PRELIMINARY OFFICIAL STATEMENT

DATED MARCH 1, 2021

NEW ISSUE
Electronic Bidding via Parity®
Bank Interest Deduction Eligible
BOOK-ENTRY-ONLY SYSTEM

RATING
Moody's: " "

In the opinion of Bond Counsel, under existing law (i) interest on the Bonds will be excludable from gross income of the holders thereof for purposes of federal taxation and (ii) interest on the Bonds will not be a specific item of tax preference for purposes of the federal alternative minimum tax, all subject to the qualifications described herein under the heading "Tax Exemption." The Bonds and interest thereon are exempt from income taxation and ad valorem taxation by the Commonwealth of Kentucky anFloydd political subdivisions thereof (see "Tax Exemption" herein).

$551,000*
JACKSON INDEPENDENT SCHOOL DISTRICT FINANCE CORPORATION SCHOOL BUILDING REFUNDING REVENUE BONDS, SERIES OF 2021

Dated with Delivery: March 30, 2021 **Due: as shown below**

Interest on the Bonds is payable each February 1 and August 1, beginning August 1, 2021. The Bonds will mature as to principal on February 1, 2022 and each February 1 thereafter as shown below. The Bonds are being issued in Book-Entry-Only Form and will be available for purchase in principal amounts of $1,000 and integral multiples thereof.

Maturing February 1	Amount*	Interest Rate	Reoffering Yield	CUSIP	Maturing February 1	Amount*	Interest Rate	Reoffering Yield	CUSIP
2022	$85,000	%	%		2027	$26,000	%	%	
2023	$88,000	%	%		2028	$26,000	%	%	
2024	$90,000	%	%		2029	$25,000	%	%	
2025	$92,000	%	%		2030	$24,000	%	%	
2026	$95,000	%	%						

The Bonds are not subject to redemption prior to their stated maturity as described herein.

Notwithstanding the foregoing, the Corporation reserves the right to call, upon thirty (30) days notice, the Bonds in whole or in part on any date for redemption upon the total destruction by fire, lightning, windstorm or other hazard of any of the building(s) constituting the Project(s) and apply casualty insurance proceeds to such purpose.

The Bonds constitute a limited indebtedness of the Jackson Independent School District Finance Corporation and are payable from and secured by a pledge of the gross income and revenues derived by leasing the Project (as hereinafter defined) on an annual renewable basis to the Jackson Independent Board of Education.

The Jackson Independent (Kentucky) School District Finance Corporation will until March 9, 2021 at 11:00 A.M., E.S.T., receive competitive bids for the Bonds at the office of the Executive Director of the Kentucky School Facilities Construction Commission, 700 Louisville Road, Carriage House, Frankfort, Kentucky 40601.

***As set forth in the "Official Terms and Conditions of Bond Sale," the principal amount of Bonds sold to the successful bidder is subject to a Permitted Adjustment by increasing or decreasing the amount not to exceed $55,000.**

PURCHASER'S OPTION: The Purchaser of the Bonds, within 24 hours of the sale, may specify to the Financial Advisor that any Bonds may be combined immediately succeeding sequential maturities into a Term Bond(s), bearing a single rate of interest, with the maturities set forth above (or as may be adjusted as provided herein) being subject to mandatory redemption in such maturities for such Term Bond(s).

The Bonds will be delivered utilizing the BOOK-ENTRY-ONLY-SYSTEM administered by The Depository Trust Company.

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

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sales of these Bonds in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the laws of any such jurisdiction.

RSA advisors

JACKSON INDEPENDENT
BOARD OF EDUCATION

James Elmo Combs, Chairman
Earl Chapman, Vice-Chair
Paula Miller, Member
Kena Mullins, Member
Sydney Thompson, Member

Dr. Paul Green, Superintendent/Secretary

JACKSON INDEPENDENT (KENTUCKY) SCHOOL DISTRICT
FINANCE CORPORATION

James Elmo Combs, President
Earl Chapman, Vice-President
Paula Miller, Member
Kena Mullins, Member
Sydney Thompson, Member

Dr. Paul Green, Secretary
Angela Turner, Treasurer

BOND COUNSEL

Steptoe & Johnson PLLC
Louisville, Kentucky

FINANCIAL ADVISOR

RSA Advisors, LLC
Lexington, Kentucky

PAYING AGENT AND REGISTRAR

U.S. Bank, National Association
Louisville, Kentucky

BOOK-ENTRY-ONLY-SYSTEM

REGARDING USE OF THIS OFFICIAL STATEMENT

This Official Statement does not constitute an offering of any security other than the original offering of the Jackson Independent School District Finance Corporation School Building Refunding Revenue Bonds, Series of 2021, identified on the cover page hereof. No person has been authorized by the Corporation or the Board to give any information or to make any representation other than that contained in the Official Statement, and if given or made such other information or representation must not be relied upon as having been given or authorized. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, and there shall not be any sale of the Bonds by any person in any jurisdiction in which it is unlawful to make such offer, solicitation or sale.

The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Corporation or the Board since the date hereof.

Neither the Securities and Exchange Commission nor any other federal, state or other governmental entity or agency, except the Corporation will pass upon the accuracy or adequacy of this Official Statement or approve the Bonds for sale.

The Official Statement includes the front cover page immediately preceding this page and all Appendices hereto.

TABLE OF CONTENTS

OFFICIAL STATEMENT
Relating to the Issuance of

$551,000*

JACKSON INDEPENDENT SCHOOL DISTRICT FINANCE CORPORATION
SCHOOL BUILDING REFUNDING REVENUE BONDS,
SERIES OF 2021

**Subject to Permitted Adjustment*

INTRODUCTION

The purpose of this Official Statement, which includes the cover page and Appendices hereto, is to set forth certain information pertaining to the Jackson Independent School District Finance Corporation (the "Corporation") School Building Refunding Revenue Bonds, Series of 2021 (the "Bonds").

The Bonds are being issued to (i) pay the accrued interest and refund at or in advance of maturity on April 20, 2021 the outstanding Jackson Independent School District Finance Corporation School Building Revenue Bonds, Series of 2007, dated March 1, 2007 (the "2007 Bonds") maturing August 1, 2021 and thereafter ; (ii) pay the accrued interest and refund at or in advance of maturity on April 20, 2021 the outstanding Jackson Independent School District Finance Corporation School Building Revenue Bonds, Series of 2010, dated January 1, 2010 (the “2010 Bonds”) maturing January 1, 2022 and thereafter (collectively, the "Refunded Bonds"); and (iii) pay the cost of the Bond issuance expenses (see "Plan of Refunding" herein). The Board has determined that the plan of refunding the Refunded Bonds will result in considerable interest cost savings to the Jackson Independent School District (the "District") and is in the best interest of the District.

The Bonds are revenue bonds and constitute a limited indebtedness of the Corporation. The Bonds will be secured by a lien and a pledge of the rental income derived by the Corporation from leasing the Projects (as hereinafter defined) to the Jackson Independent Board of Education (the "Board") on a year to year basis (see "Security" herein).

All financial and other information presented in this Official Statement has been provided by the Jackson Independent Board of Education from its records, except for information expressly attributed to other sources. The presentation of financial and other information is not intended, unless specifically stated, to indicate future or continuing trends in the financial position or other affairs of the Board. No representation is made that past experience, as is shown by financial and other information, will necessarily continue or be repeated in the future.

This Official Statement should be considered in its entirety, and no one subject discussed should be considered more or less important than any other by reason of its location in the text. Reference should be made to laws, reports or other documents referred to in this Official Statement for more complete information regarding their contents.

Copies of the Bond Resolution authorizing the issuance of the Bonds, the Participation Agreement and the Lease Agreement, dated March 30, 2021, may be obtained at the office of Steptoe & Johnson PLLC, Bond Counsel, 700 N. Hurstbourne Parkway, Suite 115, Louisville, Kentucky 40222.

BOOK-ENTRY-ONLY-SYSTEM

The Bonds shall utilize the Book-Entry-Only-System administered by The Depository Trust Company ("DTC").

The following information about the Book-Entry only system applicable to the Bonds has been supplied by DTC. Neither the Corporation nor the Paying Agent and Registrar makes any representations, warranties or guarantees with respect to its accuracy or completeness.

DTC will act as securities depository for the Bonds. The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 85 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Government Securities Clearing Corporation, MBS Clearing Corporation, and Emerging Markets Clearing Corporation, (NSCC, GSCC, MBSCC, and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

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

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

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

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

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice the Corporation or the Paying Agent and Registrar. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered. The Corporation may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered.

The information in this section concerning DTC and DTC's Book-Entry system has been obtained from sources that the Corporation believes to be reliable but the Corporation takes no responsibility for the accuracy thereof.

THE CORPORATION

The Corporation has been formed in accordance with the provisions of Sections 162.120 through 162.300 and Section 162.385 of the Kentucky Revised Statutes ("KRS"), and KRS Chapter 273 and KRS 58.180, as a non-profit, non-stock corporation for the purpose of financing necessary school building facilities for and on behalf of the Board. Under the provisions of existing Kentucky law, the Corporation is permitted to act as an agency and instrumentality of the Board for financing purposes and the legality of the financing plan to be implemented by the Board herein referred to has been upheld by the Kentucky Court of Appeals (Supreme Court) in the case of White v. City of Middlesboro, Ky. 414 S.W.2d 569.

Any bonds, notes or other indebtedness issued or contracted by the Corporation shall, prior to the issuance or incurrence thereon, be specifically approved by the Board. The members of the Board of Directors of the Corporation are the members of the Board. Their terms expire when they cease to hold the office and any successor members of the Board are automatically members of the Corporation upon assuming their public offices.

KENTUCKY SCHOOL FACILITIES CONSTRUCTION COMMISSION

The Kentucky School Facilities Construction Commission (the "Commission") is an independent corporate agency and instrumentality of the Commonwealth of Kentucky established pursuant to the provisions of KRS Sections 157.611 through 157.640, as amended, repealed and reenacted (the "Act") for the purpose of assisting local school districts in meeting the school construction needs of the Commonwealth in a manner which will ensure an equitable distribution of funds based upon unmet need.

The Commission will enter into an Adjusted Participation Agreement with the Board whereunder the Commission, will agree to continue to pay approximately $25,174 to be applied to the debt service of the Refunding Bonds through February 1, 2030; provided, however, that the contractual commitment of the Commission to pay the annual Agreed Participation is limited to the budget period of the Commonwealth, with the first such budget period terminating on June 30, 2022.

The General Assembly of the Commonwealth adopted the State's Budget for the biennium ending June 30, 2020. Inter alia, the Budget provides $129,504,400 in FY 2018-19 and $128,672,400 in FY 2019-20 to pay debt service on existing and future bond issues; $58,000,000 of the Commission's previous Offers of Assistance made during the last biennium; and authorizes $58,000,000 in additional Offers of Assistance for the current biennium to be funded in the Budget for the biennium ending June 30, 2022.

The 1986, 1988, 1990, 1992, 1994, 1996, 1998, 2000, 2003, 2005, 2006, 2008, 2010, 2012, 2014, 2016, 2018 and 2020 Regular Sessions of the Kentucky General Assembly appropriated funds to be used for debt service of participating school districts. The appropriations for each biennium are shown in the following table:

Biennium	Appropriation
1986-88	$18,223,200
1988-90	14,050,700
1990-92	13,542,800
1992-94	3,075,300
1994-96	2,800,000
1996-98	4,996,000
1998-00	12,141,500
2000-02	8,100,000
2002-04	9,500,000
2004-06	14,000,000
2006-08	9,000,000
2008-10	10,968,000
2010-12	12,656,200
2012-14	8,469,200
2014-16	8,764,000
2016-18	23,019,400
2018-20	7,608,000
2020-21	2,946,900
Total	$183,861,200

BIENNIAL BUDGET FOR PERIOD ENDING JUNE 30, 2022

The Kentucky General Assembly is required by the Kentucky Constitution to adopt measures providing for the state's revenues and appropriations for each fiscal year. The Governor is required by law to submit a biennial State Budget (the "State Budget") to the General Assembly during the legislative session held in each even numbered year. State Budgets have generally been adopted by the General Assembly during those legislative sessions, which end in mid-April, to be effective upon the Governor's signature for appropriations commencing for a two-year period beginning the following July 1.

In the absence of a legislatively enacted budget, the Supreme Court has ruled the Governor has no authority to spend money from the state treasury except where there is a statutory, constitutional or federal mandate and the Commonwealth may be prevented from expending funds for certain state governmental functions, including the ability to pay principal of, premium, if any, and interest, when due, on obligations that are subject to appropriation.

Due to the unforeseen nature on the economy of the Commonwealth caused by the COVID-19 pandemic, in its 2020 regular session, the General Assembly adopted only a one-year budget for the biennial period ending June 30, 2022 which was approved and signed by the Governor. The biennial budget will be reviewed and supplemented during the General Assembly's 2021 regular session. Such budget became effective beginning July 1, 2020. The Office of the State Budget Director makes available on its website monthly updates to the General Fund receipts and other Funds of the commonwealth. When published, the updates can be found at www.osbd.ky.gov.

OUTSTANDING BONDS

The following table shows the outstanding Bonds of the Board by the original principal amount of each issue, the current principal outstanding, the amount of the original principal scheduled to be paid with the corresponding interest thereon by the Board or the School Facilities Construction Commission, the approximate interest range; and, the final maturity date of the Bonds:

Bond Series	Original Principal	Current Principal Outstanding	Principal Assigned to Board	Principal Assigned to Commission	Approximate Interest Rate Range	Final Maturity
2007-REF	$785,000	$325,000	$675,102	$109,898	4.000%	2025
2010	$375,000	$200,000	$0	$375,000	3.850%	2030
2020	$2,255,000	$2,205,000	$1,522,215	$732,785	2.000% - 2.625%	2040
TOTAL:	$3,415,000	$2,730,000	$2,197,317	$1,217,683		

AUTHORITY

The Board of Directors of the Corporation has adopted a Bond Resolution which authorized among other things:

i) the issuance of approximately $551,000 of Bonds subject to a permitted adjustment of $55,000;

ii) the advertisement for the public sale of the Bonds;

iii) the Official Terms and Conditions for the sale of the Bonds to the successful bidder; and,

iv) the President and Secretary of the Corporation to execute certain documents relative to the sale and delivery of the Bonds.

THE BONDS

General

The Bonds will be dated March 30, 2021, will bear interest from that date as described herein, payable semi-annually on February 1 and August 1 of each year, commencing August 1, 2021, and will mature as to principal on February 1, 2022 and each February 1 thereafter in the years and in the principal amounts as set forth on the cover page of this Official Statement.

Registration, Payment and Transfer

The Bonds are to be issued in fully-registered form (both principal and interest). U.S. Bank, National Association, Louisville, Kentucky, the Bond Registrar and Paying Agent, shall remit interest on each semiannual due date to Cede & Co., as the nominee of The Depository Trust Company. Please see Book-Entry-Only-System. Interest on the Bonds will be paid at rates to be established upon the basis of competitive bidding as hereinafter set forth, such interest to be payable on February 1 and August 1 of each year, beginning August 1, 2021 (Record Date is 15th day of month preceding interest due date).

Redemption

The Bonds are not subject to redemption prior to their stated maturity.

Notwithstanding the foregoing, the Corporation reserves the right, upon thirty (30) days notice, to call the Bonds in whole or in part for redemption on any day at par upon the total destruction by fire, lightning, windstorm or other hazard of any of the building(s) constituting the Project(s) and apply casualty insurance proceeds to such purpose.

SECURITY

General

The Bonds are revenue bonds and constitute a limited indebtedness of the Corporation. The Bonds are payable as to both principal and interest solely from the income and revenues derived from the leasing of the Project financed from the Bond proceeds from the Corporation to the Board. The Bonds are secured by a pledge of revenue on and from the Project; provided, however, said lien and pledge are on parity with the liens and pledges securing the Corporation's outstanding School Building Revenue Bonds issued to improve the building in which the Project is located.

The Lease; Pledge of Rental Revenues

The Board has leased the school Project securing the Bonds for an initial period from March 30, 2021 through June 30, 2021 with the option in the Board to renew said Lease from year to year for one year at a time, at annual rentals, sufficient in each year to enable the Corporation to pay, solely from the rental due under the Lease, the principal and interest on all of the Bonds as same become due. The Lease provides further that so long as the Board exercises its annual renewal options, its rentals will be payable according to the terms and provisions of the Lease until February 1, 2030, the final maturity date of the Bonds. Under the lease, the Corporation has pledged the rental revenue to the payment of the Bonds.

STATE INTERCEPT

Under the terms of the 2021 Lease, and any renewal thereof, the Board has agreed so long as the Bonds remain outstanding, and in conformance with the intent and purpose of Section 157.627(5) of the Act and KRS 160.160(5), in the event of a failure by the Board to pay the rentals due under the 2021 Lease, and unless sufficient funds have been transmitted to the Paying Agent, or will be so transmitted, for paying said rentals when due, the Board has granted under the terms of the 2021 Lease and Participation Agreement to the Corporation and the Commission the right to notify and request the Kentucky Department of Education to withhold from the Board a sufficient portion of any undisbursed funds then held, set aside, or allocated to the Board and to request said Department or Commissioner of Education to transfer the required amount thereof to the Paying Agent for the payment of such rentals.

COMMISSION'S PARTICIPATION

The Commission has determined that the Board is eligible for an average annual participation equal to approximately $25,174 from the Commission's appropriation by the Kentucky General Assembly which will be used to meet a portion of the debt service of the Bonds. <u>The plan for financing the Project will require the Commission to pay approximately forty percent (40%) of the debt service of the Bonds.</u>

The Participation Agreement to be entered into with the Board will be limited to the biennial budget period of the Commonwealth of Kentucky, with the first such biennial period terminating on June 30, 2022. The right is reserved in the Commission to terminate the commitment to pay the agreed participation every two years thereafter. The obligation of the Commission to make payments of the agreed participation shall be automatically renewed each two years thereafter unless the Commission gives notice to the Board of its intention not to participate not less than sixty days prior to the end of the biennium. However, the Commission has expressed its intention to continue to pay the agreed participation in successive biennial budget periods until the Bonds are retired, but the Commission is not required to do so.

THE PLAN OF REFUNDING

A sufficient amount of the proceeds of the Bonds at the time of delivery will be deposited into the Bond Fund for the Refunded Bonds. The Bond Fund deposit is intended to be sufficient to (i) pay the accrued interest and refund at or in advance of maturity providing funds to retire the outstanding Jackson Independent School District Finance Corporation School Building Revenue Bonds, Series of 2007, dated March 1, 2007 (the "2007 Bonds") maturing August 1, 2021 and thereafter (the “2010 Bonds”); (ii) pay the accrued interest and refund at or in advance of maturity providing funds to retire the outstanding Jackson Independent School District Finance Corporation School Building Revenue Bonds, Series of 2010, dated January 1, 2010 (the "2010 Bonds") maturing January 1, 2022 and thereafter (the “2020 Bonds”) (collectively, the "Refunded Bonds"); and (iii) pay the cost of the Bond issuance expenses (see "Plan of Refunding" herein). The Board has determined that the plan of refunding the Refunded Bonds will result in considerable interest cost savings to the Jackson Independent School District (the "District") and is in the best interest of the District.

Any investments purchased for the Bond Fund shall be limited to (i) direct Obligations of or Obligations guaranteed by the United States government, or (ii) Obligations of agencies or corporations of the United States as permitted under KRS 66.480(1)(b) and (c) or (iii) Certificates of Deposit of FDIC banks fully collateralized by direct Obligations of or Obligations guaranteed by the United States.

The Plan of Refunding the Bonds of the Prior Issue as set out in the Preliminary Official Statement is tentative as to what Bonds of the Prior Issue shall be refunded and will not be finalized until the sale of the Refunding Bonds.

PURPOSE OF THE PRIOR BONDS

The Refunded Bonds were issued by the Corporation for the purpose of refunding the prior Series 2000 Bonds of the District and providing funds to make additions and renovations to Jackson City School (the "Project").

ESTIMATED BOND DEBT SERVICE

The following table shows by fiscal year the current bond payments of the Board. The plan of financing provides for the Board to meet approximately 60% of the debt service of the Bonds.

Fiscal Year Ending June 30	Current Local Bond Payments	------- Series 2021 Refunding Revenue Bonds -------					Total Local Bond Payments
		Principal Portion	Interest Portion	Total Payment	SFCC Portion	Local Portion	
2021	$123,557						$123,557
2022	$115,361	$85,000	$4,518	$89,518	$25,791	$63,727	$110,428
2023	$118,162	$88,000	$4,660	$92,660	$25,920	$66,740	$114,412
2024	$115,864	$90,000	$3,780	$93,780	$24,680	$69,100	$111,472
2025	$118,565	$92,000	$2,880	$94,880	$23,450	$71,430	$113,710
2026	$115,466	$95,000	$1,960	$96,960	$23,230	$73,730	$111,324
2027	$118,947	$26,000	$1,010	$27,010	$27,010		$118,947
2028	$121,547	$26,000	$750	$26,750	$26,750		$121,547
2029	$119,047	$25,000	$490	$25,490	$25,490		$119,047
2030	$121,547	$24,000	$240	$24,240	$24,240		$121,547
2031	$118,947						$118,947
2032	$121,185						$121,185
2033	$123,316						$123,316
2034	$120,167						$120,167
2035	$122,016						$122,016
2036	$123,572						$123,572
2037	$120,009						$120,009
2038	$121,260						$121,260
2039	$122,385						$122,385
2040	$123,185						$123,185
TOTALS:	$2,404,106	$551,000	$20,288	$571,288	$226,561	$344,727	$2,382,035

Notes: Numbers are Rounded to the nearest $1.00;

ESTIMATED USE OF BOND PROCEEDS

The table below shows the estimated sources of funds and uses of proceeds of the Bonds, other than any portions thereof representing accrued interest:

Sources:	
Par Amount of Bonds	$551,000.00
Total Sources	$551,000.00
Uses:	
Deposit to Escrow Fund	$528,490.00
Underwriter's Discount (1%)	5,510.00
Cost of Issuance	17,000.00
Total Uses	$551,000.00

DISTRICT STUDENT POPULATION

Selected school census and average daily attendance for the Jackson Independent School District is as follows:

Year	Average Daily Attendance	Year	Average Daily Attendance
2000-01	432.3	2010-11	354.0
2001-02	461.0	2011-12	370.8
2002-03	517.1	2012-13	376.8
2003-04	519.4	2013-14	370.2
2004-05	477.1	2014-15	354.2
2005-06	445.9	2015-16	340.7
2006-07	436.0	2016-17	312.6
2007-08	383.7	2017-18	311.5
2008-09	395.8	2018-19	303.4
2009-10	366.1	2019-20	295.0

Source: Kentucky State Department of Education.

STATE SUPPORT

Support Education Excellence in Kentucky (SEEK). In determining the cost of the program to Support Education Excellence in Kentucky (SEEK), the statewide guaranteed base funding level is computed by dividing the amount appropriated by the prior year's statewide average daily attendance. The SEEK fund is a guaranteed amount of money per pupil in each school district of Kentucky. The current SEEK allotment is $3,866 per pupil. The $100 capital outlay allotment per each average daily attendance is included within the guaranteed amounts. Each district's base funding from the SEEK program is adjusted for the number of at-risk students, the number and types of exceptional children in the district, and cost of transporting students from and to school in the district.

Capital Outlay Allotment. The per pupil capital outlay allotment for each district from the public school fund and from local sources shall be kept in a separate account and may be used by the district only for capital outlay projects approved by the State Department of Education. These funds shall be used for the following capital outlay purposes:

a. For direct payment of construction costs.
b. For debt service on voted and funding bonds.
c. For payment or lease-rental agreements under which the board will eventually acquire ownership of the school plant.
d. For retirement of any deficit resulting from over-expenditure for capital construction, if such deficit resulted from certain declared emergencies.
e. As a reserve fund for the above named purposes, to be carried forward in ensuing budgets.

The allotment for each school board of education in the Commonwealth for fiscal year 1978-79 was $1,800 per classroom unit. The 1979 Session of the Kentucky General Assembly approved increases in this allotment in 1979-80 to $1,900 per classroom unit. This rate remained unchanged in 1980-81. The 1981 Session of the Kentucky General Assembly decreased the allotment per classroom to $1,800 and this allotment rate did not change from the 1981-82 rate, until the 1990-91 school year. Beginning with 1990-91, the Capital Outlay allotment for each district is based on $100 per average daily attendance.

The following table shows the computation of the capital outlay allotment for the Jackson Independent School District for certain preceding school years. Beginning 1990-91, the allotment is based on average daily attendance as required by law.

Year	Capital Outlay Allotment	Year	Capital Outlay Allotment
2000-01	43,230.0	2010-11	35,398.5
2001-02	46,100.0	2011-12	37,076.0
2002-03	51,710.0	2012-13	37,682.7
2003-04	51,940.0	2013-14	37,015.9
2004-05	47,710.0	2014-15	35,420.5
2005-06	44,590.0	2015-16	34,068.0
2006-07	43,600.0	2016-17	31,260.0
2007-08	38,370.0	2017-18	31,150.0
2008-09	39,580.0	2018-19	30,340.0
2009-10	36,607.4	2019-20	29,500.0

If the school district has no capital outlay needs, upon approval from the State, the funds can be used for school plant maintenance, repair, insurance on buildings, replacement of equipment, purchase of school buses and purchase of modern technological equipment for educational purposes. If any district has a special levy for capital outlay or debt service that is equal to the capital outlay allotment or a proportionate fraction thereof, and spends the proceeds of the levy for eligible purposes, the State may authorize the district to use all or a proportionate fraction of its capital outlay allotment for current expenses (school districts which use capital outlay allotments to meet current expenses are not eligible to participate in the School Facilities Construction Commission funds).

Facilities Support Program of Kentucky. School districts may be eligible to participate in the Facilities Support Program of Kentucky (FSPK), subject to the following requirements:

1) The district must have unmet needs as set forth and approved by the State Department of Education in a School Facilities Plan;

2) The district must commit to establish an equivalent tax rate of at least 5 cents, in addition to the 30 cents minimum current equivalent tax rate; and,

3) The new revenues generated by the 5 cent addition, must be placed in a restricted account for school building construction bonding.

LOCAL SUPPORT

Homestead Exemption. Section 170 of the Kentucky Constitution was amended at the General Election held November 2, 1971, to exempt from property taxes $6,500 of value of single unit residential property of taxpayers 65 years of age or older. The 1972 General Assembly amended KRS Chapter 132 to permit counties and school districts to adjust their local tax revenues lost through the application of this Homestead Exemption. The "Single Unit" qualification has been enlarged to subsequent sessions of the General Assembly to provide that such exemption shall apply to such property maintained as the permanent resident of the owner and the dollar amount has been construed to mean $6,500 in terms of the purchasing power of the dollar in 1972. Every two years thereafter, if the cost of living index of the U.S. Department of Labor has changed as much as 1%, the maximum exemption shall be adjusted accordingly. Under the cost of living formula, the maximum was increased to $40,500 effective January 1, 2021.

Limitation on Taxation. The 1979 Special Session of the Kentucky General Assembly enacted House Bill 44 which provides that no school district may levy a general tax rate, voted general tax rate, or voted building tax rate which would generate revenues that exceeds the previous years revenues by four percent (4%).

The 1990 Regular Session of the Kentucky General Assembly in enacting the "School Reform" legislative package amended the provisions of KRS 160.470 which prohibited school districts from levying ad valorem property taxes which would generate revenues in excess of 4% of the previous year's revenues without said levy subject to recall to permit exceptions to the referendum under (1) KRS 160.470(12) [a new section of the statute] and (2) an amended KRS 157.440.

Under KRS 160.470(12)(a) for fiscal years beginning July 1, 1990 school districts are required to levy a "minimum equivalent tax rate" of thirty cents ($.30) for general school purposes. The equivalent tax rate is defined as the rate which results when the income collected during the prior year from all taxes (including occupational or utilities) levied by the district for school purposes divided by the total assessed value of property plus the assessment for motor vehicles certified by the State Revenue Cabinet. Failure to levy the minimum equivalent rate subjects the board of the district to removal.

The exception provided by KRS 157.440(1)(a) permits school districts to levy an equivalent tax rate as defined in KRS 160.470(12)(a) which will produce up to 15% of those revenues guaranteed by the program to support education excellence in Kentucky. Levies permitted by this section of the statute are not subject to public hearing or recall provisions as set forth in KRS 160.470.

Local Thirty Cents Minimum. Effective for school years beginning after June 30, 1990, the board of education of each school district shall levy a minimum equivalent tax rate of thirty cents ($0.30) for general school purposes. If a board fails to comply, its members shall be subject to removal from office for willful neglect of duty.

Additional 15% Not Subject to Recall. Effective with the school year beginning July 1, 1990, each school district may levy an equivalent tax rate which will produce up to 15% of those revenues guaranteed by the SEEK program. Effective with the 1990-91 school year, the State will equalize the revenue generated by this levy at one hundred fifty percent (150%) of the statewide average per pupil equalized assessment. For 1993-94 and thereafter, this level is set at $225,000. The additional 15% rate levy is not subject to the public hearing or recall provisions.

Assessment Valuation. No later than July 1, 1994, all real property located in the state and subject to local taxation shall be assessed at one hundred percent (100%) of fair cash value.

Special Voted and Other Local Taxes. Any district may, in addition to other taxes for school purposes, levy not less than four cents nor more than twenty cents on each one hundred dollars ($100) valuation of property subject to local taxation, to provide a special fund for the purchase of sites for school buildings and the erection, major alteration, enlargement, and complete equipping of school buildings. In addition, districts may levy taxes on tangible and intangible property and on utilities, except generally any amounts of revenues generated above that provided for by House Bill 44 is subject to voter recall.

Local Tax Rates, Property Assessments and Revenue Collections

Tax Year	Combined Equivalent Rate	Total Property Assessment	Property Revenue Collections
2000-01	74.1	31,968,831	236,889
2001-02	72.3	32,487,879	234,887
2002-03	64.9	34,984,199	227,047
2003-04	64.9	39,606,773	257,048
2004-05	58	40,321,240	233,863
2005-06	58	37,902,324	219,833
2006-07	60.8	39,435,601	239,768
2007-08	58	38,472,070	223,138
2008-09	59.9	38,347,401	229,701
2009-10	59.9	42,194,776	252,747
2010-11	71.3	38,646,527	275,550
2011-12	81.6	37,977,128	309,893
2012-13	86.2	35,388,496	305,049
2013-14	84.7	40,911,845	346,523
2014-15	87	44,432,626	386,564
2015-16	81.6	43,541,872	355,302
2016-17	74.3	44,906,444	333,655
2017-18	77.4	41,797,130	323,510
2018-19	86.1	40,349,417	347,408
2019-20	81	40,326,724	326,646

Overlapping Bond Indebtedness

The following table shows any other overlapping bond indebtedness of the Jackson Independent School District or other issuing agency within the County as reported by the State Local Debt Officer for the period ending June 30, 2020.

Issuer	Original Principal Amount	Amount of Bonds Redeemed	Current Principal Outstanding
County of Breathitt			
General Obligation	$1,986,000	$767,000	$1,219,000
Improvement Project Revenue	$350,000	$54,000	$296,000
Refunding Revenue	$4,975,000	$2,295,000	$2,680,000
Fire Vehicles Revenue	$283,844	$0	$283,844
City of Jackson			
General Obligation	$6,215,000	$3,019,037	$3,195,963
Water & Sewer Revenue	$4,367,000	$1,354,800	$3,012,200
City Hall Revenue	$830,000	$512,509	$317,491
Totals:	$19,006,844	$8,002,346	$11,004,498

Source: 2020 Kentucky Local Debt Report.

SEEK Allotment

The Board has reported the following information as to the SEEK allotment to the District, and as provided by the State Department of Education. These receipts are compared to the 1989-90 fiscal year funding prior to enactment of the Kentucky Education Reform Act:

SEEK	Base Funding	Local Tax Effort	Total State & Local Funding
2000-01	1,756,286	236,889	1,993,175
2001-02	1,919,506	234,887	2,154,393
2002-03	2,226,560	227,047	2,453,607
2003-04	2,430,615	257,048	2,687,663
2004-05	2,118,322	233,863	2,352,185
2005-06	2,154,101	219,833	2,373,934
2006-07	2,057,705	239,768	2,297,473
2007-08	1,946,551	223,138	2,169,689
2008-09	2,238,607	229,701	2,468,308
2009-10	1,773,769	252,747	2,026,516
2010-11	1,757,049	275,550	2,032,599
2011-12	1,925,897	309,893	2,235,790
2012-13	1,931,243	305,049	2,236,292
2013-14	1,916,668	346,523	2,263,191
2014-15	1,848,735	386,564	2,235,299
2015-16	1,806,473	355,302	2,161,775
2016-17	1,642,771	333,655	1,976,426
2017-18	1,682,710	323,510	2,006,220
2018-19	1,604,422	347,408	1,951,830
2019-20	1,601,243	326,646	1,927,889

(1) Support Education Excellence in Kentucky (SEEK) replaces the minimum foundation program and power equalization funding. Capital Outlay is now computed at $100 per average daily attendance (ADA). Capital Outlay is included in the SEEK base funding.

(2) The Board established a current equivalent tax rate (CETR) of $0.810 for FY 2019-20. The equivalent tax rate" is defined as the rate which results when the income from all taxes levied by the district for school purposes is divided by the total assessed value of property plus the assessment for motor vehicles certified by the Commonwealth of Kentucky Revenue Cabinet.

State Budgeting Process

i) Each district board of education is required to prepare a general school budget on forms prescribed and furnished by the Kentucky Board of Education, showing the amount of money needed for current expenses, debt service, capital outlay, and other necessary expenses of the school during the succeeding fiscal year and the estimated amount that will be received from all sources.

ii) By September 15 of each year, after the district receives its tax assessment data from the Department of Revenue and the State Department of Education, 3 copies of the budget are forwarded to the State Department for approval or disapproval.

iii) The State Department of Education has adopted a policy of disapproving a school budget if it is financially unsound or fails to provide for:

a) payment of maturing principal and interest on any outstanding voted school improvement bonds of the district or payment of rental in connection with any outstanding school building revenue bonds issued for the benefit of the school district; or

b) fails to comply with the law.

COVID-19

The recent outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus, which was first detected in China and has since spread to other countries, including the United States and the Commonwealth of Kentucky, has been declared a Pandemic by the World Health Organization. The outbreak of the disease has affected travel, commerce and financial markets globally and is widely expected to affect economic growth worldwide. On March 13, 2020, President Donald Trump declared a national emergency to unlock federal funds to help states and local governments fight the pandemic.

While the collection of property taxes, which are a significant source of building fund revenue for the payment of principal and interest due on the bonds (see "LOCAL SUPPORT" herein) may be impacted by the COVID-19 emergency, the District does not expect the impact to be significant unless the economic hardship is long term. In addition, the Commonwealth of Kentucky revenues are also likely to be impacted by a long-term economic hardship caused by declining collections of sales taxes, wage taxes, income taxes, property taxes and other revenue sources. The impact of those declining revenue collections on state education funds (see "STATE SUPPORT" herein) is unknown. Although the potential impact of the virus on the Commonwealth and the Board of Education's future ability to make payments under the Lease cannot be predicted at this time, the continued spread of the outbreak could have a material adverse effect on the Board of Education and ultimately, the Corporation.

On March 24, 2020 the Governor of Kentucky signed Senate Bill 177 which provides relief to Kentucky School Districts in light of the Coronavirus emergency. Among other things, it removes the limits on the number of days that a district can utilize an approved Non-Traditional Instruction program ("NTI"). Senate Bill 177 also authorizes Kentucky Superintendents to use their school year 2018-2019 attendance data on their Superintendent's Annual Attendance Report. The report determines a district's average daily attendance used in calculating Support Education Excellence in Kentucky ("SEEK") funds. On Friday, Dec. 18, 2020, Gov. Andy Beshear issued Executive Order No. 2020-1041 (EO 2020-1041), which outlines requirements and recommendations for the reopening of schools in January 2021. For more information on the Kentucky Department of Education's response to COVID 19, please see their website at https://education.ky.gov/comm/Pages/COVID-19-Updates.aspx.

POTENTIAL LEGISLATION

No assurance can be given that any future legislation, including amendments to the Code, if enacted into law, or changes in interpretation of the Code, will not cause interest on the Bonds to be subject, directly or indirectly, to federal income taxation, or otherwise prevent owners of the Bonds from realizing the full current benefit of the tax exemption of such interest. In addition, current and future legislative proposals, if enacted into law, may cause interest on state or local government bonds (whether issued before, on the date of, or after enactment of such legislation) to be subject, directly or indirectly, to federal income taxation by, for example, changing the current exclusion or deduction rules to limit the amount of interest on such bonds that may currently be treated as tax exempt by certain individuals. Prospective purchasers of the Bonds should consult their own tax advisers regarding any pending or proposed federal tax legislation.

Further, no assurance can be given that the introduction or enactment of any such future legislation, or any action of the IRS, including but not limited to regulation, ruling, or selection of the Bonds for audit examination, or the course or result of any IRS examination of the Bonds or obligations which present similar tax issues, will not affect the market price for the Bonds.

CONTINUING DISCLOSURE; EXEMPTION

As a result of the principal amount of Bonds being offered not exceeding $1,000,000 Bond Counsel has advised the Corporation and the Board that they are exempt from application of the Rule 15c2-12c2-12(b)(5) of the Securities and Exchange Commission with respect to the Bonds.

The Board and Corporation have been timely in making required filings under the terms of the Continuing Disclosure Agreement for the past five years.

Financial information regarding the Board may be obtained from Superintendent, Jackson Independent Board of Education, 940 Highland Avenue, Jackson, KY 41339, Telephone (606) 666-4979.

TAX EXEMPTION; BANK QUALIFIED

Bond Counsel is of the opinion that:

(A) The Bonds and the interest thereon are exempt from income and ad valorem taxation by the Commonwealth of Kentucky and all of its political subdivisions.

(B) The interest income from the Bonds is excludable from the gross income of the recipient thereof for Federal income tax purposes under existing law and will not be a specific item of tax preference for purposes of calculating the Federal alternative minimum income tax.

(C)As a result of designations and certifications by the Board and the Corporation, indicating the issuance of less than $10,000,000 of tax-exempt obligations during the calendar year ending December 31, 2021, the Bonds are "qualified tax-exempt obligations" within the meaning of the Internal Revenue Code of 1986, as amended.

The Corporation will provide the purchaser the customary no-litigation certificate, and the final approving Legal Opinions of Steptoe & Johnson PLLC, Bond Counsel and Special Tax Counsel, Louisville, Kentucky approving the legality of the Bonds. These opinions will accompany the Bonds when delivered, without expense to the purchaser.

Original Issue Premium

Certain of the Bonds are being initially offered and sold to the public at a premium (“Acquisition Premium” from the amounts payable at maturity thereon. "Acquisition Premium" is the excess of the cost of a bond over the stated redemption price of such bond at maturity or, for bonds that have one or more earlier call dates, the amount payable at the next earliest call date. The Bonds that bear an interest rate that is higher than the yield (as shown on the cover page hereof), are being initially offered and sold to the public at an Acquisition Premium (the "Premium Bonds"). For federal income tax purposes, the amount of Acquisition Premium on each bond the interest on which is excludable from gross income for federal income tax purposes ("tax-exempt bonds") must be amortized and will reduce the bondholder's adjusted basis in that bond. However, no amount of amortized Acquisition Premium on tax-exempt bonds may be deducted in determining bondholder's taxable income for federal income tax purposes. The amount of any Acquisition Premium paid on the Premium Bonds, or on any of the Bonds, that must be amortized during any period will be based on the "constant yield" method, using the original bondholder's basis in such bonds and compounding semiannually. This amount is amortized ratably over that semiannual period on a daily basis.

Holders of any Bonds, including any Premium Bonds, purchased at an Acquisition Premium should consult their own tax advisors as to the actual effect of such Acquisition Premium with respect to their own tax situation and as to the treatment of Acquisition Premium for state tax purposes.

Original Issue Discount

Certain of the Bonds (the "Discount Bonds") are being initially offered and sold to the public at a discount ("OID") from the amounts payable at maturity thereon. OID is the excess of the stated redemption price of a bond at maturity (the face amount) over the "issue price" of such bond. The issue price is the initial offering price to the public (other than to bond houses, brokers or similar persons acting in the capacity of underwriters or wholesalers) at which a substantial amount of bonds of the same maturity are sold pursuant to that initial offering. For federal income tax purposes, OID on each bond will accrue over the term of the bond. The amount accrued will be based on a single rate of interest, compounded semiannually (the "yield to maturity") and, during each semi-annual period, the amount will accrue ratably on a daily basis. The OID accrued during the period that an initial purchaser of a Discount Bond at its issue price owns it is added to the purchaser's tax basis for purposes of determining gain or loss at the maturity, redemption, sale or other disposition of that Discount Bond. In practical effect, accrued OID is treated as stated interest, that is, as excludible from gross income for federal income tax purposes.

In addition, original issue discount that accrues in each year to an owner of a Discount Bond is included in the calculation of the distribution requirements of certain regulated investment companies and may result in some of the collateral federal income tax consequences discussed above. Consequently, owners of any Discount Bond should be aware that the accrual of original issue discount in each year may result in an alternative minimum tax liability, additional distribution requirements or other collateral federal income tax consequences although the owner of such Discount Bond has not received cash attributable to such original issue discount in such year.

Holders of Discount Bonds should consult their own tax advisors as to the treatment of OID and the tax consequences of the purchase of such Discount Bonds other than at the issue price during the initial public offering and as to the treatment of OID for state tax purposes.

ABSENCE OF MATERIAL LITIGATION

There is no controversy or litigation of any nature now pending or threatened (i) restraining or enjoining the issuance, sale, execution or delivery of the Bonds, or in any way contesting or affecting the validity of the Bonds or any proceedings of the Board or Corporation taken with respect to the issuance or sale thereof or (ii) which if successful would have a material adverse effect on the financial condition of the Board.

APPROVAL OF LEGALITY

Legal matters incident to the authorization and issuance of the Bonds are subject to the approving legal opinion of Steptoe & Johnson PLLC, Bond Counsel. The form of the approving legal opinion of Bond Counsel will appear on each printed Bond.

NO LEGAL OPINION EXPRESSED AS TO CERTAIN MATTERS

Bond Counsel has reviewed the information contained in the Official Statement describing the Bonds and the provisions of the Bond Resolution and related proceedings authorizing the Bonds, but Bond Counsel has not reviewed any of the financial data, computations, tabulations, balance sheets, financial projections, and general information concerning the Corporation or District, and expresses no opinion thereon, assumes no responsibility for same and has not undertaken independently to verify any information contained herein.

BOND RATING

As noted on the cover page of this Official Statement, Moody's Investors Service has given the Bonds the indicated rating. Such rating reflects only the respective views of such organization. Explanations of the significance of the rating may be obtained from the rating agency. There can be no assurance that such rating will be maintained for any given period of time or will not be revised or withdrawn entirely by the rating agency, if in their judgement circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of the Bonds.

FINANCIAL ADVISOR

Prospective bidders are advised that RSA Advisors, LLC ("RSA") has been employed as Financial Advisor in connection with the issuance of the Bonds. RSA's fee for services rendered with respect to the sale of the Bonds is contingent upon the issuance and delivery thereof. Bidders may submit a bid for the purchase of the Bonds at the time of the advertised public sale, either individually or as a member of a syndicate organized to submit a bid for the purchase of the Bonds.

APPROVAL OF OFFICIAL STATEMENT

The Corporation has approved and caused this "Official Statement" to be executed and delivered by its President. In making this "Official Statement" the Corporation relied upon information furnished to it by the Board of Education of the Jackson Independent School District and does not assume any responsibility as to the accuracy or completeness of any of the information in this Official Statement except as to copies of documents denominated "Official Terms and Conditions" and "Bid Form." The financial information supplied by the Board of Education is represented by the Board of Education to be correct. The Corporation deems this preliminary Official Statement to be final for purposes of Securities Exchange Commission Rule 15c2-12(b)(1) as qualified by the cover hereof.

No dealer, broker, salesman, or other person has been authorized by the Corporation, the Jackson Independent Board of Education or the Financial Advisor to give any information or representations, other than those contained in this Official Statement, and if given or made, such information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. Except when otherwise indicated, the information set forth herein has been obtained from the Kentucky Department of Education and the Jackson Independent School District and is believed to be reliable; however, such information is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by the Financial Advisor or by Counsel. The delivery of this Official Statement at any time does not imply that information herein is correct as of any time subsequent to the date hereof.

This Official Statement does not, as of its date, contain any untrue statement of a material fact or omit to state a material fact which should be included herein for the purpose for which the Official Statement is to be used or which is necessary in order to make the statements contained herein, in the light of the circumstances under which they were made, not misleading in any material respect.

By /s/ ______________________

President

By /s/ ______________________

Secretary

APPENDIX A

Jackson Independent School District Finance Corporation
School Building Refunding Revenue Bonds
Series of 2021

Demographic and Economic Data

JACKSON, KENTUCKY

Jackson, the county seat of Breathitt County, is located in the Eastern Kentucky Coal Field. Jackson is located 85 miles southeast of Lexington, Kentucky; 156 miles southeast of of Louisville, Kentucky; 161 miles southeast of Cincinnati, Ohio; and 186 miles north of Knoxville, Tennessee. Jackson had an estimated population of 1,934 in 2020.

Breathitt County covers a total land area of 495 square miles. The topography of Breathitt County is characterized by irregular ridges and deep, v-shaped valleys. Breathitt County had an estimated 2020 population of 12,512.

The Economic Framework

The total number of people employed in Breathitt County in 2020 averaged 3,203. Breathitt County has a labor force of 4,242 people. The top 5 jobs by occupation are as follows: office and administrative support - 452 (14.11%); sales - 351 (10.96%); executive, managers and administrators - 285 (8.9%); education, training/library - 279 (8.71%); and, production workers - 211 (6.59%).

Transportation

Jackson is served directly by Kentucky Highways 15, 30, and 52, all AAA-rated trucking highways. The Mountain Parkway, a multi-lane highway, is accessible 28 miles southeast. Interstate and/or intrastate trucking service is provided by twelve firms. Main line rail service is provided to Jackson by CSX Transportation. The nearest scheduled commercial airline service is available at Blue Grass Airport near Lexington, 90 miles northwest of Jackson. Local airport facilities include the Julian Carroll Airport, five miles east of Jackson, and the Wendell H. Ford Regional Airport, 17 miles southeast of Jackson.

Power and Fuel

Electric power is provided to Jackson and portions of Breathitt County by American Electric Power. Breathitt County is also served by East Kentucky Power Cooperative. Natural gas service is provided by Public Gas Company.

LOCAL GOVERNMENT

Structure

The City of Jackson is governed by a mayor and six council members. The mayor is elected to a four-year term while the council members each serve two-year terms. Breathitt County is served by a county judge/executive and four magistrates. Each county official serves a four year term.

Planning and Zoning

City agency - Jackson Planning and Zoning Commission
Zoning enforced - Within city limits
Subdivision regulations enforced - Within city limits
Local codes enforced - Building and Housing
Mandatory state codes enforced - Kentucky Plumbing Code, National Electric code, Kentucky Boiler Regulations and Standards, Kentucky Building Code (modeled after BOCA code)

LABOR MARKET STATISTICS

The Jackson Labor Market Area includes Breathitt County and the adjoining Kentucky counties of Knott, Lee, Magoffin, Owsley, Perry, and Wolfe.

Population

Area	2018	2019	2020
Jackson	2,005	2,002	1,934
Breathitt County	12,820	12,721	12,512

Source: U.S. Department of Commerce, Bureau of the Census, Annual Estimates.

Population Projections

Area	2025	2030	2035
Breathitt County	12,078	11,244	10,352

Source: Kentucky State Data Center, University of Louisville and Kentucky Cabinet for Economic Development.

EDUCATION

Public Schools

	Breathitt County	Jackson Ind.
Total Enrollment (2018-2019)	1,768	381
Pupil to Teacher Ratio	16 - 1	16 - 1

Vocational - Technical Schools

Institution	Location	Enrollment (2018-2019)
Breathitt County ATC	Jackson, KY	528
Lee County ATC	Beattyville, KY	312
Morgan County ATC	West Liberty, KY	514
Knott County ATC	Hindman, KY	305
Leslie County ATC	Hyden, KY	405
Floyd County ATC (GARTH)	Martin, KY	255
Clay County ATC	Manchester, KY	367
Jackson County ATC	McKee, KY	329
Letcher County ATC	Whitesburg, KY	547
Montgomery County ATC	Mount Sterling, KY	496
Martin County ATC	Inez, KY	408
Madison County ATC	Richmond, KY	770
Millard ATC	Millard, KY	285
Carter County Career & Technical Center	Olive Hill, KY	N/A
Clark County ATC	Winchester, KY	680
Knox County ATC	Barbourville, KY	470
Rockcastle County ATC	Mount Vernon, KY	438
Bell County ATC	Pineville, KY	822
Corbin ATC	Corbin, KY	418

Colleges and Universities

Institution	Location	Enrollment (2019-2020)
Frontier School of Midwifery & Family Nursing	Hyden, KY	2,004
Alice Lloyd College	Pippa Passes, KY	592
Morehead State University	Morehead, KY	9,660
University of Pikeville	Pikeville, KY	2,318
Berea College	Berea, KY	1,688
Eastern Kentucky University	Richmond, KY	14,980
Union College	Barbourville, KY	N/A

FINANCIAL INSTITUTIONS

Institution	Total Assets	Total Deposits
Citizens Bank & Trust Co. of Jackson	$141,281,000	$126,166,000
The First National Bank of Jackson	$103,572,000	$87,483,000

Source: McFadden American Financial Directory, January-June 2020 Edition.

EXISTING INDUSTRY

Firm	Product	Total Employed
Dotweld	Metal manufacturing and fabrication	3
Wells Group, LLC	Ready-mixed concrete	5

Source: 2020 Kentucky Directory of Manufacturers.

APPENDIX B

Jackson Independent School District Finance Corporation
School Building Refunding Revenue Bonds
Series of 2021

Audited Financial Statement ending June 30, 2020

JACKSON INDEPENDENT SCHOOL DISTRICT

FINANCIAL STATEMENTS AND REPORT OF AUDIT

For the Year Ended June 30, 2020

JACKSON INDEPENDENT SCHOOL DISTRICT

TABLE OF CONTENTS

For the Year Ended June 30, 2020

JACKSON INDEPENDENT SCHOOL DISTRICT

TABLE OF CONTENTS

For the Year Ended June 30, 2020

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INDEPENDENT AUDITOR'S REPORT

State Committee for School District Audits
Members of Jackson Independent Board of Education
Jackson, Kentucky

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Jackson Independent School District as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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, and the audit requirements prescribed by the State Committee for School District Audits in the Kentucky Public School District's Audit Contract and Requirements. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Jackson Independent School District, as of June 30, 2020, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison information and pension/OPEB supplemental reporting on pages 4-9 and 56-60 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Jackson Independent School District's basic financial statements. The combining and individual non-major fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements

The combining and individual non-major fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2020, on our consideration of the Jackson 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Jackson Independent School District's internal control over financial reporting and compliance.

Chris Gooch
Certified Public Accountant

Hazard, Kentucky

December 15, 2020

JACKSON INDEPENDENT SCHOOL DISTRICT
JACKSON, KENTUCKY

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended June 30, 2020

As management of the Jackson Independent School District, we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2020. This information should be considered in conjunction with the accompanying financial statements and disclosure following this section.

FINANCIAL HIGHLIGHTS

- The end of year cash balance per financial statements was $654,564. Of this amount, $98,738 was recognized in separate activity fund checking accounts and $555,826 was considered restricted for future construction. The beginning cash balance, for the District reflected a deficit balance of $143,688 for its governmental and proprietary funds and a balance of $78,462 for its school activity fund.

- The Jackson Independent School District Finance Corporation issued $2,255,000 in school building revenue bonds to for renovation projects for the Jackson Independent School District. Total financing costs associated with the issue was $34,520. The bonds were issued at a net discount of $37,821. The bonds interest rate ranges from 2.00% to 2.625%. The bonds have a final maturity date of February 2040.

- The District reduced its governmental long-term debt by $129,161 and its proprietary long-term debt by $3,889 during the fiscal year.

- The District recorded $1,725,174 as construction in progress at June 30, 2020 related to the bond issue financing.

- Total 2020 general fund revenue was $2,715,211 including on behalf state payments totaling $715,768. Revenue consisted primarily of state program (SEEK), property, utilities and motor vehicle taxes. Including on behalf payments, there was $2,748,032 in general fund expenditures.

- Total 2019 general fund revenue was $2,729,984 including on behalf state payments totaling $726,408. Revenue consisted primarily of state program (SEEK), property, utilities and motor vehicle taxes. Including on behalf payments, there was $2,983,629 in general fund expenditures.

OVERVIEW OF FINANCIAL STATEMENTS

The discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-wide financial statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the District's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the district is improving or deteriorating.

The statement of activities presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements outline functions of the District that are principally supported by property taxes and intergovernmental revenues (governmental activities). The governmental activities of the District include instruction, support services, operation and maintenance of plant, student transportation and operation of non-instructional services. Fixed assets and related debt is also supported by taxes and intergovernmental revenues.

Fund financial statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. This is a state mandated uniform system and chart of accounts for all Kentucky public school districts utilizing the MUNIS administrative software. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into three categories: governmental, proprietary and fiduciary funds. Fiduciary funds include activity funds. Proprietary funds include the school food service fund. All other activities are reported under governmental funds.

Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. As of June 30, 2020, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by $1,750,150.

The greatest portion of the District's net position reflects its investment in capital assets (e.g., land and improvements, buildings and improvements, vehicles, furniture and equipment and ongoing construction projects, where applicable), less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to its students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The District's financial position is the product of several financial transactions including the net results of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets.

Net position for the year ended June 30, 2020

Following are comparisons of government wide net position:

	At June 30,	
	2020	2019
Current assets	1,007,637	117,648
Noncurrent assets	3,396,036	1,783,122
Deferred outflows of resources	399,855	400,766
Total assets and deferred outflows of resources	4,803,528	2,301,536
Current liabilities	726,820	17,816
Noncurrent liabilities	5,469,155	3,626,187
Deferred inflows of resources	357,703	280,386
Total liabilities and deferred inflows of resources	6,553,678	3,924,389
- Net position -		
Net investment in capital assets	380,152	995,380
Restricted	18,946	13,505
Unrestricted (deficit)	(2,149,248)	(2,631,738)
Total net position	(1,750,150)	(1,622,853)
Total liabilities, deferred inflows of resources and net position	4,803,528	2,301,536

JACKSON INDEPENDENT SCHOOL DISTRICT
JACKSON, KENTUCKY

MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

For the Year Ended June 30, 2020

The comparison reflects the following:

- Current asset increases reflect restricted cash balances in the amount of $555,826 available at June 30, 2020 for future construction and related expenses.

- The increase in non-current assets is primarily a result of recognizing $1,725,174 of construction in progress related to District renovations.

- Increases in current liabilities include recognition of $219,331 in construction related payables at June 30, 2020, an Increase in the current portion of bond and note obligations due to new debt financing and recognition of interest payable on long-term debt.

- The deficit unrestricted net position balance at June 30, 2020 includes the result of recognition of CERS unfunded net pension/OPEB liabilities in the amount of $2,274,801 for governmental and $379,105 for proprietary fund activities.

Comments on budget comparisons

The following table presents a comparison of budget to actual for the general fund:

	Final	Actual	Variance Favorable (Unfavorable)
Revenues:			
From local sources			
Taxes	335,200	295,142	(40,058)
Earnings on investments	250	560	310
Other local revenue	82,500	114,093	31,593
Intergovernmental - state	1,590,822	2,293,267	702,445
Intergovernmental - indirect federal	6,000	12,149	6,149
Total revenues	2,014,772	2,715,211	700,439
Expenditures:			
Instructional	942,325	1,545,138	(602,813)
Staff support services	62,179	63,619	(1,440)
District administration	305,747	364,431	(58,684)
School administration	141,464	151,605	(10,141)
Business support	46,544	175,850	(129,306)
Plant operation and management	324,185	301,695	22,490
Student transportation	73,500	97,459	(23,959)
Debt service	48,235	48,235	-
Contingency	65,738	-	65,738
Total expenditures	2,009,917	2,748,032	(738,115)
Excess (deficit) of revenue over expenditures	4,855	(32,821)	(37,676)

JACKSON INDEPENDENT SCHOOL DISTRICT
JACKSON, KENTUCKY

MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

For the Year Ended June 30, 2020

- Actual general fund revenues and expenditures reflect state on-behalf payments for retirement, health and life insurance and technical education in the amount of $715,768.

- Current year general fund tax revenue was $295,142. Prior year general fund tax revenue was $304,895.

- The final budget reflects a contingency of $65,738.

The following table presents a summary comparison of statement of activities for the fiscal years ended June 30, 2020 and 2019:

	At June 30, 2020	At June 30, 2019
Revenues:		
Local revenue sources	496,703	515,346
State revenue sources	2,817,708	2,347,180
Federal revenue	758,966	832,457
Total revenues	4,073,377	3,694,983
Expenses:		
Instruction	2,362,885	2,412,523
Student support services	14,760	19,587
Instructional support	66,366	88,922
District administration	374,819	362,973
School administration	155,576	160,872
Business support	179,246	151,356
Plant operation and maintenance	316,902	486,610
Student transportation	118,856	158,455
Community services operations	38,164	41,997
Food service operations	373,559	389,799
Interest and financing costs on long-term debt	149,591	6,026
Total expenses	4,150,724	4,279,120
Change in net position	(77,347)	(584,137)

- 2020 state revenue sources and related expenses reflect on-behalf adjustment recognition for the difference in the State's proportionate share of plan pension/OPEB expense and on-behalf payments made by the State for the fiscal year.

- SEEK program general fund revenues were $1,575,083 in 2019-20 and $1,574,081 in 2018-19.

- Depreciation expense for governmental activities was $143,228 for the current year and $149,832 for the prior year.

BUDGETARY IMPLICATIONS

In Kentucky the public school fiscal year is July 1-June 30; other programs, i.e. some federal operate on a different fiscal calendar, but are reflected in the district overall budget. By law the budget must have a minimum 2% contingency. The district adopted a budget with $65,738 in contingency (3.3%).

Results of the current fiscal year and recent historical trends for the District were taken into account when preparing the subsequent year budget. No significant changes in revenue or expense items are foreseeable. The District's tax rates and tax base remain effectively the same. The District has assessed and considered underlying economical and funding factors at the federal, state, and local level and other non-financial areas including demographics, local economy and risk of loss of student population that may have a significant impact on the financial statements when preparing subsequent years budgets.

Questions regarding this report should be directed to the Superintendent or the Finance Officer at (606) 666-4979.

JACKSON INDEPENDENT SCHOOL DISTRICT

STATEMENT OF NET POSTION

At June 30, 2020

	Governmental Activities	Business-type Activities	Total
Assets:			
- Current assets -			
Cash and cash equivalents	555,826	-	555,826
Interfund receivable	200,513	-	200,513
Accounts receivable:			
Taxes - current	16,598	-	16,598
Taxes - delinquent	376	-	376
Intergovernmental - indirect federal	231,261	-	231,261
Inventories	-	3,063	3,063
Total current assets	1,004,574	3,063	1,007,637
- Noncurrent assets -			
Capital assets - non-depreciable	2,305,382	-	2,305,382
Capital assets - depreciable (net)	1,055,584	35,070	1,090,654
Total noncurrent assets	3,360,966	35,070	3,396,036
Deferred Outflows of Resources			
Deferred outflows - pension/OPEB resources	329,856	69,999	399,855
Total assets and deferred outflows of resources	4,695,396	108,132	4,803,528

See notes to financial statements.

JACKSON INDEPENDENT SCHOOL DISTRICT

STATEMENT OF NET POSTION (Continued)

At June 30, 2020

	Governmental Activities	Business-type Activities	Total
Liabilities:			
- Current liabilities -			
Interfund payable	197,450	3,063	200,513
Accounts payable	233,242	-	233,242
Current portion of KSBIT obligation	6,763	-	6,763
Current portion of bond/lease and note obligations	173,171	4,718	177,889
Interest payable	74,602	-	74,602
Unearned revenues governmental sources	33,811	-	33,811
Total current liabilities	719,039	7,781	726,820
- Noncurrent liabilities -			
Long term portion of sick leave payable	22,659	-	22,659
Noncurrent portion of KSBIT obligation	29,197	-	29,197
Noncurrent portion of bond/lease and note obligations	2,747,000	16,393	2,763,393
Net pension/OPEB liability	2,274,801	379,105	2,653,906
Total noncurrent liabilities	5,073,657	395,498	5,469,155
Total liabilities	5,792,696	403,279	6,195,975
Deferred Inflows of Resources:			
Deferred inflows of resources - pension/OPEB	309,328	48,375	357,703
Net position:			
Net investment in capital assets	366,193	13,959	380,152
Restricted for:			
Other	18,946	-	18,946
Unrestricted (deficit)	(1,791,767)	(357,481)	(2,149,248)
Total net position	(1,406,628)	(343,522)	(1,750,150)
Total liabilities, deferred inflow of resources and net position	4,695,396	108,132	4,803,528

See notes to financial statements.

JACKSON INDEPENDENT SCHOOL DISTRICT

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2020

	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
FUNCTIONS/PROGRAMS:				
- Governmental activities -				
Instructional	2,362,885	-	(1,216,429)	-
Support services:				
Student	14,760	-	(1,555)	-
Instructional staff	66,366	-	(22,080)	-
District administration	374,819	-	(126,479)	-
School administration	155,576	-	(52,616)	-
Business support	179,246	-	(61,030)	-
Plant operation and maintenance	316,902	-	(104,706)	-
Student transportation	118,856	-	(33,844)	-
Community services operations	38,164	-	(37,311)	-
Interest/financing costs on long-term debt	149,591	-	-	-
Total governmental activities	3,777,165	-	(1,656,050)	-
- Business-type activities -				
Food service	373,559	(66,745)	(249,868)	-
Total business-type activities	373,559	(66,745)	(249,868)	-
Total primary government	4,150,724	(66,745)	(1,905,918)	-

See notes to financial statements.

JACKSON INDEPENDENT SCHOOL DISTRICT

STATEMENT OF ACTIVITIES (continued)

For the Year Ended June 30, 2020

	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business-Type Activities	Total
	(1,146,456)	-	(1,146,456)
	(13,205)	-	(13,205)
	(44,286)	-	(44,286)
	(248,340)	-	(248,340)
	(102,960)	-	(102,960)
	(118,216)	-	(118,216)
	(212,196)	-	(212,196)
	(85,012)	-	(85,012)
	(853)	-	(853)
	(149,591)	-	(149,591)
	(2,121,115)	-	(2,121,115)
	-	(56,946)	(56,946)
	-	(56,946)	(56,946)
	(2,121,115)	(56,946)	(2,178,061)
General revenues and transfers:			
Taxes	315,305	-	315,305
Investment earnings	560	31	591
State and formula grants	1,670,756	-	1,670,756
Miscellaneous	114,093	-	114,093
Other gains and losses	-	(31)	(31)
Total general revenues and transfers	2,100,714	-	2,100,714
Change in net position	(20,401)	(56,946)	(77,347)
Net position - beginning - restated	(1,386,227)	(286,576)	(1,672,803)
Net position - ending	(1,406,628)	(343,522)	(1,750,150)

See notes to financial statements.

JACKSON INDEPENDENT SCHOOL DISTRICT

BALANCE SHEET – GOVERNMENTAL FUNDS

At June 30, 2020

	General Fund	Special Revenue Fund	Construction Fund	Other Governmental Funds	Total Governmental Funds
Assets and resources:					
Cash and cash equivalents	-	-	555,826	-	555,826
Interfund receivable	79,384	-	121,129	-	200,513
Accounts receivable:					
Taxes - delinquent	16,598	-	-	-	16,598
Other	376	-	-	-	376
Intergovernmental - indirect federal	-	231,261	-	-	231,261
Total assets	96,358	231,261	676,955	-	1,004,574
Liabilities:					
Interfund payable	-	197,450	-	-	197,450
Accounts payable	13,911	-	219,331	-	233,242
Advances from grantors	-	33,811	-	-	33,811
Total liabilities	13,911	231,261	219,331	-	464,503
Fund balance					
Restricted - other	9,453	-	457,624	-	467,077
Committed - sick leave	9,493	-	-	-	9,493
Unassigned fund balance (deficit)	63,501	-	-	-	63,501
Total fund balances	82,447	-	457,624	-	540,071
Total liabilities and fund balances	96,358	231,261	676,955	-	1,004,574

See notes to financial statements.

JACKSON INDEPENDENT SCHOOL DISTRICT

RECONCILIATION OF THE BALANCE SHEET – GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION

At June 30, 2020

Total fund balances per fund financial statements	540,071
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets are not reported in this fund financial statement because they are not current financial resources, but are reported in the statement of net position.	3,360,966
Deferred outflows related to pension/OPEB resources are reported in government wide financial statements but not in fund financial statements.	329,856
Long-term sick leave payable is not recognized in the fund financial statements.	(22,659)
Certain liabilities (such as bonds payable and KSBIT payable) are not reported in this fund financial statement because they are not due and payable, and related interest, but are presented in the statement of net position.	(3,030,733)
Net pension obligations are not due and payable in the current period, and therefore, are not reported in the fund financial statements.	(2,274,801)
Deferred inflows of resources related to pensions/OPEB are not reported in the fund financial statements.	(309,328)
Net position for governmental activities	(1,406,628)

See notes to financial statements.

JACKSON INDEPENDENT SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS

For the Year Ended June 30, 2020

	General Fund	Special Revenue Fund	Construction Fund	Other Governmental Funds	Total Governmental Funds
Revenues:					
From local sources:					
Taxes	295,142	-	-	20,163	315,305
Earnings on investments	560	-	-	-	560
Other local revenue	114,093	-	-	-	114,093
Intergovernmental - state	2,293,267	168,997	-	171,824	2,634,088
Intergovernmental - indirect federal	12,149	543,868	-	-	556,017
Total revenues	2,715,211	712,865	-	191,987	3,620,063
Expenditures:					
Instructional	1,545,138	680,174	-	-	2,225,312
Student support services	-	1,555	-	-	1,555
Staff support services	63,619	-	-	-	63,619
District administration	364,431	-	-	-	364,431
School administration	151,605	-	-	-	151,605
Business support	175,850	-	-	-	175,850
Plant operations and maintenance	301,695	-	-	-	301,695
Student transportation	97,459	20	-	-	97,479
Community service activities	-	37,311	-	-	37,311
Builiding improvements	-	-	1,725,174	-	1,725,174
Debt service:					
Principal	44,161	-	-	85,000	129,161
Interest	4,074	-	-	25,855	29,929
Total expenditures	2,748,032	719,060	1,725,174	110,855	5,303,121
Excess (deficit) of revenues over expenditures	(32,821)	(6,195)	(1,725,174)	81,132	(1,683,058)
Other financing sources (uses):					
Bond proceeds	-	-	2,182,798	-	2,182,798
Operating transfers in	81,132	6,195	-	71,376	158,703
Operating transfers out	(6,195)	-	-	(152,508)	(158,703)
Total other financing sources (uses)	74,937	6,195	2,182,798	(81,132)	2,182,798
Changes in fund balance	42,116	-	457,624	-	499,740
Fund balance - July 1, 2019	40,331	-	-	-	40,331
Fund balance - June 30, 2020	82,447	-	457,624	-	540,071

See notes to financial statements.

JACKSON 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 June 30, 2020

Net change in total fund balances per fund financial statements	499,740
Amounts reported for governmental activities in the statement of activities differences:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives as deprecation expense.	
Depreciation recorded in government wide financial statements	(143,228)
Asset acquisitions and sales are reflected net of prior depreciation in the government wide financial statements	1,725,174
Interest expense and debt financing on long-term debt is recognized in the fund financial statements when paid; and, accrued in the government wide financial statements of activities.	(119,662)
Accrued sick leave is recognized when incurred in the fund financial statements.	532
Bond principal and other debt service payments are recognized as expenditures of current financial resources in the fund financial statements but are reductions of liabilities in the statement of net position.	129,161
Bond proceeds are recorded as received for fund financial statement purposes	(2,182,798)
Governmental funds report district pension/OPEB contributions as expenditures. However, in the statement of activities, the cost of pension/OPEB benefits earned net of employee contributions is reported as pension/OPEB expense.	70,680
Change in net position of governmental activities	(20,401)

See notes to financial statements.

JACKSON INDEPENDENT SCHOOL DISTRICT

STATEMENT OF NET POSITION – PROPRIETARY FUNDS

At June 30, 2020

	Food Service Fund
Assets:	
- Current Assets -	
Inventories	3,063
Total current assets	3,063
- Noncurrent Assets -	
Depreciable capital assets	52,572
Less: accumulated depreciation	(17,502)
Total noncurrent assets	35,070
Deferred Outflows of Resources	
Deferred outflows - pension resources/OPEB	69,999
Total assets and deferred outflow of resources	108,132
Liabilities:	
- Current Liabilities -	
Interfund payable	3,063
Short-term portion of notes payable	4,718
Total current liabilities	7,781
- Noncurrent liabilities -	
Notes payable - less current portion	16,393
Unfunded pension liability	305,954
Unfunded OPEB liability	73,151
Total non-current liabilities	395,498
Total liabilities	403,279
Deferred Inflow of Resources	
Deferred inflows - pension resources/OPEB	48,375
Net position:	
Net investment in capital assets	13,959
Unrestricted (deficit)	(357,481)
Total net position	(343,522)
Total liabilities, deferred inflow of resources and net position	108,132

See notes to financial statements.

JACKSON INDEPENDENT SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION – PROPRIETARY FUNDS

For the Year Ended June 30, 2020

	Food Service Fund
Operating revenues:	
Lunchroom sales	66,745
State revenue	1,877
On-behalf contributions:	
Kentucky Department of Education	45,042
Commodities	7,110
Federal revenue	195,839
Total operating revenues	316,613
Operating expense:	
Salaries and wages	205,862
Contract services	11,146
Materials and supplies	154,326
Depreciation	2,225
Total operating expenses	373,559
Operating income (loss)	(56,946)
Nonoperating revenue/(expense):	
Interest income	31
Gain (loss) on disposal of equipment	(31)
Total nonoperating revenue/(expense)	-
Change in net position	(56,946)
Net position (deficit), July 1, 2019, restated	(286,576)
Net position (deficit), June 30, 2020	(343,522)

See notes to financial statements.

JACKSON INDEPENDENT SCHOOL DISTRICT

STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS

For the Year Ended June 30, 2020

	Food Service Fund
Cash flows from operating activities:	
Cash received from:	
Lunchroom sales	66,745
State revenue	1,877
Federal revenue	216,867
Cash paid to/for:	
Employees	(128,900)
Supplies/Contractual	(158,641)
Net cash provided (used) by operating activities	(2,052)
Cash flows from capital and related financing activities:	
Changes in capital assets	(32,811)
Loss on disposal of assets	(31)
Net cash provided (used) from capital and related financing activities	(32,842)
Cash flows from investing activities:	
Interest income	31
Cash flows from financing activities:	
Payments on long-term borrowings	(3,889)
Net increase (decrease) in cash	(38,752)
Cash, beginning of year	38,752
Cash, end of year	-
Reconciliation of operating income (loss) to net cash provided (used) by operations:	
Operating income (loss)	(56,946)
Adjustments to reconcile operating income to cash provided (used) by operating activities:	
Depreciation	2,225
Beginning year adjustment for pension/OPEB resources	(182,853)
(Increase) decrease in deferred outflows - pension/OPEB resources	(37,884)
Increase (decrease) in deferred inflows - pension/OPEB resources	41,451
Increase (decrease) in net pension/OPEB liability	211,206
Changes in current assets/liabilities:	
Accounts receivable	21,028
Inventories	989
Accounts payable	(4,331)
Interfund payable	3,063
Net cash provided (used) by operating activities	(2,052)

Noncash transactions include $45,042 on-behalf payments recognized for the school food service program from Kentucky Department of Education the effect of net pension liabilities and deferrals, $31,920 and depreciation, $2,225.

See notes to financial statements.

JACKSON INDEPENDENT SCHOOL DISTRICT

STATEMENT OF FIDUCIARY NET POSITION - ACTIVITY FUNDS

At June 30, 2020

Assets:	
Cash and cash equivalents	98,738
Accounts receivable	-
Total assets	98,738
Liabilities:	
Accounts payable	-
Due to individual student activity account funds	98,738
Total liabilities	98,738
Net position:	
Restricted	-
Total liabilities and net position	98,738

See notes to financial statements.

JACKSON INDEPENDENT SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2020

NOTE A – REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Jackson Independent Board of Education (Board), a five-member group, is the level of government which has oversight responsibilities over all activities related to public elementary and secondary school education within the jurisdiction of Jackson Independent School District (District). The Board receives funding from local, state and federal government sources and must comply with the commitment requirements of these funding sources entities. However, the Board is not included in any other governmental "reporting entity" as defined in Section 2100, Codification of Governmental Accounting and Financial Reporting Standards as Board members are elected by the public and have decision making authority, the power to designate management, the responsibility to develop policies which may influence, operations and primary accountability for fiscal matters.

The Board, for financial purposes, includes all of the funds and account groups relevant to the operation of the Jackson Independent Board of Education. The financial statements presented herein do not include funds of groups and organizations, which although associated with the school system, have not originated within the Board itself such as Band Boosters, Parent-Teacher Associations, etc.

The financial statements of the Board include those of separately administered organizations that are controlled by or dependent on the Board. Control or dependence is determined on the basis of budget adoption, funding and appointment or the respective governing board.

Based on the foregoing criteria, the financial statements of the following organization are included in the accompanying financial statements:

Jackson Independent School District Finance Corporation – On September 11, 1990, the Jackson Independent, Kentucky, Board of Education resolved to authorize the establishment of the Jackson Independent School District Finance Corporation (a non-profit, non-stock, public and charitable corporation organized under the School Bond Act and KRS 273 and KRS Section 58.180) as an agency of the Board for financing the costs of school building facilities. The Board Members of the Jackson Independent Board of Education also comprise the Corporations' Board of Directors.

Basis of Presentation

Government-wide Financial Statements – The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the District that are governmental and those that are considered business-type activities.

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

NOTE A – REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of Presentation (continued)

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the District and for each function or program of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and are therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and 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 are presented as general revenues of the District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the District.

Fund Financial Statements – Fund financial statements report detailed information about the District. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

The accounting and reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets and current liabilities, and a statement of revenues, expenditures and changes in fund balances, which reports on the changes in net total position. Proprietary funds and fiduciary funds are reported using the economic resources measurement focus. The statement of cash flows provides information about how the District finances and meets the cash flow needs of its proprietary activities.

The District has the following funds:

I. Governmental Fund Types

(A) The General Fund is the primary operating fund of the District. It accounts for financial resources used for general types of operations. This is a budgeted fund, and any fund balances are considered as resources available for use. This is a major fund of the District.

(B) The Special Revenue Grant Funds account for proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to disbursements for specified purposes. It includes federal financial programs where unused balances are returned to the grantor at the close of specified project periods as well as the state grant programs. Project accounting is employed to maintain integrity for the various sources of funds. This is a major fund of the District.

NOTE A – REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of Presentation (continued)

I. Governmental Fund Types (continued)

(C) Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities and equipment (other than those financed by Proprietary Funds).

1. The Support Education Excellence in Kentucky (SEEK) Capital Outlay Fund receives those funds designated by the state as Capital Outlay Funds and is restricted for use in financing projects identified in the District's facility plan.

2. The Facility Support Program of Kentucky Fund accounts for funds generated by the building tax levy required to participate in the School Facilities Construction Commission's construction funding and state matching funds, where applicable. Funds may be used for projects identified in the District's facility plan.

3. The Construction Fund accounts for proceeds from sales of bonds and other revenues to be used for authorized construction. This is a major fund of the District.

(D) The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest and related cost; and, for the payment of interest on general obligation notes payable, as required by Kentucky Law.

(E) The District-wide activity fund accounts for expenditures primarily instructional in nature.

II. Proprietary Funds (Enterprise Funds)

The School Food Service Fund is used to account for school food service activities, including the National School Lunch Program, which is conducted in cooperation with the U.S. Department of Agriculture (USDA). The School Food Service Fund is a major fund.

III. Fiduciary Fund Types (includes agency and trust funds)

The Activity Fund accounts for activities of student groups and other types of activities requiring clearing accounts. These funds are accounted for in accordance with Uniform Program of Accounting for School Activity Funds.

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds also use the accrual basis of accounting.

NOTE A – REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of Accounting (continued)

Revenues – Exchange and Non-exchange Transactions – Revenues resulting from exchange transactions, in which each party receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenues are recorded in the fiscal year in which the resources are measurable and available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means expected to be received within sixty days of the fiscal year-end.

Nonexchange transactions, in which the District receives value without directly giving equal value in return, 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. Eligibility requirements include timing requirements, which specify the year when the resource are required to be used or the fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenues from nonexchange transactions must also be available before it can be recognized.

Deferred Inflows of Resources and Deferred Outflows of Resources – A deferred inflow of resources is an acquisition of net position by the District that is applicable to a future reporting period. A deferred outflow of resources is a consumption of net position by the District that is applicable to a future reporting period. On governmental fund financial statements, receivables that will not be collected within the available period have been reported as deferred inflows of resources. On the accrual basis of accounting, unamortized deferred charges on debt refunding are reported as a deferred outflow of resources.

Expenses/Expenditures – On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the year is reported in the statement of revenues, expenses, and change in net position as an expense with a like amount reported as donated commodities revenue. Unused donated commodities are reported as deferred inflows.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation, are not recognized in governmental funds.

Property Taxes

Property Tax Revenues – Property taxes are levied each September on the assessed value listed as of the prior January 1, for all real and personal property in the county. The billings are considered due upon receipt by the taxpayer; however, the actual date is based on a period ending 30 days after the tax bill mailing. Property taxes collected are recorded as revenues in the fiscal year for which they were levied. All taxes collected are initially deposited into the General Fund and then transferred to the appropriate fund.

NOTE A – REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property Taxes (continued)

The property tax rates assessed for the year ended June 30, 2020, to finance the General Fund operations were \$.522 per \$100 valuation for real property, \$.522 per \$100 valuation for business personal property and \$.492 per \$100 valuation for motor vehicles.

The District levies a utility gross receipts license tax in the amount of 3% of the gross receipts derived from the furnishings, within the county, of telephonic and telegraphic communications services, cablevision services, electric power, water, and natural, artificial and mixed gas.

Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at their fair market values as of the date received. The District maintains a capitalization threshold of five thousand dollars. The District does not possess any infrastructure. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an assets life are expensed as incurred.

All reported capital assets are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives for both general capital assets and proprietary fund assets:

Description	Governmental Activities Estimated Lives
Buildings and improvements	25-50 years
Land improvements	20 years
Technology equipment	5 years
Vehicles	5-10 years
Audio-visual equipment	15 years
Food service equipment	10-12 years
Furniture and fixtures	7 years

Inter-fund Balances

On fund financial statements, receivables and payables resulting from short-term inter-fund loans are classified as "inter-fund receivables/payables". These amounts are eliminated in the governmental and business-type activities columns of the statements of net position, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances.

JACKSON INDEPENDENT SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

June 30, 2020

NOTE A – REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Accumulated Unpaid Sick Leave Benefits

Upon retirement from the school system, an employee will receive from the District an amount equal to 30% of the value of accumulated sick leave. Sick leave benefits are accrued as a liability using the termination payment method. An accrual for earned sick leave is made to the extent that it is probable that the benefits will result in termination payments. The liability is based on the School District's past experience of making termination payments.

Compensated absence liabilities are recorded based on balances for classified and certified employees with twenty-seven or more years of experience at June 30, 2020.

For governmental fund financial statements, the portion of unpaid accrued sick leave is the amount expected to be paid using expendable available resources. These balances are recorded in the account "accumulated sick leave payable" in the government-wide financial statements. At June 30, 2020 the long-term portion of accumulated sick leave balance recognized in the government-wide financials was $22,659. No reserve for accumulated sick leave is recognized at June 30, 2020.

Budgetary Process

Budgetary Basis of Accounting: The District's budgetary process accounts for certain transactions on a basis other than Generally Accepted Accounting Principles (GAAP). The major differences between the budgetary basis and the GAAP basis are:

Revenues are recorded when received in cash (budgetary) as opposed to when susceptible to accrual (GAAP).

Expenditures are recorded when paid in cash (budgetary) as opposed to when susceptible to accrual (GAAP).

Cash and Cash Equivalents

The District considers demand deposits, money market funds, and other investments with an original maturity of 90 days or less, to be cash equivalents.

Cash and other assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, or laws of other governments, or are imposed by law through constitutional provisions or enabling legislation. Restricted assets represent amounts required by State statute to be set aside for the acquisition and construction of capital improvements.

Inventories

Supplies and materials are charged to expenditures when purchased.

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements.

NOTE A – REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Accrued Liabilities and Long-Term Obligations (continued)

In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources. However, claims and judgments, the noncurrent portion of capital leases, accumulated sick leave, contractually required pension contributions and special termination benefits that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they will be paid with current, expendable, available financial resources. In general, payments made within sixty days after year-end are considered to have been made with current available financial resources. Bonds and other long-term obligations that will be paid from governmental funds are not recognized as a liability in the fund financial statements until due.

Net Position

GASB 63, implemented in a previous fiscal year, has changed the presentation of the District's financial statements to incorporate the concepts of net position, deferred outflows of resources and deferred inflows of resources. Net position represents the difference between assets and deferred outflows and liabilities and deferred inflows. The net position component "investment in capital assets", consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction or improvement of those assets or related debt also should be included in this component of net position. Net position is reported as restricted when there are limitations on its use either through the enabling legislation adopted by the District or through external restrictions imposed by the creditors, grantors or laws or regulations of other governments.

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the School District, those revenues are primarily charges for meals provided by the various schools.

Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment is reported as inter-fund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

Recognition of Deferred Inflows and Outflows

The District implemented GASB Statement 65 which establishes accounting and financial reporting standards that reclassify certain assets and liabilities as deferred outflows of resources or deferred inflows of resources provides changes in the determination of the major fund calculations and limiting the use of "deferred" in financial statements presentations.

NOTE A – REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Accounting and Financial Reporting for Pensions and Other Post-Employment Benefits (OPEB)

GASB Statements Nos. 67 and 68, *Accounting and Financial Reporting for Pensions* - an *amendment* of GASB Statement 27 and GASB Statement No. 71 improves accounting and financial reporting by state and local governments for pensions and GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, improves information provided by state and local governmental employers about financial support for pensions and OPEB that is provided by other entities. This Statements result from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions/OPEB with regard to providing decisions-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency. This Statement was effective for fiscal years beginning after June 15, 2014 for pension reporting and fiscal year beginning after June 15, 2017 for OPEB, each have been implemented by the District.

NOTE B – ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the District's management to make estimates and assumptions that affect reported amounts of assets, liabilities, fund balances, and disclosure of contingent assets and liabilities at the date of the basic financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

NOTE C – CASH AND CASH EQUIVALENTS

At year-end, the bank balance of the District's cash and cash equivalents was $1,127,433. Of the total cash balance, $250,000 was covered by Federal depository insurance and the balance was covered by a collateral agreement and collateral held by the pledging banks' trust departments in the District's name. Cash equivalents are funds temporarily invested in securities with a maturity of 90 days or less.

Cash and cash equivalents at June 30, 2020 consisted of the following:

	Bank Balance	Book Balance
Citizens Deposit Bank:		
General Operating Account	1,027,308	555,826
Activity Fund Account	100,125	98,738
Total	1,127,433	654,564

Custodial credit risk is the risk that in event of bank failure the deposits may not be returned or that the District may not recover collateral securities. The District requires deposits to be secured by collateral valued at market or par, whichever is lower, less the amount of the Federal Deposit Insurance Corporation insurance (FDIC). Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The District does not retain any long-term investments. Concentrations of credit risk are the risk of loss attributed to the magnitude of the District's investments in a single issuer. All of the organization's cash is held primarily at a local financial institution. Some of the primary risks associated with these funds: a major change in interest rates; a default on a security or repurchase agreement held by the fund; proceeds from sales of collateral are less than the agreed-upon purchase price. Foreign currency risk is the risk of changes in exchange rates affecting foreign investments. The District does not hold any foreign investments.

JACKSON INDEPENDENT SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

June 30, 2020

NOTE D – LEASE OBLIGATIONS AND BONDED DEBT

The amount shown in the accompanying financial statements as lease obligations represents the District's future obligations to make lease payments relating to the bonds issued by the School District Finance Corporation.

The original amount of each issue, the issue date and interest rates are summarized as follows:

Issue Date	Proceeds	Rates
Revenue Bond February 2007	785,000	3.75% - 3.95%
Revenue Bond January 2010	375,000	3.85% - 3.85%
KISTA Series February 2011	194,783	1.00% - 4.00%
KISTA Refunding Serires July 2012	210,350	2.00% - 3.00%
KISTA/KSBIT Series September 2014	66,718	2.00% - 3.25%
Revenue Bond February 2020	2,255,000	2.00% - 2.625%

The District, through the General Fund (including utility taxes and the Support Education Excellence in Kentucky (SEEK) Capital Outlay Fund and Building Fund) is obligated to make lease payments in amounts sufficient to satisfy debt service requirements on bonds issued through the School District Finance Corporation primarily for school facilities improvements. Generally, the District has an option to purchase the property under lease at any time by retiring the bonds then outstanding.

In 1990, the District entered into "participation agreements" with the School Facility Construction Commission. The Commission was created by the Kentucky General Assembly for the purpose of assisting local school districts in meeting school construction needs. The table below sets forth the amount to be paid by the District and the Commission for each year until maturity of all bond issues.

The Jackson Independent School District Finance Corporation issued $2,255,000 in school building revenue bonds to for renovation projects for the Jackson Independent School District. Total financing costs associated with the issue was $34,520. The bonds were issued at a net discount of $37,821. The bonds interest rate ranges from 2.00% to 2.625%. The bonds have a final maturity date of February 2040.

Debt issue costs are recognized as expenditures when incurred in governmental funds, government-wide and proprietary fund types financial statements.

The District's outstanding leases from direct borrowing related to governmental activities contains provision that in the event of default, outstanding balances become immediately due, with possible loss of equipment, interest rate increases and accrued fees. If default on governmental activities revenue and refunding bonds occur, lenders may assign a receiver to administer on behalf of the District allowing sufficient funds to provide for payment of principal and interest on the outstanding balances.

The City's outstanding notes from direct borrowing related to proprietary-type activities contains provision that in the event of default, outstanding balances become immediately due, with possible loss of equipment, interest rate increases and accrued fees.

The bonds may be called prior to maturity and redemption premiums are specified in each issue. Assuming no bonds are called prior to scheduled maturity, the minimum obligations for the district, including amounts to be paid by the Commission, at June 30, 2020, for debt service (principal and interest) are as follows:

JACKSON INDEPENDENT SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

June 30, 2020

NOTE D – LEASE OBLIGATIONS AND BONDED DEBT (continued)

	Jackson Independent School District		Kentucky School Facilities Construction Commission		
Year	Principal	Interest	Principal	Interest	Total
2020 - 21	122,175	50,266	57,759	24,336	254,536
2021 - 22	98,433	47,244	50,535	23,311	219,523
2022 - 23	86,035	43,862	51,146	21,930	202,973
2023 - 24	85,635	40,792	51,769	20,537	198,733
2024 - 25	90,240	37,621	52,404	19,132	199,397
2026 - 30	447,992	154,423	292,008	72,971	967,394
2031 - 35	499,471	106,160	190,529	40,202	836,362
2036 - 40	566,029	44,382	213,971	16,762	841,144
Totals	1,996,010	524,750	960,121	239,181	3,720,062

In addition, The District entered into a note agreement with a local financial institution assisting in acquiring food service equipment. The minimum obligations for the District for the note are as follows:

	First National Bank Note - School Food Service Fund		
	Principal	Interest	Total
2020 - 21	4,718	1,123	5,841
2021 - 22	5,011	831	5,842
2022 - 23	5,300	542	5,842
2023 - 24	5,626	216	5,842
2023 - 24	456	-	456
Totals	21,111	2,712	23,823

Following are changes in long-term debt:

Governmental:	Balance July 1, 2019	Additions	Reductions	Balance June 30, 2020	Current Principal
Revenue Bond February 2007	455,000	-	65,000	390,000	65,000
Revenue Bond January 2010	240,000	-	20,000	220,000	20,000
KISTA Series February 2011	35,742	-	17,571	18,171	18,171
KISTA Refunding Serires July 2012	57,000	-	20,000	37,000	20,000
KISTA/KSBIT Series September 2014	42,550	-	6,590	35,960	6,763
Revenue Bond February 2020	-	2,255,000	-	2,255,000	50,000
Total	830,292	2,255,000	129,161	2,956,131	179,934
First National Bank	25,000	-	3,889	21,111	4,718
Total	25,000	-	3,889	21,111	4,718

JACKSON INDEPENDENT SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

June 30, 2020

NOTE E – CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2020 was as follows:

Governmental Activities	Balance July 1, 2019	Additions	Deductions	Balance June 30, 2020
Capital assets, not being depreciated:				
Land	580,208	-	-	580,208
Construction work in progress	-	1,725,174	-	1,725,174
Total capital assets, not being depreicated	580,208	1,725,174	-	2,305,382
Land improvements	180,213	-	-	180,213
Buildings and improvements	3,339,529	-	-	3,339,529
Technology equipment	478,655	7,250	207,138	278,767
Vehicles	315,113	-	-	315,113
General equipment	129,680	-	17,936	111,744
Total capital assets, being depreciated	4,443,190	7,250	225,074	4,225,366
Totals at historical cost	5,023,398	1,732,424	225,074	6,530,748
Less: accumulated depreciation				
Land improvements	113,331	7,361	-	120,692
Buildings and improvements	2,346,517	82,801	-	2,429,318
Technology equipment	394,623	31,024	206,631	219,016
Vehicles	277,779	19,479	-	297,258
General equipment	112,105	2,563	11,170	103,498
Total accumulated depreciation	3,244,355	143,228	217,801	3,169,782
Governmental Activities Capital Assets - Net	1,779,043	1,589,196	7,273	3,360,966

Depreciation expense for the year ended June 30, 2020 was $143,228.

Business-Type Activities	Balance, restated July 1, 2019	Additions	Deductions	Balance June 30, 2020
Technology equipment	1,372	-	-	1,372
General equipment	18,358	32,841	-	51,199
Totals at historical cost	19,730	32,841	-	52,571
Less: accumulated depreciation				
Technology equipment	1,097	275	-	1,372
General equipment	14,149	1,950	(30)	16,129
Total accumulated depreciation	15,246	2,225	(30)	17,501
Business-Type Activities Capital Assets - Net	4,484	30,616	30	35,070

Depreciation expense for the year ended June 30, 2020 was $2,225.

JACKSON INDEPENDENT SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

June 30, 2020

NOTE E – CAPITAL ASSETS (continued)

Depreciation expense was allocated to governmental and proprietary functions as follows:

Governmental functions:	
Instructional	95,133
Student support	13,175
Instructional staff support	1,518
District administration support	3,351
School administration support	1,043
Plant operations and maintenance	9,381
Student transportation	19,495
Community services	132
Total current year depreciation expense - Governmental functions	143,228
Proprietary functions:	
Food service operations	2,225

NOTE F – COMMITMENTS UNDER NONCAPITALIZED LEASES

Commitments under operating lease agreements for equipment provide the minimum future rental payments as of June 30, 2020, as follows:

Year ending June 30:	
2021	11,798
2022	11,798
2023	6,343
2024	888
2025	444
Total	31,271

NOTE G – RETIREMENT PLANS

Kentucky Teachers Retirement System:

Summary of Significant Accounting Policies

Pensions – For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Teachers' Retirement System of the State of Kentucky (KTRS) and additions to/deductions from KTRS's fiduciary net position have been determined on the same basis as they are reported by KTRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

JACKSON INDEPENDENT SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

June 30, 2020

NOTE G – RETIREMENT PLANS (Continued)

General Information about the Pension Plan

Plan Description – Teaching-certified employees of the Jackson Independent School District are provided pensions through the Teachers' Retirement System of the State of Kentucky (KTRS)-a cost-sharing multiple-employer defined benefit pension plan with a special funding situation established to provide retirement annuity plan coverage for local school districts and other public educational agencies in the state. KTRS was created by the 1938 General Assembly and is governed by Chapter 161 Section 220 through Chapter161 Section 990 of the Kentucky Revised Statutes (KRS). KTRS is a blended component unit of the Commonwealth of Kentucky and therefore is included in the Commonwealth's financial statements. KTRS issues a publicly available financial report that can be obtained at http://www.ktrs.ky.gov/05_publications/index.htm.

Benefits Provided -- For members who have established an account in a retirement system administered by the Commonwealth prior to July 1, 2008, members become vested when they complete five (5) years of credited service. To qualify for monthly retirement benefits, payable for life, members must either:

1.) Attain age fifty-five (55) and complete five (5) years of Kentucky service, or
2.) Complete 27 years of Kentucky service.

Participants that retire before age 60 with less than 27 years of service receive reduced retirement benefits. Non-university members with an account established prior to July 1, 2002 receive monthly payments equal to two (2) percent (service prior to July 1, 1983) and two and one-half (2.5) percent (service after July1, 1983) of their final average salaries for each year of credited service. New members (including second retirement accounts) after July 1, 2002 will receive monthly benefits equal to 2% of their final average salary for each year of service if, upon retirement, their total service less than ten years. In addition, members who retire July 1, 2004 and later with more than 30 years of service will have their multiplier increased for all years over 30 from 2.5% to 3.0% to be used in their benefit calculation. Effective July1, 2008, the System has been amended to change the benefit structure for members hired on or after that date.

Final average salary is defined as the member's five (5) highest annual salaries for those with less than 27 years of service. Members at least age 55 with 27 or more years of service may use their three (3) highest annual salaries to compute the final average salary. KTRS also provides disability benefits for vested members at the rate of sixty (60) percent of the final average salary. A life insurance benefit, payable upon the death of a member, is $2,000 for active contributing members and $5,000 for retired or disabled members.

Cost of living increases are one and one-half (1.5) percent annually. Additional ad hoc increases and any other benefit amendments must be authorized by the General Assembly.

Contributions – Contribution rates are established by Kentucky Revised Statutes (KRS). Non-university members are required to contribute 12.855% of their salaries to the System.

The Commonwealth of Kentucky, as a non-employer contributing entity, pays matching contributions of the amount 13.105% of salaries for local school district and regional cooperative employees hired before July 1, 2008 and 14.105% for those hired after July 1, 2008. For local school district and regional cooperative members whose salaries are federally funded, the employer contributes 16.105% of salaries. If an employee leaves covered employment before accumulating five (5) years of credited service, accumulated employee pension contributions plus interest are refunded to the employee upon the member's request.

JACKSON INDEPENDENT SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

June 30, 2020

NOTE G – RETIREMENT PLANS (continued)

Pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions:

At June 30, 2020, Jackson Independent School District did not report a net pension liability for its proportionate share of the net pension liability because the State of Kentucky provides the pension support directly to KTRS on behalf of the District. The total portion of the net pension liability that was associated with the District was as follows:

Commonwealth's proportional share of the KTRS net pension liability associated with the District	$ 4,667,616

The net pension liabilities were measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the actual liability of the employees and former employees relative to the total liability of the System as determined by the actuary. At June 30, 2019, the District's proportionate share was .0342%. The prior year proportion was .0364%.

For the year ended June 30, 2020, the District's government-wide financial statements reported KTRS proportionate share of pension expense of $487,966. The District recognized no deferred outflows of resources, deferred inflows of resources or unfunded pension liability related to KTRS.

Actuarial assumptions – The total pension liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method	Entry Age
Amortization Period	Level Perentage of Payroll, Closed
Remaining Amortization Period	28.1 years
Inflation	3.0 percent
Salary increases, incuding inflation	3.50 - 7.30 percent
Long-term investment rate of return, net of pension plan investment expense, inculding inflation	7.50 percent

JACKSON INDEPENDENT SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

June 30, 2020

NOTE G – RETIREMENT PLANS (continued)

The long term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target allocation and best estimates of arithmetic real rates of return for each major asset class, as provided by KTRS' investment consultants are summarized in the following table:

Asset Class	KTRS Target Allocation	Long-term Expected Real Rate of Retun
U.S. Equity	40.0%	4.2%
International Equity	22.0%	5.2%
Fixed Income	15.0%	1.2%
Additional Categories	7.0%	3.2%
Real Estate	7.0%	3.8%
Private Equity	7.0%	6.3%
Cash	2.0%	0.9%
	100.0%	

Discount rate – The discount rate used to measure the total pension liability as of the measurement date was 7.50%. The projection of cash flows used to determine the discount rate was performed in accordance with GASB 67 and assumed that plan member contributions will be made at the current contribution rates and the Employer contributions will be made at statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members until the 2039 plan year and, as a result, the Municipal Bond Index Rate was used in the determination of the Single Equivalent Interest Rate (SEIR). There was a change in the Municipal Bond Index Rate from the Prior Measurement Date to the Measurement Date, so as required under GASB 68, the SEIR at the Measurement Date of 7.50% was calculated using the Municipal Bond Index Rate as of the Measurement Date. This change in the discount rate is considered a change in actuarial assumptions or other inputs under GASB 68. The following table presents the net pension liability –proportionate share, calculated using the discount rate of 7.50%, as well as what the Commonwealth's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.50%) or 1 percentage point higher (8.50%) than the current rate:

	1% Decrease 6.50%	Current Discount Rate 7.50%	1% Increase 8.50%
Commonwealth's proportionate share of District pension liability	$ 5,785,902	$ 4,667,616	$ 3,560,859

Pension plan fiduciary net position – Detailed information about the pension plan's fiduciary net position is available in the separately issued KTRS financial report.

NOTE G – RETIREMENT PLANS (continued)

County Employees Retirement System

Plan Description: Substantially all full-time classified employees of the District participate in the County Employees Retirement System (CERS). CERS is a cost-sharing, multiple-employer defined benefit pension plan administered by the Kentucky General Assembly. The plan covers substantially all regular full-time members employed in non-hazardous duty positions of each county and school board, and any additional eligible local agencies electing to participate in the plan. The plan provides for retirement, disability and death benefits to plan members.

CERS issues a publicly available financial report included in the Kentucky Retirement Systems Annual Report that includes financial statements and the required supplementary information for CERS. That report may be obtained by writing to Kentucky Retirement Systems, Perimeter Park West, 1260 Louisville Road, Frankfort, Kentucky 40601or by calling (800) 928-4646 or at https://kyret.ky.gov.

Benefits Provided - Benefits under the plan will vary based on final compensation, years of service and other factors as fully described in the plan documents.

Contributions - Funding for the plan is provided through payroll withholdings of 5.00% except for new hires on or after September 1, 2008 with payroll withholding of 6.00% and a district contribution of 24.06% of the employee's total compensation subject to contributions.

At June 30, 2020, the District reported the following for its proportionate share of net pension liability. The net pension liability was measured as of June 30, 2019. The total pension liability used was based on an actuarial valuation as of June 30, 2019. At June 30, 2019 the District's proportion of the net pension liability based on contributions to CERS during fiscal year ended June 30, 2019 was .0243%. The prior year proportion was .0252%.

District's proportionate share of the net CERS pension liability	$	1,709,241

The District's net proportionate share of CERS pension expense was $274,018. For the year ended June 30, 2020 the District recognized deferred outflows of resources, $261,922, CERS, and deferred inflows of resources, CERS, $109,867. These contributions will be recognized as a reduction of the net pension liability in the subsequent year ended.

Actuarial Methods and Assumptions - The total pension liability for CERS was determined by applying procedures to the actuarial valuation as of June 30, 2019. The financial reporting actuarial valuation as of June 30, 2019, used the following actuarial methods and assumptions, applied to all prior periods included in the measurement:

Valuation Date	June 30, 2018
Inflation	2.30%
Payroll Growth Rate	2.0% for CERS non-hazardous and hazardous
Salary Increases	3.30% to 10.30%, varies by service for CERS non-hazardous 3.55% to 19.05%, varies by services for CERS hazardous
Investment Rate of Return	6.25% for CERS non-hazardous and hazardous

NOTE G – RETIREMENT PLANS (continued)

Actuarial Methods and Assumptions (continued)

The rates of mortality for the period after service retirement are according to the RP-2000 Combined Mortality Table with Scale BB to 2013.

The target asset allocation and best estimates of arithmetic real rate of return for each major asset class, as provided by CERS's investment consultant, are summarized as follows:

Asset Class	CERS Target Allocation	Long-term Expected Nominal Return
Growth	**62.50%**	
US Equity	18.75%	4.30%
Non-US Equity	18.75%	4.80%
Private Equity	10.00%	6.65%
Speicalty Credit/High Yield	15.00%	2.60%
Liquidity	**14.50%**	
Core bonds	13.50%	1.35%
Cash	1.00%	0.20%
Diversifying Strategies	**23.00%**	
Real Estate	5.00%	4.85%
Opportunistic	3.00%	2.97%
Real Return	15.00%	4.10%

Deferred outflows and inflows of resources regarding CERS pension plan is as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Liability experience	43,642	7,222
Changes of assumptions	172,995	-
Investment experience	32,811	60,364
Changes in proportion and differences between District contributions and proportionate share of contributions	12,474	42,281
District contributions subsequent to the measurement date	-	-
Total	261,922	109,867

JACKSON INDEPENDENT SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

June 30, 2020

NOTE G – RETIREMENT PLANS (continued)

Discount Rate – The discount rate used to measure the total pension liability was 6.25%. The projection of cash flows used to determine the discount rate assumed contributions from plan members and employers will be made at statutory contribution rates. Projected inflows from investment earnings were calculated using the long-term assumed investment return of 6.25%. The long-term assumed investment rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

Deferred inflows and outflows and pension expense include only certain categories of deferred outflows of resources and deferred inflows of resources. These include differences between expected and actual experience; changes of assumptions and differences between projected and actual earnings on plan investments. The schedule does not include deferred outflows/inflows of resources for changes in the employer's proportionate share of contributions or employer contributions made subsequent to the measurement date. The net pension liability is based on the June 30, 2019 actuarial valuations. Deferred outflows and inflows related to differences between projected and actual earnings on plan investments are netted and amortized over a five-year period.

The following presents the District's proportionate share of net pension liability calculated using the discount rate of 6.25% as well as the District's share if calculated using a rate 1% higher and 1% lower:

	1% Decrease 5.25%	Current Discount Rate 6.25%	1% Increase 7.25%
District's proportionate share of net pension liability	$ 2,137,775	$ 1,709,241	$ 1,352,061

The District previously reported deferred inflows of resources related to pensions from the net difference between projected and actual earnings on pension plan investments. This will be recognized as pension expense as follows:

CERS

Year	Total
2019	104,446
2020	33,659
2021	11,993
2022	1,957
Thereafter	-
	152,055

Pension plan fiduciary net position – Detailed information about the pension plan's fiduciary net position is available in the separately issued CERS financial report located at https://kyret.ky.gov.

There were no payables to the pension plan at June 30, 2020.

JACKSON INDEPENDENT SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

June 30, 2020

Note H – OPEB PLANS

KENTUCKY TEACHER'S RETIREMENT SYSTEM
Summary of Significant Accounting Policies

Postemployment Benefits Other Than OPEBs (OPEB) - For purposes of measuring the liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Teachers' Retirement System of the State of Kentucky (TRS) and additions to/deductions from TRS's fiduciary net position have been determined on the same basis as they are reported by TRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

General Information about the OPEB Plan

Plan description - Teaching-certified employees of the Kentucky School District are provided OPEBs through the Teachers' Retirement System of the State of Kentucky (TRS)—a cost-sharing multiple-employer defined benefit OPEB plan with a special funding situation established to provide retirement annuity plan coverage for local school districts and other public educational agencies in the state. TRS was created by the 1938 General Assembly and is governed by Chapter 161 Section 220 through Chapter 161 Section 990 of the Kentucky Revised Statutes (KRS). TRS is a blended component unit of the Commonwealth of Kentucky and therefore is included in the Commonwealth's financial statements. TRS issues a publicly available financial report that can be obtained at https://trs.ky.gov/financial-reports-information.

The State reports a liability, deferred outflows of resources and deferred inflows of resources, and expense as a result of its statutory requirement to contribute to the TRS Medical Insurance and Life Insurance Plans. The following information is about the TRS plans:

Medical Insurance Plan

Plan description – In addition to the OPEB benefits described above, Kentucky Revised Statute 161.675 requires TRS to provide post-employment healthcare benefits to eligible members and dependents. The TRS Medical Insurance benefit is a cost-sharing multiple employer defined benefit plan with a special funding situation. Changes made to the medical plan may be made by the TRS Board of Trustees, the Kentucky Department of Employee Insurance and the General Assembly.

Benefits provided - To be eligible for medical benefits, the member must have retired either for service or disability. The TRS Medical Insurance Fund offers coverage to members under the age of 65 through the Kentucky Employees Health Plan administered by the Kentucky Department of Employee Insurance. TRS retired members are given a supplement to be used for payment of their health insurance premium. The amount of the member's supplement is based on a contribution supplement table approved by the TRS Board of Trustees. The retired member pays premiums in excess of the monthly supplement. Once retired members and eligible spouses attain age 65 and are Medicare eligible, coverage is obtained through the TRS Medicare Eligible Health Plan.

JACKSON INDEPENDENT SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

June 30, 2020

Note H - OPEB PLANS (Continued)

Contributions - In order to fund the post-retirement healthcare benefit, seven and one-half percent (7.50%) of the gross annual payroll of members is contributed. Three and three quarters percent (3.75%) is paid by member contributions and three quarters percent (.75%) from state appropriation and three percent (3.00%) from the employer. The State contributes the net cost of health insurance premiums for members who retired on or after July 1, 2010 who are in the non-Medicare eligible group. Also, the premiums collected from retirees as described in the plan description and investment interest help meet the medical expenses of the plan.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs

At June 30, 2020, the Jackson Independent School District reported a liability of $536,000 for its proportionate share of the collective net OPEB liability that reflected a reduction for state OPEB support provided to the District. The collective net OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the collective net OPEB liability was based on a projection of the District's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2019, the District's proportion was .0183 percent and the State portion associated with the District was .0148. The prior year proportion was .0189 and .0163 for the District and State, respectively.

The amount recognized by the District as its proportionate share of the OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District were as follows:

District's proportionate share of the net OPEB liability	536,000
State's proportionate share of the net OPEB liability associated with the District	433,000
Total	969,000

The District's proportionate OPEB expense was $31,893 for the District and $25,756 for support provided by the State. The District reported deferred outflows of resources and deferred inflows of resources related to OPEBs from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	-	130,000
Changes of assumptions	14,000	-
Net difference between projected and actual earnings on OPEB plan investments	2,000	-
Changes in proportion and differences between District contributions and proportionate share of contributions	-	29,000
District contributions subsequent to the measurement date	-	-
Total	16,000	159,000
State proportion	7,200	71,550
District proportion	8,800	87,450

JACKSON INDEPENDENT SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

June 30, 2020

Note H – OPEB PLANS (Continued)

Of the total amount reported as deferred outflows of resources related to OPEB, contributions subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the collective net OPEB liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the District's OPEB expense as follows:

Year	Total
2020	(27,000)
2021	(27,000)
2022	(26,000)
2023	(26,000)
2024	(22,000)
Thereafter	(15,000)
	(143,000)

Actuarial assumptions – The total OPEB liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Health Insurance Trust	
Valuation Date	June 30, 2018
Actuarial Assumptions:	
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percent of Payroll
Remaining Amortization Period	22 years
Asset Valuation method	5-year smoothed value
Inflation Rate	3.00%
Real Wage Growth	0.50%
Wage Inflation	3.50%
Salary Increase	3.5 to 7.2%, including wage inflation
Discount Rate	8.00%
Health Care Cost Trends:	
KEHP (Kentucky Employees' Health Plan) Group	7.5% at June 30, 2018, decreasing to an ultimate rate of 5% by June 30, 2024
MEHP (Medicare Eligible Health Plan) Group	5.5% at June 30, 2018, decreasing to an ultimate rate of 5% by June 30, 2021
Medicare Part B Premiums	0% at June 30, 2018 with an ultimate rate of 5% by June 30, 2030
KEHP Group Claims	The current KEHP premium is used as the base cost and is projected forward using only the health care trend assumption (no implicit rate subsidy is recognized).

JACKSON INDEPENDENT SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

June 30, 2020

Note H – OPEB PLANS (Continued)

Mortality rates were based on the RP-2000 Combined Mortality Table projected to 2025 with projection scale BB and set forward two years for males and one year for females is used for the period after service retirement and for dependent beneficiaries. The RP-2000 Disabled Mortality Table set forward two years for males and seven years for females is used for the period after disability retirement.

The remaining actuarial assumptions (e.g. initial per capita costs, health care cost trends, rate of plan participation, rates of plan election, etc.) used in the June 30, 2019 valuation were based on a review of recent plan experience done concurrently with the June 30, 2019 valuation.

The long-term expected rate of return on OPEB plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target allocation and best estimates of arithmetic real rates of return for each major asset class, as provided by TRS's investment consultant, are summarized in the following table:

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
Global Equity	58.0%	4.6%
Fixed Income	9.0%	1.2%
Real Estate	5.5%	3.8%
Private Equity	6.5%	6.3%
Additional Categories	20.0%	3.3%
Cash	1.0%	0.9%
Total	100.0%	

Discount rate - The discount rate used to measure the total OPEB liability was 8.00%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rates and the employer contributions will be made at statutorily required rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

The following table presents the District's and State's proportionate share of the collective net OPEB liability of the System, calculated using the discount rate of 8.00%, as well as what the District's and State's proportionate share of the collective net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7.00%) or 1-percentage-point higher (9.00%) than the current rate:

	1% Decrease 7.00%	Current Discount Rate 8.00%	1% Increase 9.00%
District's share of net OPEB liability	$ 635,000	$ 536,000	$ 453,000

JACKSON INDEPENDENT SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

June 30, 2020

Note H – OPEB PLANS (Continued)

Sensitivity of the District's proportionate share of the collective net OPEB liability to changes in the healthcare cost trend rates – The following presents the District's proportionate share of the collective net OPEB liability, as well as what the District's proportionate share of the collective net OPEB liability would be if it were calculated using healthcare cost trend rates that were 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Current Trend Rate	1% Increase
District's share of net OPEB liability	$ 436,000	$ 536,000	$ 659,000

OPEB plan fiduciary net position – Detailed information about the OPEB plan's fiduciary net position is available in the separately issued TRS financial report.

Life Insurance Plan

Plan description – Life Insurance Plan – TRS administers the life insurance plan as provided by Kentucky Revised Statute 161.655 to eligible active and retired members. The TRS Life Insurance benefit is a cost-sharing multiple employer defined benefit plan with a special funding situation. Changes made to the life insurance plan may be made by the TRS Board of Trustees and the General Assembly.

Benefits provided – TRS provides a life insurance benefit of five thousand dollars payable for members who retire based on service or disability. TRS provides a life insurance benefit of two thousand dollars payable for its active contributing members. The life insurance benefit is payable upon the death of the member to the member's estate or to a party designated by the member.

Contributions – In order to fund the post-retirement life insurance benefit, three hundredths of one percent (.03%) of the gross annual payroll of members contributed by the state.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs

At June 30, 2020, the Jackson Independent School District did not report a liability for its proportionate share of the collective net OPEB liability for life insurance benefits because the State of Kentucky provides the OPEB support directly to TRS on behalf of the District. The amount recognized by the District as its proportionate share of the OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District were as follows:

District's proportionate share of the net OPEB liability	-
State's proportionate share of the net OPEB liability associated with the District	10,000
Total	10,000

Note H - OPEB PLANS (Continued)

The District's proportionate expense was $425. At June 30, 2020, the District reported no deferred outflows of resources and deferred inflows of resources related to OPEBs from life insurance plans.

Any amount reported as deferred outflows of resources related to OPEB from District contributions subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the collective net OPEB liability in the year ended June 30, 2020. No other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the District's OPEB expense.

Actuarial assumptions – The total OPEB liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Life Insurance Trust		
Valuation Date	June 30, 2018	
Actuarial Assumptions:		
Actuarial Cost Method	Entry Age Normal	
Amortization Method	Level Percent of Payroll	
Remaining Amortization Period	30 years	
Asset Valuation method	5-year smoothed value	
Inflation Rate		3.00%
Real Wage Growth		0.50%
Wage Inflation		3.50%
Salary Increase	3.5% to 7.45%, including wage inflation	
Discount Rate		7.50%

Mortality rates were based on the RP-2000 Combined Mortality Table projected to 2025 with projection scale BB and set forward two years for males and one year for females is used for the period after service retirement and for dependent beneficiaries. The RP-2000 Disabled Mortality Table set forward two years for males and seven years for females is used for the period after disability retirement.

The remaining actuarial assumptions (e.g. initial per capita costs, rate of plan participation, rates of plan election, etc.) used in the June 30, 2019 valuation were based on a review of recent plan experience done concurrently with the June 30, 2019 valuation.

The long-term expected rate of return on OPEB plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target allocation and best estimates of arithmetic real rates of return for each major asset class, as provided by TRS's investment consultant, are summarized in the following table:

Note H OPEB PLANS (Continued)

Asset Class	Target Allocation	Expected Geometric Real Rate of Return
U.S. Equity	40.0%	4.2%
International Equity	23.0%	5.2%
Fixed Income	18.0%	1.2%
Real Estate	6.0%	3.8%
Private Equity	5.0%	6.3%
Additional Categories	6.0%	3.3%
Cash	2.0%	0.9%
Total	100.0%	

Discount rate - The discount rate used to measure the total OPEB liability for life insurance was 8.00%. The projection of cash flows used to determine the discount rate assumed that the employer contributions will be made at statutorily required rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

The following table presents the State's proportionate share of the collective net OPEB liability associated with the District, calculated using the discount rate of 8.00%, as well as what the State's proportionate share of the collective net OPEB liability of the System would be if it were calculated using a discount rate that is 1-percentage-point lower (7.00%) or 1-percentage-point higher (9.00%) than the current rate:

	1% Decrease 7.00%	Current Discount Rate 8.00%	1% Increase 9.00%
Commonwealth's proportionate share of net District OPEB liability	$ 12,396	$ 10,000	$ 6,238

OPEB plan fiduciary net position – Detailed information about the OPEB plan's fiduciary net position is available in the separately issued TRS financial report.

Note H – OPEB PLANS (Continued)

COUNTY EMPLOYEE RETIREMENT SYSTEM

General Information about the OPEB Plan

Plan description – Substantially all full-time employees of the District are provided OPEBs through the County Employees Retirement System of the State of Kentucky (CERS)—a cost-sharing multiple-employer defined benefit OPEB plan. CERS was created by the Kentucky General Assembly pursuant to the provisions of Kentucky Revised Statute 78.520.

CERS issues a publicly available financial report included in the Kentucky Retirement Systems Annual Report that includes financial statements and the required supplementary information for CERS. That report may be obtained by writing to Kentucky Retirement Systems, Perimeter Park West, 1260 Louisville Road, Frankfort, Kentucky 40601 or by calling (800)928-4646 or at https://kyret.ky.gov.

The State reports a liability, deferred outflows of resources and deferred inflows of resources, and expense as a result of its statutory requirement to contribute to the KRS Insurance Fund. The following information is about the KRS plans:

Medical Insurance Plan

Plan description – In addition to the OPEB benefits described above, KRS provides post-employment healthcare benefits to eligible members and dependents. The KRS Insurance benefit is a cost-sharing multiple employer defined benefit plan.

Benefits provided – Benefits under the plan will vary based on years of service and other factors as fully described in the plan documents.

Contributions – In order to fund the post-retirement healthcare benefit, participants hired on or after September 1, 2008 contribute 1% of total compensation subject to contribution for non-hazardous and hazardous duty positions. Also, the premiums collected from retirees as described in the plan documents and investment interest help meet the medical expenses of the plan.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs

The District reported a liability of $408,665 for its proportionate share of the collective net CERS non-hazardous OPEB liability. The collective net OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the collective net OPEB liability was based on a projection of the District's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating employers, actuarially determined. The District's proportion was .0243% for non-hazardous employees.

JACKSON INDEPENDENT SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

June 30, 2020

Note H - OPEB PLANS (Continued)

The amount recognized by the District as its proportionate share of the OPEB liability was as follows:

District's proportionate share of the net OPEB liability	408,665

The District's net proportionate share of OPEB expense was $43,094. The District reported deferred outflows of resources and deferred inflows of resources related to OPEBs from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Liability experience	-	123,304
Changes of assumptions	120,928	809
Investment experience	2,692	20,843
Changes in proportion and differences between District contributions and proportionate share of contributions	5,513	15,430
District contributions subsequent to the measurement date	-	-
Total	129,133	160,386

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the District's OPEB expense as follows:

Year	Total
2020	(4,769)
2021	(4,769)
2022	1,002
2023	(10,049)
2024	(10,497)
Thereafter	(2,171)
Total	(31,253)

Note H - OPEB PLANS (Continued)

Actuarial assumptions – The total OPEB liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation Date	June 30, 2018
Inflation	2.30%
Payroll Growth Rate	2.0% for CERS non-hazardous and hazardous
Salary Increases	3.30% to 10.30%, varies by service for CERS non-hazardous 3.55% to 19.05%, varies by services for CERS hazardous
Investment Rate of Return	6.25%
Healthcare Trend Rates	
Pre-65	Initial trend, 7.00% beginning January 1, 2020 decreasing to 4.05% over a 12 year period
Post - 65	Initial trend, 5.00% beginning January 1, 2020 decreasing to 4.05% over a 10 year period
Mortality	
Pre- retirement	PUB-2010 General and Public Safety Mortality tables, using base year of 2010
Post - retirement (non-disabled)	System specific based on 2013-2018 mortality experience, using based year of 2019
Post - retirement (disabled)	PUB-2010 Disabled Mortality Table, using base year of 2010

Mortality rates were based on the RP-2000 Combined Mortality Table projected to 2013 with projection scale BB and set back one year for females. The RP-2000 Disabled Mortality Table set back four years for males is used for the period after disability retirement.

The remaining actuarial assumptions (e.g. initial per capita costs, health care cost trends, rate of plan participation, rates of plan election, etc.) used in the June 30, 2019 valuation were based on a review of recent plan experience done concurrently with the June 30, 2019 valuation.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined by weighting the expected future real rates of return by the target asset allocation percentage.

JACKSON INDEPENDENT SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

June 30, 2020

Note H – OPEB PLANS (Continued)

The target allocation and best estimates of arithmetic real rates of return for each major asset class, as provided by KRS's investment consultant, are summarized in the following table:

Asset Class	CERS Target Allocation	Long-term Expected Nominal Return
Growth	**62.50%**	
US Equity	18.75%	4.30%
Non-US Equity	18.75%	4.80%
Private Equity	10.00%	6.65%
Speicalty Credit/High Yield	15.00%	2.60%
Liquidity	**14.50%**	
Core bonds	13.50%	1.35%
Cash	1.00%	0.20%
Diversifying Strategies	**23.00%**	
Real Estate	5.00%	4.85%
Opportunistic	3.00%	2.97%
Real Return	15.00%	4.10%

Discount rate - The discount rate used to measure the total OPEB liability was 5.85% for non-hazardous personnel. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rates and the employer contributions will be made at statutorily required rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

The following table presents the District's proportionate share of the collective net OPEB liability of the System, calculated using the discount rate of 5.85% for non-hazardous employees as well as what the District's proportionate share of the collective net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.85% for non-hazardous) or 1-percentage-point higher (6.85% for non-hazardous) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Discount rate	4.85%	5.85%	6.85%
District's proportionate share of net OPEB liability	$ 547,442	$ 408,665	$ 294,321

JACKSON INDEPENDENT SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

June 30, 2020

Note H – OPEB PLANS (Continued)

Sensitivity of the District's proportionate share of the collective net OPEB liability to changes in the healthcare cost trend rates – The following presents the District's proportionate share of the collective net OPEB liability, as well as what the District's proportionate share of the collective net OPEB liability would be if it were calculated using healthcare cost trend rates that were 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

Health Care Trend Rate	1% Decrease	Current Trend Rate	1% Increase
District's proportionate share of net OPEB liability	$ 303,926	$ 408,665	$ 535,673

OPEB plan fiduciary net position – Detailed information about the OPEB plan's fiduciary net position is available in the separately issued KRS financial report.

NOTE I – CONTINGENCIES AND COMMITMENTS

The District receives funding from federal, state, and local government agencies and private contributions. These funds are to be used for designated purposes only. For government agency grants, if the grantor's review indicates that the funds have not been used for the intended purpose, the grantors may request a refund of monies advanced or refuse to reimburse the District for its disbursements. The amount of such future refunds and unreimbursed disbursements, if any, is not expected to be significant. Continuation of the District's grant programs is predicated upon the grantors' satisfaction that the funds provided are being spent as intended and the grantors' intent to continue their programs.

The District was notified Kentucky School Board Insurance Trust was dissolved in previous years. As a result, assessments were proposed to be passed to local participating Districts based on past premiums or past claims. The District's is committed to remitting annual assessment of $7,768 through fiscal year ended June 30, 2025. This option calls for financing interest at 3.25%. Management will either fund the liability through its General account or request funds from its SEEK Capital Outlay allotment.

NOTE J– INSURANCE AND RELATED ACTIVITIES

The District is exposed to various forms of loss of assets associated with the risks of fire, personal liability, theft, vehicular accidents, errors and omissions, fiduciary responsibility, etc. Each of these risk areas are covered through the purchase of commercial insurance. The District has purchased certain policies which are retrospectively rated including worker's compensation insurance.

NOTE K– LITIGATION

The District is subject to legal actions in various stages of litigation, the outcome of which is not determinable at this time. Management of the District and its legal counsel do not anticipate a material effect on the combined financial statements as a result of threatened, pending or ongoing litigation.

JACKSON INDEPENDENT SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

June 30, 2020

NOTE L – RISK MANAGEMENT

The District is exposed to various risk of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

Insurance for worker's compensation, errors and omissions, educator's legal liability, property (including vehicles) and general liability is carried through various agencies. Contributions to Workers' Compensation Insurance are based on premium rates established with the excess insurance carrier, subject to claims, experience modifications and a group discount amount. The District continues to carry commercial insurance for all other risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE M – DEFICIT OPERATING/FUND BALANCES

The following individual funds had deficit balances at June 30, 2020:

School Food Service Fund	343,522

The following individual funds had operating expenditures in excess of revenues at June 30, 2020:

General Fund	32,821
Special Revenue Fund	6,195
School Food Service Fund	56,946

NOTE N – COBRA

Under COBRA, employers are mandated to notify terminated employees of available continuing insurance coverage. Failure to comply with this requirement may put the school District at risk for a substantial loss (contingency).

NOTE O - TRANSFER OF FUNDS

The following transfers were made during the year.

From Fund	To Fund	Purpose	Amount
Capital Outlay	General Fund	Operating expenditures	29,499
General Fund	Special Revenue Fund	Indirect cost transfers	6,195
FSPK Building Fund	General Fund	Debt redemption	51,633
FSPK Building Fund	Debt Service Fund	Debt redemption	71,376
			158,703

JACKSON INDEPENDENT SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

June 30, 2020

NOTE P – INTERFUND RECEIVABLES AND PAYABLES

Inter-fund balances at June 30, 2020 were as follows:

	Receivable	Payable
General Fund	79,384	-
Special Revenue Fund	-	197,450
Construction Fund	121,129	-
School Food Service Fund		3,063
	200,513	200,513

NOTE Q – ON-BEHALF PAYMENTS

Teacher's Retirement GASB 68	351,265
Teacher's Retirement GASB 75	26,181
Health Insurance	357,575
Life Insurance	554
Administrative Fees	4,587
HRA/Dental/Vision	12,950
Less: Federal Reimbursement	(54,764)
Technology	62,462
Debt Service	39,479
Sub-Total	800,289
Allocated to Debt Service Fund	(39,479)
Allocated to Food Service Fund	(45,042)
Allocated to General Fund	715,768

JACKSON INDEPENDENT SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

June 30, 2020

NOTE R – ANNUAL FINANCIAL REPORT DIFFERENCES

The following reconciles June 30, 2020 fund balances as originally reported to the accompanying fund financial statements:

		General Fund	Special Revenue Funds	Construction Fund	Food Service Fund
Fund Balance/Net Position as originally reported to the Department of Education		69,501	-	676,955	(142,708)
Adjustment to Fund Balance/Retained Earnings					
(1)	To record adjustments to cash	(92,585)	197,450	(121,129)	2,622
(2)	To adjust accounts receivable	16,974	-	-	-
(3)	To record interfund receivables	79,384	-	121,129	-
(4)	To adjust accounts payable	9,173	-	(219,331)	441
(5)	To record interfund payables	-	(197,450)	-	(3,063)
(6)	To recognize note payable	-	-	-	(21,111)
(7)	To adjust deferred outflows	-	-	-	37,884
(8)	To adjust deferred inflows	-	-	-	(41,451)
(9)	To adjust net pension/OPEB liability	-	-	-	(211,206)
(10)	To adjust net fixed assets	-	-	-	35,070
Fund Balance/Net Position per fund financial statements at June 30, 2020		82,447	-	457,624	(343,522)

NOTE S – FUND BALANCE CLASSIFICATIONS

The District implemented Governmental Accounting Standards Board No. 54, Fund Balance Reporting and Governmental Fund Type Definitions effective for the fiscal year ended June 30, 2011. This standard clarifies existing governmental fund type definitions and establishes fund balance classifications based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Classifications will include *nonspendable*, examples being prepaid items and inventory, and the following spendable fund balances – *restricted* – fund balances that are constrained by external parties, constitutional provisions or enabling legislation, *committed* – fund balances that contain self-imposed constraints of the government from its highest level of decision making authority, *assigned* - fund balances that contain self-imposed constraints of the government to be used for a particular purpose and *unassigned* – fund balance of the general fund that is not constrained for any particular purpose. The standard affects fund balance reporting only and not affect government wide or proprietary fund financial statements.

JACKSON INDEPENDENT SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

June 30, 2020

NOTE S – FUND BALANCE CLASSIFICATIONS (Continued)

The following schedule reflects governmental fund balances at June 30, 2020:

Fund Balances	General Fund	Construction Fund	Total
Restricted - other	9,453	457,624	467,077
Committed - sick leave	9,493	-	9,493
Unassigned fund balance (deficit)	63,501	-	63,501
Total fund balances	82,447	457,624	540,071

The District's budget by State law must have a minimum 2% contingency. However, a separate contingency reserve fund has not been established. The Statement of Net Position reflects reserves for fixed assets.

NOTE T – RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS AND GUIDANCE

The District adopted the following new accounting pronouncements in the current year:

- GASB Statement No. 83—Certain Asset Retirement Obligations, effective for the District's fiscal year ending June 30, 2020.
- GASB Statement No. 88—Certain Disclosures Related to Debt, effective for the District's fiscal year ending June 30, 2020.

The District will adopt the following new accounting pronouncements in future reporting years:

- GASB Statement No. 84—Fiduciary Activities, effective for the District's fiscal year ending June 30, 2021.
- GASB Statement No. 87—Leases, effective for the District's fiscal year ending June 30, 2022.
- Implementation Guide 2017-3, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, effective for the District's fiscal year ending June 30, 2021.
- Implementation Guide No. 2019-2, Fiduciary Activities, effective for the District's fiscal year ending June 30, 2021.

The impact of these pronouncements and guides on the District's financial statements has not been determined.

NOTE U – SUBSEQUENT EVENTS

The District continues to monitor the direct and indirect effects of COVID-19, which has led to closings of non-essential services and limitations for public assemblies. While the immediate and long-term financial impact cannot be reasonably estimated, management anticipates preparing amendments to future budget projections reflecting any significant changes in revenues, instructional and other student body activities affecting the District as a result of the coronavirus.

NOTE V – BEGINNING BALANCE RESTATEMENT

The following adjustments were made to beginning balances of the District: reclassified school food service and governmental activities beginning balance $182,853 for reclassification of pension and OPEB related liabilities, deferred inflows and outflows; increased school food service accumulated depreciation, $405; increased governmental liabilities to recognize accumulated sick leave, $23,190 and recognized interest payable on long term debt, $27,165.

JACKSON INDEPENDENT SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – GENERAL FUND

For the Year Ended June 30, 2020

	Budgeted Amounts			Variance
	Original	Final	Actual	Favorable (Unfavorable)
Revenues:				
From local sources:				
Taxes	335,200	335,200	295,142	(40,058)
Earnings on investments	250	250	560	310
Other local revenue	82,500	82,500	114,093	31,593
Intergovernmental - state	1,585,862	1,590,822	2,293,267	702,445
Intergovernmental - indirect federal	6,000	6,000	12,149	6,149
Total revenues	2,009,812	2,014,772	2,715,211	700,439
Expenditures:				
Instructional	930,593	942,325	1,545,138	(602,813)
Staff support services	62,279	62,179	63,619	(1,440)
District administration	378,157	305,747	364,431	(58,684)
School administration	141,464	141,464	151,605	(10,141)
Business support	46,544	46,544	175,850	(129,306)
Plant operations and maintenance	324,185	324,185	301,695	22,490
Student transportation	73,500	73,500	97,459	(23,959)
Debt service principal	38,828	38,828	44,161	(5,333)
Debt service interest	9,407	9,407	4,074	5,333
Contingency	-	65,738	-	65,738
Total expenditures	2,004,957	2,009,917	2,748,032	(738,115)
Excess (deficit) of revenues over expenditures	4,855	4,855	(32,821)	(37,676)
Other financing sources (uses):				
Operating transfers in	-	-	81,132	81,132
Operating transfers out	(4,855)	(4,855)	(6,195)	(1,340)
Total other financing sources (uses)	(4,855)	(4,855)	74,937	79,792
Excess (deficit) of revenue and other financing sources over expenditures/other financing uses	-	-	42,116	42,116
Fund balance - July 1, 2019	-	-	30,878	30,878
Fund balance - June 30, 2020	-	-	72,994	72,994

Budget to actual comparison beginning fund balance excludes $9,453 designated as restricted for sick leave.

See notes to financial statements and Independent Auditor's Report.

JACKSON INDEPENDENT SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL – SPECIAL REVENUE FUND

For the Year Ended June 30, 2020

	Budgeted Amounts			Variance Favorable
	Original	Final	Actual	(Unfavorable)
Revenues:				
Intergovernmental - state	243,191	173,931	168,997	(4,934)
Intergovernmental - indirect federal	469,623	339,054	543,868	204,814
Total revenues	712,814	512,985	712,865	199,880
Expenditures:				
Instructional	672,338	480,529	680,174	(199,645)
Student support services	2,500	-	1,555	(1,555)
Staff support services	2,604	-	-	-
Student transportation	6,855	-	20	(20)
Community service activities	33,372	37,311	37,311	-
Total expenditures	717,669	517,840	719,060	(201,220)
Excess (deficit) of revenues over expenditures	(4,855)	(4,855)	(6,195)	(1,340)
Other financing sources (uses):				
Operating transfers in	4,855	4,855	6,195	1,340
Total other financing sources (uses)	4,855	4,855	6,195	1,340
Excess (deficit) of revenue and other financing sources over expenditures/other financing uses	-	-	-	-
Fund balance - July 1, 2019	-	-	-	-
Fund balance - June 30, 2020	-	-	-	-

See notes to financial statements and Independent Auditor's Report.

JACKSON INDEPENDENT SCHOOL DISTRICT

SCHEDULES OF EMPLOYER'S SHARE OF NET PENSION LIABILITY AND SCHEDULES OF EMPLOYER CONTRIBUTIONS

Last Ten Years Ending June 30th

Employer's Proportionate Share of Net Pension Liability

	2020		2019		2018		2017		2016		2015	
	KTRS	CERS	KTRS	CERS	KTRS	CERS	KTRS	CERS	KTRS	CERS	KTRS	CERS
State/District proportion of the net pension liability	0.0342%	0.0243%	0.0364%	0.0252%	0.0365%	0.0264%	0.0361%	0.2637%	0.0417%	0.0257%	0.0462%	0.0266%
Employer's proportionate share of the net pension liability	-	1,709,241	-	1,534,757	-	1,439,562	-	1,298,545	-	1,103,926	-	862,787
State's proportionate share of the net pension liability	4,667,616	-	4,764,437	-	9,840,607	-	10,641,574	-	9,704,879	-	9,493,152	-
Employer's covered employee payroll	1,440,852	633,969	1,506,554	489,691	1,507,640	626,723	1,498,840	598,997	1,501,823	629,149	1,448,400	599,045
Employer's proportionate share of the net pension liability as a percentage of its covered employee payroll	324%	270%	316%	313%	653%	230%	710%	217%	646%	175%	655%	144%
Plan fiduciary net position as a percentage of the total pension liability	58.8%	50.5%	53.6%	52.7%	55.3%	53.3%	54.6%	55.5%	56.4%	60.0%	53.6%	66.8%

Employer's Contributions

	2020		2019		2018		2017		2016		2015	
	KTRS	CERS	KTRS	CERS	KTRS	CERS	KTRS	CERS	KTRS	CERS	KTRS	CERS
Contractually required contribution	351,265	99,434	345,221	90,439	349,634	83,533	175,096	74,929	200,711	76,658	223,709	115,247
Contributions in relation to the contractually required contribution	351,265	99,434	345,221	90,439	349,634	83,533	175,096	74,929	200,711	76,658	223,709	115,247
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-	-	-	-
District's covered employee payroll	1,440,852	633,969	1,506,554	489,691	1,507,640	626,723	1,498,840	598,997	1,501,823	629,149	1,448,400	599,045
Contributions as a percentage of covered employee payroll	24.38%	15.68%	22.91%	18.47%	23.19%	13.33%	11.68%	12.51%	13.36%	12.18%	15.45%	19.24%

Change of benefit terms - None.

Changes of assumptions - KTRS discount rate increased 2018 to 2019 from 4.49% to 7.50%.

Until a full 10-year trend is compiled, the District will present information for years available. Ultimately, ten years of data will be presented.

See notes to financial statements and indpendent auditor's report.

JACKSON INDEPENDENT SCHOOL DISTRICT

SCHEDULES OF EMPLOYER'S SHARE OF NET OPEB LIABILITY

For the Year Ended June 30, 2020

Employer's Proportionate Share of Net OPEB Liability

	Medical Ins Fund						Life Ins Fund		
	2020		2019		2018		2020	2019	2018
	KTRS	CERS	KTRS	CERS	KTRS	CERS	KTRS	KTRS	KTRS
State/District proportion of the net OPEB liability	0.0331%	0.0243%	0.0352%	0.0246%	0.0351%	0.0246%	0.0324%	0.0343%	0.0343%
Employer's proportionate share of the net OPEB liability	536,000	408,665	654,000	447,403	691,000	494,424	-	-	-
State's proportionate share of the net OPEB liability	433,000	-	564,000	-	564,000	-	10,000	10,000	8,000
Employer's covered employee payroll	1,440,852	633,969	1,506,554	489,691	1,507,640	626,723	1,440,852	1,506,554	1,507,640
Employer's proportionate share of the net OPEB liability as a percentage of its covered employee payroll	37%	64%	43%	91%	46%	79%	0%	0%	0%
Plan fiduciary net position as a percentage of the total OPEB liability	32.6%	53.5%	21.2%	57.6%	26.7%	52.4%	75.0%	80.0%	87.8%

Employer's Contributions

	2020		2019		2018		2020	2019	2018
	KTRS	CERS	KTRS	CERS	KTRS	CERS	KTRS	KTRS	KTRS
Contractually required contribution	31,893	32,246	33,183	29,355	33,597	28,323	425	336	336
Contributions in relation to the contractually required contribution	31,893	32,246	33,183	29,355	33,597	28,323	425	336	336
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-
District's covered employee payroll	1,440,852	633,969	1,506,554	489,691	1,507,640	626,723	1,440,852	1,506,554	1,507,640
Contributions as a percentage of covered employee payroll	2.21%	5.09%	2.20%	5.99%	2.23%	4.52%	0.03%	0.02%	0.02%

Change of benefit terms - None.

Changes of assumptions - None

Until a full 10-year trend is compiled, the District will present information for years available.

Ultimately, ten years of data will be presented.

See notes to financial statements and indpendent auditor's report.

JACKSON INDEPENDENT SCHOOL DISTRICT

SCHEDULES OF EMPLOYER'S SHARE OF NET OPEB LIABILITY (Continued)

For the Year Ended June 30, 2020

Notes to Required Supplementary Information

Changes of benefit terms – With the passage of House Bill 471, the eligibility for non-single subsidies (NSS) for the KEHP-participating members who retired prior to July 1, 2010 is restored, but the state will only finance, via its KEHP "Shared Responsibility" contributions, the costs of the NSS related to those KEHP-participating members who retired on or after July 1, 2010.

Methods and assumptions used in the actuarially determined contributions – The actuarially determined contribution rates, as a percentage of payroll, used to determine the actuarially determined contribution amounts in the Schedule of Employer Contributions are calculated as the of the indicated valuation date. The actuarial methods and assumptions used to determine contribution rates reported in the schedule are reflected in the notes to the financial statements.

JACKSON INDEPENDENT SCHOOL DISTRICT

COMBINING BALANCE SHEET – OTHER NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended June 30, 2020

	SEEK Capital Outlay Fund	Building Fund	Debt Service Fund	Total
Asset and resources:				
Cash and cash equivalents	-	-	-	-
Accounts receivable	-	-	-	-
Total assets and resources	-	-	-	-
Liabilities and fund balances:				
Accounts payable	-	-	-	-
Fund balances -				
Restricted - Other	-	-	-	-
Restricted for future construction	-	-	-	-
	-	-	-	-
Total liabilities and fund balances	-	-	-	-

See Independent Auditor's Report.

JACKSON INDEPENDENT SCHOOL DISTRICT

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - OTHER NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended June 30, 2020

	SEEK Capital Outlay Fund	FSPK Building Fund	Debt Service Fund	Total
Revenues:				
From local sources:				
General real property tax	-	20,163	-	20,163
Intergovernmental - State	29,499	102,846	39,479	171,824
Total revenues	29,499	123,009	39,479	191,987
Expenditures:				
Bond principal	-	-	85,000	85,000
Bond interest	-	-	25,855	25,855
Total expenditures	-	-	110,855	110,855
Excess (deficit) of revenues over expenditures	29,499	123,009	(71,376)	81,132
Other financing sources (uses):				
Operating transfers in	-	-	71,376	71,376
Operating transfers out	(29,499)	(123,009)	-	(152,508)
Total other financing sources (uses)	(29,499)	(123,009)	71,376	(81,132)
Changes in fund balance	-	-	-	-
Fund balance, July 1, 2019	-	-	-	-
Fund balance, June 30, 2020	-	-	-	-

See Independent Auditor's Report.

JACKSON INDEPENDENT SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

JACKSON INDEPENDENT SCHOOL ACTIVITY FUND

For the Year Ended June 30, 2020

Fund Accounts	Revenues	Expenditures	Excess (Deficit) of Revenues over Expenditures	Fund Balance July 1, 2019	Fund Balance June 30, 2020
Principal	21,013	20,746	267	3,484	3,751
HS Academics	589	470	119	50	169
Annual	6,795	5,105	1,690	375	2,065
Band	-	-	-	102	102
Library	1,313	940	373	1,375	1,748
Arts & Humanities	-	-	-	216	216
General	9,075	9,998	(923)	3,549	2,626
Athletic	27,667	20,282	7,385	7,755	15,140
G.S. Boys Basketball	3,958	2,290	1,668	708	2,376
M.S. Boys Basketball	-	-	-	608	608
H.S. Boys Basketball	7,351	6,970	381	2,785	3,166
G.S. Girls Basketball	160	231	(71)	376	305
M.S. Girls Basketball	3,236	3,408	(172)	543	371
H.S. Girls Basketball	2,206	2,065	141	514	655
Soccer Club	5,738	6,810	(1,072)	1,867	795
Track	1,527	1,095	432	594	1,026
Golf Club	80	233	(153)	1,082	929
H.S. Baseball	1,173	1,273	(100)	2,301	2,201
H.S. Softball	327	735	(408)	998	590
M.S. Softball	1,307	1,821	(514)	611	97
Volleyball	3,316	3,647	(331)	2,031	1,700
G.S. Cheerleaders	-	-	-	46	46
H.S. Cheerleaders	4,302	3,123	1,179	86	1,265
Senior Class	7,085	7,445	(360)	2,387	2,027
M.S. Volleyball	3,954	2,718	1,236	94	1,330
Sixth Grade Science	-	-	-	414	414
Sources of Strength	-	523	(523)	765	242
School Art Program	-	198	(198)	1,242	1,044
Class of 2019	-	22	(22)	22	-
Entrepre. Program	699	1,290	(591)	2,698	2,107
Class of 2021	3,116	1,445	1,671	3,606	5,277
Preschool	1,574	706	868	1	869
Project Prom	3,494	1,780	1,714	1,080	2,794
FRYSC	7,577	5,571	2,006	672	2,678
FRYSC Vol. Account	1,422	1,398	24	402	426
Teachers Fund	534	410	124	375	499
H.S. Y-Club	4,070	3,456	614	225	839
Childrens Inc.	6,849	5,592	1,257	581	1,838
Elem. Academics	-	-	-	53	53
Drama Class	438	438	-	1,575	1,575
Lamp Art Class	5	90	(85)	255	170
M.S. Science Fund	-	-	-	128	128
JIDS Flower Fund	380	267	113	2,790	2,903
Chess Club	461	789	(328)	966	638
Gear Up	192	200	(8)	47	39
The 21rst Century CCLC	33	2,886	(2,853)	2,853	-

See Independent Auditor's Report.

JACKSON INDEPENDENT SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

JACKSON INDEPENDENT SCHOOL ACTIVITY FUND (Continued)

For the Year Ended June 30, 2020

Fund Accounts	Revenues	Expenditures	Excess (Deficit) of Revenues over Expenditures	Fund Balance July 1, 2019	Fund Balance June 30, 2020
Eighth Grade Graduation	1,020	1,005	15	-	15
Bumblebee Marketing	8,528	8,528	-	-	-
Bumblebee Kindergarten	697	373	324	3	327
Bumblebee 1rst Grade	653	490	163	3	166
Bumblebee 2nd	495	167	328	158	486
Bumblebee 3rd Grade	171	111	60	929	989
Bumblebee 4A	965	914	51	620	671
Bumblebee 5B	46	-	46	131	177
Bumblebee 6A	86	-	86	146	232
Bumblebee 7A	35	-	35	584	619
Bumblebee 7B	-	130	(130)	130	-
Bumblebee 8th	2,696	2,537	159	1,009	1,168
Class of 2020	41,322	46,877	(5,555)	14,119	8,564
Class of 2022	7,596	3,230	4,366	1,235	5,601
Agriculture Class	5,000	328	4,672	333	5,005
Project Ignition	1,250	614	636	625	1,261
Ron Clark Academy Acct	3,722	2,222	1,500	-	1,500
Lowes Grant	-	1,030	(1,030)	3,150	2,120
Gifted & Talented	200	200	-	-	-
NHS./NJHS	330	330	-	-	-
Sub-total	217,828	197,552	20,276	78,462	98,738
Less:					
Interfund Transfers	(35,727)	(35,727)	-	-	-
Total	182,101	161,825	20,276	78,462	98,738

See Independent Auditor's Report.

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INDEPENDENT AUDITOR'S 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*

State Committee for School District Audits
Members of Jackson Independent Board of Education
Jackson, Kentucky

We have audited, in accordance with the 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 the audit requirements prescribed by the State Committee for School District Audits in the Kentucky Public School Districts Audit Contract Requirements, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Jackson Independent School District, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Jackson Independent School District's basic financial statements, and have issued our report thereon dated December 15, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Jackson Independent School District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Jackson Independent School District's internal control. Accordingly, we do not express an opinion on the effectiveness of Jackson Independent School District's internal control.

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. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and responses as items 2020-001 and 2020-002 that we consider to be significant deficiencies.

Compliance and Other Matters

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

We noted certain matters that we reported to management of Jackson Independent School District, in a separate letter dated December 15, 2020. In addition, the results of our tests disclosed no instances of material noncompliance of specific state statutes or regulations identified in Kentucky Public School District's Audit Contract and Requirements – State Compliance Requirements except as noted in the schedule of findings and responses as item 2020-003.

Jackson Independent School District's Response to Findings

Jackson Independent School District's response to the findings identified in our audit is described in the accompanying schedule of findings and responses. Jackson Independent School District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Chris Gooch
Certified Public Accountant

Hazard, Kentucky

December 15, 2020

JACKSON INDEPENDENT SCHOOL DISTRICT

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the Year Ended June 30, 2020

- FINDINGS RELATED TO THE FINANCIAL STATEMENTS -

None

- FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS -

None

JACKSON INDEPENDENT SCHOOL DISTRICT

SCHEDULE OF FINDINGS AND RESPONSES

For the Year Ended June 30, 2020

2020-001 Review of Bank Statements and Reconciliations

Condition:	Bank statements and related reconciliations did not indicate review by personnel who is separate from the reconciliation process.
Criteria:	Bank statements and related reconciliation should indicate review by personnel separate from the reconciliation process.
Effect:	The risk is greater material errors or fraud may occur without additional oversight.
Cause:	Personnel separate from the reconciliation process were not documenting review of the bank statements and related reconciliations.
Recommendation:	The District should assure statements and reconciliations indicate review by personnel not directly involved in the reconciliation process.
The District's Response:	The District will document review of bank statements prior to access by personnel involved in the reconciliation process and document review of bank reconciliations.

2020-002 Completion of fundraising forms for school activities

Condition:	Although several fundraisers were approved by the District Board, no state prescribed fundraising forms were used in documenting purchases, anticipated profits and revenue.
Criteria:	Fundraisers should be accompanied by state prescribed fundraising forms.
Effect:	The risk of abuse or fraud is higher without documented accounting for fundraising revenues and expenditures.
Cause:	The District was not using state prescribed fundraising forms.
Recommendation:	The District should assure fundraising forms are implemented and accurately account for the Board approved activity.
The District's Response:	The District will assure all future approved fundraisers are accompanied by accurate state prescribed fundraising forms.

JACKSON INDEPENDENT SCHOOL DISTRICT

SCHEDULE OF FINDINGS AND RESPONSES (Continued)

For the Year Ended June 30, 2020

2020-003 Publishing tax rates and financial statement notification

Condition:	The District did not publish its tax rates or notification of its annual financial statements in the paper of record.
Criteria:	KRS 424.250 requires tax rates authorized by the Board be published in the paper of record. KRS 160.463 requires the superintendent to publish in the paper of record where its financial statement may be located.
Effect:	The District has not met its public notification requirement for disclosure of tax rates and financial information.
Cause:	The District did not publish the tax rates or notifications as required.
Recommendation:	The District should assure public notifications of its tax rates and notifications of financial statement information is published in the paper of record.
The District's Response:	The District will assure public notifications of its tax rates and notifications of financial statement information is published in the paper of record.

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Jackson Independent Board of Education
Jackson, Kentucky

In planning and performing our audit of the financial statements of Jackson Independent School District for the year ended June 30, 2020, we considered the District's internal control structure to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on the internal control structure.

However, during our audit we became aware of matters that are opportunities for strengthening internal controls and operation efficiency. The memorandum that accompanies this letter summarized our comments and suggestions regarding those matters. A separate report dated December 15, 2020, contains our report on the District's internal control structure. This letter does not affect our report dated December 15, 2020 on the financial statements of the Jackson Independent School District.

We will review the status of these comments during our next audit engagement. We have already discussed many of these comments and suggestions with various District personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

Respectfully,

Chris Gooch
Certified Public Accountant

Hazard, Kentucky

December 15, 2020

JACKSON INDEPENDENT SCHOOL DISTRICT

MANAGEMENT LETTER COMMENTS

For the Year Ended June 30, 2020

Prior Year Comments

1. Numerous budget amendments totaling several hundred thousand dollars were made by the former Finance Officer. Previous auditor could not find any instances where the Board approved these budget amendments.
   Management response:
   Management provided tentative and final budget summaries for Board review and approval during the current year audit.

2. Fund 2 was not used for daily transactions. All transactions were running through Fund 1 for the entire year resulting in benefits from Title 1 salaries paid by Fund 1 in addition to other misleading effects among Fund 1 and Fund 2 accounts.

   Management response:
   Management immediately began posting transactions to its proper account code and classification within the MUNIS financial reporting system.

3. Deposits in transit listed at June 30, 2019, were actually accounts receivable. Funds were received in mid to late July 2018, resulting in an overstatement of cash balance.

   Management response:
   Bank reconciliations are now prepared correctly with an emphasis placed on reasonableness of reconciling transactions.

4. Financial documents provided to the Board were not in agreement with documents posted on the District website, responsibilities of the District's financial management.

   Management response:
   Management now periodically reviews and agrees financial statement information provided on its website to underlying District financial reporting information.

5. No related Activity Fund school booster organizations or PTOs had reported to the school as required by Redbook.

   Management response:
   The school received updated information from its only booster organization for the current fiscal year.

6. Minutes examined indicated various Activity Fund fundraisers were approved by the Board; however, could not locate any fundraiser approval forms or fundraiser worksheets as required by Redbook.

   Management response:
   The school did not prepare fundraising reports during the current fiscal year. District management will inform applicable personnel the importance of supporting documentation be on file for fundraising activities.

JACKSON INDEPENDENT SCHOOL DISTRICT

MANAGEMENT LETTER COMMENTS (Continued)

For the Year Ended June 30, 2020

Prior Year Comments (continued)

7. During review of Activity Fund disbursements, several instances of purchase orders appeared to be prepared after the purchase was made (dated after the vendor invoice). Also noted several purchases did not have an approved purchase order or the purchase order on file amount had been altered.

   Management response:
   District management will review Redbook procedures with applicable personnel regarding procedures for purchase orders assuring timeliness and completion in an accurate manner.

8. During review of Activity Fund disbursements, instances of no vendor invoice attached.

   Management response:
   Effectively immediately, the school will assure vendor invoices are received for all purchases and accompany supporting disbursement documentation.

Current Year Comments

1. Management should assure its fixed asset detail listing is periodically reviewed for completeness including assets no longer in service, assets sold, acquired and construction in progress. In addition, the District should consider increasing its fixed asset dollar threshold to allow managing its fixed asset inventory in a more efficient manner.

   Management response:
   The District will review its detail listing on a more frequent basis and monitor for purchased and disposed assets. In addition, the District will consider increasing its fixed asset threshold.

2. The Activity Fund is not properly implementing inventory control forms, when applicable. Beginning inventory of resale items, items sold and ending inventory should be present.

   Management response:
   District management will emphasize the importance of properly completing inventory control forms when purchases of items for resale are used in school activities.

APPENDIX C

Jackson Independent School District Finance Corporation
School Building Refunding Revenue Bonds
Series of 2021

Official Terms and Conditions of Bond Sale

OFFICIAL TERMS AND CONDITIONS OF BOND SALE

$551,000*
Jackson Independent School District Finance Corporation
School Building Refunding Revenue Bonds, Series of 2021
Dated as of March 30, 2021

SALE: March 9, 2021 AT 11:00 A.M., E.S.T.

As published on PARITY®, a nationally recognized electronic bidding system, the Jackson Independent School District Finance Corporation (the "Corporation") will until 11:00 A.M., E.S.T., on March 9, 2021 receive at the office of the Kentucky School Facilities Construction Commission, 700 Louisville Road, Carriage House, Frankfort, Kentucky, 40601, competitive bids for the purchase of $551,000 principal amount of Jackson Independent School District Finance Corporation School Building Refunding Revenue Bonds, Series of 2021 (the "Refunding Bonds"), dated and bearing interest from March 30, 2021, payable on August 1, 2021, and semi-annually thereafter on February 1 and August 1 of each year, in denominations in multiples of $1,000 within the same maturity, maturing on February 1 in each of the years as follows:

MATURITY	PRINCIPAL AMOUNT*
2022	$ 85,000
2023	88,000
2024	90,000
2025	92,000
2026	95,000
2027	26,000
2028	26,000
2029	25,000
2030	24,000

* Subject to Permitted Adjustment as described herein.

REDEMPTION PROVISIONS

The Bonds are NOT subject to redemption at the option of the Corporation prior to their stated maturities.

Notwithstanding the foregoing, the Corporation reserves the right, upon thirty (30) days notice, to call the Bonds in whole or in part on any date at par for redemption upon the total destruction by fire, lightning, windstorm or other hazard of any building constituting the Project and apply casualty insurance proceeds to such purpose.

The Refunding Bonds are to be issued in fully registered form (both principal and interest). U.S. Bank National Association, Louisville, Kentucky, the Bond Registrar and Paying Agent, shall remit interest on each semiannual due date to each Registered Owner of record as of the 15th day of the month preceding the due date which shall be Cede & Co., as the Nominee of The Depository Trust Company ("DTC"). Please see "Book-Entry-Only-System" below.

JACKSON INDEPENDENT SCHOOL DISTRICT FINANCE CORPORATION

The Corporation has been formed in accordance with the provisions of Sections 162.120 through 162.290 and Section 162.385 of the Kentucky Revised Statutes ("KRS"), and KRS Chapter 273 and KRS 58.180, as a non-profit, non-stock corporation for the purpose of financing necessary school building facilities for and on behalf of the Board of Education of the Jackson, Kentucky Independent School District (the "Board"). Under the provisions of existing Kentucky law, the Corporation is permitted to act as an agency and instrumentality of the Board for financing purposes and the legality of the financing plan to be implemented by the Bonds herein referred to has been upheld by the Kentucky Court of Appeals (Supreme Court) in the case of White v. City of Middlesboro, Ky. 414 S.W.2d 569.

AUTHORITY AND PURPOSE

The Refunding Bonds are being issued under and in full compli-ance with the Constitution and Statutes of the Commonwealth of Kentucky, including Sections 162.120 through 162.290, 162.385, and Section 58.180 of the Kentucky Revised Statutes, within the meaning of the decision of the Court of Appeals of Kentucky (Supreme Court) in the case of Hemlepp v. Aronberg, 369 S.W.2d 121, for the purpose of providing funds to retire the outstanding Jackson Independent School District Finance Corporation School Building Refunding Revenue Bonds, Series of 2007, dated March 1, 2007 (the "2007 Bonds") maturing August 1, 2021 and thereafter (the "2007 Refunded Bonds") prior to their stated maturities on April 20, 2021 and the Jackson Independent School District Finance Corporation School Building Revenue Bonds, Series of 2010, dated January 1, 2010 (the "2010 Bonds") maturing January 1, 2022 and thereafter (the "2010 Refunded Bonds") prior to their stated maturities on April 20, 2021. The 2010 Refunded Bonds and the 2007 Refunded Bonds are hereinafter collectively referred to as the "Refunded Bonds".

SCHOOL FACILITIES CONSTRUCTION COMMISSION

The Kentucky School Facilities Construction Commission is an independent corporate agency and instrumentality of the Commonwealth of Kentucky established pursuant to the provisions of Sections 157.611 through 157.640 of the Kentucky Revised Statutes, as amended, repealed and reenacted (the "Act") for the purpose of assisting local school districts in meeting the school construction needs of the Commonwealth in a manner which will ensure an equitable distribution of funds based upon unmet need.

The Commission will enter into an Adjusted Participation Agreement with the Board whereunder the Commission, will agree to continue to pay approximately $25,174 to be applied to the debt service of the Refunding Bonds through February 1, 2030; provided, however, that the contractual commitment of the Commission to pay the annual Agreed Participation is limited to the budget period of the Commonwealth, with the first such budget period terminating on June 30, 2022.

The General Assembly of the Commonwealth adopted the State's Budget for the fiscal year ending June 30, 2022. Inter alia, the Budget provides $124,836,200 in FY 2020-21 to pay debt service on existing and future bond issues; $58,000,000 of the Commission's previous Offers of Assistance made during the last biennium; and authorizes $58,000,000 in additional Offers of Assistance for the current biennium to be funded in the Budget for the biennium ending June 30, 2022.

PROCEEDS TO RETIRE ALL BONDS OF PRIOR ISSUES

The Refunded Bonds were issued under the authority of Sections 162.120 through 162.290 and 162.385 of the Kentucky Revised Statutes for the purpose of providing funds to finance an addition and renovations and the addition of a Physical Education building at Jackson Independent School (the "Project"). Under the terms of the Resolution authorizing the Refunded Bonds, the Refunded Bonds are payable from the income and revenues of the Project financed from the proceeds thereof. The Refunded Bonds are secured by a lien upon and a pledge of revenues from the rental of the Project to the Board under a Contract, Lease and Option, dated March 1, 2007 and a Contract, Lease and Option, dated January 1, 2010 (collectively, the "Prior Lease").

The total principal amount of the 2007 Bonds currently outstanding is $325,000, scheduled to mature on August 1 in each of the years 2021 through 2025. The total principal amount of the 2010 Bonds currently outstanding is $200,000, scheduled to mature on January 1 in each of the years 2022 through 2030. The proceeds of the Refunding Bonds will be used to pay accruing interest on and retire on April 20, 2021, the Refunded Bonds.

The 2021 Bond Resolution adopted by the Corporation's Board of Directors authorizes the payment and retirement of the Refunded Bonds including principal and accruing interest prior to their stated maturities through the deposit of the required amount of proceeds of the Refunding Bonds in the Bond and Interest Redemption Fund established for the Refunded Bonds or in a special Escrow Fund for application to the retirement of the Refunded Bonds.

The 2021 Bond Resolution expressly provides that upon delivery of the Refunding Bonds and the deposit of sufficient funds in accordance with the preceding paragraph neither the lien upon nor the pledge of the revenues from the rental of the Project under the Prior Lease shall constitute the security and source of payment for any of the Refunded Bonds and the Registered Owners of such Refunded Bonds shall be paid from and secured by the monies deposited in the Bond and Interest Redemption Fund established for the Refunded Bonds or in Escrow Fund for the retirement thereof upon the delivery of the Refunding Bonds.

SECURITY FOR REFUNDING BONDS

The Refunding Bonds will constitute a limited indebtedness of the Corporation and will be payable as to both principal and interest solely from the income and revenues of the school Project financed from the proceeds of the Refunded Bonds. The Refunding Bonds are secured by a lien upon and a pledge of the revenues derived from the rental of the school Project to the Board under a Lease Agreement dated March 30, 2021 (the "2021 Lease"); provided, however, that said lien and pledge are on parity with similar liens and pledges securing the Corporation's outstanding School Building Revenue Bonds previously issued to finance the Project (the "Parity Bonds").

Under the 2021 Lease the Board has leased the school property securing the Refunding Bonds in accordance with the provisions of KRS 162.140 for an initial period from March 30, 2021 through June 30, 2021, with the option in the Board to renew said 2021 Lease from year to year for one year at a time, at annual rentals, sufficient in each year to enable the Corporation to pay, solely from the rentals due under the 2021 Lease, the principal and interest on all of the Refunding Bonds as same become due.

The 2021 Lease provides that the Prior Lease will be canceled effective upon the deposit of sufficient funds to provide for the retirement of the Refunded Bonds. The 2021 Lease provides further that so long as the Board exercises its annual renewal options, its rentals will be payable according to the terms and provisions of the 2021 Lease until February 1, 2030, the final maturity date of the Refunding Bonds, and such annual rentals shall be deposited as received in the Bond Fund for the Refunding Bonds and used and applied for the payment of all maturing principal of and interest on the Refunding Bonds.

Under the terms of the 2021 Lease, and any renewal thereof, the Board has agreed so long as the Bonds remain outstanding, and in conformance with the intent and purpose of Section 157.627(5) of the Act and KRS 160.160(5), in the event of a failure by the Board to pay the rentals due under the 2021 Lease, and unless sufficient funds have been transmitted to the Paying Agent, or will be so transmitted, for paying said rentals when due, the Board has granted under the terms of the 2021 Lease and Participation Agreement to the Corporation and the Commission the right to notify and request the Kentucky Department of Education to withhold from the Board a sufficient portion of any undisbursed funds then held, set aside, or allocated to the Board and to request said Department or Commissioner of Education to transfer the required amount thereof to the Paying Agent for the payment of such rentals.

BIDDING CONDITIONS AND RESTRICTIONS

(A) The terms and conditions of the sale of the Refunding Bonds are as follows:

(1)Bids must be made on Official Bid Form, contained in Information for Bidders available from the undersigned or RSA Advisors, LLC, Lexington, Kentucky, or by visiting www.rsamuni.com submitted manually, by facsimile or electronically via PARITY®.

(2)Electronic bids for the Bonds must be submitted through PARITY® and no other provider of electronic bidding services will be accepted. Subscription to the PARITY® Competitive Bidding System is required in order to submit an electronic bid. The Corporation will neither confirm any subscription nor be responsible for the failure of any prospective bidders to subscribe. For the purposes of the bidding process, the time as maintained by PARITY® shall constitute the official time with respect to all bids whether in electronic or written form. To the extent any instructions or directions set forth in PARITY® conflict with the terms of the Official Terms and Conditions of Sale of Bonds, this Official Terms and Conditions of Sale of Bonds shall prevail. Electronic bids made through the facilities of PARITY® shall be deemed an offer to purchase in response to the Notice of Bond Sale and shall be binding upon the bidders as if made by signed, sealed written bids delivered to the Corporation. The Corporation shall not be responsible for any malfunction or mistake made by or as a result of the use of the electronic bidding facilities provided and maintained by PARITY®. The use of PARITY® facilities are at the sole risk of the prospective bidders. For further information regarding PARITY®, potential bidders may contact

PARITY®, telephone (212) 404-8102. Notwithstanding the foregoing non-electronic bids may be submitted via facsimile or by hand delivery utilizing the Official Bid Form.

(3) The bid shall be not less than $545,490 (99% of par) plus accrued interest. Interest rates shall be in multiples of 1/8 or 1/20 of 1% or both. Only one interest rate shall be permitted per Bond, and all Bonds of the same maturity shall bear the same rate. Interest rates must be on an ascending scale, in that the interest rate stipulated in any year may not be less than that stipulated for any preceding maturity. There is no limit on the number of different interest rates.

(4) The determination of the best purchase bid for said Refunding Bonds shall be made on the basis of all bids submitted for exactly $551,000 principal amount of Refunding Bonds offered for sale under the terms and conditions herein specified; provided, however, the Corporation reserves the right to increase or decrease the total principal amount of Refunding Bonds sold to such best bidder, in the amount of not exceeding $55,000, with such increase or decrease to be made in any maturity, and the total amount of Refunding Bonds awarded to such best bidder will be a minimum of $496,000 or a maximum of $606,000. In the event of any such adjustment, no rebidding or recalculation of a submitted bid will be required or permitted. The price at which such adjusted principal amount of Bonds will be sold will be at the same price per $1,000 of Refunding Bonds as the price per $1,000 for the $551,000 of Refunding Bonds bid.

(5) If three (3) or more bids for the Bonds are received as a result of this competitive sale, the successful purchaser will be required to certify on or before the issue date the reasonably expected initial offering price to the public as of the Sale Date for each Maturity of the Bonds which prices are the prices for each Maturity of the Bonds used by the successful purchaser in formulating its bid to purchase the Bonds.

If less than three (3) bids for the Bonds are received as a result of this competitive sale, the successful purchaser, by submitting a bid pursuant to a published Notice of Sale, has agreed in writing that they will certify on or before the issue date (and provide reasonable supporting documentation for such Certification, such as a copy of the Pricing wire or equivalent communication) for each Maturity of the Bonds (i) the first price at which at least 10% of each Maturity of the Bonds was sold to the Public, or (ii) that they will neither offer nor sell any of the Bonds of each Maturity to any person at a price that is higher than the Initial Offering Price for such maturity during the Holding Period for such Maturity.

Bids will not be subject to cancellation or withdrawal by the bidder in the event that three bids are not received and the Issuer determines to apply the hold-the-offering-price rule.

For purposes of the above the following terms are defined as follows:

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

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

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

(d)*Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is March 9, 2021.

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

(6) The successful bidder may elect to notify the Municipal Advisor within twenty-four (24) hours of the award of the Bonds that certain serial maturities as awarded may be combined with immediately succeeding serial maturities as one or more Term Bonds; provided, however, (a) bids must be submitted to permit only a single interest rate for each Term Bond specified, and (b) Term Bonds will be subject to mandatory redemption by lot on February 1 in accordance with the maturity schedule setting the actual size of the issue.

(7) The successful purchaser shall be required (without further advice from the Corporation) to wire transfer an amount equal to 2% of the principal amount of Refunding Bonds actually awarded to the Paying Agent U.S. Bank National Association, Louisville, Kentucky, Attn: Mr. Charles Lush (502-562-6436) by the close of business on the day following the award as a good faith deposit said amount will be applied (without interest) to the purchase price upon delivery and will be forfeited if the purchaser fails to take delivery.

(8) All Refunding Bonds of the same maturity shall bear the same and a single interest rate from the date thereof to maturity.

(9) The right to reject bids for any reason deemed acceptable by the Corporation, and the right to waive any possible informalities or irregularities in any bid, which in the sole judgment of the Corporation shall be minor or immaterial, is expressly reserved.

(10) CUSIP identification numbers will be printed on the Refunding Bonds at the expense of the Corporation. The purchaser shall pay the CUSIP Service Bureau assignment charge. Improper imprintation or the failure to imprint CUSIP numbers shall not constitute cause for a failure or refusal by the purchaser to accept delivery of and pay for said Refunding Bonds in accordance with the terms of any accepted proposal for the purchase of said Bonds.

(B) The Bonds will be delivered utilizing the DTC Book-Entry-Only-System.

(C) Said Bonds are offered for sale on the basis of the principal of said Bonds not being subject to Kentucky ad valorem taxation and on the basis of the interest on said Bonds not being subject to Federal or Kentucky income taxation on the date of their delivery to the successful bidder. See TAX EXEMPTION below.

(D) The Corporation will provide to the successful purchaser a Final Official Statement in accordance with SEC Rule 15c2-12. A Final Official Statement will be provided in Electronic Form to the successful bidder, in sufficient time to meet the delivery requirements of the successful bidder under SEC and Municipal Securities Rulemaking Board Delivery Requirements. The successful bidder will be required to pay for the printing of Final Official Statements.

(E) If, prior to the delivery of the Bonds, any event should occur which alters the tax exempt status of the Bonds, or of the interest thereon, the purchaser shall have the privilege of avoiding the purchase contract by giving immediate written notice to the Corporation, whereupon the good faith check of the purchaser will be returned to the purchaser, and all respective obligations of the parties will be terminated.

(F) The Corporation and the Board agree to cooperate with the successful bidder in the event said purchaser desires to purchase municipal bond insurance regarding the Refunding Bonds; provided, however, that any and all expenses incurred in obtaining said insurance shall be solely the obligation of the successful bidder should the successful bidder so elect to purchase such insurance.

STATE SUPPORT OF EDUCATION

The 1990 Regular Session of the General Assembly of the Commonwealth enacted a comprehensive legislative package known as the Kentucky Education Reform Act ("KERA") designed to comply with the mandate of the Kentucky Supreme Court that the General Assembly provide for as efficient and equitable system of schools throughout the State.

KERA became fully effective on July 13, 1990. Elementary and Secondary Education in the Commonwealth is supervised by the Commissioner of Education as the Chief Executive Officer of the State Department of Education ("DOE"), an appointee of the reconstituted State Board for Elementary and Secondary Education (the "State Board"). Some salient features of KERA are as follows:

KRS 157.330 establishes the fund to Support Education Excellence in Kentucky ("SEEK") funded from biennial appropriations from the General Assembly for distribution to school districts. The base funding guaranteed to each school district by SEEK for operating and capital expenditures is determined in each fiscal year by dividing the total annual SEEK appropriation by the state-wide total of pupils in average daily attendance ("ADA") in the preceding fiscal year; the ADA for each district is subject to adjustment to reflect the number of at risk students (approved for free lunch programs under state and federal guidelines), number and types of exceptional children, and transportation costs.

KRS 157.420 establishes a formula which results in the allocation of funds for capital expenditures in school districts at $100 per ADA pupil which is included in the SEEK allotment ($4,000) for the current biennium which is required to be segregated into a Capital Outlay Allotment Fund which may be used only for (1) direct payment of construction costs; (2) debt service on voted and funding bonds; (3) lease rental payments in support of bond issues; (4) reduction of deficits resulting from over expenditures for emergency capital construction; and (5) a reserve for each of the categories enumerated in 1 through 4 above.

KRS 157.440(1) requires that effective for fiscal years beginning July 1, 1990 each school district shall levy a minimum equivalent tax rate of $.30 for general school purposes. The equivalent tax rate is defined as the rate which results when the income collected during the prior year from all taxes levied by the district (including utilities gross receipts license and special voted) for school purposes is divided by the total assessed value of property, plus the assessment for motor vehicles certified by the Revenue Cabinet of the Commonwealth. Any school district board of education which fails to comply with the minimum equivalent tax rate levy shall be subject to removal from office.

KRS 157.440(2) provides that for fiscal years beginning July 1, 1990 each school district may levy an equivalent tax rate which will produce up to 15% of those revenues guaranteed by the SEEK program. Any increase beyond the 4% annual limitation imposed by KRS 132.017 is not subject to the recall provisions of that Section. Revenue generated by the 15% levy is to be equalized at 150% of the state-wide average per pupil equalized assessment.

KRS 157.440(2) permits school districts to levy up to 30% of the revenue guaranteed by the SEEK program, plus the revenue produced by the 15% levy, but said additional tax will not be equalized with state funds and will be subject to recall by a simple majority of those voting on the question.

KRS 157.620(1) also provides that in order to be eligible for participation from the Kentucky School Facilities Construction Commission for debt service on bond issues the district must levy a tax which will produce revenues equivalent to $.05 per $100 of the total assessed value of all property in the district (including tangible and intangible property and motor vehicles) in addition to the minimum $.30 levy required by KRS 160.470(12). A district having a special voted tax which is equal to or higher than the required $.05 tax, must commit and segregate for capital purposes at least an amount equal to the required $.05 tax. Those districts which levy the additional $.05 tax are also eligible for participation in the Kentucky Facilities Support ("KFS") program for which funds are appropriated separately from SEEK funds and are distributed to districts in accordance with a formula taking into account outstanding debt and funds available for payment from both local and state sources under KRS 157.440(1)(b).

KRS 160.460 provides that as of July 1, 1994 all real property located in the Commonwealth subject to local taxation shall be assessed at 100% of fair cash value.

BIENNIAL BUDGET FOR PERIOD ENDING JUNE 30, 2022

The Kentucky General Assembly is required by the Kentucky Constitution to adopt measures providing for the state's revenues and appropriations for each fiscal year. The Governor is required by law to submit a biennial State Budget (the "State Budget") to the General Assembly during the legislative session held in each even numbered year. State Budgets have generally been adopted by the General Assembly during those legislative sessions, which end in mid-April, to be effective upon the Governor's signature for appropriations commencing for a two-year period beginning the following July 1.

In the absence of a legislatively enacted budget, the Supreme Court has ruled the Governor has no authority to spend money from the state treasury except where there is a statutory, constitutional or federal mandate and the Commonwealth may be prevented from expending funds for certain state governmental functions, including the ability to pay principal of, premium, if any, and interest, when due, on obligations that are subject to appropriation.

Due to the unforeseen nature on the economy of the Commonwealth caused by the COVID-19 pandemic, in its 2020 regular session, the General Assembly adopted only a one-year budget for the biennial period ending June 30, 2022 which was approved and signed by the Governor. The biennial budget will be reviewed and supplemented during the General Assembly's 2021 regular session. Such budget became effective beginning July 1, 2020. The Office of the State Budget Director makes available on its website monthly updates to the General Fund receipts and other Funds of the commonwealth. When published, the updates can be found at www.osbd.ky.gov.

POTENTIAL LEGISLATION

No assurance can be given that any future legislation, including amendments to the Code, if enacted into law, or changes in interpretation of the Code, will not cause interest on the Refunding Bonds to be subject, directly or indirectly, to federal income taxation, or otherwise prevent owners of the Refunding Bonds from realizing the full current benefit of the tax exemption of such interest. In addition, current and future legislative proposals, if enacted into law, may cause interest on state or local government bonds (whether issued before, on the date of, or after enactment of such legislation) to be subject, directly or indirectly, to federal income taxation by, for example, changing the current exclusion or deduction rules to limit the amount of interest on such bonds that may currently be treated as tax exempt by certain individuals. Prospective purchasers of the Refunding Bonds should consult their own tax advisers regarding any pending or proposed federal tax legislation.

Further, no assurance can be given that the introduction or enactment of any such future legislation, or any action of the IRS, including but not limited to regulation, ruling, or selection of the Refunding Bonds for audit examination, or the course or result of any IRS examination of the Refunding Bonds or obligations which present similar tax issues, will not affect the market price for the Refunding Bonds.

CONTINUING DISCLOSURE

As a result of the principal amount of Bonds being offered not exceeding $1,000,000 Bond Counsel has advised the Corporation and the Board that they are exempt from application of the Rule 15c2-12c2-12(b)(5) of the Securities and Exchange Commission with respect to the Bonds.

Financial information regarding the Board may be obtained from Superintendent, Jackson Independent Board of Education, 940 Highland Avenue, Jackson, Kentucky 41339 (606-666-4979).

TAX EXEMPTION; BANK QUALIFIED

Bond Counsel advises as follows:

(A) The Refunding Bonds and the interest thereon are exempt from income and ad valorem taxation by the Commonwealth of Kentucky and all of its political subdivisions.

(B) The interest income from the Refunding Bonds is excludable from the gross income of the recipient thereof for Federal income tax purposes under existing law and interest on the Bonds will not be a specific item of tax preference for purposes of calculating the Federal alternative minimum tax.

(C) As a result of certifications by the Board and the Corporation, indicating the issuance of less than $10,000,000 of tax-exempt obligations during the calendar year ending December 31, 2021, the Refunding Bonds may be treated by financial institutions as "qualified tax-exempt obligations" under Section 265(b)(3) of the Code.

BOOK-ENTRY-ONLY-SYSTEM

The Refunding Bonds shall utilize the Book-Entry-Only-System administered by The Depository Trust Company ("DTC").

DTC will act as securities depository for the Bonds. The Bonds initially will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee). One fully-registered Bond Certificate will be issued, in the aggregate principal amount of the Bonds, and will be deposited with DTC.

DTC is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds securities that its participants ("Participants") deposit with DTC. DTC also facilitates the settlement among Participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerized book-entry changes in Participants' accounts, thereby eliminating the need for physical movement of securities certificates. "Direct Participants" include securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is owned by a number of its Direct Participants and by the New York Stock Exchange, Inc., the American Stock Exchange, Inc., and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as securities brokers and dealers, banks, and trust companies that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). The Rules applicable to DTC and its participants are on file with the Securities and Exchange Commission.

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

To facilitate subsequent transfers, all Bonds deposited by Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. The deposit of Bonds with DTC and their registration in the name of Cede & Co., effect no change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners, will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to Cede & Co. If less than all of the Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in the Bonds to be redeemed.

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

Principal and interest payments of the Bonds will be made to DTC. DTC's practice is to credit Direct Participants' account on payable date in accordance with their respective holdings shown on DTC's records unless DTC has reason to believe that it will not receive payment on payable date. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name", and will be the responsibility of such Participant and not of DTC, the Issuer, or the Trustee, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to DTC is the responsibility of the Issuer or the Trustee, disbursements of such payments to Direct Participants shall be the responsibility of DTC, and disbursements of such payment to the Beneficial Owners shall be the responsibility of Direct and Indirect Participants.

A Beneficial Owner shall give notice to elect to have its Beneficial Ownership Interests purchased or tendered, through its Participant, to the Trustee, and shall effect delivery of such Beneficial Ownership Interests by causing the Direct Participant to transfer the Participant's interest in the Beneficial Ownership Interests, on DTC's records, to the purchaser or the Trustee, as appropriate. The requirements for physical delivery of Bonds in connection with a demand for purchase or a mandatory purchase will be deemed satisfied when the ownership rights in the Bonds are transferred by Direct Participants on DTC's records.

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

NEITHER THE ISSUER, THE BOARD NOR THE BOND REGISTRAR/PAYING AGENT WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO ANY DIRECT PARTICIPANT, INDIRECT PARTICIPANT OR ANY BENEFICIAL OWNER OR ANY OTHER PERSON NOT SHOWN ON THE REGISTRATION BOOKS OF THE BOND REGISTRAR/PAYING AGENT AS BEING AN OWNER WITH RESPECT TO: (1) THE BONDS; (2) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT; (3) THE PAYMENT BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PURCHASE PRICE OF TENDERED BONDS OR THE PRINCIPAL OR REDEMPTION PRICE OF OR INTEREST ON THE BONDS; (4) THE DELIVERY BY ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY NOTICE TO ANY BENEFICIAL OWNER WHICH IS REQUIRED OR PERMITTED UNDER THE TERMS OF THE BOND RESOLUTION TO BE GIVEN TO HOLDERS; (5) THE SELECTION OF THE BENEFICIAL OWNERS TO RECEIVE PAYMENT IN THE EVENT OF ANY PARTIAL REDEMPTION OF THE BONDS; OR (6) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS HOLDER.

JACKSON INDEPENDENT SCHOOL DISTRICT FINANCE CORPORATION

By /s/ Dr. Paul Green
Secretary

APPENDIX D

Jackson Independent School District Finance Corporation
School Building Refunding Revenue Bonds
Series of 2021

Official Bid Form

OFFICIAL BID FORM
(Bond Purchase Agreement)

The Jackson Independent School District Finance Corporation ("Corporation"), will until 11:00 A.M., E.S.T., on March 9, 2021, receive in the office of the Executive Director of the Kentucky School Facilities Construction Commission, 700 Louisville Road, Carriage House, Frankfort, Kentucky, 40601, (telephone 502-564-5582; Fax 888-979-6152) competitive bids for its $551,000 School Building Refunding Revenue Bonds, Series of 2021, dated as of March 30, 2021; maturing February 1, 2022 through 2030 ("Bonds").

We hereby bid for said $551,000* principal amount of Bonds, the total sum of $_______________ (not less than $545,490) plus accrued interest from March 30, 2021 payable August 1, 2021 and semiannually thereafter (rates on ascending scale in multiples of 1/8 or 1/20 of 1%; number of interest rates unlimited) and maturing as to principal on February 1 thereafter in each of the years as follows:

Year	Amount*	Rate
2022	$ 85,000	________%
2023	88,000	________%
2024	90,000	________%
2025	92,000	________%
2026	95,000	________%
2027	26,000	________%
2028	26,000	________%
2029	25,000	________%
2030	24,000	________%

* Subject to Permitted Adjustment up to $55,000

We understand this bid may be accepted for as much as $606,000 of Bonds or as little as $496,000 of Bonds, at the same price per $1,000 Bond, with the variation in such amount occurring in any maturity or all maturities, which will be determined by the Secretary of the Corporation at the time of acceptance of the best bid.

We further understand that by submitting a bid we agree as follows:

If three (3) or more bids for the Bonds are received as a result of this competitive sale, the successful purchaser will be required to certify on or before the issue date the reasonably expected initial offering price to the public as of the Sale Date for each Maturity of the Bonds which prices are the prices for each Maturity of the Bonds used by the successful purchaser in formulating its bid to purchase the Bonds.

If less than three (3) bids for the Bonds are received as a result of this competitive sale, the successful purchaser, by submitting a bid pursuant to a published Notice of Sale, has agreed in writing that they will certify on or before the issue date (and provide reasonable supporting documentation for such Certification, such as a copy of the Pricing wire or equivalent communication) for each Maturity of the Bonds (i) the first price at which at least 10% of each Maturity of the Bonds was sold to the Public, or (ii) that they will neither offer nor sell any of the Bonds of each Maturity to any person at a price that is higher than the Initial Offering Price for such maturity during the Holding Period for such Maturity.

Bids will not be subject to cancellation or withdrawal by the bidder in the event that three bids are not received and the Issuer determines to apply the hold-the-offering-price rule.

For purposes of the above the following terms are defined as follows:

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

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

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

(d)*Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is March 9, 2021.

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

Electronic bids for the Bonds must be submitted through PARITY® and no other provider of electronic bidding services will be accepted. Subscription to the PARITY® Competitive Bidding System is required in order to submit an electronic bid. The Corporation will neither confirm any subscription nor be responsible for the failure of any prospective bidders to subscribe. For the purposes of the bidding process, the time as maintained by PARITY® shall constitute the official time with respect to all bids whether in electronic or written form. To the extent any instructions or directions set forth in PARITY® conflict with the terms of the Official Terms and Conditions of Sale of Bonds, this Official Terms and Conditions of Sale of Bonds shall prevail. Electronic bids made through the facilities of PARITY® shall be deemed an offer to purchase in response to the Notice of Bond Sale and shall be binding upon the bidders as if made by signed, sealed written bids delivered to the Corporation. The Corporation shall not be responsible for any malfunction or mistake made by or as a result of the use of the electronic bidding facilities provided and maintained by PARITY®. The use of PARITY® facilities are at the sole risk of the prospective bidders. For further information regarding PARITY®, potential bidders may contact PARITY®, telephone (212) 404-8102.

The successful bidder may elect to notify the Financial Advisor within twenty-four (24) hours of the award of the Bonds that certain serial maturities as awarded may be combined with immediately succeeding serial maturities as one or more Term Bonds; provided, however, (a) bids must be submitted to permit only a single interest rate for each Term Bond specified, and (b) Term Bonds will be subject to mandatory redemption by lot on February 1 in accordance with the maturity schedule setting the actual size of the issue.

The DTC Book-Entry-Only-System will be utilized on delivery of this issue.

It is understood that the Corporation will furnish the final, approving Legal Opinions of Steptoe & Johnson PLLC, Bond Counsel, Louisville, Kentucky.

No certified or bank cashier's check will be required to accompany a bid, but the successful bidder shall be required to wire transfer an amount equal to 2% of the principal amount of Refunding Bonds awarded by the close of business on the date following the award. Said good faith amount will be applied (without interest) to the purchase price on delivery. Wire transfer procedures should be arranged through U.S. Bank National Association, Louisville, Kentucky, Attn: Mr. Charles Lush (502-562-6436).

Bids must be submitted only on this form and must be fully executed.

If we are the successful bidder, we agree to accept and make payment for the Bonds in Federal Funds on or about March 30, 2021 and upon acceptance by the Issuer's Municipal Advisor this Official Bid Form shall become the Bond Purchase Agreement.

Respectfully submitted,

____
Bidder

By _______________________________
Authorized Officer

____
Address

Total interest cost from March 30, 2021 to final maturity $______________

Plus discount or less any premium $______________

Net interest cost (Total interest cost plus discount or less any premium) $______________

Average interest rate or cost (ie NIC) ______________%

The above computation of net interest cost and of average interest rate or cost is submitted for information only and is not a part of this Bid.

Accepted by RSA Advisors, LLC, as Agent for the Jackson Independent School District Finance Corporation for $_________________ amount of Bonds at a price of $______________ as follows:

Year	Amount	Rate	Year	Amount	Rate
2022	_______,000	________%	2027	_______,000	________%
2023	_______,000	________%	2028	_______,000	________%
2024	_______,000	________%	2029	_______,000	________%
2025	_______,000	________%	2030	_______,000	________%
2026	_______,000	________%			

Dated: March 9, 2021

____

RSA Advisors, LLC, Municipal Advisor and
Agent for Jackson Independent School District
Finance Corporation