	599	0	2310	0	0			22,382	A	Deferred Revenue	Prop taxes not available	SNA2	15-Jan-2011	05:44 PM	TO ELIMINATE DEF TAX REVENUE
1	C1	RE	599	0	5711	0	0			(22,382)	A	Taxes, Cur. Yr. Lev	Property taxes not collected t	SOA7	15-Jan-2011	05:44 PM	TO ELIMINATE DEF TAX REVENUE
2	CC1	LI	902	0	2510	0	0		110	3,450,000	A	Bonds Payable - Lc	L/T bonds payable	SNA5	15-Jan-2011	05:44 PM	TO ELIMINATE BOND PRINCIPLE PAYME
2	CC1	EX	902	71	6511	0	0			(3,450,000)	A	Bond Principal	Bond principal payments	SOA10	15-Jan-2011	05:44 PM	TO ELIMINATE BOND PRINCIPLE PAYME
3	CC1	LI	902	0	2140	0	0			6,068	A	Interest Payable	L/T bond interest payable	SNA7	15-Jan-2011	05:44 PM	TO ACCRUE INTEREST PAYABLE
3	CC1	EX	902	71	6521	0	0			(6,068)	A	Interest on Bonds	Change in accrued interest	SOA15	15-Jan-2011	05:44 PM	TO ACCRUE INTEREST PAYABLE
4	D	AS	901	0	1510	0	0		100	0	A	Land Purchase and	gov cap assets not in the fund	SNA1	15-Jan-2011	05:45 PM	TO ELIMINATE CAPITAL OUTLAY
4	D	AS	901	0	1580	0	0		100	3,601,239	A	Construction in Pro	gov cap assets not in the fund	SNA1	15-Jan-2011	05:45 PM	TO ELIMINATE CAPITAL OUTLAY
4	D	AS	901	0	1580	0	0		100	(61,948,657)	A	Construction in Pro	gov cap assets not in the fund	SNA1	15-Jan-2011	05:45 PM	TO ELIMINATE CAPITAL OUTLAY
4	D	AS	901	0	1520	0	0		100	61,948,657	A	Bldgs. & Improvem	gov cap assets not in the fund	SNA1	15-Jan-2011	05:45 PM	TO ELIMINATE CAPITAL OUTLAY
4	D	AS	901	0	1520	0	0		100	342,072	A	Bldgs. & Improvem	gov cap assets not in the fund	SNA1	15-Jan-2011	05:45 PM	TO ELIMINATE CAPITAL OUTLAY
4	D	AS	901	0	1530	0	0		100	410,569	A	Furn. & Equip.	gov cap assets not in the fund	SNA1	15-Jan-2011	05:45 PM	TO ELIMINATE CAPITAL OUTLAY
4	D	EX	901	34	6631	0	0			(261,307)	A	Vehicles	Cap. outlay not in SOA	SOA1	15-Jan-2011	05:45 PM	TO ELIMINATE CAPITAL OUTLAY
4	D	EX	901	11	6399	0	0			(5,099)	A	General Supplies	Cap. outlay not in SOA	SOA1	15-Jan-2011	05:45 PM	TO ELIMINATE CAPITAL OUTLAY
4	D	EX	901	53	6638	0	0			(155,549)	A	Furniture & Equipm	Cap. outlay not in SOA	SOA1	15-Jan-2011	05:45 PM	TO ELIMINATE CAPITAL OUTLAY
4	D	EX	901	53	6639	0	0			(186,522)	A	Furniture, Equipme	Cap. outlay not in SOA	SOA1	15-Jan-2011	05:45 PM	TO ELIMINATE CAPITAL OUTLAY
4	D	EX	901	53	6638	0	0			(10,935)	A	Furniture & Equipm	Cap. outlay not in SOA	SOA1	15-Jan-2011	05:45 PM	TO ELIMINATE CAPITAL OUTLAY
4	D	EX	901	35	6639	0	0			(9,117)	A	Furniture, Equipme	Cap. outlay not in SOA	SOA1	15-Jan-2011	05:45 PM	TO ELIMINATE CAPITAL OUTLAY
4	D	EX	901	23	6639	0	0			(15,675)	A	Furniture, Equipme	Cap. outlay not in SOA	SOA1	15-Jan-2011	05:45 PM	TO ELIMINATE CAPITAL OUTLAY
4	D	EX	901	36	6639	0	0			(8,805)	A	Furniture, Equipme	Cap. outlay not in SOA	SOA1	15-Jan-2011	05:45 PM	TO ELIMINATE CAPITAL OUTLAY
4	D	EX	901	51	6639	0	0			(27,968)	A	Furniture, Equipme	Cap. outlay not in SOA	SOA1	15-Jan-2011	05:45 PM	TO ELIMINATE CAPITAL OUTLAY
4	D	EX	901	51	6631	0	0			(56,569)	A	Vehicles	Cap. outlay not in SOA	SOA1	15-Jan-2011	05:45 PM	TO ELIMINATE CAPITAL OUTLAY
4	D	EX	901	11	6639	0	0			(15,095)	A	Furniture, Equipme	Cap. outlay not in SOA	SOA1	15-Jan-2011	05:45 PM	TO ELIMINATE CAPITAL OUTLAY
4	D	EX	901	81	6629	0	0			(3,273,281)	A	Bldg. Purch., Const	Cap. outlay not in SOA	SOA1	15-Jan-2011	05:45 PM	TO ELIMINATE CAPITAL OUTLAY
4	D	EX	901	81	6639	0	0			(327,958)	A	Furniture, Equipme	Cap. outlay not in SOA	SOA1	15-Jan-2011	05:45 PM	TO ELIMINATE CAPITAL OUTLAY
4	D	AS	901	0	1530	0	0		100	(1,482,732)	A	Furn. & Equip.	gov cap assets not in the fund	SNA1	15-Jan-2011	05:45 PM	TO RECORD DELETION
4	D	AS	901	0	1573	0	0		100	1,615,115	A	Accum. Deprec. - F	gov cap assets not in the fund	SNA1	15-Jan-2011	05:45 PM	TO RECORD DELETION
4	D	OU	901	0	8949	0	0			(132,383)	A	Other Uses	Trade-in or disposal of capital	SOA3	15-Jan-2011	05:45 PM	TO RECORD DELETION
4	D	AS	901	0	1520	0	0		100	(154,600)	A	Bldgs. & Improvem	gov cap assets not in the fund	SNA1	15-Jan-2011	05:45 PM	TO RECORD DELETION
4	D	AS	901	0	1571	0	0		100	56,584	A	Accum. Deprec. - B	gov cap assets not in the fund	SNA1	15-Jan-2011	05:45 PM	TO RECORD DELETION
4	D	OU	901	0	8949	0	0			98,016	A	Other Uses	Trade-in or disposal of capital	SOA3	15-Jan-2011	05:45 PM	TO RECORD DELETION
5	D	AS	901	0	1571	0	0		100	(1,304,567)	A	Accum. Deprec. - B	gov cap assets not in the fund	SNA1	15-Jan-2011	05:45 PM	TO RECORD DEPR EXPENSE
5	D	AS	901	0	1573	0	0		100	(359,886)	A	Accum. Deprec. - F	gov cap assets not in the fund	SNA1	15-Jan-2011	05:45 PM	TO RECORD DEPR EXPENSE
5	D	EX	901	11	6499	0	0			858,733	A	Misc. Operating Co	Deprec. in SOA	SOA2	15-Jan-2011	05:45 PM	TO RECORD DEPR EXPENSE
5	D	EX	901	12	6499	0	0			21,049	A	Misc. Operating Co	Deprec. in SOA	SOA2	15-Jan-2011	05:45 PM	TO RECORD DEPR EXPENSE
5	D	EX	901	13	6499	0	0			6,805	A	Misc. Operating Co	Deprec. in SOA	SOA2	15-Jan-2011	05:45 PM	TO RECORD DEPR EXPENSE
5	D	EX	901	21	6499	0	0			33,411	A	Misc. Operating Co	Deprec. in SOA	SOA2	15-Jan-2011	05:45 PM	TO RECORD DEPR EXPENSE
5	D	EX	901	23	6499	0	0			89,834	A	Misc. Operating Co	Deprec. in SOA	SOA2	15-Jan-2011	05:45 PM	TO RECORD DEPR EXPENSE
5	D	EX	901	31	6499	0	0			60,840	A	Misc. Operating Co	Deprec. in SOA	SOA2	15-Jan-2011	05:45 PM	TO RECORD DEPR EXPENSE
5	D	EX	901	33	6499	0	0			18,920	A	Misc. Operating Co	Deprec. in SOA	SOA2	15-Jan-2011	05:45 PM	TO RECORD DEPR EXPENSE
5	D	EX	901	34	6499	0	0			152,815	A	Misc. Operating Co	Deprec. in SOA	SOA2	15-Jan-2011	05:45 PM	TO RECORD DEPR EXPENSE
5	D	EX	901	35	6499	0	0			95,749	A	Misc. Operating Co	Deprec. in SOA	SOA2	15-Jan-2011	05:45 PM	TO RECORD DEPR EXPENSE
5	D	EX	901	36	6499	0	0			50,257	A	Misc. Operating Co	Deprec. in SOA	SOA2	15-Jan-2011	05:45 PM	TO RECORD DEPR EXPENSE
5	D	EX	901	41	6499	0	0			71,171	A	Misc. Operating Co	Deprec. in SOA	SOA2	15-Jan-2011	05:45 PM	TO RECORD DEPR EXPENSE
5	D	EX	901	51	6499	0	0			164,158	A	Misc. Operating Co	Deprec. in SOA	SOA2	15-Jan-2011	05:45 PM	TO RECORD DEPR EXPENSE
5	D	EX	901	52	6499	0	0			814	A	Misc. Operating Co	Deprec. in SOA	SOA2	15-Jan-2011	05:45 PM	TO RECORD DEPR EXPENSE
5	D	EX	901	53	6499	0	0			25,404	A	Misc. Operating Co	Deprec. in SOA	SOA2	15-Jan-2011	05:45 PM	TO RECORD DEPR EXPENSE
5	D	EX	901	61	6499	0	0			14,493	A	Misc. Operating Co	Deprec. in SOA	SOA2	15-Jan-2011	05:45 PM	TO RECORD DEPR EXPENSE
6	CC2	LI	902	0	2512	0	0		110	978,575	A	Accumulated Accre	L/T capital leases payable	SNA6	15-Jan-2011	05:44 PM	TO RECORD ACCUM ACCR ON CABs
6	CC2	EX	902	71	6522	0	0			(978,575)	A	Capital Lease Inter	Accret. of interest on cap app	SOA14	15-Jan-2011	05:44 PM	TO RECORD ACCUM ACCR ON CABs
7	CC1	AS	902	0	1420	0	0			0	A	Capitalized Bond ai	L/T contracts payable	SNA10	15-Jan-2011	05:44 PM	TO ELIMINATE BOND PROCEEDS
7	CC1	LI	902	0	2510	0	0		110	0	A	Bonds Payable - Lc	L/T bonds payable	SNA5	15-Jan-2011	05:44 PM	TO ELIMINATE BOND PROCEEDS
7	CC1	LI	902	0	2516	0	0			0	A	Premium & Discour	L/T compens. absences paya	SNA9	15-Jan-2011	05:44 PM	TO ELIMINATE BOND PROCEEDS

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Adj Num	W.P. Ref	Class	Fund	Function	Object	Org.	Pr	Rev Fn	AW	Adjustment Amount	Adj Type	Account Description	Reconciliation Description	Reconcil. Name	Post Date	Post Time	Explanation or User Comment
7	CC1	LI	902	0	2510	0	0		110	0	A	Bonds Payable - Lc	L/T bonds payable	SNA5	15-Jan-2011	05:44 PM	TO ELIMINATE BOND PROCEEDS
7	CC1	OR	902	0	7911	0	0			0	A	Issuance of Bonds	Special termination benefits r	SOA19	15-Jan-2011	05:44 PM	TO ELIMINATE BOND PROCEEDS
7	CC1	OR	902	0	7901	0	0			0	A	Refunding Bonds Is	Special termination benefits r	SOA19	15-Jan-2011	05:44 PM	TO ELIMINATE BOND PROCEEDS
7	CC1	OR	902	0	7916	0	0			0	A	Premium or Discou	Compensated absences repo	SOA18	15-Jan-2011	05:44 PM	TO ELIMINATE BOND PROCEEDS
7	CC2	EX	902	71	6594	0	0			0	A	Other Debt Service	Bond issuance cost amortizat	SOA13	15-Jan-2011	05:44 PM	TO RECORD ACCUM ACCR ON CABs
7	CC1	OU	902	0	8949	0	0			0	A	Other Uses	Donation of capital asset	SOA6	15-Jan-2011	05:44 PM	TO ELIMINATE BOND PROCEEDS
8	CC	AS	902	0	1420	0	0			(38,455)	A	Capitalized Bond ar	L/T contracts payable	SNA10	15-Jan-2011	05:44 PM	TO AMORTIZE BOND ISSUANCE & PREM
8	CC	LI	902	0	2516	0	0			39,246	A	Premium & Discour	L/T compens. absences paya	SNA9	15-Jan-2011	05:44 PM	TO AMORTIZE BOND ISSUANCE & PREM
8	CC	EX	902	71	6523	0	0			38,455	A	Interest on Debt	Bond issuance cost amortizat	SOA13	15-Jan-2011	05:44 PM	TO AMORTIZE BOND ISSUANCE & PREM
8	CC	RE	902	0	5749	0	0			(39,246)	A	Other Revenues frc	Bond premiums not in SOA	SOA29	15-Jan-2011	05:44 PM	TO AMORTIZE BOND ISSUANCE & PREM
9	CC	EX	901	81	6398	0	0			28,730	A	Suppl. & Mater. - Lc	Unrelated to reconciliations	None	15-Jan-2011	05:45 PM	RECLASS
9	CC	EX	901	51	6398	0	0			(28,730)	A	Suppl. & Mater. - Lc	Unrelated to reconciliations	None	15-Jan-2011	05:45 PM	RECLASS
10	WRB	AS	902	0	1267	0	0			0	A	Due from Trust & A	Unrelated to reconciliations	None	15-Jan-2011	05:44 PM	RECLASS
10	WRB	LI	902	0	2171	0	0			0	A	Due to General Fur	Unrelated to reconciliations	None	15-Jan-2011	05:44 PM	RECLASS
10	WRB	LI	902	0	2177	0	0			7,411	A	Due to Trust & Age	Unrelated to reconciliations	None	15-Jan-2011	05:44 PM	RECLASS
10	WRB	AS	902	0	1262	0	0			(7,411)	A	Due from Special R	Unrelated to reconciliations	None	15-Jan-2011	05:44 PM	RECLASS
10	WRB	LI	902	0	2177	0	0			(1)	A	Due to Trust & Age	Unrelated to reconciliations	None	15-Jan-2011	05:44 PM	RECLASS
10	WRB	RE	901	0	5749	2	0			(34,367)	A	Other Revenues frc	Unrelated to reconciliations	None	15-Jan-2011	05:45 PM	RECLASS
10	WRB	OU	901	0	8949	2	0			34,367	A	Other Uses	Unrelated to reconciliations	None	15-Jan-2011	05:45 PM	RECLASS
NA	On-Behal	RE	199	0	5831	0	0		2	1,673,592	XX	Teacher Retirement	Unrelated to reconciliations	None			Remove unallocated on-behalf revenue
NA	On-Behal	RE	199	0	5831	0	0	11	2	(1,033,190)	XX	Teacher Retirement	Unrelated to reconciliations	None			Allocate on-behalf by revenue function
NA	On-Behal	RE	199	0	5831	0	0	12	2	(25,386)	XX	Teacher Retirement	Unrelated to reconciliations	None			Allocate on-behalf by revenue function
NA	On-Behal	RE	199	0	5831	0	0	13	2	(3,826)	XX	Teacher Retirement	Unrelated to reconciliations	None			Allocate on-behalf by revenue function
NA	On-Behal	RE	199	0	5831	0	0	21	2	(35,883)	XX	Teacher Retirement	Unrelated to reconciliations	None			Allocate on-behalf by revenue function
NA	On-Behal	RE	199	0	5831	0	0	23	2	(111,001)	XX	Teacher Retirement	Unrelated to reconciliations	None			Allocate on-behalf by revenue function
NA	On-Behal	RE	199	0	5831	0	0	31	2	(63,336)	XX	Teacher Retirement	Unrelated to reconciliations	None			Allocate on-behalf by revenue function
NA	On-Behal	RE	199	0	5831	0	0	33	2	(21,990)	XX	Teacher Retirement	Unrelated to reconciliations	None			Allocate on-behalf by revenue function
NA	On-Behal	RE	199	0	5831	0	0	34	2	(80,876)	XX	Teacher Retirement	Unrelated to reconciliations	None			Allocate on-behalf by revenue function
NA	On-Behal	RE	199	0	5831	0	0	36	2	(43,449)	XX	Teacher Retirement	Unrelated to reconciliations	None			Allocate on-behalf by revenue function
NA	On-Behal	RE	199	0	5831	0	0	41	2	(36,624)	XX	Teacher Retirement	Unrelated to reconciliations	None			Allocate on-behalf by revenue function
NA	On-Behal	RE	199	0	5831	0	0	51	2	(153,959)	XX	Teacher Retirement	Unrelated to reconciliations	None			Allocate on-behalf by revenue function
NA	On-Behal	RE	199	0	5831	0	0	52	2	(915)	XX	Teacher Retirement	Unrelated to reconciliations	None			Allocate on-behalf by revenue function
NA	On-Behal	RE	199	0	5831	0	0	53	2	(46,332)	XX	Teacher Retirement	Unrelated to reconciliations	None			Allocate on-behalf by revenue function
NA	On-Behal	RE	199	0	5831	0	0	61	2	(16,825)	XX	Teacher Retirement	Unrelated to reconciliations	None			Allocate on-behalf by revenue function

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MARBLE FALLS
INDEPENDENT SCHOOL DISTRICT

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED AUGUST 31, 2010

Marble Falls Independent School District
Annual Financial Report
For The Year Ended August 31, 2010

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Marble Falls Independent School District
Annual Financial Report
For The Year Ended August 31, 2010

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Introductory Section

CERTIFICATE OF BOARD

Marble Falls Independent School District
Name of School District

Burnet
County

027-904
Co.-Dist. Number

We, the undersigned, certify that the attached annual financial reports of the above named school district were reviewed and (check one) X approved disapproved for the year ended August 31, 2010, at a meeting of the board of trustees of such school district on the 24th day of January , 2011 .

(ORIGINAL SIGNATURE ON FILE WITH TEA)
Signature of Board Secretary

(ORIGINAL SIGNATURE ON FILE WITH TEA)
Signature of Board President

If the board of trustees disapproved of the auditors' report, the reason(s) for disapproving it is (are):
[attach list as necessary]

Financial Section

WEST, DAVIS & COMPANY, LLP
11824 Jollyville Road, Suite 100
Austin, Texas 78759

Independent Auditors' Report on Financial Statements

Board of Trustees
Marble Falls Independent School District
Marble Falls, Texas

Members of the Board of Trustees:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Marble Falls Independent School District as of and for the year ended August 31, 2010, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Marble Falls Independent School District's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Marble Falls Independent School District as of August 31, 2010, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 7, 2011, on our consideration of Marble Falls Independent School District'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 assessing the results of our audit.

The Management's Discussion and Analysis and the budgetary comparison information identified as Required Supplementary Information in the table of contents are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was performed for the purpose of forming opinions on the financial statements which collectively comprise the Marble Falls Independent School District's basic financial statements. The accompanying schedule of expenditures of federal awards required by U. S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations* and the combining

financial statements and supporting schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. This information, except for that portion marked "unaudited" on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

West, Davis & Company

West, Davis & Company, LLP
January 7, 2011

Marble Falls Independent School District

MANAGEMENT'S DISCUSSION AND ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

In this section of the Annual Financial and Compliance Report, we, the managers of Marble Falls Independent School District (the District), discuss and analyze the District's financial performance for the fiscal year ended August 31, 2010. Please read it in conjunction with the independent auditors' report on page 2, and the District's Basic Financial Statements, which begin on page 10. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The government-wide financial statements include the Statement of Net Assets and the Statement of Activities (on pages 10 and 11). These provide information about the activities of the District as a whole and present a longer-term view of the District's property and debt obligations and other financial matters. They reflect the flow of total economic resources in a manner similar to the financial reports of a business enterprise. Fund financial statements (starting on page 12) report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds. For governmental activities, these statements tell how services were financed in the short term as well as what resources remain for future spending. They reflect the flow of current financial resources, and supply the basis for tax levies and the appropriations budget. The remaining statements, fiduciary statements, provide financial information about activities for which the District acts solely as a trustee or agent for the benefit of those outside of the district.

The notes to the financial statements (starting on page 20) provide narrative explanations or additional data needed for full disclosure in the government-wide statements or the fund financial statements.

The sections labeled TEA Required Schedules and Federal Awards Section contain data used by monitoring or regulatory agencies for assurance that the District is using funds supplied in compliance with the terms of grants.

Reporting the District as a Whole

The Statement of Net Assets and the Statement of Activities

The analysis of the District's overall financial condition and operations begins on page 10. Its primary purpose is to show whether the District is better off or worse off as a result of the year's activities. The Statement of Net Assets includes all the District's assets and liabilities at the end of the year while the Statement of Activities includes all the revenues and expenses generated by the District's operations during the year. These apply the accrual basis of accounting which is the basis used by private sector companies.

All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. The District's revenues are divided into those provided by outside parties who share the costs of some programs, such as grants provided by the U.S. Department of Education to assist children with disabilities or from disadvantaged backgrounds (program revenues), and revenues provided by the taxpayers or by TEA in equalization funding processes (general revenues). All the District's assets are reported whether they serve the current year or future years. Liabilities are considered regardless of whether they must be paid in the current or future years.

These two statements report the District's net assets and changes in them. The District's net assets (the difference between assets and liabilities) provide one measure of the District's financial health, or financial position. Over time, increases or decreases in the District's net assets are one indicator of whether its financial health is improving or deteriorating. To fully assess the overall health of the District, however, you should consider nonfinancial factors as well, such as changes in the District's average daily attendance or its property tax base and the condition of the District's facilities.

In the Statement of Net Assets and the Statement of Activities, we classify the District's activities as Governmental activities:

- Governmental activities—Most of the District's basic services are reported here, including the instruction, counseling, co-curricular activities, food services, transportation, maintenance, community services, and general administration. Property taxes, tuition, fees, and state and federal grants finance most of these activities.

Reporting the District's Most Significant Funds

Fund Financial Statements

The fund financial statements begin on page 12 and provide detailed information about the most significant funds—not the District as a whole. Laws and contracts require the District to establish some funds, such as grants received under the No Child Left Behind Act from the U.S. Department of Education. The District's administration establishes many other funds to help it control and manage money for particular purposes (like campus activities). The District's two kinds of funds—governmental and proprietary—use different accounting approaches.

- Governmental funds—Most of the District's basic services are reported in governmental funds. These use modified accrual accounting (a method that measures the receipt and disbursement of cash and all other financial assets that can be readily converted to cash) and report balances that are available for future spending. The governmental fund statements provide a detailed short-term view of the District's general operations and the basic services it provides. We describe the differences between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds in reconciliation schedules following each of the fund financial statements.
- Proprietary funds—The District reports the activities for which it charges users (whether outside customers or other units of the District) in proprietary funds using the same accounting methods employed in the Statement of Net Assets and the Statement of Activities. The internal service funds report activities that provide supplies and services for the District's other programs and activities—such as the District's self-insurance programs. The District, at present, maintains no proprietary funds.

The District as Trustee

Reporting the District's Fiduciary Responsibilities

The District is the trustee, or fiduciary, for money raised by student activities and scholarship programs. All of the District's fiduciary activities are reported in separate Statements of Fiduciary Net Assets and Changes in Fiduciary Net Assets on pages 18 and 19. We exclude these resources from the District's other financial statements because the District cannot use these assets to finance its operations. The District is only responsible for ensuring that the assets reported in these funds are used for their intended purposes.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Our analysis focuses on the net assets (Table I) and changes in net assets (Table II) of the District's governmental and business-type activities.

Net assets of the District's governmental activities increased from \$21.1 million to \$23.4 million. Unrestricted net assets – the part of net assets that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements – were \$9.3 million at August 31, 2010. This increase in governmental net assets was the result of the District's decreased expense of contracted instructional services between schools and correction of capital assets schedule.

Table I
Marble Falls Independent School District

NET ASSETS
in thousands

	Governmental Activities	
	2010	2009
Current and other assets	13,243	22,598
Capital assets	97,170	94,447
Total assets	110,413	117,044
Long-term liabilities	85,151	89,619
Other liabilities	1,903	6,297
Total liabilities	87,054	95,916
Net Assets:		
Invested in capital assets net of related debt	12,703	12,024
Restricted	1,359	1,133
Unrestricted	9,297	7,971
Total net assets	23,359	21,128

Table II
Marble Falls Independent School District

CHANGES IN NET ASSETS
in thousands

	Governmental Activities	
	2010	2009
Revenues:		
Program Revenues:		
Charges for Services	1,025	993
Operating grants and contributions	4,867	4,500
General Revenues:		
Maintenance and operations taxes	29,471	28,029
Debt Service taxes	6,921	5,750
State aid - formula grants	6,190	9,317
Investment Earnings	92	505
Miscellaneous	636	465
Total Revenue	<u>49,202</u>	<u>49,559</u>
Expenses:		
Instruction, curriculum and media services	23,478	22,238
Instructional and school leadership	3,195	2,917
Student support services	3,588	3,483
Child nutrition	1,942	1,942
Extracurricular activities	1,612	1,549
General administration	1,026	966
Plant maintenance, security and data processing	6,143	6,347
Community services	329	327
Debt services	2,248	4,983
Contracted Inst. Services between School	2,755	5,163
Other Intergovernmental Charges	655	609
Total Expenses	<u>46,971</u>	<u>50,524</u>
Increase in net assets	2,231	(965)
Net assets at Beginning	<u>21,128</u>	<u>22,093</u>
Net assets at Ending	<u>23,359</u>	<u>21,128</u>

THE DISTRICT'S FUNDS

As the District completed this annual period, its governmental funds (as presented in the balance sheet on page 12) reported a combined fund balance of \$9.2 million, which is \$5 million less than last year's total of \$14.2 million. Included in this year's total change in fund balance is a decrease of \$1.9 million in the District's General Fund and \$3.3 million in Other Governmental Funds and an increase of \$0.2 million in the Debt Service Fund.

Over the course of the year, the Board of Trustees revised the District's budget several times. These budget amendments fall into two categories. The first category includes amendments and supplemental appropriations that were approved shortly after the beginning of the year and reflect the actual beginning balances (versus the amounts we estimated in August 2009). The second category involved amendments moving funds from programs that did not need all the resources originally appropriated to them to programs with resource needs.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2010, the District had \$97.2 million invested in a broad range of capital assets, including facilities and equipment for instruction, transportation, athletics, administration, and maintenance.

In November 2007, District voters approved the issuance of some \$62.3 million in bonded debt to finance new instructional facilities and renovations. The projects authorized include \$54.5 million in school building construction and renovations. In addition, some \$7.8 million was authorized for construction of a multi-purpose facility for athletic and other special events. These renovations and construction projects were completed during the 2010 fiscal year. More detailed information about the District's capital assets is presented in Note D to the financial statements.

Debt

At year-end, the District had \$77.7 million in bonds outstanding versus \$81.1 million last year. More detailed information about the District's long-term liabilities is presented in Note F to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The District's five year salary proposal was re-evaluated and tabled until the district eliminates deficit spending.

During the 2010-11 budget cycle the district considered options to reduce spending because current revenue sources would not fund the current spending level. As a result, the district authorized a two year attrition plan to reduce staffing without reduction-in-force. A comparison study was completed verifying that Marble Falls ISD was overstaffed in several areas. Staffing targets were established and staffing guidelines were updated.

Coinciding with attrition, certain "Big Ticket Items" were rated according to those that can be cut (1), those that need additional evaluation for one year (2) and those that should not be cut.

Lastly, per student allocations on the campuses were reduced to the 08-09 budget level plus 5% and operating budgets were reduced by 7%.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the District's business office, at Marble Falls Independent School District, 1800 Colt Circle, Marble Falls, Texas 78654.

Basic Financial Statements

MARBLE FALLS INDEPENDENT SCHOOL DISTRICT

STATEMENT OF NET ASSETS

AUGUST 31, 2010

Data Control Codes	1	Governmental Activities
ASSETS:		
1110	<i>Cash and Cash Equivalents</i>	\$ 7,359,584
1120	<i>Current Investments</i>	2,143,367
1225	<i>Property Taxes Receivable (Net)</i>	1,703,635
1240	<i>Due from Other Governments</i>	1,143,765
1290	<i>Other Receivables (Net)</i>	194,245
1300	<i>Inventories</i>	32,130
1420	<i>Capitalized Bond and Other Debt Issuance Costs</i>	666,011
Capital Assets:		
1510	<i>Land</i>	3,047,266
1520	<i>Buildings and Improvements, Net</i>	92,579,257
1530	<i>Furniture and Equipment, Net</i>	1,543,847
1000	Total Assets	<u>110,413,107</u>
LIABILITIES:		
2110	<i>Accounts Payable</i>	208,802
2140	<i>Interest Payable</i>	133,341
2165	<i>Accrued Liabilities</i>	1,390,285
2180	<i>Due to Other Governments</i>	32,301
2300	<i>Unearned Revenue</i>	138,527
Noncurrent Liabilities:		
2501	<i>Due Within One Year</i>	3,165,234
2502	<i>Due in More Than One Year</i>	81,985,874
2000	Total Liabilities	<u>87,054,364</u>
NET ASSETS		
3200	Invested in Capital Assets, Net of Related Debt	12,702,962
Restricted For:		
3850	Debt Service	1,163,847
3870	Campus Activities	195,434
3900	Unrestricted	9,296,500
3000	Total Net Assets	<u>\$ 23,358,743</u>

The accompanying notes are an integral part of this statement.

MARBLE FALLS INDEPENDENT SCHOOL DISTRICT

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED AUGUST 31, 2010

Data Control Codes	Functions/Programs	1 Expenses	3 Program Revenues		4 Operating Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets
			Charges for Services	Governmental Activities		
	Governmental Activities:					
11	Instruction	\$ 22,641,949	\$ 124,261	\$ 2,704,477	\$ (19,813,211)	
12	Instructional Resources and Media Services	614,573	--	51,178	(563,395)	
13	Curriculum and Staff Development	221,590	--	18,404	(203,186)	
21	Instructional Leadership	938,040	--	83,436	(854,604)	
23	School Leadership	2,256,555	--	111,001	(2,145,554)	
31	Guidance, Counseling, & Evaluation Services	1,389,376	--	199,435	(1,189,941)	
33	Health Services	403,783	--	21,990	(381,793)	
34	Student Transportation	1,794,585	--	80,876	(1,713,709)	
35	Food Service	1,942,215	736,948	1,291,027	85,760	
36	Cocurricular/Extracurricular Activities	1,611,561	164,273	55,733	(1,391,555)	
41	General Administration	1,026,078	--	37,974	(988,104)	
51	Plant Maintenance and Operations	4,921,718	--	153,959	(4,767,759)	
52	Security and Monitoring Services	80,708	--	915	(79,793)	
53	Data Processing Services	1,140,817	--	39,551	(1,101,266)	
61	Community Services	329,160	--	16,825	(312,335)	
72	Interest on Long-term Debt	2,242,798	--	--	(2,242,798)	
73	Bond Issuance Costs and Fees	5,000	--	--	(5,000)	
91	Contracted Instructional Services between Schools	2,754,750	--	--	(2,754,750)	
99	Other Intergovernmental Charges	656,601	--	--	(656,601)	
TG	Total Governmental Activities	<u>46,971,857</u>	<u>1,025,482</u>	<u>4,866,781</u>	<u>(41,079,594)</u>	
TP	Total Primary Government	<u>\$ 46,971,857</u>	<u>\$ 1,025,482</u>	<u>\$ 4,866,781</u>	<u>(41,079,594)</u>	
	General Revenues:					
MT	Property Taxes, Levied for General Purposes				29,470,692	
DT	Property Taxes, Levied for Debt Service				6,920,779	
IE	Investment Earnings				92,391	
GC	Grants and Contributions Not Restricted to Specific Programs				6,190,145	
MI	Miscellaneous				635,815	
TR	Total General Revenues				<u>43,309,822</u>	
CN	Change in Net Assets				<u>2,230,228</u>	
NB	Net Assets - Beginning				<u>21,128,515</u>	
NE	Net Assets - Ending				<u>\$ 23,358,743</u>	

The accompanying notes are an integral part of this statement.

MARBLE FALLS INDEPENDENT SCHOOL DISTRICT

BALANCE SHEET - GOVERNMENTAL FUNDS

AUGUST 31, 2010

Data Control Codes	10 General Fund	50 Debt Service Fund	Other Governmental Funds	98 Total Governmental Funds	
ASSETS:					
1110	Cash and Cash Equivalents	\$ 6,450,003	\$ 759,114	\$ 150,467	\$ 7,359,584
1120	Current Investments	1,761,016	382,351	--	2,143,367
1225	Taxes Receivable, Net	1,439,008	264,627	--	1,703,635
1240	Due from Other Governments	506,588	--	637,177	1,143,765
1260	Due from Other Funds	19,424	--	--	19,424
1290	Other Receivables	146,021	--	48,224	194,245
1300	Inventories	32,130	--	--	32,130
1000	Total Assets	\$ 10,354,190	\$ 1,406,092	\$ 835,868	\$ 12,596,150
LIABILITIES:					
Current Liabilities:					
2110	Accounts Payable	\$ 204,769	\$ --	\$ 4,033	\$ 208,802
2160	Accrued Wages Payable	1,307,251	--	83,034	1,390,285
2170	Due to Other Funds	1	--	19,423	19,424
2180	Due to Other Governments	--	--	32,301	32,301
2300	Unearned Revenue	1,451,008	264,627	6,671	1,722,306
2000	Total Liabilities	2,963,029	264,627	145,462	3,373,118
FUND BALANCES:					
Reserved Fund Balances:					
3420	Debt Service	--	1,141,465	--	1,141,465
3450	Reserve for Food Service	--	--	487,509	487,509
3470	Capital Acquisitions & Contractual Obligations	--	--	30	30
3490	Other Reserves of Fund Balance	--	--	202,867	202,867
3600	Unreserved	7,391,161	--	--	7,391,161
3000	Total Fund Balances	7,391,161	1,141,465	690,406	9,223,032
4000	Total Liabilities and Fund Balances	\$ 10,354,190	\$ 1,406,092	\$ 835,868	\$ 12,596,150

The accompanying notes are an integral part of this statement.

MARBLE FALLS INDEPENDENT SCHOOL DISTRICT
*RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
 TO THE STATEMENT OF NET ASSETS*
 AUGUST 31, 2010

Total fund balances - governmental funds balance sheet	\$ 9,223,032
Amounts reported for governmental activities in the Statement of Net Assets ("SNA") are different because:	
Capital assets used in governmental activities are not reported in the funds.	97,170,369
Property taxes receivable unavailable to pay for current period expenditures are deferred in the funds.	1,583,779
Payables for bond principal which are not due in the current period are not reported in the funds.	(77,664,098)
The accumulated accretion of interest on capital appreciation bonds is not reported in the funds.	(6,803,340)
Payables for bond interest which are not due in the current period are not reported in the funds.	(133,341)
Bond premiums are amortized over the life of the bonds in the SNA but not in the funds.	(683,670)
Bond issuance costs are capitalized in the SNA but not in the funds.	666,011
Rounding difference	<u>1</u>
Net assets of governmental activities - Statement of Net Assets	<u>\$ 23,358,743</u>

The accompanying notes are an integral part of this statement.

MARBLE FALLS INDEPENDENT SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES

IN FUND BALANCES - GOVERNMENTAL FUNDS

FOR THE YEAR ENDED AUGUST 31, 2010

Data Control Codes	10 General Fund	50 Debt Service Fund	Other Governmental Funds	98 Total Governmental Funds
REVENUES:				
5700 Local and Intermediate Sources	\$ 30,113,421	\$ 6,909,967	\$ 1,038,617	\$ 38,062,005
5800 State Program Revenues	5,709,103	--	188,607	5,897,710
5900 Federal Program Revenues	121,410	--	5,037,806	5,159,216
5020 Total Revenues	<u>35,943,934</u>	<u>6,909,967</u>	<u>6,265,030</u>	<u>49,118,931</u>
EXPENDITURES:				
Current:				
0011 Instruction	18,316,874	--	3,486,536	21,803,410
0012 Instructional Resources and Media Services	524,937	--	68,587	593,524
0013 Curriculum and Staff Development	171,917	--	42,868	214,785
0021 Instructional Leadership	746,027	--	158,602	904,629
0023 School Leadership	2,148,575	--	33,821	2,182,396
0031 Guidance, Counseling, & Evaluation Services	1,178,460	--	150,076	1,328,536
0033 Health Services	373,093	--	11,770	384,863
0034 Student Transportation	1,903,077	--	--	1,903,077
0035 Food Service	--	--	1,855,583	1,855,583
0036 Cocurricular/Extracurricular Activities	1,469,100	--	101,009	1,570,109
0041 General Administration	953,557	--	1,350	954,907
0051 Plant Maintenance and Operations	4,870,826	--	--	4,870,826
0052 Security and Monitoring Services	79,894	--	--	79,894
0053 Data Processing Services	1,366,164	--	102,256	1,468,420
0061 Community Services	295,548	--	19,119	314,667
0071 Principal on Long-term Debt	--	3,450,000	--	3,450,000
0072 Interest on Long-term Debt	--	3,188,986	--	3,188,986
0073 Bond Issuance Costs and Fees	--	5,000	--	5,000
0081 Capital Outlay	--	--	3,572,509	3,572,509
0091 Contracted Instructional Services				
0091 Between Public Schools	2,754,750	--	--	2,754,750
0099 Other Intergovernmental Charges	656,601	--	--	656,601
6030 Total Expenditures	<u>37,809,400</u>	<u>6,643,986</u>	<u>9,604,086</u>	<u>54,057,472</u>
1100 Excess (Deficiency) of Revenues Over (Under)				
1100 Expenditures	<u>(1,865,466)</u>	<u>265,981</u>	<u>(3,339,056)</u>	<u>(4,938,541)</u>
Other Financing Sources and (Uses):				
7915 Transfers In	--	--	69,123	69,123
8911 Transfers Out	(69,123)	--	--	(69,123)
7080 Total Other Financing Sources and (Uses)	<u>(69,123)</u>	<u>--</u>	<u>69,123</u>	<u>--</u>
1200 Net Change in Fund Balances	<u>(1,934,589)</u>	<u>265,981</u>	<u>(3,269,933)</u>	<u>(4,938,541)</u>
0100 Fund Balances - Beginning	9,325,750	875,484	3,960,339	14,161,573
3000 Fund Balances - Ending	<u>\$ 7,391,161</u>	<u>\$ 1,141,465</u>	<u>\$ 690,406</u>	<u>\$ 9,223,032</u>

The accompanying notes are an integral part of this statement.

MARBLE FALLS INDEPENDENT SCHOOL DISTRICT
*RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
 TO THE STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED AUGUST 31, 2010*

Net change in fund balances - total governmental funds	\$ (4,938,541)
Amounts reported for governmental activities in the Statement of Activities ("SOA") are different because:	
Capital outlays are not reported as expenses in the SOA.	4,353,880
The depreciation of capital assets used in governmental activities is not reported in the funds.	(1,664,453)
Trade-in or disposal of capital assets decrease net assets in the SOA but not in the funds.	34,367
Certain property tax revenues are deferred in the funds. This is the change in these amounts this year.	9,541
Repayment of bond principal is an expenditure in the funds but is not an expense in the SOA.	3,450,000
Bond issuance costs and similar items are amortized in the SOA but not in the funds.	(38,455)
The accretion of interest on capital appreciation bonds is not reported in the funds.	978,575
(Increase) decrease in accrued interest from beginning of period to end of period.	6,068
Bond premiums are reported in the funds but not in the SOA.	<u>39,246</u>
Change in net assets of governmental activities - Statement of Activities	<u>\$ 2,230,228</u>

The accompanying notes are an integral part of this statement.

MARBLE FALLS INDEPENDENT SCHOOL DISTRICT

STATEMENT OF FIDUCIARY NET ASSETS

FIDUCIARY FUNDS

AUGUST 31, 2010

Data Control Codes	Private-purpose Trust Funds	Agency Funds Student Activity
ASSETS:		
1110 <i>Cash and Cash Equivalents</i>	\$ 27,098	\$ 78,529
1800 <i>Restricted Assets</i>	20,041	--
1000 Total Assets	<u>\$ 47,139</u>	<u>\$ 78,529</u>
LIABILITIES:		
Current Liabilities:		
2190 <i>Due to Student Groups</i>	\$ --	\$ 78,529
2000 Total Liabilities	<u>--</u>	<u>78,529</u>
NET ASSETS		
3800 <i>Held in Trust</i>	47,139	--
3000 Total Net Assets	<u>\$ 47,139</u>	<u>\$ --</u>

The accompanying notes are an integral part of this statement.

MARBLE FALLS INDEPENDENT SCHOOL DISTRICT

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS

FIDUCIARY FUNDS

FOR THE YEAR ENDED AUGUST 31, 2010

	Private- Purpose Trusts
Additions:	
Investment Income	\$ 871
Contributions	--
Total Additions	<u>871</u>
Deductions:	
Scholarship Awards	2,000
Other Expenses	250
Total Deductions	<u>2,250</u>
Change in Net Assets	(1,379)
Net Assets-Beginning of the Year	<u>48,518</u>
Net Assets-End of the Year	<u>\$ 47,139</u>

The accompanying notes are an integral part of this statement.

MARBLE FALLS INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2010

A. Summary of Significant Accounting Policies

The basic financial statements of Marble Falls Independent School District (the "District") have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP") applicable to governmental units in conjunction with the Texas Education Agency's Financial Accountability System Resource Guide ("Resource Guide"). The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

1. Reporting Entity

The Board of School Trustees ("Board"), a seven-member group, has governance responsibilities over all activities related to public elementary and secondary education within the jurisdiction of the District. The Board is elected by the public and has the exclusive power and duty to govern and oversee the management of the public schools of the District. All powers and duties not specifically delegated by statute to the Texas Education Agency ("TEA") or to the State Board of Education are reserved for the Board, and the TEA may not substitute its judgment for the lawful exercise of those powers and duties by the Board. The District receives funding from local, state and federal government sources and must comply with the requirements of those funding entities. However, the District is not included in any other governmental "reporting entity" as defined by the GASB in its Statement No. 14, "The Financial Reporting Entity" and there are no component units included within the reporting entity.

2. Basis of Presentation, Basis of Accounting

a. Basis of Presentation

Government-wide Financial Statements: The statement of net assets and the statement of activities include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. The District does not allocate indirect expenses in the statement of activities. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the District's funds, with separate statements presented for each fund category. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

The District reports the following major governmental funds:

General Fund: This is the District's primary operating fund. It accounts for all financial resources of the District except those required to be accounted for in another fund.

Capital Projects Fund: This fund accounts for proceeds from various bond issues and the corresponding expenditures for construction of voter approved facilities.

Debt Service Fund: This fund accounts for debt service property taxes and the payment of bond principal and interest as it comes due.

MARBLE FALLS INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2010

In addition, the District reports the following fund types:

Private-Purpose Trust Funds: These funds are used to report trust arrangements under which principal and income benefit individuals, private organizations, or other governments not reported in other fiduciary fund types.

Agency Funds: These funds are used to report student activity funds and other resources held in a purely custodial capacity (assets equal liabilities). Agency funds typically involve only the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments.

Fiduciary funds are reported in the fiduciary fund financial statements. However, because their assets are held in a trustee or agent capacity and are therefore not available to support District programs, these funds are not included in the government-wide statements.

b. **Measurement Focus, Basis of Accounting**

Government-wide and Fiduciary Fund Financial Statements: These financial statements are reported using the economic resources measurement focus. They are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements: Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District does not consider revenues collected after its year-end to be available in the current period. Revenues from local sources consist primarily of property taxes. Property tax revenues and revenues received from the State are recognized under the susceptible-to-accrual concept. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned, since they are both measurable and available. Expenditures are recorded when the related fund liability is incurred, except for 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 sources.

When the District incurs an expenditure or expense for which both restricted and unrestricted resources may be used, it is the District's policy to use restricted resources first, then unrestricted resources.

3. **Financial Statement Amounts**

a. **Property Taxes**

Property taxes are levied by October 1 on the assessed value listed as of the prior January 1 for all real and business personal property in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. On January 1 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed. Property tax revenues are considered available when they become due or past due and receivable within the current period.

Allowances for uncollectible tax receivables within the General and Debt Service Funds are based upon historical experience in collecting property taxes. Uncollectible personal property taxes are periodically reviewed and written off, but the District is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature.

MARBLE FALLS INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2010

b. Inventories and Prepaid Items

The District records purchases of supplies as expenditures, utilizing the purchase method of accounting for inventory in accordance with the Resource Guide.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

c. Capital Assets

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated fixed assets are recorded at their estimated fair value at the date of the donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. A capitalization threshold of \$5,000 is used.

Capital assets are being depreciated using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Infrastructure	30
Buildings	50
Building Improvements	20
Vehicles	2-15
Office Equipment	3-15
Computer Equipment	3-15

d. Receivable and Payable Balances

The District believes that sufficient detail of receivable and payable balances is provided in the financial statements to avoid the obscuring of significant components by aggregation. Therefore, no disclosure is provided which disaggregates those balances.

There are no significant receivables which are not scheduled for collection within one year of year end.

e. Interfund Activity

Interfund activity results from loans, services provided, reimbursements or transfers between funds. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures or expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers In and Transfers Out are netted and presented as a single "Transfers" line on the government-wide statement of activities. Similarly, interfund receivables and payables are netted and presented as a single "Internal Balances" line of the government-wide statement of net assets.

f. Use of Estimates

The preparation of financial statements in conformity with GAAP requires the use of management's estimates.

g. Data Control Codes

Data Control Codes appear in the rows and above the columns of certain financial statements. The TEA requires the display of these codes in the financial statements filed with TEA in order to insure accuracy in building a statewide database for policy development and funding plans.

MARBLE FALLS INDEPENDENT SCHOOL DISTRICT

*NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2010*

B. Compliance and Accountability

1. Finance-Related Legal and Contractual Provisions

In accordance with GASB Statement No. 38, "Certain Financial Statement Note Disclosures," violations of finance-related legal and contractual provisions, if any, are reported below, along with actions taken to address such violations:

<u>Violation</u>	<u>Action Taken</u>
None	Not Applicable

2. Deficit Fund Balance or Fund Net Assets of Individual Funds

Following are funds having deficit fund balances or fund net assets at year end, if any, along with remarks which address such deficits:

<u>Fund Name</u>	<u>Deficit Amount</u>	<u>Remarks</u>
None	\$ --	Not Applicable

C. Deposits and Investments

The District's funds are required to be deposited and invested under the terms of a depository contract. The depository bank deposits for safekeeping and trust with the District's agent bank approved pledged securities in an amount sufficient to protect District funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation ("FDIC") insurance.

1. Cash Deposits:

At August 31, 2010, the carrying amount of the District's deposits (cash, certificates of deposit, and interest-bearing savings accounts included in temporary investments) was \$7,359,584 and the bank balance was \$7,797,340. The District's cash deposits at August 31, 2010 and during the period ended August 31, 2010, were entirely covered by FDIC insurance or by pledged collateral held by the District's agent bank in the District's name.

2. Investments:

The District is required by Government Code Chapter 2256, The Public Funds Investment Act, to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, and (9) bid solicitation preferences for certificates of deposit.

The Public Funds Investment Act ("Act") requires an annual audit of investment practices. Audit procedures in this area conducted as a part of the audit of the basic financial statements disclosed that in the areas of investment practices, management reports and establishment of appropriate policies, the District adhered to the requirements of the Act. Additionally, investment practices of the District were in accordance with local policies.

MARBLE FALLS INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2010

The Act determines the types of investments which are allowable for the District. These include, with certain restrictions, 1) obligations of the U.S. Treasury, U.S. agencies, and the State of Texas, 2) certificates of deposit, 3) certain municipal securities, 4) securities lending program, 5) repurchase agreements, 6) bankers acceptances, 7) mutual funds, 8) investment pools, 9) guaranteed investment contracts, and 10) commercial paper.

The District's investments at August 31, 2010 are shown below.

<u>Investment or Investment Type</u>	<u>Maturity</u>	<u>Ratings</u>	<u>Fair Value</u>	<u>Percentage</u>
Lone Star Investment Pool	24 days average	AAA	\$ <u>2,143,367</u>	100%

3. Analysis of Specific Deposit and Investment Risks

GASB Statement No. 40 requires a determination as to whether the District was exposed to the following specific investment risks at year end and if so, the reporting of certain related disclosures:

a. Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The ratings of securities by nationally recognized rating agencies are designed to give an indication of credit risk. At year end, the District's investments were rated as noted above.

b. Custodial Credit Risk

Deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent but not in the District's name.

Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by either the counterparty or the counterparty's trust department or agent but not in the District's name.

At year end, the District was not exposed to custodial credit risk.

c. Concentration of Credit Risk

This risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. At year end, the District investments representing more than 5% of total investments are disclosed above.

d. Interest Rate Risk

This is the risk that changes in interest rates will adversely affect the fair value of an investment. At year end, the District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

e. Foreign Currency Risk

This is the risk that exchange rates will adversely affect the fair value of an investment. At year end, the District was not exposed to foreign currency risk.

MARBLE FALLS INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2010

Investment Accounting Policy

The District's general policy is to report money market investments and short-term participating interest-earning investment contracts at amortized cost and to report nonparticipating interest-earning investment contracts using a cost-based measure. However, if the fair value of an investment is significantly affected by the impairment of the credit standing of the issuer or by other factors, it is reported at fair value. All other investments are reported at fair value unless a legal contract exists which guarantees a higher value. The term "short-term" refers to investments which have a remaining term of one year or less at time of purchase. The term "nonparticipating" means that the investment's value does not vary with market interest rate changes. Nonnegotiable certificates of deposit are examples of nonparticipating interest-earning investment contracts.

Public Funds Investment Pools

Public funds investment pools in Texas ("Pools") are established under the authority of the Interlocal Cooperation Act, Chapter 79 of the Texas Government Code, and are subject to the provisions of the Public Funds Investment Act (the "Act"), Chapter 2256 of the Texas Government Code. In addition to other provisions of the Act designed to promote liquidity and safety of principal, the Act requires Pools to: 1) have an advisory board composed of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool; 2) maintain a continuous rating of no lower than AAA or AAA-m or an equivalent rating by at least one nationally recognized rating service; and 3) maintain the market value of its underlying investment portfolio within one half of one percent of the value of its shares. The District's investments in Pools are reported at an amount determined by the fair value per share of the pool's underlying portfolio, unless the pool is 2a7-like, in which case they are reported at share value. A 2a7-like pool is one which is not registered with the Securities and Exchange Commission ("SEC") as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940.

D. Capital Assets

Capital asset activity for the year ended August 31, 2010, was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
<u>Governmental activities:</u>				
<i>Capital assets not being depreciated:</i>				
Land	\$ 3,047,266	\$ --	\$ --	\$ 3,047,266
Construction in progress	58,347,418	3,601,239	61,948,657	--
Total capital assets not being depreciated	<u>61,394,684</u>	<u>3,601,239</u>	<u>61,948,657</u>	<u>3,047,266</u>
<i>Capital assets being depreciated:</i>				
Buildings and improvements	50,700,212	62,290,729	154,600	112,836,341
Furniture and Equipment	5,025,809	410,569	1,482,732	3,953,646
Total capital assets being depreciated	<u>55,726,021</u>	<u>62,701,298</u>	<u>1,637,332</u>	<u>116,789,987</u>
Less accumulated depreciation for:				
Buildings and improvements	(19,009,101)	(1,304,567)	(56,584)	(20,257,084)
Furniture and Equipment	(3,665,028)	(359,886)	(1,615,115)	(2,409,799)
Total accumulated depreciation	<u>(22,674,129)</u>	<u>(1,664,453)</u>	<u>(1,671,699)</u>	<u>(22,666,883)</u>
Total capital assets being depreciated, net	<u>33,051,892</u>	<u>61,036,845</u>	<u>(34,367)</u>	<u>94,123,104</u>
Governmental activities capital assets, net	<u>\$ 94,446,576</u>	<u>\$ 64,638,084</u>	<u>\$ 61,914,290</u>	<u>\$ 97,170,370</u>

MARBLE FALLS INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2010

Depreciation was charged to functions as follows:

Instruction	\$ 858,733
Instructional Resources and Media Services	21,049
Curriculum and Staff Development	6,805
Instructional Leadership	33,411
School Leadership	89,834
Guidance, Counseling, & Evaluation Services	60,840
Health Services	18,920
Student Transportation	152,816
Food Services	95,748
Extracurricular Activities	50,257
General Administration	71,171
Plant Maintenance and Operations	164,158
Security and Monitoring Services	814
Data Processing Services	25,404
Community Services	14,493
	<u>\$ 1,664,453</u>

E. Interfund Balances and Activities

1. Due To and From Other Funds

Balances due to and due from other funds at August 31, 2010, consisted of the following:

<u>Due To Fund</u>	<u>Due From Fund</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Other Governmental Funds	\$ 19,424	Short-term loans
General Fund	General Fund Subfund	--	For payroll clearing
	Total	<u>\$ 19,424</u>	

All amounts due are scheduled to be repaid within one year.

Transfers To and From Other Funds

Transfers to and from other funds at August 31, 2010, consisted of the following:

<u>Transfers From</u>	<u>Transfers To</u>	<u>Amount</u>	<u>Reason</u>
General fund	Capital Projects Fund	\$ 69,123	Supplement other funds sources
	Total	<u>\$ 69,123</u>	

MARBLE FALLS INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2010

F. Long-Term Obligations

The District has entered into a continuing disclosure undertaking to provide Annual Reports and Material Event Notices to the State Information Depository of Texas, which is the Municipal Advisory Council. This information is required under SEC Rule 15c2-12 to enable investors to analyze the financial condition and operations of the District.

1. Long-Term Obligation Activity

Long-term obligations include debt and other long-term liabilities. Changes in long-term obligations for the year ended August 31, 2010, are as follows:

Series	Original Issue (millions)	Interest Rate	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
<u>Governmental activities:</u>							
2002	12.325	3.0-4.5%	\$ 3,825,506	\$ --	\$ 1,130,000	\$ 2,695,506	740,234
2002A	8.940	2.5-5.0%	7,775,000	--	965,000	6,810,000	1,005,000
2006	6.967	4.2-4.61%	6,966,778	--	--	6,966,778	--
2007A	25.000	3.67-4.51%	25,000,000	--	475,000	24,525,000	500,000
2008	28.000	3.0-5.0%	27,645,443	--	555,000	27,090,443	570,000
2009A	9.342	2.0-5.0%	559,754	--	145,000	414,754	150,000
2009B	0.570	2.0%	9,341,617	--	180,000	9,161,617	200,000
			81,114,098	--	3,450,000	77,664,098	3,165,234
Premium on Bonds			722,916	--	39,246	683,670	--
Accumulated Accretion on CAB's			7,781,915	--	978,575	6,803,340	--
Total governmental activities			\$ 89,618,929	\$ --	\$ 4,467,821	\$ 85,151,108	\$ 3,165,234

2. Debt Service Requirements

Debt service requirements on long-term debt at August 31, 2010, are as follows:

Year Ending August 31,	Governmental Activities		
	Principal	Interest	Total
2011	\$ 3,165,234	\$ 3,494,952	\$ 6,660,186
2012	3,224,525	3,441,837	6,666,362
2013	3,232,282	3,437,180	6,669,462
2014	3,070,462	3,490,874	6,561,336
2015	3,146,853	3,421,083	6,567,936
2016-2020	13,256,129	19,296,627	32,552,756
2021-2025	11,313,613	13,566,525	24,880,138
2021-2022	12,045,000	7,877,684	19,922,684
2031-2035	15,210,000	4,698,431	19,908,431
2036-2040	10,000,000	968,875	10,968,875
Totals	\$ 77,664,098	\$ 63,694,068	\$ 141,358,166

MARBLE FALLS INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2010

3. Advance Refunding of Debt

GASB Statement No. 7, "Advance Refundings Resulting in Defeasance of Debt," provides that refunded debt and assets placed in escrow for the payment of related debt service be excluded from the financial statements. As of August 31, 2010, outstanding balances of bond issues that have been refunded and defeased in-substance by placing existing assets and the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments are as follows.

<u>Bond Issue</u>	<u>Amount</u>
Series 1996	\$ 515,000
Series 2002	5,554,747
Total	<u>\$ 6,069,747</u>

G. Risk Management

The District is exposed to various risks of loss related to torts, theft, damage or destruction of assets, errors and omissions, injuries to employees, and natural disasters. During fiscal year 2010, the District purchased commercial insurance to cover general liabilities. There were no significant reductions in coverage in the past fiscal year and there were no settlements exceeding insurance coverage for each of the past three fiscal years.

H. Pension Plan

1. Plan Description

The District contributes to the Teacher Retirement System of Texas (the "System"), a public employee retirement system. It is a cost-sharing, multiple-employer defined benefit pension plan with one exception: all risks and costs are not shared by the District, but are the liability of the State of Texas. The System provides service retirement and disability retirement benefits, and death benefits to plan members and beneficiaries. The System operates primarily under the provisions of the Texas Constitution and Texas Government Code, Title 8, Subtitle C. The Texas legislature has the authority to establish or amend benefit provisions. The System issues a publicly available financial report that includes financial statements and required supplementary information for the District. That report may be obtained by writing the Teacher Retirement System of Texas, 1000 Red River Street, Austin, TX 78701-2698 or by calling (800) 223-8778.

2. Funding Policy

Under provisions in State law, plan members are required to contribute 6.4% of their annual covered salary and the State of Texas contributes an amount equal to 6.58% of the District's covered payroll. The District's employees' contributions to the System for the years ending August 31, 2010, 2009 and 2008 were \$1,643,613, \$1,573,303, and \$1,470,207 respectively, and were equal to the required contributions for each year. Other contributions made from federal and private grants and from the District for salaries above the statutory minimum for the years ending August 31, 2010, 2009 and 2008 were \$300,502, \$261,256, and \$206,003 respectively, and were equal to the required contributions for each year. The amount contributed by the State on behalf of the District was \$1,608,152 for the year ended August 31, 2010.

MARBLE FALLS INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2010

I. Health Care Coverage

During the period ended August 31, 2010, employees of the District were covered by a state-wide plan, TRS Active Care. The District paid premiums of \$150 per month per employee to the Plan. Employees at their option may authorize payroll withholdings to pay premiums for dependent coverage. The Teacher Retirement System of Texas (TRS) manages TRS Active Care. The Plan is administered by Blue Cross and Blue Shield of Texas, and Scott and White HMO for the medical plan while Medco Health was assigned the prescription drug plan.

The District's participation is renewable annually.

The latest financial information on the state-wide plan is available from TRS (see note H1).

J. Retiree Health Plan

1. Plan Description

The District contributes to the Texas Public School Retired Employees Group Insurance Program (TRS-Care), a cost-sharing multiple-employer defined benefit postemployment health care plan administered by the Teacher Retirement System of Texas. TRS-Care Retired Plan provides health care coverage for certain persons (and their dependents) who retired under the Teacher Retirement System of Texas. The statutory authority for the program is Texas Insurance Code, Chapter 1575. Section 1575.052 grants the TRS Board of Trustees the authority to establish and amend basic and optional group insurance coverage for participants. The TRS issues a publicly available financial report that includes financial statements and required supplementary information for TRS-Care. That report may be obtained by visiting the TRS Web site at www.trs.state.tx.us, by writing to the Communications Department of the Teacher Retirement System of Texas at 1000 Red River Street, Austin, Texas 78701, or by calling 1-800-223-8778.

2. Funding Policy

Contribution requirements are not actuarially determined but are legally established each biennium by the Texas Legislature. Texas Insurance Code, Sections 1575.202, 203, and 204 establish state, active employee, and public school contributions, respectively. The State of Texas and active public school employee contribution rates were 1.0% and 0.65% of public school payroll, respectively, with school districts contributing a percentage of payroll set at 0.55% for fiscal years 2010, 2009 and 2008. Per Texas Insurance Code, Chapter 1575, the public school contribution may not be less than 0.25% or greater than 0.75% of the salary of each active employee of the public school. For the years ended August 31, 2010, 2009 and 2008, the State's contributions to TRS-Care were \$235,592, \$232,890, and \$214,865, respectively, the active member contributions were \$153,135, \$151,378, and \$139,662, respectively, and the school district's contributions were \$129,576, \$128,089, and \$118,176, respectively, which equaled the required contributions each year.

K. On-Behalf Payments

The District beneficiary of certain payments made other entities relating to fringe benefits. These payments are recorded in the government-wide and fund financial statements as state and/or federal revenues and payroll expenditures. These contributions are the responsibility of the state or federal government as detailed below.

Description	On-Behalf Amount
State contributions to the TRS retirement plan	\$ 1,608,152
Medicare Part D drug subsidy payments from the federal government to offset certain prescription drug expenditures for eligible TRS-Care participants	65,440
	<u>\$ 1,673,592</u>

MARBLE FALLS INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2010

L. Commitments and Contingencies

1. Contingencies

The District participates in grant programs which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectibility of any related receivable may be impaired. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying basic financial statements for such contingencies.

2. Litigation

No reportable litigation was pending against the District at August 31,2010.

Required Supplementary Information

Required supplementary information includes financial information and disclosures required by the Governmental Accounting Standards Board but not considered a part of the basic financial statements.

MARBLE FALLS INDEPENDENT SCHOOL DISTRICT

GENERAL FUND

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED AUGUST 31, 2010

EXHIBIT G-1

Page 1 of 2

Data Control Codes	1		2		3		Variance with Final Budget Positive (Negative)
	Budgeted Amounts				Actual		
	Original	Final					
REVENUES:							
5700	Local and Intermediate Sources	\$ 29,584,187	\$ 29,601,306	\$ 30,113,421	\$ 512,115		
5800	State Program Revenues	7,120,220	7,664,922	5,709,103	(1,955,819)		
5900	Federal Program Revenues	608,129	10,000	121,410	111,410		
5020	Total Revenues	<u>37,312,536</u>	<u>37,276,228</u>	<u>35,943,934</u>	<u>(1,332,294)</u>		
EXPENDITURES:							
Current:							
Instructional & Instructional Related Services:							
0011	Instruction	19,345,791	18,411,166	18,316,874	94,292		
0012	Instructional Resources and Media Services	549,291	549,125	524,937	24,188		
0013	Curriculum and Staff Development	197,542	193,135	171,917	21,218		
	Total Instruction & Instr. Related Services	<u>20,092,624</u>	<u>19,153,426</u>	<u>19,013,728</u>	<u>139,698</u>		
Instructional and School Leadership:							
0021	Instructional Leadership	763,224	760,529	746,027	14,502		
0023	School Leadership	2,189,714	2,310,037	2,148,575	161,462		
	Total Instructional & School Leadership	<u>2,952,938</u>	<u>3,070,566</u>	<u>2,894,602</u>	<u>175,964</u>		
Support Services - Student (Pupil):							
0031	Guidance, Counseling and Evaluation Services	1,114,087	1,203,062	1,178,460	24,602		
0033	Health Services	375,428	388,428	373,093	15,335		
0034	Student (Pupil) Transportation	1,834,306	2,013,875	1,903,077	110,798		
0036	Cocurricular/Extracurricular Activities	1,487,581	1,541,101	1,469,100	72,001		
	Total Support Services - Student (Pupil)	<u>4,811,402</u>	<u>5,146,466</u>	<u>4,923,730</u>	<u>222,736</u>		
Administrative Support Services:							
0041	General Administration	1,043,999	997,432	953,557	43,875		
	Total Administrative Support Services	<u>1,043,999</u>	<u>997,432</u>	<u>953,557</u>	<u>43,875</u>		
Support Services - Nonstudent Based:							
0051	Plant Maintenance and Operations	4,744,926	5,044,350	4,870,826	173,524		
0052	Security and Monitoring Services	102,130	97,130	79,894	17,236		
0053	Data Processing Services	1,486,732	1,446,732	1,366,164	80,568		
	Total Support Services - Nonstudent Based	<u>6,333,788</u>	<u>6,588,212</u>	<u>6,316,884</u>	<u>271,328</u>		
Ancillary Services:							
0061	Community Services	276,199	306,199	295,548	10,651		
	Total Ancillary Services	<u>276,199</u>	<u>306,199</u>	<u>295,548</u>	<u>10,651</u>		
Capital Outlay:							
0081	Capital Outlay	35,000	35,000	--	35,000		
	Total Capital Outlay	<u>35,000</u>	<u>35,000</u>	<u>--</u>	<u>35,000</u>		
Intergovernmental Charges:							
0091	Contracted Instr. Services Between Public Schools	2,503,024	2,772,361	2,754,750	17,611		
0099	Other Intergovernmental Charges	625,000	657,000	656,601	399		
	Total Intergovernmental Charges	<u>3,128,024</u>	<u>3,429,361</u>	<u>3,411,351</u>	<u>18,010</u>		
6030	Total Expenditures	<u>38,673,974</u>	<u>38,726,662</u>	<u>37,809,400</u>	<u>917,262</u>		

MARBLE FALLS INDEPENDENT SCHOOL DISTRICT

GENERAL FUND

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED AUGUST 31, 2010

EXHIBIT G-1

Page 2 of 2

Data Control Codes	1		2	3	Variance with Final Budget Positive (Negative)
	Budgeted Amounts			Actual	
	Original	Final			
1100	Excess (Deficiency) of Revenues Over (Under)				
1100	Expenditures				
	<u>(1,361,438)</u>	<u>(1,450,434)</u>		<u>(1,865,466)</u>	<u>(415,032)</u>
	Other Financing Sources (Uses):				
8911	Transfers Out				
	<u>--</u>	<u>--</u>		<u>(69,123)</u>	<u>(69,123)</u>
7080	Total Other Financing Sources and (Uses)				
	<u>--</u>	<u>--</u>		<u>(69,123)</u>	<u>(69,123)</u>
1200	Net Change in Fund Balance				
	<u>(1,361,438)</u>	<u>(1,450,434)</u>		<u>(1,934,589)</u>	<u>(484,155)</u>
0100	Fund Balance - Beginning				
	<u>9,325,750</u>	<u>9,325,750</u>		<u>9,325,750</u>	<u>--</u>
3000	Fund Balance - Ending				
	<u>\$ 7,964,312</u>	<u>\$ 7,875,316</u>		<u>\$ 7,391,161</u>	<u>\$ (484,155)</u>

*Combining Statements and Budget Comparisons
as Supplementary Information*

This supplementary information includes financial statements and schedules not required by the Governmental Accounting Standards Board, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

MARBLE FALLS INDEPENDENT SCHOOL DISTRICT

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

AUGUST 31, 2010

Data Control Codes	Special Revenue Funds	Capital Projects Fund	Total Nonmajor Governmental Funds (See Exhibit C-1)	
ASSETS:				
1110	Cash and Cash Equivalents	\$ 150,437	\$ 30	\$ 150,467
1240	Due from Other Governments	637,177	--	637,177
1290	Other Receivables	48,224	--	48,224
1000	Total Assets	<u>\$ 835,838</u>	<u>\$ 30</u>	<u>\$ 835,868</u>
LIABILITIES:				
Current Liabilities:				
2110	Accounts Payable	\$ 4,033	\$ --	\$ 4,033
2160	Accrued Wages Payable	83,034	--	83,034
2170	Due to Other Funds	19,423	--	19,423
2180	Due to Other Governments	32,301	--	32,301
2300	Unearned Revenue	6,671	--	6,671
2000	Total Liabilities	<u>145,462</u>	<u>--</u>	<u>145,462</u>
FUND BALANCES:				
Reserved Fund Balances:				
3450	Reserve for Food Service	487,509	--	487,509
3470	Capital Acquisitions & Contractual Obligations	--	30	30
3490	Other Reserves of Fund Balance	202,867	--	202,867
3000	Total Fund Balances	<u>690,376</u>	<u>30</u>	<u>690,406</u>
4000	Total Liabilities and Fund Balances	<u>\$ 835,838</u>	<u>\$ 30</u>	<u>\$ 835,868</u>

MARBLE FALLS INDEPENDENT SCHOOL DISTRICT

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED AUGUST 31, 2010

Data Control Codes	Special Revenue Funds	Capital Projects Fund	Total Nonmajor Governmental Funds (See Exhibit C-2)
REVENUES:			
5700 <i>Local and Intermediate Sources</i>	\$ 1,028,025	\$ 10,592	\$ 1,038,617
5800 <i>State Program Revenues</i>	188,607	--	188,607
5900 <i>Federal Program Revenues</i>	5,037,806	--	5,037,806
5020 Total Revenues	<u>6,254,438</u>	<u>10,592</u>	<u>6,265,030</u>
EXPENDITURES:			
Current:			
0011 <i>Instruction</i>	3,486,536	--	3,486,536
0012 <i>Instructional Resources and Media Services</i>	68,587	--	68,587
0013 <i>Curriculum and Staff Development</i>	42,868	--	42,868
0021 <i>Instructional Leadership</i>	158,602	--	158,602
0023 <i>School Leadership</i>	33,821	--	33,821
0031 <i>Guidance, Counseling, & Evaluation Services</i>	150,076	--	150,076
0033 <i>Health Services</i>	11,770	--	11,770
0035 <i>Food Service</i>	1,855,583	--	1,855,583
0036 <i>Cocurricular/Extracurricular Activities</i>	101,009	--	101,009
0041 <i>General Administration</i>	1,350	--	1,350
0053 <i>Data Processing Services</i>	102,256	--	102,256
0061 <i>Community Services</i>	19,119	--	19,119
0081 <i>Capital Outlay</i>	11,515	3,560,994	3,572,509
6030 Total Expenditures	<u>6,043,092</u>	<u>3,560,994</u>	<u>9,604,086</u>
1100 Excess (Deficiency) of Revenues Over (Under)			
1100 Expenditures	<u>211,346</u>	<u>(3,550,402)</u>	<u>(3,339,056)</u>
Other Financing Sources and (Uses):			
7915 <i>Transfers In</i>	--	69,123	69,123
7080 Total Other Financing Sources and (Uses)	<u>--</u>	<u>69,123</u>	<u>69,123</u>
1200 Net Change in Fund Balances	<u>211,346</u>	<u>(3,481,279)</u>	<u>(3,269,933)</u>
0100 Fund Balances - Beginning	<u>479,030</u>	<u>3,481,309</u>	<u>3,960,339</u>
3000 Fund Balances - Ending	<u>\$ 690,376</u>	<u>\$ 30</u>	<u>\$ 690,406</u>

MARBLE FALLS INDEPENDENT SCHOOL DISTRICT

COMBINING BALANCE SHEET

NONMAJOR SPECIAL REVENUE FUNDS

AUGUST 31, 2010

Data Control Codes	204 ESEA Title IV SDFSC	206 ESEA Title X Part C Homeless	211 ESEA Title I Improving Basic Programs	224 IDEA-B Formula	
ASSETS:					
1110	Cash and Cash Equivalents	\$ --	\$ --	\$ (219,954)	\$ (129,022)
1240	Due from Other Governments	--	--	258,185	173,973
1290	Other Receivables	--	--	--	--
1000	Total Assets	\$ --	\$ --	\$ 38,231	\$ 44,951
LIABILITIES:					
Current Liabilities:					
2110	Accounts Payable	\$ --	\$ --	\$ 2,272	\$ 1,020
2160	Accrued Wages Payable	--	--	32,634	41,206
2170	Due to Other Funds	--	--	3,325	2,725
2180	Due to Other Governments	--	--	--	--
2300	Unearned Revenue	--	--	--	--
2000	Total Liabilities	--	--	38,231	44,951
FUND BALANCES:					
Reserved Fund Balances:					
3450	Reserve for Food Service	--	--	--	--
3490	Other Reserves of Fund Balance	--	--	--	--
3000	Total Fund Balances	--	--	--	--
4000	Total Liabilities and Fund Balances	\$ --	\$ --	\$ 38,231	\$ 44,951

225 IDEA-B Preschool Grant	226 IDEA-B Discretionary	240 National School Breakfast/Lunch Program	244 Vo Ed Basic Grant	255 ESEA Title II Training & Recruiting
\$ (4,137)	\$ (18,678)	\$ 388,958	\$ (8,035)	\$ (26,189)
5,481	18,678	50,327	8,694	34,275
--	--	48,224	--	--
<u>\$ 1,344</u>	<u>\$ --</u>	<u>\$ 487,509</u>	<u>\$ 659</u>	<u>\$ 8,086</u>
\$ --	\$ --	\$ --	\$ --	\$ --
1,344	--	--	624	7,226
--	--	--	35	860
--	--	--	--	--
--	--	--	--	--
<u>1,344</u>	<u>--</u>	<u>--</u>	<u>659</u>	<u>8,086</u>
--	--	487,509	--	--
--	--	--	--	--
--	--	<u>487,509</u>	--	--
<u>\$ 1,344</u>	<u>\$ --</u>	<u>\$ 487,509</u>	<u>\$ 659</u>	<u>\$ 8,086</u>

MARBLE FALLS INDEPENDENT SCHOOL DISTRICT

COMBINING BALANCE SHEET

NONMAJOR SPECIAL REVENUE FUNDS

AUGUST 31, 2010

Data Control Codes	262 Enhancing Education through Technology	263 English Lang Acquisition and Enhancement	266 ARRA of 2009 Title XIV State Fiscal Stabilization	272 MAC Program	
ASSETS:					
1110	Cash and Cash Equivalents	\$ (3,802)	\$ (23,697)	\$ --	\$ 12,013
1240	Due from Other Governments	3,802	23,828	--	--
1290	Other Receivables	--	--	--	--
1000	Total Assets	\$ --	\$ 131	\$ --	\$ 12,013
LIABILITIES:					
Current Liabilities:					
2110	Accounts Payable	\$ --	\$ 98	\$ --	\$ --
2160	Accrued Wages Payable	--	--	--	--
2170	Due to Other Funds	--	33	--	12,013
2180	Due to Other Governments	--	--	--	--
2300	Unearned Revenue	--	--	--	--
2000	Total Liabilities	--	131	--	12,013
FUND BALANCES:					
Reserved Fund Balances:					
3450	Reserve for Food Service	--	--	--	--
3490	Other Reserves of Fund Balance	--	--	--	--
3000	Total Fund Balances	--	--	--	--
4000	Total Liabilities and Fund Balances	\$ --	\$ 131	\$ --	\$ 12,013

279 Enhancing Education through Technology-ARRA	283 IDEA - Part B Formula - ARRA	284 IDEA - Part B Preschool - ARRA	285 ESEA Title 1 Part A Improving Basic Programs - ARRA	289 Summer School LEP
\$ (8,669) 8,669	\$ 32,395 --	\$ -- --	\$ (33,206) 33,529	\$ 4,565 2,106
--	--	--	--	--
<u>\$ --</u>	<u>\$ 32,395</u>	<u>\$ --</u>	<u>\$ 323</u>	<u>\$ 6,671</u>
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--
--	94	--	323	--
--	32,301	--	--	--
--	--	--	--	6,671
<u>--</u>	<u>32,395</u>	<u>--</u>	<u>323</u>	<u>6,671</u>
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
<u>\$ --</u>	<u>\$ 32,395</u>	<u>\$ --</u>	<u>\$ 323</u>	<u>\$ 6,671</u>

MARBLE FALLS INDEPENDENT SCHOOL DISTRICT

COMBINING BALANCE SHEET

NONMAJOR SPECIAL REVENUE FUNDS

AUGUST 31, 2010

Data Control Codes	394 Life Skills Program	397 Advanced Placement Incentives	401 Optional Extended Year Program	404 Student Success Initiative
ASSETS:				
1110 Cash and Cash Equivalents	\$ (1,487)	\$ 7,432	\$ (6,606)	\$ (7,522)
1240 Due from Other Governments	1,502	--	6,606	7,522
1290 Other Receivables	--	--	--	--
1000 Total Assets	\$ 15	\$ 7,432	\$ --	\$ --
LIABILITIES:				
Current Liabilities:				
2110 Accounts Payable	\$ --	\$ --	\$ --	\$ --
2160 Accrued Wages Payable	--	--	--	--
2170 Due to Other Funds	15	--	--	--
2180 Due to Other Governments	--	--	--	--
2300 Unearned Revenue	--	--	--	--
2000 Total Liabilities	15	--	--	--
FUND BALANCES:				
Reserved Fund Balances:				
3450 Reserve for Food Service	--	--	--	--
3490 Other Reserves of Fund Balance	--	7,432	--	--
3000 Total Fund Balances	--	7,432	--	--
4000 Total Liabilities and Fund Balances	\$ 15	\$ 7,432	\$ --	\$ --

411 Technology Allotment	429 State Funded Special Revenue Fund	461 Campus Activity Funds	481 LCRA Grants	Total Nonmajor Special Revenue Funds (See Exhibit H-1)
\$ --	\$ --	\$ 195,434	\$ 644	\$ 150,437
--	--	--	--	637,177
--	--	--	--	48,224
<u>\$ --</u>	<u>\$ --</u>	<u>\$ 195,434</u>	<u>\$ 644</u>	<u>\$ 835,838</u>
\$ --	\$ --	\$ --	\$ 643	\$ 4,033
--	--	--	--	83,034
--	--	--	--	19,423
--	--	--	--	32,301
--	--	--	--	6,671
<u>--</u>	<u>--</u>	<u>--</u>	<u>643</u>	<u>145,462</u>
--	--	--	--	487,509
--	--	195,434	1	202,867
<u>--</u>	<u>--</u>	<u>195,434</u>	<u>1</u>	<u>690,376</u>
<u>\$ --</u>	<u>\$ --</u>	<u>\$ 195,434</u>	<u>\$ 644</u>	<u>\$ 835,838</u>

MARBLE FALLS INDEPENDENT SCHOOL DISTRICT

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED AUGUST 31, 2010

Data Control Codes	204 ESEA Title IV SDFSC	206 ESEA Title X Part C Homeless	211 ESEA Title I Improving Basic Programs	224 IDEA-B Formula
REVENUES:				
5700 Local and Intermediate Sources	\$ --	\$ --	\$ --	\$ --
5800 State Program Revenues	--	--	--	--
5900 Federal Program Revenues	3,932	3,490	862,201	717,986
5020 Total Revenues	<u>3,932</u>	<u>3,490</u>	<u>862,201</u>	<u>717,986</u>
EXPENDITURES:				
Current:				
0011 Instruction	3,932	3,490	829,253	537,409
0012 Instructional Resources and Media Services	--	--	25,792	--
0013 Curriculum and Staff Development	--	--	9,323	--
0021 Instructional Leadership	--	--	4,614	35,295
0023 School Leadership	--	--	--	--
0031 Guidance, Counseling, & Evaluation Services	--	--	--	136,099
0033 Health Services	--	--	--	--
0035 Food Service	--	--	--	--
0036 Cocurricular/Extracurricular Activities	--	--	--	9,183
0041 General Administration	--	--	--	--
0053 Data Processing Services	--	--	(6,781)	--
0061 Community Services	--	--	--	--
0081 Capital Outlay	--	--	--	--
6030 Total Expenditures	<u>3,932</u>	<u>3,490</u>	<u>862,201</u>	<u>717,986</u>
1100 Excess (Deficiency) of Revenues Over (Under)				
1100 Expenditures	--	--	--	--
1200 Net Change in Fund Balances	--	--	--	--
0100 Fund Balances - Beginning	--	--	--	--
3000 Fund Balances - Ending	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>

225 IDEA-B Preschool Grant	226 IDEA-B Discretionary	240 National School Breakfast/Lunch Program	244 Vo Ed Basic Grant	255 ESEA Title II Training & Recruiting
\$ --	\$ --	\$ 739,346	\$ --	\$ --
--	--	12,622	--	--
18,144	99,137	1,293,218	44,690	154,333
<u>18,144</u>	<u>99,137</u>	<u>2,045,186</u>	<u>44,690</u>	<u>154,333</u>
18,144	99,137	--	33,221	151,675
--	--	--	--	--
--	--	--	--	1,308
--	--	--	8,268	--
--	--	--	--	--
--	--	--	--	--
--	--	1,855,583	--	--
--	--	--	--	--
--	--	--	3,201	--
--	--	--	--	1,350
--	--	--	--	--
--	--	--	--	--
<u>18,144</u>	<u>99,137</u>	<u>1,855,583</u>	<u>44,690</u>	<u>154,333</u>
--	--	189,603	--	--
--	--	189,603	--	--
--	--	297,906	--	--
<u>\$ --</u>	<u>\$ --</u>	<u>\$ 487,509</u>	<u>\$ --</u>	<u>\$ --</u>

MARBLE FALLS INDEPENDENT SCHOOL DISTRICT

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED AUGUST 31, 2010

Data Control Codes	262 Enhancing Education through Technology	263 English Lang Acquisition and Enhancement	266 ARRA of 2009 Title XIV State Fiscal Stabilization	272 MAC Program
REVENUES:				
5700 Local and Intermediate Sources	\$ --	\$ --	\$ --	\$ --
5800 State Program Revenues	--	--	--	--
5900 Federal Program Revenues	9,403	53,682	1,173,088	12,013
5020 Total Revenues	<u>9,403</u>	<u>53,682</u>	<u>1,173,088</u>	<u>12,013</u>
EXPENDITURES:				
Current:				
0011 Instruction	5,601	37,416	1,173,088	--
0012 Instructional Resources and Media Services	--	--	--	--
0013 Curriculum and Staff Development	3,802	16,266	--	--
0021 Instructional Leadership	--	--	--	--
0023 School Leadership	--	--	--	--
0031 Guidance, Counseling, & Evaluation Services	--	--	--	3,118
0033 Health Services	--	--	--	8,895
0035 Food Service	--	--	--	--
0036 Cocurricular/Extracurricular Activities	--	--	--	--
0041 General Administration	--	--	--	--
0053 Data Processing Services	--	--	--	--
0061 Community Services	--	--	--	--
0081 Capital Outlay	--	--	--	--
6030 Total Expenditures	<u>9,403</u>	<u>53,682</u>	<u>1,173,088</u>	<u>12,013</u>
1100 Excess (Deficiency) of Revenues Over (Under)				
1100 Expenditures	--	--	--	--
1200 Net Change in Fund Balances	--	--	--	--
0100 Fund Balances - Beginning	--	--	--	--
3000 Fund Balances - Ending	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>

279 Enhancing Education through Technology-ARRA	283 IDEA - Part B Formula - ARRA	284 IDEA - Part B Preschool - ARRA	285 ESEA Title 1 Part A Improving Basic Programs - ARRA	289 Summer School LEP
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--
10,151	241,459	5,723	333,104	2,052
<u>10,151</u>	<u>241,459</u>	<u>5,723</u>	<u>333,104</u>	<u>2,052</u>
1,482	119,519	5,723	333,104	2,052
--	--	--	--	--
8,669	--	--	--	--
--	110,425	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	11,515	--	--	--
<u>10,151</u>	<u>241,459</u>	<u>5,723</u>	<u>333,104</u>	<u>2,052</u>
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>

MARBLE FALLS INDEPENDENT SCHOOL DISTRICT

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED AUGUST 31, 2010

Data Control Codes	394 Life Skills Program	397 Advanced Placement Incentives	401 Optional Extended Year Program	404 Student Success Initiative
REVENUES:				
5700 Local and Intermediate Sources	\$ --	\$ --	\$ --	\$ --
5800 State Program Revenues	18,925	2,024	13,387	32,523
5900 Federal Program Revenues	--	--	--	--
5020 Total Revenues	<u>18,925</u>	<u>2,024</u>	<u>13,387</u>	<u>32,523</u>
EXPENDITURES:				
Current:				
0011 Instruction	--	1,621	11,298	31,802
0012 Instructional Resources and Media Services	--	--	--	--
0013 Curriculum and Staff Development	--	2,338	--	--
0021 Instructional Leadership	--	--	--	--
0023 School Leadership	--	--	91	721
0031 Guidance, Counseling, & Evaluation Services	--	--	--	--
0033 Health Services	--	--	1,998	--
0035 Food Service	--	--	--	--
0036 Cocurricular/Extracurricular Activities	--	--	--	--
0041 General Administration	--	--	--	--
0053 Data Processing Services	--	--	--	--
0061 Community Services	18,925	--	--	--
0081 Capital Outlay	--	--	--	--
6030 Total Expenditures	<u>18,925</u>	<u>3,959</u>	<u>13,387</u>	<u>32,523</u>
1100 Excess (Deficiency) of Revenues Over (Under)				
1100 Expenditures	--	(1,935)	--	--
1200 Net Change in Fund Balances	--	(1,935)	--	--
0100 Fund Balances - Beginning	--	9,367	--	--
3000 Fund Balances - Ending	\$ --	\$ 7,432	\$ --	\$ --

411 Technology Allotment	429 State Funded Special Revenue Fund	461 Campus Activity Funds	481 LCRA Grants	Total Nonmajor Special Revenue Funds (See Exhibit H-2)
\$ --	\$ --	\$ 286,788	\$ 1,891	\$ 1,028,025
109,037	89	--	--	188,607
--	--	--	--	5,037,806
<u>109,037</u>	<u>89</u>	<u>286,788</u>	<u>1,891</u>	<u>6,254,438</u>
--	--	85,679	1,890	3,486,536
--	89	42,706	--	68,587
--	--	1,162	--	42,868
--	--	--	--	158,602
--	--	33,009	--	33,821
--	--	10,859	--	150,076
--	--	877	--	11,770
--	--	--	--	1,855,583
--	--	88,625	--	101,009
--	--	--	--	1,350
109,037	--	--	--	102,256
--	--	194	--	19,119
--	--	--	--	11,515
<u>109,037</u>	<u>89</u>	<u>263,111</u>	<u>1,890</u>	<u>6,043,092</u>
--	--	23,677	1	211,346
--	--	23,677	1	211,346
--	--	171,757	--	479,030
<u>\$ --</u>	<u>\$ --</u>	<u>\$ 195,434</u>	<u>\$ 1</u>	<u>\$ 690,376</u>

MARBLE FALLS INDEPENDENT SCHOOL DISTRICT

COMBINING STATEMENT OF FIDUCIARY NET ASSETS

PRIVATE-PURPOSE TRUST FUNDS

AUGUST 31, 2010

Data Control Codes	806 Harold Horne Scholarship	821 Designated Gifts & Bequests
ASSETS:		
1110 <i>Cash and Cash Equivalents</i>	\$ --	\$ 26,655
1800 <i>Restricted Assets</i>	20,041	--
1000 Total Assets	<u>\$ 20,041</u>	<u>\$ 26,655</u>
LIABILITIES:		
2000 Total Liabilities	<u>--</u>	<u>--</u>
NET ASSETS		
3800 <i>Held in Trust</i>	\$ 20,041	\$ 26,655
3000 Total Net Assets	<u>\$ 20,041</u>	<u>\$ 26,655</u>

824	825	Total Private- Purpose Trust Funds (See Exhibit E-1)
DEIC	Technology Gifts	
\$ 293	\$ 150	\$ 27,098
--	--	20,041
<u>\$ 293</u>	<u>\$ 150</u>	<u>\$ 47,139</u>
--	--	--
\$ 293	\$ 150	\$ 47,139
<u>\$ 293</u>	<u>\$ 150</u>	<u>\$ 47,139</u>

MARBLE FALLS INDEPENDENT SCHOOL DISTRICT

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS

ALL PRIVATE-PURPOSE TRUST FUNDS

FOR THE YEAR ENDED AUGUST 31, 2010

	806 Harold Horne Scholarship	809 Marble Falls Scholarship	821 Designated Gifts & Bequests
Additions:			
Investment Income	\$ 871	\$ --	\$ --
Contributions	--	--	--
Total Additions	<u>871</u>	<u>--</u>	<u>--</u>
Deductions:			
Scholarship Awards	2,000	--	--
Other Expenses	--	--	250
Total Deductions	<u>2,000</u>	<u>--</u>	<u>250</u>
Change in Net Assets	(1,129)	--	(250)
Net Assets-Beginning of the Year	21,170	--	26,905
Net Assets-End of the Year	<u>\$ 20,041</u>	<u>\$ --</u>	<u>\$ 26,655</u>

824	825	826	Total
DEIC	Technology Gifts	Gifts to Even Start Program	Private-Purpose Trust Funds (See Exhibit E-2)
\$ --	\$ --	\$ --	\$ 871
--	--	--	--
--	--	--	871
--	--	--	2,000
--	--	--	250
--	--	--	2,250
--	--	--	(1,379)
293	150	--	48,518
\$ 293	\$ 150	\$ --	\$ 47,139

Other Supplementary Information

This section includes financial information and disclosures not required by the Governmental Accounting Standards Board and not considered a part of the basic financial statements. It may, however, include information which is required by other entities.

MARBLE FALLS INDEPENDENT SCHOOL DISTRICT

*SCHEDULE OF DELINQUENT TAXES RECEIVABLE
FOR THE YEAR ENDED AUGUST 31, 2010*

Year Ended August 31	Tax Rates		3 Assessed/Appraised Value For School Tax Purposes
	1 Maintenance	2 Debt Service	
2001 and Prior Years	\$ Various	\$ Various	\$ Various
2002	1.473	.1717	1,368,560,864
2003	1.473	.1692	1,450,227,551
2004	1.467	.175	1,573,214,710
2005	1.49	.165	1,614,903,867
2006	1.49	.15	1,782,184,878
2007	1.341	.1306	2,010,430,891
2008	1.04	.195	2,215,553,847
2009	1.04	.215	2,643,333,785
2010 (School Year Under Audit)	1.04	.245	2,865,855,749

1000 Totals

9000 - Portion of Row 1000 for Taxes Paid into Tax Increment Zone Under Chapter 311, Tax Code

10 Beginning Balance 9/1/09	20 Current Year's Total Levy	31 Maintenance Collections	32 Debt Service Collections	40 Entire Year's Adjustments	50 Ending Balance 8/31/10
\$ 197,825	\$ --	\$ 15,449	\$ 2,997	\$ 9,253	\$ 188,632
46,748	--	11,314	1,319	(373)	33,742
72,191	--	12,493	1,435	(7,463)	50,800
73,694	--	10,078	1,202	(7,859)	54,555
84,613	--	10,231	1,133	(1,569)	71,680
124,248	--	23,518	2,368	3,654	102,016
154,578	--	37,497	3,652	3,800	117,229
210,164	--	69,786	13,085	2,222	129,515
939,415	--	508,219	105,506	14,249	339,939
--	36,826,246	28,513,958	6,718,883	(767,316)	826,089
<u>\$ 1,903,476</u>	<u>\$ 36,826,246</u>	<u>\$ 29,212,543</u>	<u>\$ 6,851,580</u>	<u>\$ (751,402)</u>	<u>\$ 1,914,197</u>
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --

MARBLE FALLS INDEPENDENT SCHOOL DISTRICT

EXHIBIT J-2

*SCHEDULE OF EXPENDITURES FOR COMPUTATION OF INDIRECT COST FOR 2011-2012
GENERAL AND SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED AUGUST 31, 2010*

FUNCTION 41 - GENERAL ADMINISTRATION AND FUNCTION 99 - APPRAISAL DISTRICT COST

Account Number	Account Name	1 (702) School Board	2 (703) Tax Collection	3 (701) Supt's Office	4 (750) Indirect Cost	5 (720) Direct Cost	6 (Other) Misc.	7 Total
611X-6146	Payroll Costs	\$ --	\$ --	\$ 263,981	\$ 453,597	\$ --	\$ --	\$ 717,578
6149	Fringe Benefits (Unused Leave for Separating Employees in Function 41 and Related 53)	--	--	--	--	--	--	--
6149	Fringe Benefits (Unused Leave for Separating Employees in all Functions except Function 41 and Related 53)	--	--	--	--	--	--	--
6211	Legal Services	--	--	17,795	--	--	--	17,795
6212	Audit Services	--	--	--	14,950	--	--	14,950
6213	Tax Appraisal and Collection	--	656,601	--	--	--	--	656,601
621X	Other Prof. Services	25,777	--	--	53,708	--	--	79,485
6220	Tuition and Transfer Payments	--	--	--	--	--	--	--
6230	Education Service Centers	--	--	--	2,375	--	--	2,375
6240	Contr. Maint. and Repair	--	--	--	--	17,354	--	17,354
6250	Utilities	--	--	--	--	--	--	--
6260	Rentals	--	--	8,586	318	--	--	8,904
6290	Miscellaneous Contr.	--	--	--	--	--	--	--
6310	Operational Supplies, Materials	--	--	--	--	--	--	--
6320	Textbooks and Reading	--	--	2,866	370	--	--	3,236
6330	Testing Materials	--	--	--	--	--	--	--
63XX	Other Supplies, Materials	700	--	15,015	15,941	--	--	31,656
6410	Travel, Subsistence, Stipends	3,136	--	3,721	4,834	--	--	11,691
6420	Ins. and Bonding Costs	16,867	--	--	--	--	--	16,867
6430	Election Costs	328	--	--	--	--	--	328
6490	Miscellaneous Operating	1,963	--	23,139	7,586	--	--	32,688
6500	Debt Service	--	--	--	--	--	--	--
6600	Capital Outlay	--	--	--	--	--	--	--

Total \$ 48,771 \$ 656,601 \$ 335,103 \$ 553,679 \$ 17,354 \$ -- \$ 1,611,508

Total Expenditures for General and Special Revenue Funds (9) \$ 43,852,492

LESS: Deductions of Unallowable Costs

FISCAL YEAR

Total Capital Outlay (6600)	(10)	\$ 747,542
Total Debt & Lease (6500)	(11)	\$ --
Plant Maintenance (Function 51, 6100-6400)	(12)	\$ 4,786,289
Food (Function 35, 6341 and 6499)	(13)	\$ 3,469
Stipends (6413)	(14)	\$ --
Column 4 (above) - Total Indirect Cost		\$ 553,679

Subtotal 6,090,979

Net Allowed Direct Cost \$ 37,761,513

CUMULATIVE

Total Cost of Buildings Before Depreciation (1520)	(15)	\$ 112,836,341
Historical Cost of Buildings over 50 years old	(16)	2,261,931
Amount of Federal Money in Building Cost (Net of #16)	(17)	--
Total Cost of Furniture & Equipment Before Depreciation (1530 & 1540)	(18)	3,953,646
Historical Cost of Furniture & Equipment over 16 years old	(19)	--
Amount of Federal Money in Furniture & Equipment (Net of #19)	(20)	\$ 48,300

(8) Note A - No Function 53 expenditures and \$656,601 in Function 99 expenditures are included in this report on administrative costs.

MARBLE FALLS INDEPENDENT SCHOOL DISTRICT
FUND BALANCE AND CASH FLOW CALCULATION WORKSHEET (UNAUDITED)
GENERAL FUND
AS OF AUGUST 31, 2010

EXHIBIT J-3

Data Control Codes	Explanation	Amount
1	Total General Fund Fund Balance as of August 31, 2010 (Exhibit C-1 object 3000 for the General Fund only)	\$ 7,391,161
2	Total General Fund Reserved Fund Balance (from Exhibit C-1 - total of object 3400s for the General Fund only)	--
3	Total General Fund Designated Fund Balance (from Exhibit C-1 - total of object 3500s for the General Fund only)	--
4	Estimated amount needed to cover fall cash flow deficits in the General Fund (net of borrowed funds and funds representing deferred revenues)	5,000,000
5	Estimate of one month's average cash disbursements during the regular school session (9/1/10 - 5/31/11)	3,150,783
6	Estimate of delayed payments from state sources (58XX) including August payment delays	--
7	Estimate of underpayment from state sources equal to variance between Legislative Payment Estimate (LPE) and District Planning Estimate (DPE) or District's calculated earned state aid amount	--
8	Estimate of delayed payments from federal sources (59XX)	--
9	Estimate of expenditures to be reimbursed to General Fund from Capital Projects Fund (uses of General Fund cash after bond referendum and prior to issuance of bonds)	--
10	General Fund Optimum Fund Balance and Cash Flow (Lines 2+3+4+5+6+7+8+9)	8,150,783
11	Excess (Deficit) Undesignated Unreserved General Fund Fund Balance (Line 1 minus Line 10)	\$ (759,622)

If Item 11 is a Positive Number

Explanation of need for and/or projected use of net positive Undesignated Unreserved General Fund Fund Balance:

MARBLE FALLS INDEPENDENT SCHOOL DISTRICT

EXHIBIT J-4

NATIONAL SCHOOL BREAKFAST AND LUNCH PROGRAM
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED AUGUST 31, 2010

Data Control Codes		1	2	3
		Budget	Actual	Variance Positive (Negative)
REVENUES:				
5700	Local and Intermediate Sources	\$ 769,188	\$ 739,346	\$ (29,842)
5800	State Program Revenues	12,304	12,622	318
5900	Federal Program Revenues	1,191,494	1,293,218	101,724
5020	Total Revenues	<u>1,972,986</u>	<u>2,045,186</u>	<u>72,200</u>
EXPENDITURES:				
Current:				
Support Services - Student (Pupil):				
0035	Food Services	1,963,997	1,855,583	108,414
	Total Support Services - Student (Pupil)	<u>1,963,997</u>	<u>1,855,583</u>	<u>108,414</u>
6030	Total Expenditures	<u>1,963,997</u>	<u>1,855,583</u>	<u>108,414</u>
1100	Excess (Deficiency) of Revenues Over (Under)			
1100	Expenditures	8,989	189,603	180,614
1200	Net Change in Fund Balance	8,989	189,603	180,614
0100	Fund Balance - Beginning	297,906	297,906	--
3000	Fund Balance - Ending	<u>\$ 306,895</u>	<u>\$ 487,509</u>	<u>\$ 180,614</u>

MARBLE FALLS INDEPENDENT SCHOOL DISTRICT

EXHIBIT J-5

DEBT SERVICE FUND

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED AUGUST 31, 2010

Data Control Codes	1	2	3
	Budget	Actual	Variance Positive (Negative)
REVENUES:			
5700 <i>Local and Intermediate Sources</i>	\$ 6,671,357	\$ 6,909,967	\$ 238,610
5020 <i>Total Revenues</i>	<u>6,671,357</u>	<u>6,909,967</u>	<u>238,610</u>
EXPENDITURES:			
Debt Service:			
0071 <i>Principal on Long-Term Debt</i>	3,450,000	3,450,000	--
0072 <i>Interest on Long-Term Debt</i>	3,188,987	3,188,986	1
0073 <i>Bond Issuance Costs and Fees</i>	5,000	5,000	--
<i>Total Debt Service</i>	<u>6,643,987</u>	<u>6,643,986</u>	<u>1</u>
6030 <i>Total Expenditures</i>	<u>6,643,987</u>	<u>6,643,986</u>	<u>1</u>
1100 <i>Excess (Deficiency) of Revenues Over (Under)</i>			
1100 <i>Expenditures</i>	<u>27,370</u>	265,981	<u>238,611</u>
1200 <i>Net Change in Fund Balance</i>	<u>27,370</u>	265,981	<u>238,611</u>
0100 <i>Fund Balance - Beginning</i>	875,484	875,484	--
3000 <i>Fund Balance - Ending</i>	<u>\$ 902,854</u>	<u>\$ 1,141,465</u>	<u>\$ 238,611</u>

WEST, DAVIS & COMPANY, LLP
11824 Jollyville Road, Suite 100
Austin, Texas 78759

Independent Auditors' Report

Report on Internal Control over Financial Reporting and on Compliance and
Other Matters Based on an Audit of Financial Statements Performed in
Accordance with Government Auditing Standards

Board of Trustees
Marble Falls Independent School District
Marble Falls, Texas

Members of the Board of Trustees:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Marble Falls Independent School District as of and for the year ended August 31, 2010, which collectively comprise the Marble Falls Independent School District's basic financial statements and have issued our report thereon dated January 7, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Marble Falls Independent School District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Marble Falls Independent School District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Marble Falls Independent School District's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Marble Falls Independent School District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management, others within the entity, the Board of Trustees, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

West, Davis & Company

West, Davis & Company, LLP
January 7, 2011

WEST, DAVIS & COMPANY, LLP
11824 Jollyville Road, Suite 100
Austin, Texas 78759

Independent Auditors' Report

Report on Compliance with Requirements Applicable
To each Major Program and on Internal Control over Compliance
In Accordance With OMB Circular A-133

Board of Trustees
Marble Falls Independent School District
Marble Falls, Texas

Members of the Board of Trustees:

Compliance

We have audited the compliance of Marble Falls Independent School District with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that are applicable to each of its major federal programs for the year ended August 31, 2010. Marble Falls Independent School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Marble Falls Independent School District's management. Our responsibility is to express an opinion on Marble Falls Independent School District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Marble Falls Independent School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Marble Falls Independent School District's compliance with those requirements.

In our opinion, Marble Falls Independent School District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended August 31, 2010.

Internal Control Over Compliance

Management of Marble Falls Independent School District is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Marble Falls Independent School District's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Marble Falls Independent School District's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we considered to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, others within the entity, the Board of Trustees, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

West, Davis & Company

West, Davis & Company, LLP
January 7, 2011

MARBLE FALLS INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED AUGUST 31, 2010

A. Summary of Auditor's Results

1. Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

One or more material weaknesses identified? Yes No

One or more significant deficiencies identified that are not considered to be material weaknesses? Yes None Reported

Noncompliance material to financial statements noted? Yes No

2. Federal Awards

Internal control over major programs:

One or more material weaknesses identified? Yes No

One or more significant deficiencies identified that are not considered to be material weaknesses? Yes None Reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? Yes No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.010A	ESEA Title I Part A-Improving Basic Programs
84.027A	IDEA-B Formula
84.173A	IDEA-B Preschool
84.389A	ARRA-ESEA Title I, Part A-Improving Basic Programs
84.391A	ARRA-IDEA Part B Formula
84.392A	ARRA-IDEA Part B, Preschool
84.394A	ARRA of 2009 Title XIV State Fiscal Stabilization Fund

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee? Yes No

B. Financial Statement Findings

NONE

C. Federal Award Findings and Questioned Costs

NONE

MARBLE FALLS INDEPENDENT SCHOOL DISTRICT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED AUGUST 31, 2010

EXHIBIT K-1

(1)	(2)	(2A)	(3)
Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Passed Through State Department of Education:			
<i>Medicaid Administrative Claiming Program (MAC) *</i>	93.778	027-904	\$ 12,013
Total U. S. Department of Health and Human Services			<u>12,013</u>
U. S. DEPARTMENT OF EDUCATION			
Direct Program:			
<i>ESEA Title X Part C - Education for Homeless Children and Youth *</i>	84.196	027-904	3,490
Passed Through State Department of Education:			
<i>ESEA Title I Part A - Improving Basic Programs *</i>	84.010A	10610101027904	823,411
<i>ESEA Title I Part A - Improving Basic Programs *</i>	84.010A	10610101027904	38,790
Total CFDA Number 84.010A			<u>862,201</u>
<i>IDEA-B Formula *</i>	84.027A	106600010279046000	631,266
<i>IDEA-B Formula *</i>	84.027A	106600010279046000	86,720
<i>IDEA-B Discretionary *</i>	84.027A	106600010279046000	99,137
Total CFDA Number 84.027A			<u>817,123</u>
<i>Vocational Education - Basic Grant</i>	84.048A	10420006027904	38,761
<i>Career and Technical - Basic Grant</i>	84.048A	10420006027904	5,929
Total CFDA Number 84.048A			<u>44,690</u>
<i>IDEA-B Preschool *</i>	84.173A	106610010279046000	16,800
<i>IDEA-B Preschool *</i>	84.173A	106610010279046000	1,344
Total CFDA Number 84.173A			<u>18,144</u>
<i>ESEA Title IV Part A-Safe & Drug-Free Schools & Communities Act</i>	84.186A	10691001227950	3,932
<i>Title II Part D Enhancing Education Through Technology *</i>	84.318X	10630001027904	9,403
<i>Title III Part A English Language Acquisition and Language Enhancement</i>	84.365A	106710010247904	53,537
<i>Title III Part A English Language Acquisition and Language Enhancement</i>	84.365A	10671001027904	145
Total CFDA Number 84.365A			<u>53,682</u>
<i>ESEA Title II Part A - Teacher & Principal Training & Recruiting</i>	84.367A	10694501027904	147,107
<i>ESEA Title II Part A - Teacher & Principal Training & Recruiting</i>	84.367A	10694501027904	7,226
Total CFDA Number 84.367A			<u>154,333</u>
<i>Summer School LEP</i>	84.369A	69550802	2,052
<i>ARRA - Title II Part D Subpart 1-Enhancing Education Through Technology *</i>	84.386A	10553001027904	10,151
<i>ARRA - ESEA, Title I, Part A - Improving Basic Programs *</i>	84.389A	10551001027904	333,104
<i>ARRA - IDEA-Part B Formula *</i>	84.391A	10554001027904	241,459
<i>ARRA - IDEA Part B, Preschool *</i>	84.392A	10555001027904	5,723
<i>ARRA of 2009 Title XIV State Fiscal Stabilization Fund *</i>	84.394A	10557001027904	1,173,088
Total Passed Through State Department of Education			<u>3,729,085</u>
Total U. S. Department of Education			<u>\$ 3,732,575</u>
U. S. DEPARTMENT OF AGRICULTURE			
Passed Through State Department of Education:			
Food Distribution	10.550	027-904	\$ 62,615
School Breakfast Program *	10.553	71401001	305,225
National School Lunch Program *	10.555	71301001	923,187
Total Passed Through State Department of Education			<u>1,291,027</u>
Total U. S. Department of Agriculture			<u>1,291,027</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u><u>\$ 5,035,615</u></u>

* Indicates clustered program under OMB Circular A-133 Compliance Supplement

The accompanying notes are an integral part of this schedule.

MARBLE FALLS INDEPENDENT SCHOOL DISTRICT
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED AUGUST 31, 2010

Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Marble Falls Independent School District and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the general purpose financial statements.

MARBLE FALLS INDEPENDENT SCHOOL DISTRICT

*SCHEDULE OF REQUIRED RESPONSES TO SELECTED SCHOOL FIRST INDICATORS
AS OF AUGUST 31, 2010*

<u>Data Control Codes</u>	<u>Responses</u>
SF2 Were there any disclosures in the Annual Financial Report and/or other sources of information concerning default on bonded indebtedness obligations?	No
SF4 Did the district receive a clean audit? - Was there an unqualified opinion in the Annual Financial Report?	Yes
SF5 Did the Annual Financial Report disclose any instances of material weaknesses in internal controls?	No
SF9 Was there any disclosure in the Annual Financial Report of material noncompliance?	No
SF10 What was the total accumulated accretion on capital appreciation bonds included in the government-wide financial statements at fiscal year-end?	\$ 6,803,340

January 24, 2011

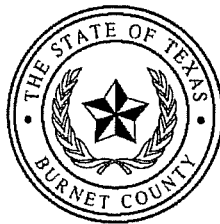
AGENDA ITEM

TO: Board of Trustees

FROM: Allen Roberts, Assistant Superintendent of Operations

SUBJECT: ELECTION CONTRACT WITH BURNET COUNTY ELECTIONS
ADMINISTRATOR FOR THE MAY 14, 2011 MARBLE FALLS ISD
SCHOOL BOARD TRUSTEE ELECTION

I recommend we enter into an agreement with the Burnet County Elections Administrator to perform election duties and services in accordance with the terms of the attached election contract for the May 14, 2011 MFISD trustee election.



THE COUNTY OF BURNET
Burnet, Texas 78611

December 22, 2010

Allen Roberts
Assistant Superintendent
Marble Falls Independent School District
1800 Colt Circle
Marble Falls, TX 78654

Dear Allen,

Enclosed please find the Contract for Election Services for the May 14, 2011 Marble Falls Independent School District general election. If the school district anticipates any special election, would you please let me know?

Changes to the contract from 2010 are:

1. A paragraph was added at I.F.3. regarding the use of electronic poll books.
2. The cost sharing plan follows the same as the 2009 contract when the Central Texas Groundwater Conservation District did not hold a May election (no CTGCD election this May also).
3. The font was changed.
4. Minor wording changes.

There are two places for required signatures: page 8 and page 15.

Feel free to call me when you get back from your break if you wish. We will be in South Padre Island for a work conference January 5-7, 2011. I look forward to working with you.

Best Regards,

Barbara M. Agnew
Burnet County Elections Administrator
220 S. Pierce
Burnet, TX 78611
electadmin@burnetcountytexas.org

CONTRACT FOR ELECTION SERVICES
BETWEEN
THE BURNET COUNTY ELECTIONS ADMINISTRATOR
AND
THE MARBLE FALLS INDEPENDENT SCHOOL DISTRICT
FOR THE MAY 14, 2011 GENERAL / SPECIAL ELECTION

THIS CONTRACT is made and entered into by and between Barbara Agnew, the Burnet County, Texas Elections Administrator, hereinafter referred to as "Contracting Officer," and the Local Political Subdivision, The Marble Falls Independent School District, hereinafter referred to as "the LPS," pursuant to the authority under Section 31.092(a) of the Texas Election Code. In consideration of the mutual covenants and promises hereinafter set forth, the parties to this contract agree to the following with regard to coordination and supervision of the LPS's May 14, 2011 General/Special Election ("the election").

I. RESPONSIBILITIES OF CONTRACTING OFFICER. The Contracting Officer shall be responsible for performing the following services and furnishing the following materials and equipment in connection with the election:

A. *Selection of Presiding Judges, Alternate Judges, and Election Clerks.*

1. The Contracting Officer will appoint presiding election judges and alternate judges at its Election Day polling locations, all of which will be qualified voters of such precincts or consolidated precincts. The Contracting Officer will appoint a presiding judge, an alternate judge and four clerks of the central counting station on Election Day. The Contracting Officer shall appoint a presiding judge and two or three clerks for the Early Voting Ballot Board (EVBB). By signing this contract, the LPS hereby approves such selections. The Contracting Officer shall notify the election workers of their selection and shall provide the names and addresses of those selected to the LPS for approval.

2. The Contracting Officer shall provide each presiding judge the names of registered voters in the territory of the LPS who are willing to serve as election clerks at the Election Day polling location from which the presiding judge shall make his or her clerk appointments. If a presiding judge or the alternate judge does not speak both English and Spanish, and the election precinct is one subject to Sections 272.002 and 272.009 of the Texas Election Code, the Contracting Officer shall ensure that such presiding judge appoints a bilingual election clerk.

B. *Election Training.* The Contracting Officer shall be responsible for conducting one or more election schools to train the presiding judges, alternate judges, election clerks, and Early Voting deputies in the operation and troubleshooting of the direct record electronic (DRE) voting system and the conduct of elections, including qualifying voters, maintaining order at the polling location, and provisional voting.

C. Election Day Polling Locations. The Election Day polling locations are set forth in Exhibit A. The Contracting Officer shall arrange for the use of the Election Day polling places and shall arrange for the setting up of the polling locations.

D. Election Supplies. The Contracting Officer shall procure, prepare, and distribute to each presiding judge for use at the polling locations on Election Day (and to the Early Voting clerks during Early Voting) the following consumable election supplies: election and early voting kits from third-party vendors or the equivalent (including the appropriate envelopes, lists, forms, name tags, posters, and signage described in Chapters 51, 61, and 62, and Subchapter B of Chapter 66 of the Texas Election Code); seals; sample ballots; thermal paper rolls for use in the Judge's Booth Controllers (JBCs); batteries for use in the JBCs and eSlates; and all consumable-type office supplies necessary to hold an election. The Contracting Officer may purchase additional or make additional copies of election forms, including sample ballots and combination poll lists/signature rosters.

E. Registered Voter List. The Contracting Officer shall provide lists of registered voters in the LPS territory required for use on Election Day and for the Early Voting period.

F. Election Equipment.

1. The Contracting Officer shall use the Direct Record Electronic (DRE) voting system and the mail ballot system purchased by Burnet County from Hart InterCivic, Inc. ("Hart") for the election. This voting system includes the equipment referred to as "eSlates" and "Judge's Booth Controllers" (JBCs). The Early Voting locations and the Election Day polling locations will have at least one voting machine that is accessible to disabled voters. The Contracting Officer or designee shall prepare the JBCs and eSlates for Early Voting and for Election Day. The current version of the system is 6.2.1; the last upgrade was July 29, 2009.

2. The Contracting Officer or designee shall program the ballot for the voting system (as well as for the mail ballots) based on the information provided by the LPS, including names of the candidates, names of the offices sought, order of names on the ballot, propositions on the ballot, and the English and Spanish translation of the offices and any propositions. The Contracting Officer shall also be responsible for conducting all logic and accuracy testing required by law and for publishing the notice of such testing required by law.

3. The Contracting Officer may order the use of electronic poll books at the Early Voting and Election Day voting sites. The poll books will contain the list of registered voters in the county and in the territory holding elections at that site. Each polling place will have two people trained on the use of the poll book and the Contracting Officer will work closely with the poll workers to ensure accuracy of the procedures. The only additional cost associated with the use of electronic poll books is the purchase of labels for the printer.

G. Early Voting.

1. The Contracting Officer shall serve as Early Voting Clerk for the election, and by signing this contract, the LPS does hereby appoint her as such. The Contracting Officer shall conduct Early Voting at the Burnet Courthouse as the main location and is also authorized to conduct Early Voting at the Marble Falls Courthouse Annex. The Contracting Officer shall hire at least three temporary deputies to work each day at each Early Voting location and no more than six. Early Voting by personal appearance for the election shall be conducted during the hours and time period and at the locations listed in Exhibit B.

2. The Contracting Officer may receive mail ballot applications on behalf of the LPS. All applications for mail ballots shall be processed in accordance with Title 7 of the Texas Election Code by the Contracting Officer or her deputies at the Records Building, located behind the Burnet County Courthouse Annex, 1701 E. Polk St., Burnet, TX 78611.

H. Contracting with Third Parties. In accordance with Section 31.098 of the Texas Election Code, the Contracting Officer is authorized to contract with third parties for election services and supplies, except where such services and supplies will be procured by the LPS as provided in this contract. The cost of such third-party services and supplies will be paid by the Contracting Officer and reimbursed to her by the LPS, or the LPS shall pay such cost directly to the third parties, as agreed by the parties at the time the services and supplies are ordered.

I. Election Day Activities.

1. The Contracting Officer and staff shall be available from 6:00 a.m. until the completion of vote counting and all tabulation tests on Election Day to render technical support and assistance to voters and election workers.

2. The Contracting Officer and staff shall do Election Night intake preparation and intake of election equipment and records starting at 5:30 pm on Election Day.

3. The Contracting Officer shall count the votes in accordance with Chapter 127 of the Texas Election Code. The Contracting Officer shall serve as central counting station manager and shall appoint a tabulation supervisor. By signing this contract, the LPS hereby approves such appointment.

J. Election Reports. The Contracting Officer shall prepare the unofficial tabulation of precinct election results under Section 66.056(a) of the Texas Election Code. The unofficial tabulation of Early Voting precinct results and Election Day precinct results shall be made available to the LPS via e-mail as soon as they are prepared and may be released under law, but no earlier than 7:05 pm on Election Day.

K. Provisional Votes/Determination of Mail Ballots Timely Received under Section 86.007(d) of the Texas Election Code. The Contracting Officer, serving as voter registrar, shall retain the provisional voting affidavits and shall provide factual information on each of the provisional voters' status. The Contracting Officer will reconvene the EVBB within the time set forth in Section 65.051 of the Texas Election Code for the purpose of determining the disposition of the provisional votes. At the same time, the EVBB will review mail ballots timely received under Section 86.007(d) of the Texas Election Code to determine whether such will be counted and to resolve any issues with such ballots. Promptly after determination of the provisional votes and resolution of any such mail ballots, the Contracting Officer shall tally the accepted provisional votes and resolved mail ballots, amend the unofficial tabulations, and submit new unofficial tabulations to the LPS.

L. Custodian of Election Records. After completion of the unofficial tabulation of precinct results, the Contracting Officer shall distribute the election records to the LPS Secretary, except for those records that must be maintained by the Contracting Officer as Voter Registrar in accordance with Section 66.051 of the Texas Election Code. The Contracting Officer is hereby appointed the custodian of voted ballots (which in the case of the ballots cast on the DRE voting system consists of the DVD backup) and shall preserve them in accordance with Chapter 66 of the Texas Election Code and

other applicable law. The Contracting Officer shall also maintain custody of the records pertaining to the operation of the JBCs and eSlates.

M. Recount.

1. If required by law, the Contracting Officer shall perform a partial manual count of electronic voting system ballots in accordance with section 127.201 of the Texas Election Code. A recount may also be requested in accordance with Chapter 212 of the Texas Election Code.

2. The LPS shall advise the Contracting Officer if a recount is required by law or requested and the Contracting Officer and the LPS shall discuss how such recount is to be conducted. The LPS shall reimburse the Contracting Officer for the cost of such count which is not included in the estimate set forth in Exhibit C.

N. Department of Justice Preclearance. The Contracting Officer shall submit any required preclearance documents to the United States Department of Justice under the Federal Voting Rights Act of 1965.

II. RESPONSIBILITIES OF THE LPS. The LPS shall perform the following tasks, which are not the responsibility of the Contracting Officer:

A. Applications for Mail Ballots. The LPS shall date stamp and then immediately fax to the Contracting Officer all applications for mail ballots that it receives. Promptly thereafter, the LPS shall deliver or send by mail the original mail ballot applications to the Contracting Officer.

B. Election Orders, Election Notice, and Canvass. The LPS shall prepare the election order and/or resolutions and submit a copy to the Contracting Officer. The LPS shall be responsible for having the required election notice under Section 4.003(a) (1) of the Texas Election Code timely published in the newspaper. The LPS shall also be responsible for timely posting the notice required under Section 4.003(b) of the Texas Election Code in the proper location(s). The LPS is responsible for ensuring that all necessary documents are in both English and Spanish. The LPS shall conduct its canvass using materials provided by the Contracting Officer.

C. Map. The LPS shall provide the Contracting Officer with an updated map and street index of its jurisdiction in an electronic or printed format.

D. Ballot Information. By the 55th day before the election, the LPS shall provide the Contracting Officer with the office names, including place designations, the names of the candidates as the names are to appear on the ballot as well as the order in which they are to appear, any propositions on the ballot, and the English and Spanish translations of propositions that are to appear on the ballot, as well as the order of any such propositions on the ballot. The LPS shall promptly review for correctness the final ballot when requested by the Contracting Officer to do so prior to finalization.

E. Precinct Reports to the Texas Secretary of State. The LPS shall prepare and file all required precinct reports with the Texas Secretary of State.

III. SPECIAL PROVISIONS RELATING TO ELECTION WORKERS

A. Number of Election Workers at Election Day Polling Locations. It is agreed by the Contracting Officer and the LPS that there will be from three to six election workers at each Election Day polling location. The workers will consist of the presiding judge, alternate judge, and at least one election clerk appointed by the presiding judge. The number of clerks is derived from the number of elections at the poll and the number of registered voters for that poll.

B. Number of Early Voting Ballot Board Members. The Contracting Officer and the LPS agree that the EVBB shall consist of three or four members.

C. Compensation for Election Workers. The Contracting Officer and the LPS agree that election workers will be compensated as follows:

- Presiding judges and alternate judges: \$9.00/hr
(including members of the EVBB and the central counting station)
- Election clerks: \$8.00/hr
- Early Voting deputies: \$8.00/hr

Election workers will be paid for the time spent setting up the polling location and closing the polling location each evening, but not to exceed one hour before and one hour after the polling location is open for voting. The Contracting Officer shall pay the workers and be reimbursed by the entities sharing the polling location, unless a polling place is open for only one LPS holding an election. In this case, the LPS shall pay the election workers directly.

D. Delivery Fee.

1. The presiding judge (or the alternate judge or election clerk, if designated by the presiding judge) shall bring the eSlates, JBC, completed paperwork, and all unused supplies back to the Records Building after the polls close on Election Night. The presiding judge or judge's designee shall be paid mileage for this delivery at the current mileage rate paid by Burnet County (\$0.50/mile) between the polling location and the Records Building, but not to exceed a total of \$12.50. The eSlates, JBC, and election supplies shall be delivered to the polling location either by a member of the Contracting Officer's staff or picked up by the presiding judge or judge's designee at the Records Building before the election. The presiding judge or judge's designee shall be paid mileage for this pickup at the current mileage rate paid by Burnet County (\$0.50/mile) between the polling location and the Records Building, but not to exceed a total of \$12.50. The delivery fee shall be paid along with the compensation.

2. The Contracting Officer shall pay the workers and be reimbursed by the entities sharing the polling location, unless a polling place is open for only one LPS holding an election. In this case, the LPS shall pay the election workers the delivery fee directly.

IV. SPECIAL PROVISIONS RELATING TO JOINT ELECTIONS

A. The parties acknowledge that the following other local political subdivisions may be holding an election at the same time as the LPS, unless one or more of such local political subdivisions cancels its or their election(s) in accordance with Section 2.053 of the Texas Election Code, and may enter into a contract for election services with the Contracting Officer:

- Burnet County
- The Central Texas Groundwater Conservation District
- The Burnet Consolidated Independent School District

The City of Burnet
The City of Bertram
The City of Meadowlakes
The City of Cottonwood Shores
The City of Granite Shoals
The City of Highland Haven
The City of Horseshoe Bay
The City of Marble Falls

Various municipal utility districts and water districts located wholly or partially within Burnet County.

B. The LPS does hereby agree to hold a joint election under Section 271.002 of the Texas Election Code with those other local political subdivisions in Burnet County, to share the expenses and costs of the joint election, and to enter a Joint Election Agreement with them, as set forth in Exhibit D.

C. The parties also acknowledge, and the LPS does hereby give its consent, that other local political subdivisions in Burnet County with which it does not share territory may have candidates and/or propositions appearing on the same ballot with those of the LPS. The parties also acknowledge, and the LPS does hereby give its consent, that other local political subdivisions in Burnet County may use one or more of the same Early Voting locations and the services of the Early Voting deputies there and one or more of the same Election Day polling locations and the services of the election workers there. The Early Voting Ballot Board and the Central Counting Station team are shared under the Joint Election Agreement. The Contracting Officer shall charge only once for the compensation paid to the election workers and the use of voting equipment at a shared polling location.

V. PAYMENT

A. *Compensation.* Within 60 days after Election Day, the Contracting Officer will submit an itemized invoice to the LPS for actual expenses directly attributable to the scope of work of the election, including the following:

- ballot programming and printing costs
- wages of the precinct judges and clerks, the early voting deputies, the EVBB, the central count station judges and clerks, and the Logic and Accuracy Testing Board members (other than the Contracting Officer and assistants)
- a "per election" user fee of \$150 for each regular eSlate, accessible eSlate, and JBC placed in service at each Election Day polling location
- supply costs
- newspaper notice publication expenses for logic and accuracy testing
- pickup and delivery of supplies by judges.

Costs for which reimbursement is sought shall be supported by appropriate documentation.

A cost estimate for election expenses is set forth in Exhibit C. The estimate assumes no cost sharing with other local political subdivisions. The parties agree that this is an estimate only and the LPS is obligated to pay the actual expenses of the election. The Contracting Officer agrees to advise the LPS if it appears that the actual expenses will exceed by 20% or more the estimated expenses to be paid initially by the Contracting Officer and reimbursed by the LPS.

B. Administrative Fee. In accordance with Section 31.100(d), the LPS shall pay the Contracting Officer an administrative fee in the amount of 10% of the total cost of the contract (but not less than \$75.00).

C. Cost Sharing.

1. If the Contracting Officer contracts with more than one local political subdivision to conduct an election on the same Election Day, the LPS agrees to share with the other local political subdivision(s) the expenses of personnel and equipment associated with shared Early Voting locations, shared Election Day polling places, common publication of the notice for the logic and accuracy testing, the cost of the EVBB and central counting station presiding and alternate judges and clerks, and any other common election costs that are shared by all the entities contracting with the Contracting Officer.

2. Cost sharing will be in accordance with the Joint Election Agreement attached hereto and made a part of this contract as Exhibit D.

D. Payment. The Contracting Officer's invoice shall be due and payable to the address set forth in the invoice within 30 days from the date of receipt by the LPS. If the LPS disputes any portion of the invoice, the LPS shall notify the Contracting Officer within such 30-day period or the invoice will be deemed to be an accurate rendering of the amount that is due.

VI. GENERAL PROVISIONS

A. Nontransferable Functions. Nothing in this contract shall authorize or permit a change in:

1. the authority with whom or the place at which any document or record relating to the election is to be filed;
2. the officers who conduct the official canvass of the election returns;
3. the authority to serve as custodian of voted ballots or other election records; or
4. any other nontransferable function specified under Section 31.096 of the Texas Election Code.

B. Cancellation of Election. If the LPS cancels its election pursuant to Section 2.053 of the Texas Election Code, the Contracting Officer shall be entitled to receive an administrative fee of \$75. The Contracting Officer shall submit an invoice for the administrative fee within 60 days after the cancellation, and the LPS shall make payment therefore in a manner similar to that set forth in **V. PAYMENT** above.

C. Contract Copies to Treasurer and Auditor. In accordance with Section 31.099 of the Texas Election Code, the Contracting Officer agrees to file copies of this contract with the County Treasurer of Burnet County, Texas and the County Auditor of Burnet County, Texas.

D. **Representatives.** For purposes of implementing this contract and coordinating activities, the Contracting Officer and the LPS designate the following individuals for submission of information, documents and notice:

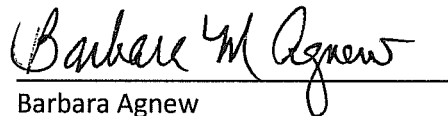
For the Contracting Officer:

Barbara Agnew
Elections Administrator, Burnet County
220 S. Pierce
Burnet, TX 78611
(512) 715-5288
Email: electadmin@burnetcountytexas.org

For the LPS:

Allen Roberts
Assistant Superintendent
Marble Falls Independent School District
1800 Colt Circle
Marble Falls, TX 78654
(830) 693-4357
Email: aroberts@mfisd.txed.net

WITNESS BY MY HAND THIS THE 22nd DAY OF December, 2010.



Barbara Agnew
Elections Administrator
Burnet County, Texas

WITNESS BY MY HAND THIS THE _____ DAY OF _____, 2011.

Name: _____

Title: _____

Duly Authorized to Sign this
Contract on Behalf of the Marble Falls
Independent School District

ATTEST:

Exhibit A

May 14, 2011 Local Elections
Election Day Polling Locations

Precincts	Location	Address	City
19, 20, 22 Burnet Cty.	Marble Falls Courthouse Annex	810 Steve Hawkins Pkwy.	Marble Falls TX
9 Burnet Cty.	Highland Haven Community Center	118 Blackbird Dr.	Highland Haven TX
18 Burnet Cty.	Granite Shoals Community Center	1208 N. Phillips Ranch Rd.	Granite Shoals TX
21 Burnet Cty. 308 Travis Cty.	Spicewood Elementary School Library	1005 Spur 191	Spicewood TX
6 Burnet Cty. 371 Travis Cty.	Smithwick Community Center	10800 E. FM 1431	Marble Falls TX

Exhibit B

**May 14, 2011 Local Elections
Early Voting Locations and Hours**

Polling Place		Address			City	
Burnet County Courthouse		220 S. Pierce			Burnet, TX 78611	
Marble Falls Courthouse Annex		810 Steve Hawkins Pkwy.			Marble Falls, TX 78654	
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	<i>May 2</i> 9am-5pm	<i>May 3</i> 9am-5pm	<i>May 4</i> 9am-5pm	<i>May 5</i> 7am-7pm	<i>May 6</i> 9am-5pm	<i>May 7</i>
<i>May 8</i>	<i>May 9</i> 7am-7pm	<i>May 10</i> 9am-5pm	<i>May 11</i>	<i>May 12</i>	<i>May 13</i>	<i>May 14</i> Election Day Polls Open 7am-7pm

EXHIBIT C

ESTIMATED ELECTION EXPENSES
MARBLE FALLS INDEPENDENT SCHOOL DISTRICT
MAY 14, 2011 GENERAL/SPECIAL ELECTION *

Payroll:

Early Voting Workers	\$ 1,950.00
Election Day Judges and Clerks	\$ 2,500.00
Early Voting Ballot Board	\$ 200.00
Testing Board Members (other than the Elections Administrator and assistants)	\$ 200.00
Central Counting Station judges and clerks	\$ 200.00
<u>Delivery/ Mileage</u>	
Pickup and delivery of supplies by judges	\$ 125.00
<u>User Fee for DRE equipment **</u>	\$ 3,450.00
Election Day only; no charge for Early Voting	
<u>Newspaper notice for L & A Testing</u>	\$ 150.00
<u>Consumable Supplies</u>	\$ 100.00
<u>Ballot Programming</u>	\$ 500.00

Subtotal \$ 9,275.00

10% Administrative Fee Payable to Burnet County Elections Administrator: \$ 927.50

Grand Total Estimated Election Expenses: \$ 10,202.50

*Assumes no cost sharing with other local political subdivisions or Burnet County.

** User fee as established by commissioners court is \$150.00/unit.

Exhibit D

JOINT ELECTION AGREEMENT

The City of Marble Falls, the City of Meadowlakes, the City of Granite Shoals, the City of Cottonwood Shores, or the City of Highland Haven (the "LPS"), the Board of Trustees of the Marble Falls Independent School District (the "ISD"), and Burnet County (the "County")

BY THE TERMS OF THIS AGREEMENT, the LPS, the ISD, and the County do hereby agree, pursuant to the provisions of the Texas Election Code, to hold a joint election on May 14, 2011. The LPS and the ISD have contracted with the Burnet County Elections Administrator, the Contracting Officer, to perform various responsibilities in connection with the election on behalf of each.

The LPS, the ISD, and the County acknowledge and agree as follows:

(1) The Early Voting locations for the elections will be the main Burnet Courthouse, 220 S. Pierce, Burnet, TX 78611 and the Marble Falls Courthouse Annex, 810 Steve Hawkins Pkwy., Marble Falls, TX 78654.

(2) For polling places conducting elections of the County, the County will pay 50% of all payroll costs including: Early Voting workers, Election Day workers, Early Voting Ballot Board, Testing Board, and Election Night intake including Central Count Station personnel.

The remaining 50% of payroll costs will be shared so that 40% of payroll is paid by the ISD associated with the polling place and the remaining 10% is paid by any/all cities equally sharing the payroll costs of the polling location.

If there is no city election, the ISD pays 50% of the payroll costs. Subsequently, if there is no ISD election, any/all cities pay 50% of the payroll costs in equal shares.

(3) For polling places NOT conducting elections of the County, the ISD associated with the polling place will pay 80% of the payroll costs outlined in (2) and any/all cities will share equally the remaining 20% of payroll.

If there is no city election, the ISD will pay 100% of the payroll costs. Subsequently, if there is no ISD election, any/all cities pay 100% of the payroll costs in equal shares.

(4) The delivery/ mileage payments to election workers who pick up and return election equipment will follow the same cost sharing arrangements shown in (2) and (3) above.

(5) The user fee for the voting equipment will follow the same cost sharing arrangements shown in (2) and (3) above.

(6) The expense for the newspaper notice for the L & A test, consumable election supplies, and ballot programming will be shared equally by the County, the ISDs, and the cities holding elections.

(7) The costs incurred in connection with the Burnet Courthouse Early Voting location will be shared only by the Burnet Consolidated Independent School District (BCISD), the city of Burnet, the city of Bertram, and the County.

(8) The costs incurred in connection with the Marble Falls Annex Early Voting location will be shared only by the Marble Falls Independent School District (MFISD), the city of Marble Falls, the city of Granite Shoals, the city of Cottonwood Shores, the city of Meadowlakes, the city of Highland Haven, the city of Horseshoe Bay, and the County.

(9) On Election Day, May 14, 2011, the following polling locations will be shared by the following entities, which will share the costs in connection with that Election Day polling place:

Main Burnet Courthouse- BCISD, the city of Burnet, and the County

Silver Creek Community Center- BCISD and the County

Cassie Community Center- BCISD and the County

Joann Cole Mitte Memorial Library - BCISD, the city of Bertram, and the County

Lake Victor Community Center - BCISD and the County

Briggs Schoolhouse/Fire Station- BCISD and the County

Lakeshore Library - BCISD

Marble Falls Courthouse Annex- MFISD, the city of Cottonwood Shores, the city of Marble Falls, the city of Meadowlakes, the city of Horseshoe Bay, and the County

Highland Haven Community Center- MFISD, the city of Highland Haven and the County

Granite Shoals Community Center- MFISD, the city of Granite Shoals, and the County

Spicewood Elementary School Library- MFISD and the County

Smithwick Community Center- MFISD and the County

(10) Except as set forth above, all other costs incurred in connection with the May 14, 2011 Local Elections, whether they are Early Voting or Election Day costs shall be charged to the local political subdivision on whose behalf they are incurred.

(11) In the event that a local political subdivision referenced herein cancels its May 14, 2011 election in accordance with Sections 2.051 – 2.053 of the Texas Election Code, it is understood that the cost shares of the remaining local political subdivisions will probably increase.

(12) The LPS understands that the Contracting Officer has contracted with other local political subdivisions. The LPS acknowledges, and does hereby give consent, that such other local

political subdivisions may share: one or more of the same Early Voting locations, voting equipment, and services of the Early Voting deputies; one or more of the same Election Day polling locations, voting equipment, and services of the election workers; and the services of the Contracting Officer in programming the ballot and providing Election Day assistance.

APPROVED BY THE GOVERNING BODY OF THE CITY OF MARBLE FALLS, TX in its meeting held the ____ day of _____, 2011, and executed by its authorized representative.

Signature
Printed Name: _____
Title: _____

APPROVED BY THE GOVERNING BODY OF THE CITY OF MEADOWLAKES, TX in its meeting held the ____ day of _____, 2011, and executed by its authorized representative.

Signature
Printed Name: _____
Title: _____

APPROVED BY THE GOVERNING BODY OF THE CITY OF GRANITE SHOALS, TX in its meeting held the ____ day of _____, 2011, and executed by its authorized representative.

Signature
Printed Name: _____
Title: _____

APPROVED BY THE GOVERNING BODY OF THE CITY OF COTTONWOOD SHORES, TX in its meeting held the ____ day of _____, 2011, and executed by its authorized representative.

Signature
Printed Name: _____
Title: _____

APPROVED BY THE GOVERNING BODY OF THE CITY OF HIGHLAND HAVEN, TX in its meeting held the _____ day of _____, 2011, and executed by its authorized representative.

Signature
Printed Name: _____
Title: _____

APPROVED BY THE GOVERNING BODY OF THE MARBLE FALLS INDEPENDENT SCHOOL DISTRICT in its meeting held the _____ day of _____, 2011, and executed by its authorized representative.

Signature
Printed Name: _____
Title: _____

APPROVED BY THE GOVERNING BODY OF BURNET COUNTY in its meeting held the _____ day of _____, 2011, and executed by its authorized representative.

Signature
Printed Name: _____
Title: _____

ACKNOWLEDGED BY:

Barbara M Agnew

Barbara Agnew
Elections Administrator, Burnet County, Texas, "Contracting Officer"

12/22/10

Date

Upcoming Board Election – Saturday, May 14, 2011

Place 3 – Martin McLean

Place 4 – Tommy Chaney

Important Dates:

- Notice Posted – Filing Period is 2/12/2011 (Saturday - Admin Office closed so we will begin accepting applications on Monday, 2/14) – 3/14/2011
- Filing Packets may be obtained from the MFISD Administration Office
- Election to be “called” at the February 21, 2011 School Board Meeting
- First date to canvass election dates is Tuesday, May 17, 2011
(The regular May 2011 School Board meeting is scheduled for May 16th – consider re-scheduling the regular meeting to allow for the canvass of the election at the same meeting or have an earlier special meeting specifically to canvass the election.)

Marble Falls ISD Enrollment 2010-2011

Date		12/17/2010	1/7/2011	1/14/2011					
CAMPUS	GRADE LEVEL								
COLT ELEMENTARY	PPCD	12	13	13					
	Pre-K (4)	71	69	69					
	K(4)	74	75	75					
	1(4)	78	76	75					
	2(4)	73	70	70					
	3(5)	94	91	91					
	4(5)	75	74	74					
	5(5)	93	91	90					
SUBTOTAL		570	559	557	0	0	0	0	0
MF ELEM.	PK(2)	44	44	44					
	K(4)	87	87	87					
	1(4)	89	89	90					
	2(4)	89	90	90					
	3(4)	83	83	83					
	4(4)	79	79	81					
	5(4)	97	97	97					
SUBTOTAL		568	569	572	0	0	0	0	0
HIGHLAND LAKES	PK(4)	72	72	72					
	K(5)	96	92	93					
	1(6)	100	100	101					
	2(5)	102	100	100					
	3(5)	106	106	106					
	4(5)	96	97	98					
	5(4)	90	87	87					
SUBTOTAL		662	654	657	0	0	0	0	0
SPICEWOOD ELEM.	EE	1	1	1					
	PK(1)	19	19	19					
	K(2)	40	38	38					
	1(2)	30	30	30					
	2(2)	37	36	36					
	3(2)	35	35	35					
	4(2)	34	34	34					
	5(2)	32	30	30					
SUBTOTAL		228	223	223	0	0	0	0	0
MIDDLE SCHOOL	6	305	305	305					
	7	307	308	307					
	8	312	308	310					
SUBTOTAL		924	921	922	0	0	0	0	0
HIGH SCHOOL	9	296	297	295					
	10	301	300	298					
	11	251	248	245					
	12	249	248	249					
SUBTOTAL		1097	1093	1087	0	0	0	0	0
FALLS HS		34	37	42					
GRAND TOTAL		4083	4056	4060	0	0	0	0	0

Executive Summary

We have worked through the DEIC Committee to gather input from district staff in development of the calendar. We have two drafts that will ultimately go to the entire organization for a vote. We would like the input of the Board on either or both of the drafts.

We anticipate making a recommendation to the Board at the February Board meeting to adopt the calendar.

2011-2012 SCHOOL CALENDAR - OPTION 1 DRAFT

JULY 2011

S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

AUGUST 2011

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

SEPTEMBER 2011

S	M	T	W	T	F	S
				1	2	3
4	☆	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

OCTOBER 2011

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

NOVEMBER 2011

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	☆	☆	☆	26
27	28	29	30			

DECEMBER 2011

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	☆	☆	☆	☆	☆	24
25	☆	☆	☆	☆	☆	31

JANUARY 2012

S	M	T	W	T	F	S
1	△	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

FEBRUARY 2012

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29			

MARCH 2012

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	☆	☆	☆	☆	☆	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

APRIL 2012

S	M	T	W	T	F	S
1	2	3	4	5	☆	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

MAY 2012

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

JUNE 2012

S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

Dates at a Glance

8/10	New Teacher Orientation
8/11-18	Teacher In-Service
8/19	Teacher Workday
8/22	First Day of Classes
9/5	Labor Day Holiday
10/14	Early Release/In-Service
11/21-22	Teacher In-Service/Comp Days
11/23-25	Thanksgiving Holidays
12/16	Early Release/In-Service
12/19-30	Christmas Holidays
1/2	Teacher Workday
1/3	Second Semester Begins
1/16	Teacher In-Service/Comp Day
2/17	Early Release/In-Service
3/9	Early Release/In-Service
3/12-16	Spring Break
4/6	Good Friday Holiday
5/24	Early Release/In-Service
5/25	Bad Weather Holiday/ Teacher Workday
5/25	Falls CHS Graduation
5/26	Bad Weather Day
5/26	MFHS Graduation

Testing Dates

(To be added)

Draft #1 Notes:

- Current (2010-2011) School Calendar adapted to next year's dates
- Graduation—FCHS 5/25/12; MFHS 5/26/12

- New Teacher Orientation
- Beginning of Semester
- ⊙ TAKS/STAAR Tests
- △ Teacher Workday
- ☆ Holiday
- Bad Weather Holiday
- ◇ Teacher In-service
- ◻ Early Release: 12 Noon
- 🎓 Graduation

Nine Weeks Grading Periods

- August 22 - October 14 (39/8)
- October 17 - December 16 (40/8)
- January 3 - March 9 (48/10)
- March 19 - May 24 (48/10)

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830-693-4357

2011-2012 SCHOOL CALENDAR - OPTION 2 DRAFT

JULY 2011

S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

AUGUST 2011

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

SEPTEMBER 2011

S	M	T	W	T	F	S
				1	2	3
4	☆	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

OCTOBER 2011

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	◇	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

NOVEMBER 2011

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	◇	◇	☆	☆	☆	26
27	28	29	30			

DECEMBER 2011

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	☆	☆	☆	24
25	☆	☆	☆	☆	☆	31

JANUARY 2012

S	M	T	W	T	F	S
1	☆	2	3	4	5	6
8	9	10	11	12	13	14
15	◇	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

FEBRUARY 2012

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	☆	18
19	◇	21	22	23	24	25
26	27	28	29			

MARCH 2012

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	☆	☆	☆	☆	☆	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

APRIL 2012

S	M	T	W	T	F	S
1	2	3	4	5	☆	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

MAY 2012

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	☆	29	30	31		

JUNE 2012

S	M	T	W	T	F	S
						1
						2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

Dates at a Glance

- 8/15 New Teacher Orientation
- 8/116-19 Teacher In-Service
- 8/23 Teacher Workday
- 8/22 First Day of Classes
- 9/5 Labor Day Holiday
- 10/10 Teacher In-Service
- 10/14 Early Release/In-Service
- 11/21-22 Teacher In-Service/Comp Days
- 11/23-25 Thanksgiving Holidays
- 12/20 Early Release/In-Service
- 12/21-1/2 Christmas Holidays
- 1/3 Teacher Workday
- 1/4 Second Semester Begins
- 1/16 Teacher In-Service (Comp Day)
- 2/16 Early Release/In-Service
- 2/17 Holiday
- 2/20 Teacher In-Service (Comp Day)
- 3/9 Early Release/In-Service
- 3/12-16 Spring Break
- 4/6 Good Friday Holiday
- 4/9 Bad Weather Holiday
- 5/28 Holiday
- 5/31 Early Release/In-Service
- 6/1 Bad Weather Holiday/Teacher Workday
- 6/1 Falls CHS Graduation
- 6/2 MFHS Graduation

Testing Dates

(To be added...)

Draft #2 Notes:

- Later start date; Later finish date
- Student start date on Tuesday instead of Monday
- Christmas Break Wed-Wed for students
- Long weekend in February
- Staff Development distributed throughout year
- Graduation—FCHS 6/1/12; MFHS 6/2/12

- New Teacher Orientation
- Beginning of Semester
- ⊙ TAKS/STAAR Tests
- △ Teacher Workday
- ☆ Holiday
- Bad Weather Holiday
- ◇ Teacher In-service
- ◻ Early Release: 12 Noon
- 🎓 Graduation

Nine Weeks Grading Periods

- August 22 - October 14
- October 17 - December 20
- January 4 - March 9
- March 19 - May 31

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CAMPUS	# OF EMPLOYEES IN REPORT	TOTAL ABSENCE COUNT FIRST SEMESTER	AVERAGE # ABS PER EMPL	TOTAL DAYS SUB HIRED	PERCENTAGE OF ABSENCES SUB HIRED	PROFESSIONAL	EXTRA CURRICULAR	ILLNESS FAMILY	ILLNESS SELF	PERSONAL BUSINESS	DEATH	JURY DUTY	COMP	DOCK PAY
DAY CARE	4	25.5	6.38	20	78%			6.5	14	5	1			
FALLS/EPI	16	80	5	43	54%	16	2.5	21.5	11.5	17.5	4		7	
SWES	27	102.5	3.8	58.5	57%	11		21	33.5	30	5		1.5	0.5
MFES	59	172.5	2.92	102.5	59%	22		46.5	44.5	46.5	9.5		3	0.5
COLT	68.5	406.5	5.93	316	78%	35.5	1	92.5	209	55	8.5	2	2	2
HLES	72	324	4.5	218	67%	37.5		95.5	109	44	17.5	4.5	7	
MFMS	87	307.5	3.53	178	58%	32	2.5	55	121.5	68.5	12	4	12	
MFHS	121.5	537	4.42	279	52%	61.5	63	134.5	132.5	115.5	11.5	6	12	0.5
Totals	455	1955.5	4.3	1215	62%	215.5	69	473	675.5	382	69	16.5	44.5	3.5

COLT 127 Days Maternity Leave
COLT 36.5 Days FMLA
HLES 53 Days Maternity Leave
MFHS 45 Days Maternity Leave

Sub Pay 1st Semester
2009-10 \$171,000
2010-11 \$98,000
Savings \$73,000

ATTENDANCE COMPARISON 09-10, 10-11
First Twelve Weeks

SCHOOL	2009-2010			2010-2011			Comparison		Goal
	member days	present days	percentage	member days	present days	percentage			
MFHS	84716	80494	95.02%	86920	83214	95.74%	Increase	0.72%	96%
FCHS	3240	2915	89.97%	2789	2477	88.81%	Decrease	-1.16%	92.50%
MFM	71048	67328	94.76%	72255	69269	95.87%	Increase	1.10%	96.50%
MFE	41872.5	39997.5	95.52%	43832	42312.5	96.53%	Increase	1.01%	97%
CE	44902.5	42723.5	95.15%	42481	40962	96.42%	Increase	1.28%	97%
HLE	46617.5	44536.5	95.54%	51004.5	49020.5	96.11%	Increase	0.57%	97%
SWE	15932	15191	95.35%	16707.5	15946.5	95.45%	Increase	0.10%	97%
OVERALL	308328.5	293185.5	95.09%	315989	303201.5	95.95%	Increase	0.86%	

Budget includes \$9.8 Billion in cuts to Foundation School Program



1.19.2011

Rep. Jim Pitts, chair of the House Appropriations Committee, filed HB1 today – a budget that is \$31.1 billion less than last biennium's.

The Foundation School Program took a nearly \$10 billion hit. The proposed budget, which Pitts repeatedly called a starting point, funds the FSP at \$9.8 billion below what it would cost to cover school funding formulas under current Texas law, accounting for population growth.

"Our attempt was to minimize cuts to the Foundation School Program....however reductions even to these areas were unavoidable," Pitts told fellow House members as he laid out the bill Wednesday morning.

Funding for a number of programs was eliminated completely. Those are: the technology allotment, New IFA, property value decline protections, ADA decline provisions, the extended year program, DAEP funding, the Reading, Mathematics, and Science Initiatives, the Early High School Scholarship Program, the Pre-kindergarten Grant Program, all of the grant programs funded under the Student Success Initiative, the High School Completion and Success Initiative, the LEP Student Success Initiative, the DATE program, teacher mentoring, science lab grants, middle school PE grants, general revenue funding for the virtual school network, the rural school technology grants, the steroid testing program, and the mid-cycle review portion of the textbook program, and the AP Incentive Program.

The budget includes no new money for growth, including enrollment growth in public education, increased enrollment in higher education, or increased case loads to Medicaid.

Texas public schools expect to add 80,000 students to their rolls next school year, at a biennial cost of \$2.2 billion.

"This budget must live within available revenue," Pitts told members. "It must not rely on use of the Rainy Day Fund; it must not rely on new taxes; and it must reflect more limited government."

Only one area of the state budget – border security – was exempt from cuts.

The cuts to the Foundation School Program are contingent on passage of separate school finance legislation that would adjust FSP entitlements to a level that would fit within appropriated money.

Other cuts include a reduction in the contribution rate for TRS to 6 percent.

It will remain unclear how cuts to the FSP will affect individual districts until a school finance bill is introduced.

Close Window

Impact of Reducing Public Education Funding by \$5 billion per Year January 21, 2011

The attached HB 1 budget reduction printouts and summary information were produced by Moak, Casey & Associates. These estimates were originally released to the TASBO Pipeline members on Wednesday, January 19, the same day HB 1 was filed. The TASBO Pipeline provides its members with early updates on major legislative issues, multi-year financial projections on our new web-based system, projections of impact for all major proposals on school finance, and regular reports on all newly introduced education legislation.

If you are interested in the TASBO Pipeline service, please visit:

<http://www.tasbo.org/resources/programs/tasbo-legislative-pipeline>

Summary of HB 1 (Public Education Reductions)

The House introduced its initial version of the General Appropriations Act (House Bill 1) for the 2012-13 biennium on Wednesday, January 19. While it is the first draft of the state budget with many hearings and floor debates to come, it does indicate that substantial budget reductions to public education are likely.

In addition to eliminating almost all discretionary grant programs (\$1.3 billion in General Revenue over the biennium) in this first draft, HB 1, as filed, reduces the Foundation School Program by \$10 billion below what was requested by the Texas Education Agency.

Some of the grant programs that were eliminated in the 2012-13 biennium include: the technology allotment (\$270.9 million), New IFA (\$52 million), property value decline protections, ADA decline provisions (\$22 million), DAEP funding, the Reading, Mathematics, and Science Initiatives (\$16.1 million), the Early High School Scholarship Program (\$43.2 million), the Pre-Kindergarten Grant Program (\$223.3 million), all of the grant programs funded under the Student Success Initiative (\$293.2 million), the High School Completion and Success Initiative (\$86 million), the LEP Student Success Initiative (\$19.4 million), the DATE program (\$385.1 million), science lab grants (\$35 million), middle school PE grants (\$20 million), virtual school network (\$20.3 million), the steroid testing program (\$2 million), school bus seat belt program (\$10 million), the optional extended year program (\$14.1 million), teen parenting (\$19.7 million), and the AP Incentive Program (\$28.4 million).

HB 1 also includes a rider that stipulates that the appropriation for the foundation school program assumes passage of a bill that reduces FSP entitlements to a level that would fit within appropriated funds, meaning that the legislature is not planning to make school finance changes in the appropriations bill but will work on passage of a separate school finance bill.

Moak, Casey & Associates Budget Reduction Printouts Description

There are numerous ways that the \$10 billion in reductions to the FSP could be implemented (this amount does not include any reductions made to the grant programs). Moak, Casey & Associates chose to show the effects of three potential scenarios. Each is designed to remove \$5 billion per year from the FSP. The three options illustrated are as follows and correspond to the columns in the spreadsheet attached:

Proration: If the legislature were to do nothing to the school finance formulas, but pass an appropriations bill that under-funds the state aid that the current formulas dictate, then proration would automatically ensue (TEC 42.253(h)). Proration is designed to be wealth-based, so each district’s share of a funding shortfall would be based on its share of total statewide property wealth. In the scenario attached, we assume that ASATR payments are eligible for proration, and that the statute would allow proration to occur in each year of the biennium.

Percentage reduction to total General Fund: In the second scenario, a 14.95 percent reduction to each district’s projected 2011-12 General Fund revenue (state aid and local taxes net of recapture) would be made to the state aid the district receives. For those that receive insufficient state aid, it is assumed they would be required to pay additional recapture.

Eliminate ASATR, Reduce Basic Allotment: The final scenario assumes that the legislature withheld revenue by reducing payments under the additional state aid for tax reduction (ASATR) program. To get to a savings of \$5 billion per year, the legislature would need to not only eliminate ASATR payments, but also reduce the basic allotment to \$4,304 and the equalized wealth level up to the compressed tax rate to \$430,400.

IMPACT OF REDUCING PUBLIC EDUCATION FUNDING BY \$5 BILLION PER YEAR

CHANGE FROM CURRENT LAW PROJECTION FOR 2011-12

County Name	District Number	District Name	PRORATE FORMULA AID, INCLUDING ASATR	14.956% DISTRICT GENERAL FUND REDUCTION	NO ASATR, REDUCE BA TO \$4,304, EQUALIZED WEALTH TO \$430,400
BURNET COUNTY	027904	MARBLE FALLS ISD	-\$5,708,859	-\$4,624,375	-\$5,209,809

Stan Whittle
334 Firestone Drive
Marble Falls, TX 78654
830.385.1112

December 13, 2010

Eric Penrod
Principal, Marble Falls HS
2101 Mustang Drive
Marble Falls, TX 78654

Please accept this letter as formal notification that I resign my position as Assistant Principal with Marble Falls ISD effective December 31, 2010. I have accepted a principal position with New Tech High School in Belton, Texas.

Thank you for the opportunities you have provided me during my time with Marble Falls ISD. If I can be of any assistance during this transition, please let me know.

Sincerely,



Stan Whittle

Accepted
Eric Penrod
12/14/2010

**RECOMMENDATION TRANSFER FORM
PARAPROFESSIONAL/AUXILIARY EMPLOYEES**

Name: Carmen Ramirez Grade/Subject area assignments: Bilingual PreK

Coaching or other assignments:

New position: (to support additional pre-K class established this year)

Background information to the board:

Degree held: College/University:

Years of experience: Is this person fully certified in Texas: (yes or no) Yes

If no, please justify

Brief background on candidate: Mrs. Ramirez has been employed by the district as an aide in the high school daycare program. She comes highly recommended from administrators who are familiar with her work.

Linda Romano

January 6, 2011

Principal/Administrator's signature

Date