PRELIMINARY 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.

DATED MARCH 31, 2023

NEW ISSUE
Electronic Bidding via Parity®
NOT 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; however, with respect to certain corporations, interest on the Bonds is taken into account in determining the annual adjusted financial statement income for the purpose of computing the alternative minimum tax imposed on corporations for tax years beginning after December 31, 2022. 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 and political subdivisions thereof (see "Tax Exemption" herein)

$5,420,000*
CORBIN INDEPENDENT SCHOOL DISTRICT FINANCE CORPORATION
SCHOOL BUILDING REVENUE BONDS, SERIES OF 2023

Dated with Delivery: MAY 2, 2023 **Due: as shown below**

Interest on the Bonds is payable each November 1 and May 1, beginning November 1, 2023. The Bonds will mature as to principal on May 1, 2024, and thereafter as shown below. The Bonds are being issued in Book-Entry-Only Form and will be available for purchase in principal amounts of $5,000 and integral multiples thereof.

Maturing 1-May	Amount*	Interest Rate	Reoffering Yield	CUSIP	Maturing 1-May	Amount*	Interest Rate	Reoffering Yield	CUSIP
2024	$75,000	%	%		2034	$135,000	%	%	
2025	$80,000	%	%		2035	$140,000	%	%	
2026	$80,000	%	%		2036	$200,000	%	%	
2027	$85,000	%	%		2037	$445,000	%	%	
2028	$85,000	%	%		2038	$465,000	%	%	
2029	$85,000	%	%		2039	$520,000	%	%	
2030	$90,000	%	%		2040	$630,000	%	%	
2031	$125,000	%	%		2041	$655,000	%	%	
2032	$130,000	%	%		2042	$680,000	%	%	
2033	$130,000	%	%		2043	$585,000	%	%	

The Bonds are subject to redemption prior to their stated maturity.

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 Corbin 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 Corbin Independent Board of Education.

The Corbin Independent (Kentucky) School District Finance Corporation will until April 11, 2023, at 11:00 A.M., E.D.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, 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 $540,000.**

PURCHASER'S OPTION: The Purchaser of the Bonds, within 24 hours of the sale, may specify to the Municipal 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.

RSA advisors

CORBIN INDEPENDENT
BOARD OF EDUCATION

Todd Childers, Chairperson
Carcille Burchette, Member
Stephen Mulberry, Member
Keith Gibson, Member
Paul Taylor, Member

David Cox, Superintendent/Secretary

CORBIN INDEPENDENT (KENTUCKY) SCHOOL DISTRICT
FINANCE CORPORATION

Todd Childers, President
Carcille Burchette, Member
Stephen Mulberry, Member
Keith Gibson, Member
Paul Taylor, Member

David Cox, Secretary/Treasurer

BOND COUNSEL

Steptoe & Johnson PLLC
Louisville, Kentucky

MUNICIPAL ADVISOR

RSA Advisors, LLC
Lexington, Kentucky

PAYING AGENT AND REGISTRAR

U.S. Bank Trust Company, 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 Corbin Independent School District Finance Corporation School Building Revenue Bonds, Series of 2023, 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

	Page
Introduction	1
Book-Entry-Only System	1
The Corporation	3
Kentucky School Facilities Construction Commission; No Participation in This Issue	3
Biennial Budget for Period Ending June 30, 2024	4
Outstanding Bonds	4
Authority	5
The Bonds	5
General	5
Registration, Payment and Transfer	5
Redemption	5
Security	6
General	6
The Lease; Pledge of Rental Revenues	6
State Intercept	6
The Project	6
Kentucky Department of Education Supervision	6
Estimated Bond Debt Service	7
Estimated Use of Bond Proceeds	8
District Student Population	8
State Support of Education	8
Support Education Excellence in Kentucky (SEEK)	8
Capital Outlay Allotment	8
Facilities Support Program of Kentucky	9
Local Support	10
Homestead Exemption	10
Limitation on Taxation	10
Local Thirty Cents Minimum	10
Additional 15% Not Subject to Recall	10
Assessment Valuation	10
Special Voted and Other Local Taxes	10
Local Tax Rates, Property Assessments and Revenue Collections	11
Overlapping Bond Indebtedness	11
SEEK Allotment	12
State Budgeting Process	13
Potential Legislation	13
Continuing Disclosure	13
Tax Exemption; Not Bank Qualified	14
Original Issue Premium	14
Original Issue Discount	14
Absence of Material Litigation	15
Approval of Legality	15
No Legal Opinion Expressed as to Certain Matters	15
Bond Rating	15
Municipal Advisor	15
Approval of Official Statement	16
Demographic and Economic Data	APPENDIX A
Financial Data	APPENDIX B
Continuing Disclosure Agreement	APPENDIX C
Official Terms & Conditions of Bond Sale	APPENDIX D
Official Bid Form	APPENDIX E

OFFICIAL STATEMENT
Relating to the Issuance of

$5,420,000*

CORBIN INDEPENDENT SCHOOL DISTRICT FINANCE CORPORATION
SCHOOL BUILDING REVENUE BONDS,
SERIES OF 2023

**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 Corbin Independent School District Finance Corporation (the "Corporation") School Building Revenue Bonds, Series of 2023 (the "Bonds").

The Bonds are being issued to finance athletic improvements at Corbin Independent High Schools (the "Project").

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 school building Projects (as hereinafter defined) to the Corbin 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 Corbin 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 and the Lease Agreement, dated May 2, 2023, 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; NO PARTICIPATION IN THIS ISSUE

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 General Assembly of the Commonwealth adopted the State's Budget for the fiscal year ending June 30, 2024. Inter alia, the Budget provides $125,216,700 in FY 2022-23 and $126,719,600 in FY 2023-2024 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. It authorizes $85,000,000 in additional Offers of Assistance for the current biennium to be funded in the Budget for the biennium ending June 30, 2026.

The 1986, 1988, 1990, 1992, 1994, 1996, 1998, 2000, 2003, 2005, 2006, 2008, 2010, 2012, 2014, 2016, 2018, 2020 and 2022. 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
2020-22	2,946,900
2022-24	5,305,300
Total	$189,166,500

In addition to the appropriations for new financings as shown, appropriations subsequent to that for 1986 included additional funds to continue to meet the annual debt requirements for all bond issues involving Commission participation issued in prior years.

BIENNIAL BUDGET FOR PERIOD ENDING JUNE 30, 2024

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.

The General Assembly adopted a budget for the biennial period ending June 30, 2024 which was approved and signed recently by the Governor. Such budget became effective July 1, 2022.

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:

Series	Principal	Current Outstanding	Principal Board	Principal Commission	Approximate Range	Maturity
2011 QZAB	$ 5,000,000	$ 5,000,000	$ 1,800,572	$ 3,199,428	4.350%	2029
2012	$ 2,600,000	$ 1,670,000	$ 970,159	$ 1,629,841	2.400% - 3.000%	2032
2014 QZAB	$ 1,395,000	$ 1,155,000	$ 1,395,000	$ 0	1.000%	2034
2014 REF	$ 9,605,000	$ 6,610,000	$ 8,655,074	$ 949,926	3.000% - 3.750%	2029
2015	$ 1,626,000	$ 1,144,000	$ 0	$ 1,626,000	3.000% - 4.000%	2035
2016	$ 28,350,000	$ 22,015,000	$ 8,467,952	$ 19,882,048	3.000% - 3.250%	2036
2016-REF	$ 10,755,000	$ 4,560,000	$ 10,115,816	$ 639,184	3.000%	2027
2018	$ 3,600,000	$ 2,935,000	$ 2,353,890	$ 1,246,110	3.000% - 3.500%	2038
2018B	$ 5,975,000	$ 5,305,000	$5,541,384	$433,616	3.000% - 3.625%	2038
2021	$ 4,360,000	$ 4,330,000	$3,986,906	$373,094	2.000%	2041
2021-REF	$ 710,000	$ 685,000	$710,000	$0	2.000%	2031
2022	$ 9,525,000	$ 9,525,000	$9,525,000	$0	4.000% - 4.250%	2042
Totals:	$83,501,000	$64,934,000	$53,521,753	$29,979,247		

AUTHORITY

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

i) the issuance of approximately $5,420,000 of Bonds subject to a permitted adjustment of $540,000;

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 May 2, 2023, will bear interest from that date as described herein, payable semi-annually on November 1 and May 1 of each year, commencing November 1, 2023, and will mature as to principal on May 1, 2024, and 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 Trust Company, 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 November 1 and May 1 of each year, beginning November 1, 2023 (Record Date is 15th day of month preceding interest due date).

Redemption

The Bonds maturing on or after May 1, 2032, are subject to redemption at the option of the Corporation prior to their stated maturity on any date falling on or after May 1, 2031, in any order of maturities (less than all of a single maturity to be selected by lot),in whole or in part, upon notice of such prior redemption being given by the Paying Agent in accordance with DTC requirements not less than thirty (30) days prior to the date of redemption, upon terms of the face amount, plus accrued interest, but without redemption premium.

Redemption Date	Redemption Price
May 1, 2031, and thereafter	100%

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.

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 school building Projects financed from the Bond proceeds from the Corporation to the Board. The Bonds are secured by a pledge of revenue on and from the school building Projects; provided, however, said lien and pledge are on parity with a similar lien and pledge securing the Corporation's School Building Revenue Bonds previously issued to finance the school facilities which constitute the Project (the "Parity Bonds").

The Lease; Pledge of Rental Revenues

The Board has leased the school building Project securing the Bonds for an initial period from May 2, 2023, through June 30, 2023, 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 May 1, 2043, 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 Lease and any renewal thereof, so long as the Bonds remain outstanding and in conformance with the intent and purpose of KRS 160.160(5), in the event of a failure by the Board to pay the rentals due under the 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 Lease and Participation Agreement to the Corporation 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.

THE PROJECT

After payment of the Bond issuance costs, the Board plans to deposit the net Bond proceeds to finance athletic improvements at Corbin Independent High School (the "Project").

The Board has reported construction bids have been let for the Project and award of the construction contract is expected prior to the sale and delivery of the Bonds.

Contractors for the Project are required to furnish to the Board a one hundred percent completion bond to assure their performance of the construction contract.

KENTUCKY DEPARTMENT OF EDUCATION SUPERVISION

Kentucky statutes, and the regulations of the Kentucky Department of Education ("KDE") issued thereunder, generally require that a local school district submit to KDE for its prior approval the district's plans for the funding, financing, design, construction, renovation, and modification of school facilities. House Bill 678 of the 2022 Regular Session of the Kentucky General Assembly (2022 Ky. Acts, Ch. 185, hereinafter referred to as "HB 678"), enacted and effective April 8, 2022, eliminates until June 30, 2024 this requirement of prior approval for local school districts which elect by resolution to proceed without such prior approval and which so notify the Department. The District has adopted such a resolution and has so notified KDE.

Notwithstanding HB 679, KDE's supervision of local school districts continues to apply other areas of local school finance, including supervision of general operations such as the examination of business methods and accounts of a school district, requirements of prompt, detailed reports of receipts and expenditures and the annual approval of the district's operating budget. All local school boards which have entered into contracts for the issuance of bonds must maintain insurance protection in an amount equal to the full insurable value of the buildings financed by the bonds. This State Department of Education supervision and control is believed to be a major contribution toward the maintenance of Kentucky's perfect record of no defaults in payment of its revenue bonds for school purposes.

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 100% of the debt service of the Bonds.

		--- Series 2023 School Building Revenue Bonds -----			Total
Fiscal	Current		(100% LOCAL)		Restricted Fund
Ending	Bond	Principal	Interest	Total	Bond
June 30	Payments	Portion	Portion	Payment	Payments
2023	$3,006,935				$3,006,935
2024	$3,330,950	$75,000	$217,338	$292,338	$3,623,288
2025	$3,328,879	$80,000	$215,544	$295,544	$3,624,422
2026	$3,328,718	$80,000	$212,984	$292,984	$3,621,701
2027	$3,332,488	$85,000	$210,424	$295,424	$3,627,912
2028	$3,330,053	$85,000	$207,704	$292,704	$3,622,757
2029	$3,336,659	$85,000	$204,984	$289,984	$3,626,643
2030	$3,337,497	$90,000	$202,247	$292,247	$3,629,744
2031	$3,234,142	$125,000	$199,322	$324,322	$3,558,463
2032	$3,229,845	$130,000	$195,197	$325,197	$3,555,041
2033	$3,239,694	$130,000	$190,842	$320,842	$3,560,536
2034	$3,239,386	$135,000	$186,422	$321,422	$3,560,808
2035	$3,234,789	$140,000	$181,629	$321,629	$3,556,418
2036	$3,030,937	$200,000	$176,449	$376,449	$3,407,386
2037	$2,116,536	$445,000	$168,609	$613,609	$2,730,145
2038	$2,121,049	$465,000	$151,165	$616,165	$2,737,214
2039	$1,982,650	$520,000	$132,100	$652,100	$2,634,750
2040	$1,649,217	$630,000	$110,260	$740,260	$2,389,477
2041	$1,654,020	$655,000	$83,485	$738,485	$2,392,505
2042	$1,650,164	$680,000	$55,320	$735,320	$2,385,484
2043	$1,062,100	$585,000	$25,740	$610,740	$1,672,840
Totals:	$57,776,706	$5,420,000	$3,327,760	$8,747,760	$66,524,466

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	$5,420,000.00
Total Sources	$5,420,000.00
Uses:	
Deposit to Construction Fund	$5,258,070.00
Underwriter's Discount (2%)	108,400.00
Cost of Issuance	53,530.00
Total Uses	$5,420,000.00

DISTRICT STUDENT POPULATION

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

Year	Average Daily Attendance	Year	Average Daily Attendance
2000-01	1,825.8	2011-12	2,524.6
2001-02	1,873.5	2012-13	2,581.0
2002-03	1,900.0	2013-14	2,570.4
2003-04	1,927.3	2014-15	2,697.2
2004-05	2,028.9	2015-16	2,692.0
2005-06	2,062.4	2016-17	2,684.3
2006-07	2,145.6	2017-18	2,721.5
2007-08	2,248.6	2018-19	2,716.9
2008-09	2,285.1	2019-20	2,699.8
2009-10	2,362.8	2020-21	2,699.8
2010-11	2,416.5	2021-22	2,782.1
		2022-23	2,782.1

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 Corbin Independent School District for certain preceding school years.

Year	Capital Outlay Allotment	Year	Capital Outlay Allotment
2000-01	182,580.0	2011-12	252,457.0
2001-02	187,350.0	2012-13	258,101.0
2002-03	190,000.0	2013-14	257,041.0
2003-04	192,730.0	2014-15	269,715.0
2004-05	202,890.0	2015-16	270,840.0
2005-06	206,240.0	2016-17	268,430.0
2006-07	214,560.0	2017-18	272,150.0
2007-08	224,860.0	2018-19	271,690.9
2008-09	228,509.0	2019-20	269,980.0
2009-10	236,277.0	2020-21	269,975.8
2010-11	241,648.0	2021-22	278,205.4
		2022-23	278,205.4

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 $46,350 effective January 1, 2023.

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	55.2	325,894,256	1,798,936
2001-02	53.4	341,445,462	1,823,319
2002-03	58.8	395,272,020	2,324,199
2003-04	58.8	416,390,793	2,448,378
2004-05	57.4	423,645,316	2,431,724
2005-06	66	452,525,950	2,986,671
2006-07	63.1	489,323,347	3,087,630
2007-08	66	521,204,055	3,439,947
2008-09	60.2	503,279,232	3,029,741
2009-10	60.2	523,461,513	3,151,238
2010-11	64.7	521,243,436	3,372,445
2011-12	65.4	525,820,337	3,438,865
2012-13	64.8	532,442,003	3,450,224
2013-14	68.9	544,149,369	3,749,189
2014-15	71.9	535,083,596	3,847,251
2015-16	73.3	539,463,072	3,954,264
2016-17	76.8	551,756,164	4,237,487
2017-18	74.4	555,852,123	4,135,540
2018-19	78.1	563,573,695	4,401,511
2019-20	78.2	573,723,250	4,486,516
2020-21	78	600,926,185	4,687,224
2021-22	78.1	628,878,223	4,911,539
2022-23	73.9	692,784,565	5,119,678

OVERLAPPING BOND INDEBTEDNESS

The following table shows any other overlapping bond indebtedness of the Corbin Independent School District or other issuing agency within the County as reported by the State Local Debt Officer for the period ending June 30, 2022.

Issuer	Original Principal Amount	Amount of Bonds Redeemed	Current Principal Outstanding
County of Whitley			
General Obligation	7,225,000	3,175,000	4,050,000
Vehicles Revenue	151,716	95,749	55,967
Refunding Revenue	7,054,999	33,951	7,021,048
Equipment Revenue	55,000	5,796	49,204
City of Corbin			
General Obligation	13,000,000	4,426,608	8,573,392
Utilities Revenue	371,000	164,000	207,000
City of Williamsburg			
General Obligation	4,075,000	977,500	3,097,500
Water & Sewer Revenue	1,866,000	480,500	1,385,500
College Development Projects	39,440,000	12,644,500	26,795,500
Pool Funding - KLC Funding Trust Lease	50,000,000	0	50,000,000

Special Districts			
Corbin Public Library	1,370,000	126,576	1,243,424
Cumberland Falls Hwy. Water Dist.	3,086,000	1,029,500	2,056,500
Whitley County Extension District	1,025,000	230,000	795,000
Whitley County Water District	2,940,000	319,200	2,620,800
Totals:	**131,659,715**	**23,708,880**	**107,950,835**

Source: 2022 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.

SEEK	Base Funding	Local Tax Effort	Total State & Local Funding
2000-01	6,757,783	1,798,936	8,556,719
2001-02	6,872,647	1,823,319	8,695,966
2002-03	7,254,080	2,324,199	9,578,279
2003-04	7,432,637	2,448,378	9,881,015
2004-05	7,768,571	2,431,724	10,200,295
2005-06	8,419,494	2,986,671	11,406,165
2006-07	8,733,050	3,087,630	11,820,680
2007-08	10,062,946	3,439,947	13,502,893
2008-09	10,762,222	3,029,741	13,791,963
2009-10	10,025,258	3,151,238	13,176,496
2010-11	10,311,615	3,372,445	13,684,060
2011-12	11,615,868	3,438,865	15,054,733
2012-13	11,948,724	3,450,224	15,398,948
2013-14	11,991,176	3,749,189	15,740,365
2014-15	12,921,230	3,847,251	16,768,481
2015-16	13,288,775	3,954,264	17,243,039
2016-17	13,228,925	4,237,487	17,466,412
2017-18	13,748,442	4,135,540	17,883,982
2018-19	13,845,803	4,401,511	18,247,314
2019-20	13,938,475	4,486,516	18,424,991
2020-21	13,199,398	4,687,224	17,886,622
2021-22	14,188,067	4,911,539	19,099,606
2022-23	14,701,252	5,119,678	19,820,930

(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 $0.7390 for FY 2022-23. 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.

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. For example, on August 16, 2022, President Biden signed the Inflation Reduction Act of 2022 (the "Inflation Reduction Act"). The Inflation Reduction Act imposes a minimum tax of 15 percent of the adjusted financial statement income on certain corporations whose income exceeds stated thresholds for tax years beginning after December 31, 2022. Under the Inflation Reduction Act, interest on debt obligations otherwise exempt from federal income tax would be included in the calculation of adjusted financial statement income for corporations subject to the minimum tax. 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

As a result of the Board and issuing agencies acting on behalf of the Board offering for public sale municipal securities in excess of $1,000,000, the Corporation and the Board will enter into a written agreement for the benefit of all parties who may become Registered or Beneficial Owners of the Bonds whereunder said Corporation and Board will agree to comply with the provisions of the Municipal Securities Disclosure Rules set forth in Securities and Exchange Commission Rule 15c2-12 by filing annual financial statements and material events notices with the Electronic Municipal Market Access (EMMA) System maintained by the Municipal Securities Rule Making Board.

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, Corbin Independent Board of Education, 108 Roy Kidd Avenue, Corbin, Kentucky 40701 (606) 528-1303.

TAX EXEMPTION; NOT 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 Federal income taxation. However, with respect to certain corporations, interest on the Bonds is taken into account in determining the annual adjusted financial statement income for the purpose of computing the alternative minium tax imposed on corporations for tax years beginning after December 31, 2022.

(C) As a result of designations and certifications by the Board and the Corporation, indicating the issuance of more than $10,000,000 of tax-exempt obligations during the calendar year ending December 31, 2023, the Bonds are not "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, 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 may be 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") may be 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.

MUNICIPAL ADVISOR

Prospective bidders are advised that RSA Advisors, LLC ("RSA") has been employed as Municipal 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 Corbin 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 Corbin Independent Board of Education or the Municipal 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 Corbin 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 Municipal 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

Corbin Independent School District Finance Corporation
School Building Revenue Bonds
Series of 2023

Demographic and Economic Data

CORBIN, KENTUCKY

Whitley County, with a land area of 440 square miles. Whitley County is a well-dissected upland with a hilly to mountainous terrain. The County's southern boundary is formed by the Kentucky-Tennessee state line. Whitley County had an estimated 2022 population of 37,602.

Corbin, located in Whitley County, is the largest city in the county. Corbin had an estimated 2022 population of 7,923.

Williamsburg the county seat of Whitley County on the southern border of the Eastern Kentucky Coal Field. The City of Williamsburg is located is miles north of Knoxville, Tennessee; 175 miles southeast of Louisville, Kentucky; and 183 miles south of Cincinnati, Ohio. The estimated 2022 population of Williamsburg is 5,411.

Williamsburg is probably best known as the home of Cumberland College. Located on the west side of the City, its campus extends through seven blocks and encompasses about 35 acres. About 75% of the student body is from eastern Kentucky and northeastern Tennessee. The College provides a four-year liberal arts education for approximately 2,900 students.

The Economic Framework

In 2022, Whitley County had a labor force of 14,692 people, with an unemployment rate of 4.3%. Corbin had a labor force of 3,308 people. The top 5 jobs by occupation in Corbin were as follows: office and administrative support - 841 (14.61%); health diagnosing and treating practitioners - 544 (9.45%); sales - 526 (9.14%); executive, managers, and administrators - 460 (7.99%); and education, training/library - 377 (6.55%).

Transportation

Transportation lanes serving Williamsburg are Interstate 75, U.S. 25W and KY Route 92. The main line of the CSX Transportation, Inc. passes through the town of Williamsburg.

LABOR MARKET STATISTICS

The Whitley County Labor Market Area includes Whitley County and the adjoining Kentucky counties of Bell, Laurel, Clay and Knox.

POPULATION

Area	2020	2021	2022
Whitley County	36,307	36,620	37,602
Corbin	7,047	7,767	7,923
Williamsburg	5,252	5,255	5,411

Source: Kentucky Cabinet for Economic Development

EDUCATION

Public Schools

	Williamsburg Independent	Whitley County	Corbin Independent
Total Enrollment (2021-22)	784	3,863	2,760
Pupil-Teacher Ratio (2021-22)	13 - 1	14 - 1	16 - 1

Source: Kentucky Department of Education

Vocational Training

Customized Training

The Kentucky Tech system, through its Training and Development Coordinators, will provide technical assistance and identify and develop low-cost customized training programs and services for both established and prospective businesses. Businesses wanting to establish a customized training program should contact a Training and Development Coordinator located at the Northern Kentucky Regional Technology Center and the Central Kentucky Regional Technology Center.

Assessment Services

Kentucky Tech Career Connections offers to business, education, and government agencies customized assessment in career inventories, interest inventories, pre-hire assessment, psychomotor skills, and academic potential. A Career Connection assessment center is located at the Northern Kentucky Regional Technology Center and the Central Kentucky Regional Technology Center.

Bluegrass State Skills Corporation

The Bluegrass State Skills Corporation, an independent public corporation created and funded by the Kentucky General Assembly, provides programs of skills training to meet the needs of business and industry from entry level to advanced training, and from upgrading present employees to retraining experienced workers.

The Bluegrass State Skills corporation is the primary source for skills training assistance for a new or existing company. The Corporation works in partnership with other employment and job training resources and programs, as well as Kentucky's economic development activities, to package a program customized to meet the specific needs of a company.

Vocational School	**Location**	**Enrollment 2021-22**
Corbin Independent ATC	Corbin, KY	420
Knox County ATC	Barbourville, KY	353
Bell County ATC	Pineville, KY	415
Pulaski County ATC	Somerset, KY	273
Clay County ATC	Manchester, KY	224
Wayne County ATC	Monticello, KY	555
Rockcastle County ATC	Mt. Vernon, KY	372
Jackson County ATC	McKee, KY	282
Leslie County ATC	Hyden, KY	358
Lake Cumberland ATC	Russell Springs, KY	777
Casey County ATC	Liberty, KY	390

Source: Kentucky Department of Education

Area Colleges and Universities

School Name	Location	Undergraduate Enrollment Fall 2021
Bellarmine University	Louisville, KY	2,407
Berea College	Berea, KY	1,468
Campbellsville University	Campbellsville, KY	5,880
Centre College	Danville, KY	1,320
Kentucky State University	Frankfort, KY	2,135
Asbury University	Wilmore, KY	1,472
Midway University	Midway, KY	1,618
Transylvania University	Lexington, KY	971
University of Kentucky	Lexington, KY	21,900
Georgetown College	Georgetown, KY	1,259
Spalding University	Louisville, KY	855
University of the Cumberlands	Williamsburg, KY	4,838
Union College	Whitley City, KY	945

Source: U.S. News & World Report

EXISTING INDUSTRY

Firm	Product	Number Employed
Corbin:		
Acme Block Co. Inc.	Concrete blocks & products	2
Central Automotive Supply	Machine shop	24
Crawford Tie & Lumber LLC	Hardwoods, railroad ties, sawdust, chips, bark & green lumber	12
CTA Acoustics Inc.	Organic fiber padding, industrial automotive insulation	700
D & C Machine	Machine shop	10
Karr Industries Inc.	Machine shop	4
The MPI Group LLC	Hollow metal doors & frames	80
PDF Inc.	Injection molded plastics	5
Pepsi-Cola Bottling Co. of Corbin Kentucky, Inc.	Soft drink manufacturing	246
Salem Tool Inc.	Coal recovery & coal auger mining equipment	6
SH Tube	Manufacture parts for 18 wheel trucks	3
Southeast Apparatus LLC	Manufacture fire trucks	24
Stidham Cabinet Inc.	Custom cabinets	45
TCO LLC	Contract packaging, assembly & distribution of auto lighting	180

Source: Kentucky Cabinet for Economic Development (01/08/2020)

APPENDIX B

Corbin Independent School District Finance Corporation
School Building Revenue Bonds
Series of 2023

Audited Financial Statement ending June 30, 2022

CORBIN INDEPENDENT SCHOOL DISTRICT
Corbin, Kentucky

REPORT OF AUDIT
Year Ended June 30, 2022

CONTENTS

	Page
Independent Auditor's Report	1-3
Management's Discussion and Analysis (Unaudited)	4-8
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Position	9-10
Statement of Activities	11
Fund Financial Statements:	
Balance Sheet -- Governmental Funds	12
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Position	13
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	14
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds to the Statement of Activities	15
Statement of Net Position – Proprietary Funds	16
Statement of Revenues, Expenses and Changes in Net Position – Proprietary Funds	17
Statement of Cash Flows – Proprietary Funds	18
Notes to the Basic Financial Statements	19-48
Required Supplementary Information:	
Schedule of District's Proportionate Share of the Net Pension Liability	49
Schedule of Pension Contributions	50
Notes to Required Supplementary Information	51
Schedule of District's Proportionate Share of the Net OPEB Liability – Medical Insurance Plan	52
Schedule of District Contributions – Medical Insurance Plan	53
Notes to Required Supplementary Information	54
Schedule of District's Proportionate Share of the Net OPEB Liability – Life Insurance Plan – Teacher's Retirement System Kentucky	55
Schedule of District Contributions – Life Insurance Plan – Teacher's Retirement System Kentucky	56
Notes to Required Supplementary Information	57

CONTENTS

	Page
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund	58
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Special Revenue Fund – Fund 2	59
Notes to Required Supplementary Information – Budget and Actual	60
Combining Balance Sheet – Nonmajor Governmental Funds	61
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds	62
Combining Balance Sheet – Special Revenue Funds	63
Combining Statement of Revenue, Expenditures and Changes in Fund Balances – Special Revenue Funds	64
Statements of Receipts, Disbursements and Fund Balances – Activity Funds	65-67
Schedule of Expenditures of Federal Awards	68-69
Notes to the Schedule of Expenditures of Federal Awards	70
Schedule of Findings and Questioned Costs	71
Schedule of Prior Year Audit Findings	72
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Basic Financial Statements Performed in Accordance with *Government Auditing Standards*	73-74
Independent Auditor's Report on Compliance For Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance	75-77
Independent Auditor's Introductory Letter to Management Letter Points	78

Marr, Miller & Myers, PSC
Certified Public Accountants
(606) 528-2454 (FAX 528-1770)
www.marrmillermyers.com

P.O. Box 663
Corbin, Kentucky 40702

INDEPENDENT AUDITOR'S REPORT

September 5, 2022

Members of the Board of Education
Corbin Independent School District
Corbin, Kentucky

Report on the Audit of the Financial Statements

Opinions

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 the Corbin Independent School District, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Corbin Independent School District's basic financial statements as listed in the table of contents.

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 Corbin Independent School District, as of June 30, 2022, and the respective changes in financial position for the year then ended in accordance with U.S. generally accepted accounting principles.

Basis for Opinions

We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Corbin Independent School District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. generally accepted accounting principles, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Corbin Independent School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and Government Auditing Standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amount and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit 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 Corbin Independent School District's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, that there are conditions or events, considered in the aggregate, that raise substantial doubt about the Corbin Independent School District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

U.S. generally accepted accounting principles require that the Management's Discussion and Analysis, the Schedules of District's Proportionate Share of the Net Pension Liability and Pension Contributions, District's Proportionate Share of the Net OPEB Liability and District Contributions – Medical Insurance Plan and Life Insurance Plan and budgetary comparison information on pages 4-8, 49-57 and 58-60, respectively, 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 U.S. generally accepted auditing standards, 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.

Supplementary Information

The combining nonmajor and special revenue funds financial statements, the activity fund statements and the Schedule of Expenditures of Federal Awards 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 U.S. generally accepted auditing standards. In our opinion, the combining nonmajor and special revenue funds financial statements, the activity fund statements and the Schedule of Expenditures of Federal Awards 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 September 5, 2022, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Marr, Miller & Myers, PSC

Certified Public Accountants

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
June 30, 2022

This section of the financial statements for the Corbin Independent School District (District) presents management's discussion and analysis of the financial performance of the District during the fiscal year that ended on June 30, 2022. As management of the District, we offer readers of the financial statements this narrative overview and analysis to highlight and further explain the financial events that have taken place in the past year. We encourage readers to consider the information presented herein along with the District's financial statements, which immediately follow this section.

FINANCIAL HIGHLIGHTS

- The ending cash balance for the District was $9,509,186 in 2022 and $5,849,498 in 2021.

- The General Fund had $25,040,881 in revenues, which primarily consisted of the state program (SEEK) and property, utilities and motor vehicle taxes. There were $24,949,133 in General Fund expenditures.

- Governmental capital assets had a net increase of $1,953,838. Business-type capital assets had a net decrease of $42,264 during the current fiscal year.

- The District's total debt decreased $3,176,778 during the current fiscal year due to the scheduled principal payments of $3,886,778 and bond proceeds of $710,000.

- There are two sources of pension liabilities and OPEB liabilities with which the District has to contend. The Kentucky Teachers Retirement System covers the District's professional staff members. It has analysis performed by Cavanaugh MacDonald Consulting, LLC (CM) to determine each Kentucky school district's share of pension and OPEB liabilities for its professional staff. The pension debt is the responsibility of the State of Kentucky. Our allocated amount was $4,383,000 for OPEB liabilities, as of June 30, 2022. Our non-professional staff members are covered by the Kentucky County Employee Retirement System. Under this system the District's share of the pension liabilities was $7,197,049 and $2,160,553 for OPEB liability, as of June 30, 2022. The District does not believe these disclosures will have a major impact on their day to day operations or the financial health of the District. The District's bond rating is based on the State's rating so we have little control over our cost of borrowing.

OVERVIEW OF FINANCIAL STATEMENTS

This 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 basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the 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, plant operations and maintenance, student transportation and operation of non-instructional services. Fixed assets and related debt is also supported by taxes and intergovernmental revenues.

The government-wide financial statements can be found on pages 9 through 11 of this report.

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 two categories: governmental and proprietary. The proprietary funds are for day care and food service operations. All other activities of the District are included in the governmental funds.

The basic governmental fund financial statements can be found on pages 12 through 18 of this report.

Notes to the basic 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. The notes to the basic financial statements can be found on pages 19 through 48 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The largest portion of the District's net position reflects its investment in capital assets (e.g., land and improvements, buildings and improvements, vehicles, general equipment and construction in progress); less any related debt used to acquire those assets that are 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 PERIOD ENDING JUNE 30, 2022

Fiscal year 2021 government-wide net position compared to 2022 is as follows:

	2022	2021
Current assets	$ 10,604,900	$ 11,881,718
Capital assets, net	82,174,222	80,262,648
Deferred outflows of resources	4,280,191	4,370,863
Total Assets and Deferred Outflows of Resources	$ 97,059,313	$ 96,515,229
Current liabilities	$ 4,987,065	$ 4,585,526
Noncurrent liabilities	66,501,177	73,584,501
Deferred inflows of resources	6,457,091	3,347,659
Total Liabilities and Deferred Inflows of Resources	$ 77,945,333	$ 81,517,686
Net position		
Net investment in capital assets	$ 26,562,002	$ 21,473,650
Restricted (deficit)	(85,602)	(422,672)
Unrestricted (deficit)	(7,362,420)	(6,053,435)
Total Net Position	$ 19,113,980	$ 14,997,543

The most significant change in the financial position of the District since the last audit was the increase in capital assets, net in the amount of $1,911,574. This was mainly due to on-going construction projects. The District also had an overall decrease in liabilities and deferred inflows of resources in the amount of $3,572,353. This was due primarily to a decrease in debt of $3,176,778 due to bond payments and $710,000 of bond proceeds.

REVENUES AND EXPENDITURES SUMMARY

The following table presents a summary of revenues and expenditures, Governmental Funds only, for the fiscal years ended June 30:

	2022		2021	
	Amount	Percent	Amount	Percent
REVENUES AND OTHER FINANCING SOURCES				
Local revenue sources	$ 5,303,369	13.42%	$ 6,424,128	15.66%
State revenue sources	27,614,448	69.88	26,541,387	64.71
Federal revenue sources	5,886,108	14.90	3,693,814	9.00
Bond proceeds	710,000	1.80	4,360,000	10.63
Total revenues and other financing sources	39,513,925	100.00	41,019,329	100.00
EXPENDITURES AND OTHER FINANCING USES				
Instruction	23,324,275	59.03	21,216,110	51.72
Student support services	861,019	2.18	851,366	2.08
Instructional staff	562,655	1.42	492,404	1.20
District administration	823,348	2.09	1,120,668	2.73
School administration	2,054,209	5.20	1,987,507	4.84
Business	1,145,276	2.90	931,916	2.27
Plant operations and maintenance	2,561,619	6.48	2,135,524	5.21
Student transportation	987,812	2.50	1,027,611	2.51
Building acquisitions and construction	3,083,320	7.80	482,401	1.17
Building improvements	150,300	.38	14,419	.04
Community services activities	242,511	.62	257,261	.63
Food service	14,950	-	41,862	.10
Day care	147,785	.38	80,643	.20
Other non-instruction	518	-	4,678	.01
Bond (premium) discount	(30,979)	(.07)	14,111	.03
Bond fees/issuance costs	15,200	.04	44,790	.11
Payment of bonds	3,886,778	9.84	3,124,778	7.62
Payment of interest	1,822,092	4.62	1,834,354	4.47
Total expenditures and other financing uses	41,652,688	105.41	35,662,403	86.94
Net change in fund balance	$ (2,138,763)	(5.41)%	$ 5,356,926	13.06%

The majority of the District's revenues were derived from state revenues, making up 69.88% of total revenues in 2022 as compared to 64.71% in 2021. Federal revenue sources comprised 14.90% of total revenues in 2022 as compared to 9.00% in 2021. Local revenue sources comprised 13.42% of total revenues in 2022 as compared to 15.66% in 2021. Other financing sources, consisting of bond proceeds, comprised 1.80% of total revenues in 2022 as compared to 10.63% in 2021.

The majority of the District's expenditures were for instruction, making up 59.03% of total expenditures in 2022 as compared to 51.72% in 2021. Payment of bonds comprised 9.84% of the District's total expenditures in 2022 as compared to 7.62% in 2021. Building acquisitions and construction comprised 7.80% of the District's total expenditures in 2022 as compared to 1.17% in 2021. Plant operations and maintenance comprised 6.48% of the District's total expenditures in 2022 as compared to 5.21% in 2021. Capital assets of $4,431,193 were charged to expenditures in 2022 as compared to $1,930,749 in 2021.

COMMENTS ON BUDGET COMPARISONS

In Kentucky, the public schools fiscal year is July 1 to June 30. Other programs operate on a different fiscal calendar, but are reflected in the District's overall budget. By law, the budget must have a minimum 2% contingency. The District adopted the final 2021-22 budget with $4,300,475 in contingency (17.83%).

- The District's total general fund revenues for the fiscal year ended June 30, 2022 were $25,040,881.
- General fund budgeted revenues compared to actual varied from line item to line item, with the ending actual balance being $923,683 more than budget or 3.83%.
- The District's total general fund expenditures for the fiscal year ended June 30, 2022 were $24,949,133.
- General fund budgeted expenditures compared to actual varied from line item to line item, with the ending actual balance being $5,125,250 under budget. The contingency of $4,300,475 accounts for 83.91% of the under budget amount. When the contingency budget is eliminated, overall general fund expenditures compared to budget were $824,775 or 2.74% less than budget. Instruction expenditures were $488,963 under budget. Plant operations and maintenance was under budget by $271,896.

CAPITAL ASSETS

At the end of June 30, 2022, the District had $82,174,222 invested in capital assets. This represents a net increase of $1,911,574.

A comparison of the capital assets at June 30 is as follows:

	2022	2021
Construction in progress	$ 3,992,279	$ 781,311
Land	4,380,705	4,380,705
Buildings and improvements	71,052,154	72,116,256
Machinery and equipment	2,749,084	2,984,376
Total	$ 82,174,222	$ 80,262,648

DEBT ADMINISTRATION

At the end of June 30, 2022, the District had $55,612,220 in outstanding debt compared to $58,788,998 last year. That is a decrease of 5.40%. The District made $3,886,778 in repayments and issued bonds in the amount of $710,000 to refund the 2011 bond issue.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives.

Questions regarding this report should be directed to the Superintendent or to Rhonda Moore, Chief Finance Officer, at (606) 523-3935 or by mail at 108 Roy Kidd Avenue, Corbin, KY 40701.

CORBIN INDEPENDENT SCHOOL DISTRICT
Corbin, Kentucky

STATEMENT OF NET POSITION
June 30, 2022

ASSETS	Governmental Activities	Business-Type Activities	Total
CURRENT ASSETS			
Cash and cash equivalents	$ 8,202,388	$ 1,306,798	$ 9,509,186
Accounts receivable:			
Taxes – current	91,048	-	91,048
Accounts receivable	67,109	16,021	83,130
Intergovernmental – state	14,904	-	14,904
Intergovernmental – federal	619,434	182,670	802,104
Materials and supplies inventory	-	59,735	59,735
Prepaid expenditures	44,793	-	44,793
Total current assets	9,039,676	1,565,224	10,604,900
NONCURRENT ASSETS			
Capital assets, net	81,750,883	423,339	82,174,222
Total noncurrent assets	81,750,883	423,339	82,174,222
DEFERRED OUTFLOWS OF RESOURCES			
Discount on bonds, net	507,754	-	507,754
CERS – pension	937,751	177,956	1,115,707
CERS – OPEB	1,020,140	193,590	1,213,730
KTRS – OPEB	1,443,000	-	1,443,000
Total deferred outflows of resources	3,908,645	371,546	4,280,191
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	94,699,204	2,360,109	97,059,313
LIABILITIES AND NET POSITION			
CURRENT LIABILITIES			
Accounts payable	789,933	36,364	826,297
Deferred revenue	784,990	-	784,990
Current portion of bond obligations	3,258,778	-	3,258,778
Current portion of accumulated sick leave payable	117,000	-	117,000
Total current liabilities	4,950,701	36,364	4,987,065
NONCURRENT LIABILITIES			
Noncurrent portion of bond obligations	52,353,442	-	52,353,442
Noncurrent portion of accumulated sick leave payable	407,133	-	407,133
Net pension liability – CERS	6,049,120	1,147,929	7,197,049
Net OPEB liability – CERS	1,815,945	344,608	2,160,553
Net OPEB liability – KTRS	4,383,000	-	4,383,000
Total noncurrent liabilities	65,008,640	1,492,537	66,501,177

The accompanying notes are an integral part of these financial statements.

CORBIN INDEPENDENT SCHOOL DISTRICT
Corbin, Kentucky

STATEMENT OF NET POSITION (CONTINUED)
June 30, 2022

	Governmental Activities	Business-Type Activities	Total
DEFERRED INFLOWS OF RESOURCES			
Premium on bonds, net	116,237	-	116,237
CERS – pension	1,518,836	288,227	1,807,063
CERS – OPEB	1,081,547	205,244	1,286,791
KTRS – OPEB	3,247,000	-	3,247,000
Total deferred inflows of resources	5,963,620	493,471	6,457,091
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	75,922,961	2,022,372	77,945,333
NET POSITION			
Net investment in capital assets	26,138,663	423,339	26,562,002
Restricted (deficit)	-	(85,602)	(85,602)
Unrestricted (deficit)	(7,362,420)	-	(7,362,420)
TOTAL NET POSITION (DEFICIT)	$ 18,776,243	$ 337,737	$ 19,113,980

The accompanying notes are an integral part of these financial statements.

CORBIN INDEPENDENT SCHOOL DISTRICT
Corbin, Kentucky

STATEMENT OF ACTIVITIES
Year Ended June 30, 2022

		PROGRAM REVENUES		
FUNCTIONS/PROGRAMS	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
GOVERNMENTAL ACTIVITIES:				
Instruction	$ 23,572,990	$ 32,617	$ 12,067,152	$ -
Support services:				
Student	924,022	-	149,640	-
Instructional staff	553,870	-	122,238	-
District administration	818,285	-	145,393	-
School administration	2,037,429	-	614,732	-
Business	1,128,356	-	230,127	-
Plant operations and maintenance	2,848,659	-	324,840	-
Student transportation	1,105,021	-	154,912	-
Community services activities	228,081	527,807	-	-
Food service	-	-	-	-
Day care	147,785	-	-	-
Other non-instruction	518	-	-	-
Interest on long-term debt	1,822,092	-	4,155,210	-
Bond premium (discount)	16,127	-	-	-
TOTAL GOVERNMENTAL ACTIVITIES	$ 35,203,235	$ 560,424	$ 17,964,244	$ -
BUSINESS-TYPE ACTIVITIES:				
Food service	$ 2,062,836	$ 58,915	$ 2,435,654	$ -
Day care	192,912	231,980	58,653	-
TOTAL BUSINESS-TYPE ACTIVITIES	$ 2,255,748	$ 290,895	$ 2,494,307	$ -
TOTAL PRIMARY GOVERNMENT	$ 37,458,983	$ 851,319	$ 20,458,551	$ -

The accompanying notes are an integral part of these financial statements.

NET (EXPENSES) REVENUES AND
CHANGES IN NET POSITION

	Governmental Activities	Business-Type Activities	Total
	$ (11,473,221)		$ (11,473,221)
	(774,382)		(774,382)
	(431,632)		(431,632)
	(672,892)		(672,892)
	(1,422,697)		(1,422,697)
	(898,229)		(898,229)
	(2,523,819)		(2,523,819)
	(950,109)		(950,109)
	299,726		299,726
	-		-
	(147,785)		(147,785)
	(518)		(518)
	2,333,118		2,333,118
	(16,127)		(16,127)
	(16,678,567)		(16,678,567)
		$ 431,733	431,733
		97,721	97,721
		529,454	529,454
			(16,149,113)
GENERAL REVENUES			
Taxes			
Property	3,685,775	-	3,685,775
Motor vehicle	553,456	-	553,456
Utilities	587,915	-	587,915
State and formula grants	13,909,862	-	13,909,862
Earnings on investments	27,451	2,655	30,106
Loss on disposal of fixed assets	(1,162)	-	(1,162)
Other local revenues	1,499,598	-	1,499,598
Total general revenues	20,262,895	2,655	20,265,550
Change in net position	3,584,328	532,109	4,116,437
Net position (deficit), July 1, 2021	15,191,915	(194,372)	14,997,543
Net position (deficit), June 30, 2022	$ 18,776,243	$ 337,737	$ 19,113,980

CORBIN INDEPENDENT SCHOOL DISTRICT
Corbin, Kentucky

BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2022

	General Fund	Special Revenue Funds	Other Governmental Funds	Total Governmental Funds
ASSETS AND RESOURCES				
Cash and cash equivalents	$ 6,152,004	$ 579,577	$ 1,470,807	$ 8,202,388
Accounts receivable:				
Taxes – current	91,048	-	-	91,048
Accounts receivable	-	67,109	-	67,109
Intergovernmental – state	-	14,904	-	14,904
Intergovernmental – federal	-	619,434	-	619,434
Prepaid expenditures	44,793	-	-	44,793
TOTAL ASSETS AND RESOURCES	$ 6,287,845	$ 1,281,024	$ 1,470,807	$ 9,039,676
LIABILITIES				
Accounts payable	$ 124,230	$ 170,554	$ 495,149	$ 789,933
Deferred revenue	-	784,990	-	784,990
TOTAL LIABILITIES	124,230	955,544	495,149	1,574,923
FUND BALANCES				
Restricted				
Sick leave payable	117,000	-	-	117,000
Future construction projects	-	-	975,658	975,658
Committed	-	325,480	-	325,480
Assigned				
Site based carry forward	103,250	-	-	103,250
Other	83,098	-	-	83,098
Unassigned	5,860,267	-	-	5,860,267
TOTAL FUND BALANCES	6,163,615	325,480	975,658	7,464,753
TOTAL LIABILITIES AND FUND BALANCES	$ 6,287,845	$ 1,281,024	$ 1,470,807	$ 9,039,676

The accompanying notes are an integral part of these financial statements.

CORBIN INDEPENDENT SCHOOL DISTRICT
Corbin, Kentucky

RECONCILIATION OF THE BALANCE SHEET – GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
June 30, 2022

Total fund balance per fund financial statements	$ 7,464,753
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 they are reported in the statement of net position.	
Capital assets	81,750,883
Deferred outflows of resources are not recorded in the governmental fund financials because they do not affect current resources but are recorded in the statement of net position.	
Pension and OPEB contributions subsequent to measurement date	683,816
Pension and OPEB plan investment differences and assumption changes	2,717,075
Bond discount	507,754
Certain assets (obligations) are not a use of financial resources and therefore, are not reported in the government funds, but are presented in the statement of net position.	
Unfunded pension liability	(6,049,120)
Unfunded OPEB liability – CERS	(1,815,945)
Unfunded OPEB liability -- KTRS	(4,383,000)
Deferred inflows of resources are not recorded in the governmental fund financials because they do not affect current resources but are recorded in the statement of net position.	
Pension plan investment differences	(5,847,383)
Bond premium	(116,237)
Certain liabilities (such as bonds payable, claims payable and accrued sick leave) are not not reported in this fund financial statement because they are not due and payable, but they are presented in the statement of net assets.	
Bond obligations	(55,612,220)
Accrued sick leave	(524,133)
Net position of governmental activities	$ 18,776,243

The accompanying notes are an integral part of these financial statements.

CORBIN INDEPENDENT SCHOOL DISTRICT
Corbin, Kentucky

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended June 30, 2022

	General Fund	Special Revenue Funds
REVENUES		
From local sources:		
Taxes		
Property	$ 2,742,459	$ -
Motor vehicle	553,456	-
Utilities	587,915	-
Earnings on investments	26,652	799
Other local revenues	184,604	264,168
Intergovernmental – state	20,857,356	2,323,823
Intergovernmental – indirect federal	88,439	-
Intergovernmental – direct federal	-	5,592,194
TOTAL REVENUES	25,040,881	8,180,984
EXPENDITURES		
Instruction	17,239,692	6,084,583
Support services:		
Student	467,736	393,283
Instructional staff	388,778	173,877
District administration	823,348	-
School administration	1,980,499	73,710
Business	1,003,739	141,537
Plant operations and maintenance	2,077,776	483,843
Student transportation	967,565	20,247
Building acquisitions and construction	-	-
Building improvements	-	-
Community services activities	-	242,511
Food service	-	14,950
Day care	-	147,785
Other non-instruction	-	518
Payment of bonds	-	-
Payment of interest	-	-
TOTAL EXPENDITURES	24,949,133	7,776,844
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	91,748	404,140
OTHER FINANCING SOURCES (USES)		
Bond proceeds	-	-
Bond premium (discount)	-	-
Bond fees/issuance costs	-	-
Operating transfers in	862,017	58,590
Operating transfers out	(58,423)	(374,553)
TOTAL OTHER FINANCING SOURCES (USES)	803,594	(315,963)
NET CHANGES IN FUND BALANCES	895,342	88,177
FUND BALANCES, JULY 1, 2021	5,268,273	237,303
FUND BALANCES, JUNE 30, 2022	$ 6,163,615	$ 325,480

The accompanying notes are an integral part of these financial statements.

Other Governmental Funds	Total Governmental Funds
$ 943,316	$ 3,685,775
-	553,456
-	587,915
-	27,451
-	448,772
4,433,269	27,614,448
-	88,439
205,475	5,797,669
5,582,060	38,803,925
-	23,324,275
-	861,019
-	562,655
-	823,348
-	2,054,209
-	1,145,276
-	2,561,619
-	987,812
3,083,320	3,083,320
150,300	150,300
-	242,511
-	14,950
-	147,785
-	518
3,886,778	3,886,778
1,822,092	1,822,092
8,942,490	41,668,467
(3,360,430)	(2,864,542)
710,000	710,000
30,979	30,979
(15,200)	(15,200)
2,867,209	3,787,816
(3,354,840)	(3,787,816)
238,148	725,779
(3,122,282)	(2,138,763)
4,097,940	9,603,516
$ 975,658	$ 7,464,753

CORBIN INDEPENDENT SCHOOL DISTRICT
Corbin, Kentucky

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
Year Ended June 30, 2022

Net change in total fund balances per fund financial statements	$ (2,138,763)
Amounts reported for governmental activities in the statement of activities are different because:	
Capital outlays are reported as expenditures in this fund financial statement because they use current financial resources, but they are presented as assets in the statement of activities and depreciated over their estimated economic lives. The difference is the amount by which capital outlays exceed depreciation expense for the year.	
Purchase of capital assets	4,431,193
Depreciation expense	(2,476,193)
Gains and losses derived from the disposal of capital assets are not presented in this financial statement because they do not provide or use current financial resources, but they are presented in the statement of activities.	(1,162)
Bond and capital lease payments are recognized as expenditures of current financial resources in the fund financial statement, but are reductions of liabilities in the statement of net assets.	
Bond principal payments	3,886,778
Bond issue costs are expensed as incurred in the fund financial statement, but are amortized over the life of the bond in the statement of activities.	
Amortization expense	(16,127)
Generally, expenditures recognized in this fund financial statement are limited to only those that use current financial resources, but expenses are recognized in the statement of activities when they are incurred.	
Accrued sick leave	(37,609)
Governmental Funds report CERS contributions as expenditures when paid. However, in the statement of activities, pension expense is the cost of benefits earned, adjusted for member contributions and the recognition of changes in deferred outflows and inflows of resources related to pensions and investment experience.	
TRS OPEB expense	541,000
CERS OPEB expense	(25,394)
CERS pension expense	161,584
Bond proceeds are reported as other financing sources in the governmental funds, but are shown as an increase in noncurrent liabilities in the statement of net position.	(710,000)
Bond premiums are reported as other financing sources in the governmental funds, but are amortized over the life of the bond in statement of activities	(30,979)
Change in net position of governmental activities	$ 3,584,328

The accompanying notes are an integral part of these financial statements.

CORBIN INDEPENDENT SCHOOL DISTRICT
Corbin, Kentucky

STATEMENT OF NET POSITION – PROPRIETARY FUNDS
June 30, 2022

ASSETS	Food Service	Day Care	Total
CURRENT ASSETS			
Cash and cash equivalents	$ 921,280	$ 385,518	$ 1,306,798
Accounts receivable:			
Accounts receivable	13,620	2,401	16,021
Intergovernmental – federal	182,670	-	182,670
Materials and supplies inventory	59,735	-	59,735
Total current assets	1,177,305	387,919	1,565,224
NONCURRENT ASSETS			
Capital assets, net	423,339	-	423,339
DEFERRED OUTFLOWS OF RESOURCES	371,546	-	371,546
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	1,972,190	387,919	2,360,109
LIABILITIES AND NET POSITION			
CURRENT LIABILITIES			
Accounts payable	30,252	6,112	36,364
NONCURRENT LIABILITIES			
Net pension liability – CERS	1,147,929	-	1,147,929
Net OPEB liability – CERS	344,608	-	344,608
Total noncurrent liabilities	1,492,537	-	1,492,537
DEFERRED INFLOWS OF RESOURCES	493,471	-	493,471
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	2,016,260	6,112	2,022,372
NET POSITION			
Net investment in capital assets	423,339	-	423,339
Restricted (deficit)	(467,409)	381,807	(85,602)
TOTAL NET POSITION (DEFICIT)	$ (44,070)	$ 381,807	$ 337,737

The accompanying notes are an integral part of these financial statements.

CORBIN INDEPENDENT SCHOOL DISTRICT
Corbin, Kentucky

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION – PROPRIETARY FUNDS
Year Ended June 30, 2022

	Food Service	Day Care	Total
OPERATING REVENUES			
Tuition and fees	$ -	$ 231,980	$ 231,980
Sales	58,915	-	58,915
TOTAL OPERATING REVENUES	58,915	231,980	290,895
OPERATING EXPENSES			
Salaries	560,309	85,356	645,665
Employee benefits	154,764	17,075	171,839
On-behalf payments	250,450	40,144	290,594
Purchased services	41,594	15,115	56,709
Supplies and materials	991,489	31,561	1,023,050
Depreciation	57,214	-	57,214
Debt service and miscellaneous	7,016	3,661	10,677
TOTAL OPERATING EXPENSES	2,062,836	192,912	2,255,748
OPERATING INCOME (LOSS)	(2,003,921)	39,068	(1,964,853)
NON-OPERATING REVENUES (EXPENSES)			
Operating grants – federal	2,061,081	-	2,061,081
Operating grants – state	265,177	58,653	323,830
Donated commodities	109,396	-	109,396
Interest income	2,655	-	2,655
TOTAL NON-OPERATING REVENUES (EXPENSES)	2,438,309	58,653	2,496,962
CHANGES IN NET POSITION	434,388	97,721	532,109
NET POSITION (DEFICIT), JULY 1, 2021	(478,458)	284,086	(194,372)
NET POSITION (DEFICIT), JUNE 30, 2022	$ (44,070)	$ 381,807	$ 337,737

The accompanying notes are an integral part of these financial statements.

CORBIN INDEPENDENT SCHOOL DISTRICT
Corbin, Kentucky

STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS
Year Ended June 30, 2022

	Food Service	Day Care	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from tuition and fees	$ -	$ 233,069	$ 233,069
Cash received from sales	64,579	-	64,579
Cash payments for salaries and employee benefits	(987,490)	(142,575)	(1,130,065)
Cash payments for purchased services	(41,594)	(15,115)	(56,709)
Cash payments for supplies, materials and miscellaneous	(1,037,821)	(34,635)	(1,072,456)
Net cash provided (used) by operating activities	(2,002,326)	40,744	(1,961,582)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchases of capital assets	(14,950)	-	(14,950)
Net cash provided (used) by capital and related financing activities	(14,950)	-	(14,950)
CASH FLOWS FROM INVESTING ACTIVITIES			
Receipt of interest	2,655	-	2,655
Receipt of grants	2,315,435	58,653	2,374,088
Receipt of donated commodities	109,396	-	109,396
Net cash provided (used) by investing activities	2,427,486	58,653	2,486,139
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	410,210	99,397	509,607
CASH AND CASH EQUIVALENTS, JULY 1, 2021	511,070	286,121	797,191
CASH AND CASH EQUIVALENTS, JUNE 30, 2022	$ 921,280	$ 385,518	$ 1,306,798
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating income (loss)	$(2,003,921)	$ 39,068	$(1,964,853)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Depreciation	57,214	-	57,214
Changes in assets and liabilities:			
Accounts receivable	5,664	1,089	6,753
Inventory	(18,659)	-	(18,659)
Deferred outflows of resources	101,247	-	101,247
Accounts payable	(20,657)	587	(20,070)
Deferred inflows of resources	352,030	-	352,030
Net pension liability	(348,785)	-	(348,785)
Net OPEB liability	(126,459)	-	(126,459)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	$(2,002,326)	$ 40,744	$(1,961,582)

SCHEDULE OF NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES

Donated commodities received from federal government	$ 109,396
On-behalf payments from state government	$ 290,594

The accompanying notes are an integral part of these financial statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies that affect the significant elements of the Corbin Independent School District are summarized as follows:

REPORTING ENTITY

The Corbin 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 the Corbin Independent School District (District). The District receives funding from local, state and federal government sources and must comply with the commitment requirements of these funding source entities. However, the District is not included in any other governmental "reporting entity" as defined by the Governmental Accounting Standards Board (GASB) pronouncement since 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 District, for financial purposes, includes all of the funds and account groups relevant to the operation of the Corbin Independent School District. 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 District itself such as Band Boosters, Parent-Teacher Associations, etc.

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

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

CORBIN INDEPENDENT SCHOOL DISTRICT FINANCE CORPORATION

The Corbin Independent Board of Education resolved to authorize the establishment of the Corbin Independent School District Finance Corporation (a non-profit, non-stock, public and charitable corporation organized under the School Board Act and KRS 273 and KRS Section 58.180) as an agency of the District for financing the costs of school building facilities. The Board members of the Corbin Independent Board of Education also comprise the corporation's 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 governmental and business-type activities of the District.

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

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 governmental activities of the District. Direct expenses are those that are specifically associated with a service,

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

program or department and therefore clearly identifiable to a particular function. Program revenues include amounts paid by the recipient of 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. All taxes and revenues 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. Their focus is on major funds rather than reporting funds by type. Each major fund is presented in a separate column and all nonmajor funds are aggregated into one column.

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. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operations of these funds are included on the balance sheet. Proprietary fund's operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in total net position.

The District has the following funds:

I. Governmental Fund Types

(A) The General Fund is the main 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 the specified project periods as well as the state grant programs. Project accounting is employed to maintain integrity for the various sources of funds. The separate projects of federally funded grant programs are identified in the Schedule of Expenditures of Federal Awards included in this report. This is a major fund of the District.

(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 the Proprietary Fund).

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.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. The Facility Support Program of Kentucky (FSPK) 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.

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

II. Proprietary Fund Types (Enterprise Fund)

(A) The 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). Amounts have been recorded for in-kind contributions of commodities from the USDA. The Food Service Fund is a major fund.

The District applies all GASB pronouncements to proprietary funds as well as the Financial Accounting Standards Board pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements.

(B) The Day Care Fund is used to account for the day care operations of the District.

BASIS OF ACCOUNTING
Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. The fund financial statements are prepared using either modified accrual for governmental funds or accrual basis for proprietary funds.

Revenues, Exchange and Nonexchange Transactions: Revenues resulting from exchange transactions, in which each party receives essentially equal value, are recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenues are recognized in the fiscal year when they become both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current fiscal year. The available period of the District is sixty days after 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 met. Eligibility requirements include timing requirements, which specify the year when the resources 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 the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Revenue: The District reports deferred revenue on its statement of net position and governmental funds balance sheet. In both the government-wide and governmental fund statements, grants that are "intended to finance" future periods are reported as deferred revenue. In subsequent periods, the liability for deferred revenue is removed from the statement of net position and governmental funds balance sheet and revenue is recognized.

Expenditures/Expenses: On the accrual basis of accounting, expenses are recorded at the time they are incurred. The measurement focus of governmental fund accounting is on a flow of current financial resources. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred except for (1) principal and interest on general long-term debt, which is recorded when due, and (2) the costs of accumulated unpaid sick leave, which are reported as fund liabilities in the period in which they will be liquidated with available financial resources rather than in the period earned by employees.

CASH AND INVESTMENTS

The District maintains a cash and investment pool used by all funds. The cash and investment pool has the same characteristics as demand deposits. Each fund type's portion of this pool is displayed in the financial statements as cash and cash equivalents in that fund. The District utilizes a financial institution to service bonded debt as principal and interest payments come due. The monies are either maintained in a central bank account or used to purchase legal investments. The District only invests in certificates of deposit.

It is the policy of the District to value investment contracts and money market investments with a maturity of one year or less at the time of purchase at cost or amortized cost. Investment contracts and money market investments that have a remaining maturity of greater than one year at the time of purchase are reported at fair value.

The Kentucky Revised Statutes authorize the District to invest in United States and State of Kentucky bonds, notes and other obligations; bank certificates of deposit; bankers' acceptances; and commercial paper notes rated prime that are issued by United States corporations. It is the District's policy to invest in all of the above types of investments. Under existing Kentucky statutes, all investment earnings accrue to the general and food service funds except certain trust funds and those funds individually authorized by Board resolution.

PREPAID ASSETS/EXPENDITURES

Payments made that will benefit periods beyond June 30, 2022 are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

INVENTORY

On government-wide financial statements, inventories are presented at cost or using the first in, first out (FIFO) method and are expensed when used.

On fund financial statements, inventories are valued at cost while inventories of proprietary funds are stated at lower of cost or market. For all funds, cost is determined using the FIFO method and is determined by physical count. Inventory in governmental funds consists of expendable supplies held for consumption, if any. The cost is recorded as an expenditure at the time of purchase. Reported inventories in these funds are equally offset by a fund balance reserve, which indicates they do not represent available spendable resources. Inventories of proprietary funds consist of donated and purchased food.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

CAPITAL ASSETS AND DEPRECIATION

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets are reported in the government-wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by proprietary funds are reported on both statement types.

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 adheres to the property inventory procedures developed by the Kentucky Department of Education. Fixed assets (real property) with an acquisition value of $5,000 or more that have useful lives of more than one year are capitalized. As of July 1, 2017, all computer workstations and laptops, regardless of value, are capitalized but not depreciated. Additional items may also be designated by the District as capital assets. Fixed assets no longer needed or useable are disposed of in compliance with Board policy and applicable legal requirements.

All reported capital assets, with the exception of land and construction in progress, 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 governmental fund capital assets and proprietary fund capital assets:

Description	Useful Life
Land improvements	20 years
Buildings and improvements	25-50 years
Technology equipment	5 years
Vehicles	5-10 years
Food service equipment	10-12 years
General equipment	7 years

INTERFUND ACTIVITY

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Sales of goods and services 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 are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and as operating expenses (net) in proprietary funds.

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

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 District's past experience of making termination payments. The entire compensated absence liability is reported on the district-wide financial statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

For governmental fund financial statements, the current portion of unpaid accumulated sick leave is the amount expected to be paid using expendable available resources. These amounts are recorded in the account restricted for sick leave payable in the general fund. The non-current portion of the liability is not reported in the governmental fund financial statements.

ACCRUED LIABILITIES AND LONG-TERM DEBT

All accrued liabilities and long-term debt are reported in the government-wide financial statements as well as the proprietary fund financial statements.

For governmental fund financial statements, the accrued liabilities are generally reported as a governmental fund liability if due for payment as of the balance sheet date, regardless of whether they will be liquidated with current financial resources. However, claims and judgments and compensated absences paid from governmental funds are reported as a liability in the fund financial statements only for the portion expected to be financed from expendable available financial resources. Long-term debt paid from governmental funds is not recognized as a liability in the fund financial statements until due.

KENTUCKY RETIREMENT SYSTEMS

Employer contributions to KRS are calculated based upon creditable compensation for active members reported by employers. Employer contributions are accrued when earned and the employer has made a formal commitment to provide the contributions.

OTHER POSTEMPLOYMENT BENEFITS (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 Kentucky Teachers' Retirement System (KTRS) and County Employees Retirement System (CERS) and additions to/deductions from both fiduciary net positions have been determined on the same basis as they are reported by KTRS and CERS. 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.

RESTRICTED RESOURCES

The District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted assets are available.

NET POSITION

Net position in government-wide and proprietary fund financial statements is classified as net investment in capital assets; restricted; and unrestricted. Restricted net position represent constraints on resources that are either a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or b) imposed by law through state statute.

In the governmental fund financial statements, fund balance is composed of five classifications designed to disclose the hierarchy of constraint placed on how fund balance can be spent.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The governmental fund types classify fund balances as follows:

Nonspendable Fund Balance – This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

- *Inventories* – Portion of fund balance that is not an available resource because it represents the year-end balance of ending inventories, which are not spendable resources.

Restricted Fund Balance – This classification includes revenue sources that are restricted to specific purposes externally imposed by creditors, grantors or imposed by law.

Committed Fund Balance – Portion of fund balance that can only be used for specific purposes imposed by a majority vote of the Corbin Independent School District's Board members. Any changes or removal of specific purposes also requires majority action by the Board.

Assigned Fund Balance – Portion of fund balance that has been budgeted by the District.

- *Purchase Obligations* – Portion of fund balance that is appropriated in the subsequent year's budget that is not already classified in restricted or committed.

- *Site Base* – Portion of fund balance that has been budgeted for future site base expenditures.

Unassigned Fund Balance – Portion of fund balance that has not been restricted, committed or assigned for a specific purpose.

OPERATING REVENUES AND EXPENSES

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the District, those revenues are primarily charges for meals provided by the various schools and tuition and fees charged for the day-care operations.

CONTRIBUTIONS OF CAPITAL

Contributions of capital in proprietary fund financial statements arise from outside contributions of fixed assets, or from grants or outside contributions of resources restricted to capital acquisition and construction.

ESTIMATES

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires the District's management to make estimates and assumptions that affect reported amounts of assets, liabilities, fund balances, 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.

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Once the budget is approved, it can be amended. Amendments are presented to the Board at their regular meetings. Per Board policy, only amendments that aggregate greater than $50,000 require Board approval. Such amendments are made before the fact, are reflected in the official minutes of the Board and are not after fiscal year end as dictated by law.

Each budget is prepared and controlled by the budget coordinator at the revenue and expenditure function/object level. All unencumbered budget appropriations lapse at year end.

NOTE 2 – CASH AND CASH EQUIVALENTS

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

Under the depository contract, the District, at its own discretion, invests funds in time deposits and certificates of deposit provided by the depository bank at interest rates approximating United States Treasury Bill rates.

The cash deposits held at financial institutions can be categorized according to three levels of risk.

These three levels of risk are as follows:

Category 1	Deposits, which are insured or collateralized with securities, held by the District or by its agent in the District's name.
Category 2	Deposits, which are collateralized with securities held by the pledging financial institution's trust department or agent in the District's name.
Category 3	Deposits which are not collateralized or insured.

Based on these three levels of risk, all of the District's cash deposits are classified as Category 1 and 2.

At June 30, 2022, the carrying amount of the District's deposits (cash and cash equivalents) was $9,509,186 and the bank balance was $10,085,174. The entire bank balance at June 30, 2022 was covered by federal depository insurance or by collateral held by the District's agent in the District's name.

NOTE 3 – PROPERTY TAXES

The District's ad valorem property tax is levied each October 1 on the assessed value listed as of the prior January 1 for all real and business personal property located in the District. The assessed value of the certified roll, upon which the levy for the 2022 fiscal year was based, was $483,828,662. The tax rates assessed for the year ended June 30, 2022 to finance general fund operations were $.685 per $100 valuation for real estate, $.699 per $100 valuation for tangible property and $.693 for motor vehicles. The District committed $.058 of the levy to the FSPK Fund. Taxes are due on October 1 and become delinquent by February 1 following the October 1 levy date. Current tax collections for the year ended June 30, 2022 were ninety-four percent of the tax levy. Delinquent taxes are allocated to the general fund. The District records taxes receivable only for the amounts collected during the next sixty days from its fiscal year end.

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

At June 30, 2022, the components of taxes receivable were as follows:

General property tax	$ 1,847
Delinquent property tax	14,863
Motor vehicle tax	36,555
Miscellaneous	280
Utility tax	37,503
	$ 91,048

NOTE 4 – RECEIVABLES

Receivables at June 30, 2022 consisted of taxes, accounts (rent and student fees), interest and intergovernmental grants and entitlements. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs and the current year guarantee of federal funds.

NOTE 5 – DEFERRED OUTFLOWS (INFLOWS) OF RESOURCES – BONDED DEBT

Changes in the District's deferred outflows (inflows) of resources – bonded debt during the fiscal year 2022 were as follows:

	Balance July 1, 2021	Additions	Reductions	Balance June 30, 2022
Discount on bonds, net	$ 543,740	$ -	$ (35,986)	$ 507,754
Premium on bonds, net	$ (105,117)	$ 19,859	$ (30,979)	$ (116,237)

NOTE 6 – CAPITAL ASSETS

A summary of capital assets activity during the fiscal year follows:

	Balance July 1, 2021	Additions	Deletions	Balance June 30, 2022
GOVERNMENTAL ACTIVITIES				
Construction in progress	$ 781,311	$ 3,377,536	$ (166,568)	$ 3,992,279
Land	4,380,705	-	-	4,380,705
Land improvements	3,309,189	413,312	-	3,722,501
Buildings and improvements	90,463,891	541,363	-	91,005,254
Technology equipment	3,489,584	108,764	(172,544)	3,425,804
Vehicles	2,785,595	14,950	(81,531)	2,719,014
General equipment	3,849,506	141,836	(2,945)	3,988,397
Totals at cost	109,059,781	4,597,761	(423,588)	113,233,954
Less accumulated depreciation:				
Land improvements	(1,937,887)	-	(109,223)	(2,047,110)
Buildings and improvements	(19,718,937)	-	(1,909,554)	(21,628,491)
Technology equipment	(3,232,942)	172,544	(100,424)	(3,160,822)
Vehicles	(1,938,581)	81,531	(153,984)	(2,011,034)
General equipment	(2,434,389)	1,783	(203,008)	(2,635,614)
Total accumulated depreciation	(29,262,736)	255,858	(2,476,193)	(31,483,071)
Governmental activities capital assets, net	$ 79,797,045	$ 4,853,619	$ (2,899,781)	$ 81,750,883
BUSINESS-TYPE ACTIVITIES				
Food service equipment	$ 1,077,086	$ -	$ (3,114)	$ 1,073,972
Vehicles	121,754	14,950	-	136,704
Technology equipment	41,308	-	(1,708)	39,600
Totals at cost	1,240,148	14,950	(4,822)	1,250,276
Less accumulated depreciation:				
Food service equipment	(649,649)	3,114	(47,556)	(694,091)
Vehicles	(83,589)	-	(9,658)	(93,247)
Technology equipment	(41,307)	1,708	-	(39,599)
Total accumulated depreciation	(774,545)	4,822	(57,214)	(826,937)
Business-type activities capital assets, net	$ 465,603	$ 19,772	$ (62,036)	$ 423,339

NOTE 6 – CAPITAL ASSETS (CONTINUED)

Depreciation expense was allocated to governmental functions as follows:

Instruction	$ 1,672,241
Support services:	
Student	73,504
Instructional staff	725
District administration	288
School administration	200
Plant operations and maintenance	584,679
Student transportation	143,901
Community services activities	655
Total governmental activities	$ 2,476,193

NOTE 7 – ACCUMULATED SICK LEAVE LIABILITY

Changes in the District's accumulated sick leave liability during the fiscal year 2022 were as follows:

	Balance July 1, 2021	Payments	Additions	Balance June 30, 2022	Amount Expected to be Paid Within One Year
Governmental activities:					
Accumulated sick leave	$ (486,524)	$ 133,417	$ (171,026)	$ (524,133)	$ (117,000)

NOTE 8 – BONDED DEBT OBLIGATIONS

The District, through the General Fund (including utility taxes, Facility Support Program of Kentucky Fund (FSPK) and the Support Education Excellence in Kentucky (SEEK) Capital Outlay Fund) is obligated to make payments in amounts sufficient to satisfy debt service requirements on bonds issued by the Corbin Independent School District Finance Corporation to construct school facilities. The District has an option to purchase the property at any time by retiring the bonds then outstanding.

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

Issue	Original Amount	Interest Rates
QZAB 2011	$ 5,000,000	4.35%
2012	2,600,000	1.5% to 3.00%
2014R	9,605,000	2.0% to 3.75%
QZAB 2014	1,395,000	1.0%
2015	1,626,000	1.4% to 4.0%
2016	28,350,000	2.0% to 3.25%
2016R	10,755,000	2.0% to 3.0%
2018	3,600,000	3.0% to 3.5%
2018B	5,975,000	3.0% to 3.625%
2021	4,360,000	2.00%
2021R	710,000	2.00%

NOTE 8 – BONDED DEBT OBLIGATIONS (CONTINUED)

The following is a summary of the District's bonded debt transactions for the year ended June 30, 2022:

	Debt Outstanding July 1, 2021	Additions of New Debt	Repayments	Debt Outstanding June 30, 2022	Amount Expected to be Paid Within One Year
Governmental activities:					
General obligation bonds	$ 55,074,000	$ 710,000	$ (3,579,000)	$52,205,000	$ 2,951,000
Qualified zone academy bonds	3,714,998	-	(307,778)	3,407,220	307,778
	$ 58,788,998	$ 710,000	$ (3,886,778)	$55,612,220	$ 3,258,778

In 2022, the District issued $710,000 of School Building Refunding Bonds to refund the 2011 Bond Issue Revenue Bonds. After deducting the costs of issuance of $15,200 and adding the bond premium of $30,979, proceeds in the amount of $725,779 were deposited into the bond fund to defease the 2011 bond issue.

The District entered into "participation agreements" with the Kentucky 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 liability for the total bond amounts remains with the District and, as such, the total principal outstanding has been recorded in the financial statements.

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 of the District, including amounts to be paid by the Commission, at June 30, 2022 for debt service (principal and interest) are as follows:

	Kentucky School Facility Construction Commission		Corbin Independent School District		
Year	Principal	Interest	Principal	Interest	Total
2022-23	$ 1,239,609	$ 595,735	$ 1,711,391	$ 965,953	$ 4,512,688
2023-24	1,267,898	569,062	1,755,102	925,897	4,517,959
2024-25	1,304,661	531,575	1,805,339	873,789	4,515,364
2025-26	1,342,553	492,998	1,919,447	819,426	4,574,424
2026-27	1,382,918	453,099	2,017,082	761,787	4,614,886
2027-28	1,351,220	411,831	2,100,780	681,554	4,545,385
2028-29	1,392,109	371,427	2,171,891	613,150	4,548,577
2029-30	1,412,754	329,676	2,249,246	538,033	4,529,709
2030-31	1,402,105	287,630	2,082,895	484,053	4,256,683
2031-32	1,446,471	245,144	2,144,529	422,772	4,258,916
2032-33	1,476,107	199,793	2,218,893	358,207	4,253,000
2033-34	1,435,094	154,158	2,048,906	294,412	3,932,570
2034-35	1,481,258	106,727	2,116,742	229,978	3,934,705
2035-36	1,505,004	58,244	2,217,996	163,422	3,944,666
2036-37	128,510	10,404	956,490	93,327	1,188,731
2037-38	132,464	6,175	987,536	64,094	1,190,269

NOTE 8 – BONDED DEBT OBLIGATIONS (CONTINUED)

	Kentucky School Facility Construction Commission		Corbin Independent School District		
Year	Principal	Interest	Principal	Interest	Total
2038-39	45,295	1,896	814,705	33,526	895,422
2039-40	21,775	1,030	348,225	18,070	389,100
2040-41	22,215	591	362,785	10,960	396,551
2041-42	18,414	184	366,586	3,666	388,850
	$ 19,808,434	$ 4,827,379	$ 32,396,566	$ 8,356,076	$ 65,388,455

The District issued $5,000,000 of Qualified Zone Academy Bonds, Series 2011 to fund additions and renovations at the Corbin High School. This bond issue will be funded through sinking fund payments and matures September 2029. This bond issue was issued as "specified tax credit bonds" under the provisions of the American Recovery and Reinvestment Act of 2009 as codified in various section of the Internal Revenue Code of 1986, as amended. The District has elected to receive a cash subsidy payment from the federal government equal to the lesser of (i) the amount of 100% of the interest payable by the District on each interest payment date on such bonds, or (ii) the amount of interest which would have been payable under such bond on such date if such interest were determined at the applicable credit rate determined under Section 54A(b)(3) of the Code with respect to such bonds had the bonds been issued as "tax credit bonds" (the "Applicable Credit Rate"). The available cash subsidy payment for the bonds will be paid directly to the District and will not constitute security for the payment of principal of or any interest on the bonds.

The following represents the future minimum obligations of the District related to the QZAB issues and include amounts to be paid by the SFCC (School Facility Construction Commission) and the federal government, at June 30, 2022 for debt service (principal and interest):

	Corbin Independent School District		Corbin Independent School District Sinking Fund	Kentucky School Facility Construction Commission Sinking Fund	(ARRA) Direct Pay Interest	2011 QZAB Principal	
Year	Principal	Interest					Total
2022-23	$ 30,000	$ 11,700	$ 100,032	$ 177,746	$ 217,500	$ -	$ 536,978
2023-24	30,000	11,400	100,032	177,746	217,500	-	536,678
2024-25	30,000	11,100	100,032	177,746	217,500	-	536,378
2025-26	30,000	10,800	40,526	177,746	217,500	-	476,572
2026-27	30,000	10,500	-	-	217,500	-	258,000
2027-28	30,000	10,200	-	-	217,500	-	257,700
2028-29	30,000	9,900	-	-	217,500	-	257,400
2029-30	30,000	9,600	-	-	108,750	1,170,614	1,318,964
2030-31	95,000	8,975	-	-	-	-	103,975
2031-32	95,000	8,025	-	-	-	-	103,025
2032-33	95,000	7,075	-	-	-	-	102,075
2033-34	330,000	4,950	-	-	-	-	334,950
2034-35	330,000	1,650	-	-	-	-	331,650
	$ 1,185,000	$ 115,875	$ 340,622	$ 710,984	$ 1,631,250	$ 1,170,614	$5,154,345

NOTE 9 – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. To obtain insurance for workers' compensation, errors and omissions and general liability coverage, the District obtained coverage through commercial insurance carriers. The District pays an annual premium for coverage.

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, which includes workers' compensation insurance.

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). There were no instances of noncompliance noted.

NOTE 10 -- PENSION PLANS

Plan Descriptions

The Corbin Independent School District participates in the Teachers' Retirement System of the State of Kentucky (TRS), a component unit of the Commonwealth of Kentucky which includes certified employees and the County Employees' Retirement System (CERS), a component unit of the Commonwealth of Kentucky which includes all other employees, both of which are cost-sharing multiple-employer defined benefit plans. TRS, which qualifies as a special funding situation under GASB 68, and CERS provide retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. TRS is governed by Chapter 161 Section 220 through Chapter 161 Section 990 of the Kentucky Revised Statutes (KRS). Under the provisions of KRS Section 61.645, the Board of Trustees of Kentucky Employees Retirement Systems (KERS) administers the CERS. The TRS and CERS issue publicly available financial reports that include financial statements and required supplementary information. TRS' report may be obtained at www.ktrs.ky.gov. CERS' report may be obtained at www.kyret.ky.gov.

TRS

Benefits Provided

For Members Before 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 twenty-seven (27) years of Kentucky service.

NOTE 10 – PENSION PLANS (CONTINUED)

Non-university members receive monthly payments equal to two percent (2%) (service prior to July 1, 1983) and two and one-half percent (2.5%) (service after July 1, 1983) of their final average salary for each year of credited service. Non-university members who became members on or after July 1, 2002 will receive monthly benefits equal to two percent (2%) of their final average salary for each year of credited service if, upon retirement, their total service is less than ten (10) years. New members after July 1, 2002 who retire with ten (10) or more years of total service will receive monthly benefits equal to two and one-half percent (2.5%) of their final average salary for each year of credited service, including the first ten (10) years. In addition, non-university members who retire July 1, 2004 and later with more than thirty (30) years of service will have their multiplier increased for all years over thirty (30) from two and one-half percent (2.5%) to three percent (3%) to be used in their benefit calculation.

The final average salary is the member's five (5) highest annual salaries except members at least age fifty-five (55) with twenty-seven (27) or more years of service may use their three (3) highest annual salaries. For all members, the annual allowance is reduced by 5% per year from the earlier of age 60 or the date the member would have completed 27 years of service. The minimum annual service allowance for all members is $440 multiplied by credited service.

For Members on or After 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 sixty (60) and complete five (5) years of Kentucky service, or
2.) Complete twenty-seven (27) years of Kentucky service, or
3.) Attain age fifty-five (55) and complete ten (10) years of Kentucky service.

The annual retirement allowance for non-university members is equal to: (a) one and seven tenths percent (1.7%) of final average salary for each year of credited service if their service is 10 years or less; (b) two percent (2%) of final average salary for each year of credited service if their service is greater than 10 years but no more than 20 years; (c) two and three tenths percent (2.3%) of final average salary for each year of credited service if their service is greater than 20 years but no more than 26 years; (d) two and one half percent (2.5%) of final average salary for each year of credited service if their service is greater than 26 years but no more than 30 years; and (e) three percent (3%) of final average salary for years of credited service greater than 30 years.

Other Benefits:

The System provides post-employment medical benefits to retirees. The System also provides disability benefits for vested members at the rate of sixty percent (60%) 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 percent (1.5%) 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. Employees are required to contribute 12.855 percent of their annual salary. The State, as a non-employer contributing entity, contributes 13.105 percent of salary for those who joined before July 1, 2008, and 14.105% for those who joined thereafter.

NOTE 10 – PENSION PLANS (CONTINUED)

Pension Liabilities, Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2022, the District reported no net pension liability because it did not have a proportionate share of the net pension liability. The related State share of the net pension liability was $49,720,505.

The net pension liability was measured as of June 30, 2021, 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 a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and the State, actuarially determined. At June 30, 2021, the District's proportion was zero percent.

For the year ended June 30, 2022, the District recognized pension expense of $3,968,860 and revenue of $3,968,860 for support provided by the State. At June 30, 2022, the District reported no deferred outflows of resources and no deferred inflows of resources related to TRS.

Actuarial Methods and Assumptions for Determining the Total Pension Liability and Net Pension Liability

For financial reporting, the actuarial valuation as of June 30, 2021, was performed by Cavanaugh MacDonald Consulting, LLC (CM). The total pension liability, net pension liability and sensitivity information as of June 30, 2021 was based on an actuarial valuation date of June 30, 2020.

Mortality rates were based on the Pub2010 (Teachers Benefit-Weighted) Mortality Table projected generationally with MP-2020 with various set-forwards, set-backs, and adjustments for each of the groups; service, retirees, contingent annuitants, disabled retirees, and active members. The actuarial assumptions used were based on the results of an actuarial experience study for the 5-year period ending June 30, 2020, adopted by the board on September 20, 2021. The assumed long-term investment rate of return was changed from 7.50 percent to 7.10 percent and the price inflation assumption was lowered from 3.0 percent to 2.5 percent. The Municipal Bond Index Rate used for this purpose is the June average of the Bond Buyer General Obligation 20-year Municipal Bond Index.

The following actuarial methods and assumptions were used to determine the actuarially determined contributions effective for fiscal year ending June 30, 2022:

Valuation Date	June 30, 2020
Prior Measurement Date:	June 30, 2020
Measurement Date	June 30, 2021
Reporting Date:	June 30, 2022

Single Equivalent Interest Rate (SEIR):	
Long-Term Expected Rate of Return	7.10%
Municipal Bond Index Rate at Prior Measurement Date	2.19%
Municipal Bond Index Rate at Measurement Date	2.13%
Single Equivalent Interest Rate at Prior Measurement Date	7.50%
Single Equivalent Interest Rate at Measurement Date	7.10%

NOTE 10 – PENSION PLANS (CONTINUED)

Discount Rate/Target Allocations

The target asset 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	Long-Term Expected Real Rate of Return
Large Cap U.S. Equity	37.4%	4.2 %
Small Cap U.S. Equity	2.6%	4.7 %
Developed International Equity	16.5%	5.3 %
Emerging Markets Equity	5.5%	5.4 %
Fixed Income	15.0%	(0.1)%
High Yield Bonds	2.0%	1.7 %
Additional Categories	5.0%	2.2 %
Real Estate	7.0%	4.0 %
Private Equity	7.0%	6.9 %
Cash	2.0%	(0.3)%
Total	100.0%	

Net Pension Liability

The following table presents the net pension liability of TRS, calculated using the discount rate of 7.10%, as well as what TRS's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.10%) or 1-percentage-point higher (8.10%) than the current rate (in thousands):

	1% Decrease (6.10%)	Current Discount Rate (7.10%)	1% Increase (8.10%)
Systems' Net Pension Liability	$ 18,389,990	$ 13,605,788	$ 9,631,759

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued TRS financial report available at http://www.ktrs.ky.gov/.

CERS

Benefits Provided

The system provides for retirement, disability and death benefits to system members. Retirement benefits may be extended to beneficiaries of members under certain circumstances. Prior to July 1, 2009, cost-of-living adjustments (COLA) were provided annually equal to the percentage increase in the annual average of the consumer price index for all urban consumers for the most recent calendar year, not to exceed 5% in any plan year. On July 1, 2013, the COLA was not granted. Effective July 1, 2009, and on July 1 of each year thereafter through June 30, 2015, the COLA is limited to 1.5% provided the recipient has been receiving a benefit for less than 12 months prior to the effective date of the COLA. If the recipient has been receiving a benefit for less than 12 months prior to the effective date of the COLA, the increase shall be reduced on a pro-rata basis for each month the recipient has not been receiving benefits in the 12 months preceding the effective date of the COLA. The Kentucky General Assembly reserves the right to suspend or reduce the COLA if, in its judgment, the welfare of the Commonwealth so demands.

NOTE 10 – PENSION PLANS (CONTINUED)

Contributions

For the fiscal year ended June 30, 2022, plan members who began participating prior to September 1, 2008, were required to contribute 5% of their annual creditable compensation. Plan members who began participating after September 1, 2008 were required to contribute 6% of their annual creditable compensation. Participating employers were required to contribute at an actuarially determined rate. Per Kentucky Revised Statute Section 78.545(33), normal contribution and past service contribution rates shall be determined by the Board on the basis of an annual valuation last preceding July 1 of a new biennium. The Board may amend contribution rates as of the first date of July of the second year of a biennium, if it is determined on the basis of a subsequent actuarial valuation that amended contribution rates are necessary to satisfy requirements determined in accordance with actuarial bases adopted by the Board. The school district's contractually required contribution rate for the year ended June 30, 2022, was 26.95 percent (21.17 percent for pension and 5.78 percent for OPEB) of annual creditable compensation. Contributions to the pension plan from the District were $639,069.

Pension Liabilities, Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2022, the District reported a liability of $7,197,049 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, 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 a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts, actuarially determined. At June 30, 2021, the District's proportion was 0.112881 percent.

For the year ended June 30, 2022, the District recognized pension expense of $639,069. At June 30, 2022, the District reported deferred inflows of resources of $1,807,063 and deferred outflows of resources of $1,115,707 related to pensions. The amount reported as deferred inflows for District contributions subsequent to the measurement date of $639,069 will be recognized as a reduction of the net pension liability in the year ending June 30, 2023.

	Deferred Outflows of Resources	Deferred Inflows of Resources
County Employee Retirement System (CERS) - Pension		
Balance, July 1, 2021	$ 1,640,036	$ (279,633)
Contributions subsequent to the measurement date:		
June 30, 2021	(563,380)	-
June 30, 2022	639,069	-
Liability experience	(82,644)	(69,852)
Investment experience	(279,198)	(1,238,444)
Assumption changes	(96,593)	-
Difference between expected and actual results	(141,583)	(219,134)
Balance, June 30, 2022	$ 1,115,707	$ (1,807,063)

NOTE 10 – PENSION PLANS (CONTINUED)

Actuarial Methods and Assumptions for Determining the Total Pension Liability and Net Pension Liability

For financial reporting, the actuarial valuation as of June 30, 2021, was performed by Cavanaugh Macdonald Consulting (CMC). The total pension liability, net pension liability and sensitivity information as of June 30, 2021 was based on an actuarial valuation date of June 30, 2019. The total pension liability was rolled-forward from the valuation date (June 30, 2019) to the plan's fiscal year ending June 30, 2021, using generally accepted actuarial principles. Subsequent to the actuarial valuation date (June 30, 2019), but prior to the measurement date the KRS Board of Trustees reviewed investment trends, inflation and payroll growth historical trends. Based on this review the Board adopted the following updated actuarial assumptions which were used in performing the actuarial valuation as of June 30, 2021, which were also used to determine the Total Pension Liability and Net Pension Liability as of June 30, 2021.

The actuarial assumptions are:

Inflation Rate	2.30%
Payroll Growth Rate	2.0% for CERS non-hazardous
Salary Increases	3.30% to 10.30%, varies by service for CERS non-hazardous
Investment Rate of Return	6.25% for CERS non-hazardous

System-specific mortality tables based on mortality experience from 2013-2018, projected with the ultimate rates from MP-2014 mortality improvement scale using a base year of 2019 were used.

Discount Rate

The projection of cash flows used to determine the discount rate of 6.25% for the CERS non-hazardous assumes that the funds receive the required employer contributions each future year, as determined by the current funding policy established in Statute as last amended by House Bill 362 (passed in 2018). The discount rate determination does not use a municipal bond rate. The target asset allocation and best estimates of arithmetic real rates of return for each major asset class are as follows:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
US Equity	21.75%	5.70%
Non US Equity	21.75%	6.35%
Private Equity	10.00%	9.70%
Specialty Credit/High Yield	15.00%	2.80%
Core Bonds	10.00%	0.00%
Cash	1.50%	(0.60%)
Real Estate	10.00%	5.40%
Real Return	10.00%	4.55%
	100.00%	

NOTE 10 – PENSION PLANS (CONTINUED)

Actuarial Methods and Assumptions used to determine the Actuarial Determined Contributions

The following actuarial methods and assumptions were used to determine the actuarially determined contributions effective for fiscal year ending June 30, 2022:

Valuation Date	June 30, 2019
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level percent of pay
Remaining Amortization Period	30 years, Closed
Payroll Growth Rate	2.0% for CERS non-hazardous
Asset Valuation Method	20% of the difference between the market value of assets and the expected actuarial value of assets is recognized
Inflation	2.30%
Salary Increase	3.30% to 10.30%, varies by service, for CERS non-hazardous
Investment Rate of Return	6.25% for CERS Non-hazardous

System-specific mortality tables based on mortality experience from 2013-2018, projected with the ultimate rates from MP-2014 mortality improvement scale using a base year of 2019 were used.

Deferred Inflows and Outflows of Resources

The Deferred Inflows and Outflows of Resources and Pension Expense included in the Schedule of Pension Amounts by Employer 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 of Pension Amounts by Employer 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 as of June 30, 2022, is based on the June 30, 2019, actuarial valuation rolled forward. Deferred outflows and inflows related to differences between projected and actual earnings on plan investments are netted and amortized over a closed five-year period.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 6.25%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.25%) or 1-percentage-point higher (7.25%) than the current rate:

	1% Decrease (5.25%)	Current Discount Rate (6.25%)	1% Increase (7.25%)
District's proportionate share of the net pension liability	$ 9,230,557	$ 7,197,049	$ 5,514,369

Pension Plan Fiduciary Net Position

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

NOTE 10 – PENSION PLANS (CONTINUED)

DEFERRED COMPENSATION

The District offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Sections 457, 401(k) and 403(b). The Plans, available to all employees, permit them to defer a portion of their salary until future years. This deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. GASB Statement No. 32, Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans, allows entities with little or no administrative involvement who do not perform the investing function for these plans, to omit plan assets and related liabilities from their financial statements. The District, therefore, does not show these assets and liabilities on these financial statements.

NOTE 11 – OTHER POSTEMPLOYMENT BENEFITS PLAN

General Information – TRS

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 member and employer contributions consist of retirement annuity contributions and other postemployment benefit contributions to the medical and life insurance plans. The member postemployment medical contribution is 3.75 percent of salary. The employer postemployment medical contribution is .75 percent of member salaries. Also, employers (other than the state) contribute 3.0 percent of members' salaries and the state contributes the net cost of health insurance premiums for new retirees after June 30, 2010 in the non-Medicare eligible group. If a member leaves covered employment before accumulating five (5) years of credited service, accumulated member contributions to the retirement annuity plan plus interest are refunded upon the member's request.

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 access to postemployment healthcare benefits for eligible members and dependents. The TRS medical plan (MIF) is funded by employer and member contributions. 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.

NOTE 11 – OTHER POSTEMPLOYMENT BENEFITS PLAN (CONTINUED)

Contributions – In order to fund the post-retirement healthcare benefit, 9.07% of the gross annual payroll of members is contributed. Three and three-quarters percent (3.75%) is paid by member contributions and 2.32% 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 – Health Trust

At June 30, 2022, the District reported a liability of $4,383,000 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, 2021, 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, 2022, the District's proportion was .204289 percent.

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	$ 4,383,000
State's proportionate share of the net OPEB liability associated with the District	3,560,000
Total	$ 7,943,000

For the year ended June 30, 2022 the District recognized OPEB expense-Health Trust of $2,928,104 and revenue of $2,928,104 for support provided by the State.

At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Kentucky Teachers Retirement System (KTRS) – OPEB		
Balance, July 1, 2021	$ 857,000	$ (2,354,000)
Investment experience	-	(468,000)
Assumption changes	1,146,000	(172,000)
Difference between expected and actual results	(560,000)	(253,000)
Balance, June 30, 2022	$ 1,443,000	$ (3,247,000)

Actuarial assumptions (Health Trust and Life Trust) – 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:

Inflation	2.50%
Real wage growth	0.25%
Wage inflation	2.75%
Salary increases, including wage inflation	3.00% - 7.50%

NOTE 11 – OTHER POSTEMPLOYMENT BENEFITS PLAN (CONTINUED)

Long-term Investment Rate of Return, net of OPEB plan investment expense, including inflation	
Health Trust	7.10%
Life Trust	7.10%
Municipal Bond Index Rate	2.13%
Year FNP is projected to be depleted	
Health Trust	N/A
Life Trust	N/A
Single Equivalent Interest Rate, net of OPEB plan investment expense, including price inflation	
Health Trust	7.10%
Life Trust	7.10%
Health Trust Health Care Cost Trends	
Under Age 65	7.00% for FYE 2021 decreasing to an ultimate rate of 4.50% by FYE 2031
Ages 65 and Older	5.00% for FYE 2021 decreasing to an ultimate rate of 4.50% by FYE 2024
Medicare Part B Premiums	4.40% for FYE 2021 with an ultimate rate of 4.50% by 2034

The target asset 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:

Health Insurance Trust

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Global Equity	58.0%	5.10%
Fixed Income	9.0%	(0.10%)
Real Estate	6.5%	4.00%
Private Equity	8.5%	6.90%
High Yield	8.0%	1.70%
Other Additional Categories	9.0%	2.20%
Cash (LIBOR)	1.0%	(0.30%)
Total	100.0%	

Life Insurance Trust

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
U.S. Equity	40.0%	4.40%
International Equity	23.0%	5.60%
Fixed Income	18.0%	(0.10%)
Real Estate	6.0%	4.00%
Private Equity	5.0%	6.90%
Additional Categories	6.0%	2.10%
Cash (LIBOR)	2.0%	(0.30%)
Total	100.0%	

NOTE 11 – OTHER POSTEMPLOYMENT BENEFITS PLAN (CONTINUED)

The discount rate used to measure the TOL at June 30, 2021 was 7.10 percent for the Health Trust and the Life Trust. The projection of cash flows used to determine the discount rate was performed in accordance with GASB 75. The projection's basis was an actuarial valuation performed as of June 30, 2020. In addition to the actuarial methods and assumptions of the June 30, 2020 actuarial valuation, the following actuarial methods and assumptions were used in the projection of cash flows:

- Total payroll for the initial projection year consists of the payroll of the active membership present on the Valuation Date. In subsequent projection years, total payroll was assumed to increase annually at a rate of 2.75%.

- The pre-65 retiree health care costs of members retired on or after July 1, 2010 were assumed to be paid by either the state or the retirees themselves.

- As administrative expenses, other than the administrative fee of $8.00 PMPM paid to KEHP by TRS, were assumed to be paid in all years by the employer as they come due, they were not considered.

- Cash flows occur mid-year.

- Future contributions to the Health Trust were based upon the contribution rates defined in statute and the projected payroll of active employees. Per KRS 161.540(1)(c).3 and 161.550(5), when the Health Trust achieves a sufficient prefunded status, as determined by the retirement system's actuary, the following Health Trust statutory contributions are to be decreased, suspended or eliminated:
  - Employee contributions
  - School District/University Contributions
  - State Contributions for KEHP premium subsidies payable to retirees who retire after June 30, 2010

To reflect these adjustments, open group projections were used and assumed an equal, pro rata reduction to the current statutory amounts in the years if/when the Health Trust is projected to achieve a Funded Ratio of 100% or more. Here, the current statutory amounts are adjusted to achieve total contributions equal to the Actuarially Determined Contribution (ADC), as determined by the prior year's valuation and in accordance with the Health Trust's funding policy (Schedule B). As the specific methodology to be used for the adjustments has yet to be determined, there may be differences between the projected results and future experience. This may also include any changes to retiree contributions for KEHP coverage pursuant to KRS 161.675(4)(b).

- In developing the adjustments to the statutory contributions in future years, the following was assumed:

  - Liabilities and cash flows are net of expected retiree contributions and any implicit subsidies attributable to coverage while participating in KEHP.

  - For the purposes of developing estimates for new entrants, active headcounts were assumed to remain flat for all future years.

Based on these assumptions, the Health Trust's nor the Life Trust's FNP was not projected to be depleted.

This paragraph requires disclosure of the sensitivity of the NOL to changes in the discount rate. The following exhibit presents the NOL of the Plan, calculated using the discount rate of 7.10 percent for the Health Trust and the Life Trust, as well as the System's NOL calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate.

NOTE 11 – OTHER POSTEMPLOYMENT BENEFITS PLAN (CONTINUED)

	Discount Rate Sensitivity ($ Thousands)		
	1% Decrease	Current Discount Rate	1% Increase
Health Trust Net OPEB Liability	$ 2,747,046	$ 2,145,707	$ 1,648,531
Life Trust Net OPEB Liability	$ 30,217	$ 13,708	$ (800)

Life Insurance Plan

Plan description – 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, seven hundredths of one percent (.07%) of the gross annual payroll of members is contributed by the state.

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

At June 30, 2022, the 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.

District's proportionate share of the net OPEB liability – Life Trust	$ -
State's proportionate share of the net OPEB liability – Life Trust associated with the District	47,000
Total	$ 47,000

For the year ended June 30, 2022, the District recognized OPEB expense of $4,451 and revenue of $4,451 for support provided by the State.

General Information – CERS

CERS Non-hazardous and CERS Hazardous Insurance Funds are cost-sharing multiple-employer defined benefit Other Postemployment Benefits (OPEB) plans for members that cover all regular full-time members employed in non-hazardous and hazardous duty positions of any state department, board, agency, county, city, school board and any additional eligible local agencies electing to participate. The plans provide for health insurance benefits to plan members. OPEB may be extended to beneficiaries of plan members under certain circumstances.

NOTE 11 – OTHER POSTEMPLOYMENT BENEFITS PLAN (CONTINUED)

Actuarial assumptions – The total OPEB liability – CERS in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Determined by the Actuarial Valuation as of:	June 30, 2019
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	20% of the difference between the market value of assets and the expected actuarial value of assets is recognized
Amortization Method:	Level Percent of Pay
Remaining Amortization Period:	30 Years, Closed
Payroll Growth Rate:	2.00%
Investment Return:	6.25%
Inflation Rate:	2.30%
Salary Increases:	3.30% to 10.30%, varies by service
Mortality:	System-specific mortality table based on mortality experience from 2013-2018, projected with the ultimate rates from MP-2014 mortality improvement scale using a base year of 2019.
Healthcare Trend Rates (Pre-65)	Initial trend starting at 6.25% at January 1, 2021 and gradually decreasing to an ultimate trend rate of 4.05% over a period of 13 years. The 2020 premiums were known at the time of the valuation and were incorporated into the liability measurement.
Healthcare Trend Rates (Post-65)	Initial trend starting at 5.50% at January 1, 2021 and gradually decreasing to an ultimate trend rate of 4.05% over a period of 14 years. The 2020 premiums were known at the time of the valuation and were incorporated into the liability measurement.

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.

NOTE 11 – OTHER POSTEMPLOYMENT BENEFITS PLAN (CONTINUED)

The target asset 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	Long Term Expected Real Rate of Return
U.S. Equity	21.75%	5.70%
Non U.S. Equity	21.75%	6.35%
Private Equity	10.00%	9.70%
Specialty Credit/High Yield	15.00%	2.80%
Core Bonds	10.00%	0.00%
Cash	1.50%	(0.60%)
Real Estate	10.00%	5.40%
Real Return	10.00%	4.55%
Total	100.00%	

The discount rate used to measure the TOL as of the Measurement Date was 5.20%. The projection of cash flows used to determine the discount rate was performed in accordance with GASB 75. The projection's basis was an actuarial valuation performed as of June 30, 2019. In addition to the actuarial methods and assumptions of the June 30, 2019 actuarial valuation, the following actuarial methods and assumptions were used in the projection of the cash flows:

- Total payroll for the initial projection year consists of the payroll of the active membership present on the Valuation Date.
- The employer will contribute the Actuarially Determined Contribution (ADC) in accordance with the funding policy (Schedule B) determined by a valuation performed on a date two years prior to the beginning of the fiscal year in which the ADC applies.
- As administrative expenses were assumed to be paid in all years by the employer as they come due, they were not considered.
- Active employees do not explicitly contribute to the plan.
- Cash flows occur mid-year.

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

For the year ended June 30, 2022 the District recognized OPEB expense of approximately $31,110.

NOTE 11 – OTHER POSTEMPLOYMENT BENEFITS PLAN (CONTINUED)

At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
County Employee Retirement System (CERS) – OPEB		
Balance, July 1, 2021	$ 1,330,087	$ (608,909)
Contributions subsequent to the measurement date:		
June 30, 2021	(138,914)	-
June 30, 2022	174,514	-
Liability experience	(339,748)	(645,069)
Investment experience	(108,855)	(446,843)
Assumption changes	278,837	(2,009)
Difference between expected and actual results	17,809	416,039
Balance, June 30, 2022	$ 1,213,730	$ (1,286,791)

The long-term expected rate of return on OPEB plan investments will be determined based on the allocation of assets by asset class and by the mean and variance of real returns. The discount rate determination will use a municipal bond rate to the extent the trust is projected to run out of money before all benefits are paid. The rate used, if necessary, for this purpose is the monthly average of the Bond Buyers General Obligation 20-year Municipal Bond Index Rate (formerly published monthly by the Board of Governors of the Federal Reserve System).

The following table presents the District's proportionate share of the collective net OPEB liability of the System, calculated using the discount rate of 5.20%, 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 (4.20%) or 1-percentage-point higher (6.20%) than the current rate:

	1% Decrease (4.20%)	Current Discount Rate (5.20%)	1% Increase (6.20%)
District's Net OPEB Liability – CERS	$ 2,966,422	$ 2,160,553	$ 1,499,203

Sensitivity of the District's proportionate share of the collective net OPEB liability – CERS to changes in the healthcare cost trend rates – The following presents the District's proportionate share of the collective net OPEB liability – CERS, as well as what the District's proportionate share of the collective net OPEB liability – CERS 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	1% Increase
District's Net OPEB Liability – CERS	$ 1,555,341	$ 2,891,052

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

NOTE 12 – COMMITMENTS AND CONTINGENCIES

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 Corbin Board of Education, Corbin Independent School District, and others, have been sued in Federal Court. The style of the case is United States District Court, Eastern District of Kentucky, Southern Division, London, Daniel Clay Rice v. Duane Logan, et al, No. 6:21-CV-206-REW.

The Claim against the Corbin Board of Education, Corbin Independent School District and others, was dismissed by the Court on August 1, 2022. The Corbin Board of Education and Corbin Independent School District were represented by their insurance defense counsel and Howard Mann, 104 N. Kentucky Avenue, Corbin, Kentucky 40701.

No provision was made in the accompanying financial statements for any contingent liabilities.

NOTE 13 – DEFICIT OPERATING/FUND BALANCES

The District did not have any deficit fund balances at June 30, 2022.

The District had the following current year operating deficit:

Construction Fund $(3,190,382)

NOTE 14 – TRANSFER OF FUNDS

The following transfers were made during the year:

Type	From Fund	To Fund	Purpose	Amount
Operating	Building/FSPK	Debt Service	Debt service requirement	$ 2,503,766
Operating	General	Special Revenue	Matching – Phase II Technology	58,423
Operating	Special Revenue	General	Reimbursement	1,292
Operating	Special Revenue	General	Indirect costs	199,289
Operating	Capital Outlay	Debt Service	Debt service requirement	278,205
Operating	Special Revenue	Building/FSPK	Debt service requirement	42,000
Operating	Building/FSPK	General	Capital funds request	529,631
Operating	Building/FSPK	Construction	Construction	43,238
Operating	Special Revenue – School Activity	Special Revenue – School Activity	Reimbursements	167
Operating	Special Revenue – School Activity	General	Reimbursements	131,805
				$ 3,787,816

NOTE 15 – ON-BEHALF PAYMENTS

As amounts are paid by various State agencies on-behalf of the District, the amounts are recognized as revenues and expenditures by the District. On the statement of revenues, expenditures and changes in fund balance, the on-behalf

NOTE 15 – ON-BEHALF PAYMENTS (CONTINUED)

payments are included with State revenue, and are included in the functional expense classifications. On the statement of activities, the on-behalf payments are included in the functional expense classifications, and are included with program operating grants and contributions for the respective functions. A summary of on-behalf payments during 2022 is as follows:

Teacher's Retirement System (TRS) – GASB 68	$ 3,968,860
Teacher's Retirement System (TRS) – GASB 75	301,740
Health insurance	2,928,104
Life insurance	4,451
Administrative fee	35,460
Health reimbursement account – HRA/Dental/Vision	146,300
Federal reimbursements of health benefits	(290,370)
Technology	99,738
School Facilities Construction Commission (SFCC) debt service	1,995,645
	$ 9,189,928

NOTE 16 – FUND BALANCE DESIGNATIONS

The following governmental funds had restricted fund balances at June 30, 2022:

Fund	Amount	Purpose
General	$ 117,000	Accumulated sick leave
Construction	975,658	Future construction

NOTE 17 – SUBSEQUENT EVENTS

We evaluated events and transactions that occurred after the balance sheet date as potential subsequent events. We performed this evaluation through September 5, 2022, the date on which we issued our financial statements.

CORBIN INDEPENDENT SCHOOL DISTRICT
Corbin, Kentucky

SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
Years Ended June 30,

	Reporting Fiscal Year (Measurement Date)			
	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)
COUNTY EMPLOYEES RETIREMENT SYSTEM				
District and PSCA's proportion of the net pension liability	.112881%	.122589%	.125465%	.122991%
District and PSCA's proportionate share of the net pension liability	$ 7,197,049	$ 9,402,475	$ 8,824,009	$ 7,490,527
District and PSCA's covered-employee payroll	$ 2,908,113	$ 2,849,026	$ 3,067,875	$ 3,116,951
District and PSCA's proportionate share of the net pension liability as a percentage of its covered-employee payroll	247.48%	330.02%	287.63%	240.32%
Plan fiduciary net position as a percentage of the total pension liability	57.33%	58.30%	50.45%	46.46%
TEACHER'S RETIREMENT SYSTEM				
District's proportion of the net pension liability	0%	0%	0%	0%
District's proportionate share of the net pension liability	$ -	$ -	$ -	$ -
State's proportionate share of the net pension liability associated with the District	$ 49,720,505	$ 54,725,948	$ 51,861,977	$ 49,063,511
District's covered-employee payroll	$ 13,373,995	$ 12,883,412	$ 12,594,254	$ 13,455,690
District's proportionate share of the net pension liability as a percentage of its covered employee payroll	0%	0%	0%	0%
Plan fiduciary net position as a percentage of the total pension liability	65.60%	58.27%	64.57%	59.30%

Note: Schedule is intended to show information for the last 10 fiscal years. Additional years will be displayed as they become available.

2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)
.122429%	.11991%	.113222%	.111387%
$ 7,166,146	$ 5,904,085	$ 4,867,988	$ 3,614,000
$ 3,014,779	$ 3,025,999	$ 2,896,397	$ 2,667,016
237.70%	195.11%	168.07%	135.51%
53.32%	55.50%	59.97%	66.80%
0%	0%	0%	0%
$ -	$ -	$ -	$ -
$102,330,708	$110,207,978	$ 84,164,493	$ 73,093,386
$ 11,888,795	$ 12,724,226	$ 12,411,560	$ 11,610,462
0%	0%	0%	0%
13.32%	14.80%	18.83%	22.32%

CORBIN INDEPENDENT SCHOOL DISTRICT
Corbin, Kentucky

SCHEDULE OF PENSION CONTRIBUTIONS
Years Ended June 30,

	2022	2021	2020	2019
COUNTY EMPLOYEES RETIREMENT SYSTEM:				
Contractually required contribution	$ 639,069	$ 563,380	$ 605,963	$ 519,449
Contributions in relation to the contractually required contribution	(639,069)	(563,380)	(605,963)	(519,449)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
District and PSCA's covered-employee payroll	$ 2,908,113	$ 2,849,026	$ 3,067,875	$ 3,116,951
District and PSCA's contributions as a percentage of its covered-employee payroll	21.17%	24.06%	24.06%	21.48%
TEACHER'S RETIREMENT SYSTEM				
Contractually required contribution	$ -	$ -	$ -	$ -
Contributions in relation to the contractually required contribution	-	-	-	-
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
District's covered-employee payroll	$ 13,373,995	$ 12,883,412	$ 12,594,254	$ 13,455,690
District's contributions as a percentage of its covered employee payroll	0%	0%	0%	0%

Note: Schedule is intended to show information for the last 10 fiscal years. Additional years will be displayed as they become available.

2018	2017	2016	2015
$ 460,258	$ 567,845	$ 494,087	$ 612,515
(460,258)	(567,845)	(494,087)	(612,515)
$ -	$ -	$ -	$ -
$ 3,014,779	$ 3,025,999	$ 2,896,397	$ 2,667,016
19.18%	18.68%	17.06%	17.67%
$ -	$ -	$ -	$ -
-	-	-	-
$ -	$ -	$ -	$ -
$ 11,888,795	$ 12,724,226	$ 12,411,560	$ 11,610,462
0%	0%	0%	0%

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
Year Ended June 30, 2022

(1) CHANGES OF ASSUMPTIONS

TRS/CERS

The assumption changes are noted below.

(2) METHOD AND ASSUMPTIONS USED IN CALCULATIONS OF ACTUARIALLY DETERMINED CONTRIBUTIONS

TRS

The actuarially determined contribution rates in the schedule of employer contributions are calculated as of June 30, three years prior to the end of the fiscal year in which contributions are reported. The following actuarial methods and assumptions were used to determine contribution rates reported in the most recent year of that schedule:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level percentage of payroll, closed
Remaining Amortization Period	25 years
Payroll Growth Rate	2%
Asset Valuation Method	5-year smoothed market value
Inflation Rate	2.50%
Projected Salary Increases	3.00% – 7.50%
Investment Rate of Return	7.10%, net of plan investment expense, including inflation

CERS

The actuarially determined contribution rates in the schedule of contributions are calculated as of June 30, 2018. The following actuarial methods and assumptions were used to determine the contribution rates reported in that schedule:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level percent of pay
Remaining Amortization Period	30 years, closed
Asset Valuation Method	20% of the difference between the market value of assets and the expected actuarial value of assets is recognized
Payroll Growth Rate	2.00%
Inflation Rate	2.30%
Salary Increases	3.30% to 10.30%, varies by service
Investment Rate of Return	6.25%

(3) CHANGES OF BENEFITS

There were no changes of benefit terms for TRS or CERS.

CORBIN INDEPENDENT SCHOOL DISTRICT
Corbin, Kentucky

SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY – MEDICAL INSURANCE PLAN
Years Ended June 30,

	Reporting Fiscal Year (Measurement Date) 2022 (2021)	Reporting Fiscal Year (Measurement Date) 2021 (2020)	Reporting Fiscal Year (Measurement Date) 2020 (2019)
COUNTY EMPLOYEES RETIREMENT SYSTEM:			
District and PSCA's proportion of the net OPEB liability	.112855%	.122553%	.125433%
District and PSCA's proportionate share of the net OPEB liability	$ 2,160,553	$ 2,959,282	$ 2,109,727
District and PSCA's covered-employee payroll	$ 2,908,113	$ 2,849,026	$ 3,067,875
District and PSCA's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll	74.29%	100.04%	68.77%
Plan fiduciary net position as a percentage of the total OPEB liability	62.91%	51.67%	60.44%
TEACHER'S RETIREMENT SYSTEM:			
District's proportion of the collective net OPEB liability	.204289%	.207252%	.202749%
District's proportionate share of the collective net OPEB liability	$ 4,383,000	$ 5,231,000	$ 5,934,000
State's proportionate share of the collective net OPEB liability associated with the District	3,560,000	4,190,000	4,792,000
Total	$ 7,943,000	$ 9,421,000	$ 10,726,000
District's covered-employee payroll	$ 13,373,995	$ 12,883,412	$ 12,594,254
District's proportionate share of the collective net OPEB liability as a percentage of its covered-employee payroll	32.77%	40.60%	47.12%
Plan fiduciary net position as a percentage of the total OPEB liability	51.70%	39.10%	32.60%

Note: Schedule is intended to show information for the last 10 fiscal years. Additional years will be displayed as they become available.

Reporting Fiscal Year (Measurement Date) 2019 (2018)	Reporting Fiscal Year (Measurement Date) 2018 (2017)
.122990%	.122429%
$ 2,183,663	$ 2,461,242
$ 3,116,951	$ 3,014,779
70.06%	81.64%
57.62%	21.18%
.193555%	.200106%
$ 6,716,000	$ 7,135,000
5,788,000	5,829,000
$ 12,504,000	$ 12,964,000
$ 13,455,690	$ 11,888,795
49.91%	60.01%
25.50%	21.20%

CORBIN INDEPENDENT SCHOOL DISTRICT
Corbin, Kentucky

SCHEDULE OF DISTRICT CONTRIBUTIONS – MEDICAL INSURANCE PLAN
Years Ended June 30,

	2022	2021	2020	2019
COUNTY EMPLOYEES RETIREMENT SYSTEM:				
Contractually required contribution	$ 174,514	$ 138,914	$ 149,413	$ 168,563
Contributions in relation to the contractually required contribution	(174,514)	(138,914)	(149,413)	(168,563)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
District's covered-employee payroll	$ 2,908,113	$ 2,849,026	$ 3,067,875	$ 3,116,951
District's and PSCA's contributions as a percentage of its covered employee payroll	5.78%	4.87%	4.87%	5.40%
TEACHER'S RETIREMENT SYSTEM:				
Contractually required contribution	$ 362,614	$ 366,022	$ 353,041	$ 344,782
Contributions in relation to the contractually required contribution	(362,614)	(366,022)	(353,041)	(344,782)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
District's covered-employee payroll	$13,373,995	$12,883,412	$12,594,254	$13,455,690
District's contributions as a percentage of its covered-employee payroll	2.71%	2.84%	2.80%	2.56%

Note: Schedule is intended to show information for the last 10 fiscal years. Additional years will be displayed as they become available.

2018
$ 149,356
(149,356)
$ -
$ 3,014,779
4.95%
$ 342,838
(342,838)
$ -
$11,888,795
2.88%

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 following actuarial methods and assumptions (from the indicated actuarial valuations) were used to determine contribution rates reported in that schedule for the year ending June 30, 2022:

Inflation	2.50%
Real wage growth	0.25%
Wage inflation	2.75%
Salary increases, including wage inflation	3.00% - 7.50%
Long-term Investment Rate of Return, net of OPEB plan investment expense, including	
Health Trust	7.10%
Municipal Bond Index Rate	2.13%
Year FNP is projected to be depleted	
Health Trust	N/A
Single Equivalent Interest Rate, net of OPEB plan investment expense, including price inflation	
Health Trust	7.10%
Health Trust Health Care Cost Trends	
Under Age 65	7.00% for FYE 2021 decreasing to an ultimate rate of 4.50% by FYE 2031
Ages 65 and Older	5.00% for FYE 2021 decreasing to an ultimate rate of 4.50% by FYE 2024
Medicare Part B Premiums	4.40% for FYE 2021 with an ultimate rate of 4.50% by 2034

CORBIN INDEPENDENT SCHOOL DISTRICT
Corbin, Kentucky

SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY – LIFE INSURANCE PLAN – TEACHER'S RETIREMENT SYSTEM KENTUCKY
Years Ended June 30,

	Reporting Fiscal Year (Measurement Date) 2022 (2021)	Reporting Fiscal Year (Measurement Date) 2021 (2020)	Reporting Fiscal Year (Measurement Date) 2020 (2019)
District's proportion of the collective net OPEB liability	0%	0%	0%
District's proportionate share of the collective net OPEB liability	$ -	$ -	$ -
State's proportionate share of the collective net OPEB liability associated with the District	47,000	127,000	111,000
Total	$ 47,000	$ 127,000	$ 111,000
District's covered-employee payroll	$ 13,373,995	$ 12,883,412	$ 12,594,254
District's proportionate share of the collective net OPEB liability (asset) as a percentage of its covered-employee payroll	0%	0%	0%
Plan fiduciary net position as a percentage of the total OPEB liability	89.2%	71.60%	73.40%

Note: Schedule is intended to show information for the last 10 fiscal years. Additional years will be displayed as they become available.

	Reporting Fiscal Year (Measurement Date) 2019 (2018)	Reporting Fiscal Year (Measurement Date) 2018 (2017)
	0%	0%
	$ -	$ -
	99,000	78,000
	$ 99,000	$ 78,000
	$ 13,455,690	$ 11,888,795
	0%	0%
	75.00%	80.00%

CORBIN INDEPENDENT SCHOOL DISTRICT
Corbin, Kentucky

SCHEDULE OF DISTRICT CONTRIBUTIONS – LIFE INSURANCE PLAN – TEACHER'S RETIREMENT SYSTEM KENTUCKY
Years Ended June 30,

	2022	2021	2020	2019
Contractually required contribution	$ -	$ -	$ -	$ -
Contributions in relation to the contractually required contribution	-	-	-	-
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
District's covered-employee payroll	$ 13,373,995	$ 12,883,412	$ 12,594,254	$ 13,455,690
Contributions as a percentage of covered-employee payroll	0%	0%	0%	0%

Note: Schedule is intended to show information for the last 10 fiscal years. Additional years will be displayed as they become available.

2018
$ -
-
$ -
$ 11,888,795
0%

Changes of benefit terms – None.

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 of the indicated valuation date. The following actuarial methods and assumptions (from the indicated actuarial valuations) were used to determine contribution rates reported in that schedule for the year ending June 30, 2022:

Determined by the Actuarial Valuation as of:	June 30, 2020
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	5 year smoothed market
Amortization Method:	Level Percent of Pay
Amortization Period:	30 years, Closed
Investment Return:	7.10%
Inflation Rate:	2.50%
Salary Increases:	3.00% to 7.50%
Mortality:	System-specific mortality table based on mortality experience from 2013-2018, projected with the ultimate rates from MP-2014 mortality improvement scale using a base year of 2019.
Healthcare Trend Rates (Pre-65)	Initial trend starting at 7.00% and gradually decreasing to an ultimate trend rate of 4.50% by FYE 2031.
Healthcare Trend Rates (Post-65)	Initial trend starting at 5.00% and gradually decreasing to an ultimate trend rate of 4.50% by FYE 2024.
Phase – In Provision	Board certified rate is phased into the actuarially determined rate in accordance with HB362 enacted in 2018.

CORBIN INDEPENDENT SCHOOL DISTRICT
Corbin, Kentucky

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
GENERAL FUND
Year Ended June 30, 2022

	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variance with Final Budget Favorable or (Unfavorable)
REVENUES				
From local sources:				
Taxes				
Property	$ 2,589,000	$ 2,589,000	$ 2,742,459	$ 153,459
Motor vehicle	402,000	402,000	553,456	151,456
Utilities	588,000	588,000	587,915	(85)
Earnings on investments	28,000	28,000	26,652	(1,348)
Other local revenues	68,382	68,382	184,604	116,222
Intergovernmental – state	20,391,816	20,391,816	20,857,356	465,540
Intergovernmental – indirect federal	50,000	50,000	88,439	38,439
TOTAL REVENUES	24,117,198	24,117,198	25,040,881	923,683
EXPENDITURES				
Instruction	17,728,655	17,728,655	17,239,692	488,963
Support services:				
Student	481,995	481,995	467,736	14,259
Instructional staff	384,141	384,141	388,778	(4,637)
District administration	896,888	896,888	823,348	73,540
School administration	1,912,036	1,912,036	1,980,499	(68,463)
Business	1,039,349	1,039,349	1,003,739	35,610
Plant operations and maintenance	2,349,672	2,349,672	2,077,776	271,896
Student transportation	973,808	973,808	967,565	6,243
Other instructional	7,364	7,364	-	7,364
Contingency	4,300,475	4,300,475	-	4,300,475
TOTAL EXPENDITURES	30,074,383	30,074,383	24,949,133	5,125,250
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(5,957,185)	(5,957,185)	91,748	6,048,933
OTHER FINANCING SOURCES (USES)				
Operating transfers in	748,912	748,912	862,017	113,105
Operating transfers out	(60,000)	(60,000)	(58,423)	1,577
TOTAL OTHER FINANCING SOURCES (USES)	688,912	688,912	803,594	114,682
NET CHANGES IN FUND BALANCE	(5,268,273)	(5,268,273)	895,342	6,163,615
FUND BALANCE, JULY 1, 2021	5,268,273	5,268,273	5,268,273	-
FUND BALANCE, JUNE 30, 2022	$ -	$ -	$ 6,163,615	$ 6,163,615

The accompanying notes are an integral part of these financial statements.

CORBIN INDEPENDENT SCHOOL DISTRICT
Corbin, Kentucky

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
SPECIAL REVENUE FUND – FUND 2
Year Ended June 30, 2022

	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variance with Final Budget Favorable or (Unfavorable)
REVENUES				
From local sources:				
Taxes				
Property	$ -	$ -	$ -	$ -
Motor vehicle	-	-	-	-
Utilities	-	-	-	-
Earnings on investments	-	-	1	1
Other local revenues	388,013	388,013	263,638	(124,375)
Intergovernmental – state	1,218,783	1,218,783	1,412,889	194,106
Intergovernmental – direct federal	2,194,558	2,194,558	5,592,194	3,397,636
TOTAL REVENUES	3,801,354	3,801,354	7,268,722	3,467,368
EXPENDITURES				
Instruction	2,898,392	2,898,392	5,392,821	(2,494,429)
Support services:				
Student	335,000	335,000	393,283	(58,283)
Instructional staff	138,790	138,790	173,877	(35,087)
District administration	-	-	-	-
School administration	73,710	73,710	73,710	-
Business	-	-	141,537	(141,537)
Plant operations and maintenance	35,314	35,314	483,843	(448,529)
Student transportation	41,457	41,457	20,247	21,210
Community services activities	242,511	242,511	242,511	-
Food service	17,000	17,000	14,950	2,050
Day care	37,180	37,180	147,785	(110,605)
TOTAL EXPENDITURES	3,819,354	3,819,354	7,084,564	(3,265,210)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(18,000)	(18,000)	184,158	202,158
OTHER FINANCING SOURCES (USES)				
Operating transfers in	60,000	60,000	58,423	(1,577)
Operating transfers out	(42,000)	(42,000)	(242,581)	(200,581)
TOTAL OTHER FINANCING SOURCES (USES)	18,000	18,000	(184,158)	(202,158)
NET CHANGES IN FUND BALANCE	-	-	-	-
FUND BALANCE, JULY 1, 2021	-	-	-	-
FUND BALANCE, JUNE 30, 2022	$ -	$ -	$ -	$ -

The accompanying notes are an integral part of these financial statements.

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGET AND ACTUAL
Year Ended June 30, 2022

The District's budgetary process accounts for transactions on the modified accrual basis of accounting, which is consistent with U.S. generally accepted accounting principles. In accordance with state law, the District prepares a school budget based upon the amount of revenue to be raised by local taxation, including the rate of levy, and from estimates of other local, state and federal revenues. The budget contains estimated expenditures for current expenses, debt service, capital outlay and other necessary expenses. The budget must be approved by the Board. The District must formally and publicly examine estimated revenues and expenses for the subsequent fiscal year by January 31 of each calendar year. Additionally, the District must submit a certified budget to the Kentucky Department of Education by March 15 of each calendar year, which includes the amount for certified and classified staff, based on the District's staffing policy, and the amount for the instructional supplies, materials, travel and equipment. The District must adopt a working budget and submit it to the Kentucky Department of Education by September 30 of each calendar year. The Board has the ability to amend the working budget. The working budget was not amended during the year.

CORBIN INDEPENDENT SCHOOL DISTRICT
Corbin, Kentucky

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2022

	Seek Capital Outlay Fund	FSPK Fund	Construction Fund	Debt Service Fund	Total Nonmajor Governmental Funds
ASSETS AND RESOURCES					
Cash and cash equivalents	$ -	$ 129,203	$ 1,341,604	$ -	$ 1,470,807
Accounts receivable	-	-	-	-	-
TOTAL ASSETS AND RESOURCES	$ -	$ 129,203	$ 1,341,604	$ -	$ 1,470,807
LIABILITIES					
Accounts payable	$ -	$ -	$ 495,149	$ -	$ 495,149
TOTAL LIABILITIES	-	-	495,149	-	495,149
FUND BALANCES					
Restricted					
Future construction projects (BG-1)	-	129,203	846,455	-	975,658
TOTAL FUND BALANCES	-	129,203	846,455	-	975,658
TOTAL LIABILITIES AND FUND BALANCES	$ -	$ 129,203	$ 1,341,604	$ -	$ 1,470,807

CORBIN INDEPENDENT SCHOOL DISTRICT
Corbin, Kentucky

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS
Year Ended June 30, 2022

	Seek Capital Outlay Fund	FSPK Fund	Construction Fund	Debt Service Fund	Total Nonmajor Governmental Funds
REVENUES					
From local sources:					
Taxes:					
Property	$ -	$ 943,316	$ -	$ -	$ 943,316
Intergovernmental – state	278,205	2,159,419	-	1,995,645	4,433,269
Intergovernmental – direct federal	-	-	-	205,475	205,475
TOTAL REVENUES	278,205	3,102,735	-	2,201,120	5,582,060
EXPENDITURES					
Building acquisitions and construction	-	-	3,083,320	-	3,083,320
Building improvements	-	-	150,300	-	150,300
Payment of bonds	-	-	-	3,886,778	3,886,778
Payment of interest	-	-	-	1,822,092	1,822,092
TOTAL EXPENDITURES	-	-	3,233,620	5,708,870	8,942,490
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	278,205	3,102,735	(3,233,620)	(3,507,750)	(3,360,430)
OTHER FINANCING SOURCES (USES)					
Bond proceeds	-	-	-	710,000	710,000
Bond premium (discount)	-	-	-	30,979	30,979
Bond fees/issuance costs	-	-	-	(15,200)	(15,200)
Operating transfers in	-	42,000	43,238	2,781,971	2,867,209
Operating transfers out	(278,205)	(3,076,635)	-	-	(3,354,840)
TOTAL OTHER FINANCING SOURCES (USES)	(278,205)	(3,034,635)	43,238	3,507,750	238,148
NET CHANGES IN FUND BALANCES	-	68,100	(3,190,382)	-	(3,122,282)
FUND BALANCES, JULY 1, 2021	-	61,103	4,036,837	-	4,097,940
FUND BALANCES, JUNE 30, 2022	$ -	$ 129,203	$ 846,455	$ -	$ 975,658

CORBIN INDEPENDENT SCHOOL DISTRICT
Corbin, Kentucky

COMBINING BALANCE SHEET
SPECIAL REVENUE FUNDS
June 30, 2022

	Fund 2	Fund 25	Total Special Revenue Funds
ASSETS AND RESOURCES			
Cash and cash equivalents	$ 254,264	$ 325,313	$ 579,577
Accounts receivable	66,942	167	67,109
Intergovernmental – state	14,904	-	14,904
Intergovernmental – federal	619,434	-	619,434
TOTAL ASSETS AND RESOURCES	$ 955,544	$ 325,480	$ 1,281,024
LIABILITIES			
Accounts payable	$ 170,554	$ -	$ 170,554
Interfund payable	-	-	-
Deferred revenue	784,990	-	784,990
TOTAL LIABILITIES	955,544	-	955,544
FUND BALANCES			
Committed	-	325,480	325,480
TOTAL FUND BALANCES	-	325,480	325,480
TOTAL LIABILITIES AND FUND BALANCES	$ 955,544	$ 325,480	$ 1,281,024

CORBIN INDEPENDENT SCHOOL DISTRICT
Corbin, Kentucky

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUNDS
Year Ended June 30, 2022

	Fund 2	Fund 25	Total Special Revenue Funds
REVENUES			
Earnings on investments	$ 1	$ 798	$ 799
Other local revenues	263,638	530	264,168
Intergovernmental – state	1,412,889	910,934	2,323,823
Intergovernmental – direct federal	5,592,194	-	5,592,194
TOTAL REVENUES	7,268,722	912,262	8,180,984
EXPENDITURES			
Instruction	5,392,821	691,762	6,084,583
Support services:			
Student	393,283	-	393,283
Instructional staff	173,877	-	173,877
District administration	-	-	-
School administration	73,710	-	73,710
Business	141,537	-	141,537
Plant operations and maintenance	483,843	-	483,843
Student transportation	20,247	-	20,247
Food service	14,950	-	14,950
Day care	147,785	-	147,785
Other non-instruction	-	518	518
Community services activities	242,511	-	242,511
TOTAL EXPENDITURES	7,084,564	692,280	7,776,844
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	184,158	219,982	404,140
OTHER FINANCING SOURCES (USES)			
Operating transfers in	58,423	167	58,590
Operating transfers out	(242,581)	(131,972)	(374,553)
TOTAL OTHER FINANCING SOURCES (USES)	(184,158)	(131,805)	(315,963)
NET CHANGES IN FUND BALANCES	-	88,177	88,177
FUND BALANCES, JULY 1, 2021	-	237,303	237,303
FUND BALANCES, JUNE 30, 2022	$ -	$ 325,480	$ 325,480

CORBIN INDEPENDENT SCHOOL DISTRICT
Corbin, Kentucky

STATEMENT OF RECEIPTS, DISBURSEMENTS AND FUND BALANCES – ACTIVITY FUNDS
CORBIN HIGH SCHOOL
Year Ended June 30, 2022

	Cash Balances July 1, 2021	Receipts	Disbursements	Interfund Transfers
ACCOUNTS:				
General Fund	$ 426	$ 3,170	$ 1,954	$ (219)
Academic Boosters	827	2,771	1,183	-
Academic Team	606	763	583	-
Yearbook	11,692	5,242	11,086	-
ATC Criminal Justice	1,024	300	1,588	264
ATC	1,105	1,177	121	(342)
Art Club	95	1,448	1,187	144
Athletics	2,472	202,552	152,582	(40,332)
Baseball	1,373	-	-	(1,350)
Athletics Ads	2,017	11,800	-	31,500
Beta Club	287	2,988	2,675	-
Biomed Club	1,136	391	500	-
Book Rental	-	16,430	280	(16,150)
Bowling – Boys	632	1,058	1,233	-
Bowling – Girls	770	1,158	1,463	-
Biomed	977	500	297	-
Boys Basketball	8,504	34,106	33,913	(1,500)
Boys Golf	66	3,405	1,472	-
CHS Book Fees	-	17,065	30	(17,035)
Choir	3,635	3,487	4,353	-
Change Fund	-	6,375	6,575	200
CHS Photography Club	435	-	-	-
Cross Country	4,425	6,890	8,691	(851)
Dance Blue	7,799	-	-	-
Dance Team	1,419	15,646	9,544	-
FMD	343	-	336	-
Equipment Room	155	6,039	2,780	(1,387)
FACS	45	2,529	1,718	125
Faculty ADS	-	3,000	1,719	-
FBLA	490	8,168	7,995	52
FCCLA	1,587	-	-	(177)
Fishing Team	201	1,795	1,520	-
Girls Basketball	10,542	3,487	8,623	(960)

Cash Balances June 30, 2022	Accounts Receivable June 30, 2022	Accounts Payable June 30, 2022	Fund Balances June 30, 2022
$ 1,423	$ -	$ -	$ 1,423
2,415	-	-	2,415
786	-	-	786
5,848	-	-	5,848
-	-	-	-
1,819	-	-	1,819
500	-	-	500
12,110	-	-	12,110
23	-	-	23
45,317	-	-	45,317
600	-	-	600
1,027	-	-	1,027
-	-	-	-
457	-	-	457
465	-	-	465
1,180	-	-	1,180
7,197	-	-	7,197
1,999	-	-	1,999
-	-	-	-
2,769	-	-	2,769
-	-	-	-
435	-	-	435
1,773	-	-	1,773
7,799	-	-	7,799
7,521	-	-	7,521
7	-	-	7
2,027	-	-	2,027
981	-	-	981
1,281	-	-	1,281
715	-	-	715
1,410	-	-	1,410
476	-	-	476
4,446	-	-	4,446

CORBIN INDEPENDENT SCHOOL DISTRICT
Corbin, Kentucky

STATEMENT OF RECEIPTS, DISBURSEMENTS AND FUND BALANCES – ACTIVITY FUNDS (CONTINUED)
CORBIN HIGH SCHOOL
Year Ended June 30, 2022

	Cash Balances July 1, 2021	Receipts	Disbursements	Interfund Transfers
ACCOUNTS:				
Girls Golf	852	16,571	6,121	36
Guidance	250	-	-	-
Senior Class	2,838	1,740	3,008	5,698
Jr. Prom	143	10,550	4,995	(5,698)
Cheerleaders	14,397	16,203	21,077	-
Interact Club	235	-	-	-
Key Club	109	-	-	-
KY Junior Historical Society	1,166	-	-	-
Library	669	104	134	-
National Honor Society	299	1,155	1,070	-
Odyssey of the Mind	190	9,848	10,038	-
Parking Passes	-	1,210	-	(1,210)
Pep Club	76	299	174	-
JROTC	3,763	3,849	6,922	1,500
Jr Chef	1,546	-	356	-
Red Cross Club	151	226	120	-
Science Olympiad	19	-	-	-
Senior Science	272	57,860	55,231	-
Softball	5,495	19,559	22,278	(820)
Soccer – Girls	-	1,304	1,304	-
Speech & Debate	-	768	-	-
Student Council	420	-	309	-
Swim Team	1,379	-	1,366	-
Teacher's Lounge	83	1,801	1,791	-
Tech Fees	-	5,450	175	(4,585)
Testing	134	270	290	-
Thespian Society	24,034	27,354	15,570	(12,996)
Tennis – Boys	2,884	11,123	8,607	-
Tennis – Girls	2,388	8,784	6,037	-
Track – Boys	540	183	1,110	387
Track – Girls	282	183	930	465
TSA	-	3,100	3,177	78
Volleyball	6,115	10,406	8,852	(200)
Wrestling	-	2,095	2,072	-
Y-Club	295	5,235	5,430	-
YAF	-	150	-	-
YSC	159	750	980	75
Totals	$ 136,268	$ 581,870	$ 455,525	$ (65,288)

Cash Balances June 30, 2022	Accounts Receivable June 30, 2022	Accounts Payable June 30, 2022	Fund Balances June 30, 2022
11,338	-	-	11,338
250	-	-	250
7,268	-	-	7,268
-	-	-	-
9,523	-	-	9,523
235	-	-	235
109	-	-	109
1,166	-	-	1,166
639	-	-	639
384	-	-	384
-	-	-	-
-	-	-	-
201	-	-	201
2,190	-	-	2,190
1,190	-	-	1,190
257	-	-	257
19	-	-	19
2,901	-	-	2,901
1,956	-	-	1,956
-	-	-	-
768	-	-	768
111	-	-	111
13	-	-	13
93	-	-	93
690	-	-	690
114	-	-	114
22,822	-	-	22,822
5,400	-	-	5,400
5,135	-	-	5,135
-	-	-	-
-	-	-	-
1	-	-	1
7,469	-	-	7,469
23	-	-	23
100	-	-	100
150	-	-	150
4	-	-	4
$ 197,325	$ -	$ -	$ 197,325

CORBIN INDEPENDENT SCHOOL DISTRICT
Corbin, Kentucky

STATEMENT OF RECEIPTS, DISBURSEMENTS AND FUND BALANCES – ACTIVITY FUNDS
Year Ended June 30, 2022

	Cash Balances July 1, 2021	Receipts	Disbursements	Interfund Transfers
CORBIN MIDDLE SCHOOL				
All activity funds	$ 73,293	$ 225,294	$ 169,898	$ (31,698)
Charitable gaming fund	38	-	-	-
	$ 73,331	$ 225,294	$ 169,898	$ (31,698)
CORBIN ELEMENTARY SCHOOL				
All activity funds	$ 16,440	$ 44,795	$ 35,437	$ (11,645)
Charitable gaming fund	51	-	-	-
	$ 16,491	$ 44,795	$ 35,437	$ (11,645)
CORBIN PRIMARY SCHOOL				
All activity funds	$ 10,080	$ 59,706	$ 31,069	$ (23,174)
Charitable gaming fund	26	-	-	-
	$ 10,106	$ 59,706	$ 31,069	$ (23,174)
CORBIN EDUCATION CENTER				
All funds	$ 1,107	$ 597	$ 518	$ -

Cash Balances June 30, 2022	Accounts Receivable June 30, 2022	Accounts Payable June 30, 2022	Fund Balances June 30, 2022
$ 96,991	$ -	$ -	$ 96,991
38	-	-	38
$ 97,029	$ -	$ -	$ 97,029
$ 14,153	$ 167	$ -	$ 14,320
51	-	-	51
$ 14,204	$ 167	$ -	$ 14,371
$ 15,543	$ -	$ -	$ 15,543
26	-	-	26
$ 15,569	$ -	$ -	$ 15,569
$ 1,186	$ -	$ -	$ 1,186

CORBIN INDEPENDENT SCHOOL DISTRICT
Corbin, Kentucky

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2022

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Federal Disbursements
U.S. Department of Education			
Passed through State Department of Education:			
SPECIAL EDUCATION CLUSTER (IDEA)			
Special Education – Grants to States (IDEA, Part B)	84.027A	3810002	$ 520,958
Special Education – ARPA (IDEA, Part B)	84.027X	4910002	43,577
Special Education – Preschool Grants (IDEA, Preschool)	84.173A	3810002	7,653
Special Education – ARPA (IDEA, Preschool)	84.173A	4900002	13,766
Total Special Education Cluster (IDEA)			585,954
TITLE I, PART A			
Title I Grants to Local Educational Agencies (Title I, Part A of the ESEA)	84.010A	3100002	721,831
Educational Recovery Leader	84.010	1900004083	112,159
Total Title I, Part A			833,990
INNOVATIVE APPROACHES TO LITERACY			
The Corbin Independent School District's Innovative Approach to Literacy	84.215G	Direct	247,063
Career to Cradle – GEER II	84.215A	Direct	11,483
Passed through Berea College:			
Promise Neighborhood	84.215P	Direct	152,582
Total for Program			411,128
EDUCATION STABILIZATION FUND (ESF)			
American Rescue Plan – ESSER	84.425U	473	1,001,676*
Emergency Assistance for Non-Public Schools (CRRSA EANS)	84.425R	554	1,099,267*
Elementary and Secondary School Emergency Relief Fund	84.425D	613	10,803*
Total for Fund			2,111,746
Vocational Education – Basic Grants to States	84.048	3710002	18,609
Twenty-First Century Community Learning Centers	84.287C	3400002	274,152
Rural Education	84.358B	3140002	70,184
Student Support and Academic Enrichment Program	84.424A	3420002	70,686
Safe and Drug Free Schools and Commodities – National	84.184X	Direct	161,182
Teacher Quality	84.367A	3230002	87,360
Total U.S. Department of Education			$ 4,624,991
U.S. Department of Agriculture			
Passed through State Department of Education:			
CHILD NUTRITION CLUSTER			
School Breakfast Program	10.553	7760005	$ 494,589
National School Lunch Program	10.555	7750002	1,343,867
Summer Food Service Program for Children	10.559	7790021	18,799
Summer Food Service Program for Children	10.559	7740023	182,204
Emergency Food Assistance Program – non-cash	10.569	4005381	250,451
Total Child Nutrition Cluster			2,289,910

* Denotes major program

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
Year Ended June 30, 2022

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Federal Disbursements
P-EBT Administrative Cost Grants	10.649	9990000	3,063
Child and Adult Care Food Program	10.558	7790021	3,422
Total for Program			2,296,395
State Administrative Expenses for Child Nutrition	10.560	9980000	4,316
Total U.S. Department of Agriculture			$ 2,300,711
U.S. Department of Defense			
Junior Reserve Officers' Training Corps	12.000	Direct	$ 72,187
Total U.S. Department of Defense			$ 72,187
U.S. Department of Health and Human Services			
Passed through State Department of Education:			
CCDF CLUSTER			
Child Care Sustainment Grant - ARPA	93.575	Direct	$ 275,778
Child Care Development Block Grant	93.575	Direct	52,168
Total CCDF Cluster			327,946
Total U.S. Department of Health and Human Services			$ 327,946
U.S. Department of Justice			
Public Safety Partnership and Community Policing Grants	16.710	Direct	$ 25,368
Total U.S. Department of Justice			$ 25,368
U.S. Department of the Treasury			
Coronavirus Relief Fund	21.019	SEEK/ CARES-20	$ 393,089*
Total U.S. Department of the Treasury			$ 393,089
U.S. Department of Labor			
WIDA Dislocated Worker Formula Grants	17.278	9100001	1,724
Total U.S. Department of Labor			$ 1,724
Total Expenditures of Federal Awards			$ 7,746,016

* Denotes major program

CORBIN INDEPENDENT SCHOOL DISTRICT
Corbin, Kentucky

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2022

NOTE A – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of the Corbin Independent School District under programs of the federal government for the year ended June 30, 2022. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Corbin Independent School District, it is not intended to and does not present the financial position, changes in net position or cash flows of Corbin Independent School District.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting for proprietary funds and the modified accrual basis of accounting for governmental funds. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE C – FOOD DISTRIBUTION

Nonmonetary assistance is reported in the schedule at the fair value of the commodities disbursed.

NOTE D – SUBRECIPIENTS

There were no subrecipients during the fiscal year.

NOTE E – INDIRECT COST RATE

The Corbin Independent School District has not elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

CORBIN INDEPENDENT SCHOOL DISTRICT
Corbin, Kentucky

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
June 30, 2022

Section I – Summary of Auditor's Results

Financial Statements

Type of auditor's report issued	Unmodified			
Internal control over financial reporting:				
Material weakness identified	______	Yes	✓	No
Significant deficiencies identified that are not considered to be material weaknesses	______	Yes	✓	None reported
Noncompliance material to financial statement notes	______	Yes	✓	No

Federal Awards

Internal control over major programs:				
Material weaknesses identified	______	Yes	✓	No
Significant deficiencies identified that are not considered to be material weaknesses	______	Yes	✓	None reported
Type of auditor's report issued on compliance for major programs	Unmodified			
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)	______	Yes	✓	No

Identification of major programs:

CFDA Number	Name of Federal Program or Cluster
21.019	Coronavirus Relief Fund
84.425	Education Stabilization Fund

Dollar threshold used to distinguish between Type A and Type B program	$ 750,000			
Auditee qualified as low risk	✓	Yes	______	No

Section II – Financial Statement Findings
None

Section III – Federal Award Findings and Questioned Costs
None

CORBIN INDEPENDENT SCHOOL DISTRICT
Corbin, Kentucky

SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
June 30, 2022

There were no prior year audit findings.

Marr, Miller & Myers, PSC
Certified Public Accountants
(606) 528-2454 (FAX 528-1770)
www.marrmillermyers.com

P.O. Box 663
Corbin, Kentucky 40702

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*

INDEPENDENT AUDITOR'S REPORT

September 5, 2022

Members of the Board of Education
Corbin Independent School District
Corbin, Kentucky

We have audited, in accordance with U.S. generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Corbin Independent School District, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated September 5, 2022.

Report On Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 District'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. However, material weaknesses may exist that have not been identified.

Report On Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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 financial statements. 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*. In addition, the results of our tests disclosed no instances of material noncompliance of specific state statutes or regulations identified in Appendix II of the Independent Auditor's Contract – State Audit Requirements.

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 District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Marr, Miller & Myers, PSC

Certified Public Accountants

Marr, Miller & Myers, PSC
Certified Public Accountants
(606) 528-2454 (FAX 528-1770)
www.marrmillermyers.com

P.O. Box 663
Corbin, Kentucky 40702

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

INDEPENDENT AUDITOR'S REPORT

September 5, 2022

Members of the Board of Education
Corbin Independent School District
Corbin, Kentucky

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Corbin Independent School District's compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on each of Corbin Independent School District's major federal programs for the year ended June 30, 2022. Corbin Independent School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Corbin Independent School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with U.S. generally accepted auditing standards, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Corbin Independent School District and to meet our ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Corbin Independent School District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Corbin Independent School District's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Corbin Independent School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Corbin Independent School District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Corbin Independent School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Corbin Independent School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Corbin Independent School District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Marr, Miller & Myers, PSC

Certified Public Accountants

Marr, Miller & Myers, PSC
Certified Public Accountants
(606) 528-2454 (FAX 528-1770)
www.marrmillermyers.com

P.O. Box 663
Corbin, Kentucky 40702

September 5, 2022

Members of the Board of Education
Corbin Independent School District
Corbin, Kentucky

In planning and performing our audit of the financial statements of the Corbin Independent School District for the year ended June 30, 2022, 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.

During our audit, we noted no areas that we felt warranted any additional comments or recommendations.

Marr, Miller & Myers, PSC

Certified Public Accountants

APPENDIX C

Corbin Independent School District Finance Corporation
School Building Revenue Bonds
Series of 2023

Continuing Disclosure Undertaking Agreement

CONTINUING DISCLOSURE UNDERTAKING AGREEMENT

This Continuing Disclosure Undertaking Agreement ("Agreement") made and entered into as of May 2, 2023, by and between the Board of Education of Corbin, Kentucky ("Board"); the Corbin Independent School District Finance Corporation, an agency and instrumentality of the Board ("Corporation") and the Registered and Beneficial Owners of the Bonds hereinafter identified as third party beneficiaries to this Agreement. For the purposes of this Agreement "Beneficial Owner" means the person or entity treated as the owner of the Bonds for federal income tax purposes and "Registered Owner" means the person or entity named on the registration books of the bond registrar.

W I T N E S S E T H:

WHEREAS, the Corporation has acted as issuing agency for the Board pursuant to the provisions of Section 162.385 of the Kentucky Revised Statutes ("KRS") and the Corporation's Bond Resolution in connection with the authorization, sale and delivery of $5,420,000 of the Corporation's School Building Revenue Bonds, Series of 2023, dated as of May 2, 2023 ("Bonds"), which Bonds were offered for sale under the terms and conditions of a Final Official Statement ("FOS") prepared by RSA Advisors, LLC, Lexington, Kentucky ("Financial Advisor") and approved by the authorized representatives of the Board and the Corporation, and

WHEREAS, the Securities and Exchange Commission ("SEC"), pursuant to the Securities and Exchange Act of 1934, has amended the provisions of SEC Rule 15c2-12 relating to financial disclosures by the issuers of municipal securities under certain circumstances ("Rule"), and

WHEREAS, it is intended by the parties to this Agreement that all terms utilized herein shall have the same meanings as defined by the Rule, and

WHEREAS, the Board is an "obligated person" as defined by the Rule and subject to the provisions of said Rule, and

WHEREAS, failure by the Board and the Corporation to observe the requirements of the Rule will inhibit the subsequent negotiation, transfer and exchange of the Bonds with a resulting diminution in the market value thereof to the detriment of the Registered and Beneficial Owners of said Bonds and the Board;

NOW, THEREFORE, in order to comply with the provisions of the Rule and in consideration of the purchase of the Bonds by the Registered and Beneficial Owners, the parties hereto agree as follows:

1. ANNUAL FINANCIAL INFORMATION

The Board agrees to provide the annual financial information contemplated by Rule 15c2-12(b)(5)(i) relating to the Board for its fiscal years ending June 30 of each year, commencing with its fiscal year ending June 30, 2023, to (a) the Municipal Securities Rulemaking Board ("MSRB"), or any successor thereto for purposes of its Rule, through the continuing disclosure service portal provided by the MSRB's Electronic Municipal Market Access ("EMMA") system as described in 1934 Act Release No. 59062, or any similar system that is acceptable to the Securities and Exchange Commission and (b) the State Information Depository ("SID"), if any (the Commonwealth of Kentucky has not established a SID as of the date of this Agreement) within nine (9) months of the close of each fiscal year.

For the purposes of the Rule "annual financial information" means financial information and operating data provided annually, of the type included in the FOS with respect to the Board in accordance with guidelines established by the National Federation of Municipal Analysts, and shall include annual audited financial statements for the Board in order that the recipients will be provided with ongoing information regarding revenues and operating expenses of the Board and the information provided in the FOS under the headings "OUTSTANDING BONDS", "BOND DEBT SERVICE", "DISTRICT STUDENT POPULATION", "LOCAL SUPPORT - Local Tax Rates, Property Assessment and Revenue Collections and SEEK Allotment". If audited financial statements are not available when the annual financial information is filed, unaudited financial statements shall be included, to be followed by audited financial statements when available.

The audited financial statements shall be prepared in accordance with Generally Accepted Accounting Principles, Generally Accepted Auditing Standards or in accordance with the appropriate sections of KRS or Kentucky Administrative Regulations.

The parties hereto agree that this Agreement is entered into among them for the benefit of those who become Registered and Beneficial Owners of the Bonds as third party beneficiaries to said Agreement.

2. MATERIAL EVENTS NOTICES

Under the Rule, Section 15c2-12(b)(5)(i)(C), the following sixteen (16) events must be disclosed within ten (10) business days following the occurrence of said event to MSRB via EMMA and the SID, if any:

(1) Principal/interest payment delinquency;

(2) Nonpayment related default, if material;

(3) Unscheduled draw on debt service reserve reflecting financial difficulties;

(4) Unscheduled draw on credit enhancement reflecting financial difficulties;

(5) Substitution of credit or liquidity provider, or its failure to perform;

(6) Adverse tax opinions, the issuance by the IRS of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the securities, or other material events affecting the tax status of the security;

(7) Modifications to rights of security holders, if material;

(8) Bond call, if material and tender offers;

(9) Defeasance;

(10) Release, substitution or sale of property securing the repayment of the security, if material;

(11) Rating change;

(12) Merger, consolidation, acquisition or sale of all or substantially all assets of an obligated person, other than in the ordinary course of business, and the entry into a definitive agreement to undertake such action or the termination of a definitive agreement relating to such action, other than pursuant to its terms, if material;

(13) Bankruptcy, insolvency, receivership or similar event of the obligated person;

(14) Successor, additional or change in trustee, if material;

(15) Incurrence of a financial obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders, if material, and;

(16) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties.

For purposes of this Agreement the term "financial obligation" means:

(A) Debt obligation;

(B) Derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or

(C) Guarantee of paragraph (A) or (B) above.

Notice of said material events shall be given to the entities identified in this Section by the Board on a timely basis (within ten (10) business days of the occurrence). Notwithstanding the foregoing, the provisions of the documents under which the Bonds are authorized and issued do not provide for a debt service reserve, credit enhancements or credit or liquidity providers.

In accordance with Rule Section 15c2-12(b)(5)(i)(D), the Board agrees that in the event of a failure to provide the Annual Financial Information required under Section 1 of this Agreement, it will notify MSRB via EMMA of such failure in a timely manner.

The Finance Officer of the Board shall be the responsible person for filing the annual financial information and/or notices of the events set forth above within the time prescribed in this Agreement. The Board shall cause the Finance Officer to institute an internal tickler system as a reminder of the obligations set forth herein. By December 1 of each fiscal year and each 30 days thereafter the Finance Officer will contact the auditor for the Board to determine when the audited financial statements will be finalized. The Finance Officer will impress upon the auditor the necessity of having such audited financial report on or before September 15. Within 5 days of receipt of such audited financial report the finance officer will cause the annual financial information to be filed as required by this Agreement.

3. SPECIAL REQUESTS FOR INFORMATION

Upon the request of any Registered or Beneficial Owner of the Bonds or the original purchaser of the Bonds or any subsequent broker-dealer buying or selling said Bonds on the secondary market ("Underwriters"), the Board shall cause financial information or operating data regarding the conduct of the affairs of the Board to be made available on a timely basis following such request.

4. DISCLAIMER OF LIABILITY

The Board and the Corporation hereby disclaim any liability for monetary damages for any breach of the commitments set forth in this Agreement and remedies for any breach of the Board's continuing disclosure undertaking shall be limited to an action for specific performance or mandamus in a court of competent jurisdiction in Kentucky following notice and an opportunity to cure such a breach.

5. FINAL OFFICIAL STATEMENT

That the Final Official Statement prepared by the Financial Advisor and approved by the authorized representatives of the Board and the Corporation is hereby incorporated in this Agreement as fully as if copied herein and the "annual financial information" required under Section 1 hereof shall in summary form update the specific information set forth in said FOS.

6. DURATION OF THE AGREEMENT

This Agreement shall be in effect so long as any of the Bonds remain outstanding and unpaid; provided, however, that the right is reserved in the Board to delegate its responsibilities under the Agreement to a competent agent or trustee, or to adjust the format of the presentation of annual financial information so long as the intent and purpose of the Rule to present adequate and accurate financial information regarding the Board is served.

7. AMENDMENT; WAIVER

Notwithstanding any other provision of this Agreement, the Board may amend this Agreement, and any provision of this Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Section 1, it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the holders of the Bonds in the same manner as provided in the Bond Resolution for amendments to the Bond Resolution with the consent of holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Registered Owners or Beneficial Owners of the Bonds.

In the event of any amendment or waiver of a provision of this Agreement, the Board shall describe such amendment or waiver in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Board. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a material event under Section 15c2-12(b)(5)(i)(C) of the Rule, and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

8. DEFAULT

In the event of a failure of the Board to comply with any provision of this Agreement, the Corporation may and, at the request of any Underwriter or any Registered Owner or Beneficial Owner of Bonds, shall take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Board to comply with its obligations under this Agreement. A default under this Agreement shall not be deemed an event of default under the Bond Resolution, and the sole remedy under this Agreement in the event of any failure of the Board to comply with this Agreement shall be an action to compel performance.

In witness whereof the parties hereto have executed this Agreement as of the date first above written.

BOARD OF EDUCATION OF CORBIN INDEPENDENT KENTUCKY SCHOOL DISTRICT

Attest:

____
Chairman

____
Secretary

CORBIN INDEPENDENT SCHOOL DISTRICT FINANCE CORPORATION

Attest:

____
President

____
Secretary

APPENDIX D

Corbin Independent School District Finance Corporation
School Building Revenue Bonds
Series of 2023

Official Terms and Conditions of Bond Sale

OFFICIAL TERMS AND CONDITIONS OF BOND SALE

$5,420,000*
Corbin Independent School District Finance Corporation
School Building Revenue Bonds, Series of 2023
Dated as of May 2, 2023

SALE: April 11, 2023 AT 11:00 A.M., E.D.S.T.

As published on PARITY®, a nationally recognized electronic bidding system, the Corbin Independent School District Finance Corporation ("Corporation") will until April 11, 2023, at the hour of 11:00 A.M., E.D.S.T., in the office of the Executive Director of the Kentucky School Facilities Construction Commission, 700 Louisville Road, Carriage House, Frankfort, Kentucky, 40601, receive competitive bids for the revenue bonds herein described. To be considered, bids must be submitted on an Official Bid Form and must be delivered to the Corporation at the address indicated on the date of sale no later than the hour indicated. Bids may be submitted manually or by facsimile or electronically via PARITY. Bids will be considered by the Corporation and may be accepted without further action by the Corporation's Board of Directors.

Subject to a Permitted Adjustment* increasing or decreasing the issue by up to $540,000.

CORBIN 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 Corbin, Kentucky (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.

STATUTORY AUTHORITY, PURPOSE OF ISSUE AND SECURITY

These Bonds are authorized pursuant to KRS 162.120 through 162.290, 162.385, and KRS 58.180 and are issued in accordance with a Resolution of the Corporation's Board of Directors. Said Bonds are revenue bonds and constitute a limited indebtedness of the Corporation payable from rental revenues derived by the Corporation from the Board under the Lease identified below. Said Bonds are being issued to finance athletic improvements at Corbin High School (the "Project") and are secured by a lien upon and a pledge of the revenues from the rental of the school building to the Board under the Lease on a year to year basis; the first rental period ending June 30, 2023; provided, however, said lien and pledge are on parity with a similar lien and pledge securing the Corporation's School Building Revenue Bonds previously issued to finance the school facilities which constitute the Project (the "Parity Bonds").

Should the Board default in its obligations under the Lease or fail to renew the Lease, the Registered Owners of Bonds have the right to have a receiver appointed to administer the school building Project but foreclosure and sale are not available as remedies.

The rental of the school building Project from the Corporation to the Board is to be effected under a certain Lease Agreement by and between the Corporation and the Board (the "Lease"), whereunder the school building Project is leased to the Board for the initial period ending June 30, 2023, with an option in the Board to renew the Lease each year at rentals sufficient to provide for the principal and interest requirements on the Bonds as they become due, plus the costs of insurance, maintenance, depreciation, and bond issuance and administration expenses; the Board being legally obligated only for the initial rental period and for one year at a time thereafter each time the Lease is renewed.

Under the terms of the 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 KRS 160.160(5), in the event of a failure by the Board to pay the rentals due under the 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 Lease to the Corporation 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.

ADDITIONAL PARITY BONDS

The Corporation has reserved the right and privilege of issuing additional bonds from time to time payable from the income and revenues of said lands and school building Project and secured by a statutory mortgage lien and pledge of revenues, but only if and to the extent the issuance of such additional parity bonds are in accordance with the plans and specifications which have been approved by the Board, Commissioner of Education, and filed in the office of the Secretary of the Corporation and a Lease shall be entered into whereunder the annual rental payments during the life of such additional bonds shall be increased by the amount of the annual principal and interest requirements of such additional bonds.

BOND MATURITIES, PRIOR REDEMPTION PROVISIONS AND PAYING AGENT

All such Bonds shall be in denominations in multiples of $5,000 within the same maturity, bear interest from May 2, 2023, payable on November 1, 2023, and semi annually thereafter and shall mature as to principal on May 1 in each of the years thereafter as follows:

Year	Amount*	Year	Amount*
2024	$ 75,000	2034	$135,000
2025	80,000	2035	140,000
2026	80,000	2036	200,000
2027	85,000	2037	445,000
2028	85,000	2038	465,000
2029	85,000	2039	520,000
2030	90,000	2040	630,000
2031	125,000	2041	655,000
2032	130,000	2042	680,000
2033	130,000	2043	585,000

*Subject to a Permitted Adjustment of the amount of Bonds awarded of up to $540,000 which may be applied in any or all maturities.

The Bonds maturing on or after May 1, 2032 are subject to redemption at the option of the Corporation prior to their stated maturity on any date falling on or after May 1, 2031, in any order of maturities (less than all of a single maturity to be selected by lot), in whole or in part, upon notice of such prior redemption being given by the Paying Agent in accordance with DTC requirements not less than thirty (30) days prior to the date of redemption, upon terms of the face amount, plus accrued interest, but without redemption premium.

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 Bonds are to be issued in fully registered form (both principal and interest). U.S. Bank Trust Company, National Association, Louisville, Kentucky, has been designated as the Bond Registrar and Paying Agent, shall remit interest on each semiannual due date to Cede & Co. Principal and interest will be payable through the Book-Entry-Only-System administered by The Depository Trust Company: Please see "BOOK-ENTRY-ONLY-SYSTEM" below. 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 November 1 and May 1 of each year, beginning November 1, 2023 (Record Date is the 15th day of month preceding interest due date).

BIDDING CONDITIONS AND RESTRICTIONS

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

(B) 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 Bond Sale, 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.

(C) The minimum bid shall be not less than $5,311,600 (98% 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.

(D) The maximum permissible net interest cost for the Bonds shall not exceed "The Bond Buyer's" Index of 20 Municipal Bonds as established on the Thursday immediately preceding the sale of said Bonds plus 1.50%.

(E) The determination of the best purchase bid for said Bonds shall be made on the basis of all bids submitted for exactly $5,420,000 principal amount of Bonds offered for sale hereunder, but the Corporation may adjust the principal amount of Bonds upward or downward by $540,000 (the "Permitted Adjustment") which may be awarded to such best bidder may be a minimum of $4,880,000 or a maximum of $5,960,000. In the event of such Permitted Adjustment, no rebidding or recalculation of a submitted bid will be required or permitted. The price of which such adjusted principal amount of Bonds will be sold will be the same price per $5,000 of Bonds as the price per $5,000 for the $5,420,000 of Bonds bid.

(F) 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 April 11, 2023.

(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).

(G) 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 May 1 in accordance with the maturity schedule setting the actual size of the issue.

(H) CUSIP identification numbers will be printed on the Bonds at the expense of the Corporation. The purchaser shall pay the CUSIP Service Bureau 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 Bonds in accordance with the terms of any accepted proposal for the purchase of said Bonds.

(I) 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.

(J) Bids need not be accompanied by a certified or bank cashier's good faith check, BUT the successful bidder will be required to wire transfer an amount equal to 2% of the amount of the principal amount of Bonds awarded to the order of the Corporation by the close of business on the day following the award. Said good faith amount which will be forfeited as liquidated damages in the event of a failure of the successful bidder to take delivery of such Bonds when ready. The good faith amount (without interest) will be applied to the purchase price upon delivery of the Bonds. The successful bidder shall not be required to take up and pay for said Bonds unless delivery is made within 45 days from the date the bid is accepted.

(K) Delivery will be made utilizing the DTC Book-Entry-Only-System.

(L) The Corporation reserves the right to reject any and all bids or to waive any informality in any bid. The Bonds are offered for sale subject to the principal and interest not being subject to Federal or Kentucky income taxation or Kentucky ad valorem taxation on the date of their delivery to the successful bidder, in accordance with the Final Approving Legal Opinion of Steptoe & Johnson PLLC, Bond Counsel, Louisville, Kentucky, which Opinion will be qualified in accordance with the section hereof on TAX EXEMPTION.

(M) 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 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 160.470(12)(a) 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 160.470(12)(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.

The General Assembly recently adopted a budget for the biennial period ending June 30, 2024 which was approved and signed by the Governor. Such budget became effective beginning July 1, 2022. 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 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. For example, on August 16, 2022, President Biden signed the Inflation Reduction Act of 2022 (the "Inflation Reduction Act"). The Inflation Reduction Act imposes a minimum tax of 15 percent of the adjusted financial statement income of certain corporations whose income exceeds stated thresholds for tax years beginning after December 31, 2022. Under the Inflation Reduction Act, interest on debt obligations otherwise exempt from federal income tax would be included in the calculation of adjusted financial statement income for corporations subject to the minimum tax. 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

As a result of the Board and issuing agencies acting on behalf of the Board offering for public sale municipal securities in excess of $1,000,000, the Corporation and the Board will enter into a written agreement for the benefit of all parties who may become Registered or Beneficial Owners of the Bonds whereunder said Corporation and Board will agree to comply with the provisions of the Municipal Securities Disclosure Rules set forth in Securities and Exchange Commission Rule 15c2-12 by filing annual financial statements and material events notices with the Electronic Municipal Market Access (EMMA) System maintained by the Municipal Securities Rule Making Board.

Financial information regarding the Board may be obtained from Superintendent, Corbin, Kentucky Board of Education, 108 Roy Kidd Avenue, Corbin, Kentucky 40701, Telephone (606) 528-1303

TAX EXEMPTION; NOT BANK QUALIFIED

Bond Counsel advises as follows with respect to the Bonds:

(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 interest on the Bonds will not be a specific item of tax preference for purposes of computing the Federal alternative minimum tax, however, with respect to certain corporations, interest on the Bonds is taken into account in determining the annual adjusted financial statement income for the purpose of computing the alternative minimum tax imposed on corporations for tax years beginning after December 31, 2022.

(C) As a result of certifications by the Board and the Corporation, indicating the issuance of MORE than $10,000,000 of tax-exempt obligations during the calendar year ending December 31, 2023, the Bonds may NOT be treated by financial institutions as "qualified tax-exempt obligations" under Section 265(b)(3) of the Code.

BOOK-ENTRY-ONLY-SYSTEM

The 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.

CORBIN INDEPENDENT SCHOOL DISTRICT
FINANCE CORPORATION

By /s/David Cox
Secretary

APPENDIX E

Corbin Independent School District Finance Corporation
School Building Revenue Bonds
Series of 2023

Official Bid Form

OFFICIAL BID FORM
(Bond Purchase Agreement)

The Corbin Independent School District Finance Corporation ("Corporation" or "Issuer"), will until 11:00 A.M., E.D.S.T., on April 11, 2023, 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 $5,420,000 School Building Revenue Bonds, Series of 2023, dated May 2, 2023; maturing May 1, 2024 through 2043 ("Bonds").

We hereby bid for said $5,420,000* principal amount of Bonds, the total sum of $_______________ (not less than $5,311,600) plus accrued interest from May 2, 2023 payable November 1, 2023 and semiannually thereafter at the following annual rates, (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 and May 1 in the years thereafter as follows:

Year	Amount*	Rate	Year	Amount*	Rate
2024	$ 75,000	________%	2034	$135,000	________%
2025	80,000	________%	2035	140,000	________%
2026	80,000	________%	2036	200,000	________%
2027	85,000	________%	2037	445,000	________%
2028	85,000	________%	2038	465,000	________%
2029	85,000	________%	2039	520,000	________%
2030	90,000	________%	2040	630,000	________%
2031	125,000	________%	2041	655,000	________%
2032	130,000	________%	2042	680,000	________%
2033	130,000	________%	2043	585,000	________%

* Subject to Permitted Adjustment

We understand this bid may be accepted for as much as $5,960,000 of Bonds or as little as $4,880,000 of Bonds, at the same price per $5,000 Bond, with the variation in such amount occurring in any maturity or all maturities, which will be determined 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 April 11, 2023.

(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. Notwithstanding the foregoing, non-electronic bids may be submitted via facsimile or by hand delivery utilizing the Official Bid Form.

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 on May 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 Opinion 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 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 Trust Company, National Association, 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 May 2, 2023 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 May 2, 2023 to final maturity	$____________
Plus discount or less any premium	$____________
Net interest cost (Total interest cost plus discount)	$____________
Average interest rate or cost	____________%

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 Municipal Advisor and Agent for the Corbin Independent School District Finance Corporation for $_______________ amount of Bonds at a price of $_____________ as follows:

Year	Amount	Rate	Year	Amount	Rate
2024	______,000	______%	2034	______,000	______%
2025	______,000	______%	2035	______,000	______%
2026	______,000	______%	2036	______,000	______%
2027	______,000	______%	2037	______,000	______%
2028	______,000	______%	2038	______,000	______%
2029	______,000	______%	2039	______,000	______%
2030	______,000	______%	2040	______,000	______%
2031	______,000	______%	2041	______,000	______%
2032	______,000	______%	2042	______,000	______%
2033	______,000	______%	2043	______,000	______%

Dated: April 11, 2023

____
RSA Advisors, LLC,
As Agent for the Corbin Independent
School District Finance Corporation