

CAMPBELLSVILLE INDEPENDENT SCHOOL DISTRICT

FINANCIAL STATEMENTS,  
SUPPLEMENTARY SCHEDULES  
AND INDEPENDENT AUDITOR'S REPORT

For the Year Ended June 30, 2023

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INDEPENDENT AUDITOR'S REPORT

Kentucky State Committee for School District Audits  
Members of the Board of Education  
Campbellsville Independent School District  
Campbellsville, 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 Campbellsville Independent School District (the "District") as of and for the year then 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 for the year then ended in conformity 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 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 Campbellsville Independent School District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

**Responsibility of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, 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 Campbellsville Independent School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

***Auditor's Responsibility for the Audit of the Financial Statements***

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the 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 Campbellsville Independent School District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Campbellsville Independent School District's ability to continue as a going concern for a reasonable period of time.

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedules of District's proportionate share of net pension and OPEB liabilities and schedules of required contributions on Pages 4 through 8 and 39 through 54 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Campbellsville Independent School District's basic financial statements. The accompanying combining and individual non-major fund financial statements and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* 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. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 13, 2023, on our consideration of the Campbellsville Independent School District’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Campbellsville Independent School Districts internal control over financial reporting and compliance.

*Wise, Buckner, Sprowles & Associates PLLC*

Wise, Buckner, Sprowles & Associates PLLC  
Certified Public Accountants

Campbellsville, KY  
November 13, 2023

CAMPBELLSVILLE INDEPENDENT SCHOOL DISTRICT – CAMPBELLSVILLE, KY  
MANAGEMENT’S DISCUSSION AND ANALYSIS (MD&A)  
For the Year Ended June 30, 2023

As management of the Campbellsville Independent School District (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 audit.

### FINANCIAL HIGHLIGHTS

- The ending general fund balance for the District was \$3,310,767. The previous year ending balance was \$2,520,827. The ending cash balance for the General Fund was \$2,971,951 and will also serve as the beginning balance for FY 24. The District was able to carry forward just under \$790,000 more than the same balance was the year before. The additional revenue came from the district receiving approximately \$500,000 in SEEK Growth Increase as well as selling the property at 1364 South Columbia Avenue for \$228,122.
- \$735,686 was paid by the District for debt service principal and interest in FY 23. An additional \$448,688 was paid towards debt service from On-Behalf payments from the State.
- SEEK revenue increased by \$411,315 from FY 22 because of an increase in At Risk Population Revenue, along with an additional \$100 per student in guaranteed base funding. Despite having an increase in student enrollment and AADA the State made modifications to the SEEK formula due to the COVID Pandemic and an influx of ESSER Federal Funding.
- The General Fund had \$9,485,811 in revenue excluding on-behalf revenues, transfers-in and prior year carry forward balance. This amount primarily consists of the state SEEK program and local taxes.

### 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 and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the district is improving or deteriorating.

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

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

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

**Fund Financial Statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. This is a state mandated uniform system and chart of accounts for all Kentucky public school districts utilizing the MUNIS administrative software. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into three categories: governmental, proprietary funds and fiduciary funds. Fiduciary funds are trust funds established by benefactors to aid in student education, welfare and teacher support. The only proprietary funds are our vending and food service operations. All other activities of the district are included in the governmental funds.

The basic governmental fund financial statements can be found on pages 12-15 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 19-38 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, net position exceeded liabilities and deferred inflows of resources by \$18 million 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 are still outstanding. The District uses these capital assets to provide services to its students; consequently, these assets are not available for future spending. Although the District’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

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

Net Position for the periods ending June 30, 2023 and 2022 are as follows:

	<u>2023</u>	<u>2022</u>
Assets:		
Current Assets	\$ 16,481,625	\$ 3,752,319
Capital Assets	<u>19,219,057</u>	<u>20,029,201</u>
Total Assets	<u>35,700,682</u>	<u>23,781,520</u>
Deferred Outflows of Resources	<u>4,324,797</u>	<u>2,570,751</u>
Liabilities:		
Current Liabilities	1,514,276	1,427,008
Non-Current Liabilities	<u>17,748,846</u>	<u>16,521,814</u>
Total Liabilities	<u>19,263,122</u>	<u>17,948,822</u>
Deferred Inflows of Resources	<u>2,724,654</u>	<u>2,887,444</u>
Net Position		
Net investment in capital assets	9,854,096	9,658,388
Restricted	(404,731)	(629,866)
Unreserved fund balance	<u>8,588,337</u>	<u>(3,512,517)</u>
Total Net Position	<u>\$ 18,037,702</u>	<u>\$ 5,516,005</u>



The following are significant current year transactions that have had an impact on the Statement of Net Position.

The District put into service \$1,984,546 of capital assets in the fiscal year ended June 30, 2023.

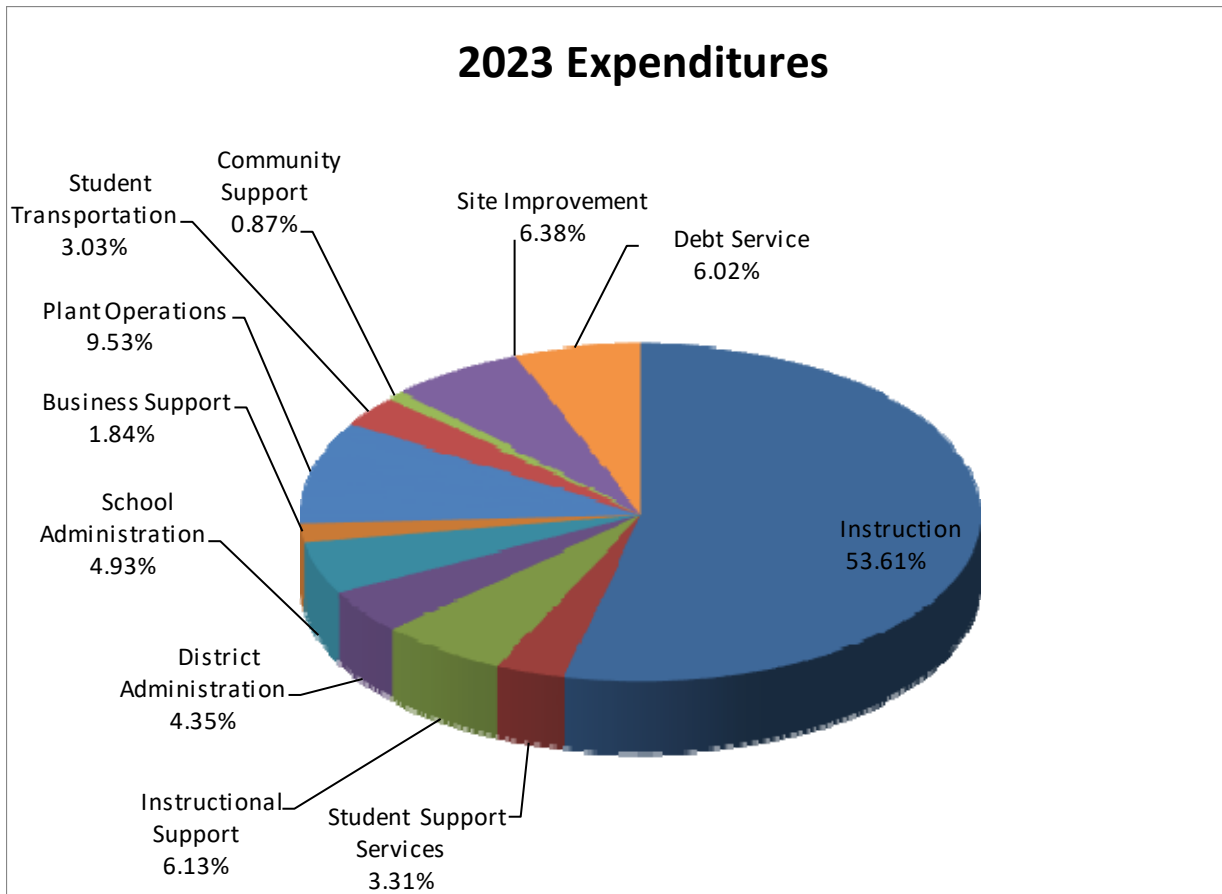
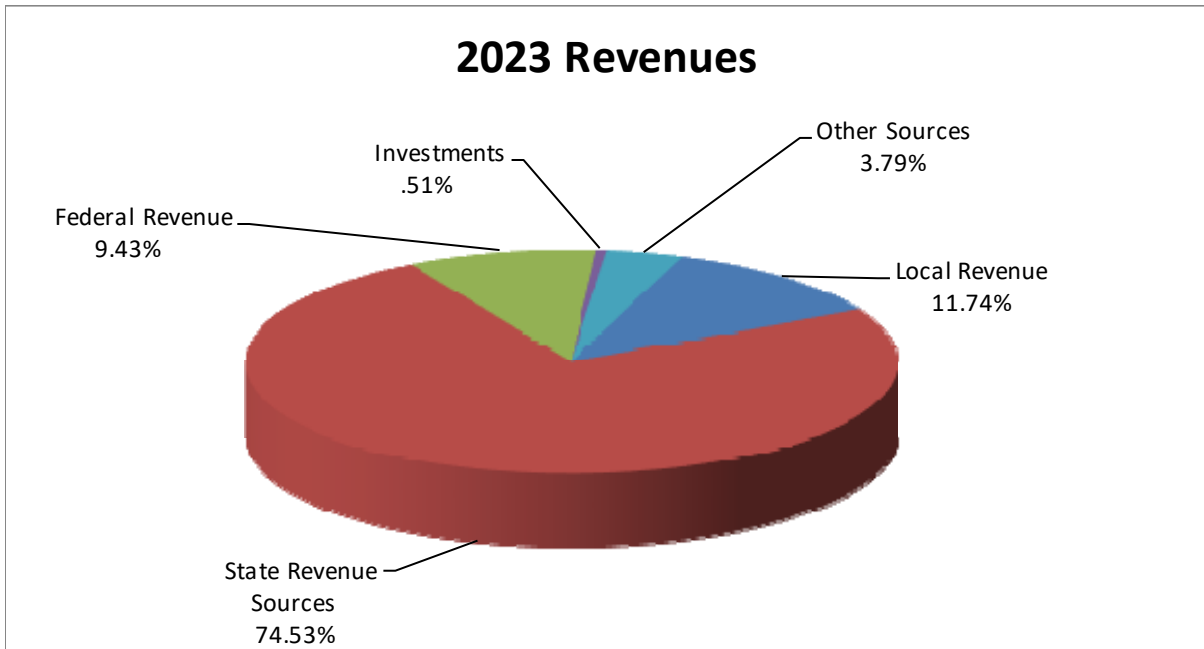
**Comments on Budget Comparisons.**

- General fund budget compared to actual revenue varied slightly from line item to line item with the ending actual balance being \$4.14 million more than budget. The variance is primarily explained by unbudgeted on-behalf payments made by the State of Kentucky in the amount of \$3.1 million.
- The total cost of all general fund programs and services was \$11.9 million which is an increase of \$790,709 from the previous year.
- General fund budget expenditures to actual varied significantly in Instruction and Other expenses. This resulted from the District not budgeting on-behalf payments made by the State of Kentucky and not having to spend budgeted contingency funds.

The District’s total revenues for the fiscal year ended June 30, 2023 net of inter-fund transfers were \$18,459,626. The following table presents a summary of revenue for the fiscal years ended June 30, 2023 and 2022.

	<u>2023</u>	<u>2022</u>
Revenues		
Local revenue sources	\$ 3,790,359	\$ 4,664,558
State revenue sources	24,065,283	9,964,762
Federal Revenue	3,045,318	2,990,733
Investments	165,947	15,268
Other Sources	<u>1,223,092</u>	<u>824,305</u>
Total revenues	<u>\$ 32,289,999</u>	<u>\$ 18,459,626</u>

The majority of revenue was derived from state funding (59%), with local taxes making up another (25%) of total revenue.



The following table presents a summary of expenses for the fiscal years ended June 30, 2023 and 2022.

Expenses	2023	2022
Instruction	\$ 10,550,477	\$ 10,006,486
Student Support Services	652,203	547,865
Instructional Support	1,207,085	1,367,493
District Administration	856,633	776,610
School Administration	969,639	865,238
Business Support	361,822	348,689
Plant Operations	1,875,331	1,507,437
Student Transportation	596,012	545,667
Community Support	171,150	149,846
Site Improvement	1,256,150	1,785,458
Building acquisitions & construction	-	-
Debt Service	1,184,375	1,093,802
Total expenses	\$ 19,680,877	\$ 18,994,591

**BUDGETARY IMPLICATIONS**

In Kentucky the public school fiscal year is July 1-June 30; other programs, i.e. some federal operate on a different fiscal calendar, but are reflected in the district overall budget. By law the budget must have a minimum 2% contingency. The district adopted a budget of \$14,973,586 with a contingency of \$962,000 or 6.4%. Anticipated increases in the cost for Health and Life Insurance as well as KTRS/CERS Retirement have impacted the CISD budget for the upcoming year. Several renovation and maintenance projects are ongoing to improve the facilities on all of the CISD campuses.

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the School District’s finances and to show the School District’s accountability for the money it receives. Questions regarding this report should be directed to the Superintendent Kirby Smith or to Zach Lewis, Director of Financial Services (270) 465-4162 or by mail at 136 S Columbia Ave, Campbellsville, KY 42718.

CAMPBELLSVILLE INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
June 30, 2023

	Governmental Activities	Business Type Activities	Total
Assets:			
Current assets:			
Cash and cash equivalents	\$ 15,498,288	\$ 386,589	\$ 15,884,877
Cash and cash equivalents, restricted	-	-	-
Inventory	-	5,516	5,516
Accounts receivable:			
Taxes - current	146,868	-	146,868
Other accounts receivable	4,290	2,964	7,254
Intergovernmental - state	-	-	-
Intergovernmental - indirect federal	437,110	-	437,110
Total current assets	<u>16,086,557</u>	<u>395,069</u>	<u>16,481,624</u>
Noncurrent assets:			
Land and other non-depreciable assets	3,673,865	-	3,673,865
Capital assets net of accumulated depreciation	15,468,189	77,003	15,545,192
Total noncurrent assets	<u>19,142,054</u>	<u>77,003</u>	<u>19,219,057</u>
Total assets	<u>35,228,611</u>	<u>472,072</u>	<u>35,700,681</u>
Deferred outflows of resources:			
Bond Discount	29,318	-	29,318
Bond Refunding	65,892	-	65,892
CERS OPEB	620,278	124,779	745,057
KTRS OPEB	2,195,854	-	2,195,854
CERS Pension	1,101,169	187,507	1,288,676
Total deferred outflows	<u>4,012,511</u>	<u>312,286</u>	<u>4,324,797</u>

See accompanying notes to financial statements.

CAMPBELLSVILLE INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF NET POSITION-CONTINUED  
June 30, 2023

	Governmental Activities	Business Type Activities	Total
<b>Liabilities:</b>			
Current liabilities:			
Accounts payable	\$ 27,688	\$ 120	\$ 27,807
Accrued liabilities	62,938	-	62,938
Accrued interest payable	72,655	-	72,655
Current portion of bond obligations	900,000	-	900,000
Current portion of capital leases	6,548	-	6,548
Current portion of loans payable	20,000	-	20,000
Current portion of accrued sick leave	249,370	-	249,370
Unearned revenue	174,958	-	174,958
Total current liabilities	<u>1,514,157</u>	<u>120</u>	<u>1,514,276</u>
Noncurrent liabilities:			
Noncurrent portion of bond obligation	8,470,000	-	8,470,000
Noncurrent portion of capital leases	17,917	-	17,917
Noncurrent portion of loans payable	-	-	-
Noncurrent portion of accrued sick leave	249,370	-	249,370
Net CERS OPEB liability	1,042,416	197,503	1,239,919
Net KTRS OPEB liability	3,229,000	-	3,229,000
Net pension liability	3,819,060	723,580	4,542,640
Total noncurrent liabilities	<u>16,827,763</u>	<u>921,083</u>	<u>17,748,846</u>
Total liabilities	<u>18,341,920</u>	<u>921,203</u>	<u>19,263,122</u>
Deferred inflows of resources:			
Bond premium	45,706	-	45,706
CERS OPEB	550,069	104,219	654,288
KTRS OPEB	1,481,000	-	1,481,000
CERS Pension	456,996	86,664	543,660
Total deferred inflows of resources	<u>2,533,771</u>	<u>190,883</u>	<u>2,724,654</u>
Net position:			
Net investment in capital assets	9,777,093	77,003	9,854,096
Restricted for:			
Inventories	-	5,516	5,516
Food service	-	(410,247)	(410,247)
Other	-	-	-
Unrestricted	8,588,337	-	8,588,337
Total net position	<u>\$ 18,365,430</u>	<u>\$ (327,728)</u>	<u>\$ 18,037,702</u>

See accompanying notes to financial statements.

CAMPBELLSVILLE INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2023

Functions/Programs	Expense	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Governmental Activities	Business Type Activities	Total
Governmental Activities							
Instruction	\$ 11,052,511	\$ -	\$ 3,121,473	\$ -	\$ (7,931,038)	\$ -	\$ (7,931,038)
Support services:							
Student support services	652,384	-	-	-	(652,384)	-	(652,384)
Instructional staff	1,207,085	-	390,519	-	(816,566)	-	(816,566)
District administration	856,633	-	-	-	(856,633)	-	(856,633)
School administration	971,946	-	-	-	(971,946)	-	(971,946)
Business	361,822	-	-	-	(361,822)	-	(361,822)
Plant operations and maintenance	2,614,771	6,300	406	-	(2,608,065)	-	(2,608,065)
Student transportation	657,998	-	20,298	-	(637,700)	-	(637,700)
Community services	171,262	-	171,150	-	(112)	-	(112)
Facilities acquisition and construction	1,256,150	-	-	13,077,130	11,820,980	-	11,820,980
Bond Issuance Costs	-	-	-	-	-	-	-
Interest on long-term debt	292,168	-	-	-	(292,168)	-	(292,168)
Total governmental activities	20,094,730	6,300	3,703,846	13,077,130	(3,307,454)	-	(3,307,454)
Business-type activities							-
Food service	1,275,714	61,286	1,538,046	-	-	323,618	323,618
Total business-type activities	1,275,714	61,286	1,538,046	-	-	323,618	323,618
Total primary government	\$ 21,370,444	\$ 67,586	\$ 5,241,892	\$ 13,077,130	(3,307,454)	323,618	(2,983,836)
General revenues:							
Taxes							
					2,855,222	-	2,855,222
					227,932	-	227,932
					646,004	-	646,004
					61,201	-	61,201
					10,343,625	-	10,343,625
					165,947	2,810	168,757
					86,982	(86,982)	-
					228,122	-	228,122
					974,670	-	974,670
					15,589,705	(84,172)	15,277,411
					12,282,251	239,446	12,293,574
					6,083,179	(567,174)	5,516,005
					\$ 18,365,430	\$ (327,728)	\$ 18,037,702

See accompanying notes to financial statements.

CAMPBELLSVILLE INDEPENDENT SCHOOL DISTRICT  
BALANCE SHEET - GOVERNMENTAL FUNDS  
June 30, 2023

	General Fund	Special Fund	Construction Fund	Other Governmental Funds	Total Governmental Funds
<b>Assets and resources:</b>					
Cash and cash equivalents	\$ 2,971,952	\$ -	\$12,063,213	\$ 463,123	\$ 15,498,288
Cash and cash equivalents, restricted	-	-	-	-	-
Accounts receivable					
Taxes	146,868	-	-	-	146,868
Other accounts receivable	-	-	-	4,290	4,290
Intergovernmental - state	-	-	-	-	-
Intergovernmental - indirect federal	-	437,110	-	-	437,110
Interfund receivable	262,152	-	-	-	262,152
Total assets and resources	<u>\$ 3,380,972</u>	<u>\$ 437,110</u>	<u>\$12,063,213</u>	<u>\$ 467,413</u>	<u>\$ 16,348,708</u>
<b>Liabilities and fund balance:</b>					
<b>Liabilities:</b>					
Interfund payable	\$ -	\$ 262,152	\$ -	\$ -	\$ 262,152
Accounts payable	7,267	-	-	20,421	27,688
Accounts payable from restricted assets	-	-	-	-	-
Accrued payroll and related expenses	62,938	-	-	-	62,938
Unearned revenue	-	174,958	-	-	174,958
Total liabilities	<u>70,205</u>	<u>437,110</u>	<u>-</u>	<u>20,421</u>	<u>527,736</u>
<b>Fund balance</b>					
Restricted - future construction	-	-	12,063,213	321,356	12,384,569
Restricted - other	-	-	-	125,636	125,636
Committed - sick leave payable	150,000	-	-	-	150,000
Committed - future construction	-	-	-	-	-
Assigned - purchase obligations	-	-	-	-	-
Unassigned fund balance	3,160,767	-	-	-	3,160,767
Total fund balance	<u>3,310,767</u>	<u>-</u>	<u>12,063,213</u>	<u>446,992</u>	<u>15,820,972</u>
<b>Total liabilities and fund balance</b>	<u>\$ 3,380,972</u>	<u>\$ 437,110</u>	<u>\$12,063,213</u>	<u>\$ 467,413</u>	<u>\$ 16,348,708</u>

See accompanying notes to financial statements.

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

Amounts reported for governmental activities in the statement of net position are different because:

Total Governmental Fund Balance		\$ 15,820,972
<p>Capital assets used in governmental activities are not current financial resources and therefore are not reported as assets in governmental funds.</p>		
Cost of Capital Assets	\$ 36,654,330	
Accumulated Depreciation	<u>(17,512,276)</u>	19,142,054
Deferred inflows	(2,533,771)	
Deferred outflows	4,012,511	
Net OPEB liability	(4,271,416)	
Net pension liability	<u>(3,819,060)</u>	(6,611,736)
<p>Certain liabilities are not reported in the governmental fund financial statement because they are not due and payable, but they are presented in the statement of net position.</p>		
Bonds and Loans Payable	(10,145,000)	
Capital Leases Payable	(24,465)	
Accrued Sick Leave	(498,740)	
Accrued Interest Payable	<u>(72,655)</u>	<u>(10,740,860)</u>
Net position - governmental activities		<u><u>\$ 17,610,430</u></u>



CAMPBELLSVILLE 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 (Grant) Fund	Construction Fund	Other Governmental Funds	Total Governmental Funds
Revenues:					
Taxes:					
Property	\$ 2,340,600	\$ -	\$ -	\$ 514,622	\$ 2,855,222
Motor vehicles	227,932	-	-	-	227,932
Utilities	646,004	-	-	-	646,004
Other	61,201	-	-	-	61,201
Tuition and fees	-	-	-	-	-
Earnings on investments	44,283	-	121,664	-	165,947
Other local revenues	272,006	14,000	-	708,964	994,970
Bond proceeds	-	-	-	-	-
Premium from bond issuance	-	-	-	-	-
Intergovernmental - state	9,809,860	729,604	12,300,000	1,225,819	24,065,283
Intergovernmental - direct federal	85,076	-	-	-	85,076
Intergovernmental - indirect federal	-	2,960,242	-	-	2,960,242
Total revenues	<u>13,486,962</u>	<u>3,703,846</u>	<u>12,421,664</u>	<u>2,449,405</u>	<u>32,061,877</u>
Expenditures:					
Instruction	7,162,035	2,688,117	-	700,325	10,550,477
Support services:					
Student support services	652,203	-	-	-	652,203
Instructional staff	816,566	390,519	-	-	1,207,085
District administration	856,633	-	-	-	856,633
School administration	969,639	-	-	-	969,639
Business support services	361,822	-	-	-	361,822
Plant operation & maintenance	1,874,925	406	-	-	1,875,331
Student transportation	575,714	20,298	-	-	596,012
Community service	-	171,150	-	-	171,150
Land improvement	-	-	-	-	-
Building acquisitions & construction	-	-	-	-	-
Building improvements	-	-	1,256,150	-	1,256,150
Debt service	-	-	-	1,184,375	1,184,375
Total expenditures	<u>13,269,537</u>	<u>3,270,490</u>	<u>1,256,150</u>	<u>1,884,700</u>	<u>19,680,877</u>
Excess (Deficit) of Revenues Over Expenditures	<u>217,425</u>	<u>433,356</u>	<u>11,165,514</u>	<u>564,705</u>	<u>12,381,000</u>
Other financing sources (uses):					
Operating transfers in	595,070	22,555	877,432	735,686	2,230,743
Operating transfers out	(22,555)	(455,911)	-	(1,437,173)	(1,915,639)
Total other financing sources (uses)	<u>572,515</u>	<u>(433,356)</u>	<u>877,432</u>	<u>(701,487)</u>	<u>315,104</u>
Net change in fund balance	789,940	-	12,042,946	(136,782)	12,696,104
Fund balance - June 30, 2022	<u>2,520,827</u>	<u>-</u>	<u>20,267</u>	<u>583,774</u>	<u>3,124,868</u>
Fund balance - June 30, 2023	<u>\$ 3,310,767</u>	<u>\$ -</u>	<u>\$ 12,063,213</u>	<u>\$ 446,992</u>	<u>\$ 15,820,972</u>

See accompanying notes to financial statements.

CAMPBELLSVILLE 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

Amounts reported for governmental activities in the statement of activities are different because:

Net Change - Governmental Funds		\$ 12,696,104
<p>Governmental funds report capital outlays as expenditures because they use current financial resources, but they are presented as assets in the statement of net position and depreciated over their estimated useful lives and reported as depreciation expense in the statement of activities. The difference is the amount by which capital outlays exceeds depreciation expense for the year.</p>		
Capital Outlays	\$ 229,562	
Depreciation Expense	<u>(1,054,017)</u>	(824,455)
<p>Bond proceeds are reported as financing sources in governmental funds and thus contribute to the change in fund balances. In the statement of net position, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds but reduces the liability in the statement of net position.</p>		
Decrease in Loans Payable	20,000	
Increase in Capital Leases Payable	6,260	
Principal Paid		
District	518,467	
State	<u>356,533</u>	901,260
<p>Generally, expenditures recognized in this fund financial statement are limited to only those that use current financial resources, but expenses are recognized in the statement of activities when they are incurred.</p>		
Accrued Sick Leave	(13,238)	
Accrued Interest Payable	5,252	
Deferred Outflows of Resources	1,779,087	
Deferred Inflows of Resources	57,195	
Net OPEB Liability	(1,488,300)	
Net Pension Liability	<u>(830,653)</u>	(490,657)
Rounding		<u>(1)</u>
Change in net position of governmental activities		<u><u>\$ 12,282,251</u></u>

See accompanying notes to financial statements.

CAMPBELLSVILLE INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
June 30, 2023

	<u>Food Service Fund</u>
Assets:	
Current assets:	
Cash and cash equivalents	\$ 386,589
Inventory	5,516
Accounts receivable	2,964
Total current assets	<u>395,069</u>
Noncurrent assets:	
Capital assets net of accumulated depreciation	77,003
Total noncurrent assets	<u>77,003</u>
Total assets	<u>472,072</u>
Deferred Outflows of Resources:	
CERS OPEB	124,779
CERS Pension	187,507
Total deferred outflows of resources	<u>312,286</u>
Liabilities:	
Current liabilities:	
Accounts payable	120
Total current liabilities	<u>120</u>
Noncurrent liabilities:	
Net OPEB liability	197,503
Net pension liability	723,580
Total noncurrent liabilities	<u>921,083</u>
Total liabilities	921,203
Deferred Inflows of Resources:	
CERS OPEB	104,219
CERS Pension	86,664
Total deferred inflows of resources	<u>190,883</u>
Net position	
Net investment in capital assets	77,003
Restricted:	
Inventory	5,516
Food Service	(410,247)
Total net position	<u><u>\$ (327,728)</u></u>

See accompanying notes to financial statements.

CAMPBELLSVILLE INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
For the Year Ended June 30, 2023

	Food Service Fund
Operating revenues:	
Lunchroom sales	\$ 61,286
Total operating revenues	61,286
Operating expenses:	
Salaries and wages	566,659
Contract services	33,776
Material and supplies	632,620
Property	33,670
Depreciation	8,989
Total operating expenses	1,275,714
Operating income (loss)	(1,214,428)
Non-operating revenues (expenses):	
Federal grants	1,165,391
Donated commodities	76,106
State grants	284,061
Miscellaneous Revenue	12,488
Interest income	2,810
Total non-operating revenues	1,540,856
Income (loss) before capital contributions and transfers	326,428
Net transfers	(86,982)
Change in net position	239,446
Net position - June 30, 2022	(567,174)
Net position - June 30, 2023	\$ (327,728)

See accompanying notes to financial statements.

CAMPBELLSVILLE INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
For the Year Ended June 30, 2023

	<u>Food Service Fund</u>
Cash flows from operating activities:	
Cash received from:	
Lunchroom sales	\$ 61,286
Cash paid for:	
Employees	(542,287)
Supplies	(552,887)
Other activities	(67,446)
Net cash provided (used) by operating activities	<u>(1,101,334)</u>
Cash flows from capital and related financing activities:	
Acquisition of capital assets	(23,300)
Net cash provided (used) by capital and related financing activities	<u>(23,300)</u>
Cash flows from non-capital financing activities:	
State grants	7,143
Federal grants	1,231,059
Other revenues	12,488
Net Transfers In/(Out)	(86,982)
Net cash provided by non-capital financing activities	<u>1,163,708</u>
Cash flows from investing activities:	
Receipt of interest income	2,810
Net cash provided (used) by investing activities	<u>2,810</u>
Net increase (decrease) in cash and cash equivalents	41,884
Balances, Beginning of Year	<u>344,705</u>
Balances, End of Year	<u>\$ 386,589</u>
Reconciliation of change in net income (loss) to net cash provided (used) by operating activities:	
Operating income (loss)	\$ (1,214,428)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation	8,989
State On-behalf Payments	276,918
GASB 68 pension expense	(197,952)
GASB 75 pension expense	(54,594)
Donated Commodities	76,106
Change in Assets and Liabilities:	
(Increase) Decrease in Inventory	3,633
Increase (Decrease) in Accounts Payable	(6)
Net cash provided (used) by operating activities	<u>\$ (1,101,334)</u>
Schedule of non-cash transactions:	
On Behalf Payments from the State for Employee Benefits	\$ 276,918
Donated Commodities Received from Federal Government	76,106
GASB 68 & GASB 75 expenses (net)	(252,546)

See accompanying notes to financial statements.

CAMPBELLSVILLE INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
For the Year Ended June 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

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

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

The financial statements of the 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:

Campbellsville Independent School District Finance Corporation - On November 19, 1990, the Campbellsville Independent, Kentucky, Board of Education resolved to authorize the establishment of the Campbellsville 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 Campbellsville Independent Board of Education also comprise the Corporation’s Board of Directors.

Basis of Presentation

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

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

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the District and for each function or program of the District’s governmental activities. Direct expenses are those that are specifically associated with a service, program or department and are therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues of the District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the District.

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

CAMPBELLSVILLE INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
For the Year Ended June 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

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

The District has the following funds:

- Governmental Fund Types

1. The General Fund is the main operating fund of the Board. It accounts for financial resources used for general types of operations. This is a budgeted fund, and any fund balances are considered as resources available for use. This is a major fund of the District.
2. The Special Revenue (Grant) 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. It includes federal financial programs where unused balances are returned to the grantor at the close of the specified project periods as well as the state grant programs. Project accounting is employed to maintain integrity for the various sources of funds. The separate projects of federally funded grant programs are identified in the Schedule of Expenditures of Federal Awards included in this report on pages 59 through 60. This is a major fund of the District.
3. The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, long-term debt principal and interest and related costs; and for the payment of interest on notes payable, as required by Kentucky Law. This is a major fund.
4. 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 Fund).
  - a. 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.
  - b. The Facility Support Program of Kentucky (FSPK) accounts for funds generated by the building tax levy required to participate in the School Facilities Construction Commission's construction funding and state matching funds, where applicable. Funds may be used for projects identified in the district's facility plan. This is a major fund of the District.
  - c. The Construction Fund includes Capital Projects Fund accounts for proceeds from sales of bonds and other revenues to be used for authorized construction.

- Proprietary Fund Types (Enterprise Fund)

1. The Food Service Fund is used to account for school food service activities, including the National School Lunch Program, which is conducted in cooperation with the U.S. Department of Agriculture (USDA). Amounts have been recorded for in-kind contribution of commodities from the USDA. The Food Service Fund is a major fund.
2. Operating revenues in the proprietary funds are the revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

- Fiduciary Fund Type (includes agency funds)

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

Basis of Accounting

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

CAMPBELLSVILLE INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
For the Year Ended June 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Revenues – Exchange and Non-exchange Transactions – Revenues resulting from exchange transactions, in which each party receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenues are recorded in the fiscal year in which the resources are measurable and available.

Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means expected to be received within sixty days of the fiscal year-end.

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, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resource are required to be used or the fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenues from non-exchange transactions must also be available before it can be recognized.

Unearned Revenue – 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 deferred revenue.

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

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

Property Taxes

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

The property tax rates assessed for the year ended June 30, 2023, to finance the General Fund operations were \$.607 per \$100 valuation for real property, \$.659 per \$100 valuation for business personal property and \$.553 per \$100 valuation for motor vehicles.

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

Capital Assets

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at their fair market values as of the date received. The District maintains a capitalization threshold of \$1,000 with the exception of buildings and building improvements for which the threshold is \$25,000. The cost of, normal maintenance and repairs that do not add to the value of the asset or materially extend an assets life are not capitalized. The District does not possess any infrastructure.



CAMPBELLSVILLE INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
For the Year Ended June 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

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

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>
Buildings and Improvements	25-50 years
Land Improvements	20 years
Technology Equipment	5 years
Vehicles	5-10 years
Audio-Visual Equipment	15 years
Food Service Equipment	10-12 years
Furniture and Fixtures	7 years
Rolling Stock	15 years
Other	10 years

Inter-fund Balances

On fund financial statements, receivables and payables resulting from short-term inter-fund loans are classified as “inter-fund receivables / payables”. These amounts are eliminated in the governmental and business-type activities columns of the statements of net position, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances. For the year ended June 30, 2023 there were no inter-fund balances.

Budgetary Process

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

- Revenues are recorded when received in cash (budgetary) as opposed to when susceptible to accrual (GAAP).
- Expenditures are recorded when paid in cash (budgetary) as opposed to when susceptible to accrual (GAAP).
- The budget can be amended after initial approval.
- 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.
- On-Behalf payments were not considered in the budget.

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

The only inventory maintained by the District consists of expendable supplies held for consumption and is accounted for in the Enterprise Fund. Inventory consists of donated and purchased food held for resale and is expensed when used. Purchased food is valued at cost and U.S. Government donated commodities value is determined by the U.S. Department of Agriculture.

Prepaid Assets

Payments made that will benefit periods beyond June 30, 2023 are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

CAMPBELLSVILLE INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
For the Year Ended June 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Accrued Liabilities and Long-Term Obligations

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

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

Postemployment Benefits Other Than OPEBs (OPEB)

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

Fund Balance Reserves

- Non-spendable fund balance- amounts that are not in a spendable form (such as inventory) or are required to be maintained intact;
- Restricted fund balances- 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 District itself, using its decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the District takes the action to remove or change the constraint;
- Assigned fund balance- amounts the District intends to use for 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 balances- amounts that are available for any purpose; positive amounts are reported only in the General Fund

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the District Board has provided otherwise in its commitment or assignment actions.

Net Position

Net position represents the difference between assets and liabilities. Net assets invested in capital assets, net of related debt 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 positions are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School 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 funds. For the School District, those revenues are primarily charges for meals provided by the various schools.

CAMPBELLSVILLE INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
For the Year Ended June 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Use of Resources

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 they are needed.

NOTE 2: ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles 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 general purpose financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

NOTE 3: CASH AND CASH EQUIVALENTS

Custodial Credit Risk – Deposits. Custodial Credit is the risk that in the event of a bank failure, the District’s deposits may not be returned to it. The District’s policy is to have all deposits secured by pledged securities.

The District’s cash and cash equivalents consist of amounts deposited in both interest and non-interest bearing accounts. As of June 30, 2023, the carrying amount of the District’s deposits, including activity funds was \$15,884,877. Of the total cash balance, \$500,000 was covered by Federal depository insurance, with the remainder covered by collateral held by the pledging banks’ trust departments in their name and pledged to the District. Cash equivalents are funds temporarily invested in securities with maturity of 90 days or less.

The District’s cash and cash equivalents at June 30, 2023 consisted of the following:

	Bank Balance	Book Balance
Checking Accounts	\$ 16,432,644	\$ 15,884,877
	\$ 16,432,644	\$ 15,884,877

Breakdown per financial statements:

Governmental Funds	\$ 16,046,055	\$ 15,498,288
Proprietary Funds	386,589	386,589
	\$ 16,432,644	\$ 15,884,877

NOTE 4: INVESTMENTS

Kentucky revised statues authorize the District to invest in the following:

- (1) Obligations of the United States and of its agencies and instrumentalities, repurchase agreements, and specially approved AAA rated corporate bonds;
- (2) Bonds or certificates of indebtedness of the Commonwealth of Kentucky and of its agencies and municipalities;
- (3) Any savings and loan associations insured by an agency of the United States up to the amount insured;
- (4) Interest bearing deposits in national and state banks chartered in Kentucky and insured by an agency of the United States up to the amount so insured, and in larger amounts providing such bank shall pledge as security obligations having a current quoted market value at least equal to any uninsured deposits.

Financial instruments which potentially subject the District to concentrations of credit risk consist principally of temporary cash investments, taxes receivable and receivables from federal and state governments.

As of June 30, 2023, the District had no investments.

CAMPBELLSVILLE INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
For the Year Ended June 30, 2023

NOTE 5: CAPITAL ASSETS

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

	Balance June 30, 2022	Additions	Retirements/ Transfers	Balance June 30, 2023
Governmental Activities:				
Capital Assets, not being Depreciated:				
Land	\$ 395,906	\$ -	\$ -	\$ 395,906
Total Capital Assets , not being Depr.	<u>395,906</u>	<u>-</u>	<u>-</u>	<u>395,906</u>
Capital Assets, being Depreciated:				
Land Improvements	3,227,537	50,422	-	3,277,959
Buildings and Building Improvements	30,464,346	28,390	-	30,492,736
Technology Equipment	497,693	5,550	-	503,243
Vehicles	1,305,793	145,200	-	1,450,993
Intangible Right to Use Capital Lease	34,455			34,455
General Equipment	499,038	-	-	499,038
Total Capital assets, being Depreciated	<u>36,028,862</u>	<u>229,562</u>	<u>-</u>	<u>36,258,424</u>
Totals at historical cost	<u>36,424,768</u>	<u>229,562</u>	<u>-</u>	<u>36,654,330</u>
Less accumulated depreciation for:				
Land and improvements	656,569	70,762	-	727,331
Buildings and building improvements	14,103,626	870,736	-	14,974,362
Technology equipment	440,020	18,709	-	458,729
Vehicles	840,435	72,363	-	912,798
Intangible Right to Use Capital Lease	4,065	6,697		10,762
General Equipment	413,544	14,750	-	428,294
Total accumulated depreciation	<u>16,458,259</u>	<u>1,054,017</u>	<u>-</u>	<u>17,512,276</u>
Governmental activities capital assets - net	<u>\$ 19,966,509</u>	<u>\$ (824,455)</u>	<u>\$ -</u>	<u>\$ 19,142,054</u>
	Balance June 30, 2022	Additions	Retirements	Balance June 30, 2023
Proprietary Activities:				
Food service and equipment	\$ 195,325	\$ 23,300	\$ -	\$ 218,625
Technology equipment	-	-	-	-
Totals at historical cost	<u>195,325</u>	<u>23,300</u>	<u>-</u>	<u>218,625</u>
Less accumulated depreciation for:				
Food service and equipment	132,633	8,989	-	141,622
Technology equipment	-	-	-	-
Total accumulated depreciation	<u>132,633</u>	<u>8,989</u>	<u>-</u>	<u>141,622</u>
Proprietary activities capital, net	<u>\$ 62,692</u>	<u>\$ 14,311</u>	<u>\$ -</u>	<u>\$ 77,003</u>

Depreciation Expense Charged to Governmental Functions is as Follows:

Plant Operation and Maintenance	\$ 762,104
Instruction	227,326
Student Transportation	61,987
School Administration	2,307
Student Support	181
Community Service Operations	112
District Admin Support	-
Total	<u>\$ 1,054,017</u>

CAMPBELLSVILLE INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
For the Year Ended June 30, 2023

NOTE 6: LONG-TERM OBLIGATIONS

The amount shown in the accompanying financial statements as lease obligations represents the District’s future obligations to make lease payments relating to bonds issued by the Fiscal Court of Campbellsville Independent and Campbellsville Independent School District Finance Corporation.

The General Fund, including utility taxes, Facility Support Program (FSPK) Fund, and the SEEK Capital Outlay Fund are obligated to make lease payments. The lease agreements provide among other things, (1) for rentals sufficient to satisfy debt service requirements on bonds issued by the Fiscal Court to construct school facilities and (2) the District with the option to purchase the property under lease at any time by retiring the bonds then outstanding. The proceeds from certain refunding issues have been placed in escrow accounts to be used to service the related debt.

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

Issue	District Original Amount	SFCC Original Amount	Interest Rate Ranges	Maturity Dates
2016	\$ 9,194,096	\$ 485,904	2.00%-3.125%	April 1, 2036
2016	\$ -	\$ 3,460,000	2.00% - 3.00%	March 1, 2038
2021	\$ 800,000	\$ -	1.00%-2.00%	July 1, 2021

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

The District has “participation agreements” with the Kentucky School Facilities Construction Commission. The Commission was created by the Kentucky General Assembly for the purpose of assisting local school districts in meeting school construction needs. The table below sets forth the amount to be paid by the District and the Commission for each year until maturity of all bond issues. The liability for the local bond amount remains with the District and, as such, the total principal outstanding has been recorded in the financial statements.

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

Year	Campbellsville Independent School District		Kentucky School Construction Commission		Total
	Principal	Interest	Principal	Interest	
2023-2024	\$ 533,290	\$ 205,908	\$ 366,710	\$ 63,718	\$ 1,169,626
2024-2025	543,086	194,226	376,914	52,824	1,167,050
2025-2026	562,430	180,107	382,570	41,518	1,166,625
2026-2027	571,753	164,960	378,247	30,040	1,145,000
2027-2028	591,055	148,908	393,945	18,692	1,152,600
2029-2033	2,703,762	507,276	136,238	26,224	3,373,500
2034-2038	1,739,645	109,214	90,355	5,674	1,944,888
Totals	<u>\$ 7,245,021</u>	<u>\$ 1,510,599</u>	<u>\$ 2,124,979</u>	<u>\$ 238,690</u>	<u>\$ 11,119,289</u>

CAMPBELLSVILLE INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
For the Year Ended June 30, 2023

NOTE 6: LONG-TERM OBLIGATIONS, CONTINUED

Loans Payable

On July 1, 2012, the Kentucky Inter-local School Transportation Association (KISTA) refinanced a portion of the 2004 loan originally made for the purpose of installing a new roof on the high school. The Kentucky Inter-local Transportation Association (KISTA) did this by defeasing \$180,000 of the original bond issues used to finance the original loan with the District. Interest is payable semiannually on December 1 and June 1 at 2% for the first six (6) years which increases to a rate of 3% by maturity in 2024. The remaining \$30,000 was paid in two (2) installments of \$15,000 maturing in May, 2014 with a rate of 3.75% for FY 2013 and 4.25% for FY 2014. The commission has expressed the intention to make 100% of the principal and interest payments. Debt service on the loan is as follows:

Year Ending June 30,	Kentucky School Facility Construction Commission	
	Principal	Interest
2024	\$ 20,000	\$ 600
	\$ 20,000	\$ 600

Accumulated Unpaid Sick Leave Benefits

Upon retirement from the school system, an employee will receive from the District an amount equal to 30% of the value of accumulated sick leave.

Sick leave benefits are accrued as a liability using the termination payment method. An accrual for earned sick leave is made to the extent that it is probable that the benefits will result in termination payments. The liability is based on the School District's past experience of making termination payments.

The entire compensated absence liability is reported on the government-wide financial statements.

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

Long-term liability for the year ended June 30, 2023, was as follows:

	Beginning Balance June 30, 2022	Additions	Reductions	Ending Balance June 30, 2023	Amounts Due Within One Year
Governmental Activities:					
Revenue bonds payable	\$ 10,245,000	\$ -	\$ 875,000	\$ 9,370,000	\$ 900,000
Loans payable	40,000	-	20,000	20,000	20,000
Capital Lease Payable	30,725	-	6,260	24,465	6,548
Accrued sick leave	485,502	13,238	-	498,740	249,370
Net CERS OPEB Liability	897,116	145,300	-	1,042,416	-
Net KTRS OPEB Liability	1,886,000	1,343,000	-	3,229,000	-
Net pension liability	2,988,407	830,653	-	3,819,060	-
Governmental Activities:					
Long-term liabilities	\$ 16,572,750	\$ 2,332,191	\$ 901,260	\$ 18,003,681	\$ 1,175,918

The debt service fund is primarily responsible for paying the bond obligations through funding from the capital outlay and FSPK funds. The general fund is primarily responsible for paying accrued vacation and sick leave.

The total interest incurred for the year ended June 30, 2023 was \$308,431, all of which was charged to expense.

CAMPBELLSVILLE INDEPENDENT SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 For the Year Ended June 30, 2023

NOTE 7: RETIREMENT PLANS

Kentucky Teacher’s Retirement

The District’s employees are provided with two pension plans, based on each position’s college degree requirement. The County Employees Retirement System covers employees whose position does not require a college degree or teaching certification. The Kentucky Teachers Retirement System covers positions requiring teaching certification or otherwise requiring a college degree.

**General information about the County Employees retirement system Non-Hazardous (“CERS”)**

*Plan description* - Employees whose positions do not require a degree beyond a high school diploma are covered by the CERS, a cost-sharing multiple-employer defined benefit pension plan administered by the Kentucky Retirement System, an agency of the Commonwealth of Kentucky. Under the provisions of the Kentucky Revised Statute (“KRS”) Section 61.645, the Board of Trustees of the Kentucky Retirement administers CERS and has the authority to establish and amend benefit provisions. The Kentucky Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for CERS. That report may be obtained from <http://kyret.ky.gov/>.

*Benefits provided* – CERS provides retirement, health insurance, death, and disability benefits to Plan employees and beneficiaries. Employees are vested in the plan after five years’ service. For retirement purposes, employees are grouped into three tiers, based on hire date:

Tier 1	Participation date	Before September 1, 2008
	Unreduced retirement	27 years service or 65 years old
	Reduced retirement	At least 5 years of service and 55 years old At least 25 years service and any age
Tier 2	Participation date	September 1, 2008 - December 31, 2013
	Unreduced retirement	At least 5 years service and 65 years old Or age 57+ and sum of service years plus age equal 87
	Reduced retirement	At least 10 years service and 60 years old
Tier 3	Participation date	After December 31, 2013
	Unreduced retirement	At least 5 years service and 65 years old Or age 57+ and sum of service years plus age equal 87
	Reduced retirement	Not available

Cost of living adjustments are provided at the discretion of the General assembly. Retirement is based on a factor of the number of years’ service and the hire date multiplied by the average of the highest five years’ earnings. Reduced benefits are based on factors of both of these components. Participating employees become eligible to receive the health insurance benefit after at least 180 months of service. Death benefits are provided for both death after retirement and death prior to retirement. Death benefits after retirement are \$5,000 in lump sum. Five years’ service is required for death benefits prior to retirement and the employee must have suffered a duty-related death. The decedent’s beneficiary will receive the higher of the normal death benefit and \$10,000 plus 25% of the decedent’s monthly final rate of pay and any dependent child will receive 10% of the decedent’s monthly final rate of pay up to 40% for all dependent children. Five years’ service is required for non-service related disability benefits.

Contributions – Required contributions by the employee are based on the tier:

	<u>Required contribution</u>
Tier 1	5%
Tier 2	5% + 1% for insurance
Tier 3	5% + 1% for insurance

The district’s contribution requirement for CERS for the years ended June 30, 2023, 2022, and 2021 was \$419,313, \$367,712, and \$296,064 from the District and \$89,597, \$86,849 and \$87,376 from employees. The total covered payroll for CERS during the years ended June 30, 2023, 2022 and 2021 was \$1,791,936, \$1,736,948, and \$1,534,008.

CAMPBELLSVILLE INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
For the Year Ended June 30, 2023

NOTE 7: RETIREMENT PLANS, CONTINUED

**General information about the Teachers' Retirement System of the State of Kentucky ("KTRS")**

*Plan description* – Teaching certified employees of the District and other employees whose positions require at least a college degree 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 Commonwealth. KTRS was created by the 1938 General Assembly and is governed by Chapter 161 Section 220 through Chapter 161 Section 990 of the KRS. KTRS is a blended component unit of the Commonwealth of Kentucky and therefore is included in the Commonwealth's financial statements. KTRS issues a publicly available financial report that can be obtained at [http://www.ktrs.ky.gov/05\\_publications/index.htm](http://www.ktrs.ky.gov/05_publications/index.htm).

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

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

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

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

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

*Contributions* – Contribution rates are established by Kentucky Revised Statutes (KRS). Non-university employees are required to contribute 12.855% of their salaries to the System. University employees are required to contribute 10.640% of their salaries. KRS 161.580 allows each university to reduce the contribution of its employees by 2.215%; therefore, university employees contribute 8.425% of their salary to KTRS. For members employed by local school districts, the State, as a non-employer contributing entity, contributes 13.105 percent of salary for those who joined before July 1, 2008 and 14.105 percent for those who joined thereafter.

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

During the years ended June 30, 2023, 2022, and 2021 contributions of \$2,786,254, \$1,706,770 and \$1,762,128 were made by the State of Kentucky and \$217,876, \$171,737 and \$167,211 in contributions were passed through the District's federally funded programs. Employee contributions for the years ended June 30, 2023, 2022, and 2021 totaled \$892,903, \$908,428 and \$798,495. All payments were made to the retirement system in the amount of the annually required contributions.



CAMPBELLSVILLE INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
For the Year Ended June 30, 2023

NOTE 7: RETIREMENT PLANS, CONTINUED

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

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

District's proportionate shares of the CERS net pension liability	\$	4,542,640
Commonwealth's proportionate share of the KTRS net pension liability associated with the District		<u>30,537,193</u>
	\$	<u><u>35,079,833</u></u>

The net pension liability for each plan 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 that date.

The Districts proportion of the net pension liability for CERS was based on the actual liability of the employees and former employees relative to the total liability of the System as determined by the actuary. At June 30, 2022, the Districts proportion was 0.062839% percent.

For the year ended June 30, 2023, the District recognized pension expense of \$507,090 related to CERS and \$2,786,254 related to KTRS. The District also recognized revenue of \$2,786,254 for KTRS support provided by the Commonwealth. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 4,857	\$ 40,454
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	618,117	501,660
Changes in proportion and differences between District contributions and proportionate share of contributions	246,389	1,546
District contributions subsequent to the measurement date	<u>419,313</u>	<u>-</u>
Total	<u><u>\$ 1,288,676</u></u>	<u><u>\$ 543,660</u></u>

CAMPBELLSVILLE INDEPENDENT SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 For the Year Ended June 30, 2023

NOTE 7: RETIREMENT PLANS, CONTINUED

The District reported \$419,313 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. Other amounts reported as deferred outflows of resources and deferred inflows related to pensions will be recognized in pension expense as follows:

Year Ended June 30:	
2024	162,471
2025	72,360
2026	(38,174)
2027	129,047

*Actuarial assumptions*—the total pension liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	CERS	KTRS
Inflation	2.30%	3.00%
Projected salary increases	3.30%-10.30%	3.50%-7.30%
Investment rate of return, net of investment expenses and inflation	6.25%	7.50%

For CERS, the mortality table used for active members was Pub-2010 General Mortality table, for the Nonhazardous Plan, and the Pub-2010 Public Safety Mortality table for the Hazardous Plans, projected with ultimate rates from the MP-2014 mortality improvement scale using a base year of 2010. The mortality table used for non-disabled retired members was 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 the disable members was Pup-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.

For KTRS, Mortality rates were based on Pub-2010 (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, disables 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 7.50 percent to 7.10 percent and the price inflation assumption as lowered from 3.0 percent to 2.5 percent. The Municipal Bond Index Rate used for this purpose is the June average of the Bond Buyer Obligation 20 year Municipal Bond Index.

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

For KTRS, the discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made in full at the current contribution rates and the employer contributions will be made at 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.

*Long-term rate of return:* For CERS, the long-term expected return on plan assets is reviewed as part of the regular experience studies prepared every five years for the System. The most recent analysis, performed for the period covering the period July 1, 2010-June 30, 2015 adopted by the Board on November 19, 2016. Several factors are considered in evaluating the long-term rate of return assumption including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed by the investment consultant for each major asset class.

CAMPBELLSVILLE INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
For the Year Ended June 30, 2023

NOTE 7: RETIREMENT PLANS, CONTINUED

These ranges were 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 then adding expected inflation. The capital market assumptions developed by the investment consultant are intended for use over a 10-year horizon and may not be useful in setting the long-term rate of return for funding pension plans which covers a longer timeframe. The assumption is intended to be a long-term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years.

For KTRS, 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:

<u>Asset Class</u>	<u>Target</u>	<u>Long-Term</u>
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%	-1.0%
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	<u>100.0%</u>	

*Municipal bond rate:* For CERS, the discount rate determination does not use a municipal bond rate

*Sensitivity of CERS and KTRS proportionate share of net pension liability to changes in the discount rate*—The following table present the net pension liability of the District, calculated using the discount rates selected by each pension system, as well as what the District’s net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage- point higher than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
CERS	5.25%	6.25%	7.25%
District's proportionate share of net pension liability	5,677,736	4,542,640	3,603,821
KTRS	6.10%	7.10%	8.10%
District's proportionate share of net pension liability	-	-	-

*Pension plan fiduciary net positions*—detailed information about the pension plan’s fiduciary net position is available in the separately issued financial reports of both CERS and KTRS.

Deferred Compensation:

The District offers its employees the option to participate in a defined contribution plan under Section 403(B), 401(K) and 457 of the Internal Revenue Code. All regular full-time and part-time employees are eligible to participate and may contribute up to the maximum amount allowable by law. The District contributes 1% of the salary of those employees participating in these plans. For the year ended June 30, 2023, total contributions were approximately \$208,059 to the plan.

CAMPBELLSVILLE INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
For the Year Ended June 30, 2023

NOTE 8: POST EMPLOYMENT BENEFIT PLAN

**General Information about the OPEB Plan – CERS**

**Medical Insurance Plan**

*Plan description* - Employees whose positions do not require a degree beyond a high school diploma are covered by the Kentucky Retirement Systems' Insurance Fund, a component of the cost-sharing multiple-employer defined benefit pension plan administered by the Kentucky Retirement System, an agency of the Commonwealth of Kentucky. Under the provisions of the Kentucky Revised Statute ("KRS") Section 61.645, the Board of Trustees of the Kentucky Retirement administers CERS and has the authority to establish and amend benefit provisions. The Kentucky Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for CERS. That report may be obtained from <http://kyret.ky.gov/>.

*Benefits provided* – To be eligible for medical benefits, the member must have retired either for service or disability. The Kentucky Retirement Systems' Insurance Fund offers coverage for eligible members receiving benefits from KERS, CERS, and SPRS. The eligible non-Medicare retirees are covered by the Department of Employee Insurance (DEI) plans. The Board contracts with Humana to provide health care benefits to the eligible Medicare retirees through a Medicare Advantage Plan. The Insurance Fund pays a prescribed contribution for whole or partial payment of required premiums to purchase hospital and medical insurance based on years of service.

*Contributions* – In order to fund the post-retirement healthcare benefit, for Tier 1 plan members (those participating prior to September 1, 2008) 5.26% of the gross annual payroll of members is contributed, all of which is paid by the District. For Tier 2 plan members (those participating on, or after September 1, 2008 and before January 1, 2014 an additional 1% of the gross annual payroll is contributed by the plan member. Tier 3 plan members (those whose participation began after January 1, 2014) also contribute an additional 1% of their annual payroll into a Cash Balance Plan. Also, the premiums collected from retirees as described in the plan description and investment interest help meet the medical expenses of the plan

**General Information about the OPEB Plan - KTRS**

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

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

**Medical Insurance Plan**

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

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

CAMPBELLSVILLE INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
For the Year Ended June 30, 2023

NOTE 8: POST EMPLOYMENT BENEFIT PLAN, CONTINUED

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

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

At June 30, 2023, the District reported a liability of \$4,290,000 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, and the total OPEB liability used to calculate the collective net OPEB liability was based on a projection of the District’s long-term share of contributions to the OPEB plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2022, the District’s proportion was 0.062828% for CERS OPEB and 0.130082% for KTRS OPEB.

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 shares of the net OPEB liability	\$	3,229,000
Commonwealth's proportionate share of the net OPEB liability associated with the District		1,061,000
		\$ 4,290,000

For the year ended June 30, 2023, the District recognized OPEB expense of \$207,606 and revenue of \$56,702 for support provided by the State related to medical insurance. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to the medical expense OPEBs from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 124,808	\$ 1,641,342
Changes of assumptions	852,102	161,587
Net difference between projected and actual earnings on OPEB plan investments	402,886	180,560
Changes in proportion and differences between District contributions and proportionate share of contributions	1,252,406	151,799
District contributions subsequent to the measurement date	308,709	-
Total	\$ 2,940,911	\$ 2,135,288

CAMPBELLSVILLE INDEPENDENT SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 For the Year Ended June 30, 2023

NOTE 8: POST EMPLOYMENT BENEFIT PLAN, CONTINUED

Of the total amount reported as deferred outflows of resources related to OPEB, \$207,854 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 ended June 30:	
2024	(789)
2025	7,083
2026	(28,832)
2027	242,452
2028	193,000
Thereafter	84,000

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:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>30 Year Expected Geometric Real Rate of Return</b>
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 Category: High Yield	8.0%	1.7%
Other Additional Categories*	9.0%	2.2%
Cash (LIBOR)	1.0%	-0.3%
Total	100.0%	

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

CERS – 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 for one year for females). For disabled members, the RP-2000 Combined Disabled Mortality Table projected with Scale BB to 2013 (set back four years for males) is used for the period after disability retirement.

CAMPBELLSVILLE INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
For the Year Ended June 30, 2023

NOTE 8: POST EMPLOYMENT BENEFIT PLAN, CONTINUED

*Discount rate* – For CERS, the projection of cash flows used to determine the discount rate of 5.20% for CERS Non-hazardous assumed that local employers would contribute the actuarially determined contributions rate of projected compensation over the remaining 26 years (closed) amortization period of the unfunded actuarial accrued liability. The discount rate determination used an expected rate of return of 6.25%, and a municipal bond rate of 6.56%, as reported in Fidelity Index’s “20-Year Municipal GO AA Index” as of June 30, 2017. However, the cost associated with the implicit employer subsidy was not included in the calculation of the System’s actuarial determined contributions, and any cost associated with the implicit subsidy will not be paid out of the System’s trusts. Therefore, the municipal bond rate was applied to future expected benefit payments associated with the implicit subsidy. The target asset allocation and best estimates of arithmetic nominal rates of return for each major asset class are summarized in the CAFR.

*Sensitivity of CERS and KTRS proportionate share of net OPEB liability to changes in the discount rate*—The following table present the net OPEB liability of the District, calculated using the discount rates selected by each pension system, as well as what the District’s net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage- point higher than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
CERS:	4.70%	5.70%	6.70%
District's proportionate share of net OPEB liability	1,657,574	1,239,919	894,658
KTRS:	6.10%	7.10%	8.10%
District's proportionate share of net OPEB liability	4,052,000	3,229,000	2,548,000

*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:

	<u>1% Decrease</u>	<u>Current Trend Rate</u>	<u>1% Increase</u>
Districts' net OPEB liability	2,421,000	3,229,000	4,235,000

*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.

CAMPBELLSVILLE INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
For the Year Ended June 30, 2023

NOTE 8: POST EMPLOYMENT BENEFIT PLAN, CONTINUED

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

At June 30, 2022, the Kentucky School District did not report a liability for its proportionate share of the collective net OPEB liability for life insurance benefits because the State of Kentucky provides the OPEB support directly to TRS on behalf of the District. The amount recognized by the District as its proportionate share of the OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District were as follows:

District's proportionate shares of the net OPEB liability	\$	-
Commonwealth's proportionate share of the net OPEB liability associated with the District		53,000
	\$	<u>53,000</u>

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

NOTE 9: RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. To obtain insurance for workers’ compensation, errors and omissions, and general liability coverage, the District purchases commercial insurance.

The District purchases unemployment insurance through Kentucky Employers Mutual Insurance. 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.

NOTE 10: CONTINGENCIES

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

NOTE 11: COBRA

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

NOTE 12: DEFICIT OPERATING/FUND BALANCES

There are no funds of the District that currently have a deficit fund balance. In addition, the following fund had operations that resulted in a current year deficit of expenditures over revenues resulting in a corresponding reduction in fund balance:

Building Fund            \$    145,421

NOTE 13: TRANSFER OF FUNDS

The following transfers were made during the year:

Type	From Fund	To Fund	Purpose	Amount
Operating	Special	General	Indirect Costs	\$ 67,083
Operating	General	Special	KETS	21,695
Operating	Capital Outlay	Debt Service	Bond Payments	103,313
Operating	Building	Debt Service	Bond Payments	512,424
Operating	General	Construction	Construction Costs	500,000
Operating	Building	Construction	Construction Costs	<u>433,920</u>
				<u>\$ 1,638,435</u>



CAMPBELLSVILLE INDEPENDENT SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 For the Year Ended June 30, 2023

NOTE 14: ON-BEHALF PAYMENTS

The following amounts were recognized as on-behalf payments received from the Commonwealth of Kentucky for the year ended June 30, 2023 and recorded in the appropriate revenue and expense accounts on the statement of activities:

TRS - GASB 68	\$ 2,786,254
TRS - GASB 75	60,729
Health Insurance	1,739,267
Life Insurance	2,274
Administrative Fees	18,264
HRA/Dental/Vision	56,700
Technology	84,271
Debt Service	448,689
Less: Federal Reimbursement	<u>(241,568)</u>
 Total	 <u><u>\$ 4,954,880</u></u>

NOTE 15: LITIGATION

The District is subject to various other legal actions in various stages of litigation, the outcome of which is not determinable at this time. Management of the District and its legal counsel do not anticipate that there will be any material effect on the combined financial statements as a result of the cases presently in progress.

NOTE 16: RESTRICTED NET POSITION

The government-wide statement of net position reports (\$404,731) of restricted net position, none of which is restricted by enabling legislation.

NOTE 17: CHANGE IN ACCOUNTING PRINCIPLE

Effective July 1, 2022, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements*, providing guidance and financial reporting for subscription-based information technology arrangements (SBTAs) for government end users (governments). Implementation of GASB 96, *Subscription-Based Information Technology Arrangements* had no impact on the financial statements.

NOTE 18: SUBSEQUENT EVENT

The District's management has evaluated subsequent events through November 13, 2023, the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

CAMPBELLSVILLE INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL  
GENERAL FUND  
For the Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Favorable (Unfavorable)
Revenues:				
Taxes:				
Property	\$ 2,285,500	\$ 2,285,500	\$ 2,340,600	\$ 55,100
Motor vehicle	165,000	165,000	227,932	62,932
Utilities	550,000	550,000	646,004	96,004
Other	40,000	40,000	61,201	21,201
Tuition and fees	3,000	3,000	-	(3,000)
Earnings on investments	20,000	20,000	44,283	24,283
Other local revenues	689,874	699,874	500,128	(199,746)
Intergovernmental - state	4,357,828	4,566,585	9,809,860	5,243,275
Intergovernmental - direct federal	60,000	60,000	85,076	25,076
Total revenues	<u>8,171,202</u>	<u>8,389,959</u>	<u>13,715,084</u>	<u>5,325,125</u>
Expenditures:				
Instruction	5,264,858	5,288,129	7,162,035	(1,873,906)
Support services:				
Student	440,764	471,809	652,203	(180,394)
Instructional staff	561,036	535,420	816,566	(281,146)
District administration	848,335	852,867	856,633	(3,766)
School administration	646,505	656,030	969,639	(313,609)
Business support services	226,459	216,359	361,822	(145,463)
Plant operations and maintenance	1,502,498	1,514,648	1,874,925	(360,277)
Student transportation	409,052	411,002	575,714	(164,712)
Contingency	800,000	962,000	-	962,000
Other	-	-	-	-
Total expenditures	<u>10,699,507</u>	<u>10,908,264</u>	<u>13,269,537</u>	<u>(2,361,276)</u>
Excess (deficit) of revenues over expenditures	<u>(2,528,305)</u>	<u>(2,518,305)</u>	<u>445,547</u>	<u>2,963,849</u>
Other financing sources (uses):				
Operating transfers in	-	60,000	366,948	306,948
Operating transfers out	(21,695)	(21,695)	(22,555)	(860)
Total other financing sources (uses)	<u>(21,695)</u>	<u>38,305</u>	<u>344,393</u>	<u>306,088</u>
Net change in fund balance	(2,550,000)	(2,480,000)	789,940	3,269,937
Fund balance June 30, 2022	<u>2,630,000</u>	<u>2,480,000</u>	<u>2,520,827</u>	<u>-</u>
Fund Balance June 30, 2023	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,310,767</u>	<u>\$ 3,269,937</u>

On-behalf payments totaling \$4,229,273 are not budgeted by the Campbellsville Independent School District

CAMPBELLSVILLE INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL  
SPECIAL REVENUE  
For the Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Other local revenues	\$ 15,500	\$ 15,500	\$ 14,000	\$ (1,500)
Intergovernmental - state	578,121	709,690	729,604	19,914
Intergovernmental - indirect federal	1,309,103	1,393,248	2,960,242	1,566,994
Total revenues	<u>1,902,724</u>	<u>2,118,438</u>	<u>3,703,846</u>	<u>1,585,408</u>
Expenditures:				
Instruction	1,614,293	1,768,617	2,688,117	(919,500)
Support services:				
Student	-	-	-	-
Instructional staff	140,464	210,192	390,519	(180,327)
District administration	-	-	-	-
School administration	-	-	-	-
Business support services	-	-	-	-
Plant operations and maintenance	9,052	9,052	406	8,646
Student transportation	9,264	9,265	20,298	(11,033)
Community services	151,346	172,650	171,150	1,500
Land improvements	-	-	-	-
Total expenditures	<u>1,924,419</u>	<u>2,169,776</u>	<u>3,270,490</u>	<u>(1,100,714)</u>
Excess (deficit) of revenues over expenditures	<u>(21,695)</u>	<u>(51,338)</u>	<u>433,356</u>	<u>484,694</u>
Other financing sources (uses)				
Operating transfers in	21,695	21,695	22,555	860
Operating transfers out	-	-	(455,911)	(455,911)
Total other financing sources (uses)	<u>21,695</u>	<u>21,695</u>	<u>(433,356)</u>	<u>(455,051)</u>
Net change in fund balance	-	(29,643)	-	29,643
Fund balance June 30, 2022	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance June 30, 2023	<u>\$ -</u>	<u>\$ (29,643)</u>	<u>\$ -</u>	<u>\$ 29,643</u>

CAMPBELLSVILLE INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE CERS NET PENSION LIABILITY  
June 30, 2023

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's proportion of the net pension liability (asset)	0.062839%	0.060057%	0.055844%	0.056564%	0.059641%	0.057112%	0.060788%	0.059168%	0.058408%
District's proportionate share of the net pension liability (asset)	4,542,640	3,829,105	4,283,189	3,978,171	3,632,319	3,342,941	2,992,957	2,543,958	1,895,000
District's covered-employee payroll	1,736,948	1,534,008	1,430,366	1,426,779	1,478,913	1,390,546	1,450,097	1,333,354	1,339,992
District's proportionate share of the net pension liability (asset) as a percentage of it covered-employee payroll	261.53%	249.61%	299.45%	278.82%	245.61%	240.40%	206.40%	190.79%	141.42%
Plan fiduciary net position as a percentage of the total pension liability	52.42%	57.33%	47.81%	50.45%	53.54%	53.30%	55.50%	59.97%	66.80%

\*The amounts presented for each fiscal year were determined as of June 30. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

CAMPBELLSVILLE INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF CONTRIBUTIONS TO CERS  
June 30, 2023

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 419,313	\$ 367,712	\$ 296,064	\$ 276,061	\$ 231,424	\$ 214,147	\$ 193,981	\$ 180,102	\$ 170,003
Contributions in relation to the contractually required contribution	<u>(419,313)</u>	<u>(367,712)</u>	<u>(296,064)</u>	<u>(276,061)</u>	<u>(231,424)</u>	<u>(214,147)</u>	<u>(193,981)</u>	<u>(180,102)</u>	<u>(170,003)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 1,791,936	\$ 1,736,948	\$ 1,534,008	\$ 1,430,366	\$ 1,426,779	\$ 1,478,913	\$ 1,390,546	\$ 1,450,097	\$ 1,333,354
Contributions as a percentage of covered-employee payroll	23.40%	21.17%	19.30%	19.30%	16.22%	14.48%	13.95%	12.42%	12.75%

\*The amounts presented for each fiscal year were determined as of June 30. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

CAMPBELLSVILLE INDEPENDENT SCHOOL DISTRICT  
 NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - CERS  
 For the Year Ended June 30, 2023

NOTE 1: ACTUARIAL METHODS AND ASSUMPTIONS USED TO DETERMINE THE ACTUARIAL DETERMINED CONTRIBUTIONS FOR FISCAL YEAR 2023

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

Valuation date	June 30, 2019
Experience study	July 1, 2013 to June 30, 2018
Actuarial cost method	Entry Age Normal
Asset valuation method	20% of the difference between the market value of assets and the expected actuarial value of assets is recognized
Amortization method	Level Percent of Pay
Remaining Amortization Period	30 years, Closed
Payroll Growth Rate	2% for CERS Nonazardous and Hazardous, and 0.0% for KERS Nonhazardous and Hazardous
Investment Return	6.25% for CERS Nonhazardous and Hazardous
Inflation	2.30%
Salary increases, including wage inflation	3.30% to 10.30% varies by service for CERS Nonhazardous
Phase-in provision	Board certified rate is phased into the actuarilly determined rate in accordance with HB 362 enacted in 2018 for CERS Nonhazardous and Hazardous
Mortality	The retiree mortality is a System-Specific mortality table based on ortality experience from 2013-2018, projected with the ultimate rates from MP-2014 mortality improvement scale.

CAMPBELLSVILLE INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE KTRS NET PENSION LIABILITY  
June 30, 2023

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's proportion of the net pension liability (asset)	0.000000%	0.000000%	0.000000%	0.000000%	0.000000%	0.000000%	0.000000%	0.000000%	0.000000%
District's proportionate share of the net pension liability (asset)	-	-	-	-	-	-	-	-	-
Commonwealth's proportionate share of the net pension liability (asset) associated with the District	<u>30,537,193</u>	<u>21,381,868</u>	<u>24,344,864</u>	<u>22,931,762</u>	<u>22,421,764</u>	<u>46,301,849</u>	<u>50,577,345</u>	<u>38,529,569</u>	<u>37,282,974</u>
Total	<u>30,537,193</u>	<u>21,381,868</u>	<u>24,344,864</u>	<u>22,931,762</u>	<u>22,421,764</u>	<u>46,301,849</u>	<u>50,577,345</u>	<u>38,529,569</u>	<u>37,282,974</u>
District's covered-employee payroll	5,753,427	6,239,691	6,339,616	6,124,066	6,188,128	6,168,249	5,870,549	5,811,668	5,667,954
District's proportionate share of the net pension liability (asset) as a percentage of it covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	56.41%	65.59%	58.27%	58.80%	59.30%	34.34%	35.22%	42.49%	45.59%

\*The amounts presented for each fiscal year were determined as of June 30. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.



CAMPBELLSVILLE INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF CONTRIBUTIONS TO KTRS  
June 30, 2023

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 207,854	\$ 171,927	\$ 187,191	\$ 145,007	\$ 142,555	\$ 117,623	\$ 124,770	\$ 118,121	\$ 130,437
Contributions in relation to the contractually required contribution	<u>(207,854)</u>	<u>(171,927)</u>	<u>(187,191)</u>	<u>(145,007)</u>	<u>(142,555)</u>	<u>(117,623)</u>	<u>(124,770)</u>	<u>(118,121)</u>	<u>(130,437)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$6,928,483	\$5,753,427	\$6,239,691	\$6,339,616	\$6,124,066	\$6,188,128	\$6,168,249	\$5,870,549	\$5,811,668
Contributions as a percentage of covered-employee payroll	3.00%	2.99%	3.00%	2.29%	2.33%	1.90%	2.02%	2.01%	2.24%

\*The amounts presented for each fiscal year were determined as of June 30. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

CAMPBELLSVILLE INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE CERS NET OPEB LIABILITY  
June 30, 2023

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
District's proportion of the net OPEB liability (asset)	0.062828%	0.060043%	0.055828%	0.056549%	0.059639%	0.057112%
District's prportionate share of the net OPEB liability (asset)	1,239,919	1,149,493	1,348,076	951,129	1,058,879	1,148,913
District's covered-employee payroll	1,736,948	1,534,008	1,430,366	1,426,779	1,478,913	1,390,546
District's proportionate share of the net OPEB liability (asset) as a percentage of it covered-employee payroll	71.38%	74.93%	94.25%	66.66%	71.60%	82.62%
Plan fiduciary net position as a percentage of the total OPEB liability	60.95%	62.91%	51.67%	60.44%	57.62%	52.40%

\*The amounts presented for each fiscal year were determined as of June 30. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

CAMPBELLSVILLE INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF CONTRIBUTIONS TO CERS - OPEB  
June 30, 2023

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually required contribution	\$ 60,746	\$ 100,396	\$ 73,020	\$ 68,085	\$ 75,050	\$ 69,509
Contributions in relation to the contractually required contribution	<u>(60,746)</u>	<u>(100,396)</u>	<u>(73,020)</u>	<u>(68,085)</u>	<u>(75,050)</u>	<u>(69,509)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 1,791,936	\$ 1,736,948	\$ 1,534,008	\$ 1,430,366	\$ 1,426,779	\$ 1,478,913
Contributions as a percentage of covered-employee payroll	3.39%	5.78%	4.76%	4.76%	5.26%	4.70%

\*The amounts presented for each fiscal year were determined as of June 30. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

CAMPBELLSVILLE INDEPENDENT SCHOOL DISTRICT  
 NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - CERS OPEB  
 For the Year Ended June 30, 2023

NOTE 1 - METHODS AND ASSUMPTIONS USED TO DETERMINE THE ACTUARIALLY DETERMINED CONTRIBUTIONS FOR FISCAL YEAR 2023

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

Valuation date	June 30, 2019
Actuarial cost method	Entry age normal
Asset valuation method	20% of the difference between the market value of assets and the expected actuarial value of assets is recognized
Amortization method	Level percent of pay
Remaining amortization period	30 year closed period at June 30, 2019
Payroll growth rate	2.00%
Investment return	6.25%
Inflation	2.30%
Salary Increases	3.30% to 10.30%, varies by service
Mortality	System-Specific mortality table based on mortality experience from 2013-2018, projected with the ultimate rates from MP-2014 mortality improvement scale using base year of 2019.
Healthcare cost trend rates:	
Under Age 65	Initial trend starting at 6.25% at January 1, 2021 and gradually decreasing to an ultimate trend rate of 4.05% over a period of 13 years. The 2020 premiums were known at the time of the valuation and were incorporated into the liability measurement.
Ages 65 and Older	Initial trend starting at 5.50% at January 1, 2021 and gradually decreasing to an ultimate trend rate of 4.05% over a period of 14 years. The 2020 premiums were known at the time of the valuation and were incorporated into the liability measurement.
Phase-in provision	Board certified rate is phased into the actuarially determined rate in accordance with HB 362 enacted in 2018.

CAMPBELLSVILLE INDEPENDENT SCHOOL DISTRICT  
 SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE KTRS NET OPEB LIABILITY - MEDICAL INSURANCE  
 June 30, 2023

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
District's proportion of the net OPEB liability (asset)	0.130082%	0.087911%	0.092378%	0.090251%	0.089102%	0.091336%
District's proportionate share of the net OPEB liability (asset)	3,229,000	1,886,000	2,331,000	2,641,000	3,092,000	3,257,000
Commonwealth's proportionate share of the net OPEB liability (asset) associated with the District	<u>1,061,000</u>	<u>1,532,000</u>	<u>1,868,000</u>	<u>2,133,000</u>	<u>2,664,000</u>	<u>2,660,000</u>
Total	<u><u>4,290,000</u></u>	<u><u>3,418,000</u></u>	<u><u>4,199,000</u></u>	<u><u>4,774,000</u></u>	<u><u>5,756,000</u></u>	<u><u>5,917,000</u></u>
District's covered-employee payroll	5,753,427	6,239,691	6,339,616	6,124,066	6,188,128	6,168,249
District's proportionate share of the net OPEB liability (asset) as a percentage of it covered-employee payroll	56.12%	30.23%	36.77%	43.12%	49.97%	52.80%
Plan fiduciary net position as a percentage of the total OPEB liability	47.75%	51.74%	39.05%	32.58%	25.50%	21.18%

\*The amounts presented for each fiscal year were determined as of June 30. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

CAMPBELLSVILLE INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF CONTRIBUTIONS TO KTRS - OPEB MEDICAL INSURANCE  
June 30, 2023

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually required contribution	\$ 207,854	\$ 172,602	\$ 187,191	\$ 145,007	\$ 157,167	\$ 158,719
Contributions in relation to the contractually required contribution	<u>(207,854)</u>	<u>(172,602)</u>	<u>(187,191)</u>	<u>(145,007)</u>	<u>(157,167)</u>	<u>(158,719)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 6,928,483	\$ 5,753,427	\$ 6,239,691	\$ 6,339,616	\$ 6,124,066	\$ 6,188,128
Contributions as a percentage of covered-employee payroll	3.00%	3.00%	3.00%	2.29%	2.57%	2.56%

\*The amounts presented for each fiscal year were determined as of June 30. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

CAMPBELLSVILLE INDEPENDENT SCHOOL DISTRICT  
 NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - KTRS OPEB MEDICAL INSURANCE  
 For the Year Ended June 30, 2023

NOTE 1 - METHODS AND ASSUMPTIONS USED IN THE ACTUARIALLY DETERMINED CONTRIBUTIONS

The actuarially determined contribution rates, as a percentage of payroll, used to determine the actuarially determined contribution amounts in the Schedule of Employer Contributions are calculated as the of the indicated valuation date. The following actuarial methods and assumptions (from the indicated actuarial valuations) were used to determine contribution rates reported in that schedule for the year ending June 30, 2022 (the most current available):

Valuation date	June 30, 2018
Actuarial cost method	Entry Age Normal
Amortization method	Level Percent of Payroll
Amortization period	26 years
Asset valuation method	five year smoothed value
Inflation	3.00%
Real Wage Growth	0.50%
Wage Inflation	3.50%
Salary increases, including wage inflation	3.50% - 7.20%
Discount Rate	7.50%

CAMPBELLSVILLE INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE KTRS NET OPEB LIABILITY - LIFE INSURANCE  
June 30, 2023

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
District's proportion of the net pension liability (asset)	0.000000%	0.000000%	0.000000%	0.000000%	0.000000%	0.000000%
District's prportionate share of the net pension liability (asset)	-	-	-	-	-	-
Commonwealth's proportionate share of the net pension liability (asset) associated with the District	<u>53,000</u>	<u>20,000</u>	<u>56,000</u>	<u>50,000</u>	<u>46,000</u>	<u>36,000</u>
Total	<u><u>53,000</u></u>	<u><u>20,000</u></u>	<u><u>56,000</u></u>	<u><u>50,000</u></u>	<u><u>46,000</u></u>	<u><u>36,000</u></u>
District's covered-employee payroll	5,753,427	6,239,691	6,339,916	6,124,066	6,188,128	6,168,249
District's proportionate share of the net pension liability (asset) as a percentage of it covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	73.97%	89.15%	71.57%	73.40%	75.00%	79.99%

\*The amounts presented for each fiscal year were determined as of June 30. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.



CAMPBELLSVILLE INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF CONTRIBUTIONS TO KTRS - OPEB LIFE INSURANCE  
June 30, 2023

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually required contribution	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the contractually required contribution	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 6,928,483	\$ 5,753,427	\$ 6,239,691	\$ 6,339,616	\$ 6,124,066	\$ 6,188,128
Contributions as a percentage of covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

\*The amounts presented for each fiscal year were determined as of June 30. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

CAMPBELLSVILLE INDEPENDENT SCHOOL DISTRICT  
 NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - KTRS NET OPEB LIABILITY - LIFE INSURANCE  
 For the Year Ended June 30, 2023

NOTE 1 - METHODS AND ASSUMPTIONS USED IN THE ACTUARIALLY DETERMINED CONTRIBUTIONS

The actuarially determined contribution rates, as a percentage of payroll, used to determine the actuarially determined contribution amounts in the Schedule of Employer Contributions are calculated as the of the indicated valuation date. The following actuarial methods and assumptions (from the indicated actuarial valuations) were used to determine contribution rates reported in that schedule for the year ending June 30, 2022 (the most current available):

Valuation date	June 30, 2018
Actuarial cost method	Entry Age Normal
Amortization method	Level Percent of Payroll
Amortization period	26 years
Asset valuation method	five year smoothed value
Inflation	3.00%
Real Wage Growth	0.50%
Wage Inflation	3.50%
Salary increases, including wage inflation	3.50% - 7.20%
Discount Rate	7.50%

OTHER SUPPLEMENTARY INFORMATION

CAMPBELLSVILLE INDEPENDENT SCHOOL DISTRICT  
 COMBINING BALANCE SHEET  
 NON-MAJOR GOVERNMENTAL FUNDS  
 June 30, 2023

	School Activity Funds	SEEK Capital Outlay Fund	Building Fund	Debt Service	Total Non-Major Governmental Funds
<b>Assets and resources:</b>					
Cash and cash equivalents	\$ 141,767	\$ -	\$ 321,356	\$ -	\$ 463,123
<b>Accounts receivable:</b>					
Taxes - current	-	-	-	-	-
Other accounts receivable	4,290	-	-	-	4,290
Intergovernmental - state	-	-	-	-	-
Intergovernmental - direct federal	-	-	-	-	-
Intergovernmental - indirect federal	-	-	-	-	-
Total assets and resources	<u>\$ 146,057</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 467,413</u>
<b>Liabilities and fund balance:</b>					
<b>Liabilities:</b>					
Accounts payable	\$ 20,421	\$ -	\$ -	\$ -	\$ 20,421
Accrued payroll and related liabilities	-	-	-	-	-
Current portion of accrued sick leave	-	-	-	-	-
Deferred revenues	-	-	-	-	-
Total liabilities	<u>20,421</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,421</u>
<b>Fund balance:</b>					
Restricted - future construction	-	-	321,356	-	321,356
Assigned - purchase obligations	-	-	-	-	-
Restricted - Other	125,636	-	-	-	125,636
Unassigned fund balance	-	-	-	-	-
Total fund balance	<u>125,636</u>	<u>-</u>	<u>321,356</u>	<u>-</u>	<u>446,992</u>
Total liabilities and fund balance	<u>\$ 146,057</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 467,413</u>

CAMPBELLSVILLE INDEPENDENT SCHOOL DISTRICT  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCES – NON-MAJOR GOVERNMENTAL FUNDS  
 For the Year Ended June 30, 2023

	School Activity Funds	SEEK Capital Outlay Fund	Building Fund	Debt Service	Total Non-Major Governmental Funds
Revenues:					
Taxes:					
Property	\$ -	\$ -	\$ 514,622	\$ -	\$ 514,622
Earnings on investments	-	-	-	-	-
Intergovernmental - state	-	115,748	661,382	448,689	1,225,819
Other revenue	708,964	-	-	-	708,964
Total revenues	<u>708,964</u>	<u>115,748</u>	<u>1,176,004</u>	<u>448,689</u>	<u>2,449,405</u>
Expenditures:					
Instruction	700,325	-	-	-	700,325
Building acquisitions & construction	-	-	-	-	-
Debt Service	-	-	-	1,184,375	1,184,375
Total expenditures	<u>700,325</u>	<u>-</u>	<u>-</u>	<u>1,184,375</u>	<u>1,884,700</u>
Excess (deficit) of revenues over expenditures	<u>8,639</u>	<u>115,748</u>	<u>1,176,004</u>	<u>(735,686)</u>	<u>564,705</u>
Other financing sources (uses)					
Operating transfers in	-	-	-	735,686	735,686
Operating transfers out	-	(115,748)	(1,321,425)	-	(1,437,173)
Total other financing sources (uses)	<u>-</u>	<u>(115,748)</u>	<u>(1,321,425)</u>	<u>735,686</u>	<u>(701,487)</u>
Excess (deficit) of revenues and other financing sources over (under) expenditures and other financing uses	<u>8,639</u>	<u>-</u>	<u>(145,421)</u>	<u>-</u>	<u>(136,782)</u>
Fund balance June 30, 2022	<u>116,997</u>	<u>-</u>	<u>466,777</u>	<u>-</u>	<u>583,774</u>
Fund balance June 30, 2023	<u>\$ 125,636</u>	<u>\$ -</u>	<u>\$ 321,356</u>	<u>\$ -</u>	<u>\$ 446,992</u>

SCHEDULE OF REVENUES, EXPENDITURES AND FUND BALANCES  
SCHOOL ACTIVITY FUNDS

CAMPBELLSVILLE INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND FUND BALANCES  
CAMPBELLSVILLE INDEPENDENT SCHOOL ACTIVITY FUNDS  
For The Year Ended June 30, 2023

	Cash Balance July 1, 2022	Receipts Actual	Disbursements Actual	Cash Balance June 30, 2023	Accounts Receivable	Accounts Payable	Fund Balance June 30, 2023
<u>High School</u>							
General Fund	\$ 215	\$ 3,642	\$ 3,669	\$ 188	\$ -	\$ -	\$ 188
Good Behavior	23	-	-	23	-	-	23
Text Book	5	93	-	98	-	-	98
Field Trips	21	-	5	16	-	-	16
Snacks	212	177	375	14	-	-	14
Staff Fund	-	445	445	-	-	-	-
Culinary Foods	317	4,593	4,896	14	-	-	14
Esports	217	1,295	1,176	336	-	-	336
FFA Rodeo	-	27,622	27,622	-	-	-	-
FFA	1,675	27,001	28,267	409	-	-	409
Honor Society	-	814	388	426	-	-	426
Academic Team	30	646	676	-	-	-	-
Gifted and Talented	1	-	-	1	-	-	1
Global Explorers	-	480	480	-	-	-	-
FCA	24	-	19	5	-	-	5
Band	-	152	152	-	-	-	-
FCS Class Account	137	157	294	-	-	-	-
Pep Club	25	2,247	2,026	246	-	-	246
Kentucky Youth Association	-	940	940	-	-	-	-
Y Club	-	6,167	6,167	-	-	-	-
Student Council	-	452	450	2	-	-	2
BETA	-	4,943	4,725	218	-	-	218
National Honors Art	71	1,345	1,137	279	-	-	279
FCCLA	351	2,696	3,047	-	-	-	-
Drama Club	-	-	-	-	-	-	-
Green House	205	3,157	2,764	598	-	-	598
FMD Class	119	-	30	89	-	-	89
STLP	105	-	-	105	-	-	105
Performing Arts	325	3,137	1,968	1,494	-	-	1,494
Eagle Kroger	-	7,016	6,134	882	-	-	882
Athletics	-	35,179	35,179	-	-	-	-
Boys Basketball	533	20,311	17,573	3,271	-	-	3,271
Girls Basketball	2,394	4,703	7,097	-	-	-	-
Football	1,567	28,176	28,721	1,022	-	200	822
Tennis	1,751	2,507	2,492	1,766	-	-	1,766
Golf	1,738	-	696	1,042	-	-	1,042
Volleyball	3,920	2,687	4,793	1,814	-	-	1,814
Fishing Team	560	6,755	2,759	4,556	-	-	4,556

CAMPBELLSVILLE INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND FUND BALANCES - CONTINUED  
CAMPBELLSVILLE INDEPENDENT SCHOOL ACTIVITY FUNDS  
For The Year Ended June 30, 2023

	Cash Balance July 1, 2022	Receipts Actual	Disbursements Actual	Cash Balance June 30, 2023	Accounts Receivable	Accounts Payable	Fund Balance June 30, 2023
<u>High School</u>							
Track	\$ 658	\$ 5,171	\$ 5,829	\$ -	\$ -	\$ -	\$ -
Cross Country	646	383	755	274	-	-	274
Bowling Team	5	1,650	1,655	-	-	-	-
Baseball	439	64,216	60,787	3,868	-	-	3,868
Softball	4,706	29,704	31,382	3,028	-	493	2,535
Swim Team	145	915	848	212	-	-	212
Soccer	3,466	7,625	6,403	4,688	-	-	4,688
Cheerleaders	3,261	1,946	2,129	3,078	-	-	3,078
All A Events	-	-	-	-	-	-	-
Heartland Conference Account	178	1,400	970	608	-	-	608
Athletic Special Event	-	46,218	46,218	-	-	-	-
Purple Pride Club	16,388	22,128	34,628	3,888	-	612	3,276
20th District Events	-	-	-	-	-	-	-
Athletic Sweep	1,755	91,708	93,433	30	-	-	30
Class of 2023	50	-	-	50	-	-	50
Hall of Fame	-	6,049	6,049	-	-	-	-
Athletic Training	-	959	959	-	-	-	-
Ariter	-	38,826	38,826	-	-	-	-
Start Up Account	-	3,600	3,600	-	-	-	-
Girls Golf	3	-	-	3	-	-	3
Yearbook	1,490	1,875	2,284	1,081	-	-	1,081
Counselor	120	2,774	2,434	460	-	-	460
Media Center	59	35	-	94	-	-	94
Senior	154	552	290	416	-	-	416
Junior	387	12,631	12,857	161	-	-	161
Project Graduation	-	10,707	10,594	113	-	-	113
Class of 2021	-	-	-	-	-	-	-
Class of 2022	-	-	-	-	-	-	-
Class of 2024	65	21	81	5	-	-	5
Anne Fraim Scholarship	20	-	20	-	-	-	-
Class of 2025	88	-	-	88	-	-	88
Class of 2026	23	-	-	23	-	-	23
Campbellsville High School	50,647	550,628	560,193	41,082	-	1,305	39,777
Campbellsville Middle School	62,049	254,390	248,442	67,997	-	14,218	53,779
Campbellsville Elementary	29,108	82,597	79,016	32,689	4,290	4,899	32,080
Totals	\$ 141,804	\$ 887,615	\$ 887,651	\$ 141,768	\$ 4,290	\$ 20,422	\$ 125,636



SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

CAMPBELLSVILLE INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For The Year Ended June 30, 2023

	Federal CFDA Number	Pass Through Number	Disbursements
U.S. Department of Education			
Passed Through the Kentucky Council on Postsecondary			
Adult Education-Basic Grants to States	84.002	Not Available	\$ 45,717
Adult Education-Basic Grants to States	84.002	Not Available	<u>3,507</u>
Total Passed Through the Kentucky Council on Postsecondary Education			49,224
U.S. Department of Education			
Passed Through Kentucky Department of Education:			
Title I Grants to Local Educational Agencies	84.010	3100002 21	101,742
Title I Grants to Local Educational Agencies	84.010	3100002 21	2,318
Title I Grants to Local Educational Agencies	84.010	3100002 22	630,553
Title I Grants to Local Educational Agencies	84.010	3100002 22	<u>2,339</u>
			736,952
Special Education Cluster:			
Special Education-Grants to States	84.027	4910002 21	5,164
Special Education-Grants to States	84.027	3810002-22	261,714
Special Education - Preschool Grants	84.173	4900002 21	997
Special Education - Preschool Grants	84.173	3800002 21	16,841
Special Education - Preschool Grants	84.173	3800002-20	<u>22,513</u>
Total Special Education Cluster			307,229
Career and Technical Education-Basic Grants to States	84.048	3710002-22	<u>13,178</u>
			13,178
Rural Education	84.358	3140002-22	<u>23,501</u>
			23,501
Supporting Effective Instruction State Grants	84.367	3230002-22	<u>74,663</u>
			74,663
Student Support and Academic Enrichment Program	84.424	3420002 22	15,149
Student Support and Academic Enrichment Program	84.424	3420002 22	<u>39,737</u>
			54,886
Education Stabilization Fund Under the Coronavirus Aid, Relief, and Economic security Act	84.425	4980002 21	21,847
Education Stabilization Fund Under the Coronavirus Aid, Relief, and Economic security Act	84.425	4300002 21	752,498
Education Stabilization Fund Under the Coronavirus Aid, Relief, and Economic security Act	84.425	4200002 21	781,064
Education Stabilization Fund Under the Coronavirus Aid, Relief, and Economic security Act	84.425	4300002 21	<u>145,200</u>
			1,700,609
Total U.S. Department of Education passed Through Kentucky Department of Education			<u>2,911,018</u>
Totals for U.S. Department of Education			2,960,242

CAMPBELLSVILLE INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS – CONTINUED  
For The Year Ended June 30, 2023

	<u>Federal CFDA Number</u>	<u>Pass Through Number</u>	<u>Disbursements</u>
U.S. Department of Agriculture			
Passed Through Kentucky Department of Education:			
Child Nutrition Cluster:			
School Breakfast Program	10.553	7760005 22	\$ 53,312
School Breakfast Program	10.553	7760005 23	297,190
National School Lunch Program	10.555	9980000 22	32,176
National School Lunch Program	10.555	9980000 23	16,826
National School Lunch Program	10.555	7750002 22	112,442
National School Lunch Program	10.555	7750002 23	651,911
Total Child Nutrition Cluster			<u>1,163,857</u>
State Administrative Expenses for Child Nutrition	10.560	7700001 22	1,535
			<u>1,535</u>
State Pandemic Electronic Benefit Transfer(P-EBT) Administrative Costs Grants	10.649	9990000 22	11,613
			<u>11,613</u>
Total U.S. Department of Agriculture			
Passed Through Kentucky Department of Education:			1,177,005
Passed Through Kentucky Department of Agriculture:			
Commodity Supplemental Food Program	10.565	Not Available	76,106
Totals for U.S. Department of Agriculture			<u>1,253,111</u>
Total Federal Financial Assistance			<u>\$ 4,213,353</u>

CAMPBELLSVILLE INDEPENDENT SCHOOL DISTRICT  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For The Year Ended June 30, 2023

**NOTE A – BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the “Schedule”) includes the federal award activity of Campbellsville 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 Requirement for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the Campbellsville Independent School District, it is not intended to and does not present the financial position, changes in net position or cash flows of the Campbellsville Independent School District.

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**NOTE C – INDIRECT COST RATE**

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

**NOTE D – FOOD DISTRIBUTION**

Non-monetary assistance is reported in the schedule at the fair value of the commodities disbursed.

**NOTE E – SUBRECIPIENTS**

There were no subrecipients during the fiscal year.

CAMPBELLSVILLE INDEPENDENT SCHOOL DISTRICT  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 For the Year Ended June 30, 2023

**Section I - Summary of Auditors' Results**

**Financial Statements**

Type of audit issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? \_\_\_\_\_ Yes       X       No
- Significant deficiencies identified that are not considered to be material weakness(es)? \_\_\_\_\_ Yes       X       None Noted

Noncompliance material to financial statements noted? \_\_\_\_\_ Yes       X       No

**Federal Awards**

Internal control over major programs?

- Material weakness(es) identified? \_\_\_\_\_ Yes       X       No
- Significant Deficiencies identified that are not considered to be material weakness(es)? \_\_\_\_\_ Yes       X       None Noted

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

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516(a)? \_\_\_\_\_ Yes       X       No

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
84.425	U.S. Department of Education Passed through the Kentucky Department of Education: Education Stabilization Fund Under the Coronavirus Aid, Relief, and Econo
10.553,10.555, 10.565	U.S. Department of Agriculture Passed through the Kentucky Department of Education Child Nutrition Cluster

Dollar threshold used to distinguish between Type A and Type B programs: \_\_\_\_\_       \$750,000      

Auditee qualified as low-risk auditee? \_\_\_\_\_ Yes       X       No

**Section II - Financial Statement of Findings**

No matters were reported

**Section III - Federal Award Findings and Questioned Costs**

No matters were reported.

CAMPBELLSVILLE INDEPENDENT SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
For the Year Ended June 30, 2023

**Financial Statement Findings**

No matters were reported

**Federal Award Findings and Questioned Costs:**

No matters were reported

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 *GOVERNMENTAL AUDITING STANDARDS*

Kentucky State Committee for School District Audits  
Members of the Board of Education  
Campbellsville Independent School District  
Campbellsville, KY 42718

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 requirements prescribed by the Kentucky State Committee for School District Audits *Independent Auditor's Contract* in Appendices I, and II of the *Independent Auditor's Contract*, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Campbellsville Independent School District, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Campbellsville Independent School District's basic financial statements and have issued our report thereon dated November 13, 2023.

**Report on Internal Control over Financial Reporting**

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

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

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

**Report on Compliance and Other Matters**

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

**Purpose of this Report**

The purpose of this report is to solely 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.

*Wise, Buckner, Sprowles & Associates PLLC*

Wise, Buckner, Sprowles & Associates PLLC  
Certified Public Accountants

Campbellsville, KY  
November 13, 2023



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  
Campbellsville Independent School District  
Campbellsville, KY 42718

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited Campbellsville Independent School District's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Campbellsville Independent School District's major federal programs for the year ended June 30, 2023. Campbellsville Independent School District's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

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

***Responsibilities of Management for Compliance***

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

***Auditor's Responsibilities for the Audit of Compliance***

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

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

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

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

### **Report on Internal Control over Compliance**

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

*Wise, Buckner, Sprowles & Associates PLLC*

Wise, Buckner, Sprowles & Associates PLLC  
Certified Public Accountants

Campbellsville, Kentucky  
November 13, 2023

MANAGEMENT LETTER

To the Members of the Board of Education and  
Kirby Smith, Superintendent  
of Campbellsville Independent School District

In planning and performing our audit of the financial statements of the Campbellsville Independent School District for the year ended June 30, 2023, we considered the District's internal control in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on internal control.

However, during our audit we became aware of matters that are opportunities for strengthening internal controls and operating efficiency. The memorandum that accompanies this letter summarizes our comments and suggestions regarding these matters. Any uncorrected comments from the prior year have been included in the memorandum. A separate report dated November 13, 2023, contains our report on the District's internal control. This letter does not affect our report dated November 13, 2023, on the financial statements of the Campbellsville Independent School District.

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

This report is intended for the information of members of the Kentucky State Committee for School District Audits, the members of the Board of Education of Campbellsville Independent School District, the Kentucky Department of Education, management and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

*Wise, Buckner, Sprowles & Associates, PLLC*

Wise, Buckner, Sprowles & Associates, PLLC  
Certified Public Accountants

Campbellsville, KY  
November 13, 2023

CAMPBELLSVILLE INDEPENDENT SCHOOL DISTRICT  
MANAGEMENT LETTER POINTS  
November 13, 2023

**PRIOR YEAR COMMENTS**

None noted

**CURRENT YEAR COMMENTS**

None noted.