PRELIMINARY OFFICIAL STATEMENT

DATED AUGUST 30, 2024

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

RATING
Moody's: " "

In the opinion of Bond Counsel, under existing law (i) interest on the Bonds will be excludable from gross income of the holders thereof for purposes of federal taxation and (ii) interest on the Bonds will not be a specific item of tax preference for purposes of the federal alternative minimum tax imposed on individuals, all subject to the qualifications described herein under the heading "Tax Exemption; Bank Qualified." 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; Bank Qualified" herein).

$5,000,000*
FAIRVIEW INDEPENDENT SCHOOL DISTRICT FINANCE CORPORATION
SCHOOL BUILDING REVENUE BONDS,
SERIES 2024A

Dated with Delivery: OCTOBER 1, 2024 **Due: as shown below**

Interest on the Bonds is payable each April 1 and October 1, beginning April 1, 2025. The Bonds will mature as to principal on October 1, 2025, 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-Oct	Amount*	Interest Rate	Reoffering Yield	CUSIP	Maturing 1-Oct	Amount*	Interest Rate	Reoffering Yield	CUSIP
2025	$5,000	%	%		2035	$415,000	%	%	
2026	$5,000	%	%		2036	$435,000	%	%	
2027	$5,000	%	%		2037	$450,000	%	%	
2028	$5,000	%	%		2038	$470,000	%	%	
2029	$5,000	%	%		2039	$490,000	%	%	
2030	$5,000	%	%		2040	$510,000	%	%	
2031	$5,000	%	%		2041	$530,000	%	%	
2032	$5,000	%	%		2042	$555,000	%	%	
2033	$5,000	%	%		2043	$580,000	%	%	
2034	$5,000	%	%		2044	$515,000	%	%	

The Bonds are subject to redemption prior to their stated maturity as described herein.

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

The Bonds constitute a limited indebtedness of the Fairview 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 on an annually renewable basis to the Fairview Independent School District Board of Education.

The Secretary of the Fairview Independent School District Finance Corporation will until September 10, 2024, at 1:00 P.M., E.D.T., receive sealed bids for the Bonds at the office of the Executive Director of the Kentucky School Facilities Construction Commission, 700 Louisville Road, Carriage House, Frankfort, Kentucky 40601.

***As set forth in the "Official Terms and Conditions of Bond Sale," the principal amount of Bonds sold to the successful bidder is subject to a Permitted Adjustment by increasing or decreasing the amount awarded by up to $500,000.**

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.

R | S | A
advisors

FAIRVIEW INDEPENDENT
BOARD OF EDUCATION

Matt Tackett, Chairperson
Tom Lowe, Member
Susie Howard, Member
Cory Fitzpatrick, Member
Doug Campbell, Member

Jackie Risden-Smith, Superintendent/Secretary

FAIRVIEW INDEPENDENT SCHOOL DISTRICT
FINANCE CORPORATION

Matt Tackett, President
Tom Lowe, Member
Susie Howard, Member
Cory Fitzpatrick, Member
Doug Campbell, Member

Jackie Risden-Smith, Secretary
Crystal Claar, Treasurer

BOND COUNSEL

Dinsmore & Shohl LLP
Covington, Kentucky

MUNICIPAL ADVISOR

RSA Advisors, LLC
Lexington, Kentucky

PAYING AGENT AND REGISTRAR

US 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 Fairview Independent School District Finance Corporation School Building Revenue Bonds, Series 2024A, 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.

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OFFICIAL STATEMENT
Relating to the Issuance of

$5,000,000*

FAIRVIEW INDEPENDENT SCHOOL DISTRICT FINANCE CORPORATION SCHOOL BUILDING REVENUE BONDS, SERIES 2024A

** 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 Fairview Independent School District Finance Corporation (the "Corporation") School Building Revenue Bonds, Series 2024A (the "Bonds").

The Bonds are being issued to finance improvements to the Fairview Independent Athletic Complex (the "Project" herein).

The Bonds are revenue bonds and constitute a limited indebtedness of the Corporation. The Bonds will be secured by a statutory mortgage lien and a pledge of the rental income derived by the Corporation from leasing the Project to the Fairview independent School District 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 Fairview Independent School District 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 Contract, Lease and Option, dated October 1, 2024, may be obtained at the office of Dinsmore & Shohl LLP, 50 East Rivercenter Boulevard, Suite 1150, Covington, KY 41011.

BOOK-ENTRY-ONLY-SYSTEM

The Bonds initially will be issued solely in Book-Entry form to be held in the Book-Entry-Only-System maintained by The Depository Trust Company ("DTC"), New York, New York. So long as such Book-Entry system is used, only DTC will receive or have the right to receive physical delivery of Bonds and, except as otherwise provided herein with respect to tenders by Beneficial Owners of Beneficial Ownership Interests, Beneficial owners will not be or be considered to be, and will not have any rights as, owners or holders of the Bonds under the Ordinance.

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. One fully-registered Bond certificate will be issued for in the aggregate principal amount of the Bonds and will be deposited with 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 2 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 Standard & Poor's highest rating: AAA. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

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. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the Book-Entry system for the Bonds is discontinued.

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 Sections 157.611 through 157.640 of the Kentucky Revised Statutes as repealed, amended, and reenacted by the 1990 Regular Session of said General Assembly (the "Act") for the purpose of assisting local school districts in meeting their capital construction needs. The Commission is the successor agency to the Kentucky School Building Authority.

The General Assembly of the Commonwealth adopted the State's Budget for the fiscal year ending June 30, 2026. Inter alia, the Budget provides $116,928,400 in FY 23024-25 and $126,269,500 in FY 2025-2026 to pay debt service on existing and future bond issues. There are $75,900,000 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 2000, 2003, 2005, 2006, 2008, 2010, 2012, 2014, 2016, 2018, 2020,2022, and 2024 Regular Sessions of the Kentucky General Assembly appropriated funds to be used for new debt service of participating school districts. The appropriations for each biennium are shown in the following table:

Biennium	Appropriation
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
2024-26	22,280,000
Total	$142,617,000

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, 2026

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, 2026 which was approved and signed recently by the Governor. Such budget becomes effective beginning July 1, 2024.

The Office of the State Budget Director makes available on its website monthly updates to the General Fund receipts and other Funds of the commonwealth. When published, the updates can be found at www.osbd.ky.gov.

OUTSTANDING BONDS

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

Bond Series	Original Principal	Current Principal Outstanding	Principal Assigned to Board	Principal Assigned to Commission	Approximate Interest Rate Range	Final Maturity
2006	$270,000	$20,000	$56,421	$213,579	4.300%	2026
2012	$2,645,000	$1,745,000	$1,303,767	$1,341,233	1.800% - 2.600%	2032
2014-REF	$1,665,000	$445,000	$1,269,490	$395,510	2.150%	2025
2015	$9,080,000	$5,885,000	$8,796,903	$283,097	3.000% - 3.250%	2035
2021-Energy	$1,965,000	$1,810,000	$1,965,000	$0	2.000%	2041
TOTALS:	$15,625,000	$9,905,000	$13,391,581	$2,233,419		

AUTHORITY

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

i) the issuance of approximately $5,000,000 of Bonds subject to a permitted adjustment by increasing or decreasing the amount awarded by up to $500,000;

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 October 1, 2024, will bear interest from that date as described herein, payable semi-annually on April 1 and October 1 of each year, commencing April 1, 2025, and will mature as to principal on October 1, 2025, 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). US Bank Trust Company, National Association, Louisville, Kentucky, the Bond Registrar and Paying Agent, shall remit interest on each semiannual due date (April 1 and October 1) to each Registered Owner of record as of the 15th day of the month preceding the due date (March 15 and September 15) which shall be Cede & Co., as the nominee of The Depository Trust Company. Please see Book-Entry-Only-System.

Redemption

The Bonds scheduled to mature on and after October 1, 2033, are subject to redemption at the option of the Corporation prior to their stated maturities on any date falling on or after October 1, 2032, in any order of maturities (less than all of a single maturity to be selected by lot), in whole or in part, expressed in percentages of the principal amount with respect to each redeemed Bond as set forth below, plus accrued interest to the date of redemption:

Redemption Dates (inclusive)	Redemption Price
October 1, 2032 and thereafter	100%

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.

SECURITY

General

The Bonds are revenue bonds and constitute a limited indebtedness of the Corporation. The Bonds are payable as to both principal and interest solely from the income and revenues derived from the leasing of the Project acquired and constructed from the Bond proceeds from the Corporation to the Board.

Mortgage Lien

The Bonds are secured by a statutory mortgage lien and a pledge of revenues on and from the site of the Project.

The Lease

The Board has leased the school Project securing the Bonds for an initial period from October 1, 2024, through June 30, 2025, 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 October 1, 2044, the final maturity date of the Bonds.

Authorization of General Obligation Bonds

The Kentucky Legislature recently passed and the Governor signed HB 727 which, 90 days after the adjournment of the Legislature, will authorize Kentucky Boards of Education to issue general obligation bonds within certain limitations prescribed by Kentucky law. The Board does not currently have any specific plan to issue general obligation bonds. Issuance by the Board of general obligation debt in the future would not affect either the Board's obligation to make lease payments to the Corporation for payment of debt service on the Bonds or the security for the Bonds.

THE PROJECT

After payment of the Bond issuance costs, the Board plans to deposit the net Bond proceeds to finance improvements to the Fairview Independent Athletic Complex (the "Project").

The Board has reported construction bids have been let for the Projects and approval of the Kentucky Department of Education, Buildings and Grounds, to award the construction contract is expected prior to the sale and delivery of the Bonds.

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

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 157.627(5) and 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.

ADDITIONAL PARITY BONDS FOR COMPLETION OF PROJECT

The Corporation has reserved the right and privilege of issuing additional bonds from time to time payable from the income and revenues of said land and school building Project and secured by the same statutory mortgage lien and pledge of revenues, but only if and to the extent the issuance of such additional parity bonds may be necessary to pay the costs, for which funds are not otherwise available, of completing the construction of said school building Project in accordance with the plans and specifications of the architect in charge of said Project, which plans have been completed, approved by the Board, Kentucky Department of Education, and filed in the office of the Secretary of the Corporation.

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 pay 100% of the debt service of the bonds.

Fiscal Year Ending June 30	Current Restricted Fund Bond Payments	----- School Building Revenue Bonds, Series 2024 ----- (100% Local)			Total Restricted Fund Bond Payments
		Principal Portion	Interest Portion	Total Payment	
2024	$844,761				$844,761
2025	$844,775		$103,063	$103,063	$947,838
2026	$844,636	$5,000	$206,036	$211,036	$1,055,671
2027	$787,334	$5,000	$205,859	$210,859	$998,193
2028	$784,265	$5,000	$205,678	$210,678	$994,944
2029	$784,228	$5,000	$205,491	$210,491	$994,719
2030	$783,405	$5,000	$205,303	$210,303	$993,708
2031	$786,792	$5,000	$205,116	$210,116	$996,908
2032	$784,340	$5,000	$204,928	$209,928	$994,268
2033	$785,240	$5,000	$204,741	$209,741	$994,981
2034	$647,279	$5,000	$204,552	$209,552	$856,831
2035	$646,966	$5,000	$204,362	$209,362	$856,328
2036		$415,000	$196,382	$611,382	$611,382
2037		$435,000	$180,123	$615,123	$615,123
2038		$450,000	$162,975	$612,975	$612,975
2039		$470,000	$144,800	$614,800	$614,800
2040		$490,000	$125,477	$615,477	$615,477
2041		$510,000	$104,972	$614,972	$614,972
2042		$530,000	$83,127	$613,127	$613,127
2043		$555,000	$59,932	$614,932	$614,932
2044		$580,000	$35,356	$615,356	$615,356
2045		$515,000	$11,356	$526,356	$526,356
TOTALS:	$9,324,021	$5,000,000	$3,259,627	$8,259,627	$17,583,648

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	$5,000,000.00
Total Sources	$5,000,000.00
Uses:	
Deposit to Construction Fund	$4,849,650.00
Underwriter's Discount (2%)	100,000.00
Cost of Issuance	50,350.00
Total Uses	$5,000,000.00

DISTRICT STUDENT POPULATION

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

Year	Average Daily Attendance	Year	Average Daily Attendance
2000-01	589.7	2012-13	767.7
2001-02	585.8	2013-14	799.8
2002-03	600.0	2014-15	790.2
2003-04	616.8	2015-16	726.6
2004-05	687.8	2016-17	685.6
2005-06	697.3	2017-18	652.7
2006-07	709.0	2018-19	640.8
2007-08	702.5	2019-20	605.2
2008-09	729.0	2020-21	605.2
2009-10	707.2	2021-22	627.2
2010-11	765.2	2022-23	627.2
2011-12	771.8	2023-24	581.5

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 $3,911 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 Fairview Independent School District for certain preceding school years.

Year	Capital Outlay Allotment	Year	Capital Outlay Allotment
2000-01	58,970.0	2012-13	76,770.1
2001-02	58,580.0	2013-14	79,983.4
2002-03	60,000.0	2014-15	79,016.3
2003-04	61,680.0	2015-16	72,655.3
2004-05	68,780.0	2016-17	68,560.0
2005-06	69,730.0	2017-18	65,270.0
2006-07	70,900.0	2018-19	64,081.9
2007-08	70,250.0	2019-20	60,520.0
2008-09	72,896.0	2020-21	60,517.9
2009-10	70,721.5	2021-22	62,718.3
2010-11	76,522.8	2022-23	62,718.3
2011-12	77,181.3	2023-24	58,151.9

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.

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.

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.

Tax Year	Combined Equivalent Rate	Total Property Assessment	Property Revenue Collections
2000-01	67.8	84,947,488	575,944
2001-02	65.9	88,362,780	582,311
2002-03	68.4	89,565,224	612,626
2003-04	68.4	89,876,591	614,756
2004-05	68	93,067,396	632,858
2005-06	60.7	108,998,770	661,623
2006-07	63.3	129,837,784	821,873
2007-08	60.7	143,367,129	870,238
2008-09	60.4	150,291,213	907,759
2009-10	60.4	156,337,729	944,280
2010-11	63.3	160,568,386	1,016,398
2011-12	79.2	164,299,624	1,301,253
2012-13	64.5	167,536,611	1,080,611
2013-14	76.8	167,184,468	1,283,977
2014-15	137	175,598,658	2,405,702
2015-16	116.7	181,270,980	2,115,432
2016-17	94	174,420,381	1,639,552
2017-18	94	175,744,176	1,651,995
2018-19	98.1	168,032,166	1,648,396
2019-20	107.3	168,155,262	1,804,306
2020-21	102.1	170,660,237	1,742,441
2021-22	93.7	152,487,093	1,428,804
2022-23	118.5	185,745,815	2,201,088
2023-24	99.7	187,993,744	1,874,298

OVERLAPPING BOND INDEBTEDNESS

The following table shows any other overlapping bond indebtedness of the Fairview Independent School District or other issuing agency within Boyd County as reported by the State Local Debt Officer for the period ending June 30, 2024.

Issuer	Original Principal Amount	Amount of Bonds Redeemed	Current Principal Outstanding
County of Boyd			
General Obligation	22,745,000	13,590,000	9,155,000
Land Acquisition, Real Property	4,500,000	225,000	4,275,000
Refinancing Refunding	4,055,000	1,985,000	2,070,000
Voting Machines	393,806	74,180	319,626
Truck Purchase Revenue	522,990	0	522,990
Special Districts			
Big Sandy Water District	7,425,000	2,775,000	4,650,000
Boyd County Library District	2,455,000	195,000	2,260,000
Boyd County Sanitation District #4	6,004,000	1,346,500	4,657,500
Cannonsburg Fire Department	2,699,000	859,000	1,840,000
Greenup Boyd Riverport Authority	1,620,000	585,000	1,035,000
Boyd County Capital Projects, Inc.	11,040,000	4,555,000	6,485,000
Totals:	63,459,796	26,189,680	37,270,116

Source: 2024 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	2,276,127	575,944	2,852,071
2001-02	2,264,120	582,311	2,846,431
2002-03	2,436,205	612,626	3,048,831
2003-04	2,691,537	614,756	3,306,293
2004-05	2,937,459	632,858	3,570,317
2005-06	3,187,203	661,623	3,848,826
2006-07	3,289,622	821,873	4,111,495
2007-08	3,541,555	870,238	4,411,793
2008-09	3,743,706	907,759	4,651,465
2009-10	3,280,298	944,280	4,224,578
2010-11	3,498,034	1,016,398	4,514,432
2011-12	3,792,079	1,301,253	5,093,332
2012-13	3,661,218	1,080,611	4,741,829
2013-14	3,859,744	1,283,977	5,143,721
2014-15	3,818,660	2,405,702	6,224,362
2015-16	3,534,262	2,115,432	5,649,694
2016-17	3,404,754	1,639,552	5,044,306
2017-18	3,230,483	1,651,995	4,882,478
2018-19	3,239,511	1,648,396	4,887,907
2019-20	3,094,076	1,804,306	4,898,382
2020-21	3,085,901	1,742,441	4,828,342
2021-22	3,524,158	1,428,804	4,952,962
2022-23	3,528,613	2,201,088	5,729,701
2023-24	3,370,258	1,874,298	5,244,556

(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 $0.9970 for FY 2023-24. 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.

CONTINUING DISCLOSURE

In accordance with Securities and Exchange Commission Rule 15c2-12, as amended (the "Rule") the Board and the Corporation (the "Obligated Persons") will agree pursuant to a Continuing Disclosure Agreement to be dated as of the date of initial issuance and delivery (the "Disclosure Agreement"), to be delivered on the date of delivery of the Bonds, to cause the following information to be provided:

(i) to the Municipal Securities Rulemaking Board ("MSRB") or any successor thereto for purposes of the 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, certain annual financial information and operating data, including audited financial statements, generally consistent with the information contained under the headings "BOND DEBT SERVICE," DISTRICT STUDENT POPULATION," LOCAL SUPPORT," AND "SEEK ALLOTMENT" and in Appendix B of this Official Statement (the "Annual Financial Information"); such information shall include, at a minimum, that financial information and operating data which is customarily prepared by the Obligated Persons and is publicly available. The annual financial information shall be provided on or before the 270th day following the fiscal year ending on the preceding June 30th;

(ii) to the MSRB, in a timely manner, not in excess of ten business days after the occurrence of the event, notice of the occurrence of the following events with respect to the Bonds:

(a) Principal and interest payment delinquencies;

(b) Non-payment related defaults, if material;

(c) Unscheduled draws on debt service reserves reflecting financial difficulties;

(d) Unscheduled draws on credit enhancements reflecting financial difficulties;

(e) Substitution of credit or liquidity providers, or their failure to perform;

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

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

(h) Bond calls, if material, and tender offers (except for mandatory scheduled redemptions not otherwise contingent upon the occurrence of an event);

(i) Defeasances;

(j) Release, substitution or sale of property securing repayment of the securities, if material;

(k) Rating changes;

(l) Bankruptcy, insolvency, receivership or similar event of the obligated person (Note: For the purposes of this event, the event is considered to occur when any of the following occur: The appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bank National Association Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person);

(m) The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(n) Appointment of a successor or additional trustee or the change of name of a trustee, if material;

(o) Incurrence of a financial obligation of the Corporation or Obligated Person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the issuer or Obligated Person, any of which affect security holders, if material;

(p) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the issuer or Obligated Person, any of which reflect financial difficulties; and

(q) The cure, in the manner provided under the Bond Resolution, of any payment or nonpayment related default under the Bond Resolution.

(iii) to the MSRB, notice of a failure (of which the Obligated Persons has knowledge) of an Obligated Person to provide the required Annual Financial Information on or before the date specified in the Disclosure Agreement.

The Disclosure Agreement provides bondholders, including beneficial owners of the respective series of Bonds, with certain enforcement rights in the event of a failure by the Obligated Persons to comply with the terms thereof; however, a default under the Disclosure Agreement does not constitute an event of default under the Bond Resolution. The Disclosure Agreement may also be amended or terminated under certain circumstances in accordance with the Rule as more fully described therein. Bondholders are advised that the Disclosure Agreement, the form of which is attached to the Official Statement as Appendix C, should be read in its entirety for more complete information regarding its contents.

For purposes of this transaction:

(a) there are no debt service reserve funds applicable to the Bonds;

(b) there are no credit enhancements applicable to the Bonds; and

(c) there are no liquidity providers applicable to the Bonds.

The Board and Corporation have been timely in making required filings under the terms of the Continuing Disclosure Agreement for the past five years. The Board has adopted procedures to assure timely and complete filings in the future with regard to the Rule in order to provide required financial reports and operating data or notices of material events.

TAX EXEMPTION; BANK QUALIFIED

Bond Counsel is of the opinion that:

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

(B) Interest payable on the Bonds is excludable from gross income under the Internal Revenue Code of 1986, as amended (the "Code"). Furthermore, interest on the Bonds will not be treated as a specific item of tax for the purposes of the alternative minimum tax imposed on individuals. The Corporation has covenanted to comply with the applicable provisions of the Code, and such compliance by the corporation is necessary to maintain the federal income tax status described above. No opinion is expressed regarding other federal tax consequences arising with respect to the Bonds.

(C) The Corporation has designated the Bonds as "qualified tax-exempt obligations" pursuant to Section 265 of the Code.

The Corporation has covenanted to comply with the applicable provisions of the Code, and such compliance by the Corporation is necessary to maintain the federal income tax status described above. No opinion is expressed regarding other federal tax consequences arising with respect to Bonds.

LITIGATION

There is no litigation presently pending against the Corporation or the District, nor to the knowledge of the officials of the Corporation or the District is there any litigation threatened, which questions or affects the validity of the Bonds or any proceedings or transactions relating to the issue, sale and delivery thereof.

APPROVAL OF LEGALITY

Legal matters incident to the authorization and issuance of the Bonds are subject to the approving legal opinion of Dinsmore & Shohl LLP, Covington, Kentucky, Bond Counsel.

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 Fairview 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 Fairview Independent School District 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 Fairview Independent School District and is believed to be reliable. However, such information is not guaranteed as to accuracy or completeness, 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

Fairview Independent School District Finance Corporation
School Building Revenue Bonds
Series 2024A

Demographic and Economic Data

BOYD COUNTY, KENTUCKY

Boyd County, situated on the Ohio River in the Appalachian foothills of the tri-state area of Kentucky, Ohio, and West Virginia, covers 160 square miles. Ashland, the largest city in Boyd County had an estimated 2023 population of 21,419. Ashland is located in Eastern Kentucky and is 137 miles southeast of Cincinnati, Ohio; 118 miles east of Lexington, Kentucky and 190 miles east of Louisville, Kentucky. Boyd County had an estimated population of 47,954 persons in 2023.

The Economic Framework

In 2023, Boyd County had a labor force of 19,949 people, with an unemployment rate of 6.60%. The top 5 jobs by occupation were as follows: office and administrative support - 2,444 (11.01%); sales - 2,367 (10.66%); executive, managers and administrators - 2,345 (10.57%); food preparation, serving - 1,501 (6.76%); and health diagnosing and treating practitioners - 1,499 (6.75%).

Transportation

U.S. Highways 64 runs through Boyd County. This interstate is a major east-west route and provides access to Interstates 75, 65, 71, 77, and 79. The nearest commercial airline service is in Lexington, Kentucky at the Blue Grass Airport, which is located118 miles west of Ashland.

Power and Fuel

Electric power is provided to Boyd County by AEP-Kentucky Power Company. Natural gas services are provided by Columbia Gas of Kentucky Inc and Natural Energy Utility Corporation.

Education

The Boyd County School system and Ashland Independent provide primary education to the residents of Boyd County. There are 16 colleges and universities and 7 technology centers (ATC) within 60 miles of Ashland.

LABOR MARKET STATISTICS

The Labor Market Area includes Greenup, Boyd, Carter and Lawrence counties in Kentucky. Also included, Scioto and Lawrence counties in Ohio and Putnam, Cabell and Wayne counties in West Virginia.

Population

Description	2021	2022	2023
Boyd County	47,859	47,841	48,360
Ashland	20,954	21,379	21,325
Fairview	148	145	175

Source: Kentucky Cabinet for Economic Development.

Population Projections

Description	2025	2030	2035
Boyd County	47,353	46,626	45,753

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

LOCAL GOVERNMENT

Structure

Ashland's Government structure consists of a Mayor and four Commissioners. The Mayor serves a four-year term while the Commissioners serve two-year terms. Boyd County is served by a Judge/Executive and three Commissioners. The Judge/Executive and Commissioners are elected to serve a four-year term.

Planning and Zoning

Mandatory state codes enforced-Kentucky Plumbing Code, National Electric Code, Kentucky Boiler Regulations and Standards, Kentucky Building Code (modeled after BOCA code).

Sales and Use Tax

A state sales and use tax is levied at the rate of 6.0% on the purchase or lease price of taxable goods and on utility services. Local sales taxes are not levied in Kentucky.

State and Local Property Taxes

The Kentucky Constitution requires the state to tax all classes of taxable property, and state statutes allow local jurisdictions to tax only a few classes. All locally taxed property is subject to county taxes and school district taxes (either a county school district or an independent school district). Property located inside the city limits may also be subject to city property taxes. Property assessments in Kentucky are at 100% fair cash value. Accounts receivable are taxed at 85% of face value. Special local taxing jurisdictions (fire protection districts, watershed districts and sanitation districts) levy taxes within their operating areas (usually a small portion of community or county).

Education

Primary and Secondary Education. Primary and secondary education is provided by the Boyd County School System and the Ashland Independent School System.

Public Schools	Fairview Independent	Ashland Independent	Boyd County
Total Enrollment (2022-2023)	530	2,998	2,803
Pupil-Teacher Ratio	11 - 1	12 - 1	11 - 1

Source: Kentucky Department of Education.

<u>*Bluegrass State Skills Corporation.*</u> 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 a major source for skills training assistance for a new or existing company. The Corporation works in a 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.

Area Colleges and Universities

Institution	Location	Enrollment (Fall 2022)
Eastern Kentucky University	Richmond	12,072
Morehead State University	Morehead	8,218
University of Pikeville	Pikeville	1,483

Source: US News & World Report.

Area Technical Schools

Institution	Location	Enrollment (2022-2023)
Greenup County ATC	Greenup	459
Martin County ATC	Inez	335
Morgan County ATC	West Liberty	411

Source: Kentucky Department of Education.

APPENDIX B

Fairview Independent School District Finance Corporation
School Building Revenue Bonds
Series 2024A

Audited Financial Statement for FY Ending June 30, 2023

FAIRVIEW INDEPENDENT SCHOOL DISTRICT

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION FOR THE YEAR ENDED JUNE 30, 2023

TOGETHER WITH INDEPENDENT AUDITOR'S REPORTS

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Kelley Galloway Smith Goolsby, PSC
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INDEPENDENT AUDITOR'S REPORT

Kentucky State Committee for
School District Audits
Members of the Board of Education
Fairview Independent School District
Ashland, 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 Fairview Independent School District (the "District"), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the 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 District, as of June 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund and the Special Revenue Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) 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 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 accounting principles generally accepted in the United States of America, 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 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 GAAS 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 amounts 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 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, there are conditions or events, considered in the aggregate, that raise substantial doubt about the 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

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis information on pages 6 through 9 and the Schedule of District's Proportionate Share of the Net Pension Liability, Schedule of Pension Contributions, Schedule of District's Proportionate Share of the Net OPEB Liability, Schedule of OPEB Contributions on pages 49 through 60 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying other supplemental schedules and the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The other supplemental schedules 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 auditing standards generally accepted in the United States of America. In our opinion, the supplemental information is 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 November 10, 2023, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 District's 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.

Kelley Galloway Smith Goolsby, PSC

Ashland, Kentucky
November 10, 2023

FAIRVIEW INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2023

As management of the Fairview Independent School District (the "District"), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2023. We encourage readers to consider the information presented here in conjunction with additional information found within the body of the financial statements.

FINANCIAL HIGHLIGHTS

- The beginning General Fund cash balance for the District was $2,541,547. Additionally, $1,193,467 in beginning cash and cash equivalents was restricted for grants, construction, food services and student activities and were accounted for in separate funds. The ending General Fund cash balance was $3,141,014 and there was $895,957 in cash and cash equivalents in other funds.

- The General Fund had $7.4 million in revenues, including on-behalf payments, of which 75.1% consisted of the state funding (SEEK program), 18.87% consisted of property and motor vehicle taxes, and 4.16% consisted of utility taxes. Excluding inter-fund transfers, there was $6.5 million in General Fund expenditures during the year.

- Bonds are issued as the District renovates facilities consistent with a long-range facilities plan that is established with community input and in keeping with Kentucky Department of Education (KDE) stringent compliance regulations. The District made $790,000 in bond principal payments during the 2022-2023 year.

- Net pension liabilities required to be recorded under GASB No. 68 decreased during the year. Non-professional staff members are covered by the Kentucky County Employee Retirement System. Under this system, the District's share of the pension liability was $2,105,595 as of June 30, 2022, which represents a decrease of $40,287 from the June 30, 2021 balance of $2,065,308. The Kentucky Teachers Retirement System covers the District's professional staff members. The District's allocated pension liability as of June 30, 2022 was $14,593,636, which represents an increase of $4,391,295 from the June 30, 2021 balance of $10,202,341. However, this pension liability is the responsibility of the Commonwealth of Kentucky.

- Net OPEB liabilities required to be recorded under GASB 75 increased during the year. There are two sources of OPEB liabilities with which the District has to contend. The Kentucky Teachers Retirement System (KTRS) Medical Insurance Plan and Life Insurance Plan covers the District's professional staff members. The District's allocated OPEB liability as of June 30, 2022 for KTRS Medical Insurance Plan was $2,030,000 with the District's responsibility being $1,528,000 and the Commonwealth of Kentucky's responsibility being $502,000. This is an overall increase of $423,000 from the District's allocated OPEB liability of $1,607,000 at June 30, 2021 for KTRS Medical Insurance Plan. The liability for the KTRS Life Insurance Plan is the responsibility of the Commonwealth of Kentucky and the District's allocated amount as of June 30, 2022 was $25,000, which represents a increase of $15,000 from the June 30, 2021 balance of $10,000. Non-professional staff members are covered by the County Employee Retirement System Insurance Fund. Under this fund the District's share of OPEB liability was $574,727 as of June 30, 2022, which represents a decrease of $76,191 from the June 30, 2021 balance of $620,014.

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 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, deferred outflows, liabilities, and deferred inflows, with the difference being 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 result in cash flows in future fiscal periods.

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

The government-wide financial statements can be found on pages 10 and 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. The State has mandated a uniform system (MUNIS administrative software) and chart of accounts for all Kentucky public school districts. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into three categories: governmental, proprietary, and fiduciary funds. The District's only proprietary fund is food service operations. Fiduciary funds account for activities of student groups and programs. All other activities of the District are included in the governmental funds.

The fund financial statements can be found on pages 12 - 20 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 21 - 48 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows exceeded liabilities and deferred inflows by $3,345,690 as of June 30, 2023.

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

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

Net Position for the period ending June 30, 2023 as compared to June 30, 2022.

	June 30, 2023	June 30, 2022
Current Assets	$ 4,716,313	$ 4,014,983
Noncurrent Assets	13,630,362	14,270,684
Total Assets	18,346,675	18,285,667
Deferred Outflows	1,616,971	1,123,942
Current Liabilities	1,239,652	1,236,583
Noncurrent Liabilities	14,209,216	14,384,311
Total Liabilities	15,448,868	15,620,894
Deferred Inflows	1,269,088	1,503,472
Net Position		
Net investment in capital assets	3,508,833	3,364,859
Restricted	461,519	609,073
Unrestricted	(724,662)	(1,688,689)
Total Net Position	$ 3,245,690	$ 2,285,243

The following table presents a summary of revenue and expense on a government-wide basis for the fiscal years ended June 30, 2023 and 2022, respectively:

	2023 Amount	2022 Amount
Revenues:		
Local revenue sources	$ 1,930,927	$ 1,900,756
State revenue sources	4,012,975	3,605,591
Federal revenue sources	2,532,935	2,873,948
Other revenues	328,114	269,903
Interest income	112,867	3,951
Total revenues	9,917,818	8,654,149
Expenses:		
Instruction	2,772,596	2,083,907
Student support services	733,709	678,881
Instructional support	445,692	481,291
District administration	445,453	325,723
School administration	623,382	595,778
Business support	643,814	432,038
Plant operations	1,727,735	1,331,700
Student transportation	398,215	235,993
Community services	155,057	117,076
Food services	704,263	741,091
Debt service - interest	307,455	328,411
Total expenses	8,957,371	7,351,889
Excess (deficiency) of revenues over (under) expenses	$ 960,447	$ 1,302,260

Capital Assets

At the end of June 30, 2023, the District's investment in capital assets for its governmental and business-type activities was $13,594,689, representing a decrease of $647,432 net of depreciation, from the prior year.

Debt Service

At year-end, the District had approximately $10.8 million in outstanding debt, compared to $11.6 million last year. The decrease is due to principal payments made during the fiscal year.

FUND FINANCIAL STATEMENTS

Comments on Budget Comparisons

- The District's total budgeted General Fund revenues for the fiscal year ended June 30, 2023 and 2022, were $5.1 and $5.2 million, respectively.

- General fund budget to actual comparison varied slightly from line item to line item with the actual ending balance being $1.9 million more than budget, excluding contingency and before interfund transfers. The increase resulted from $267,739 more in revenues as compared to the budget, less $1.6 million in expenditures less than the budget.

- Site Based Decision Making Councils expended 57.0% of the General Fund budget. Additionally, 20.2% was spent on maintenance and operations, 7.2% on District administration, 6.8% on transportation and 8.8% on business support services.

FUTURE BUDGETARY IMPLICATIONS

In Kentucky the public school fiscal year is July 1 - June 30; other programs, i.e. some federal 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 a budget with a contingency above 2% for the 2023 - 2024 fiscal year. The Governmental Funds beginning cash balance for beginning the fiscal year is $3,914,340, including amounts restricted for construction. There was no significant Board action that impacts the finances for the new fiscal year.

Questions regarding this report should be directed to the Superintendent, Jackie Risden-Smith, or to the Finance Director, Crystal Claar, at (606) 324-3877, or by mail at 2201 Main St. WW, Ashland, KY 41102.

FAIRVIEW INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2023

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and cash equivalents	$ 3,914,340	$ 122,631	$ 4,036,971
Receivables (net of allowances for uncollectibles):			
Taxes	29,869	-	29,869
Intergovernmental - federal indirect	621,646	11,151	632,797
Inventories	-	16,676	16,676
Capital assets, not being depreciated	607,067	-	607,067
Capital assets, being depreciated, net	12,987,622	35,673	13,023,295
Total assets	18,160,544	186,131	18,346,675
Deferred outflows of resources			
Deferred amount from refunding bonds	8,572	-	8,572
Deferred outflows - pension	282,432	71,593	354,025
Deferred outflows - other post-employment benefits	1,203,168	51,206	1,254,374
Total deferred outflows of resources	1,494,172	122,799	1,616,971
Liabilities			
Accounts payable	55,648	2,664	58,312
Accrued expenses	95,002	-	95,002
Unearned revenue	276,338	-	276,338
Portion due or payable within one year:			
Debt obligations	810,000	-	810,000
Noncurrent liabilities:			
Net pension liability	1,741,637	363,958	2,105,595
Net OPEB liability	1,980,376	122,351	2,102,727
Portion due or payable after one year:			
Debt obligations, net	9,957,843	-	9,957,843
Accrued sick leave	43,051	-	43,051
Total liabilities	14,959,895	488,973	15,448,868
Deferred inflows of resources			
Deferred inflows - pension	133,131	33,747	166,878
Deferred inflows - other post-employment benefits	1,039,866	62,344	1,102,210
Total deferred inflows of resources	1,172,997	96,091	1,269,088
Net Position			
Net investment in capital assets	3,473,160	35,673	3,508,833
Restricted	773,326	(311,807)	461,519
Unrestricted	(724,662)	-	(724,662)
Total net position	$ 3,521,824	$ (276,134)	$ 3,245,690

The accompanying notes to financial statements
are an integral part of this statement.

FAIRVIEW INDEPENDENT SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

		Program Revenues			Net (Expense) Revenue and Changes in Net Position		
Functions/Programs	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**	**Governmental Activities**	**Business-Type Activities**	**Total**
Primary government:							
Governmental activities:							
Instruction	$ 2,772,596	$ -	$ 1,690,735	$ -	$ (1,081,861)	$ -	$ (1,081,861)
Support services:							
Students	733,709	18,268	117,408	-	(598,033)	-	(598,033)
Instructional staff	445,692	-	56,459	-	(389,233)	-	(389,233)
District administration	445,453	-	2,766	-	(442,687)	-	(442,687)
School administration	623,382	-	110,852	-	(512,530)	-	(512,530)
Business and other support services	643,814	-	144,371	-	(499,443)	-	(499,443)
Operation and maintenance of plant	1,727,735	-	117,150	-	(1,610,585)	-	(1,610,585)
Student transportation	398,215	-	3,856	-	(394,359)	-	(394,359)
Food service operation	334	-	-	-	(334)	-	(334)
Community services	155,057	-	133,428	-	(21,629.00)	-	(21,629.00)
Debt service - interest	307,455	-	-	900,963	593,508	-	593,508
Total governmental activities	8,253,442	18,268	2,377,025	900,963	(4,957,186)	-	(4,957,186)
Business-type activities:							
Food service	703,929	30,723	556,598	34,028	-	(82,580)	(82,580)
Total business-type activities	703,929	30,723	556,598	34,028	-	(82,580)	(82,580)
Total primary government	$ 8,957,371	$ 48,991	$ 2,933,623	$ 934,991	$ (4,957,186)	$ (82,580)	$ (5,039,766)

	Governmental Activities	Business-Type Activities	Total
General revenues:			
Taxes:			
Property taxes, levied for general purposes	$ 1,362,862	$ -	$ 1,362,862
Motor vehicle	212,381	-	212,381
Utility	306,693	-	306,693
Intergovernmental revenues:			
State	3,677,296	-	3,677,296
Investment earnings	108,157	4,710	112,867
Other local revenues	328,114	-	328,114
Total general revenues	5,995,503	4,710	6,000,213
Transfers	61,970	(61,970)	-
Total general revenues and transfers	6,057,473	(57,260)	6,000,213
Change in net position	1,100,287	(139,840)	960,447
Net position, June 30, 2022	2,421,537	(136,294)	2,285,243
Net position, June 30, 2023	$ 3,521,824	$ (276,134)	$ 3,245,690

The accompanying notes to financial statements are an integral part of this statement.

FAIRVIEW INDEPENDENT SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023

	General Fund	Special Revenue Fund	Construction Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
Assets						
Cash and cash equivalents	$ 3,141,014	$ -	$ 637,742	$ -	$ 135,584	$ 3,914,340
Receivables (net of allowances for uncollectibles):						
Taxes	29,869	-	-	-	-	29,869
Other	8,748	612,898	-	-	-	621,646
Interfund receivable	316,938	-	-	-	-	316,938.00
Total assets	$ 3,496,569	$ 612,898	$ 637,742	$ -	$ 135,584	$ 4,882,793
Liabilities and Fund Balances						
Liabilities:						
Accounts payable	$ 36,026	$ 19,622	$ -	$ -	$ -	$ 55,648
Accrued expenses	-	-	-	-	-	-
Interfund payable	-	316,938	-	-	-	316,938
Unearned revenue	-	276,338	-	-	-	276,338
Total liabilities	36,026	612,898	-	-	-	648,924
Fund balances:						
Restricted for capital expenditures	-	-	637,742	-	-	637,742
Restricted for student activities	-	-	-	-	135,584	135,584
Unassigned	3,460,543	-	-	-	-	3,460,543
Total fund balances	3,460,543	-	637,742	-	135,584	4,233,869
Total liabilities and fund balances	$ 3,496,569	$ 612,898	$ 637,742	$ -	$ 135,584	$ 4,882,793

The accompanying notes to financial statements
are an integral part of this statement.

FAIRVIEW INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2023

Fund balances—total governmental funds		$ 4,233,869
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		13,594,689
Other long-term assets are not available to pay for current-period expenditures and therefore are not reported in the governmental funds.		
Deferred amount from refunding bonds		8,572
Deferred outflows and (inflows) of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.		
Deferred outflows - pension related	282,432	
Deferred inflows - pension related	(133,131)	149,301
Deferred outflows and (inflows) of resources related to OPEB are applicable to future periods and, therefore, are not reported in the funds.		
Deferred outflows - OPEB related	1,203,168	
Deferred inflows - OPEB related	(1,039,866)	163,302
Some liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds financial statements.		
Net pension liability	(1,741,637)	
Net OPEB liability	(1,980,376)	
Bonds payable	(10,767,843)	
Accrued interest payable	(95,002)	
Accrued sick leave	(43,051)	(14,627,909)
Net position of governmental activities		$ 3,521,824

The accompanying notes to financial statements
are an integral part of this statement.

FAIRVIEW INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	General Fund	Special Revenue Fund	Construction Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
Revenues:						
From local sources:						
Taxes -						
Property	$ 1,177,116	$ -	$ -	$ -	$ 185,746	$ 1,362,862
Motor vehicles	212,381	-	-	-	-	212,381
Utility	306,693	-	-	-	-	306,693
Interest income	107,519	638	-	-	-	108,157
Other local revenues	5,784	72,945	-	-	249,385	328,114
Intergovernmental - State	5,535,857	410,116	-	161,037	739,926	6,846,936
Intergovernmental - Indirect federal	-	1,966,909	-	-	-	1,966,909
Intergovernmental - Direct federal	18,268	-	-	-	-	18,268
Total revenues	7,363,618	2,450,608	-	161,037	1,175,057	11,150,320
Expenditures:						
Current:						
Instruction	2,894,344	1,777,490	-	-	-	4,671,834
Support services:						
Students	360,029	117,408	-	-	249,986	727,423
Instructional staff	398,838	56,459	-	-	-	455,297
District administration	438,706	2,766	-	-	-	441,472
School administration	513,671	110,852	-	-	-	624,523
Business and other support services	500,546	144,371	-	-	-	644,917
Operation and maintenance of plant	1,072,158	117,150	-	-	-	1,189,308
Student transportation	363,663	3,856	-	-	-	367,519
Food service operation	334	-	-	-	-	334
Community services	-	133,428	-	-	-	133,428
Facility acquisition and construction	250	-	-	-	-	250
Debt service	-	-	-	1,098,448	-	1,098,448
Total expenditures	6,542,539	2,463,780	-	1,098,448	249,986	10,354,753
Excess (deficiency) of revenues over (under) expenditures	821,079	(13,172)	-	(937,411)	925,071	795,567
Other financing sources (uses):						
Transfers in	61,970	13,172	-	937,408	11,736	1,024,286
Transfers out	(24,908)	-	-	-	(937,408)	(962,316)
Total other financing sources and (uses)	37,062	13,172	-	937,408	(925,672)	61,970
Net change in fund balances	858,141	-	-	(3)	(601)	857,537
Fund balances, June 30, 2022	2,602,402	-	637,742	3	136,185	3,376,332
Fund balances, June 30, 2023	$ 3,460,543	$ -	$ 637,742	$ -	$ 135,584	$ 4,233,869

The accompanying notes to financial statements
are an integral part of this statement.

FAIRVIEW INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

Net change in fund balances—total governmental funds		$ 857,537
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital outlay	85,135	
Depreciation expense	(732,567)	(647,432)
Generally, expenditures recognized in the fund financial statements are limited to only those that use current financial resources, but expenses are recognized in the statement of activities when they are incurred for the following:		
Long-term portion of accrued sick leave		371
Amortization of deferred savings from refunding bonds		(6,428)
Accrued interest payable		6,697
Amortization of bond discounts and premiums		724
Governmental funds report pension and OPEB contributions as expenditures when paid. However, in the Statement of Activities, pension and OPEB expense is the cost of benefits earned, adjusted for member contributions, the recognition of changes in deferred outflows and inflows of resources related to pensions, OPEB, and investment experience.		
KTRS nonemployer support revenue	(1,858,561)	
KTRS OPEB and pension expense	1,959,320	
CERS OPEB and pension expense	(1,941)	98,818
Long-term debt payments are recognized as expenditures of current financial resources in the fund financial statements, but are reductions of liabilities in the statement of net position.		790,000
Change in net position of governmental activities		$ 1,100,287

The accompanying notes to financial statements are an integral part of this statement.

FAIRVIEW INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUND
JUNE 30, 2023

	Food Service Fund
Assets	
Current assets:	
Cash and cash equivalents	$ 122,631
Accounts receivable	11,151
Inventories	16,676
Total current assets	150,458
Noncurrent assets:	
Capital assets, net of accumulated depreciation	35,673
Total noncurrent assets	35,673
Total assets	186,131
Deferred Outflows of Resources	
Deferred outflows - pension	71,593
Deferred outflows - other post-employment benefits	51,206
Total deferred outflows of resources	122,799
Total assets and deferred outflows	$ 308,930
Liabilities	
Current liabilities:	
Accounts payable	$ 2,664
Total current liabilities	2,664
Noncurrent liabilities:	
Net pension liability	363,958
Net OPEB liability	122,351
Total liabilities	488,973
Deferred Inflows of Resources	
Deferred inflows - pension	33,747
Deferred inflows - other post-employment benefits	62,344
Total deferred inflows of resources	96,091
Net Position	
Invested in capital assets	35,673
Restricted	(311,807)
Total net position	(276,134)
Total liabilities, deferred inflows and net position	$ 308,930

The accompanying notes to financial statements
are an integral part of this statement.

FAIRVIEW INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUND
FOR THE YEAR ENDED JUNE 30, 2023

	Food Service Fund
Operating revenues:	
Lunchroom sales	$ 30,723
Total operating revenues	30,723
Operating expenses:	
Salaries and wages	225,483
Employee benefits	107,874
Contract services	20,336
Materials and supplies	345,113
Depreciation	5,123
Total operating expenses	703,929
Operating loss	(673,206)
Nonoperating revenues:	
Federal grants	513,730
Investment income	4,710
Donated commodities	34,028
State grants	-
On-behalf payments	42,868
Total nonoperating revenues	595,336
Transfers out	(61,970)
Change in net position	(139,840)
Net position, June 30, 2022	(136,294)
Net position, June 30, 2023	$ (276,134)

The accompanying notes to financial statements
are an integral part of this statement.

FAIRVIEW INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED JUNE 30, 2023

	Food Service Fund
Cash flows from operating activities:	
Cash received from:	
Lunchroom sales	$ 30,723
Cash paid to/for:	
Payments to suppliers and providers of goods and services	(288,226)
Payments to employees	(289,512)
Net cash used for operating activities	(547,015)
Cash flows from noncapital financing activities:	
Government grants	513,730
Transfers out	(61,970)
Net cash provided by noncapital and related financing activities	451,760
Cash flows from capital and related financing activities:	
Purchases of capital assets	(12,233)
Net cash used for capital and related financing activities	(12,233)
Cash flows from investing activities:	
Interest received on investments	4,710
Net cash provided by investing activities	4,710
Net change in cash and cash equivalents	(102,778)
Cash and cash equivalents, June 30, 2022	225,409
Cash and cash equivalents, June 30, 2023	$ 122,631
Reconciliation of operating loss to net cash used for operating activities:	
Operating loss	$ (673,206)
Adjustments to reconcile operating loss to net cash used for operating activities:	
Depreciation	5,123
Donated commodities	34,028
On-behalf payments	42,868
Net pension adjustment	(4,924)
Net OPEB adjustment	5,901
Change in assets and liabilities:	
Accounts receivable	43,631
Inventory	(3,100)
Accounts payable	2,664
Net cash used for operating activities	$ (547,015)
Non-cash items:	
Donated Commodities	$ 34,028
On-behalf payments	42,868

The accompanying notes to financial statements
are an integral part of this statement.

FAIRVIEW INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2023

	Budgeted Amounts		Actual	Variance with
	Original	**Final**	**Amounts**	**Final Budget**
Revenues:				
Taxes -				
Property	$ 1,207,428	$ 1,307,428	$ 1,177,116	$ (130,312)
Motor vehicles	127,457	143,203	212,381	69,178
Utility	258,888	258,888	306,693	47,805
Interest income	2,306	2,306	107,519	105,213
Other local revenues	5,000	5,000	5,784	784
Intergovernmental - State	3,511,000	3,411,000	3,567,803	156,803
Intergovernmental - Federal	10,000	-	18,268	18,268
Total revenues	5,122,079	5,127,825	5,395,564	267,739
Expenditures:				
Current:				
Instruction	2,616,849	2,615,988	2,073,960	542,028
Support services:				
Students	226,736	226,736	234,728	(7,992)
Instructional staff	325,726	325,726	297,401	28,325
District administration	277,651	277,651	314,005	(36,354)
School administration	358,440	358,440	353,806	4,634
Business and other support services	312,561	312,561	326,656	(14,095)
Operation and maintenance of plant	887,730	887,730	722,964	164,766
Student transportation	487,769	417,769	250,381	167,388
Food service operation	-	-	334	(334)
Community services	-	-	-	-
Facility acquisition and construction	840,000	840,000	250	839,750
Contingency	1,329,838	1,220,154	-	1,220,154
Debt service	-	-	-	-
Total expenditures	7,663,300	7,482,755	4,574,485	2,908,270
Excess (deficiency) of revenues over (under) expenditures	(2,541,221)	(2,354,930)	821,079	3,176,009
Other financing sources (uses):				
Transfers in	70,600	70,600	61,970	(8,630)
Transfers out	-	-	(24,908)	(24,908)
Total other financing sources and uses	70,600	70,600	37,062	(33,538)
Net change in fund balances	(2,470,621)	(2,284,330)	858,141	3,142,471
Fund balance, June 30, 2022	2,470,621	2,284,330	2,602,402	318,072
Fund balance, June 30, 2023	$ -	$ -	$ 3,460,543	$ 3,460,543

Adjustments to Generally Accepted Accounting Principles -	
Intergovernmental state revenue	$ 1,968,054
On-behalf payments:	
Instruction	(820,384)
Support Services	
Students	(125,301)
Instruction Staff	(101,437)
District administration	(124,701)
School administration	(159,865)
Business and other support services	(173,890)
Operation and maintenance of plant	(349,194)
Student transportation	(113,282)
Fund balance, June 30, 2023 (GAAP basis)	$ 3,460,543

The accompanying notes to financial statements
are an integral part of this statement.

FAIRVIEW INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2023

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues:				
Other local revenues	$ 44,990	$ 49,490	$ 72,945	$ 23,455
Interest income	-	638	638	-
Intergovernmental - State	194,434	519,393	410,116	(109,277)
Intergovernmental - Indirect federal	1,130,269	1,206,580	1,966,909	760,329
Total revenues	1,369,693	1,776,101	2,450,608	674,507
Expenditures:				
Current:				
Instruction	1,290,981	1,643,525	1,777,490	(133,965)
Support services:				
Students	58,179	48,195	117,408	(69,213)
Instructional staff	8,533	-	56,459	(56,459)
District administration	12,000	-	2,766	(2,766)
School administration	-	-	110,852	(110,852)
Business and other support services	-	16,250	144,371	(128,121)
Operation and maintenance of plant	-	54,280	117,150	(62,870)
Student transportation	-	-	3,856	(3,856)
Community services	-	94,500	133,428	(38,928)
Total expenditures	1,369,693	1,856,750	2,463,780	(607,030)
Excess (deficiency) of revenues over (under) expenditures	-	(80,649)	(13,172)	67,477
Other financing sources (uses):				
Transfers in	-	13,172	13,172	-
Transfers out	-	-	-	-
Total other financing sources and uses	-	13,172	13,172	-
Net change in fund balances	-	(67,477)	-	67,477
Fund balance, June 30, 2022	-	-	-	-
Fund balance, June 30, 2023	$ -	$ (67,477)	$ -	$ 67,477

The accompanying notes to financial statements
are an integral part of this statement.

(1) REPORTING ENTITY

The Fairview Independent School District Board of Education ("the Board"), a five member group, is the level of government which has oversight responsibilities over all activities related to public elementary and secondary education within the jurisdiction of the Fairview Independent School District ("the 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 in Section 2100, Codification of Governmental Accounting and Financial Reporting Standards as Board members are elected by the public and have decision making authority, the power to designate management, the responsibility to develop policies which may influence operations, and primary accountability for fiscal matters.

The Board, for financial purposes, includes all of the funds and account groups relevant to the operation of the Fairview 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 Board 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 Board. 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 statements of the following organization are included in the accompanying financial statements:

Fairview Independent School District Finance Corporation

On September 27, 1993, the Fairview Independent Board of Education resolved to authorize the establishment of the Fairview Independent School District Finance Corporation (a non-profit, non-stock, public and charitable corporation organized under the School Bond Act and KRS 273 and KRS 58.180) as an agency of the Board for financing the costs of school building facilities. The Board Members of the Fairview Independent School District also comprise the Corporation's Board of Directors.

Copies of component unit reports may be obtained from the District's Finance office at 2201 Main St. WW, Ashland, Kentucky 41102.

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Fairview Independent School District substantially comply with accounting principles generally accepted in the United States and the rules prescribed by the Kentucky Department of Education for local school districts.

Basis of Presentation

The basic financial statements include both government-wide statements and fund financial statements. The government-wide statements focus on the District as a whole, while the fund financial statements focus on major funds. Each presentation provides valuable information that can be analyzed and compared between years and between governments to enhance the usefulness of the information.

Government-wide statements provide information about the primary government (the District). The statements include a statement of net position and a statement of activities. These statements report the financial activities of the overall government, except for fiduciary activities. They also distinguish between the governmental and business-type activities of the District. Governmental activities generally are financed through taxes and intergovernmental revenues. Business-type activities are financed in whole or in part by fees charged to external parties.

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

The statement of activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities and segment of its business-type activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. The District does not allocate indirect expenses to programs or functions, except where allowable for certain grant programs. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including internally dedicated resources and all taxes, are reported as general revenues, 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 provide information about the District's funds, including fiduciary funds. Separate statements are presented for the governmental, proprietary, and fiduciary fund categories. The emphasis of fund financial statements is on major funds, each displayed in a separate column. All remaining funds are aggregated and reported as non-major funds. Fiduciary funds are aggregated and reported by fund type.

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

I. Governmental Fund Types

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

(B) The Special Revenue Fund accounts for proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to disbursements for specified purposes.

1. The Special Revenue Fund includes federal financial programs where unused balances are returned to the grantor, at the close of specified project periods, as well as the state grant programs. Project accounting is employed to maintain integrity for the various sources of funds. 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.

2. The School Activity Fund is a special revenue fund used to account for funds collected at individual schools for activities of student groups and other types of activities requiring clearing accounts. These funds are accounted for in accordance with the *Uniform Program of Accounting for School Activity Funds.*

(C) The District Activity Fund is a Special Revenue Fund that accounts for funds raised to support co-curricular and extra-curricular activities.

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

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

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

3. The School Construction Fund accounts for proceeds from sales of bonds and other revenues to be used for authorized construction in accordance with the District’s facilities plan. This is listed as a major fund due to the nature of the activity.

(E) 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. This is a major fund of the District.

II. Proprietary Fund Type (Enterprise Fund)

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

Basis of Accounting

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

Revenues - Exchange and Non-exchange 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 recorded in the fiscal year in which the resources are measurable and available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means expected to be received within sixty days of the fiscal year-end.

Non-exchange 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, revenues from property taxes are recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the 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 a modified accrual basis, revenues from non-exchange transactions must also be available before they can be recognized.

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Grants and entitlements received before the eligibility requirements are met are recorded as unearned revenue.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as needed.

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

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

Cash and Cash Equivalents

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

Inventories

Supplies and materials are charged to expenditures when purchased with the exception of the Proprietary Fund, which records inventory at the lower of cost or market, on the first-in, first-out basis.

Capital Assets

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at their fair market values as of the date received. The District maintains a capitalization threshold of five thousand dollars ($5,000). The District does not possess any infrastructure. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

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

Description	Estimated Lives
Buildings and improvements	25-50 years
Land improvements	20 years
Technology equipment	5 years
Vehicles	5-10 years
Food service equipment	5-12 years
Other general equipment	7-10 years

Property Taxes

Property taxes collected are recorded as revenues in the fund for which they were levied. The District's ad valorem tax is levied prior to November 1, of each year on the assessed value listed as of the prior January 1 for all real and business property located in the District. The assessed value of property upon which the levy for 2023 fiscal year was based was $185,745,815.

The tax rates assessed for the year ended June 30, 2023 to finance general fund operations were $.885 on real estate and $.885 on tangible property per $100 valuation and $.603 per $100 valuation for motor vehicles.

Taxes are due on November 1 and become delinquent by February 1 of the following year. Current tax collections for the year ended June 30, 2023 were 97% of the amount levied.

The District levies a utilities gross receipts license tax in the amount of 3% of the gross receipts derived from the furnishings, within the District's boundaries, of telegraphic communications services, cablevision services, electric power, water and gas.

In-Kind

The District receives commodities from U.S.D.A. The amounts of commodities are recorded in the accompanying financial statements at their estimated fair market values.

Interfund Balances

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

Budgetary Process

The District is required by state law to adopt annual budgets. 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 made 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 budget appropriations lapse at year-end.

Accrued Liabilities and Long-Term Obligations

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

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

Fund Balance Reserves

The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Nonspendable fund balance-amounts that are not in a spendable form (such as inventory) or are required to be maintained intact;

- Restricted fund balance-amounts constrained to specific purposes by their providers (such as grantors, bondholders and higher levels of government), through constitutional provisions, or by enabling legislation;
- Committed fund balance-amounts constrained to specific purposes by the Board, using its decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the Board takes the action to remove or change the constraint;
- Assigned fund balance-amounts the District intends to use for a specific purpose (such as encumbrances); intent can be expressed by the District or by an official or body to which the District delegates the authority;
- Unassigned fund balance-amounts that are available for any purpose; unassigned amounts are reported only in the General Fund for Governmental Fund types.

When restricted, committed, assigned and unassigned resources are available for use, it is the District's policy to use restricted, committed and assigned resources first, then unassigned resources as they are needed.

Net Position

Net position represents the difference between assets, plus deferred outflows, and liabilities, plus deferred inflows. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary fund. For the District, those revenues are primarily charges for meals provided by the various schools. All other revenues are nonoperating. Operating expenses can be tied specifically to the production of the goods and services, such as materials and labor and direct overhead. Other expenses are nonoperating.

Interfund Activity

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

Estimates

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

Debt Issuance Costs

Debt issuance costs are expensed in the period they are incurred.

Deferred Inflows and Outflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Pension

For purposes of measuring the net pension liability, deferred outflows of resources, and deferred inflows of resources related to pensions, and pension expense, information about the pension plan's fiduciary net position and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. 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.

Postemployment Benefits Other Than Pensions (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 OPEB plan's fiduciary net position and additions to/deductions from the plans' fiduciary net position have been determined on the same basis as they are reported by plans. 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.

Recent Accounting Pronouncements

In May 2020, the GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements* ("GASB 96"). GASB 96 provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for governments. The Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset, an intangible asset, and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended. GASB 96 was effective for the District beginning with its year ending June 30, 2023. The adoption of this standard did not have a material effect on the District's financial statements.

In May 2022, the GASB issued Statement No. 99, *Omnibus 2022* ("GASB 99"), to provide guidance addressing various accounting and financial reporting issues identified during the implementation and application of certain GASB pronouncements or during the due process on other pronouncements. GASB 99 addresses, among other matters:

- Accounting and financial reporting for exchange or exchange-like financial guarantees;
- Clarification of certain provisions of Statement No.:
    - 34, Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments,
    - 87, Leases,
    - 94, Public-Private and Public-Public Partnership and Availability Payment Arrangements,
    - 96, Subscription-Based Information Technology Arrangements (SBITA);
- Replacing the original deadline for use of the London Interbank Offered Rate (LIBOR) as a benchmark interest rate for hedges of interest rate risk of taxable debt with a deadline for when LIBOR ceases to be determined by the ICE Benchmark Administration using the methodology in place as of December 31, 2021;
- Accounting for the distribution of benefits as part of the Supplemental Nutrition Assistance Program (SNAP);
- Disclosures related to non-monetary transactions; and
- Pledges of future revenues when resources are not received by the pledging government.

Requirements that relate to the extension of the use of LIBOR, accounting for SNAP distributions, disclosures for non-monetary transactions, pledges of future revenues by pledging governments, clarifications of certain provisions in Statement No. 34, and terminology updates were effective upon issuance. Requirements related to leases, public-public and public-private partnerships (PPPs), and SBITAs were effective for the District beginning with its year ending June 30, 2023. Requirements related to other requirements related to derivative instruments will be effective for the District beginning with its year ending June 30, 2024. Adoption of the provisions required thru the year ending June 30, 2023, did not have a material effect on the District's financial statements. Management is currently evaluating the impact of the remaining provisions of this Statement on its financial statements.

In June 2022, the GASB issued Statement No. 100, *Accounting Changes and Error Corrections (an amendment of GASB Statement No. 62)* ("GASB 100"), which has as its primary objective to provide more straightforward guidance that is easier to understand and is more reliable, relevant, consistent, and comparable across governments for making decisions and assessing accountability. Improving the clarity of accounting and financial reporting requirements for accounting changes and error corrections will mean greater consistency in the application of these requirements in general.

GASB 100 prescribes accounting and financial reporting for each category of accounting change and error corrections, requiring that:

- Changes in accounting principle and error corrections be reported retroactively by restating prior periods;
- Changes in accounting estimate be reported prospectively by recognizing the change in the current period; and
- Changes to and within the financial reporting entity be reported by adjusting beginning balances of the current period.
- Requires that governments disclose the effects of each accounting change and error correction on beginning balances in a tabular format.

The requirements of GASB 100 will be effective for accounting changes and error corrections made by the District beginning with its year ending June 30, 2024. Management is currently evaluating the impact of this Statement on its financial statements.

In June 2022, the GASB issued Statement No. 101, *Compensated Absences* ("GASB 101"), which supersedes the guidance in Statement No. 16, *Accounting for Compensated Absences*, issued in 1992. GASB 101 aligns recognition and measurement guidance for all types of compensated absences under a unified model. It also requires that a liability for specific types of compensated absences not be recognized until the leave is used. Additionally, it establishes guidance for measuring a liability for leave that has not been used, generally using an employee's pay rate as of the date of the financial statements. For example, a liability for leave that has not been used would be recognized if the leave:

- Is attributable to services already rendered;
- Accumulates; and
- Is more likely than not to be used for time off or otherwise paid or settled. Some exceptions to this general rule include parental leave, military leave and jury duty leave for which a liability would not be recognized until the leave commences.

Additionally, GASB 101 (1) provides an alternative to the existing requirement to disclose the gross annual increases and decreases in long-term liability for compensated absences, allowing governments to disclose only the net annual change in the liability as long as it is identified as such; and (2) removes the disclosure of the government funds used to liquidate the liability for compensated absences. The requirements of GASB 101 will be effective for the District beginning with its year ending June 30, 2025. Management is currently evaluating the impact of this Statement on its financial statements.

(3) CASH AND CASH EQUIVALENTS

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

At June 30, 2023, the carrying amount of the District's cash and cash equivalents was $4,036,971 and the bank balances totaled $4,153,710. Of the total bank balances, $250,000 was covered by Federal depository insurance, and the remaining balance was covered by collateral held by the pledging bank in the District's name. Cash equivalents are funds temporarily invested in securities with a maturity of 90 days or less.

Due to the nature of the account and certain limitations imposed on the use of funds, each bank account within the following funds is considered to be restricted: SEEK Capital Outlay Fund, Facility Support Program (FSPK) Fund, Special Revenue (Grant) Funds, Construction Fund, Debt Service Funds, School Food Service Funds, and School Activity Funds.

(4) CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2023, was as follows:

Governmental Activities	Balance June 30, 2022	Additions	Deductions	Balance June 30, 2023
Land	$ 607,067	$ -	$ -	$ 607,067
Construction in progress	1,481,990	-	(1,481,990)	-
Land improvements	734,269	-	-	734,269
Buildings and improvements	18,572,029	1,519,206	-	20,091,235
Technology equipment	400,037	-	-	400,037
General equipment	238,096	18,044	-	256,140
Vehicles	665,756	29,875	-	695,631
Totals	22,699,244	1,567,125	(1,481,990)	22,784,379
Less: accumulated depreciation				
Land improvements	522,747	24,582	-	547,329
Buildings and improvements	6,831,704	651,642	-	7,483,346
Technology equipment	359,950	12,483	-	372,433
General equipment	222,999	10,674	-	233,673
Vehicles	519,723	33,186	-	552,909
Total accumulated depreciation	8,457,123	732,567	-	9,189,690
Governmental Activities Capital Assets - Net	$ 14,242,121	$ 834,558	$ (1,481,990)	$ 13,594,689
Business-Type Activities				
Food service equipment	$ 215,339	$ 12,233	$ -	$ 227,572
Less: accumulated depreciation				
Food service equipment	186,776	5,123	-	191,899
Business-Type Activities Capital Assets - Net	$ 28,563	$ 7,110	$ -	$ 35,673

Depreciation expense was allocated to governmental functions as follows:

Instruction	$ 72,219
Student support services	2,309

District administration	390
Plant operation and maintenance	628,446
Student transportation	29,203
	$ 732,567

(5) LONG-TERM OBLIGATIONS

The amount shown in the accompanying financial statements as debt and lease obligations represents the District's future obligations to make lease payments relating to bonds issued by the Fairview Independent School District Finance Corporation and the Kentucky School Facilities Construction Commission aggregating $15,625,000.

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

Issue Date	Proceeds	Rates
Issue of 2006	$ 270,000	4.3%
Issue of 2012	2,645,000	0.85% - 2.6%
Issue of 2014	1,665,000	1.0% - 2.15%
Issue of 2015	9,080,000	1.0% - 3.25%
Issue of 2021	1,965,000	2.0%

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

Bondholders are protected against default by a mechanism whereby the Commonwealth of Kentucky would withhold state SEEK payments and remit required debt service payments directly to the debt service paying agent.

A summary of activity in bond obligations and other debts is as follows:

	Balance June 30, 2022	Additions	Retirements	Balance June 30, 2023
2006 Issue	$ 90,000	$ -	$ 15,000	$ 75,000
2012 Issue	1,975,000	-	115,000	1,860,000
2014 Issue	880,000	-	215,000	665,000
2015 Issue	6,685,000	-	395,000	6,290,000
2021 Issue	1,915,000	-	50,000	1,865,000
Discounts and premiums	13,567	-	724	12,843
Accrued sick leave	43,422	-	371	43,051
Total	$11,601,989	$ -	$ 791,095	$10,810,894

In connection with the bond issues of 2006, 2012, 2014 and 2015, the District entered into a participation agreement with the School Facility Construction Commission (the "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 on all bond issues.

The bonds may be called prior to maturity at redemption premiums as specified in each issue. Assuming no bonds are called prior to scheduled maturity, the minimum obligations of the District on outstanding bonds, including amounts to be paid by the Commission, at June 30, 2023 for debt service (principal and interest) are as follows:

Year	Fairview Independent School District Principal	Interest	Kentucky School Facilities Construction Commission Principal	Interest	Total
2024	$ 674,942	$ 262,129	$ 135,058	$ 25,978	$ 1,098,107
2025	696,690	244,284	138,310	22,726	1,102,010
2026	718,746	225,890	131,254	19,455	1,095,345
2027	683,025	208,009	96,975	16,618	1,004,627
2028	702,453	189,113	87,547	14,347	993,460
2029-2033	3,882,413	638,491	457,587	37,326	5,015,817
2034-2038	1,853,782	144,863	36,218	1,775	2,036,638
2039-2041	460,000	18,700	-	-	478,700
	$ 9,672,051	$ 1,931,479	$ 1,082,949	$ 138,225	$ 12,824,704

The bond issue of 2014 was considered an advance refunding of debt, resulting in a difference between the reacquisition price and the net carrying amount of the old debt. This difference, reported in the accompanying financial statements as a deferred outflow of resources, is being charged to operations through the year 2024 using the straight-line method.

Net Pension Liability

The net pension liability is $1,741,637 and $363,958 for governmental activities and business-type activities, respectively, at June 30, 2023. See Note (8) for more detailed information.

Net OPEB Liability

The net OPEB liability is $1,980,376 and $122,351 for governmental activities and business-type activities, respectively, at June 30, 2023. See Note (9) for more detailed information.

(6) 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, and known retirements during the next fiscal year.

The entire compensated absence liability is reported on the government-wide financial statements. For governmental fund financial statements, the current portion of unpaid accrued sick leave is the amount expected to be paid using expendable available resources.

(7) INTERFUND TRANSFERS

Interfund transfers for the year ended June 30, 2023, consisted of the following:

Type	From	To	Purpose	Amount
Operating	General	Special Revenue	Matching	$ 13,172
Operating	Food Service	General	Indirect Cost	61,970
Debt Service	General	FSPK Building Fund	Bond Payments	11,736
Debt Service	Capital Outlay	Debt Service	Bond Payments	62,718
Debt Service	FSPK Building Fund	Debt Service	Bond Payments	874,690

(8) RETIREMENT PLANS

Kentucky Teachers Retirement System

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

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

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

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

The final average salary is the member's five highest annual salaries except members at least age 55 with 27 or more years of service may use their three 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, and Before Jan. 1, 2022: Members become vested when they complete five years of credited service. To qualify for monthly retirement benefits, payable for life, members must either:

1.) Attain age 60 and complete five years of Kentucky service, or
2.) Complete 27 years of Kentucky service, or
3.) Attain age 55 and complete 10 years of Kentucky service.

The annual retirement allowance for non-university members is equal to: (a) 1.7% of final average salary for each year of credited service if their service is 10 years or less; (b) 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) 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) 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; (e) 3% of final average salary for years of credited service greater than 30 years.

The final average salary is the member's five highest annual salaries except members at least age 55 with 27 or more years of service may use their three highest annual salaries. For all members, the annual allowance is reduced by 6% per year from the earlier of age 60 or the date the member would have completed 27 years of service.

For Members On or After Jan. 1, 2022: To qualify for monthly retirement benefits, payable for life, members must either:

1.) Attain age 57 and complete 10 years of Kentucky service, or
2.) Attain age 65 and complete five years of Kentucky service.

Foundational Benefit - The annual foundational benefit for members is equal to service times a multiplier times final average salary. The final average salary is the member's five highest annual salaries. The annual foundational benefit is reduced by 6% per year from the earlier of age 60 or the date the member would have completed 30 years of service.

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

Contributions: Contribution rates are established by Kentucky Revised Statutes (KRS). For members who began participating before Jan. 1, 2022, non- university members are required to contribute 12.855% of their salaries to the system; university members are required to contribute 10.4% of their salaries. KRS 161.565 allows each university to reduce the contribution of its members by 2.215%; therefore, university members contribute 8.185% of their salary to TRS. For members employed by local school districts, the state (as a non-employer contributing entity) contributes 13.105% of salary for those who joined before July 1, 2008, and 14.105% for those who joined on or after July 1, 2008, and before Jan. 1, 2022. Other participating employers are required to contribute the percentage contributed by members plus an additional 3.25% of members' gross salaries.

For members who began participating on or after Jan. 1, 2022, non-university members contribute 14.75% and university members contribute 9.775% of their salaries to the system. Employers of non-university members, including the state (as a non- employer contributing entity), contribute 10.75% of salary. University employers contribute 9.775% of member's salary to the system.

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

At June 30, 2023, the District did not report a liability for its proportionate share of the net pension liability because the Commonwealth of Kentucky provides the pension support directly to KTRS on behalf of the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the Net Pension liability	$ -
Commonwealth's proportionate share of the Net Pension liability associated with the District	14,593,636
	$ 14,593,636

The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021. An expected total pension liability as of June 30, 2022 was determined using standard roll-forward techniques. The District's proportion of the net pension liability was based on the actual liability of the employees and former employees relative to the total liability of the Commonwealth as determined by the actuary. At June 30, 2022, the District's proportion was 0.0861%.

For the year ended June 30, 2023, the District recognized pension expense of $532,285 and revenue of $532,285 for support provided by the State.

Actuarial Methods and Assumptions: The total pension liability was determined by applying procedures to the actuarial valuation as of June 30, 2021. The financial reporting actuarial valuation as of June 30, 2022, used the following actuarial methods and assumptions:

Valuation Date	June 30, 2021
Measurement Date	June 30, 2022
Actuarial Cost Method	Entry Age
Amortization Method	Level percentage of payroll, closed
Remaining Amortization Period	21.9 years
Asset Valuation Method	5-year smoothed market value
Single Equivalent Interest Rate	7.10%
Municipal Bond Index Rate	3.37%
Inflation	2.5%
Salary Increase	3.0-7.5%, including inflation
Investment Rate of Return	7.1%, net of pension plan investment expense, including inflation
Post-retirement Benefit Increases	1.50% annually

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 five-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 7.5% to 7.1% and the price inflation assumption was lowered from 3% to 2.5%. 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 long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target allocation and best estimates of arithmetic real rates of return for each major asset class, as provided by KTRS'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%
Other 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%	

Discount Rate: The discount rate used to measure the total pension liability as of the Measurement Date was 7.10%. The projection of cash flows used to determine the discount rate assumed that Plan member contributions will be made at the current contribution rates and that employer contributions will be made at the actuarially determined contribution (ADC) rates for all future fiscal years. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

	1% Decrease (6.10%)	Current discount rate (7.10%)	1% Increase (8.10%)
Commonwealth's proportionate share of the Net Pension liability associated with the District	$ 18,616,000	$ 14,593,636	$ 11,229,000

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

County Employees Retirement System

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

CERS issues a publicly available financial report included in the Kentucky Retirement Systems Annual Report that includes financial statements and the required supplementary information for CERS. That report may be obtained by writing to Kentucky Retirement Systems, Perimeter Park West, 1260 Louisville Road, Frankfort, Kentucky, 40601, or by calling (502) 564-4646 or at https://kyret.ky.gov.

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

Contributions: Funding for CERS is provided by members, who contribute 5.00% (6.00% for employees hired after September 1, 2008) of their salary through payroll deductions, and by employers of members. For the year ending June 30, 2023, employers were required to contribute 26.79% (23.40% - pension, 3.39% - insurance) of the member's salary. During the year ending June 30, 2023, the District contributed $203,614 to the CERS pension plan. The contribution requirements of CERS are established and may be amended by the CERS Board of Trustees.

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

At June 30, 2023, the District reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of June 30, 2021. An expected total pension liability as of June 30, 2022 was determined using standard roll-forward techniques. The District's proportion of the net pension liability was based on contributions to CERS during the fiscal year ended June 30, 2022. At June 30 2022, the District's proportion was 0.029127%.

For the year ended June 30, 2023, the District recognized pension expense of approximately $200,133. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 2,251	$ 18,751
Changes of assumptions	-	-
Net difference between projected and actual earnings on investments	53,979	-
Changes in proportion and differences between District contributions and proportionate share of contributions	94,181	148,127
District contributions subsequent to the measurement date	203,614	-
	$ 354,025	$ 166,878

The $203,614 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024.

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. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions are amortized over the average service life of all members. These will be recognized in pension expense as follows:

Year	
2024	$ 6,085
2025	(64,673)
2026	(17,694)
2027	59,815
	$ (16,467)

Actuarial Methods and Assumptions: The total pension liability for CERS was determined by applying procedures to the actuarial valuation as of June 30, 2021. The financial reporting actuarial valuation as of June 30, 2022, used the following actuarial methods and assumptions:

Valuation Date	June 30, 2021
Measurement Date	June 30, 2022
Experience Study	July 1, 2013 - June 30, 2018
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level percentage of pay
Remaining Amortization Period	29 years, closed
Payroll Growth	2.00%
Asset Valuation Method	20% of the difference between the market value of assets and the expected market value of assets is recognized
Inflation	2.30%
Salary Increase	3.30% to 10.30%, varies by service
Investment Rate of Return	6.25%, net of pension plan investment expense, including inflation

The mortality table used for active members is PUB-2010 General Mortality Table projected with ultimate rates from the MP-2014 mortality improvement scale using a base year of 2010. For non-disable retired members, a 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 is utilized. For disabled members, the mortality table used is the PUB-2010 Disabled Mortality table, with a 4-year set-forward for both male and female rates, projected with the ultimate rates from the MP-2014 mortality improvement scale using a base year of 2010.

The long-term expected rate of return was determined by using a building-block method in which best-estimate ranges of expected future real rate of returns are developed for each asset class. The ranges are combined by weighting the expected future real rate of return by the target asset allocation percentage.

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equity	**60.00%**	
Public Equity	50.00%	4.45%
Private Equity	10.00%	10.15%
Fixed Income	**20.00%**	
Core Bonds	10.00%	0.28%
Specialty Credit/High Yield	10.00%	2.28%
Cash	0.00%	(0.91)%

Inflation Protected	**20.00%**	
Real Estate	7.00%	3.67%
Real Return	13.00%	4.07%
Expected Real Return	**100.00%**	**4.28%**
Long Term Inflation Assumption		**2.30%**
Expected Nominal Return for Portfolio		**6.58%**

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

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	$ 2,631,732	$ 2,105,595	$ 1,670,435

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.

Payables to the pension plan: At June 30, 2023, there were no payables to CERS.

(9) OTHER POSTEMPLOYMENT BENEFIT ("OPEB") PLANS

Kentucky Teachers Retirement System OPEB Plans

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

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

Medical Insurance Plan

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

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

Contributions: In order to fund the post-retirement healthcare benefit, seven and one-half percent (7.50%) of the gross annual payroll of members is contributed. Three and three quarters percent (3.75%) is paid by member contributions and three quarters percent (.75%) from state appropriation and three percent (3.00%) from the employer. The state contributes the net cost of health insurance premiums for members who retired on or after July 1, 2010 who are in the non-Medicare eligible group. Also, the premiums collected from retirees as described in the plan description and investment interest help meet the medical expenses of the plan. During the year ending June 30, 2023, the District contributed $82,701 to the medical insurance plan.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to KTRS Medical Insurance Plan

At June 30, 2023, the District reported a liability of $1,528,000 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, 2022. The total OPEB liability used to calculate the net OPEB liability was based on an actuarial valuation as of June 30, 2021. An expected total OPEB liability as of June 30, 2022 was determined using standard roll-forward techniques. 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 0.081782%.

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	$ 1,528,000
Commonwealth's proportionate share of the Net OPEB liability associated with the District	502,000
	$ 2,030,000

For the year ended June 30, 2023, the District recognized OPEB expense of approximately ($7,000) and revenue of $26,833 for support provided by the State. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to OPEBs from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 642,000
Changes of assumptions	310,000	-
Net difference between projected and actual earnings on investments	81,000	-

Changes in proportion and differences between District contributions and proportionate share of contributions	529,000	157,000
District contributions subsequent to the measurement date	82,701	-
	$ 1,002,701	$ 799,000

Of the total amount reported as deferred outflows of resources related to OPEB, $82,701 resulting from District contributions subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the collective net OPEB liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the District's OPEB expense as follows:

Year	
2024	$ (62,000)
2025	(46,000)
2026	(19,000)
2027	103,000
2028	97,000
Thereafter	48,000
	$ 121,000

Actuarial methods and assumptions: The total OPEB liability was determined by applying procedures to the actuarial valuation as of June 30, 2021. The financial reporting actuarial valuation as of June 30, 2022, used the following actuarial methods and assumptions:

Valuation Date	June 30, 2021
Measurement Date	June 30, 2022
Investment rate of return	7.1%, net of OPEB plan investment expense, including inflation
Projected salary increases	3.0 – 7.5%, including wage inflation
Inflation rate	2.5%
Real Wage Growth	0.25%
Wage Inflation	2.75%
Municipal bond index rate	3.37%
Discount rate	7.1%
Single equivalent interest rate	7.1%, net of OPEB plan investment expense, including price inflation
Healthcare cost trend rates	
Under 65	7% for FY 2022 decreasing to an ultimate rate of 4.5% by FY 2032
Ages 65 and Older	5.125% for FY 2022* decreasing to an ultimate rate of 4.5% by FY 2025
Medicare Part B Premiums	6.97% for FY 2022 with an ultimate rate of 4.5% by 2034

**Based on known expected increase in Medicare-eligible costs in the year following the valuation date, an increase rate of 20% was used for 2021.*

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 demographic actuarial assumptions for retirement, disability incidence, withdrawal, rates of plan participation and rates of plan election used in the June 30, 2021, valuation were based on the results of the most recent actuarial experience study for the system, which covered the five-year period ending June 30, 2020, adopted by the board on September 20, 2021. The remaining actuarial assumptions (e.g., initial per capita costs, health care cost trends) used in the June 30, 2021, valuation of the health trust were based on a review of recent plan experience done concurrently with the June 30, 2021, valuation. The health care cost trend rate assumption was updated for the June 30, 2021, valuation and was shown as an assumption change in the total OPEB liability (TOL) roll-forward while the change in initial per capita claims costs were included with experience in the TOL roll-forward. The Municipal Bond Index Rate used for this purpose is the June average of the Bond Buyer General Obligation 20-year Municipal Bond Index published weekly by the Board of Governors of the Federal Reserve System.

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 pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	58.0%	5.1%
Fixed Income	9.0%	(0.1)%
Real Estate	6.5%	4.0%
Private Equity	8.5%	6.9%
Additional categories: high yield	8.0%	1.7%
Other Additional Categories	9.0%	2.2%
Cash	1.0%	(0.3)%
Total	100.0%	

Discount rate: The discount rate used to measure the TOL as of the measurement date was 7.1%. The projection of cash flows used to determine the discount rate was performed in accordance with GASB Statement No. 75. The projection's basis was an actuarial valuation performed as of June 30, 2021. In addition to the actuarial methods and assumptions of the June 30, 2021, 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 for 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 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, as determined by the prior year's valuation and in accordance with the health trust's funding policy. 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 also may 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 Insurance Trust's FNP was not projected to be depleted.

The FNP projections are based upon the health trust's financial status on the valuation date, the indicated set of methods and assumptions, and the requirements of GASB Statement No. 75. As such, the FNP projections are not reflective of the cash flows and asset accumulations that would occur on an ongoing basis, reflecting the impact of future members. Therefore, the results of these tests do not necessarily indicate whether or not the health trust will actually run out of money, the financial condition of the trust, or the trust's ability to make benefit payments in future years.

The following table presents the District's proportionate share of the collective net OPEB liability of the System, calculated using the discount rate of 7.1%, 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 (6.1%) or 1-percentage-point higher (8.1%) than the current rate:

	1% Decrease (6.10%)	Current discount rate (7.10%)	1% Increase (8.10%)
District's proportionate share of the net OPEB liability	$ 1,917,000	$ 1,528,000	$ 1,206,000

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

	1% Decrease	Current trend rate	1% Increase
District's proportionate share of the net OPEB liability	$ 1,146,000	$ 1,528,000	$ 2,004,000

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

Life Insurance Plan

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

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

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

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to KTRS Life Insurance Plan

At June 30, 2023, 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. 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	$ -
Commonwealth's proportionate share of the Net OPEB liability associated with the District	25,000
	$ 25,000

The net OPEB liability was measured as of June 30, 2022, and the total pension liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2021. An expected total OPEB liability as of June 30, 2022 was determined using standard roll-forward techniques. The District's proportion of the net OPEB liability was based on the actual liability of the employees and former employees relative to the total liability of the Commonwealth as determined by the actuary. At June 30, 2022, the District's proportion was 0.080299%. For the year ended June 30, 2022, the District recognized OPEB expense of $-0- and revenue of $1,900 for support provided by the State.

Actuarial methods and assumptions: The total OPEB liability was determined by applying procedures to the actuarial valuation as of June 30, 2021. The financial reporting actuarial valuation as of June 30, 2022, used the following actuarial methods and assumptions:

Valuation Date	June 30, 2021
Measurement Date	June 30, 2022
Investment rate of return	7.1%, net of OPEB plan investment expense, including inflation
Projected salary increases	3.0 – 7.5%, including wage inflation
Inflation rate	2.5%
Real Wage Growth	0.25%
Wage Inflation	2.75%
Municipal Bond Index Rate	2.13%
Discount Rate	7.1%
Single Equivalent Interest Rate	7.1%, net of OPEB plan investment expense, including price inflation

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 demographic actuarial assumptions for retirement, disability incidence, withdrawal, rates of plan participation and rates of plan election used in the June 30, 2021, valuation were based on the results of the most recent actuarial experience study for the system, which covered the five-year period ending June 30, 2020, adopted by the board on September 20, 2021. The Municipal Bond Index Rate used for this purpose is the June average of the Bond Buyer General Obligation 20-year Municipal Bond Index published weekly by the Board of Governors of the Federal Reserve System.

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

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

	Target Allocation	Expected Geometric Real Rate of Return
U.S. Equity	40.0%	4.4%
International Equity	23.0%	5.6%
Fixed Income	18.0%	(0.1)%
Real Estate	6.0%	4.0%
Private Equity	5.0%	6.9%
Additional Categories	6.0%	2.1%
Cash	2.0%	(0.3)%
Total	100.0%	

Discount rate: The discount rate used to measure the total OPEB liability as of the measurement date was 7.1%. The projection of cash flows used to determine the discount rate was performed in accordance with GASB Statement No. 75. The projection's basis was an actuarial valuation performed as of June 30, 2021. In addition to the actuarial methods and assumptions of the June 30, 2021, actuarial valuation, the following actuarial methods and assumptions were used in the projection of the life insurance 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 employer will contribute the actuarially determined contribution (ADC) in accordance with the Life Insurance Trust's funding policy 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 contribute to the plan.
- Cash flows occur midyear.

Based on these assumptions, the Life Insurance Trust's fiduciary net position was not projected to be depleted. The FNP projections are based upon the Life Insurance Trust's financial status on the valuation date, the indicated set of methods and assumptions, and the requirements of GASB Statement No. 75. As such, the FNP projections are not reflective of the cash flows and asset accumulations that would occur on an ongoing basis, reflecting the impact of future members. Therefore, the results of these tests do not necessarily indicate whether the Life Insurance Trust actually will run out of money, the financial condition of the trust, or the trust's ability to make benefit payments in future years.

The following table presents the Commonwealth's proportionate share of the collective net OPEB liability of the System, calculated using the discount rate of 7.1%, 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 (6.1%) or 1-percentage-point higher (8.1%) than the current rate:

	1% Decrease (6.10%)	Current discount rate (7.10%)	1% Increase (8.10%)
Commonwealth's proportionate share of the net OPEB liability associated with the District	$ 39,000	$ 25,000	$ 14,000

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

County Employees Retirement System Insurance Fund

Plan description: The County Employees Retirement System ("CERS") Insurance Fund was established to provide post-employment healthcare benefits to eligible members and dependents. The CERS Insurance Fund is a cost-sharing, multiple employer defined benefit plan administered by the Kentucky Retirement Systems' (KRS) board of trustees.

CERS issues a publicly available financial report included in the Kentucky Retirement Systems Annual Report that includes financial statements and the required supplementary information for CERS. That report may be obtained by writing to Kentucky Retirement Systems, Perimeter Park West, 1260 Louisville Road, Frankfort, Kentucky, 40601, or by calling (502) 564-4646 or at https://kyret.ky.gov.

Benefits provided: CERS health insurance benefits are subject to various participation dates to determine eligibility and health insurance contribution rates. For employees who initiated participation in the CERS system prior to July 1, 2003, KRS pays a percentage of the monthly contribution rate for insurance coverage based on the retired member's years of service and type of service. Non-hazardous members receive a contribution subsidy for only the member's health insurance premium.

Percentage of contribution ranges from 0% for less than 4 years of service to 100% for 20 years or more of service. For members who initiated participation in the CERS system after July 1, 2003 until August 31, 2008, members must have 120 months of service in a state-administered retirement system to qualify for participation in the KRS health plans. Members who began participating with KRS on or after September 1, 2008, must have 180 months of service upon retirement to participate in the KRS health plans. Non-hazardous retirees receive $10 toward the monthly premium for each full year of service.

Contributions: CERS allocates a portion of the employer contributions to the health insurance benefit plans. For the year ending June 30, 2023, CERS allocated 3.39% of the 26.79% actuarially required contribution rate paid by employers for funding the healthcare benefit. In addition, 1.00% of the contributions by employees hired after September 1, 2008 are allocated to the health insurance plan. During the year ending June 30, 2023, the District contributed $29,012 to the CERS Insurance Fund. The contribution requirements of CERS are established and may be amended by the CERS Board of Trustees.

Implicit Subsidy: The fully-insured premiums KRS pays for the Kentucky Employees' Health Plan are blended rates based on the combined experience of active and retired members. Because the average cost of providing health care benefits to retirees under age 65 is higher than the average cost of providing health care benefits to active employees, there is an implicit employer subsidy for the non-Medicare eligible retirees. This implicit subsidy is included in the calculation of the total OPEB liability.

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

At June 30, 2023, the District reported a liability for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2022. The total OPEB liability used to calculate the net OPEB liability was based on an actuarial valuation as of June 30, 2021. An expected total pension liability as of June 30, 2022 was determined using standard roll-forward techniques. The District's proportion of the net OPEB liability was based on contributions to CERS during the fiscal year ended June 30, 2022. At June 30, 2022, the District's proportion was 0.029122%.

For the year ended June 30, 2023, the District recognized OPEB expense of $63,500, including an implicit subsidy of $20,721. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to OPEBs from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 57,851	$ 131,798

Changes of assumptions	90,897	74,899
Net difference between projected and actual earnings on investments	23,327	-
Changes in proportion and differences between District contributions and proportionate share of contributions	50,586	96,513
District contributions subsequent to the measurement date	29,012	-
	$ 251,673	$ 303,210

Of the total amount reported as deferred outflows of resources related to OPEB, $29,012 resulting from District contributions subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the collective net OPEB liability in the year ended June 30, 2024.

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. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB are amortized over the average service life of all members. These will be recognized in OPEB expense as follows:

Year	
2024	$ (24,681)
2025	(9,852)
2026	(37,382)
2027	(8,634)
2028	-
Thereafter	-
	$ (80,549)

Actuarial Methods and Assumptions - The total OPEB liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation Date	June 30, 2021
Measurement Date	June 30, 2022
Experience Study	July 1, 2013 - June 30, 2018
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percent of Pay
Remaining Amortization Period	29 Years, Closed
Payroll Growth Rate	2.00%
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
Investment Rate of Return	6.25%
Healthcare Trend Rates	
Pre-65	Initial trend starting at 6.20% at January 1, 2024 and gradually decreasing to an ultimate trend rate of 4.05% over a period of 13 years
Post-65	Initial trend starting at 9.00% in 2024, then gradually decreasing to an ultimate trend rate of 4.05% over a period of 13 years.
Mortality	
Pre-retirement	PUB-2010 General Mortality table, for the Non-Hazardous Systems, and the PUB- 2010 Public Safety Mortality table for the Hazardous Systems, projected with the ultimate rates from the MP-2014 mortality improvement scale using a base year of 2010

Post-retirement (non-disabled)	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
Post-retirement (disabled)	PUB-2010 Disabled Mortality table, with a 4-year set-forward for both male and female rates, projected with the ultimate rates from the MP-2014 mortality improvement scale using a base year of 2010

The single discount rates used to calculate the total OPEB liability within each plan changed since the prior year. The assumed increase in future health care costs, or trend assumption, was reviewed during the June 30, 2021, valuation process and was updated to better reflect the plan's anticipated long-term healthcare costs. There were no other material assumption changes.

Senate Bill 209 passed during the 2022 legislative session and increased the insurance dollar contribution for members hired on or after July 1, 2003, by $5 for each year of service a member attains over certain thresholds, depending on a member's retirement eligibility requirement. This increase in the insurance dollar contribution does not increase by 1.5% annually and is only payable for non-Medicare retirees. Additionally, it is only payable when the member's applicable insurance fund is at least 90% funded. The increase is first payable January 1, 2023. Senate Bill 209 also allows members receiving the insurance dollar contribution to participate in a medical insurance reimbursement plan that would provide the reimbursement of premiums for health plans other than those administered by KPPA. The total OPEB liability as of June 30, 2022, is determined using these updated benefit provisions. There were no other material plan provision changes.

The long-term expected rate of return was determined by using a building-block method in which best-estimate ranges of expected future real rate of returns are developed for each asset class. The ranges are combined by weighting the expected future real rate of return by the target asset allocation percentage.

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equity	**60.00%**	
Public Equity	50.00%	4.45%
Private Equity	10.00%	10.15%
Fixed Income	**20.00%**	
Core Bonds	10.00%	0.28%
Specialty Credit/High Yield	10.00%	2.28%
Cash	0.00%	(0.91)%
Inflation Protected	**20.00%**	
Real Estate	7.00%	3.67%
Real Return	13.00%	4.07%
Expected Real Return	**100.00%**	**4.28%**
Long Term Inflation Assumption		**2.30%**
Expected Nominal Return for Portfolio		**6.58%**

Discount rate - The discount rate used to measure the total OPEB liability was 5.70%. The discount rate determination used an expected rate of return of 6.25%, and a municipal bond rate of 3.69%, as reported in Fidelity Index's "20-Year Municipal GO AA Index" as of June 30, 2022. However, the cost associated with the implicit employer subsidy was not included in the calculation of the KRS' actuarial determined contributions, and any cost associated with the implicit subsidy will not be paid out of the KRS' trusts. Therefore, the municipal bond rate was applied to future expected benefit payments associated with the implicit subsidy.

The following table presents the District's proportionate share of the collective net OPEB liability of the System, calculated using the discount rate of 5.70%, 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 (4.70%) or 1-percentage-point higher (6.70%) than the current rate:

	1% Decrease (4.70%)	Current discount rate (5.70%)	1% Increase (6.70%)
District's proportionate share of the net OPEB liability	$ 768,318	$ 574,727	$ 414,691

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

	1% Decrease	Current trend rate	1% Increase
District's proportionate share of the net OPEB liability	$ 427,296	$ 574,727	$ 751,762

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

Payables to the OPEB plan: At June 30, 2023, there were no payables to CERS.

(10) 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 grantors' 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.

(11) 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 carries their insurance with Kentucky Employers' Mutual Insurance (KEMI), which is located in Lexington, Kentucky. KEMI is a mutual insurance company regulated by the Kentucky Department of Insurance. The District pays annual premiums for their coverage. The premium for workers' compensation is based on a formula. The District is assigned a classification code for their industry and each classification code has a corresponding rate. Multiplying the rate times the estimated payroll for operations then dividing by 100 will give the base premium. In some cases, modifiers may also be added, based on eligibility, which may increase or decrease the premium. In other cases, additional coverages may be requested that increase the premium.

The District purchases unemployment insurance through the KEMI; however, risk has not been transferred to such fund. In addition, the District continues to carry commercial insurance for all other risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

(12) COBRA

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

(13) ON-BEHALF PAYMENTS

For the year ended June 30, 2023, total payments of $2,254,652 were made by the Commonwealth of Kentucky on behalf of the District for life insurance, health insurance, and KTRS matching and administrative fees, and SFCC debt service. These payments were recognized as on-behalf payments and are recorded in the appropriate revenue and expense accounts on the Statement of Activities and the Government Funds Statement of Revenue, Expenditures, and Changes in Fund Balance.

On-behalf payments at June 30, 2023 consisted of the following:

Teacher Retirement	$ 1,331,537
Teacher Retirement - Health & Life	28,739
Health Insurance	736,531
Life Insurance	1,146
Administrative Fee	9,140
HRA/Dental/Vision	51,975
Federal Reimbursement	(148,004)
Technology	82,551
SFCC Debt Service	161,037
Total on-behalf	$ 2,254,652

(14) FUND DEFICIT

As of June 30, 2022, the Food Service Fund had a negative net position of $258,248. This deficit resulted from the fund's proportionate share of the net pension and OPEB liabilities recorded in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefit Plans Other than Pension Plans*. The General Fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

REQUIRED SUPPLEMENTARY INFORMATION

FAIRVIEW INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DISTRICT'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY
FOR THE YEAR ENDED JUNE 30, 2023

	Reporting Fiscal Year (Measurement Date)								
	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)
COUNTY EMPLOYEES RETIREMENT SYSTEM:									
District's proportion of the net pension liability	0.02913%	0.03239%	0.02884%	0.02703%	0.02888%	0.03769%	0.04368%	0.04632%	0.04747%
District's proportionate share of the net pension liability	$ 2,105,595	$ 2,065,308	$ 2,212,004	$ 1,901,102	$ 1,759,124	$ 2,206,053	$ 2,150,854	$ 1,991,506	$ 1,540,000
District's covered-employee payroll	$ 773,023	$ 778,104	$ 738,741	$ 681,838	$ 715,883	$ 917,642	$ 1,040,620	$ 1,080,692	$ 1,089,066
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	272.384%	265.428%	299.429%	278.820%	245.728%	240.405%	206.690%	184.281%	141.406%
Plan fiduciary net position as a percentage of the total pension liability	52.420%	57.330%	47.810%	50.450%	53.540%	53.300%	55.500%	59.970%	66.800%
KENTUCKY TEACHER'S RETIREMENT SYSTEM:									
District's proportion of the net pension liability	0.0861%	0.0784%	0.0797%	0.0845%	0.0964%	0.1007%	0.1082%	0.1260%	0.1079%
District's proportionate share of the net pension liability	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
State's proportionate share of the net pension liability associated with the District	14,593,636	10,202,341	11,294,069	11,535,056	12,624,068	27,180,798	33,259,307	29,312,436	22,175,552
Total	$ 14,593,636	$ 10,202,341	$ 11,294,069	$ 11,535,056	$ 12,624,068	$ 27,180,798	$ 33,259,307	$ 29,312,436	$ 22,175,552
District's covered-employee payroll	$ 3,171,604	$ 3,158,546	$ 2,837,735	$ 2,830,235	$ 3,196,315	$ 2,953,130	$ 3,505,413	$ 3,787,572	$ 3,381,905
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
Plan fiduciary net position as a percentage of the total pension liability	56.410%	65.590%	58.270%	58.800%	59.300%	39.830%	35.220%	42.490%	45.590%

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

FAIRVIEW INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF PENSION CONTRIBUTIONS
FOR THE YEAR ENDED JUNE 30, 2023

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
COUNTY EMPLOYEES RETIREMENT SYSTEM:										
Contractually required contribution	$ 203,614	$ 163,649	$ 150,174	$ 142,577	$ 110,591	$ 103,666	$ 128,011	$ 129,245	$ 137,795	$ 149,644
Contributions in relation to the contractually required contribution	203,614	163,649	150,174	142,577	110,591	103,666	128,011	129,245	137,795	149,644
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
District's covered-employee payroll	$ 870,145	$ 773,023	$ 778,104	$ 738,741	$ 681,838	$ 715,883	$ 917,642	$ 1,040,620	$ 1,080,692	$ 1,089,066
District's contributions as a percentage of its covered payroll	23.40%	21.17%	19.30%	19.30%	16.22%	14.48%	13.95%	12.42%	12.75%	13.74%
KENTUCKY TEACHER'S RETIREMENT SYSTEM:										
Contractually required contribution	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Contributions in relation to the contractually required contribution	-	-	-	-	-	-	-	-	-	-
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
District's covered-employee payroll	$ 3,750,995	$ 3,171,604	$ 3,158,546	$ 2,837,735	$ 2,830,235	$ 3,196,315	$ 2,953,130	$ 3,505,413	$ 3,787,572	$ 3,381,905
District's contributions as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

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

FAIRVIEW INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DISTRICT'S PROPORTIONATE
SHARE OF THE NET OPEB LIABILITY
FOR THE YEAR ENDED JUNE 30, 2023

	Reporting Fiscal Year (Measurement Date)					
	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)
COUNTY EMPLOYEES RETIREMENT SYSTEM - INSURANCE FUND:						
District's proportion of the net OPEB liability	0.02912%	0.03239%	0.02883%	0.02702%	0.02888%	0.03769%
District's proportionate share of the net OPEB liability	$ 574,727	$ 620,014	$ 696,205	$ 454,532	$ 512,812	$ 757,678
District's covered-employee payroll	$ 773,023	$ 778,104	$ 738,741	$ 681,838	$ 715,883	$ 917,642
District's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll	74.348%	79.683%	94.242%	66.663%	71.633%	82.568%
Plan fiduciary net position as a percentage of the total OPEB liability	62.91%	62.91%	51.67%	60.44%	57.62%	52.40%
KENTUCKY TEACHER'S RETIREMENT SYSTEM - MEDICAL INSURANCE PLAN:						
District's proportion of the net OPEB liability	0.08178%	0.07490%	0.07573%	0.08016%	0.09149%	0.09581%
District's proportionate share of the net OPEB liability	$ 1,528,000	$ 887,000	$ 1,061,000	$ 1,298,000	$ 1,705,000	$ 1,880,000
State's proportionate share of the net OPEB liability associated with the District	502,000	720,000	850,000	1,048,000	1,469,000	1,536,000
Total	$ 2,030,000	$ 1,607,000	$ 1,911,000	$ 2,346,000	$ 3,174,000	$ 3,416,000
District's covered-employee payroll	$ 2,364,691	$ 2,445,604	$ 2,475,481	$ 2,574,109	$ 2,917,723	$ 3,011,500
District's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll	64.617%	36.269%	42.860%	50.425%	58.436%	62.427%
Plan fiduciary net position as a percentage of the total OPEB liability	47.75%	51.74%	39.05%	32.58%	25.50%	21.18%

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

FAIRVIEW INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DISTRICT'S PROPORTIONATE
SHARE OF THE NET OPEB LIABILITY (CONCLUDED)
FOR THE YEAR ENDED JUNE 30, 2023

	Reporting Fiscal Year (Measurement Date)					
	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)
KENTUCKY TEACHER'S RETIREMENT SYSTEM - LIFE INSURANCE PLAN:						
District's proportion of the net OPEB liability	0.08030%	0.07321%	0.07407%	0.07840%	0.08937%	0.09358%
District's proportionate share of the net OPEB liability	$ -	$ -	$ -	$ -	$ -	$ -
State's proportionate share of the net OPEB liability associated with the District	25,000	10,000	26,000	24,000	25,000	21,000
Total	$ 25,000	$ 10,000	$ 26,000	$ 24,000	$ 25,000	$ 21,000
District's covered-employee payroll	$ 2,364,691	$ 2,445,604	$ 2,475,481	$ 2,574,109	$ 2,917,723	$ 3,011,500
District's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
Plan fiduciary net position as a percentage of the total OPEB liability	73.97%	89.15%	71.570%	73.400%	75.000%	79.990%

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

FAIRVIEW INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF OPEB CONTRIBUTIONS
FOR THE YEAR ENDED JUNE 30, 2023

	2023	2022	2021	2020	2019	2018	2017
COUNTY EMPLOYEES RETIREMENT SYSTEM - INSURANCE FUND:							
Contractually required contribution	$ 29,012	$ 43,918	$ 36,709	$ 35,164	$ 35,868	$ 33,647	$ 43,404
Contributions in relation to the contractually required contribution	29,012	43,918	36,709	35,164	35,868	33,647	43,404
Contribution deficiency (excess)	-	-	-	-	-	-	-
District's covered-employee payroll	$ 870,145	$ 773,023	$ 778,104	$ 738,741	$ 681,838	$ 715,883	$ 917,642
District's contributions as a percentage of its covered-employee payroll	3.39%	5.78%	4.76%	4.76%	5.26%	4.70%	4.73%
KENTUCKY TEACHER'S RETIREMENT SYSTEM: - MEDICAL INSURANCE PLAN:							
Contractually required contribution	$ 82,701	$ 70,941	$ 73,368	$ 74,264	$ 77,223	$ 87,532	$ 90,345
Contributions in relation to the contractually required contribution	82,701	70,941	73,368	74,264	77,223	87,532	90,345
Contribution deficiency (excess)	-	-	-	-	-	-	-
District's covered-employee payroll	$ 2,756,661	$ 2,364,691	$ 2,445,604	$ 2,475,481	$ 2,574,109	$ 2,917,723	$ 3,011,500
District's contributions as a percentage of its covered-employee payroll	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%

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

FAIRVIEW INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF OPEB CONTRIBUTIONS (CONCLUDED)
FOR THE YEAR ENDED JUNE 30, 2023

	2023	2022	2021	2020	2019	2018	2017
KENTUCKY TEACHER'S RETIREMENT SYSTEM - LIFE INSURANCE PLAN:							
Contractually required contribution	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Contributions in relation to the contractually required contribution	-	-	-	-	-	-	-
Contribution deficiency (excess)	-	-	-	-	-	-	-
District's covered-employee payroll	$ 2,756,661	$ 2,364,691	$ 2,445,604	$ 2,475,481	$ 2,574,109	$ 2,917,723	$ 3,011,500
District's contributions as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

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

(1) CHANGES OF ASSUMPTIONS

KTRS

In the 2011 valuation and later, the expectation of retired life mortality was changed to the RP-2000 Mortality Tables rather than the 1994 Group Annuity Mortality Table, which was used prior to 2011. In the 2011 valuation, rates of withdrawal, retirement, disability and mortality were adjusted to more closely reflect actual experience. In the 2011 valuation, the Board adopted an interest smoothing methodology to calculate liabilities for purposes of determining the actuarially determined contributions.

In the 2016 valuation, rates of withdrawal, retirement, disability, mortality and rates of salary increase were adjusted to more closely reflect actual experience. In the 2016 valuation and later, the expectation of retired life mortality was changed to the RP-2000 Mortality Tables projected to 2025 with projection scale BB, set forward two year for males and one year for females rather than the RP-2000 Mortality Tables projected to 2020 with projection scale AA, which was used prior to 2016.

The following change of assumptions were adopted by the Board of Trustees and reflected in the liability measurement as of June 30, 2018:

- Increased the Single Equivalent Interest Rate (SEIR) from 4.49% to 7.50%

In the 2020 valuation, rates of withdrawal, retirement, disability, mortality and salary increase were adjusted to more closely reflect actual experience. The expectation of mortality was changed to the Pub2010 Mortality Tables (Teachers Benefit-Weighted) 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 actives. The assumed long-term investment rate of return was changed from 7.5% to 7.1% and the price inflation assumption was lowered from 3% to 2.5%.

CERS

The following changes were made by the Kentucky Legislature and reflected in the valuation performed as of June 30, 2015:

- The assumed investment rate of return was decreased from 7.75% to 7.50%.
- The assumed rate of inflation was reduced from 3.50% to 3.25%.
- The assumed rate of wage inflation was reduced from 1.00% to 0.75%.
- Payroll growth assumption was reduced from 4.50% to 4.00%.
- The mortality table used for active members is RP-2000 Combined Mortality Table projected with Scale BB to 2013 (multiplied by 50% for males and 30% for females).
- For healthy retired members and beneficiaries, the mortality table used is the RP-2000 Combined Mortality Table projected with Scale BB to 2013 (set back 1 year for females). For disabled members, the RP-2000 Combined Disabled Mortality Table projected with Scale BB to 2013 (set back 4 years for males) is used for the period after disability retirement.
- The assumed rates of Retirement, Withdrawal and Disability were updated to more accurately reflect experience.

The following changes were made by the Board of Trustees and reflected in the valuation performed as of June 30, 2017:

- Decreased the price inflation assumption to 2.30%.
- Decreased the assumed rate of return to 6.25%.
- Decreased the payroll growth assumption to 2.00%.

The following changes were made by the Board of Trustees and reflected in the valuation performed as of June 30, 2019:

- The assumed salary increase was changed from 4.00% (average) to 3.30%-10.30% (varies by service.)
- The mortality table used for pre-retirement is PUB-2010 General Mortality table, for the Non-Hazardous Systems, and PUB-2010 Public Safety Mortality table for the Hazardous Systems, projected with the ultimate rates from the MP-2014 mortality improvement scale using a base year of 2010.
- The mortality table used for post-retirement (non-disabled) is a 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.
- The mortality table used for post-retirement (disabled) is PUB-2010 Disabled Mortality table, with a 4-year set-forward for both male and female rates, projected with the ultimate rates from MP-2014 mortality improvement scale using a base year of 2010.

The following changes were made by the Kentucky Legislature and reflected in the valuation performed as of June 30, 2020:

- Senate Bill 249 passed during the 2020 legislative session and changed the funding period for the amortization of the unfunded liability to 30 years as of June 30, 2019. Gains and losses incurring in future years will be amortized over separate 20-year amortization bases. This change does not impact the calculation of the Total Pension Liability and only impacts the calculation of the contribution rates that would be payable starting July 1, 2019.

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

KTRS

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
Amortization Method	Level percentage of payroll, closed
Remaining Amortization Period	25.4 years
Asset Valuation Method	5-year smoothed fair value
Inflation	3.0%
Salary Increase	3.5% to 7.3%, including inflation
Investment Rate of Return	7.5%, net of pension plan investment expense, including inflation

CERS

The following actuarial methods and assumptions were used to determine contribution rates reported in the most recent year of that schedule:

Valuation Date	June 30, 2020
Experience Study	July 1, 2013 - June 30, 2018
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level percentage of payroll
Remaining Amortization Period	30 years closed period at June 30, 2019 (Gains/losses incurring after 2019 will be amortized over separate closed 20-year amortization bases)
Payroll growth	2.00%
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
Investment Rate of Return	6.25%
Phase-in Provision	Board certified rate is phased into the actuarially determined rate in accordance with HB362 enacted in 2018
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.

(3) CHANGES OF BENEFITS

KTRS

A new benefit tier was added for members joining the system on and after January 1, 2022.

CERS

During the 2018 legislative session, House Bill 185 was enacted, which updated the benefit provisions for active members who die in the line of duty. Benefits paid to the spouses of deceased members have been increased from 25% of the member's final rate of pay to 75% of the member's average pay. If the member does not have a surviving spouse, benefits paid to surviving dependent children have been increased from 10% of the member's final pay rate to 50% of average pay for one child, 65% of average pay for two children, or 75% of average pay for three children. The Total Pension Liability as of June 30, 2019 is determined using these updated benefit provisions.

Senate Bill 169 passed during the 2021 legislative session and increased the disability benefits for qualified members who become "totally and permanently disabled" as a result of a duty-related disability. The minimum disability benefit increased from 25% of the member's monthly final rate of pay to 75% of the member's monthly average pay. The insurance premium for the member, the member's spouse, and the member's dependent children shall also be paid in full by the System. For non-hazardous members to be eligible for this benefit, they must be working in a position that could be certified as a hazardous position. There were no other material plan provision changes since the prior valuation.

(1) CHANGES OF ASSUMPTIONS

KTRS

Medical Insurance Plan & Life Insurance Plan: The following change of assumptions were adopted by the Board of Trustees and reflected in the liability measurement as of June 30, 2020:

- In the 2020 experience study, rates of withdrawal, retirement, disability, mortality and rates of salary increases were adjusted to reflect actual experience more closely. The expectation of mortality was changed to the Pub-2010 Mortality Tables (Teachers Benefit-Weighted) 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 actives.
- The assumed long-term investment rate of return was changed from 7.5% to 7.1%. The price inflation assumption was lowered from 3% to 2.5%.
- The rates of member participation and spousal participation were adjusted to reflect actual experience more closely.

For 2022, the health care trend rates were updated to reflect future anticipated experience.

CERS Insurance Fund

The following changes were made by the Board of Trustees and reflected in the valuation performed as of June 30, 2017:

- Decreased the price inflation assumption to 2.30%.
- Decreased the assumed rate of return to 6.25%.
- Decreased the payroll growth assumption to 2.00%.

The following changes were made by the Board of Trustees and reflected in the valuation performed as of June 30, 2019:

- The assumed salary increase was changed from 4.00% (average) to 3.30%-10.30% (varies by service).
- The mortality table used for pre-retirement is PUB-2010 General Mortality table, for the Non-Hazardous Systems, and PUB-2010 Public Safety Mortality table for the Hazardous Systems, projected with the ultimate rates from the MP-2014 mortality improvement scale using a base year of 2010.
- The mortality table used for post-retirement (non-disabled) is a 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.
- The mortality table used for post-retirement (disabled) is PUB-2010 Disabled Mortality table, with a 4-year set-forward for both male and female rates, projected with the ultimate rates from MP-2014 mortality improvement scale using a base year of 2010.

For the June 30, 2020 measurement date, the assumed increase in future health care costs, or trend assumption, is reviewed on an annual basis and was updated to better reflect more current expectations relating to anticipated future increases in the medical costs. The assumed impact of the Cadillac Tax (previously a 0.9% load on employer paid non-Medicare premiums for those who became participants prior to July 1, 2003) was removed to reflect its repeal since the prior valuation.

The following changes were made by the Board of Trustees and reflected in the valuation performed as of June 30, 2022:

- The single discount rates used to calculate the total OPEB liability increased from 5.34% to 5.70%.

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

KTRS

Medical Insurance Plan - The medical insurance plan is not funded based on an actuarially determined contribution, but instead is funded based on statutorily determined amounts. For 2022, the KTRS Board of Trustees approved a single contribution amount of up to $696.84. KTRS will contribute this amount towards insurance costs, less the Shared Responsibility cost of $148.50.

Life Insurance Plan **-** The following actuarial methods and assumptions were used to determine contribution rates reported in the most recent year of the schedule:

Actuarial cost method	Entry Age Normal
Amortization method	Level Percent of Payroll
Amortization period	25 years, Closed
Asset valuation method	Five-year smoothed fair value
Inflation	3%
Real wage growth	0.5%
Wage inflation	3.5%
Salary increases, including wage inflation	3.5% - 7.2%
Discount rate	7.5%

CERS Insurance Fund

The following actuarial methods and assumptions, for actuarially determined contributions effective for fiscal year ending June 30, 2022:

Experience Study	July 1, 2008 - June 30, 2013
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percent of Pay
Remaining Amortization Period	30 years, closed period at June 30, 2019 (Gains/losses incurring after 2019 will be amortized over separate closed 20-year amortization bases)
Payroll Growth Rate	2.00%
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 11.55%, varies by service
Investment Rate of Return	6.25%
Healthcare Trend Rates	
Pre - 65	Initial trend starting at 6.40% at January 1, 2022 and gradually decreasing to an ultimate trend rate of 4.05% over a period of 14 years. The 2021 premiums were known at the time of

	the valuation and were incorporated into the liability measurement.
Post – 65	Initial trend starting at 6.30% on January 1, 2023 and gradually decreasing to an ultimate trend rate of 4.05% over a period of 13 years. The 2021 premiums were known at the time of the valuation and were incorporated into the liability measurement. Additionally, Humana provided “Not to Exceed” 2022 Medicare premiums, which were incorporated and resulted in an assumed 2.90% increase in Medicare premiums at January 1, 2022.
Phase-in Provision	Board certified rate is phased into the actuarially determined rate in accordance with HB 362 enacted in 2018.
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.

(3) CHANGES OF BENEFITS

KTRS

Medical Insurance Plan

June 30, 2022:

- A new benefit tier was added for members joining the system on and after January 1, 2022.

Life Insurance Plan

June 30, 2022:

- A new benefit tier was added for members joining the system on and after January 1, 2022.

CERS

During the 2018 legislative session, House Bill 185 was enacted, which updated the benefit provisions for active members who die in the line of duty. The system shall now pay 100% of the insurance premium for spouses and children of all active members who die in the line of duty. The total OPEB liability as of June 30, 2022, is determined using these updated benefit provisions.

Senate Bill 169 passed during the 2022 legislative session increased the disability benefits for certain qualifying members who become “totally and permanently disabled” in the line of duty or as a result of a duty-related disability. The total OPEB liability as of June 30, 2022, is determined using these updated benefit provisions.

Senate Bill 209 passed during the 2022 legislative session increased the insurance dollar contribution for members hired on or after July 1, 2003 by $5 for each year of service a member attains over certain thresholds, depending on a member's retirement eligibility requirement. This increase in the insurance dollar contribution does not increase by 1.5% annually and is only payable for non-Medicare retirees. Additionally, it is only payable when the member's applicable insurance fund is at least 90% funded. The increase is first payable January 1, 2023.

SUPPLEMENTARY INFORMATION

FAIRVIEW INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2023

	Student Activity Fund	Capital Outlay Fund	FSPK Building Fund	District Activity Fund	Total Non-Major Governmental Funds
ASSETS:					
Cash and cash equivalents	$ 123,996	$ -	$ -	$ 11,588	$ 135,584
Accounts receivable	-	-	-	-	-
Total assets	123,996	-	-	11,588	135,584
LIABILITIES AND FUND BALANCE:					
Liabilities:					
Accounts payable	$ -	$ -	$ -	$ -	$ -
Total liabilities	-	-	-	-	-
Fund Balances:					
Restricted for student activities	123,996	-	-	11,588	135,584
Total fund balance	123,996	-	-	11,588	135,584
Total liabilities and fund balances	$ 123,996	$ -	$ -	$ 11,588	$ 135,584

FAIRVIEW INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	Student Activity Fund	Capital Outlay Fund	FSPK Building Fund	District Activity Fund	Total Non-Major Governmental Funds
REVENUES:					
From local sources -					
Property taxes	$ -	$ -	$ 185,746	$ -	$ 185,746
Other	224,026	-	-	25,359	249,385
Intergovernmental - State	-	62,718	677,208	-	739,926
Total revenues	224,026	62,718	862,954	25,359	1,175,057
EXPENDITURES:					
Support services:					
Students	228,276	-	-	21,710	249,986
Total expenditures	228,276	-	-	21,710	249,986
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(4,250)	62,718	862,954	3,649	925,071
OTHER FINANCING SOURCES (USES):					
Operating transfers in	-	-	11,736	-	11,736
Operating transfers out	-	(62,718)	(874,690)	-	(937,408)
Total other financing sources (uses)	-	(62,718)	(862,954)	-	(925,672)
NET CHANGE IN FUND BALANCE	(4,250)	-	-	3,649	(601)
FUND BALANCE JUNE 30, 2022	128,246	-	-	7,939	136,185
FUND BALANCE JUNE 30, 2023	$ 123,996	$ -	$ -	$ 11,588	$ 135,584

FAIRVIEW INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
SCHOOL ACTIVITY FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	Cash Balance June 30, 2022	Receipts	Disbursements	Cash Balance June 30, 2023	Accounts Receivable	Accounts Payable	Restricted Fund Balance June 30, 2023
Fairview Independent High School	$ 95,730	$ 179,968	$ 187,969	$ 87,729	$ -	$ -	$ 87,729
Fairview Independent Elementary School	32,516	44,058	40,307	36,267	-	-	36,267
	$ 128,246	224,026	228,276	123,996	-	-	123,996

FAIRVIEW INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
SCHOOL ACTIVITY FUNDS
FAIRVIEW INDEPENDENT HIGH SCHOOL
FOR THE YEAR ENDED JUNE 30, 2023

	Cash Balance June 30, 2022	Receipts	Disburse-ments	Cash Balance June 30, 2023	Accounts Receivable (Accounts Payable)	Restricted Fund Balance June 30, 2023
Academic	$ 1,638	$ 2,949	$ 4,337	$ 250	$ -	$ 250
Academic MS	-	-	-	-	-	-
Annual	1,160	220	1,044	336	-	336
Archery	6,171	992	3,012	4,151	-	4,151
Band	1,888	4,256	3,322	2,822	-	2,822
Baseball	7,328	15,434	14,025	8,737	-	8,737
Baseball MS	3,310	4,061	4,382	2,989	-	2,989
Beta Club	-	2,397	2,056	341	-	341
Bowling	235	109	240	104	-	104
Boys Basketball	4,227	13,619	15,302	2,544	-	2,544
Boys Basketball MS	7,467	8,015	2,609	12,873	-	12,873
Boys Golf	712	1,208	1,554	366	-	366
Cheerleaders	5,477	10,332	10,077	5,732	-	5,732
Chorus	1,006	-	81	925	-	925
Chromebook Fees	-	-	-	-	-	-
Coke Acct	4	-	-	4	-	4
Cross Country	643	-	70	573	-	573
Drama	-	-	-	-	-	-
Faculty/Staff	1,051	546	372	1,225	-	1,225
FBLA	179	235	80	334	-	334
FCA	101	-	-	101	-	101
Pep Club	130	330	-	460	-	460
Field Trip	147	1,614	1,570	191	-	191
Football	10,004	15,734	23,112	2,626	-	2,626
Football MS	1,928	2,049	975	3,002	-	3,002
Forensics	579	-	-	579	-	579
Girls Basketball	9,724	8,369	11,020	7,073	-	7,073
Girls Basketball MS	1,070	1,194	1,147	1,117	-	1,117
Girls Golf	1,260	-	-	1,260	-	1,260
Girls STEM	222	-	-	222	-	222
Honor Society	518	1,240	1,207	551	-	551
Honor Society MS	-			-	-	-
Class of 2023	2,582	23,903	26,314	171	-	171
Key Club	97	1,242	1,223	116	-	116
Library	72	-	-	72	-	72
Athletic Concessions	-	21,162	21,162	-	-	-
Senior Yearbook Project	5,087	-	512	4,575	-	4,575
Scholarships	660	460	1,000	120	-	120
School Pictures	1,750	436	233	1,953	-	1,953
Softball	2,462	5,570	5,791	2,241	-	2,241
Softball MS	50	-	-	50	-	50
Spanish Honor Society	58	250	237	71	-	71
STLP	126	-	-	126	-	126
Class of 2024	-	8,369	6,900	1,469	-	1,469
Class of 2022	334	-	334	-	-	-
Class of 2026	91	28	28	91	-	91
Class of 2025	11	972	749	234	-	234
Student Deposit	7,862	-	1,202	6,660	-	6,660
Non-Student Gen Fund	220	6,647	6,735	132	-	132
Veterans	340	-	-	340	-	340
Parking Fees	-	-	-	-	-	-
Tennis	228	420	639	9	-	9
Track	239	-	-	239	-	239
Volleyball	1,483	7,156	7,703	936	-	936
Volleyball MS	1,956	5,480	5,613	1,823	-	1,823
Interest	1,843	2,970	-	4,813	-	4,813
Total	$ 95,730	$ 179,968	$ 187,969	$ 87,729	$ -	$ 87,729

FAIRVIEW INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023

Federal Grantor/Pass-Through Grantor/Program Title	Federal AL Number	Pass-Through Grantor's Number	Passed Through to Subrecipients	Expenditures	
U.S. Department of Education					
Passed through Kentucky Department of Education:					
Title I Grants to Local Educational Agencies	84.010	3100002-21	$ -	$ 8,392	
Title I Grants to Local Educational Agencies	84.010	3100002-22	-	426,648	
Title I School Improvement Funds	84.010	3100202-18	-	40,601	
Title I School Improvement Funds	84.010	3100202-19	-	10,080	
Title I School Improvement Funds	84.010	3100202-20	-	1,775	
Title I School Improvement Funds	84.010	3100202-21	-	113,978	
Title I School Improvement Funds	84.010	3100202-22	-	61,501	
				662,975	
Special Education Cluster (IDEA):					
Special Education Grants to States - IDEA, Part B	84.027	3810002-22	-	157,988	
Special Education Preschool Grants	84.173	3800002-22	-	11,364	
Special Education Preschool Grants - ARPA	84.173	4900002-21	-	1,896	
				171,248	
Stiving Readers Comprehensive Literacy Grant	84.371C	3220002-21	-	102,064	
Stiving Readers Comprehensive Literacy Grant	84.371C	3220002-22	-	6,080	
				108,144	
COVID-19 - Elementary and Secondary School Emergency Relief Fund	84.425D	4200002-21	-	191,517	
COVID-19 - Elementary and Secondary School Emergency Relief Fund	84.425U	564J	-	13,745	
COVID-19 -ARP ESSER Funds After School Programs	84.425U	4300006-21	-	1,946	
COVID-19 - Elementary and Secondary School Emergency Relief Fund	84.425U	4300002-21	-	762,644	
COVID-19 - ESSER Digital Learning Coaches	84.425U	4300005-21	-	823	
COVID-19 - ARP ESSER Funds Summer School	84.425U	4300007-21	-	3,867	
COVID-19 - Elementary and Secondary School Emergency Relief Fund	84.425C	GEER-20	-	50,000	
				1,024,542	*
Total U.S. Department of Education				1,966,909	
U.S. Department of Agriculture					
Passed through Kentucky Department of Education:					
Cash Assistance:					
Child and Adult Care Food Program	10.558	7800016-23	-	1,283	
Child and Adult Care Food Program	10.558	7790021-23	-	11,006	
State Administrative Expenses for Child Nutrition	10.560	7700001-22	-	527	
				12,816	
Child Nutrition Cluster:					
Passed through Kentucky Department of Education:					
Cash Assistance:					
National School Lunch Program	10.555	7750002-22	-	51,090	
National School Lunch Program	10.555	7750002-23	-	244,328	
National School Lunch Program	10.555	9980000-22	-	19,936	
National School Lunch Program	10.555	9980000-23	-	11,500	
National School Lunch Program	10.555	9990000-22	-	628	
Summer Food Service Program for Children	10.559	7690024-22	-	269	
Summer Food Service Program for Children	10.559	7690024-23	-	136	
Summer Food Service Program for Children	10.559	7740023-22	-	2,586	
Summer Food Service Program for Children	10.559	7740023-23	-	12,476	
Fresh Fruit and Vegetable Program	10.582	7720012-22	-	5,627	
Fresh Fruit and Vegetable Program	10.582	7720012-23	-	15,694	
School Breakfast Program	10.553	7760005-22	-	37,632	
School Breakfast Program	10.553	7760005-23	-	99,012	
				500,914	

FAIRVIEW INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONCLUDED)
FOR THE YEAR ENDED JUNE 30, 2023

Federal Grantor/Pass-Through Grantor/Program Title	Federal AL Number	Pass-Through Grantor's Number	Passed Through to Subrecipients	Expenditures
Non-Cash Assistance (Food Distribution)				
National School Lunch Program	10.555	7750002-21	-	34,028
Total Child Nutrition Cluster				534,942
Total U.S. Department of Agriculture				547,758
Total Expenditures of Federal Awards				$ 2,514,667

* Denotes major program.

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

NOTE A - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Fairview Independent School District under programs of the federal government for the year ended June 30, 2023. 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 operations of the Fairview Independent School District, it is not intended to, and does not, present the financial position, changes in net position or cash flows of the District.

NOTE B - SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the schedule represents adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available.

NOTE C - FOOD DISTRIBUTION

Nonmonetary assistance is reported in the schedule at the fair market value of the commodities received and disbursed. At June 30, 2023, commodities on hand are included in the total inventory of $16,886.

NOTE D - INDIRECT COST RATE

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

Kelley Galloway
Smith Goolsby, PSC
Certified Public Accountants and Advisors

1200 Corporate Court • P. O. Box 990 • Ashland, Kentucky 41105
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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Kentucky State Committee for
School District Audits
Members of the Board of Education
Fairview Independent School District
Ashland, Kentucky

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the audit requirements prescribed by the Kentucky State Committee for School District Audits in the *Auditor Responsibilities* and *State Compliance Requirements* sections contained in the Kentucky Public School Districts' Audit Contract and Requirements, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Fairview Independent School District (the "District") as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated November 10, 2023.

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) as a basis for designing 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 entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not 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.*

We noted certain matters that we reported to management of the District in a separate letter dated November 10, 2023.

Purpose of this Report

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

Kelley Galloway Smith Goolsby, PSC

Ashland, Kentucky
November 10, 2023

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Kentucky State Committee for
School District Audits
Members of the Board of Education
Fairview Independent School District
Ashland, Kentucky

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Fairview Independent School District's (the "District") 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 the District's major federal programs for the year ended June 30, 2023. The 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, the 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, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and 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 the District and to meet our other 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 the 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 the 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 the 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 the 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 the 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 the 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 the 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 requirement 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.

Kelley Galloway Smith Goolsby, PSC

Ashland, Kentucky
November 10, 2023

FAIRVIEW INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2023

(A) SUMMARY OF AUDIT RESULTS

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:	Unmodified			
Internal Control over financial reporting:				
Material weakness(es) identified?	______	yes	x	no
Significant deficiency(ies) identified?	______	yes	x	none reported
Noncompliance material to the financial statements noted?	______	yes	x	no
Federal Awards				
Internal control over major federal programs:				
Material weakness(es) identified?	______	yes	x	no
Significant deficiency(ies) identified?	______	yes	x	none reported
Type of auditor's report issued on compliance for major federal programs:	Unmodified			
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	______	yes	x	no
Identification of major federal programs:				
COVID-19 - Elementary and Secondary School Emergency Relief Fund (84.425C, 84.425D, 84.425U)				
Dollar threshold to distinguish between Type A and Type B Programs:	$ 750,000			
The District qualified as a low risk auditee	x	yes	______	no

(B) FINANCIAL STATEMENT FINDINGS

None noted in the current year.

(C) FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None noted in the current year.

FAIRVIEW INDEPENDENT SCHOOL DISTRICT

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FOR THE YEAR ENDED JUNE 30, 2023

Finding Number	Finding/Noncompliance	Status	Responsible Contact Person
2022-001	As a result of District adopting a new online platform for applications, onboarding, and contracts, we did not obtain employee signatures on a written contract for employees. Traditional hardcopy contracts have been executed for fiscal year 2023 and we anticipate contracts to be executed with the online platform in fiscal year 2024 with documentation of employee signatures and receipt of contracts.	Corrected	Jackie Risden-Smith, Superintendent

APPENDIX C

Fairview Independent School District Finance Corporation
School Building Revenue Bonds
Series 2024A

Continuing Disclosure Certificate

CONTINUING DISCLOSURE CERTIFICATE

Relating to:

$5,000,000

FAIRVIEW INDEPENDENT SCHOOL DISTRICT FINANCE CORPORATION

SCHOOL BUILDING REVENUE BONDS, SERIES 2024A

Dated as of: October 1, 2024

THIS **CONTINUING DISCLOSURE CERTIFICATE** (this "Certificate") is executed and delivered as of October 1, 2024, by the Board of Education of the Fairview Independent School District (the "Board") and Fairview Independent School District Finance Corporation (the "Issuer") in connection with the issuance of its $[Par] Fairview Independent School District Finance Corporation School Building Revenue Bonds, Series 2024 (the "Obligations"). The Obligations are being issued under a resolution adopted by the Board of Directors of the Issuer on August 15, 2024 (the "Authorizing Legislation"). The Issuer certifies, covenants and agrees as follows:

Section 1. Purpose of the Certificate. This Certificate is being executed and delivered by the Issuer to provide for the disclosure of certain information concerning the Obligations on an on-going basis as set forth herein for the benefit of Holders (as hereinafter defined) in accordance with the provisions of Securities and Exchange Commission Rule 15c2-12, as amended from time to time (the "Rule");

Section 2. Definitions; Scope of this Certificate. All terms capitalized but not otherwise defined herein shall have the meanings assigned to those terms in the Authorizing Legislation and the Obligations. Notwithstanding the foregoing, the term "Disclosure Agent" shall mean the Issuer, or any disclosure agent appointed or engaged by the Issuer; any successor disclosure agent shall automatically succeed to the rights and duties of the Disclosure Agent hereunder, without any amendment hereto. The following capitalized terms shall have the following meanings:

"Annual Financial Information" shall mean a copy of the annual audited financial information prepared for the Board which shall include, if prepared, a balance sheet, a statement of revenue and expenditure and a statement of changes in fund balances. All such financial information shall be prepared using generally accepted accounting principles as applied to governmental units, provided, however, that the Board may change the accounting principles used for preparation of such financial information so long as the Board includes as information provided to the public, a statement to the effect that different accounting principles are being used, stating the reason for such change and how to compare the financial information provided by the differing financial accounting principles. Any or all of the items listed above may be set forth in other documents, including Offering Documents of debt issues of the Board or related public entities, which have been transmitted to the MSRB, or may be included by specific reference to documents available to the public on the MSRB's Internet Website or filed with the SEC. The Board shall clearly identify each such other document so incorporated by reference.

"Beneficial Owner" shall mean any person which has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Obligations (including personal holding Obligations through nominees, depositories or other intermediaries).

"Event" shall mean any of the following events with respect to the Obligations:

(i) Principal and interest payment delinquencies;
(ii) Non-payment related defaults, if material;
(iii) Unscheduled draws on debt service reserves reflecting financial difficulties;
(iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
(v) Substitution of credit or liquidity providers, or their failure to perform;
(vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax-exempt status of the security;
(vii) Modifications to rights of security holders, if material;
(viii) Bond calls, if material, and tender offers (except for mandatory scheduled redemptions not otherwise contingent upon the occurrence of an event);
(ix) Defeasances;
(x) Release, substitution or sale of property securing repayment of the securities, if material;
(xi) Rating changes;

(xii) Bankruptcy, insolvency, receivership or similar event of the obligated person (Note: For the purposes of this event, the event is considered to occur when any of the following occur: The appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person);
(xiii) The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than under its terms, if material;
(xiv) Appointment of a successor or additional trustee or the change of name of a trustee, if material;
(xv) Incurrence of a Financial Obligation of the Board, the Issuer, or obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer or obligated person, any of which affect security holders, if material; and
(xvi) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Board, the Issuer, or obligated person, any of which reflect financial difficulties.

The SEC requires the listing of (i) through (xvi) although some of such events may not be applicable to the Obligations.

"Financial Obligation" shall mean (a) a debt obligation, (b) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (c) a guarantee of either (a) or (b). The term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

"Holders" shall mean any holder of the Obligations and any Beneficial Owner thereof.

"MSRB" shall mean the Municipal Securities Rulemaking Board.

"Offering Document" shall mean the Official Statement, dated September 10, 2024.

"Operating Data" shall mean an update of the Operating Data contained in the Offering Document under the headings "BOND DEBT SERVICE," "DISTRICT STUDENT POPULATION," "LOCAL SUPPORT," and "SEEK ALLOTMENT".

"Participating Underwriter" shall mean any of the original underwriters of the Obligations required to comply with the Rule in connection with the offering of the Obligations.

"SEC" shall mean the Securities and Exchange Commission.

"State" shall mean the Commonwealth of Kentucky.

Section 3. Disclosure of Information.

(A) Information Provided to the Public. Except to the extent this Certificate is modified or otherwise altered in accordance with Section 4 hereof, the Issuer shall make, or shall cause the Disclosure Agent to make, public the information set forth in subsections (1), (2), and (3) below:

(1) Annual Financial Information and Operating Data. Annual Financial Information and Operating Data at least annually not later than 270 days after the end of the fiscal year ending June 30, commencing with the fiscal year ending June 30, 2024, and continuing with each fiscal year thereafter. If the Disclosure Agent is an entity or person other than the Board or the Issuer, then the Board shall provide the Annual Financial Information to the Disclosure Agent not later than fifteen Business Days prior to the disclosure date referenced above. The Annual Financial Information may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information; provided that the audited financial statements of the Board may be submitted separately from the balance of the Annual Financial Information.

(2) Events Notices. Notice of the occurrence of an Event, in a timely manner, not in excess of ten business days after the occurrence of the Event.

(3) Failure to Provide Annual Financial Information or Operating Data. Notice of the failure of Board or the Issuer to provide the Annual Financial Information or Operating Data by the date required herein.

(B) Information Provided to Public. Annual Financial Information and, subject to the timing requirement set forth in subsection (A)(2) of this Section 3, notice of all Event occurrences shall be made public on the same day as notice thereof is given to the Holders of outstanding Obligations, if required under the Authorizing Legislation or the Obligations, and shall not be made public before the date of such notice.

(C) Means of Making Information Public.

(1) Information shall be deemed to be made public by the Board of the Issuer or the Disclosure Agent under this Certificate if it is transmitted as provided in subsection (C)(2) of this Section 3 by the following means:

(a) to the Holders of outstanding Obligations, by first class mail, postage prepaid;

(b) to the MSRB, in an electronic format as prescribed by the MSRB, accompanied by identifying information as prescribed by the MSRB; and/or

(c) to the SEC, by (i) electronic facsimile transmissions confirmed by first class mail, postage prepaid, or (ii) first class mail, postage prepaid; provided that the Board, the Issuer, or the Disclosure Agent is authorized to transmit information to the SEC by whatever means are mutually acceptable to the Disclosure Agent, the Board, or the Issuer, as applicable, and the SEC.

(2) Information shall be transmitted to the following:

(a) all information to be provided to the public in accordance with subsection (A) of this Section 3 shall be transmitted to the MSRB;

(b) all information described in clause (a) shall be made available to any Holder upon request, but need not be transmitted to the Holders who do not so request.

(c) to the extent the Board or the Issuer is obligated to file any Annual Financial Information or Operating Data with the MSRB under this Certificate, such Annual Financial Information or Operating Data may be set forth in the document or set of documents transmitted to the MSRB, or may be included by specific reference to documents available to the public on the MSRB's Internet Website or filed with the SEC.

With respect to requests for periodic or occurrence information from Holders, the Board, the Issuer, or the Disclosure Agent may require payment by requesting holders of a reasonable charge for duplication and transmission of the information and for the Board, the Issuer's, or the Disclosure Agent's administrative expenses incurred in providing the information.

Section 4. Amendment or Modification. Notwithstanding any other provision of this Certificate, the Issuer may amend this Certificate and any provision of this Certificate may be waived, if such amendment or waiver is supported by an opinion of nationally recognized bond counsel expert in federal securities laws to the effect that such amendment or waiver would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule as well as any change in circumstance.

Section 5. Miscellaneous.

(A) Termination. The Board and the Issuer's obligations under this Certificate shall terminate when all of the Obligations are or are deemed to be no longer outstanding by reason of redemption or legal defeasance or at maturity.

(B) Additional Information. Nothing in this Certificate shall be deemed to prevent the Board and the Issuer from disseminating any other information, using the means of dissemination set forth in this Certificate or any other means of communication, or including any other information in any Annual Financial Statement or notice of occurrence of an Event, in addition to that which is required by this Certificate. If the Board or the Issuer chooses to include any information in any Annual Financial Statement or notice of occurrence of an Event in addition to that which is specifically required by this Certificate, the Board or the Issuer, as the case may be, shall have no obligation under this Certificate to update such information or include it in any future Annual Financial Statement or notice of occurrence of an Event.

(C) Defaults: Remedies. In the event of a failure of the Board, the Issuer, or the Disclosure Agent to comply with any provision of this Certificate any Holder may take such action as may be necessary and appropriate, including seeking an action in mandamus or specific performance to cause the Board, the Issuer, or the Disclosure Agent, as the case may be, to comply with its obligations under this Certificate. A default under this Certificate shall not constitute a default on the Obligations and the sole remedy available in any proceeding to enforce this Certificate shall be an action to compel specific performance.

(D) Beneficiaries. This Certificate shall inure solely to the benefit of the Board, the Issuer, the Disclosure Agent, the Participating Underwriter and Holders, or beneficial owners thereof, and shall create no rights in any other person or entity.

Section 6. Additional Disclosure Obligations. The Issuer and the Board acknowledge and understand that other state and federal laws, including, without limitation, the Securities Act of 1933, the Securities Exchange Act of 1934 and Rule 10b 5 promulgated thereunder, may apply to the Board and the Issuer, and that under some circumstances compliance with this Certificate, without additional disclosures or other action, may not fully discharge all duties and obligations of the Board and the Issuer under such laws.

Section 7. Notices. Any notices or communications to the Board or the Issuer may be given as follows:

To the Issuer:
Fairview Independent School District Finance Corporation
2201 Main Street
Ashland, Kentucky 41102
Attention: Secretary
Telephone: 606-324-3877

To the Board:
Board of Education of Fairview Independent School District
2201 Main Street
Ashland, Kentucky 41102
Attention: Secretary
Telephone: 606-324-3877

Any person may, by written notice to the other persons listed above, designate a different address or telephone number(s) to which subsequent notices or communications should be sent.

IN WITNESS WHEREOF, the Disclosure Agent, the Issuer and the Board have each caused their duly authorized officers to execute this Certificate, as of the date first written above.

FAIRVIEW INDEPENDENT SCHOOL DISTRICT FINANCE CORPORATION

By: ______________________________
President

Attest:

____
Secretary

BOARD OF EDUCATION OF FAIRVIEW INDEPENDENT SCHOOL DISTRICT

By: ______________________________
Chairperson

Attest:

____
Secretary

APPENDIX D

Fairview Independent School District Finance Corporation
School Building Revenue Bonds
Series 2024A

Official Terms and Conditions of Bond Sale

OFFICIAL TERMS AND CONDITIONS OF BOND SALE

$5,000,000*

Fairview Independent School District Finance Corporation
School Building Revenue Bonds, Series 2024A
Dated the date of delivery

SALE: Tuesday, September 10, 2024 at 1:00 P.M., E.D.T.

The Secretary of the Fairview Independent School District Finance Corporation (the "Corporation") will until September 10, 2024, at the hour of 11:30 A.M., E.T., at the office of the Executive Director of the Kentucky School Facilities Construction, 700 Louisville Road, Frankfort, Kentucky 40601, receive sealed competitive bids for the revenue refunding bonds (the "Bonds") herein described. To be considered, Bids must be submitted on an Official Bid Form and must be delivered to the Secretary at the address indicated on the date of sale no later than the hour indicated. Bids will be opened by the Secretary and may be accepted without further action by the Corporation's Board of Directors.

STATUTORY AUTHORITY, PURPOSE OF ISSUE AND SECURITY

The Bonds are authorized under KRS 162.120 through 162.300, 162.385 and KRS 58.180 and are issued in accordance with a Resolution of the Corporation's Board of Directors. The Bonds are revenue bonds and constitute special and limited indebtedness of the Corporation payable from rental revenues derived by the Corporation from the Board under the Lease identified below.

The Bonds are being issued to finance the cost of improvements to the Fairview Independent School District Athletic Complex (the "Project") and are secured by a statutory mortgage lien upon and a pledge of the revenues from the rental of the school buildings to the Board under a Contract, Lease, and Option (the "Lease") on a year-to-year basis; the first rental period ending June 30, 2025. The statutory mortgage lien securing the Bonds is limited in its application to the exact site of the Project constructed from the proceeds of the Bonds, real estate unoccupied by the Project is unencumbered. The Board has reserved the right to obtain the release of the statutory mortgage lien and revenue pledge on the site of the Project by effecting the redemption or defeasance of the proportionate part of the Bonds then outstanding as was expended on the site being released. Should the Board default in its obligations under the Lease or fail to renew the Lease, the Registered Owners of the Bonds have the right to have a receiver appointed to administer the Project under KRS 162.220; foreclosure and sale are not available as remedies.

The rental of the Project from the Corporation to the Board is to be effected under the Lease, whereunder the Project is leased to the Board for an initial period ending June 30, 2025, 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 is legally obligated only for the initial rental period and for one year at a time thereafter each time the Lease is renewed.

ADDITIONAL PARITY BONDS FOR COMPLETION OF PROJECT

The Corporation has reserved the right and privilege of issuing additional bonds from time to time payable from the income and revenues of the Project and secured by the same statutory mortgage lien and pledges of revenue, but only if and to the extent the issuance of such additional parity bonds may be necessary to pay the costs, for which funds are not otherwise available, of completing the construction of the Project in accordance with the plans and specifications of the architect in charge of the Project, which plans have been completed, approved by the Board, State Department of Education, and filed in the office of the Secretary of the Corporation.

** Subject to Permitted Adjustment increasing the issue by $500,000 or decreasing the issue by any amount.*

BOND MATURITIES, PRIOR REDEMPTION PROVISIONS AND PAYING AGENT

The Bonds shall be in denominations in multiples of $5,000 within the same maturity, bear interest from their date of initial issuance and delivery, payable on April 1, 2025, and semiannually thereafter and shall mature as to principal on April 1 in each of the years as follows:

Maturity Date	Principal Amount[1]	Maturity Date	Principal Amount*
October 1, 2025	$5,000	October 1, 2032	$5,000
October 1, 2026	$5,000	October 1, 2033	$5,000
October 1, 2027	$5,000	October 1, 2034	$5,000
October 1, 2028	$5,000	October 1, 2035	$415,000
October 1, 2029	$5,000	October 1, 2036	$435,000
October 1, 2030	$5,000	October 1, 2037	$450,000
October 1, 2031	$5,000	October 1, 2038	$470,000

** Subject to Permitted Adjustment increasing the issue by $500,000 or decreasing the issue by any amount, which may be applied in any or all maturities.*

The Bonds maturing on or after October 1, 2033, are subject to redemption before their stated maturities on any date falling on or after October 1, 2032, in such order of maturities as the Corporation may determine (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 by regular United States Mail to the registered Owners of the Bonds so selected not less than thirty days before the date of redemption, upon terms of the face amount, plus accrued interest to the date of redemption.

The Bonds are further subject to extraordinary optional redemption before their stated maturities on any date, in such order of maturities as the Corporation may determine (less than all of a single maturity to be selected by lot), in whole or in part, from the proceeds of casualty insurance received upon the total destruction by fire, lightning, windstorm or other hazard of any of the buildings constituting the Project, upon notice of such prior redemption being given by the Paying Agent by regular United States Mail to the registered Owners of the Bonds so selected not less than thirty days before the date of redemption, upon terms of the face amount, plus accrued interest to the date of redemption.

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 each Registered Owner of records of the 15th day of each month preceding the due date by regular United States Mail postmarked as of the interest due date. Principal shall be paid upon submission of matured Bond Certificates to the Paying Agent. Subsequent to the initial delivery of the Bonds, upon the submission of proper authentication, the Bond Registrar shall transfer ownership of Bonds within three business days of receipt without expense to the Registered Owner.

FINAL OFFICIAL STATEMENT

The Corporation shall provide to the successful purchaser a Final Official Statement. Arrangements have been made with the printer of the Preliminary Official Statement, upon submission of completion text, to print a reasonable quantity of Final Official Statements in sufficient time to meet the delivery requirements of the successful bidder under SEC or Municipal Securities Rulemaking Board delivery requirements. The successful bidder shall be required to pay for the printing of the Final Official Statement.

BOND MATURITIES, PRIOR REDEMPTION PROVISIONS AND PAYING AGENT

The Bonds will mature, have interest payment dates, be subject to redemption, have a Paying Agent and Registrar, be subject to the issuance of additional bonds and have other conditions and restrictions as set forth in the Preliminary Official Statement describing the Bonds. Reference is made to the Preliminary Official Statement for such information and for information regarding the District and the Corporation.

BIDDING CONDITIONS AND RESTRICTIONS

(A) Bids must be made on Official Bid Form, contained in the Official Statement available from the undersigned or RSA Advisors, LLC 147 East Third Street, Lexington, Kentucky 40508, enclosed in sealed envelopes marked "Bid for School Building Revenue Bonds." Bids may alternatively be submitted electronically via BiDCOMP™/PARITY™ system. Electronic bids for the Bonds must be submitted through the BiDCOMP™/PARITY™ system and no other provider of electronic bidding services will be accepted. Subscription to the BiDCOMP™/PARITY™ 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 the BiDCOMP™/PARITY™ system 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 the BiDCOMP™/PARITY™ system 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 the BiDCOMP™/PARITY™ system 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 the BiDCOMP™/PARITY™ system. The use of the BiDCOMP™/PARITY™ system facilities are at the sole risk of the prospective bidders. For further information regarding the BiDCOMP™/PARITY™ system, potential bidders may contact BiDCOMP™/PARITY™, 1359 Broadway - 2nd Floor, New York, NY 10018, Telephone: (800) 850-7422. Notwithstanding the foregoing non-electronic bids may be submitted via facsimile or by hand delivery utilizing the Official Bid Form.

(B) The minimum bid for the Bonds shall be not less than $4,900,000 (98% of par), plus accrued interest. Interest rates shall be in multiples of 1/8 or 1/100 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 for any maturity shall not be less than the interest rate for any preceding maturity. There is no limit on the number of different interest rates.

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

(D) The determination of the best purchase bid for the Bonds shall be made on the basis of all bids submitted for exactly $5,000,000 principal amount of Bonds offered for sale hereunder; but the Corporation may adjust the principal amount of Bonds which may be awarded to such best bidder upward by $500,000 (the "Permitted Adjustment") to a maximum of $5,500,000 or a minimum of any amount. 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 $1,000 of Bonds as the price per $1,000 for the $5,000,000 of Bonds bid.

(E) If three 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 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 bids for the Bonds are received as a result of this competitive sale, the successful purchaser, by submitting a bid under a published Notice of Sale, has agreed in writing that they will be required to 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, (ii) the initial offering price to the public as of the Sale Date of any Maturity of the Bonds, and (iii) that they neither offered nor sold any of the Bonds of any 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 winning bidder shall advise the Corporation on the Sale Date if any maturity of the Bonds satisfies the 10% test set forth in (i) above as of the date and time of the award of the Bonds.

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

(i) 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.

(ii) 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.

(iii) 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.

(iv) 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 September 10, 2024.

(v) Underwriter means (i) any person that agrees under 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 under 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).

(F) CUSIP identification numbers will be printed on the Bonds at the expense of the purchaser. The purchaser shall pay the CUSIP Service Bureau Charge and the cost of printing the Final Official Statement. 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 the Bonds in accordance with the terms of any accepted proposal for the purchase of the Bonds..

(G) The Corporation shall provide to the successful purchaser a Final Official Statement in accordance with SEC Rule 15c2-12, as amended. Arrangements have been made with the printer of the Preliminary Official Statement, upon submission of completion text, to print a reasonable quantity of Final Official Statements in sufficient time to meet the delivery requirements of the successful bidder under SEC or Municipal Securities Rulemaking Board Delivery Requirements. The successful bidder shall be required to pay for the printing of the Final Official Statement.

(H) 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 to the order of the Corporation an amount equal to 2% of the amount of the principal amount of Bonds awarded by the close of business on the day following the award. The good faith amount 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 the Bonds unless delivery is made within forty-five days from the date the bid is accepted.

(I) The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Bonds. They 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 for each maturity of the Bonds of each series, each in the aggregate principal amount of such maturity, and will be deposited with DTC. Purchases of the Bonds under the DTC system must be made by or through securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations (the "Direct Participants"), which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond (a "Beneficial Owner") is in turn to be recorded on the records of Direct Participants or securities brokers and dealers, banks, and trust companies that clear through or maintain a custodial relationship with a Direct Participant (the "Indirect Participants"). 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 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 the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

(J) The purchaser shall be required to supply the Bond Registrar with the name, address, social security number or taxpayer identification number, principal amount and principal maturities for each person or entity in whose name Bonds are to be registered. Failure of a purchaser to fully designate the Registered Owners of Bonds shall result in the issuance of Bond Certificates by the Registrar in the purchaser's "street name" (to the extent a purchaser fails to designate).

(K) 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 Dinsmore & Shohl LLP, Louisville, Kentucky, which Opinion will be qualified in accordance with the section hereof on TAX TREATMENT.

(L) The successful purchaser may require that a portion of the Bonds be term bonds maturing on one or more dates (the "Term Bonds"); provided, however, that the Term Bonds shall be subject to mandatory sinking fund redemption by lot at a redemption price of 100% of the principal amount thereof plus accrued interest to the date of redemption on April 1 of the years and in the principal amounts set forth in the final adjusted maturity schedule as seen on page 2 of the successful bid.

(M) Prospective bidders are advised that RSA Advisors, LLC has been employed as Financial Advisor in connection with the issuance of the Bonds. RSA Advisors, LLC'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.

(N) As required by the Code, the purchaser of the Bonds will be required to certify to the corporation as to certain of their activities regarding any reoffering to the public of the Bonds, including any reoffering prices.

CONTINUING DISCLOSURE

In accordance with Securities and Exchange Commission Rule 15c2-12, as amended (the "Rule") the Board and the Corporation (the "Obligated Persons") will agree under a Continuing Disclosure Certificate dated the date of initial issuance and delivery of the Bonds (the "Disclosure Certificate"), to be delivered on the date of delivery of the Bonds, to cause the following information to be provided:

(a) to the Municipal Securities Rulemaking Board ("MSRB") or any successor thereto for purposes of the 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, certain annual financial information and operating data, including audited financial statements, generally consistent with the information contained under the headings "Bond Debt Service", "Local Support"-Local Tax Rates, -Property Assessments and Revenue Collections, -District's Largest Taxpayers, -Overlapping Bond Indebtedness", "SEEK Allotment" and in Appendix B of this Official Statement (the "Annual Financial Information"); such information shall include, at a minimum, that financial information and operating data which is customarily prepared by the Obligated Persons and is publicly available. The annual financial information shall be provided on or before the 270th day following the fiscal year ending on the preceding June 30;

(b) to the MSRB, in a timely manner, not in excess of ten business days after the occurrence of the event, notice of the occurrence of the following events with respect to the Bonds:

(i) Principal and interest payment delinquencies;
(ii) Non-payment related defaults, if material;
(iii) Unscheduled draws on debt service reserves reflecting financial difficulties;
(iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
(v) Substitution of credit or liquidity providers, or their failure to perform;
(vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax-exempt status of the security;
(vii) Modifications to rights of security holders, if material;
(viii) Bond calls, if material, and tender offers (except for mandatory scheduled redemptions not otherwise contingent upon the occurrence of an event);
(ix) Defeasances;
(x) Release, substitution or sale of property securing repayment of the securities, if material;
(xi) Rating changes;
(xii) Bankruptcy, insolvency, receivership or similar event of the obligated person (Note: For the purposes of this event, the event is considered to occur when any of the following occur: The appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person);
(xiii) The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than under its terms, if material;
(xiv) Appointment of a successor or additional trustee or the change of name of a trustee, if material; and
(xv) Incurrence of a financial obligation of the Corporation or Obligated Person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the issuer or Obligated Person, any of which affect security holders, if material; and
(xvi) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the issuer or Obligated Person, any of which reflect financial difficulties; and .
(xvii) The cure, in the manner provided under the Bond Resolution, of any payment or nonpayment related default under the Bond Resolution.

(c) to the MSRB, notice of a failure (of which the Obligated Persons or Disclosure Agent has knowledge) of an Obligated Person to provide the required Annual Financial Information on or before the date specified in the Disclosure Certificate.

The Disclosure Certificate provides bondholders, including beneficial owners of the Bonds, with certain enforcement rights upon a failure by the Obligated Persons to comply with the terms thereof; however, a default under the Disclosure Certificate does not constitute an event of default under the Bond Resolution. The Disclosure Certificate may also be amended or terminated under certain circumstances in accordance with the Rule as more fully described therein. Bondholders are advised that the Disclosure Certificate, the form of which is attached to the Official Statement as Appendix D, should be read in its entirety for more complete information regarding its contents.

For purposes of this transaction with respect to material events as defined under the Rule:

(a) there are no debt service reserve funds applicable to the Bonds;
(b) there are no credit enhancements applicable to the Bonds; and
(c) there are no liquidity providers applicable to the Bonds.

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

The Board has adopted procedures to assure timely and complete filings in the future with regard to the Rule in order to provide required financial reports and operating data or notices of material events.

TAX TREATMENT

Bond Counsel is of the opinion that:

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

(B) Interest payable on the Bonds is excludable from gross income under the Internal Revenue Code of 1986, as amended (the "Code"). Further, interest on the Bonds will not be a specific item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. The Corporation has covenanted to comply with the applicable provisions of the Code, and such compliance by the corporation is necessary to maintain the federal income tax status described above. No opinion is expressed regarding other federal tax consequences arising with respect to the Bonds.

(C) The Corporation has designated the Bonds as "qualified tax-exempt obligations" under Section 265 of the Code.

FAIRVIEW INDEPENDENT SCHOOL DISTRICT FINANCE CORPORATION

By:__________________________
/s/Jackie Risden-Smith
Secretary

APPENDIX E

Fairview Independent School District Finance Corporation
School Building Revenue Bonds
Series 2024A

Official Bid Form

OFFICIAL BID FORM

Subject to the terms and conditions set forth in the Official Terms and Conditions of Bond Sale for $5,000,000* of School Building Revenue Bonds, Series 2024 (the "Bonds") offered for sale by the Fairview Independent School District Finance Corporation (the "Corporation"), an agency and instrumentality acting on behalf of the Board of Education of the Fairview Independent School District and in accordance with the Notice of Bond Sale, as advertised in conformity with Chapter 424 of the Kentucky Revised Statutes, to all of which the undersigned agrees, the undersigned hereby submits the following offer to purchase the Bonds.

We hereby bid for the $5,000,000* principal amount of the Bonds, the total sum of $_________ (not less than $4,900,000 plus accrued interest from the date of delivery, at the following annual rate(s), payable semiannually (rates on ascending scale, number of interest rates unlimited):

Maturity Date	Principal Amount*	Interest Rate	Maturity Date	Principal Amount*	Interest Rate
October 1, 2025	$5,000	_______%	October 1, 2032	$5,000	_______%
October 1, 2026	$5,000	_______%	October 1, 2033	$5,000	_______%
October 1, 2027	$5,000	_______%	October 1, 2034	$5,000	_______%
October 1, 2028	$5,000	_______%	October 1, 2035	$415,000	_______%
October 1, 2029	$5,000	_______%	October 1, 2036	$435,000	_______%
October 1, 2030	$5,000	_______%	October 1, 2037	$450,000	_______%
October 1, 2031	$5,000	_______%	October 1, 2038	$470,000	_______%

**Subject to Permitted Adjustment.*

We understand this bid may be accepted for as much as $5,500,000 of the Bonds or any amount less than $5,000,000, at the same price per $1,000 Bond, with the variation in such amount occurring in any maturity of all maturities, which will be determined by the Corporation at the time of acceptance of the best bid.

It is understood that the Corporation will furnish the final, approving Legal Opinion of Dinsmore & Shohl LLP, Bond Counsel, of Louisville, Kentucky.

No certified or bank cashier's check will be required to accompany the 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 day following the award. The good faith amount will be applied (without interest) to the purchase price when the Bonds are tendered for delivery.

Electronic bids for the Bonds must be submitted through BiDCOMP™/PARITY™ and no other provider of electronic bidding services will be accepted. Subscription to the BiDCOMP™/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 BiDCOMP™/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 BiDCOMP™/PARITY™ conflict with the terms of the Official Terms and Conditions of Sale of Bonds, the Official Terms and Conditions of Sale of Bonds shall prevail. Electronic bids made through the facilities of BiDCOMP™/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 BiDCOMP™/PARITY™. The use of BiDCOMP™/PARITY™ facilities are at the sole risk of the prospective bidders. For further information regarding BiDCOMP™/PARITY™, potential bidders may contact BiDCOMP™/PARITY™, 1359 Broadway - 2nd Floor, New York, NY 10018, Telephone: (800) 850-7422. Notwithstanding the foregoing non-electronic bids may be submitted via facsimile or by hand delivery utilizing the Official Bid Form.

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

1. If three 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 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.

2. If less than three bids for the Bonds are received as a result of this competitive sale, the successful purchaser, by submitting a bid under a published Notice of Sale, has agreed in writing that they will be required to 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 neither offered nor sold any of the Bonds of any 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.

3. 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 September 10, 2024.

(e) "*Underwriter*" means (i) any person that agrees under 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 under 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).

If we are the successful bidder, we agree to accept and make payment for the Bonds in Federal Funds within forty five days from the date of sale in accordance with the terms of the sale.

Respectfully submitted,

____
Bidder

____
Address

____
Signature

Total interest cost from October 1, 2024 to final maturity	$____________________
Plus discount	$____________________
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 the Secretary of the Fairview Independent School District Finance Corporation for $__________________ principal amount of Bonds at the price of $________________ as follows:

Maturity Date	Principal Amount	Interest Rate	Maturity Date	Principal Amount	Interest Rate
October 1, 2025	$_______	_______%	October 1, 2032	$_______	_______%
October 1, 2026	$_______	_______%	October 1, 2033	$_______	_______%
October 1, 2027	$_______	_______%	October 1, 2034	$_______	_______%
October 1, 2028	$_______	_______%	October 1, 2035	$_______	_______%
October 1, 2029	$_______	_______%	October 1, 2036	$_______	_______%
October 1, 2030	$_______	_______%	October 1, 2037	$_______	_______%
October 1, 2031	$_______	_______%	October 1, 2038	$_______	_______%

Dated: September 10, 2024

____
Secretary
Fairview Independent School District
Finance Corporation