

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

**Basic Financial Statements
and
Accompanying Information
for the year ended
June 30, 2020**

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 Financial Statements

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, 2020, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2020, and the respective changes in financial position thereof and the respective budgetary comparisons for the general fund and the annually budgeted major special revenue funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 6 through 12 and the required supplementary information schedules on pages 51 through 54 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the *Governmental Accounting Standards* Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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.

The combining and individual fund statements and schedules and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 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 January 5, 2021 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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Cherry Bahaart LHP

Greenville, South Carolina
January 5, 2021

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, 2020. This information should be read in conjunction with the audited financial statements included in this report.

Financial Highlights

- The District's enrollment increased. During fiscal year 2020, average daily membership increased by 25.32 or 0.95% from the previous year.
- In March 2020, 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 2020, the District issued General Obligation Bonds (GO) in the amount of \$1,250,000. The proceeds of the bonds were used to pay issuance costs of the March 2020 BAN and GO bond issues. In addition, the remaining proceeds were used to repay the \$1,200,000 BAN issued March 2019.
- The District's operating millage and debt service millage remained stable at 184.0 and 11.1, respectively.

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 has two types of funds:

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.

Agency funds: The District is the fiduciary for its agency fund, the Pupil Activity Fund. The agency fund is custodial in nature and does not involve measurement of results of operations. The agency fund accounts for classroom fees, student fundraisers, admissions to athletic events and student club memberships.

Financial Analysis of the District as a Whole

Net position is an indicator of the fiscal health of the District. Total net position decreased between fiscal years 2020 and 2019 by \$570,688 or 0.003%.

Below is a summary of the statement of net position:

TABLE 1
Condensed Statement of Net Position
As of June 30, 2020 and 2019
Governmental Activities

	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>% Change</u>
Current assets	\$ 17,835,119	\$ 15,597,878	14.3%
Capital assets	22,476,679	23,666,663	(5.0%)
Total assets	<u>40,311,798</u>	<u>39,264,541</u>	<u>2.7%</u>
Deferred outflow of resources	<u>6,495,421</u>	<u>5,457,115</u>	<u>19.0%</u>
Current liabilities	2,450,232	2,966,377	(17.4%)
Long-term liabilities	59,499,840	56,852,828	4.7%
Total liabilities	<u>61,950,072</u>	<u>59,819,205</u>	<u>3.6%</u>
Deferred inflow of resources	<u>3,006,485</u>	<u>2,481,101</u>	<u>21.2%</u>
Net investment in capital assets	21,226,679	23,049,251	(7.9%)
Restricted net position	275,509	270,503	1.9%
Unrestricted net position	<u>(39,651,526)</u>	<u>(40,898,404)</u>	<u>(3.0%)</u>
 Total net position	 <u>\$ (18,149,338)</u>	 <u>\$ (17,578,650)</u>	 <u>(3.2%)</u>

The District's current assets increased by \$2,237,241 or 14.3%. Of this increase, \$1,604,966 relates to an increase in cash, cash equivalents and investments. Cash, cash equivalents and investments increased because the District's state revenues increased due to an increase in the base student cost and an increase in average daily membership. Also, the increase in cash, cash equivalents and investments results because tax revenues exceeded expectations by \$1,094,521. In addition, receivables, which is composed of taxes receivable, accounts receivable and due from other governments, increased by \$612,535. This increase resulted because accounts were not settled prior to year-end. Net capital assets decreased by \$1,189,984 or 5.0%. This decrease results because depreciation expense and disposals exceeded new additions to capital assets for the year. Current liabilities decreased by \$516,145 or 17.4%. This decrease results because bond anticipation notes decreased from \$1,200,000 to \$600,000. Long-term liabilities increased by \$2,647,012 or 3.6%. The increase in long-term liabilities is due to an increase in the District's proportionate share of the net pension liability of the State Retirement System in the amount of \$414,889 and the District's proportionate share of the State's other post-employment benefits (OPEB) liability in the amount of \$1,602,409. This increase was offset by a decrease of \$629,714 in long-term liabilities due in more than one year. The District's net position decreased by \$570,688. This decrease is due to the fact that

the increase in current assets was unable to offset the decrease in capital assets and the increase in long-term liabilities.

TABLE 2
Condensed Statement of Revenues, Expenses, and
Changes in Net Position
As of June 30, 2020 and 2019

	Governmental Activities		
	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>% Change</u>
Revenues:			
Program revenues:			
Charges for services	\$ 231,542	\$ 296,122	(21.8%)
Operating grants and contributions	18,756,486	17,909,460	4.7%
General revenues:			
Property taxes levied for:			
General purposes	11,565,456	11,041,501	4.7%
Debt service	710,378	678,941	4.6%
Investment income	204,190	257,614	(20.7%)
Miscellaneous	46,945	23,128	103.0%
Sale of capital assets	(23,770)	(14,264)	(66.6%)
Total revenues	<u>31,491,227</u>	<u>30,192,502</u>	<u>4.5%</u>
Governmental activities:			
Instruction	19,049,086	17,286,066	10.2%
Support services	12,546,468	12,493,993	0.4%
Community service	103,030	90,035	14.4%
Intergovernmental	295,608	261,856	12.9%
Interest and fees	67,723	59,990	12.9%
Total expenses	<u>32,061,915</u>	<u>30,191,940</u>	<u>6.2%</u>
Change in net position	(570,688)	562	(1014.5%)
Beginning net position	<u>(17,578,650)</u>	<u>(17,578,650)</u>	
Ending net position	<u>\$ (18,149,338)</u>	<u>\$(17,579,212)</u>	

Total governmental activities generated revenues of \$31,491,227, which represents a 4.5% increase from the prior year. The increase results because state funding increased in 2020. In addition, the District's assessed value increased resulting in additional property tax revenue for general purpose and debt service of \$555,392 or a 4.7% increase.

Total governmental activities expenses increased from \$30,191,940 to \$32,061,915, which represents a 6.2% increase. This increase in expenses is due to mandatory salary increases that were required by the state and the mandatory increases in retirement matching expense and health insurance expense. Therefore, the net increase in expenses was \$1,870,275.

Financial Analysis of the District's Funds

The District's governmental funds reported a combined fund balance of \$16,012,678, an increase of \$3,358,899 from the prior year. The District's General Fund had revenues and other financing sources that exceeded expenditures and other financing uses by \$2,421,174. The District received additional state revenue due to an increase in the base student cost of the General Fund. In addition, the District's assessed value increased. This resulted in additional property tax revenue. Also, the District continued cost savings measures and the District delayed transferring \$800,000 to the School Building Fund until after June 30, 2020.

The District's School Building Fund had revenues and other financing sources that exceeded expenditures and other financing uses by \$794,183. This occurred because the district delayed various projects until after June 30, 2020. Those projects included resurfacing the track at Woodruff Middle School, various flooring projects at all locations, and classroom furniture at all schools.

The District's other governmental funds had revenues and other financing sources that exceeded expenditures and other financing uses by \$143,542. 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 \$24,746 and the Debt Service Fund increased by \$118,796. The increase in the Food Service Fund resulted because beginning in March 2020 thru the end of the school year, all meals serviced were treated as eligible for free lunch and breakfast. In addition, due to delivering meals to students, the District served prepackaged items that were less expensive than items that needed to be cooked. The fund balance of the Debt Service Fund increased due to the fact that the District's tax collections were greater than anticipated. This resulted because the District's assessed value increased.

General Fund Budgetary Highlights

The District did not amend its fiscal year 2020 budget. The base student cost increased, as did the average daily membership of the District. As a result, actual State revenues exceeded budgeted revenues by \$581,384. Budgeted local revenues exceeded expectations by \$1,476,432. The District's tax millage remained stable at 184.0 mills. However, the District's assessed value increased. In addition, interest income on excess cash on hand increased due to improved interest rates and more excess cash on hand. Actual expenditures were less than budgeted expenditures by \$774,121. 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 \$897,000. The District's financing sources actually exceeded financing uses by \$686,237. This resulted because the District's other financing sources were less than anticipated by \$144,763.

Capital Assets

Capital assets, net of depreciation, decreased by \$1,189,984 or 5.0% from the previous year. This was due to the fact that the depreciation expense and disposals for the year exceeded capital additions. Major additions this year included new security systems at Woodruff Middle School, Woodruff Primary School and Woodruff Elementary School, new quartz tile at Woodruff High School, new copiers at Woodruff High School, Woodruff Middle School and the District Office and new sound system for Woodruff Middle 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, 2020 and 2019

	<u>06/30/2020</u>	<u>6/30/2019</u>
Land	\$ 2,071,425	\$ 2,071,425
Land Improvements	2,443,945	2,698,227
Buildings and Improvements	15,377,418	16,121,142
Equipment and Vehicles	<u>2,583,891</u>	<u>2,775,869</u>
Total	<u>\$ 22,476,679</u>	<u>\$ 23,666,663</u>

Debt Outstanding

As of June 30, 2020, the District had general obligation bonded indebtedness outstanding of \$1,250,000. Also, the District issued bond anticipation notes in the amount of \$600,000, which are still outstanding as of June 30, 2020. 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 remain stable. As a result, no additional classroom space is currently needed. However, the District does expect to see growth in four to five years. As a result, the District is in discussions to purchase land that would be needed for additional school facilities.

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 September 2020 was 5.0%. This is a increase from September 2019's unemployment rate of 1.8%. The State's unemployment rate for September 2020 is 5.1%. This is a increase from the September 2019 rate of 2.4%.
- The County's employment was 145,751 for September 2020. The employment for the prior year was 150,884.

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, 2020

Exhibit A

	Governmental Activities
Assets	
Cash and cash equivalents	\$ 874,554
Investments	14,373,152
Taxes receivable, net	1,456,056
Accounts receivable	35,956
Due from other governments	1,037,552
Inventory	57,849
Capital assets:	
Nondepreciable	2,071,425
Depreciable	20,405,254
Total Assets	40,311,798
Deferred Outflow of Resources	
Deferred outflow related to state OPEB	3,245,632
Deferred outflow related to state pension	3,249,789
Total Deferred Outflow of Resources	6,495,421
Liabilities	
Accounts payable	382,086
Bond anticipation note payable	600,000
Accrued interest payable	7,505
Due to other governments	3,813
Payroll withholdings and accruals	776,420
Unearned revenue	60,122
Long-term liabilities:	
Due within one year	620,286
Due in more than one year	629,714
Net Other post-employment benefits	26,917,027
Net pension liability	31,953,099
Total Liabilities	61,950,072
Deferred Inflow of Resources	
Deferred inflow related to state OPEB	2,625,648
Deferred inflow related to state pension	380,837
Total Deferred Inflow of Resources	3,006,485
Net Position	
Net investment in capital assets	21,226,679
Restricted for:	
Restricted for food service	275,509
Unrestricted	(39,651,526)
Total Net Position	\$ (18,149,338)

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, 2020

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	
Primary Government:				
Governmental activities:				
Instruction	\$ 19,049,086	\$ 16,308	\$ 14,485,463	\$ (4,547,315)
Support services	12,546,468	215,234	3,869,998	(8,461,236)
Community services	103,030	-	109,230	6,200
Intergovernmental	295,608	-	291,795	(3,813)
Debt service:				
Interest and fees	67,723	-	-	(67,723)
Total governmental activities	32,061,915	231,542	18,756,486	(13,073,887)
Total Primary Government	\$ 32,061,915	\$ 231,542	\$ 18,756,486	\$ (13,073,887)
General revenues:				
Property taxes levied for:				
General purposes				11,565,456
Debt service				710,378
Investment income				204,190
Miscellaneous				46,945
Sale of capital assets				(23,770)
Total general revenues				12,503,199
Change in net position				(570,688)
Net position - beginning				(17,578,650)
Net position - ending				\$ (18,149,338)

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

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2020

	General	Special Revenue Fund	Education Improvement Act	School Building	Other Governmental Funds	Total Governmental Funds
Assets						
Cash and cash equivalents	\$ 827,804	\$ -	\$ -	\$ -	\$ 46,750	\$ 874,554
Investments	10,672,333	-	-	3,201,909	498,910	14,373,152
Taxes receivable, net	1,389,596	-	-	-	66,460	1,456,056
Accounts receivable	4,079	30,521	-	-	1,356	35,956
Due from other funds	963,951	-	57,633	-	-	1,021,584
Due from other governments	395,088	602,843	-	-	39,621	1,037,552
Inventory	-	-	-	-	57,849	57,849
Total Assets	\$ 14,252,851	\$ 633,364	\$ 57,633	\$ 3,201,909	\$ 710,946	\$ 18,856,703
Liabilities and Fund Balances						
Liabilities						
Accounts payable	\$ 378,398	\$ 3,688	\$ -	\$ -	\$ -	\$ 382,086
Bond anticipation note payable	-	-	-	600,000	-	600,000
Due to other funds	57,633	627,187	-	109,611	227,153	1,021,584
Due to other governments	-	-	-	-	3,813	3,813
Payroll withholdings and accruals	776,420	-	-	-	-	776,420
Unearned revenues	-	2,489	57,633	-	-	60,122
Total Liabilities	1,212,451	633,364	57,633	709,611	230,966	2,844,025
Fund Balances						
Nonspendable - inventory	-	-	-	-	57,849	57,849
Restricted - food service fund	-	-	-	-	275,509	275,509
Assigned - construction of capital assets	-	-	-	2,492,298	-	2,492,298
Assigned - debt service	-	-	-	-	146,622	146,622
Unassigned	12,669,654	-	-	-	-	12,669,654
Total Fund Balances	13,040,400	-	-	2,492,298	479,980	16,012,678
Total Liabilities and Fund Balances	\$ 14,252,851	\$ 633,364	\$ 57,633	\$ 3,201,909	\$ 710,946	\$ 18,856,703

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

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF NET POSITION
JUNE 30, 2020

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

Ending fund balance - governmental funds	\$ 16,012,678
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	22,476,679
Interest on long-term debt is recognized under the modified accrual basis of accounting when due, rather than as it accrues.	(7,505)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.	(1,250,000)
Net pension liability is not due nor payable in the current period and, therefore, is not reported in the funds.	(31,953,099)
Net other post-employment benefits liability is not due nor payable in the current period and, therefore, is not reported in the funds.	(26,917,027)
Deferred outflows of resources related to other post-employment benefits	3,245,632
Deferred outflows of resources related to pension.	3,249,789
Deferred inflows of resources related to pension.	(380,837)
Deferred inflows of resources related to other postemployment benefits.	<u>(2,625,648)</u>
Net position of governmental activities	<u>\$ (18,149,338)</u>

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2020

	General	Special Revenue Fund	Education Improvement Act	School Building	Other Governmental Funds	Total Governmental Funds
Revenues						
Local	\$ 8,511,134	\$ 207,857	-	\$ 55,372	\$ 935,098	\$ 9,709,461
Intergovernmental	-	89,383	-	-	-	89,383
State	16,676,544	576,825	1,911,683	-	56,706	19,221,758
Federal	-	1,810,830	-	-	1,290,459	3,101,289
Total Revenues	25,187,678	2,684,895	1,911,683	55,372	2,282,263	32,121,891
Expenditures						
Current:						
Instruction	13,911,335	1,619,331	1,161,770	115,813	-	16,808,249
Support services	9,534,663	691,637	48,169	59,971	1,408,315	11,742,755
Community service	6,743	91,632	-	-	-	98,375
Intergovernmental	-	281,795	10,000	-	3,813	295,608
Capital outlay	-	-	-	378,615	-	378,615
Debt service	-	-	-	56,790	632,600	689,390
Total Expenditures	23,452,741	2,684,395	1,219,939	611,189	2,044,728	30,012,992
Excess (deficiency) of revenues over (under) expenditures	1,734,937	500	691,744	(555,817)	237,535	2,108,899
Other Financing Sources (Uses)						
Transfers in	786,237	-	-	100,000	500	886,737
Transfers out	(100,000)	(500)	(691,744)	-	(94,493)	(886,737)
Proceeds from general obligation bonds	-	-	-	1,250,000	-	1,250,000
Total Other Financing Sources (Uses)	686,237	(500)	(691,744)	1,350,000	(93,993)	1,250,000
Net Change in Fund Balances	2,421,174	-	-	794,183	143,542	3,358,899
Fund Balance - July 1, 2019	10,619,226	-	-	1,698,115	336,438	12,653,779
Fund Balance - June 30, 2020	\$ 13,040,400	\$ -	\$ -	\$ 2,492,298	\$ 479,980	\$ 16,012,678

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, 2020

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

Net change in fund balances - total governmental funds	\$ 3,358,899
 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 \$1,373,395 exceeded capital asset additions of \$207,181 in the current period.	(1,166,214)
 The net effect of transactions involving capital assets (i.e. sales) is to decrease net position.	(23,770)
 Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds:	
Delinquent tax receivable	(606,894)
 Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	617,412
 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.	(1,067,571)
 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.	(436,805)
 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 financial resources and, therefore, are not reported as expenditures in the governmental funds:	
Accrued interest	4,255
 Change in net position of governmental activities	\$ (570,688)

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, 2020

	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 Intergovernmental	\$ 7,034,702	\$ 7,034,702	\$ 8,511,134	\$ 1,476,432	\$ -	\$ -	\$ 207,857	\$ 207,857	\$ -	\$ -	\$ -	\$ -
State	16,095,160	16,095,160	16,676,544	581,384	-	-	89,383	89,383	691,744	691,744	1,911,683	1,219,939
Federal	-	-	-	-	2,667,714	2,667,714	1,810,830	(856,884)	-	-	-	-
Total Revenues	23,129,862	23,129,862	25,187,678	2,057,816	2,667,714	2,667,714	2,684,895	17,181	691,744	691,744	1,911,683	1,219,939
Expenditures												
Current:												
Instruction	14,066,054	14,066,054	13,911,335	154,719	2,405,388	2,405,388	1,619,331	786,057	-	-	1,161,770	(1,161,770)
Support services	10,139,808	10,139,808	9,534,663	605,145	262,326	262,326	691,637	(429,311)	-	-	48,169	(48,169)
Community service	1,000	1,000	6,743	(5,743)	-	-	91,632	(91,632)	-	-	-	-
Intergovernmental	20,000	20,000	-	20,000	-	-	281,795	(281,795)	-	-	10,000	(10,000)
Total Expenditures	24,226,862	24,226,862	23,452,741	774,121	2,667,714	2,667,714	2,684,395	(16,681)	-	-	1,219,939	(1,219,939)
Excess (deficiency) of revenues over (under) expenditures	(1,097,000)	(1,097,000)	1,734,937	2,831,937	-	-	500	500	691,744	691,744	691,744	-
Other Financing Sources (Uses)												
Transfers in	931,000	931,000	786,237	(144,763)	-	-	-	-	-	-	-	-
Transfers out	(34,000)	(34,000)	(100,000)	(66,000)	-	-	(500)	(500)	(691,744)	(691,744)	(691,744)	-
Total Other Financing Sources (Uses)	897,000	897,000	686,237	(210,763)	-	-	(500)	(500)	(691,744)	(691,744)	(691,744)	-
Net Change in Fund Balances	\$ (200,000)	\$ (200,000)	2,421,174	\$ 2,621,174	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fund Balance - July 1, 2019			10,619,226									
Fund Balance - June 30, 2020			\$ 13,040,400									

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

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
JUNE 30, 2020

Exhibit H

	<u>Agency Funds</u>
Assets	
Cash and equivalents	\$ 204,924
Total Assets	<u>\$ 204,924</u>
Liabilities	
Accounts payable	\$ 12,359
Due to pupil activities	161,880
Due to other governments	<u>30,685</u>
Total Liabilities	<u>\$ 204,924</u>

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

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

Notes to Financial Statements

June 30, 2020

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, 2020

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.

Education Improvement Act

The Education Improvement Act Fund is used to account for the proceeds of the additional one percent 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.

The District reports the following fiduciary fund:

Agency Fund - Pupil Activity Funds

The Pupil Activity Funds are established as an agency fund of the schools to account for the net position, revenues, expenditures and transfers of various school activities administered for the general welfare of the students and completion of certain planned objectives and special programs of school groups.

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

Notes to Financial Statements

June 30, 2020

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 sixty 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.

Fiduciary Fund Financial Statements. Fiduciary funds are reported using the accrual basis of accounting. Revenues are recorded when earned and expenditures are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

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 and the Special Revenue 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, 2020

Note 1 - Summary of Significant Accounting Policies (continued)**E. Assets, Liabilities and Fund Equity****Cash Management**

At June 30, 2020, 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, 2020.

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

Notes to Financial Statements

June 30, 2020

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 2019 tax levy was assessed at \$60,331,566.

The District's operating tax rate is currently 184.0 mills with an additional 11.1 mills for debt retirement.

Taxes Receivable

Taxes receivable (current and delinquent) of \$1,456,056 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, 2020, total unpaid delinquent taxes receivable for the General Fund and the Debt Service Fund were \$936,594 and \$70,335, respectively. Uncollectible amounts are estimated based upon past collection experience. Unpaid delinquent taxes receivable, net of allowance for uncollectibles of \$606,608, are reported at \$400,321, which is included in total taxes receivable of \$1,456,056 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, 2020

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 ninety 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, 2020

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, 2020

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 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 statements which are effective in future years:

Governmental Accounting Standards Board 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. The impact to the District upon adoption of this Statement is being evaluated by management.

Governmental Accounting Standards Board Statement No. 84, *Fiduciary Activities*: Effective for periods beginning after December 15, 2019, this Statement improves the guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The District is currently assessing the impact this Statement will have on the District's financial statements.

Governmental Accounting Standards Board Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*: Effective for reporting periods beginning after December 15, 2020, this Statement requires interest costs incurred during a construction period be recognized as an expense in the period incurred for financial statements prepared using the economic resource measurement focus. This standard is not expected to have a material impact on the financial statements of the District.

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 collaterally secured, 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.

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

Notes to Financial Statements

June 30, 2020

Note 2 - Cash, Cash Equivalents and Investments (continued)**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, 2020, the carrying amount of the District's cash and cash equivalents was \$1,079,478 and the bank balance was \$1,702,078. Of the bank balance, \$500,000 was covered by federal depository insurance while \$1,202,078 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, 2020, all deposits are either insured or fully collateralized.

2. Investments

As required by Statement 31 of the Governmental Accounting Standards Board, *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, 2020, the fair value of investments with the South Carolina State Investment Pool was \$14,373,152. 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.

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

Notes to Financial Statements

June 30, 2020

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

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, 2020:

<u>Cash and Investments</u>	<u>Fair and Carrying Value</u>
Deposit:	
Demand deposits – Governmental Funds	\$ 874,554
Demand deposits – Agency Fund	<u>204,924</u>
	\$ <u>1,079,478</u>
Investments:	
SC State Investment Pool	\$ <u>14,373,152</u>
	\$ <u>14,373,152</u>

Fair Value. Investments are reported at fair value and categorized within the fair value hierarchy established under accounting principles generally accepted in the United States of America. 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, 2020, the District's investments in the South Carolina State Investment Pool are valued using quoted prices in active markets (Level 1 inputs).

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

Notes to Financial Statements

June 30, 2020

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 Wide	
	General	Special Revenue	Non-major Governmental	Total	Total
Receivables:					
Taxes	\$ 1,389,596	\$ -	\$ 66,460	\$ 1,456,056	\$ 1,456,056
Accounts receivable	4,079	30,521	1,356	35,956	35,956
Due from other governments	395,088	602,843	39,621	1,037,552	1,037,552
Net total receivables	<u>\$ 1,788,763</u>	<u>\$ 633,364</u>	<u>\$ 107,437</u>	<u>\$ 2,529,564</u>	<u>\$ 2,529,564</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	\$ 2,489
Education Improvement Act Fund (hereafter "EIA Fund")	57,633
	<u>\$ 60,122</u>

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

Notes to Financial Statements

June 30, 2020

Note 4 - Capital Assets

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

	<u>Balance July 1, 2019</u>	<u>Acquisitions and Additions</u>	<u>Dispositions and Deletions</u>	<u>Balance June 30, 2020</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 2,071,425	\$ -	\$ -	\$ 2,071,425
Total capital assets not being depreciated	<u>2,071,425</u>	<u>-</u>	<u>-</u>	<u>2,071,425</u>
Capital assets being depreciated:				
Land improvements	5,132,575	-	-	5,132,575
Buildings and improvements	31,970,396	-	-	31,970,396
Equipment and vehicles	6,528,101	207,181	169,759	6,565,523
Total capital assets being depreciated	<u>43,631,072</u>	<u>207,181</u>	<u>169,759</u>	<u>43,668,494</u>
Less accumulated depreciation for:				
Land improvements	2,434,348	254,282	-	2,688,630
Buildings and improvements	15,849,254	743,724	-	16,592,978
Equipment and vehicles	3,752,232	375,389	145,989	3,981,632
Total accumulated depreciation	<u>22,035,834</u>	<u>\$ 1,373,395</u>	<u>\$ 145,989</u>	<u>23,263,240</u>
Total capital assets being depreciated, net	<u>21,595,238</u>			<u>20,405,254</u>
Governmental activity capital assets, net	<u>\$ 23,666,663</u>			<u>\$ 22,476,679</u>

Depreciation expense was charged to governmental functions as follows:

Instruction	\$ 1,277,257
Support services	96,138
	<u>\$ 1,373,395</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.

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.

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

Notes to Financial Statements

June 30, 2020

Note 6 - Defined Benefit Pension Plans (continued)Plan Descriptions (continued)

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.

A comprehensive annual 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 15.41%, and PORS employers contribute at 17.84%. 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 21.81% for SCRS and 24.49% for PORS.

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>
2020	\$1,267,366	\$ 2,170,894	\$ 3,438,260
2019	1,193,953	1,911,719	3,105,672
2018	1,187,178	1,769,112	2,956,290
Average number of members			<u><u>404</u></u>

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

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

Notes to Financial Statements

June 30, 2020

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

At June 30, 2020, the District reported a liability of \$31,953,099 for its proportionate share of the net pension liability of SCRS and PORS. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018. 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, 2019, the District's proportion was .139885% of the total SCRS pension liability and .000405% 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, 2020:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Net difference between projected and actual earnings on SCRS investments	\$ 282,936	\$ -
Assumption changes	644,127	-
Deferred amounts from changes in proportionate share and differences between employer contributions and proportionate share of total plan employer contributions	129,637	151,289
Contributions subsequent to the measurement date	2,170,894	-
Difference in expected and actual experience in measurement of pension liability	22,195	229,548
	<u>\$ 3,249,789</u>	<u>\$ 380,837</u>

The District's contributions subsequent to the measurement date of \$2,170,894 will be recognized as a reduction of the net pension liability in the year ending June 30, 2021. Total pension expense for the year ended June 30, 2020 was \$2,553,602.

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, 2019:

<u>Measurement Period Ending June 30,</u>	<u>SCRS</u>	<u>PORS</u>
2020	\$ 870,559	\$ (4,787)
2021	(268,175)	(5,187)
2022	(12,374)	(4,882)
2023	122,237	667
Net Balance of Deferred Outflows of Resources	<u>\$ 712,247</u>	<u>\$ (14,189)</u>

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

Notes to Financial Statements

June 30, 2020

Note 6 - Defined Benefit Pension Plans (continued)

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, 2018.

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, 2018. 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	7.25%	7.25%
Projected salary increases	3.0% to 12.5% (varies by service)	3.5% to 9.5% (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 2016.

<u>Former Job Class</u>	<u>Males</u>	<u>Females</u>
Educators	2016 PRSC Males multiplied by 92%	2016 PRSC Females multiplied by 98%
General Employees and Members of the General Assembly	2016 PRSC Males multiplied by 100%	2016 PRSC Females multiplied by 111%
Public Safety and Firefighters	2016 PRSC Males multiplied by 125%	2016 PRSC Females multiplied by 111%

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

Notes to Financial Statements

June 30, 2020

Note 6 - Defined Benefit Pension Plans (continued)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 7.25 percent assumed annual investment rate of return used in the calculation of the total pension liability includes a 5.00 percent real rate of return and a 2.25 percent 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>
Conservative fixed income	14%	0.21%
Diversified credit	15%	0.64%
Opportunistic	8%	0.26%
Real Assets	12%	0.69%
Global equity	51%	3.61%
Total expected rate of return	100%	5.41%
Inflation for actuarial purposes		2.25%
Total expected nominal return		7.66%

Discount Rate

The discount rate used to measure the total pension liability was 7.25%. 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.

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 7.25%, 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 (6.25%) or 1.00% higher (8.25%) than the current rate.

	<u>1.00% Decrease (6.25%)</u>	<u>Current Discount Rate (7.25%)</u>	<u>1.00% Increase (8.25%)</u>
SCRS	\$ 40,239,659	\$ 31,941,492	\$ 25,016,283
PORS	\$ 15,730	\$ 11,607	\$ 8,229

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

Notes to Financial Statements

June 30, 2020

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 ten 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 15-24 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.

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, 2020 was 6.25 percent.

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 health care expenditures paid on behalf of the employer's

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

Notes to Financial Statements

June 30, 2020

NOTE 7 - Postemployment Benefits Other Than Pensions (continued)Contributions and funding policies (continued)

active employees. For purposes of GASB Statement No. 75, this expenditure on behalf of the active employee is reclassified as a retiree health care 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, 2020. 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 \$1,026,738 and \$11,402, respectively, for the year ended June 30, 2020.

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.

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.

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

Notes to Financial Statements

June 30, 2020

NOTE 7 - Postemployment Benefits Other Than Pensions (continued)Actuarial assumptions and methods (continued)

Additional information as of the latest actuarial valuation for SCRHITF:

Valuation Date:	June 30, 2018
Actuarial Cost Method:	Entry Age Normal
Inflation:	2.25%
Investment Rate of Return:	2.75%, net of OPEB Plan investment expenses; including inflation
Single Discount Rate:	3.13% as of June 30, 2019
Demographic Assumptions:	Based on the experience study performed for the SCRS for the 5-year period ending June 30, 2015.
Mortality:	For healthy retirees, the 2016 Public Retirees of South Carolina Mortality Table for Males and the 2016 Public Retirees of South Carolina Mortality Table for Females are used with fully generational mortality projections based on Scale AA from the year 2016. Multipliers are applied to the base tables based on gender and employment type.
Health Care Trend Rate:	Initial trend starting at 6.40% and gradually decreasing to an ultimate trend rate of 4.15% over a period of 14 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:	There were no benefit changes during the year; the discount rate changed from 3.62% as of June 30, 2018 to 3.13% as of June 30, 2019; minor updates were made to the healthcare trend rate assumption.

Additional information as of the latest actuarial valuation for SCLTDITF:

Valuation Date:	June 30, 2018
Actuarial Cost Method:	Entry Age Normal
Inflation:	2.25%
Investment Rate of Return:	3.00%, net of Plan investment expense; including inflation
Single Discount Rate:	3.04% as of June 30, 2019
Salary, Termination, and Retirement Rates:	Based on the experience study performed for the SCRS for the 5-year period ending June 30, 2015.
Disability Incidence:	The rates used in the valuation are based on the rates developed for the SCRS pension plans.

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

Notes to Financial Statements

June 30, 2020

NOTE 7 - Postemployment Benefits Other Than Pensions (continued)Actuarial assumptions and methods (continued)

Disability Recovery:	For participants in payment, 1987 CGDT Group Disability; for active employees, 60% were assumed to recover after the first year and 92% were assumed to recover after the first two years.
Offsets:	40% 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 3.91% as of June 30, 2018 to 3.04% as of June 30, 2019.

Net OPEB liability

At June 30, 2020, the District reported liabilities of \$26,914,348 and \$2,679 for its proportionate share of the SCRHITF and SCLTDITF net OPEB liabilities, respectively. The net OPEB liabilities were measured as of June 30, 2018, with update procedures being performed to roll forward the OPEB liabilities to June 30, 2019. 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, 2019, the District's proportionate shares of the SCRHITF and SCLTDITF were .177987% and .136108%, respectively.

OPEB expense

For the year ended June 30, 2020, the District recognized OPEB expense for the SCRHITF and SCLTDITF plans of \$434,140 and \$2,665, respectively.

Single discount rate

The Single Discount Rate of 3.13% 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 3.04% 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 3.13%. 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 2039. As a result, the long-term expected rate of return on

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

Notes to Financial Statements

June 30, 2020

NOTE 7 - Postemployment Benefits Other Than Pensions (continued)Single discount rate (continued)

plan investments was applied to project benefit payments through the year 2039, 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%	0.10%	0.02%
Total	100.00%		0.50%
Expected Inflation			2.25%
Total Return			2.75%
Investment Return Assumption			2.75%

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%	0.51%	0.10%
Total	100.00%		0.86%
Expected Inflation			2.25%
Total Return			3.11%
Investment Return Assumption			3.00%

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

Notes to Financial Statements

June 30, 2020

NOTE 7 - Postemployment Benefits Other Than Pensions (continued)Sensitivity analysis

The following table presents the SCRHITF's net OPEB liability calculated using a Single Discount Rate of 3.13%, 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 (2.13%)	Current Discount Rate (3.13%)	1% Increase (4.13%)
SCRHITF	\$31,906,630	\$26,914,348	\$22,907,834

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	\$ 21,964,983	\$ 26,914,348	\$ 33,359,883

The following table presents the SCLTDITF's net OPEB liability calculated using a Single Discount Rate of 3.04%, 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 (2.04%)	Current Discount Rate (3.04%)	1% Increase (4.04%)
SCLTDITF net OPEB liability	\$4,608	\$2,679	\$765

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

Notes to Financial Statements

June 30, 2020

NOTE 7 - Postemployment Benefits Other Than Pensions (continued)Deferred outflows and inflows of resources

At June 30, 2020 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</u>	<u>Deferred</u>
	<u>Outflows of</u>	<u>Inflows of</u>
	<u>Resources</u>	<u>Resources</u>
Net difference between projected and actual investment experience	\$ 31,556	\$ 1,864
Net difference between projected and actual experience in liability measurement	316,922	874,861
Assumption changes	1,782,452	1,666,922
Changes in proportion and differences between the District's contributions and proportionate share of contributions	88,009	82,001
Contributions subsequent to the measurement date	<u>1,026,693</u>	<u>-</u>
Total	<u>\$ 3,245,632</u>	<u>\$ 2,625,648</u>

Difference between expected and actual experience

The \$1,026,693 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, 2020, will be recognized as a reduction of the net OPEB liabilities in the year ending June 30, 2021.

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

Notes to Financial Statements

June 30, 2020

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:

	SCRHITF and SCLTDITF
Years ended June 30:	
2020	\$ (160,236)
2021	(160,236)
2022	(170,889)
2023	(187,748)
2024	97,092
Thereafter	175,308
	<u>\$ (406,709)</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, SC 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 SC 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 15.41% of which 5.00% is directed to the investment provider and 10.41% 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 20.81%.

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

Notes to Financial Statements

June 30, 2020

Note 8 - Defined Contribution Pension Plan (continued)

Total contributions under the State ORP for fiscal year 2020 were employee contributions of \$211,221 and employer contributions of \$361,658.

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 twenty-eight 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 twenty-five 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 twenty-eight 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 percent 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, 2020, the District made contributions of \$24,669 to the State for death benefits representing .15% of covered payroll for members of the SCRS and ORP and .40% of covered payroll for members of PORS.

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

Notes to Financial Statements

June 30, 2020

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.

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

Bonds payable at June 30, 2020 are comprised of the following specific issues:

\$1,250,000 issued March 25, 2020 general obligation bonds, due in annual installments commencing March 2021 of \$620,286 to \$629,714 with an interest rate of 1.52%	<u>\$ 1,250,000</u>
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SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

Notes to Financial Statements

June 30, 2020

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

The annual requirement to amortize all general obligation debt outstanding as of June 30, 2020, including interest payments of \$28,572, is as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2021	\$ 620,286	\$ 19,000	\$ 639,286
2022	629,714	9,572	639,286
	<u>\$ 1,250,000</u>	<u>\$ 28,572</u>	<u>\$ 1,278,572</u>

A schedule of changes in long-term debt for the fiscal year ended June 30, 2020 is as follows:

	Balance July 1, 2019	Increases	Decreases	Balance June 30, 2020	Current Portion of Long-Term Liabilities
Governmental activities:					
General obligation bonds	\$ 617,412	\$ 1,250,000	\$ (617,412)	\$ 1,250,000	\$ 620,286
Net OPEB liability	25,314,618	1,602,409	-	26,917,027	-
Net pension liability	31,538,210	414,889	-	31,953,099	-
Total	<u>\$ 57,470,240</u>	<u>\$ 3,267,298</u>	<u>\$ (617,412)</u>	<u>\$ 60,120,126</u>	<u>\$ 620,286</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.

Short-term Obligations

On March 28, 2019, the District issued a \$1,200,000 Bond Anticipation Note. The note matured on March 25, 2020 with an interest rate of 2.50%. On March 25, 2020, the District issued a \$600,000 Bond Anticipation Note due March 25, 2021 with an interest rate of 1.54%.

Short-term debt activity for the year ended June 30, 2020, was as follows:

	Balance July 1, 2019	Increases	Decreases	Balance June 30, 2020
Governmental activities:				
March 2019 Bond Anticipation Note	\$ 1,200,000	\$ -	\$ (1,200,000)	\$ -
March 2020 Bond Anticipation Note	-	600,000	-	600,000
Total	<u>\$ 1,200,000</u>	<u>\$ 600,000</u>	<u>\$ (1,200,000)</u>	<u>\$ 600,000</u>

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

Notes to Financial Statements

June 30, 2020

Note 13 - Long-term Obligations and Short-term Obligations (continued)Interest and Fees

For the year ended June 30, 2020, \$67,723 of interest and fees were accrued and expensed. Interest and fees paid during the year ended June 30, 2020 was \$45,188. Interest due in 2021 will be \$19,000.

Note 14 - Interfund Transactions

The composition of interfund balances as of June 30, 2020, is as follows:

Receivable	Payable				Total
	General Fund	Special Revenue	School Building Fund	Non-major Governmental	
General Fund	\$ -	\$ 627,187	\$ 109,611	\$ 227,153	\$ 963,951
EIA Fund	57,633	-	-	-	57,633
Total	\$ 57,633	\$ 627,187	\$ 109,611	\$ 227,153	\$ 1,021,584

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

Note 15 - Transfers to/from Other Funds

Transfers for the year ended June 30, 2020 are summarized below:

Transfer In	Transfer Out				Total
	General Fund	Special Revenue	EIA	Non-major Governmental	
General	\$ -	\$ -	\$ 691,744	\$ 94,493	\$ 786,237
School Building	100,000	-	-	-	100,000
Nonmajor Governmental	-	500	-	-	500
Total	\$ 100,000	\$ 500	\$ 691,744	\$ 94,493	\$ 886,737

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

Notes to Financial Statements

June 30, 2020

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, 2020 is as follows:

<u>Tax Abatement Program</u>	<u>Original Ad Valorem Tax</u>	<u>Fee Dollars</u>	<u>Special Source Revenue Credit</u>	<u>Amount Abated During the Year</u>
Fee in Lieu of Tax	\$ 720,204	\$233,099	\$ -	\$ 487,105

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.

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, 2020, 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.

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

Notes to Financial Statements

June 30, 2020

Note 17 - Summary Disclosure of Significant Contingencies and Commitments (continued)**Construction Commitments**

At June 30, 2020, the District has construction commitments totaling \$217,198.

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 Charles Hembree, 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, 2020, \$182,309 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 \$8,655 during 2020. In addition, the District also obtain graphic designs from a company whose parent is a member of the Board of Trustees. The cost of the graphic design was \$9,936 during 2020.

Note 20 - Subsequent Events

Subsequent to the issuance of the audit report, the District contracted to sale two tracts of land totaling 52.94 acres for \$540,800.

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
SOUTH CAROLINA RETIREMENT SYSTEMS
June 30, 2020
(UNAUDITED)

Fiscal Year*	District's Proportion of the Net Pension Liability	District's Proportionate Share of the Net Pension Liability	South Carolina Retirement System		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
			District's Covered Payroll	District's Proportionate Share of the Net Pension Liability		
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%	
Police Officers' Retirement System						
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	
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%	
2012	\$ 1,147,768	\$ 1,147,768	-	12,229,810	9.3850%	
2011	\$ 1,128,039	\$ 1,128,039	-	12,208,209	9.2400%	

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	
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%	
2012	\$ 208	\$ 208	-	1,833	11.3475%	
2011	\$ 122	\$ 122	-	1,097	11.1212%	

* 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
FOR THE YEARS ENDED JUNE 30, 2017 THROUGH JUNE 30, 2020

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)				
2020 \$	0.177987%	\$ 26,914,348	\$ 13,259,758	202.98%	8.44%
2019 \$	0.178612%	\$ 25,310,365	\$ 13,172,889	192.14%	7.91%
2018 \$	0.177795%	\$ 24,082,042	\$ 12,938,936	186.12%	7.60%
2017 \$	0.177795%	\$ 25,724,502	\$ 12,447,459	206.66%	Not Available
South Carolina Long-term Disability Insurance Trust Fund (SCLTDITF)					
2020 \$	0.136108%	\$ 2,679	(1)	(1)	95.17%
2019 \$	0.141147%	\$ 4,253	(1)	(1)	92.20%
2018 \$	0.141147%	\$ 2,559	(1)	(1)	95.29%
2017 \$	0.141147%	\$ 980	(1)	(1)	Not Available

(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
FOR THE YEARS ENDED JUNE 30, 2017 THROUGH JUNE 30, 2019

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	
2020 \$	1,026,738 \$	1,026,738 \$	-	16,427,801	6.2500%	
2019 \$	941,862 \$	941,862 \$	-	15,567,963	6.0500%	
2018 \$	847,163 \$	847,163 \$	-	15,402,960	5.5000%	
2017 \$	799,136 \$	799,136 \$	-	14,993,171	5.3300%	

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	
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 payroll is not applicable to the SCLTDITF

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, 2020

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
1000 Revenue from Local Sources			
1100 Taxes			
1110 Ad Valorem Taxes	\$ 6,824,702	\$ 7,663,344	\$ 838,642
1200 Revenue from Local Governmental Units Other than LEA's			
1280 Revenue in Lieu of Taxes (Independent and Dependent LEA)	150,000	663,088	513,088
1300 Tuition			
1310 Regular Day School from Patrons	-	16,308	16,308
1500 Earnings on Investments			
1510 Interest on Investments	60,000	140,635	80,635
1900 Other Revenue from Local Sources			
1920 Contributions and Donations Private Sources	-	500	500
1999 Revenue from Other Local Sources	-	27,259	27,259
Total Local Sources	<u>7,034,702</u>	<u>8,511,134</u>	<u>1,476,432</u>
3000 Revenue from State Sources			
3100 Restricted State Funding			
3130 Special Programs			
3131 Handicapped Transportation	-	6,238	6,238
3160 School Bus Driver's Salary	170,000	227,676	57,676
3161 EAA School Bus Driver's Salary and Fringe	-	637	637
3162 Transportation Workers' Compensation	12,000	15,129	3,129
3180 Fringe Benefits Employer Contributions	3,418,150	3,584,244	166,094
3181 Retiree Insurance	605,925	669,356	63,431
3186 State Aid to Classrooms	462,040	499,008	36,968

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2020

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
3300 Education Finance Act			
3310 Full-Time Programs			
3311 Kindergarten	369,990	400,986	30,996
3312 Primary	1,073,950	1,063,464	(10,486)
3313 Elementary	1,841,970	1,844,876	2,906
3314 High School	508,135	571,966	63,831
3315 Trainable Mentally Handicapped	45,725	35,007	(10,718)
3316 Speech Handicapped (Part-Time Program)	667,855	527,143	(140,712)
3317 Homebound	3,020	7,862	4,842
3320 Part-Time Programs			
3321 Emotionally Handicapped	28,530	45,421	16,891
3322 Educable Mentally Handicapped	36,030	26,528	(9,502)
3323 Learning Disabilities	537,120	672,151	135,031
3324 Hearing Handicapped	31,675	27,289	(4,386)
3325 Visually Handicapped	26,400	31,735	5,335
3326 Orthopedically Handicapped	4,190	4,754	564
3327 Vocational	1,149,655	1,076,574	(73,081)
3330 Miscellaneous EFA Programs			
3331 Autism	164,505	201,625	37,120
3332 High Achieving Students	140,120	140,316	196
3334 Limited English Proficiency	45,585	45,976	391
3351 Academic Assistance	235,805	240,048	4,243
3352 Pupils in Poverty	749,470	742,618	(6,852)
3353 Dual Credit Enrollment	1,540	13,213	11,673
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	2,218,833	2,235,487	16,654
3830 Merchant's Inventory Tax	29,000	29,256	256
3840 Manufacturers Depreciation Reimbursement	100,000	201,958	101,958
3890 Other State Property Tax Revenues	20,000	14,669	(5,331)
3990 Other State Revenue			
3993 PEBA On-Behalf	72,217	145,969	73,752
3999 Revenue from Other State Sources	-	1,640	1,640
Total State Sources	<u>16,095,160</u>	<u>16,676,544</u>	<u>581,384</u>
Total Revenue all Sources	<u>23,129,862</u>	<u>25,187,678</u>	<u>2,057,816</u>

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2020

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Expenditures			
100 Instruction			
110 General Instruction			
111 Kindergarten Programs			
100 Salaries	619,186	580,086	39,100
200 Employee Benefits	291,600	249,794	41,806
400 Supplies and Materials	54,000	41,559	12,441
500 Capital Outlay	5,000	-	5,000
112 Primary Programs			
100 Salaries	1,570,395	1,500,056	70,339
200 Employee Benefits	675,191	666,095	9,096
400 Supplies and Materials	179,150	189,159	(10,009)
500 Capital Outlay	6,000	-	6,000
113 Elementary Programs			
100 Salaries	3,314,660	3,252,947	61,713
200 Employee Benefits	1,436,306	1,398,803	37,503
300 Purchased Services	-	7,088	(7,088)
400 Supplies and Materials	302,800	429,056	(126,256)
500 Capital Outlay	10,000	-	10,000
114 High School Programs			
100 Salaries	2,197,881	2,090,688	107,193
200 Employee Benefits	953,576	905,203	48,373
300 Purchased Services	13,000	115,340	(102,340)
400 Supplies and Materials	195,850	158,838	37,012
500 Capital Outlay	5,000	-	5,000
600 Other Objects	2,000	2,500	(500)
115 Vocational Programs			
100 Salaries	160,412	153,567	6,845
200 Employee Benefits	68,053	66,060	1,993
300 Purchased Services - Other than Tuition	-	29,776	(29,776)
370 Purchased Services - Tuition	185,000	182,309	2,691
400 Supplies and Materials	12,700	1,673	11,027

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2020

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
120 Exceptional Programs			
121 Educable Mentally Handicapped			
100 Salaries	672,800	57,334	615,466
200 Employee Benefits	279,608	21,341	258,267
300 Purchased Services	1,000	945	55
400 Supplies and Materials	1,500	11,151	(9,651)
122 Trainable Mentally Handicapped			
100 Salaries	-	4,284	(4,284)
200 Employee Benefits	-	2,058	(2,058)
300 Purchased Services	3,500	16,797	(13,297)
123 Orthopedically Handicapped			
100 Salaries	10,000	3,354	6,646
200 Employee Benefits	2,988	1,386	1,602
300 Purchased Services	23,000	546	22,454
124 Visually Handicapped			
100 Salaries	-	3,354	(3,354)
200 Employee Benefits	-	1,462	(1,462)
300 Purchased Services	20,700	21,161	(461)
400 Supplies and Materials	1,000	-	1,000
125 Hearing Handicapped			
100 Salaries	10,000	5,384	4,616
200 Employee Benefits	2,988	2,607	381
300 Purchased Services	13,300	21,161	(7,861)
400 Supplies and Materials	150	2,529	(2,379)
126 Speech Handicapped			
100 Salaries	102,863	103,332	(469)
200 Employee Benefits	40,810	41,300	(490)
300 Purchased Services	-	5,260	(5,260)
400 Supplies and Materials	1,800	280	1,520
127 Learning Disabilities			
100 Salaries	123,244	577,355	(454,111)
200 Employee Benefits	52,069	242,033	(189,964)
300 Purchased Services	-	663	(663)
400 Supplies and Materials	2,000	-	2,000

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2020

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
128 Emotionally Handicapped			
100 Salaries	3,480	19,485	(16,005)
200 Employee Benefits	1,039	8,024	(6,985)
300 Purchased Services	10,600	4,199	6,401
400 Supplies and Materials	300	-	300
130 Pre-School Programs			
133 Pre-School Handicapped-Self Contained (5 year-olds)			
100 Salaries	-	28,708	(28,708)
200 Employee Benefits	-	12,194	(12,194)
135 Pre-School Handicapped-Speech (3 & 4 year-olds)			
100 Salaries	25,825	125	25,700
200 Employee Benefits	10,236	12	10,224
139 Early Childhood Programs			
100 Salaries	25,756	24,151	1,605
200 Employee Benefits	7,697	7,237	460
400 Supplies and Materials	10,000	7,357	2,643
140 Special Programs			
141 Gifted and Talented - Academic			
100 Salaries	67,087	67,197	(110)
200 Employee Benefits	27,668	32,155	(4,487)
400 Supplies and Materials	8,000	612	7,388
143 Advanced Placement			
400 Supplies and Materials	-	300	(300)
145 Homebound			
100 Salaries	25,000	7,978	17,022
200 Employee Benefits	7,472	2,406	5,066
300 Purchased Services	12,000	1,263	10,737
147 Full Day 4K			
100 Salaries	102,526	179,660	(77,134)
200 Employee Benefits	50,488	80,817	(30,329)
300 Purchased Services	-	19,374	(19,374)
400 Supplies and Materials	10,000	3,695	6,305
148 Gifted and Talented - Artistic			
100 Salaries	-	14,459	(14,459)
200 Employee Benefits	-	4,363	(4,363)

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2020

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
149 Other Special Programs			
300 Purchased Services	10,000	-	10,000
160 Other Exceptional Programs			
161 Autism			
100 Salaries	-	138,177	(138,177)
200 Employee Benefits	-	58,771	(58,771)
300 Purchased Services	8,800	17,054	(8,254)
170 Summer School Program			
175 Instructional Programs Beyond Regular School Day			
100 Salaries	-	351	(351)
200 Employee Benefits	-	105	(105)
300 Purchased Services	-	1,923	(1,923)
400 Supplies and Materials	4,000	1,091	2,909
180 Adult/Continuing Education Programs			
181 Adult Basic Education Programs			
300 Purchased Services	-	418	(418)
600 Other Objects	15,000	-	15,000
Total Instruction	<u>14,066,054</u>	<u>13,911,335</u>	<u>154,719</u>
200 Support Services			
210 Pupil Services			
211 Attendance and Social Work Services			
300 Purchased Services	26,000	5,000	21,000
400 Supplies and Materials	400	-	400
212 Guidance Services			
100 Salaries	311,028	299,251	11,777
200 Employee Benefits	137,307	128,675	8,632
300 Purchased Services	2,200	121	2,079
400 Supplies and Materials	4,000	113	3,887
213 Health Services			
100 Salaries	36,524	74,320	(37,796)
200 Employee Benefits	17,007	22,239	(5,232)
300 Purchased Services	3,600	870	2,730
400 Supplies and Materials	6,000	9,105	(3,105)
600 Other Objects	2,000	152	1,848

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2020

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
214 Psychological Services			
100 Salaries	69,338	80,576	(11,238)
200 Employee Benefits	28,342	31,754	(3,412)
300 Purchased Services	-	17,920	(17,920)
217 Career Specialist Services			
100 Salaries	-	54,681	(54,681)
200 Employee Benefits	-	32,195	(32,195)
300 Purchased Services	-	915	(915)
220 Instructional Staff Services			
221 Improvement of Instruction - Curriculum Development			
100 Salaries	192,775	153,107	39,668
200 Employee Benefits	77,411	65,953	11,458
300 Purchased Services	-	16,745	(16,745)
400 Supplies and Materials	-	380	(380)
222 Library and Media Services			
100 Salaries	292,671	284,651	8,020
200 Employee Benefits	132,457	129,196	3,261
300 Purchased Services	8,000	4,590	3,410
400 Supplies and Materials	81,400	7,853	73,547
223 Supervision of Special Programs			
100 Salaries	-	224	(224)
200 Employee Benefits	-	16	(16)
300 Purchased Services	-	200	(200)
400 Supplies and Materials	-	450	(450)
224 Improvement of Instruction - Inservice and Staff Training			
100 Salaries	282,278	224,048	58,230
200 Employee Benefits	101,045	90,708	10,337
300 Purchased Services	6,400	117,466	(111,066)
400 Supplies and Materials	43,600	8,248	35,352
600 Other Objects	4,000	1,904	2,096
230 General Administration Services			
231 Board of Education			
100 Salaries	6,000	13,805	(7,805)
200 Employee Benefits	9,385	14,719	(5,334)
300 Purchased Services	74,000	75,536	(1,536)
318 Audit Services	45,000	38,475	6,525
400 Supplies and Materials	8,000	1,272	6,728
600 Other Objects	87,000	46,289	40,711

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2020

	Budget	Actual	Variance Positive (Negative)
232 Office of the Superintendent			
100 Salaries	308,859	333,688	(24,829)
200 Employee Benefits	119,722	121,742	(2,020)
300 Purchased Services	9,500	3,445	6,055
400 Supplies and Materials	13,000	8,664	4,336
600 Other Objects	3,000	895	2,105
233 School Administration			
100 Salaries	1,228,971	1,245,836	(16,865)
200 Employee Benefits	527,888	533,974	(6,086)
300 Purchased Services	31,700	515	31,185
400 Supplies and Materials	46,100	40,000	6,100
600 Other Objects	6,000	6,908	(908)
250 Finance and Operations Services			
252 Fiscal Services			
100 Salaries	287,765	131,956	155,809
100 Head of Organization Unit Salaries	-	157,371	(157,371)
200 Employee Benefits	116,400	62,991	53,409
200 Head of Organization Unit Employee Benefits	-	54,514	(54,514)
300 Purchased Services	18,000	28,644	(10,644)
400 Supplies and Materials	15,000	11,784	3,216
600 Other Objects	7,000	6,924	76
254 Operation and Maintenance of Plant			
100 Salaries	891,708	855,822	35,886
200 Employee Benefits	389,664	354,039	35,625
300 Purchased Services	387,000	571,129	(184,129)
321 Public Utilities	72,900	75,301	(2,401)
400 Supplies and Materials	114,000	69,061	44,939
470 Energy	418,000	341,317	76,683
500 Capital Outlay	50,000	-	50,000
600 Other Objects	76,000	-	76,000
255 Student Transportation			
100 Salaries	476,825	575,432	(98,607)
200 Employee Benefits	175,574	211,816	(36,242)
300 Purchased Services	24,700	12,733	11,967
400 Supplies and Materials	4,000	3,166	834
256 Food Service			
200 Employee Benefits	272,741	184,608	88,133

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2020

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
258 Security			
100 Salaries	14,000	5,495	8,505
200 Employee Benefits	4,456	1,921	2,535
300 Purchased Services	209,000	76,990	132,010
400 Supplies and Materials	2,000	1,396	604
260 Central Support Services			
263 Information Services			
100 Salaries	18,000	3,200	14,800
200 Employee Benefits	5,375	968	4,407
300 Purchased Services	25,000	14,000	11,000
400 Supplies and Materials	6,000	10,415	(4,415)
266 Technology and Data Processing Services			
100 Salaries	225,170	239,456	(14,286)
200 Employee Benefits	97,180	99,763	(2,583)
300 Purchased Services	88,000	45,090	42,910
400 Supplies and Materials	135,750	27,419	108,331
600 Other Objects	-	175	(175)
270 Supporting Services Pupil Activity			
271 Pupil Services Activities			
600 Pupil Activity	<u>1,122,692</u>	<u>950,378</u>	<u>172,314</u>
Total Support Services	<u>10,139,808</u>	<u>9,534,663</u>	<u>605,145</u>
300 Community Services			
350 Custody and Care of Children Services			
100 Salaries	-	2,945	(2,945)
200 Employee Benefits	-	688	(688)
400 Supplies and Materials	1,000	2,801	(1,801)
500 Capital Outlay	-	309	(309)
Total Community Services	<u>1,000</u>	<u>6,743</u>	<u>(5,743)</u>
400 Other Charges			
410 Intergovernmental Expenditures			
412 Payments to Other Governmental Units			
720 Transits	<u>20,000</u>	<u>-</u>	<u>20,000</u>
Total Intergovernmental Expenditures	<u>20,000</u>	<u>-</u>	<u>20,000</u>
Total Expenditures	<u>24,226,862</u>	<u>23,452,741</u>	<u>774,121</u>

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2020

	Budget	Actual	Variance Positive (Negative)
Other Financing Sources (Uses)			
Interfund Transfers, from (to) Other Funds			
5230 Transfer from Special Revenue EIA Fund	781,000	691,744	(89,256)
5280 Transfer from Other Funds Indirect Costs	150,000	94,493	(55,507)
421-710 Transfer to Non-EIA Special Revenue Fund	(34,000)	-	34,000
424-710 Transfer to School Building Fund	-	(100,000)	(100,000)
	897,000	686,237	(210,763)
Total Other Financing Sources (Uses)			
Net Change in Fund Balance	\$ <u>(200,000)</u>	2,421,174	\$ <u>2,621,174</u>
Fund Balance - July 1, 2019		10,619,226	
Fund Balance - June 30, 2020		\$ 13,040,400	

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 2020

Revenues	2017/2020 Title I	203/204 Idea	205/206 Preschool Handicapped	207/208 Occupational Education	Other Restricted State Grants	Other Special Revenue Programs	Total
1000 Revenue from Local Sources							
1900 Other revenue from local sources							
1920 Contributions and donations private sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500	500
1930 Medicaid	-	-	-	-	-	205,657	205,657
1999 Revenue from other local sources	-	-	-	-	-	1,700	1,700
Total local sources	-	-	-	-	-	207,857	207,857
2000 Intergovernmental Revenue							
2300 Payments from non-profit entities (for First Steps)	-	-	-	-	-	89,383	89,383
Total Intergovernmental revenue	-	-	-	-	-	89,383	89,383
3000 Revenue from State Sources							
3100 Restricted state funding							
3118 EEDA career specialist	-	-	-	-	141,459	-	141,459
3120 General education							
3127 Student health and fitness	-	-	-	-	20,375	-	20,375
3130 Special programs							
3135 Reading coaches	-	-	-	-	58,827	-	58,827
3136 Student health and fitness - nurses	-	-	-	-	57,950	-	57,950
3190 Miscellaneous restricted state grants							
3193 Education license plates	-	-	-	-	266	-	266
3199 Other restricted state grants	-	-	-	-	1,679	-	1,679
3600 Education lottery act revenue							
3670 School safety - facility and infrastructure safety upgrades	-	-	-	-	56,995	-	56,995

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 2020

	201/202 Title I	203/204 Idea	205/206 Preschool Handicapped	207/208 Occupational Education	Other Restricted State Grants	Other Special Revenue Programs	Total
3900 Other state revenue	-	-	-	-	237,365	-	237,365
3994 PEBA nonemployer contributions	-	-	-	-	-	1,909	1,909
3999 Revenue from other State Sources	-	-	-	-	-	-	-
Total state sources	-	-	-	-	574,916	1,909	576,825
4000 Revenue from Federal Sources							
4200 Occupational education				32,453	-	-	32,453
4210 Vocational aid, Title I							
4300 Elementary and secondary education act of 1965	730,953						730,953
4310 Title I							
4341 Language instruction for limited English proficient and immigrant students, Title III						2,833	2,833
4351 Improving teacher quality						80,219	80,219
4500 Programs for children with disabilities							
4510 Individuals with disabilities education act		816,586					816,586
4520 Preschool grants			35,019				35,019
4900 Other federal sources							
4975 SC CARES ESSER						46,699	46,699
4997 Title IV SSAE						65,728	65,728
4999 Revenue from other federal sources						340	340
Total federal sources	730,953	816,586	35,019	32,453	-	195,819	1,810,830
Total Revenue all Sources	730,953	816,586	35,019	32,453	574,916	494,968	2,684,895
Expenditures							
100 Instruction							
110 General Instruction							
111 Kindergarten programs						354	55,076
100 Salaries	54,722						21,097
200 Employee benefits	21,068					29	12,951
400 Supplies and materials	11,431					1,520	

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 2020

	201/202 Title I	203/204 Idea	205/206 Preschool Handicapped	207/208 Occupational Education	Other Restricted State Grants	Other Special Revenue Programs	Total
112 Primary programs							
100 Salaries	155,863	-	-	-	5,221	41,624	202,708
200 Employee benefits	60,481	-	-	-	1,570	20,948	82,999
400 Supplies and materials	49,597	-	-	-	-	3,083	52,680
113 Elementary programs							
100 Salaries	-	-	-	-	10,442	4,793	15,235
200 Employee benefits	-	-	-	-	3,142	396	3,538
400 Supplies and materials	-	-	-	-	266	1,173	1,439
114 High school programs							
100 Salaries	105,829	-	-	-	-	3,651	109,480
200 Employee benefits	48,438	-	-	-	-	302	48,740
300 Purchased services	-	-	-	-	-	23,602	23,602
400 Supplies and materials	7,625	-	-	-	-	35,538	43,163
115 Vocational programs							
100 Salaries	-	-	-	545	-	-	545
400 Supplies and materials	-	-	-	9,520	-	-	9,520
120 Exceptional Programs							
121 Educable mentally handicapped							
100 Salaries	-	214,559	-	-	-	1,256	215,815
200 Employee benefits	-	117,434	-	-	-	105	117,539
300 Purchased services	-	243	-	-	-	-	243
400 Supplies and materials	-	31,307	-	-	-	-	31,307
124 Visually handicapped							
300 Purchased services	-	1,350	-	-	-	-	1,350
125 Hearing handicapped							
400 Supplies and materials	-	3,953	-	-	-	-	3,953
126 Speech handicapped							
100 Salaries	-	213,976	-	-	-	-	213,976
200 Employee benefits	-	94,291	-	-	-	-	94,291
400 Supplies and materials	-	6,738	-	-	-	-	6,738

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 2020

	201/202 Title I	203/204 Idea	205/206 Preschool Handicapped	207/208 Occupational Education	Other Restricted State Grants	Other Special Revenue Programs	Total
130 Preschool Programs							
137 Preschool handicapped self- contained (3 and 4-year olds)							
100 Salaries	-	-	25,825	-	-	-	25,825
200 Employee benefits	-	-	9,194	-	-	-	9,194
139 Early childhood programs							
100 Salaries	122,164	-	-	-	-	-	122,164
200 Employee benefits	64,717	-	-	-	-	-	64,717
160 Other Exceptional Programs							
161 Autism							
100 Salaries	-	140	-	-	-	-	140
200 Employee benefits	-	41	-	-	-	-	41
170 Summer School Programs							
172 Elementary summer school							
100 Salaries	-	-	-	-	-	1,785	1,785
200 Employee benefits	-	-	-	-	-	537	537
173 High school summer school							
100 Salaries	-	-	-	-	-	9,149	9,149
200 Employee benefits	-	-	-	-	-	2,752	2,752
175 Instructional programs beyond regular school day							
400 Supplies and materials	-	-	-	-	-	7,944	7,944
180 Adult/Continuing Educational Programs							
183 Adult English Literacy							
100 Salaries	-	-	-	-	-	90	90
200 Employee benefits	-	-	-	-	-	27	27
400 Supplies and materials	-	-	-	-	-	2,424	2,424
188 Parenting/family literacy							
400 Supplies and materials	3,014	-	-	-	-	1,543	4,557
Total Instruction	704,949	684,032	35,019	10,055	20,941	164,625	1,619,331

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 2020

	201/202 Title I	203/204 Idea	205/206 Preschool Handicapped	207/208 Occupational Education	Other Restricted State Grants	Other Special Revenue Programs	Total
200 Support Services							
213 Health services							
100 Salaries	-	-	-	-	38,725	84,657	123,382
200 Employee benefits	-	-	-	-	19,225	53,153	72,378
214 Psychological services							
100 Salaries	-	38,105	-	-	-	-	38,105
200 Employee benefits	-	16,400	-	-	-	-	16,400
400 Supplies and materials	-	2,271	-	-	-	-	2,271
215 Exceptional program services							
300 Purchased services	-	11,569	-	-	-	-	11,569
217 Career specialist services							
100 Salaries	-	-	-	-	109,161	-	109,161
200 Employee benefits	-	-	-	-	32,298	-	32,298
220 Instructional Staff Services							
221 Improvement of instruction curriculum development							
100 Salaries	-	2,371	-	-	39,111	442	41,924
200 Employee benefits	-	714	-	-	19,716	133	20,563
300 Purchased services	-	5,759	-	-	-	10,409	16,168
223 Supervision of special programs							
100 Salaries	18,400	39,560	-	15,727	-	1,752	75,439
200 Employee benefits	7,583	11,878	-	6,661	-	532	26,654
300 Purchased services	-	-	-	-	-	30,180	30,180
400 Supplies and materials	21	628	-	-	-	-	649
224 Improvement of instruction - inservice and staff training							
300 Purchased services	-	-	-	-	-	1,675	1,675
230 General Administration Services							
233 School administration							
100 Salaries	-	-	-	-	-	1,224	1,224
200 Employee benefits	-	-	-	-	-	100	100

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 2020

	201/202 Title I	203/204 Idea	205/206 Preschool Handicapped	207/208 Occupational Education	Other Restricted State Grants	Other Special Revenue Programs	Total
250 Finance and Operations Services							
251 Student transportation	-	3,119	-	-	-	-	3,119
300 Purchased services							
254 Operation and maintenance of plant	-	-	-	-	-	11,058	11,058
400 Supplies and materials							
257 Internal services	-	180	-	-	-	-	180
300 Purchased services							
258 Security	-	-	-	-	26,995	-	26,995
400 Supplies and materials	-	-	-	-	30,000	-	30,000
500 Capital outlay							
263 Information services	-	-	-	-	-	145	145
300 Purchased services							
Total Support Services	26,004	132,554	-	22,388	315,231	195,460	691,637
300 Community Services							
350 Custody and care of children services	-	-	-	-	-	53,169	53,169
100 Salaries	-	-	-	-	-	36,214	36,214
200 Employee benefits	-	-	-	-	-	2,249	2,249
400 Supplies and materials							
Total Community Services	-	-	-	-	-	91,632	91,632
410 Intergovernmental Expenditures							
411 Payments to State Department of Education	-	-	-	-	-	42,751	42,751
720 Transits							
412 Payments to other governmental units	-	-	-	-	1,679	-	1,679
720 Transits							
419 Payments to PEBA nonemployer contributions	-	-	-	-	237,365	-	237,365
720 Transits							
Total Intergovernmental Expenditures	-	-	-	-	239,044	42,751	281,795
Total Expenditures	730,953	816,586	35,019	32,453	574,916	494,468	2,684,395

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
SPECIAL REVENUE FUND
SUMMARY SCHEDULE FOR DESIGNATED STATE RESTRICTED GRANTS AND OTHER SPECIAL REVENUE PROGRAMS
YEAR ENDED JUNE 30, 2020

Subfund	Revenue Code	Program	Revenues and Other Sources	Expenditures	Transfers In/(Out)	Unearned Revenue
State Restricted Grants						
801	3199	Other restricted state grants	\$ 1,679 \$	1,679 \$	- \$	-
919	3193	Education license plates	266	266	-	-
928	3118	EEDA Career specialist	141,459	141,459	-	-
935	3185	Reading coaches	58,827	58,827	-	-
936	3136	Student health and fitness - nurses	57,950	57,950	-	-
937	3127	Student health and fitness	20,375	20,375	-	-
970	3670	School safety - facility and infrastructure safety upgrades	56,995	56,995	-	-
994	3994	PEBA nonemployer contributions	237,365	237,365	-	-
			<u>\$ 574,916 \$</u>	<u>574,916 \$</u>	<u>- \$</u>	<u>-</u>
Other Special Revenue Programs						
210	4997	Title IV - SSAE	\$ 65,728 \$	65,728 \$	- \$	-
220	4975	SC CARES ESSER	46,699	46,699	-	-
264	4341	Title III	2,833	2,833	-	-
267	4351	Improving teacher quality	80,219	80,219	-	-
804	1999	Local grant	1,000	1,000	-	-
872	1999	Local grant	700	700	-	-
873	2310	Local grant	500	-	(500)	2,053
883	3999	Revenue from other state sources	1,909	1,909	-	436
884	4999	Revenue from other federal sources	340	340	-	-
885	1930	Medicaid	205,657	205,657	-	-
996	2300	First steps	89,383	89,383	-	-
			<u>\$ 494,968 \$</u>	<u>494,468 \$</u>	<u>(500) \$</u>	<u>2,489</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, 2020

Revenues

3000 Revenue from State Sources

3500 Education Improvement Act		
3502 ADEPT	\$	3,706
3518 Adoption list of formative assessment		14,774
3519 Grade 10 assessment		698
3526 Refurbishment of science kits		14,608
3528 Industry certifications/credentials		10,000
3529 Career and technology education		32,202
3532 National Board salary supplement		202,605
3533 Teacher of the year award		10,765
3538 Students at risk of school failure		290,343
3541 Child early reading development and education program (CERDEP) - full day 4k		479,218
3550 Teacher salary increase		551,139
3555 Teacher salary fringe		140,605
3557 Summer reading program		18,382
3577 Teacher supplies		49,225
3595 EEDA supplies and materials		5,200
3597 Aid to districts		88,213
		<hr/>
Total State Sources		1,911,683
		<hr/>
Total Revenue all Sources		1,911,683
		<hr/>

Expenditures

100 Instruction

110 General Instruction

111 Kindergarten programs		
100 Salaries		12,549
200 Employee benefits		5,324
400 Supplies and materials		4,370
112 Primary programs		
100 Salaries		65,976
200 Employee benefits		23,951
400 Supplies and materials		28,248

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
EDUCATION IMPROVEMENT ACT
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - ALL PROGRAMS
YEAR ENDED JUNE 30, 2020

113 Elementary programs	
100 Salaries	144,443
200 Employee benefits	42,524
400 Supplies and materials	106,751
 114 High school programs	
100 Salaries	28,500
200 Employee benefits	8,469
400 Supplies and materials	22,051
 115 Vocational programs	
400 Supplies and materials	22,272
 120 Exceptional Programs	
121 Educable mentally handicapped	
100 Salaries	7,500
200 Employee benefits	2,237
400 Supplies and materials	4,400
 126 Speech handicapped	
400 Supplies and materials	1,650
 130 Preschool Programs	
137 Preschool handicapped self contained	
100 Salaries	58,735
200 Employee benefits	29,478
 139 Early childhood programs	
100 Salaries	450
200 Employee benefits	135
400 Supplies and materials	9,249
 140 Special Programs	
147 CDEP	
100 Salaries	325,114
200 Employee benefits	154,104
400 Supplies and materials	2,200

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
EDUCATION IMPROVEMENT ACT
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - ALL PROGRAMS
YEAR ENDED JUNE 30, 2020

170 Summer School Program	
171 Primary summer school	
100 Salaries	14,131
200 Employee benefits	4,251
172 Elementary summer school	
100 Salaries	6,090
200 Employee benefits	1,832
175 Instructional programs beyond regular school day	
100 Salaries	18,950
200 Employee benefits	5,504
400 Supplies and materials	178
180 Adult/Continuing Educational Programs	
181 Adult basic programs	
400 Supplies and materials	154
Total Instruction	<u>1,161,770</u>
200 Support Services	
210 Pupil Services	
212 Guidance services	
100 Salaries	16,500
200 Employee benefits	4,874
400 Supplies and materials	6,575
217 Career specialist services	
400 Supplies	825
220 Instructional Staff Services	
221 Improvement of instruction - curriculum development	
100 Salaries	838
200 Employee benefits	252
222 Library and media	
400 Supplies and materials	1,100

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
 EDUCATION IMPROVEMENT ACT
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - ALL PROGRAMS
 YEAR ENDED JUNE 30, 2020

223 Supervision of special programs	
100 Salaries	7,525
200 Employee benefits	3,230
224 Improvement of instruction - inservice and staff training	
100 Salaries	2,861
200 Employee benefits	845
250 Finance and Operations Services	
255 Student transportation	
100 Salaries	2,108
200 Employee benefits	636
Total Support Services	<u>48,169</u>
410 Intergovernmental Expenditures	
412 Payments to other governmental units	
720 Transits	10,000
Total Intergovernmental Expenditures	<u>10,000</u>
Total Expenditures	<u>1,219,939</u>
Other Financing Sources (Uses)	
Interfund Transfers, from (to) Other Funds	
420-710 Transfer to General Fund	<u>(691,744)</u>
Total Other Financing Sources (Uses)	<u>(691,744)</u>
Net Change in Fund Balance	-
Fund Balance - July 1, 2019	<u>-</u>
Fund Balance - June 30, 2020	<u>\$ -</u>

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
 EDUCATION IMPROVEMENT ACT
 SUMMARY SCHEDULE BY PROGRAM
 YEAR ENDED JUNE 30, 2020

	Revenue	Expenditures	EIA Fund Transfers In/(Out)	EIA Fund Unearned Revenue	Other Fund Transfers In/(Out)	Other Fund Deferred Revenue
Revenues						
3000 Revenue from State Sources						
3500 Education Improvement Act						
3502 ADEPT	\$ 3,706	\$ 3,706	-	-	-	-
3518 Formative assessment	14,774	14,774	-	-	-	-
3519 Grade 10 assessment	698	698	-	-	-	-
3526 Refurbishment of science kits	14,608	14,608	-	14,951	-	-
3528 Industry certificates	10,000	10,000	-	-	-	-
3529 Career and technology education	32,202	32,202	-	26,979	-	-
3532 National Board Certification salary supplement	202,605	202,605	-	-	-	-
3533 Teacher of the year award	10,765	10,765	-	-	-	-
3538 Students at risk of school failure	290,343	290,343	-	-	-	-
3541 Child early reading development and education program (CDEP) - full day 4k	479,218	479,218	-	-	-	-
3550 Teacher salary increase	551,139	-	-	-	(551,139)	-
3555 Teacher salary fringe	140,605	-	-	-	(140,605)	-
3557 Summer reading program	18,382	18,382	-	15,703	-	-
3577 Teacher supplies	49,225	49,225	-	-	-	-
3595 EEDA supplies and materials	5,200	5,200	-	-	-	-
3597 Aid to districts	88,213	88,213	-	-	-	-
Total Revenue from State Sources	\$ 1,911,683	\$ 1,219,939	\$ -	\$ 57,633	\$ (691,744)	\$ -

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
SCHOOL BUILDING FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 2020

Revenues

1000 Revenue from Local Sources

1500 Earnings on Investments	
1510 Interest on investments	\$ <u>55,372</u>

Total Local Sources	<u>55,372</u>
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Total Revenue all Sources	<u>55,372</u>
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Expenditures

100 Instruction

110 General Instruction

111 Kindergarten programs	
400 Supplies and materials	5,204

112 Primary programs	
400 Supplies and materials	19,203

113 Elementary programs	
400 Supplies and materials	30,404
500 Capital outlay	8,289

114 High school programs	
400 Supplies and materials	35,757
500 Capital outlay	<u>16,956</u>

Total Instruction	<u>115,813</u>
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200 Support Services

220 Instructional Staff Services

223 Supervision of special programs	
400 Supplies and materials	924

230 General Administration Services

232 Office of superintendent	
500 Capital outlay	4,144

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
SCHOOL BUILDING FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 2020

250 Finance and Operations	
252 Fiscal services	
500 Capital outlay	4,144
253 Facilities acquisition and construction	
300 Purchased services	129,945
400 Supplies and materials	105,331
500 Capital outlay	
540 Equipment	143,339
260 Central Support Services	
266 Technology and data processing services	
300 Purchased services	21,435
400 Supplies and materials	21,436
270 Support Services - Pupil Activities	
271 Pupil service activities	
660 Pupil activity	<u>7,888</u>
Total Support Services	<u>438,586</u>
500 Debt Service	
620 Interest	30,000
690 Other objects (fees for servicing bonds)	<u>26,790</u>
Total Debt Service	<u>56,790</u>
Total Expenditures	<u>611,189</u>

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
SCHOOL BUILDING FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 2020

Other Financing Sources (Uses)	
5120 Proceeds of General Obligation Bonds	1,250,000
Interfund transfers, from (to) Other Funds	
5210 Transfer from General Fund	<u>100,000</u>
Total Other Financing Sources (Uses)	<u>1,350,000</u>
Net Change in Fund Balance	794,183
Fund Balance - July 1, 2019	<u>1,698,115</u>
Fund Balance - June 30, 2020	<u>\$ 2,492,298</u>

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2020

	<u>Special Revenue Fund</u>			Total Non-major Governmental Funds
	School Food Service Fund	Debt Service Fund		
Assets				
Cash and cash equivalents	\$ 46,750	\$ -	\$ 46,750	
Investments	419,313	79,597	498,910	
Taxes receivable, net	-	66,460	66,460	
Accounts receivable	791	565	1,356	
Due from other governments	39,621	-	39,621	
Inventory	57,849	-	57,849	
Total Assets	\$ 564,324	\$ 146,622	\$ 710,946	
Liabilities and Fund Balances				
Liabilities				
Due to other funds	\$ 227,153	\$ -	\$ 227,153	
Due to other governments	3,813	-	3,813	
Total Liabilities	230,966	-	230,966	
Fund Balances				
Nonspendable - inventory	57,849		57,849	
Restricted - food service fund	275,509		275,509	
Assigned - balance general fund		146,622	146,622	
Total Fund Balances	333,358	146,622	479,980	
Total Liabilities and Fund Balances	\$ 564,324	\$ 146,622	\$ 710,946	

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NON-MAJOR GOVERNMENTAL FUNDS
 YEAR ENDED JUNE 30, 2020

	<u>Special Revenue Fund</u>		<u>Total Non-major Governmental Funds</u>	
	<u>School Food Service Fund</u>	<u>Debt Service Fund</u>	<u>School Food Service Fund</u>	<u>Debt Service Fund</u>
Revenues				
Local	\$ 240,408	\$ 694,690	\$ 240,408	\$ 935,098
State	-	56,706	-	56,706
Federal	1,290,459	-	1,290,459	1,290,459
Total Revenues	<u>1,530,867</u>	<u>751,396</u>	<u>1,530,867</u>	<u>2,282,263</u>
Expenditures				
Current:				
Support services	1,408,315	-	1,408,315	1,408,315
Intergovernmental	3,813	-	3,813	3,813
Debt service	-	632,600	-	632,600
Total Expenditures	<u>1,412,128</u>	<u>632,600</u>	<u>1,412,128</u>	<u>2,044,728</u>
Excess of revenues over expenditures	<u>118,739</u>	<u>118,796</u>	<u>118,739</u>	<u>237,535</u>
Other Financing Uses				
Transfers in	500	-	500	500
Transfers out	(94,493)	-	(94,493)	(94,493)
Total Other Financing Uses	<u>(93,993)</u>	<u>-</u>	<u>(93,993)</u>	<u>(93,993)</u>
Net change in fund balances	<u>24,746</u>	<u>118,796</u>	<u>24,746</u>	<u>143,542</u>
Fund Balance - July 1, 2019	<u>308,612</u>	<u>27,826</u>	<u>308,612</u>	<u>336,438</u>
Fund Balance - June 30, 2020	<u>\$ 333,358</u>	<u>\$ 146,622</u>	<u>\$ 333,358</u>	<u>\$ 479,980</u>

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
SCHOOL FOOD SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 2020

Revenues

1000 Revenue from Local Sources

1500 Earnings on Investments		
1510 Interest on investments	\$	5,988
1600 Food Service		
1610 Lunch sales to pupils		137,887
1620 Breakfast sales to pupils		18,903
1630 Special sales to pupils		24,752
1640 Lunch sales to adults		20,122
1650 Breakfast sales to adults		86
1660 Special sales to adults		13,484
1900 Other Revenue from Local Sources		
1920 Contributions and donations private sources		5,000
1999 Revenue from other local sources		14,186
		<hr/>
Total Revenue from Local Sources		240,408

4000 Revenue from Federal Sources

4800 USDA Reimbursement		
4810 School lunch and after school snacks program		896,560
4830 School breakfast program		328,300
4900 Other Federal Sources		
4991 USDA commodities		65,599
		<hr/>
Total Revenue from Federal Sources		1,290,459

Total Revenue from all Sources		<hr/> 1,530,867
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SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
SCHOOL FOOD SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 2020

Expenditures

250 Finance and Operations

256 Food Service

100 Salaries	488,504
200 Employee benefits	98,050
300 Purchased services	588
393 Direct purchased services	53,455
400 Supplies and materials	765,336
600 Other objects	2,382

400 Intergovernmental Expenditures

411 Payments to state department of education	
720 Transits	3,813

Total Expenditures	1,412,128
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Other Financing Sources (Uses)

Interfund transfers, from (to) Other Funds

5220 Transfer from special revenue fund	500
432-791 Food Service Fund Indirect Costs	(94,493)

Total Other Financing Sources (Uses)	(93,993)
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Net Change in Fund Balance	24,746
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Fund Balance - July 1, 2019	308,612
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Fund Balance - June 30, 2020	\$ 333,358
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SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 2020

Revenues

1000 Revenue from Local Sources

1100 Taxes

1110 Ad valorem taxes	\$	661,727
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1200 Revenue from Local Governmental Units

Other than LEAs

1280 Revenue in lieu of taxes		30,768
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1500 Earning on Investments

1510 Interest on investments		2,195
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Total Local Sources		<u>694,690</u>
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3000 Revenue from State Sources

3800 State Revenue in Lieu of Taxes

3820 Homestead exemption		38,042
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3830 Merchant's inventory tax		5,007
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3840 Manufacturers depreciation reimbursement		12,183
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3890 Other state property tax revenue		1,474
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Total State Sources		<u>56,706</u>
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Total Revenue all Sources		<u>751,396</u>
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Expenditures

500 Debt Service

610 Redemption of principal		617,412
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620 Interest		15,188
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Total Expenditures		<u>632,600</u>
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Net Change in Fund Balance		118,796
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Fund Balance - July 1, 2019		<u>27,826</u>
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Fund Balance - June 30, 2020	\$	<u><u>146,622</u></u>
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SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
PUPIL ACTIVITY FUNDS
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
YEAR ENDED JUNE 30, 2020

Receipts

1000 Receipts from Local Sources

1500 Earnings on Investments		
1510 Interest on investments	\$	103
1700 Pupil Activities		
1710 Admissions		110,777
1720 Bookstore sales		359
1730 Pupil organization membership		5,150
1740 Student fees		45,919
1790 Other		<u>408,827</u>
Total Receipts from Local Sources		<u>571,135</u>

Disbursements

190 Instructional Pupil Activity		
660 Pupil activity		<u>4,856</u>
Total Instruction		<u>4,856</u>
270 Support Services Pupil Activity		
271 Pupil Service Activities		
660 Pupil activity		<u>577,535</u>
Total Supporting Services		<u>577,535</u>
Total Disbursements		<u>582,391</u>

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
PUPIL ACTIVITY FUNDS
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
YEAR ENDED JUNE 30, 2020

Net Change in Due to Pupil Activities	(11,256)
Due to Pupil Activities - July 1, 2019	<u>173,136</u>
Due to Pupil Activities - June 30, 2020	\$ <u><u>161,880</u></u>

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
 AGENCY FUND
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
 JUNE 30, 2020

	Balance July 1, 2019	Additions	Deductions	Balance June 30, 2020
Assets				
Cash and equivalents	\$ 235,618	\$ 571,135	\$ 601,829	\$ 204,924
Total Assets	<u>\$ 235,618</u>	<u>\$ 571,135</u>	<u>\$ 601,829</u>	<u>\$ 204,924</u>
Liabilities				
Accounts payable	\$ 12,157	\$ 12,359	\$ 12,157	\$ 12,359
Due to pupil activities	173,136	571,135	582,391	161,880
Due to other governments	50,325	30,685	50,325	30,685
Total Liabilities	<u>\$ 235,618</u>	<u>\$ 614,179</u>	<u>\$ 644,873</u>	<u>\$ 204,924</u>

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
LOCATION SCHEDULE
YEAR ENDED JUNE 30, 2020

Location ID Number	Location Description	Education Level	Cost Type	Total Expenditures
00	Districtwide	Non-school	Central	\$ 1,643,025
35	Woodruff Middle School	Middle School	School	6,726,598
36	Woodruff High School	High School	School	8,926,453
40	Woodruff Primary School	Elementary School	School	7,301,136
42	Woodruff Elementary School	Elementary School	School	<u>5,998,171</u>
Total Expenditures/Disbursements for All Funds				\$ <u><u>30,595,383</u></u>

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

General Fund	\$ 23,452,741
Special Revenue Fund	2,684,395
EIA Fund	1,219,939
School Food Service Fund	1,412,128
Debt Service Fund	632,600
School Building Fund	<u>611,189</u>
Total Governmental Fund Expenditures	30,012,992
Pupil Activity Fund Disbursements	<u>582,391</u>
Total Expenditures/Disbursements for All Funds	\$ <u><u>30,595,383</u></u>

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
SCHEDULE OF BONDS PAYABLE
JUNE 30, 2020

Maturity	Interest Rate	Outstanding June 30, 2019	July 1, 2019 - June 30, 2020 Issued	Retired	Outstanding June 30, 2020	Interest Paid
Serial bonds issued March 28, 2018 Interest payable annually on March 28	3/28/2020 2.460%	\$ 617,412	-	617,412	-	15,188
Serial bonds issued March 25, 2020 Interest payable annually on March 25	3/25/2021 3/25/2022	-	620,286 629,714 1,250,000	-	620,286 629,714 1,250,000	-
		\$ 617,412	\$ 1,250,000	\$ 617,412	\$ 1,250,000	\$ 15,188

Interest to be paid in fiscal year 2021

\$ 19,000

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
 DETAILED SCHEDULE OF DUE TO STATE DEPARTMENT OF EDUCATION/FEDERAL GOVERNMENT
 JUNE 30, 2020

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 FY19		4510/203	Unexpended Funds	\$ 924	Owed
School Breakfast Program	N/A	4830/600	Unallowed Claim	\$ 790	Paid Check Number 122844
School Lunch Program	N/A	4810/600	Unallowed Claim	\$ 3,024	Paid Check Number 122844

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2020

LEA Subfund Code	Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA 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>340</u>
Pass Through State Department of Education:				
Child Nutrition Cluster:				
Non-Cash Assistance (Commodities):				
600	National School Lunch Program	10.555	N/A	65,599
Cash Assistance:				
600	School Breakfast Program	10.553	N/A	896,560
600	National School Lunch Program	10.555	N/A	328,300
	Total Child Nutrition Cluster			<u>1,290,459</u> *
	Total U. S. Department of Agriculture			<u>1,290,799</u>
<u>U.S. Department of Education</u>				
Pass through State Department of Education:				
202	Title I Grants to LEA's	84.010	19BA081	128,226
202	Title I Grants to LEA's	84.010	20BA081	602,727
	Total Title I, Part A Cluster			<u>730,953</u> *
203	IDEA - Children with Disabilities Extended School Year			243
203	IDEA - Children with Disabilities Extended School Year			181
204	IDEA - Children with Disabilities	84.027	18CA081	18,863
203	IDEA - Children with Disabilities	84.027	19CA081	164,632
204	IDEA - Children with Disabilities	84.027	19CA081	632,667
206	Handicapped Preschool Grant	84.173	18CG081	35,019
	Total Special Education Cluster (IDEA)			<u>851,605</u>
207	Vocational Education- Basic (Subprogram 01)	84.048	19VA081	545
207	Vocational Education- Basic (Subprogram 02)	84.048	20VA081	22,388
207	Vocational Education- Basic (Subprogram 11)	84.048	20VA081	9,520
	Total Career and Technical Education - Basic Grants to States (Perkins IV)			<u>32,453</u>

See note to Schedule of Expenditures of Federal Awards.

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2020

LEA Subfund Code	Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Total Expenditures
<u>U.S. Department of Education - continued</u>				
210	Title IV - Student Support and Academic Enrichment	84.424A	H63010100319	32,362
210	Title IV - Student Support and Academic Enrichment	84.424A	H63010100320	33,366
220	Elementary and Secondary School Education Relief Fund	84.425D	H63010497520	46,699
264	Title III - ESOL	84.365	19BP081	410
264	Title III - ESOL	84.365	20BP081	2,423
267	Title II - Improving Teacher Quality State Grants	84.367	19TQ081	34,445
267	Title II - Improving Teacher Quality State Grants	84.367	20TQ081	<u>45,774</u>
	Total U. S. Department of Education			<u>1,810,490</u>
	Total Federal Assistance Expended			<u>\$ 3,101,289</u>

* Denotes major federal program

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
Notes to the Schedule of Expenditures of Federal Awards
June 30, 2020

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. 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.

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, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated January 5, 2021.

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 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 Bebaert LCP

Greenville, South Carolina
January 5, 2021

Report of Independent Auditor on Compliance for Each Major Federal Program; Report 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

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, 2020. 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.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. 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 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on Each Major Federal Program

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, 2020.

Report on Internal Control over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's 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 may exist that have not been identified.

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.

Cheryl Roberts LHP

Greenville, South Carolina
January 5, 2021

**SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
Schedule of Findings and Questioned Costs
Year Ended June 30, 2020**

Section I. Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

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

Noncompliance material to financial statements noted? _____ yes X no

Federal Awards

Internal control over major programs:

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

Noncompliance material to federal awards _____ yes X 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 X no

Identification of major programs:

<p><u>CFDA#</u> 10.553 and 10.555 84.010</p>	<p><u>Federal Program Name</u> Child Nutrition Cluster Title I Grants to LEAs</p>
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Dollar threshold used to distinguish between Type A and Type B Programs \$ 750,000

Auditee qualified as low-risk auditee? X 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, 2020**

Section IV. Prior Year Findings

There were no prior year audit findings.