



# ***ANNUAL COMPREHENSIVE FINANCIAL REPORT***

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FISCAL YEAR ENDED JUNE 30, 2021  
COLUMBIA, SOUTH CAROLINA

**ANNUAL COMPREHENSIVE  
FINANCIAL REPORT  
OF  
RICHLAND SCHOOL DISTRICT TWO  
COLUMBIA, SOUTH CAROLINA**



**FOR THE FISCAL YEAR ENDED  
JUNE 30, 2021**

*Prepared by:  
Office of Financial Services*

*Baron R. Davis, Ph.D.  
Superintendent*

*Harry W. Miley, Jr., Ph.D.  
Senior Chief Financial and Operations Officer*

*Shelley S. Allen  
Chief Financial Officer*

**RICHLAND SCHOOL DISTRICT TWO**

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January 18, 2022

To the Board of Trustees and Citizens of Richland School District Two:

South Carolina State law requires that all school districts publish a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a licensed certified public accounting firm within six months of the close of each fiscal year. The Annual Comprehensive Financial Report of Richland School District Two for the fiscal year ended June 30, 2021, is submitted. Responsibility for both the accuracy of the data and the completeness of the information, including all disclosures, rests with the school district. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the school district.

This report consists of management's representations concerning the finances of the District. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of Richland School District Two has established a comprehensive internal control process that is designed both to protect the District's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with generally accepted accounting principles. As the cost of internal controls should not outweigh their benefits, the school district's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatements. Management asserts that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The independent audit of the financial statements of Richland School District Two was a part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements involving the administration of federal awards. These reports are available in the compliance section of this annual comprehensive financial report.

As part of the District's single audit, tests are made to determine the adequacy of the internal control structure, including the portion related to federal financial assistance programs, as well as to determine that the District has complied with applicable laws and regulations. The results of the Single Audit revealed no instances of material weakness in the internal control structure or significant violations of laws, regulations, contracts, or grants.

Generally accepted accounting principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with the MD&A, which can be found immediately following the report of the independent auditors.

### **Profile of the School District**

The District is a political subdivision of the State of South Carolina. The District is located in the northeastern section of Richland County and is bordered on the west by Richland School District One of Richland County, on the east and on the

south by Kershaw County, and on the north by Fairfield County. The City of Columbia, the state capital of South Carolina, is also the business and financial center of the state. The Columbia Metropolitan Statistical Area (MSA) has an estimated population of over 837,000.

The District operates a district-wide early childhood development program, twenty elementary schools, seven middle schools, five high schools, four elementary magnet schools, an alternative school, one adult education center and offers numerous magnet opportunities at all grade levels. The average age of schools in the district falls somewhere between 20-30 years and close to half of our schools are less than 20 years old. Richland School District Two is governed by a seven member Board of Trustees elected at large by the voters of the District. Board members are elected to four-year terms. As of June 30, 2021, the District served approximately 28,000 students. The District continues to be one of the fastest growing districts in the state as it has over the past decade.

### **Component Unit**

The District did have a component unit through the end of the fiscal year ending June 30, 2021, consisting of a hybrid virtual charter high school serving about 50-100 students from grades 9 through 12, predominately from the Richland Two area. The Richland 2 Charter High School was chartered by the District and had an independent Board overseeing its operations. A charter school was considered a state supported public school, and as a result, was part of the District for purposes of the State Constitution. The financial statements of the Richland Two Charter High School are presented as a discretely presented component unit because the charter school was financially dependent on the District. The Richland 2 Charter School Board of Trustees voted to dissolve the school effective June 30, 2021 and ceased to exist as July 1, 2021. A zero balance sheet is presented in the 2020-2021 financial statements for final reporting purposes.

### **Economic Condition**

State and federal payrolls are major sources of employment and income for residents of the County. The state of South Carolina employs nearly 190,000 persons in the County. The County has experienced considerable expansion of Federal, State and County facilities. The headquarters of Blue Cross / Blue Shield of South Carolina is located in the School District where the company employs approximately 10,000 people. There are significant industrial enterprises within the School District including Koyo Bearings, Spirax Sarco, and FN Manufacturing, Inc.

Fort Jackson, one of the United States Army's largest training installation, is located adjacent to the District and is a major contributor to the economy. More than 3,500 active duty Soldiers and their 12,000 Family members are assigned to the installation and make this area their home. About one third of those live in on-post housing. Fort Jackson employs almost 3,500 civilians and provides services for more than 46,000 retirees and their family members. An additional 10,000 students attend courses at the Soldier Support Institute, Armed Forces Chaplain Center, National Center for Credibility Assessment and Drill Sergeant School annually; training in excess of 48,000 basic training and 12,000 additional advanced training Soldiers every year.

Richland County's per capita income is estimated to be \$52,726 for 2021. The annual unemployment rate for 2020 for Richland County was 5.8%, which was below the 6.2% state annual rate.

### **Long-term Financial Planning**

As previously noted, Richland School District Two has been one of the fastest growing school districts in South Carolina over the past decade. To address this growth, the Board regularly updates a 10-Year Facility Study. As a result of this planning process, in November 2018, voters approved by a 65% yes vote a \$468 million referendum which will fund system wide improvements in safety and security, learning spaces, technology and transportation.

The growth in student enrollment is projected to be about 200-400 per year, which will put student enrollment between 28,000-29,000 in the 2021-2022 school year.

### **Budgetary Control**

Richland School District Two exercises budgetary controls. The objective of these budgetary controls is to ensure compliance with the provisions set forth in the annual appropriation adopted by the Board of Trustees. The Board of Trustees annually adopts and approves the General Fund budget by June 30<sup>th</sup>. The District maintains the modified accrual system for all governmental funds, and uses encumbrance accounting to accomplish budgetary controls at the function level. The Superintendent has authority to approve line item transfers within a fund. The legal level of control is at the fund level. Encumbrances are utilized to assist in budgetary control, and encumbrances lapse at fiscal year-end. The Board of Trustees is given a budget status report on a quarterly basis which is reviewed by members of the Board.

Special Revenue fund budgets are expended in conformance with the specific state and federal requirements of each fund, and budgets are not legally adopted by the Board of Trustees. Budgets are not formally adopted for the Capital Projects Fund or the Debt Service Fund. Debt Service expenditures are set in accordance with bond issue requirements, with revenues needed to pay the debt service requirement levied by the County Auditor.

### **Economic Assessment**

District policies are in place to assess and maintain the economic condition of the District. Among these is Policy DA which states the District's Fiscal Management Goals including a requirement to maintain a reserve fund of from seven percent to the equivalent of two months operating expenditures of the General Fund Operating Budget. Other policies address managing indebtedness and debt service, determining a budget that reflects the education priorities of the District, maintaining a level of per student expenditures needed to provide a quality education, as well as other policies regarding investments, inventories and various other aspects of financial operations designed to assist in assessing and maintaining the economic condition of the District.

### **Awards and Acknowledgements for 2020 – 2021**

Class of 2021 — earned more than \$138 million in college scholarship offers in academics, athletics and fine arts

Black College Quiz National Champion - RVH graduate Otiana Thompson

2021 U. S. Presidential Scholars Program Candidates - Emilei M. Addington of Ridge View High School and Taahera B. Islam of Spring Valley High School

National Champions for the 4x400 AAU relay race - Blythewood Middle's Madison Ross, Paris Asmond and Olivia Taylor; Kelly Mill Middle's Peyton Hightower



Richland Two AVID Early College graduates - first group of students graduated in May 2021 with Associate's degrees in the Arts from UofSC-Sumter

South Carolina Stock Market Game first-place elementary school winners - Bridge Creek Elementary Diamonds: Jaydah Mobley and Christopher Galdo who are fourth-graders; and Bridge Creek 3rd Place Winners - Elija Kendrick and Lucas Corry. Their investments increased by \$23,705 and statewide they ranked 24th out of 758 teams overall including middle and high school participants.

NCDA 55th Annual Poetry and Art Contest winners - Summit Parkway Middle's Maricella Gonzalez (seventh grade); Blythewood High School's Cora Weems (12th grade); Bridge Creek Elementary's Kennedy Cooper (Kindergarten)

National Student Council of Excellence Award - Blythewood, Richland Northeast; 2021 National Gold Council of Excellence Award - Ridge View and Westwood High Schools

2021 South Carolina Secondary Assistant Principal of the Year - Ridge View High's Brandon Ross

National Council of Teachers in English Award; Co-recipient of the 2020 Donald H. Graves Award for Excellence in the Teaching of Writing - Rice Creek Elementary's Kaitlin Jones

Featured in Special Edition of Columbia Business Monthly's 20-21 Best and Brightest 35 and Under - Jackson Creek Elementary's Valente' Gibson and Joseph Keels Elementary's Assistant Principal Dr. Whitney L. Prowell

2020 State History Teacher of the Year; SCDAR 2021 State Outstanding Teacher of American History - Dent Middle's Dr. Timothy Hicks

Named BSW Field Instructor of the Year by UofSC College of Social Work - Richland Two Family Intervention Services Counselor Thomas Smith

Recipient of the 2020 Early Career Educator of Color Leadership Award from NCTE - Jackson Creek Elementary's Valente' Gibson

2020 Recipient of SCASA's Lifetime Achievement Award; 2021 Principal of the Year (SCCEC) - Round Top Elementary's Jeanene Tucker

2021 South Carolina Adult Education Director of the Year - W.R. Rogers Center's Dr. Bobby Cunningham

Selected to serve on the UofSC's Office of Undergraduate Admissions Diversity Advisory Council - Director of College and Career Initiatives, Mary Paige Boyce and GEAR UP Project Director, Zipporah Little

2020-2021 Emerging Leaders Program - Dr. Deborah Bennett, Kelley Dinkins, Kristin Eubanks & Brandon Ross

Presidential Awards for Excellence in Mathematics and Science Teaching Finalist - Kelly Mill Med Pro Middle School's Warren Wise

Educator Award for Aspirations in Computing - R2i2 Teacher Kirstin Bullington

SCAS 2020 Teacher of the Year - Spring Valley High's Lindsey Rega

SCAEOP Educational Office Professional of the Year; NAEOP 2021 Olive T. Richie Office Professional of the Year - MaryBeth Gawrys

2020-2021 Educational Administrator of the Year - Bridge Creek Elementary's Kristin Eubanks

Coach of the Year - Ridge View High's Coach Yerrick Stoneman

2021 Presidential Award from National Association of School Psychologists (NASP) - Dr. Sandra Manning

Selected to perform in the 2022 Tournament of Roses Parade - Richland Northeast High's Adrian Adams

Received a \$10,000 grant for instructional material to teach the history of Black Americans during the world wars - District

Won Camp Discovery's American Education Week's "Virtual Field Study" giveaway - Killian Elementary, Montessori at Pontiac Elementary and Bookman Road Elementary

Received \$1 million Whole Child Initiative grant from the U.S. Department of Defense Education Activity - District

Nationally Certified Demonstration Magnet School by Magnet Schools of America - Forest Lake Elementary NASA Explorer School

15 State Communications Awards total from the SC/NSPRA - Bridge Creek Medical, Engineering and Discovery (MED) through Arts Magnet, Summit Parkway Middle, and Ridge View Arts Innovation for Medical Sciences Magnet School

School Improvement Council's 2021 Honor Roll - Round Top Elementary's SIC

"Top 20" National Magnet School of Excellence - Spring Valley High School

UofSC Professional Development School Exemplary Achievement Award - Blythewood High School

Schools to Watch® by the National Forum to Accelerate Middle Grades Reform - Dent Middle School

2021 National Blue Ribbon Lighthouse School - Bookman Road Elementary School

Dr. Baron Davis was awarded the 2021 Dr. Effie H. Jones Humanitarian Award, the 2021 Leader to Learn From for leadership in equity - Education Week and the NSPRA 2021 Bob Grossman Leadership in School Communications Award

### **Acknowledgements**

The preparation of the annual comprehensive financial report on a timely basis was made possible by the dedicated efforts of the entire Business Services office staff. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report.

In closing, without the leadership and support of the Richland School District Two Board of Trustees, preparation of the report would not have been possible.

Respectfully submitted,



Baron R. Davis, Ph.D.  
Superintendent



Harry W. Miley, Jr., Ph.D.  
Senior Chief of Finance and Operations

# **RICHLAND SCHOOL DISTRICT TWO**

## **Principal Officers 2020-2021**

### **MEMBERS OF THE BOARD OF TRUSTEES**

*The Honorable James Manning, Chair*

*The Honorable Teresa Holmes, Vice Chair*

*The Honorable Cheryl Caution-Parker, Secretary*

*The Honorable Lindsay Agostini*

*The Honorable Monica E. Scott*

*The Honorable Amelia McKie*

*The Honorable Lashonda McFadden*

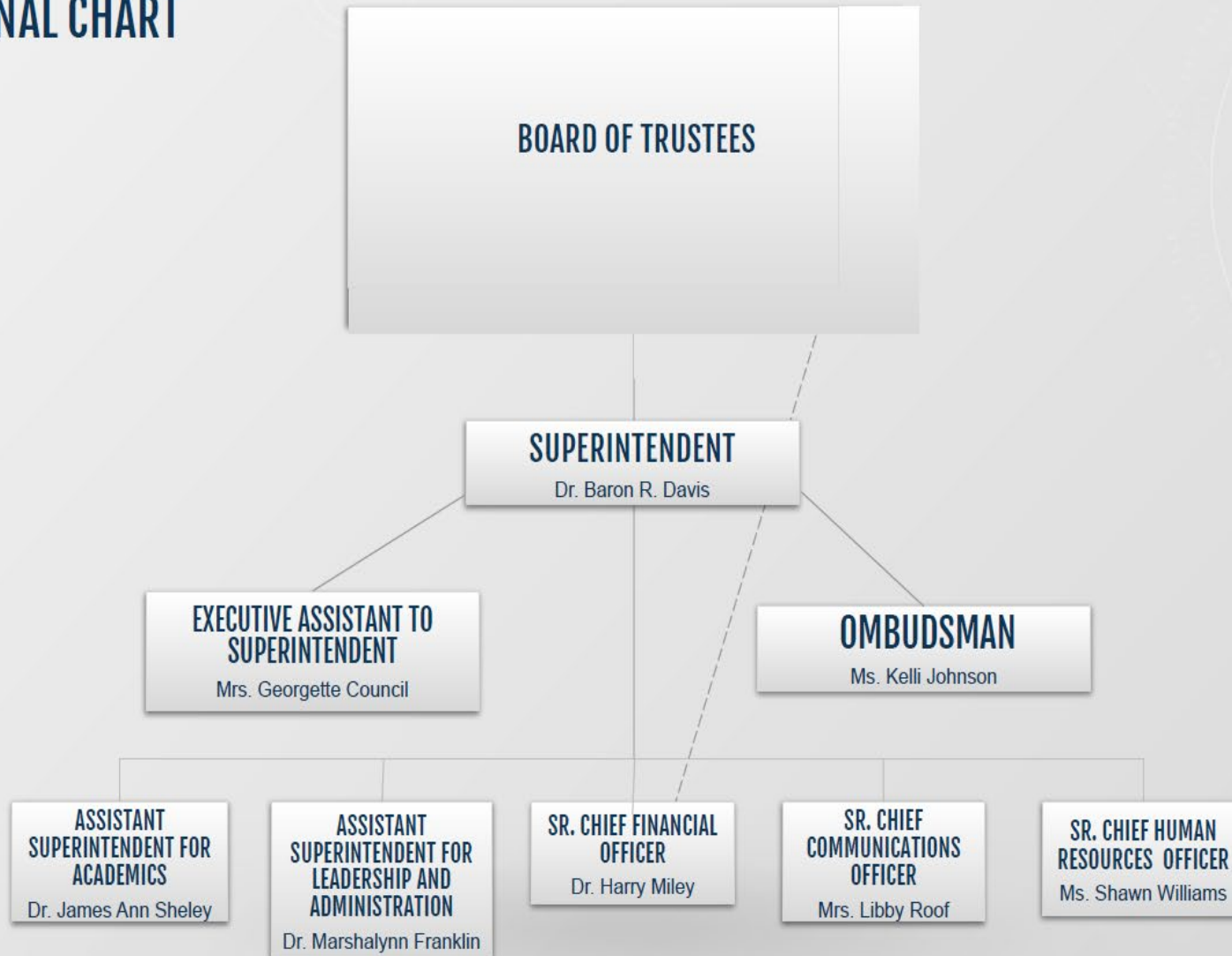
### **ADMINISTRATIVE STAFF**

*Baron R. Davis, Ph.D.  
Superintendent*

*Harry W. Miley, Jr., Ph.D.  
Senior Chief Financial and Operations Officer*

*Shelley S. Allen  
Chief Financial Officer*

# ORGANIZATIONAL CHART





Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**Richland School District Two  
South Carolina**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2020

*Christopher P. Morill*

Executive Director/CEO



ASSOCIATION OF  
SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL

**The Certificate of Excellence in Financial Reporting  
is presented to**

**Richland School District Two**

**for its Comprehensive Annual Financial Report  
for the Fiscal Year Ended June 30, 2020.**

The district report meets the criteria established for  
ASBO International's Certificate of Excellence.



A handwritten signature in black ink, reading 'W. Edward Chabal'.

W. Edward Chabal  
President

A handwritten signature in black ink, reading 'David J. Lewis'.

David J. Lewis  
Executive Director



## INDEPENDENT AUDITOR'S REPORT

Honorable Chair and Members of  
the Board of Trustees of  
Richland School District Two  
Columbia, South Carolina

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit and each major fund of Richland School District Two ("the School District"), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the School 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, the business-type activities, the aggregate discretely presented component unit and each major fund of Richland School District Two, as of June 30, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof 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, the budgetary comparison schedule, the pension schedules and the OPEB schedules, as listed in the table of contents, 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 School District's basic financial statements. The introductory section, supplementary information, and statistical section 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* (CFR) 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 supplementary information 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 supplementary information 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.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated January 18, 2022, on our consideration of the School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not 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 School District's internal control over financial reporting and compliance.



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**Burkett Burkett & Burkett**  
Certified Public Accountants, P.A.  
West Columbia, South Carolina  
January 18, 2022

**RICHLAND SCHOOL DISTRICT TWO  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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**INTRODUCTION**

This narrative overview gives an analysis of the financial activities of the School District for the fiscal year ended June 30, 2021. Our purpose is to inform our citizens of the effect of our School District's operations and to present our financial position. We ask our citizens to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal as well as the basic financial statements and the associated notes to enhance understanding of the School District's financial performance.

**FINANCIAL HIGHLIGHTS**

A sweeping piece of legislation impacting the funding of public K-12 education, Act 388, was passed by the South Carolina Legislature in 2007. This legislation removed taxes imposed for school operations for owner-occupied property in South Carolina. It was replaced by a one cent sales tax increase. Act 388 also imposed a cap on the annual increase in millage for school operations.

In this, the 14th year under this legislation, Richland School District Two found that the cap allowed for an adequate level of local funding for FY 2020-2021. The School District was also fortunate to maintain its "Aa1" rating from Moody's and "AA" from Standard & Poor's for general obligation debt. Both firms cited the School District's experienced and capable management, satisfactory level of fund balance, long-term capital facilities planning, and stable financial operations in awarding their rating.

The School District's overall financial picture for Governmental Fund activities improved in FY 2020-2021 as revenues exceeded expenditures resulting in an increase the Governmental Funds year end fund Balance of over \$60.2 million. As of June 30, 2021, the School District's combined Governmental Funds ending Fund Balance was over \$264.5 million.

Other key financial aspects were as follows:

- **Overall Governmental Fund Activities** – Governmental revenues totaled over \$428.2 million, other financing sources/(uses) totaled more than \$167.9 million, and expenditures totaled over \$536.0 million for all Governmental Funds at the fund level. This resulted in an increase to the Governmental Fund ending fund balance of \$60.2 million. This increase was largely due to debt issuance of \$149.9 million in the Debt Service and Capital Project funds and the increase in the General Fund ending fund balance.
- **General Fund/Fund Balance** - Among the major funds, the General Fund had \$305.6 million in revenues and other financing sources and \$292.3 million in expenditures and other financing uses. This increase in fund balance brings the ending balance to \$94.6 million (31.4% of the total School District operating budget), exceeding the range of 7 - 16.7% as preferred in Board Policy.
- **Major Capital Additions** - The School District's net capital assets for governmental activities increased by nearly \$97.9 million or 17.3%. This is largely attributable to the increase in Construction in Progress resulting from the 2018 Bond Referendum projects getting under way during the year to numerous facilities throughout the district.
- **Internal Service Fund** –The Board of Trustees approved for the School District to self-insure for Worker's Compensation beginning in the 2008-2009 fiscal year. To fund the self-insurance program the School District transferred \$1 million in FY 2007-2008 to establish the Internal Service Fund to account for the Workers Compensation Program beginning July 1, 2008. The fund provides workers compensation benefits to School District employees and is a governmental activity. The fund ended the year with an increase in net position of \$984,301 and total net position exceeding \$2.4 million. This increase is a result of funds transferred to cover the cost of reserves projected for outstanding claims.
- **Cash and Investments (Governmental Activities)** - Cash and Investments in the Governmental Funds increased by over \$32.4 million from June 30, 2020 to June 30, 2021 which is largely attributable to an increase in fund balance over prior year.

**RICHLAND SCHOOL DISTRICT TWO  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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- **Debt (Governmental Activities)** - The School District retired \$47.3 million in principal during the 2020-2021 fiscal year. In addition, the School District borrowed \$149.9 million in General Obligation bonds related to the 2018 bond referendum (additional information can be found Note 8 of the Notes to the Financial Statements). The Debt Service Fund Balance increased by over \$2.3 million to a total in excess of \$33.1 million.

#### OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the School District's basic financial statements. The School District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements (General, Special Revenue (Special Projects, EIA, Food Service Fund and Pupil Activity Funds), Debt Service, Capital Projects, Proprietary (Internal Service Fund) and 3) Notes to the basic financial statements. This report also contains required and other supplementary information in addition to the basic financial statements themselves. A description of these statements and some related definitions follow:

**Government-wide Financial Statements** - The government-wide financial statements are designed to provide readers with a broad overview of the School District's finances, in a manner similar to a private-sector business. These statements outline functions of the School District that are principally supported by property taxes and intergovernmental revenues (governmental activities). The governmental activities of the School District include instruction, support services, community services, and intergovernmental expenditures. The government-wide financial statements include not only the School District itself (known as the primary government), but also a discretely presented component unit. The component unit is a legally separate charter school. Financial information for the charter schools is reported separately from the financial information presented for the primary government itself; this information is not significant or material to the School District as a whole. See note 1A of the Notes to the Basic Financial Statement on page 33.

The government-wide financial statements can be found on pages 24 and 25 of this report.

**Statement of Net Position** - The statement of net position presents information on all of the School District's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the School District is improving or deteriorating.

**Statement of Activities** - The statement of activities presents information showing how the School District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused compensated absences).

**Fund Financial Statements** - A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The School District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the School District can be divided into three categories: governmental, proprietary and fiduciary.

**Governmental Funds** - Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Unlike the government-wide financial statements, however, governmental fund financial statements focus on near-term inflows of resources, as well as on balances of resources available at the end of the fiscal year. Such information may be useful in evaluating the School District's near-term financing requirements.

**RICHLAND SCHOOL DISTRICT TWO  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the School District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. These reconciliations are on pages 27 and 29.

The School District maintains its accounting records in conformity with the South Carolina Department of Education's Financial Accounting Handbook. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General, Special Revenue, Education Improvement Act (EIA), Food Service, Debt Service and Capital Projects Funds, all of which are considered to be major funds. The basic governmental funds financial statements can be found on pages 26 and 28.

**Proprietary Funds** – The School District uses an internal service proprietary fund to account for self-funded workers compensation benefits. Internal services benefit governmental activities and are included within that column in the government-wide financial statements. The School District's internal service fund is also presented in a single column in the proprietary fund financial statements as governmental activities. The basic proprietary fund financial statements can be found on pages 30 through 32 of this report.

**Notes to basic financial statements** - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 33 through 68 of this report.

**Supplemental information** - In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. A budgetary comparison statement has been provided for the General Fund, which is legally adopted by the Board, as well as several other pension related supplementary information schedules required by the State Department of Education. The required supplementary information can be found on pages 70-74 of this report.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS-THE GOVERNMENT AS A WHOLE**

Net position may serve over time as a useful indicator of a government's financial situation. In the case of the School District as a whole, total liabilities and deferred inflows of resources exceeded total assets and deferred outflows of resources by over \$294.1 million as of June 30, 2021. Overall, the School District's change in net position for the year was over a \$16.5 million increase.

By far the largest portion of the School District's assets, \$665.2 million (67.1% of total assets) reflects its investment in capital assets, net of accumulated depreciation (e.g., land, buildings and improvements, vehicles, furniture and equipment and construction in progress). The School District uses these capital assets to provide services to its students; consequently, these assets are not available for future spending. Although the School District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**RICHLAND SCHOOL DISTRICT TWO  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

The following table presents a summary of the School District's net position at June 30, 2021 compared to June 30, 2020.

	<b>Net Position</b>	
	<b>Governmental Activities</b>	
	<b>2021</b>	<b>2020</b>
<b>Assets</b>		
Current and Other Assets	\$ 325,214,453	\$ 252,849,036
Capital Assets	665,247,738	567,264,812
<b>Total Assets</b>	<b>990,462,191</b>	<b>820,113,848</b>
<b>Deferred Outflows of Resources</b>		
Deferred Outflows related to Pension Liability	63,662,962	38,984,853
Deferred Outflows related to OPEB Liability	77,986,836	36,783,028
<b>Total Deferred Outflow of Resources</b>	<b>141,649,798</b>	<b>75,767,881</b>
<b>Liabilities</b>		
Other Liabilities	57,008,893	49,400,968
Long-Term Liabilities	1,321,793,922	1,108,022,015
<b>Total Liabilities</b>	<b>1,378,802,815</b>	<b>1,157,422,983</b>
<b>Deferred Inflows of Resources</b>		
Deferred Inflows related to Net Pension Liability	10,267,298	11,034,552
Deferred Inflows related to Net OPEB Liability	37,216,137	38,183,110
<b>Total Deferred Inflow of Resources</b>	<b>47,483,435</b>	<b>49,217,662</b>
<b>Net Position</b>		
Net Investment in Capital Assets	265,535,892	238,905,419
Restricted	37,008,631	33,105,014
Unrestricted	(596,718,784)	(582,769,349)
<b>Total Net Position</b>	<b>\$ (294,174,261)</b>	<b>\$ (310,758,916)</b>

**RICHLAND SCHOOL DISTRICT TWO  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

The following table shows the changes in net position for fiscal years ended June 30, 2021 and 2020 (as restated for the cumulative change in accounting principle):

		<b>Changes in Net Position</b>	
		<b>Governmental Activities</b>	
		<b>2021</b>	<b>2020</b>
<b>Revenues</b>			
Program Revenues:			
Charges for Services	\$	460,323	\$ 2,948,094
Operating Grants		198,981,630	188,607,078
General Revenue:			
Property Taxes		170,893,065	173,479,783
Federal and State Aid		54,667,139	51,878,218
Investment Earnings		1,018,938	3,206,031
Other		2,339,418	651,857
<b>Total Revenues</b>		<b>428,360,513</b>	<b>420,771,061</b>
<b>Program Expenses</b>			
Instruction		231,171,951	206,378,461
Supporting Services		164,831,852	176,570,046
Community Services		272,943	360,780
Interest and Fiscal Charges		18,947,617	6,393,711
<b>Total Program Expenses</b>		<b>415,224,363</b>	<b>389,702,998</b>
Change in Net Position before Transfers		13,136,150	31,068,063
Transfers		-	-
<b>Change in Net Position</b>		<b>13,136,150</b>	<b>31,068,063</b>
Net Position, Beginning of Year		(310,758,916)	(341,826,979)
Prior Period Adjustment		(1,159,272)	
Cumulative Change in Accounting Principle		4,607,777	
Net Position, End of Year	\$	<b>(294,174,261)</b>	<b>\$ (310,758,916)</b>

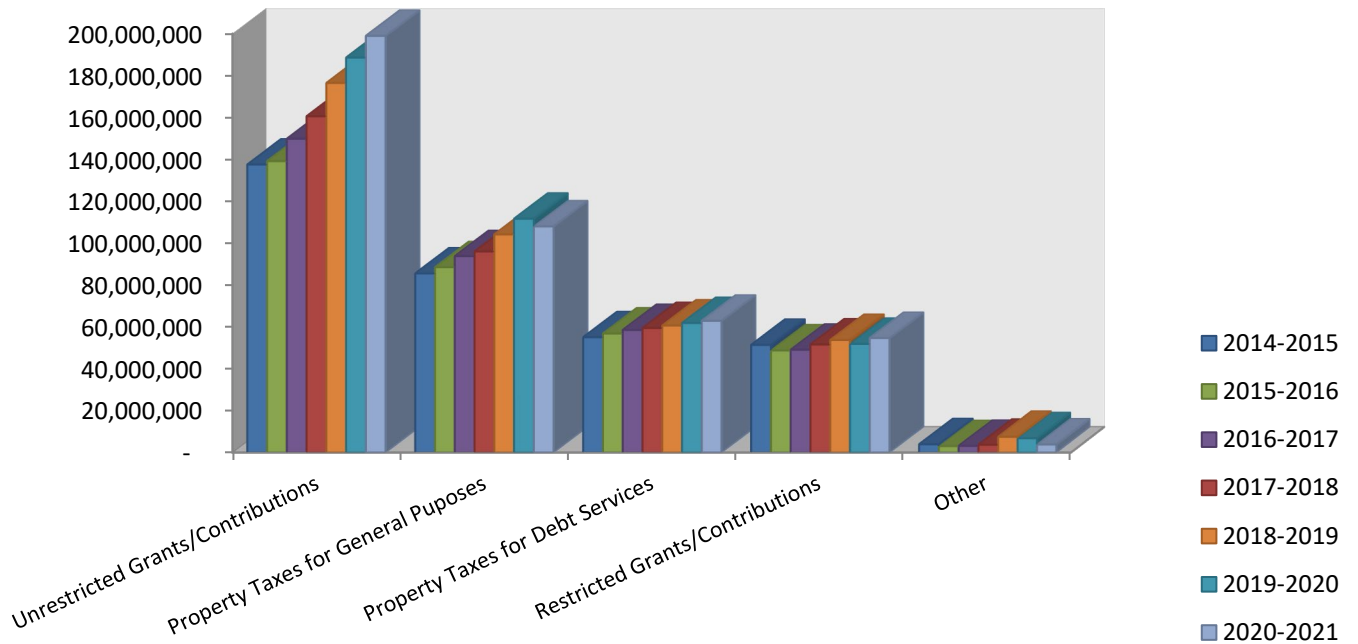
**Governmental Activities (Government-Wide Statements)** - The School District's financial position is the product of several financial transactions including the net results of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets.

The School District's revenue for total governmental activities for FY 2021 was over \$428.3 million and exceeded expenses by \$13.1 million. With the passage of Act 388 by the South Carolina General Assembly, the classification of revenues for governmental activities reflects revenue that was formerly classified as Property Tax Revenue to now be classified as State Aid. Act 388 replaces local property taxes for owner occupied homes with funds generated from an additional one cent sales tax collected by the State of South Carolina. Act 388 did not, however, affect property taxes collected for debt service purposes. Overall, the School District's net position for governmental activities increased by approximately \$13.1 million. This increase relates to an increase in state revenues and continued cost savings due to attrition and unfilled positions, primarily seen in the General Fund.

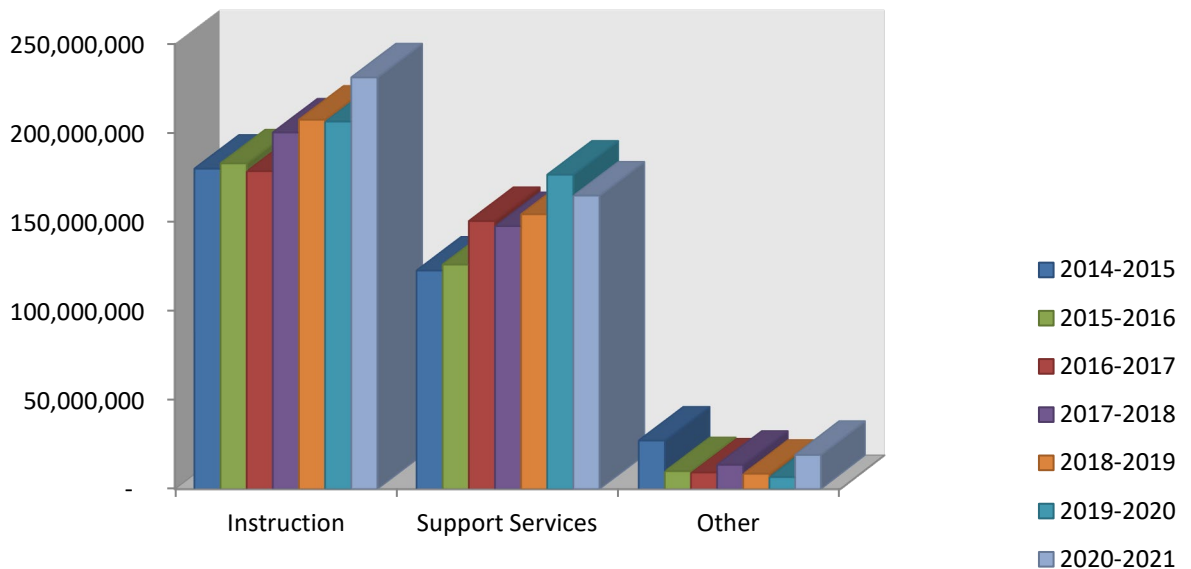
**RICHLAND SCHOOL DISTRICT TWO  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

The following charts show the breakdown of revenues supporting governmental Activities and the net cost of services related to governmental activities for the 2015 fiscal year through 2021 fiscal year:

**Revenues Supporting Governmental Activities By Source  
For FY 2015 through FY 2021**



**Governmental Activities - Expenses By Function  
For FY 2015 through FY 2021**



**RICHLAND SCHOOL DISTRICT TWO  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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**FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S MAJOR FUNDS**

As noted earlier, the School District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The fund financial statements focus on individual parts of the School District and not on the School District as a whole, and report the School District's operations in more detail than the government-wide statements.

**Governmental funds** – The focus of the School District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the School District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the School District's net resources available for spending at the end of the fiscal year.

As the School District completed the year, its governmental funds reported a combined fund balance of \$264.5 million, an increase of a little over \$63.7 million. This increase was due primarily to a continued cost savings in energy costs resulting from a mild climate, combined with salary related cost savings from attrition and unfilled positions. A significant portion of this increase also related to the increase in the Capital Projects Fund, which resulted from the General Obligation Bonds issued related to the 2018 Bond Referendum. Unassigned fund balance totaling \$94.6 million, is available for spending at the School District's discretion. There was \$4.5 million restricted for Special Revenue-Special Projects, \$4.3 million restricted for food service program, \$33.1 million restricted for debt service, \$127.6 million restricted for capital projects. Note 12 of the notes to the basic financial statements provides detail on fund balances for the governmental funds.

The General Fund is the principal operating fund of the School District. The fund balance in the General Fund increased by \$13.3 million, due primarily to additional local revenues and cost savings, related to energy and personnel costs coming in under budget. The Debt Service Fund balance showed an increase of \$2.3 million from the prior year due to an increase in assessed value. The Capital Projects Funds showed a significant fund balance increase of \$45.2 million as a result of debt issuance for the 2018 Bond Referendum projects. As of June 30, 2021, the Food Service fund ended the year with a Fund Balance exceeding \$4.3 million. The decrease in fund balance relates to an increase in supplies related to additional needs resulting from the pandemic and the impact of a prior period adjustment to align revenue to actual collections. As of June 30, 2021, the Special Revenue Special Projects fund ended the year with a fund balance of over \$4.7 million, representing a nearly \$4.2 million increase. The majority of this increase related to a cumulative change in accounting principle to recognize the Pupil Activity Fund as a Special Revenue Fund in response to GASB 84.

**Proprietary Fund** – The Proprietary Fund statements provide the same type of information found in the government-wide statements, except the information is provided in more detail. This fund is adjusted for internal service balances in the government-wide statements. The School District maintains an internal service proprietary fund to account for self-funded workers compensation benefits.

Net position in the Internal Service Fund increased by \$984,301, bringing the ending fund balance to nearly \$2.5 million, which is sufficient to cover anticipated reserves.

**BUDGETARY HIGHLIGHTS**

The most significant budgeted fund is the district's General Fund. The FY 2020-2021 general fund budget was built with a state base student cost of \$2,487.

In April of 2020, the Richland School District Two Board of Trustees approved a Continuing Resolution related to the General Fund operating budget for the 2020-2021 school year, which authorized administration to operate under the same budget adopted for the 2019-2020 school year. This was in line with the State of South Carolina's decision to operate the state budget for the 2020-2021 fiscal year under a Continuing Resolution.

In March of 2021, the Richland School District Two Board of Trustees approved to make a non-recurring allocation of \$6,450,000 in general fund dollars to provide a bonus to full-time and part-time permanent employees. In addition, the Board approved to make a non-recurring transfer of \$3.5 million from the General Fund to the Capital Projects fund to help offset the cost of future capital improvement needs.



**RICHLAND SCHOOL DISTRICT TWO  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Also in March of 2021, the Governor signed Joint Resolution H. 3609 into law, which required school districts to provide payment of the entire step increase due to certified employees, including any amounts in arrears for the FY 2020-2021 school year no later than June 15, 2021. The proviso provided funding to each district to cover the cost of the state mandated portion of the increase, including the applicable fringe. In addition, the Board approve a step increase for all eligible employees based on the associated salary schedule step, which on average equates to a 1.5% increase.

The following table shows the Budget to Actual variances for the General Fund as of June 30, 2021:

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>
<b>REVENUES:</b>				
Local Property Tax	\$ 107,101,090	\$ 107,101,090	\$ 107,957,424	\$ 856,334
Other Local Revenue	1,953,158	1,953,158	1,780,466	(172,692)
Intergovernmental Sources	250,000	250,000	972,255	722,255
State Sources	182,338,861	182,338,861	184,164,083	1,825,222
Federal Sources	250,000	250,000	258,307	8,307
<b>Total Revenues - All Sources</b>	<u>291,893,109</u>	<u>291,893,109</u>	<u>295,132,535</u>	<u>3,239,426</u>
<b>EXPENDITURES:</b>				
Instruction	178,321,019	179,006,321	168,853,607	10,152,714
Support Services	119,416,554	124,283,608	115,696,546	8,587,062
Community Services	301,336	318,590	221,230	97,360
Other Charges	1,225,512	511,002	505,351	5,651
<b>Total Expenditures</b>	<u>\$ 299,264,421</u>	<u>\$ 304,119,521</u>	<u>\$ 285,276,734</u>	<u>\$ 18,842,787</u>
<b>OTHER FINANCING SOURCES(USES):</b>				
Sale of Capital Assets			2,607	2,607
Transfer In	9,321,512	9,321,512	10,555,129	1,233,617
Transfer Out	(1,950,200)	(7,045,100)	(7,045,100)	-
<b>Total Other Financing Sources (Uses)</b>	<u>\$ 7,371,312</u>	<u>\$ 2,276,412</u>	<u>\$ 3,512,636</u>	<u>\$ 1,236,224</u>

The District's general fund budget is prepared according to South Carolina law. In March 2021, the Board of Trustees approved an amendment to the general fund budget to authorize the allocation of \$9,950,000 million in fund balance to be allocated to fund the following one-time costs:

- **Investment in our employees** through a one-time bonus of \$1,580 to all full-time permanent employees and \$789 to all part-time permanent employees (roughly \$1,000 and \$500 after taxes, respectively).
- **Investment in our community** with a one-time transfer of \$3,500,000 from the General Fund to the Capital Project Fund. This investment helps lessen the impact on taxpayers for the funding of annual capital improvement expenditures.

**RICHLAND SCHOOL DISTRICT TWO  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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The District also made typical categorical budget amendments during the year to ensure that expenditures were charged to the proper account codes as required by the South Carolina Department of Education. Actual total revenue came in above budget by \$3.2 million as a result of final local revenue allocations exceeding anticipated budget by \$856,334 and state revenue exceeding budget by more than \$1.8 million.

The final amended budgeted expenditures of the District had a positive variance from the actual expenditures of over \$18.8 million. Several factors impacted these savings, including district-wide energy cost savings as a result of continued mild temperatures and energy conservation measures. The District also utilized substitutes or existing personnel to cover vacated positions which were a factor in actual expenditures being less than budget. Above the expected savings from staff attrition and unfilled vacancies, the unanticipated impact of the pandemic that began in March of 2020, the district saw savings across all categories of expenditures. The continued impact of a decline in travel and operating for several months virtually prior to a shift back to face to face instruction, created unanticipated cost savings throughout all categories as a result of the impact from the pandemic.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets** - The School District's investment in capital assets for governmental activities at June 30, 2021 exceeded \$665.2 million net of accumulated depreciation. This investment in assets includes land, buildings, improvements other than buildings, construction in progress, and equipment. The total net increase exceeded \$97.9 million. The increase in net capital assets is due primarily to the increase in construction projects related to the 2018 Bond Referendum. See the relevant disclosures in the notes to the basic financial statements (Note 5) for more detailed information on capital asset activity.

The table below shows the total capital assets, net of accumulated depreciation, as of June 30, 2021 and 2020:

	<b>Governmental Activities</b>	
	<b>2021</b>	<b>2020</b>
Land	\$ 27,340,376	\$ 27,340,376
Buildings and improvements	750,334,871	750,147,252
Furniture and Equipment	28,753,100	28,123,174
Vehicles	7,311,959	7,038,677
Construction in progress	162,149,130	45,285,934
<b>Total before accumulated depreciation</b>	<b>975,889,436</b>	<b>857,935,413</b>
Less accumulated depreciation	(310,641,698)	(290,670,601)
<b>Net capital assets</b>	<b>\$ 665,247,738</b>	<b>\$ 567,264,812</b>

**Long-term Debt** - At June 30, 2021, the School District had total general and special obligation debt outstanding of over \$478.7 million. This is an increase of over \$102.6 million from the last fiscal year. The School District retired \$47.3 million in principal during the 2020-2021 fiscal year. In addition, the School District borrowed \$149.9 million in General Obligation bonds related to the 2018 bond referendum.

The School District maintains an "Aa1" rating from Moody's and an AA rating from Standard & Poor's for general obligation debt. State statutes currently limit the amount of general obligation debt a school district may issue to 8 percent of its total assessed valuation. As of June 30, 2021, the remaining debt margin available to the School District is just over \$40.3 million. Other long-term obligations include unamortized bond premiums and accrued compensated absences.

Additional information on the School District's long-term debt and other long-term liabilities can be found in Note 8 of the notes to the basic financial statements.

**RICHLAND SCHOOL DISTRICT TWO  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

The School District, a suburban residential and shopping area located northeast of Columbia, the state capital and most populous city in South Carolina, is one of the fastest growing areas in the state. State and federal payrolls are major sources of employment and income and economic stability. Fort Jackson, the United States Army's largest training installation is located within the school district. Private employers such as the state headquarters for Blue Cross/Blue Shield of South Carolina and The Village at Sandhills, one of the largest shopping complexes in the southeast, contribute to a diverse and stable economy.

Many factors were considered by the School District's administration during the process of developing the FY 2021-2022 budget. The School District's top budget goals are to provide a quality education for all students through student engagement, to manage its growth of an estimated 300 to 400 students annually and to retain and recruit highly qualified certified and classified staff. These matters, along with the district's goals and priorities were considered when adopting the budget for FY 2021-2022. The total approved General Fund 2021-2022 budget exceeded \$315.9 million, a \$14.6 million increase over prior year. Approximately \$8.1 million (55.6 % of the increase) was funded with increased local tax dollars and the remaining increase related primarily to increases in State funding allocations totaling in nearly of \$7.2 million. State funding increases were driven largely by additional state revenues provided to fund the increase of \$1,000 per certified staff at the state level to the minimum teacher salary schedule. Some of the additional items incorporated into the FY 2021-2022 budget include increases to the starting salary for teachers, increases to the Transportation Salary Schedules and the nurses' salary schedules.

**CONTACTING THE SCHOOL DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, investors and creditors with a general overview of the School District's finances and to demonstrate the School District's accountability for the resources it receives. If you have questions about this report or need additional information, contact the Division of Business Services, Richland School District Two, 124 Risdon Way, Columbia, South Carolina 29223 (Telephone number 803-787-1910).

## **BASIC FINANCIAL STATEMENTS**

**RICHLAND SCHOOL DISTRICT TWO**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2021**

	<b>PRIMARY GOVERNMENT</b>	<b>COMPONENT UNIT</b>
	<b>Governmental Activities</b>	<b>CHARTER HIGH SCHOOL</b>
<b>ASSETS</b>		
Cash and Investments	\$ 198,594,609	\$
Deposits with Richland County Treasurer	114,480,754	
Taxes Receivable, Net of Allowances	493,067	
Prepaid Expenses	435,543	
Accrued Intergovernmental Revenue Receivable	712,154	
Due From:		
Federal Agencies	9,101,532	
State Department of Education	577,219	
Other Receivables	819,575	
Capital assets:		
Land	27,340,376	
Construction in Progress	162,149,130	
Buildings, Additions and Improvements	750,334,871	
Furniture and Equipment	28,753,100	
Vehicles	7,311,959	
Less: Accumulated Depreciation	(310,641,698)	
<b>TOTAL ASSETS</b>	<b>990,462,191</b>	<b>-</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred Outflows related to Pension Liability	63,662,962	
Deferred Outflows related to OPEB Liability	77,986,836	
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<b>141,649,798</b>	<b>-</b>
<b>LIABILITIES</b>		
Accounts Payable	21,464,010	
Retainage Payable	2,982,637	
Due to State Department of Education	59,427	
Accrued Salaries and Related Liabilities	24,395,740	
Unearned Revenue	8,107,079	
Non-current Liabilities:		
Due within One Year	54,176,571	
Due in more than One Year	1,267,617,351	
<b>TOTAL LIABILITIES</b>	<b>1,378,802,815</b>	<b>-</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred Inflows related to Net Pension Liability	10,267,298	
Deferred Inflows related to Net OPEB Liability	37,216,137	
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>47,483,435</b>	<b>-</b>
<b>NET POSITION</b>		
Net Investment in Capital Assets	265,535,892	
Restricted For:		
Debt Service	27,914,975	
Special Projects	4,724,550	
Food Service	4,369,106	
Unrestricted	(596,718,784)	
<b>TOTAL NET POSITION</b>	<b>\$ (294,174,261)</b>	<b>\$ -</b>

The notes to the financial statements are an integral part of this statement.  
See accompanying independent auditors' report.

**RICHLAND SCHOOL DISTRICT TWO  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2021**

<b>FUNCTIONS/PROGRAMS</b>	<b>PROGRAM REVENUES</b>			<b>NET (EXPENSE) REVENUE AND CHANGE IN NET POSITION</b>	
	<b>Expenses</b>	<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Governmental Activities</b>	<b>Component Unit</b>
<b>PRIMARY GOVERNMENT:</b>					
Governmental Activities:					
Instruction	\$ 231,171,951	\$ 160,326	\$ 154,341,404	\$ (76,670,221)	\$
Supporting Services	164,831,852	299,997	44,640,226	(119,891,629)	
Community Services	272,943			(272,943)	
Interest and Other Charges	18,947,617			(18,947,617)	
<b>Total Governmental Activities</b>	<b>415,224,363</b>	<b>460,323</b>	<b>198,981,630</b>	<b>(215,782,410)</b>	<b>-</b>
<b>TOTAL - PRIMARY GOVERNMENT</b>	<b>415,224,363</b>	<b>460,323</b>	<b>198,981,630</b>	<b>(215,782,410)</b>	<b>-</b>
<b>Component Units:</b>					
Charter School	\$ 1,566,238	\$	\$ 439,602		(1,126,636)
<b>General Revenues:</b>					
Property Taxes Levied for General Purposes				107,989,495	
Property Taxes Levied for Debt Service				62,903,570	
Miscellaneous				2,339,418	
Unrestricted Investment Earnings				1,018,938	
Federal and State aid not restricted for specific purpose				54,667,139	
Special Item - Gain on Transfer of Net Pension and OPEB Liabilities					1,358,417
<b>Total General Revenues and Transfers</b>				<b>228,918,560</b>	<b>1,358,417</b>
<b>CHANGE IN NET POSITION</b>				<b>13,136,150</b>	<b>231,781</b>
<b>NET POSITION - Beginning of Year</b>				(310,758,916)	(231,781)
Prior Period Adjustment				(1,159,272)	
Cumulative Change in Accounting Principle - GASB #84				4,607,777	
<b>NET POSITION - End of Year</b>				<b>\$ (294,174,261)</b>	<b>\$ -</b>

The notes to the financial statements are an integral part of this statement.  
See accompanying independent auditors' report.

**RICHLAND SCHOOL DISTRICT TWO  
BALANCE SHEET - GOVERNMENTAL FUNDS  
JUNE 30, 2021**

	GENERAL	SPECIAL REVENUE - SPECIAL PROJECTS	SPECIAL REVENUE - EIA	SPECIAL REVENUE - FOOD SERVICE	DEBT SERVICE	CAPITAL PROJECTS	TOTAL GOVERNMENTAL FUNDS
<b>ASSETS</b>							
Cash and Investments	\$ 143,508,509	\$ 9,434,247	\$	\$ 1,171,673	\$ 22,760,316	\$ 20,038,867	\$ 196,913,612
Deposits with Richland County Treasurer	4,110,482				10,173,818	100,196,454	114,480,754
Taxes Receivable, Net of Allowances	119,546				373,521		493,067
Due From Federal Agencies		8,491,044		610,488			9,101,532
Due From State Department of Education	259,668		317,551				577,219
Due From:							
General Fund			3,170,839	2,947,883		26,546,665	32,665,387
Special Revenue - Special Projects	7,622,221						7,622,221
Debt Service	31,150						31,150
Prepaid Items		140,376					140,376
Other Receivables	629,539	19,659		170,377			819,575
<b>TOTAL ASSETS</b>	<b>156,281,115</b>	<b>18,085,326</b>	<b>3,488,390</b>	<b>4,900,421</b>	<b>33,307,655</b>	<b>146,781,986</b>	<b>362,844,893</b>
<b>LIABILITIES</b>							
Accounts Payable	2,057,399	649,328	410,035	531,315		16,147,525	19,795,602
Retainage Payable	.					2,982,637	2,982,637
Due To:							
General Fund		7,622,221			31,150		7,653,371
Special Revenue - EIA	3,170,839						3,170,839
Special Revenue - Food Service Fund	2,947,883						2,947,883
Internal Service Fund	2,170,167						2,170,167
Debt Service	26,546,665						26,546,665
Due To State Agencies		18,000	41,427				59,427
Unearned Revenue		5,071,227	3,035,852				8,107,079
Accrued Salaries and Related Liabilities	24,394,664		1,076				24,395,740
<b>TOTAL LIABILITIES</b>	<b>61,287,617</b>	<b>13,360,776</b>	<b>3,488,390</b>	<b>531,315</b>	<b>31,150</b>	<b>19,130,162</b>	<b>97,829,410</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Unavailable Revenue - Property Taxes	387,309				121,435		508,744
<b>DEFERRED INFLOWS OF RESOURCES</b>	<b>387,309</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>121,435</b>	<b>-</b>	<b>508,744</b>
<b>FUND BALANCES</b>							
Fund Balances							
Nonspendable:							
Prepaid Items		140,376					140,376
Restricted		4,584,174		4,369,106	33,155,070	127,651,824	169,760,174
Unassigned	94,606,189						94,606,189
<b>TOTAL FUND BALANCES</b>	<b>94,606,189</b>	<b>4,724,550</b>	<b>-</b>	<b>4,369,106</b>	<b>33,155,070</b>	<b>127,651,824</b>	<b>264,506,739</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 156,281,115</b>	<b>\$ 18,085,326</b>	<b>\$ 3,488,390</b>	<b>\$ 4,900,421</b>	<b>\$ 33,307,655</b>	<b>\$ 146,781,986</b>	<b>\$ 362,844,893</b>

The notes to the financial statements are an integral part of this statement.  
See accompanying independent auditors' report.

**RICHLAND SCHOOL DISTRICT TWO**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION**  
**JUNE 30, 2021**

<b>TOTAL FUND BALANCES - GOVERNMENTAL FUNDS</b>		<b>\$ 264,506,739</b>
Amounts reported for the governmental activities in the Statement of Net Position are different because of the following:		
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of the assets were \$975,889,436 and the accumulated depreciation was \$310,641,698.		665,247,738
The internal service fund is used to fund insurance and risk management of the School District. The assets and liabilities of the internal service fund are included with governmental activities.		2,477,923
Property Taxes Receivable will be collected this year, but are not available soon enough to pay for the current period's expenditures, and therefore are deferred in the governmental funds. Unavailable Property Tax at year end consists of:		
General Fund	\$ 387,309	
Debt Service Fund	<u>121,435</u>	508,744
Accrued interest on bonds payable in governmental funds is not due and payable in the current period and is therefore, not reported as a liability in the funds.		(6,073,684)
Unearned bond premiums are unearned in the statement of net position. The net premiums of \$74,505,573 have been amortized by \$25,911,903 with a remaining unamortized net bond discount.		(48,593,670)
Rebatable interest receivable on Build America Bonds in governmental funds is not a current financial resource in the current period and is, therefore, not reported as an asset in the funds.		712,154
The District's proportionate share of the deferred outflows of resources and deferred inflows of resources related to its participation in the State pension plans are not recorded in the governmental funds but are recorded in the Statement of Net Position.		53,395,664
The District's proportionate share of the deferred outflows of resources and deferred inflows of resources related to its participation in the State insurance plans are not recorded in the governmental funds but are recorded in the Statement of Net Position.		40,770,699
Long-term liabilities, including bonds payable, are not due or payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year-end consisted of:		
General Obligation Bonds Payable	\$ 460,045,000	
Special Obligation Bonds Payable	18,725,000	
Accrued Compensated Absences	6,846,888	
Net Pension Liability	412,549,485	
Net OPEB Liability	<u>368,960,195</u>	(1,267,126,568)
<b>TOTAL NET POSITION - GOVERNMENTAL FUNDS</b>		<b><u>\$ (294,174,261)</u></b>

The notes to the financial statements are an integral part of this statement.  
See accompanying independent auditors' report.



**RICHLAND SCHOOL DISTRICT TWO**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

	GENERAL	SPECIAL REVENUE - SPECIAL PROJECTS	SPECIAL REVENUE - EIA	SPECIAL REVENUE - FOOD SERVICE	DEBT SERVICE	CAPITAL PROJECTS	TOTAL GOVERNMENTAL FUNDS
<b>REVENUES</b>							
Local Property Tax	\$ 107,957,424	\$	\$	\$	\$ 64,328,350	\$	\$ 172,285,774
Other Local Revenue	1,666,195	3,144,259		61,608		62,862	4,934,924
Total Revenue from Local Sources	109,623,619	3,144,259	-	61,608	64,328,350	62,862	177,220,698
State Sources	184,164,083	9,300,472	22,222,014				215,686,569
Federal Sources	258,307	24,149,502		7,547,392	1,417,765		33,372,966
Intergovernmental Sources	972,255						972,255
Interest on Investments	114,271			196	663,499	240,468	1,018,434
<b>TOTAL REVENUES ALL SOURCES</b>	<b>295,132,535</b>	<b>36,594,233</b>	<b>22,222,014</b>	<b>7,609,196</b>	<b>66,409,614</b>	<b>303,330</b>	<b>428,270,922</b>
<b>EXPENDITURES</b>							
Current:							
Instruction	168,849,693	16,522,369	9,334,914				194,706,976
Support Services	114,662,172	14,681,435	4,363,793	7,821,205		7,112,237	148,640,842
Community Services	219,022	53,921					272,943
Intergovernmental	505,351	4,422,988					4,928,339
Capital Outlay	1,040,496	141,350		86,001		120,473,656	121,741,503
Debt Service:							
Principal Retirement					47,314,000		47,314,000
Interest					17,998,098		17,998,098
Fiscal Charges for Cost of Issuance					11,097	430,858	441,955
<b>TOTAL EXPENDITURES</b>	<b>285,276,734</b>	<b>35,822,063</b>	<b>13,698,707</b>	<b>7,907,206</b>	<b>65,323,195</b>	<b>128,016,751</b>	<b>536,044,656</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>9,855,801</b>	<b>772,170</b>	<b>8,523,307</b>	<b>(298,010)</b>	<b>1,086,419</b>	<b>(127,713,421)</b>	<b>(107,773,734)</b>
<b>OTHER FINANCING SOURCES (USES)</b>							
Issuance of General and Special Obligation Debt						149,995,000	149,995,000
Premium on Bonds Issued						19,487,078	19,487,078
Sale of Capital Assets	2,607			166		14,050	16,823
Transfers In	10,555,129	450,200		373,941	1,220,959	3,500,000	16,100,229
Transfers Out	(7,045,100)	(1,630,362)	(8,523,307)	(401,460)			(17,600,229)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>3,512,636</b>	<b>(1,180,162)</b>	<b>(8,523,307)</b>	<b>(27,353)</b>	<b>1,220,959</b>	<b>172,996,128</b>	<b>167,998,901</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>13,368,437</b>	<b>(407,992)</b>	<b>-</b>	<b>(325,363)</b>	<b>2,307,378</b>	<b>45,282,707</b>	<b>60,225,167</b>
FUND BALANCES, Beginning of Year	81,237,752	524,765	-	5,853,741	30,847,692	82,369,117	200,833,067
Prior Period Adjustment				(1,159,272)			(1,159,272)
Cumulative Change in Accounting Principle - GASB 84		4,607,777					4,607,777
<b>FUND BALANCES, End of Year</b>	<b>\$ 94,606,189</b>	<b>\$ 4,724,550</b>	<b>\$ -</b>	<b>\$ 4,369,106</b>	<b>\$ 33,155,070</b>	<b>\$ 127,651,824</b>	<b>\$ 264,506,739</b>

The notes to the financial statements are an integral part of this statement.  
See accompanying independent auditors' report.

**RICHLAND SCHOOL DISTRICT TWO**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2021**

<b>TOTAL NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS</b>	<b>\$</b>	<b>60,225,167</b>
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Amounts reported for governmental activities in the statement of activities are different because of the following:

Property tax revenues not considered current financial resources are unavailable in the governmental funds but are not in the statement of activities. Unavailable taxes receivable increased by \$42,126 over the year ended June 30, 2021.	42,126
Rebatable interest receivable on Build America Bonds in governmental funds is not a current financial resource in the current period and is, therefore, not reported as an asset in the funds.	57,393
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their useful lives as depreciation expense. This is the amount by which capital outlays of \$117,990,708 exceeded depreciation expense of \$20,007,782.	97,982,926
Repayment of long-term liabilities, such as Bonds and Notes Payable and Capital Leases is an expenditure in the governmental funds, but merely reduces liabilities in the statement of net position.	47,314,000
Amortization of bond premiums as income over the terms of the associated bonds. The amount recognized as income for the year ended June 30, 2021 is \$5,532,918.	5,532,918
The internal service fund is used to fund insurance and risk management of the School District. The net change in net position of the internal service fund is reported with governmental activities.	984,301
Issuing bonds and loans provide current financial resources to governmental funds; however, issuing debt increases long-term liabilities in the statement of net position. In the current period, the school district issued general obligation bonds.	(169,482,078)
Employer pension costs are recognized in the governmental funds only when contributions to the defined benefit plan are paid in cash. However, in the Statement of Activities, the expense is recorded based on the results of an actuarial valuation of the plan. This is the net change for these transactions during the year.	(14,347,135)
Employer insurance costs are recognized in the governmental funds only when contributions to the defined benefit plan are paid in cash. However, in the Statement of Activities, the expense is recorded based on the results of an actuarial valuation of the plan. This is the net change for these transactions during the year.	(12,000,853)
Interest on long-term debt in the statement of activities differs from the governmental funds because governmental funds recognize interest expense only when it is paid. In the statement of net position, interest expense is recognized as it accrues. Accrued interest payable increased for the year ended June 30, 2021 by \$1,186,359.	(1,186,359)
The cost of compensated employee absences is recognized in the governmental funds only when actually paid in cash. However, in the statement of net position, the expense is recorded when the employees earn the benefits. The total liability for compensated absences increased by \$870,029 during this fiscal year.	(1,986,256)

<b>TOTAL CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b>\$</b>	<b><u>13,136,150</u></b>
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The notes to the financial statements are an integral part of this statement.  
See accompanying independent auditors' report.

**RICHLAND SCHOOL DISTRICT TWO  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2021**

		<b>GOVERNMENTAL ACTIVITIES</b>
		<b>INTERNAL SERVICE FUND</b>
<b>ASSETS</b>		
Current Assets		
Cash and Investments	\$	1,680,997
Prepaid Expense		295,167
Due from General Fund		2,170,167
Total Current Assets		4,146,331
<b>TOTAL ASSETS</b>		<b>4,146,331</b>
<b>LIABILITIES</b>		
Current Liabilities		
Accounts Payable		3,680
Claims Payable		1,664,728
Total Current Liabilities		1,668,408
<b>TOTAL LIABILITIES</b>		<b>1,668,408</b>
<b>NET POSITION</b>		
Unrestricted		2,477,923
<b>TOTAL NET POSITION</b>	\$	<b>2,477,923</b>

The notes to the financial statements are an integral part of this statement.  
See accompanying independent auditors' report.

**RICHLAND SCHOOL DISTRICT TWO**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

	<b>GOVERNMENTAL ACTIVITIES</b>
	<b>INTERNAL SERVICE FUND</b>
<b>OPERATING REVENUES</b>	
Other Operating Revenue	\$ 46,961
<b>Total Operating Revenues</b>	<b>46,961</b>
<b>OPERATING EXPENSES</b>	
Salaries and Benefits	360,645
Other	202,519
<b>Total Operating Expenses</b>	<b>563,164</b>
<b>Operating Income (Loss)</b>	<b>(516,203)</b>
<b>NON-OPERATING REVENUE (EXPENSES)</b>	
Interest	504
<b>Total Non-Operating Revenues</b>	<b>504</b>
<b>Income (loss) Before Transfers</b>	<b>(515,699)</b>
<b>TRANSFERS IN (OUT)</b>	
Transfer from General Fund	1,500,000
<b>Total Transfers</b>	<b>1,500,000</b>
<b>CHANGE IN NET POSITION</b>	<b>984,301</b>
TOTAL NET POSITION - Beginning of Year	1,493,622
<b>TOTAL NET POSITION - End of Year</b>	<b>\$ 2,477,923</b>

The notes to the financial statements are an integral part of this statement.  
See accompanying independent auditors' report.

**RICHLAND SCHOOL DISTRICT TWO  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2021**

	<b>GOVERNMENTAL ACTIVITIES</b>
	<b>INTERNAL SERVICE FUND</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash Received from Participants	\$ 46,961
Cash Paid to Employees for Services	(360,645)
Cash Paid to Suppliers of Goods and Services	(1,186,316)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>(1,500,000)</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Transfers from General Fund	1,500,000
<b>Net Cash Provided (Used) by Noncapital Financing Activities</b>	<b>1,500,000</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest on Investments	504
<b>Net Cash Provided by Investing Activities</b>	<b>504</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>504</b>
Cash and Cash Equivalents - Beginning of Year	1,680,493
<b>Cash and Cash Equivalents - End of Year</b>	<b>\$ 1,680,997</b>
<b>RECONCILIATION OF NET OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	
Net Operating Income (Loss)	(516,203)
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities	
Changes in Assets and Liabilities:	
Decrease (Increase) in Receivables and Due from Others	(264,754)
Decrease (Increase) in Prepaid Expenses	214,468
Increase (Decrease) in Accounts Payable and Due to Others	(933,511)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$ (1,500,000)</b>

The notes to the financial statements are an integral part of this statement.  
See accompanying independent auditors' report.

**RICHLAND SCHOOL DISTRICT TWO**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Richland County School District Two (the School District) is governed by a seven member elected Board of Trustees (the Board). The School District is located in suburban Columbia, SC, in the Northeast section of Richland County. The School District provides a broad range of general and specialized elementary and secondary educational services for students in pre-school through grade twelve, and derives its local revenue from the tax base in these areas. In addition, the School District receives funding from the State of South Carolina and the United States Federal Government and must comply with the related requirements of these funding source entities.

The financial statements of the School District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

**A. Reporting Entity**

The School District's financial statements include all funds over which the Board is considered to be financially accountable. The School District receives funding from local, state and federal governmental sources and must comply with the requirements of these funding source entities. Richland County School District Two is the lowest level of government which has financial accountability and control over all activities related to public school education in the School District. The School District is not included in any other governmental "reporting entity", since members of the School Board of Trustees are elected by the public and since members have decision making authority, the power to designate management, the ability to significantly influence operations, and have primary accountability for fiscal matters. The School District invests funds and receives property tax revenues through its relationship with Richland County.

The School District has determined that there are no affiliate entities (such as parent-teacher organizations, foundations and athletic booster clubs) that meet the requirements for inclusion as a discretely presented component.

*Discretely Presented Component Unit:* The component unit column in the basic financial statements includes the financial data of the School District's component unit, the Richland Two Charter High School ("the Charter School"). This unit is reported in a separate column to emphasize that it is legally separate from the School District. The Charter School operates under a charter granted by the School District and is considered, under South Carolina law, to be a public school and part of the School District. It is administered and governed by its annually elected governing body. The South Carolina State Department of Education ("SDE") regulations require that charter schools be discretely presented in the basic financial statements, but blended with the School District balances in the supplementary schedules. If this presentation format were followed, the amounts reported as revenues, expenditures and changes in fund balances for the General Fund and Special Revenue Funds in the supplementary schedules would not agree to the amounts reported as revenues, expenditures and changes in fund balances for the General Fund and Special Revenue Funds in the basic financial statements. The School District has not prepared the supplemental schedules in accordance with the SDE requirements as the School District does not believe that this presentation is consistent with accounting principles generally accepted in the United States of America ("GAAP").

**RICHLAND SCHOOL DISTRICT TWO**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

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The Charter School is fiscally dependent on the School District and because the nature and significance of the relationship between the Charter School and District, the exclusion of the Charter School would cause the School District's financial statements to be incomplete. The Charter School financial statements are included in the School District's basic financial statements. See Note 16 for additional information regarding the Charter School.

**B. Measurement Focus, Basis of Accounting and Financial Statement Presentation**

The statements of the School District are presented as follows:

**Government-Wide Financial Statements** - The Statement of Net Position and the Statement of Activities report information about the School District as a whole. 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 when a liability is incurred, regardless of the timing of the cash flows. These statements include the financial activities of the School District. The effect of inter-fund activity has been eliminated from the statements in the consolidation process, with the exception of the inter-fund services provided and used. Governmental activities, which normally are supported by taxes and intergovernmental revenues, and other non-exchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the School District and for each function or program of the School District's governmental activities. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include; 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Revenues, including taxes, which are not classified as program revenues are presented as general revenues of the School District with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the School District.

**Fund Financial Statements** - Fund financial statements report detailed information about the School District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. The governmental fund financial statements are reported using the flow of current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Because the government-wide financial statements and the fund financial statements are prepared using a different measurement focus, the financial section of the statements includes a reconciliation with brief explanations to better identify the relationship between the government-wide and governmental fund statements.

**RICHLAND SCHOOL DISTRICT TWO**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

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Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

Fund financial statements report detailed information about the School District. The financial statements for governmental funds are the balance sheet, which generally includes only current assets and current liabilities, and a statement of revenues, expenditures and changes in fund balance, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financial uses) of current financial resources. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. All proprietary fund types are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the statement of net position. The statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets.

**Cash Flow Statement** - The statement of cash flows provides information about how the School District finances and meets cash flow needs of its proprietary activities. For purposes of the statement of cash flows, the proprietary fund considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

### **FUND ACCOUNTING**

As outlined above, the accounts of the School District are organized on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The various funds of the School District are grouped into the categories governmental and proprietary.

The School District has the following major funds and fund types:

#### **Governmental Fund Types**

Governmental funds focus on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and deferred outflows of resources and liabilities and deferred inflows of resources is separated as fund balance. The following are the School District's major governmental funds:

**General Fund** - The General Fund is a budgeted fund and serves as the primary operating fund of the School District. The School District uses this fund to account for expenditures principally for administration, instruction, pupil services, operations and maintenance of plant and related fixed charges. It accounts for all revenues and expenditures of the School District except those required to be accounted for in another fund. All general tax revenues and other receipts that are not allocated by law or contractual agreement to other funds are accounted for in the General Fund. General operating expenditures and the capital improvement costs that are not paid through other funds are paid from the General Fund.



**RICHLAND SCHOOL DISTRICT TWO**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

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**Special Revenue Funds** - Special Revenue Funds are used to account for specific revenue sources (other than debt service or major capital projects) that require separate accounting because of legal or regulatory provisions or administrative action. The School District has three Special Revenue Funds:

1. **The Special Projects Fund**, used to account for financial resources provided by federal, state, local projects and grants. In accordance with GASB 84, the student (pupil) activity fund has been reported in the Special Projects Fund rather than classified as an agency fund. Budgets are prepared on a per project basis, generally with approval of the funding source. These budgets are not a part of the formal budget process approved by the board of trustees.
2. **The Education Improvement Act (EIA) Fund**, used to account for the revenue from the South Carolina Education Improvement Act of 1984, which is legally required by the state to be accounted for as a specific revenue source. Budgets are prepared on a per project basis. These budgets are not part of the formal budget process approved by the board of trustees.
3. **The Food Service Fund**, is used to account for the United States Department of Agriculture's (USDA) approved school breakfast and lunch programs. The principal revenues of the Food Service Fund include charges to students and teachers for breakfast, lunch and special sales and federal reimbursements for meals and commodities. Primary expenditures for the fund includes cost of sales, administrative expenses and depreciation of capital assets. Budgets for the Food Service Fund are not part of the formal budget process approved by the board of trustees.

**Capital Projects Fund** – used to account for financial resources to be used for site acquisitions, construction of major capital facilities, equipment and renovation of all major capital facilities.

**Debt Service Fund** - used to account for annual payments of principal and interest on long-term general obligation debt and related costs.

**Proprietary Fund Types**

Proprietary funds are accounted for based on the flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations.

**Internal Service Fund** is used to account for the financing of goods and services provided by one department or agency to other departments or agencies of the School District. When services are rendered, charges are made to the users and revenue is accumulated in the Internal Services Fund to cover costs of operations.

**RICHLAND SCHOOL DISTRICT TWO**  
**NOTES TO FINANCIAL STATEMENTS**  
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The Worker's Compensation Fund is the School District's only Internal Service Fund. This fund accounts for the insurance and risk management services of the School District and services provided are on a cost reimbursement basis. The assets and related liabilities for the Internal Service Fund are included in the governmental activities column on the government-wide Statement of Net Position.

***BASIS OF ACCOUNTING***

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

Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, are recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the School District, available means expected to be received within sixty days of the fiscal year-end.

The School District follows GASB Statement No. 33, *Accounting and Financial Reporting for Non-Exchange Transactions* to account for non-exchange revenues. Non-exchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, property tax revenues are recognized in the fiscal year for which they are appropriated by the County. Revenues from grants, entitlements and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the School District must provide local resources to be used for a specified purpose, and expenditures requirements, in which the resources are provided to the School District on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized. Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end; property taxes, interest, tuition, grants, student fees and rentals.

***Unearned Revenue*** arises when assets are recognized before revenue recognition criteria have been satisfied. Delinquent property taxes and property taxes for which there is an enforceable legal claim as of June 30, 2021, but which have not met the revenue recognition criteria, have been recorded as unearned revenue. Grants and entitlements received before revenue recognition requirements are met are also recorded as unearned revenue. On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as unearned revenue.

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

**RICHLAND SCHOOL DISTRICT TWO**  
**NOTES TO FINANCIAL STATEMENTS**  
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**C. Assets, Liabilities and Equity**

**Cash and Investments** – South Carolina statutes authorize investments in certificates of deposits, savings accounts, repurchase agreements, the State Treasurer's Local Government Investment Pool (invested in government guaranteed securities), general obligations of the State of South Carolina or any of its political units, obligations of the U.S. Government and government agencies unconditionally guaranteed by the U.S. Government. Investments are recorded at fair value.

South Carolina Local Government Investment Pool ("SC Pool" or "LGIP") investments are invested with the South Carolina State Treasurer's Office, which established the LGIP pursuant to Section 6-6-10 of the South Carolina Code. The LGIP is an investment trust fund, in which public monies in excess of current needs, which are under the custody of any city treasurer or any governing body of a political subdivision of the State, may be deposited. The LGIP is a 2a 7-like pool which is not registered with the Securities and Exchange Commission ("SEC") as an investment company, but has a policy that it will operate in a manner consistent with the SEC's Rule 2a 7 of the Investment Company Act of 1940. In accordance with GASB Statement No. 31 "Accounting and Financial Reporting for Certain Investments and for External Investment Pools", investments are carried at fair value determined annually based upon quoted market prices. The total fair value of the LGIP is apportioned to the entities with funds invested on an equal basis for each share owned, which are acquired at a cost of \$1.00. Funds may be deposited by Pool participants at any time and may be withdrawn upon 24 hours' notice. Financial statements for the LGIP may be obtained by writing the Office of the State Treasurer, Local Government Investment Pool, P.O. Box 11778, Columbia, SC 29211-1960.

The Richland County Treasurer invests in authorized instruments on behalf of the School District. The Richland County Treasurer invests School District and other entity funds on a pooled basis with the Treasurer of the State of South Carolina. The State Treasurer invests in certificates of deposit, insured savings accounts, repurchase agreements, obligations of the United States Government and government agencies guaranteed by the United States Government.

The School District considers all highly liquid investments (including restricted assets) with original maturities of three months or less when purchased and investments in the South Carolina Pooled Investment Fund ("Pool") to be cash equivalents.

**Interfund Receivables and Payables** - Transactions between funds that represent reimbursement arrangements outstanding at the end of the year are referred to as "due from other funds" or "due to other funds" on the fund financial statements. These amounts are eliminated in the governmental and business-type activities columns of the statement of net position, except for the net residual amounts due between governmental and business-type activities, which are presented as "internal balances". All trade and property tax receivables are shown net of an allowance for uncollectible amounts.

**Prepaid Items** - Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year consumed.

**Capital Assets** - General capital assets are those assets not specifically related to activities reported in the enterprise fund. These assets generally result from expenditures in the governmental funds.

# RICHLAND SCHOOL DISTRICT TWO

## NOTES TO FINANCIAL STATEMENTS

### JUNE 30, 2021

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These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the enterprise fund are reported in both the business-type activities column of the government-wide statement of net position and in the respective fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value. The district maintains a capitalization threshold of \$5,000. Management may elect to include certain homogeneous asset categories with individual assets less than \$5,000 as composite groups for financial reporting purposes. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend the life of the asset's life are not capitalized. For purposes of reporting state and federal funds, small equipment items that may not be capitalized are still categorized as capital outlays in the supporting schedules. The School District does not maintain any infrastructure. Improvements to existing capital assets are capitalized; however, the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed.

In the enterprise fund, assets acquired or constructed by grants and share revenues externally restricted for capital acquisitions and construction are reported as revenue in the period received in accordance with Governmental Accounting Standards Board Statement No. 33.

All reported capital assets, except land and construction in progress, are depreciated. Construction projects begin being depreciated once they are complete, at which time the complete costs of the project are transferred to the appropriate capital asset category. Improvements are depreciated over the remaining useful lives of the related capital assets.

Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Food Service Activities Estimated Lives</u>
Buildings and Improvements	20-39 years	N/A
Furniture and Equipment	5 years	12 years
Vehicles	5 years	N/A

**Compensated Absences** – Compensated absences are payments to employees for accumulated vacation and sick leave. Vacation leave is earned by employees up to a maximum of ten days. The School District's policy at fiscal year-end is to allow twelve-month employees to carry over five days, which are lost if not used by the following December 31. When an employee with over fifteen years of service retires or otherwise terminates the School District pays out all unused accrued annual and sick leave days at the current substitute rate of pay. Employees can accrue up to fifty-seven sick leave days.

All vacation pay is accrued when incurred in the government-wide financial statements. Liabilities for compensated absences are reported as fund liabilities when amounts are due and payable rather than to the extent that they will be paid with current, expendable and available financial resources. In the proprietary funds, compensated absences are recorded as an expense and liability of the fund as the benefits accrue to employees.

**RICHLAND SCHOOL DISTRICT TWO**  
**NOTES TO FINANCIAL STATEMENTS**  
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**Accrued Liabilities and Long-term Obligations** - All payables, accrued liabilities and long-term obligations are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources. However, claims and judgments, the non-current portion of capital leases, contractually required pension contributions and special termination benefits, and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they will be paid with current expendable, available, financial resources. In general, payments made within sixty days after year-end are considered to have been made with current available financial resources. Typically, the General Fund is used to liquidate any liability related to compensated absences. Bonds and other long-term obligations that will be paid from governmental funds are not recognized as a liability in the fund financial statements until due.

For governmental funds, bond premiums and discounts, as well as issuance costs, are recognized during the current period. Bond proceeds are reported as other financing sources net of the applicable premium or discount. Issuance costs, even if withheld from actual net proceeds received, are reported as debt service expenditures.

**Net Pension Liability** - For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the South Carolina Retirement System (SCRS) and the South Carolina Police Officers Retirement System (PORS) and additions to/deductions from SCRS' and PORS' fiduciary net position have been determined on the same basis as they are reported by SCRS or PORS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

**Net OPEB Liability** - For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the South Carolina Retiree Health Insurance Trust Fund (SCRHITF) and the South Carolina Long-Term Disability Insurance Trust Fund (SCLTDITF) and additions to/deductions from SCRHITF' and SCLTDITF' fiduciary net position have been determined on the same basis as they are reported by SCRHITF or SCLTDITF. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms.

**Deferred Outflows of Resources and Deferred Inflows of Resources** - Deferred outflows of resources represent consumption of net position that is applicable to a future period. Deferred inflows of resources represent acquisition of net position that is applicable to a future period. Changes in net pension liability not included in pension expense are reported as deferred outflows of resources or deferred inflows of resources. Employer contributions subsequent to the measurement date of the net pension liability are reported as deferred outflows of resources. Likewise, changes in net OPEB liability not included in OPEB expense are reported as deferred outflows of resources or deferred inflows of resources. Employer contributions subsequent to the measurement date of the net OPEB liability are reported as deferred outflows of resources.

**Fund Balances, Equity and Net Position** – The School District reports fund balance in accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement defines five classifications of governmental fund balances: non-spendable, restricted, committed, assigned and unassigned. Where applicable, these classifications are presented on the face of the governmental fund balance sheet. The School District's highest level of decision-making authority is the Board of Trustees.

**RICHLAND SCHOOL DISTRICT TWO**  
**NOTES TO FINANCIAL STATEMENTS**  
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The School District classifies fund balances as follows:

Non-spendable – This includes amounts that inherently cannot be spent either because it is not in spendable form (i.e. prepaid items, inventories, etc.) or because of legal or contractual requirements (i.e. principal amount of resources that are required to remain intact.)

Restricted – This includes amounts that have constraints placed on the use of resources externally imposed by creditors, grantors, or contributors.

Committed – This includes amounts that have constraints for specific purposes by the School District itself, using its highest level of decision-making authority, which as noted above is the Board of Trustees. Constraints must remain in place unless removed in the same manner as imposed and must take place no later than the close of the fiscal year. Required formal action would be in the form of a resolution by the Board of Trustees.

Assigned – This includes amounts that the School District intends to use for specific purposes that are neither considered restricted nor committed and these assignments are made before the report issuance date. The intent to assign these balances can be expressed by the Board of Trustees with a resolution or approval of recommendation by the Board of Trustees.

Unassigned – This includes amounts that do not qualify to be accounted for or reported in any of the other fund balance categories. The general fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

The School District applies restricted resources when expenditures are incurred for the purposes for which both restricted and unrestricted net position is available. The School District applies assigned, then unassigned fund balance. Committed resources can only be applied if the Board of Trustees takes formal action to release resources for incurring expenditures.

Net Position

Net position represents assets plus deferred outflows of resources less liabilities less deferred inflows of resources. Net investment in capital assets consists of capital assets reduced by accumulated depreciation and the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Outstanding debt, that has not been spent, is included in the same net position component as the unspent proceeds. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The School District applies restricted resources when an expense is incurred for the purposes for which both restricted and unrestricted net position is available.

**Inter-fund Activity** – Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Transfers between governmental funds and enterprise funds and enterprise balances are eliminated.

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**NOTES TO FINANCIAL STATEMENTS**  
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Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as inter-fund transfers. Inter-fund transfers are reported as other financial sources/uses in governmental funds and other non-operating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expense to the funds that initially paid for them are not presented on the financial statements.

***Operating Revenue and Expenses*** – Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds.

***Use of Accounting Estimates*** - The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires the School District's management to make estimates and assumptions. These estimates and assumptions 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 revenue and expenses during the reporting period. Actual results could differ from those estimates.

**Fair Value**

The fair value measurement and disclosure framework provides for a three-tier fair value hierarchy that gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the District can access at the measurement date.

Level 2 – Inputs to the valuation methodology, other than quoted prices included in Level 1, that are observable for an asset or liability either directly or indirectly include:

- Quoted prices for similar assets or liabilities in active markets.
- Quoted prices for identical or similar assets or liabilities in inactive markets.
- Inputs, other than quoted market prices, that are observable for the asset or liability.
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 – Inputs to the valuation methodology that are unobservable for an asset or liability and include:

- Fair value is often based on developed models in which there are few, if any, observable inputs.

**Budgetary Accounting**

The Board of Trustees adopts a legal annual appropriated budget for the general fund revenues and expenditures on the modified accrual basis of accounting which is consistent with accounting principles generally accepted in the United States of America each fiscal year. The budget is prepared, controlled, and amended at the revenue and expenditure object level. The Superintendent and/or Senior Chief Officer for Finance and Operations may authorize line item transfers in the general fund budget that are subject to final review by the Board. Revisions to the budget were made throughout the year at the legal level of budgetary control.

**RICHLAND SCHOOL DISTRICT TWO**  
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During the fiscal year, no additional appropriations to the general fund budget were adopted. Unexpended appropriations lapse at fiscal year-end. Expenditures may not legally exceed budgeted appropriations at the fund level unless, in a supplementary action, the Board approves an increase or decrease to the fund or the School District's "per pupil" state allotment changes whereby management can increase or decrease expenditures to match the change in state appropriations. Supplemental budget appropriations are made by the Board for expenditures exceeding total appropriations within the legal level of control.

The following procedures are followed in establishing the General Fund budgetary data reflected in the financial statements:

1. The initial step in the budget development process is the adoption of budget priorities by the Board of Trustees.
2. The Financial Services Office develops revenue projections based on enrollment projections and data received from the State Department of Education.
3. Input is obtained from District stakeholders and compiled by Administration.
4. The Superintendent submits a budget to the Board for approval.
5. The Board recommends a budget to County Council around April.
6. The County Council has three readings on the budget and a public hearing.
7. After approval by County Council, the Board approves a final budget.

Special Revenue Fund budgets are developed and controlled in conformance with the specific requirements of each grant or funding agency. These budgets are not legally adopted by the School Board. Both General and Special Revenue Fund budgets are used as a management control device during the year.

The Administration has discretionary authority to make transfers between appropriation accounts. The budget amounts in the financial statements are as amended by Administration. No supplemental appropriations were necessary during the year.

**Encumbrances**

The appropriations of the general fund of the School District lapse at June 30 each year and the outstanding purchase orders, contracts, and other commitments must be renewed. Therefore, there are no restrictions or assignments of the fund balances at year-end for encumbrances.

**2. CASH AND INVESTMENTS**

At June 30, 2021 the carrying amount of the School District's deposits and investments was \$198,594,609 and the bank balance was \$205,336,314.

**Custodial Credit Risk for Deposits:** Custodial credit risk for deposits is the risk that, in the event of a bank failure, the School District's deposits might not be recovered. The School District does not have a deposit policy for custodial credit risk but follows the investment policy statues of the State of South Carolina. As of June 30, 2021, none of the School District's bank balances of \$72,480,812, which had a carrying value of \$65,245,375, were exposed to custodial credit risk.



**RICHLAND SCHOOL DISTRICT TWO**  
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As of June 30, 2021, the School District had the following investments:

<u>Investment Type</u>	<u>Fair Value</u> <u>Level</u>	<u>Maturities</u>	<u>Credit Rating</u>	<u>Fair Value</u>
SC Local Government Investment Pool	N/A	Various	Unrated	\$ 89,795,060
Certificates of Deposit	Level 1	Various	Unrated	788,274
Regions – Morgan Stanley Liquidity Fund	Level 1	Various	Unrated	20,005,584
US Bank – Morgan Stanley GIC	Level 1	9/1/2027	Unrated	<u>22,760,316</u>
Total Investments				<u>\$ 133,349,234</u>

**Interest Rate Risk:** The School District's Interest Rate Risk policy states that to address interest rate risk (i.e., fair value losses arising from increasing interest rates), the district will not invest in maturities exceeding 24 months.

**Custodial Credit Risk for Investments:** In the case of deposits, custodial credit risk is the risk that in the event of a bank failure, the School District's deposits may not be returned to it. Custodial credit risk for investments is the risk that, in the event of a failure, the government will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. The School District's investment policy operates in conformance with federal, state and other legal requirements, as outlined in the Code of Laws, State of South Carolina, Section 59-69-215. To address the risk that the School District's deposits will not be returned, the School District will only use instruments that are collateralized by third parties or insured by the Federal Deposit Insurance Corporation. As of June 30, 2021, all of the District's deposits were collateralized with securities held by the pledging financial institution's trust department or its agent, and in the School District's name or insured by the Federal Deposit Insurance Corporation. Information was not available regarding the custodial credit risk of deposits with the Richland County Treasurer of \$114,480,754.

South Carolina statutes authorize investments in certificates of deposits, savings accounts, repurchase agreements, the State Treasurer's Local Government Investment Pool, obligations of the U.S. Government and government agencies unconditionally guaranteed by the U.S. Government. The School District has no policy that would further restrict these investment choices.

The SC Local Government Investment Pools is not rated.

**Concentration of Credit Risk for Investments:** The School District places no limit on the amount it may invest in any one issuer. Investments issued or explicitly guaranteed by the U.S. Government and investments in mutual funds and external investment pools and other pooled investments are exempt from concentration of credit risk disclosures.

The following table reconciles the carrying amount of deposits and investments to the amounts listed in the financial statements for all fund types:

<b>Basic Financial Statements</b>		<b>Notes to Financials</b>	
Cash and Investments:		Carrying Amount of	
Governmental Funds	\$ 196,913,612	Deposits:	\$ 65,245,375
Internal Service Fund	<u>1,680,997</u>	Fair Value of	
		Investments:	<u>133,349,234</u>
	<u>\$ 198,594,609</u>		<u>\$ 198,594,609</u>

**RICHLAND SCHOOL DISTRICT TWO**  
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**3. PROPERTY TAXES AND OTHER RECEIVABLES**

Property taxes are levied, collected and distributed by Richland County (the County) on real and personal properties owned on the preceding December 31 of each fiscal year ended June 30. Liens are attached to the property at the time the taxes are levied, which usually occurs in November of each year. These taxes are due without penalty through January 15.

Penalties are added to taxes when paid after January 15 depending on the period of time the tax is delinquent. Property taxes are levied and billed on an assessed value of a little over \$625.9 million at tax rates of 331.7 mills for the general fund and 104.0 mills for the debt service fund.

Current year real and personal property taxes become delinquent on April 1. The levy date for motor vehicle taxes is the first day of the month in which the motor vehicle license expires. These taxes are due by the last day of the same month. Taxes levied for the 2020-2021 fiscal year totaled over \$169.8 million, for the General Fund and Debt Service Fund. Of this total amount levied, approximately \$158.3 million was collected during the fiscal year, representing 93.2% collection of the total levied for the year ending June 30, 2021. Collections for delinquent taxes for both funds totaled approximately \$6.8 million. In addition, fees in lieu of taxes collected totaled nearly \$6.0 million for both funds.

South Carolina Code Section 12-37-251(A) provides a property tax exemption for property classified pursuant to Section 12-43-220(C) (homestead exemption) from property taxes levied for other than bonded indebtedness and payments pursuant to lease purchase agreements for capital construction. The exemption applies against millage imposed for school operations and the amount of fair market value of the homestead that is exempt from such millage must be set by the Department of Revenue and Taxation based on the amount available in the State Property Tax Relief Fund.

Taxes receivable in the government funds, including general fund and debt service fund, are \$493,067 net of allowances for uncollectible at June 30, 2021.

Governmental funds report unearned revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

At June 30, 2021, the various components of unavailable revenue and unearned revenue reported in the governmental funds were as follows:

	<u>General Fund</u>	<u>Special Revenue Special Projects Fund</u>	<u>Special Revenue- EIA Fund</u>	<u>Debt Service Fund</u>	<u>Total</u>
Unavailable Revenue -					
Property Taxes	\$ 387,309	\$	\$	121,435	\$ 508,744
Unearned Revenue		5,071,227	3,035,852		8,107,079
Total	<u>\$ 387,309</u>	<u>\$ 5,071,227</u>	<u>\$ 3,035,852</u>	<u>\$ 121,435</u>	<u>\$ 8,615,823</u>

**RICHLAND SCHOOL DISTRICT TWO**  
**NOTES TO FINANCIAL STATEMENTS**  
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**4. DUE FROM STATE DEPARTMENT OF EDUCATION AND OTHER STATE AGENCIES**

The Due from State Department of Education and Federal Agencies represents amounts due for state and federal revenues that had been earned as of June 30, 2021, but had not been received as of June 30, 2021. The total amount Due to the State Department as of June 30, 2021 was \$59,427.

**5. CAPITAL ASSETS**

A summary of changes in capital assets for the School District is as follows:

**Governmental Activities**

	<b>Balance as of July 1, 2020</b>	<b>Additions</b>	<b>Disposals/ Transfers</b>	<b>Balance as of June 30, 2021</b>
<b>Non-depreciable Assets:</b>				
Land	\$ 27,340,376	\$	\$	\$ 27,340,376
Construction in Progress	45,285,934	116,863,196		162,149,130
Total Non-depreciable	<u>72,626,310</u>	<u>116,863,196</u>	<u>-</u>	<u>189,489,506</u>
<b>Depreciable Assets:</b>				
Buildings and Improvements	750,147,252	187,619		750,334,871
Vehicles	7,038,677	310,817	(37,535)	7,311,959
Furniture & Equipment	28,123,174	642,443	(12,517)	28,753,100
Total Depreciable Assets	<u>785,309,103</u>	<u>1,140,879</u>	<u>(50,052)</u>	<u>786,399,930</u>
<b>Total All Assets</b>	<u>857,935,413</u>	<u>118,004,075</u>	<u>(50,052)</u>	<u>975,889,436</u>
Less: Accumulated Depreciation				
Buildings and Improvements	(260,143,274)	(18,469,825)		(278,613,099)
Vehicles	(4,937,971)	(631,035)	35,245	(5,533,761)
Furniture & Equipment	(25,589,356)	(906,922)	1,440	(26,494,838)
Total Accumulated Depreciation	<u>(290,670,601)</u>	<u>(20,007,782)</u>	<u>36,685</u>	<u>(310,641,698)</u>
<b>Governmental Activities Capital Assets, Net</b>	<u>\$ 567,264,812</u>	<u>\$ 97,996,293</u>	<u>\$ (13,367)</u>	<u>\$ 665,247,738</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

**Governmental Activities:**

Instruction	\$ 14,005,447
Supporting Services	<u>6,002,335</u>
Total Depreciation Expense – governmental activities	<u>\$ 20,007,782</u>

**RICHLAND SCHOOL DISTRICT TWO**  
**NOTES TO FINANCIAL STATEMENTS**  
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**6. INTER-FUND RECEIVABLES AND PAYABLES**

Inter-fund balances at June 30, 2021 consisted of the following individual fund receivables and payables:

Fund	Receivables	Payables
<b>General Fund:</b>		
Due from Special Revenue – Special Projects	\$ 7,622,221	\$
Due to Special Revenue – EIA		3,170,839
Due to Special Revenue – Food Service Fund		2,947,883
Due from Debt Service	31,150	
Due to Capital Projects Fund		26,546,665
Due to Internal Service Fund		2,170,167
<b>Total</b>	7,653,371	34,835,554
<b>Special Revenue – Special Projects</b>		
Due to General Fund		7,622,221
<b>Special Revenue – EIA</b>		
Due from General Fund	3,170,839	
<b>Special Revenue – Food Service Fund</b>		
Due from General Fund	2,947,883	
<b>Debt Service</b>		
Due to General Fund		31,150
<b>Capital Projects</b>		
Due from General Fund	26,546,665	
<b>Internal Service Fund</b>		
Due from General Fund	2,170,167	
<b>Totals</b>	\$ 42,488,925	\$ 42,488,925

The district uses a General Fund Cash account to pay expenditures and receive payments from State and Federal Agencies for other district funds. As a result, receivables and payables exist at year end that are either due to or due from the General Fund to/from other funds. These funds will be collected or disbursed in the subsequent fiscal year. Other inter-fund balances include Special Revenue payments not received from the State Department of Education until after the fiscal year end, fringe amounts paid by the General Fund for Food Service, indirect cost transfers adjustments made at year end and adjustments made at year end for Taxes receivable for Debt Service, and building project costs.

**RICHLAND SCHOOL DISTRICT TWO**  
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**7. TRANSFERS IN AND OUT**

Transfers between the various funds of the School District for the year ending on June 30, 2021 are as follows:

Fund	<u>Transfers In</u>	<u>Transfers Out</u>
<b>General Fund:</b>		
Special Revenue – Special Projects	\$ 5,181	\$ 450,200
Special Revenue – Special Projects Indirect Cost	1,625,181	
Special Revenue – EIA	8,523,307	
Special Revenue – Food Service Fund		373,941
Special Revenue – Food Service Fund Indirect Cost	401,460	
Debt Service Fund		1,220,959
Capital Project Funds		3,500,000
Internal Service Fund		1,500,000
<b>Total</b>	<u>10,555,129</u>	<u>7,045,100</u>
<b>Special Revenue – EIA</b>		
General Fund		8,523,307
<b>Special Revenue – Special Projects</b>		
General Fund	450,200	5,181
General Fund – Indirect Cost		1,625,181
<b>Special Revenue – Food Service Fund</b>		
General Fund	373,941	
General Fund – Indirect Cost		401,460
<b>Debt Service Fund</b>		
General Fund	1,220,959	
<b>Capital Projects Fund</b>		
General Fund	3,500,000	
<b>Internal Service Fund</b>		
General Fund	<u>1,500,000</u>	
<b>Total All Funds</b>	\$ <u>17,600,229</u>	\$ <u>17,600,229</u>

During the 2020-2021 fiscal year transfers were made from Special Revenue-Special Project Funds to the general fund to offset costs. Transfers from the General Fund into Special Revenue – Special Projects reflect amounts allocated as discretionary funds for student activities and athletic programs. Annual transfers are done from the Special Revenue – EIA fund into the General fund for State revenues provided for teacher salary increases and employer fringe contributions. Amounts were transferred from the Food Service fund for indirect costs paid to the General fund and a transfer was made from the General Fund into the Food Service Fund to allocate state fringe benefits reimbursement funds applicable to the Food Service Program.

In addition, funds were transferred from the General Fund to the Internal Service Fund in order to cover the cost associated with the Self-insured Workers' Compensation program and the required reserves at June 30, 2021. Funds were also transferred from the General Fund to the Debt Service fund for costs associated with closing costs and to cover the annual payment on the equipment acquisition payments. In March of 2021, the Board of Trustees approved a \$3.5 million allocation from the General Fund to the Capital Project funds to help offset costs associated with annual capital improvement needs.

**RICHLAND SCHOOL DISTRICT TWO**  
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**8. LONG TERM OBLIGATIONS**

The following summarizes the changes in long-term debt obligations for the year ended June 30, 2021:

<b>Governmental Activities</b>	<b>Principal Outstanding July 1, 2020</b>	<b>Additions</b>	<b>Reductions</b>	<b>Principal Outstanding June 30, 2021</b>	<b>Amounts Due in One Year</b>
General Obligation Bonds:					
May 25, 2010 (A)	\$ 7,525,000		(1,075,000)	6,450,000	\$ 1,075,000
September 8, 2010	42,620,000			42,620,000	-
October 5, 2011	4,275,000		(4,275,000)	-	-
December 5, 2012	1,945,000		(1,945,000)	-	-
April 25, 2013	55,105,000		(7,105,000)	48,000,000	4,000,000
May 21, 2014	5,940,000		(1,880,000)	4,060,000	1,980,000
March 10, 2015	52,375,000		(9,835,000)	42,540,000	20,030,000
May 31, 2016	3,515,000		(3,515,000)	-	-
May 30, 2017	4,025,000		(1,950,000)	2,075,000	2,075,000
November 30, 2017	39,490,000			39,490,000	2,980,000
June 12, 2018	5,810,000		(2,210,000)	3,600,000	3,600,000
September 26, 2019	84,900,000		(100,000)	84,800,000	100,000
May 1, 2020	49,235,000		(11,270,000)	37,965,000	11,050,000
October 14, 2020		149,995,000	(1,550,000)	148,445,000	500,000
<b>Total General Obligation Bonds</b>	<b>356,760,000</b>	<b>149,995,000</b>	<b>(46,710,000)</b>	<b>460,045,000</b>	<b>47,390,000</b>
Special Obligation Bonds:					
July 26, 2016	939,000		(309,000)	630,000	313,000
June 9, 2020	18,390,000		(295,000)	18,095,000	670,000
<b>Total Special Obligation Bonds</b>	<b>19,329,000</b>	<b>-</b>	<b>(604,000)</b>	<b>18,725,000</b>	<b>983,000</b>
Unamortized Bond Premiums	34,639,510	19,487,078	(5,532,918)	48,593,670	5,355,236
Accrued Compensated Absences	4,860,632	2,431,154	(444,898)	6,846,888	448,335
<b>Total</b>	<b>\$ 415,589,142</b>	<b>171,913,232</b>	<b>(53,291,816)</b>	<b>534,210,558</b>	<b>\$ 54,176,571</b>

During the 2020-2021 fiscal year, the School District issued \$149,995,000 in General Obligation Bonds to continue annual projects approved under the 2018 Bond Referendum. The referendum consist of safety upgrades and improvements, facility upgrades and additions and numerous improvements throughout the district.

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**General and Special Obligations**

General and Special obligations primarily consist of obligations related to general obligation bonds as of June 30, 2021. The following table outlines the debt outstanding at June 30, 2021:

Issue	Date of Issue	Interest Rates	Payment Dates	Maturity	Original Issue	Outstanding at June 30, 2021
2010A/QSCB <sub>1</sub>	May 25, 2010	.75%-5.20%	May/Nov	2027	\$ 18,235,000	\$ 6,450,000
2010D/QSCB <sub>1</sub>	September 8, 2010	1.00%-5.00%	Mar/Sept	2028	42,625,000	42,620,000
2013B <sub>1</sub>	April 25, 2013	2.9%-5%	Nov/May	2033	55,140,000	48,000,000
2014 <sub>2</sub>	May 21, 2014	5.00%	Nov/May	2023	10,950,000	4,060,000
2015A (Refunding) <sub>3</sub>	March 10, 2015	2.000% - 5.000%	Feb/Aug	2023	60,010,000	42,540,000
2016 ACQ <sub>4</sub>	July 26, 2016	1.118%	Dec	2022	2,100,000	630,000
2017A <sub>2</sub>	May 30, 2017	2.000% - 5.000%	Sept/Mar	2022	10,000,000	2,075,000
2017B (Refunding) <sub>3</sub>	November 30, 2017	2.000% - 5.000%	Mar/Sept	2031	40,880,000	39,490,000
2018A <sub>2</sub>	June 12, 2018	2.000% - 5.000%	Mar/Sept	2023	10,000,000	3,600,000
2019 <sub>5</sub>	September 26, 2019	2.000% - 5.000%	Mar/Sept	2039	85,000,000	84,800,000
2020 (Refunding) <sub>3</sub>	May 1, 2020	5.00%	Mar/Sept	2028	49,235,000	37,965,000
2020 SOB <sub>6</sub>	June 9, 2020	2.000% - 5.000%	Dec/Mar	2035	18,390,000	18,095,000
2020A <sub>5</sub>	October 14, 2020	1.750%-5.000%	Mar/Sept	2039	149,995,000	148,445,000
					<u>\$ 552,560,000</u>	<u>\$ 478,770,000</u>

General obligations at June 30, 2021 consist of primarily general obligation bonds payable, issued under the approved 2008 referendum, the 2018 referendum and several obligations issued under the legal 8% debt limit for technology equipment and recurring facility capital needs. Of these, the Series 2010A and 2010D were issued as Taxable Qualified School Construction Bonds under the provisions of the State of South Carolina Federal Education Tax-Credit Bond Implementation Act of 2009. A refundable tax credit must be applied for each time an interest payment is due for these bonds. These issues provided federal subsidy for future interest payments due each year for the life of the bonds; however, following federal sequestration the District projects a 7-9% reduction to the subsidy for future years.

The remaining outstanding debt issued (2014, 2017A and the 2018A issues) were issued under the legal 8% debt limit for technology equipment and facilities recurring capital needs.

*1 Issues relate to the November 2008 bond referendum of \$306 million. The referendum and the related issues funded construction of four new elementary schools, a new middle school, a new high school, as well as renovations to existing facilities.*

*2 Annual issues relate to recurring technology equipment needs and recurring facility capital needs. These issues are allowed under the State of SC constitution, allowing school districts to issue up to 8% of the assessed value in General Obligation Bonds without voter approval.*

*3 Issues relate to Refunded debt. The 2012A Refunding relates to a partial refunding of 2006A and 2007B original issues. The 2015A Refunding relates to a partial refunding of 2008A and 2009A original issues. The 2017B Refunding relates to a partial refunding of 2011B. The 2021 Refunding relates to defeasance of the 2009C, 2010C and 2010E (QSCB) original issues.*

*4 Issue relates to an equipment acquisition to purchase solar panels for the new R2i2 facility.*

*5 Issues relate to the November 2018 Bond Referendum approved for \$468 million, which was approved for construction projects throughout the District, significant safety and security upgrades to all District facilities, renovation and replacement of several existing schools and new facility needs.*

*6 Issue relates to Special Obligation Bonds for equipment acquisition on energy saving performance contracts.*

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The annual requirements to amortize the General Obligation Bonds outstanding at June 30, 2021, including interest payments of \$124,683,756 are as follows:

<u>Fiscal Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 48,373,000	\$ 19,290,740	\$ 67,663,740
2023	44,157,000	16,930,203	61,087,203
2024	29,005,000	14,738,594	43,743,594
2025	27,575,000	13,329,419	40,904,419
2026	27,235,000	11,990,669	39,225,669
2027-2031	166,670,000	34,295,781	200,965,781
2032-2036	86,340,000	11,754,250	98,094,250
2037-2039	49,415,000	2,354,100	51,769,100
Total	\$ <u>478,770,000</u>	\$ <u>124,683,756</u>	\$ <u>603,453,756</u>

The School District has satisfied all sinking fund requirements. There is an annual tax millage, currently 104.0 mills, to repay this General Obligation debt. Details on the Bonds Payable are presented as schedules.

Compensated Absences

The School District estimates that the compensated absences amount to be considered as the current portion due within one year to be \$448,335 for the Governmental Funds.



**RICHLAND SCHOOL DISTRICT TWO**  
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**9. EMPLOYEE RETIREMENT**

The District participates in the State of South Carolina's retirement plans, which are administered by the South Carolina Public Employee Benefit Authority ("PEBA"), which was created on July 1, 2012 and administers the various retirement systems and retirement programs managed by its Retirement Division. PEBA has an 11-member Board of Directors ("PEBA Board"), appointed by the Governor and General Assembly leadership, which serves as co-trustee and co-fiduciary of the systems and the trust funds. By law, the State Fiscal Accountability Authority ("SFAA"), which consists of five elected officials, also reviews certain PEBA Board decisions regarding the funding of the South Carolina Retirement Systems ("Systems") and serves as a co-trustee of the Systems in conducting that review.

For purposes of measuring the net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Systems and additions to/deductions from the Systems fiduciary net position have been determined on the accrual basis of accounting as they are reported by the Systems in accordance with generally accepted accounting principles (GAAP). For this purpose, revenues are recognized when earned and expenses are recognized when incurred. Benefit and refund expenses are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value.

The PEBA issues a Annual Comprehensive Financial Report ("ACFR") containing financial statements and required supplementary information for the System' Pension Trust Funds. The ACFR is publicly available through the Retirement Benefits' link on the PEBA's website at [www.peba.sc.gov](http://www.peba.sc.gov), or a copy may be obtained by submitting a request to PEBA, 202 Arbor Lake Drive, Columbia, SC 29223. PEBA is considered a division of the primary government of the State of South Carolina and therefore, retirement trust fund financial information is also included in the annual comprehensive financial report of the state.

**Plan Descriptions**

The South Carolina Retirement System ("SCRS"), a cost-sharing multiple-employer defined benefit pension plan, was established effective July 1, 1945, pursuant to the provisions of Section 9-1-20 of the South Carolina Code of Laws for the purpose of providing retirement and other benefits for teachers and employees of the state and its political subdivisions. SCRS covers employees of state agencies, public school districts, higher education institutions, other participating local subdivisions of government and individuals newly elected to the South Carolina General Assembly at or after the 2012 general election.

The State Optional Retirement Program (State ORP) is a defined contribution plan that is offered as an alternative to SCRS to certain newly hired employees of state agencies, institutions of higher education, public school districts and individuals first elected to the S.C. General Assembly at or after the general election in November 2012. State ORP participants direct the investment of their funds into an account administered by one of four third party service providers. PEBA assumes no liability for State ORP benefits. Rather, the benefits are the liability of the four third party service providers. For this reason, State ORP assets are not part of the retirement systems' trust funds for financial statement purposes.

The South Carolina Police Officers Retirement System ("PORS"), a cost-sharing multiple-employer defined benefit pension plan, was established effective July 1, 1962, pursuant to the provisions of Section 9-11-20 of the South Carolina Code of Laws for the purpose of providing retirement and other benefits for police officers and firefighters. PORS also covers peace officers, coroners, probate judges, and magistrates.

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**Plan Membership**

Membership requirements are prescribed in Title 9 of the South Carolina Code of Laws. A brief summary of the requirements under each system is presented below.

SCRS - Generally, all employees of covered employers are required to participate in and contribute to the system as a condition of employment. This plan covers general employees and teachers and individuals first elected to the South Carolina General Assembly beginning with the November 2012 general election. An employee member of the system with an effective date of membership prior to July 1, 2012, is a Class Two member. An employee member of the system with an effective date of membership on or after July 1, 2012 is a Class Three member.

State ORP - As an alternative to membership in the SCRS, newly hired state, public school, and higher education employees and individuals first elected to the S.C. General Assembly beginning with the November 2012 general election have the option to participate in the 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. For this reason, State ORP programs are not part of the retirement systems' trust funds for financial statement purposes. Employee and employer contributions to the State ORP are at the same rates as the SCRS. A direct remittance is required from the employer to the member's account with the ORP service provider for the employee contribution and a portion of the employer contribution (5 percent). A direct remittance is also required to the SCRS for the remaining portion of the employer contribution and an incidental death benefit contribution, if applicable, which is retained by the SCRS.

PORS - To be eligible for PORS membership, an employee must be required by the terms of his employment, by election or appointment, to preserve public order, protect life and property, and detect crimes in the state; to prevent and control property destruction by fire; be a coroner in a full-time permanent position; or be a peace officer employed by the Department of Corrections, the Department of Juvenile Justice, or the Department of Mental Health. Probate judges and coroners may elect membership in PORS. Magistrates are required to participate in PORS for service as a magistrate. PORS members, other than magistrates and probate judges, must also earn at least \$2,000 per year and devote at least 1,600 hours per year to this work, unless exempted by statute. An employee member of the system with an effective date of membership prior to July 1, 2012, is a Class Two member. An employee member of the system with an effective date of membership on or after July 1, 2012, is a Class Three member.

**Plan Benefits**

Benefit terms are prescribed in Title 9 of the South Carolina Code of Laws. PEBA does not have the authority to establish or amend benefit terms without a legislative change in the code of laws. Key elements of the benefit calculation include the benefit multiplier, years of service, and average final compensation/current annual salary. A brief summary of benefit terms for each system is presented on the next page.

SCRS - A Class Two member who has separated from service with at least five or more years of earned service is eligible for a monthly pension at age 65 or with 28 years credited service regardless of age. A member may elect early retirement with reduced pension benefits payable at age 55 with 25 years of service credit. A Class Three member who has separated from service with at least eight or more years of earned service is eligible for a monthly pension upon satisfying the Rule of 90 requirement that the total of the member's age and the member's creditable service equals at least 90 years. Both Class Two and Class Three members are eligible to receive a reduced deferred annuity at age 60 if they satisfy the five- or eight-year earned service requirement, respectively. An incidental death benefit is also available to beneficiaries of active and retired members of employers who participate in the death benefit program.

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The annual retirement allowance of eligible retirees or their surviving annuitants is increased by the lesser of one percent or five hundred dollars every July 1. Only those annuitants in receipt of a benefit on July 1 of the preceding year are eligible to receive the increase. Members who retire under the early retirement provisions at age 55 with 25 years of service are not eligible for the benefit adjustment until the second July 1 after reaching age 60 or the second July 1 after the date they would have had 28 years of service credit had they not retired.

**PORS** - A Class Two member who has separated from service with at least five or more years of earned service is eligible for a monthly pension at age 55 or with 25 years of service regardless of age. A Class Three member who has separated from service with at least eight or more years of earned service is eligible for a monthly pension at age 55 or with 27 years of service regardless of age. Both Class Two and Class Three members are eligible to receive a deferred annuity at age 55 with five or eight years of earned service, respectively. An incidental death benefit is also available to beneficiaries of active and retired members of employers who participate in the death benefit program. Accidental death benefits are also provided upon the death of an active member working for a covered employer whose death was a natural and proximate result of an injury incurred while in the performance of duty.

The retirement allowance of eligible retirees or their surviving annuitants is increased by the lesser of one percent or five hundred dollars every July 1. Only those annuitants in receipt of a benefit on July 1 of the preceding year are eligible to receive the increase.

An incidental death benefit is also available to beneficiaries of active and retired members of employers who participate in the death benefit program. Accidental death benefits are also provided upon the death of an active member working for a covered employer whose death was a natural and proximate result of an injury incurred while in the performance of duty. The retirement allowance of eligible retirees or their surviving annuitants is increased by the lesser of one percent or five hundred dollars every July 1. Only those annuitants in receipt of a benefit on July 1 of the preceding year are eligible to receive the increase.

#### **Plan Contributions**

Actuarial valuations are performed annually by an external consulting actuary to ensure applicable contribution rates satisfy the funding parameters specified in Title 9 of the South Carolina Code of Laws. Under these provisions, SCRS and PORS contribution requirements must be sufficient to maintain an amortization period for the financing of the unfunded actuarial accrued liability (UAAL) over a period that does not exceed the number of years scheduled in state statute. Legislation in 2017 increased, but also established a ceiling for SCRS and PORS employee contribution rates. Effective July 1, 2017, employee rates were increased to a capped rate of 9.00 percent for SCRS and 9.75 percent for PORS. The legislation also increased employer contribution rates beginning July 1, 2017 for both SCRS and PORS by two percentage points and further scheduled employer contribution rates to increase by a minimum of one percentage point each year through July 1, 2022. If the scheduled contributions are not sufficient to meet the funding periods set in state statute, the board shall increase the employer contribution rates as necessary to meet the funding periods set for the applicable year. The maximum funding period of SCRS and PORS is scheduled to be reduced over a ten-year schedule from 30 years beginning fiscal year 2018 to 20 years by fiscal year 2028.

Additionally, the Board is prohibited from decreasing the SCRS and PORS contribution rates until the funded ratio is at least 85 percent. If the most recent annual actuarial valuation of the Systems for funding purposes shows a ratio of the actuarial value of system assets to the actuarial accrued liability of the system (the funded ratio) that is equal to or greater than 85 percent, then the board, effective on the following July first, may decrease the then current contribution rates upon making a finding that the decrease will not result in a funded ratio of less than 85 percent.

# RICHLAND SCHOOL DISTRICT TWO

## NOTES TO FINANCIAL STATEMENTS

### JUNE 30, 2021

If contribution rates are decreased pursuant to this provision, and the most recent annual actuarial valuation of the system shows a funded ratio of less than 85 percent, then effective on the following July first, and annually thereafter as necessary, the board shall increase the then current contribution rates until a subsequent annual actuarial valuation of the system shows a funded ratio that is equal to or greater than 85 percent.

As noted earlier, both employees and the District are required to contribute to the Plans at rates established and as amended by the PEBA. The District's contributions are actuarially determined but are communicated to and paid by the District as a percentage of the employees' annual eligible compensation.

Required employer and employee contribution rates for the past three years are as follows:

	SCRS and State ORP Rates			PORS Rates		
	2019	2020	2021	2019	2020	2021
Employer Contribution Rate: <sup>^</sup>						
Retirement*	14.41%	15.41%	15.41%	16.84%	17.84%	17.84%
Incidental Death Benefit	0.15%	0.15%	0.15%	0.20%	0.20%	0.20%
Accidental Death Contributions	0.00%	0.00%	0.00%	0.20%	0.20%	0.20%
	<u>14.56%</u>	<u>15.56%</u>	<u>15.56%</u>	<u>17.24%</u>	<u>18.24%</u>	<u>18.24%</u>
Employee Contribution Rate	<u>9.00%</u>	<u>9.00%</u>	<u>9.00%</u>	<u>9.75%</u>	<u>9.75%</u>	<u>9.75%</u>

<sup>^</sup> Calculated on earnable compensation as defined in Title 9 of the South Carolina Code of Laws.

\* Of the rate for the State ORP Plan, 5% of earnable compensation must be remitted by the employer directly to the ORP vendor to be allocated to the member's account with the remainder of the employer contribution remitted to the SCRS.

The required contributions and percentages of amounts contributed by the District to the Plans for the past five years were as follows:

Year Ended June 30,	SCRS Contributions		State ORP Contributions		PORS Contributions	
	Required	% Contributed	Required	% Contributed	Required	% Contributed
2021	\$ 24,835,219	100%	\$ 2,987,406	100%	\$ 75,100	100%
2020	24,764,149	100%	2,986,519	100%	88,701	100%
2019	22,439,956	100%	2,625,975	100%	84,273	100%
2018	21,202,441	100%	2,281,965	100%	88,736	100%
2017	\$ 17,941,197	100%	\$ 1,690,341	100%	\$ 77,814	100%

Eligible payrolls of the District covered under the Plans for the past five years were as follows:

Year Ended June 30,	SCRS Payroll	State ORP Payroll	PORS Payroll	Total Payroll
2021	\$ 159,609,379	\$ 28,289,828	\$ 416,296	\$ 188,315,503
2020	159,152,632	28,281,434	491,691	188,404,350
2019	154,101,103	27,450,469	494,559	182,474,709
2018	156,344,741	26,637,893	553,219	183,535,853
2017	\$ 162,135,155	\$ 27,943,472	\$ 554,188	\$ 190,632,815

### Actuarial Assumptions and Methods

Actuarial valuations of the plan 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 regarding the net pension liability are subject to continual revision as actual results are compared with past expectations and new estimates

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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. An experience report on the Systems was most recently issued for the period ending June 30, 2019 for first use in the July 1, 2021 actuarial valuation.

The June 30, 2019, total pension liability, net pension liability, and sensitivity information were determined by the consulting actuary, Gabriel, Roeder, Smith and Company ("GRS") and are based on an actuarial valuation performed as of July 1, 2019. The total pension liability was rolled-forward from the valuation date to the plans' fiscal year ended June 30, 2020, using generally accepted actuarial principles

The following table provides a summary of the actuarial assumptions and methods to calculate the total pension liability as of June 30, 2020.

	<b>SCRS</b>	<b>PORS</b>
Actuarial assumptions:		
Actuarial cost method	Entry age normal	Entry age normal
Investment rate of return	7.25%	7.25%
Projected salary increases	3.0%-12.5% (varies by service)	3.5%-9.5% (varies by service)
Includes inflation at	2.25%	2.25%
Benefit adjustments	lesser of 1% or \$500	lesser of 1% or \$500

The post-retiree mortality assumption is dependent upon the member's job category and gender. The base mortality assumptions, the 2016 Public Retirees of South Carolina Mortality table (2016 PRSC), was developed using the System's mortality experience. These base rates are adjusted for future improvement in mortality using published Scale AA projected from the year 2016.

Assumptions used in the determination of the June 30, 2020 total pension liability are as follows:

<b>Former Job Class</b>	<b>Males</b>	<b>Females</b>
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%

#### **Long-term Expected Rate of Return**

The long-term expected rate of return on pension plan investments is based upon 20-year capital market assumptions. The long-term expected rates of return represent assumptions developed using an arithmetical building block approach primarily based on consensus expectations and market-based inputs. Expected returns are net of investment fees.

The expected returns, along with the expected inflation rate, form the basis for the revised target asset allocation adopted at the beginning of the 2020 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 and is summarized in the following table. 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.

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Allocation/Exposure	Policy Target	Expected Arithmetic Real Rate of Return	Long Term Expected Portfolio Real Rate of Return
<b>Global Equity</b>	<b>51.0%</b>		
Global Public Equity	35.0%	7.81%	2.73%
Private Equity	9.0%	8.91%	0.80%
Equity Options Strategies	7.0%	5.09%	0.36%
<b>Real Assets</b>	<b>12.0%</b>		
Real Estate (Private)	8.0%	5.55%	0.44%
Real Estate (REITs)	1.0%	7.78%	0.08%
Infrastructure (Private)	2.0%	4.88%	0.10%
Infrastructure (Public)	1.0%	7.05%	0.07%
<b>Opportunistic</b>	<b>8.0%</b>		
Global Tactical Asset Allocation	7.0%	3.56%	0.25%
Other Opportunistic Strategies	1.0%	4.41%	0.04%
<b>Credit</b>	<b>15.0%</b>		
High Yield Bonds/Bank Loans	4.0%	4.21%	0.17%
Emerging Markets Debt	4.0%	3.44%	0.14%
Private Debt	7.0%	5.79%	0.40%
<b>Rate Sensitive</b>	<b>14.0%</b>		
Core Fixed Income	13.0%	1.60%	0.21%
Cash and Short Duration (Net)	1.0%	0.56%	0.01%
Total Expected Real Return	100.0%		5.80%
Inflation for Actuarial Purposes			2.25%
Total Expected Nominal Return			8.05%

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

The net pension liability is calculated separately for each system and represents that particular system's total pension liability determined in accordance with GASB No. 67 less that System's fiduciary net position. NPL totals, as of June 30, 2020, for SCRS and PORS are presented in the following table:

System	Total Pension Liability	Plan Fiduciary Net Position	Employer's Net Pension Liability (Asset)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
SCRS	\$ 51,844,187,763	\$ 26,292,418,682	\$ 25,551,769,081	50.7%
PORS	\$ 8,046,386,629	\$ 4,730,174,642	\$ 3,316,211,987	58.8%

The total pension liability is calculated by the System's actuary, and each plan's fiduciary net position is reported in the System's financial statements. The net pension liability is disclosed in accordance with the requirements of GASB Statement 67 in the System's notes to the financial statements and required supplementary information.

Liability calculations performed by the Systems' actuary for the purpose of satisfying the requirements of GASB Nos. 67 and 68 are not applicable for other purposes, such as determining the Plans' funding requirements.

**RICHLAND SCHOOL DISTRICT TWO**  
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At June 30, 2021, the School District reported liabilities of \$411,463,295 and \$1,086,190 for its proportionate share of the SCRS and PORS net pension liability, respectively. The School District's total net pension liability at June 30, 2021 was \$412,549,485. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019 projected forward to June 30, 2020. The School District's proportionate share of the net pension liability was calculated on the basis of historical employer contributions to the pension plan relative to historical contributions of all participating employers. As of the June 30, 2020 measurement date, the School District's proportionate share of the SCRS plan was 1.610312%, which was a decrease of 0.017821% from its proportion measured as of June 30, 2019. As of the June 30, 2020 measurement date, the School District's proportionate share of the PORS plan was 0.0327540%, which was a decrease of 0.001677% from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the School District recognized pension expense of \$41,400,435 and \$116,427 for SCRS and PORS, respectively, for a total pension expense of \$41,516,862. In prior years, the School District has used General Fund Resources to liquidate pension liabilities.

**Deferred Outflows of Resources and Deferred Inflows of Resources related to Pensions**

At June 30, 2021, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<b>Description</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
<b><u>South Carolina Retirement System</u></b>		
Contributions subsequent to the measurement date	\$ 27,822,625	\$ -
Changes in assumptions	504,109	-
Differences between expected and actual experience	4,747,742	1,555,918
Net difference between projected and actual earnings on pension plan investments	30,266,574	-
Deferred amounts from changes in proportionate share	86,829	8,591,691
Total SCRS	<u>\$ 63,427,879</u>	<u>\$ 10,147,609</u>
<b><u>Police Officers Retirement System</u></b>		
Contributions subsequent to the measurement date	\$ 75,100	\$ -
Changes in assumptions	13,255	-
Differences between expected and actual experience	23,084	4,781
Net difference between projected and actual earnings on pension plan investments	111,224	-
Deferred amounts from changes in proportionate share	12,420	114,908
Total PORS	<u>\$ 235,083</u>	<u>\$ 119,689</u>
Total SCRS and PORS	<u>\$ 63,662,962</u>	<u>\$ 10,267,298</u>

**RICHLAND SCHOOL DISTRICT TWO**  
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The \$27,822,625 and \$75,100 reported as deferred outflows of resources related to the District's contributions subsequent to the measurement date to the SCRS and PORS, respectively, will be recognized as a reduction of the net pension liability in the year ending June 30, 2022.

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 SCRS and PORS plans, respectively.

Year Ended June 30,	SCRS	PORS	Total
2021	\$ 2,089,818	\$ 5,151	\$ 2,094,969
2022	6,368,903	(9,863)	6,359,040
2023	9,275,548	18,172	9,293,720
2024	7,723,376	26,834	7,750,210
2025	-	-	-
Thereafter	-	-	-
Total	<u>\$ 25,457,645</u>	<u>\$ 40,294</u>	<u>\$ 25,497,939</u>

#### Discount Rate

The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers in SCRS and PORS will be made based on the actuarially determined rates based on provisions in the South Carolina Code of Laws. Based on those assumptions, each System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following table presents the School District's proportionate share of the net pension liability calculated using the discount rate of 7.25 percent, as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.25 percent) or 1 percentage point higher (8.25 percent) than the current rate:

#### Sensitivity of the Net Pension Liability to Changes in the Discount Rate

System	1.00% Decrease (6.25%)	Current Discount Rate (7.25%)	1.00% Increase (8.25%)
SCRS	\$ 509,958,300	\$ 411,463,295	\$ 329,218,779
PORS	\$ 1,086,190	\$ 1,086,190	\$ 803,764

#### Pension Plan Fiduciary Net Position

Detailed information regarding the fiduciary net position of the plans administered by PEBA is available in the separately issued ACFR containing financial statements and required supplementary information for SCRS. The ACFR of the Pension Trust Funds is publicly available on PEBA's Retirement Benefits' website at [www.peba.sc.gov](http://www.peba.sc.gov), or a copy may be obtained by submitting a request to PEBA, 202 Arbor Lake Drive, Columbia, SC, 29223.

#### 10. OTHER POSTEMPLOYMENT BENEFITS

As previously discussed, PEBA is a state agency responsible for the administration and management of the State of South Carolina's employee insurance programs, other post-employment benefit trusts and retirement systems and is part of the State of South Carolina primary government.



## **RICHLAND SCHOOL DISTRICT TWO NOTES TO FINANCIAL STATEMENTS JUNE 30, 2021**

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By law, the State Fiscal Accountability Authority ("SFAA"), which consists of five elected officials, also reviews certain PEBA Board decisions in administering the State Health Plan and OPEB.

PEBA – Insurance Benefits issues audited financial statements and required supplementary information for the other post-employment benefits trusts ("OPEB Trusts"). This information is publicly available through the PEBA – Insurance Benefits' link on PEBA's website at [www.peba.sc.gov](http://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 Trusts' financial information is also included in the annual comprehensive financial report of the State.

### **Plan Descriptions**

The Other Post-Employment Benefits Trust Funds (OPEB Trusts), collectively refers to the South Carolina Retiree Health Insurance Trust Fund (SCRHITF) and the South Carolina Long-Term Disability Insurance Trust Fund (SCLTDITF), were established by the State of South Carolina as Act 195, which became effective on 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. In accordance with the South Carolina Code of Laws and the annual Appropriations Act, the State provides post-employment health and dental and long-term disability benefits to retired State and school district employees and their covered dependents.

### **Plan Benefits**

The SCRHITF is a healthcare plan that covers retired employees of the State of South Carolina, including all agencies, and public school districts. 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.

### **Plan 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 on active employee covered payroll.

**RICHLAND SCHOOL DISTRICT TWO**  
**NOTES TO FINANCIAL STATEMENTS**  
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The covered payroll surcharge for the years ended June 30, 2021, 2020 and 2019 were 6.25 percent, 6.25 percent and 6.05 percent, respectively. The South Carolina Retirement System collects the monthly covered payroll surcharge for all participating employers and remits it directly to the SCRHITF. Other sources of funding for the SCRHITF 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 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. Non-employer contributions include the mandatory transfer of accumulated PEBA – Insurance Benefits' reserves and the annual appropriation budgeted by the General Assembly. It is also funded through investment income.

The SCLTDITF is funded through employer contributions for active employees that elect health insurance coverage. For this group of active employees, PEBA – Insurance Benefits bills and collects premiums 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, 2021. The SCLTDITF premium is billed monthly by PEBA – Insurance Benefits and transferred monthly to the SCLTDITF. It is also funded through investment income.

The allocation percentage of the OPEB amounts are calculated differently for each OPEB Trust. For the SCRHITF, the allocation percentage is based on the covered payroll surcharge contribution for each employer. Please note that actual covered payroll contributions received from SCRS for the fiscal year 2020 totaled \$578,838,884. However, the covered payroll contributions total includes prior year covered payroll contribution adjustments and true-ups that net to a total of \$2,724,225.

In accordance with part (b) of paragraph 69 of GASB Statement No. 75, participating employers should recognize revenue in an amount equal to the employer's proportionate share of the change in the collective net OPEB liability arising from contributions to the OPEB plan during the measurement period from non-employer contributing entities for purposes other than the separate financing of specific liabilities to the OPEB plan. Therefore, employers should classify this revenue in the same manner as it classifies grants from other entities.

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.

#### **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.

**RICHLAND SCHOOL DISTRICT TWO**  
**NOTES TO FINANCIAL STATEMENTS**  
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Additional information as of the latest actuarial valuation for SCRHITF:

Valuation Date: June 30, 2019

Actuarial Cost Method: Individual Entry - Age Normal

Inflation: 2.25%

Investment Rate of Return: 2.75%, net of OPEB Plan investment expense; including inflation

Single Discount Rate: 2.45% as of June 30, 2020

Demographic Assumptions: Based on the experience study performed for the South Carolina Retirement Systems 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% participation for retirees who are eligible for Partial Funded Premiums. 20% participation for retirees who are eligible for Non-Funded Premiums.

Notes: There were no benefit changes during the year. The discount rate changed from 3.13% as of June 30, 2019 to 2.45% as of June 30, 2020; updates were also made to the healthcare trend rate assumption, including an adjustment to reflect the repeal of the "Cadillac Tax".

Additional information as of the latest actuarial valuation for SCLTDITF:

Valuation Date: June 30, 2019

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: 2.83% as of June 30, 2020

Salary, Termination and Retirement Rates: Based on the experience study performed for the South Carolina Retirement Systems 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 South Carolina Retirement Systems pension plans

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

**RICHLAND SCHOOL DISTRICT TWO  
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Expenses: Third party administrative expenses were included in the benefit projections

Notes: The discount rate changed from 3.04% as of June 30, 2019 to 2.83% as of June 30, 2020.

**Long-term Expected Rate of Return**

The long-term expected rate of returns represent 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 tables:

**SOUTH CAROLINA RETIREE HEALTH INSURANCE TRUST FUND**

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

**SOUTH CAROLINA LONG-TERM DISABILITY INSURANCE TRUST FUND**

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

**Discount Rate**

A Single Discount Rate of 2.45% 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).

**RICHLAND SCHOOL DISTRICT TWO**  
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A Single Discount Rate of 2.83% 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 2.45%. 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 2041. As a result, the long-term expected rate of return on plan investments was applied to project benefit payments through the year 2041, and the municipal bond rate was applied to all benefit payments after that date.

The following table presents the District's proportionate share of the net OPEB liability of the SCRHITF calculated using a Single Discount Rate of 2.45 percent, as well as what the District's proportionate share of the net OPEB liability of the SCRHITF would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

Sensitivity of the SCRHITF Net OPEB Liability to Changes in the Discount Rate		
1.00% Decrease (1.45%)	Current Discount Rate (2.45%)	1.00% Increase (3.45%)
\$ 440,237,972	\$ 368,955,500	\$ 311,995,475

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

Sensitivity of the SCRHITF Net OPEB Liability to Changes in the Healthcare Cost Trend Rates		
1.00% Decrease	Current Healthcare Cost Trend Rate	1.00% Increase
\$ 298,634,064	\$ 368,955,500	\$ 461,307,786

The following table presents the District's proportionate share of the net OPEB liability of the SCLTDITF calculated using a Single Discount Rate of 2.83 percent, as well as what the District's proportionate share of the net OPEB liability of the SCLTDITF would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

Sensitivity of the SCLTDITF Net OPEB Liability to Changes in the Discount Rate		
1.00% Decrease (1.83%)	Current Discount Rate (2.83%)	1.00% Increase (3.83%)
\$ 27,662	\$ 4,695	\$ (18,114)

**Net OPEB Liability, OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB**

The Net OPEB Liability is calculated separately for each OPEB Trust Fund and represents that particular Trust's total OPEB liability determined in accordance with GASB No. 74 less that Trust's fiduciary net position.

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Net OPEB liability totals, as of June 30, 2020 measurement date, for the SCRHITF and SCLTDITF are presented in the following table:

System	Total OPEB Liability	Plan Fiduciary Net Position	Employer's Net OPEB Liability (Asset)	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
SCRHITF	\$ 19,703,745,672	\$ 1,652,299,185	\$ 18,051,446,487	8.39%
SCLTDITF	\$ 42,782,316	\$ 42,479,106	\$ 303,210	99.29%

The total OPEB liability is calculated by the Trusts' actuary, and each Trust's fiduciary net position is reported in the Trust's financial statements. The net OPEB liability is disclosed in accordance with the requirements of GASB No. 74 in the Trusts' notes to the financial statements and required supplementary information.

At June 30, 2021, the District reported liabilities of \$368,995,500 and \$4,695 for its proportionate share of the net OPEB liabilities for the SCRHITF and SCLTDITF, respectively. The School District's total net OPEB liability at June 30, 2021 was \$368,960,195. The net OPEB liabilities were measured as of June 30, 2020, and the total OPEB liabilities for the OPEB Trusts used to calculate the net OPEB liabilities were determined based on the most recent actuarial valuation report as of July 1, 2019 that was projected forward to the measurement date. The District's proportion of the net OPEB liabilities were based on an allocation of the District's share of payroll-related contributions to the OPEB Trusts relative to the projected contributions of all participating South Carolina state and local governmental employers, actuarially determined. At the June 30, 2020 measurement date, the District's SCRHITF proportion was 2.043911 percent, which was .037608 percent less than its proportion measured as of June 30, 2019. At the June 30, 2020 measurement date, the District's SCLTDITF proportion was 1.548313 percent, which was .034514 percent less than its proportion measured as of June 30, 2019.

In accordance with part (b) of paragraph 69 of GASB Statement No. 75, participating employers should recognize revenue in an amount equal to the employer's proportionate share of the change in the collective net OPEB liability arising from contributions to the OPEB plan during the measurement period from non-employer contributing entities for purposes other than the separate financing of specific liabilities to the OPEB plan. For the year ended June 30, 2021, the District recognized \$2,725,775, and \$0 for the SCRHITF and SCLTDITF, respectively, for a total of \$2,725,775 of revenues from state sources and intergovernmental expenditures in the District's special revenue funds. In prior years, the School District has used General Fund resources to liquidate OPEB liabilities.

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For the year ended June 30, 2021, the District recognized OPEB expense of \$24,161,455 and \$125,797 for the SCRHITF and SCLTDITF, respectively, for a total OPEB expense of \$24,287,252. At June 30, 2021, the District reported deferred outflows of resources (deferred OPEB charges) and deferred inflows of resources (deferred OPEB credits) related to OPEB from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
<b>SCRHITF</b>		
Differences Between Expected and Actual Experience	\$ 10,552,465	\$ 8,402,439
Changes in Assumptions	54,905,183	14,693,694
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	495,823	1,356,396
Changes in Proportionate Share and Differences Between Employer Contributions and Proportionate Share of Total Plan Employer Contributions	113,881	12,684,533
The School District's Contributions Subsequent to the Measurement Date	11,769,719	-
<b>Total SCRHITF</b>	<u>77,837,071</u>	<u>37,137,062</u>
<b>SCLTDITF</b>		
Differences Between Expected and Actual Experience	-	19,489
Changes in Assumptions	19,673	2,344
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	12,076	51,205
Changes in Proportionate Share and Differences Between Employer Contributions and Proportionate Share of Total Plan Employer Contributions	-	6,037
The School District's Contributions Subsequent to the Measurement Date	118,016	-
<b>Total SCLTDITF</b>	<u>149,765</u>	<u>79,075</u>
<b>Total SCRHITF and SCLTDITF</b>	<u><u>\$ 77,986,836</u></u>	<u><u>\$ 37,216,137</u></u>

\$11,769,719 and \$118,016 that were reported as deferred outflows of resources related to the District's contributions subsequent to the measurement date to the SCRHITF and SCLTDITF, respectively, will be recognized as a reduction of the net OPEB liabilities in the year ended June 30, 2022.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the SCRHITF and SCLTDITF will increase (decrease) OPEB expense as follows:

Year Ended June 30,	SCRHITF	SC LTDITF:	Total
2021	\$ 2,931,434	\$ (7,464)	\$ 2,923,970
2022	2,812,510	(10,846)	2,801,664
2023	2,624,061	(15,193)	2,608,868
2024	5,894,148	(10,446)	5,883,702
2025	7,197,894	(1,205)	7,196,689
Thereafter	7,470,243	(2,172)	7,468,071
	<u><u>\$ 28,930,290</u></u>	<u><u>\$ (47,326)</u></u>	<u><u>\$ 28,882,964</u></u>

**RICHLAND SCHOOL DISTRICT TWO**  
**NOTES TO FINANCIAL STATEMENTS**  
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**11. RISK MANAGEMENT**

The School 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. During the 2020-2021 fiscal year, the School District obtained its general liability and property insurance through Surry of NC.

The School District has operated a self-insured Workers Compensation program since July 1, 2008. Activity related to the Workers Compensation program is reported in an Internal Service Fund. The School District has also hired a third party administrator to handle claim processing related to the program. The School District has purchased excess workers compensation insurance that covers losses exceeding \$600k per occurrence, with no aggregate requirement. At June 30, 2021, the School District has recognized a liability for claims payable in the Internal Service fund for \$1,664,728 related to estimated future claim payments.

The School District continues to carry commercial insurance for all other risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. There were no significant reductions in coverage during the year ended June 30, 2021.

**12. FUND BALANCE CLASSIFICATIONS**

The following table summarizes the amounts classified for specific fund balance classifications other than unassigned fund balance, which is only reportable in the General Fund:

Nonspendable:	
<i>Prepaid Items –Special Projects</i>	\$ 140,376
Restricted Fund Balance:	
<i>Restricted for Special Projects</i>	4,584,174
<i>Restricted for Food Service</i>	4,369,106
<i>Restricted for Debt Service</i>	33,155,070
<i>Restricted for Capital Projects</i>	127,651,824
Unassigned Fund Balance	<u>94,606,189</u>
Total Governmental Fund Balance	<u>\$ 264,506,739</u>

**13. CONTINGENT LIABILITIES**

**Litigation**

Various claims and lawsuits are pending against the School District. Although the outcomes of these lawsuits are not presently determinable, it is the opinion of the School District's counsel that resolution of these matters will not have a material adverse effect on the financial condition of the School District.

**Grants**

The School District participates in a number of federally assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The amount of program expenditures which may be disallowed by the granting agencies cannot be determined at this time although the School District expects such amounts, if any, to be immaterial.

**14. TAX ABATEMENTS**

Richland County, South Carolina ("County") has two tax abatement programs which abate Richland School District Two's ("School District") property tax revenues from certain taxpayers. Those programs are the "Fee-in-Lieu of Ad Valorem Property Tax" ("FILOT") program and the "Special Source Revenue Credit" ("SSRC") Program. The purpose of the FILOT program is to reduce the disparately higher property tax rates applied to manufacturing and certain commercial properties in South Carolina, which have previously impeded new and expanding business from locating in South Carolina. The purpose of the SSRC program



**RICHLAND SCHOOL DISTRICT TWO  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021**

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is to enhance economic development by reducing property taxes for taxpayers that use the credit provided under the SSRC program to pay the cost of designing, acquiring, constructing, improving, or expanding (a) infrastructure serving the local government or the taxpayer's property, or (b) improved or unimproved real estate and personal property, including machinery and equipment used in the operation of a manufacturing or commercial enterprise.

Additionally, the County uses multicounty industrial or business parks ("MCIP") in connection with the FILOT and SSRC programs which further abate the School District's property tax revenues from certain taxpayers.

For tax year 2020, the gross dollar amount by which the School District's property tax revenues were abated pursuant to tax abatement agreements entered into by the County under each of the programs described above is as follows:

FILOT Program:	\$11,229,162
SSRC Program:	\$957,305 <sup>1</sup>
MCIP:	\$703,953

For tax year 2020, the gross dollar amount of property tax revenues the School District received pursuant to the tax abatement agreements entered into by the County under each of the programs described above is as follows:

FILOT Program:	\$5,137,684
SSRC Program:	\$303,562 <sup>1</sup>
MCIP:	\$3,692,616

<sup>1</sup>The County may combine the FILOT and the SSRC program into one tax abatement agreement. The property tax revenues abated or received under the SSRC program are revenues that are abated or received by the School District through tax abatement agreements utilizing only the SSRC program. Abatements incurred or revenues received by the School District through tax abatement programs utilizing a combination of the FILOT and the SSRC programs are noted in the FILOT program abatements and revenues.

## **15. COMMITMENTS**

The School District had capital projects still in process as of June 30, 2021, primarily related to safety and security projects approved in the 2018 Bond Referendum. The School District has entered into contracts for these projects totaling over \$212.8 million, of which approximately \$127.5 million had not been expended as of June 30, 2021.

The School District has entered into operating leases, generally for office machines, which are cancelable within one year. Payments under such leases typically do not exceed \$550k annually. The School District anticipates annual payments to approximate this amount on an on-going basis.

## **16. RICHLAND TWO CHARTER HIGH SCHOOL**

During fiscal year 2020-2021, the Board of the Richland Two Charter High School voted to close the Charter School as of June 30, 2021. As of that date, the Charter School's assets and liabilities were transferred to the School District. This includes the Charter School's net pension liabilities and net OPEB liabilities, and related deferred outflows and inflows. This transfer resulted in a gain on transfer for the Charter School of \$1,358,417, which was recorded as a "special item" under GASB Statement No. 69.

## **17. SUBSEQUENT EVENTS**

The School District has considered subsequent events through the date of the auditors' report, in preparing the financial statements and notes hereto.

## **REQUIRED SUPPLEMENTARY INFORMATION**

**RICHLAND COUNTY SCHOOL DISTRICT TWO**  
**BUDGETARY COMPARISON SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET TO ACTUAL**  
**GENERAL FUND**  
**YEAR ENDED JUNE 30, 2021**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Final Budget</u>
<b>REVENUES:</b>				
Local Property Tax	\$ 107,101,090	\$ 107,101,090	\$ 107,957,424	\$ 856,334
Other Local Revenue	1,953,158	1,953,158	1,780,466	(172,692)
Total Revenue from Local Sources	109,054,248	109,054,248	109,737,890	683,642
Intergovernmental Sources	250,000	250,000	972,255	722,255
State Sources	182,338,861	182,338,861	184,164,083	1,825,222
Federal Sources	250,000	250,000	258,307	8,307
<b>Total Revenues - All Sources</b>	<u>291,893,109</u>	<u>291,893,109</u>	<u>295,132,535</u>	<u>3,239,426</u>
<b>EXPENDITURES:</b>				
Current:				
Instruction	178,321,019	179,006,321	168,853,607	10,152,714
Support Services	119,416,554	124,283,608	115,696,546	8,587,062
Community Services	301,336	318,590	221,230	97,360
Other Charges	1,225,512	511,002	505,351	5,651
<b>Total Expenditures</b>	<u>299,264,421</u>	<u>304,119,521</u>	<u>285,276,734</u>	<u>18,842,787</u>
<b>Excess Revenues Over (Under) Expenditures</b>	<u>(7,371,312)</u>	<u>(12,226,412)</u>	<u>9,855,801</u>	<u>22,082,213</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Sale of Capital Assets			2,607	2,607
Transfers In	9,321,512	9,321,512	10,555,129	1,233,617
Transfers Out	(1,950,200)	(7,045,100)	(7,045,100)	-
<b>Total Other Financing Sources (Uses)</b>	<u>7,371,312</u>	<u>2,276,412</u>	<u>3,512,636</u>	<u>1,236,224</u>
<b>Excess / (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing (Uses)</b>	<u>\$ -</u>	<u>\$ (9,950,000)</u>	<u>13,368,437</u>	<u>\$ 23,318,437</u>
Fund Balance, Beginning of Year			<u>81,237,752</u>	
<b>Fund Balance, End of Year</b>			<u>\$ 94,606,189</u>	

*Note: The budgets are presented on the modified accrual basis of accounting, which is consistent with accounting principles generally accepted in the United States of America.*

**RICHLAND COUNTY SCHOOL DISTRICT TWO**  
**SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**YEAR ENDED JUNE 30, 2021**

	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
<b>South Carolina Retirement System (SCRS)</b>								
Proportionate Share of Net Liability as a Percentage	1.610312%	1.628133%	1.664207%	1.682357%	1.691729%	1.702456%	1.681826%	1.681826%
Proportionate Share of Net Liability as an Amount	411,463,295	371,770,218	372,895,862	378,725,617	361,350,817	322,878,988	289,562,351	289,562,351
Covered Payroll During the Measurement Period	187,434,066	181,551,571	182,982,634	180,793,991	150,233,153	146,596,583	140,953,599	140,953,599
Proportionate Share of the Net Liability as a Percentage of its Covered Payroll	219.52%	204.77%	203.79%	209.48%	240.53%	220.25%	205.43%	205.43%
System Plan Fiduciary Net Position as a Percentage of the Total System Pension Liability	50.70%	54.40%	54.11%	53.34%	52.91%	56.99%	59.92%	56.39%
<b>Police Officers Retirement System (PORS)</b>								
Proportionate Share of Net Liability as a Percentage	0.032754%	0.034431%	0.039786%	0.041180%	0.036550%	0.040650%	0.042410%	0.042410%
Proportionate Share of Net Liability as an Amount	1,086,190	986,769	1,127,346	1,128,261	927,208	886,031	812,351	812,351
Covered Payroll During the Measurement Period	491,691	494,559	553,219	554,188	506,235	510,602	477,238	477,238
Proportionate Share of the Net Liability as a Percentage of its Covered Payroll	220.91%	199.53%	203.78%	203.59%	183.16%	173.53%	170.22%	170.22%
System Plan Fiduciary Net Position as a Percentage of the Total System Pension Liability	58.80%	62.69%	61.73%	60.94%	60.44%	64.57%	67.55%	62.98%

Source: Information obtained from the South Carolina Public Employee Benefit Authority (PEBA) and the district's financial records.

Note: The amounts presented for each fiscal year were determined as of June 30th of the preceding year. As of June 30, 2021, only eight years of data were available. Additional years' information will be included as it becomes available.

**RICHLAND COUNTY SCHOOL DISTRICT TWO  
SCHEDULE OF CONTRIBUTIONS TO SCRS AND PORS  
YEAR ENDED JUNE 30, 2021**

**SOUTH CAROLINA RETIREMENT SYSTEM (SCRS)**

	<b>Statutorily Required Contributions</b>	<b>Contributions Recognized by the Plan</b>	<b>Contribution Deficiency (Excess)</b>	<b>Covered Payroll</b>	<b>Contributions as a % of Covered Payroll</b>
2021	\$ 27,822,625	\$ 27,822,625	\$ -	\$ 187,899,207	14.81%
2020	\$ 27,750,669	\$ 27,750,669	\$ -	\$ 187,434,066	14.81%
2019	\$ 25,065,931	\$ 25,065,931	\$ -	\$ 181,551,571	13.81%
2018	\$ 23,484,406	\$ 23,484,406	\$ -	\$ 182,982,634	12.83%
2017	\$ 19,631,538	\$ 19,631,538	\$ -	\$ 180,793,991	10.86%
2016	\$ 18,113,331	\$ 18,113,331	\$ -	\$ 150,233,153	12.06%
2015	\$ 17,378,471	\$ 17,378,471	\$ -	\$ 146,596,583	11.85%
2014	\$ 16,173,481	\$ 16,173,481	\$ -	\$ 140,953,599	11.47%

**POLICE OFFICER RETIREMENT SYSTEM (PORS)**

	<b>Statutorily Required Contributions</b>	<b>Contributions Recognized by the Plan</b>	<b>Contribution Deficiency (Excess)</b>	<b>Covered Payroll</b>	<b>Contributions as a % of Covered Payroll</b>
2021	\$ 75,100	\$ 75,100	\$ -	\$ 416,296	18.04%
2020	\$ 88,701	\$ 88,701	\$ -	\$ 491,691	18.04%
2019	\$ 84,273	\$ 84,273	\$ -	\$ 494,559	17.04%
2018	\$ 88,736	\$ 88,736	\$ -	\$ 553,219	16.04%
2017	\$ 77,814	\$ 77,814	\$ -	\$ 554,188	14.04%
2016	\$ 68,544	\$ 68,544	\$ -	\$ 506,235	13.54%
2015	\$ 67,450	\$ 67,450	\$ -	\$ 510,602	13.21%
2014	\$ 60,322	\$ 60,322	\$ -	\$ 477,238	12.64%

Source: Information obtained from the South Carolina Public Employee Benefit Authority (PEBA) and the district's financial records.

Note: The amounts presented for each fiscal year were determined as of June 30th of the preceding year. As of June 30, 2021, only eight years of data were available. Additional years' information will be included as it becomes available.

**RICHLAND COUNTY SCHOOL DISTRICT TWO**  
**SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY**  
**YEAR ENDED JUNE 30, 2021**

	2021	2020	2019	2018	2017
<b>South Carolina Retiree Health Insurance Trust Fund (SCRHITF)</b>					
Proportionate Share of Net Liability as a Percentage	2.043911%	2.081519%	2.128269%	2.150499%	2.150499%
Proportionate Share of Net Liability as an Amount	368,955,500	314,757,407	301,588,167	291,281,567	311,147,763
Covered Payroll During the Measurement Period	187,925,757	182,046,130	183,535,853	181,348,179	181,348,179
Proportionate Share of the Net Liability as a Percentage of its Covered Payroll	196.33%	172.90%	164.32%	160.62%	171.57%
System Plan Fiduciary Net Position as a Percentage of the Total System OPEB Liability	8.39%	8.44%	7.91%	7.60%	7.60%
<b>South Carolina Long-Term Disability Insurance Trust Fund (SCLTDITF)</b>					
Proportionate Share of Net Liability as a Percentage	1.548313%	1.582827%	1.614178%	0.411800%	0.036550%
Proportionate Share of Net Liability as an Amount	4,695	31,154	49,414	1,128,261	927,208
Covered Payroll During the Measurement Period**	N/A	N/A	N/A	N/A	N/A
Proportionate Share of the Net Liability as a Percentage of its Covered Payroll**	N/A	N/A	N/A	N/A	N/A
System Plan Fiduciary Net Position as a Percentage of the Total System OPEB Liability	99.29%	95.17%	92.20%	95.29%	95.29%

Source: Information obtained from the South Carolina Public Employee Benefit Authority (PEBA) and the district's financial records.

Note: The amounts presented for each fiscal year were determined as of June 30th of the preceding year. As of June 30, 2021, only five years of data were available. Additional years' information will be included as it becomes available.

\*\* Because contributions for the plan are not based on a measure of pay, covered payroll for the measurement period is not presented.

**RICHLAND COUNTY SCHOOL DISTRICT TWO  
SCHEDULE OF CONTRIBUTIONS TO SCRHTF AND SCLTDITF  
YEAR ENDED JUNE 30, 2021**

**SOUTH CAROLINA RETIREE HEALTH INSURANCE TRUST FUND (SCRHTF)**

	<b>Statutorily Required Contributions</b>	<b>Contributions Recognized by the Plan</b>	<b>Contribution Deficiency (Excess)</b>	<b>Covered Payroll</b>	<b>Contributions as a % of Covered Payroll</b>
2021	\$ 11,743,700	\$ 11,743,700	\$ -	\$ 187,899,207	6.25%
2020	\$ 11,745,360	\$ 11,745,360	\$ -	\$ 187,925,757	6.25%
2019	\$ 11,013,791	\$ 11,013,791	\$ -	\$ 182,046,130	6.05%
2018	\$ 10,094,472	\$ 10,094,472	\$ -	\$ 183,535,853	5.50%
2017	\$ 9,665,858	\$ 9,665,858	\$ -	\$ 181,348,179	5.33%

**SOUTH CAROLINA LONG-TERM DISABILITY INSURANCE TRUST FUND (SCLTDITF)**

	<b>Statutorily Required Contributions</b>	<b>Contributions Recognized by the Plan</b>	<b>Contribution Deficiency (Excess)</b>	<b>Covered Payroll**</b>	<b>Contributions as a % of Covered Payroll**</b>
2021	\$ 118,016	\$ 118,016	\$ -	N/A	N/A
2020	\$ 117,021	\$ 117,021	\$ -	N/A	N/A
2019	\$ 125,931	\$ 125,931	\$ -	N/A	N/A
2018	\$ 126,955	\$ 126,955	\$ -	N/A	N/A
2017	\$ 117,150	\$ 117,150	\$ -	N/A	N/A

Source: Information obtained from the South Carolina Public Employee Benefit Authority (PEBA) and the district's financial records.

*Note: The amounts presented for each fiscal year were determined as of June 30th of the preceding year. As of June 30, 2021, only five years of data were available. Additional years' information will be included as it becomes available.*

*\*\* Because contributions for the plan are not based on a measure of pay, covered payroll for the measurement period is not presented.*

## **OTHER SUPPLEMENTAL INFORMATION**

The following schedules are required by the South Carolina Department of Education.



## **SCHEDULE A**

### **GENERAL FUND**

The general fund, also referred to as the "operating fund," is the basic budgetary fund of the School District. It is used to record all operating revenues and expenditures for the educational and support programs of the School District and for limited capital outlays. The appropriations and the anticipated revenue sources originate in the School District's operating budget. Any unassigned fund balance may be appropriated to support operating expenditures in subsequent years.

The following schedule has been prepared in the format mandated by the South Carolina Department of Education. The account numbers shown on the schedule are also mandated by the South Carolina Department of Education.

**RICHLAND SCHOOL DISTRICT TWO  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
REVISED BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2021**

	REVISED BUDGET	ACTUAL	VARIANCE
<b>REVENUES</b>			
1000 Revenues from Local Sources			
1200 Revenue from Local Governmental Units Other Than LEAs:			
1210 Ad Valorem Taxes - Including Delinquents	\$ 104,688,430	\$ 102,528,797	\$ (2,159,633)
1240 Penalties and Interest on Taxes	1,395,439	874,638	(520,801)
1280 Revenue in Lieu of Taxes (Independent and Dependent)	1,017,221	4,553,989	3,536,768
1300 Tuition:			
1310 Tuition from Patrons for Regular Day School	37,222	38,357	1,135
1350 Tuition from Patrons for Summer School	100,000	57,876	(42,124)
1360 Tuition from Other LEAs for Summer School	125,000	-	(125,000)
1500 Earnings on Investments:			
1510 Interest on Investments	500,000	114,271	(385,729)
1700 Pupil Activities:			
1740 Student Fees	89,340	64,093	(25,247)
1900 Other Revenue from Local Sources:			
1910 Rentals	406,471	248,529	(157,942)
1950 Refund of Prior Years Expenditures		347,407	347,407
1990 Miscellaneous Local Revenue			
1993 Receipt of Insurance Proceeds		433	433
1999 Revenue from Other Local Sources	695,125	909,500	214,375
Total Local Sources	<u>109,054,248</u>	<u>109,737,890</u>	<u>683,642</u>
2000 Intergovernmental Revenue			
2200 Payments from Public Charter School	250,000	972,255	722,255
Total Intergovernmental Revenues	<u>250,000</u>	<u>972,255</u>	<u>722,255</u>
3000 Revenue from State Sources			
3130 Special Programs:			
3131 Handicapped Transportation - Bus Driver Aides	18,000	20,325	2,325
3160 School Bus Driver Salary	1,226,968	1,460,336	233,368
3161 EAA Bus Driver Salary and Fringe	4,700	5,072	372
3162 Transportation Workers' Compensation	71,410	72,410	1,000
3180 Fringe Benefits Employer Contributions	35,193,020	36,160,970	967,950
3181 Retiree Insurance	6,875,820	7,723,648	847,828
3186 State Aid Classroom T/S	6,566,186	6,148,514	(417,672)
3189 Teacher Step		1,313,254	1,313,254
3300 Education Finance Act			
3310 Full-Time Programs:			
3311 Kindergarten	3,548,088	3,361,481	(186,607)
3312 Primary	11,122,647	10,550,323	(572,324)
3313 Elementary	20,341,806	19,926,074	(415,732)
3314 High School	6,530,703	6,557,065	26,362
3315 Trainable Mentally Handicapped	286,826	238,579	(48,247)
3316 Speech Handicapped (Part-time Program)	3,175,502	3,262,982	87,480
3317 Homebound	23,057	15,872	(7,185)
3320 Part-Time Programs:			
3321 Emotionally Handicapped	535,717	406,687	(129,030)
3322 Educable Mentally Handicapped	224,418	210,129	(14,289)
3323 Learning Disabilities	6,597,803	6,691,568	93,765
3324 Hearing Handicapped	292,744	248,553	(44,191)
3325 Visually Handicapped	166,850	172,990	6,140
3326 Orthopedically Handicapped	63,845	90,061	26,216
3327 Vocational	12,007,936	11,837,445	(170,491)
3300 Other EFA Programs:			
3331 Autism	3,136,109	3,079,092	(57,017)
3332 High Achieving	1,295,895	1,310,605	14,710
3334 Limited English Proficiency	570,947	511,162	(59,785)
3351 Academic Assistance	2,865,429	2,726,169	(139,260)
3352 Pupils in Poverty	6,356,900	6,431,883	74,983
3353 Dual Credit Enrollment	65,219	60,518	(4,701)
3392 NBC Excess EFA Formula	-	230,976	230,976

(Continued)

**RICHLAND SCHOOL DISTRICT TWO  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
REVISED BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2021**

	REVISED BUDGET	ACTUAL	VARIANCE
3800 State Revenue in Lieu of Taxes:			
3810 Reimbursement for Local Residential Property Tax Relief	\$ 8,759,334	\$ 8,759,334	\$ -
3820 Homestead Exemption	1,894,248	1,894,248	-
3825 Reimbursement for Property Tax Relief - Tier 3	40,728,302	39,424,858	(1,303,444)
3830 Merchant's Inventory Tax	-	378,140	378,140
3840 Manufacturer's Depreciation Reimbursement	-	1,099,542	1,099,542
3900 Other State Revenue:			
3993 PEBA on-Behalf	1,792,432	1,783,108	(9,324)
3999 Revenue from Other State Sources		110	110
Total State Sources	<u>182,338,861</u>	<u>184,164,083</u>	<u>1,825,222</u>
4000 Revenue from Federal Sources			
4100 Federally Impacted Areas			
4110 Maintenance and Operations	250,000	258,307	8,307
Total Federal Sources	<u>250,000</u>	<u>258,307</u>	<u>8,307</u>
<b>TOTAL REVENUES ALL SOURCES</b>	<b><u>291,893,109</u></b>	<b><u>295,132,535</u></b>	<b><u>3,239,426</u></b>
<b>EXPENDITURES</b>			
100 Instruction:			
110 General Instruction:			
111 Kindergarten Programs:			
100 Salaries	7,294,601	7,009,712	284,889
140 Terminal Leave	10,010	10,010	-
200 Employee Benefits	3,008,965	2,951,258	57,707
300 Purchased Services	1,510	1,077	433
400 Supplies and Materials	18,565	16,619	1,946
112 Primary Programs:			
100 Salaries	27,573,662	26,265,049	1,308,613
140 Terminal Leave	62,046	62,046	-
200 Employee Benefits	11,042,382	10,182,581	859,801
300 Purchased Services	321,078	245,786	75,292
400 Supplies and Materials	819,835	622,800	197,035
113 Elementary Programs:			
100 Salaries	35,471,018	34,327,217	1,143,801
140 Terminal Leave	8,942	8,942	-
200 Employee Benefits	13,734,292	13,076,865	657,427
300 Purchased Services	585,139	391,887	193,252
400 Supplies and Materials	405,456	279,516	125,940
600 Other Objects	1,200	1,152	48
114 High School Programs:			
100 Salaries	26,657,183	25,646,980	1,010,203
140 Terminal Leave	62,159	54,407	7,752
200 Employee Benefits	9,745,213	9,361,622	383,591
300 Purchased Services	516,769	507,798	8,971
400 Supplies and Materials	667,301	505,064	162,237
500 Capital Outlay	3,500	2,799	701
600 Other Objects	25	25	-
115 Vocational Programs:			
100 Salaries	3,176,897	3,139,291	37,606
200 Employee Benefits	1,423,695	1,246,017	177,678
300 Purchased Services	55,046	42,986	12,060
400 Supplies and Materials	221,988	177,798	44,190
500 Capital Outlay	3,500	1,115	2,385
600 Other Objects	2,412	1,686	726
116 Career and Technology Education (Vocational Programs) - Middle School			
100 Salaries	229,301	211,384	17,917
200 Employee Benefits	85,217	81,730	3,487
118 Montessori Programs			
100 Salaries	1,087,618	1,085,061	2,557
200 Employee Benefits	535,781	481,718	54,063
400 Supplies and Materials	15,000	5,884	9,116

(Continued)

**RICHLAND SCHOOL DISTRICT TWO  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
REVISED BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2021**

	REVISED BUDGET	ACTUAL	VARIANCE
120 Exceptional Programs:			
121 Educable Mentally Handicapped:			
100 Salaries	\$ 1,827,246	\$ 1,799,068	\$ 28,178
140 Terminal Leave	7,052	7,052	-
200 Employee Benefits	695,120	694,249	871
300 Purchased Services	142,452	109,120	33,332
400 Supplies and Materials	3,200	2,113	1,087
600 Other Objects	600	300	300
122 Trainable Mentally Handicapped:			
100 Salaries	1,218,821	1,157,270	61,551
140 Terminal Leave	3,934	3,934	-
200 Employee Benefits	489,700	473,711	15,989
300 Purchased Services	193,769	96,802	96,967
400 Supplies and Materials	23,787	18,929	4,858
123 Orthopedically Handicapped:			
100 Salaries	48,986	36,771	12,215
200 Employee Benefits	30,724	22,355	8,369
300 Purchased Services	4,250	-	4,250
124 Visually Handicapped:			
100 Salaries	21,891	20,124	1,767
200 Employee Benefits	11,239	10,526	713
300 Purchased Services	2,500	1,474	1,026
400 Supplies and Materials	578	289	289
125 Hearing Handicapped:			
100 Salaries	332,383	311,036	21,347
200 Employee Benefits	125,943	116,717	9,226
300 Purchased Services	298,993	115,839	183,154
400 Supplies and Materials	16,362	8,181	8,181
126 Speech Handicapped:			
100 Salaries	2,606,382	2,511,503	94,879
200 Employee Benefits	1,044,235	1,027,206	17,029
300 Purchased Services	154,980	78,890	76,090
400 Supplies and Materials	11,166	5,893	5,273
127 Learning Disabilities:			
100 Salaries	7,456,110	7,177,518	278,592
200 Employee Benefits	2,896,009	2,797,330	98,679
300 Purchased Services	47,050	23,376	23,674
400 Supplies and Materials	61,714	31,874	29,840
128 Emotionally Handicapped:			
100 Salaries	1,225,023	1,051,221	173,802
200 Employee Benefits	429,219	427,831	1,388
300 Purchased Services	3,078	1,539	1,539
400 Supplies and Materials	5,000	2,375	2,625
129 Coordinated Early Intervening Services (CEIS):			
100 Salaries	394,557	324,163	70,394
200 Employee Benefits	138,444	120,220	18,224
130 Pre-School Programs:			
133 Preschool Handicapped Self-Contained (5-Yr.-Olds):			
100 Salaries	124,746	108,455	16,291
200 Employee Benefits	52,391	40,051	12,340
400 Supplies and Materials	1,000		1,000
136 Preschool Handicapped Itinerant(3- and 4-Yr.-Olds):			
100 Salaries	12,128	11,222	906
200 Employee Benefits	3,845	3,443	402
137 Pre-School Handicapped-Self-Contained (3 & 4 year olds):			
100 Salaries	858,831	858,810	21
200 Employee Benefits	384,431	362,034	22,397
300 Purchased Services	3,000	1,301	1,699
400 Supplies and Materials	4,459	3,093	1,366
139 Early Childhood Programs:			
100 Salaries	353,060	228,548	124,512
200 Employee Benefits	56,226	45,560	10,666

(Continued)

**RICHLAND SCHOOL DISTRICT TWO  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
REVISED BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2021**

	REVISED BUDGET	ACTUAL	VARIANCE
140 Special Programs:			
141 Gifted and Talented - Academic:			
100 Salaries	\$ 982,893	\$ 877,229	\$ 105,664
200 Employee Benefits	372,096	361,510	10,586
300 Purchased Services	23,070	16,809	6,261
400 Supplies and Materials	21,780	3,635	18,145
600 Other Objects	1,150	150	1,000
143 Advanced Placement:			
100 Salaries	15,915	3,823	12,092
200 Employee Benefits	2,715	1,106	1,609
400 Supplies and Materials	9,979	4,323	5,656
144 International Baccalaureate:			
300 Purchased Services	69,847	38,103	31,744
400 Supplies and Materials	5,780	5,288	492
145 Homebound:			
100 Salaries	251,649	96,010	155,639
200 Employee Benefits	77,635	39,660	37,975
300 Purchased Services	122,500	82,674	39,826
400 Supplies and Materials	2,000	218	1,782
148 Gifted and Talented - Artistic:			
100 Salaries	197,867	81,663	116,204
200 Employee Benefits	61,900	31,260	30,640
300 Purchased Services	432,928	12,484	420,444
400 Supplies and Materials	48,000	24,688	23,312
149 Other Special Programs:			
100 Salaries	158	79	79
200 Employee Benefits	48	24	24
300 Purchased Services	5,244	2,622	2,622
160 Other Exceptional Programs:			
161 Autism:			
100 Salaries	2,562,445	2,483,114	79,331
200 Employee Benefits	1,110,565	1,080,570	29,995
300 Purchased Services	37,355	18,678	18,677
400 Supplies and Materials	11,789	6,112	5,677
162 Limited English Proficiency			
100 Salaries	1,998,775	1,731,713	267,062
140 Terminal Leave	11,487	3,829	7,658
200 Employee Benefits	676,374	669,873	6,501
170 Summer School Programs:			
171 Primary Summer School:			
100 Salaries	83,889	83,889	-
200 Employee Benefits	49,154	24,577	24,577
300 Purchased Services	112	56	56
172 Elementary Summer School:			
100 Salaries	128,742	82,578	46,164
200 Employee Benefits	36,160	24,295	11,865
300 Purchased Services	20,000	-	20,000
173 High School Summer School:			
100 Salaries	74,495	36,650	37,845
200 Employee Benefits	19,247	10,328	8,919
175 Instructional Programs Beyond Regular School Days:			
100 Salaries	483,193	405,967	77,226
200 Employee Benefits	131,025	116,280	14,745
400 Supplies and Materials	4,815	2,407	2,408
180 Adult/Continuing Educational Programs:			
182 Adult Secondary Education Programs:			
100 Salaries	115,587	71,566	44,021
200 Employee Benefits	37,611	29,237	8,374
183 ESL Programs:			
100 Salaries	2,370	2,370	-
200 Employee Benefits	181	181	-

(Continued)

**RICHLAND SCHOOL DISTRICT TWO  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
REVISED BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2021**

	REVISED BUDGET	ACTUAL	VARIANCE
188 Parenting/Family Literacy:			
100 Salaries	\$ 19,080	\$ 19,020	\$ 60
200 Employee Benefits	1,486	1,489	(3)
400 Supplies and Materials	131	65	66
190 Instructional Pupil Activity			
100 Salaries	10,384	9,482	902
200 Employee Benefits	795	725	70
Total Instruction	179,006,321	168,853,607	10,152,714
200 Supporting Services:			
210 Pupil Services:			
211 Attendance and Social Work Services:			
100 Salaries	2,157,825	2,012,280	145,545
140 Terminal Leave	9,453	9,453	-
200 Employee Benefits	850,858	833,648	17,210
300 Purchased Services	50,391	25,428	24,963
400 Supplies and Materials	4,644	2,322	2,322
600 Other Objects	2,000		2,000
212 Guidance Services:			
100 Salaries	5,672,263	5,356,702	315,561
140 Terminal Leave	855	855	-
200 Employee Benefits	2,090,693	1,980,387	110,306
300 Purchased Services	12,290	11,817	473
400 Supplies and Materials	47,566	28,873	18,693
500 Capital Outlay	1,584	792	792
213 Health Services:			
100 Salaries	1,766,976	1,643,879	123,097
140 Terminal Leave	7,199	7,199	-
200 Employee Benefits	854,463	854,169	294
300 Purchased Services	97,379	70,104	27,275
400 Supplies and Materials	42,026	32,453	9,573
214 Psychological Services:			
100 Salaries	2,507,867	2,254,762	253,105
200 Employee Benefits	859,251	843,611	15,640
300 Purchased Services	18,950	12,863	6,087
400 Supplies and Materials	30,125	15,086	15,039
215 Exceptional Program Services:			
100 Salaries	176,094	140,761	35,333
200 Employee Benefits	42,485	36,206	6,279
300 Purchased Services	114,017	66,349	47,668
400 Supplies and Materials	8,070	4,035	4,035
217 Career Specialist Services:			
100 Salaries	41,758	41,080	678
200 Employee Benefits	3,245	3,143	102
220 Instructional Staff Services:			
221 Improvement of Instruction-Curriculum Development:			
100 Salaries	2,359,682	1,978,457	381,225
140 Terminal Leave	2,628	2,628	-
200 Employee Benefits	1,307,017	1,125,278	181,739
300 Purchased Services	540,761	304,224	236,537
400 Supplies and Materials	99,236	76,319	22,917
600 Other Objects	105,883	105,783	100
222 Library and Media Services:			
100 Salaries	3,044,921	2,857,911	187,010
140 Terminal Leave	7,392	7,392	-
200 Employee Benefits	1,233,985	1,211,241	22,744
300 Purchased Services	115,866	86,889	28,977
400 Supplies and Materials	256,272	225,100	31,172

(Continued)

**RICHLAND SCHOOL DISTRICT TWO  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
REVISED BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2021**

	REVISED BUDGET	ACTUAL	VARIANCE
223 Supervision of Special Programs:			
100 Salaries	\$ 2,708,322	\$ 2,655,068	\$ 53,254
140 Terminal Leave	16,811	9,081	7,730
200 Employee Benefits	999,370	989,435	9,935
300 Purchased Services	400,181	258,256	141,925
400 Supplies and Materials	81,087	24,279	56,808
600 Other Objects	25,071	17,739	7,332
224 Improvement of Instruction-Inservice and Staff Training:			
100 Salaries	589,118	576,131	12,987
200 Employee Benefits	273,863	165,318	108,545
300 Purchased Services	644,814	381,462	263,352
400 Supplies and Materials	119,593	70,680	48,913
600 Other Objects	250	250	-
230 General Administration Services:			
231 Board of Education:			
100 Salaries	136,785	105,165	31,620
200 Employee Benefits	36,457	36,140	317
300 Purchased Services	118,200	33,582	84,618
318 Audit services	42,000	36,500	5,500
400 Supplies and Materials	91,750	1,129	90,621
600 Other Objects	60,500	17,240	43,260
232 Office of the Superintendent:			
100 Salaries	901,449	843,442	58,007
140 Terminal Leave	9,948	9,948	-
200 Employee Benefits	553,938	523,812	30,126
300 Purchased Services	394,613	285,883	108,730
400 Supplies and Materials	29,100	12,548	16,552
600 Other Objects	217,577	217,117	460
233 School Administration:			
100 Salaries	20,315,092	19,534,855	780,237
140 Terminal Leave	74,629	74,629	-
200 Employee Benefits	7,577,563	7,419,296	158,267
300 Purchased Services	872,305	719,565	152,740
400 Supplies and Materials	879,729	749,749	129,980
500 Capital Outlay	34,321	15,813	18,508
600 Other Objects	6,644	6,463	181
250 Finance and Operations Services:			
251 Pupil Transportation-Federally Mandated:			
100 Salaries	132,352	120,844	11,508
200 Employee Benefits	63,410	19,078	44,332
300 Purchased Services	49,200	37,772	11,428
252 Fiscal Services:			
100 Salaries	1,511,958	1,480,471	31,487
140 Terminal Leave	20,337	20,337	-
180 Head of Organizational Unit Salaries	180,846	175,572	5,274
200 Employee Benefits	668,532	648,665	19,867
300 Purchased Services	327,201	119,278	207,923
380 Head of Organizational Unit Travel	4,000	660	3,340
400 Supplies and Materials	497,077	43,448	453,629
480 Head of Organizational Unit Supplies	93	93	-
600 Other Objects	82,000	30,160	51,840
680 Head of Organizational Unit Other Objects	300	50	250
254 Operation and Maintenance of Plant:			
100 Salaries	3,883,312	3,730,268	153,044
140 Terminal Leave	15,094	15,094	-
200 Employee Benefits	1,545,340	1,484,244	61,096
300 Purchased Services	12,436,760	12,506,342	(69,582)
321 Public utilities (exclude gas, oil, elec. & heating fuels)	1,761,600	1,496,585	265,015
400 Supplies and Materials	1,933,434	2,114,726	(181,292)
470 Energy (include gas, oil, elec. & heating fuels)	6,865,326	6,680,771	184,555
500 Capital Outlay	87,702	54,351	33,351
600 Other Objects	278,211	210,507	67,704

(Continued)

**RICHLAND SCHOOL DISTRICT TWO  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
REVISED BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2021**

	REVISED BUDGET	ACTUAL	VARIANCE
255 Student Transportation:			
100 Salaries	\$ 6,010,076	\$ 5,424,383	\$ 585,693
140 Terminal Leave	7,290	7,290	-
200 Employee Benefits	2,213,796	2,087,868	125,928
300 Purchased Services	147,350	35,598	111,752
400 Supplies and Materials	41,500	39,072	2,428
500 Capital Outlay	83,422	83,422	-
256 Food Service:			
100 Salaries	73,607	72,474	1,133
200 Employee Benefits	5,792	5,544	248
258 Security:			
100 Salaries	2,373,139	2,252,881	120,258
140 Terminal Leave	590	590	-
200 Employee Benefits	803,156	781,409	21,747
300 Purchased Services	1,714,800	1,287,431	427,369
400 Supplies and Materials	31,649	29,003	2,646
260 Central Support Services:			
262 Planning, Research, Development & Evaluation:			
100 Salaries	944,248	841,995	102,253
200 Employee Benefits	330,900	313,680	17,220
300 Purchased Services	369,754	292,479	77,275
400 Supplies and Materials	16,693	9,433	7,260
600 Other Objects	81,076	41,104	39,972
263 Information Services:			
100 Salaries	840,042	832,107	7,935
180 Head of Organizational Unit Salaries	140,250	136,152	4,098
200 Employee Benefits	372,439	366,418	6,021
300 Purchased Services	255,300	254,985	315
380 Head of Organizational Unit Travel	2,000	884	1,116
400 Supplies and Materials	66,446	39,555	26,891
500 Capital Outlay	6,000	-	6,000
600 Other Objects	1,640	1,420	220
264 Staff Services:			
100 Salaries	1,178,200	1,147,234	30,966
140 Terminal Leave	2,796	2,796	-
180 Head of Organizational Unit Salaries	139,740	135,763	3,977
200 Employee Benefits	1,154,241	1,084,466	69,775
300 Purchased Services	309,850	111,848	198,002
380 Head of Organizational Unit Travel	7,100	293	6,807
400 Supplies and Materials	89,040	31,161	57,879
600 Other Objects	7,630	5,322	2,308
266 Technology and Data Processing Services:			
100 Salaries	2,930,412	2,879,717	50,695
140 Terminal Leave	7,585	7,585	-
180 Head of Organizational Unit Salaries	153,408	149,011	4,397
200 Employee Benefits	1,222,318	1,172,075	50,243
300 Purchased Services	622,941	512,501	110,440
400 Supplies and Materials	216,078	172,324	43,754
500 Capital Outlay	879,996	879,996	-
600 Other Objects	1,200		1,200
270 Support Services - Pupil Activity:			
271 Pupil Service Activities:			
100 Salaries	855,576	759,421	96,155
200 Employee Benefits	270,738	215,007	55,731
300 Purchased Services	75,310	30,425	44,885
400 Supplies and Materials	122,502	110,626	11,876
600 Other Objects	4,857	2,428	2,429
Total Supporting Services	124,283,608	115,696,546	8,587,062

(Continued)



**RICHLAND SCHOOL DISTRICT TWO  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
REVISED BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2021**

	<b>REVISED BUDGET</b>	<b>ACTUAL</b>	<b>VARIANCE</b>
300 Community Service:			
390 Other Community Services			
100 Salaries	\$ 141,979	\$ 91,749	\$ 50,230
200 Employee Benefits	32,022	31,603	419
300 Purchased Services	67,489	64,640	2,849
400 Supplies and Materials	65,000	30,990	34,010
500 Capital Outlays	12,000	2,208	9,792
600 Other Objects	100	40	60
Total Community Service	<u>318,590</u>	<u>221,230</u>	<u>97,360</u>
400 Other Charges:			
410 Intergovernmental Expenditures			
412-720 Payments to Other Governmental Units	73,605	67,954	5,651
416-720 Payments to Public Charter Schools	437,397	437,397	-
Total Intergovernmental Expenditures	<u>511,002</u>	<u>505,351</u>	<u>5,651</u>
<b>TOTAL EXPENDITURES</b>	<b><u>304,119,521</u></b>	<b><u>285,276,734</u></b>	<b><u>18,842,787</u></b>
<b>OTHER FINANCING SOURCES</b>			
5300 Sale of Capital Assets	-	2,607	2,607
<b>Interfund Transfers, From (To) Other Funds:</b>			
5220 Transfer from Special Revenue Special Projects Fund		5,181	5,181
5230 Transfer from Special Revenue EIA Fund	8,421,512	8,523,307	101,795
5280 Transfer from Other Funds Indirect Costs	900,000	2,026,641	1,126,641
421-710 Transfer to Special Revenue Fund	(450,200)	(450,200)	-
423-710 Transfer to Debt Service Fund	(1,220,959)	(1,220,959)	-
424-710 Transfer to Building Fund	(3,500,000)	(3,500,000)	-
425-710 Transfer to Food Service Fund	(373,941)	(373,941)	-
427-710 Transfer to Internal Service Fund	(1,500,000)	(1,500,000)	-
Total Other Financing Sources (Uses)	<u>2,276,412</u>	<u>3,512,636</u>	<u>1,236,224</u>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>	<b>(9,950,000)</b>	<b>13,368,437</b>	<b>23,318,437</b>
FUND BALANCE, Beginning of Year	<u>81,237,752</u>	<u>81,237,752</u>	<u>-</u>
<b>FUND BALANCE, End of Year</b>	<b>\$ <u>71,287,752</u></b>	<b>\$ <u>94,606,189</u></b>	<b>\$ <u>23,318,437</u></b>

Note: This schedule is presented as prescribed by the South Carolina State Department of Education.

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## **SCHEDULE B**

### **SPECIAL REVENUE FUNDS**

The Special Revenue funds are used to record revenues derived from the State of South Carolina and the federal government, of which certain funds are required to finance particular activities and may require matching revenues from local sources. Separate revenues, expenditures and changes in fund balances are set forth for various reporting requirements.

During 1984, the state legislature passed the Education Improvement Act (EIA) to upgrade the quality of education in South Carolina. Because of the categorical nature of the revenue, the state requires that revenues and expenditures be accounted for in separate funds. Accordingly, the EIA funds are reported as Special Revenue funds in the districts financial statements.

The Special Projects Fund is used to account for all federal, state and local projects except for those funded under the Education Improvement Act.

The Food Service Fund records the operation and maintenance of the food service fund operations. The fund's purpose is to provide balanced nutritional meals to School District students, some of which are free and reduced meals under the United States Department of Agriculture school breakfast and lunch programs.

The Pupil Activity Fund is used to record the receipts and disbursements of monies for pupil activities at schools within the district. These activities include student clubs and organizations, field studies, athletics, as well as, many other student activities.

The following Special Revenue Fund schedules have been prepared in the format mandated by the South Carolina Department of Education. The account numbers shown on the schedules are also mandated by the South Carolina Department of Education.

**RICHLAND SCHOOL DISTRICT TWO**  
**SPECIAL REVENUE FUNDS - SPECIAL PROJECTS FUNDS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**FOR THE YEAR ENDED JUNE 30, 2021**

	Title I (BA Projects) (201)	IDEA (CA Projects) (203)	Preschool Handicapped (CG Projects) (205)	Occupational Education (VA Projects) (207)	Adult Education (243)	Other Designated Restricted State Grants (900s)	Other Special Revenue Programs (200s/800s)	Student Activity Funds (700s)	Total
<b>REVENUES</b>									
1000 Revenue from Local Sources									
1300 Tuition									
1350 Tuition from Patrons for Summer School	\$	\$	\$	\$	\$	\$	57,521	\$	57,521
1700 Pupil Activities									
1710 Admissions							237,554	15,349	252,903
1720 Bookstore Sales								1,141	1,141
1730 Pupil Organization Membership Dues and Fees								1,775	1,775
1740 Student Fees								468,777	468,777
1790 Other							233,233	1,282,922	1,516,155
1900 Other Revenue from Local Sources:									
1920 Contributions and Donations from Private Sources							43,831	500	44,331
1955 Medicaid Reimbursement							321,625		321,625
1990 Miscellaneous Local Revenue									
1999 Revenue from Other Local Sources							114,359	365,672	480,031
Total Local Sources	-	-	-	-	-	-	1,008,123	2,136,136	3,144,259
3000 Revenue from State Sources									
3100 Restricted State Funding:									
3110 Occupational Education:									
3118 EEDA Career Specialists						1,497,162	-		1,497,162
3120 General Education:									
3127 Student Health and Fitness						129,047	-		129,047
3130 Special Programs:									
3136 Student Health and Fitness-Nurses						576,284	-		576,284
3156 Adult Education						8,711	-		8,711
3190 Miscellaneous Restricted State Grants:									
3193 Education License Plates						4,029	-		4,029
3199 Other Restricted State Grants							9,030		9,030
3600 Education Lottery Act Revenue:									
3699 Other State Lottery Programs						19,419	-		19,419
3900 Other State Revenue:									
3994 PEBA Nonemployer Contributions						2,718,851	-		2,718,851
3995 Coronavirus Relief Fund							4,269,753		4,269,753
3999 Revenue from Other State Sources							68,186		68,186
Total State Sources	-	-	-	-	-	4,953,503	4,346,969	-	9,300,472
4000 Revenue from Federal Sources									
4200 Occupational Education:									
4210 Perkins Aid, Title I - Career & Technology Education - Basic Grants to States				294,597			-		294,597
4300 Elementary and Secondary Education Act of 1965 (ESEA):									
4310 Title I, Basic State Grant Programs (Carryover Provision)	4,362,501						205,328		4,567,829
4341 Language Instruction for Limited English Proficient and Immigrant Students, Title III							166,320		166,320
4343 McKinney-Vento Education for Homeless Children and Youth Program							101,661		101,661
4351 Supporting Effective Instruction							503,860		503,860
4400 Adult Education:									
4410 Basic Adult Education					200,310		-		200,310
4500 Programs for Children with Disabilities:									
4510 Individuals with Disabilities Education Act (IDEA)		4,328,408					17,336		4,345,744
4520 Pre-School Grants (for Children With Disabilities (IDEA)			230,122				-		230,122

(Continued)

**RICHLAND SCHOOL DISTRICT TWO**  
**SPECIAL REVENUE FUNDS - SPECIAL PROJECTS FUNDS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**FOR THE YEAR ENDED JUNE 30, 2021**

	Title I (BA Projects) (201)	IDEA (CA Projects) (203)	Preschool Handicapped (CG Projects) (205)	Occupational Education (VA Projects) (207)	Adult Education (243)	Other Designated Restricted State Grants (900s)	Other Special Revenue Programs (200s/800s)	Student Activity Funds (700s)	Total
4900 Other Federal Sources:									
4924 21st Century Community Learning Centers (Title IV, 21st Century Schools)	\$	\$	\$	\$	\$	\$	1,401,404	\$	1,401,404
4975 Coronavirus Aid, Relief, and Economic Security Act (CARES Act)							1,890,163		1,890,163
4977 ESSER II							3,078,165		3,078,165
4990 Other Federal Revenue:									
4997 Title IV SSAE							119,925		119,925
4999 Revenue from Other Federal Sources							7,249,402		7,249,402
Total Federal Sources	4,362,501	4,328,408	230,122	294,597	200,310	-	14,733,564	-	24,149,502
<b>TOTAL REVENUES ALL SOURCES</b>	<b>4,362,501</b>	<b>4,328,408</b>	<b>230,122</b>	<b>294,597</b>	<b>200,310</b>	<b>4,953,503</b>	<b>20,088,656</b>	<b>2,136,136</b>	<b>36,594,233</b>
<b>EXPENDITURES</b>									
100 Instruction									
110 General Instruction									
111 Kindergarten Programs:									
100 Salaries							47,648		47,648
200 Employee Benefits							21,509		21,509
400 Supplies and Materials							450,070		450,070
112 Primary Programs:									
100 Salaries	550,498					92,594	146,009		789,101
200 Employee Benefits	241,250					36,453	53,599		331,302
300 Purchased Services	47,144						80,369		127,513
400 Supplies and Materials	229,485					4,029	487,548		721,062
113 Elementary Programs:									
100 Salaries	70,606						1,816,640		1,887,246
200 Employee Benefits	30,113						536,121		566,234
300 Purchased Services							113,923		113,923
400 Supplies and Materials	4,824						480,124		484,948
114 High School Programs:									
100 Salaries							462,367		462,367
200 Employee Benefits							174,838		174,838
300 Purchased Services							224,404		224,404
400 Supplies and Materials							476,323		476,323
500 Capital Outlay							6,371		6,371
115 Career & Technology Education Programs:									
100 Salaries				8,316			10,426		18,742
200 Employee Benefits				2,426			3,072		5,498
300 Purchased Services				16,421			-		16,421
400 Supplies and Materials				102,692			1,153		103,845
500 Capital Outlay				62,205			-		62,205
116 Career & Technology Education - Middle School Programs:									
400 Supplies and Materials							2,278		2,278
120 Exceptional Programs									
121 Educable Mentally Handicapped:									
100 Salaries		256,490					-		256,490
200 Employee Benefits		108,092					-		108,092
400 Supplies and Materials							335		335
122 Trainable Mentally Handicapped:									
100 Salaries		156,810					-		156,810
200 Employee Benefits		55,080					-		55,080
300 Purchased Services							67,035		67,035
400 Supplies and Materials		1,355					10,884		12,239

(Continued)

**RICHLAND SCHOOL DISTRICT TWO**  
**SPECIAL REVENUE FUNDS - SPECIAL PROJECTS FUNDS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**FOR THE YEAR ENDED JUNE 30, 2021**

	Title I (BA Projects) (201)	IDEA (CA Projects) (203)	Preschool Handicapped (CG Projects) (205)	Occupational Education (VA Projects) (207)	Adult Education (243)	Other Designated Restricted State Grants (900s)	Other Special Revenue Programs (200s/800s)	Student Activity Funds (700s)	Total
124 Visually Handicapped:									
100 Salaries	\$	\$	\$	\$	\$	\$	35,687	\$	\$ 35,687
200 Employee Benefits							9,762		9,762
125 Hearing Handicapped:									
100 Salaries		68,056					50		68,106
200 Employee Benefits		29,589					15		29,604
126 Speech Handicapped:									
100 Salaries		89,027					-		89,027
200 Employee Benefits		38,423					-		38,423
127 Learning Disabilities:									
100 Salaries	9,099	296,502					203,527		509,128
200 Employee Benefits	4,057	121,891					51,970		177,918
300 Purchased Services							202		202
400 Supplies and Materials							1,522		1,522
128 Emotionally Handicapped:									
100 Salaries		74,035					3,260		77,295
200 Employee Benefits		34,255					988		35,243
300 Purchased Services							17,202		17,202
129 Coordinated Early Intervening Services (CEIS):									
100 Salaries		42,499					-		42,499
200 Employee Benefits		22,429					-		22,429
130 Pre-School Programs									
131 Preschool Handicapped Speech (5-Yr. Olds):									
100 Salaries							240		240
200 Employee Benefits							72		72
132 Preschool Handicapped Itinerant (5-Yr. Olds):									
100 Salaries							3,230		3,230
200 Employee Benefits							981		981
133 Preschool Handicapped Self-Contained (5 Yr. Olds)									
100 Salaries			80,597				-		80,597
200 Employee Benefits			31,360				-		31,360
300 Purchased Services							57,353		57,353
135 Preschool Handicapped Speech (3- & 4-Yr. Olds)									
400 Supplies and Materials			905				-		905
136 Preschool Handicapped Itinerant (3- & 4-Yr. Olds):									
400 Supplies and Materials			633				-		633
137 Pre-School Handicapped Self-Contained (3 & 4 Yr. Olds):									
100 Salaries			57,863				13,988		71,851
200 Employee Benefits			26,266				8,358		34,624
400 Supplies and Materials			22,203				19,921		42,124
139 Early Childhood Programs									
100 Salaries	1,363,227						-		1,363,227
200 Employee Benefits	472,945						-		472,945
300 Purchased Services	2,074						-		2,074
400 Supplies and Materials	162,289						-		162,289
140 Special Programs									
149 Other Special Programs									
100 Salaries		20,501					-		20,501
200 Employee Benefits		6,044					-		6,044
400 Supplies and Materials							4,943		4,943

(Continued)

**RICHLAND SCHOOL DISTRICT TWO**  
**SPECIAL REVENUE FUNDS - SPECIAL PROJECTS FUNDS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**FOR THE YEAR ENDED JUNE 30, 2021**

	Title I (BA Projects) (201)	IDEA (CA Projects) (203)	Preschool Handicapped (CG Projects) (205)	Occupational Education (VA Projects) (207)	Adult Education (243)	Other Designated Restricted State Grants (900s)	Other Special Revenue Programs (200s/800s)	Student Activity Funds (700s)	Total
160 Other Exceptional Programs									
161 Autism:									
100 Salaries	\$	\$ 77,120	\$	\$	\$	\$	-	\$	77,120
200 Employee Benefits		30,975					-		30,975
400 Supplies and Materials							173		173
162 Limited English Proficiency:									
300 Purchased Services							51,495		51,495
400 Supplies and Materials							8,470		8,470
170 Summer School Programs									
171 Primary Summer School									
100 Salaries							650,968		650,968
200 Employee Benefits							195,409		195,409
400 Supplies and Materials							31,369		31,369
172 Elementary Summer School									
100 Salaries							397,547		397,547
200 Employee Benefits							116,919		116,919
300 Purchased Services	3,000						-		3,000
400 Supplies and Materials							112,776		112,776
173 High School Summer School									
100 Salaries							62,600		62,600
200 Employee Benefits							16,735		16,735
300 Purchased Services							98,640		98,640
400 Supplies and Materials							5,709		5,709
175 Instructional Programs Beyond Regular School Days									
100 Salaries	5,940						485,501		491,441
200 Employee Benefits	1,750						144,282		146,032
300 Purchased Services							1,323,270		1,323,270
400 Supplies and Materials							355,983		355,983
180 Adult/Continuing Education Programs									
182 Adult Secondary Education Programs:									
100 Salaries					64,907	18,665	-		83,572
200 Employee Benefits					18,166	4,052	-		22,218
300 Purchased Services					23,050		13,376		36,426
400 Supplies and Materials				8,737	9,031		-		17,768
183 Adult English Literacy (ESL):									
100 Salaries					60,011		-		60,011
200 Employee Benefits					17,558		-		17,558
188 Parenting/Family Literacy:									
100 Salaries	328,817						1,125		329,942
200 Employee Benefits	145,152						330		145,482
300 Purchased Services	2,332						-		2,332
400 Supplies and Materials	26,877						11,758		38,635
600 Other Objects	3,200						-		3,200
190 Instructional Pupil Activity:									
100 Salaries								167,024	167,024
200 Employee Benefits								63,686	63,686
600 Other Objects							609		609
660 Pupil Activity							-	165,882	165,882
Total Instruction	3,704,679	1,529,173	219,827	200,797	192,723	155,793	10,191,361	396,592	16,590,945

(Continued)

**RICHLAND SCHOOL DISTRICT TWO**  
**SPECIAL REVENUE FUNDS - SPECIAL PROJECTS FUNDS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**FOR THE YEAR ENDED JUNE 30, 2021**

	Title I (BA Projects) (201)	IDEA (CA Projects) (203)	Preschool Handicapped (CG Projects) (205)	Occupational Education (VA Projects) (207)	Adult Education (243)	Other Designated Restricted State Grants (900s)	Other Special Revenue Programs (200s/800s)	Student Activity Funds (700s)	Total
200 Support Services									
210 Pupil Services									
211 Attendance and Social Work Services									
100 Salaries	\$	\$	\$	\$	\$	\$	15,440	\$	15,440
200 Employee Benefits							4,662		4,662
300 Purchased Services							42,847		42,847
400 Supplies and Materials							11,064		11,064
600 Other Objects							690		690
212 Guidance Services:									
100 Salaries				5,082			414,934		420,016
200 Employee Benefits				1,485			164,865		166,350
300 Purchased Services							51,900		51,900
400 Supplies and Materials				23,490			28,041		51,531
213 Health Services:									
100 Salaries						512,921	155,193		668,114
200 Employee Benefits						63,363	56,402		119,765
300 Purchased Services							89,090		89,090
400 Supplies and Materials							3,244		3,244
214 Psychological Services:									
100 Salaries		348,420					12,330		360,750
200 Employee Benefits		139,837					3,633		143,470
215 Exceptional Program Services:									
100 Salaries		584,678					-		584,678
200 Employee Benefits		219,214					-		219,214
217 Career Specialist Services:									
100 Salaries						1,009,764	-		1,009,764
200 Employee Benefits						487,398	-		487,398
400 Supplies and Materials							136		136
220 Instructional Staff Services									
221 Improvement of Instruction - Curriculum Development:									
100 Salaries	63,461						333,131		396,592
200 Employee Benefits	25,956						132,491		158,447
300 Purchased Services							93,765		93,765
400 Supplies and Materials	24						23,055		23,079
222 Library and Media:									
400 Supplies and Materials	3,036						-		3,036
223 Supervision of Special Programs:									
100 Salaries	171,144	183,619					697,949		1,052,712
200 Employee Benefits	68,861	71,167					265,847		405,875
300 Purchased Services	20,360			12,300			1,188,706		1,221,366
400 Supplies and Materials	3,810	20,000				5,413	247,971		277,194
500 Capital Outlays							70,589		70,589
600 Other Objects							29,370		29,370
224 Improvement of Instruction-In-service and Staff Training:									
100 Salaries							305,061		305,061
200 Employee Benefits							93,742		93,742
300 Purchased Services	53,087			35,385			689,205		777,677
400 Supplies and Materials	1,997			3,296			36,295		41,588
230 Support Services General Administration:									
233 School Administration									
100 Salaries							136,834		136,834
200 Employee Benefits							40,218		40,218
300 Purchased Services							2,066		2,066
400 Supplies and Materials							10,116		10,116

(Continued)



**RICHLAND SCHOOL DISTRICT TWO**  
**SPECIAL REVENUE FUNDS - SPECIAL PROJECTS FUNDS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**FOR THE YEAR ENDED JUNE 30, 2021**

	Title I (BA Projects) (201)	IDEA (CA Projects) (203)	Preschool Handicapped (CG Projects) (205)	Occupational Education (VA Projects) (207)	Adult Education (243)	Other Designated Restricted State Grants (900s)	Other Special Revenue Programs (200s/800s)	Student Activity Funds (700s)	Total
250 Finance and Operations Services									
251 Student Transportation (Federal/District Mandated):									
100 Salaries	\$	\$ 676,300	\$	\$	\$	\$	\$ -	\$	\$ 676,300
200 Employee Benefits		328,648					-		328,648
300 Purchased Services							173,029		173,029
254 Operations and Maintenance of Plant:									
300 Purchased Services							102,622		102,622
400 Supplies and Materials							338,086		338,086
255 Student Transportation (state mandated)									
100 Salaries							142,682		142,682
200 Employee Benefits							39,920		39,920
300 Purchased Services							159,189		159,189
400 Supplies and Materials							74,803		74,803
258 Security:									
300 Purchased Services							200		200
260 Central Support Services									
264 Staff Services									
100 Salaries							60,788		60,788
200 Employee Benefits							23,357		23,357
300 Purchased Services							13,500		13,500
266 Technology and Data Processing Services									
300 Purchased Services							1,620		1,620
400 Supplies and Materials							48,579		48,579
270 Support Services Pupil Activity									
271 Pupil Service Activities:									
100 Salaries							13,397	473,103	486,500
200 Employee Benefits							4,203	142,077	146,280
300 Purchased Services	2,376						198,471	17,764	218,611
400 Supplies and Materials							204,522	762	205,284
500 Capital Outlays							2,185		2,185
600 Other Objects	1,225			5,220			294,889		301,334
660 Pupil Activity							-	1,621,242	1,621,242
Total Support Services	415,337	2,571,883	-	86,258	-	2,078,859	7,346,924	2,254,948	14,754,209
300 Community Services									
360 Welfare Services									
300 Purchased Services							875		875
400 Supplies and Materials	16,966						15,530		32,496
370 Non-Public School Services:									
300 Purchased Services							17,895		17,895
400 Supplies and Materials							1,805		1,805
390 Other Community Services									
300 Purchased Services							175		175
400 Supplies and Materials							253		253
600 Other Objects							422		422
Total Community Services	16,966	-	-	-	-	-	36,955	-	53,921

(Continued)

**RICHLAND SCHOOL DISTRICT TWO**  
**SPECIAL REVENUE FUNDS - SPECIAL PROJECTS FUNDS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**FOR THE YEAR ENDED JUNE 30, 2021**

	Title I (BA Projects) (201)	IDEA (CA Projects) (203)	Preschool Handicapped (CG Projects) (205)	Occupational Education (VA Projects) (207)	Adult Education (243)	Other Designated Restricted State Grants (900s)	Other Special Revenue Programs (200s/800s)	Student Activity Funds (700s)	Total
410 Intergovernmental Expenditures									
411 Payments to State Department of Education									
720 Transits	\$	\$	\$	\$	\$	\$	61,277	\$	61,277
412 Payments to Other Governmental Units									
720 Transits							1,591,867		1,591,867
414 Medicaid Payments to SCDE									
720 Transits							22,087		22,087
416 Payments to Public Charter Schools									
720 Transits		28,906					-		28,906
419 Payments from PEBA Nonemployer Contributions									
720 Transits						2,718,851	-		2,718,851
Total Intergovernmental Expenditures	-	28,906	-	-	-	2,718,851	1,675,231	-	4,422,988
TOTAL EXPENDITURES	4,136,982	4,129,962	219,827	287,055	192,723	4,953,503	19,250,471	2,651,540	35,822,063
<b>OTHER FINANCING SOURCES (USES)</b>									
<b>Interfund Transfers, From (To) Other funds</b>									
5210 Transfer from General Fund (Exclude Indirect Costs)							450,200		450,200
5220 Transfer from Special Revenue Fund (Exclude Indirect Costs)							37,938	2,117	40,055
420-710 Transfer to General Fund (Exclude Indirect Costs)							(5,181)		(5,181)
426-710 Transfer to Pupil Activity Funds							(40,055)		(40,055)
431-791 Special Revenue Fund Indirect Costs	(225,519)	(198,446)	(10,295)	(7,542)	(7,587)		(1,175,792)		(1,625,181)
Total Other Financing Sources (Uses)	(225,519)	(198,446)	(10,295)	(7,542)	(7,587)	-	(732,890)	2,117	(1,180,162)
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>	-	-	-	-	-	-	105,295	(513,287)	(407,992)
FUND BALANCES, Beginning of Year	-	-	-	-	-	15,951	508,814	-	524,765
<b>CUMULATIVE CHANGE IN ACCOUNTING PRINCIPLE - GASB #84</b>	-	-	-	-	-	-	-	4,607,777	4,607,777
<b>FUND BALANCES, End of Year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,951</u>	<u>\$ 614,109</u>	<u>\$ 4,094,490</u>	<u>\$ 4,724,550</u>

Note: This schedule is presented as prescribed by the South Carolina State Department of Education.

**RICHLAND COUNTY SCHOOL DISTRICT TWO**  
**NOTES TO SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**SPECIAL PROJECTS FUND**  
**FOR THE YEAR ENDED JUNE 30, 2021**

**\* Other Designated Restricted State Grants**

919 Education License Plates  
 928 EEDA Career Specialist  
 936 Student Health and Fitness - Nurses  
 937 Student Health and Fitness - PE Teachers  
 956 Adult Education  
 969 Miscellaneous Lottery  
 994 PEBA Nonemployer Contributions

**\* Other Special Revenue Programs**

209 State Systemic Improvement Plan  
 210 Title IV  
 224 21st Century Grant  
 232 McKinney Vento Education for Homeless  
 237 Title I Focus  
 238 Title I Support  
 264 Language Inst.for Ltd English Proficient, Title III  
 267 Title II - Supporting Effective Instruction  
 269 Clemson/Agricultural  
 272 Donations  
 273 Department of Defense Grant # 3  
 274 Youth Risk Behavior Surveys  
 275 Department of Defense Grant # 6  
 276 Capturing Kids Hearts  
 277 Gear Up (2015 Award)  
 278 Magnet School Assistance (2017 Award)  
 279 Gear Up 2018 (Central Carolina)  
 282 Junior League of Columbia  
 286 Department of Defense Grant #4  
 288 Transportation  
 292 ROTC  
 293 Workforce Innovation  
 294 Department of Defense Grant #5  
 296 National Institute of Health  
 299 Medicaid  
 801 Cornell Lab of Ornithology  
 805 United Way Summer Reading  
 807 Virtual High School  
 808 Ecybermission Mini Grant  
 809 No Kid Hungry  
 810 Richland County Conservation  
 811 Columbia Chapter of Links, Inc.  
 812 NFL Foundation  
 814 Laptop Computer Insurance  
 815 Annie's Grants For Gardens  
 816 ING Unsung Hero Grant  
 819 Whole Kids Foundation  
 823 Southern Regional Education Board

824 Wellness-Palmetto Health  
 825 Sisters of Charity Foundation  
 826 DHEC Recycling Mini Grant  
 827 Sparkleberry Fair  
 828 US Dept of Labor - CAT Grant  
 829 The Whole Child  
 830 Sadie Rogers  
 831 International Paper Foundation  
 833 Ezra Jack Keats Foundation  
 834 PTO Grants  
 835 GraceLife Church Grant  
 837 Society for Science  
 840 Francis Marion Prep Teachers of Poverty Students  
 842 State Farm Southern Zone YAB  
 845 Budding Botanist  
 850 Department of Social Services Food Program  
 851 United Way - Parenting Teen Partnership  
 853 SC Art Education Association  
 855 SC Arts Commission Grants  
 858 Rotary Club of Forest Acres Grant  
 859 SC Council for Exceptional Children  
 860 RSD2 Foundation Drug Free  
 861 Sodexo Grant  
 862 Summer School  
 865 Technical Assistance Network  
 868 Walmart Foundation Grant  
 869 Athletics Spring Valley High School  
 871 Teaching Tolerance Educator Grant  
 875 Blue Cross Blue Shield of SC  
 877 Innovate to Accelerate Language Learning  
 879 Athletics Richland Northeast High School  
 884 Athletics Ridge View High School  
 892 Athletics Blythewood High School  
 894 Athletics Westwood High School

**RICHLAND SCHOOL DISTRICT TWO  
SPECIAL REVENUE FUNDS  
SUMMARY SCHEDULE FOR DESIGNATED STATE RESTRICTED GRANTS  
FOR THE YEAR ENDED JUNE 30, 2021**

<u>SUBFUND</u>	<u>REVENUE</u>	<u>PROGRAMS</u>	<u>REVENUES</u>	<u>EXPENDITURES</u>	<u>SPECIAL REVENUE INTERFUND TRANSFERS IN/(OUT)</u>	<u>SPECIAL REVENUE FUND UNEARNED</u>
919	3193	Education License Plates	4,029	4,029		9,090
928	3118	EEDA Career Specialists	1,497,162	1,497,162		843,884
936	3136	Student Health and Fitness - Nurses	576,284	576,284		
937	3127	Student Health and Fitness - PE Teachers	129,047	129,047		278,062
956	3156	Adult Education	8,711	8,711		90,698
969	3699	Miscellaneous Lottery	19,419	19,419		10,000
994	3994	PEBA Nonemployer Contributions	2,718,851	2,718,851		
		Totals	\$ <u>4,953,503</u>	\$ <u>4,953,503</u>	\$ <u>-</u>	\$ <u>1,231,734</u>

*Note: This schedule is presented as prescribed by the South Carolina State Department of Education.*

**RICHLAND SCHOOL DISTRICT TWO**  
**SPECIAL REVENUE FUNDS - EDUCATION IMPROVEMENT ACT**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**FOR THE YEAR ENDED JUNE 30, 2021**

**REVENUES**

## 3000 Revenue from State Sources

## 3500 Education Improvement Act:

3502 ADEPT	\$ 33,962
3509 Arts in Education	28,742
3518 Adoption List of Formative Assessments	130,912
3519 Grade 10 Assessments	95,287
3526 Refurbishment of Science Kits	96,189
3528 Industry Certifications/Credentials	108,991
3529 Career & Technical Education	854,152
3532 National Board Salary Supplement	2,986,631
3533 Teacher of the Year Awards	1,076
3535 Reading Coaches	1,445,879
3538 Students at Risk of School Failure	3,615,189
3540 Early Childhood Program (4K Programs Serving 4 yr. olds)	1,505,443
3550 Teacher Salary Increase	6,855,247
3555 Teacher Salary Fringe	1,668,060
3556 Adult Education	424,366
3557 Summer Reading Program	267,036
3571 CSI and Priority Schools	555,945
3577 Teacher Supplies	581,350
3594 EEDA Supplemental Programs	346,872
3595 EEDA Supplies and Materials	30,934
3597 Aid to Districts	421,209
3599 Other EIA	168,542

## Total State Sources

22,222,014

**TOTAL REVENUES ALL SOURCES****22,222,014****EXPENDITURES****100 Instruction:**

## 110 General Instruction:

## 111 Kindergarten Programs:

100 Salaries	91,355
200 Employee Benefits	26,691
400 Supplies and Materials	27,225

## 112 Primary Programs:

100 Salaries	1,268,584
200 Employee Benefits	542,174
300 Purchased Services	111,740
400 Supplies and Materials	306,981

## 113 Elementary Programs:

100 Salaries	955,731
200 Employee Benefits	324,356
300 Purchased Services	29,802
400 Supplies and Materials	276,703

(Continued)

**RICHLAND SCHOOL DISTRICT TWO**  
**SPECIAL REVENUE FUNDS - EDUCATION IMPROVEMENT ACT**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**FOR THE YEAR ENDED JUNE 30, 2021**

114 High School Programs:		
100 Salaries	\$	995,392
200 Employee Benefits		266,936
300 Purchased Services		271,045
400 Supplies and Materials		160,754
115 Career and Technology Education Programs:		
100 Salaries		202,112
200 Employee Benefits		54,440
300 Purchased Services		185,184
400 Supplies and Materials		512,356
500 Capital Outlay		141,889
116 Career and Technology Education Programs - Middle School		
100 Salaries		7,500
200 Employee Benefits		2,205
400 Supplies and Materials		1,100
118 Montessori Programs		
100 Salaries		7,500
200 Employee Benefits		2,189
400 Supplies and Materials		4,125
120 Exceptional Programs:		
121 Educable Mentally Handicapped		
100 Salaries		12,500
200 Employee Benefits		3,638
400 Supplies and Materials		7,710
122 Trainable Mentally Handicapped		
100 Salaries		30,000
200 Employee Benefits		8,800
400 Supplies and Materials		2,846
125 Hearing Handicapped		
400 Supplies and Materials		825
126 Speech Handicapped:		
100 Salaries		7,500
200 Employee Benefits		2,191
400 Supplies and Materials		15,785
127 Learning Disabilities:		
100 Salaries		100,000
200 Employee Benefits		29,221
300 Purchased Services		40
400 Supplies and Materials		33,825
128 Emotionally Handicapped:		
300 Purchased Services		
400 Supplies and Materials		3,850
129 Coordinated Early Intervening Services (CEIS)		
100 Salaries		7,500
200 Employee Benefits		2,203
400 Supplies and Materials		275

(Continued)

**RICHLAND SCHOOL DISTRICT TWO**  
**SPECIAL REVENUE FUNDS - EDUCATION IMPROVEMENT ACT**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**FOR THE YEAR ENDED JUNE 30, 2021**

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130 Pre-School Programs:		
133 Pre-School Handicapped Self-Contained (5 Yr. olds):		
400 Supplies and Materials	\$	550
137 Preschool Handicapped Self-Contained (3 and 4 Year Old)		
400 Supplies and Materials		7,140
139 Early Childhood Programs:		
100 Salaries		885,262
200 Employee Benefits		553,370
400 Supplies and Materials		8,525
140 Special Programs:		
141 Gifted and Talented Academic:		
100 Salaries		7,500
200 Employee Benefits		2,177
400 Supplies and Materials		4,125
145 Homebound:		
400 Supplies and Materials		275
148 Gifted and Talented Artistic:		
400 Supplies and Materials		1,913
160 Other Exceptional Programs		
161 Autism		
100 Salaries		10,000
200 Employee Benefits		2,929
400 Supplies and Materials		7,975
162 Limited English Proficiency		
100 Salaries		19,780
200 Employee Benefits		15,334
300 Purchased Services		339
400 Supplies and Materials		7,975
170 Summer School Program:		
171 Primary Summer School:		
100 Salaries		136,368
200 Employee Benefits		40,303
400 Supplies and Materials		75,190
172 Elementary Summer School:		
100 Salaries		5,100
200 Employee Benefits		1,543
300 Purchased Services		1,600
400 Supplies and Materials		6,144
173 High School Summer School:		
100 Salaries		29,182
200 Employee Benefits		8,653
400 Supplies and Materials		999
175 Instructional Programs Beyond Regular School Day:		
100 Salaries		14,923
200 Employee Benefits		4,335

(Continued)

**RICHLAND SCHOOL DISTRICT TWO**  
**SPECIAL REVENUE FUNDS - EDUCATION IMPROVEMENT ACT**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**FOR THE YEAR ENDED JUNE 30, 2021**

180 Adult/Continuing Educational Programs:		
182 Adult Secondary Education Programs:		
100 Salaries	\$	63,455
200 Employee Benefits		29,651
300 Purchased Services		62,831
400 Supplies and Materials		8,825
183 Adult English Literacy (ESL):		
100 Salaries		10,306
200 Employee Benefits		3,089
400 Supplies and Materials		5,254
188 Parenting:		
100 Salaries		171,738
200 Employee Benefits		72,978
400 Supplies and Materials		2,500
<b>Total Instruction</b>		<b>9,334,914</b>
<b>200 Supporting Services:</b>		
210 Pupil Services:		
211 Attendance and Social Work Services		
100 Salaries		91,284
200 Employee Benefits		38,912
300 Purchased Services		22,553
400 Supplies and Materials		59,327
212 Guidance Services		
100 Salaries		156,764
200 Employee Benefits		50,869
300 Purchased Services		24,258
400 Supplies and Materials		27,576
213 Health Services		
100 Salaries		508
200 Employee Benefits		155
400 Supplies and Materials		9,191
215 Exceptional Program Services		
300 Purchased Services		623
400 Supplies and Materials		7,804
217 Career Specialist Service		
400 Supplies and Materials		7,425
220 Instructional Staff Services		
221 Improvement of Instruction - Curriculum Development:		
100 Salaries		2,097,253
200 Employee Benefits		410,910
300 Purchased Services		12,792
400 Supplies and Materials		2,755
222 Library and Media Services:		
100 Salaries		57,500
200 Employee Benefits		16,812
400 Supplies and Materials		9,625
		(Continued)



**RICHLAND SCHOOL DISTRICT TWO**  
**SPECIAL REVENUE FUNDS - EDUCATION IMPROVEMENT ACT**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**FOR THE YEAR ENDED JUNE 30, 2021**

223 Supervision of Special Programs:		
100 Salaries	\$	453,512
200 Employee Benefits		155,024
300 Purchased Services		50,223
400 Supplies and Materials		45,657
224 Improvement of Instruction - In-service and Staff Training:		
100 Salaries		753
200 Employee Benefits		220
300 Purchased Services		183,950
400 Supplies and Materials		60,141
233 School Administration:		
100 Salaries		3,369
200 Employee Benefits		983
250 Finance and Operations Services:		
255 Student Transportation (State Mandated)		
300 Purchased Services		664
260 Support Service - Central:		
266 Technology & Data Processing Services		
300 Purchased Services		19,391
400 Supplies and Materials		272,148
270 Support Services - Pupil Activity:		
271 Pupil Service Activity		
400 Supplies and Materials		6,736
660 Pupil Activity		6,126
<b>Total Support Services</b>		<b>4,363,793</b>
<b>TOTAL EXPENDITURES</b>		<b>13,698,707</b>
<b>OTHER FINANCING SOURCES (USES)</b>		
420 Interfund Transfers, From (To) Other Funds:		
420-710 Transfer to General Fund (Exclude Indirect Costs)		(8,523,307)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>		<b>(8,523,307)</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>		<b>-</b>
FUND BALANCES, Beginning of Year		-
<b>FUND BALANCES, End of Year</b>	\$	<b>-</b>

*Note: This schedule is presented as prescribed by the South Carolina State Department of Education.*

**RICHLAND SCHOOL DISTRICT TWO  
SPECIAL REVENUE FUNDS - EDUCATION IMPROVEMENT ACT  
SUMMARY SCHEDULE BY PROGRAM  
FOR THE YEAR ENDED JUNE 30, 2021**

<b>PROGRAM</b>	<b>REVENUES</b>	<b>EXPENDITURES</b>	<b>EIA TRANSFERS IN/(OUT)</b>	<b>EIA FUND UNEARNED</b>
<b>3500 Education Improvement Act:</b>				
3502 ADEPT	\$ 33,962	\$ 33,962	\$	30,078
3509 Arts in Education	28,742	28,742		11,191
3518 Adoption List of Formative Assessments	130,912	130,912		
3519 Grade 10 Assessment	95,287	95,287		88,748
3526 Refurbishment of Science Kits	96,189	96,189		21,433
3528 Industry Certifications/Credentials	108,991	108,991		56,400
3529 Career & Technical Education	854,152	854,152		339,339
3532 National Board Salary Supplement	2,986,631	2,986,631		
3533 Teacher of the Year Awards	1,076	1,076		
3535 Reading Coaches	1,445,879	1,445,879		
3538 Students at Risk of School Failure	3,615,189	3,615,189		665,746
3540 Early Childhood Program (4K Programs Serving 4 yr. olds)	1,505,443	1,505,443		
3550 Teacher Salary Increase	6,855,247		(6,855,247)	
3555 Teacher Salary Fringe	1,668,060		(1,668,060)	
3556 Adult Education	424,366	424,366		567,347
3557 Summer Reading Program	267,036	267,036		197,560
3571 CSI and Priority Schools	555,945	555,945		202,066
3577 Teacher Supplies	581,350	581,350		
3594 EEDA Supplemental Programs	346,872	346,872		
3595 EEDA Supplies and Materials	30,934	30,934		23,599
3597 Aid to Districts	421,209	421,209		799,527
3599 Other EIA	168,542	168,542		32,818
Totals	\$ <u>22,222,014</u>	\$ <u>13,698,707</u>	\$ <u>(8,523,307)</u>	\$ <u>3,035,852</u>

Note: This schedule is presented as prescribed by the South Carolina State Department of Education.

**RICHLAND SCHOOL DISTRICT TWO**  
**SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE**  
**FOOD SERVICE PROGRAM**  
**FOR THE YEAR ENDED JUNE 30, 2021**

**REVENUES:**

1000 Revenues from Local Sources:	
1500 Earnings on Investments:	
1510 Interest on Investments	\$ 196
1600 Food Services:	
1610 Lunch Sales to Pupils	21,182
1620 Breakfast Sales to Pupils	9,907
1630 Special Sales to Pupils	2,734
1640 Lunch Sales to Adults	13,629
1650 Breakfast Sales to Adults	3,996
1660 Special Sales to Adults	20
1900 Other Revenue from Local Sources:	
1990 Miscellaneous Local Revenue:	
1999 Revenue from Other Local Sources	10,140
Total Local Sources	<u>61,804</u>
4000 Revenue from Federal Sources:	
4800 USDA Reimbursements:	
4810 School Lunch, After School Snacks & Special Milk Program	3,607,411
4830 School Breakfast Program	3,309,557
4860 Fresh Fruits and Vegetables (FFVP)	50,562
4900 Other Federal Sources:	
4991 USDA Commodities (Food Distribution Program)	579,862
Total Federal Sources	<u>7,547,392</u>
<b>Total Revenue - All Sources</b>	<b><u>7,609,196</u></b>

**EXPENSES:**

250 Finance and Operation Services:	
256 Food Services:	
100 Salaries	857,606
200 Employee Benefits	456,338
300 Purchased Services	94,077
393 Direct Purchased Services	5,618,995
400 Supplies and Materials	730,116
500 Capital Outlay	86,001
600 Other Objects	64,073
<b>Total Expenses</b>	<b><u>7,907,206</u></b>

**OTHER FINANCING SOURCES(USES):****Interfund Transfers, From (To) Other Funds:**

5210 Transfer from General Fund	373,941
432-791 Transfer Food Service Fund Indirect Costs	(401,460)
5300 Sale of Capital Assets	166

**Total Other Financing (Uses)****(27,353)**

**EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING  
SOURCES OVER EXPENDITURES AND OTHER FINANCING USES**

**(325,363)**

FUND BALANCE, Beginning of Year	5,853,741
Prior Period Adjustment	(1,159,272)
<b>FUND BALANCE, End of Year</b>	<b>\$ <u>4,369,106</u></b>

Note: This schedule is presented as prescribed by the South Carolina State Department of Education.

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## **SCHEDULE C**

### **DEBT SERVICE FUND**

The Debt Service Fund is used to record payments of interest and principal on long-term general obligation debt from tax proceeds and earnings on temporary investments.

The following schedule has been prepared in the format mandated by the South Carolina Department of Education. The account numbers shown on the schedule are also mandated by the South Carolina Department of Education.

**RICHLAND SCHOOL DISTRICT TWO  
DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
FOR THE YEAR ENDED JUNE 30, 2021**

**REVENUES**

1000 Revenue from Local Sources	
1200 Revenue from Local Governmental Units Other than LEA's:	
1210 Ad Valorem Taxes - Including Delinquent	\$ 62,893,515
1240 Penalties & Interest on Taxes	636
1280 Revenue in Lieu of Taxes	1,434,199
1500 Earnings on Investments:	
1510 Interest on Investments	663,499
Total Local Sources	<u>64,991,849</u>
4000 Revenue from Federal Sources	
4900 Other Federal Sources	
4999 Revenue from Other Federal Sources	1,417,765
Total Federal Sources	<u>1,417,765</u>
<b>TOTAL REVENUES ALL SOURCES</b>	<b><u>66,409,614</u></b>

**EXPENDITURES**

500 Debt Service:	
610 Redemption of Principal	47,314,000
620 Interest	17,998,098
690 Other Objects	11,097
<b>TOTAL EXPENDITURES</b>	<b><u>65,323,195</u></b>
<b>Excess of Revenues Over Expenditures</b>	<b>1,086,419</b>

**OTHER FINANCING SOURCES (USES)****Interfund Transfers, From (To) Other Funds**

5210 Transfer from General Fund	1,220,959
Total Transfers and Other Financing Sources (Uses)	<u>1,220,959</u>

**EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING  
SOURCES OVER EXPENDITURES AND OTHER FINANCING USES**

**2,307,378**

FUND BALANCE, Beginning of Year	<u>30,847,692</u>
<b>FUND BALANCE, End of Year</b>	<b>\$ <u>33,155,070</u></b>

*Note: This schedule is presented as prescribed by the South Carolina State Department of Education.*

## **SCHEDULE D**

### **CAPITAL PROJECTS FUND**

The Capital Projects fund, also referred to as the "Building Fund", accounts for financial resources to be used for the acquisition and construction of major capital facilities and equipment. The fund balance is reserved for the completion of specific projects.

The following schedule has been prepared in the format mandated by the South Carolina Department of Education. The account numbers shown on the schedule are also mandated by the South Carolina Department of Education.

**RICHLAND SCHOOL DISTRICT TWO**  
**CAPITAL PROJECTS FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**FOR THE YEAR ENDED JUNE 30, 2021**

**REVENUES**

1000 Revenue from Local Sources	
1500 Earnings on Investments:	
1510 Interest on Investments	\$ 240,468
1900 Other Revenue from Local Services	
1993 Receipt of Insurance Proceeds	62,862
Total Local Sources	<u>303,330</u>
<b>TOTAL REVENUES ALL SOURCES</b>	<b><u>303,330</u></b>

**EXPENDITURES**

200 Support Services	
250 Finance and Operations:	
251 Student Transportation	
500 Capital Outlay	204,760
253 Facilities Acquisition and Construction:	
300 Purchased Services	1,788,495
500 Capital Outlay	
520 Construction Services	99,521,009
530 Improvements Other Than Buildings	13,521,887
540 Expendable Equipment	1,516,185
541 Equipment	2,178,430
550 Vehicles	97,837
580 Mobile Classrooms	37,135
590 Other	829,216
254 Operations and Maintenance of Plant	
500 Capital Outlay	164,256
258 Security	
500 Capital Outlay	1,168,531
260 Central Support Services	
266 Data Processing Services	
300 Purchased Services	2,148,572
400 Supplies and Materials	3,175,170
500 Capital Outlay	1,234,410
Total Support Services	<u>127,585,893</u>
500 Debt Services	
690 Other Objects	430,858
Total Debt Services	<u>430,858</u>
<b>TOTAL EXPENDITURES</b>	<b><u>128,016,751</u></b>

**OTHER FINANCING SOURCES (USES)**

5100 Sale of Bonds:	
5110 Premium on Bonds Sale	19,487,078
5120 Issuance of General Obligation Bonds	149,995,000
<b>Interfund Transfers, From (To) Other Funds:</b>	
5210 Transfer from General Fund	3,500,000
5300 Sale of Capital Assets	14,050
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b><u>172,996,128</u></b>

**EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING**  
**SOURCES OVER EXPENDITURES AND OTHER FINANCING USES**

45,282,707

FUND BALANCE, Beginning of Year

82,369,117

**FUND BALANCE, End of Year****\$ 127,651,824**

Note: This schedule is presented as prescribed by the South Carolina State Department of Education.



## **SCHEDULE E**

### **INTERNAL SERVICE FUND**

The Internal Service Fund is used to account for the financing of goods and services provided by one department to other departments of the School District, on a cost-reimbursement basis.

The following schedule has been prepared in the format mandated by the South Carolina Department of Education. The account numbers shown on the schedule are also mandated by the South Carolina Department of Education.

**RICHLAND SCHOOL DISTRICT TWO  
STATEMENT OF CHANGES IN NET POSITION AND LIABILITIES  
INTERNAL SERVICE FUND  
FOR THE YEAR ENDED JUNE 30, 2021**

---

<b>ASSETS</b>	
Cash and Cash Equivalent	\$ 1,680,997
Prepaid Expenses	295,167
Receivable from Other Funds	<u>2,170,167</u>
<b>TOTAL ASSETS</b>	<b><u>4,146,331</u></b>
<b>LIABILITIES AND NET POSITION</b>	
Accounts Payable	3,680
Claims Payable	<u>1,664,728</u>
<b>TOTAL LIABILITIES</b>	<b><u>1,668,408</u></b>
<b>NET POSITION - UNRESTRICTED</b>	<b><u>2,477,923</u></b>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<b>\$ <u>4,146,331</u></b>

*Note: This schedule is presented as prescribed by the South Carolina State Department of Education.*

**RICHLAND SCHOOL DISTRICT TWO**  
**SCHEDULE OF REVENUES, EXPENSES AND**  
**CHANGES IN NET POSITION - INTERNAL SERVICE FUND**  
**FOR THE YEAR ENDED JUNE 30, 2021**

**REVENUES**

1000 Receipts from Local Sources	
1500 Earnings on Investments	
1510 Interest on Investments	\$ 504
1900 Other Revenue From Local Sources	
1950 Refund of Prior Year Expenditures	8,853
1993 Receipt of Insurance Proceeds	38,108
Total Local Sources	<u>47,465</u>
<b>TOTAL REVENUES ALL SOURCES</b>	<b><u>47,465</u></b>

**EXPENSES**

111 Kindergarten Programs	
200 Employee Benefits	31,181
112 Primary Programs	
200 Employee Benefits	42,937
113 Elementary Programs	
200 Employee Benefits	13,082
114 High School Programs	
200 Employee Benefits	75,166
121 Educable Mentally Handicapped	
200 Employee Benefits	4,045
122 Trainable Mentally Handicapped	
200 Employee Benefits	4,147
123 Orthododically Handicapped	
200 Employee Benefits	1,772
125 Hearing Handicapped	
200 Employee Benefits	221
127 Learning Disabilities	
200 Employee Benefits	11,765
128 Emotionally Handicapped	
200 Employee Benefits	11,703
137 Preschool Handicapped Self-Contained (3&4 Year Olds)	
200 Employee Benefits	582
139 Early Childhood Programs	
200 Employee Benefits	225
148 Gifted & Talented - Artistic Programs	
200 Employee Benefits	29
161 Autism	
200 Employee Benefits	22,659
212 Guidance	
200 Employee Benefits	6,631
213 Health Services	
200 Employee Benefits	4,091
214 Psychological Services	
200 Employee Benefits	4,104
217 Career Specialist Services	
200 Employee Benefits	121
222 Library and Media Services	
200 Employee Benefits	225
223 Supervision of Special Programs	
200 Employee Benefits	853
233 School Administration	
200 Employee Benefits	49,941
251 Student Transportation (Federal/District Mandated)	
200 Employee Benefits	12,943
252 Fiscal Services	
100 Salaries	217
200 Employee Benefits	2,223
600 Other Objects	200
254 Operations and Maintenance of Plant	
200 Employee Benefits	31,195
600 Other Objects	202,319
255 Student Transportation	
200 Employee Benefits	1,489

(Continued)

**RICHLAND SCHOOL DISTRICT TWO  
SCHEDULE OF REVENUES, EXPENSES AND  
CHANGES IN NET POSITION - INTERNAL SERVICE FUND  
FOR THE YEAR ENDED JUNE 30, 2021**

256 Food Service	
200 Employee Benefits	\$ 17,385
258 Security	
200 Employee Benefits	4,623
263 Information Services	
200 Employee Benefits	1,893
266 Technology and Data Processing Services	
200 Employee Benefits	240
350 Custody and Care of Children Services	
200 Employee Benefits	2,957
TOTAL EXPENSES	<u>563,164</u>
<b>EXCESS RECEIPTS OVER DISBURSEMENTS</b>	<b>(515,699)</b>
<b>OTHER FINANCING SOURCES (USES)</b>	
Interfund Transfers, From (To) Other Funds:	
5210 Transfer from General Fund	1,500,000
Total Other Financing Sources (Uses)	<u>1,500,000</u>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>	<b>984,301</b>
Net Position, Beginning of Year	<u>1,493,622</u>
<b>Net Position, End of Year</b>	<b><u>\$ 2,477,923</u></b>

*Note: This schedule is presented as prescribed by the South Carolina State Department of Education.*

**SCHEDULE F**  
**COMPONENT UNIT**  
**CHARTER SCHOOL**

The Charter School operates under a Charter granted by the District and is considered, under South Carolina Law, to be a public school and a component unit of the School District.

The following schedule has been prepared in the format mandated by the South Carolina Department of Education. The account numbers shown on the schedule are also mandated by the South Carolina Department of Education.

**RICHLAND SCHOOL DISTRICT TWO  
COMPONENT UNIT - RICHLAND TWO CHARTER HIGH SCHOOL  
STATEMENT OF FINANCIAL POSITION  
JUNE 30, 2021**

**ASSETS**

Due from District	\$	-
-------------------	----	---

**TOTAL ASSETS**

		-
--	--	---

**DEFERRED OUTFLOWS OF RESOURCES**

Deferred Outflows related to Net Pension Liability		-
Deferred Outflows related to Net OPEB Liability		-

**TOTAL DEFERRED OUTFLOWS OF RESOURCES**

		-
--	--	---

**TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES**

		-
--	--	---

**LIABILITIES , DEFERRED INFLOWS OF RESOURCES AND NET POSITION**

Accounts Payable		-
Net Pension Liability		-
Net OPEB Liability		-

**TOTAL LIABILITIES**

		-
--	--	---

**DEFERRED INFLOWS OF RESOURCES**

Deferred Inflows related to Net Pension Liability		-
Deferred Inflows related to Net OPEB Liability		-

**TOTAL DEFERRED INFLOWS OF RESOURCES**

		-
--	--	---

**NET POSITION - UNRESTRICTED**

		-
--	--	---

**TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION**

	\$	-
--	----	---

*Note: This schedule is presented as prescribed by the South Carolina State Department of Education.*

**RICHLAND SCHOOL DISTRICT TWO  
COMPONENT UNIT - RICHLAND TWO CHARTER HIGH SCHOOL  
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
FOR THE YEAR ENDED JUNE 30, 2021**

**REVENUES**

1000 Revenue from Local Sources	
1990 Miscellaneous Local Revenue	
1999 Revenue from Other Local Sources	\$ 167
Total Local Sources	<u>167</u>
2000 Intergovernmental Units	
2100 Payments from Other Governmental Units	436,547
Total Intergovernmental Units	<u>436,547</u>
3000 Revenue from State Sources	
3993 PEBA On-Behalf	2,888
Total State Sources	<u>2,888</u>
<b>TOTAL REVENUES ALL SOURCES</b>	<b><u>439,602</u></b>

**EXPENDITURES****100 INSTRUCTION**

115 Career and Technology Education Programs	
200 Employee Benefits	23,751
300 Purchased Services	110
400 Supplies and Materials	22
127 Learning Disabilities:	
100 Salaries	14,506
200 Employee Benefits	4,283
Total Instruction	<u>42,672</u>

**200 SUPPORT SERVICES**

212 Guidance Services	
100 Salaries	79,706
200 Employee Benefits	30,870
223 Supervision of Special Programs	
300 Purchased Services	1,986
400 Supplies and Materials	675
233 School Administration	
100 Salaries	219,283
200 Employee Benefits	90,852
300 Purchased Services	8,039
400 Supplies and Materials	2,851
500 Capital Outlay	269
600 Other Objects	821
254 Operations and Maintenance of Plant	
300 Purchased Services	72,858
258 Security	
100 Salaries	29,400
200 Employee Benefits	13,701
Total Support Services	<u>551,311</u>
410 Intergovernmental Expenditures	
412-720 Payments to Other Governmental Units	972,255
<b>TOTAL EXPENDITURES</b>	<b><u>1,566,238</u></b>

Special Item - Gain on Transfer of Net Pension and OPEB Liabilities	<u>1,358,417</u>
---	------------------

**EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES****231,781**

Net Position, Beginning of Year	<u>(231,781)</u>
---------------------------------	------------------

**Net Position, End of Year****\$ -**

Note: This schedule is presented as prescribed by the South Carolina State Department of Education.

**SCHEDULE G**  
**OTHER SUPPLEMENTAL SCHEDULE**

The following schedule is required by the South Carolina Department of Education.



RICHLAND SCHOOL DISTRICT TWO  
 DETAILED SCHEDULE OF DUE TO STATE DEPARTMENT OF EDUCATION/FEDERAL GOVERNMENT  
 FOR THE YEAR ENDED JUNE 30, 2021

PROGRAM	PROJECT/ GRANT NUMBER	SUBFUND & REVENUE CODES	DESCRIPTION	AMOUNT DUE TO STATE DEPARTMENT OF EDUCATION OR FEDERAL GOVERNMENT	STATUS OF AMOUNT DUE TO GRANTORS
CSI and Priority Schools	N/A	371/3571	Charter High School - Unspent Funds	\$ 38,000	Unpaid
Teacher Supply	N/A	309/3509	Overpayment	3,025	Unpaid
Personalized Learning Professional Development	N/A	377/3577	Unspent Funds	402	Unpaid
Adult Education GED Testing	N/A	969/3699	Unspent Funds	18,000	Unpaid
				<u>\$ 59,427</u>	

Note: This schedule is presented as prescribed by the South Carolina State Department of Education.

**RICHLAND SCHOOL DISTRICT TWO  
LOCATION RECONCILIATION SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2021**

LOCATION ID	LOCATION DESCRIPTION	EDUCATION LEVEL	COST TYPE	TOTAL EXPENDITURES
000 / 001 / 002/ 025 / 027/ 052 / 061 / 099	Districtwide/Shared Cost	Non-School	Central	\$ 114,833,352
023	Support Service Center (District Operations)	Non-School	Central	16,317,067
024 / 026	Alternative Program - Blythewood Academy	Alternative School	School	3,297,219
031	Transportation	Non-School	Central	11,877,039
040	Richland Two Child Development	Other School	School	712,861
043	W R Rogers Adult Education Program	Other School	School	1,551,924
045	Center for Inquiry	Elementary School	School	2,088,810
048	Center for Knowledge - North	Elementary School	School	8,087,597
050	Center for Knowledge	Elementary School	School	1,893,135
055	Center for Achievement	Elementary School	School	2,012,319
060	R2i2 - Richland Two Institute for Innovation	Other High School	School	3,192,890
069	Spring Valley High	High School	School	20,815,634
070	Bethel-Hanberry Elementary	Elementary School	School	21,405,652
072	Dent Middle	Middle School	School	10,969,601
073	Conder Elementary	Elementary School	School	6,934,713
074	Forest Lake Elementary	Elementary School	School	12,167,561
075	Joseph Keels Elementary	Elementary School	School	5,944,979
076	Lonnie B Nelson Elementary	Elementary School	School	5,853,631
077	Windsor Elementary	Elementary School	School	6,828,096
078	EL Wright Middle	Middle School	School	20,092,940
079	Richland Northeast High	High School	School	34,100,489
080	North Springs Elementary	Elementary School	School	7,186,773
081	Pontiac Elementary	Elementary School	School	7,017,773
082	Summit Parkway Middle	Middle School	School	8,679,236
083	Rice Creek Elementary	Elementary School	School	7,910,428
084	Ridgeview High	High School	School	37,102,981
085	Blythewood Middle	Middle School	School	8,031,979
086	Killian Elementary	Elementary School	School	8,188,001
087	Bookman Road Elementary	Elementary School	School	6,152,043
089	Lake Carolina Lower Elementary	Elementary School	School	5,765,826
090	Round Top Elementary	Elementary School	School	6,128,494
091	Kelly Mill Middle	Middle School	School	8,929,841
092	Blythewood High	High School	School	36,302,450
093	Sandlapper Elementary	Elementary School	School	7,412,220
094	Polo Road Elementary	Elementary School	School	7,216,393
095	Longleaf Middle	Middle School	School	7,942,148
096	Bridege Creek Elementary	Elementary School	School	7,180,019
097	Langford Road Elementary	Elementary School	School	5,395,603
098	Muller Road Middle	Middle School	School	7,553,038
100	Westwood High	High School	School	15,788,126
101	Catawba Trail Elementary	Elementary School	School	5,779,471
102	Lake Carolina Upper Elementary	Elementary School	School	5,836,613
103	Jackson Creek Elementary	Elementary School	School	7,793,504
600	Richland Two Charter High (District Funded)	Other School	School	337,351
<b>TOTAL EXPENDITURES/DISBURSEMENTS FOR ALL FUNDS</b>				<b>\$ 536,607,820</b>

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

General Fund	\$ 285,276,734
Special Revenue Fund	35,822,063
Special Revenue - EIA Fund	13,698,707
Special Revenue - Food Service Fund	7,907,206
Debt Service Fund	65,323,195
Capital Projects Fund	128,016,751
Internal Service Fund	563,164
	<b>\$ 536,607,820</b>

Note: This schedule is presented as prescribed by the South Carolina State Department of Education.

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## STATISTICAL SECTION

### (UNAUDITED)

The Statistical Section of the District's annual comprehensive financial report presents detailed information as a context for understanding the information in the financial statements, note disclosures, and required supplementary information says about the School District's overall financial health.

#### ***Financial Trends***

These schedules contain trend information to help the reader understand how the School District's financial performance and well-being have changed over time.

#### ***Revenue Capacity***

These schedules contain information to help the reader assess the School District's most significant local revenue source, the property tax.

#### ***Debt Capacity***

These schedules present information to help the reader assess the affordability of the School District's current levels of outstanding debt and the School District's ability to issue additional debt in the future.

#### ***Demographic and Economic Information***

These schedules offer demographic and economic indicators to help the reader understand the environment in which the School District's financial activities take place.

#### ***Operating Information***

These schedules contain service and infrastructure data to help the reader understand how the information in the School District's financial report relates to the services the District provides and the activities it performs.

*Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.*

## RICHLAND SCHOOL DISTRICT TWO

## NET POSITION BY COMPONENT

JUNE 2012 THROUGH 2021

(ACCRUAL BASIS)

	2012	2013	2014	2015*	2016	2017	2018	2019 ^	2020 ^	2021 ^
<b>Governmental Activities</b>										
Net Investment in Capital Assets	\$ 83,927,677	\$ 109,733,690	\$ 113,769,149	\$ 116,956,102	\$ 137,108,277	\$ 158,447,739	\$ 180,950,749	\$ 209,007,266	\$ 238,905,419	\$ 265,535,892
Restricted	52,449,754	12,180,380	14,499,495	17,118,957	22,845,297	21,330,566	23,136,508	28,770,909	33,105,014	37,008,631
Unrestricted	26,362,608	32,682,030	35,864,156	(250,572,529)	(259,241,952)	(263,469,464)	(576,671,789)	(579,605,154)	(582,769,349)	(596,718,784)
<b>Total Governmental Activities Net Position</b>	<b>162,740,039</b>	<b>154,596,100</b>	<b>164,132,800</b>	<b>(116,497,470)</b>	<b>(99,288,378)</b>	<b>(83,691,159)</b>	<b>(372,584,532)</b>	<b>(341,826,979)</b>	<b>(310,758,916)</b>	<b>(294,174,261)</b>
<b>Business-Type Activities</b>										
Net Investment in Capital Assets	2,797,051	2,528,910	2,234,238	1,905,492	1,715,155	1,862,896	1,517,687	-	-	-
Unrestricted	2,914,064	2,755,534	3,335,786	427,840	(50,770)	(334,257)	(2,809,225)	-	-	-
<b>Total Business-Type Activities Net Position</b>	<b>5,711,115</b>	<b>5,284,444</b>	<b>5,570,024</b>	<b>2,333,332</b>	<b>1,664,385</b>	<b>1,528,639</b>	<b>(1,291,538)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Primary Government</b>										
Net Investment in Capital Assets	86,724,728	112,262,600	116,003,387	118,861,594	138,823,432	160,310,635	182,468,436	209,007,266	238,905,419	265,535,892
Restricted	52,449,754	12,180,380	14,499,495	17,118,957	22,845,297	21,330,566	23,136,508	28,770,909	33,105,014	37,008,631
Unrestricted	29,276,672	35,437,564	39,199,942	(250,144,689)	(259,292,722)	(263,803,721)	(579,481,014)	(579,605,154)	(582,769,349)	(596,718,784)
<b>Total Primary Government</b>	<b>\$ 168,451,154</b>	<b>\$ 159,880,544</b>	<b>\$ 169,702,824</b>	<b>\$ (114,164,138)</b>	<b>\$ (97,623,993)</b>	<b>\$ (82,162,520)</b>	<b>\$ (373,876,070)</b>	<b>\$ (341,826,979)</b>	<b>\$ (310,758,916)</b>	<b>\$ (294,174,261)</b>

\* The District Implemented GASB 68 for the year ending June 30, 2015. This implementation required recognition of a significant pension liability which resulted in a reporting deficit.

^ The District had a change in accounting principle in 2019, which reclassified the food service fund from a Business-Type Activity to a Governmental Activity.

**RICHLAND SCHOOL DISTRICT TWO**  
**EXPENSES, PROGRAM REVENUES AND NET (EXPENSE)**  
**FOR FISCAL YEARS ENDED JUNE 30, 2012 THROUGH 2021**  
**(ACCRUAL BASIS)**

	2012	2013	2014	2015	2016	2017	2018	2019^	2020^	2021^
<b>Expenses</b>										
<b>Governmental Activities:</b>										
Instruction	\$ 155,352,131	\$ 166,236,699	\$ 171,250,774	\$ 179,943,863	\$ 182,882,044	\$ 178,527,719	\$ 200,253,684	\$ 207,429,969	\$ 206,378,461	\$ 231,171,951
Support Services	107,127,665	114,581,107	116,519,318	122,728,455	126,081,749	150,532,971	147,675,895	154,341,997	176,570,046	164,831,852
Community Services	1,429,158	1,534,120	1,189,962	1,168,386	156,500	190,015	297,796	323,550	360,780	272,943
Intergovernmental	21,154,095	1,200,154	1,391,393	1,683,142						
Interest and Other Charges	105,400	28,822,086	14,944,692	24,422,848	9,934,821	9,148,324	13,360,729	8,302,252	6,393,711	18,947,617
Pupil Activities	105,127									
Depreciation - Unallocated										
<b>Total Governmental Activities Expenses</b>	<b>285,273,576</b>	<b>312,374,166</b>	<b>305,296,139</b>	<b>329,946,694</b>	<b>319,055,114</b>	<b>338,399,029</b>	<b>361,588,104</b>	<b>370,397,768</b>	<b>389,702,998</b>	<b>415,224,363</b>
<b>Business-Type Activities:</b>										
Food Services	10,707,175	11,392,466	10,911,686	12,196,339	12,257,836	12,181,857	11,900,159	-	-	-
<b>Total Business-Type Activities Expenses</b>	<b>10,707,175</b>	<b>11,392,466</b>	<b>10,911,686</b>	<b>12,196,339</b>	<b>12,257,836</b>	<b>12,181,857</b>	<b>11,900,159</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Primary Government Expenses</b>	<b>295,980,751</b>	<b>323,766,632</b>	<b>316,207,825</b>	<b>342,143,033</b>	<b>331,312,950</b>	<b>350,580,886</b>	<b>373,488,263</b>	<b>370,397,768</b>	<b>389,702,998</b>	<b>415,224,363</b>
<b>Program Revenues</b>										
<b>Governmental Activities:</b>										
Charges for Services										
Instruction	854,105	294,035	334,656	276,459	447,146	221,503	364,633	392,984	376,715	160,326
Support Services	633,902	160,689	162,922	144,774	157,823	212,346	470,353	3,064,277	2,571,379	299,997
Operating Grants and Contributions	112,961,004	121,897,536	127,304,694	137,514,617	139,135,888	149,846,237	160,595,221	176,473,741	188,607,078	198,981,630
Capital Grants and Contributions										
<b>Total Governmental Activities Program Revenues</b>	<b>114,449,011</b>	<b>122,352,260</b>	<b>127,802,272</b>	<b>137,935,850</b>	<b>139,740,857</b>	<b>150,280,086</b>	<b>161,430,207</b>	<b>179,931,002</b>	<b>191,555,172</b>	<b>199,441,953</b>
<b>Business-Type Activities</b>										
Charges for Services										
Food Services	3,273,672	3,408,127	3,107,800	3,093,080	3,147,985	2,752,009	2,621,519	-	-	-
Operating Grants and Contributions	7,140,736	7,398,346	7,788,741	7,878,779	8,313,365	8,632,309	9,131,491	-	-	-
<b>Total Business-Type Activities Program Revenues</b>	<b>10,414,408</b>	<b>10,806,473</b>	<b>10,896,541</b>	<b>10,971,859</b>	<b>11,461,350</b>	<b>11,384,318</b>	<b>11,753,010</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Primary Government Program Revenues</b>	<b>124,863,419</b>	<b>133,158,733</b>	<b>138,698,813</b>	<b>148,907,709</b>	<b>151,202,207</b>	<b>161,664,404</b>	<b>173,183,217</b>	<b>179,931,002</b>	<b>191,555,172</b>	<b>199,441,953</b>
<b>Net (Expense) Revenue</b>										
Governmental Activities	(170,824,565)	(190,021,906)	(177,493,867)	(192,010,844)	(179,314,257)	(188,118,943)	(200,157,897)	(190,466,766)	(198,147,826)	(215,782,410)
Business-Type Activities	(292,767)	(585,993)	(15,145)	(1,224,480)	(796,486)	(797,539)	(147,149)	-	-	-
<b>Total Primary Government Net (Expense)/Revenue</b>	<b>\$ (171,117,332)</b>	<b>\$ (190,607,899)</b>	<b>\$ (177,509,012)</b>	<b>\$ (193,235,324)</b>	<b>\$ (180,110,743)</b>	<b>\$ (188,916,482)</b>	<b>\$ (200,305,046)</b>	<b>\$ (190,466,766)</b>	<b>\$ (198,147,826)</b>	<b>\$ (215,782,410)</b>

^ The District had a change in accounting principle in 2019, which reclassified the food service fund from a Business-Type Activity to a Governmental Activity.

**RICHLAND SCHOOL DISTRICT TWO**  
**GENERAL REVENUES AND TOTAL CHANGE IN NET POSITION**  
**FOR FISCAL YEARS ENDED JUNE 30, 2012 THROUGH 2021**  
**(ACCRUAL BASIS)**

	2012	2013	2014	2015	2016	2017	2018	2019^	2020^	2021^
<b>Net (Expense) Revenue:</b>										
Governmental Activities	\$(170,824,565)	\$(190,021,906)	\$(177,493,867)	\$(192,010,844)	\$(179,314,257)	\$(188,118,943)	\$(188,118,943)	\$(190,466,766)	\$(198,147,826)	\$(215,782,410)
Business-Type Activities	(292,767)	(585,993)	(15,145)	(1,224,480)	(796,486)	(797,539)	(797,539)	-	-	-
<b>Total Primary Government Net (Expense) Revenue</b>	<b>(171,117,332)</b>	<b>(190,607,899)</b>	<b>(177,509,012)</b>	<b>(193,235,324)</b>	<b>(180,110,743)</b>	<b>(188,916,482)</b>	<b>(188,916,482)</b>	<b>(190,466,766)</b>	<b>(198,147,826)</b>	<b>(215,782,410)</b>
<b>General Revenues and Other Changes in Net Position</b>										
<b>Governmental Activities:</b>										
Taxes										
Property Taxes Levied for General Purposes	73,749,462	80,052,909	83,784,521	85,522,956	88,498,475	93,776,751	95,996,569	104,159,771	111,642,361	107,989,495
Property Taxes Levied for Debt Services	42,274,586	45,620,780	50,979,099	55,045,358	56,820,028	58,515,896	59,435,654	60,630,757	61,837,422	62,903,570
Unrestricted Grants and Contributions	49,724,092	51,422,890	50,670,589	51,399,853	48,764,658	49,061,032	51,581,912	53,707,919	51,878,218	54,667,139
Investment Earnings	394,001	2,650,981	600,886	841,808	1,073,829	757,078	1,729,617	2,614,083	3,206,031	1,018,938
Miscellaneous	123,298	2,200,928	2,225,996	2,467,129	1,217,658	1,963,685	1,082,236	1,403,327	651,857	2,339,418
Insurance Proceeds	14,750									
Transfers	(403,001)	(70,521)	147,187	216,336	148,701	(358,280)	44,590			
<b>Total Governmental Activities</b>	<b>165,877,188</b>	<b>181,877,967</b>	<b>188,408,278</b>	<b>195,493,440</b>	<b>196,523,349</b>	<b>203,716,162</b>	<b>209,870,578</b>	<b>222,515,857</b>	<b>229,215,889</b>	<b>228,918,560</b>
<b>Business-Type Activities</b>										
Unrestricted Grants and Contributions										
Investment Earnings	12,854	25,371	27,871	49,740	43,047	845	1,373			
Miscellaneous	14,025	60,572	420,041	329,784	233,193	302,668	140,124			
Gain on Sale of Capital Assets	16,965	2,858								
Transfers	403,001	70,521	(147,187)	(216,336)	(148,701)	358,280	(44,590)			
<b>Total Business-Type Activities</b>	<b>446,845</b>	<b>159,322</b>	<b>300,725</b>	<b>163,188</b>	<b>127,539</b>	<b>661,793</b>	<b>96,907</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Primary Government</b>	<b>166,324,033</b>	<b>182,037,289</b>	<b>188,709,003</b>	<b>195,656,628</b>	<b>196,650,888</b>	<b>204,377,955</b>	<b>209,967,485</b>	<b>222,515,857</b>	<b>229,215,889</b>	<b>228,918,560</b>
<b>Change in Net Position</b>										
Governmental Activities	(4,947,377)	(8,143,939)	10,914,411	3,482,596	17,209,092	15,597,219	21,751,635	32,049,091	31,068,063	13,136,150
Business-Type Activities	154,078	(426,671)	285,580	(1,061,292)	(668,947)	(135,746)	(700,632)	-	-	-
<b>Change in Net Position - Primary Government</b>	<b>\$ (4,793,299)</b>	<b>\$ (8,570,610)</b>	<b>\$ 11,199,991</b>	<b>\$ 2,421,304</b>	<b>\$ 16,540,145</b>	<b>\$ 15,461,473</b>	<b>\$ 21,051,003</b>	<b>\$ 32,049,091</b>	<b>\$ 31,068,063</b>	<b>\$ 13,136,150</b>

^ The District had a change in accounting principle in 2019, which reclassified the food service fund from a Business-Type Activity to a Governmental Activity.

**RICHLAND SCHOOL DISTRICT TWO**  
**FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(MODIFIED ACCRUAL BASIS)**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>General Fund</b>										
Unreserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total General Fund</b>	-	-	-	-	-	-	-	-	-	-
<b>General Fund*</b>										
Nonspendable		110,666	60,093	51,494	40,652	50,196	-	-	-	-
Restricted										
Committed	13,933,189									
Assigned	547,814									
Unassigned	15,682,165	33,673,599	38,308,823	39,616,139	40,226,954	46,152,355	52,973,547	69,878,973	81,237,752	94,606,189
<b>Total General Fund*</b>	30,163,168	33,784,265	38,368,916	39,667,633	40,267,606	46,202,551	52,973,547	69,878,973	81,237,752	94,606,189
<b>All Other Governmental Funds</b>										
Reserved for Debt Service										
Reserved for Capital Projects										
<b>Total All Other Governmental Funds</b>	-	-	-	-	-	-	-	-	-	-
<b>All Other Governmental Funds*</b>										
Nonspendable									80,041	140,376
Restricted	97,923,741	134,501,224	117,090,962	106,725,208	72,286,334	51,168,835	53,073,535	77,743,295	119,515,274	169,760,174
Committed										
Assigned										
Unassigned										
<b>Total All Other Governmental Funds*</b>	\$ 97,923,741	\$ 134,501,224	\$ 117,090,962	\$ 106,725,208	\$ 72,286,334	\$ 51,168,835	\$ 53,073,535	\$ 77,743,295	\$ 119,595,315	\$ 169,900,550

Notes: \* The fund balances for the General Fund and all other Governmental Funds from FY2011 and later are reported based on the new requirements under GASB 54. The fund balances prior to 2011 are not reported under GASB 54.



Table 5

**RICHLAND SCHOOL DISTRICT TWO**  
**GOVERNMENTAL FUNDS REVENUES**  
**LAST TEN FISCAL YEARS**  
**(MODIFIED ACCRUAL BASIS)**

Sources	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Local Sources:</b>										
Local Property Tax	\$ 113,073,887	\$ 120,964,929	\$ 134,745,959	\$ 140,503,482	\$ 144,931,769	\$ 152,222,454	\$ 155,455,615	\$ 164,916,416	\$ 173,403,303	\$ 172,285,774
Interest Income	379,348	2,632,635	592,701	834,453	1,049,521	739,473	1,704,469	2,466,461	3,085,617	1,018,434
Other Revenues	6,874,820	8,367,295	4,324,464	4,568,823	3,729,041	4,058,968	3,051,338	6,436,948	5,461,103	4,934,924
<b>Total Revenue from Local Sources</b>	<b>120,328,055</b>	<b>131,964,859</b>	<b>139,663,124</b>	<b>145,906,758</b>	<b>149,710,331</b>	<b>157,020,895</b>	<b>160,211,422</b>	<b>173,819,825</b>	<b>181,950,023</b>	<b>178,239,132</b>
<b>State Sources:</b>										
State Education Finance Act	49,675,242	53,878,465	57,000,947	61,228,465	64,493,666	70,312,436	76,186,540	78,295,200	78,387,618	77,920,214
State Revenue in Lieu of Taxes	45,370,078	46,382,333	47,143,068	47,786,914	48,527,591	48,837,828	49,493,108	51,668,892	48,656,892	50,078,440
State Education Improvement Act	18,450,217	20,114,400	20,101,967	19,110,992	16,076,246	18,028,745	19,382,826	19,229,408	22,827,870	22,222,014
State Grants & Other State Revenue	29,451,875	36,823,577	34,645,799	36,350,570	38,685,065	40,631,865	47,183,734	50,818,188	58,058,454	65,465,901
<b>Total Revenue from State Sources</b>	<b>142,947,412</b>	<b>157,198,775</b>	<b>158,891,781</b>	<b>164,476,941</b>	<b>167,782,568</b>	<b>177,810,874</b>	<b>192,246,208</b>	<b>200,011,688</b>	<b>207,930,834</b>	<b>215,686,569</b>
<b>Federal Sources:</b>										
Federal Grants	16,969,492	13,260,225	17,468,028	22,562,606	17,982,496	19,089,346	18,615,660	28,366,177	30,622,627	33,372,966
<b>Total Federal Sources</b>	<b>16,969,492</b>	<b>13,260,225</b>	<b>17,468,028</b>	<b>22,562,606</b>	<b>17,982,496</b>	<b>19,089,346</b>	<b>18,615,660</b>	<b>28,366,177</b>	<b>30,622,627</b>	<b>33,372,966</b>
<b>Intergovernmental Revenue</b>										
Intergovernmental Revenue	454,838	612,294	92,980	194,007	238,276	352,513	181,149	229,733	213,581	972,255
<b>Total Intergovernmental Revenues</b>	<b>454,838</b>	<b>612,294</b>	<b>92,980</b>	<b>194,007</b>	<b>238,276</b>	<b>352,513</b>	<b>181,149</b>	<b>229,733</b>	<b>213,581</b>	<b>972,255</b>
<b>Total Revenues from All Sources</b>	<b>\$ 280,699,797</b>	<b>\$ 303,036,153</b>	<b>\$ 316,115,913</b>	<b>\$ 333,140,312</b>	<b>\$ 335,713,671</b>	<b>\$ 354,273,628</b>	<b>\$ 371,254,439</b>	<b>\$ 402,427,423</b>	<b>\$ 420,717,065</b>	<b>\$ 428,270,922</b>

Table 6

**RICHLAND SCHOOL DISTRICT TWO**  
**GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO**  
**LAST TEN FISCAL YEARS**  
**(MODIFIED ACCRUAL BASIS)**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Expenditures</b>										
Current:										
Instruction	\$ 141,282,551	\$ 150,941,022	\$ 156,617,482	\$ 162,098,330	\$ 162,705,321	\$ 167,746,259	\$ 173,500,467	\$ 176,804,024	\$ 187,061,064	\$ 194,706,976
Support Services	96,530,360	104,499,931	106,497,349	112,622,549	115,753,657	144,017,660	127,617,115	138,270,437	166,955,061	148,640,842
Community Services	1,387,105	1,534,120	1,189,961	1,168,386	156,500	190,015	297,796	323,550	360,780	272,943
Capital Additions	42,446,388	28,802,838	21,254,322	18,154,121	44,273,913	9,484,256	6,935,244	6,290,035	33,542,151	121,741,503
Debt Service:										
Principal Retirement	27,754,243	56,500,000	29,305,000	97,210,000	37,665,000	40,246,000	43,972,984	45,847,000	101,595,815	47,314,000
Interest and Fiscal Charges	23,079,215	26,128,127	22,775,177	30,874,055	17,409,696	16,740,331	15,200,286	14,155,133	43,816,613	18,440,053
Intergovernmental	829,891	1,200,154	1,391,393	1,683,142	1,739,055	1,855,598	3,754,927	5,073,420	5,487,843	4,928,339
<b>Total Expenditures</b>	<b>\$ 333,309,753</b>	<b>\$ 369,606,192</b>	<b>\$ 339,030,684</b>	<b>\$ 423,810,583</b>	<b>\$ 379,703,142</b>	<b>\$ 380,280,119</b>	<b>\$ 371,278,819</b>	<b>\$ 386,763,599</b>	<b>\$ 538,819,327</b>	<b>\$ 536,044,656</b>
<b>Debt Service as a Percentage of Non-Capital Expenditures</b>	17.48%	24.25%	16.39%	31.57%	16.42%	15.37%	16.24%	15.77%	28.78%	15.87%

**RICHLAND SCHOOL DISTRICT TWO**  
**OTHER FINANCING SOURCES AND USES AND**  
**NET CHANGE IN FUND BALANCES, GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(MODIFIED ACCRUAL BASIS)**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Excess of Revenues Over (Under) Expenditures</b>	\$ (52,609,956)	\$ (66,570,039)	\$ (22,914,771)	\$ (90,670,271)	\$ (43,989,471)	\$ (26,006,491)	\$ (24,380)	\$ 15,663,824	\$ (118,102,262)	\$ (107,773,734)
<b>Other Financing Sources (Uses)</b>										
General & Special Long-Term Debt Issued	70,000,000	106,836,546	11,396,124	10,000,000	10,000,000	12,100,000	50,880,000	26,000,000	67,625,000	149,995,000
Premium on Bonds Issued	6,665,916			12,864,732	1,491,294	579,826	6,846,795	151,580	21,172,587	19,487,078
Sale of Capital Assets	17,380	2,594	45,849	12,166	10,575	2,391	13,563	63,891	15,474	16,823
Issuance of Long-Term Notes										
Issuance of Refunding Debt										
Payments to Refunded Debt Escrow Agents							(46,822,585)			
Issuance of Refunded Debt (Net)				60,010,000					85,000,000	
Transfers in	4,305,720	9,183,514	6,439,855	9,228,298	7,163,447	8,709,364	8,386,612	10,221,778	15,261,965	16,100,229
Transfers out	(6,314,121)	(9,254,035)	(7,792,668)	(10,511,962)	(8,514,746)	(10,567,644)	(10,604,309)	(13,063,993)	(17,761,965)	(17,600,229)
<b>Total Other Financing Sources</b>	<b>74,674,895</b>	<b>106,768,619</b>	<b>10,089,160</b>	<b>81,603,234</b>	<b>10,150,570</b>	<b>10,823,937</b>	<b>8,700,076</b>	<b>23,373,256</b>	<b>171,313,061</b>	<b>167,998,901</b>
<b>Net Change in Fund Balances</b>	<b>\$ 22,064,939</b>	<b>\$ 40,198,580</b>	<b>\$ (12,825,611)</b>	<b>\$ (9,067,037)</b>	<b>\$ (33,838,901)</b>	<b>\$ (15,182,554)</b>	<b>\$ 8,675,696</b>	<b>\$ 39,037,080</b>	<b>\$ 53,210,799</b>	<b>\$ 60,225,167</b>

**RICHLAND SCHOOL DISTRICT TWO**  
**ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST TEN FISCAL YEARS**

Fiscal Year Ended	Assessed Value			Actual Value			Total Direct Tax Rate
	Real Property	Personal Property	Total	Real Property	Personal Property	Total	
2012	\$ 406,302,990	\$ 118,186,867	\$ 524,489,857	\$ 8,882,531,052	\$ 1,480,507,521	\$ 10,363,038,573	349.4
2013	\$ 409,508,640	\$ 128,883,188	\$ 538,391,828	\$ 8,967,744,550	\$ 1,644,392,695	\$ 10,612,137,245	367.5
2014	\$ 414,201,660	\$ 135,129,099	\$ 549,330,759	\$ 9,069,862,050	\$ 1,736,060,994	\$ 10,805,923,044	385.5
2015	\$ 380,188,860	\$ 137,722,914	\$ 517,911,774	\$ 8,250,836,720	\$ 1,785,430,842	\$ 10,036,267,562	406.0
2016	\$ 389,892,460	\$ 143,192,835	\$ 533,085,295	\$ 8,466,308,860	\$ 1,867,523,548	\$ 10,333,832,408	412.0
2017	\$ 398,138,830	\$ 147,487,771	\$ 545,626,601	\$ 8,653,428,450	\$ 1,910,910,660	\$ 10,564,339,110	427.0
2018	\$ 411,907,320	\$ 144,756,816	\$ 556,664,136	\$ 8,947,211,680	\$ 1,874,515,236	\$ 10,821,726,916	429.2
2019	\$ 423,322,970	\$ 146,610,390	\$ 569,933,360	\$ 9,192,444,464	\$ 1,893,019,320	\$ 11,085,463,784	439.6
2020	\$ 456,716,580	\$ 147,443,009	\$ 604,159,589	\$ 9,889,374,511	\$ 1,906,521,805	\$ 11,795,896,316	435.7
2021	\$ 471,310,810	\$ 154,596,412	\$ 625,907,222	\$ 10,198,757,481	\$ 2,019,781,463	\$ 12,218,538,944	435.7

Source: Richland County Assessor's Office and Richland County Auditor's Office

**RICHLAND SCHOOL DISTRICT TWO**  
**DIRECT AND OVERLAPPING PROPERTY TAX RATES**  
**LAST TEN FISCAL YEARS**  
(rate per \$1,000 of assessed value)

Fiscal Year	District Direct Rates			Overlapping Rates <sup>a</sup>				
	General Purposes	Capital Purposes	Total	Richland School District 2	Richland County	Recreation District of Richland County	East Richland Public Service District	Richland-Lexington Riverbanks Park
2012	269.4	80.0	349.4	349.4	81.6	13.7	4.0	2.00
2013	282.5	85.0	367.5	367.5	84.2	14.1	4.0	2.00
2014	291.5	94.0	385.5	385.5	86.5	14.4	4.0	2.10
2015	298.0	108.0	406.0	406.0	93.9	15.6	4.0	2.70
2016	304.0	108.0	412.0	412.0	95.6	15.8	4.0	2.40
2017	319.0	108.0	427.0	427.0	96.8	15.8	6.0	2.40
2018	321.2	108.0	429.2	429.2	97.1	16.1	6.0	2.40
2019	331.6	108.0	439.6	439.6	99.3	16.5	6.0	2.40
2020	331.7	104.0	435.7	435.7	97.7	16.0	4.0	2.40
2021	331.7	104.0	435.7	435.7	96.5	15.0	4.0	2.40

**Source:** County Auditor's Office

**Note:** <sup>a</sup> Includes levies for operating and debt service costs.

## RICHLAND SCHOOL DISTRICT TWO

## PRINCIPAL PROPERTY TAXPAYERS

## CURRENT YEAR AND 2012

Taxpayer	2021			2012		
	Rank	Taxable Assessed Value	Percentage of Total Taxable Value	Rank	Taxable Assessed Value	Percentage of Total Taxable Value
Dominion Energy <sub>2</sub>	1	\$ 19,693,310	3.14%	1	\$ 14,958,500	2.84%
JTEKT North America Corp**	2	7,604,340	1.21%			
Trane US Inc	3	5,997,010	0.96%			
Blue Cross - Blue Shield**	4	4,165,870	0.66%	2	7,959,782	1.51%
F N Manufacturing, Inc.	5	2,345,590	0.37%	5	2,695,270	0.51%
The Kroger Co**	6	2,216,030	0.35%	10	1,428,760	0.27%
Fairfield Electric Co-op Inc	7	2,206,830	0.35%	8	1,617,630	0.31%
Spectrum Southeast LLC	8	2,200,040	0.35%			
Edward Rose Development Co. LLC	9	1,941,100	0.31%			
Triangle Palisades of Blythewood	10	1,849,500	0.29%			
Bose Corporation**				3	3,482,144	0.66%
Koyo Corporation of USA**				4	3,362,485	0.64%
Bellsouth Telecommunications				6	2,366,110	0.45%
Century Realty, LLC				7	2,184,880	0.42%
CBL/Columbia Place, LLC				9	1,517,130	0.29%
<b>Total</b>		<b>\$ 50,219,620</b>	<b>7.99%</b>		<b>\$ 41,572,691</b>	<b>7.90%</b>

Source: County Treasurer's Office

\*\* Fee agreement reduced taxes owed

<sub>1</sub> Formerly SC Electric & Gas/SCANA

**RICHLAND SCHOOL DISTRICT TWO**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
**LAST TEN FISCAL YEARS**

Fiscal Year	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Year	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2012	\$ 119,840,092	\$ 113,972,278	95.10%	\$ 3,159,490	\$ 117,131,768	97.74%
2013	\$ 126,061,667	\$ 119,395,021	94.71%	\$ 2,616,655	\$ 122,011,676	96.79%
2014	\$ 131,695,063	\$ 126,674,179	96.19%	\$ 2,448,750	\$ 129,122,929	98.05%
2015	\$ 133,882,532	\$ 128,756,319	96.17%	\$ 3,886,436	\$ 132,642,755	99.07%
2016	\$ 139,053,118	\$ 130,985,169	94.20%	\$ 1,798,373	\$ 132,783,542	95.49%
2017	\$ 146,075,919	\$ 140,150,070	95.94%	\$ 1,756,711	\$ 141,906,781	97.15%
2018	\$ 148,453,984	\$ 141,152,003	95.08%	\$ 2,783,049	\$ 143,935,052	96.96%
2019	\$ 154,805,872	\$ 146,904,884	94.90%	\$ 4,962,810	\$ 151,867,694	98.10%
2020	\$ 166,078,425	\$ 150,779,404	90.79%	\$ 1,908,885	\$ 152,688,289	91.94%
2021	\$ 169,811,094	\$ 158,275,948	93.21%	\$ -	\$ 158,275,948	93.21%

Source : County Treasurer

Table 12

## RICHLAND SCHOOL DISTRICT TWO

## RATIOS OF DEBT OUTSTANDING

## LAST TEN FISCAL YEARS

Ratios of Total Debt Outstanding						
Year	General & Special Obligation Bonds	Unamortized Bond Premiums	Total Debt Primary Government	Percentage of Actual Taxable Value of Property	Percentage of Personal Income	Per Capita
2012	\$ 471,630,000	\$ 34,413,572	\$ 506,043,572	96%	3%	\$ 1,287
2013	\$ 509,435,000	\$ 46,289,512	\$ 555,724,512	103%	3%	\$ 1,400
2014	\$ 489,560,000	\$ 40,695,255	\$ 530,255,255	97%	3%	\$ 1,323
2015	\$ 462,360,000	\$ 47,066,450	\$ 509,426,450	98%	3%	\$ 1,253
2016	\$ 434,695,000	\$ 40,935,532	\$ 475,630,532	89%	4%	\$ 1,161
2017	\$ 406,549,000	\$ 34,163,324	\$ 440,712,324	81%	4%	\$ 1,068
2018	\$ 370,646,000	\$ 31,207,636	\$ 401,853,636	72%	5%	\$ 968
2019	\$ 350,799,000	\$ 25,869,403	\$ 376,668,403	66%	5%	\$ 903
2020	\$ 376,089,000	\$ 34,639,510	\$ 410,728,510	68%	5%	\$ 975
2021	\$ 478,770,000	\$ 48,593,670	\$ 527,363,670	84%	4%	\$ 1,252

Ratios of General Bonded Debt Outstanding						
Year	Total Debt Primary Government	Less: Amounts Available in Debt Service Fund	Total General Bonded Debt Outstanding	Percentage of Actual Taxable Value of Property	Percentage of Personal Income	Per Capita
2012	\$ 506,043,572	\$ 13,316,088	\$ 492,727,484	94%	3%	\$ 1,253
2013	\$ 555,724,512	\$ 15,816,637	\$ 539,907,875	100%	3%	\$ 1,360
2014	\$ 530,255,255	\$ 18,104,485	\$ 512,150,770	93%	3%	\$ 1,278
2015	\$ 509,426,450	\$ 20,753,211	\$ 488,673,239	94%	3%	\$ 1,202
2016	\$ 475,630,532	\$ 22,828,791	\$ 452,801,741	85%	4%	\$ 1,106
2017	\$ 440,712,324	\$ 24,921,560	\$ 415,790,764	76%	4%	\$ 1,008
2018	\$ 401,853,636	\$ 26,645,639	\$ 375,207,997	67%	5%	\$ 904
2019	\$ 376,668,403	\$ 25,343,387	\$ 351,325,016	62%	6%	\$ 842
2020	\$ 410,728,510	\$ 30,847,692	\$ 384,002,002	64%	5%	\$ 912
2020	\$ 527,363,670	\$ 33,155,070	\$ 494,208,600	79%	4%	\$ 1,174

Source: District Records

## Notes:

See Table 8 for property value data

See Table 14 for Personal Income and Per Capita Income Data

Details regarding the District's outstanding debt can be found in the notes to the financial statements



## RICHLAND SCHOOL DISTRICT TWO

## LEGAL DEBT MARGIN

## LAST TEN FISCAL YEARS

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Debt Limit	\$ 41,959,189	\$ 43,071,346	\$ 43,946,461	\$ 41,432,942	\$ 42,646,824	\$ 43,650,128	\$ 44,533,131	\$ 45,594,669	\$ 48,332,767	\$ 50,072,578
Total Net Debt Applicable to Limit	21,260,000	28,910,000	23,910,000	36,840,000	40,330,000	43,490,000	43,875,000	31,840,000	19,290,000	9,735,000
<b>Legal Debt Margin</b>	<b>\$ 20,699,189</b>	<b>\$ 14,161,346</b>	<b>\$ 20,036,461</b>	<b>\$ 4,592,942</b>	<b>\$ 2,316,824</b>	<b>\$ 160,128</b>	<b>\$ 658,131</b>	<b>\$ 13,754,669</b>	<b>\$ 29,042,767</b>	<b>\$ 40,337,578</b>
<b>Total Net Debt Applicable to Limit as a Percentage of Debt Limit</b>	50.67%	67.12%	54.41%	88.91%	94.57%	99.63%	98.52%	69.83%	39.91%	19.44%

## Legal Debt Margin Calculation:

Total Assessed Value	<u>\$ 625,907,222</u>
Debt Limit (8% of Total Assessed Value)	<u>50,072,578</u>
Amount of Debt Applicable to Debt Limit:	
Total Bonded Debt Outstanding	478,770,000
Less: General Bonds Outstanding Not Subject to Debt Limit	<u>(469,035,000)</u>
Total Net Debt Applicable to Debt Limit	<u>9,735,000</u>
Legal Debt Margin	<u>\$ 40,337,578</u>

**Notes:**

The Constitution of the State of South Carolina allows for school districts to issue up to 8% of the assessed value of all properties in the School District.

## RICHLAND SCHOOL DISTRICT TWO

## DIRECT AND OVERLAPPING DEBT

June 30, 2021

	Debt Outstanding	Assessed Value Related to Debt	Percentage Applicable to District	District Share of Debt
<b>Overlapping Debt</b>				
City of Columbia	\$ 138,034,319	\$ 608,007,812	9.22%	\$ 12,726,764
Richland County	87,655,000	1,795,111,528	34.87%	30,565,299
Recreation District	29,245,000	1,187,103,716	48.00%	14,037,600
Richland/Lexington Riverbank Park District	29,311,000	1,795,111,528	34.87%	10,220,746
East Richland County Public Sewer District	11,171,036	248,721,610	73.54%	8,215,180
Richland/Lexington Airport District	4,765,000	1,795,111,528	34.87%	1,661,556
<b>Total Overlapping Debt</b>	<u>300,181,355</u>			<u>77,427,144</u>
<b>Direct</b>				
Richland School District Two	<u>478,770,000</u>	625,907,222	100.00%	<u>478,770,000</u>
<b>Total Direct Debt</b>	<u>478,770,000</u>			<u>478,770,000</u>
<b>Total Direct and Overlapping Debt</b>	<u><u>\$ 778,951,355</u></u>			<u><u>\$ 556,197,144</u></u>

Source: Richland County Treasurer's Office &amp; Richland County Auditor

Note: The percentage of overlapping debt applicable to the School District is estimated using the taxable assessed property values. The County Auditor calculates the applicable percentages based on the assessed values of each overlapping entity. Debt and % information reflects the most recent information provided by Richland County. The County does not include unamortized bond premiums in the information reported, therefore, for comparative and analytical purposes the district's debt outstanding does not include premiums.

**RICHLAND SCHOOL DISTRICT TWO**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**LAST TEN CALENDAR YEARS**

<b>Calendar Year</b>	<b>Population (a)</b>	<b>County Per Capita Income (b)</b>	<b>County Personal Income (b)</b>	<b>Unemployment Rate (c)</b>
2012	393,205	\$ 37,831	\$ 14,875,429	8.2%
2013	397,015	\$ 38,359	\$ 15,229,272	6.9%
2014	400,688	\$ 40,103	\$ 16,068,690	6.0%
2015	406,455	\$ 41,764	\$ 16,975,172	5.7%
2016	409,569	\$ 42,391	\$ 17,361,967	4.8%
2017	412,492	\$ 43,951	\$ 18,129,473	3.9%
2018	415,159	\$ 45,001	\$ 18,868,559	3.3%
2019	417,027	\$ 46,806	\$ 19,519,574	1.8%
2020	419,051	\$ 49,678	\$ 20,817,446	5.3%
2021	421,085	\$ 52,726	\$ 22,201,615	3.9%

(a) 2010 to 2020, US Bureau of Economic Analysis; 2021 estimated

(b) US Bureau of Economic Analysis, US Department of Commerce; 2021 estimated

(c) State Agency for Workforce Innovation, Office of Workforce Information Services,  
Labor Market Statistics; October data for 2020 and 2021

## RICHLAND SCHOOL DISTRICT TWO

## PRINCIPAL EMPLOYERS

## CURRENT YEAR AND 2012

Employer	2021			2012		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Prisma Health Midlands <sup>1</sup>	14,000 - 15,000	1	7.7%	9,000 - 10,000	1	5.7%
Blue Cross-Blue Shield of SC	10,000 - 11,000	2	5.1%	6,000 - 7,000	2	3.9%
University of South Carolina	6,000 - 7,000	3	3.3%	4,000 - 5,000	3	2.3%
Richland School District One	4,000 - 5,000	4	2.2%	4,000 - 5,000	4	2.3%
Richland School District Two	3,000 - 4,000	5	1.9%	3,000 - 4,000	6	2.0%
Dominion Energy <sup>2</sup>	3,000 - 4,000	6	1.9%	2,000 - 3,000	8	1.7%
City of Columbia	2,000 - 3,000	7	1.1%	2,000 - 3,000	10	1.7%
AT&T	2,000 - 3,000	8	1.1%	2,000 - 3,000	7	1.7%
Richland County	1,000 - 2,000	9	1.0%			
Dorn VA Medical Ctr	1,000 - 2,000	10	0.7%			
Department of Defense				3,000 - 4,000	5	2.0%
Humana Tricare				2,000 - 3,000	9	1.7%
<b>Total</b>	<u>46,000 - 56,000</u>			<u>30,000 - 40,000</u>		

**Source:** Central South Carolina Alliance, SC Employment Security Commission, Central Midlands Council of Governments  
Richland County Economic Development Office

*Information on Principal Employers for Richland County was only available in the form of range of employees.*

<sup>1</sup> Formerly Palmetto Health

<sup>2</sup> Formerly SC Electric & Gas/SCANA

Table 17

**RICHLAND SCHOOL DISTRICT TWO**  
**FULL-TIME EQUIVALENT SCHOOL DISTRICT EMPLOYEES BY TYPE**  
**LAST TEN FISCAL YEARS**

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
<b>Instruction</b>										
Teaching Faculty	1,851	1,892	1,942	1,993	2,015	2,037	2,059	2,019	2,114	2,119
Other	506	506	520	593	572	556	565	626	614	619
<b>Total Instruction</b>	2,357	2,398	2,462	2,586	2,587	2,593	2,624	2,645	2,728	2,738
<b>Support Services</b>										
Principals	33	36	36	37	36	36	37	36	36	36
Assistant Principals	75	80	83	83	82	83	85	84	80	80
Other Administration & Support	872	910	920	922	984	993	995	997	965	964
<b>Total Support Services</b>	980	1,026	1,039	1,042	1,102	1,112	1,117	1,117	1,081	1,080
<b>Total</b>	<b>3,337</b>	<b>3,424</b>	<b>3,501</b>	<b>3,628</b>	<b>3,689</b>	<b>3,705</b>	<b>3,741</b>	<b>3,762</b>	<b>3,809</b>	<b>3,818</b>

**Source:** District Records

Note: Full-time instructional employees of the District are employed for all 180 scheduled school days, at seven hours per day or 1,260 per year. Total work hours by instructional employees are divided by 1,260 to obtain full-time employment. Full-time equivalent employment for all other positions is determined based on 1,820 hours per year (52 weeks times five days times seven hours).

Table 18

## RICHLAND SCHOOL DISTRICT TWO

## OPERATING STATISTICS

## LAST TEN FISCAL YEARS

Fiscal Year Ended	Modified Accrual Basis of Accounting				Accrual Basis of Accounting			Teaching Staff	Percentage of Students Receiving Free or Reduced-Price Meals
	Enrollment	Operating Expenditures	Cost Per Pupil	Percentage Change	Expenses	Cost Per Pupil	Percentage Change		
2012	25,988	\$ 240,029,909	\$ 9,236	3.64%	\$ 285,273,576	\$ 10,977	-0.39%	1,851	48%
2013	26,533	\$ 258,175,227	\$ 9,730	5.35%	\$ 312,307,926	\$ 11,771	7.23%	1,892	47%
2014	26,877	\$ 265,696,185	\$ 9,886	1.60%	\$ 305,296,139	\$ 11,359	-3.50%	1,942	49%
2015	27,325	\$ 277,572,407	\$ 10,158	2.76%	\$ 329,946,694	\$ 12,075	6.30%	1,993	49%
2016	27,607	\$ 280,354,533	\$ 10,155	-0.03%	\$ 319,055,114	\$ 11,557	-4.29%	2,015	49%
2017	27,872	\$ 313,809,532	\$ 11,259	10.87%	\$ 338,399,029	\$ 12,141	5.05%	2,037	49%
2018	28,056	\$ 305,170,305	\$ 10,877	-3.39%	\$ 361,588,104	\$ 12,888	6.15%	2,059	50%
2019	28,359	\$ 320,471,431	\$ 11,301	3.89%	\$ 370,397,768	\$ 13,061	1.34%	2,019	50%
2020	28,549	\$ 359,864,748	\$ 12,605	11.54%	\$ 389,702,998	\$ 13,650	4.51%	2,114	49%
2021	27,873	\$ 348,549,100	\$ 12,505	0.79%	\$ 415,224,363	\$ 14,897	9.13%	2,119	49%

**Source:** All information from School District records.

*Note:* Operating expenditures are total expenditures in the governmental funds less debt service and capital outlay expenditures.

Table 19

## RICHLAND SCHOOL DISTRICT TWO

## SCHOOL BUILDING INFORMATION

## LAST TEN FISCAL YEARS

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Anna Boyd School										
Square Feet	13,500	13,500	13,500	13,500	13,500	-	-	-	-	-
Capacity (Students)	200	200	200	200	200	-	-	-	-	-
Enrollment	24	38	40	40	40	-	-	-	-	-
Bethel-Hanberry Elementary School										
Square Feet	128,369	128,369	128,369	128,369	128,369	128,369	128,369	128,369	128,369	128,369
Capacity (Students)	634	634	634	634	634	634	634	634	634	634
Enrollment	628	648	668	674	720	720	705	722	804	799
Bookman Road Elementary School										
Square Feet	81,670	81,670	81,670	81,670	81,670	81,670	81,670	81,670	81,670	81,670
Capacity (Students)	740	740	740	740	740	740	740	740	740	740
Enrollment	565	565	517	509	494	477	461	424	420	487
Blythewood Academy										
Square Feet	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Capacity (Students)	150	150	150	150	150	150	150	150	150	150
Enrollment	71	92	95	95	95	95	95	95	95	95
Bridge Creek Elementary School										
Square Feet	95,105	95,105	95,105	95,105	95,105	95,105	95,105	95,105	95,105	95,105
Capacity (Students)	705	705	705	705	705	705	705	705	705	705
Enrollment	591	597	612	607	593	583	554	593	570	605
Catawba Trail Elementary										
Square Feet	110,771	110,771	110,771	110,771	110,771	110,771	110,771	110,771	110,771	110,771
Capacity (Students)	747	747	747	747	747	747	747	747	747	747
Enrollment	416	481	504	527	589	609	603	611	672	525
Conder Elementary School										
Square Feet	80,047	80,047	80,047	80,047	80,047	80,047	80,047	80,047	80,047	80,047
Capacity (Students)	648	648	648	648	648	648	648	648	648	648
Enrollment	709	766	802	800	848	864	566	546	552	519
Forest Lake Elementary School										
Square Feet	76,245	76,245	76,245	76,245	76,245	76,245	76,245	76,245	76,245	76,245
Capacity (Students)	623	623	623	623	623	623	623	623	623	623
Enrollment	600	649	617	597	577	580	599	606	605	594
Jackson Creek Elementary School										
Square Feet	N/A	N/A	N/A	N/A	N/A	N/A	125,000	125,000	125,000	125,000
Capacity (Students)	N/A	N/A	N/A	N/A	N/A	N/A	747	747	747	747
Enrollment	N/A	N/A	N/A	N/A	N/A	N/A	645	704	650	531
Joseph Keels Elementary School										
Square Feet	78,558	78,558	78,558	78,558	78,558	78,558	78,558	78,558	78,558	78,558
Capacity (Students)	688	688	688	688	688	688	688	688	688	688
Enrollment	637	692	691	670	699	674	551	518	505	432

Table 19

## RICHLAND SCHOOL DISTRICT TWO

## SCHOOL BUILDING INFORMATION

## LAST TEN FISCAL YEARS

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Killian Elementary School										
Square Feet	81,429	81,429	81,429	81,429	81,429	81,429	81,429	81,429	81,429	81,429
Capacity (Students)	740	740	740	740	740	740	740	740	740	740
Enrollment	710	737	769	759	759	790	730	687	697	669
Lake Carolina Elementary School - Lower Campus										
Square Feet	91,635	91,635	91,635	91,635	91,635	91,635	91,635	91,635	91,635	91,635
Capacity (Students)	637	637	637	637	637	637	637	637	637	637
Enrollment	792	828	801	460	473	480	472	466	450	419
Lake Carolina Elementary School - Upper Campus										
Square Feet	N/A	N/A	N/A	128,656	128,656	128,656	128,656	128,656	128,656	128,656
Capacity (Students)	N/A	N/A	N/A	747	747	747	747	747	747	747
Enrollment	N/A	N/A	N/A	491	478	494	480	512	501	457
Langford Elementary										
Square Feet	110,771	110,771	110,771	110,771	110,771	110,771	110,771	110,771	110,771	110,771
Capacity (Students)	747	747	747	747	747	747	747	747	747	747
Enrollment	504	534	525	489	501	473	453	475	478	489
Lonnie B. Nelson Elementary School										
Square Feet	100,495	100,495	100,495	100,495	100,495	100,495	100,495	100,495	100,495	100,495
Capacity (Students)	608	608	608	608	608	608	608	608	608	608
Enrollment	573	590	563	580	588	592	587	617	618	559
North Springs Elementary School										
Square Feet	101,448	101,448	101,448	101,448	101,448	101,448	101,448	101,448	101,448	101,448
Capacity (Students)	834	834	834	834	834	834	834	834	834	834
Enrollment	717	719	745	761	758	734	763	710	736	664
Polo Road Elementary School										
Square Feet	94,830	94,830	94,830	94,830	94,830	94,830	94,830	94,830	94,830	94,830
Capacity (Students)	705	705	705	705	705	705	705	705	705	705
Enrollment	587	619	616	646	677	691	686	686	648	602
Pontiac Elementary School										
Square Feet	89,296	89,296	89,296	89,296	89,296	89,296	89,296	89,296	89,296	89,296
Capacity (Students)	796	796	796	796	796	796	796	796	796	796
Enrollment	705	689	696	735	700	691	722	693	696	714
Rice Creek Elementary School										
Square Feet	90,016	90,016	90,016	90,016	90,016	90,016	90,016	90,016	90,016	90,016
Capacity (Students)	796	796	796	796	796	796	796	796	796	796
Enrollment	771	777	729	733	753	723	742	758	752	720
Round Top Elementary School										
Square Feet	97,360	97,360	97,360	97,360	97,360	97,360	97,360	97,360	97,360	97,360
Capacity (Students)	637	637	637	637	637	637	637	637	637	637
Enrollment	630	625	657	575	579	570	560	615	610	628



Table 19

## RICHLAND SCHOOL DISTRICT TWO

## SCHOOL BUILDING INFORMATION

## LAST TEN FISCAL YEARS

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Sandlapper Elementary School										
Square Feet	94,500	94,830	94,830	94,830	94,830	94,830	94,830	94,830	94,830	94,830
Capacity (Students)	705	705	705	705	705	705	705	705	705	705
Enrollment	709	712	711	674	684	659	653	696	655	628
Windsor Elementary School										
Square Feet	95,563	98,973	98,973	98,973	98,973	98,973	98,973	98,973	98,973	98,973
Capacity (Students)	800	800	800	800	800	800	800	800	800	800
Enrollment	636	660	688	744	764	745	608	574	535	530
Blythewood Middle School										
Square Feet	127,300	127,300	127,300	127,300	127,300	127,300	127,300	127,300	127,300	127,300
Capacity (Students)	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Enrollment	590	646	699	785	764	830	833	805	838	846
Dent Middle School										
Square Feet	198,853	198,853	198,853	198,853	198,853	198,853	198,853	198,853	198,853	198,853
Capacity (Students)	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250
Enrollment	1,282	1,317	1,257	1,200	1,217	1,234	1,246	1,272	1,274	1,187
Kelly Mill Middle School										
Square Feet	170,546	170,546	170,546	170,546	170,546	170,546	170,546	170,546	170,546	170,546
Capacity (Students)	1,120	1,120	1,120	1,120	1,120	1,120	1,120	1,120	1,120	1,120
Enrollment	921	925	917	922	921	912	880	897	984	1,014
CFA Enrollment	93	93	93	112	103	100	87	87	73	58
Long Leaf Middle School										
Square Feet	150,646	150,646	150,646	150,646	150,646	150,646	150,646	150,646	150,646	150,646
Capacity (Students)	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Enrollment	645	683	665	675	720	785	772	841	865	921
Muller Road Middle										
Square Feet	176,532	176,532	176,532	176,532	176,532	176,532	176,532	176,532	176,532	176,532
Capacity (Students)	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050
Enrollment	666	698	725	696	717	793	810	872	911	902
CFK North Enrollment	N/A	N/A	96	141	193	235	260	260	257	250
Summit Parkway Middle School										
Square Feet	149,132	149,132	149,132	149,132	149,132	149,132	149,132	149,132	149,132	149,132
Capacity (Students)	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250
Enrollment	878	860	877	934	976	958	987	933	902	895
CFI Enrollment	263	261	260	252	275	250	250	250	252	246

Table 19

## RICHLAND SCHOOL DISTRICT TWO

## SCHOOL BUILDING INFORMATION

## LAST TEN FISCAL YEARS

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
E. L. Wright Middle School										
Square Feet	211,982	211,982	211,982	211,982	211,982	211,982	211,982	211,982	211,982	211,982
Capacity (Students)	1,489	1,489	1,489	1,489	1,489	1,489	1,489	1,489	1,489	1,489
Enrollment	1,035	1,079	1,088	1,081	1,066	1,078	1,092	1,114	1,092	1,112
CFK Enrollment	264	258	265	261	280	267	267	267	260	258
Blythewood High School										
Square Feet	299,000	299,000	299,000	299,000	299,000	299,000	299,000	299,000	299,000	299,000
Capacity (Students)	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700
Enrollment	2,146	1,588	1,664	1,820	1,924	1,987	1,987	1,920	1,886	1,855
Richland Northeast High School										
Square Feet	302,413	302,413	302,413	302,413	302,413	302,413	302,413	302,413	302,413	302,413
Capacity (Students)	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750
Enrollment	1,449	1,374	1,451	1,447	1,410	1,423	1,359	1,410	1,446	1,399
Ridge View High School										
Square Feet	238,755	238,755	238,755	238,755	238,755	238,755	238,755	238,755	238,755	238,755
Capacity (Students)	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700
Enrollment	2,047	1,591	1,524	1,473	1,357	1,343	1,442	1,507	1,593	1,654
Spring Valley High School										
Square Feet	458,812	458,812	458,812	458,812	458,812	458,812	458,812	458,812	458,812	458,812
Capacity (Students)	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Enrollment	2,134	1,973	1,947	2,014	1,970	2,079	2,077	2,152	2,201	2,106
Westwood High School										
Square Feet	N/A	328,874	328,874	328,874	328,874	328,874	328,874	328,874	328,874	328,874
Capacity (Students)	N/A	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700
Enrollment	N/A	1,169	1,303	1,346	1,345	1,354	1,472	1,464	1,466	1,504
<b>Total</b>										
<b>Square Feet</b>	<b>4,235,579</b>	<b>4,568,193</b>	<b>4,568,193</b>	<b>4,696,849</b>	<b>4,696,849</b>	<b>4,683,349</b>	<b>4,808,349</b>	<b>4,808,349</b>	<b>4,808,349</b>	<b>4,808,349</b>
<b>Capacity (Students)</b>	<b>28,449</b>	<b>30,149</b>	<b>30,149</b>	<b>30,896</b>	<b>30,896</b>	<b>30,696</b>	<b>31,443</b>	<b>31,443</b>	<b>31,443</b>	<b>31,443</b>
<b>Enrollment</b>	<b>25,988</b>	<b>26,533</b>	<b>26,877</b>	<b>27,325</b>	<b>27,607</b>	<b>27,872</b>	<b>28,056</b>	<b>28,359</b>	<b>28,549</b>	<b>27,873</b>
<b>Component Unit - Charter High School:</b>										
<i>Charter High School</i>										
<i>Square Feet</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>13,500</i>	<i>13,500</i>	<i>13,500</i>	<i>13,500</i>	<i>13,500</i>
<i>Capacity (Students)</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>200</i>	<i>200</i>	<i>200</i>	<i>200</i>	<i>200</i>
<i>Enrollment</i>	<i>68</i>	<i>69</i>	<i>78</i>	<i>98</i>	<i>102</i>	<i>108</i>	<i>114</i>	<i>114</i>	<i>81</i>	<i>39</i>

Source: District Records

**RICHLAND SCHOOL DISTRICT TWO**

**TEACHER BASE SALARIES**

**LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>Minimum Salary (1)</u>	<u>Maximum Salary (1)</u>	<u>Statewide Average Salary (2)</u>
2012	\$ 33,843	\$ 73,624	\$ 47,428
2013	\$ 35,210	\$ 76,598	\$ 48,375
2014	\$ 35,210	\$ 76,598	\$ 48,340
2015	\$ 35,210	\$ 76,598	\$ 48,892
2016	\$ 35,210	\$ 76,598	\$ 48,769
2017	\$ 36,094	\$ 78,129	\$ 50,050
2018	\$ 36,094	\$ 78,130	\$ 50,182
2019	\$ 36,455	\$ 78,911	\$ 50,882
2020	\$ 37,193	\$ 82,067	\$ 53,329
2021	\$ 37,193	\$ 82,067	\$ 53,185

Source: (1) District records

(2) SC Department of Education and SC Revenue and Fiscal Affairs Office

## **SINGLE AUDIT SECTION**



Certified Public Accountants, P.A.

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED  
ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH *GOVERNMENT AUDITING STANDARDS***

Honorable Chair and Members of  
the Board of Trustees of  
Richland School District Two  
Columbia, 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, the business-type activities, the aggregate discretely presented component unit, and each major fund of Richland School District Two ("the School District"), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements and have issued our report thereon dated January 18, 2022.

**Internal Control Over Financial Reporting**

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

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


Our consideration of internal control 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 School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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.



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**Burkett Burkett & Burkett**  
Certified Public Accountants, P.A.  
West Columbia, South Carolina  
January 18, 2022



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

Honorable Chair and Members of  
the Board of Trustees of  
Richland School District Two  
Columbia, South Carolina

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

We have audited Richland School District Two ("the School District")'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the School District's major federal programs for the year ended June 30, 2021. The School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the School 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 the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of 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 School 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 School District's compliance.

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

In our opinion, the School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

### **Report on Internal Control Over Compliance**

Management of the School 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 School 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 School 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 the 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.



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**Burkett Burkett & Burkett**  
Certified Public Accountants, P.A.  
West Columbia, South Carolina  
January 18, 2022



**RICHLAND SCHOOL DISTRICT TWO**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

LEA Subfund Fund Code	Fed. Grantor/Pass-Through Grantor/Program Title	CFDA Number	FAIN	Pass-Through Grantor's Number	Total Expenditures
<b>U. S. Department of Education</b>					
<i>Direct Programs:</i>					
100	Impact Aid	84.041		N/A	\$ 258,307
278	Magnet Schools Assistance / MedPro 21: Healthcare for a Caring Community	84.165A	U165A170064-20	N/A	1,963,736
277	Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP) / The Midlands GEAR UP Program	84.334A	P334A140210-20	N/A	1,842,279
279	Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP) / The Central Carolina Consortium	84.334A	P334A180036-20	N/A	2,318,240
<b>Total U.S Department of Education Direct Programs</b>					<b>6,382,562</b>
<i>Passed Through S.C. Department of Education:</i>					
243	Adult Education / 20-Adult Education	84.002	V002A190041	H63010101020	15,751
243	Adult Education / 21-Adult Education	84.002A	V002A200041	H63010101021	164,667
243	Adult Education / 20 Adult Education - Institutionalized	84.002	V002A190041	H63010101020	9,032
243	Adult Education / 21 - Adult Education - Institutionalized	84.002	V002A20041	H63010101021	10,860
<b>Total Adult Education</b>					<b>200,310</b>
201	Title I Part A / 19 Title I	84.010A	S010A180040	H63010100119	51,807
201	Title I Part A / 20 Title I	84.010A	S010A190040	H63010100120	973,748
201	Title I Part A / 21 Title I	84.010A	S010A200040	H63010100121	3,336,946
237	Title I Targeted Support and Improvement / 19 Title I TSI	84.010A	S010A180040	H63010100119	19,857
237	Title I Targeted Support and Improvement / 20 Title I TSI	84.010A	S010A190040	H63010100120	185,471
<b>Total Title I Grants to LEAs</b>					<b>4,567,829</b>
203	COVID-19, Individuals with Disabilities Education Act / FY19 IDEA	84.027A	H027A180081	H63010100919	21,355
203	Individuals with Disabilities Education Act / FY19 IDEA	84.027A	H027A180081	H63010100919	3,153
203	Individuals with Disabilities Education Act / FY20 IDEA	84.027A	H027A190081	H63010100920	781,434
203	Individuals with Disabilities Education Act / FY21 IDEA	84.027A	H027A200081	H63010100921	3,522,466
212	Individuals with Disabilities Education Act - Extended School Year	84.027	Unknown	H63010100920	17,336
205	COVID-19, Individuals with Disabilities Education Act - Preschool / FY19	84.173A	H173A180085	H63010100819	6,675
205	Individuals with Disabilities Education Act - Preschool / FY19 IDEA Preschool	84.173A	H173A180085	H63010100819	16,433
205	Individuals with Disabilities Education Act - Preschool / FY20 IDEA Preschool	84.173A	H173A190085	H63010100820	114,350
205	Individuals with Disabilities Education Act - Preschool / FY21 IDEA Preschool	84.173A	H173A200085	H63010100821	92,664
<b>Total IDEA Cluster</b>					<b>4,575,866</b>
207	CATE (subprogram 03)	84.048A	V048A190040	H63010107120	27,845
207	CATE (subprogram 04)	84.048A	V048A190040	H63010107120	5,317
207	CATE (subprogram 11)	84.048A	V048A190040	H63010107120	68,001
207	CATE (subprogram 15)	84.048A	V048A190040	H63010107120	4,344
207	CTE / 20CTE_AE_Pilot	84.048A	V048A190040	H63010107120	8,737
207	CTE (subprogram 03) / 21CTE	84.048	V048200040	H63010107121	35,738
207	CTE (subprogram 04) / 21CTE	84.048	V048200040	H63010107121	33,363
207	CTE (subprogram 04) / 21CTE	84.048	V048200040	H63010107121	26,582
207	CTE (subprogram 11) / 21CTE	84.048	V048200040	H63010107121	73,905
207	CTE (subprogram 15) / 21CTE	84.048	V048200040	H63010107121	9,765
207	CTE / 20PPE	84.048	V048200040	H63010107121	1,000
<b>Total CATE</b>					<b>294,597</b>
232	Education for Homeless Children and Youth / 20 McKinney-Vento Homeless	84.196A	S196A190042	H63010108920	48,128
232	Education for Homeless Children and Youth / 21 McKinney-Vento Homeless	84.196A	S196A200042	H63010108921	53,532
224	21st Century Community Learning Centers / 19-20 21st CCLC	84.287C	S287C180041	H63010006919	37,877
224	21st Century Community Learning Centers / 19-20 21st CCLC	84.287C	S287C180041	H63010006920	59,338
224	21st Century Community Learning Centers / 19-20 21st CCLC	84.287C	S287C190041	H63010006920	66,574
224	21st Century Community Learning Centers / 20-21 21st CCLC	84.287C	S287C180041	H63010006919	102,623
224	21st Century Community Learning Centers / 20-21 21st CCLC	84.287C	S287C200041	H63010006921	1,134,992
264	Title III English Language Acquisition / 19 Title III	84.365A	S365A180040	H63010006719	9,801
264	Title III English Language Acquisition / 20 Title III English Language	84.365A	S365A190040	H63010006720	111,365
264	Title III English Language Acquisition / 21 Title III, Part A - EL	84.365A	S365A200040	H63010006721	31,404
264	Title III English Language Acquisition / 20 Title III English Language Acquisition - Title III Immigrant	84.365A	S365A180040	H63010006719	7,652
264	Title III English Language Acquisition / 20 Title III English Language Acquisition - Title III Immigrant EL	84.365A	S365A190040	H63010006720	6,098
267	Title II Supporting Effective Instruction / 20 Title II Supporting Effective Instruction	84.367	S367A190038	H63010006820	306,683
267	Title II Supporting Effective Instruction / 21 Title II Supporting Effective Instruction	84.367	S367A200038	H63010006821	197,178
210	Title IV (SSAE) / 19 Title IV SSAE	84.424A	S424A180042	H63010100319	27,528
210	Title IV (SSAE) / 20 Title IV SSAE	84.424A	S424A190042	H63010100320	91,225
210	Title IV (SSAE) / 21 Title IV SSAE	84.424A	S424A200042	H63010100321	1,172
220	COVID-19, Elementary and Secondary School Education Relief Fund / 20 SC CARES ESSER	84.425D	S425D200019	H63010497520	1,890,164
225	COVID-19, Elementary and Secondary School Education Relief Fund / ESSER I	84.425D	S425D210019	H63010497522	3,078,165
<b>Total Passed Through S. C. Department of Education</b>					<b>16,900,101</b>
<b>Total U. S. Department of Education</b>					<b>23,282,663</b>

(Continued)

**RICHLAND SCHOOL DISTRICT TWO**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

LEA Subfund Fund Code	Fed. Grantor/Pass-Through Grantor/Program Title	CFDA Number	FAIN	Pass-Through Grantor's Number	Total Expenditures
<i>Non-Cash Assistance (Commodities):</i>					
600	School Breakfast Program	10.553		N/A	\$ 3,309,557
600	Commodities/Food Distribution	10.555		N/A	579,862
600	School Lunch Program	10.555		N/A	3,607,411
	<i>Total National School Lunch Program</i>				<u>4,187,273</u>
600	Child Nutrition Programs / Fresh Fruit & Vegetable Program / 20FFVP	10.582	205SC328L1603	H6301002120	12,078
600	Child Nutrition Programs / Fresh Fruit & Vegetable Program / 21FFVP	10.582	215SC328L1603	H63010002121	38,484
	<b>Total Passed Through S. C. Department of Education</b>				<u><b>7,547,392</b></u>
	<b>Total U. S. Department of Agriculture</b>				<u><b>7,547,392</b></u>
<b>OTHER FEDERAL ASSISTANCE</b>					
292	Air Force, Army and Navy ROTC	12.000	Unknown	N/A	383,338
275	Support for Student Achievement at Military-Connected Schools / Military-Connected Local Educational Agencies for Academic and Support Programs (MCASP)	12.556	HE1254-18-1-0008	N/A	28,540
273	Support for Student Achievement at Military-Connected Schools / Military-Connected Local Educational Agencies for Academic and Support Programs (MCASP)	12.556	HE1254-15-1-0026	N/A	30,209
284	Support for Student Achievement at Military-Connected Schools / Military-Connected Local Educational Agencies for Academic and Support Programs (MCASP)	12.556	HE1254-20-1-0014	N/A	195,882
286	Support for Student Achievement at Military-Connected Schools / Military-Connected Local Educational Agencies for Academic and Support Programs (MCASP)	12.556	HE1254-16-1-0056	N/A	332,608
294	Support for Student Achievement at Military-Connected Schools / Military-Connected Local Educational Agencies for Academic and Support Programs (MCASP)	12.556	HE1254-17-1-0012	N/A	69,999
	<i>Total 12.556</i>				<u>657,238</u>
	<b>Total Department of Defense</b>				<u><b>1,040,576</b></u>
276	Capturing Kids Hearts	16.560	Unknown	H63010009716	69,154
	<b>Total Passed Through S. C. Department of Education</b>				<u><b>69,154</b></u>
	<b>Total Department of Justice</b>				<u><b>69,154</b></u>
271	State Energy Program / Bengal Biodiesel	81.041	DE-EE0008294/04	A-006-21-MG	10,000
	<b>Total Passed Through SC Office of Regulatory Staff</b>				<u><b>10,000</b></u>
	<b>Total Department of Energy</b>				<u><b>10,000</b></u>
274	Cooperative Agreements to Promote Adolescent Health through School-Based HIV/STD Prevention and School Based Surveillance / Youth Risk Behavior Surveys	93.079	Unknown	H63010016221	300
	<b>Total Passed Through S. C. Department of Education</b>				<u><b>300</b></u>
296	Child Health and Human Development Extramural Research	93.865		1R21HD090647-01A1	5,117
	<b>Total Department of Health and Human Services</b>				<u><b>5,417</b></u>
	<b>TOTAL FEDERAL AWARDS</b>				<u><b>\$ 31,955,202</b></u>

**Footnotes:**

The accounting policies of the School District conform to accounting principles generally accepted in the United States of America applicable to governments. The Governmental Accounting Standards Board is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. A summary of the more significant policies can be found in the notes to the financial statements of the School District's basic financial statements for the year ended June 30, 2021. All expenditures reported on the above Schedule of Expenditures of Federal Awards are reported on the modified accrual basis of accounting as applicable to governmental funds.

Reconciliation of SEFA to Financial Statements:

Government Funds	\$ 33,372,967
Total Federal Assistance per Financial Statements	33,372,967
Less: Federal Interest Subsidy - Debt Service Fund	(1,417,765)
Total Federal Assistance per SEFA	<u>\$ 31,955,202</u>

Federally Funded Programs Not Subject to Single Audit:

Build America Bonds  
Qualified School Construction Bonds

The Federal interest subsidy assistance received from these bond programs is excluded from the SEFA reporting.

**RICHLAND SCHOOL DISTRICT TWO**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**JUNE 30, 2021**

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**General**

The accompanying Schedule of Expenditures of Federal Awards presents the federal grant activity of Richland County School District Two. All federal awards received directly from federal agencies, as well as those passed through other governmental agencies, are included in the schedule.

**Basis of Accounting**

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, the same basis of accounting used to prepare the governmental financial statements as outlined in the Notes to the Financial Statements.

**Relationship to Financial Statements**

Federal Award Expenditures are generally reported in the District's financial statements as expenditures in the Special Revenue Funds, with the exception of the revenues for Impact Aid, which are reported in the General Fund.

**Indirect Costs**

The District elected not to use the de minimis indirect cost rate of 10%.

*The information in this schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Uniform Guidance. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements or reported in the federal financial reports.*

**RICHLAND SCHOOL DISTRICT TWO  
COLUMBIA, SOUTH CAROLINA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2021**

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**SECTION I - SUMMARY OF AUDITORS' RESULTS**

- 1 The independent auditors' report on the financial statements expressed an unmodified opinion.
- 2 There were no significant deficiencies in internal control over financial reporting disclosed in the audit of the financial statements.
- 3 The audit did not disclose any material noncompliance matters in relation to the financial statements.
- 4 There were no significant deficiencies in internal control over compliance applicable to major programs.
- 5 The report on compliance for major programs expressed an unmodified opinion.
- 6 The audit disclosed no audit findings.
- 7 The major programs of the School District included in the audit were:
  - A. Title I - 84.010
  - B. COVID-19 Elementary and Secondary School Education Relief Fund - 84.425D
  - C. Twenty-First Century Community Learning Centers - 84.287C
- 8 The dollar threshold for Type A programs for the School District was \$958,656.
- 9 The School District did qualify as a low-risk auditee.

**SECTION II - FINANCIAL STATEMENT FINDINGS**

No matters were reported.

**SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

No matters were reported.

**RICHLAND SCHOOL DISTRICT TWO  
COLUMBIA, SOUTH CAROLINA  
SCHEDULE OF PRIOR FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2021**

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**There were no Findings or Questioned Costs reported in the prior year.**