

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

Basic Financial Statements
and
Accompanying Information
for the year ended
June 30, 2022

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

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Report of Independent Auditor

To the Board of Trustees
Spartanburg County School District Four
Woodruff, South Carolina

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Spartanburg County School District Four (the "District") as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements 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, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2022, and the respective changes in financial position thereof and the respective budgetary comparisons for the General Fund, the Special Revenue Fund and the Education Improvement Act fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with 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 District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 7 through 14 and the required supplementary information schedules on pages 52 through 55 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual non-major fund schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relate 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 fund statements and schedules and the schedule of

expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2022 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Cherry Bekaert LLP

Greenville, South Carolina
December 19, 2022

Management's Discussion and Analysis

This section of Spartanburg County School District Four's (the "District") financial report presents our discussion and analysis of the financial performance of the District for the year ended June 30, 2022. This information should be read in conjunction with the audited financial statements included in this report.

Financial Highlights

- During fiscal year 2022, average daily membership increased by 132.03 or 5.1% from the previous year.
- In March 2022, the District issued Bond Anticipation Notes (BAN) in the amount of \$600,000. The proceeds will be used to renovate, repair and upgrade the District's facilities and upgrade technology and security cameras at all locations.
- In March 2022, the District issued General Obligation Bonds (GO) in the amount of \$1,250,000. The proceeds of the bonds were used to pay issuance cost of the March 2022 BAN and GO bond issues. In addition the remaining proceeds were used to repay the \$1,2 million BAN issued March 2021.
- The District did not increase operating millage during fiscal year 2022. The millage remained at 186.0 mils. The District's debt service millage increased from 9.1 mils to 19.1 mils.

Overview of the Financial Statements

The audited financial statements of the District consist of five components. They are as follows:

- Management's Discussion and Analysis
- Basic Financial Statements
- Required Supplemental Information
- The supplemental section that presents combining and individual fund statements and schedules
- Single Audit

The Basic Financial Statements include two types of statements that present different views of the District's finances. The first is the government-wide statements. The government-wide statements are presented on the full accrual basis of accounting and include the statement of net position and the statement of activities. The statement of net position includes all of the District's assets, deferred outflows of resources, liabilities and deferred inflow of resources. Assets and liabilities are classified in the order of relative liquidity for assets and due date for liabilities. This statement provides a summary of the District's investment in assets and obligations to creditors. Liquidity and financial flexibility can be evaluated using the information contained in this statement. The statement of activities summarizes the District's revenues and expenses for the current year. A net (expense) revenue format is used to indicate to what extent each function is self-sufficient.

The second type of statement included in the basic financial statements is the fund financial statements, which are presented for the District's governmental funds. These statements present the governmental funds on the modified accrual basis of accounting, measuring the near term inflows and outflows of financial resources and what is available at year-end to spend in the next fiscal year. The fund financial statements focus on the District's most significant funds. Because a different basis of accounting is used in the government-wide statements, reconciliation from the governmental fund financial statements to the government-wide statements is required. The government-wide statements provide information about the District as an economic unit, while the fund financial statements provide information on the financial resources of the District's major funds.

Government-wide Statements

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the District's assets, deferred outflow of resources, liabilities and deferred inflow of resources. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the District's net position and how they have changed. Net position, the difference between the District's assets and liabilities, is one way to measure the District's financial health or position.

- Over time, increases or decreases in the District's net position are an indicator of whether its financial position is improving or deteriorating.
- To assess the District's overall health, additional non-financial factors such as changes in the District's property tax base and the condition of its school buildings and other physical assets should be considered.

The District's activities in the government-wide statements consists of:

- Governmental activities: The District's basic services are included here, such as regular and special education, transportation, and administration. Local property taxes, state funding and federal financial assistance finance most of these activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's funds, focusing on its most significant or "major" funds – not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs.

- The general fund is always shown as a major fund.
- Some funds are required by State law to be presented as major, such as the Education Improvement Act Fund.
- The District established other funds to control and manage money for a particular purpose or to show that it is properly using certain revenues, such as in the Federal Grant funds.

Spartanburg County School District Four funds consist of:

Governmental funds: The District's basic services are included in the governmental funds, which generally focus on two things – how cash and other assets can readily be converted to cash flow in and out and the balances left at year-end that are available for spending. As a result of this focus, the governmental funds statements provide a detailed short-term view that helps one determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, additional information is provided in the form of a reconciliation to explain the relationship (or differences) between them. The District has several governmental funds: the General Fund, the Special Revenue Funds, the Education Improvement Act Fund, the School Building Fund, the Debt Service Fund, and the Food Service Fund.

Financial Analysis of the District as a Whole

Net position is an indicator of the fiscal health of the District. Total net position increased between fiscal years 2022 and 2021 by \$3,595,361 or 18.36%.

Below is a summary of the statement of net position:

TABLE 1
Condensed Statement of Net Position
As of June 30, 2022 and 2021
Governmental Activities

	<u>6/30/2022</u>	<u>6/30/2021</u>	<u>% Change</u>
Current assets	\$ 26,301,886	\$ 23,297,337	12.90%
Capital assets	23,063,379	21,481,826	7.36%
Total assets	<u>49,365,265</u>	<u>44,779,163</u>	<u>10.24%</u>
Deferred outflow of resources	<u>14,129,443</u>	<u>12,280,577</u>	<u>15.06%</u>
Current liabilities	3,439,546	3,925,840	-12.39%
Long-term liabilities	69,366,942	70,327,440	-1.37%
Total liabilities	<u>72,806,488</u>	<u>74,253,280</u>	<u>-1.95%</u>
Deferred inflow of resources	<u>6,674,092</u>	<u>2,387,693</u>	<u>179.52%</u>
Net investment in capital assets	19,555,336	17,852,111	9.54%
Restricted net position	1,505,871	626,782	140.25%
Unrestricted net position	<u>(37,047,079)</u>	<u>(38,060,126)</u>	<u>2.66%</u>
Total net position	<u>\$ (15,985,872)</u>	<u>\$ (19,581,233)</u>	<u>18.36%</u>

The District's total assets increased by \$4,586,102 or 10.24%. Of this increase, \$1,133,624 relates to an increase in cash, cash equivalents and investments. Cash, cash equivalents and investments increased because tax revenues and state revenues exceeded expectations by \$2,640,777. This increase in cash was offset by the purchase of land for in preparation of the new school that will need to be constructed. Net capital assets increased by \$1,581,553 or 7.36%. This increase results because new additions exceeded depreciation expense and disposals in the current year. Current liabilities decreased by \$486,294 or 12.39%. This decrease results because bond anticipation notes decreased from \$1,200,000 to \$600,000. Long-term liabilities decreased by \$960,498 or 1.37%. The decrease in long-term liabilities is due to an decrease in the District's proportionate share of the net pension liability of the State Retirement System in the amount of \$5,398,933. This decrease was offset by an increase in the District's proportionate share of the State's other post-employment benefits ("OPEB") liability in the amount of \$4,556,102. The District's net position increased by 18.36%. This increase is due to the fact that the District's current assets and capital assets increased while the District's current liabilities and long-term liabilities decreased.

TABLE 2
Condensed Statement of Revenues, Expenses, and
Changes in Net Position
As of June 30, 2022 and 2021

Governmental Activities			
	6/30/2022	6/30/2021	% Change
Revenues:			
Program revenues:			
Charges for services	\$ 667,081	\$ 435,960	53.01%
Operating grants and contributions	22,112,451	18,929,321	16.82%
General revenues:			
Property taxes levied for:			
General purposes	13,496,917	13,182,641	2.38%
Debt service	1,382,990	687,841	101.06%
Investment income	70,155	28,169	149.05%
Miscellaneous	136,634	25,585	434.04%
Sale of capital assets	274,057	26,510	933.79%
Total revenues	38,140,285	33,316,027	14.48%
Governmental activities:			
Instruction	20,294,838	20,907,947	-2.93%
Support services	13,924,194	13,766,469	1.15%
Community service	113,061	101,246	11.67%
Intergovernmental	134,757	64,984	107.37%
Interest and fees	78,074	69,156	12.90%
Total expenses	34,544,924	34,909,802	-1.05%
Change in net position	3,595,361	(1,593,775)	325.59%
Beginning net position	(19,581,233)	(17,987,458)	
Ending net position	\$ (15,985,872)	\$ (19,581,233)	

Total governmental activities generated revenues of \$38,140,285, which represents a 14.48% increase from the prior year. The increase results because general purpose tax revenue increased by \$314,276. This increase was due an increase in the District's assessed value. The District's debt service property taxes increased by \$695,149. This increase was due to a millage increase of 10.0 mils for debt service and an increase in the District's assessed value. In addition, the District's operating grants and contributions increased by \$3,183,130. This increase was due to additional grant funding. Also, the District's disposed of a parcel of land that resulted in a gain of \$274,057.

Total governmental activities expenses decreased from \$34,909,802 to \$34,544,924 which represents a 1.05% decrease or \$364,878. This decrease in expenses is due to mandatory salary increases being offset by decreases in fringe benefits resulting from entries to record OPEB and pension activity.

Financial Analysis of the District's Funds

The District's governmental funds reported a combined fund balance of \$24,034,875, an increase of \$3,287,041 from the prior year. The District's General Fund had revenues and other financing sources that exceeded expenditures and other financing uses by \$3,896,734. The District's assessed value increased, resulting in additional property tax revenue that exceeded budget expectations of \$1,738,199. In addition, the District's state revenue increased due to an increase in the average daily membership. This increase in students results in state revenue exceeding budgeted revenue by \$733,643. In addition, the District continued cost savings measures established in prior years to reduce expenditures. These measures include funding as many positions as possible with grant funding.

The District's Special Revenue fund had revenues and other financing sources that exceeded expenditures and other financing uses by \$141,360. This results because the Pupil Activity Fund collected fees not budgeted for. The Pupil Activity Fund is considered to be a Special Revenue Fund as the result of implementing GASB 84 in the prior year.

The District's School Building Fund had expenditures and other financing uses that exceeded revenues and other financing sources by \$1,461,281. This occurred because the District used the \$3 million GO bond proceeds from fiscal year 2021 to purchase land in preparation of a new school.

The District's other governmental funds had revenues and other financing sources that exceeded expenditures and other financing uses by \$710,228. The District's other governmental funds are composed of the Food Service Fund and the Debt Service Fund. The fund balance for the Food Service Fund increased by \$748,637 and the Debt Service Fund decreased by \$38,409. The increase in the Food Service Fund resulted because all meals served in school year 2022 were treated as eligible for free lunch and breakfast. The fund balance of the Debt Service Fund decreased because the District elected to use prior year's fund balance to offset a millage increase in excess of 10 mils.

General Fund Budgetary Highlights

The District did not amend its fiscal year 2022 budget. State revenue exceeded budgeted revenue by \$935,617. This increase results because the District's average daily membership increased by 132.03 students. The increase in students results in \$733,643 additional revenue from the State. Actual local revenues exceeded expectations by \$1,705,160. The District's assessed value increased. As a result local tax revenue exceeded budgeted local tax revenue by \$1,536,145. Actual expenditures were less than budgeted expenditures by \$1,984,014. This resulted because cost savings measures implemented in fiscal year 2010 were continued and the District continued to fund many positions and expenditures with grant funding. The District budgeted to have other financing sources to exceed other financing uses by \$870,957. The District's financing sources actually exceeded financing uses by \$774,425.

Capital Assets

Capital assets, net of depreciation, increased by \$1,581,553 or 7.36% from the previous year. This was due to the fact that capital additions exceeded depreciation expense and disposals for the year. Major additions this year approximated 100 acres of land purchased for a new school. The following is a summary of the capital assets, net of depreciation at year-end.

Table 3
Summary of Capital Assets
As of June 30, 2022 and 2021

	<u>06/30/2022</u>	<u>6/30/2021</u>
Land	\$ 4,312,728	\$ 2,057,137
Construction in Progress	39,920	40,000
Land Improvements	1,944,628	2,193,790
Buildings and Improvements	14,236,912	14,714,317
Equipment and Vehicles	2,529,191	2,476,582
Total	<u>\$ 23,063,379</u>	<u>\$ 21,481,826</u>

Debt Outstanding

As of June 30, 2022, the District had general obligation bonded indebtedness outstanding of \$4,108,043. This is a decrease of \$721,672 from June 30, 2021. This small decrease results because debt repayment of \$1,371,672 was offset by the District issuing \$1,250,000 of general obligation bonds in March 2022. Also, the District issued bond anticipation notes in the amount of \$600,000, which are still outstanding as of June 30, 2022. More detailed information about the District's debt is presented in the Notes to the Financial Statements.

Economic Factors

The District anticipates enrollment over the next couple years to increase. The District has acquired 100 plus acres to build a new high school. In August 2022, the voters of the District approved a \$100 million bond referendum to construct a new Woodruff High School. In November 2022, the District issued the bonds associated with the referendum and is currently in the design phase of construction the new high school.

County and state funding is a major source of income for the District; therefore, both the County's economic outlook and the State's economic outlook directly affect that of the District. The following factors affect the economic outlook of Spartanburg County and the State.

- The County's tax base continues to grow positively.
- The County's unemployment rate as of October 2022 was 3.4%. This is an increase from October 2021's unemployment rate of 3.3%. The State's unemployment rate for October 2022 is 3.3%.
- The County's employment was 151,995 for October 2022. The employment for the prior year was 151,096.

Requests for Information

This report is intended to provide a summary of the financial condition of Spartanburg County School District Four. Questions or requests for additional information should be addressed to:

Chris Benfield, Business Manager
Spartanburg County School District Four
118 McEdco Road
Woodruff, SC 29388

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
STATEMENT OF NET POSITION
JUNE 30, 2022

	Governmental Activities
Assets	
Cash and cash equivalents	\$ 2,422,599
Investments	20,870,248
Taxes receivable, net	1,244,448
Accounts receivable	69,393
Due from other governments	1,645,035
Inventory	50,163
Capital assets:	
Nondepreciable	4,352,648
Depreciable	18,710,731
Total Assets	49,365,265
Deferred Outflow of Resources	
Deferred outflow related to state OPEB	9,357,405
Deferred outflow related to state pension	4,772,038
Total Deferred Outflow of Resources	14,129,443
Liabilities	
Accounts payable	444,452
Bond anticipation note payable	600,000
Accrued interest payable	3,571
Due to other governments	17,516
Payroll withholdings and accruals	909,292
Unearned revenue	97,047
Long-term liabilities:	
Due within one year	1,367,668
Due in more than one year	2,140,375
Net Other post-employment benefits	36,726,011
Net pension liability	30,500,556
Total Liabilities	72,806,488
Deferred Inflow of Resources	
Deferred inflow related to state OPEB	2,154,634
Deferred inflow related to state pension	4,519,458
Total Deferred Inflow of Resources	6,674,092
Net Position	
Net investment in capital assets	19,555,336
Restricted for:	
Restricted for food service	1,196,346
Restricted for special revenue fund	309,525
Unrestricted	(37,047,079)
Total Net Position	\$ (15,985,872)

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

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2022

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary Government:					
Governmental activities:					
Instruction	\$ 20,294,838	\$ 83,811	\$ 18,146,057	\$ -	\$ (2,064,970)
Support services	13,924,194	583,270	3,828,926	-	(9,511,998)
Community services	113,061	-	107,192	-	(5,869)
Intergovernmental	134,757	-	30,276	-	(104,481)
Debt service:					
Interest and fees	78,074	-	-	-	(78,074)
Total governmental activities	<u>34,544,924</u>	<u>667,081</u>	<u>22,112,451</u>	<u>-</u>	<u>(11,765,392)</u>
Total Primary Government	<u>\$ 34,544,924</u>	<u>\$ 667,081</u>	<u>\$ 22,112,451</u>	<u>\$ -</u>	<u>(11,765,392)</u>
General revenues:					
Property taxes levied for:					
General purposes					13,496,917
Debt service					1,382,990
Investment income					70,155
Miscellaneous					136,634
Sale of capital assets					274,057
Total general revenues					<u>15,360,753</u>
Change in net position					<u>3,595,361</u>
Net position - beginning					<u>(19,581,233)</u>
Net position - ending					<u>\$ (15,985,872)</u>

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

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2022

	General	Special Revenue Fund	Education Improvement Act	School Building	Other Governmental Funds	Total Governmental Funds
Assets						
Cash and cash equivalents	1,939,976	435,122	\$ -	\$ -	\$ 47,501	\$ 2,422,599
Investments	14,625,607	-	-	4,773,634	1,471,007	20,870,248
Taxes receivable, net	1,204,309	-	-	-	40,139	1,244,448
Accounts receivable	30,879	32,271	-	-	6,243	69,393
Due from other funds	1,956,530	-	59,326	-	-	2,015,856
Due from other governments	48,791	1,553,442	-	-	42,802	1,645,035
Inventory	-	-	-	-	50,163	50,163
Total Assets	\$ 19,806,092	\$ 2,020,835	\$ 59,326	\$ 4,773,634	\$ 1,657,855	\$ 28,317,742
Liabilities, Deferred Inflows of Resources, and Fund Balances						
Liabilities						
Accounts payable	\$ 432,866	\$ 11,586	\$ -	\$ -	\$ -	\$ 444,452
Bond anticipation note payable	-	-	-	600,000	-	600,000
Due to other funds	59,326	1,644,487	-	76,916	235,127	2,015,856
Due to other governments	-	605	16,911	-	-	17,516
Payroll withholdings and accruals	909,292	-	-	-	-	909,292
Unearned revenues	-	54,632	42,415	-	-	97,047
Total Liabilities	1,401,484	1,711,310	59,326	676,916	235,127	4,084,163
Deferred Inflows of Resources						
Deferred revenue - delinquent taxes	179,602	-	-	-	19,102	198,704
Total deferred inflows of resources	179,602	-	-	-	19,102	198,704
Fund Balances						
Nonspendable - inventory	-	-	-	-	50,163	50,163
Restricted - food service fund	-	-	-	-	1,196,346	1,196,346
Restricted - special revenue fund	-	309,525	-	-	-	309,525
Assigned - construction of capital assets	-	-	-	4,096,718	-	4,096,718
Assigned - debt service	-	-	-	-	157,117	157,117
Unassigned	18,225,006	-	-	-	-	18,225,006
Total Fund Balances	18,225,006	309,525	-	4,096,718	1,403,626	24,034,875
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 19,806,092	\$ 2,020,835	\$ 59,326	\$ 4,773,634	\$ 1,657,855	\$ 28,317,742

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF NET POSITION
JUNE 30, 2022

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

Ending fund balance - governmental funds	\$ 24,034,875
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	23,063,379
Interest on long-term debt is recognized under the modified accrual basis of accounting when due, rather than as it accrues.	(3,571)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.	(3,508,043)
Net pension liability is not due nor payable in the current period and, therefore, is not reported in the funds.	(30,500,556)
Net other postemployment benefits liability is not due nor payable in the current period and, therefore, is not reported in the funds.	(36,726,011)
Property taxes receivable not collected within 60 days of fiscal year end are not considered available and are deferred on the governmental funds balance sheet but are recognized as revenue on the government wide statement of net position.	198,704
Deferred outflows of resources related to other postemployment benefits	9,357,405
Deferred outflows of resources related to pension.	4,772,038
Deferred inflows of resources related to pension.	(4,519,458)
Deferred inflows of resources related to other postemployment benefits.	<u>(2,154,634)</u>
Net position of governmental activities	<u><u>\$ (15,985,872)</u></u>

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

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2022

	General	Special Revenue Fund	Education Improvement Act	School Building	Other Governmental Funds	Total Governmental Funds
Revenues						
Local	\$ 9,444,862	\$ 799,781	\$ -	\$ 65,096	\$ 1,320,931	\$ 11,630,670
Intergovernmental	-	105,721	-	-	-	105,721
State	17,355,801	379,385	1,947,938	-	104,223	19,787,347
Federal	-	3,764,425	-	-	2,379,361	6,143,786
Total Revenues	<u>26,800,663</u>	<u>5,049,312</u>	<u>1,947,938</u>	<u>65,096</u>	<u>3,804,515</u>	<u>37,667,524</u>
Expenditures						
Current:						
Instruction	13,785,337	2,912,681	1,145,208	69,110	-	17,912,336
Support services	9,886,554	1,819,657	54,060	232,326	1,605,579	13,598,176
Community service	6,463	100,857	-	-	-	107,320
Intergovernmental	-	74,757	60,000	-	-	134,757
Capital outlay	-	-	-	2,967,391	-	2,967,391
Debt service	-	-	-	46,950	1,403,889	1,450,839
Total Expenditures	<u>23,678,354</u>	<u>4,907,952</u>	<u>1,259,268</u>	<u>3,315,777</u>	<u>3,009,468</u>	<u>36,170,819</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,122,309</u>	<u>141,360</u>	<u>688,670</u>	<u>(3,250,681)</u>	<u>795,047</u>	<u>1,496,705</u>
Other Financing Sources (Uses)						
Transfers in	773,489	-	-	-	-	773,489
Transfers out	-	-	(688,670)	-	(84,819)	(773,489)
Sale of capital assets	936	-	-	539,400	-	540,336
Proceeds from general obligation bonds	-	-	-	1,250,000	-	1,250,000
Total Other Financing Sources (Uses)	<u>774,425</u>	<u>-</u>	<u>(688,670)</u>	<u>1,789,400</u>	<u>(84,819)</u>	<u>1,790,336</u>
Net Change in Fund Balances	3,896,734	141,360	-	(1,461,281)	710,228	3,287,041
Fund Balance - July 1, 2021	<u>14,328,272</u>	<u>168,165</u>	<u>-</u>	<u>5,557,999</u>	<u>693,398</u>	<u>20,747,834</u>
Fund Balance - June 30, 2022	<u>\$ 18,225,006</u>	<u>\$ 309,525</u>	<u>\$ -</u>	<u>\$ 4,096,718</u>	<u>\$ 1,403,626</u>	<u>\$ 24,034,875</u>

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

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2022

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

Net change in fund balances - total governmental funds	\$ 3,287,041
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense of \$3,275,913 exceeded capital asset additions of \$1,428,081 in the current period.	1,847,832
The net effect of transactions involving capital assets (i.e. sales) is to decrease net position.	273,121
The net effect of various miscellaneous transactions involving capital assets (i.e. sales) is to increase net assets.	(539,400)
Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	1,371,672
The cost of pension benefits earned net of employee contributions is reported in the Statement of Activities as an expense. The fund financial statements report pension contributions net of employee contributions as an expenditure.	429,062
Certain property tax revenues that are reported in the government-wide statement of activities do not provide current financial resources and , therefore, are not reported as revenues in the governmental funds' operating statement.	198,704
The cost of other post employment benefits earned net of employee contributions is reported in the Statement of Activities as an expense. The fund financial statements report other postemployment benefits net of employee contributions as an expenditure.	(2,023,764)
The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, which do not effect net position. Long-term debt issued during the year was \$1,250,000	(1,250,000)
Some expenses reported in the statement of activities do not require the use of current Accrued interest	<u>1,093</u>
Change in net position of governmental activities	<u><u>\$ 3,595,361</u></u>

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

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - GENERAL FUND AND ANNUALLY BUDGETED SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2022

	General Fund				Special Revenue Fund				Education Improvement Act			
	Original Budget	Final Budget	Actual	Variance With Final Positive (Negative)	Original Budget	Final Budget	Actual	Variance With Final Positive (Negative)	Original Budget	Final Budget	Actual	Variance With Final Positive (Negative)
Revenues												
Local	\$ 7,739,702	\$ 7,739,702	\$ 9,444,862	\$ 1,705,160	\$ -	\$ -	\$ 799,781	\$ 799,781	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-	105,721	105,721	-	-	-	-
State	16,420,184	16,420,184	17,355,801	935,617	-	-	379,385	379,385	688,670	688,670	1,947,938	1,259,268
Federal	-	-	-	-	9,523,915	9,523,915	3,764,425	(5,759,490)	-	-	-	-
Total Revenues	24,159,886	24,159,886	26,800,663	2,640,777	9,523,915	9,523,915	5,049,312	(4,474,603)	688,670	688,670	1,947,938	1,259,268
Expenditures												
Current:												
Instruction	14,776,982	14,776,982	13,785,337	(991,645)	7,094,056	7,094,056	2,912,681	(4,181,375)	-	-	1,145,208	1,145,208
Support services	10,864,386	10,864,386	9,886,554	(977,832)	2,429,858	2,429,858	1,819,657	(610,201)	-	-	54,060	54,060
Community service	1,000	1,000	6,463	5,463	-	-	100,857	100,857	-	-	-	-
Intergovernmental	20,000	20,000	-	(20,000)	-	-	74,757	74,757	-	-	60,000	60,000
Total Expenditures	25,662,368	25,662,368	23,678,354	(1,984,014)	9,523,915	9,523,915	4,907,952	(4,615,963)	-	-	1,259,268	1,259,268
Excess (deficiency) of revenues over (under) expenditures	(1,502,482)	(1,502,482)	3,122,309	4,624,791	-	-	141,360	141,360	688,670	688,670	688,670	-
Other Financing Sources (Uses)												
Transfers in	904,957	904,957	773,489	(131,468)	-	-	-	-	-	-	-	-
Transfers out	(34,000)	(34,000)	-	34,000	-	-	-	-	(688,670)	(688,670)	(688,670)	-
Sale of capital assets	-	-	936	936	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	870,957	870,957	774,425	(96,532)	-	-	-	-	(688,670)	(688,670)	(688,670)	-
Net Change in Fund Balances	\$ (631,525)	\$ (631,525)	3,896,734	\$ 4,528,259	\$ -	\$ -	141,360	\$ 141,360	\$ -	\$ -	-	\$ -
Fund Balance - July 1, 2021			14,328,272				168,165				-	
Fund Balance - June 30, 2022			<u>\$ 18,225,006</u>				<u>\$ 309,525</u>				<u>\$ -</u>	

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

Notes to Financial Statements

June 30, 2022

Note 1 – Summary of Significant Accounting Policies**A. Reporting Entity**

Spartanburg County School District Four (the, "District") is located in the southwestern part of Spartanburg County, South Carolina and is the largest school district in land area in Spartanburg County. The District operates a public school system under guidelines approved by the U.S. Department of Education and consists of four major schools. The District is fully accredited by the Cognia, Inc., formerly Advance Accreditation Commission.

For financial reporting purposes, the District includes all funds that are controlled by or financially dependent upon the District. Controlled by or financial dependence was determined on the basis of obligation of the District to finance deficits, guarantee of debt, selection of governing authority, approval of budget, authority to make a public levy, ownership of assets, and scope of public service and special financing relationships where there was only partial or no oversight responsibility. These financial statements exclude the related organization in Note 18 because the District does not significantly influence operations of the organization nor is the related organization accountable to the District for its fiscal operations.

B. Basis of Presentation

Government-wide Statements: The statement of net position and the statement of activities display information about the District. These statements include the financial activities of the overall government. Eliminations have been made to minimize the effect of internal activities upon revenues and expenses. Governmental activities generally are financed through intergovernmental revenues, and other non-exchange transactions.

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

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

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

Notes to Financial Statements

June 30, 2022

Note 1 – Summary of Significant Accounting Policies (continued)**B. Basis of Presentation (continued)**

The District reports the following major governmental funds:

General Fund

The General Fund is used to account for all financial transactions, in support of the educational process, which are not recorded in other funds.

Special Revenue Fund

The Federal, State, and Local Special Revenue Fund is used to account for entitlements, grants, and similar funds provided by the state, federal government, and local sources for various educational programs. This fund includes the Pupil Activity Fund which is used to account for student admissions, organization memberships, bookstore and canteen sales, and other related receipts and disbursements held by the District in a trustee capacity on behalf of the students and/or District employees.

Education Improvement Act

The Education Improvement Act Fund is used to account for the proceeds of the additional 1% sales and use tax, which are restricted to expenditures for the Education Improvement Act standards.

School Building Fund

The School Building Fund is a capital projects fund used to account for the financial transactions relating to construction, renovation, and installment of equipment and acquisition of land. The most common sources of revenue in this fund are the sale of bonds and State Building Fund Aid.

The District reports the following non-major governmental funds:

School Food Service Fund

The School Food Service Fund is used to account for operations of providing breakfast and lunch to the District's students and employees at minimal cost. Costs are financed or recovered through reimbursements from the federal government and limited user fees.

Debt Service Fund

The Debt Service Fund is used to finance and account for payments of principal and interest on bonded indebtedness of the District.

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

Notes to Financial Statements

June 30, 2022

Note 1 – Summary of Significant Accounting Policies (continued)**C. Measurement Focus and Basis of Accounting**

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

Governmental Fund Financial Statements. Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if the revenues are collected within 60 days after year-end. These could include federal, state, and county grants, and some charges for services. Expenditures are recorded when the related fund liability is incurred, except for claims and judgments and compensated absences, which are recognized as expenditures in governmental funds. Proceeds from the issuance of long-term debt are reported as other financing sources.

D. Budgetary Data

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The District superintendent submits to the local school Board of Trustees an operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Any revisions to transfer budgeted amounts between departments or that alter the total expenditures of any fund must be approved by the Board.
3. Formal budgetary integration is employed as a management control device during the year for the General Fund, the Special Revenue Fund, and the Education Improvement Act Fund. The Food Service Fund did not use an operating budget for the current fiscal year.
4. Budgeted amounts are as amended by the District. The District reports the annual budget of all funds on the modified accrual basis of accounting.

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

Notes to Financial Statements

June 30, 2022

Note 1 – Summary of Significant Accounting Policies (continued)E. Assets, Liabilities, and Fund EquityCash Management

At June 30, 2022, the District utilizes a cash management system whereby the District's excess of deposits over operating disbursements is invested in short-term interest-bearing investments. As operating disbursements are presented to the financial institution for payment, District funds are automatically transferred from the investment accounts to the checking account in order to maintain a zero balance in the checking accounts.

Cash and Cash Equivalents

The District considers cash equivalents to be short-term highly liquid investments that are (a) readily convertible to known amounts of cash and (b) are so near to maturity that they present negligible risk of changes in value because of changes in interest rates. Examples of cash equivalents are certificates of deposits, money market funds, and other short-term investments that mature within three months of acquisition.

Pooled Cash and Investments

The monies for the Debt Service Fund, School Building Fund, Food Service Fund, and Pupil Activity Funds are deposited and maintained in individual, segregated bank accounts. The District uses a pooled general bank account for the General Fund, Federal, State and Local Special Revenue Fund, and Education Improvement Act Fund. The pooled bank account is recorded in the General Fund. The equity interests in the pool belonging to Federal, State and Local Special Revenue Fund, and Education Improvement Act Fund are maintained in the account(s) due from (to) General Fund. These amounts will be settled from collections of reimbursements under grant programs from the Federal and State Governments and local sources.

Cash with Fiscal Agent

The Spartanburg County Treasurer, fiscal agent for the District, receives local, state, and federal monies from taxpayers within the District and from the South Carolina Department of Education. The monies held by the County Treasurer are uninsured but collateralized with government investments held by the pledging institutions agent in the name of Spartanburg County. Fair value approximates cost on the investments as of June 30, 2022.

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

Notes to Financial Statements

June 30, 2022

Note 1 – Summary of Significant Accounting Policies (continued)E. Assets, Liabilities, and Fund Equity (continued)Ad Valorem Taxes

The District's property taxes (except vehicles) are levied by the Spartanburg County Auditor each fall on the assessed valuation of the property located in the District as of the preceding January 1. Vehicle property taxes are levied on various dates in conjunction with the renewal dates of vehicle license tags. The tax books are open for collection September 1, with the first penalty of 3% applied to payments made after January 15, the due date. An additional penalty of 5% is charged for payments made after January 31. Uncollected property taxes attach as an enforceable lien on January 1. Uncollected property taxes as of March 15 are executed to the Delinquent Tax Collector at which time an additional 5% penalty is assessed. Spartanburg County bills and collects the District's property taxes. The District's property tax revenues are recognized when they become revenues in the hands of the Spartanburg County Treasurer's office.

Assessed values for real estate are established annually by the County Tax Assessor based on the assessment ratio applied to the appropriate class of property. Real and personal property, excluding merchant's inventory, in the District for the 2021 tax levy was assessed at \$68,813,421.

The District's operating tax rate is currently 186.0 mills with an additional 9.1 mills for debt retirement.

Taxes Receivable

Taxes receivable (current and delinquent) of \$1,244,448 represent property taxes which have been collected and remitted to Spartanburg County Treasurer's office for its distribution to the District, as well as delinquent taxes yet to be collected.

At June 30, 2022, total unpaid delinquent taxes receivable for the General Fund and the Debt Service Fund were \$1,204,309 and \$40,139, respectively. Uncollectible amounts are estimated based upon past collection experience. Unpaid delinquent taxes receivable, net of allowance for uncollectibles of \$420,993, are reported at \$198,704, which is included in total taxes receivable of \$1,244,448 as reported in the government-wide financial statements.

Inventory

The District follows the practice of expensing supply items as they are purchased, with the exception of expenditures for inventory increases in the Food Service Fund, which are capitalized. Inventory in the Food Service Fund consists of purchased food supplies and United States Department of Agriculture ("USDA") donated food commodities. Inventories of purchased food and supplies are valued at cost (first-in, first-out). Inventory of USDA food commodities is valued as determined by current purchase price if known, otherwise at USDA value.

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

Notes to Financial Statements

June 30, 2022

Note 1 – Summary of Significant Accounting Policies (continued)E. Assets, Liabilities, and Fund Equity (continued)Capital Assets

The District's capital assets are recorded at original cost. Where cost could not be determined from the available records, estimated historical cost was used to record the estimated value of the asset. Assets acquired by gift or bequest are recorded at their fair value at the date of transfer. Capital assets are recorded as expenditures in the various funds at the time of purchase in the governmental fund financial statements.

It is the policy of the District to capitalize all capital assets costing more than \$5,000 with an estimated useful life of two or more years. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

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

	<u>Years</u>
Buildings and improvements	10-50
Equipment and vehicles	5-10
Land improvements	20

Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method which approximates the effective interest method. Bonds payable are reported net of the applicable bond premiums or discounts. Bond issuance costs are expensed in the year the related debt is acquired.

In the governmental fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Compensated Absences

In accordance with state law, the District allows teachers to accumulate a maximum of 90 days sick leave. Accumulated sick leave is transferable to other school districts. During an illness, a teacher continues to receive full pay for each day of accumulated sick leave. After all sick leave is used, the teacher is removed from the payroll. If a teacher leaves the employment of the District, any unused sick leave is not paid to them. Because of the non-vesting of sick leave and other uncertainties, no estimate of any potential liability has been made.

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

Notes to Financial Statements

June 30, 2022

Note 1 – Summary of Significant Accounting Policies (continued)E. Assets, Liabilities, and Fund Equity (continued)Compensated Absences (continued)

Two weeks of vacation is given to all 12-month employees. Vacation is non-cumulative and employees are not paid for unused vacation days. Therefore, no provision or liability has been recorded.

Net Position/Fund Balance

Net position in the government-wide financial statements are classified as net investment in capital assets, restricted (if any) and unrestricted. Restricted net position represents constraints on resources that are either externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments, or imposed by law through state statute.

Fund balances are classified as follows:

Nonspendable – Amounts that cannot be expended either because they are not in a spendable form or because they are legally or contractually required to be maintained intact.

Restricted – Amounts that can be expended only for specific purposes because of state or federal laws, or externally imposed conditions by grantors or creditors.

Committed – Amounts that can only be used for specific purposes imposed by formal action of the Board of Trustees. Amounts committed cannot be used for any other purpose unless the Board of Trustees removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by the Board of Trustees, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints are not considered to be legally enforceable.

Assigned – Amounts that are designated by the District for specific purposes but do not meet the definition of restricted or committed fund balance. In the Building Fund and Debt Service Fund, assigned amounts represent items designated for capital improvements and bond payments, respectively. Fund balance may be designated by the Board of Trustees or by their designee.

Unassigned – Amounts that are not included in other spendable classifications.

The details of the fund balances are included in the Governmental Funds Balance Sheet. Restricted funds are first used as appropriate, followed by assigned funds to the extent that the expenditure authority has been appropriated or budgeted by the District's Board of Trustees.

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

Notes to Financial Statements

June 30, 2022

Note 1 – Summary of Significant Accounting Policies (continued)E. Assets, Liabilities, and Fund Equity (continued)Management Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (“U.S. GAAP”) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

New Pronouncements

The Governmental Accounting Standards Board issued the following statement which has been implemented by the District for the year ended June 30, 2022:

Governmental Accounting Standards Board (“GASB”) Statement No. 87, *Leases*: Effective for periods beginning after June 15, 2021, this Statement requires lessees to recognize certain lease assets and lease liabilities for leases that previously were classified as operating leases. The Statement requires the recognition of amortization expense for using the leased asset over the shorter of the term of the lease or the useful life of the underlying asset, interest expense on the lease liability, and note disclosures about the lease. There was no impact to the District from adopting this Statement during the year ended June 30, 2022.

Note 2 – Cash, Cash Equivalents, and Investments

State statutes authorize the District to invest in obligations of the United States and its agencies, general obligations (not revenue obligations) of the State of South Carolina and its political subdivisions, savings and loan associations to the extent of federal insurance, certificates of deposit collateralized, repurchase agreements secured by the foregoing obligations, and the state treasurer’s investment pool. In the opinion of management, there were no deposit or investment transactions occurring during the year that were in violation of either the state statutes or the policy of the District.

1. Deposits

All of the District’s deposits are either insured or collateralized by the Dedicated Method. Under the Dedicated Method, all deposits exceeding the federal depository insurance coverage level are collateralized with securities held by the District’s agents in the District’s name. The District’s cash and cash equivalents are held by multiple depositories. Cash and cash equivalents (demand deposits) consist of checking, savings, and money market accounts.

At June 30, 2022, the carrying amount of the District’s cash and cash equivalents was \$2,422,599 and the bank balance was \$3,162,300. Of the bank balance, \$500,000 was covered by federal depository insurance while \$2,662,300 was covered by collateral.

Custodial Credit Risk. For deposits, it is the risk that in the event of a bank failure, the District’s deposits may not be returned to it. As of June 30, 2022, all deposits are either insured or fully collateralized.

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

Notes to Financial Statements

June 30, 2022

Note 2 - Cash, Cash Equivalents and Investments (continued)2. Investments

As required by Statement 31 of the GASB, *Accounting and Financial Reporting for Certain Investments and for External Investments Pools*, the District's investments with a maturity of more than one year are carried at acquisition value and non-money market investments are carried at fair value as determined by quoted market prices. Investments that have a remaining maturity at the time of purchase of one year or less and non-participating interest earnings and investment contracts are reported at amortized cost.

The District's investments in the state treasurer's investment pool are stated at fair value. These investments are part of a pool of funds for which the collateral is not identified for each deposit, but rather for the fund as a whole. These investments are collateralized by cash or government and agency securities, which are fully guaranteed as to principal and interest by the federal government, but not in the name of the District.

As of June 30, 2022, the fair value of investments with the South Carolina State Investment Pool was \$20,870,248. These investments have a maturity of less than six months.

Interest Rate Risk. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk. The District does not have a formal investment policy that would limit its investment choices; however, the District follows the state law that defines the investments permitted a governmental entity in the state of South Carolina. The South Carolina Investment Pool is unrated.

Custodial Credit Risk. The District does not have a custodial credit risk policy. For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral that are in the possession of an outside party.

Following are the components of the District's book and fair values for cash and investments at June 30, 2022:

Cash and Investments	Fair and Carrying Value
Deposit:	
Demand deposits	\$ 2,422,599
Investments:	
SC State Investment Pool	\$ 20,870,248

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

Notes to Financial Statements

June 30, 2022

Note 2 – Cash, Cash Equivalents, and Investments (continued)

Fair Value. Investments are reported at fair value and categorized within the fair value hierarchy established under U.S. GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Gains or losses that result from market fluctuation are reported in the current period. As of June 30, 2022, the District's investments in the South Carolina State Investment Pool are valued using amortized cost.

Note 3 – Receivables and Unearned Revenue

Receivables as of year-end for the government's individual major funds and non-major funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	Governmental Funds					Government
	General	Special Revenue	EIA	School Building	Non-major Governmental	Wide Total
Receivables:						
Taxes	\$ 1,204,309	\$ -	\$ -	\$ -	\$ 40,139	\$ 1,244,448
Accounts receivable	30,879	32,271	-	-	6,243	69,393
Due from other governments	48,791	1,553,442	-	-	42,802	1,645,035
Net total receivables	<u>\$ 1,283,979</u>	<u>\$ 1,585,713</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 89,184</u>	<u>\$ 2,958,876</u>

Governmental funds defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of unearned revenue reported in the governmental funds were as follows:

	Unearned Revenue
Special Revenue Fund	\$ 54,632
Education Improvement Act Fund (hereafter "EIA Fund")	42,415
	<u>\$ 97,047</u>

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

Notes to Financial Statements

June 30, 2022

Note 4 - Capital Assets

Capital asset activity for the year ended June 30, 2022 was as follows:

	<u>Balance July 1, 2021</u>	<u>Acquisitions and Additions</u>	<u>Dispositions and Deletions</u>	<u>Balance June 30, 2022</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 2,057,137	\$ 2,426,697	\$ 171,106	\$ 4,312,728
Construction in progress	40,000	39,920	40,000	39,920
Total capital assets not being depreciated	<u>2,097,137</u>	<u>2,466,617</u>	<u>211,106</u>	<u>4,352,648</u>
Capital assets being depreciated:				
Land improvements	5,132,575	-	-	5,132,575
Buildings and improvements	32,053,227	371,623	96,513	32,328,337
Equipment and vehicles	6,851,197	477,673	132,095	7,196,775
Total capital assets being depreciated	<u>44,036,999</u>	<u>849,296</u>	<u>228,608</u>	<u>44,657,687</u>
Less accumulated depreciation for:				
Land improvements	2,938,785	249,162	-	3,187,947
Buildings and improvements	17,338,910	753,855	1,340	18,091,425
Equipment and vehicles	4,374,615	425,064	132,095	4,667,584
Total accumulated depreciation	<u>24,652,310</u>	<u>1,428,081</u>	<u>133,435</u>	<u>25,946,956</u>
Total capital assets being depreciated, net	<u>19,384,689</u>			<u>18,710,731</u>
Governmental activity capital assets, net	<u>\$ 21,481,826</u>			<u>\$ 23,063,379</u>

Depreciation expense was charged to governmental functions as follows:

Instruction	\$ 1,328,723
Support services	99,358
	<u>\$ 1,428,081</u>

Note 5 – Accounts Payable and Accrued Liabilities

Accounts payable consists of amounts due to vendors and contractors for goods or services received on or before the end of the year. No adjustments between the modified and full accrual basis of accounting were needed.

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

Notes to Financial Statements

June 30, 2022

Note 6 – Defined Benefit Pension PlansPlan Descriptions

The District is a member of the South Carolina Retirement System (“SCRS”) and the Police Officers Retirement System (“PORS”), two of four defined benefit retirement systems maintained by the Retirement Division of the Public Employee Benefits Association (“PEBA”) of South Carolina. Each system publishes their component unit financial report.

The systems provide retirement, disability, cost of living adjustments on an ad-hoc basis, life insurance and survivor benefits to state employees, public school employees, and employees of counties, municipalities, and certain other state political subdivisions. Each system is independent. Assets may not be transferred from one system to another or used for any purpose other than to benefit each system’s participants.

An annual comprehensive financial report containing financial statement and required supplementary information for the SCRS and PORS is issued and publicly available by writing PEBA, 202 Arbor Lake Drive, Columbia, South Carolina 29223.

Funding and Benefit Policies

Title 9 of the South Carolina Code of Laws of 1976 (as amended) prescribes requirements relating to membership, benefits, and employee/employer contributions for each system.

The following paragraphs summarize the requirements for the SCRS and PORS. They are a cost-sharing, multiple-employer pension system that benefits employees of public schools, the State, and its political subdivisions. Membership is required as a condition of employment. Both employers and employees must contribute. Employees under SCRS contribute at 9.00%, while employees under PORS contribute at 9.75%. SCRS employers contribute at 16.41%, and PORS employers contribute at 18.84%. In addition to the above rates, participating employers of the SCRS contribute .15% and PORS employers contribute .20% of payroll to provide an incidental group life insurance benefit for their participants. In addition, participating employers of PORS contribute an additional .20% for accidental group life insurance benefit for participants. An additional employer contribution surcharge of 6.25% of covered payroll was added to the contribution rate to state and public school entities covered by the State Health Insurance Program. This assessment is for the purpose of providing retiree health insurance coverage and is not a part of the actuarially established contribution rates. The total contribution rate, including the group life insurance and health insurance surcharge, for the District was 22.81% for SCRS and 25.49% for PORS.

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

Notes to Financial Statements

June 30, 2022

Note 6 – Defined Benefit Pension Plans (continued)Funding and Benefit Policies (continued)

The District contributed for all plans the following for the current year and each of the preceding two years:

<u>Year Ended</u> <u>June 30</u>	<u>Employee</u> <u>Contributions</u>	<u>Employer</u> <u>Contributions</u>	<u>Total</u> <u>Contributions</u>
2022	\$ 1,338,837	\$ 2,441,342	\$ 3,780,179
2020	1,301,280	2,202,676	3,503,956
2019	1,267,366	2,170,894	3,438,260
Average number of members			<u>417</u>

Actuarially determined contribution requirements are equal to the actual contributions made to SCRS.

Pension Liabilities, Expense, Deferred Outflows of Resources, and Deferred Inflow of Resources

At June 30, 2022, the District reported a liability of \$30,500,556 for its proportionate share of the net pension liability of SCRS and PORS. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020. The District's proportion of the net pension liability was based on the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2021, the District's proportion was .140800% of the total SCRS pension liability and .001154% of the total PORS pension liability.

The District reported deferred outflows of resources and deferred inflows of resources related to the SCRS and PORS from the following sources at June 30, 2022:

	<u>Deferred</u> <u>Outflows of</u> <u>Resources</u>	<u>Deferred</u> <u>Inflows of</u> <u>Resources</u>
Net difference between projected and actual earnings on investments	\$ -	\$ 4,432,952
Assumption changes	1,669,993	-
Deferred amounts from changes in proportionate share and differences between employer contributions and proportionate share of total plan employer contributions	140,657	45,289
Contributions subsequent to the measurement date	2,441,342	-
Difference in expected and actual experience in measurement of pension liability	520,046	41,217
	<u>\$ 4,772,038</u>	<u>\$ 4,519,458</u>

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

Notes to Financial Statements

June 30, 2022

Note 6 – Defined Benefit Pension Plans (continued)Pension Liabilities, Expense, Deferred Outflows of Resources, and Deferred Inflow of Resources
(continued)

The District's contributions subsequent to the measurement date of \$2,441,342 will be recognized as a reduction of the net pension liability in the year ending June 30, 2023. Total pension expense for the year ended June 30, 2022 was \$2,289,318.

The following schedule reflects the District's proportion of the amortization of the net balance of remaining deferred inflows of resources of the SCRS and PORS at the measurement date of June 30, 2021:

<u>Measurement Period Ending June 30,</u>	<u>SCRS</u>	<u>PORS</u>
2022	\$ 146,043	\$ 227
2023	28,248	(3,693)
2024	362,514	(2,800)
2025	1,656,262	1,961
Net Balance of Deferred Outflows of Resources	<u>\$ 2,193,067</u>	<u>\$ (4,305)</u>

Actuarial Assumptions

Actuarial valuations involve estimates of the reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and future salary increases. Amounts determined during the valuation process are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. South Carolina state statute requires that an actuarial experience study be completed at least once in each five-year period. The last experience study was performed on data through June 30, 2019.

The most recent annual actuarial valuation reports adopted by the Public Employee Benefit Authority Board and the SC Budget and Control Board are as of July 1, 2020. The total pension liability in that report was determined using the following actuarial assumptions, applied to all periods included in the measurement.

	<u>SCRS</u>	<u>PORS</u>
Actuarial cost method	Entry age normal	Entry age normal
Investment rate of return	7.0%	7.0%
Projected salary increases	3.0% to 11.0% (varies by service)	3.5% to 10.5% (varies by service)
Inflation	2.25%	2.25%
Benefit adjustment	Lesser of 1% or \$500 annually	Lesser of 1% or \$500 annually

The post-retiree mortality assumption is dependent upon the member's job category and gender. This assumption includes base rates which are automatically adjusted for future improvement in mortality using published Scale AA projected from the year 2020.

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

Notes to Financial Statements

June 30, 2022

Note 6 – Defined Benefit Pension Plans (continued)Actuarial Assumptions (continued)

<u>Former Job Class</u>	<u>Males</u>	<u>Females</u>
Educators	2020 PRSC Males multiplied by 95%	2020 PRSC Females multiplied by 94%
General Employees and Members of the General Assembly	2020 PRSC Males multiplied by 97%	2020 PRSC Females multiplied by 107%
Public Safety and Firefighters	2020 PRSC Males multiplied by 127%	2020 PRSC Females multiplied by 107%

Long-term Expected Rate of Return

The long-term expected rate of return on pension plan investments for actuarial purposes is based upon the 20-year capital market assumptions. The actuarial long-term expected rates of return represent assumptions developed using an arithmetic building block approach primarily based on consensus expectations and market-based inputs. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and adding expected inflation. For actuarial purposes, the 7.0% assumed annual investment rate of return used in the calculation of the total pension liability includes a 4.75% real rate of return and a 2.25% inflation component. The target asset allocations and the long-term expected real rates of return are as follows:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Rate of Return</u>
Public equity	46%	3.16%
Bonds	26%	0.07%
Private equity	9%	0.87%
Private debt	7%	0.39%
Real Assets	12%	0.69%
Total expected rate of return	100%	5.18%
Inflation for actuarial purposes		2.25%
Total expected nominal return		7.43%

Discount Rate

The discount rate used to measure the total pension liability was 7.0%. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers in SCRS will be made based on the actuarially determined rates based on provisions in the South Carolina State Code of Laws. Based on those assumptions, the fiduciary net position of SCRS and PORS 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.

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

Notes to Financial Statements

June 30, 2022

Note 6 – Defined Benefit Pension Plans (continued)Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following table presents the net pension liability of the District's calculated using the discount rate of 7.0%, as well as what the District's net pension liability would be if it were calculated using a discount rate that is 1.00% lower (6.0%) or 1.00% higher (8.0%) than the current rate.

	Sensitivity of the Net Pension Liability to Changes in the Discount Rate		
	<u>1.00% Decrease (6.0%)</u>	<u>Current Discount Rate (7.0%)</u>	<u>1.00% Increase (8.0%)</u>
SCRS	\$ 39,913,102	\$ 30,470,858	\$ 22,622,501
PORS	\$ 43,075	\$ 29,698	\$ 18,725

NOTE 7 – Postemployment Benefits Other Than Pensions

In accordance with the South Carolina Code of Laws and the annual Appropriations Act, the State of South Carolina provides postemployment health and dental and long-term disability benefits through the South Carolina Retiree Health Insurance Trust Fund ("SCRHITF") and the South Carolina Long-Term Disability Insurance Trust Fund ("SCLTDITF"), collectively referred to as the OPEB Trust Funds ("OPEB Trusts"), to retired State and school district employees and their covered dependents.

Plan Description

The OPEB Trusts were established by the State of South Carolina as Act 195, which became effective in May 2008. The SCRHITF was created to fund and account for the employer costs of the State's retiree health and dental plans. The SCLTDITF was created to fund and account for the employer costs of the State's Basic Long-Term Disability Income Benefit Plan. In accordance with Act 195, the OPEB Trusts are administered by the PEBA, Insurance Benefits and the State Treasurer is the custodian of the funds held in trust. The Board of Directors of PEBA has been designated as the Trustee. The OPEB Trusts are cost-sharing, multiple-employer, defined benefit plans. Article 5 of the State Code of Laws defines the two plans and authorizes the Trustee to at any time adjust the plans, including its benefits and contributions, as necessary to insure the fiscal stability of the plans.

Benefits

The SCRHITF provides health and dental insurance benefits to eligible retirees. Generally, retirees are eligible for the health and dental benefits if they have established at least 10 years of retirement service credit. For new hires beginning employment May 2, 2008 and after, retirees are eligible for benefits if they have established 25 years of service for 100% employer funding and 15 to 24 years of service for 50% employer funding.

The SCLTDITF is a long-term disability plan that covers employees of the State of South Carolina, including all agencies and public school districts and all participating local governmental entities. The SCLTDITF provides disability payments to eligible employees that have been approved for disability.

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

Notes to Financial Statements

June 30, 2022

NOTE 7 – Postemployment Benefits Other Than Pensions (continued)Contributions and Funding Policies

Section 1-11-710 of the South Carolina Code of Laws of 1976, as amended, requires the postemployment and long-term disability benefits to be funded through non-employer and employer contributions for active employees and retirees to the PEBA, Insurance Benefits. Non-employer contributions consist of an annual appropriation by the General Assembly and the statutorily required transfer from PEBA, Insurance Benefits reserves. The SCRHITF is funded through participating employers that are mandated by State statute to contribute at a rate assessed each year by the Department of Administration Executive Budget Office. The covered payroll surcharge for the year ended June 30, 2022 was 6.25%.

The SCRS collects the monthly surcharge for all participating employers and remits it directly to the SCRHITF. Other sources of funding for the SCRHITF include mandatory transfers of accumulated PEBA, Insurance Benefits' reserves and income generated from investments. Employer contributions also include the implicit subsidy, or age-related subsidy inherent in the healthcare premiums structure. The implicit subsidy represents a portion of the healthcare expenditures paid on behalf of the employer's active employees. For purposes of GASB Statement No. 75, this expenditure on behalf of the active employee is reclassified as a retiree healthcare expenditure so that the employer's contributions towards the plan reflect the underlying age-adjusted, retiree benefit costs.

Basic Long Term Disability benefits are funded through a person's premium charged to State agencies, public school districts and other participating local governments. The monthly premium per active employee was \$3.22 for the fiscal year ended June 30, 2022. The SCLTDITF premium is billed monthly by PEBA, Insurance Benefits and transferred monthly to the SCLTDITF. It is also funded through investment income.

For purposes of measuring the net OPEB liability, deferred outflows and inflows of resources related to OPEB and OPEB expense, information about the fiduciary net position of the OPEB Trusts, and additions to and deductions from the OPEB Trusts fiduciary net position have been determined on the same basis as they were reported by the OPEB Trusts. For this purpose, revenues are recognized when earned and expenses are recognized when incurred. Therefore, benefit and administrative expenses are recognized when due and payable. Investments are reported at fair value.

Total required employer contributions to the SCRHITF and SCLTDITF from the District was \$1,069,409 and \$11,843, respectively, for the year ended June 30, 2022.

Actuarial Assumptions and Methods

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

Notes to Financial Statements

June 30, 2022

NOTE 7 – Postemployment Benefits Other Than Pensions (continued)Actuarial Assumptions and Methods (continued)

Projections of benefits for financial reporting purposes are based on the substantive plans (as understood by the employer and plan participants) and include the types of benefits provided at the time the valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

Additional information as of the latest actuarial valuation for SCRHITF:

Valuation Date:	June 30, 2020
Actuarial Cost Method:	Individual Entry – Age Normal
Inflation:	2.25%
Investment Rate of Return:	2.75%, net of OPEB Plan investment expenses; including inflation
Single Discount Rate:	1.92% as of June 30, 2021
Demographic Assumptions:	Based on the experience study performed for the SCRS for the 5-year period ending June 30, 2019.
Mortality:	For healthy retirees, the gender-distinct South Carolina Retirees 2020 Morality Tables are used with fully generational mortality projections based on a fully generational basis by the 80% of Scale UMP to account for future mortality improvements and adjusted with multipliers based on plan experience.
Healthcare Trend Rate:	Initial trend starting at 6.0% and gradually decreasing to an ultimate trend rate of 4.0% over a period of 15 years
Retiree Participation:	79% for retirees who are eligible for funded premiums. 59% for retirees who are eligible for partial funded premiums. 20% for retirees who are eligible for non-funded premiums.
Notes:	The discount rate changed from 2.45% as of June 30, 2020 to 1.92% as of June 30, 2021; demographic and salary increases assumptions were updated to reflect the 2020 SCRS experience study and the health care trend rates were reset to better reflect the plan's anticipated experience.

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

Notes to Financial Statements

June 30, 2022

NOTE 7 – Postemployment Benefits Other Than Pensions (continued)Actuarial Assumptions and Methods (continued)

Additional information as of the latest actuarial valuation for SCLTDITF:

Valuation Date:	June 30, 2020
Actuarial Cost Method:	Individual Entry – Age Normal
Inflation:	2.25%
Investment Rate of Return:	3.00%, net of Plan investment expense; including inflation
Single Discount Rate:	2.48% as of June 30, 2020
Salary, Termination, and Retirement Rates:	Based on the experience study performed for the SCRS for the 5-year period ending June 30, 2019.
Disability Incidence:	The disability incidence rates used in the valuation are 165% of the rates developed for the SCRS pension
Disability Recovery:	For participants in payment, 1987 CGDT Group Disability; for active employees, 60% were assumed to recover after the first year and 93% were assumed to recover after the first two years.
Offsets:	45% are assumed to be eligible for Social Security benefits; assumed percentage who will be eligible for a pension plan offset varies based on employee group.
Expenses	Third party administrative expenses were included in the benefit projections.
Notes:	The discount rate changed from 2.83% as of June 30, 2020 to 2.48% as of June 30, 2021. Additionally, the salary, termination, and retirement rates assumptions were updated to reflect the 2020 experience study for the SCRS pension valuations, and the disability incidence, disability recovery, and administration fee and offset assumptions were updated to better reflect the plan's anticipated experience.

Net OPEB Liability

At June 30, 2022, the District reported liabilities of \$36,721,471 and \$4,540 for its proportionate share of the SCRHITF and SCLTDITF net OPEB liabilities, respectively. The total net OPEB liabilities were measured as of June 30, 2020, with update procedures being performed to roll forward the net OPEB liabilities to June 30, 2021. The District's proportionate shares of the collective net OPEB liabilities and collective OPEB expense was determined using the District's payroll related contributions over the measurement period. At June 30, 2021, the District's proportionate shares of the SCRHITF and SCLTDITF were .176349% and .142850%, respectively.

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

Notes to Financial Statements

June 30, 2022

NOTE 7 – Postemployment Benefits Other Than Pensions (continued)OPEB Expense

For the year ended June 30, 2022, the District recognized OPEB expense for the SCRHITF and SCLTDITF plans of \$3,088,962 and \$12,249, respectively.

Single Discount Rate

The Single Discount Rate of 1.92% was used to measure the total OPEB liability for the SCRHITF. The accounting policy for this plan is to set the Single Discount Rate equal to the prevailing municipal bond rate. Due to the plan's investment and funding policies, the difference between a blended discount rate and the municipal bond rate would be less than several basis points (several hundredths of one percent).

A Single Discount Rate of 2.48% was used to measure the total OPEB liability for the SCLTDITF. This Single Discount Rate was based on an expected rate of return on plan investments of 3.00% and a municipal bond rate of 1.92%. The projection of cash flows to determine this Single Discount Rate assumed that employer contributions will remain \$38.64 per year for each covered active employee. Based on these assumptions, the plan's Fiduciary Net Position and future contributions were sufficient to finance the benefit payments through the year 2037. As a result, the long-term expected rate of return on plan investments was applied to project benefit payments through the year 2037, and the municipal bond rate was applied to all benefit payments after that date.

Long-term Expected Rate of Return

The long-term expected rate of return represents assumptions developed using an arithmetic building block approach primarily based on consensus expectations and market based inputs. The expected returns, along with the expected inflation rate, form the basis for the target asset allocation adopted at the beginning of the 2018 fiscal year. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and adding expected inflation. This information is summarized in the following table:

Asset Class	Target Asset Allocation	Expected Arithmetic Real Rate of Return	Allocation-Weighted Long-Term Expected Real Rate of Return
U.S. Domestic Fixed Income	80.00%	0.60%	0.48%
Cash equivalents	20.00%	0.35%	0.07%
Total	100.00%		0.55%
Expected Inflation			2.25%
Total Return			2.80%
Investment Return Assumption			2.75%

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

Notes to Financial Statements

June 30, 2022

NOTE 7 – Postemployment Benefits Other Than Pensions (continued)Long-term Expected Rate of Return (continued)**SOUTH CAROLINA LONG-TERM DISABILITY INSURANCE TRUST FUND**

Asset Class	Target Asset Allocation	Expected Arithmetic Real Rate of Return	Allocation-Weighted Long-Term Expected Real Rate of Return
U.S. Domestic Fixed Income	80.00%	0.95%	0.76%
Cash equivalents	20.00%	0.35%	0.07%
Total	100.00%		0.83%
Expected Inflation			2.25%
Total Return			3.08%
Investment Return Assumption			3.00%

Sensitivity analysis

The following table presents the SCRHITF's net OPEB liability calculated using a Single Discount Rate of 1.92%, as well as what the plan's net OPEB liability would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

Plan	1% Decrease (0.92%)	Current Discount Rate (1.92%)	1% Increase (2.92%)
SCRHITF	\$ 44,258,456	\$ 36,721,471	\$ 30,779,488

Regarding the sensitivity of the SCRHITF's net OPEB liability to changes in the healthcare cost trend rates, the following table presents the plan's net OPEB liability, calculated using the assumed trend rates as well as what the plan's net OPEB liability would be if were calculated using a trend rate that is one percent lower or one percent higher:

Plan	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
SCRHITF	\$ 29,460,503	\$ 36,721,471	\$ 46,396,471

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

Notes to Financial Statements

June 30, 2022

NOTE 7 – Postemployment Benefits Other Than Pensions (continued)Sensitivity Analysis (continued)

The following table presents the SCLTDITF's net OPEB liability calculated using a Single Discount Rate of 2.48%, as well as what the plan's net OPEB liability would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

<u>Plan</u>	<u>1% Decrease (1.48%)</u>	<u>Current Discount Rate (2.48%)</u>	<u>1% Increase (3.48%)</u>
SCLTDITF net OPEB liability	\$ 6,603	\$ 4,540	\$ 2,459

Deferred Outflows and Inflows of Resources

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

	<u>SCRHITF and SCLTDITF</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Net difference between projected and actual investment experience	\$ -	\$ 11,322
Net difference between projected and actual experience in liability measurement	743,127	944,577
Assumption changes	7,469,398	884,387
Changes in proportion and differences between the District's contributions and proportionate share of contributions	75,471	314,348
Contributions subsequent to the measurement date	1,069,409	-
Total	<u>\$ 9,357,405</u>	<u>\$ 2,154,634</u>

Difference Between Expected and Actual Experience

The \$1,069,409 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date for the SCRHITF and SCLTDITF plans during the year ended June 30, 2022, will be recognized as a reduction of the net OPEB liabilities in the year ending June 30, 2023.

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

Notes to Financial Statements

June 30, 2022

NOTE 7 – Postemployment Benefits Other Than Pensions (continued)Difference Between Expected and Actual Experience (continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows for the SCRHITF and SCLTDITF plans:

<u>Years Ended June 30:</u>	SCRHITF and SCLTDITF
2022	\$ 969,600
2023	952,939
2024	1,235,477
2025	1,318,401
2026	1,257,518
Thereafter	399,427
	<u>\$ 6,133,362</u>

Additional Financial and Actuarial Information

PEBA – Insurance Benefits issues audited financial statements and required supplementary information for the OPEB Trust Funds. This information is publicly available through the Insurance Benefits’ link on PEBA’s website at www.peba.sc.gov or a copy may be obtained by submitting a request to PEBA – Insurance Benefits, 202 Arbor Lake Drive, Columbia, South Carolina 29223. PEBA is considered a division of the primary government of the State of South Carolina and therefore, OPEB Trust Funds financial information is also included in the comprehensive annual financial report of the State.

Note 8 – Defined Contribution Pension Plan

As an alternative to membership in the SCRS, newly hired state, public school and higher education employees and individuals newly elected to the South Carolina General Assembly beginning with the November 2012 general election have the option to participate in the State Optional Retirement Plan (“State ORP”), which is a defined contribution plan. State ORP participants direct the investment of their funds into a plan administered by one of four investment providers. PEBA assumes no liability for State ORP benefits.

Rather, the benefits are the liability of the investment providers.

Under the State ORP, employees contribute 9.00% and employers contribute 16.41% of which 5.00% is directed to the investment provider and 11.41% to the SCRS to cover administrative expenses. In addition to the above rates, participating employers of the State ORP contribute .15% of covered payroll to provide incidental death benefits for their participants. An additional employer contribution surcharge of 6.25% of covered payroll was added to the contribution rate for the purpose of providing retiree health insurance coverage. The total contribution rate for the District was 22.81%.

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

Notes to Financial Statements

June 30, 2022

Note 8 – Defined Contribution Pension Plan (continued)

Total contributions under the State ORP for fiscal year 2022 were employee contributions of \$201,250 and employer contributions of \$111,806.

Note 9 – Postretirement Benefits

The District is a member of the SCRS and the PORS which were established July 1, 1945. The SCRS covers public school employees, public higher education personnel, state employees, city, county, and other local public employees. It provides a complete schedule of benefits for regular retirement. A member is eligible for a full service retirement at age 65 or upon completion of twenty-eight years or after January 1, 2001; members are eligible after 28 years membership. Reduced benefits are payable as early as age 55. The PORS covers law enforcement employees. A member is eligible for service retirement at age 60 or upon completion of 25 years of service.

As described more fully in Note 6, funding of the plan is made from employee/employer contributions. Benefits vest after five years of service for members prior to July 1, 2012. New members hired on or after July 1, 2012 vest after eight years of service. Vested members who retire at age 65 or with 28 years of service at any age receive an annual benefit payable monthly for life. The benefit is based on length of service and on average final compensation.

There is no minimum age or years of service required for retirement in State ORP. The employee is immediately 100% vested in the account value including employee and employer contributions. The employee receives distributions upon termination of employment or reaches 59-1/2. The benefit is based on the total account value payable either by an annuity, lump sum or partial distributions.

In addition to providing pension plan and supplemental benefits, the State currently provides its retired employees with health care benefits.

All postretirement benefits paid to the School District's retired members are made from the South Carolina Retirement System and from South Carolina's General Fund (Health Care).

Note 10 – Postemployment Benefits

The District provides death benefits to employees through the group life insurance program for members of the SCRS, PORS, and the ORP, which is explained further in Note 6. The beneficiaries of those employees who die in active service after one year of credited service are eligible for death benefits. Lump sum death benefit payments to beneficiaries are equal to the budgeted salary of the deceased member.

The District has no liability beyond the payment of monthly contributions. Contributions are determined as a percentage of monthly covered payroll. The District does not determine the number of eligible participants. For the year ended June 30, 2022, the District made contributions of \$25,712 to the State for death benefits representing 0.15% of covered payroll for members of the SCRS and ORP and 0.40% of covered payroll for members of PORS.

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

Notes to Financial Statements

June 30, 2022

Note 10 – Postemployment Benefits (continued)

Upon the death of a retiree, a benefit will be paid to the designated beneficiary of an amount based on years of credit services as follows:

10 – 19 years' service credits	\$2,000
20 – 27 years' service credits	4,000
28 or more years' service credits	6,000

Note 11 – Deferred Compensation Plans

Several optional deferred compensation plans are available to the District's employees. The multiple-employer plans, created under Internal Revenue Code Sections 457 and 401(k) are accounted for by the State of South Carolina. Employees may withdraw the current value of their contributions when they terminate employment. With approval of the State's Deferred Compensation Commission, employees may also withdraw the current value of their contributions prior to termination of employment if they meet certain requirements. These requirements differ among the two plans. Compensation deferred under the Sections 457 and 401(k) plans is placed in trust for the contributing employees. Neither the State nor the District has any liability for losses under the plans.

In addition, the District also allows employees to participate in plans established under Internal Revenue Code Section 403(b). Participation is voluntary. The District remits employee contributions to a third party administrator. The third party administrator then remits the various 403(b) providers. The District has no loss under the Plan.

Note 12 – 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. The District is insured by a commercial insurance carrier. The District pays premiums to the commercial carrier for its general insurance coverage.

The District continues to carry insurance for other risks of loss including employee health, dental, group life, and accident insurance under the State of South Carolina. The State accumulates assets to cover risks that its members incur in their normal operations. Specifically, the State assumes substantially all of the risk for the above.

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

Notes to Financial Statements

June 30, 2022

Note 13 – Long-term Obligations and Short-term ObligationsLong-term Obligations

Bonds payable at June 30, 2022 are comprised of the following specific issues:

Bonds payable at June 30, 2022 are comprised of the following specific issues:

\$1,250,000 issued March 24, 2022 general obligation bonds, due in annual installments commencing March 2023 of \$637,403 with an interest rate of 1.40%	\$ 1,250,000
\$3,000,000 issued June 17, 2021 general obligation bonds, due in annual installments commencing June 2022 of \$764,604 with an interest rate of 0.79%	2,258,043
	<u>\$ 3,508,043</u>

The annual requirement to amortize all general obligation debt outstanding as of June 30, 2022, including interest payments of \$60,575, is as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2023	\$ 1,367,668	\$ 34,339	\$ 1,402,007
2024	1,381,764	20,243	1,402,007
2025	758,611	5,993	764,604
	<u>\$ 3,508,043</u>	<u>\$ 60,575</u>	<u>\$ 3,568,618</u>

A schedule of changes in long-term debt for the fiscal year ended June 30, 2022 is as follows:

	Balance July 1, 2021	Increases	Decreases	Balance June 30, 2022	Current Portion of Long-Term Liabilities
Governmental activities:					
General obligation bonds	\$ 3,629,715	\$ 1,250,000	\$ (1,371,672)	\$ 3,508,043	\$ 1,367,668
Net OPEB liabilities	32,169,909	4,556,102	-	36,726,011	-
Net pension liabilities	35,899,489	-	(5,398,933)	30,500,556	-
Total	<u>\$ 71,699,113</u>	<u>\$ 5,806,102</u>	<u>\$ (6,770,605)</u>	<u>\$ 70,734,610</u>	<u>\$ 1,367,668</u>

There are a number of limitations and restrictions contained in the debt instruments. Management believes the District is in compliance with all significant limitations and restrictions, including the legal debt limit imposed by the State of South Carolina.

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

Notes to Financial Statements

June 30, 2022

Note 13 – Long-term Obligations and Short-term Obligations (continued)Short-term Obligations

On March 25, 2021, the District issued a \$1,200,000 Bond Anticipation Note due March 25, 2022 with an interest rate of 0.80%. On March 25, 2022, the District issued a \$600,000 Bond Anticipation Note. The note matures on March 25, 2023 with an interest rate of 1.40%.

Short-term debt activity for the year ended June 30, 2022, was as follows:

Governmental activities:	Balance	Increases	Decreases	Balance
	July 1, 2021			June 30, 2022
March 2021 Bond Anticipation Note	\$ 1,200,000	\$ -	\$ (1,200,000)	\$ -
March 2022 Bond Anticipation Note	-	600,000	-	600,000
Total	\$ 1,200,000	\$ 600,000	\$ (1,200,000)	\$ 600,000

Interest and Fees

For the year ended June 30, 2022, \$78,074 of interest and fees were accrued and expensed. Interest and fees paid during the year ended June 30, 2022 was \$32,217. Interest due in 2023 will be \$34,339.

Note 14 – Interfund Transactions

The composition of interfund balances as of June 30, 2022, is as follows:

Receivable	Payable				Total
	General Fund	Special Revenue	School Building Fund	Non-major Governmental	
General Fund	\$ -	\$ 1,644,487	\$ 76,916	\$ 235,127	\$ 1,956,530
Special Revenue	-	-	-	-	-
School Building	-	-	-	-	-
EIA Fund	59,326	-	-	-	59,326
Total	\$ 59,326	\$ 1,644,487	\$ 76,916	\$ 235,127	\$ 2,015,856

Amounts were due to the general fund from other individual major and non-major funds primarily for operating purposes.

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

Notes to Financial Statements

June 30, 2022

Note 15 – Transfers to/from Other Funds

Transfers for the year ended June 30, 2022 are summarized below:

Transfer In	Transfer Out			
	Special Revenue	EIA	Non-major Governmental	Total
General	\$ 4,529	\$ 688,670	\$ 84,819	\$ 778,018
Special Revenue	-	-	-	-
School Building	-	-	-	-
Total	<u>\$ 4,529</u>	<u>\$ 688,670</u>	<u>\$ 84,819</u>	<u>\$ 778,018</u>

Note 16 – Tax Abatements

The District is subject to tax abatements granted by Spartanburg County (the “County”). This program has the purpose of increasing business activity and employment in the County.

Under the County’s program, companies apply for a fee in lieu of property taxes (“FILOT”) agreement. The fee agreed to under the FILOT agreement is further reduced by a Special Source Revenue Credit (“SSRC”) if the company fulfills a specified level of investment in the County within the timeframe stated in the FILOT Agreement. This provides the company with an incentive to relocate their facilities to the County.

Information relevant to these abatements for the year ended June 30, 2022 is as follows:

Tax Abatement Program	Original Ad Valorem Tax	Fee Dollars	Special Source Revenue Credit	Amount Abated During the Year
Fee in Lieu of Tax	\$ 3,593,563	\$ 709,433	\$ -	\$ 2,884,130

Note 17 – Summary Disclosure of Significant Contingencies and CommitmentsUnemployment Compensation

The District is required to pay unemployment compensation on covered employees. It has chosen the alternative of paying claims as billed by the South Carolina Employment Security Commission. Under this method of funding, no accurate estimate of any potential liability can be made. However, the District does not believe any such liability would have a detrimental impact on the financial status of the District.

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

Notes to Financial Statements

June 30, 2022

Note 17 – Summary Disclosure of Significant Contingencies and Commitments (continued)Federal and State Assisted Programs

The District has received proceeds from Federal and State grants, and/or entitlements. Periodic audits of these grants are required and certain costs may be questioned as not being appropriate expenditures under the grant agreements. Such audits could result in the refund of grant monies to the grantor agencies. Management believes that any required refunds will be immaterial. No provision has been made in the accompanying financial statements for the refund of grant monies due to questioned costs.

Asbestos Hazard Emergency Response Act (Asbestos Plan)

The District's asbestos management plan was completed and implemented in July 1989. It has been determined by proper authorities, under federal guidelines, that no serious threats regarding asbestos were found. The District is unable to determine any future cost associated with the management of the Plan in order to provide continued compliance with federal guidelines or future cost associated with new construction, repairs or normal maintenance to new or existing buildings. Maintenance and inspection programs are carried out for all District property. At June 30, 2022, in the opinion of management, the District was in compliance with Environmental Protection Agency and Department of Health and Environmental Control procedures regarding the Asbestos Plan.

Commitments

At June 30, 2022, the District has construction commitments of \$215,368.

Note 18 – Related Organization

These financial statements exclude R.D. Anderson Area Vocational Center, Moore, South Carolina. The Center serves the high schools in Spartanburg County School District Four, Five and Six. In addition, two of District Four's Board of Trustees, Randy Grant and Rick Sloan, also serve as Board members of R.D. Anderson Area Vocational Center. The District remits a portion of its Education Finance Act monies to the Center to cover the educational costs of the District's students attending R.D. Anderson Area Vocational Center. For the year ended June 30, 2022, \$212,390 was recorded as a General Fund expenditure.

Note 19 – Related Party Transactions

The District obtained cleaning services from a related party whose father is in a position of control. The cost for cleaning services paid to the related party was \$11,856 during 2022. The District also obtained graphic designs from a company whose parent as well as the owner is a member of the Board of Trustees. The cost of the graphic design was \$5,713 during 2022. The District obtained printing services from a company whose sibling is a member of the Board of Trustees. The cost of the printing services was \$26,883 during 2022. The District also obtained landscape services from a company whose sibling is a member of the Board of Trustees. The cost of the landscape services was \$132,897 during 2022, of which \$44,897 was accrued at June 30, 2022.

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

Notes to Financial Statements

June 30, 2022

Note 21 – Subsequent Events

Subsequent to the issuance of the audit report, the voters of the District approved a \$100 million bond referendum. The proceeds of the bond referendum will be used to construct a new Woodruff High School and athletic facilities. On November 10, 2022, the District issued the bonds associated with \$100 million of referendum.

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
SOUTH CAROLINA RETIREMENT SYSTEMS
LAST NINE FISCAL YEARS ENDED
(UNAUDITED)

Fiscal Year*	District's Proportion of the Net Pension Liability	District's Proportionate Share of the Net Pension Liability	District's Covered Payroll	District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Net Pension Liability
<u>South Carolina Retirement System</u>					
2021	0.140800%	\$ 30,470,858	\$ 14,439,854	211.019156%	60.70%
2020	0.140404%	\$ 35,875,618	\$ 14,070,025	254.979064%	97.18%
2019	0.139885%	\$ 31,941,492	\$ 13,259,758	240.890460%	83.83%
2018	0.140601%	\$ 31,504,264	\$ 13,172,889	239.159868%	84.83%
2017	0.139693%	\$ 31,447,141	\$ 12,938,936	243.042712%	87.48%
2016	0.139021%	\$ 29,694,680	\$ 12,447,459	238.560175%	89.01%
2015	0.142582%	\$ 27,041,364	\$ 12,528,548	215.837973%	75.46%
2014	0.148595%	\$ 25,583,133	\$ 12,706,464	201.339515%	66.89%
2013	0.148595%	\$ 26,652,642	\$ 12,745,539	209.113495%	77.34%
<u>Police Officers' Retirement System</u>					
2021	0.001154%	\$ 29,698	\$ 17,357	171.100997%	70.40%
2020	0.000720%	\$ 23,871	\$ 10,874	219.523634%	80.68%
2019	0.000405%	\$ 11,609	\$ 5,869	197.802011%	59.51%
2018	0.001198%	\$ 33,946	\$ 16,589	204.629574%	62.00%
2017	0.001310%	\$ 35,916	\$ 17,653	203.455503%	64.10%
2016	0.001164%	\$ 29,525	\$ 14,839	198.968933%	65.44%
2015	0.000986%	\$ 21,490	\$ 12,218	175.888034%	54.87%
2014	0.000640%	\$ 12,214	\$ 7,668	159.285342%	48.04%
2013	0.000640%	\$ 13,226	\$ 9,356	141.363831%	58.78%

* Represents South Carolina Retirement System's and Police Officers' Retirement System's fiscal year.

This data is presented for those years in which information is available.

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PENSION CONTRIBUTIONS
LAST TEN FISCAL YEARS

South Carolina Retirement System

Fiscal Year*	Actuarial Required Contribution	Actual Contributions	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
2022	\$ 2,437,869	\$ 2,437,869	-	14,855,998	16.4100%
2021	\$ 2,199,580	\$ 2,199,580	-	14,439,854	15.2327%
2020	\$ 2,167,428	\$ 2,167,428	-	14,070,025	15.4046%
2019	\$ 1,910,731	\$ 1,910,731	-	13,259,758	14.4100%
2018	\$ 1,766,484	\$ 1,766,484	-	13,172,889	13.4100%
2017	\$ 1,476,289	\$ 1,476,289	-	12,938,936	11.4097%
2016	\$ 1,358,018	\$ 1,358,018	-	12,447,459	10.9100%
2015	\$ 1,346,819	\$ 1,346,819	-	12,528,548	10.7500%
2014	\$ 1,327,825	\$ 1,327,825	-	12,706,464	10.4500%
2013	\$ 1,331,909	\$ 1,331,909	-	12,745,539	10.4500%

Police Officers' Retirement System

Fiscal Year*	Actuarial Required Contribution	Actual Contributions	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
2022	\$ 3,473	\$ 3,473	-	18,434	18.8402%
2021	\$ 3,096	\$ 3,096	-	17,357	17.8372%
2020	\$ 1,940	\$ 1,940	-	10,874	17.8403%
2019	\$ 988	\$ 988	-	5,869	16.8342%
2018	\$ 2,627	\$ 2,627	-	16,589	15.8358%
2017	\$ 2,443	\$ 2,443	-	17,653	13.8390%
2016	\$ 1,979	\$ 1,979	-	14,839	13.3365%
2015	\$ 1,590	\$ 1,590	-	12,218	13.0136%
2014	\$ 954	\$ 954	-	7,668	12.4413%
2013	\$ 1,113	\$ 1,113	-	9,356	11.8961%

* Represents South Carolina Retirement System's and Police Officers' Retirement System's fiscal year.

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
 LAST FIVE FISCAL YEARS END

Fiscal Year	The District's Proportion of the Net OPEB Liability	The District's Proportionate Share of the Net OPEB Liability	The District's Total Covered Employee Payroll During the Measurement Period	The District's Proportionate Share of the Net OPEB Liability as a Percentage of Total Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Covered Employee OPEB Liability
South Carolina Retiree Health Insurance Trust Fund (SCRHITF)					
2021	0.176349%	\$ 36,721,471	\$ 14,439,854	254.31%	7.48%
2020	0.178210%	\$ 32,169,483	\$ 14,070,025	228.64%	8.39%
2019	0.177987%	\$ 26,914,348	\$ 13,259,758	202.98%	8.44%
2018	0.178612%	\$ 25,310,365	\$ 13,172,889	192.14%	7.91%
2017	0.177795%	\$ 24,082,042	\$ 12,938,936	186.12%	7.60%
South Carolina Long-term Disability Insurance Trust Fund (SCLTDITF)					
2021	0.142850%	\$ 4,540	\$ (1)	\$ (1)	92.84%
2020	0.140508%	\$ 426	\$ (1)	\$ (1)	99.29%
2019	0.136108%	\$ 2,679	\$ (1)	\$ (1)	95.17%
2018	0.141147%	\$ 4,253	\$ (1)	\$ (1)	92.20%
2017	0.141147%	\$ 2,559	\$ (1)	\$ (1)	95.29%

(1) Contributions to the SCLTDITF are based upon a fixed fee per covered employee. Therefore, covered payroll is not applicable to the SCLTDITF

This data is presented for those years in which information is available.

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S OPEB CONTRIBUTIONS
LAST FIVE FISCAL YEARS END

South Carolina Retiree Health Insurance Trust Fund (SCRHITF)

Fiscal Year	Actuarial Required OPEB Contribution	Actual OPEB Contributions	Contribution Deficiency (Excess)	District's Covered Employee Payroll	Contributions as a Percentage of Covered Employee Payroll
2022	\$ 1,069,409	\$ 1,069,409	\$ -	\$ 14,855,998	7.1985%
2021	\$ 1,039,691	\$ 1,039,691	\$ -	\$ 14,439,854	7.2001%
2020	\$ 1,026,738	\$ 1,026,738	\$ -	\$ 14,070,025	7.2973%
2019	\$ 941,862	\$ 941,862	\$ -	\$ 13,259,758	7.1032%
2018	\$ 847,163	\$ 847,163	\$ -	\$ 13,172,889	6.4311%
2017	\$ 799,136	\$ 799,136	\$ -	\$ 12,938,936	6.1762%

South Carolina Long-term Disability Insurance Trust Fund (SCLTDITF)

Fiscal Year	Actuarial Required Contribution	Actual Contributions	Contribution Deficiency (Excess)	District's Covered Employee Payroll	Contributions as a Percentage of Covered Employee Payroll
2022	\$ 11,843	\$ 11,843	\$ -	(1)	(1)
2021	\$ 11,663	\$ 11,663	\$ -	(1)	(1)
2020	\$ 11,402	\$ 11,402	\$ -	(1)	(1)
2019	\$ 10,790	\$ 10,790	\$ -	(1)	(1)
2018	\$ 10,906	\$ 10,906	\$ -	(1)	(1)
2017	\$ 10,967	\$ 10,967	\$ -	(1)	(1)

(1) Contributions to the SCLTDITF are based upon a fixed fee per covered employee. Therefore, covered

This data is presented for those years in which information is available.

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2022

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
1000 Revenue from Local Sources			
1100 Taxes			
1110 Ad Valorem Taxes	\$ 7,449,702	\$ 7,940,067	\$ 490,365
1200 Revenue from Local Governmental Units Other than LEA's			
1280 Revenue in Lieu of Taxes (Independent and Dependent LEA)	250,000	1,295,780	1,045,780
1300 Tuition			
1310 Regular Day School from Patrons	-	44,887	44,887
1500 Earnings on Investments			
1510 Interest on Investments	40,000	47,575	7,575
1900 Other Revenue from Local Sources			
1920 Contributions and Donations Private Sources	-	1,250	1,250
1993 Receipt of Insurance Proceeds	-	-	-
1999 Revenue from Other Local Sources	-	115,303	115,303
Total Local Sources	<u>7,739,702</u>	<u>9,444,862</u>	<u>1,705,160</u>
3000 Revenue from State Sources			
3100 Restricted State Funding			
3130 Special Programs			
3131 Handicapped Transportation	-	1,711	1,711
3160 School Bus Driver's Salary	200,000	231,713	31,713
3161 EAA School Bus Driver's Salary and Fringe	-	591	591
3162 Transportation Workers' Compensation	15,000	14,604	(396)
3180 Fringe Benefits Employer Contributions	3,485,750	3,703,145	217,395
3181 Retiree Insurance	679,440	690,165	10,725
3186 State Aid to Classrooms	805,750	708,729	(97,021)
3189 Teacher Step	-	-	-

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2022

	Budget	Actual	Variance Positive (Negative)
3300 Education Finance Act			
3310 Full-Time Programs			
3311 Kindergarten	369,990	356,719	(13,271)
3312 Primary	960,832	1,053,918	93,086
3313 Elementary	1,728,852	1,891,696	162,844
3314 High School	395,017	615,939	220,922
3315 Trainable Mentally Handicapped	45,725	37,852	(7,873)
3316 Speech Handicapped (Part-Time Program)	667,855	345,790	(322,065)
3317 Homebound	3,020	964	(2,056)
3320 Part-Time Programs			
3321 Emotionally Handicapped	28,530	43,798	15,268
3322 Educable Mentally Handicapped	36,030	29,117	(6,913)
3323 Learning Disabilities	537,120	757,134	220,014
3324 Hearing Handicapped	31,675	47,427	15,752
3325 Visually Handicapped	26,400	36,888	10,488
3326 Orthopedically Handicapped	4,190	4,901	711
3327 Vocational	1,036,539	1,062,202	25,663
3330 Miscellaneous EFA Programs			
3331 Autism	164,505	258,112	93,607
3332 High Achieving Students	140,120	126,821	(13,299)
3334 Limited English Proficiency	45,585	46,976	1,391
3351 Academic Assistance	235,805	279,642	43,837
3352 Pupils in Poverty	749,470	746,676	(2,794)
3353 Dual Credit Enrollment	1,540	10,109	8,569
3392 NBC Excess EFA Formula	-	21,662	21,662
3800 State Revenue in Lieu of Taxes			
3810 Reimbursement for Local Property Tax Relief	892,411	892,411	-
3820 Homestead Exemption	433,314	433,314	-
3825 Reimbursement for Property Tax Relief	2,354,769	2,403,426	48,657
3830 Merchant's Inventory Tax	29,000	29,256	256
3840 Manufacturers Depreciation Reimbursement	150,000	277,780	127,780
3890 Other State Property Tax Revenues	20,000	45,281	25,281
3900 Other State Revenue			
3993 PEBA On-Behalf	145,950	145,969	19
3999 Revenue from Other State Sources	-	3,363	3,363
Total State Sources	<u>16,420,184</u>	<u>17,355,801</u>	<u>935,617</u>
Total Revenue all Sources	<u>24,159,886</u>	<u>26,800,663</u>	<u>2,640,777</u>

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2022

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Expenditures			
100 Instruction			
110 General Instruction			
111 Kindergarten Programs			
100 Salaries	635,607	612,126	23,481
200 Employee Benefits	295,267	275,638	19,629
300 Purchased Services	6,000	245	5,755
400 Supplies and Materials	54,000	16,443	37,557
500 Capital Outlay	5,000	-	5,000
112 Primary Programs			
100 Salaries	1,566,290	1,454,050	112,240
200 Employee Benefits	712,994	671,267	41,727
300 Purchased Services	32,250	33,142	(892)
400 Supplies and Materials	179,150	38,404	140,746
500 Capital Outlay	6,000	-	6,000
113 Elementary Programs			
100 Salaries	3,244,199	3,114,476	129,723
200 Employee Benefits	1,447,551	1,335,265	112,286
300 Purchased Services	103,650	138,586	(34,936)
400 Supplies and Materials	302,800	66,360	236,440
500 Capital Outlay	10,000	-	10,000
114 High School Programs			
100 Salaries	2,135,955	2,175,027	(39,072)
200 Employee Benefits	960,667	939,548	21,119
300 Purchased Services	155,000	209,643	(54,643)
400 Supplies and Materials	195,850	43,517	152,333
500 Capital Outlay	5,000	-	5,000
600 Other Objects	2,000	2,500	(500)
115 Vocational Programs			
100 Salaries	161,360	168,442	(7,082)
200 Employee Benefits	75,318	77,464	(2,146)
300 Purchased Services -	-	-	
Other than Tuition	20,000	28,260	(8,260)
370 Purchased Services - Tuition	220,000	212,390	7,610
400 Supplies and Materials	12,700	-	12,700
120 Exceptional Programs			
121 Educable Mentally Handicapped			

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2022

	Budget	Actual	Variance Positive (Negative)
100 Salaries	818,966	49,232	769,734
200 Employee Benefits	357,342	16,812	340,530
300 Purchased Services	1,000	9,636	(8,636)
400 Supplies and Materials	1,500	292	1,208
 122 Trainable Mentally Handicapped			
100 Salaries	-	2,195	(2,195)
200 Employee Benefits	-	975	(975)
300 Purchased Services	3,500	10,708	(7,208)
 123 Orthopedically Handicapped			
100 Salaries	10,000	5,756	4,244
200 Employee Benefits	3,136	2,970	166
300 Purchased Services	23,000	-	23,000
 124 Visually Handicapped			
100 Salaries	-	11,750	(11,750)
200 Employee Benefits	-	4,653	(4,653)
300 Purchased Services	20,700	22,322	(1,622)
400 Supplies and Materials	1,000	-	1,000
 125 Hearing Handicapped			
100 Salaries	10,000	19,248	(9,248)
200 Employee Benefits	3,136	7,617	(4,481)
300 Purchased Services	13,300	30,681	(17,381)
400 Supplies and Materials	150	-	150
 126 Speech Handicapped			
100 Salaries	109,416	229,598	(120,182)
200 Employee Benefits	44,712	94,213	(49,501)
300 Purchased Services	-	4,160	(4,160)
400 Supplies and Materials	1,800	1,667	133
 127 Learning Disabilities			
100 Salaries	130,109	614,893	(484,784)
200 Employee Benefits	56,402	262,024	(205,622)
300 Purchased Services	-	1,935	(1,935)
400 Supplies and Materials	2,000	-	2,000
 128 Emotionally Handicapped			
100 Salaries	3,280	26,383	(23,103)
200 Employee Benefits	1,032	11,802	(10,770)
300 Purchased Services	10,600	-	10,600
400 Supplies and Materials	300	-	300
 130 Pre-School Programs			

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2022

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
132 Pre-School Handicapped-Itinerant (5 year-olds)			
100 Salaries	-	470	(470)
200 Employee Benefits	-	37	(37)
133 Pre-School Handicapped-Self Contained (5 year-olds)			
100 Salaries	27,462	34,337	(6,875)
200 Employee Benefits	11,211	13,517	(2,306)
137 Pre-School Handicapped-Self-Contained (3 & 4 year-olds)			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
139 Early Childhood Programs			
100 Salaries	27,248	25,720	1,528
200 Employee Benefits	8,542	7,543	999
400 Supplies and Materials	10,000	765	9,235
140 Special Programs			
141 Gifted and Talented - Academic			
100 Salaries	71,115	71,350	(235)
200 Employee Benefits	34,699	32,241	2,458
400 Supplies and Materials	8,000	8,260	(260)
145 Homebound			
100 Salaries	20,000	14,991	5,009
200 Employee Benefits	6,268	5,267	1,001
300 Purchased Services	12,000	2,144	9,856
147 Full Day 4K			
100 Salaries	188,187	176,801	11,386
200 Employee Benefits	92,178	78,929	13,249
300 Purchased Services	-	18,553	(18,553)
400 Supplies and Materials	10,000	9,291	709
148 Gifted and Talented - Artistic			
100 Salaries	30,000	13,145	16,855
200 Employee Benefits	9,403	3,991	5,412
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
149 Other Special Programs			
300 Purchased Services	4,000	-	4,000
160 Other Exceptional Programs			
161 Autism			

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2022

	Budget	Actual	Variance Positive (Negative)
100 Salaries	-	139,660	(139,660)
200 Employee Benefits	-	57,062	(57,062)
300 Purchased Services	8,800	16,231	(7,431)
 170 Summer School Program			
171 Primary Summer School			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
 175 Instructional Programs Beyond Regular School Day			
100 Salaries	6,000	-	6,000
200 Employee Benefits	1,880	-	1,880
300 Purchased Services	-	-	-
400 Supplies and Materials	4,000	397	3,603
 180 Adult/Continuing Education Programs			
181 Adult Basic Education Programs			
600 Other Objects	15,000	-	15,000
 188 Parenting/Family Literacy			
400 Supplies and Materials	-	320	(320)
Total Instruction	<u>14,776,982</u>	<u>13,785,337</u>	<u>991,645</u>
 200 Support Services			
 210 Pupil Services			
211 Attendance and Social Work Services			
300 Purchased Services	26,000	17,080	8,920
400 Supplies and Materials	400	-	400
 212 Guidance Services			
100 Salaries	357,229	341,436	15,793
200 Employee Benefits	157,525	142,887	14,638
300 Purchased Services	2,200	100	2,100
400 Supplies and Materials	4,000	419	3,581
 213 Health Services			
100 Salaries	19,855	26,078	(6,223)
200 Employee Benefits	8,827	6,435	2,392
300 Purchased Services	13,600	13,182	418
400 Supplies and Materials	6,000	9,295	(3,295)
600 Other Objects	2,000	-	2,000
 214 Psychological Services			

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2022

	Budget	Actual	Variance Positive (Negative)
100 Salaries	37,462	39,668	(2,206)
200 Employee Benefits	19,548	19,388	160
300 Purchased Services	-	18,000	(18,000)
400 Supplies and Materials	-	1,568	(1,568)
600 Other Objects	-	244	(244)
 215 Career Specialist Services			
300 Purchased Services	-	7,212	(7,212)
 217 Career Specialist Services			
100 Salaries	-	50,698	(50,698)
200 Employee Benefits	-	14,888	(14,888)
300 Purchased Services	-	40	(40)
 220 Instructional Staff Services			
 221 Improvement of Instruction - Curriculum Development			
100 Salaries	12,000	20,351	(8,351)
200 Employee Benefits	3,764	6,168	(2,404)
300 Purchased Services	87,612	2,377	85,235
400 Supplies and Materials	-	-	-
 222 Library and Media Services			
100 Salaries	308,965	299,062	9,903
200 Employee Benefits	145,733	133,371	12,362
300 Purchased Services	8,000	3,836	4,164
400 Supplies and Materials	81,400	2,376	79,024
 223 Supervision of Special Programs			
100 Salaries	103,214	113,416	(10,202)
200 Employee Benefits	45,464	44,974	490
300 Purchased Services	-	3,308	(3,308)
400 Supplies and Materials	-	12,069	(12,069)
 224 Improvement of Instruction - Inservice and Staff Training			
100 Salaries	189,478	159,429	30,049
200 Employee Benefits	91,033	78,336	12,697
300 Purchased Services	116,400	90,630	25,770
400 Supplies and Materials	43,600	5,256	38,344
600 Other Objects	4,000	1,904	2,096
 230 General Administration Services			
 231 Board of Education			
100 Salaries	6,000	3,622	2,378
200 Employee Benefits	9,717	15,442	(5,725)
300 Purchased Services	74,000	122,928	(48,928)

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2022

	Budget	Actual	Variance Positive (Negative)
318 Audit Services	45,000	62,731	(17,731)
400 Supplies and Materials	8,000	2,442	5,558
600 Other Objects	87,000	46,569	40,431
 232 Office of the Superintendent			
100 Salaries	318,309	316,293	2,016
200 Employee Benefits	115,400	106,009	9,391
300 Purchased Services	9,500	7,293	2,207
400 Supplies and Materials	13,000	8,864	4,136
600 Other Objects	3,000	895	2,105
 233 School Administration			
100 Salaries	1,376,616	1,354,620	21,996
200 Employee Benefits	636,328	593,650	42,678
300 Purchased Services	31,700	66,754	(35,054)
400 Supplies and Materials	46,100	29,792	16,308
600 Other Objects	6,000	6,908	(908)
 250 Finance and Operations Services			
 252 Fiscal Services			
100 Salaries	302,300	138,918	163,382
180 Head of Organization Unit Salaries	-	166,795	(166,795)
200 Employee Benefits	129,287	68,651	60,636
280 Head of Organization Unit Employee Benefits	-	56,548	(56,548)
300 Purchased Services	18,000	24,877	(6,877)
400 Supplies and Materials	15,000	4,546	10,454
600 Other Objects	7,000	8,356	(1,356)
 253 Fiscal Services			
400 Supplies and Materials	-	166	(166)
 254 Operation and Maintenance of Plant			
100 Salaries	990,828	842,032	148,796
200 Employee Benefits	443,028	375,678	67,350
300 Purchased Services	387,000	544,365	(157,365)
321 Public Utilities	72,900	77,952	(5,052)
400 Supplies and Materials	114,000	92,656	21,344
470 Energy	418,000	340,900	77,100
500 Capital Outlay	50,000	7,625	42,375
600 Other Objects	76,000	-	76,000
 255 Student Transportation			
100 Salaries	605,369	566,243	39,126
200 Employee Benefits	227,626	234,115	(6,489)
300 Purchased Services	24,700	11,651	13,049

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2022

	Budget	Actual	Variance Positive (Negative)
400 Supplies and Materials	4,000	6,809	(2,809)
256 Food Service			
100 Salaries	-	-	-
200 Employee Benefits	294,592	187,599	106,993
258 Security			
100 Salaries	27,578	16,304	11,274
200 Employee Benefits	8,835	5,792	3,043
300 Purchased Services	180,000	153,818	26,182
400 Supplies and Materials	2,000	620	1,380
260 Central Support Services			
263 Information Services			
100 Salaries	5,000	3,200	1,800
200 Employee Benefits	1,565	970	595
300 Purchased Services	25,000	27,321	(2,321)
400 Supplies and Materials	6,000	16,425	(10,425)
266 Technology and Data Processing Services			
100 Salaries	248,905	257,301	(8,396)
200 Employee Benefits	108,730	106,307	2,423
300 Purchased Services	88,000	73,213	14,787
400 Supplies and Materials	135,750	9,451	126,299
600 Other Objects	-	352	(352)
270 Supporting Services Pupil Activity			
271 Pupil Services Activities			
600 Pupil Activity	1,166,414	1,028,705	137,709
Total Support Services	10,864,386	9,886,554	977,832
300 Community Services			
350 Custody and Care of Children Services			
100 Salaries	-	4,073	(4,073)
200 Employee Benefits	-	345	(345)
400 Supplies and Materials	1,000	2,045	(1,045)
Total Community Services	1,000	6,463	(5,463)
400 Other Charges			
410 Intergovernmental Expenditures			
412 Payments to Other Governmental Units			
720 Transits	20,000	-	20,000

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2022

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Total Intergovernmental Expenditures	20,000	-	20,000
Total Expenditures	<u>25,662,368</u>	<u>23,678,354</u>	<u>1,984,014</u>
Other Financing Sources (Uses)			
5300 Sale of Capital Assets	-	936	936
Interfund Transfers, from (to) Other Funds			
5230 Transfer from Special Revenue EIA Fund	754,957	688,670	(66,287)
5280 Transfer from Other Funds Indirect Costs	150,000	84,819	(65,181)
421-710 Transfer to Non-EIA Special Revenue Fund	(34,000)	-	34,000
424-710 Transfer to School Building Fund	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>870,957</u>	<u>774,425</u>	<u>(96,532)</u>
Net Change in Fund Balance	<u>\$ (631,525)</u>	3,896,734	<u>\$ 4,528,259</u>
Fund Balance - July 1, 2021		<u>14,328,272</u>	
Fund Balance - June 30, 2022		<u>\$ 18,225,006</u>	

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 2022

	201/202 Title I	203/204 Idea	205/206 Preschool Handicapped	207/208 Occupational Education	Other Restricted State Grants	Other Special Revenue Programs	700s Student Activity Funds	Total
Revenues								
1000 Revenue from Local Sources								
1500 Earnings on Investments								
1510 Interest on investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 136	\$ 136
1700 Pupil Activities								
1710 Admissions	-	-	-	-	-	-	98,128	98,128
1720 Contributions and donations private sources	-	-	-	-	-	-	2,000	2,000
1730 Pupil organization membership	-	-	-	-	-	-	5,955	5,955
1740 Student fees	-	-	-	-	-	-	38,924	38,924
1790 Other	-	-	-	-	-	-	434,359	434,359
1900 Other revenue from local sources								
1920 Contributions and donations private sources	-	-	-	-	-	5,187	8,615	13,802
1930 Medicaid	-	-	-	-	-	196,843	-	196,843
1999 Revenue from other local sources	-	-	-	-	-	9,634	-	9,634
Total local sources	-	-	-	-	-	211,664	588,117	799,781
2000 Intergovernmental Revenue								
2300 Payment from non-profit entities (for First Steps)	-	-	-	-	-	105,721	-	105,721
Total Intergovernmental revenue	-	-	-	-	-	105,721	-	105,721
3000 Revenue from State Sources								
3100 Restricted state funding								
3110 Occupational education 3118 EEDA career specialist	-	-	-	-	141,659	-	-	141,659
3120 General education								

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 2022

	201/202 Title I	203/204 Idea	205/206 Preschool Handicapped	207/208 Occupational Education	Other Restricted State Grants	Other Special Revenue Programs	700s Student Activity Funds	Total
4974 ESSER III	-	-	-	-	-	1,052,605	-	1,052,605
4975 CARES Act	-	-	-	-	-	29,273	-	29,273
4977 ESSER II	-	-	-	-	-	927,351	-	927,351
4997 Title IV SSAE	-	-	-	-	-	55,059	-	55,059
4998 Before/after school day care	-	-	-	-	-	1,471	-	1,471
4999 Revenue from other federal sources	-	-	-	-	-	1,471	-	1,471
Total federal sources	873,320	688,114	28,875	937	-	2,173,179	-	3,764,425
Total Revenue all Sources	873,320	688,114	28,875	937	328,982	2,540,967	588,117	5,049,312
Expenditures								
100 Instruction								
110 General Instruction								
111 Kindergarten programs								
100 Salaries	57,069	-	-	-	-	4,320	-	61,389
200 Employee benefits	25,579	-	-	-	-	690	-	26,269
300 Purchased services	1,101	-	-	-	-	-	-	1,101
400 Supplies and materials	11,759	-	-	-	-	97,030	-	108,789
112 Primary programs								
100 Salaries	166,367	-	-	-	-	43,346	-	209,713
200 Employee benefits	70,816	-	-	-	1,134	14,582	-	86,532
300 Purchased services	17,664	-	-	-	-	-	-	17,664
400 Supplies and materials	36,464	-	-	-	-	255,525	-	291,989
113 Elementary programs								
100 Salaries	163,371	-	-	-	14,727	59,539	-	237,637
200 Employee benefits	69,899	-	-	-	3,428	21,606	-	94,933
400 Supplies and materials	9,177	-	-	-	217	215,994	-	225,388
114 High school programs								
100 Salaries	-	-	-	-	-	6,420	-	6,420

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 2022

	201/202 Title I	203/204 Idea	205/206 Preschool Handicapped	207/208 Occupational Education	Other Restricted State Grants	Other Special Revenue Programs	700s Student Activity Funds	Total
school day								
100 Salaries	-	-	-	-	-	54,479	-	54,479
200 Employee benefits	-	-	-	-	-	16,507	-	16,507
300 Purchased services	-	-	-	-	-	-	-	-
400 Supplies and materials	-	-	-	-	-	1,204	-	1,204
180 Adult/Continuing Educational Programs								
183 Adult English Literacy								
400 Supplies and materials	-	-	-	-	-	1,200	-	1,200
188 Parenting/family literacy								
400 Supplies and materials	6,186	-	-	-	-	704	-	6,890
190 Instructional Pupil Activity								
660 Pupil activity	-	-	-	-	-	-	(41)	(41)
Total Instruction	<u>843,886</u>	<u>513,413</u>	<u>28,875</u>	<u>937</u>	<u>21,097</u>	<u>1,504,514</u>	<u>(41)</u>	<u>2,912,681</u>
200 Support Services								
213 Health services								
100 Salaries	-	103	-	-	53,496	153,789	-	207,388
200 Employee benefits	-	33	-	-	21,517	71,578	-	93,128
214 Psychological services								
100 Salaries	-	55,854	-	-	-	64,864	-	120,718
200 Employee benefits	-	22,222	-	-	-	24,576	-	46,798
300 Purchased services	-	-	-	-	-	100,100	-	100,100
400 Supplies and materials	-	4,501	-	-	-	-	-	4,501
215 Exceptional program services								
300 Purchased services	-	13,152	-	-	-	-	-	13,152
217 Career specialist services								
100 Salaries	-	-	-	-	95,611	-	-	95,611
200 Employee benefits	-	-	-	-	46,048	-	-	46,048

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 2022

	201/202 Title I	203/204 Idea	205/206 Preschool Handicapped	207/208 Occupational Education	Other Restricted State Grants	Other Special Revenue Programs	700s Student Activity Funds	Total
220 Instructional Staff Services								
221 Improvement of instruction curriculum development								
100 Salaries	-	-	-	-	41,359	18,166	-	59,525
200 Employee benefits	-	-	-	-	17,751	5,603	-	23,354
300 Purchased services	-	5,685	-	-	-	16,024	-	21,709
222 Media								
100 Salaries	-	-	-	-	-	40	-	40
200 Employee benefits	-	-	-	-	-	3	-	3
300 Purchased services	-	-	-	-	-	-	-	-
400 Supplies and materials	-	-	-	-	-	-	-	-
223 Supervision of special programs								
100 Salaries	19,270	53,108	-	-	-	32,014	-	104,392
200 Employee benefits	8,960	16,476	-	-	-	9,918	-	35,354
300 Purchased services	-	80	-	-	-	26,252	-	26,332
400 Supplies and materials	947	768	-	-	-	163	-	1,878
224 Improvement of Instruction - Inservice and staff training								
300 Purchased services	-	-	-	-	-	500	-	500
250 Finance and Operations Services								
251 Student transportation								
100 Salaries	200	-	-	-	-	-	-	200
200 Employee benefits	57	-	-	-	-	-	-	57
300 Purchased services	-	2,719	-	-	-	-	-	2,719
253 Facilities acquisition and construction								
300 Purchased services	-	-	-	-	-	4,648	-	4,648
540 Equipment	-	-	-	-	-	214,065	-	214,065

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 2022

	201/202 Title I	203/204 Idea	205/206 Preschool Handicapped	207/208 Occupational Education	Other Restricted State Grants	Other Special Revenue Programs	700s Student Activity Funds	Total
254 Operation and maintenance of plant								
100 Salaries	-	-	-	-	-	2,010	-	2,010
200 Employee benefits	-	-	-	-	-	664	-	664
300 Purchased services	-	-	-	-	-	-	-	-
321 Public utilities	-	-	-	-	-	311	-	311
400 Supplies and materials	-	-	-	-	-	6,267	-	6,267
470 Energy	-	-	-	-	-	1,365	-	1,365
255 Student transportation								
100 Salaries	-	-	-	-	-	19,616	-	19,616
200 Employee benefits	-	-	-	-	-	6,646	-	6,646
257 Internal services								
300 Purchased services	-	-	-	-	-	-	-	-
264 Staff services								
300 Purchased services	-	-	-	-	-	160	-	160
266 Technology and data processing services								
400 Supplies and materials	-	-	-	-	-	9,634	-	9,634
270 Support Services Pupil Activity								
271 Pupil service activities								
540 Equipment	-	-	-	-	-	103,966	-	103,966
660 Pupil activity	-	-	-	-	-	-	446,798	446,798
Total Support Services	<u>29,434</u>	<u>174,701</u>	<u>-</u>	<u>-</u>	<u>275,782</u>	<u>892,942</u>	<u>446,798</u>	<u>1,819,657</u>
300 Community Services								
350 Custody and care of children services								
100 Salaries	-	-	-	-	-	58,728	-	58,728
200 Employee benefits	-	-	-	-	-	40,658	-	40,658
400 Supplies and materials	-	-	-	-	-	1,471	-	1,471

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 2022

	201/202 Title I	203/204 Idea	205/206 Preschool Handicapped	207/208 Occupational Education	Other Restricted State Grants	Other Special Revenue Programs	700s Student Activity Funds	Total
Total Community Services	-	-	-	-	-	100,857	-	100,857
410 Intergovernmental Expenditures								
411 Payments to State Department of Education								
720 Transits	-	-	-	-	31,668	38,465	-	70,133
412 Payments to other governmental units								
720 Transits	-	-	-	-	435	-	-	435
419 Payments to PEBA nonemployer contributions								
720 Transits	-	-	-	-	-	4,189	-	4,189
Total Intergovernmental Expenditures	-	-	-	-	32,103	42,654	-	74,757
Total Expenditures	873,320	688,114	28,875	937	328,982	2,540,967	446,757	4,907,952
Net Change in Fund Balance	-	-	-	-	-	-	141,360	141,360
Fund Balance - July 1, 2021	-	-	-	-	-	-	168,165	168,165
Fund Balance - June 30, 2022	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 309,525	\$ 309,525

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
SPECIAL REVENUE FUND
SUMMARY SCHEDULE FOR DESIGNATED STATE RESTRICTED GRANTS AND OTHER SPECIAL REVENUE PROGRAMS
YEAR ENDED JUNE 30, 2022

Subfund	Revenue Code	Program	Revenues and Other Sources	Expenditures	Transfers In/(Out)	Unearned Revenue
State Restricted Grants						
217	3995	CRF per pupil funding	\$ -	\$ -	\$ -	-
801	3199	Other restricted state grants	435	435	-	-
919	3193	Education license plates	217	217	-	-
924	3143	GEER CERDEP summer	33,259	33,259	-	-
928	3118	EEDA Career specialist	141,659	141,659	-	-
935	3135	Reading coaches	59,110	59,110	-	-
936	3136	Student health and fitness - nurses	75,013	75,013	-	-
937	3127	Student health and fitness	19,289	19,289	-	-
			<u>\$ 328,982</u>	<u>\$ 328,982</u>	<u>\$ -</u>	<u>-</u>
Other Special Revenue Programs						
210	4997	Title IV - SSAE	\$ 55,059	\$ 55,059	\$ -	-
218	4974	ESSER III	1,052,605	1,052,605	-	-
220	4975	SC CARES ESSER	29,273	29,273	-	-
225	4977	ESSER II	927,351	927,351	-	-
264	4341	Title III	26,675	26,675	-	-
267	4351	Improving teacher quality	80,745	80,745	-	-
807	1920	Local grant	-	-	-	1,451
808	1999	Local grant	9,634	9,634	-	-
809	4999	Revenue from other federal sources	-	-	-	-

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
SPECIAL REVENUE FUND
SUMMARY SCHEDULE FOR DESIGNATED STATE RESTRICTED GRANTS AND OTHER SPECIAL REVENUE PROGRAMS
YEAR ENDED JUNE 30, 2022

Subfund	Revenue Code	Program	Revenues and Other Sources	Expenditures	Transfers In/(Out)	Unearned Revenue
810	3999	Revenue from other state sources	35,597	35,597	-	51,467
869	1999	Local grant	-	-	-	-
870	3999	Revenue from other state sources	-	-	-	-
871	3999	Revenue from other state sources	10,617	10,617	-	-
873	1920	Local grant	5,187	5,187	-	1,714
883	3999	Revenue from other state sources	-	-	-	-
884	4999	Revenue from other federal sources	1,471	1,471	-	-
885	1930	Medicaid	196,843	196,843	-	-
994	3994	PEBA nonemployer contributions	4,189	4,189	-	-
996	2300	First steps	105,721	105,721	-	-
			\$ <u>2,540,967</u>	\$ <u>2,540,967</u>	\$ -	\$ <u>54,632</u>

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
EDUCATION IMPROVEMENT ACT
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - ALL PROGRAMS
YEAR ENDED JUNE 30, 2022

Revenues

3000 Revenue from State Sources

3500 Education Improvement Act	
3502 ADEPT	\$ 1,051
3518 Adoption list of formative assessment	12,281
3519 Grade 10 assessments	11,178
3526 Refurbishment of science kits	26,087
3528 Industry certifications/credentials	10,000
3529 Career and technology education	55,305
3532 National Board salary supplement	169,340
3533 Teacher of the year awards	10,765
3536 School health and fitness	18,333
3538 Students at risk of school failure	289,245
3541 Child early reading development and education program (CERDEP) - full day 4k	437,298
3550 Teacher salary increase	555,284
3555 Teacher salary fringe	133,386
3557 Summer reading program	43,955
3577 Teacher supplies	51,150
3595 EEDA supplies and materials	4,675
3597 Aid to districts	117,605
3599 Miscellaneous revenue	<u>1,000</u>

Total State Sources	<u>1,947,938</u>
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Total Revenue all Sources	<u>1,947,938</u>
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Expenditures

100 Instruction

110 General Instruction

111 Kindergarten programs	
100 Salaries	33,088
200 Employee benefits	11,821
400 Supplies and materials	8,135

Schedule 4 - continued

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
 EDUCATION IMPROVEMENT ACT
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - ALL PROGRAMS
 YEAR ENDED JUNE 30, 2022

112 Primary programs	
100 Salaries	68,205
200 Employee benefits	24,359
300 Purchased services	7,238
400 Supplies and materials	50,860
113 Elementary programs	
100 Salaries	98,286
200 Employee benefits	27,754
300 Purchased services	14,695
400 Supplies and materials	70,138
114 High school programs	
100 Salaries	18,552
200 Employee benefits	5,651
300 Purchased services	-
400 Supplies and materials	68,045
115 Vocational programs	
100 Salaries	-
400 Supplies and materials	5,165
120 Exceptional Programs	
121 Educable mentally handicapped	
100 Salaries	7,500
200 Employee benefits	2,285
400 Supplies and materials	5,500
126 Speech handicapped	
400 Supplies and materials	1,651
130 Preschool Programs	
137 Preschool handicapped self contained	
100 Salaries	63,922
200 Employee benefits	31,750
139 Early childhood programs	
400 Supplies and materials	4,800

Schedule 4 - continued

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
 EDUCATION IMPROVEMENT ACT
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - ALL PROGRAMS
 YEAR ENDED JUNE 30, 2022

140 Special Programs	
141 Gifted and Talented Academic	
400 Supplies and materials	275
147 CDEP	
100 Salaries	305,000
200 Employee benefits	132,298
400 Supplies and materials	1,925
170 Summer School Program	
171 Primary summer school	
100 Salaries	37,119
200 Employee benefits	10,510
172 Elementary summer school	
100 Salaries	1,369
200 Employee benefits	-
175 Instructional programs beyond regular school day	
100 Salaries	19,768
200 Employee benefits	5,783
300 Purchased services	406
400 Supplies and materials	<u>1,355</u>
Total Instruction	<u>1,145,208</u>
200 Support Services	
210 Pupil Services	
212 Guidance services	
100 Salaries	18,750
200 Employee benefits	5,712
300 Purchased services	875
400 Supplies and materials	5,450
213 School nurse	

Schedule 4 - continued

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
EDUCATION IMPROVEMENT ACT
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - ALL PROGRAMS
YEAR ENDED JUNE 30, 2022

100 Salaries	10,472
200 Employee benefits	7,861
217 Career specialist services	
300 Purchased services	815
400 Supplies	976
220 Instructional Staff Services	
221 Improvement of instruction - curriculum development	
100 Salaries	760
200 Employee benefits	240
300 Purchased services	-
222 Library and media	
100 Salaries	-
200 Employee benefits	-
400 Supplies and materials	1,098
224 Improvement of instruction - inservice and staff training	
100 Salaries	806
200 Employee benefits	245
	54,060
Total Support Services	
410 Intergovernmental Expenditures	
412 Payments to other governmental units	
720 Transits	60,000
	60,000
Total Intergovernmental Expenditures	
	1,259,268
Total Expenditures	
Other Financing Sources (Uses)	
Interfund Transfers, from (to) Other Funds	
420-710 Transfer to General Fund	(688,670)
	(688,670)
Total Other Financing Sources (Uses)	
	(688,670)

Schedule 4 - continued

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
EDUCATION IMPROVEMENT ACT
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - ALL PROGRAMS
YEAR ENDED JUNE 30, 2022

Net Change in Fund Balance	-
Fund Balance - July 1, 2021	<u>-</u>
Fund Balance - June 30, 2022	\$ <u><u>-</u></u>

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
EDUCATION IMPROVEMENT ACT
SUMMARY SCHEDULE BY PROGRAM
YEAR ENDED JUNE 30, 2022

	<u>Revenue</u>	<u>Expenditures</u>	<u>EIA Fund Transfers In/(Out)</u>	<u>EIA Fund Unearned Revenue</u>	<u>Other Fund Transfers In/(Out)</u>	<u>Other Fund Deferred Revenue</u>
Revenues						
3000 Revenue from State Sources						
3500 Education Improvement Act						
3502 ADEPT	\$ 1,051	\$ 1,051	\$ -	\$ -	\$ -	-
3518 Formative assessment	12,281	12,281	-	-	-	-
3519 Grade 10 assessment	11,178	11,178	-	-	-	-
3526 Refurbishment of science kits	26,087	26,087	-	17,665	-	-
3528 Industry certificates	10,000	10,000	-	-	-	-
3529 Career and technology education	55,305	55,305	-	8,300	-	-
3532 National Board Certification salary supplement	169,340	169,340	-	-	-	-
3533 Teacher of the year award	10,765	10,765	-	-	-	-
3536 School health and fitness	18,333	18,333	-	-	-	-
3538 Students at risk of school failure	289,245	289,245	-	-	-	-
3541 Child early reading development and education program (CDEP) - full day 4k	437,298	437,298	-	-	-	-
3550 Teacher salary increase	555,284	-	-	-	(555,284)	-
3555 Teacher salary fringe	133,386	-	-	-	(133,386)	-
3557 Summer reading program	43,955	43,955	-	-	-	-
3577 Teacher supplies	51,150	51,150	-	-	-	-
3595 EEDA supplies and materials	4,675	4,675	-	3,173	-	-
3597 Aid to districts	117,605	117,605	-	-	-	-
3599 Miscellaneous revenue	1,000	1,000	-	13,277	-	-
Total Revenue from State Sources	<u>\$ 1,947,938</u>	<u>\$ 1,259,268</u>	<u>\$ -</u>	<u>\$ 42,415</u>	<u>\$ (688,670)</u>	<u>\$ -</u>

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
SCHOOL BUILDING FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 2022

Revenues

1000 Revenue from Local Sources		
1500 Earnings on Investments		
1510 Interest on investments	\$	17,472
1900 Other Revenue from Local Sources		
1999 Revenue from other local sources		47,624
Total Local Sources		<u>65,096</u>
Total Revenue all Sources		<u>65,096</u>

Expenditures

100 Instruction		
110 General Instruction		
111 Kindergarten programs		
400 Supplies and materials		-
112 Primary programs		
400 Supplies and materials		12,671
500 Capital outlay		5,468
113 Elementary programs		
400 Supplies and materials		23,495
500 Capital outlay		11,102
114 High school programs		
400 Supplies and materials		16,374
500 Capital outlay		<u>-</u>
Total Instruction		<u>69,110</u>
200 Support Services		
220 Instructional Staff Services		

Schedule 6 - continued

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
SCHOOL BUILDING FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 2022

224 Improvement of Instruction Inservice and Staff Training		
400 Supplies and materials		7,900
230 General Administrative Services		
233 School Administration		
400 Supplies and materials		11,668
250 Finance and Operations		
253 Facilities acquisition and construction		
300 Purchased services		56,554
400 Supplies and materials		77,975
500 Capital outlay		
510 Land		2,746,400
540 Equipment		86,462
254 Operational and Maintenance of Plant		
500 Capital outlay		
510 Land		-
540 Equipment		25,282
260 Central Support Services		
266 Technology and data processing services		
300 Purchased services		45,816
400 Supplies and materials		90,945
270 Support Services - Pupil Activities		
271 Pupil service activities		
540 Capital outlay		8,144
660 Pupil activity		42,571
		42,571
Total Support Services		3,199,717
500 Debt Service		
395 Other professional and technical services		37,350
610 Redemption of principal		
620 Interest		9,600
		9,600

Schedule 6 - continued

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
SCHOOL BUILDING FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 2022

Total Debt Service	<u>46,950</u>
Total Expenditures	<u>3,315,777</u>
Other Financing Sources (Uses)	
5120 Proceeds of General Obligation Bonds	1,250,000
5300 Sale of fixed assets	539,400
Interfund transfers, from (to) Other Funds	
5210 Transfer from General Fund	<u>-</u>
Total Other Financing Sources (Uses)	<u>1,789,400</u>
Net Change in Fund Balance	(1,461,281)
Fund Balance - July 1, 2021	<u>5,557,999</u>
Fund Balance - June 30, 2022	<u>\$ 4,096,718</u>

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2022

	<u>Special Revenue Fund</u>		
	School Food Service Fund	Debt Service Fund	Total Non-major Governmental Funds
Assets			
Cash and cash equivalents	\$ 47,501	\$ -	\$ 47,501
Investments	1,335,540	135,467	1,471,007
Taxes receivable, net	-	40,139	40,139
Accounts receivable	5,630	613	6,243
Due from other governments	42,802	-	42,802
Inventory	50,163	-	50,163
Total Assets	\$ 1,481,636	\$ 176,219	\$ 1,657,855
Liabilities, Deferred Inflows of Resources and Fund Balances			
Liabilities			
Due to other funds	\$ 235,127	\$ -	\$ 235,127
Due to other governments	-	-	-
Total Liabilities	235,127	-	235,127
Deferred Inflows of Resources			
Deferred revenue - delinquent taxes	\$ -	\$ 19,102	\$ 19,102
Total deferred inflows of resources	-	19,102	19,102
Fund Balances			
Nonspendable - inventory	50,163	-	50,163
Restricted - food service fund	1,196,346	-	1,196,346
Assigned - balance general fund budget	-	157,117	157,117
Total Fund Balances	1,246,509	157,117	1,403,626
Total Liabilities and Fund Balances	\$ 1,481,636	\$ 176,219	\$ 1,657,855

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2022

	<u>Special Revenue Fund</u>		<u>Total Non-major Governmental Funds</u>
	<u>School Food Service Fund</u>	<u>Debt Service Fund</u>	
Revenues			
Local	\$ 59,674	\$ 1,261,257	\$ 1,320,931
State	-	104,223	104,223
Federal	2,379,361	-	2,379,361
Total Revenues	<u>2,439,035</u>	<u>1,365,480</u>	<u>3,804,515</u>
Expenditures			
Current:			
Support services	1,605,579	-	1,605,579
Debt service	-	1,403,889	1,403,889
Total Expenditures	<u>1,605,579</u>	<u>1,403,889</u>	<u>3,009,468</u>
Excess of revenues over expenditures	<u>833,456</u>	<u>(38,409)</u>	<u>795,047</u>
Other Financing Uses			
Transfers out	<u>(84,819)</u>	-	<u>(84,819)</u>
Total Other Financing Uses	<u>(84,819)</u>	-	<u>(84,819)</u>
Net change in fund balances	748,637	(38,409)	710,228
Fund Balance - July 1, 2021	<u>497,872</u>	<u>195,526</u>	<u>693,398</u>
Fund Balance - June 30, 2022	<u>\$ 1,246,509</u>	<u>\$ 157,117</u>	<u>\$ 1,403,626</u>

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
SCHOOL FOOD SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 2022

Revenues

1000 Revenue from Local Sources

1500 Earnings on Investments		
1510 Interest on investments	\$	3,380
1600 Food Service		
1610 Lunch sales to pupils		(3,462)
1620 Breakfast sales to pupils		(11)
1630 Special sales to pupils		6,361
1640 Lunch sales to adults		14,131
1650 Breakfast sales to adults		114
1660 Special sales to adults		19,080
1900 Other Revenue from Local Sources		
1999 Revenue from other local sources		<u>20,081</u>

Total Revenue from Local Sources		<u>59,674</u>
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4000 Revenue from Federal Sources

4800 USDA Reimbursement		
4810 School lunch and after school snacks program		1,556,163
4820 Supply chain		62,924
4830 School breakfast program		583,002
4870 Equipment reimbursement		22,873
4890 Other miscellaneous USDA income		10,846
4900 Other Federal Sources		
4991 USDA commodities		<u>143,553</u>

Total Revenue from Federal Sources		<u>2,379,361</u>
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Total Revenue from all Sources		<u>2,439,035</u>
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Expenditures

250 Finance and Operations

256 Food Service

Schedule 9 - continued

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
SCHOOL FOOD SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 2022

100 Salaries	491,553
200 Employee benefits	100,604
300 Purchased services	11,584
393 Direct purchased services	25,529
400 Supplies and materials	942,148
500 Capital outlay	31,618
600 Other objects	<u>2,543</u>
Total Expenditures	<u>1,605,579</u>
Other Financing Sources (Uses)	
Interfund transfers, from (to) Other Funds	
432-791 Food Service Fund Indirect Costs	<u>(84,819)</u>
Total Other Financing Sources (Uses)	<u>(84,819)</u>
Net Change in Fund Balance	748,637
Fund Balance - July 1, 2021	<u>497,872</u>
Fund Balance - June 30, 2022	<u>\$ 1,246,509</u>

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 2022

Revenues

1000 Revenue from Local Sources

1100 Taxes

1110 Ad valorem taxes \$ 1,117,586

1200 Revenue from Local Governmental Units

Other than LEAs

1280 Revenue in lieu of taxes 142,079

1500 Earning on Investments

1510 Interest on investments 1,592

Total Local Sources 1,261,257

3000 Revenue from State Sources

3800 State Revenue in Lieu of Taxes

3820 Homestead exemption 64,771

3830 Merchant's inventory tax 5,007

3840 Manufacturers depreciation reimbursement 28,525

3890 Other state property tax revenue 5,920

Total State Sources 104,223

Total Revenue all Sources 1,365,480

Expenditures

500 Debt Service

610 Redemption of principal 1,371,672

620 Interest 32,217

Total Expenditures 1,403,889

Net Change in Fund Balance (38,409)

Fund Balance - July 1, 2021 195,526

Fund Balance - June 30, 2022 \$ 157,117

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
LOCATION SCHEDULE
YEAR ENDED JUNE 30, 2022

<u>Location ID Number</u>	<u>Location Description</u>	<u>Education Level</u>	<u>Cost Type</u>	<u>Total Expenditures</u>
00	Districtwide	Non-school	Central	\$ 5,192,353
35	Woodruff Middle School	Middle School	School	7,528,194
36	Woodruff High School	High School	School	9,118,392
40	Woodruff Primary School	Elementary School	School	7,933,293
42	Woodruff Elementary School	Elementary School	School	<u>6,398,587</u>
Total Expenditures/Disbursements for All Funds				\$ <u><u>36,170,819</u></u>

The above expenditures are reconciled to the District's financial statements as follows:

General Fund	\$ 23,678,354
Special Revenue Fund	4,907,952
EIA Fund	1,259,268
School Food Service Fund	1,605,579
Debt Service Fund	1,403,889
School Building Fund	<u>3,315,777</u>
Total Governmental Fund Expenditures	\$ <u><u>36,170,819</u></u>

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
 DETAILED SCHEDULE OF DUE TO STATE DEPARTMENT OF EDUCATION/FEDERAL GOVERNMENT
 JUNE 30, 2022

Program	Project/Grant Number	Revenue and Subfund Codes	Description	Amount Due to SDE/ Federal Government	Status of Amounts Due to Grantors
IDEA Extended School Year FY22		4510/203	Unexpended Funds	\$ 605	Paid Check #127844
EIA - Science Kit Refurbishment	EIA 326	3526/377	Unexpended Funds	\$ 1,701	Paid Check #127844
EIA - National Board Certification	EIA 332	3532/332	Unexpended Funds	\$ 14,935	Paid Check #127844
EIA - Teacher Supply	EIA 377	3577/377	Unexpended Funds	\$ 275	Paid Check #127644

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2022

LEA Subfund Code	Federal Grantor/Pass-Through Grantor Program Title	Federal Financial Assistance Listing Number	Pass-Through Grantor's Number	Total Expenditures
<u>U.S. Department of Agriculture</u>				
Pass Through SC Department of Social Services:				
884	Child and Adult Care Food Program	10.558	N/A	\$ <u>1,471</u>
Pass Through State Department of Education:				
Child Nutrition Cluster:				
Non-Cash Assistance (Commodities):				
600	National School Lunch Program	10.555	N/A	143,553
Cash Assistance:				
600	School Breakfast Program	10.553	N/A	395,907
600	National School Lunch Program	10.555	N/A	1,054,295
600	Supply Chain Assistance	10.555	N/A	62,924
600	CN Emergency Operational Cost Reimbursement	10.555	N/A	6,998
600	CN PEBT Local Admin Cost Reimbursement	10.555	N/A	3,848
600	School Food Equipment	10.579	N/A	22,873
	Total Child Nutrition Cluster			<u>1,690,398</u>
	Total U. S. Department of Agriculture			<u>1,691,869</u>
<u>U.S. Department of Education</u>				
Pass through State Department of Education:				
202	Title I Grants to LEA's	84.010	20 Title I	4,949
202	Title I Grants to LEA's	84.010	21 Title I	444,006
202	Title I Grants to LEA's	84.010	22 Title I	424,365
	Total Title I, Part A Cluster			<u>873,320</u>
203	IDEA - Children with Disabilities Extended School Year	84.027	21 IDEA	136
204	IDEA - Children with Disabilities	84.027	20 IDEA	9,027
204	IDEA - Children with Disabilities	84.027	21 IDEA	11,853
204	IDEA - Children with Disabilities	84.027	22 IDEA	667,098
206	Handicapped Preschool Grant	84.173	22 IDEA Preschool	28,875
	Total Special Education Cluster (IDEA)			<u>716,989</u>
207	Vocational Education- Basic (Subprogram 06)	84.048	21VA081	<u>937</u>

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2022

LEA Subfund Code	Federal Grantor/Pass-Through Grantor Program Title	Financial Assistance Listing Number	Pass-Through Grantor's Number	Total Expenditures
<u>U.S. Department of Education - continued</u>				
210	Title IV - Student Support and Academic Enrichment	84.424	20 Title IV	704
210	Title IV - Student Support and Academic Enrichment	84.424	21 Title IV	22,690
210	Title IV - Student Support and Academic Enrichment	84.424	22 Title IV	31,665
218	COVID-19: Elementary and Secondary School Education Relief Fund	84.425U	22 ESSER III	1,052,605 *
220	COVID-19: Elementary and Secondary School Education Relief Fund	84.425D	20 SC Cares ESSER	29,273 *
225	COVID-19: Elementary and Secondary School Education Relief Fund	84.425D	21 ESSER II	927,351 *
264	Title III - ESOL	84.365	20 Title III	6,532
264	Title III - ESOL	84.365	21 Title III	9,456
264	Title III - ESOL	84.365	22 Title III	10,687
267	Title II - Improving Teacher Quality State Grants	84.367	20 Title II	2,402
267	Title II - Improving Teacher Quality State Grants	84.367	21 Title II	66,926
267	Title II - Improving Teacher Quality State Grants	84.367	22 Title II	<u>11,417</u>
	Total U. S. Department of Education			<u>3,762,954</u>
	Total Federal Assistance Expended			<u>\$ 5,454,823</u>

* Denotes major federal program

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
Notes to the Schedule of Expenditures of Federal Awards
Year Ended June 30, 2022

Note 1—Basis of presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Spartanburg County School District Four and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in, the preparation of the financial statements.

Note 2—Indirect cost rate

Under the provisions of the Uniform Guidance, the District is permitted to use a 10% de minimis indirect cost rate. The District elected not to use this rate.

Note 3—Subrecipients

Federal grant money received is sometimes passed through to subrecipients. During the year ended June 30, 2022, there were no subrecipients.

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

To the Board of Trustees
Spartanburg County School District Four
Woodruff, South Carolina

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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Spartanburg County School District Four (the "District"), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 19, 2022.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Cherry Bekaert LLP

Greenville, South Carolina
December 19, 2022

Report of Independent Auditor on Compliance for Each Major Federal Program and on Internal Control over Compliance Required by the Uniform Guidance

To the Board of Trustees
Spartanburg County School District Four
Woodruff, South Carolina

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Spartanburg County School District Four's (the "District") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2022. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been 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.

Cherry Bekaert LLP

Greenville, South Carolina
December 19, 2022

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
Schedule of Findings and Questioned Costs
Year Ended June 30, 2022

Section I. Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued on whether the financial statements were prepared in accordance with U.S. GAAP: Unmodified

Internal control over financial reporting:

- Material weakness identified? yes no
- Significant deficiencies identified? yes no

Noncompliance material to financial statements noted? yes no

Federal Awards

Internal control over major programs:

- Material weakness identified? yes no
- Significant deficiencies identified? yes no

Noncompliance material to federal awards yes no

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 the Uniform Guidance yes no

Identification of major programs:

Federal Assistance Listing Number
84.425

Federal Program Name
COVID-19: Elementary and Secondary School Education Relief Fund

Dollar threshold used to distinguish between Type A and Type B Programs \$750,000

Auditee qualified as low-risk auditee? yes no

Section II. Financial Statement Findings

There were no audit findings.

Section III. Federal Award Findings & Questioned Costs

There were no audit findings.

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
Schedule of Findings and Questioned Costs (continued)
Year Ended June 30, 2022

Section IV. Prior Year Findings

There were no prior year audit findings.