

**SCHOOL DISTRICT FIVE OF
LEXINGTON AND RICHLAND COUNTIES**

Irmo, South Carolina



**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

Fiscal Year ended June 30, 2021

**SCHOOL DISTRICT FIVE OF
LEXINGTON AND RICHLAND COUNTIES**

Irmo, South Carolina

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**
Fiscal Year ended June 30, 2021



Prepared By
Office of Finance
School District Five of Lexington and Richland Counties

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**DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
FISCAL YEAR ENDED JUNE 30, 2021**

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INTRODUCTORY SECTION

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November 29, 2021

To the Board of Trustees and Citizens of
School District Five of Lexington and Richland Counties

State law requires that all school districts publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards (GAAS) by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the Annual Comprehensive Financial Report (ACFR) of School District Five of Lexington and Richland Counties (the District) for the fiscal year ended June 30, 2021.

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, the management of School District Five of Lexington and Richland Counties has established a comprehensive internal control framework 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 GAAP. Because the cost of internal controls should not outweigh their benefits, School District Five of Lexington and Richland Counties' comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The annual comprehensive financial report is presented in four sections: introductory, financial, statistical, and single audit. The introductory section includes the transmittal letter, the list of principal officials, and the organizational chart. The financial section includes the basic financial statements, the combining and individual fund financial statements, and schedules, as well as required supplementary information. Also included in the financial section is the independent auditor's report on these financial statements. The statistical section reflects social and economic data, financial trends, and the fiscal capacity of the District. The final section is the single audit section.

School District Five of Lexington and Richland Counties' financial statements have been audited by Burkett, Burkett & Burkett, Certified Public Accountants, P.A. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2021, are free of material misstatement. The independent audit involved examining, on a test basis,

evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded based upon the audit, that there was a reasonable basis for rendering the unmodified opinion that School District Five of Lexington and Richland Counties' financial statements for the fiscal year ended June 30, 2021, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of School District Five of Lexington and Richland Counties 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, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the single audit section of this annual comprehensive financial report.

GAAP requires 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 the MD&A and should be read in conjunction with it. School District Five of Lexington and Richland Counties' MD&A can be found immediately following the report of the independent auditors.

Profile of School District Five of Lexington and Richland Counties

School District Five of Lexington and Richland Counties is widely recognized as one of the top academic school systems in South Carolina, recently being named the #2 K-12 Public School District in the state by Niche. The District was organized by action of the Lexington County Board of Education in 1951 and the Richland County Board of Education in 1952. The actions of the Boards of Education consolidated several smaller school districts in the Counties. In addition to School District Five of Lexington and Richland Counties, there are four other school districts in Lexington County and two other school districts in Richland County.

The District encompasses a land area of approximately 196 square miles, of which approximately one-half is situated in each of Lexington and Richland Counties. The District consists of the northern portion of Lexington County lying north of Lake Murray and the Saluda River, and the northwestern portion of Richland County lying south of the Broad River. The District is primarily a residential suburb located to the northwest of the City of Columbia, the State Capital. The towns of Irmo and Chapin are included in the District. The District has three attendance areas: Irmo, Dutch Fork, and Chapin.

The District has thirteen elementary schools, two intermediate schools, three middle schools, four high schools, a career and technology center, and an alternative learning academy that serves students located in the District.

School District Five of Lexington and Richland Counties is governed by a seven-member Board of Trustees (the Board). All members of the Board are required to be residents of the District as well as the county they represent. Four trustees represent the portion of the District located within Lexington County and three represent the portion of the District located in Richland County. Each trustee is elected to a four-year term by the registered voters in their respective county. The Board conducts

yearly elections in November to elect a Chair, Vice-Chair, and Secretary.

The Board of Trustees is the District's official policy-making entity. The Board formulates policies to enhance educational opportunities in the District by interpreting the needs and goals of the community. The Board also seeks to develop and maintain communication among the various constituencies served by the schools. The Board of Trustees normally holds two regular monthly meetings, on the second and fourth Mondays of each month.

Guided by the policies of the Board, the District provides a broad spectrum of elementary and secondary programs to meet the needs of the District's diverse student population. These programs complement each other to provide a total program that is comprehensive, highly cost-effective, and that meets the mission statement of the District. The mission, stated as follows from the strategic plan, was developed by a committee of citizens and school district personnel; and was adopted by the Board of Trustees of School District Five of Lexington and Richland Counties.

The mission of School District Five of Lexington and Richland Counties, in partnership with the community, is to provide challenging curricula with high expectations for learning that develop productive citizens who can solve problems and contribute to a global society.

In fiscal year 2020-2021, the District provided comprehensive educational services for 16,444 students grade kindergarten through twelve. These District educational services range from child development (3 and 4 year olds) to a full program of instruction including continuing education for adults. Included in the programs are: academically gifted and talented classes for students in grades three through twelve; fourteen magnet programs at eleven sites; three-year old preschool classes for children with developmental delays; child development classes that provide interventions for four-year-old children to better prepare them for school; a full day five-year-old kindergarten program; early intervention services for students who need more instruction or re-teaching of basic skills in the areas of reading, English language arts, and mathematics; instructional opportunities in the visual and performing arts; instruction in world languages; special education programs for all students who meet the criteria for the recognized areas of disability; an alternative learning center for middle and high school students; at risk programs to reduce the potential for students dropping out of school; and a variety of elective courses in order for high school students to complete their Individual Graduation Plans. All high schools and The Center for Advanced Technical Studies offer career and technical courses. Also, for faculty and staff, School District Five of Lexington and Richland Counties offers extensive professional development related to effective teacher collaboration, use of classroom, state and benchmark assessment data, differentiation of instruction to meet students' individual needs, and the infusion of technology into the instructional programs in all schools.

Each year School District Five of Lexington and Richland Counties uses an extensive budgeting process to develop an annual budget for the District. The appropriated budget is prepared by function (e.g., student instruction), object (e.g., supplies), school and department (e.g., Irmo High School).

Budget-to-actual comparisons are provided in this report for the general fund as noted in the table of contents as required supplementary information. This annual budget for the general fund serves as the foundation for the District's financial planning and control. The District's management then presents the proposed budget to the Board for study and review during the months of March, April, May, and June. The Board conducts two public readings of the proposed budget and holds at least one public

hearing advertised for public input on the proposed budget before adopting the budget no later than June 30, the close of the fiscal year.

Factors Affecting Financial Conditions

Information presented in the financial statements is best understood when considered from a broader perspective of the specific environment within which School District Five of Lexington and Richland Counties operates.

Economic conditions and outlook. School District Five of Lexington and Richland Counties enjoys a relatively favorable economic environment. Local indicators continue to give a positive outlook for stability. The District is located within the Columbia Metropolitan Statistical Area (MSA), which includes Richland County and Lexington County. The 2020 estimated populations of Richland County and Lexington County were 416,147 and 293,991, respectively. In 2018, the total population in School District Five of Lexington and Richland Counties was estimated at 100,406. The District is a suburban school district located near the City of Columbia, the State Capital.

Residential subdivisions and commercial/business areas of the District are stable with continued evidence of growth. Many of the residential subdivisions are located on or around the shores of Lake Murray that continue to attract upscale residential housing and commercial development. The Harbison area of the District continues to be one of the fastest growing business areas as is evidenced by the location of additional businesses in and around the Columbiana Mall area. Growth continues away from the mall area along Dutch Fork Road.

A number of major corporate enterprises, which contribute to a stable economy, are located in or near the District in Lexington and Richland Counties. Included among the larger corporate enterprises in Lexington County are Lexington Medical Center, Dominion Energy, Amazon.com, Inc., Michelin North America, Inc., United Parcel Service, Nephron Pharmaceuticals, Spectrum, HireRight, Walter P. Rawl & Sons, Inc. Included among the larger corporate enterprises in Richland County are Prisma Health, BlueCross BlueShield of SC, AT&T South Carolina, Providence Health, TRANE – Columbia Center of Excellence, Colonial Life & Accident Insurance, Palmetto GBA, LLC, Westinghouse Electric Co. LLC, Allied Universal Security and Teleperformance (TPUSA).

Based on information from Lexington and Richland County, both counties continue to attract industry as well as residential developers. Factors that influence that growth are the central location in South Carolina and the access to transportation infrastructure. Based on this growth and the additional job opportunities, long-term economic growth is expected to continue for the foreseeable future in Lexington and Richland Counties and the District.

The median family income for 2019, the last year available, was \$62,059 for Lexington County and \$52,905 for Richland County. Per capita personal income for 2019, the last year available, was \$47,992 for Lexington County and \$47,299 for Richland County. The state per capita income for this same period was \$52,360, and in the United States was \$66,060. As the economy has recovered from the COVID-19 shutdown, the unemployment rates have improved. The unemployment rate for Lexington County as of June 2021 was 3.5 percent and for Richland County was 4.6 percent. The state and national unemployment rates for the same period were 4.5 percent and 5.9 percent, respectively.

Long-term financial planning. Student enrollment in the District is recovering from the dip due to the COVID-19 virus. We are returning to our pre-pandemic enrollment levels and expect to see the growth continue as it was in 2019-2020. In order to accommodate future growth in the northwest portion of the District and to eliminate the use of portable classrooms at two elementary schools, the District opened a new elementary school, Piney Woods Elementary, in August of 2021. In order to accomplish this, on May 20, 2019 the Board of Trustees of the District approved a \$30 million bond issuance to be repaid in three years. These bonds are being financed with the addition of 20.6 mills of taxes added to the District's debt service levy, effective on property tax bills issued for calendar year 2019. The millage increase is within the limit of district bonded indebtedness as established in Article X of the South Carolina Constitution. In reviewing the District's debt liabilities for 2021-2022, the Board approved lowering the debt service levy to 69.5 mills. Richland and Lexington Counties continue to levy an additional one-cent tax which gives taxpayers a credit on their property tax bills.

During the 1977 session of the S. C. General Assembly, the State Legislature adopted an amendment, Section 59-71-155, Code of Laws of South Carolina 1976, as amended, which provides for the establishment of a mechanism for the timely advance of funds from the State's General Fund to pay directly to school district paying agents amounts needed for debt service on general obligation bonds.

Moody's and Standard & Poor's have issued public statements indicating the statutory amendment as significantly strengthening to the legal structure of the State's credit enhancement for school districts in the State. This credit enhancement has been identified as a factor in the recent reports from the Rating Agencies that school districts in this State may qualify for enhanced rating of Aa1 and AA, respectively by these rating agencies.

As evidenced by the financial statements contained in this report, capital projects are one of the main areas of focus in financial planning. The District's oldest buildings were constructed in 1933, 1953, 1955 and 1964, and have undergone major renovations. Other facilities were constructed from 1966 through 2021. A complete listing of school sites with ages, square footage, capacity and enrollment can be found on Table 21 of the statistical section of this report as referenced in the table of contents.

Relevant financial policies. Board Policy requires that the District maintain an undesignated reserve fund consistent with the medial average of school districts that maintain "AA" ratings. This amount generally ranges from 15% to 18% of the general fund budgeted expenditures. The District's total reserve fund exceeds that amount and meets the unreserved fund requirement without funds that have been designated for other purposes.

Major Initiatives. In April 2015, the District completed a comprehensive accreditation review by AdvancED, now known as Cognia, a world-wide external accreditation system. As a part of that review process, the District completed an in-depth study and review of all major operations within the District. The process included an internal and external review of the five AdvanceED (Cognia) standards, the District's Strategic Plan, and the goals of the District included in the Standards Assessment Report. Following a visit and report by the External Review Team, the District's accreditation was affirmed and approved on April 22, 2015. The plan included major goals in the areas of student achievement, teacher/administrator quality, school climate, and District priorities. Continued instructional initiatives for the District include the multi-tiered system of supports (MTSS) 4K - 5th grade and Middle Level Intervention (MLI) 6th - 8th grade Programs; Positive Behavioral Interventions and Support (PBIS); iFive Technology Integration; Professional Learning Committees (PLCs); and Classroom Mosaic. The District will continue to focus upon these goals and initiatives, reviewing the strategic plan each year. Necessary

funding to carry out these goals and initiatives and for the accreditation process has been included in the District's budget. Details for each of the major goals referenced above are included in the District's Strategic Plan.

Awards and Acknowledgements

- The district was recognized as a National Board Accomplished District by the National Board for Professional teaching Standards, a national nonprofit organization that certifies teachers based on a rigorous set of evaluations and standards. The program recognizes school districts across the country that have 20% or more of its teachers that have achieved National Board certification. There are 290 National Board Certified Teachers (NBCT) in School District Five.
- The district had 108 students named South Carolina Junior Scholars for the 2020-2021 school year. Developed by the South Carolina Department of Education during the 1985-1986 school year the SC Junior Scholars program is designed to identify eighth grade students with exceptional academic talent based on PSAT scores and other measures.
- A School District Five Teacher was selected as the 2022 South Carolina Teacher of the Year. Amy Carter receives a total of \$25,000 and is provided with a brand new BMW to use while serving for one year as a roving ambassador providing mentoring, attending speaking engagements, working with teacher cadets and teaching fellows, leading the State Teacher Forum, and serving as the state spokesperson for over 50,000 educators.
- Sixteen students from School District Five of Lexington and Richland Counties have been announced as semifinalists in the 2021-2022 National Merit Scholarship program. These academically talented high school students from the District are represented in the nationwide pool of semifinalists which represents less than one percent of U.S. high school seniors.
- A School District Five High School Principal, Dr. Gerald Gary, was named by the South Carolina Association of School Administrators (SCASA) as the 2021 South Carolina Secondary Level Principal of the Year. Under the leadership of Gary, Dutch Fork High School was named a Palmetto's Finest School in May 2020. Gary was also named South Carolina's 2017 Middle Level Principal of the Year by SC Association of School Administrators (SCASA).
- The District's SkillsUSA Chapter was named as a National Models of Excellence school for 2021 by SkillsUSA. The Center for Advanced Technical Studies (The Center) is one of 24 schools nationwide to receive this honor and the only school in South Carolina to receive it. This is the second year in a row that the SkillsUSA chapter at the The Center has been recognized for this honor.
- A School District Five junior was named the 2021 United States Senate Youth Program Scholarship winner by the South Carolina Department of Education. He was one of two delegates selected to represent South Carolina in the merit- based program that brings students together for an extensive week-long study of the federal government. Student delegates also receive a \$10,000 scholarship
- The District serves more than 2,500 students with disabilities annually, providing a variety of programs for K-12 students. The Department of Special Services provides leadership in the planning

and improvement of services for students with disabilities in the District. Award-winning initiatives for these students include Project SEARCH and BOOM (Building Occupational Opportunities in the Midlands). Project SEARCH is a business-led school-to-work transition model with demonstrated success in developing internships for students with intellectual and developmental disabilities who are in their last year of high school. The program helps lead the interns into integrated and competitive employment with prevailing wages. BOOM, (Building Occupational Opportunities in the Midlands), features students with disabilities from School District Five, Richland One and Richland Two in a semester-long course where they learn construction at Midlands Technical College's airport campus.

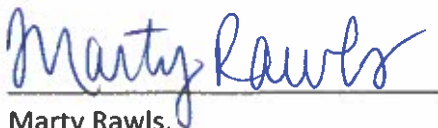
- The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to School District Five of Lexington and Richland Counties for its Comprehensive Annual Financial Report (CAFR) for fiscal year ended June 30, 2020. This is the seventeenth consecutive year that the District has received this prestigious award.
- The District was also awarded The Association of School Business Officials (ASBO) International Certificate of Excellence in Financial Reporting. This is the eighteenth consecutive year that the District has received this prestigious award.

A Certificate of Achievement and a Certificate of Excellence are valid for a period of one year only. We believe our current report continues to meet the Certificate of Achievement and Certificate of Excellence program requirements. We plan to submit it to GFOA and ASBO for consideration.

The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated services of the entire staff of the Office of Finance. All members of the department as well as members of other various departments have our sincere appreciation for their contributions made in the preparation of this report.

In closing, without the leadership and support of the Board of Trustees, preparation of this report would not have been possible.

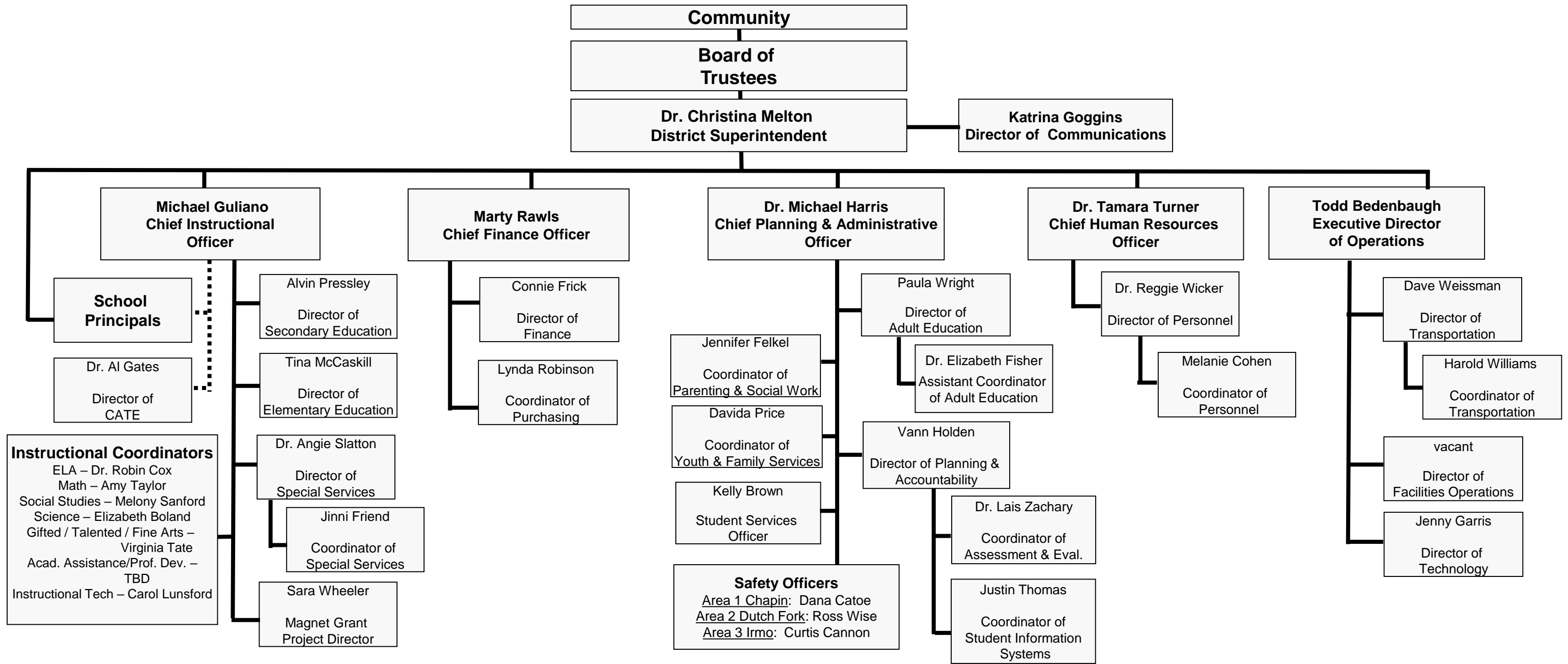
Respectfully submitted,



Marty Rawls,
Chief Finance Officer



Dr. Akil E. Ross, Sr.,
Interim Superintendent



SCHOOL DISTRICT FIVE OF LEXINGTON & RICHLAND COUNTIES
PRINCIPAL OFFICIALS

Year Ended June 30, 2021

MEMBERS OF THE BOARD OF TRUSTEES

Ms. Jan Hammond	Chairman
Mr. Ken Loveless	Vice Chairman
Ms. Nikki Gardner	Secretary
Ms. Rebecca Blackburn Hines	Board Member
Mr. Matt Hogan	Board Member
Ms. Catherine Huddle	Board Member
Mr. Ed White	Board Member

EXECUTIVE STAFF

Dr. Christina Melton	Superintendent
Ms. Katrina Goggins	Director of Communications
Dr. Michael Harris	Chief Planning & Administrative Officer
Dr. Tamara D. Turner	Chief Human Resources Officer
Mr. Michael Guliano	Chief Instructional Officer
Ms. Marty Rawls	Chief Financial Officer
Mr. Todd Bedenbaugh	Executive Director of Operations



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**School District Five
of Lexington and Richland Counties
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**

**School District Five of Lexington and
Richland Counties**

**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.



W. Edward Chabal

W. Edward Chabal
President

David J. Lewis

David J. Lewis
Executive Director

FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Honorable Board Chair and Members of the Board of Trustees
School District Five of Lexington and Richland Counties
Irmo, South Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of School District Five of Lexington and Richland Counties ("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, and each major fund of School District Five of Lexington and Richland Counties, as of June 30, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary information for the General Fund 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 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 November 29, 2021 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.

Burkett Burkett & Burkett

Burkett Burkett & Burkett
Certified Public Accountants, P.A.
West Columbia, South Carolina
November 29, 2021

School District Five of Lexington and Richland Counties
Management's Discussion and Analysis (Unaudited)
Year Ended June 30, 2021

As management of School District Five of Lexington and Richland Counties (District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2021. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 3-9 of this report.

FINANCIAL HIGHLIGHTS

Major financial highlights for 2021 include:

- The District's total net position increased \$9,833,287 for the 2020-2021 fiscal year. Net position of governmental activities increased by \$9,862,374 and net position of business-type activities decreased by \$29,087. Total revenues were \$281,616,377 while total expenses were \$276,486,495.
- Total revenues increased \$9,373,883 (3.4%) from \$272,242,494 in fiscal year 2020 to \$281,616,377 in fiscal year 2021. Total expenses increased \$18,487,698 (7.2%), from \$257,998,797 in fiscal year 2020 to \$276,486,495 in fiscal year 2021.
- Governmental funds reported a total decrease of \$6,671,849 in the fund balance, which included a \$4,686,549 increase to the general fund, a \$222,930 increase to the special revenue-special project funds, a \$985,464 increase to the food service fund, a \$5,230,428 increase to the debt service fund, and a \$17,797,509 decrease to the capital projects fund.
- The General Fund total fund balance is \$51,205,387 as of June 30, 2021, an increase of 10.1% from June 30, 2020.
- Total revenue for the District's principal operating fund, the general fund, was \$194,993,617, with an additional \$6,177,484, consisting of transfers from the special revenue and EIA funds for teacher salary supplement increases and sale of capital assets. Total expenditures in the general fund were \$196,277,170 including \$119,119,737 for instruction, \$77,042,322 for support, \$36,899 for intergovernmental expenditures, and \$78,212 in capital outlay.

Overview of the Financial Statements

The discussion and analysis provided here are intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) the notes to financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

Government-wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The statement of net position presents financial information on all of the District's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

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

School District Five of Lexington and Richland Counties
Management's Discussion and Analysis (Unaudited)
Year Ended June 30, 2021

The government-wide financial statements distinguish functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the District include instruction, support services, and community services. The business-type activities of the District include food service and after school operations.

The government-wide financial statements can be found on pages 29-30 of this report.

Fund Financial Statements. The remaining financial statements focus on individual parts of the District, reporting its operations in more detail than the government-wide 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 District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into two categories: governmental funds and proprietary funds. In accordance with GASB 84, as of July 1, 2020, the student (pupil) activity fund has been reported in the Special Revenue Fund – Special Projects rather than classified as an agency fund.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in assessing a government's near-term financing requirements.

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 government'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. The District maintains five individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Special Revenue Fund-Special Projects, Special Revenue Fund – Education Improvement Act (EIA), Debt Service Fund and the Capital Projects Fund, all of which are considered to be major funds.

The District adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 31-35 of this report.

Proprietary Funds. The District maintains one type of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The District uses enterprise funds to account for its after school operations. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

The basic proprietary fund financial statements can be found on pages 36-38 of this report.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside of the government. The District had no Fiduciary Funds for the year ended June 30, 2021.

Notes to the Financial Statements. The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 39-73 of this report.

School District Five of Lexington and Richland Counties
Management's Discussion and Analysis (Unaudited)
Year Ended June 30, 2021

Other Information. The combining statements and individual fund financial schedules are included in the supplementary section. The pension and OPEB schedules are provided in the required supplementary information section.

Government-wide Overall Financial Analysis

As noted earlier, net position over time, may serve as a useful indicator of a government's financial position. In the case of the District, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$171,503,018, at the close of the most recent fiscal year.

The following table provides a summary of the District's net position for 2021 compared to 2020.

	Net Position					
	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Current and Other Assets	\$ 130,597,928	\$ 136,493,207	\$ 356,262	\$ 365,677	\$ 130,954,190	\$ 136,858,884
Net Capital Assets	373,778,294	369,549,527	-	-	373,778,294	369,549,527
Total Assets	504,376,222	506,042,734	356,262	365,677	504,732,484	506,408,411
Deferred Outflows of Resources	98,093,233	52,167,519	359,960	313,026	98,453,193	52,480,545
Current and Other Liabilities	65,543,914	70,201,016	86	81	65,544,000	70,201,097
Long-term Liabilities	685,816,639	640,743,895	3,027,475	2,954,737	688,844,114	643,698,632
Total Liabilities	751,360,553	710,944,911	3,027,561	2,954,818	754,388,114	713,899,729
Deferred Inflows of Resources	20,135,988	26,154,802	164,593	170,730	20,300,581	26,325,532
Net Position						
Net Investment in Capital Assets						
Assets	210,468,717	198,474,597	-	-	210,468,717	198,474,597
Restricted	23,451,956	11,770,036	-	-	23,451,956	11,770,036
Unrestricted	(402,947,759)	(389,134,093)	(2,475,932)	(2,446,845)	(405,423,691)	(391,580,938)
Total Net Position	\$ (169,027,086)	\$ (178,889,460)	\$ (2,475,932)	\$ (2,446,845)	\$ (171,503,018)	\$ (181,336,305)

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

The District's overall net position increased by \$9,833,287 during 2020-2021. Significant current year transactions, such as the addition of \$21,695,126 in capital assets through construction of school improvements, and purchases of furniture, equipment and vehicles less the additional accumulated depreciation of \$18,617,700 have had an impact on the Statement of Net Position.

School District Five of Lexington and Richland Counties
Management's Discussion and Analysis (Unaudited)
Year Ended June 30, 2021

Government-wide Overall Financial Analysis (Continued)

The following table shows the changes in the District's net position for 2021 compared to 2020:

	Changes in Net Position					
	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenue						
Program Revenue:						
Charges for Services	\$ 755,618	\$ 2,568,627	\$ 277,899	\$ 797,358	\$ 1,033,517	\$ 3,365,985
Operating Grants	115,282,993	108,659,709	-	-	115,282,993	108,659,709
General Revenue:						
Ad Valorem Taxes and Fees	116,485,200	111,736,561	-	-	116,485,200	111,736,561
Unrestricted Grants	47,158,361	46,275,478	-	-	47,158,361	46,275,478
Investment Earnings & Disposals	176,054	1,510,401	-	-	176,054	1,510,401
Other General Revenue	1,480,252	631,132	-	63,228	1,480,252	694,360
Total Revenue	281,338,478	271,381,908	277,899	860,586	281,616,377	272,242,494
Instruction Services	144,866,989	134,277,651	-	-	144,866,989	134,277,651
Support Services	124,262,434	116,540,697	-	-	124,262,434	116,540,697
Community Services	56,171	24,515	-	-	56,171	24,515
Interest on Long-Term Debt	6,993,915	6,159,923	-	-	6,993,915	6,159,923
After School	-	-	306,986	996,011	306,986	996,011
Total Expenses	276,179,509	257,002,786	306,986	996,011	276,486,495	257,998,797
Increase (Decrease) in Net Position	5,158,969	14,379,122	(29,087)	(135,425)	5,129,882	14,243,697
Net Position, Beginning of Year	(178,889,460)	(193,268,582)	(2,446,845)	(2,311,420)	(181,336,305)	(195,580,002)
Cumulative Change in Accounting Principle - GASB #84	4,703,405		-		4,703,405	
Net Position, End of Year	\$ (169,027,086)	\$ (178,889,460)	\$ (2,475,932)	\$ (2,446,845)	\$ (171,503,018)	\$ (181,336,305)

Governmental Activities. The following table presents the cost of the District's four major functional activities: instruction service, support service, community service, and interest on long-term debt. The table also shows each function's net cost (total cost less charges for services generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden that was placed on the State and the District's taxpayers by each of these functions. In other words, it shows the amount supported by tax revenue and unrestricted funds.

	Governmental Activities			
	Total Cost of Services		Net Cost of Services	
	2021	2020	2021	2020
Instruction Services	\$ 144,866,989	\$ 134,277,651	\$ (39,878,753)	\$ (33,423,766)
Support Services	124,262,434	116,540,697	(113,212,059)	(106,166,246)
Community Services	56,171	24,515	(56,171)	(24,515)
Interest (Long-Term Debt)	6,993,915	6,159,923	(6,993,915)	(6,159,923)
Totals	\$ 276,179,509	\$ 257,002,786	\$ (160,140,898)	\$ (145,774,450)

Business-Type Activities. Business-type activities include the District's after school programs. These programs had revenues of \$277,899, expenses of \$306,986. This resulted in net decrease of \$29,087.

School District Five of Lexington and Richland Counties
Management's Discussion and Analysis (Unaudited)
Year Ended June 30, 2021

Financial Analysis of Governmental Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the 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 District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At June 30, 2021, the District's governmental funds reported combined fund balances of \$87,168,241, a decrease of \$1,968,444 in comparison with the prior year. Approximately 40.7% of this amount (\$35,469,778) constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of the fund balance is either non-spendable or restricted to indicate that it is 1) not in spendable form (\$5,137,669) or 2) restricted for particular purposes (\$35,756,079) or 3) assigned for a specific purpose (\$10,804,715).

The general fund is the principal operating fund of the District. The increase in fund balance in the general fund for the fiscal year was \$4,686,838. This increase is primarily due to increased property tax revenue. Both Lexington and Richland counties reassessed their properties in 2020. The growth in taxable values of property and high collection rates accounted for actual receipts of 4.9% over budgeted amounts in property tax revenue. After non-spendable fund balances for inventories and prepaid expenditures, and funds assigned for special purposes, the unassigned fund balance was \$35,469,778. The Board of Trustees has a policy to provide for sound fiscal management and stability. The policy requires that the District maintain an undesignated operating reserve fund of approximately 15 to 18 percent of the general fund budgeted expenditures.

The special revenue fund – special projects fund and special revenue fund – EIA funds are used to account for revenues derived from the state of South Carolina and the federal government and student activity funds. Other than student activity funds, the District's special revenue funds do not typically have fund balances as revenues should be expended, deferred, or returned to the grantor. The student activity funds carried a fund balance of \$4,926,335 which are shown as restricted in the District's financial statements. The net increase in fund balance is due to student activity funds being classified as special revenue instead of agency funds beginning with fiscal year 2021, due to the implementation of GASB No. 84.

The food service fund had a total fund balance of \$4,048,856, of which \$206,775 is non-spendable and \$3,842,081 is restricted.

The debt service fund had a total fund balance of \$15,030,658, all of which is restricted for the payment of debt service. This is an increase of \$5,230,428 from the prior year. The District maintains sufficient fund balance in the debt service fund to pay the ensuing six-month principal and interest payments on general obligation debt.

The capital projects fund showed a fund balance decrease of \$17,797,509. The ending balance is \$11,957,005. The change was attributable to the completion of capital projects.

Proprietary Funds. The District's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The proprietary funds (after school programs) showed a decrease in net position of \$29,087.

General Fund Budgetary Highlights

The District's budget is prepared according to South Carolina law. The District amended the general fund budget for decreases in total budgeted revenues. Minor categorical budget amendments were made during the year to insure expenditures were recorded in the proper account codes as defined by the South Carolina Department of Education. Budgeted general fund revenue and expenditures for the 2020-2021 fiscal year increased by 0.3% and 0.4% respectively. Revenue has a positive variance of \$4,666,035. Actual expenditures resulted in a negative variance of \$20,395.

School District Five of Lexington and Richland Counties
Management's Discussion and Analysis (Unaudited)
Year Ended June 30, 2021

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2021, the District had \$373,778,294 invested in a broad range of capital assets, including land, buildings, site improvements, furniture, equipment, vehicles, and library books. This represents a net increase of \$4,228,767 (1.1%) for the 2020 - 2021 fiscal year. For more detailed information on capital asset activity see Note 4 - Capital Assets.

	Capital Assets	
	Governmental Activities	
	2021	2020
Land	\$ 8,844,166	\$ 8,844,166
Buildings	487,960,646	479,157,379
Site Improvements	37,073,510	36,385,753
Furniture and Equipment	27,379,209	26,730,444
Construction in Progress	28,286,097	16,730,760
Total Before Accumulated Depreciation	589,543,628	567,848,502
Less: Accumulated Depreciation	215,765,334	198,298,975
Net Capital Assets	<u>\$ 373,778,294</u>	<u>\$ 369,549,527</u>

Debt Administration

As of June 30, 2021, the District had total outstanding long-term debt of \$168,546,000. The general obligation debt is backed by the full faith and credit of the District as well as the State of South Carolina. The District's total long-term debt as of June 30, 2021 and 2020 is as follows:

	Long-Term Debt at June 30	
	Governmental Activities	
	2021	2020
November 19, 2013 Issue	\$ 23,066,000	\$ 25,698,000
November 9, 2015 Issue	48,030,000	51,890,000
June 9, 2010 Issue	10,000,000	10,000,000
August 21, 2012 Issue	76,855,000	83,120,000
September 1, 2019 Issue	10,595,000	20,930,000
Lease Acquisition - April 3, 2017 Issue	-	487,441
Totals	<u>\$ 168,546,000</u>	<u>\$ 192,125,441</u>

School District Five of Lexington and Richland Counties
Management's Discussion and Analysis (Unaudited)
Year Ended June 30, 2021

CAPITAL ASSETS AND DEBT ADMINISTRATION (Continued)

Moody's Investors Service has assigned an Aa1 enhanced rating with a stable outlook and an Aa2 underlying rating to the District's General Obligation Bonds. Standard & Poor's rates the District's bonds AA/Stable long-term and AA/Stable School Issuer. The Aa1 enhanced rating and AA/Stable rating are based on the additional security provided by the South Carolina School District Credit Enhancement Program (SCSDCEP). The program assures timely debt service payment through county and state government coordination. The SCSDCEP is a state-backed enhancement program that shadows the state's rating and consequently carries the stable outlook that is assigned to the state's AAA general obligation rating. School districts in South Carolina may issue up to 8% of their assessed value without voter approval. On June 30, 2021, the District's debt capacity was approximately \$46,750,320. The District issued Series 2021A \$10,228,200 SCAGO general obligation bonds leaving the legal debt limit margin of \$25,927,120 at year end.

Other obligations include accrued obligations such as annual leave accumulated. More detailed information on these obligations is available in Note 7 - Long-Term Debt of the financial statements (page 67).

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The District's elected and appointed officials considered many factors when setting the District's budget and tax rates for 2021 - 2022. The most important factor affecting the budget for the near future is the General Assembly struggles with allocating the State's limited resources and fully funding the education funding formula as established in law.

When setting the 2021-2022 fiscal year budget, the District focused on mental health services, security, maintaining quality instructional programs in the classrooms and pupil teacher ratios in all schools at the ratio set in Board Policy. The District's original general fund budget for fiscal year 2021-2022 was approved by the Board of Trustees on June 14, 2021 for \$201,694,166.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Office of Finance, School District Five of Lexington and Richland Counties, 1020 Dutch Fork Road, Irmo, SC, 29063. In addition, this financial report may be found on the District's website at www.lexrich5.org.

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BASIC FINANCIAL STATEMENTS

The basic financial statements provide a summary overview of the financial position of all funds and account groups and the operating results of all funds. They also serve as an introduction to the more detailed statements and schedules that follow.

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SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
STATEMENT OF NET POSITION (DEFICIT)
June 30, 2021

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Totals</u>
Assets			
Cash & Cash Equivalents	\$ 8,033,231	\$ -	\$ 8,033,231
Investments	61,545,053	-	61,545,053
Property Tax Receivable, Net	7,556,122	-	7,556,122
Accrued Interest	38,853	-	38,853
Internal Balances	(356,262)	356,262	-
Due From County Government	41,342,914	-	41,342,914
Prepaid Expenses	4,928,134	-	4,928,134
Inventories - Supply & Materials	209,535	-	209,535
Other Receivables	7,300,348	-	7,300,348
Noncurrent Assets:			
Capital Assets (Net of Accumulated Depreciation):			
Land	8,844,166	-	8,844,166
Buildings	306,416,183	-	306,416,183
Site Improvements	20,736,708	-	20,736,708
Machinery, Equipment and Vehicles	9,495,140	-	9,495,140
Construction in Progress	28,286,097	-	28,286,097
Total Assets	<u>504,376,222</u>	<u>356,262</u>	<u>504,732,484</u>
Deferred Outflows of Resources			
Net Pension Deferred Outflows	44,042,137	214,375	44,256,512
Net OPEB Deferred Outflows	53,649,068	145,585	53,794,653
Unamortized Loss on Refunding - Debt Defeasance	402,028	-	402,028
Total Deferred Outflows of Resources	<u>98,093,233</u>	<u>359,960</u>	<u>98,453,193</u>
Liabilities			
Accounts Payable and Other Liabilities	2,445,047	86	2,445,133
Accrued Salaries	13,464,733	-	13,464,733
Accrued Payroll Related Liabilities	3,942,730	-	3,942,730
Due to State Department of Education	26,783	-	26,783
Bonds Payable	10,228,200	-	10,228,200
Retainage Payable	96,796	-	96,796
Unearned Revenue	6,626,771	-	6,626,771
Arbitrage Rebate Liability	91,253	-	91,253
Accrued Interest Payable	1,949,335	-	1,949,335
Noncurrent Liabilities:			
Due within One Year	26,672,266	-	26,672,266
Due in More Than One Year	150,184,899	-	150,184,899
Net OPEB Liability	252,505,923	1,392,562	253,898,485
Net Pension Liability	283,125,817	1,634,913	284,760,730
Total Liabilities	<u>751,360,553</u>	<u>3,027,561</u>	<u>754,388,114</u>
Deferred Inflows of Resources			
Net Pension Deferred Inflows	2,571,173	38,074	2,609,247
Net OPEB Deferred Inflows	17,564,815	126,519	17,691,334
Total Deferred Inflows of Resources	<u>20,135,988</u>	<u>164,593</u>	<u>20,300,581</u>
Net Position (Deficit)			
Net Investment in Capital Assets	210,468,717	-	210,468,717
Restricted For:			
Special Revenue - Student Activities	4,926,335	-	4,926,335
Special Revenue - Food Service	4,048,856	-	4,048,856
Debt Service	14,476,765	-	14,476,765
Net Position (Deficit) - Unrestricted	<u>(402,947,759)</u>	<u>(2,475,932)</u>	<u>(405,423,691)</u>
Total Net Position (Deficit)	<u>\$ (169,027,086)</u>	<u>\$ (2,475,932)</u>	<u>\$ (171,503,018)</u>

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

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges For Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government Governmental Activities	Business-Type Activities	Total
Governmental Activities:							
Instruction	\$ 144,866,989	\$ 4,149	\$ 104,984,087	\$ -	\$ (39,878,753)	\$ -	\$ (39,878,753)
Support Services	124,262,434	751,469	10,298,906	-	(113,212,059)	-	(113,212,059)
Community Services	56,171	-	-	-	(56,171)	-	(56,171)
Interest and Other Charges	6,993,915	-	-	-	(6,993,915)	-	(6,993,915)
Total Governmental Activities	276,179,509	755,618	115,282,993	-	(160,140,898)	-	(160,140,898)
Business-Type Activities:							
After School	306,986	277,899	-	-	-	(29,087)	(29,087)
Total Business-Type Activities	306,986	277,899	-	-	-	(29,087)	(29,087)
Total Primary Government	\$ 276,486,495	\$ 1,033,517	\$ 115,282,993	\$ -	(160,140,898)	(29,087)	(160,169,985)
General Revenues:							
Property Taxes Levied for:							
					71,964,850	-	71,964,850
					42,410,560	-	42,410,560
					2,109,790	-	2,109,790
					47,158,361	-	47,158,361
					176,054	-	176,054
					1,480,252	-	1,480,252
Total General Revenues					165,299,867	-	165,299,867
Change in Net Position					5,158,969	(29,087)	5,129,882
Net Position (Deficit) - Beginning					(178,889,460)	(2,446,845)	(181,336,305)
Cumulative Change in Accounting Principle - GASB #84					4,703,405	-	4,703,405
Net Position (Deficit) - Ending					\$ (169,027,086)	\$ (2,475,932)	\$ (171,503,018)

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

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2021**

	Special Revenue Funds						Total Governmental Funds
	General	Special Projects	Education Improvement Act	Food Service	Debt Service	Capital Projects	
Assets							
Cash & Cash Equivalents	\$ 7,980,319	\$ -	\$ -	\$ 52,912	\$ -	\$ -	\$ 8,033,231
Investments	59,370,169	-	-	2,174,884	-	-	61,545,053
Property Tax Receivable, Net	5,854,474	-	-	-	1,701,648	-	7,556,122
Due From Other Funds	-	4,445,968	3,726,075	1,197,366	144,505	23,942,310	33,456,224
Due From County Government	26,801,820	-	-	-	14,541,094	-	41,342,914
Prepaid Items	4,928,134	-	-	-	-	-	4,928,134
Inventories - Supplies & Materials	2,760	-	-	206,775	-	-	209,535
Other Receivables	3,370,578	3,093,085	220,928	615,757	-	-	7,300,348
Total Assets	\$ 108,308,254	\$ 7,539,053	\$ 3,947,003	\$ 4,247,694	\$ 16,387,247	\$ 23,942,310	\$ 164,371,561
Liabilities, Deferred Inflows & Fund Balances							
Liabilities							
Accounts Payable	\$ 770,986	\$ 43,027	\$ 23,031	\$ 38,947	\$ -	\$ 1,569,056	\$ 2,445,047
Accrued Salaries	13,464,733	-	-	-	-	-	13,464,733
Accrued Payroll Related Liabilities	3,942,730	-	-	-	-	-	3,942,730
Due To Other Funds	33,812,486	-	-	-	-	-	33,812,486
Due To State Government	-	6,244	20,539	-	-	-	26,783
Bonds Payable	-	-	-	-	-	10,228,200	10,228,200
Retainage Payable	-	-	-	-	-	96,796	96,796
Unearned Revenue	-	2,563,447	3,903,433	159,891	-	-	6,626,771
Arbitrage Rebate Liability	-	-	-	-	-	91,253	91,253
Total Liabilities	51,990,935	2,612,718	3,947,003	198,838	-	11,985,305	70,734,799
Deferred Inflows							
Unavailable Tax Revenues	5,111,932	-	-	-	1,356,589	-	6,468,521
Total Deferred Inflows	5,111,932	-	-	-	1,356,589	-	6,468,521
Fund Balances							
Non-Spendable	4,930,894	-	-	206,775	-	-	5,137,669
Restricted	-	4,926,335	-	3,842,081	15,030,658	11,957,005	35,756,079
Assigned	10,804,715	-	-	-	-	-	10,804,715
Unassigned	35,469,778	-	-	-	-	-	35,469,778
Total Fund Balances	51,205,387	4,926,335	-	4,048,856	15,030,658	11,957,005	87,168,241
Total Liabilities, Deferred Inflows & Fund Balances	\$ 108,308,254	\$ 7,539,053	\$ 3,947,003	\$ 4,247,694	\$ 16,387,247	\$ 23,942,310	\$ 164,371,561

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

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION (DEFICIT)
JUNE 30, 2021**

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

Total Governmental Fund Balances \$ 87,168,241

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. *This is the amount that the cost of the assets exceeds the accumulated depreciation.*

<i>Cost of Assets</i>	\$ 589,543,628	
<i>Accumulated Depreciation</i>	<u>(215,765,334)</u>	373,778,294

Interest subsidy receivable on outstanding bonds in governmental accounting is not receivable in current period and, therefore, has not been reported as an asset in the funds.		38,853
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Deferred Outflows (Inflows) resulting from the recognition of the employer's share of the state's net pension and OPEB liability are not current financial resources and, therefore, are not reported in the funds.		77,555,217
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Deferred charges from loss on refunding bonds (net of amortization) are not reported in the funds because they are not current financial resources, but they are reported in the statement of net position.		402,028
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Certain unearned revenues reported in the governmental funds are recognized subject to a reserve for uncollectible amounts in the statement of activities. <i>This is the additional amount of taxes receivable recognized under the accrual basis.</i>		6,468,521
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Certain liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

<i>Long-Term Debt</i>	(168,546,000)	
<i>Net Pension Liability</i>	(283,125,817)	
<i>Net OPEB Liability</i>	(252,505,923)	
<i>Bond Premiums, Net of Amortization</i>	(7,122,610)	
<i>Compensated Absences</i>	(1,188,555)	
<i>Accrued Interest Payable</i>	<u>(1,949,335)</u>	<u>(714,438,240)</u>

Net Position (Deficit) of Governmental Activities \$ (169,027,086)

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

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

	Special Revenue					Capital Projects	Total Governmental Funds
	General	Special Projects	Education Improvement Act	Food Service	Debt Service		
Revenues							
Taxes Levied/Assessed by the LEA	\$ 71,285,133	\$ -	\$ -	\$ -	\$ 42,196,546	\$ -	\$ 113,481,679
Revenue From Local Governmental Units Other Than LEAs	1,724,029	-	-	-	385,761	-	2,109,790
Tuition	4,149	-	-	-	-	-	4,149
Earnings on Investments	81,438	-	-	5,094	19,057	70,465	176,054
Pupil Activities	-	2,261,951	-	-	-	-	2,261,951
Other Revenue from Local Sources	1,189,879	495,574	-	510,223	-	-	2,195,676
Total Local	74,284,628	2,757,525	-	515,317	42,601,364	70,465	120,229,299
State Sources	120,708,989	7,122,702	12,100,406	-	1,698,761	-	141,630,858
Federal Sources	-	9,163,005	-	8,676,210	745,375	-	18,584,590
Total Revenues	194,993,617	19,043,232	12,100,406	9,191,527	45,045,500	70,465	280,444,747
Expenditures							
Current:							
Instruction	119,119,737	8,133,176	5,096,118	-	-	-	132,349,031
Support Services	77,042,322	8,162,239	1,115,113	8,413,156	-	8,957,197	103,690,027
Community Services	-	56,171	-	-	-	-	56,171
Intergovernmental	36,899	1,913,699	-	-	-	-	1,950,598
Debt Service:							
Other Professional and Technical Services	-	-	-	-	1,750	-	1,750
Redemption of Principal	-	-	-	-	23,092,000	487,441	23,579,441
Interest	-	-	-	-	7,359,322	12,559	7,371,881
Other Objects	-	-	-	-	-	53,873	53,873
Capital Outlay	78,212	118,540	223,255	-	-	17,718,904	18,138,911
Total Expenditures	196,277,170	18,383,825	6,434,486	8,413,156	30,453,072	27,229,974	287,191,683
Excess of Revenues Over (Under) Expenditures	(1,283,553)	659,407	5,665,920	778,371	14,592,428	(27,159,509)	(6,746,936)
Other Financing Sources (Uses)							
Sale of Capital Assets	75,087	-	-	-	-	-	75,087
Transfers In	6,102,397	-	-	207,093	-	9,362,000	15,671,490
Transfers Out	(207,093)	(436,477)	(5,665,920)	-	(9,362,000)	-	(15,671,490)
Total Other Financing Sources (Uses)	5,970,391	(436,477)	(5,665,920)	207,093	(9,362,000)	9,362,000	75,087
Net Change in Fund Balances	4,686,838	222,930	-	985,464	5,230,428	(17,797,509)	(6,671,849)
Fund Balance, Beginning of Year	46,518,549	-	-	3,063,392	9,800,230	29,754,514	89,136,685
Cumulative Change in Accounting Principle - GASB #84	-	4,703,405	-	-	-	-	4,703,405
Fund Balance, Ending of Year	\$ 51,205,387	\$ 4,926,335	\$ -	\$ 4,048,856	\$ 15,030,658	\$ 11,957,005	\$ 87,168,241

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

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

Amounts reported for the Governmental Activities in the Statement of Activities are different because:

Net Change in Fund Balances - Total Governmental Funds \$ (6,671,849)

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. *This is the amount by which depreciation expense exceeded capital outlays in the current period.*

<i>Depreciation Expense</i>	\$ (18,617,700)	
<i>Capital Outlay</i>	<u>22,846,467</u>	4,228,767

The issuance of long-term debt (e.g. bonds, lease purchase) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. *This is the amount that principal repaid during the year exceeds the amount of debt issued during the year.*

<i>Redemption of Principal</i>	23,579,441	
<i>Issuance of Long-Term Debt</i>	<u>-</u>	23,579,441

Governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. *This is the change in loss on refunding bonds amortization and change in bond premium amortization.*

<i>Change in Amortization of Loss on Refunding Bonds</i>	(101,510)	
<i>Change in Amortization of Bond Premiums</i>	<u>2,084,931</u>	1,983,421

Certain unavailable tax revenues reported in the governmental funds are recognized in the statement of activities, net of a reserve for uncollectible amounts. This is the change in the amount of taxes receivable recognized under the accrual basis.

893,731

The change in compensated absences reported in the statement of activities does not require the use of current financial resources, and therefore, is not reported as an expenditure/revenue in the governmental funds. *This is the amount that compensated absences at the end of the prior year exceeded the compensated absences at the end of the current year.*

<i>Compensated Absences - End of Current Year</i>	(1,188,555)	
<i>Compensated Absences - End of Prior Year</i>	<u>1,296,878</u>	108,323

Retirement and pension expense in the statement of activities is measured by the District's proportionate share of the SCRS and PORS pension and SCRHITF and SC LTDITF OPEB total expense. In the governmental funds, however, the expenditure is measured by the current contributions to the retirement and pension system. *This is the difference between the Current Contributions and the District's proportionate share.*

(19,288,544)

Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.

325,679

Change in Net Position of Governmental Activities

\$ 5,158,969

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

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE- BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2021**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Local	\$ 70,619,600	\$ 70,619,600	\$ 74,284,628	\$ 3,665,028
State	121,045,056	119,707,982	120,708,989	1,001,007
Total Revenues	<u>191,664,656</u>	<u>190,327,582</u>	<u>194,993,617</u>	<u>4,666,035</u>
Expenditures				
Current:				
Instruction	120,249,361	118,655,614	119,137,778	(482,164)
Support Services	78,325,365	77,560,311	77,102,493	457,818
Community Services	20,850	20,850	-	20,850
Intergovernmental	20,000	20,000	36,899	(16,899)
Total Expenditures	<u>198,615,576</u>	<u>196,256,775</u>	<u>196,277,170</u>	<u>(20,395)</u>
Excess Revenues Over (Under) Expenditures	<u>(6,950,920)</u>	<u>(5,929,193)</u>	<u>(1,283,553)</u>	<u>4,645,640</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	-	-	75,087	75,087
Transfers from (to) Other Funds	5,929,193	5,929,193	5,895,304	(33,889)
Total Other Financing Sources (Uses)	<u>5,929,193</u>	<u>5,929,193</u>	<u>5,970,391</u>	<u>41,198</u>
Excess Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>\$ (1,021,727)</u>	<u>\$ -</u>	<u>4,686,838</u>	<u>\$ 4,686,838</u>
Fund Balance, Beginning of Year			<u>46,518,549</u>	
Fund Balance, Ending of Year			<u>\$ 51,205,387</u>	

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

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
STATEMENT OF NET POSITION (DEFICIT)
PROPRIETARY FUND TYPE - ENTERPRISE FUND
JUNE 30, 2021

Assets	<u>After School Program</u>
Current Assets:	
Due From Other Funds	\$ 356,262
Total Current Assets	<u>356,262</u>
Total Assets	<u>356,262</u>
Deferred Outflows of Resources	
Net Pension Deferred Outflows	214,375
Net OPEB Deferred Outflows	145,585
Total Deferred Outflows of Resources	<u>359,960</u>
Liabilities	
Current Liabilities:	
Accounts Payable	86
Total Current Liabilities	<u>86</u>
Noncurrent Liabilities:	
Net OPEB Liability	1,392,562
Net Pension Liability	1,634,913
Total Noncurrent Liabilities	<u>3,027,475</u>
Total Liabilities	<u>3,027,561</u>
Deferred Inflows of Resources	
Net Pension Deferred Inflows	38,074
Net OPEB Deferred Inflows	126,519
Total Deferred Inflows of Resources	<u>164,593</u>
Net Position (Deficit)	
Unrestricted	<u>(2,475,932)</u>
Total Net Position (Deficit)	<u>\$ (2,475,932)</u>

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

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION (DEFICIT)
PROPRIETARY FUND TYPE - ENTERPRISE FUND
FOR THE YEAR ENDED JUNE 30, 2021**

	After School Program
Operating Revenues	
Proceeds of Tuition	\$ 277,899
Total Operating Revenues	277,899
Operating Expenses	
Salaries and Employee Benefits	234,444
Purchased Services	14,048
Supplies and Materials	58,020
Other Operating Costs	474
Total Operating Expenses	306,986
Operating Income (Loss)	(29,087)
Change in Net Position	(29,087)
Net Position (Deficit), Beginning of Year	(2,446,845)
Net Position (Deficit), End of Year	\$ (2,475,932)

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

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
STATEMENT OF CASH FLOWS
PROPRIETARY FUND TYPE - ENTERPRISE FUND
FOR THE YEAR ENDED JUNE 30, 2021**

	<u>After School Program</u>
Cash Flows from Operation Activities	
Received from Patrons	\$ 277,899
Payments to Employees for Services	(214,777)
Payments to Suppliers for Goods and Services	(72,537)
	<hr/>
Net Cash Provided (Used) by Operating Activities	<hr/> (9,415)
Cash Flows from Noncapital Financing Activities	
Transfers from Other Funds	9,415
	<hr/>
Net Cash Provided (Used) by Noncapital Financing Activities	<hr/> 9,415
Net Increase (Decrease) in Cash and Cash Equivalents	-
Cash and Cash Equivalents - Beginning	<hr/> -
Cash and Cash Equivalents - Ending	<hr/> \$ -
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities	
Net Operating Income (Loss)	<hr/> \$ (29,087)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Pension Expense	10,372
OPEB Expense	9,295
Changes in Assets and Liabilities:	
(Decrease) in Accounts Payable	<hr/> 5
Total Adjustments	<hr/> 19,672
Net Cash Provided (Used) by Operating Activities	<hr/> \$ (9,415)

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

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of School District Five of Lexington and Richland Counties conform to accounting principles generally accepted in the United States of America as applicable to governments. The following is a summary of the more significant accounting policies:

Reporting Entity

School District Five of Lexington and Richland Counties (the District) is a Local Education Agency empowered by State law with the responsibility to oversee and control all activities related to public school education in Lexington and Richland Counties, South Carolina. The Board receives state, local and federal government funding and must adhere to the legal requirements of each funding entity. The District operates under the direction of an elected seven member Board of Trustees, with a superintendent serving as the chief administrative officer, and provides education services to 16,444 students pre-kindergarten through grade twelve.

The financial reporting entity consists of the primary government, organizations for which the primary government is financially accountable, and other organizations for which the nature and significance to their relationship with the primary government are such that exclusion could cause the financial statements to be misleading or incomplete. Based on the following criteria, the District has determined it has no component units and it is not a component unit of any other organization. Therefore, the District reports as a primary entity.

The primary entity is financially accountable if it appoints a voting majority of the organization's governing body including situations in which the voting majority consists of the primary entity's officials serving as required by law and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary entity. The primary entity also may be financially accountable if an organization is fiscally dependent on it even if it does not appoint a voting majority of the board. An organization is fiscally dependent on the primary entity that holds one or more of the following powers: determine its budget without another government having the authority to approve and modify that budget, levy taxes or set rates or charges without approval by another government, and issue bonded debt without approval by another government.

Basis of presentation: The financial statement presentation for the District meets the requirements of the Governmental Accounting Standards Board. The financial statement presentation provides a comprehensive entity-wide perspective of the District's net position, revenues, expenses and changes in net position and cash flows that replaces the fund-group perspective previously required.

Government-wide Statements: The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the overall government, except for fiduciary activities. These statements distinguish between the governmental and business-type activities of the District. Governmental activities generally are financed through intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

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

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of presentation (continued)

activities, which are presented as internal balances and eliminated in the total column. Interfund services provided and used are not eliminated.

Fund Financial Statements: The fund financial statements provide information about the District's funds. Separate statements for each fund category – governmental and proprietary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All of the District's governmental and enterprise funds are reported as major funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary services.

The District reports the following major governmental funds:

General Fund: The General Fund is the general operating fund of the District. The General Fund accounts for all financial resources except those that are required to be accounted for in another fund. All property taxes, intergovernmental revenues, charges for services, Education Finance Act revenues, and miscellaneous revenues are recorded in this fund except amounts which are specifically collected to service debt or for which the District collects in a fiduciary capacity. Operational expenditures for general instruction, support services, general administration and other departments of the District are paid through the General Fund.

Special Revenue Fund – Special Projects Fund: The Special Revenue Projects Fund accounts for the financial transactions of the various special projects in which the District participates. All special projects supported in whole or in part with federal, state and local resources (other than expendable trust, Education Improvement Act proceeds or major capital projects) are accounted for in this fund. These funds primarily come from or are passed through the South Carolina Department of Education.

Special Revenue Fund – Education Improvement Act: The Education Improvement Act (EIA) fund accounts for the proceeds of the additional one percent sales and use tax that are restricted to expenditures of the Education Improvement Act strategies. The purpose of the EIA, in general, is to provide additional funding to local school districts for the purpose of raising academic standards by providing for, among other purposes, basic skills remediation, teacher salary increases and the modernization of equipment and instructional facilities.

Special Revenue Fund – Food Service Fund: The Food Service Fund accounts for the financial resources received that are restricted for the cafeteria operations at school locations. These resources primarily consist of revenues received from (a) breakfast, lunch and other food sales and (b) the United States Department of Agriculture's ("USDA") approved school breakfast and lunch programs.

Debt Service Fund: Accounts for the accumulation of resources for and the payment of general long-term debt, principal and interest. The primary financing source for the fund is Counties property taxes.

School Building Fund: The School Building Fund accounts for financial resources to be used for the acquisition and construction of major capital facilities, other than those financed by proprietary funds and trust funds. Capital projects are funded by proceeds of bonds issued for public school construction and from certain State assistance and grants.

The District reports the following major proprietary funds:

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of presentation (continued)

After School Fund: The After School Fund, an enterprise fund, is used to account for operations of the after school programs, which are financed and operated in a manner similar to private business enterprises, where the intent of the Board is that the costs of providing the services be recovered primarily through user charges.

Measurement focus and basis of accounting

Government-wide and proprietary fund financial statements: The government-wide and proprietary fund financial statements are reported using the economic resource measurement focus and the accrual basis, wherein revenues are recognized when earned, and expenses are recorded when an obligation has been incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include grants and donations. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Proprietary funds: 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.

Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Governmental fund financial statements: Governmental funds are reported using the current financial resources measurement focus and modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in governmental funds to be available if the revenues are collected within sixty days after year end. These include federal and state grants, some charges for services, and ad-valorem property taxes.

Expenditures are recorded when the related fund liability is incurred, except for claims and judgments and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources. Funds received but not yet earned are reflected as unearned revenues.

Under the terms of grant agreements, the District funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted resources available to finance the program. It is the District's policy to first apply cost-reimbursement grant resources to such programs and then general revenues.

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

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Budgets and budgetary accounting: The District's sole legally adopted budget is for the general fund as approved by the Board of Trustees prior to the beginning of each fiscal year. The adopted budget specified total expenditure limits.

The School Board for any expenditure exceeding total appropriations makes supplemental budget appropriations. Unexpended appropriations lapse at fiscal year-end. Budget amounts reflected in the accompanying financial statements represent the adopted budget and any revisions during the fiscal year. The administration has discretionary authority to make transfers between appropriation accounts and the Chief Financial Services Officer approves all transfers.

The budget is prepared on a basis consistent with accounting principles generally accepted in the United States of America and consistent with actual financial statement presentation to provide meaningful comparisons. The following procedures are used in establishing the general fund budget:

1. Prior to the May meeting of the Board, the Superintendent submits a budget for the operation of the entire school system of the District. This budget, at the discretion of the Board, is based upon proposed budgets submitted by the administrators and advisory board of the various schools of the District.
2. A public hearing is held before the 25th day of June to obtain taxpayer comments.
3. Following the public hearing and before July first of each year the Board takes final action on the budget.
4. Upon final action by the Board on the budget, the Chairman of the Board notifies the auditor and treasurer of the Counties of the amount of money required for the operation of the District during the next fiscal year. Upon receipt of this notice, the auditor levies taxes on all the taxable property of the Counties.
5. Formal budgetary integration is employed as a management control device during the year. Encumbrances are recorded at the time a good or service is ordered and the remaining budget appropriation is reduced by the same amount. When the good or service is received, the encumbrance is reversed in the budgetary accounts and an expenditure is recorded in the general ledger accounts. Encumbered appropriations lapse at year-end and all outstanding encumbrances are cancelled.

The Board authorized the Superintendent or his/her designee to approve general fund line item transfers in the aggregate totaling no more than \$10,000. General fund budget transfers over \$10,000 will be presented to the Board for approval. All line item transfers, regardless of the amount, will appear in the monthly financial report to the Board.

Cash and cash equivalents: For purposes of the statement of cash flows, the District considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Investments: The District investment policy is designed to operate within existing state statutes that authorize the District to invest in the following:

- a. Obligations of the United States, its agencies, and instrumentalities;
- b. Obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, the African Development Bank, and the Asian Development Bank;
- c. Obligations of a corporation, state, or political subdivision denominated in United States dollars, if the obligations bear investment grade ratings of at least two nationally recognized rating services;
- d. Certificates of Deposit - if the certificates are secured collaterally by securities of the type described in a. or c. above, held by a third party as escrow agent or custodian, and are of a market value not less than the amount of the certificates of deposits so secured, including interest, except that this collateral is not required to the extent the certificates of deposit are insured by an agency of the federal government;

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments (continued)

- e. Repurchase agreements if collateralized by securities of the types described in a. and c. above and held by a third party as escrow agent or custodian and of a market value not less than the amount of the repurchase agreement so collateralized, including interest;
- f. Guaranteed investment contracts issued by a domestic or foreign insurance company or other financial institution, whose long-term unsecured debt rating bears the two highest ratings of at least two nationally recognized rating services.

The District accounts for its investments at fair value in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. Changes in unrealized gain or loss on the carrying value of investments are reported as a component of investment income in the statement of revenues, expenditures, and changes in fund balances.

Accounts receivable: Accounts receivable consists of amounts due from the Federal government, state and local governments or private sources, in connection with reimbursement of allowable expenditures made pursuant to the District's grants and contracts. Accounts receivable are recorded net of estimated uncollectible amounts.

Allowance for doubtful accounts: All receivables that historically experience uncollectible accounts are shown net of an allowance for doubtful accounts. This amount is determined by analyzing the percentage of receivables that were not collected in prior years.

Inventories: Inventory items are valued at cost, based on the "Average Cost" method of accounting, determined using the first-in, first-out method, and are subsequently charged to expenditure/expenses when consumed rather than when purchased. Inventories include plant maintenance and operating supplies. Inventories recorded in the Food Service Fund are valued at the lower of cost or market determined on a first-in, first-out basis except for commodities received from the United States Department of Agriculture (USDA), which are recorded at fair market value at the time of receipt but have not been consumed as of June 30, 2021.

Prepaid items: Payments made to vendors for services benefitting future periods 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 in which services are consumed.

Capital assets: Capital assets are recorded at historical cost if purchased or constructed. Where cost could not be determined from the available records, estimated historical cost was used to record the estimated value of the assets. All land is capitalized, regardless of cost. Donated capital assets are recorded at acquisition value at the date of donation.

Qualifying improvements that rest in or on the land itself are recorded as depreciable land improvements. Qualifying improvements include major additions and renovations; improvements that add to the usable space; or improvements that extend the useful life of an existing building are capitalized. The District capitalizes movable personal property with a unit value in excess of \$5,000 and a useful life in excess of one year. Routine repairs and maintenance are charged to expenses in the year in which the expense was incurred.

Depreciation is computed using the straight-line method over the estimated lives of the assets, generally 10 to 50 years for buildings and improvements, 5 to 8 years for vehicles, 10 to 20 years for site improvements, and 3 to 15 years for machinery and equipment. Depreciation is prorated the year the asset is placed in service and in the year of disposition. The District allocates depreciation expense to programs/functions based on the ratio of program/functional expenses to total expenses with certain modifications.

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Deferred outflows/inflows of resources: In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. The separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government has three items that qualify for reporting in this category. They are the deferred charge on refunding reported in the government-wide statement of net position, and outflows related to pensions and OPEB. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The outflows related to pensions and OPEB are described in Notes 5 and 6.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has two types of items which arise only under a modified accrual basis of accounting that qualify for reporting in this category. Accordingly, they are, unavailable revenue, reported only in the governmental funds balance sheet, and the inflows related to pensions and OPEB. The governmental funds report unavailable revenues from two sources: property taxes and special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The inflows related to pensions are described in Note 5 and inflows related to OPEB are described in Note 6.

Unearned revenues: Unearned revenues in the governmental funds include amounts received from grant and contract sponsors that have not yet been earned, and USDA commodities included in inventory at year-end, but not reflected as revenue until the commodities are consumed.

Long-term obligations: In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as an expense during the period incurred.

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

Compensated absences: The majority of School District employees are employed under 190-day contracts. Therefore, these employees do not earn vacation as part of their benefits package. Leave is granted to all full-time employees at a rate of one and one-fourth days of leave for every twenty days of active service up to a maximum of fifteen days total personal and sick leave. Leave can be accumulated up to ninety days. Administrative and other personnel employed for twelve months are granted up to ten days of vacation at the rate of one day for every twenty-four working days. An employee may use vacation days during the fiscal year in which they are earned, but no later than the end of the following fiscal year.

Compensated absences for vacation and leave and other salary related payments are recorded as a liability when earned by administrative employees if the following conditions are met:

1. The compensated absence is earned on the basis of services already performed by the employee.
2. It is probable that the compensated absence will be paid in a future period.

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Compensated absences (continued)

No accrual is made for compensated absences that are dependent upon the occurrence of specific future events that are outside the control of the employer or the employee. Compensated absences are reported in governmental funds only if they have matured.

The School District has recorded the amount of accumulated employee vacation and other salary related payments of the governmental fund types that are and are not expected to be liquidated with expendable available financial resources. No expenditure is reported for these amounts.

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

Postemployment Benefits Other Than Pensions (OPEB):

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 are 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.

Non-exchange transactions: The District generally has two types of non-exchange transactions: government-mandated non-exchange transactions (which occur when a government at one level provides resources to a government at another level and requires the recipient to use the resources for a specific purpose), and voluntary non-exchange transactions (which result from legislative or contractual agreements other than exchanges, entered into willingly by the parties to the agreement). The District recognizes non-exchange transactions when they are both measurable and probable for collections. For government-mandated non-exchange transactions and voluntary non-exchange transactions, the District recognizes assets when all applicable eligibility requirements are met or resources are received, whichever is first, and revenue when all applicable eligibility requirements are met.

Fund balances: In accordance with GASB Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the District's governmental fund balances are classified as follows:

Non-spendable: Includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts.

Restricted: Represents amounts that are (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) are imposed by law through constitutional provisions or enabling legislations.

Committed: Represents amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority (Board of Trustees) before the end of the reporting period. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. Committed amounts for the School District would consist of amounts approved by resolution by the Board of Trustees of the School District.

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fund balances (continued)

Assigned: Amounts are constrained by the government's intent to be used for specific purposes but are neither restricted nor committed; such assignments are made before the report issuance date. Assigned fund balance for the District consists of (a) motions approved by the Board of Trustees that are for a specific purpose or (b) appropriations of current fund balance (made in the annual budget process) for the succeeding budget year.

Unassigned: Fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In the other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

When expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, the District's general practice is to first reduce committed resources, followed by assigned resources, and then unassigned resources.

Net position: The District's net position in the government-wide financial statements and proprietary fund financial statements are classified as follows:

Net investment in capital assets: This represents the District's total investment in capital assets, net of accumulated depreciation and reduced by outstanding liabilities that are attributable to the acquisition, construction or improvement of those assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of investment in capital assets, but rather as a restricted net position.

Restricted: This represents amounts restricted when the District is legally or contractually obligated by external parties such as lenders, grantors or contributors or by laws or regulations to spend in accordance with the restrictions imposed.

Unrestricted: This represents the remainder of the District's net position not included in the above categories.

The District's policy for applying expenses that can be both restricted and unrestricted resources is designated to the program administrative level. General practice is to first apply the expense to the restricted resource then to the unrestricted resources.

Income Taxes: The District, as a political subdivision of the State of South Carolina, is excluded from Federal income taxes under Section 115(1) of the Internal Revenue code.

Classification of revenues: The District has classified its revenues as either operating or non-operating revenues according to the following criteria:

Operating revenues: Operating revenues generally result from exchange transactions related to the District's principal ongoing operations. These revenues include (1) student tuition and fees received in exchange for providing educational services or (2) grants and contracts that are essentially the same as contracts for services that finance programs the District would not otherwise undertake.

Non-operating revenues: Non-operating revenues include activities that have the characteristics of non-exchange transactions. These revenues include gifts and contributions, investment income, and any grants or contracts that are not classified as operating revenue or restricted by the grantor to be used exclusively for capital purposes.

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Use of estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 – CASH AND CASH EQUIVALENTS

All cash and investments are stated at fair value with accrued interest shown on the statement of net position. The District is authorized to invest funds received from the Counties' Treasurers which are not needed for immediate disbursement by the District, in interest bearing accounts or certificates of deposit issued by banking institutions or savings and loan associations licensed to do business in this state or in securities issued by the United States Government.

At June 30, 2021, the carrying amount of the District's deposits and investments held by the various funds was as follows:

<u>Fund Types</u>	
General Fund	\$ 67,350,488
Food Service Fund	<u>2,227,796</u>
	<u>\$ 69,578,284</u>
Cash on hand	\$ 92,680
Deposits	7,940,551
Investments	<u>61,545,053</u>
Carrying amount at June 30, 2021	<u>\$ 69,578,284</u>

Deposits

Custodial credit risk for deposits is the risk that, in the event of a bank failure, the District's deposits might not be recovered. The District does not have a written policy related to custodial credit risk but does have an agreement with its banking institution that securities be pledged to cover any deposits in excess of federal depository insurance coverage.

At June 30, 2021, the bank balance of the District's deposits totaled \$18,673,130 of which \$250,000 was insured by Federal Depository Insurance Corporation (FDIC) insurance and \$18,423,130 was secured by collateral held by the bank's trust department in the District's name.

Investments

Credit risk: The District adheres to the State of South Carolina's investment policy and invests in primarily Certificates of Deposit and U.S. Government-backed obligations. There are no investments in commercial paper or corporate bonds and equities. At June 30, 2021, the District had the following investments:

<u>Investment Type</u>	<u>Fair Value Level</u>	<u>Maturities</u>	<u>Credit Rating</u>	<u>Fair Value</u>
SC Local Government Investment Pool	N/A	Various	Unrated	<u>\$ 61,545,053</u>
Total Investments				<u>\$ 61,545,053</u>

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 2 – CASH AND CASH EQUIVALENTS (continued)

Investments (continued)

The local government investment pool is a 2a7-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 2a7 of the Investment Company Act of 1940. The South Carolina State Treasurer oversees the pool. The fair value of the position in the pool is the same as the value of the pool shares. The Pool is included as an investment trust fund in the State of South Carolina Annual Comprehensive Financial Report. At June 30, 2021, the underlying security rates of the District’s investment in the Local Government Investment Pool (LGIP) is classified in risk category “A” and may be obtained from the LGIP’s complete financial statements by writing to the following address:

Office of the State Treasurer
Local Government Investment Pool
Post Office Box 11778
Columbia, South Carolina 29211

Interest rate risk: In accordance with its investment policy, the District manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to less than twelve months. It is the policy of the State Treasurer’s office that no derivatives of the U.S. Government Securities or Federal Agency Securities or A1/P1 Commercial Paper be purchased by or for the S.C. Local Government Investment Pool. It is the policy of the State Treasurer’s Office that the weighted average maturity (WAM) of the LGIP portfolio not exceed 60 days.

Concentration of credit risk: The District’s investment policy does not allow for an investment in any one issuer that is in excess of 5 percent (5%) of the total investments. Most investments are U.S. governmental obligations.

Foreign currency risk: The District has no foreign currency investments.

Custodial credit risk: This is the risk that the District will not be able to recover the value of investment or collateral securities that are in the possession of an outside party if the counter party to the investment transaction fails. There are no uninsured investments.

NOTE 3 – RECEIVABLES

Property taxes are levied by Lexington and Richland Counties (the Counties) on the assessed value for all real and personal property (except vehicles) owned on the preceding December 31st. 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 15th. Penalties are added to taxes depending upon the date paid as follows:

January 16 th – February 1 st	3% of tax
February 2 nd – March 15 th	10% of tax
March 16 th – Collection Date	15% of tax plus collection costs

The Counties levy taxes on vehicles in the month prior to the renewal of annual vehicle registration through the State Highway Department. These taxes are due by the last day of the same month.

The District is given an appropriation for property taxes by the County at the beginning of each fiscal year.

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.

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 3 – RECEIVABLES (continued)

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.

Act No. 388, which was adopted by the South Carolina General Assembly on June 1, 2006, limits future increases in the rate of millage levied for operational purposes by school districts. As of July 2, 2007, the annual millage rate for operations may increase only at a rate equal to the sum of (a) the increase in the consumer price index, plus (b) the rate of population growth of the school district. Act 388 created a new homestead exemption equal to 100 percent of the fair market value of owner-occupied residential property for ad valorem taxes imposed for school operating purposes. Act 388 imposed an additional state-wide one percent sales tax, beginning June 1, 2007, the collections of which are deposited in the Homestead Exemption Fund. Proceeds of the sales tax deposited in the Homestead Exemption Fund are distributed to the school districts of the State in substitution for the ad valorem property taxes not collected as a consequence of the New Homestead Exemption.

Taxes receivable as reported in the statement of net position are net of the following allowance for uncollectible amounts:

Delinquent taxes receivable	\$ 9,649,129
Less: Allowance for uncollectible amounts	<u>(2,093,007)</u>
Taxes receivable	<u>\$ 7,556,122</u>

NOTE 4 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2021 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
<u>Capital Assets, Not Being Depreciated:</u>				
Land	\$ 8,844,166	\$ -	\$ -	\$ 8,844,166
Construction-in-Progress	16,730,760	21,201,614	(9,646,277)	28,286,097
Total Capital Assets, Not being Depreciated	25,574,926	21,201,614	(9,646,277)	37,130,263
<u>Capital Assets, Being Depreciated:</u>				
Buildings	479,157,379	9,504,413	(701,146)	487,960,646
Site Improvements	36,385,753	876,645	(188,888)	37,073,510
Furniture and Equipment	26,730,444	1,267,233	(618,468)	27,379,209
Total Capital Assets, Being Depreciated	542,273,576	11,648,291	(1,508,502)	552,413,365
<u>Less Accumulated Depreciation For:</u>				
Buildings	(168,078,787)	(14,034,042)	568,366	(181,544,463)
Site Improvements	(14,304,185)	(2,101,640)	69,023	(16,336,802)
Furniture and Equipment	(15,916,003)	(2,482,018)	513,952	(17,884,069)
Total Accumulated Depreciation	(198,298,975)	(18,617,700)	1,151,341	(215,765,334)
Total Capital Assets, Being Depreciated, Net	343,974,601	(6,969,409)	(357,161)	336,648,031
Governmental Activities Capital Assets, Net	\$ 369,549,527	\$ 14,232,205	\$ (10,003,438)	\$ 373,778,294

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 4 – CAPITAL ASSETS (continued)

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

Governmental Activities:	
Instruction	\$ -
Support	18,617,700
Total Depreciation – Governmental Activities	<u>\$ 18,617,700</u>

Construction Commitments: The District has active construction projects at June 30, 2021. At June 30, 2021, the District's commitments with contractors are as follows:

<u>Project</u>	<u>Spent to Date</u>	<u>Remaining Commitment</u>
Chapin Elementary School: Wheelchair Lift	\$ 18,263	\$ 125,014
Chapin High School: Athletic Training Room Renovation	137,005	266,511
Irmo High School: Baseball Backstop	66,637	53,416
Restroom Renovation, HVAC Fan Coil Replacement, West Wing Roof Replacement	447,590	1,297,762
Irmo Middle School: Gym (HVAC, Ceiling, Lights, Roof), Kitchen Roof	876,355	1,666,092
Piney Woods Elementary School	<u>26,130,543</u>	<u>1,954,204</u>
Total Government Activities	<u>\$ 27,676,393</u>	<u>\$ 5,362,999</u>

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 5 – PENSION PLANS

General Information about the Pension Plans

The District participates in the South Carolina Retirement System (SCRS), and the South Carolina Police Officers Retirement System (PORS). The South Carolina Public Employee Benefit Authority (PEBA), which was created July 1, 2012, administers the various retirement systems and retirement programs of the state of South Carolina, as well as the state's employee insurance programs. As such, PEBA is responsible for administering the South Carolina Retirement Systems' five defined benefit pension plans. PEBA has an 11-member Board of Directors, appointed by the Governor and General Assembly leadership, which serves as custodian, co-trustee and co-fiduciary of the systems and the assets of the trust funds. The Retirement System Investment Commission (Commission as the governing body, RSIC as the agency), created by the General Assembly in 2005, has exclusive authority to invest and manage the retirement trust funds' assets. The Commission, an eight-member board, serves as co-trustee and co-fiduciary for the assets of the retirement trust funds. By law, the State Fiscal Accountability Authority (SFAA), which consists of five elected officials, also reviews certain PEBA Board decisions regarding the actuary of the South Carolina Retirement Systems (Systems).

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.

PEBA issues an Annual Comprehensive Financial Report (ACFR) containing financial statements and required supplementary information for the Systems' Pension Trust Funds. The ACFR is publicly available through the Retirement Benefits' link on PEBA's website at 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 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, 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. 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.

In addition to the plans described above, PEBA also administers three single employer defined benefit pension plans, which are not covered in this report. They are the Retirement System for Members of the General Assembly of the State of South Carolina (GARS), the Retirement System for Judges and Solicitors of the State of South Carolina (JSRS), and the South Carolina National Guard Supplemental Retirement Plan (SCNG).

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 5 – PENSION PLANS (continued)

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 newly 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 SCRS, certain 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. Contributions to the State ORP are at the same rates as 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 SCRS for the remaining portion of the employer contribution and an incidental death benefit contribution, if applicable, which is retained by 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 to 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.

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 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 below.

- 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.

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.

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 5 – PENSION PLANS (continued)

Benefits (continued)

- 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.

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 in accordance with state statute. However, the General Assembly postponed the one percent increase in the SCRS and PORS employer contribution rates that was scheduled to go into effect beginning July 1, 2020. 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. 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.

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 5 – PENSION PLANS (continued)

Contributions (continued)

Required employee contribution rates¹ are as follows:

	<u>7/1/20 to 6/30/21</u>	<u>7/1/19 to 6/30/20</u>
<u>SCRS</u>		
Employee Class Two	9.00%	9.00%
Employee Class Three	9.00%	9.00%
<u>State ORP</u>		
Employee Class Three	9.00%	9.00%
<u>PORS</u>		
Employee Class Two	9.75%	9.75%
Employee Class Three	9.75%	9.75%

Required employer contribution rates¹ are as follows (based on retirement plan's fiscal year):

	<u>7/1/20 to 6/30/21</u>	<u>7/1/19 to 6/30/20</u>
<u>SCRS</u>		
Employer Class Two	15.41%	15.41%
Employer Class Three	15.41%	15.41%
Employer Incidental Death Benefit	0.15%	0.15%
<u>State ORP</u>		
Employer Contribution ²	15.41%	15.41%
Employer Incidental Death Benefit	0.15%	0.15%
<u>PORS</u>		
Employer Class Two	17.84%	17.84%
Employer Class Three	17.84%	17.84%
Employer Incidental Death Benefit	0.20%	0.20%
Employer Accidental Death Program	0.20%	0.20%

¹ Calculated on earnable compensation as defined in Title 9 of the South Carolina Code of Laws.

² Of this employer contribution, 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.

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 5 – PENSION PLANS (continued)

Contributions (continued)

The District's contributions to the SCRS and PORS for their last four fiscal years were as follows:

SCRS	2021	2020	2019	2018
Employee Contributions	\$ 10,258,391	\$ 10,170,775	\$ 9,691,030	\$ 9,706,891
Employer Contributions	19,431,025	19,136,030	16,940,308	15,608,714
Employer Group Life Contributions	<u>197,865</u>	<u>194,317</u>	<u>184,215</u>	<u>182,212</u>
Totals	<u>\$ 29,887,281</u>	<u>\$ 29,501,122</u>	<u>\$ 26,815,553</u>	<u>\$ 25,497,817</u>

PORS	2021	2020	2019	2018
Employee Contributions	\$ 9,884	\$ 11,826	\$ 14,340	\$ 12,927
Employer Contributions	18,085	18,724	24,768	21,002
Employer Group Life Contributions	<u>203</u>	<u>419</u>	<u>588</u>	<u>530</u>
Totals	<u>\$ 28,172</u>	<u>\$ 30,969</u>	<u>\$ 39,696</u>	<u>\$ 34,459</u>

The governmental unit contributed 100% of the required contributions for the current year and each of the three preceding years.

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

Year ended June 30,	SCRS Payroll	State ORP Payroll	PORS Payroll	Total Payroll
2021	\$ 113,983,586	\$ 17,926,560	\$ 101,373	\$ 132,011,519
2020	113,008,610	15,536,052	104,955	128,649,617
2019	107,678,115	15,131,687	147,076	122,956,878
2018	\$ 107,854,375	\$ 13,620,002	\$ 132,586	\$ 121,606,963

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

At June 30, 2021, the District reported a liability of \$284,530,330 for its proportionate share of the net pension liability for SCRS and a liability of \$230,400 for its proportionate share of the net pension liability for PORS, for a total net pension liability of \$284,760,730. The net pension liability of the defined benefit plan was determined based on the most recent actuarial valuation as of July 1, 2019, using membership as of that date projected forward to the end of the retirement plan's fiscal year, and financial information of the pension trust funds as of June 30, 2020. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental units, actuarially determined. The net pension liability is generally liquidated by the general fund.

At the retirement plan's year end of June 30, 2020, the District's proportion was 1.113545% and 0.006948% for SCRS and PORS, respectively.

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 5 – PENSION PLANS (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

For the year ended June 30, 2021, the District recognized pension expense of \$29,829,515, including \$29,800,929 for SCRS and \$28,586 for PORS, respectively. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
SCRS		
Differences between expected and actual experience	\$ 3,283,103	\$ 1,075,930
Assumption changes	348,595	-
Net difference between projected and actual earnings on pension plan investments	20,929,591	-
Deferred amounts from changes in proportionate share and differences between District contributions and proportionate share of contributions	-	1,467,277
District contributions subsequent to the measurement date	<u>19,628,890</u>	<u>-</u>
Total SCRS	\$ 44,190,179	\$ 2,543,207
PORS		
Differences between expected and actual experience	\$ 4,896	\$ 1,014
Assumption changes	2,812	-
Net difference between projected and actual earnings on pension plan investments	23,593	-
Deferred amounts from changes in proportionate share and differences between District contributions and proportionate share of contributions	16,743	65,026
District contributions subsequent to the measurement date	<u>18,288</u>	<u>-</u>
Total PORS	\$ 66,332	\$ 66,040
Total SCRS and PORS	\$ 44,256,511	\$ 2,609,247

The amount of \$19,628,890 for SCRS and \$18,288 for PORS reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the SCRS and PORS will increase (decrease) pension expense as follows:

<u>Year Ended June 30,</u>	<u>SCRS</u>	<u>PORS</u>	<u>Total</u>
2021	\$ 3,397,497	\$ 226	\$ 3,397,723
2022	6,030,628	(8,561)	6,022,067
2023	7,249,179	(12,152)	7,237,027
2024	<u>5,340,778</u>	<u>2,491</u>	<u>5,343,269</u>
Totals	\$ 22,018,082	\$ (17,996)	\$ 22,000,086

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 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.

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 5 – PENSION PLANS (continued)

Actuarial Assumptions and Methods (continued)

The June 30, 2019, total pension liability (TPL), net pension liability (NPL), and sensitivity information shown in this report were determined by the Systems' 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 end, June 30, 2020, using generally accepted actuarial principles.

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

	SCRS	PORS
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Investment rate of return ¹	7.25%	7.25%
Projected salary increases	3.0% to 12.5% (varies by service) ¹	3.5% to 9.5% (varies by service) ¹
Benefit adjustments	Lesser of 1% or \$500 annually	Lesser of 1% or \$500 annually
¹ Includes inflation at 2.25%		

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 Systems' 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, 2019, TPL are as follows:

Former Job Class	Males	Females
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%

Net Pension Liability

The NPL is calculated separately for each system and represents that particular system's TPL 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 below.

System	Total Pension Liability	Plan Fiduciary Net Position	Employers' 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%

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 5 – PENSION PLANS (continued)

Net Pension Liability (continued)

The TPL is calculated by the Systems' actuary, and each plan's fiduciary net position is reported in the Systems' financial statements. The NPL is disclosed in accordance with the requirements of GASB 67 in the Systems' 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.

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 arithmetic 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 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 table below. For actuarial purposes, the 7.25 percent assumed annual investment rate of return used in the calculation of the TPL includes a 5.00 percent real rate of return and a 2.25 percent inflation component.

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Expected Arithmetic Real Rate of Return</u>	<u>Long Term Expected Portfolio Real Rate of Return</u>
Global Equity	51.0%		
Global Public Equity	35.0%	7.81%	2.73%
Private Equity	9.0%	8.91%	0.80%
Equity Options Strategies	7.0%	5.23%	0.36%
Real Assets	12.0%		
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%
Opportunistic	8.0%		
GTAA/Risk Parity	7.0%	3.56%	0.25%
Other Opportunistic Strategies	1.0%	4.41%	0.04%
Diversified Credit	15.0%		
Mixed Credit	4.0%	4.21%	0.17%
Emerging Markets Debt	4.0%	3.44%	0.14%
Private Debt	7.0%	5.79%	0.40%
Conservative Fixed Income	14.0%		
Core Fixed Income	13.0%	1.60%	0.21%
Cash and Short Duration (Net)	1.0%	0.56%	0.01%
Total Expected Return	100.0%		5.80%
Inflation for Actuarial Purposes			2.25%
Total Expected Nominal Return			8.05%

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 5 – PENSION PLANS (continued)

Discount Rate

The discount rate used to measure the TPL 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, the System’s fiduciary net position was projected to be available to make all the 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 TPL.

Sensitivity Analysis

The following table presents the District’s proportionate share of the collective NPL calculated using the discount rate of 7.25 percent, as well as what the District’s proportionate share of the employers’ NPL would look like were calculated using a discount rate that is 1.00 percent lower (6.25 percent) or 1.00 percent 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	\$ 352,640,455	\$ 284,530,330	\$ 227,657,555
PORS	\$ 305,011	\$ 230,400	\$ 170,493

Additional Financial and Actuarial Information

Information contained in these Notes to the Basic Financial Statements was compiled from the Systems’ audited financial statements for the fiscal year ended June 30, 2020, and the accounting valuation report as of June 30, 2020. Additional financial information supporting the preparation of the Schedules (including the unmodified audit opinion on the financial statements and required supplementary information) is available on the Systems’ ACFR.

Payables to the Pension Plan

As of June 30, 2021, the District had \$3,386,167 in payables outstanding to the pension plans for its legally required contributions.

NOTE 6 – OTHER POST-EMPLOYMENT BENEFITS

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 in May, 2008. The SCRHITF was created to fund and account for the employer costs of the State’s retiree health and dental plans. The SCLTDITF was created to fund and account for the employer costs of the State’s Basic Long- Term Disability Income Benefit Plan.

In accordance with Act 195, the OPEB Trusts are administered by the PEBA - Insurance Benefits and the State Treasurer is the custodian of the funds held in trust. The Board of Directors of PEBA has been designated as the Trustee.

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 6 – OTHER POST-EMPLOYMENT BENEFITS (continued)

The OPEB Trusts are cost-sharing multiple-employer defined benefit OPEB 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.

PEBA, Insurance Benefits issues audited financial statements and required supplementary information for the OPEB Trust Funds. This information is publicly available through the Insurance Benefits' link on PEBA's website at www.peba.sc.gov or a copy may be obtained by submitting a request to PEBA – Insurance Benefits, 202 Arbor Lake Drive, Columbia, SC, 29223.

Benefits Provided

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 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 government entities. The SCLTDITF provides disability payments to eligible employees that have been approved for disability.

Contributions and Funding Policies

Section 1-11-710 of the South Carolina Code of Laws of 1976, as amended, requires these post-employment 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. The District's contractually required contribution rate for the year ended June 30, 2020 was 6.25 percent. 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, 2020. 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.

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 6 – OTHER POST-EMPLOYMENT BENEFITS (continued)

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.

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

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

At June 30, 2021, the District reported a liability of \$253,895,039 for its proportionate share of the net OPEB liability for SCRHITF and a liability of \$3,445 for its proportionate share of the net OPEB liability for SCLTDITF, for a total net OPEB liability of \$253,898,484. The net OPEB liability was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The District's proportion of the net OPEB liability was based on a projection of the District's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2021, the District's proportion was 1.406508% for SCRHITF and 1.136292% for SCLTDITF. The net OPEB liability is generally liquidated by the general fund.

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 6 – OTHER POST-EMPLOYMENT BENEFITS (continued)

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (continued)

For the year ended June 30, 2021, the District recognized OPEB expense of \$19,246,041, including \$19,153,626 for SCRHITF and \$92,415 for SCLTDITF, respectively. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

<u>SCRHITF</u>	<u>Deferred Outflows Of Resources</u>	<u>Deferred Inflows Of Resources</u>
Differences between expected and actual experience	\$ 7,261,630	\$ 5,782,100
Changes in assumptions	37,782,750	10,111,398
Net difference between projected and actual investment experience	341,198	933,398
Changes in proportionate share and differences between District contributions and proportionate share of contributions	48,512	807,219
District contributions subsequent to the measurement date	8,250,720	-
Total SCRHITF	<u>\$ 53,684,810</u>	<u>\$ 17,634,115</u>
<u>SCLTDITF</u>		
Differences between expected and actual experience	\$ -	\$ 14,303
Changes in assumptions	14,438	1,720
Net difference between projected and actual investment experience	8,863	37,579
Changes in proportionate share and differences between District contributions and proportionate share of contributions	-	3,617
District contributions subsequent to the measurement date	86,542	-
Total SCLTDITF	<u>\$ 109,843</u>	<u>\$ 57,219</u>
Total SCRHITF and SCLTDITF	<u>\$ 53,794,653</u>	<u>\$ 17,691,334</u>

\$8,250,720 (SCRHITF) and \$86,542 (SCLTDITF) reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as reductions of the net OPEB liability in the year ended June 30, 2022.

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 6 – OTHER POST-EMPLOYMENT BENEFITS (continued)

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ended June 30,</u>	<u>SCRHITF</u>	<u>SCLTDITF</u>	<u>Total</u>
2021	\$ 3,469,564	\$ (5,384)	\$ 3,464,180
2022	3,387,727	(7,865)	3,379,862
2023	3,258,046	(11,056)	3,246,990
2024	5,508,326	(7,572)	5,500,754
2025	6,226,248	(790)	6,225,458
Thereafter	5,950,064	(1,251)	5,948,813
Totals	<u>\$ 27,799,975</u>	<u>\$ (33,918)</u>	<u>\$ 27,766,057</u>

Actuarial Assumptions

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 trends. 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.

Additional information as of the latest actuarial valuation for

SCRHITF: Valuation Date:	June 30, 2019
Actuarial Cost Method:	Entry Age Normal
Inflation:	2.25%
Investment Rate of Return:	2.75%, net of OPEB Plan investment expense; including inflation.
Single Discount Rate:	2.75% 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 of 4.00% over a period of 15 years.
Aging Factors:	Based on plan specific experience.
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:	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".

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 6 – OTHER POST-EMPLOYMENT BENEFITS (continued)

Actuarial Assumptions (continued)

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.
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

Roll Forward Disclosure

The actuarial valuation was performed as of June 30, 2019. Update procedures were used to roll forward the total OPEB liability to June 30, 2020.

Net OPEB Liability

The Net OPEB Liability (NOL) is calculated separately for each OPEB Trust Fund and represents that particular Trusts' Total OPEB Liability (TOL) determined in accordance with GASB No. 74 less that Trust's fiduciary net position. The allocation of each employer's proportionate share of the collective Net OPEB Liability and collective OPEB Expense was determined using the employer's payroll-related contributions over the measurement period. This method is expected to be reflective of the employer's long-term contribution effort as well as be transparent to individual employers and their external auditors.

The following table represents the components of the net OPEB liability as of June 30, 2020:

<u>OPEB Trust</u>	<u>Total OPEB Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net OPEB Liability</u>	<u>Plan Fiduciary Net Position as a % of Total OPEB Liability</u>
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%

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 6 – OTHER POST-EMPLOYMENT BENEFITS (continued)

Net OPEB Liability (continued)

The TOL is calculated by the Trusts' actuary, and each Trust's fiduciary net position is reported in the Trust's financial statements. The NOL is disclosed in accordance with the requirements of GASB No. 74 in the Trusts' notes to the financial statements and required supplementary information. Liability calculations performed by the Trusts' actuary for the purpose of satisfying the requirements of GASB Nos. 74 and 75 and are not applicable for other purposes, such as determining the Trusts' funding requirements.

Single Discount Rate

The 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).

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.

Long-Term Expected Rate of Return

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

SOUTH CAROLINA RETIREE HEALTH INSURANCE TRUST FUND

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

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 6 – OTHER POST-EMPLOYMENT BENEFITS (continued)

Long-Term Expected Rate of Return (Continued)

SOUTH CAROLINA LONG-TERM DISABILITY INSURANCE TRUST FUND

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

Sensitivity Analysis

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

	1% Decrease 1.45%	Current Discount Rate 2.45%	1% Increase 3.45%
SCRHITF Net OPEB Liability	\$ 302,947,746	\$ 253,895,039	\$ 214,698,258

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

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
SCRHITF Net OPEB Liability	\$ 205,503,664	\$ 253,895,039	\$ 317,446,842

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

	1% Decrease 1.83%	Current Discount Rate 2.83%	1% Increase 3.83%
SCLTDITF Net OPEB Liability	\$ 20,301	\$ 3,445	\$ (13,293)

The District's SCLTDITF net OPEB liability is not affected by changes in the healthcare cost trend rates due to the method used to calculate benefit payments. Therefore, the sensitivity to changes in the healthcare cost trend rates have not been calculated.

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 6 – OTHER POST-EMPLOYMENT BENEFITS (continued)

Additional Financial and Actuarial Information

Information in this note was compiled from the OPEB Trusts Funds audited financial statement for the fiscal year ended June 30, 2020, and the accounting and financial reporting actuarial valuation as of June 30, 2020. Additional financial information supporting the preparation of the Schedules (including the unmodified audit opinion on the financial statements and required supplementary information) is available in the OPEB Trusts Funds' audited financial statements.

NOTE 7 – LONG-TERM OBLIGATIONS

Long-term obligations activity for the year ended June 30, 2021, was as follows:

	Amounts Outstanding June 30, 2020	Additions	Deductions	Amounts Outstanding June 30, 2021	Amounts Due in One Year
Governmental Activities					
Current Refunding General Obligation Bonds					
Series 2013A – Issued November 19, 2013	\$ 25,698,000	\$ -	\$ (2,632,000)	\$ 23,066,000	\$ 2,786,000
Series 2015B – Issued November 9, 2015	51,890,000	-	(3,860,000)	48,030,000	4,760,000
General Obligation Bonds:					
Series 2010A – Issued June 9, 2010	10,000,000	-	-	10,000,000	-
Series 2012B – Issued August 21, 2012	83,120,000	-	(6,265,000)	76,855,000	6,280,000
Series 2019B – Issued September 1, 2019	20,930,000	-	(10,335,000)	10,595,000	10,595,000
	191,638,000	-	(23,092,000)	168,546,000	24,421,000
Deferred Amounts:					
Unamortized Premium on Bonds	9,207,541	-	(2,084,931)	7,122,610	1,775,844
Total Bonds Payable	200,845,541	-	(25,176,931)	175,668,610	26,196,844
Net Acquisition Lease Purchase - Issued April 3, 2017	487,441	-	(487,441)	-	-
Compensated Absences	1,296,878	949,293	(1,057,616)	1,188,555	475,422
Long-Term Liabilities	\$ 202,629,860	\$ 949,293	\$ (26,721,988)	\$ 176,857,165	\$ 26,672,266

For the governmental activities, compensated absences are generally liquidated by the general fund.

Details for each debt issue are as follows:

On June 9, 2010, the District issued Taxable Series 2010A, \$10,000,000, general obligations bonds (Qualified School Construction Bonds – Direct Payment) referendum debt with an interest rate of 5.25 percent. The American Recovery and Reinvestment Act of 2009 allowed governments to issue taxable bonds to finance capital expenditures and to elect to receive a subsidy payment for the United States Treasury equal to 100 percent of the amount of each interest payment on such bonds. The available subsidy (“Interest Subsidy”) received on these bonds is included as revenue of the Debt Service Fund. The net proceeds were \$9,878,300 after a bid premium of \$78,200 less costs of issuance of \$199,900. Bonds are due in a single installment on June 1, 2027. Interest payments are payable semi-annually on December 1 and June 1 beginning December 1, 2010, through June 1, 2027. The proceeds will be used for the purpose of providing funds for capital improvements, equipment and technology, and paying the costs of issuance of the bonds and such other lawful purposes as determined by the District.

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 7 – LONG-TERM OBLIGATIONS (continued)

On August 21, 2012, the District issued Series 2012B, \$115,655,000 general obligation bonds (Bond Referendum debt). The net proceeds were \$125,788,107 after a bid premium of \$10,413,885 less costs of issuance of \$280,778. Principal payments are payable annually beginning on March 1, 2014, through March 1, 2032, ranging from \$125,000 to \$12,615,000. The bonds have variable interest rates which range from 3.0 percent to 5.0 percent. Interest payments are payable semi-annually on March 1 and September 1 beginning March 1, 2013, through March 1, 2032. The proceeds will be used for purposes of funding capital projects approved in the Referendum, paying costs of issuance of the bonds, and such other lawful purposes as may be determined by the School District.

On November 19, 2013, the District issued Series 2013A, \$40,444,000 general obligation current refunding bonds (Bond Referendum debt) with an interest rate of 2.21 percent. The proceeds were used to refund the outstanding balance of \$39,850,000 of the Series 2009B Build America Bonds which had interest rates ranging from 2.4 percent to 5.9 percent along with an interest credit subsidy equal to 35 percent of the amount of each interest payment on the bonds. The net proceeds of \$40,320,941 (after payment of \$123,059 for costs of issuance) were disbursed to discharge the Series 2009B Build America Bonds.

The reacquisition price exceeded the net carrying amount of the old debt by \$470,941; this amount is being amortized over the life of the new debt. The District entered into this refunding to take advantage of lower interest rates, resulting in a reduction of total debt service payments of \$6,008,119 and an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$4,531,246. Bonds are due in annual installments beginning March 1, 2014, through March 1, 2028, ranging from \$1,819,000 to \$3,838,000. Interest payments are payable semi-annually on March 1 and September 1 beginning March 1, 2014, through March 1, 2028. The deferred loss on refunding at June 30, 2021 was \$136,273.

On November 9, 2015, the District issued Series 2015B, \$62,025,000 general obligation current refunding bonds (Bond Referendum debt) with variable interest rates which range from 3 percent to 5 percent. The proceeds were used to refund the outstanding balance of \$68,500,000 of the Series 2010B2 Build America Bonds which had interest rates ranging from 2.75 percent to 5 percent along with an interest credit subsidy equal to 35 percent of the amount of each interest payment on the bonds. The net proceeds of \$69,159,618 (after premium of \$7,360,409 and issuance costs of \$225,791) were disbursed to discharge the Series 2010B2 Build America Bonds.

The reacquisition price exceeded the net carrying amount of the old debt by \$659,618; this amount is being amortized over the life of the new debt. The District entered into this refunding to take advantage of lower interest rates, resulting in a reduction of total debt service payments of \$4,170,746 and an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$3,438,817. Bonds are due in annual installments beginning March 1, 2017 through March 1, 2029, ranging from \$1,805,000 to \$12,975,000. Interest payments are payable semi-annually on March 1 and September 1 beginning March 1, 2016 through March 2, 2029. The deferred loss on refunding at June 30, 2021 was \$265,755.

On April 3, 2017, the District entered into a Tax-Exempt Lease/Purchase Agreement, for \$2,428,901. The net proceeds of the agreement, after a promotional contribution from the vendor of \$131,907, were \$2,296,994. Principal payments are payable annually beginning on June 1, 2017, through June 1, 2021, ranging from \$419,467 to \$487,441. The interest rate is 2.5466 percent. Interest payments are payable annually on June 1 beginning June 1, 2017, through June 1, 2021. The proceeds were used for the purchase of technology equipment. The proceeds were held in an escrow account and drawn as equipment was purchased. Equipment items of \$1,057,284 met the capitalization threshold and are included in the furniture and equipment category of the District's governmental activities' capital assets. Items not meeting the requirement to be capitalized were \$1,317,094. An unspent balance of \$54,523 was applied towards the first debt service payment.

On September 4, 2019, the District issued Series 2019B, \$30,000,000 general obligation bonds (Bond Referendum debt). The net proceeds were \$31,673,774 after a bid premium of \$1,839,203 less costs of issuance of \$165,430. Principal payments are payable annually beginning on March 1, 2021, through March 1, 2022, ranging from \$9,070,000 to \$10,595,000. The bonds have an interest rate of 5.0 percent. Interest payments are payable semi-annually on March 1 and September 1 beginning March 1, 2021, through March 1, 2022. The proceeds will be used for purposes of funding capital projects approved in the Referendum, paying costs of issuance of the bonds, and such other lawful purposes as may be determined by the School District.

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 7 – LONG-TERM OBLIGATIONS (continued)

Bond premium and deferred loss on refunding are amortized using the effective interest method over the life of the debt.

The annual debt service requirements to maturity for the District's long-term general obligation bonds as of June 30, 2021 are as follows:

<u>Year Ended June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 24,421,000	\$ 6,166,133	\$ 30,587,133
2023	14,660,000	5,022,813	19,682,813
2024	15,206,000	4,487,139	19,693,139
2025	15,773,000	3,932,436	19,705,436
2026	16,289,000	3,357,782	19,646,782
2027 – 2031	71,402,000	8,786,835	80,188,835
2032	10,795,000	431,800	11,226,800
	<u>\$ 168,546,000</u>	<u>\$ 32,184,938</u>	<u>\$ 200,730,938</u>

The South Carolina Constitution limits local borrowing power to 8 percent of its assessed property value. The Limitation excludes bonded indebtedness existing on December 1, 1977, (date of the Constitutional amendment), certain special levies assessed on properties located in an area receiving special benefits, and other prescribed indebtedness approved by the voters. Based on the December 31, 2020 assessed property valuation of \$584,379,004 (unaudited), the legal debt limit is \$46,750,320, with \$20,823,200 of applicable general obligation debt outstanding, leaving a legal debt margin of \$25,927,120 at June 30, 2021.

NOTE 8 – SHORT-TERM OBLIGATIONS

Summary of Changes in Short-term Debt: During the year ended June 30, 2021, the following transactions occurred in short-term liabilities:

	Balance at June 30, 2020	Additions	Deductions	Balance at June 30, 2021
SCAGO – Series 2020A	\$ 9,362,000	\$ -	\$ (9,362,000)	\$ -
SCAGO – Series 2021A	-	10,228,200	-	10,228,200
	<u>\$ 9,362,000</u>	<u>\$ 10,228,200</u>	<u>\$ (9,362,000)</u>	<u>\$ 10,228,200</u>

Capital Projects Funds:

On April 22, 2021, the District issued Series 2021A, \$10,000,000 SCAGO general obligation bonds (8% debt) with an interest rate of 0.14 percent for the purpose of providing funds for capital improvements, equipment, and technology. The net proceeds were \$10,174,327 after bid premium of \$228,200 less cost of issuance of \$53,873. These bonds, including interest of \$240,000, are due March 1, 2022 and are scheduled to be repaid utilizing debt service fund property tax revenues.

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 9 – UNEARNED REVENUE

Unearned revenues (those where asset recognition criteria have been met, but for which revenue recognition criteria have not been met) consist of the following:

	Special Projects Fund	EIA Fund	Food Service
Unexpended Carryover Amounts	\$ 2,563,447	\$ 3,903,433	\$ 159,891

NOTE 10 – INTERFUND TRANSACTIONS

Interfund transfers, receivables and payables for fiscal year 2021 consisted of the following:

Interfund Transfers:

Fund Category	Transfers In	Transfers Out
General Fund	\$ 6,102,397	\$ 207,093
Special Revenue Funds	-	436,477
Combined EIA Funds	-	5,665,920
Food Service Fund	207,093	-
Debt Service Fund	-	9,362,000
Capital Projects Fund	9,362,000	-
Totals	\$ 15,671,490	\$ 15,671,490

Interfund Receivables and Payables:

Fund Category	Interfund Receivables	Interfund Payables
General Fund	\$ -	\$ 33,812,486
Special Revenue Funds	4,445,968	-
Combined EIA Funds	3,726,075	-
Food Service Fund	1,197,366	-
Debt Service Fund	144,505	-
Capital Projects Fund	23,942,310	-
Enterprise Fund – After School	356,262	-
Totals	\$ 33,812,486	\$ 33,812,486

Interfund transfers include funding allowed for indirect costs, required matches, supplemental funding, state cuts, and accounting practice.

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 10 – INTERFUND TRANSACTIONS

Due to General Fund from Special Revenue Funds: The District participates in various federally funded projects, many of which operate on a cost reimbursement basis. That is, the expenditure must be incurred prior to submitting a claim for reimbursement. Accordingly, the District must temporarily provide funds for these project expenditures until such time as the related reimbursement from the grantor agency is received. All interfund balances are expected to be repaid within one year from the date of the financial statements.

Due to and from Other Funds: The District used one bank account to hold deposits and to issue checks which results in the interfund receivables and payables for each of the funds. All interfund balances are expected to be repaid within one year from the date of the financial statements.

NOTE 11 – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District pays an annual premium to the South Carolina School Board Insurance Trust for its general insurance. The South Carolina School Board Insurance Trust reinsures through commercial companies.

The District acquires insurance from the South Carolina School Board Insurance Trust for job related injury and illness (workers' compensation) for its employees. Workers' compensation is insured under a retrospectively rated policy where premiums are estimated throughout the year and adjusted subsequent to the policy period based on actual experience.

General blanket fidelity bond insurance from a private insurer was also maintained for the District's employees as well as athletic catastrophic insurance.

There were no significant reductions in insurance coverage from the previous year and no settlements have exceeded insurance coverage for the past three years ended June 30, 2021, 2020, and 2019.

On March 11, 2020, the World Health Organization declared COVID-19 a pandemic. The COVID-19 pandemic and resulting global disruptions have caused significant economic uncertainty and volatility in financial markets. The impact of COVID-19 continues to evolve rapidly, and the District is not able at this time to estimate its full impact on its financial statements.

NOTE 12 – OPERATING LEASES

The School District is obligated to account for certain leases as operating leases. Current rental expenditures for the year ended June 30, 2021 were \$ 510,143. The following is a schedule by years of future minimum rental payments required under operating leases that have initial or remaining non-cancelable lease terms in excess of one year as of June 30, 2021:

Year Ended June 30	Totals
2022	\$ 171,079
2023	40,880
2024	31,363
2025	31,363
2026	2,908
Total payments	<u>\$ 277,593</u>

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 13 – FUND BALANCES

The District uses the following governmental fund balance accounts:

Nonspendable for Inventory – An account used to segregate a portion of fund balance to indicate inventory is “not in spendable form” even though it is a component of current assets.

Nonspendable for Prepaid Items – An account used to segregate a portion of fund balances to indicate that prepaid items are “not in spendable form” even though it is a component of current assets.

Restricted for Food Service – This amount represents the Food Service Fund balance that has been restricted due to contractual obligations for food service and is not an expendable, available resource.

Restricted for Debt Service – This represents the Debt Service Fund balance that is not available for appropriation because it represents the year-end fund balance that is legally restricted for future debt service on general obligation bonds and is not an expendable, available resource.

Restricted for Capital Projects – This amount represents the School Building Fund balance that has been restricted due to contractual obligations for approved building projects and is not an expendable, available resource.

Assigned – This represents the amount set aside by the District for special purposes. As of June 30, 2021, the District has set aside \$1,304,715 for start-up costs associated with Piney Woods Elementary School, \$3,000,000 as a one-time employee appreciation gift to be paid in fiscal year 2022, \$3,000,000 for “\$50 Fridays” to reward permanent staff for perfect attendance on a weekly basis, and \$3,500,000 for potential future capital needs. The total assigned fund balance as of June 30, 2021 is \$10,804,715.

Unassigned – This represents and includes all spendable amounts of the general fund not contained in the other classifications.

District policy is to maintain an unassigned fund balance consistent with the medial averages for issuers that retain at least an Aa2/AA credit rating. This average may change from time to time but generally ranges from 15 percent – 18 percent of the general fund budgeted expenditures. The required range as of June 30, 2021 is \$30,254,125 to \$36,304,950 based on the 2021/2022 general fund budget. The unassigned amount at June 30, 2021 is \$40,396,113.

NOTE 14 – CONTINGENCIES AND LITIGATION

The District is party to various lawsuits arising out of the normal conduct of its operations. In the opinion of the District’s management, the ultimate effect of these legal matters will not have a material adverse effect of the District’s financial position.

The District participates in certain federal and state grant programs. These programs are subject to financial and compliance audits by the grantor or its representative. Such audits could lead to requests for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. Management believes disallowances, if any, will not be material.

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
NOTES TO THE BASIC FINANCIAL STATEMENTS**

NOTE 15 – TAX ABATEMENTS

The District’s boundaries encompass areas in both the County of Lexington and the County of Richland.

The District is subject to the following property tax abatement agreements entered into by the County of Lexington:

	Amount of Taxes Abated during the Fiscal Year	State of South Carolina Revenue Reimbursement Amount
County of Lexington:		
Fee-in-lieu of Taxes Program (FILOT)	\$ 137,907	\$ 59,535
Fee-in-lieu of Tax Infrastructure Program (FILOT & IP)	388,820	90,325
Fee-in-lieu of Tax, Special Source Revenue Credit and Infrastructure Program (FILOT & SSRC & IP)	1,196,055	-
	\$ 1,722,782	\$ 149,860

Richland County:

Richland County, South Carolina (“County”) has developed a multicounty industrial or business park (“MCIP”) and located certain taxpayers’ property within the MCIP. The location of certain taxpayers within the MCIP has had the effect of abating District Five of Lexington & Richland Counties’ (“School District”) property tax revenues from those taxpayers because the County shares a portion of the property tax revenues generated from the MCIP with its partner county and distributes the property tax revenues generated from the MCIP pursuant to the agreement governing the MCIP.

For tax year 2020, the gross dollar amount by which the School District’s property tax revenues were abated as a result of the MCIP agreement was \$16,139.

For tax year 2020, the gross dollar amount of property tax revenues the School District received as a result of the MCIP agreement was \$301,698.

NOTE 16 – SUBSEQUENT EVENTS

The District has evaluated subsequent events through November 29, 2021, the date on which the financial statements were available to be issued.

On October 11, 2021, School District 5 of Lexington and Richland Counties Board approved a Resolution to refund the 2012B Callable bonds. These bonds are callable as of March 1, 2022.

On November 17, 2021, the District's financial advisor and bond counsel recommended awarding the bid to JP Morgan who provided the lowest True Interest Cost. The final sale resulted in \$9,154,225 of net present value debt services savings of the refunded bonds’ par amount. This bond sale will close on December 15, 2021.

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REQUIRED SUPPLEMENTARY INFORMATION

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**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - SCRS AND PORS
LAST TEN FISCAL YEARS**

	2011*	2012*	2013*	2014*	2015	2016	2017	2018	2019	2020	2021
SCRS											
District's Proportion of Net Pension Liability	N/A	N/A	N/A	N/A	\$ 209,898,245	\$ 225,910,185	\$ 245,665,857	\$ 253,980,016	\$ 251,892,870	\$ 254,346,648	\$ 284,530,330
District's Proportionate Share of Net Pension Liability	N/A	N/A	N/A	N/A	1.219156%	1.191165%	1.150129%	1.128218%	1.124180%	1.113887%	1.113545%
District's Covered Payroll	N/A	N/A	N/A	N/A	115,524,407	116,847,519	116,562,170	119,132,897	121,474,377	122,809,802	128,544,662
District's Proportionate Share of Net Pension Liability as a Percentage of Its Covered Payroll	N/A	N/A	N/A	N/A	181.69%	193.34%	210.76%	213.19%	207.36%	207.11%	221.35%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	N/A	N/A	N/A	N/A	59.90%	57.00%	52.90%	53.30%	54.10%	54.40%	50.71%
PORS											
District's Proportion of Net Pension Liability	N/A	N/A	N/A	N/A	\$ 130,009	\$ 153,589	\$ 179,709	\$ 246,533	\$ 271,422	\$ 290,606	\$ 230,400
District's Proportionate Share of Net Pension Liability	N/A	N/A	N/A	N/A	0.00679%	0.00705%	0.00709%	0.00900%	0.00958%	0.01014%	0.00695%
District's Covered Payroll	N/A	N/A	N/A	N/A	81,765	87,304	92,530	121,191	132,586	132,586	147,076
District's Proportionate Share of Net Pension Liability as a Percentage of Its Covered Payroll	N/A	N/A	N/A	N/A	159.00%	175.92%	194.22%	203.43%	204.71%	219.18%	156.65%
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	N/A	N/A	N/A	N/A	67.50%	64.60%	60.40%	60.90%	61.73%	62.70%	58.79%

*** Note: Not Available**

This schedule is presented to illustrate the requirement to show information for ten (10) years. However, until a full ten year trend is compiled, information is presented for those years for which information is available.

Source:

Audit report of employer allocations of the South Carolina Retirement System (SCRS) and Police Officers Retirement System (PORS), as administered by the SC Public Employee Benefit Authority for the year ended June 30, 2020.

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS - SCRS AND PORS
LAST TEN FISCAL YEARS**

	2011*	2012*	2013*	2014	2015	2016	2017	2018	2019	2020	2021
SCRS											
Contractually Required Contribution Contributions in Relation to the	N/A	N/A	N/A	\$ 11,732,446	\$ 12,173,782	\$ 12,318,034	\$ 13,159,144	\$ 15,796,894	\$ 17,124,523	\$ 19,330,347	\$ 19,628,890
Contractually Required Contribution	N/A	N/A	N/A	(11,732,446)	(12,173,782)	(12,318,034)	(13,159,144)	(15,796,894)	(17,124,523)	(19,330,347)	(19,628,890)
Contribution Deficiency (Excess)	N/A	N/A	N/A	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's Covered Payroll	N/A	N/A	N/A	\$ 115,524,407	\$ 116,847,519	\$ 116,562,170	\$ 119,132,897	\$ 121,474,377	\$ 122,809,802	\$ 128,544,662	\$ 131,910,146
Contributions as a percentage of Covered Payroll	N/A	N/A	N/A	10.16%	10.42%	10.57%	11.05%	13.00%	13.94%	15.04%	14.88%
PORS											
Contractually Required Contribution Contributions in Relation to the	N/A	N/A	N/A	\$ 10,487	\$ 11,707	\$ 12,411	\$ 17,258	\$ 21,532	\$ 25,356	\$ 19,143	\$ 18,288
Contractually Required Contribution	N/A	N/A	N/A	(10,487)	(11,707)	(12,411)	(17,258)	(21,532)	(25,356)	(19,143)	(18,288)
Contribution Deficiency (Excess)	N/A	N/A	N/A	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's Covered Payroll	N/A	N/A	N/A	\$ 81,675	\$ 87,304	\$ 92,530	\$ 121,191	\$ 132,586	\$ 147,076	\$ 104,955	\$ 101,373
Contributions as a Percentage of Covered Payroll	N/A	N/A	N/A	12.84%	13.41%	13.41%	14.24%	16.24%	17.24%	18.24%	18.04%

*** Note: Not Available**

This schedule is presented to illustrate the requirement to show information for ten (10) years. However, until a full ten year trend is compiled, information is presented for those years for which information is available.

Sources:

District Quarterly Retirement Contribution Reports

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY - SCRHTF AND SCLTDITF
LAST TEN FISCAL YEARS**

	2011*	2012*	2013*	2014*	2015*	2016*	2017	2018	2019	2020	2021
SCRHTF											
District's Net OPEB Liability	N/A	N/A	N/A	N/A	N/A	N/A	\$ 204,609,880	\$ 191,545,927	\$ 199,825,937	\$ 212,592,153	\$ 253,895,039
District's Proportionate Share of Net OPEB Liability	N/A	N/A	N/A	N/A	N/A	N/A	1.414162%	1.414162%	1.410146%	1.405891%	1.406508%
District's Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A	116,654,699	119,254,088	121,606,963	122,956,878	128,649,617
District's Proportionate Share of Net OPEB Liability as a Percentage of Its Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A	175.40%	160.62%	164.32%	172.90%	197.35%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	N/A	N/A	N/A	N/A	N/A	N/A	N/A	7.60%	7.91%	8.44%	8.39%
SCLTDITF											
District's Net OPEB Liability	N/A	N/A	N/A	N/A	N/A	N/A	\$ 7,908	\$ 20,655	\$ 35,205	\$ 22,487	\$ 3,445
District's Proportionate Share of Net OPEB Liability	N/A	N/A	N/A	N/A	N/A	N/A	1.13923%	1.13928%	1.15004%	1.14248%	1.13629%
District's Covered Payroll (1)											
District's Proportionate Share of Net OPEB Liability as a percentage of its covered payroll (1)											
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	N/A	N/A	N/A	N/A	N/A	N/A	N/A	95.29%	92.20%	95.17%	99.29%

*** Note: Not Available**

This schedule is presented to illustrate the requirement to show information for ten (10) years. However, until a full ten year trend is compiled, information is presented for those years for which information is available.

(1): Long-term Disability is assessed per covered individual, not as a percentage of covered payroll.

Source:

Audit report on the Schedules of Employer and Non-Employer Entity Allocations and Other Post-Employment Benefit (OPEB) Amounts by Employer for the South Carolina Retiree Health Insurance and Long-Term Disability Insurance Trust Funds, as administered by the SC Public Employee Benefit Authority for the year ended June 30, 2020.

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S CONTRIBUTIONS - SCRHITF AND SCLTDITF
LAST TEN FISCAL YEARS**

	Fiscal Year										
	2011*	2012*	2013*	2014*	2015*	2016	2017	2018	2019	2020	2021
SCRHITF											
Contractually Required Contribution	N/A	N/A	N/A	N/A	N/A	\$ 6,217,696	\$ 6,356,243	\$ 6,688,383	\$ 7,438,891	\$ 8,103,101	\$ 8,250,720
Contributions in Relation to the Contractually Required Contribution	N/A	N/A	N/A	N/A	N/A	N/A	(6,356,243)	(6,688,383)	(7,438,891)	(8,103,101)	(8,250,720)
Contribution Deficiency (Excess)	N/A	N/A	N/A	N/A	N/A	N/A	\$ -	\$ -	\$ -	\$ -	\$ -
District's Covered Payroll	N/A	N/A	N/A	N/A	N/A	\$ 116,654,699	\$ 119,254,088	\$ 121,606,963	\$ 122,956,878	\$ 128,649,617	\$ 132,011,519
Contributions as a Percentage of Covered Payroll	N/A	N/A	N/A	N/A	N/A	5.33%	5.33%	5.50%	6.05%	6.30%	6.25%
SCLTDITF											
Contractually Required Contribution	N/A	N/A	N/A	N/A	N/A	\$ 81,595	\$ 82,467	\$ 83,627	\$ 84,174	\$ 85,857	\$ 86,542
Contributions in Relation to the Contractually Required Contribution	N/A	N/A	N/A	N/A	N/A	N/A	(82,467)	(83,627)	(84,174)	(85,857)	(86,542)
Contribution Deficiency (Excess)	N/A	N/A	N/A	N/A	N/A	N/A	\$ -	\$ -	\$ -	\$ -	\$ -
District's Covered Payroll (1)											
Contributions as a Percentage of Covered Payroll (1)											

*** Note: Not Available**

This schedule is presented to illustrate the requirement to show information for ten (10) years. However, until a full ten year trend is compiled, information is presented for those years for which

(1): Long-term Disability is assessed per covered individual, not as a percentage of covered payroll.

Sources:

District Quarterly Retirement Contribution Reports and Health Insurance Reports

OTHER SUPPLEMENTARY
INFORMATION

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GENERAL FUND

The General Fund is the general operating fund of the School District. It is used to account for all financial resources except for those required to be accounted for in another fund. All property taxes, intergovernmental revenues, and miscellaneous revenues are recorded in this fund except amounts which are specifically collected to service debt or capacity. Operational expenditures for general education, support services and other departments of the District are paid through the General Fund. Any unassigned fund balance may be appropriated to support operating expenditures in subsequent years.

The following Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual for the General Fund 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.

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

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
1000 Revenues from Local Sources			
1100 Taxes Levied/Assessed by the LEA:			
1110 Ad Valorem Taxes - Including Delinquent (Independent)	\$ 67,831,628	\$ 70,870,120	\$ 3,038,492
1140 Penalties and Interest on Taxes (Independent)	415,632	415,013	(619)
1200 Revenue From Local Governmental Units Other Than LEAs:			
1280 Revenue in Lieu of Taxes (Independent and Dependent)	1,552,340	1,724,029	171,689
1300 Tuition:			
1310 Tuition from Patrons for Regular Day School	5,000	4,149	(851)
1500 Earnings on Investments:			
1510 Interest on Investments	350,000	81,438	(268,562)
1900 Other Revenue from Local Sources:			
1910 Rentals	120,000	64,870	(55,130)
1930 Special Needs Transportation - Medicaid	105,000	213,756	108,756
1950 Refund of Prior Year's Expenditures	15,000	217,510	202,510
1960 Printing Revenue	-	20,428	20,428
1990 Miscellaneous Local Revenue:			
1992 Canteen Operations	-	286,253	286,253
1993 Receipt of Insurance Proceeds	25,000	190,228	165,228
1999 Revenue from Other Local Sources	200,000	196,834	(3,166)
Total Local Sources	70,619,600	74,284,628	3,665,028
3000 Revenue from State Sources			
3100 Restricted State Funding:			
3130 Special Programs:			
3131 Handicapped Transportation	-	2,540	2,540
3160 School Bus Driver Salary (Includes Hazardous Condition Transportation)	1,213,333	1,339,503	126,170
3161 EAA Bus Driver Salary and Fringe	-	2,397	2,397
3162 Transportation Workers' Compensation	61,727	64,500	2,773
3180 Fringe Benefits Employer Contributions (No Carryover Provision)	20,097,971	19,828,402	(269,569)
3181 Retiree Insurance (No Carryover Provision)	5,440,985	5,456,118	15,133
3186 State Aid to Classrooms - Teacher Salary Increase	4,124,175	4,087,263	(36,912)
3189 Teacher Step	-	923,743	923,743
3300 State Aid to Classrooms - Education Finance Act (EFA):			
3310 Full-Time Programs:			
3311 Kindergarten	1,730,583	1,732,733	2,150
3312 Primary	5,174,712	5,181,139	6,427
3313 Elementary	10,677,052	10,690,312	13,260
3314 High School	2,850,091	2,853,630	3,539
3315 Trainable Mentally Handicapped	65,436	65,517	81
3316 Speech Handicapped (Part-Time)	3,114,873	3,118,741	3,868
3317 Homebound	18,176	18,198	22
3320 Part-Time Programs:			
3321 Emotionally Handicapped	131,608	131,771	163
3322 Educable Mentally Handicapped	61,983	62,060	77
3323 Learning Disabilities	3,034,889	3,038,658	3,769
3324 Hearing Handicapped	184,459	184,688	229
3325 Visually Handicapped	87,720	87,829	109
3326 Orthopedically Handicapped	50,851	50,914	63
3327 Pre-Career and Career Technology	8,346,398	8,356,764	10,366

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

	Final Budget	Actual	Variance Positive (Negative)
3300 Miscellaneous EFA Programs:			
3331 Autism	\$ 1,180,057	\$ 1,181,522	\$ 1,465
3332 High Achieving Students	1,264,644	1,266,215	1,571
3334 Limited English Proficiency	165,628	165,834	206
3351 Academic Assistance	1,270,701	1,272,279	1,578
3352 Pupils in Poverty	2,707,426	2,710,789	3,363
3353 Dual Credit Enrollment	46,964	47,022	58
3392 NBC Excess EFA Formula	125,358	125,513	155
3800 State Revenue in Lieu of Taxes:			
3810 Reimbursement for Local Residential Property Tax Relief (Tier 1)	10,580,071	10,580,071	-
3820 Homestead Exemption (Tier 2)	1,758,200	1,758,200	-
3825 Reimbursement for Property Tax Relief (Tier 3)	32,145,086	32,149,315	4,229
3830 Merchant's Inventory Tax	213,955	220,531	6,576
3840 Manufacturer's Depreciation Reimbursement	296,231	358,122	61,891
3890 Other State Property Tax Revenues (Includes Motor Carrier Tax)	276,229	393,361	117,132
3900 Other State Revenue:			
3992 State Forest Commission Revenues	20,000	12,385	(7,615)
3993 PEBA on-Behalf	1,190,410	1,190,410	-
Total State Sources	<u>119,707,982</u>	<u>120,708,989</u>	<u>1,001,007</u>
Total Revenues All Sources	<u>190,327,582</u>	<u>194,993,617</u>	<u>4,666,035</u>
Expenditures			
100 Instruction:			
110 General Instruction:			
111 Kindergarten Programs:			
100 Salaries	4,621,322	4,902,855	(281,533)
200 Employee Benefits	2,196,181	2,273,891	(77,710)
300 Purchased Services	3,151	47,210	(44,059)
400 Supplies and Materials	60,143	77,332	(17,189)
112 Primary Programs:			
100 Salaries	13,033,021	13,187,591	(154,570)
200 Employee Benefits	5,836,559	5,738,389	98,170
300 Purchased Services	5,621	394,452	(388,831)
400 Supplies and Materials	297,344	300,669	(3,325)
113 Elementary Programs:			
100 Salaries	23,486,181	23,573,081	(86,900)
200 Employee Benefits	10,143,754	10,009,202	134,552
300 Purchased Services	16,725	764,167	(747,442)
400 Supplies and Materials	505,142	358,567	146,575
500 Capital Outlay	3,700	3,698	2
600 Other Objects	-	646	(646)
114 High School Programs:			
100 Salaries	18,935,753	18,734,018	201,735
200 Employee Benefits	7,970,052	7,804,216	165,836
300 Purchased Services	397,067	779,708	(382,641)
400 Supplies and Materials	746,342	500,534	245,808
500 Capital Outlay	-	5,929	(5,929)
600 Other Objects	885	835	50
115 Career and Technology Education Programs:			
100 Salaries	2,581,469	2,614,264	(32,795)
200 Employee Benefits	1,106,655	1,100,438	6,217
300 Purchased Services	10,600	37,277	(26,677)
400 Supplies and Materials	125,000	113,318	11,682
500 Capital Outlay	-	8,414	(8,414)
118 Montessori Programs:			
100 Salaries	217,960	306,239	(88,279)
200 Employee Benefits	120,104	153,898	(33,794)
300 Purchased Services	-	1,214	(1,214)

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

	Final Budget	Actual	Variance Positive (Negative)
120 Exceptional Programs:			
121 Educable Mentally Handicapped:			
100 Salaries	\$ 1,068,698	\$ 1,558,773	\$ (490,075)
200 Employee Benefits	493,032	680,173	(187,141)
300 Purchased Services	-	27,860	(27,860)
400 Supplies and Materials	2,854	29,985	(27,131)
122 Trainable Mentally Handicapped:			
100 Salaries	437,787	427,053	10,734
200 Employee Benefits	189,462	180,003	9,459
300 Purchased Services	-	5,147	(5,147)
400 Supplies and Materials	2,306	1,989	317
123 Orthopedically Handicapped:			
400 Supplies and Materials	1,659	620	1,039
124 Visually Handicapped:			
100 Salaries	114,615	62,285	52,330
200 Employee Benefits	45,942	23,478	22,464
400 Supplies and Materials	2,029	494	1,535
125 Hearing Handicapped:			
100 Salaries	288,135	238,619	49,516
200 Employee Benefits	117,329	92,729	24,600
300 Purchased Services	-	40,366	(40,366)
400 Supplies and Materials	3,761	810	2,951
126 Speech Handicapped:			
100 Salaries	1,799,201	1,835,538	(36,337)
200 Employee Benefits	798,401	781,115	17,286
300 Purchased Services	81,900	102,959	(21,059)
400 Supplies and Materials	81,935	38,936	42,999
127 Learning Disabilities:			
100 Salaries	4,458,434	4,230,070	228,364
200 Employee Benefits	1,957,410	1,810,061	147,349
300 Purchased Services	-	89,240	(89,240)
400 Supplies and Materials	100,218	104,091	(3,873)
128 Emotionally Handicapped:			
100 Salaries	804,642	657,576	147,066
200 Employee Benefits	367,464	297,239	70,225
300 Purchased Services	-	1,713	(1,713)
400 Supplies and Materials	3,724	4,773	(1,049)
129 Coordinated Early Intervening Services (CEIS):			
100 Salaries	794,680	696,423	98,257
200 Employee Benefits	331,494	295,117	36,377
300 Purchased Services	-	160	(160)
130 Pre-School Programs:			
135 Preschool Handicapped Speech (3- and 4-Yr. Olds):			
100 Salaries	-	1,000	(1,000)
200 Employee Benefits	-	1,100	(1,100)
400 Supplies and Materials	90	-	90
136 Preschool Handicapped Itinerant (3- and 4-Yr.-Olds):			
100 Salaries	8,195	24,346	(16,151)
200 Employee Benefits	3,582	7,894	(4,312)
300 Purchased Services	-	3,049	(3,049)
137 Pre-School Handicapped-Self-Contained (3- and 4-Yr. Olds):			
100 Salaries	1,122,415	1,113,383	9,032
200 Employee Benefits	502,762	494,875	7,887
300 Purchased Services	-	8,426	(8,426)
400 Supplies and Materials	540	537	3

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

	Final Budget	Actual	Variance Positive (Negative)
138 Pre-School Handicapped-Homebased (3- and 4-Yr. Olds):			
100 Salaries	\$ 5,637	\$ 4,825	\$ 812
200 Employee Benefits	2,202	2,297	(95)
300 Purchased Services	-	2	(2)
139 Early Childhood Programs:			
100 Salaries	1,055,669	1,096,647	(40,978)
200 Employee Benefits	500,549	505,307	(4,758)
300 Purchased Services	18,224	22,535	(4,311)
400 Supplies and Materials	32,299	22,771	9,528
600 Other Objects	1,500	375	1,125
140 Special Programs:			
141 Gifted and Talented - Academic:			
100 Salaries	1,435,807	1,338,499	97,308
200 Employee Benefits	626,782	555,136	71,646
300 Purchased Services	1,388	3,081	(1,693)
400 Supplies and Materials	12,725	1,795	10,930
600 Other Objects	-	176	(176)
143 Advanced Placement:			
100 Salaries	322,988	308,467	14,521
200 Employee Benefits	132,363	126,700	5,663
300 Purchased Services	-	10,610	(10,610)
144 International Baccalaureate:			
300 Purchased Services	8,300	-	8,300
400 Supplies and Materials	50,000	11,280	38,720
600 Other Objects	11,775	11,749	26
145 Homebound:			
100 Salaries	193,937	98,803	95,134
200 Employee Benefits	49,433	33,764	15,669
300 Purchased Services	16,000	-	16,000
148 Gifted and Talented - Artistic:			
100 Salaries	149,649	160,408	(10,759)
200 Employee Benefits	59,311	63,073	(3,762)
300 Purchased Services	7,020	(1,022)	8,042
400 Supplies and Materials	2,875	91	2,784
149 Other Special Programs:			
100 Salaries	581,721	763,898	(182,177)
140 Terminal Leave	-	1,279,159	(1,279,159)
200 Employee Benefits	276,275	595,983	(319,708)
300 Purchased Services	2,320,870	52,466	2,268,404
160 Other Exceptional Programs:			
161 Autism:			
100 Salaries	805,158	689,171	115,987
200 Employee Benefits	397,622	344,114	53,508
300 Purchased Services	-	4,505	(4,505)
400 Supplies and Materials	25,549	12,573	12,976
170 Summer School Programs:			
172 Elementary Summer School:			
100 Salaries	40,000	16,966	23,034
200 Employee Benefits	12,052	5,170	6,882
300 Purchased Services	-	6,625	(6,625)
173 High School Summer School:			
100 Salaries	-	81,781	(81,781)
200 Employee Benefits	-	24,915	(24,915)
175 Instruction Programs Beyond Regular School Day:			
400 Supplies and Materials	-	132	(132)

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

	Final Budget	Actual	Variance Positive (Negative)
180 Adult/Continuing Educational Programs:			
181 Adult Basic Education Programs:			
100 Salaries	\$ 114,933	\$ 134,900	\$ (19,967)
200 Employee Benefits	39,666	45,988	(6,322)
300 Purchased Services	3,916	225	3,691
400 Supplies and Materials	575	370	205
600 Other Objects	351	451	(100)
182 Adult Secondary Education Programs:			
100 Salaries	-	2,000	(2,000)
200 Employee Benefits	-	166	(166)
300 Purchased Services	50	-	50
400 Supplies and Materials	3,974	3,681	293
183 Adult English Literacy:			
100 Salaries	-	6,210	(6,210)
200 Employee Benefits	-	1,632	(1,632)
188 Parenting/Family Literacy:			
100 Salaries	38,142	40,327	(2,185)
200 Employee Benefits	19,113	18,500	613
190 Instructional Pupil Activity:			
100 Salaries (optional)	655,488	663,454	(7,966)
200 Employee Benefits (optional)	197,499	197,536	(37)
660 Pupil Activity (optional)	20,800	5,454	15,346
Total Instruction	<u>118,655,614</u>	<u>119,137,778</u>	<u>(482,164)</u>
200 Support Services:			
210 Pupil Services:			
211 Attendance and Social Work Services:			
100 Salaries	1,013,765	996,104	17,661
200 Employee Benefits	517,462	462,362	55,100
300 Purchased Services	120,000	4,983	115,017
400 Supplies and Materials	4,000	24,569	(20,569)
212 Guidance Services:			
100 Salaries	3,426,345	3,509,703	(83,358)
200 Employee Benefits	1,477,262	1,472,873	4,389
300 Purchased Services	2,240	22,148	(19,908)
400 Supplies and Materials	35,757	24,723	11,034
213 Health Services:			
100 Salaries	1,810,188	2,036,077	(225,889)
200 Employee Benefits	806,979	865,913	(58,934)
300 Purchased Services	1,430	39,361	(37,931)
400 Supplies and Materials	34,040	40,545	(6,505)
600 Other Objects	116	-	116
214 Psychological Services:			
100 Salaries	1,198,300	1,297,359	(99,059)
200 Employee Benefits	481,094	503,496	(22,402)
300 Purchased Services	6,000	7,453	(1,453)
400 Supplies and Materials	5,850	4,343	1,507
217 Career Specialist Services:			
100 Salaries	84,053	94,053	(10,000)
200 Employee Benefits	35,102	35,587	(485)
400 Supplies and Materials	1,035	775	260

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

	Final Budget	Actual	Variance Positive (Negative)
220 Instructional Staff Services:			
221 Improvement of Instruction-Curriculum Development:			
100 Salaries	\$ 1,876,358	\$ 1,987,156	\$ (110,798)
200 Employee Benefits	723,901	762,875	(38,974)
300 Purchased Services	607,203	490,367	116,836
400 Supplies and Materials	92,350	30,586	61,764
600 Other Objects	31,463	29,800	1,663
222 Library and Media Services:			
100 Salaries	1,866,810	1,891,644	(24,834)
200 Employee Benefits	895,072	833,107	61,965
300 Purchased Services	922	3,854	(2,932)
400 Supplies and Materials	339,669	327,333	12,336
600 Other Objects	175	175	-
223 Supervision of Special Programs:			
100 Salaries	895,459	921,480	(26,021)
200 Employee Benefits	339,722	344,709	(4,987)
300 Purchased Services	13,749	468	13,281
400 Supplies and Materials	2,146	1,332	814
600 Other Objects	280	4,880	(4,600)
224 Improvement of Instruction Inservice and Staff Training:			
100 Salaries	1,957	9,470	(7,513)
200 Employee Benefits	590	21	569
300 Purchased Services	83,072	17,499	65,573
400 Supplies and Materials	14,180	9,916	4,264
600 Other Objects	351	-	351
230 General Administration Services:			
231 Board of Education:			
100 Salaries	59,076	59,076	-
200 Employee Benefits	17,682	17,796	(114)
300 Purchased Services	390,500	338,994	51,506
318 Audit Services	40,000	45,856	(5,856)
600 Other Objects	503,370	488,659	14,711
232 Office of the Superintendent:			
100 Salaries	269,673	286,353	(16,680)
200 Employee Benefits	96,066	95,420	646
300 Purchased Services	43,419	3,380	40,039
400 Supplies and Materials	6,723	6,348	375
600 Other Objects	7,100	2,409	4,691
233 School Administration:			
100 Salaries	10,914,968	11,272,231	(357,263)
200 Employee Benefits	4,578,151	4,601,779	(23,628)
300 Purchased Services	178,215	237,490	(59,275)
400 Supplies and Materials	293,998	308,096	(14,098)
500 Capital Outlay	3,700	16,909	(13,209)
600 Other Objects	21,336	17,033	4,303
250 Finance and Operations Services:			
251 Student Transportation (Federal/District Mandated):			
100 Salaries	101,161	74,173	26,988
200 Employee Benefits	57,295	38,297	18,998
300 Purchased Services	374,000	131,885	242,115
400 Supplies and Materials	-	92,798	(92,798)
252 Fiscal Services:			
100 Salaries	940,460	978,758	(38,298)
200 Employee Benefits	378,775	397,208	(18,433)
300 Purchased Services	202,691	76,070	126,621
400 Supplies and Materials	53,955	28,889	25,066
600 Other Objects	5,938	3,205	2,733

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

	Final Budget	Actual	Variance Positive (Negative)
254 Operation and Maintenance of Plant:			
100 Salaries	\$ 6,948,455	\$ 6,818,905	\$ 129,550
200 Employee Benefits	3,389,377	3,270,235	119,142
300 Purchased Services	4,266,143	3,988,878	277,265
321 Public Utility Services (Excludes gas, oil, elec. & heating fuels)	799,000	848,674	(49,674)
400 Supplies and Materials	1,159,803	1,075,755	84,048
470 Energy (Includes gas, oil, elec. & heating fuels)	4,010,505	3,896,551	113,954
500 Capital Outlay	35,356	38,282	(2,926)
255 Student Transportation (State Mandated):			
100 Salaries	3,760,605	3,690,565	70,040
200 Employee Benefits	1,760,532	1,642,508	118,024
300 Purchased Services	177,130	95,439	81,691
400 Supplies and Materials	56,500	41,539	14,961
600 Other Objects	1,000	380	620
256 Food Services:			
100 Salaries	-	120,000	(120,000)
200 Employee Benefits	-	12,287	(12,287)
400 Supplies and Materials	-	22,072	(22,072)
257 Internal Services:			
100 Salaries	286,889	259,807	27,082
200 Employee Benefits	125,023	105,867	19,156
300 Purchased Services	657,465	520,934	136,531
400 Supplies and Materials	42,973	11,653	31,320
258 Security:			
100 Salaries	185,058	189,766	(4,708)
200 Employee Benefits	68,581	72,570	(3,989)
300 Purchased Services	1,964,725	1,812,406	152,319
400 Supplies and Materials	22,810	10,071	12,739
500 Capital Outlay	-	4,980	(4,980)
600 Other Objects	410	255	155
260 Central Support Services:			
262 Planning:			
100 Salaries	709,198	779,494	(70,296)
200 Employee Benefits	280,054	302,184	(22,130)
300 Purchased Services	-	65,677	(65,677)
263 Information Services:			
100 Salaries	409,480	417,977	(8,497)
200 Employee Benefits	173,241	171,098	2,143
300 Purchased Services	179,500	72,440	107,060
400 Supplies and Materials	30,000	18,066	11,934
600 Other Objects	12,000	12,032	(32)
264 Staff Services:			
100 Salaries	784,201	742,460	41,741
200 Employee Benefits	300,639	470,290	(169,651)
300 Purchased Services	28,743	29,871	(1,128)
400 Supplies and Materials	30,402	19,193	11,209
600 Other Objects	125	1,296	(1,171)
266 Technology and Data Processing Services:			
100 Salaries	1,743,554	1,790,123	(46,569)
200 Employee Benefits	699,846	700,283	(437)
300 Purchased Services	1,001,471	1,070,606	(69,135)
400 Supplies and Materials	160,519	17,503	143,016
600 Other Objects	-	176	(176)
270 Support Services - Pupil Activity:			
271 Pupil Service Activities:			
100 Salaries	1,670,263	1,889,123	(218,860)
200 Employee Benefits	593,849	626,091	(32,242)
300 Purchased Services	237,769	146,305	91,464
400 Supplies and Materials	(6,810)	10,921	(17,731)
660 Pupil Activity	419,228	470,694	(51,466)
Total Support Services	77,560,311	77,102,493	457,818

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

	Final Budget	Actual	Variance Positive (Negative)
300 Community Services:			
390 Other Community Services:			
300 Purchased Services	\$ 15,000	\$ -	\$ 15,000
400 Supplies and Materials	5,850	-	5,850
	20,850	-	20,850
Total Community Services	20,850	-	20,850
400 Other Charges:			
410 Intergovernmental Expenditures:			
412 Payments to Other Governmental Units:			
720 Transits	20,000	36,899	(16,899)
	20,000	36,899	(16,899)
Total Intergovernmental Expenditures	20,000	36,899	(16,899)
Total Expenditures	196,256,775	196,277,170	(20,395)
Other Financing Sources (Uses)			
5300 Sale of Fixed Assets	-	75,087	75,087
Interfund Transfers, From (To) Other Funds:			
5230 Transfer from Special Revenue EIA Fund	5,717,090	5,665,920	(51,170)
5280 Transfer from Other Funds Indirect Costs	480,000	436,477	(43,523)
425-710 Transfer to Food Service Fund	(267,897)	(207,093)	60,804
	5,929,193	5,970,391	41,198
Total Other Financing Sources (Uses)	5,929,193	5,970,391	41,198
Excess/(Deficiency) of Revenues over Expenditures	\$ -	4,686,838	\$ 4,686,838
Fund Balance, Beginning of Year		46,518,549	
Fund Balance, End of Year		\$ 51,205,387	

SPECIAL REVENUE FUNDS

The Special Revenue Funds account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes. The School District has the following Special Revenue Funds.

1. The Special Projects Fund consists of multiple special revenue subfunds used to account for all federal, state and local projects and grants except for those subject to EIA.
2. The Education Improvement Act (EIA) Fund was passed in 1984 by the South Carolina State Legislature to upgrade the quality of education in South Carolina. The fund accounts for the proceeds of the additional one percent Sales and Use Tax which is restricted to expenditures for the Education Improvement Act standards. Because of the categorical nature of the funding, the state requires that revenues and expenditures be accounted for in a separate fund. Accordingly, the EIA Fund is reported as a Special Revenue.
3. The School Food Services Fund's purpose is to provide balanced nutritious meals to the School District's students, some of which are free and reduced meals under the United States Department of Agriculture (USDA) school breakfast and lunch programs.

The following schedules for the Special Revenue Funds 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.

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

	TITLE I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	PRESCHOOL HANDICAPPED (CG Projects) (205/206)	CATE (VA Projects) (207/208)	ADULT EDUCATION (EA Projects) (243)	OTHER DESIGNATED RESTRICTED STATE GRANTS (900s)	OTHER SPECIAL REVENUE PROGRAMS (200s/800s)	STUDENT ACTIVITY FUNDS (700s)	TOTAL
Revenues									
1000 Revenue from Local Sources									
1700 Pupil Activities									
1740 Student Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,040	\$ 4,040
1790 Other Pupil Activity Income	-	-	-	-	-	-	-	2,257,911	2,257,911
1900 Other Revenue from Local Sources:									
1920 Contributions & Donations Private Sources	-	-	-	-	-	-	260,076	273	260,349
1930 Special Needs Transportation - Medicaid	-	-	-	-	-	-	235,225	-	235,225
Total Local Sources	-	-	-	-	-	-	495,301	2,262,224	2,757,525
3000 Revenue from State Sources									
3110 Occupation Education:									
3118 EEDA Career Specialists	-	-	-	-	-	670,325	-	-	670,325
3120 General Education:									
3127 Student Health and Fitness - PE Teachers	-	-	-	-	-	120,259	-	-	120,259
3130 Special Programs:									
3135 Reading Coaches	-	-	-	-	-	605,441	-	-	605,441
3136 Student Health and Fitness-Nurses	-	-	-	-	-	281,010	-	-	281,010
3155 DDS SNAP & E&T Program	-	-	-	-	-	2,909	-	-	2,909
3156 Adult Education	-	-	-	-	-	3,670	-	-	3,670
3190 Miscellaneous Restricted State Grants:									
3193 Education License Plates	-	-	-	-	-	2,618	-	-	2,618
3199 Other Restricted State Grants	-	-	-	-	-	-	21,013	-	21,013
3600 Education Lottery Act Revenue:									
3670 School Safety - Facility and Infrastructure Safety Upgrades	-	-	-	-	-	1,195	-	-	1,195
3699 Other State Lottery Programs	-	-	-	-	-	48	-	-	48
3900 Other State Revenue:									
3994 PEBA Nonemployer Contributions	-	-	-	-	-	1,875,729	-	-	1,875,729
3995 CRF Per Pupil Funding	-	-	-	-	-	-	3,538,485	-	3,538,485
Total State Sources	-	-	-	-	-	3,563,204	3,559,498	-	7,122,702
4000 Revenue from Federal Sources									
4100 Federally Impacted Areas									
4200 Occupational Education:									
4210 Perkins Aid, Title I - Career and Technology Education - Basic Grants to State	-	-	-	164,165	-	-	-	-	164,165
4300 Elementary and Secondary Education Act of 1965 (ESEA):									
4310 Title I, Basic State Grant Programs (Carryover Provision)	1,943,831	-	-	-	-	-	332,093	-	2,275,924
4341 Language Instruction for Limited English Proficient and Immigrant Students, Title III	-	-	-	-	-	-	29,163	-	29,163
4343 McKinney-Vento Education for Homeless Children and Youth Program	-	-	-	-	-	-	64,424	-	64,424
4351 Supporting Effective Instruction	-	-	-	-	-	-	208,030	-	208,030
4400 Adult Education:									
4410 Basic Adult Education	-	-	-	-	89,444	-	-	-	89,444
4430 State Literacy Resource	-	-	-	-	25,284	-	-	-	25,284
4500 Programs for Children with Disabilities:									
4510 Individuals with Disabilities Education Act (IDEA)	-	3,353,100	-	-	-	-	-	-	3,353,100
4520 Preschool Grants for Children with Disabilities (IDEA)	-	-	176,365	-	-	-	-	-	176,365
4900 Other Federal Sources:									
4924 21st Century Community Learning Centers Program	-	-	-	-	-	-	13,089	-	13,089
4975 Coronavirus Aid, Relief, and Economic Security Act (CARES Act)	-	-	-	-	-	-	50,000	-	50,000
4977 ESSER II	-	-	-	-	-	-	28,805	-	28,805
4990 Other Federal Revenue:									
4997 Title IV - SSAE	-	-	-	-	-	-	218,967	-	218,967
4998 Revenue from Other Federal Sources	-	-	-	-	-	-	2,466,245	-	2,466,245
Total Federal Sources	1,943,831	3,353,100	176,365	164,165	114,728	-	3,410,816	-	9,163,005
Total Revenues All Sources	1,943,831	3,353,100	176,365	164,165	114,728	3,563,204	7,465,615	2,262,224	19,043,232

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

	TITLE I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	PRESCHOOL HANDICAPPED (CG Projects) (205/206)	CATE (VA Projects) (207/208)	ADULT EDUCATION (EA Projects) (243)	OTHER DESIGNATED RESTRICTED STATE GRANTS (900s)	OTHER SPECIAL REVENUE PROGRAMS (200s/800s)	STUDENT ACTIVITY FUNDS (700s)	TOTAL
Expenditures									
100 Instruction									
110 General Instruction:									
111 Kindergarten Programs:									
100 Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,891	\$ 119,602	\$ -	\$ 135,493
200 Employee Benefits	-	-	-	-	-	6,262	37,434	-	43,696
300 Purchased Services	-	-	-	-	-	-	674	-	674
400 Supplies and Materials	-	-	-	-	-	-	4,778	-	4,778
112 Primary Programs:									
100 Salaries	968,274	-	-	-	-	36,163	635,190	-	1,639,627
200 Employee Benefits	401,723	-	-	-	-	12,583	209,539	-	623,845
300 Purchased Services	2,085	-	-	-	-	-	35,569	-	37,654
400 Supplies and Materials	188,809	-	-	-	-	-	114,055	-	302,864
113 Elementary Programs:									
100 Salaries	122,729	-	-	-	-	35,288	524,783	-	682,800
200 Employee Benefits	47,556	-	-	-	-	14,072	174,688	-	236,316
300 Purchased Services	-	-	-	-	-	-	8,228	-	8,228
400 Supplies and Materials	-	-	-	-	-	2,618	182,906	-	185,524
114 High School Programs:									
100 Salaries	-	-	-	-	-	-	328,721	-	328,721
200 Employee Benefits	-	-	-	-	-	-	35,046	-	35,046
400 Supplies and Materials	-	-	-	-	-	-	63,280	-	63,280
115 Career and Technology Education Programs:									
300 Purchased Services	-	-	-	24,250	-	-	-	-	24,250
400 Supplies and Materials	-	-	-	110,185	-	-	13,815	316	124,316
118 Montessori Programs:									
100 Salaries	-	-	-	-	-	-	87,509	-	87,509
200 Employee Benefits	-	-	-	-	-	-	33,872	-	33,872
300 Purchased Services	-	-	-	-	-	-	7,621	-	7,621
400 Supplies and Materials	-	-	-	-	-	-	23,971	-	23,971
120 Exceptional Programs:									
121 Educable Mentally Handicapped:									
100 Salaries	-	622,865	-	-	-	-	54,128	-	676,993
200 Employee Benefits	-	312,477	-	-	-	-	27,314	-	339,791
300 Purchased Services	-	2,613	-	-	-	-	-	-	2,613
400 Supplies and Materials	-	2,684	-	-	-	-	1,861	-	4,545
122 Trainable Mentally Handicapped:									
100 Salaries	-	100,708	-	-	-	-	-	-	100,708
200 Employee Benefits	-	51,850	-	-	-	-	-	-	51,850
124 Visually Handicapped:									
100 Salaries	-	193	-	-	-	-	2,093	-	2,286
200 Employee Benefits	-	58	-	-	-	-	631	-	689
300 Purchased Services	-	12,762	-	-	-	-	-	-	12,762
400 Supplies and Materials	-	2,177	-	-	-	-	-	-	2,177
125 Hearing Handicapped:									
100 Salaries	-	193	-	-	-	-	1,529	-	1,722
200 Employee Benefits	-	58	-	-	-	-	461	-	519
300 Purchased Services	-	6,362	-	-	-	-	578	-	6,940
400 Supplies and Materials	-	4,906	-	-	-	-	-	-	4,906
126 Speech Handicapped:									
100 Salaries	-	14,506	-	-	-	-	32,068	-	46,574
200 Employee Benefits	-	6,267	-	-	-	-	9,662	-	15,929
300 Purchased Services	-	832	-	-	-	-	2,304	-	3,136
400 Supplies and Materials	-	1,082	-	-	-	-	2,289	-	3,371
127 Learning Disabilities:									
100 Salaries	-	204,439	-	-	-	-	182,672	-	387,111
200 Employee Benefits	-	105,349	-	-	-	-	58,505	-	163,854
300 Purchased Services	-	311	-	-	-	-	-	-	311
400 Supplies and Materials	-	584	-	-	-	-	337	-	921
128 Emotionally Handicapped:									
100 Salaries	-	21,523	-	-	-	-	10,167	-	31,690
200 Employee Benefits	-	11,425	-	-	-	-	3,063	-	14,488
129 Coordinated Early Intervening Services (CEIS):									
100 Salaries	54,415	265,794	-	-	-	-	29,077	-	349,286
200 Employee Benefits	24,233	123,051	-	-	-	-	8,761	-	156,045

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

	TITLE I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	PRESCHOOL HANDICAPPED (CG Projects) (205/206)	CATE (VA Projects) (207/208)	ADULT EDUCATION (EA Projects) (243)	OTHER DESIGNATED RESTRICTED STATE GRANTS (900s)	OTHER SPECIAL REVENUE PROGRAMS (200s/800s)	STUDENT ACTIVITY FUNDS (700s)	TOTAL
130 Preschool Programs:									
135 Preschool Handicapped Speech (3- and 4-Yr. Olds):									
100 Salaries	\$ -	\$ -	\$ 76,936	\$ -	\$ -	\$ -	\$ 1,715	\$ -	\$ 78,651
200 Employee Benefits	-	-	35,558	-	-	-	517	-	36,075
136 Preschool Handicapped Itinerant (3 & 4-Yr. Olds):									
100 Salaries	-	-	-	-	-	-	2,807	-	2,807
200 Employee Benefits	-	-	-	-	-	-	846	-	846
137 Preschool Handicapped Self-Contained (3- and 4-Yr. Olds):									
100 Salaries	-	247,288	28,701	-	-	-	13,450	-	289,439
200 Employee Benefits	-	143,648	18,051	-	-	-	4,052	-	165,751
300 Purchased Services	-	348	1,831	-	-	-	-	-	2,179
400 Supplies and Materials	-	-	5,967	-	-	-	-	-	5,967
139 Early Childhood Programs:									
100 Salaries	-	-	-	-	-	-	57,252	-	57,252
200 Employee Benefits	-	-	-	-	-	-	19,718	-	19,718
300 Purchased Services	-	-	-	-	-	-	6,484	-	6,484
400 Supplies and Materials	-	-	-	-	-	-	3,019	-	3,019
140 Special Programs:									
141 Gifted and Talented - Academic:									
100 Salaries	-	-	-	-	-	-	19,661	-	19,661
200 Employee Benefits	-	-	-	-	-	-	5,923	-	5,923
144 International Baccalaureate:									
100 Salaries	-	-	-	-	-	-	15,600	-	15,600
200 Employee Benefits	-	-	-	-	-	-	4,634	-	4,634
300 Purchased Services	-	-	-	-	-	-	2,213	-	2,213
400 Supplies and Materials	-	-	-	-	-	-	33,603	-	33,603
600 Other Objects	-	-	-	-	-	-	5,117	-	5,117
148 Gifted and Talented Artistic:									
100 Salaries	-	-	-	-	-	-	1,575	-	1,575
200 Employee Benefits	-	-	-	-	-	-	475	-	475
149 Other Special Programs:									
100 Salaries	-	10,543	-	-	-	-	5,344	-	15,887
200 Employee Benefits	-	5,071	-	-	-	-	1,610	-	6,681
400 Supplies and Materials	-	-	-	-	-	-	15,402	-	15,402
160 Other Exceptional Programs:									
161 Autism:									
100 Salaries	-	78,427	-	-	-	-	8,628	-	87,055
200 Employee Benefits	-	45,089	-	-	-	-	2,599	-	47,688
400 Supplies and Materials	-	428	-	-	-	-	-	-	428
170 Summer School Programs:									
175 Instructional Programs Beyond Regular School Day:									
100 Salaries	-	-	-	-	-	-	6,745	-	6,745
200 Employee Benefits	-	-	-	-	-	-	693	-	693
180 Adult/Continuing Education Programs:									
181 Adult Basic Education Programs:									
100 Salaries	-	-	-	-	22,254	-	-	-	22,254
200 Employee Benefits	-	-	-	-	6,178	1,339	-	-	7,517
182 Adult Secondary Education Programs:									
100 Salaries	-	-	-	-	23,650	-	-	-	23,650
200 Employee Benefits	-	-	-	-	7,363	-	-	-	7,363
400 Supplies and Materials	-	-	-	-	-	266	-	-	266
183 Adult English Literacy (ESL):									
100 Salaries	-	-	-	-	19,675	-	-	-	19,675
200 Employee Benefits	-	-	-	-	5,256	-	-	-	5,256
400 Supplies and Materials	-	-	-	-	352	-	-	-	352
188 Parenting/Family Literacy:									
100 Salaries	-	-	-	-	19,414	-	36,180	-	55,594
200 Employee Benefits	-	-	-	-	8,586	279	25,900	-	34,765
300 Purchased Services	-	-	-	-	-	-	1,027	-	1,027
400 Supplies and Materials	207	-	-	-	-	-	4,326	-	4,533
190 Instructional Pupil Activity:									
400 Supplies and Materials	-	-	-	-	-	-	-	1,134	1,134
600 Other Objects	-	-	-	-	-	-	-	920	920
Total Instruction	1,810,031	2,405,911	167,044	134,435	112,728	124,761	3,375,896	2,370	8,133,176

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

	TITLE I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	PRESCHOOL HANDICAPPED (CG Projects) (205/206)	CATE (VA Projects) (207/208)	ADULT EDUCATION (EA Projects) (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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,526	\$ -	\$ 7,526
200 Employee Benefits	-	-	-	-	-	-	2,293	-	2,293
300 Purchased Services	-	-	-	-	-	-	5,245	-	5,245
400 Supplies and Materials	-	-	-	-	-	-	5,033	-	5,033
212 Guidance Services:									
100 Salaries	-	-	-	-	-	128,662	34,337	-	162,999
200 Employee Benefits	-	-	-	-	-	43,812	10,345	-	54,157
213 Health Services:									
100 Salaries	-	12,254	-	-	-	193,336	75,834	-	281,424
200 Employee Benefits	-	6,275	-	-	-	87,673	21,130	-	115,078
300 Purchased Services	-	2,259	-	-	-	-	2,540	-	4,799
400 Supplies and Materials	-	4,409	-	-	-	-	7,899	-	12,308
214 Psychological Services:									
100 Salaries	-	384,557	-	-	-	-	37,926	-	422,483
200 Employee Benefits	-	147,862	-	-	-	-	6,334	-	154,196
300 Purchased Services	-	2,597	-	-	-	-	-	-	2,597
400 Supplies and Materials	-	16,289	-	-	-	-	-	-	16,289
217 Career Specialist Services:									
100 Salaries	-	-	-	-	-	338,913	2,139	-	341,052
200 Employee Benefits	-	-	-	-	-	158,938	644	-	159,582
220 Instructional Staff Services:									
221 Improvement of Instruction - Curriculum Development:									
100 Salaries	-	23,829	-	-	-	423,800	54,110	-	501,739
200 Employee Benefits	-	10,803	-	-	-	181,641	18,418	-	210,862
300 Purchased Services	-	6,328	-	-	2,000	-	70,805	-	79,133
400 Supplies and Materials	-	6,046	-	-	-	661	7,216	-	13,923
600 Other Objects	-	-	-	-	-	-	13,070	-	13,070
222 Library and Media:									
100 Salaries	-	-	-	-	-	-	21,608	-	21,608
200 Employee Benefits	-	-	-	-	-	-	6,512	-	6,512
223 Supervision of Special Programs:									
100 Salaries	-	87,762	-	-	-	-	341,520	-	429,282
200 Employee Benefits	-	35,609	-	-	-	-	145,200	-	180,809
300 Purchased Services	-	8,390	-	-	-	-	365,158	-	373,548
400 Supplies and Materials	-	1,984	-	-	-	4,083	196,621	-	202,688
600 Other Objects	-	-	-	-	-	-	5,260	-	5,260
224 Improvement of Instruction Inservice and Staff Training:									
100 Salaries	-	-	-	-	-	-	127,677	-	127,677
200 Employee Benefits	-	-	-	-	-	-	41,177	-	41,177
300 Purchased Services	27,144	917	-	7,200	-	-	222,016	-	257,277
400 Supplies and Materials	-	6,058	-	-	-	-	93,935	-	99,993
600 Other Objects	-	-	-	-	-	-	222	-	222
230 General Administration Services:									
232 Office of the Superintendent:									
400 Supplies and Materials	-	-	-	-	-	-	1,142	-	1,142
233 School Administration:									
100 Salaries	-	-	-	-	-	-	113,582	-	113,582
200 Employee Benefits	-	-	-	-	-	-	50,776	-	50,776
300 Purchased Services	-	-	-	-	-	-	15,728	-	15,728
250 Finance and Operations Services:									
251 Student Transportation (Federal/District Mandated):									
100 Salaries	-	-	-	-	-	-	88,066	-	88,066
200 Employee Benefits	-	-	-	-	-	-	48,525	-	48,525
300 Purchased Services	-	5,843	-	-	-	-	60,218	-	66,061
500 Capital Outlay	-	-	-	-	-	-	67,506	-	67,506
253 Facilities Acquisition and Construction:									
540 Equipment	-	-	-	-	-	-	37,379	-	37,379
254 Operations and Maintenance of Plant:									
300 Purchased Services	-	-	-	-	-	-	18,919	-	18,919
400 Supplies and Materials	-	-	-	-	-	-	298,536	-	298,536
500 Capital Outlay	-	-	-	-	-	-	13,655	-	13,655

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

	TITLE I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	PRESCHOOL HANDICAPPED (CG Projects) (205/206)	CATE (VA Projects) (207/208)	ADULT EDUCATION (EA Projects) (243)	OTHER DESIGNATED RESTRICTED STATE GRANTS (900s)	OTHER SPECIAL REVENUE PROGRAMS (200s/800s)	STUDENT ACTIVITY FUNDS (700s)	TOTAL
256 Food Services:									
100 Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,104	\$ -	\$ 11,104
200 Employee Benefits	-	-	-	-	-	-	3,477	-	3,477
400 Supplies and Materials (Includes gas, oil, electricity, and other heating fuels)	-	-	-	-	-	-	9,591	-	9,591
258 Security:									
400 Supplies and Materials						1,195	-	-	1,195
260 Central Support Services*									
264 Staff Services:									
300 Purchased Services	-	-	-	-	-	-	3,609	-	3,609
266 Technology and Data Processing Services:									
300 Purchased Services	-	-	-	-	-	-	24,581	-	24,581
400 Supplies and Materials	-	-	-	-	-	-	1,029,597	-	1,029,597
270 Support Services Pupil Activity:									
271 Pupil Service Activities:									
100 Salaries	-	-	-	-	-	-	-	118,572	118,572
200 Employee Benefits	-	-	-	-	-	-	-	37,857	37,857
300 Purchased Services	-	-	-	22,530	-	-	3,918	265,670	292,118
400 Supplies and Materials	-	-	-	-	-	-	1,775	217,288	219,063
660 Pupil Activity	-	-	-	-	-	-	762	1,397,537	1,398,299
Total Support Services	27,144	770,071	-	29,730	2,000	1,562,714	3,852,196	2,036,924	8,280,779
300 Community Services									
360 Welfare Services:									
300 Purchased Services	-	-	-	-	-	-	44,493	-	44,493
400 Supplies and Materials	-	-	-	-	-	-	11,678	-	11,678
Total Community Services	-	-	-	-	-	-	56,171	-	56,171
400 Other Charges									
410 Intergovernmental Expenditures:									
411 Payments to the State Department of Education:									
720 Transits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 37,970	\$ -	\$ 37,970
419 Payments from PEBA Nonemployer Contributions:									
720 Transits	-	-	-	-	-	1,875,729	-	-	1,875,729
Total Intergovernmental Expenditures	-	-	-	-	-	1,875,729	37,970	-	1,913,699
Total Expenditures	1,837,175	3,175,982	167,044	164,165	114,728	3,563,204	7,322,233	2,039,294	18,383,825
Other Financing Sources (Uses):									
Interfund Transfer, From (To) Other Funds:									
431-791 Special Revenue Fund Indirect Costs	(106,656)	(177,118)	(9,321)	-	-	-	(143,382)	-	(436,477)
Total Other Financing Sources (Uses)	(106,656)	(177,118)	(9,321)	-	-	-	(143,382)	-	(436,477)
Excess/Deficiency of Revenues over Expenditures	-	-	-	-	-	-	-	222,930	222,930
Fund Balance, Beginning of Year	-	-	-	-	-	-	-	-	-
Cumulative Change in Accounting Principle - GASB #84	-	-	-	-	-	-	-	4,703,405	4,703,405
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,926,335	\$ 4,926,335

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SPECIAL REVENUE FUNDS - SPECIAL PROJECTS FUNDS
SUMMARY SCHEDULE FOR DESIGNATED STATE RESTRICTED GRANTS AND OTHER SPECIAL PROJECTS PROGRAMS
FOR THE YEAR ENDED JUNE 30, 2021

District Subfund Code	District Revenue Code	Program	Revenues	Expenditures	Interfund Transfers In/(Out)	Other Fund Transfers In/(Out)	Unearned Revenue
Other State Restricted Grants:							
919	3193	Education License Plates	\$ 2,618	\$ 2,618	\$ -	\$ -	\$ -
928	3118	EEDA Career Specialists	670,325	670,325	-	-	1,041,076
935	3135	Reading Coaches	605,441	605,441	-	-	561,649
936	3136	Student Health and Fitness	281,010	281,010	-	-	573,369
937	3127	Student Health and Fitness - PE Teachers	120,259	120,259	-	-	100,942
955	3155	DSS SNAP & E&T Program	2,909	2,909	-	-	8,117
956	3156	Adult Education	3,670	3,670	-	-	2,073
969	3699	Misc. Lottery	48	48	-	-	-
970	3670	School Safety Upgrades	1,195	1,195	-	-	-
994	3994	PEBA Nonemployer Contributions	1,875,729	1,875,729	-	-	-
			<u>\$ 3,563,204</u>	<u>\$ 3,563,204</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,287,226</u>
Other Special:							
210	4997	Title IV SSAE	\$ 218,967	\$ 207,319	\$ (11,648)	\$ -	\$ -
217	3995	Corona Relief	3,538,485	3,538,485	-	-	-
220	4975	ESSER Fund	50,000	50,000	-	-	-
224	4924	21st Century	13,089	13,089	-	-	-
225	4977	ESSER II Fund	28,805	28,805	-	-	-
232	4343	McKinney-Vento	64,424	62,714	(1,710)	-	-
237	4310	Title I - School Improvement	196,026	185,666	(10,360)	-	-
239	4310	Title I - School Improvement	136,067	128,876	(7,191)	-	-
264	4341	Title II - English Language Acquisition	29,163	28,541	(622)	-	-
267	4351	Supporting Effective Instruction	208,030	196,534	(11,496)	-	-
804	4999	Magnet School Grant - Discover Five	2,247,619	2,147,266	(100,353)	-	-
831	4999	CHS NJROTC	82,350	82,350	-	-	16,008
832	4999	IHS, DJHS AF ROTC	136,004	136,004	-	-	814
838	4999	Student Health Profiles YRBS/YTS Admin	272	272	-	-	328
868	1920	Lexington County First Steps	66,139	66,139	-	-	-
890	1930/3199	Medicaid	256,238	256,238	-	-	102,933
898	1920	Mini Grants	193,937	193,937	-	-	141,125
			<u>\$ 7,465,615</u>	<u>\$ 7,322,235</u>	<u>\$ (143,380)</u>	<u>\$ -</u>	<u>\$ 261,208</u>

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
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	\$	6,369
3507 Aid to Districts - Technology		3,238
3509 Arts in Education		9,487
3518 Adoption List of Formative Assessment		82,785
3519 Grade 10 Assessments		108,016
3526 Refurbishment of Science Kits		60,837
3528 Industry Certifications/Credentials		115,984
3529 Career and Technology Education		436,713
3532 National Board Salary Supplement (No Carryover Provision)		2,484,134
3533 Teacher of the Year Awards		53,825
3538 Students at Risk of School Failure		1,373,762
3540 Early Childhood Program (4K Programs Serving Four-Year-Old Children)		379,567
3550 Teacher Salary Increase (No Carryover Provision)		4,557,067
3555 Teacher Salary Fringe (No Carryover Provision)		1,108,853
3556 Adult Education		212,183
3557 Summer Reading Program		59,033
3571 CSI and State Priority Schools		248,750
3577 Teacher Supplies (No Carryover Provision)		386,650
3594 EEDA Supplemental Programs		220,737
3595 EEDA - Supplies and Materials		29,474
3597 Aid to Districts		60,263
3599 Other EIA		102,679

Total State Sources	<u>12,100,406</u>
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Total Revenues All Sources	<u>12,100,406</u>
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Expenditures

100 Instruction:

110 General Instruction:

111 Kindergarten Programs:

100 Salaries	97,250
200 Employee Benefits	28,405
400 Supplies and Materials	3,357

112 Primary Programs:

100 Salaries	948,444
200 Employee Benefits	334,753
400 Supplies and Materials	224,400

113 Elementary Programs:

100 Salaries	632,595
200 Employee Benefits	216,527
400 Supplies and Materials	17,956

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
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	\$	590,597
200 Employee Benefits		162,127
115 Career and Technology Education Programs:		
100 Salaries		79,131
200 Employee Benefits		22,846
300 Purchased Services		104,207
400 Supplies and Materials		197,904
500 Capital Outlay		216,762
118 Montessori Programs:		
100 Salaries		7,500
200 Employee Benefits		2,197
120 Exceptional Programs:		
121 Educable Mentally Handicapped:		
100 Salaries		39,224
200 Employee Benefits		11,442
126 Speech Handicapped:		
100 Salaries		19,942
200 Employee Benefits		5,660
127 Learning Disabilities:		
100 Salaries		38,750
200 Employee Benefits		11,247
300 Purchased Services		-
129 Coordinated Early Intervening Services (CEIS):		
100 Salaries		40,313
200 Employee Benefits		11,751
130 Preschool Programs:		
137 Preschool Handicapped Self-Contained (3- and 4-Yr. Olds):		
100 Salaries		6,776
200 Employee Benefits		1,979
139 Early Childhood Programs:		
100 Salaries		228,174
200 Employee Benefits		100,432
400 Supplies and Materials		70,344
140 Special Programs:		
141 Gifted and Talented Academic:		
100 Salaries		46,250
200 Employee Benefits		13,533

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

143 Advanced Placement:		
100 Salaries	\$	13,903
200 Employee Benefits		4,079
149 Other Special Programs:		
100 Salaries		204
200 Employee Benefits		(135)
400 Supplies and Materials		386,650
170 Summer School Programs:		
175 Instructional Programs Beyond Regular School Day:		
100 Salaries		34,690
200 Employee Benefits		10,490
400 Supplies and Materials		2,952
180 Adult/Continuing Education Programs:		
181 Adult Education Basic Programs:		
100 Salaries		30,197
200 Employee Benefits		10,320
182 Adult Secondary Education Programs:		
100 Salaries		120,745
200 Employee Benefits		50,921
188 Parenting/Family Literacy:		
100 Salaries		84,575
200 Employee Benefits		27,886
300 Purchased Services		918
190 Instructional Pupil Activity:		
400 Supplies and Materials		1,710
Total Instruction		5,312,880
200 Supporting Services:		
210 Pupil Services:		
211 Attendance and Social Work Services:		
100 Salaries		50,307
200 Employee Benefits		18,182
300 Purchased Services		12,925
400 Supplies and Materials		41,977
500 Capital Outlay		6,493
212 Guidance Services:		
100 Salaries		88,229
200 Employee Benefits		25,821
300 Purchased Services		2,097
400 Supplies and Materials		27,377
213 Health Services:		

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

100 Salaries	\$	2,412
200 Employee Benefits		746
220 Instructional Staff Services:		
221 Improvement of Instruction Curriculum Development:		
100 Salaries		207,699
200 Employee Benefits		74,589
300 Purchased Services		108,516
222 Library and Media Services:		
100 Salaries		38,194
200 Employee Benefits		11,200
223 Supervision of Special Programs:		
100 Salaries		21,550
200 Employee Benefits		6,410
300 Purchased Services		15,395
400 Supplies and Materials		1,660
224 Improvement of Instruction Inservice and Staff Training:		
100 Salaries		7,000
200 Employee Benefits		2,109
300 Purchased Services		180,981
400 Supplies and Materials		21,143
250 Finance and Operations Services:		
251 Student Transportation (Federal/District Mandated):		
300 Purchased Services		24,738
254 Operation and Maintenance of Plant:		
300 Purchased Services		15,919
400 Supplies and Materials		2,151
260 Central Support Services:		
266 Technology & Data Processing Services		
300 Purchased Services		3,238
400 Supplies and Materials		102,679
270 Support Services - Pupil Activity:		
271 Pupil Service Activities:		
300 Purchased Services		(131)
Total Support Services		1,121,606
Total Expenditures		6,434,486

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

Other Financing Sources (Uses)

Interfund Transfers, From (To) Other Funds:	
420-710 Transfer to General Fund (Exclude Indirect Costs)	\$ (5,665,920)
Total Other Financing Sources (Uses)	(5,665,920)
Excess/Deficiency of Revenues over Expenditures	-
Fund Balance, Beginning of Year	-
Fund Balance, End of Year	\$ -

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

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT
SUMMARY SCHEDULE BY PROGRAM
FOR THE YEAR ENDED JUNE 30, 2021**

Program	Revenues	Expenditures	Interfund Transfers In/(Out)	Other Fund Transfers In/(Out)	Unearned Revenue
3500 Education Improvement Act:					
3502 ADEPT	\$ 6,369	\$ 6,369	\$ -	\$ -	\$ 10,599
3507 Aid to District Technology	3,238	3,238	-	-	-
3509 Arts in Education	9,487	9,487	-	-	-
3518 Adoption List of Formative Assessment	82,785	82,785	-	-	66,318
3519 Grade 10 Assessments	108,016	108,016	-	-	77,776
3526 Refurbishment of Science Kits	60,837	60,837	-	-	52,339
3528 Industry Certifications/Credentials	115,984	115,984	-	-	122,787
3529 Career and Technology Education	436,713	436,713	-	-	400,800
3532 National Board Salary Supplement (No Carryover Provision)	2,484,134	2,484,134	-	-	-
3533 Teacher of the Year Awards	53,825	53,825	-	-	-
3535 Reading Coaches	-	-	-	-	176,395
3538 Students at Risk of School Failure	1,373,762	1,373,762	-	-	1,141,790
3540 Early Childhood Program (4K Programs Serving Four-Year-Old Children)	379,567	379,567	-	-	463,067
3550 Teacher Salary Increase (No Carryover Provision)	4,557,067	-	-	(4,557,067)	-
3555 Teacher Salary Fringe (No Carryover Provision)	1,108,853	-	-	(1,108,853)	-
3556 Adult Education	212,183	212,183	-	-	-
3557 Summer Reading Program	59,033	59,033	-	-	179,519
3571 CSI and State Priority Schools	248,750	248,750	-	-	509,184
3577 Teacher Supplies (No Carryover Provision)	386,650	386,650	-	-	-
3594 EEDA Supplemental Programs	220,737	220,737	-	-	-
3395 EEDA Supplies and Materials	29,474	29,474	-	-	11,143
3597 Aid to Districts	60,263	60,263	-	-	596,956
3599 Other EIA	102,679	102,679	-	-	94,760
Total	<u>\$ 12,100,406</u>	<u>\$ 6,434,486</u>	<u>\$ -</u>	<u>\$ (5,665,920)</u>	<u>\$ 3,903,433</u>

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SPECIAL REVENUE FUND - FOOD SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2021**

	Actual
Revenues	
1000 Revenues from Local Sources	
1500 Earnings on Investments:	
1510 Interest on Investments	\$ 5,094
1600 Food Services:	
1610 Lunch Sales to Pupils	10,697
1620 Breakfast Sales to Pupils	2
1630 Special Sales to Pupils	320,381
1640 Lunch Sales to Adults	43,245
1650 Breakfast Sales to Adults	428
1660 Special Sales to Adults	25,593
1900 Other Revenue from Local Sources:	
1999 Revenue from Other Local Sources	109,877
Total Local Sources	515,317
4000 Revenue from Federal Sources:	
4800 USDA Reimbursement:	
4810 School Lunch and After School Snacks Program, and Special Milk Program	5,749,764
4830 School Breakfast Program (Carryover Provision)	2,270,809
4860 Fresh Fruit & Vegetable Program (FFVP) Carryover Provision	34,836
4900 Other Federal Sources:	
4991 USDA Commodities (Food Distribution Program) (Carryover Provision)	620,801
Total Federal Sources	8,676,210
Total Revenue - All Sources	9,191,527
Expenditures	
200 Support Services	
250 Finance and Operation Services:	
256 Food Services:	
100 Salaries	\$ 2,681,625
200 Employee Benefits	1,411,089
300 Purchased Services	134,142
400 Supplies and Materials	4,179,386
600 Other Objects	6,914
Total Support Services	8,413,156

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SPECIAL REVENUE FUND - FOOD SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2021**

	Actual
Total Expenditures	\$ 8,413,156
Other Financing Sources (Uses)	
Interfund Transfers, From (To) Other Funds:	
5210 Transfer from General Fund (Exclude Indirect Costs)	207,093
Total Other Financing Sources (Uses)	207,093
Excess/(Deficiency) of Revenues Over Expenditures	985,464
Fund Balance - Beginning of Year	3,063,392
Fund Balance - End of Year	\$ 4,048,856

DEBT SERVICE FUND

The Debt Service Funds account for the accumulation of resources for, and the payment of the District's general long-term debt principal and interest. The resources of this fund are generated by a tax levy based upon property values.

The following individual fund 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.

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**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
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

1100 Taxes Levied/Assessed by the LEA:

1110 Ad Valorem Taxes - Including Delinquent (Independent)	\$	42,071,686
1140 Penalties & Interest on Taxes (Independent)		124,860

1200 Revenue from Local Governmental Units Other than LEAs:

1280 Revenue in Lieu of Taxes (Independent and Dependent)	385,761
---	---------

1500 Earnings on Investments:

1510 Interest on Investments	19,057
------------------------------	--------

Total Local Sources

42,601,364

3000 Revenue from State Sources

3800 State Revenue in Lieu of Taxes:

3820 Homestead Exemption (Tier 2)	1,411,143
3830 Merchant's Inventory Tax	71,317
3840 Manufacturer's Depreciation Reimbursement	111,736
3890 Other State Property Tax Revenues (includes Motor Carrier Vehicle Tax)	104,565

Total State Sources

1,698,761

4000 Revenue from Federal Sources

4900 Other Federal Revenue:

4999 Revenue from Other Federal Sources	745,375
---	---------

Total Federal Sources

745,375

Total Revenues All Sources

45,045,500

Expenditures

500 Debt Service

395 Other Professional and Technical Services	1,750
610 Redemption of Principal	23,092,000
620 Interest	7,359,322

Total Debt Service

30,453,072

Total Expenditures

30,453,072

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

Other Financing Sources (Uses)

Interfund Transfers, From (To) Other Funds:

424-710 Transfer to Capital Projects Fund	\$ (9,362,000)
---	----------------

Total Other Financing Sources (Uses)	(9,362,000)
---	--------------------

Excess/Deficiency of Revenues over Expenditures	5,230,428
--	------------------

Fund Balance, Beginning of Year	9,800,230
--	------------------

Fund Balance, Ending of Year	\$ 15,030,658
-------------------------------------	----------------------

CAPITAL PROJECTS FUND

The Capital Projects Fund, also referred to as the "School Building Fund", is used to record proceeds from the sale of long-term general obligation bonds and other revenues used to acquire or construct major capital facilities (other than those of proprietary and trust funds).

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

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**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SCHOOL BUILDING 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	\$ 70,465

Total Local Sources	<u>70,465</u>
----------------------------	---------------

Total Revenues All Sources	<u>70,465</u>
-----------------------------------	---------------

Expenditures

200 Support Services

220 Instructional Staff Services:

221 Improvement of Instruction Curriculum Development:	
400 Supplies and Materials	8

250 Finance and Operations Services:

253 Facilities Acquisition and Construction:

300 Purchased Services	551,216
400 Supplies and Materials	1,523
500 Capital Outlay	
520 Construction Services	15,425,664
530 Improvements Other Than Buildings	109,412
540 Equipment	874,389
550 Vehicles	144,958
600 Other Objects	(68,181)

254 Operations and Maintenance of Plant:

300 Purchased Services	6,946,967
400 Supplies and Materials	71,312
500 Capital Outlay	29,525
600 Other Objects	(18,032)

256 Food Services:

500 Capital Outlay	2,739
--------------------	-------

260 Central Support Services:

266 Technology and Data Processing Services:

300 Purchased Services	475,850
400 Supplies and Materials	996,534
500 Capital Outlay	<u>1,132,217</u>

Total Support Services	<u>26,676,101</u>
-------------------------------	-------------------

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SCHOOL BUILDING FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2021**

500 Debt Service

610 Redemption of Principal	\$	487,441
620 Interest		12,559
690 Other Objects (Including Fees For Servicing Bonds)		<u>53,873</u>

Total Debt Service		<u>553,873</u>
---------------------------	--	----------------

Total Expenditures		<u>27,229,974</u>
---------------------------	--	-------------------

Other Financing Sources (Uses):

Interfund Transfers, From (To) Other Funds:

5240 Transfer from Debt Service Fund		<u>9,362,000</u>
--------------------------------------	--	------------------

Total Other Financing Sources (Uses)		<u>9,362,000</u>
---	--	------------------

Excess/Deficiency of Revenues over Expenditures		(17,797,509)
--	--	--------------

Fund Balance, Beginning of Year		<u>29,754,514</u>
--	--	-------------------

Fund Balance, Ending of Year		<u><u>\$ 11,957,005</u></u>
-------------------------------------	--	-----------------------------

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

ENTERPRISE FUND

The Enterprise Fund accounts for operations that are financed and operating in a manner similar to private business enterprises where the stated intent is that the costs (expenses, depreciation and indirect costs) of providing goods or services to the students or general public on a continuing basis are financed or recovered through user fees.

After School Program Enterprise Fund's purpose is to provide after normal school hours programs for elementary students at some of the elementary schools.

The following individual fund schedules have been prepared in the format mandated by the South Department of Education. The account numbers shown on various schedules are also mandated by the South Carolina Department of Education.

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**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
ENTERPRISE FUND - AFTERSCHOOL PROGRAM
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN NET POSITION (DEFICIT)
FOR THE YEAR ENDED JUNE 30, 2021**

	Actual
Revenues	
1000 Revenues from Local Sources:	
1300 Tuition:	
1310 From Patrons for Regular Day School	\$ 277,899
Total Revenues from Local Sources	277,899
Total Revenue All Sources	277,899
Expenditures	
100 Instruction	
110 General Instruction:	
112 Primary Programs:	
300 Purchased Services	4,001
400 Supplies and Materials	18,978
130 Pre-School Programs:	
139 Early Childhood Programs:	
100 Salaries	76,744
200 Employee Benefits	42,873
Total Instruction	142,596
200 Support Services	
220 Instructional Staff Services:	
224 Improvement of Instruction Inservice and Staff Training:	
300 Purchased Services	2,785
400 Supplies and Materials	17,996
600 Other Objects	474
230 General Administrative Services:	
233 School Administration:	
100 Salaries	1,230
200 Employee Benefits	380
400 Supplies and Materials	2,461
250 Finance and Operation Services:	
254 Operation and Maintenance of Plant:	
300 Purchased Services	3,041
Total Support Services	\$ 28,367

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
ENTERPRISE FUND - AFTERSCHOOL PROGRAM
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN NET POSITION (DEFICIT)
FOR THE YEAR ENDED JUNE 30, 2021**

	Actual
300 Community Services	
350 Custody and Care of Children Services:	
100 Salaries	\$ 74,729
200 Employee Benefits	38,488
300 Purchased Services	4,221
400 Supplies and Materials	18,585
Total Community Services	136,023
Total Expenditures	306,986
Excess/Deficiency of Revenues Over Expenditures	(29,087)
Total Net Position (Deficit) - Beginning of Year	(2,446,845)
Total Net Position (Deficit) - Ending of Year	\$ (2,475,932)

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**SUPPLEMENTARY SCHEDULES
REQUIRED BY THE
SOUTH CAROLINA STATE
DEPARTMENT OF EDUCATION**

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**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
LOCATION RECONCILIATION SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2021**

Location I.D.	Location Description	Education Level	Cost Type	Total Expenditures
000	Districtwide	Non-Schools	Central	\$ 73,606,198
038	Chapin High School	High School	School	14,830,375
039	Irmo High School	High School	School	17,278,531
040	Irmo Middle School	Middle School	School	11,949,541
041	Chapin Elementary School	Elementary School	School	8,630,935
042	Dutch Fork Elementary School	Elementary School	School	5,947,700
043	Irmo Elementary School	Elementary School	School	6,080,185
044	Leaphart Elementary School	Elementary School	School	6,049,664
045	Seven Oaks Elementary School	Elementary School	School	6,526,741
046	Crossroads Intermediate School	Intermediate School	School	7,627,750
047	Nursery Road Elementary School	Elementary School	School	7,585,660
048	Harbison West Elementary School	Elementary School	School	8,661,815
049	H.E. Corley Elementary School	Elementary School	School	8,196,850
050	Chapin Intermediate School	Intermediate School	School	7,383,762
051	Dutch Fork High School	High School	School	18,170,987
052	Lake Murray Elementary School	Elementary School	School	7,831,014
053	River Springs Elementary School	Elementary School	School	5,569,614
054	Dutch Fork Middle School	Middle School	School	9,453,186
055	Ballentine Elementary School	Elementary School	School	6,770,118
056	Oak Pointe Elementary School	Elementary School	School	6,991,588
057	Spring Hill High School	High School	School	10,198,276
058	Chapin Middle School	Middle School	School	8,637,654
059	New Elementary School #13	Elementary School	School	17,317,490
750	Academy For Success	Other Schools	School	1,890,506
995	Center for Advanced Technical Studies	Other Schools	School	4,312,529

Total Expenditures/Disbursements for All Funds

\$ 287,498,669

Above expenditures are reconciled to the District's Audit Statements as follows:

General Fund	\$ 196,277,170
Special Revenue Fund - Special Projects	18,383,825
Special Revenue Fund - EIA Fund	6,434,486
Special Revenue Fund - Food Service	8,413,156
Debt Service Fund	30,453,072
Capital Projects Fund	27,229,974
Proprietary Fund	306,986

Total Expenditures/Disbursements for All Funds

\$ 287,498,669

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
 DETAILED SCHEDULE OF DUE TO STATE DEPARTMENT OF EDUCATION/FEDERAL GOVERNMENT
 FOR THE YEAR ENDED JUNE 30, 2021**

<u>Program</u>	<u>Project/Grant Number</u>	<u>Revenue & Subfund Code</u>	<u>Description</u>	<u>Amount Due to SDE or Federal Government</u>	<u>Status of Amount Due To Grantors</u>
National Board Salary Supplement	EIA	332/3532	Unexpended Funds	\$ 18,889	Outstanding
Teacher Supplies (No Carryover Provision)	EIA	377/3577	Unexpended Funds	1,650	Outstanding
IDEA	SRF	203/4510	Unexpended Funds	561	Outstanding
CRF Per Pupil Funding	SRF	217/3995	Unexpended Funds	5,683	Outstanding
				<u>\$ 26,783</u>	

STATISTICAL SECTION (Unaudited)

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

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.....	128 – 134
Revenue Capacity These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.....	135 – 142
Debt Capacity These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	143 – 146
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.....	147 – 149
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.....	150 – 155

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year. This District implemented GASB Statement 63 with the fiscal year beginning July 1, 2012; therefore, schedules presenting government-wide fund balance information reflect the new fund balance terminology.

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TABLE 1

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS

(accrual basis of accounting - unaudited)

	2012	2013	2014	2015*	2016**	2017	2018***	2019****	2020	2021
Governmental activities:										
Net investment in capital assets	\$ 175,518,572	\$ 174,275,981	\$ 174,598,030	\$ 171,553,790	\$ 150,048,473	\$ 152,302,772	\$ 163,073,794	\$ 183,790,644	\$ 198,474,597	\$ 210,468,717
Restricted	6,477,810	6,934,331	4,642,905	3,583,875	13,101,641	16,984,735	19,729,707	10,730,020	11,770,036	23,451,956
Unrestricted	27,967,938	29,979,061	29,050,873	(178,291,876)	(169,132,831)	(172,480,387)	(377,452,293)	(387,789,246)	(389,134,093)	(402,947,759)
Total governmental activities	209,964,320	211,189,373	208,291,808	(3,154,211)	(5,982,717)	(3,192,880)	(194,648,792)	(193,268,582)	(178,889,460)	(169,027,086)
Business-type activities:										
Net investment in capital assets	544,780	554,085	553,912	565,844	2,925,150	2,558,825	2,271,933	-	-	-
Unrestricted	2,569,413	2,311,351	1,860,712	1,890,783	(3,447,859)	(3,605,841)	(8,584,213)	(2,311,420)	(2,446,845)	(2,475,932)
Total business-type activities	3,114,193	2,865,436	2,414,624	2,456,627	(522,709)	(1,047,016)	(6,312,280)	(2,311,420)	(2,446,845)	(2,475,932)
Primary government										
Net investment in capital assets	176,063,352	174,830,066	175,151,942	172,119,634	152,973,623	154,861,597	165,345,727	183,790,644	198,474,597	210,468,717
Restricted	6,477,810	6,934,331	4,642,905	3,583,875	13,101,641	16,984,735	19,729,707	10,730,020	11,770,036	23,451,956
Unrestricted	30,537,351	32,290,412	30,911,585	(176,401,093)	(172,580,690)	(176,086,228)	(386,036,506)	(390,100,666)	(391,580,938)	(405,423,691)
Total primary government	\$ 213,078,513	\$ 214,054,809	\$ 210,706,432	\$ (697,584)	\$ (6,505,426)	\$ (4,239,896)	\$ (200,961,072)	\$ (195,580,002)	\$ (181,336,305)	\$ (171,503,018)

Source: Records maintained by the School District Finance Department

*The district implemented GASB 68 and GASB 71 on July 1, 2014.

The cumulative effect of the change in accounting principle decreased beginning net position by \$207,070,939.

**During fiscal year 2015-16, the District restated its net position for June 30, 2015 by allocating correct portion of net pension liability to business-type activities, and making corrections to capital asset balances and compensated absences payable for both governmental and business-type activities. The cumulative effect of these corrections included an increase of net position by \$3,944,178 to the governmental activities and decrease by \$3,011,728 to the business-type activities.

***During fiscal year 2017-18, the District restated its net position for June 30, 2017 by increasing its cash balance of \$312,212 for an escrow account not reflect in the financials at year end.

The prior year's expenditures were overstated by this amount and were subsequently expensed in the current fiscal year. The effect of this correction increased the net position of the District by \$312,232.

****The district implemented GASB 75 effective July 1, 2017, resulting in a total net OPEB liability in the amount of \$204,617,788.

The cumulative effect of the change in accounting principle decreased beginning net position by \$198,179,078.

*****The district reclassified the Food Service program from a business-type activity to a governmental-type entity effective for the 2018-19 fiscal year.

This reclassification is reflected in the financial statements.

TABLE 2

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE) REVENUE
LAST TEN FISCAL YEARS**
(accrual basis of accounting - unaudited)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses										
Government activities:										
Instruction	\$ 101,998,583	\$ 108,242,761	\$ 115,863,958	\$ 124,800,258	\$ 120,506,839	\$ 127,992,580	\$ 135,172,741	\$ 127,229,632	\$ 134,277,651	\$ 144,866,989
Support service	71,146,133	74,983,257	78,213,038	79,879,481	91,001,448	85,010,739	89,069,070	110,128,101	116,540,697	124,262,434
Community service	76,339	50,377	59,029	65,869	63,034	78,703	101,009	48,594	24,515	56,171
Interest and other charges	4,312,025	9,120,703	9,782,790	8,150,714	7,265,870	6,213,712	6,165,827	7,121,552	6,159,923	6,993,915
Total governmental expenses	<u>177,533,080</u>	<u>192,397,098</u>	<u>203,918,815</u>	<u>212,896,322</u>	<u>218,837,191</u>	<u>219,295,734</u>	<u>230,508,647</u>	<u>244,527,879</u>	<u>257,002,786</u>	<u>276,179,509</u>
Business-type activities:										
Food service	7,614,547	7,843,171	8,899,748	8,886,303	8,745,796	10,156,891	8,869,617	-	-	-
After school	1,033,685	1,197,571	1,315,160	1,393,372	1,442,488	1,056,307	1,537,405	1,477,717	996,011	306,986
Total business-type expenses	<u>8,648,232</u>	<u>9,040,742</u>	<u>10,214,908</u>	<u>10,279,675</u>	<u>10,188,284</u>	<u>11,213,198</u>	<u>10,407,022</u>	<u>1,477,717</u>	<u>996,011</u>	<u>306,986</u>
Total primary government expenses	<u>186,181,312</u>	<u>201,437,840</u>	<u>214,133,723</u>	<u>223,175,997</u>	<u>229,025,475</u>	<u>230,508,932</u>	<u>240,915,669</u>	<u>246,005,596</u>	<u>257,998,797</u>	<u>276,486,495</u>
Program Revenues										
Government activities:										
Charges for services										
Instruction Services	633,584	30,864	20,206	43,311	16,401	3,839	2,350	1,648	3,162	4,149
Support Services	263,966	19,428	13,365	9,912	13,263	2,863	1,845	3,405,782	2,565,465	751,469
Community Services	-	-	-	25	9	2	2	-	-	-
Operating grants and contributions	67,207,775	73,559,278	77,171,071	79,696,829	79,547,616	85,992,887	90,902,260	101,783,326	108,659,709	115,282,993
Total governmental revenues	<u>68,105,325</u>	<u>73,609,570</u>	<u>77,204,642</u>	<u>79,750,077</u>	<u>79,577,289</u>	<u>85,999,591</u>	<u>90,906,457</u>	<u>105,190,756</u>	<u>111,228,336</u>	<u>116,038,611</u>
Business-type activities:										
Charges for services	5,327,592	5,278,078	5,535,223	5,550,294	5,147,509	5,158,902	4,894,353	1,134,491	797,358	277,899
Operating grants and contributions	3,654,464	3,534,109	3,866,388	4,309,458	4,869,015	5,201,429	5,509,028	-	-	-
Total business-type revenues	<u>8,982,056</u>	<u>8,812,187</u>	<u>9,401,611</u>	<u>9,859,752</u>	<u>10,016,524</u>	<u>10,360,331</u>	<u>10,403,381</u>	<u>1,134,491</u>	<u>797,358</u>	<u>277,899</u>
Total primary government revenues	<u>77,087,381</u>	<u>82,421,757</u>	<u>86,606,253</u>	<u>89,609,829</u>	<u>89,593,813</u>	<u>96,359,922</u>	<u>101,309,838</u>	<u>106,325,247</u>	<u>112,025,694</u>	<u>116,316,510</u>
Net (Expense) Revenue										
Total primary government net expense	<u>\$ (109,093,931)</u>	<u>\$ (119,016,083)</u>	<u>\$ (127,527,470)</u>	<u>\$ (133,566,168)</u>	<u>\$ (139,431,662)</u>	<u>\$ (134,149,010)</u>	<u>\$ (139,605,831)</u>	<u>\$ (139,680,349)</u>	<u>\$ (145,973,103)</u>	<u>\$ (160,169,985)</u>

Source: Records maintained by the School District Finance Department

TABLE 3

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
GENERAL REVENUES AND TOTAL CHANGE IN NET POSITION
LAST TEN FISCAL YEARS
 (accrual basis of accounting - unaudited)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Net (Expense)/Revenue										
Total primary government net expense	\$ (109,093,931)	\$ (119,016,083)	\$ (127,527,470)	\$ (133,566,168)	\$ (139,431,662)	\$ (134,149,010)	\$ (139,605,831)	\$ (139,680,349)	\$ (145,973,103)	\$ (160,169,985)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property taxes levied for general purposes	51,096,858	51,408,125	54,408,077	58,538,094	62,449,554	64,236,308	66,740,797	68,468,602	70,383,209	71,964,850
Property taxes levied for debt service	23,732,876	23,899,135	24,390,363	24,426,849	24,441,196	25,665,085	26,280,631	27,027,998	39,318,096	42,410,560
Payment in lieu of taxes	1,085,626	1,030,578	1,294,119	1,208,483	1,165,976	1,625,146	1,781,093	1,763,289	2,035,256	2,109,790
Unrestricted state revenue in lieu of taxes	41,932,359	42,603,890	43,083,852	43,560,260	43,941,177	44,215,110	44,676,344	45,326,074	46,275,478	47,158,361
Investment earnings	354,198	501,042	395,295	227,716	182,439	421,937	790,998	1,552,620	1,510,401	176,054
Miscellaneous	856,805	430,263	485,910	1,271,689	306,876	190,291	433,678	914,692	631,132	1,480,252
Transfers	-	-	-	-	-	(267,897)	(239,431)	-	-	-
Total governmental revenues	119,058,722	119,873,033	124,057,616	129,233,091	132,487,218	136,085,980	140,464,110	145,053,275	160,153,572	165,299,867
Business-type activities:										
Investment earnings	8,337	7,485	4,111	4,835	58,866	60,663	47,960	-	-	-
Miscellaneous	-	111,861	117,366	208,191	145,286	-	-	8,144	63,228	-
Transfers	-	-	-	-	-	267,897	239,431	-	-	-
Total business-type revenues	8,337	119,346	121,477	213,026	204,152	328,560	287,391	8,144	63,228	-
Total primary government	119,067,059	119,992,379	124,179,093	129,446,117	132,691,370	136,414,540	140,751,501	145,061,419	160,216,800	165,299,867
Change in Net Position										
Governmental activities	9,530,066	1,225,053	(2,897,565)	(4,375,080)	(6,772,684)	2,789,837	861,920	5,716,152	14,379,122	5,158,969
Business-type activities	443,062	(248,757)	(450,812)	42,003	32,392	(524,307)	283,750	(335,082)	(135,425)	(29,087)
Total primary government	\$ 9,973,128	\$ 976,296	\$ (3,348,377)	\$ (4,333,077)	\$ (6,740,292)	\$ 2,265,530	\$ 1,145,670	\$ 5,381,070	\$ 14,243,697	\$ 5,129,882

Source: Records maintained by the School District Finance Department

TABLE 4

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

(modified accrual basis of accounting - unaudited)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019****</u>	<u>2020</u>	<u>2021</u>
General Fund										
Nonspendable for Inventory	\$ 159,516	\$ 9,083	\$ 12,574	\$ 12,574	\$ 12,574	\$ 4,751	\$ 4,934	\$ 5,400	\$ 3,645	\$ 2,760
Nonspendable for Prepaid Items	2,893,816	3,118,702	712,139	788,406	1,005,634	4,283,690	1,299,021	1,005,685	1,170,720	4,928,134
Assigned for Special Purposes	4,574,852	10,749,175	7,467,714	6,800,000	7,470,385	6,976,603	2,898,273	-	2,000,000	10,804,715
Unassigned	23,115,911	19,252,097	23,971,686	26,786,336	28,584,179	27,071,193	32,453,103	39,521,963	43,344,184	35,469,778
Total General Fund	<u>\$ 30,744,095</u>	<u>\$ 33,129,057</u>	<u>\$ 32,164,113</u>	<u>\$ 34,387,316</u>	<u>\$ 37,072,772</u>	<u>\$ 38,336,237</u>	<u>\$ 36,655,331</u>	<u>\$ 40,533,048</u>	<u>\$ 46,518,549</u>	<u>\$ 51,205,387</u>
All Other Governmental Funds										
Nonspendable for Inventory - Food Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 206,775
Restricted- Special Projects	-	-	-	-	-	-	-	2,996,925	3,063,392	\$ 4,926,335
Restricted- Food Service	-	-	-	-	-	-	-	-	3,842,081	3,842,081
Restricted- Debt Service	5,715,026	7,500,378	6,509,558	5,228,679	4,640,228	5,451,625	6,003,256	6,772,925	9,800,230	15,030,658
Restricted- Building Fund	-	-	-	-	8,461,413	11,533,110	12,813,804	13,184,023	29,754,514	11,957,005
Committed- Building Fund	45,581,375	93,048,799	39,182,854	15,301,929	-	-	-	-	-	-
Assigned for Special Purposes	-	-	218,930	-	-	-	-	-	-	-
Total All Other Governmental Funds	<u>\$ 51,296,401</u>	<u>\$ 100,549,177</u>	<u>\$ 45,911,342</u>	<u>\$ 20,530,608</u>	<u>\$ 13,101,641</u>	<u>\$ 16,984,735</u>	<u>\$ 18,817,060</u>	<u>\$ 22,953,873</u>	<u>\$ 42,618,136</u>	<u>\$ 35,962,854</u>

Source: Records maintained by the School District Finance Department

****The district reclassified the Food Service program from a business-type activity to a governmental-type entity effective for the 2018-19 fiscal year. This reclassification is reflected in the financial statements.

TABLE 5

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
GOVERNMENTAL FUNDS REVENUES
LAST TEN FISCAL YEARS
(modified accrual basis of accounting - unaudited)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Local sources	\$ 77,787,518	\$ 78,404,569	\$ 81,824,431	\$ 85,064,866	\$ 89,493,199	\$ 94,178,480	\$ 97,146,924	\$ 103,488,957	\$ 116,893,261	\$ 120,229,299
State sources	102,513,220	106,307,556	108,709,486	112,210,851	111,883,766	119,854,432	124,406,632	130,747,411	136,664,371	141,630,858
Federal sources	6,537,246	9,075,000	10,761,981	10,752,713	10,238,943	8,579,347	9,398,914	15,731,877	17,316,822	18,584,590
Total revenues	<u>\$ 186,837,984</u>	<u>\$ 193,787,125</u>	<u>\$ 201,295,898</u>	<u>\$ 208,028,430</u>	<u>\$ 211,615,908</u>	<u>\$ 222,612,259</u>	<u>\$ 230,952,470</u>	<u>\$ 249,968,245</u>	<u>\$ 270,874,454</u>	<u>\$ 280,444,747</u>

Source: Records maintained by the School District Finance Department

TABLE 6

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
GOVERNMENTAL FUNDS EXPENDITURES BY FUNCTION AND DEBT SERVICE RATIOS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting - unaudited)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Instruction	\$ 96,528,377	\$ 102,390,616	\$ 107,109,102	\$ 108,507,061	\$ 110,123,458	\$ 115,560,600	\$ 118,751,391	\$ 122,986,803	\$ 128,297,869	\$ 132,349,031
Support services	64,126,752	69,059,636	72,333,714	74,627,436	74,840,186	78,981,671	82,901,879	96,461,960	106,187,995	103,690,027
Community services	76,339	50,377	59,029	65,869	57,414	70,958	88,555	48,594	24,515	56,171
Intergovernmental	75,805	54,980	268,694	239,460	264,744	188,347	216,508	1,308,176	157,147	1,950,598
Capital outlay	60,084,729	89,416,159	59,355,151	29,533,420	14,269,756	7,368,065	10,821,297	4,828,207	13,304,795	18,138,911
Debt service										
Principal	2,455,000	2,225,000	47,959,000	8,770,000	77,284,000	9,426,467	10,319,626	11,239,805	21,288,198	23,579,441
Interest and other fees	4,336,154	8,347,424	10,025,119	9,195,781	9,024,963	8,083,082	7,952,641	7,517,895	7,857,656	7,427,504
Total expenditures	<u>\$ 227,683,156</u>	<u>\$ 271,544,192</u>	<u>\$ 297,109,809</u>	<u>\$ 230,939,027</u>	<u>\$ 285,864,521</u>	<u>\$ 219,679,190</u>	<u>\$ 231,051,897</u>	<u>\$ 244,391,440</u>	<u>\$ 277,118,175</u>	<u>\$ 287,191,683</u>
Debt service as a percentage of noncapital expenditures	<u>4.0%</u>	<u>5.7%</u>	<u>24.3%</u>	<u>9.0%</u>	<u>30.9%</u>	<u>8.4%</u>	<u>8.6%</u>	<u>8.1%</u>	<u>11.5%</u>	<u>11.7%</u>

Source: Records maintained by the School District Finance Department

Note: Beginning 2012, noncapital expenditures equals total expenditures less capital outlays (from Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance of the Governmental funds to the Statement of Activities.)

TABLE 7

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
 GOVERNMENTAL FUNDS OTHER FINANCING SOURCES AND USES AND
 NET CHANGE IN FUND BALANCES
 LAST TEN FISCAL YEARS

(modified accrual basis of accounting - unaudited)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Excess of revenues over (under) expenditures	\$ (40,845,172)	\$ (77,757,067)	\$ (95,813,911)	\$ (22,910,597)	\$ (74,248,613)	\$ 2,933,069	\$ (99,427)	\$ 5,576,805	\$ (6,243,721)	\$ (6,746,936)
Other Financing Sources (Uses)										
General long-term debt issued	-	-	-	-	-	-	-	-	30,000,000	-
Premiums on bonds sold	-	-	-	-	7,456,021	151,900	90,377	-	1,839,203	-
Sale of capital assets	2,995	33,072	8,140	1,966	24,081	32,493	86,663	61,393	54,282	75,087
Other Financing Sources	-	-	-	-	-	-	1,007	-	-	-
Lease Purchases	-	2,970,000	-	-	-	2,296,994	-	-	-	-
Proceeds from long-term notes	-	126,252,185	-	-	-	-	-	-	-	-
Issurance of Refunding Debt	-	-	40,444,000	-	62,025,000	-	-	-	-	-
Transfers in	20,613,737	19,573,565	17,297,379	16,637,903	15,631,908	19,721,195	20,112,694	16,036,450	19,371,684	15,671,490
Transfers out	(20,714,638)	(19,434,017)	(17,538,387)	(16,886,803)	(15,631,908)	(19,989,092)	(20,352,125)	(16,403,327)	(19,371,684)	(15,671,490)
Total other financing sources (uses)	(97,906)	129,394,805	40,211,132	(246,934)	69,505,102	2,213,490	(61,384)	(305,484)	31,893,485	75,087
Net change in fund balances	\$ (40,943,078)	\$ 51,637,738	\$ (55,602,779)	\$ (23,157,531)	\$ (4,743,511)	\$ 5,146,559	\$ (160,811)	\$ 5,271,321	\$ 25,649,764	\$ (6,671,849)

Source: Records maintained by the School District Finance Department

TABLE 8
Page 1 of 2

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
ASSESSED VALUE AND ESTIMATED VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(unaudited)

Lexington County:

Fiscal Year	Tax Year December 31	Real Property		Personal Property		Total		Total Direct Rate	Ratio Of Total Assessed Value To Total Estimated Actual Value
		Assessed Value	Estimated Value	Assessed Value	Estimated Value	Assessed Value	Estimated Value		
2012	2011	220,046,380	4,714,594,672	68,234,275	778,824,881	288,280,655	5,493,419,553	274.47	5.2%
2013	2012	220,925,130	4,735,947,204	71,226,190	821,124,737	292,151,320	5,557,071,941	274.47	5.3%
2014	2013	222,309,960	4,771,760,716	74,403,610	836,607,381	296,713,570	5,608,368,097	281.77	5.3%
2015	2014	218,291,070	4,717,054,338	79,430,980	921,143,809	297,722,050	5,638,198,147	288.30	5.3%
2016	2015	214,676,690	4,624,830,605	80,599,160	940,202,500	295,275,850	5,565,033,105	304.00	5.3%
2017	2016	217,167,910	4,690,040,315	84,769,970	983,252,760	301,937,880	5,673,293,075	306.30	5.3%
2018	2017	222,507,660	4,804,084,343	90,539,510	1,076,360,040	313,047,170	5,880,444,383	311.70	5.3%
2019	2018	227,510,610	4,925,960,056	91,436,670	1,076,003,910	318,947,280	6,001,963,966	311.70	5.3%
2020	2019	234,169,700	5,056,062,299	91,000,200	1,102,158,240	325,169,900	6,158,220,539	332.30	5.3%
2021	2020	262,796,050	5,705,579,092	91,614,050	1,094,340,580	354,410,100	6,799,919,672	321.50	5.2%

Note: Property tax rates per \$1,000 of the assessed valuation.

Source: Lexington County Auditor's Office

TABLE 8
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SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
ASSESSED VALUE AND ESTIMATED VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(unaudited)

Richland County:

Fiscal Year	Tax Year December 31	Real Property		Personal Property		Total		Total Direct Rate	Ratio Of
		Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		Total Assessed Value To Total Estimated Actual Value
2012	2011	148,038,250	3,363,604,130	30,867,650	407,473,050	178,905,900	3,771,077,180	274.40	4.7%
2013	2012	149,209,870	3,398,316,900	34,298,412	462,019,334	183,508,282	3,860,336,234	221.90	4.8%
2014	2013	151,507,630	3,451,657,009	36,619,405	501,232,157	188,127,035	3,952,889,166	229.30	4.8%
2015	2014	143,158,920	3,225,050,100	38,851,430	533,672,468	182,010,350	3,758,722,568	235.80	4.8%
2016	2015	147,025,490	3,317,914,710	40,734,589	561,278,432	187,760,079	3,879,193,142	304.00	4.8%
2017	2016	151,399,200	3,421,280,693	42,377,120	580,420,150	193,776,320	4,001,700,843	304.00	4.8%
2018	2017	158,606,520	3,571,114,660	41,670,560	567,519,999	200,277,080	4,138,634,659	309.40	4.8%
2019	2018	163,927,800	3,689,939,590	42,934,050	580,609,937	206,861,850	4,270,549,527	309.40	4.8%
2020	2019	180,212,860	4,056,703,270	43,651,185	587,318,515	223,864,045	4,644,021,785	332.30	4.8%
2021	2020	184,298,220	4,148,925,979	45,670,684	612,945,482	229,968,904	4,761,871,461	321.50	4.8%

Note: Property tax rates per \$1,000 of the assessed valuation.

Source: Richland County Auditor's Office

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(unaudited)**

Lexington County:

Fiscal Year	Tax Year December 31	District Direct Rates			Overlapping Rates							
		General Purposes	Capital Purposes	Total	Lexington County	Recreation District	Midlands Technical College	Riverbanks Zoo	Town Of Chapin	City Of Irmo	City Of Columbia	Irmo Fire District Bond
2012	2011	221.970	52.500	274.470	88.253	16.054	4.374	1.793	11.900	-	98.100	-
2013	2012	221.970	52.500	274.470	90.759	18.604	4.374	1.793	11.505	-	98.100	2.970
2014	2013	229.270	52.500	281.770	94.296	18.604	4.374	1.893	11.505	-	98.100	2.900
2015	2014	235.800	52.500	288.300	94.746	20.604	4.374	2.393	11.505	-	98.100	2.900
2016	2015	251.500	52.500	304.000	94.441	20.604	4.353	2.088	11.505	-	96.100	2.500
2017	2016	251.500	54.800	306.300	94.973	20.604	4.353	2.088	11.505	-	96.100	1.460
2018	2017	256.900	54.800	311.700	94.689	20.604	4.353	2.088	11.505	-	98.100	17.675
2019	2018	256.900	54.800	311.700	97.160	20.604	4.353	2.088	12.884	-	98.100	18.945
2020	2019	256.900	75.400	332.300	98.348	20.604	4.353	1.000	12.884	-	93.800	19.682
2021	2020	246.100	75.400	321.500	96.661	19.932	4.172	1.000	13.070	-	93.800	19.325

Note: Property tax rates per \$1,000 of the assessed valuation.
Includes levies for operating and debt service.

Source: Lexington County Auditor's Office

As of July 1, 2007, the annual millage rate for operations (general purposes) may increase only at a rate equal to the sum of (a) the increase in the consumer price index, plus (b) the rate of population growth of the school district.

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(unaudited)

Richland County:

Fiscal Year	Tax Year December 31	District Direct Rates			Overlapping Rates					
		General Purposes	Capital Purposes	Total	Richland County	Recreation District	Midlands Technical College	Riverbanks Zoo	City Of Irmo	City Of Columbia
2012	2011	221.900	52.500	274.400	49.200	10.700	2.900	1.300	-	98.100
2013	2012	221.900	52.500	274.400	106.500	14.100	4.500	2.000	-	98.100
2014	2013	229.300	52.500	281.800	109.400	11.400	3.100	1.300	-	98.100
2015	2014	235.800	52.500	288.300	118.800	12.600	3.400	1.400	-	98.100
2016	2015	251.500	52.500	304.000	120.900	12.800	3.500	1.400	-	96.100
2017	2016	251.500	52.500	304.000	121.600	12.800	3.500	1.400	-	96.100
2018	2017	256.900	52.500	309.400	121.300	13.100	3.600	1.400	-	98.100
2019	2018	256.900	52.500	309.400	125.100	13.500	3.700	1.400	-	98.100
2020	2019	256.900	75.400	332.300	121.900	13.500	3.700	1.400	-	93.800
2021	2020	246.100	75.400	321.500	121.700	12.500	3.700	1.400	-	93.800

Note: Property tax rates per \$1,000 of the assessed valuation.
Includes levies for operating and debt service.

Source: Richland County Auditor's Office

As of July 1, 2007, the annual millage rate for operations (general purposes) may increase only at a rate equal to the sum of (a) the increase in the consumer price index, plus (b) the rate of population growth of the school district.

TABLE 10
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SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO
(unaudited)

	2021			2012		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Value
<u>Lexington Taxpayer:</u>						
Dominion Energy South Carolina	\$ 28,323,370	1	7.99%	\$ -		
Shaw Industries Group, Inc.	7,566,740	2	2.14%	6,521,220	2	2.26%
GGP Columbiana Trust	3,837,900	3	1.08%	2,988,360	4	1.04%
AT&T Mobility F/K/A Cingular	3,569,780	4	1.01%	4,101,970	3	1.42%
Blue Granite Water FKA	2,429,170	5	0.69%			0.00%
DDRTC Columbiana Station I, LLC	1,709,430	6	0.48%	1,459,650	5	0.51%
BVA Harbison Court LLC	1,642,500	7	0.46%			0.00%
North Lake Drive Apts, LLC	1,924,780	8	0.54%			0.00%
Mid-Carolina Electric Coop.	1,609,670	9	0.45%	1,380,100	9	0.48%
Columbiana Station (E & A) LLC	1,326,760	10	0.37%	1,128,950	8	0.39%
South Carolina Electric & Gas				24,197,410	1	8.39%
BVA Harbison Court LLC						0.00%
DDR MDT Harbison Court, LLC				1,194,710	6	0.41%
AVR Columbia LLC				1,485,000	7	0.52%
Wal-Mart Real Estate Business				921,490	10	0.32%
Total Assessed Value of Ten Principal Taxpayers	\$ 53,940,100		15.22%	\$ 45,378,860		15.74%
Total Assessed Value of Other Taxpayers	300,470,000		84.78%	242,901,795		84.26%
Total Assessed Value of All Taxpayers	<u>\$ 354,410,100</u>		<u>100.00%</u>	<u>\$ 288,280,655</u>		<u>100.00%</u>

Sources: Lexington County Auditor's Office
Lexington County Treasurer's Office

TABLE 10
Page 2 of 2

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO
(unaudited)

	2021			2012		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Value
<u>Richland Taxpayer:</u>						
Dominion Energy South Carolina	\$ 3,775,650	1	1.64%			
Mid-Carolina Electric Coop.	2,446,600	2	1.06%	2,031,580	1	1.14%
AVR-Lake Murray, LLC	1,814,080	3	0.79%			
1600 Marina Road, LLC	1,306,260	4	0.57%			
Lake Murray Drive Apts LLC	1,106,800	5	0.48%			
Ballentine Crossing, LLC	1,094,360	6	0.48%			
Paces Brook Apartments LP	1,051,740	7	0.46%	782,980	6	0.44%
Crestmont Apartments, LLC	830,700	8	0.36%			
EEA Wellspring, LLC	753,750	9	0.33%			
SFR JV-1 Property LLC	681,090	10	0.30%			
Bellsouth Telecommunications, Inc.				1,054,890	3	0.59%
Harpaw LLC				822,700	5	0.46%
Franklin Pineridge Associates				644,020	7	0.36%
Century Heights Partners, LLC				840,510	4	0.47%
South Carolina Electric & Gas				1,916,860	2	1.07%
Southland Log Homes				.		-
Wal-Mart Real Estate Business				582,570	8	0.33%
LHC Realty Trust				445,520	9	0.25%
Home Depot USA Inc				429,690	10	0.24%
Total Assessed Value of Ten Principal Taxpayers	14,861,030		6.46%	9,551,320		5.34%
Total Assessed Value of Other Taxpayers	215,107,874		93.54%	169,354,580		94.66%
Total Assessed Value of All Taxpayers	<u>\$ 229,968,904</u>		<u>100.00%</u>	<u>\$ 178,905,900</u>		<u>100.00%</u>

Sources: Richland County Auditor's Office
Richland County Treasurer's Office

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**
(unaudited)

Lexington County:

Fiscal Year	Tax Year December 31	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2012	2011	113,740,321	111,549,859	98.07%	2,053,374	113,603,233	99.88%
2013	2012	116,612,365	114,123,980	97.87%	2,197,464	116,321,444	99.75%
2014	2013	121,418,747	118,742,250	97.80%	2,302,466	121,044,716	99.69%
2015	2014	126,081,192	123,390,291	97.87%	2,224,171	125,614,462	99.63%
2016	2015	129,203,098	126,511,241	97.92%	2,178,583	128,689,824	99.60%
2017	2016	133,388,986	130,885,264	98.12%	1,899,160	132,784,424	99.55%
2018	2017	137,496,484	134,889,253	98.10%	1,908,910	136,798,163	99.49%
2019	2018	142,316,606	138,964,787	97.64%	2,197,781	141,162,568	99.19%
2020	2019	152,036,533	147,886,907	97.27%	2,340,456	150,227,363	98.81%
2021	2020	163,133,181	158,400,532	97.10%	-	158,400,532	97.10%

Note: Levies and Collections updated for each fiscal year as of 6/30/21 per Lexington County Treasurer's Office.

Sources: Lexington County Auditor's Office
Lexington County Treasurer's Office

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(unaudited)

Richland County:

Fiscal Year	Tax Year December 31	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2012	2011	45,074,021	43,710,463	96.97%	897,219	44,607,682	98.97%
2013	2012	46,216,599	44,651,273	96.61%	1,018,066	45,669,339	98.82%
2014	2013	47,657,973	46,316,828	97.19%	562,370	46,879,198	98.37%
2015	2014	49,471,459	48,430,437	97.90%	952,197	49,382,634	99.82%
2016	2015	52,038,893	50,488,324	97.02%	638,950	51,127,274	98.25%
2017	2016	52,932,549	51,950,725	98.15%	452,004	52,402,729	99.00%
2018	2017	54,708,568	53,232,891	97.30%	1,019,431	54,252,322	99.17%
2019	2018	56,230,247	54,122,238	96.25%	513,750	54,635,988	97.16%
2020	2019	65,221,306	62,545,763	95.90%	556,426	63,102,189	96.75%
2021	2020	65,029,216	62,471,526	96.07%	-	62,471,526	96.07%

Sources: Richland County Auditor's Office
Richland County Treasurer's Office

TABLE 12

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(unaudited)

Fiscal Year	Governmental Activities General Obligation Bonds	Lease Purchase	Total Primary Government	Percentage of Estimated Actual Value of Taxable Property	Percentage of Personal Income	Per Capita
2012	127,250,000		127,250,000	1.37%	3.65%	1,377
2013	254,018,653		254,018,653	2.70%	7.28%	2,765
2014	245,431,641 *		245,431,641 *	2.57%	7.06%	2,779
2015	235,647,636		235,647,636	2.51%	6.17%	2,554
2016	236,098,370		236,098,370	2.50%	5.72%	2,431
2017	215,789,488	1,877,527	217,667,015	2.25%	4.96%	2,193
2018	204,253,408	1,425,901	205,679,309	2.05%	4.45%	2,048
2019	191,899,887	962,639	192,862,526	1.88%	not available	not available
2020	200,845,541	487,441	201,332,982	1.86%	not available	not available
2021	175,668,610	-	175,668,610	1.60%	not available	not available

Notes: Details of the district's outstanding debt can be found in the Notes to the Basic Financial Statements.

Personal income and population data can be found in Table 16. The ratios are calculated using personal income and population for the prior calendar year.

* Correction to 6/30/14 CAFR (GASB 65)

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(unaudited)

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Less: Amounts Available in Debt Service Fund</u>	<u>Net General Bonded Debt</u>	<u>Percentage of Estimated Actual Taxable Value of Property</u>	<u>Per Capita</u>
2012	127,250,000	5,715,026	121,534,974	1.31%	1,315
2013	254,018,653	7,500,378	246,518,275	2.62%	2,684
2014	245,431,641	6,509,558	238,922,083	2.50%	2,705
2015	235,647,636	5,228,679	230,418,957	2.45%	2,373
2016	236,098,370	4,640,228	231,458,142	2.45%	2,357
2017	225,608,448	5,451,624	220,156,824	2.28%	2,218
2018	213,971,408	6,915,903 *	207,055,505	2.07%	2,062
2019	201,904,887	7,733,095 *	194,171,792	1.96%	Not available
2020	210,207,541	8,706,644 *	201,500,897	1.59%	Not available
2021	185,896,810	14,476,765 *	171,420,045	1.48%	Not available

Notes: Details of the district's outstanding debt can be found in the Notes to the Basic Financial Statements.

Population data can be found in Table 16.
The ratios are calculated using population for the prior calendar year.

The Estimated Actual Taxable Value of Property can be found in Table 8.

* Correction, GASB 34 adjustment

TABLE 14

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2021**
(unaudited)

	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable To District</u>	<u>Estimated District Share of Direct and Overlapping Debt</u>
<u>Direct:</u>			
School District Five of Lexington and Richland Counties	\$ 175,668,610	100.00%	\$ 175,668,610
Total direct debt	<u>175,668,610</u>		<u>175,668,610</u>
<u>Overlapping:</u>			
<u>Lexington County:</u>			
Lexington County	20,415,000	28.20%	5,757,030
Irmo-Chapin Recreation District	16,985,000	100.00%	16,985,000
Riverbanks Park District	29,311,000	18.20%	5,334,602
City of Columbia	138,034,319	4.10%	5,659,407
<u>Richland County:</u>			
Richland County	4,765,000	11.60%	552,740
Richland Co Recreation District	29,245,000	14.90%	4,357,505
Riverbanks Park District	29,311,000	18.20%	5,334,602
City of Columbia	<u>138,034,319</u>	4.10%	<u>5,659,407</u>
Total overlapping debt	<u>406,100,638</u>		<u>49,640,293</u>
Total direct and overlapping debt	<u>\$ 581,769,248</u>		<u>\$ 225,308,903</u>

Sources: Lexington County Treasurer's Office
Richland County Treasurer's Office

The percentage of overlapping debt applicable is estimated using taxable property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that is within the district's boundaries and dividing it by each unit's total taxable value.

TABLE 15

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS**
(unaudited)

Legal Debt Margin Calculation For Fiscal Year 2021

Assessed Value	<u>\$ 584,379,004</u>
Debt limit (8% of assessed value)	46,750,320
Debt applicable to limit*	<u>20,823,200</u>
Legal debt margin	<u>\$ 25,927,120</u>

	2012	2013	2014	2015	2016	2017	2019	2020	2021
Debt limit	\$ 37,374,924	\$ 38,052,768	\$ 38,787,248	\$ 38,378,592	\$ 38,642,874	\$ 39,657,136	\$ 42,064,730	\$ 43,922,716	\$ 46,750,321
Total net debt applicable to limit	<u>15,183,300</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,550,000</u>	<u>9,819,000</u>	<u>10,005,000</u>	<u>30,292,000</u>	<u>20,823,200</u>
Legal debt margin	<u>\$ 22,191,624</u>	<u>\$ 38,052,768</u>	<u>\$ 38,787,248</u>	<u>\$ 38,378,592</u>	<u>\$ 29,092,874</u>	<u>\$ 29,838,136</u>	<u>\$ 32,059,730</u>	<u>\$ 13,630,716</u>	<u>\$ 25,927,121</u>
Total net debt applicable to the limit as a percentage of debt limit	<u>40.62%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>24.71%</u>	<u>24.76%</u>	<u>23.78%</u>	<u>68.97%</u>	<u>44.54%</u>

Article X, Section 14 of the Constitution of the State of South Carolina, empowers each school district of the State to incur general obligation debt in such manner and upon such terms and conditions as the General Assembly shall prescribe by law. After November 30, 1977, each school district may incur general obligation debt, without an election and upon such terms and conditions as the General Assembly may prescribe, in an amount not exceeding 8 percent of the assessed value of all taxable property of such school district. Bonded indebtedness existing on November 30, 1977, and bonded indebtedness authorized by a majority vote of the qualified electors of the School District voting in a referendum will not be considered in the computation of the 8 percent limitation.

*Note: Debt applicable to limit of \$20,823,200 represents the District's short-term SCAGO general obligation bonds in the amount of \$10,228,200 and Regions general obligation bonds in the amount of \$10,595,000 payable as of June 30, 2021. All other long-term general obligation bonds are referendum debt and are not applicable to the legal debt margin calculation.

Sources: Lexington County Auditor's Office
Richland County Auditor's Office

TABLE 16

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
 DEMOGRAPHIC AND ECONOMIC STATISTICS
 LAST TEN FISCAL YEARS
 (unaudited)**

<u>Fiscal Year</u>	<u>Calendar Year</u>	<u>Estimated Population</u>	<u>Personal Income (thousands of dollars)</u>	<u>Per Capita Personal Income Lexington County</u>	<u>Per Capita Personal Income Richland County</u>	<u>Unemployment Rate Lexington County</u>	<u>Unemployment Rate Richland County</u>
2012	2011	92,401	3,306,015	35,211	36,347	7.8%	9.2%
2013	2012	91,853	3,463,731	37,224	38,195	6.9%	8.4%
2014	2013	88,313	3,477,148	39,935	38,811	4.8%	6.0%
2015	2014	92,800	3,841,410	41,764	41,025	5.3%	6.4%
2016	2015	97,101	4,131,065	42,843	42,245	4.7%	5.6%
2017	2016	98,184	4,337,769	44,497	43,863	3.6%	4.2%
2018	2017	99,248	4,567,492	46,513	45,529	3.1%	3.7%
2019	2018	100,406	not available	47,992	47,299	3.0%	3.6%
2020	2019	not available	not available	not available	not available	6.5%	8.7%
2021	2020	not available	not available	not available	not available	3.5%	4.6%

Sources: South Carolina Revenue and Fiscal Affairs Office
 South Carolina Employment Security Commission, Labor Market Information Division
 Records maintained by the School District Finance Department
 2011 Estimated Population from Proximity - Demographic - Economic 2010 Census
 2012 & 2013 Estimated Population from Proximityone.com - ACS 2012 General Demographics
 2012 Per Capita Personal Income - SC Department of Commerce Labor Profile

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SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
(unaudited)

	2021			2012		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
<u>Lexington Employer:</u>						
Lexington Medical Center	7,893	1	5.38%			
Dominion Energy (formerly SCANA)	3,066	2	2.09%	1,000	4	0.78%
Amazon.com	2,500	3	1.71%	1,000	4	0.78%
Michelin North America Inc.(US #5)	1,470	4	1.00%			
UPS	1,329	5	0.91%	1,425	3	1.12%
Nephron Pharmaceuticals	1,135	6	0.77%			
Spectrum	1,076	7	0.73%			
Michelin North America Inc.(US #7)	770	8	0.53%	1,835	2	1.44%
HireRight	700	9	0.48%			
Walter P. Rawl & Sons, Inc.	650	10	0.44%			
Flextronics				600	7	0.47%
Walmart Stores				2,010	1	1.58%
Allied Air Enterprises Inc.				500	10	0.39%
DHL Global Forwarding North America				519	9	0.41%
Prysmian Power Cables & Systems USA				650	6	0.51%
Harsco Track Technologies				560	8	0.44%
	<u>20,589</u>		<u>14.04%</u>	<u>10,099</u>		<u>7.92%</u>

2021 Top Employers from Central Alliance website at www.centralsc.org

2021 Total Employment from Bureau of Labor Statistics, SC Dept of Employment & Workforce

2012 Data from Department of Commerce

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SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
(unaudited)

	2021			2012		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
<u>Richland Employer:</u>						
Prisma Health Midlands	15,000	1	7.86%			
Blue Cross Blue Shield of SC	10,597	2	5.55%	6,900	1	3.95%
AT&T South Carolina	2,100	3	1.10%			
Providence Health	1,625	4	0.85%			
TRANE - Columbia Center of Excellence	1,345	5	0.70%			
Colonial Life & Accident Insurance	1,300	6	0.68%	1,100	7	0.63%
Palmetto GBA	1,300	6	0.68%	1,900	3	1.09%
Allied Universal Security	1,200	7	0.63%			
Westinghouse Electric Company	1,093	8	0.57%	1,300	6	0.74%
Teleperformance (TPUSA)	1,000	9	0.52%			
Wells Fargo Bank	800	10	0.42%			
First Citizens Bancorporation, Inc				1,588	4	0.91%
Verizon Communications				1,500	5	0.86%
Humana Military Healthcare/TriCare				2,210	2	1.27%
Computer Sciences Corp World Sourcing Services				1,100	8	0.63%
Wilbur Smith Associates				925	9	0.53%
International Paper				726	10	0.42%
	<u>37,360</u>		<u>19.56%</u>	<u>19,249</u>		<u>11.03%</u>

2021 Top Employers from Central Alliance website at www.centralsc.org

2021 Total Employment from Bureau of Labor Statistics, SC Dept of Employment & Workforce

2012 Data from Department of Commerce

TABLE 18

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
FULL-TIME-EQUIVALENTS PERSONNEL ALLOCATIONS BY TYPE
LAST TEN FISCAL YEARS
(unaudited)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
School Allocations:										
Teachers	1,175.52	1,203.55	1,245.00	1,271.00	1,261.31	1,274.40	1,270.60	1,264.93	1,284.99	1,308.52
Guidance	46.50	46.50	21.00	50.00	49.60	50.10	50.30	61.80	64.50	64.00
Media specialists	24.00	24.00	19.00	21.00	22.00	21.00	21.00	20.00	21.00	21.00
Psychologists and social workers	27.00	27.00	22.00	26.00	27.50	25.90	26.81	26.81	26.35	27.60
Speech therapists	31.00	31.00	32.00	28.00	30.20	31.30	32.30	32.30	34.30	33.50
Nurses, occupational and physical therapists	37.00	37.00	29.00	40.00	35.25	34.80	37.30	38.80	36.50	40.40
Secretaries, bookkeepers, and receptionists	113.00	116.00	139.00	151.00	130.00	127.00	132.50	126.00	127.33	132.00
Teacher assistants and media assistants	292.92	296.92	300.00	289.00	296.68	317.42	307.19	301.39	302.35	309.35
Food service personnel and cafeteria monitors	143.58	143.58	149.00	146.00	129.71	132.73	122.70	116.49	118.14	102.85
Custodians, maintenance and transportation	271.42	272.42	272.00	233.00	277.23	291.08	290.97	285.84	294.15	284.06
Technology services and other specialized	6.00	12.00	17.00	10.00	5.00	5.00	-	1.00	-	-
Principal/assistant and principal/coordinators	69.84	71.84	83.00	79.00	76.50	73.00	76.00	74.00	74.00	84.00
Total	2,237.78	2,281.81	2,328.00	2,344.00	2,340.98	2,383.73	2,367.67	2,349.36	2,383.61	2,407.28
District Office Allocations:										
Superintendent	2.00	2.00	2.00	2.00	2.00	2.00	4.00	3.00	2.00	2.00
Instruction	37.50	37.50	35.00	33.00	29.50	33.00	34.00	35.00	34.00	33.90
Human resources services	7.80	7.80	10.00	11.00	10.40	10.40	10.50	10.50	10.00	10.00
Financial services	30.00	30.00	33.00	15.00	30.73	17.00	17.00	17.00	18.00	17.00
Community services	4.73	5.73	10.00	26.00	25.75	27.75	28.18	26.75	28.50	29.25
Technology	15.00	15.00	28.00	18.00	18.00	22.00	23.00	24.00	25.00	25.00
Facilities/Maintenance	20.00	20.00	24.00	25.00	19.00	23.00	23.00	22.00	22.25	22.00
Total	117.03	118.03	142.00	130.00	135.38	135.15	139.68	138.25	139.75	139.15
Total	2,354.81	2,399.84	2,470.00	2,474.00	2,476.36	2,518.88	2,507.35	2,487.61	2,523.36	2,546.43

Source: Records maintained by the School District Human Resources Department

TABLE 19

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
OPERATING STATISTICS
LAST TEN FISCAL YEARS
(unaudited)**

<u>Fiscal Year</u>	<u>Enrollment</u>	<u>Operating Expenditures</u>	<u>Cost per Pupil</u>	<u>Percentage Change</u>	<u>Expenses</u>	<u>Cost per Pupil</u>	<u>Percentage Change</u>	<u>Teaching Staff</u>	<u>Pupil-Teacher Ratio</u>	<u>Percentage of Students Receiving Free or Reduced -Price Meals</u>
2012	16,339	160,807,273	9,842	-1.15%	186,181,312	11,395	2.52%	1,176	13.9	34.7%
2013	16,238	171,555,609	10,565	7.35%	201,437,840	12,405	8.87%	1,204	13.5	34.0%
2014	16,321	179,770,539	11,015	4.26%	214,133,723	13,120	5.76%	1,245	13.1	36.3%
2015	16,463	183,439,826	11,143	1.16%	223,175,997	13,556	3.32%	1,271	13.0	34.7%
2016	16,622	185,285,802	11,147	0.04%	229,025,475	13,778	1.64%	1,261	13.2	34.5%
2017	16,822	194,801,576	11,580	3.89%	230,508,932	13,703	-0.55%	1,274	13.2	30.1%
2018	16,724	201,958,333	12,076	4.28%	240,915,669	14,405	5.13%	1,271	13.2	35.7%
2019	16,899	220,805,533	13,066	8.20%	246,005,596	14,557	1.06%	1,265	13.4	37.4%
2020	16,976	234,667,526	13,823	5.80%	257,998,797	15,198	4.40%	1,285	13.2	42.1%
2021	16,444	238,045,827	14,476	4.72%	276,486,495	16,814	10.63%	1,309	12.6	100.0%

Source: Records maintained by the School District Finance Department

Operating expenditures are total expenditures less debt service and capital outlays from Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.

Expenses are total expenses from Statement of Activities.
N/A = Not available

TABLE 20**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
TEACHER BASE SALARIES
LAST TEN FISCAL YEARS
(unaudited)**

<u>Fiscal Year</u>	<u>Minimum Salary</u>	<u>Maximum Salary</u>	<u>Statewide Average Salary</u>
2012	32,406	72,256	47,428
2013	33,054	73,701	47,428
2014	33,054	73,701	48,430
2015	33,054	73,701	48,561
2016	33,054	73,701	48,469
2017	33,715	75,175	50,050
2018	33,715	75,175	50,182
2019	34,389	76,679	50,882
2020	38,746	79,746	53,329
2021	38,746	79,746	53,185

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SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
(unaudited)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
School										
Elementary										
Ballentine Elementary (2002)										
Square feet	106,731	106,731	106,731	106,731	106,731	106,731	106,731	106,731	106,731	106,731
Capacity	819	819	819	819	819	819	819	819	819	819
Enrollment	752	720	718	716	668	623	585	617	678	641
Chapin Elementary (1977)										
Square feet	131,950	131,950	131,950	131,950	131,950	131,950	131,950	131,950	131,950	131,950
Capacity	916	916	916	916	916	916	916	916	916	916
Enrollment	811	820	854	843	686	651	663	786	779	793
Dutch Fork Elementary (1953)										
Square feet	95,182	95,182	95,182	95,182	95,182	95,182	95,182	95,182	95,182	95,182
Capacity	657	657	657	657	657	657	657	657	657	657
Enrollment	519	514	511	504	498	506	462	495	481	443
H. E. Corley Elementary (1990)										
Square feet	105,944	105,944	105,944	105,944	105,944	105,944	105,944	105,944	105,944	105,944
Capacity	733	733	733	733	733	733	733	733	733	733
Enrollment	514	511	467	486	486	495	476	479	505	460
Harbison West Elementary (1982)										
Square feet	115,000	115,000	115,000	115,000	115,000	115,000	115,000	115,000	115,000	115,000
Capacity	710	710	710	710	710	710	710	710	710	710
Enrollment	502	479	487	518	559	592	579	551	543	503
Irmo Elementary (1933)										
Square feet	121,000	121,000	121,000	121,000	121,000	121,000	121,000	121,000	121,000	121,000
Capacity	640	640	640	640	640	640	640	640	640	640
Enrollment	468	511	478	474	505	486	524	520	538	527
Lake Murray Elementary (1997)										
Square feet	102,842	102,842	102,842	102,842	102,842	102,842	102,842	102,842	102,842	102,842
Capacity	849	849	849	849	849	849	849	849	849	849
Enrollment	847	874	926	992	872	994	966	916	933	903
Leaphart Elementary (1975)										
Square feet	120,500	120,500	120,500	120,500	120,500	120,500	120,500	120,500	120,500	120,500
Capacity	814	814	814	814	814	814	814	814	814	814
Enrollment	430	429	452	432	435	427	459	461	465	424
Nursery Road Elementary (1980)										
Square feet	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000
Capacity	777	777	777	777	777	777	777	777	777	777
Enrollment	519	491	477	454	401	418	421	419	416	397

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SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
(unaudited)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
School										
Elementary (Continued)										
Oak Pointe Elementary (2007)										
Square feet	110,396	110,396	110,396	110,396	110,396	110,396	110,396	110,396	110,396	110,396
Capacity	756	756	756	756	756	756	756	756	756	756
Enrollment	647	645	627	636	635	615	615	573	557	523
River Springs Elementary (1997)										
Square feet	99,899	99,899	99,899	99,899	99,899	99,899	99,899	99,899	99,899	99,899
Capacity	925	925	925	925	925	925	925	925	925	925
Enrollment	641	633	598	568	556	541	520	489	479	443
Seven Oaks Elementary (1966)										
Square feet	103,756	103,756	103,756	103,756	103,756	103,756	103,756	103,756	103,756	103,756
Capacity	640	640	640	640	640	640	640	640	640	640
Enrollment	465	438	486	534	588	593	542	517	505	441
Middle										
Chapin Intermediate (1991)										
<3> Square feet	177,433	177,433	177,433	177,433	177,433	177,433	177,433	177,433	177,433	177,433
Capacity	1,018	1,018	1,018	1,018	1,018	1,018	1,018	1,018	1,018	1,018
Enrollment	1,103	1,121	1,111	1,172	718	759	852	867	794	803
Chapin Middle (2015)										
Square feet					122,000	122,000	122,000	122,000	122,000	122,000
Capacity					1,200	1,200	1,200	1,200	1,200	1,200
Enrollment					808	866	842	903	1,008	976
Cross Roads Intermediate (1971)										
Square feet	148,194	148,194	148,194	148,194	148,194	148,194	148,194	148,194	148,194	148,194
Capacity	1,098	1,098	1,098	1,098	1,098	1,098	1,098	1,098	1,098	1,098
Enrollment	988	946	943	917	793	803	745	823	727	708
Dutch Fork Middle (1998)										
Square feet	142,901	142,901	142,901	142,901	142,901	142,901	142,901	142,901	142,901	142,901
Capacity	1,149	1,149	1,149	1,149	1,149	1,149	1,149	1,149	1,149	1,149
Enrollment	1,054	1,045	1,092	1,089	1,061	1,034	1,067	1,031	1,017	971
Irmo Middle (1977)										
Square feet	233,000	233,000	233,000	233,000	233,000	233,000	233,000	233,000	233,000	233,000
Capacity	1,181	1,181	1,181	1,181	1,181	1,181	1,181	1,181	1,181	1,181
Enrollment	879	909	897	843	926	891	891	920	1,016	966

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
(unaudited)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
School										
High										
Chapin High (1971)										
Square feet	187,288	187,288	252,288	375,500	375,500	375,500	375,500	375,500	375,500	375,500
Capacity	1,239	1,239	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700
Enrollment	1,341	1,346	1,206	1,152	1,238	1,315	1,371	1,475	1,484	1,542
Dutch Fork High (1993)										
Square feet	316,788	316,788	316,788	368,788	368,788	368,788	368,788	368,788	368,788	368,788
Capacity	2,207	2,207	2,207	2,207	2,207	2,207	2,207	2,207	2,207	2,207
Enrollment	2,031	2,097	1,894	1,833	1,766	1,708	1,754	1,698	1,684	1,641
Irmo High (1964)										
Square feet	343,121	343,121	343,121	396,121	396,121	396,121	396,121	396,121	396,121	396,121
Capacity	2,141	2,141	2,141	2,141	2,141	2,141	2,141	2,141	2,141	2,141
Enrollment	1,829	1,707	1,540	1,508	1,436	1,413	1,344	1,302	1,252	1,206
Center for Advanced Technical Studies (2012)										
Square feet		115,000	115,000	115,000	115,000	115,000	115,000	115,000	115,000	115,000
Capacity		1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
<1> Enrollment										
Spring Hill High School (2013)										
Square feet			287,000	287,000	287,000	287,000	287,000	287,000	287,000	287,000
Capacity			1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700
Enrollment			556	792	987	1,092	1,046	1,057	1,118	1,133
Other										
Academy for Success (1955)										
Square feet	20,961	20,961	20,961	20,961	20,961	20,961	20,961	20,961	20,961	20,961
Capacity	99	99	99	99	99	99	99	99	99	99
<2> Enrollment	127	95	0	0	0	0	0	0	0	0

Source: Records maintained by the School District

Note: Capacity stated as Core Capacity as developed by the Southern Management Group, Columbia, SC

2010 - Capacity is "current as-used program capacity" as reported in District and School Level Program Capacity Study prepared by H. Dale Holden & Associates.

Enrollment as of the 135-day Average Daily Attendance report

<1> Students enrolled in programs at this facility are included in their home-based school.

<2> Facility is no longer used for instructional purposes. This program is housed at Spring Hill High School beginning with the 13/14 school year.

<3> Facility was site of Chapin Middle School until the fiscal year 2015-16. Chapin Intermediate includes only 5th and 6th grades. Chapin Middle School includes only 7th and 8th grades beginning with the 15-16 school year.

	16,463	16,622	16,822	16,724	16,899	16,979	16,444
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SINGLE AUDIT SECTION

The following information is related to the annual single audit including the schedule of expenditures of federal awards, findings and recommendations, and auditor's reports on internal control and compliance with applicable laws and regulations.

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

Honorable Board Chair and Members of
the Board of Trustees of
School District Five of Lexington and Richland Counties
Irmo, 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, and each major fund of School District Five of Lexington and Richland Counties (“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 November 29, 2021.

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) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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.

Burkett Burkett & Burkett

Burkett Burkett & Burkett
Certified Public Accountants, P.A.
West Columbia, South Carolina
November 29, 2021



Certified Public Accountants, P.A.

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

Honorable Board Chair and Members of
the Board of Trustees of
School District Five of Lexington and Richland Counties
Irmo, South Carolina

Report on Compliance for the Major Federal Program

We have audited School District Five of Lexington and Richland Counties (“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 the School District’s major federal program for the year ended June 30, 2021. The School District’s major federal program is 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 the School District’s major federal program 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 the major federal program. However, our audit does not provide a legal determination of the School District’s compliance.

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Opinion on the 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 its major federal program 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 the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the 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.

Burkett Burkett & Burkett

Burkett Burkett & Burkett
Certified Public Accountants, P.A.
West Columbia, South Carolina
November 29, 2021

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021**

LEA Subfund Fund Code	Federal Grantor Pass-Through Grantor Program Title	Federal CFDA Number	Pass- Through Grantor's Number	Total Expenditures
U. S. Department of Education				
Pass-Through S.C. Department of Education:				
203	Handicapped Disabilities Act	84.027	H63010100920 & ESY	\$ 348,756
204	Handicapped Disabilities Act	84.027	H63010100921	2,816,479
204	Handicapped Disabilities Act	84.027	H63010100919	187,865
205	Special Education - Preschool Grants	84.173	H63010100820	11,510
206	Special Education - Preschool Grants	84.173	H63010100819	6,992
206	Special Education - Preschool Grants	84.173	H63010100821	157,863
	<i>Special Education (IDEA) Cluster</i>			<u>3,529,465</u>
201	Title I Regular	84.010	H63010100120	139,455
201	Title I Regular	84.010	H63010100121	1,804,376
237	Targeted School Improvement	84.010A	H63010100119	79,168
237	Targeted School Improvement	84.010A	H63010100120	116,858
238	Title I Comprehensive School Improvement	84.010A	H63010100119	37,794
239	Title I Comprehensive School Improvement	84.010A	H63010100120	98,273
	<i>Title I Part A Cluster</i>			<u>2,275,924</u>
210	Title IV SSAE	84.424A	H63010100319	46,282
210	Title IV SSAE	84.424A	H63010100320	138,954
210	Title IV SSAE	84.424A	H63010100321	33,731
207	Career and Technical Education - Basic Grants to States	84.048	H63010107121	53,348
207	Career and Technical Education - Basic Grants to States	84.048	H63010107120	110,817
224	21st Century Community Learning Centers	84.287	H63010006920	13,089
232	McKinney Vento Homeless Assistance	84.196A	H63010108921	21,659
232	McKinney Vento Homeless Assistance	84.196A	H63010108920	24,249
232	McKinney Vento Homeless Assistance	84.196A	H63010108919	18,516
243	Adult Education Federal Grant Program	84.002	H63010101021	55,666
243	Adult Education Federal Grant Program - Civics	84.002	H63010101021	25,284
243	Adult Education Federal Grant Program - Generational Family Services	84.002	H63010101021	30,000
243	Adult Education Federal Grant Program - Reverted	84.002	H63010101019	3,778
264	Title III - English Language Acquisition	84.365A	H63010006720	22,812
264	Title III - English Language Acquisition	84.365A	H63010006719	6,351
267	Title II Part A - Improving Teacher Quality	84.367	H63010006821	64,876
267	Title II Part A - Improving Teacher Quality	84.367	H63010006820	143,154
220	COVID-19 Education Stabilization Fund	84.425D	H63010497520	50,000
225	COVID-19 Education Stabilization Fund II	84.425D	H63010497522	28,805
				<u>891,371</u>
804	Direct Programs: MSAP Grant - Discover Five	84.165A	N/A	<u>2,247,619</u>
Total U. S. Department of Education				<u>8,944,379</u>
U. S. Department of Agriculture				
Child Nutrition Cluster: Pass-Through S.C. Department of Education:				
Non-Cash Assistance (Commodities):				
600	** National School Lunch Program	10.555	N/A	620,801
Cash Assistance				
600	** School Breakfast Program	10.553	N/A	2,270,809
600	** National School Lunch Program	10.555	N/A	5,749,764
	<i>Total Child Nutrition Cluster</i>			<u>8,641,374</u>
600	Fresh Fruit and Vegetable Program	10.582	N/A	<u>34,836</u>
Total U.S. Department of Agriculture				<u>8,676,210</u>

(Continued)

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021**

LEA Subfund Fund Code	Federal Grantor Pass-Through Grantor Program Title	Federal CFDA Number	Pass- Through Grantor's Number	Total Expenditures
U.S. Department of Defense				
Direct Programs:				
831	Navy JROTC	12.000	N/A	82,350
832	Air Force JROTC	12.000	N/A	136,004
Total U.S. Department of Defense				<u>218,354</u>
U.S. Department of Health and Human Services				
Pass-Through S.C. Department of Education:				
838	Youth Risk Behavior Surveys	93.079	N/A	272
Total U.S. Department of Health and Human Services				<u>272</u>
Total Federal Awards Expended				<u><u>\$ 17,839,215</u></u>

** Denotes Major Program

Notes

(1) Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of School District Five of Lexington and Richland Counties under programs of the federal government for the year ended June 30, 2020. The information in this schedule is presented in accordance with the requirements of the Office of Management and Budget's (OMB) Uniform Guidance. Because the schedule presents only a selection portion of the operations of School District Five of Lexington and Richland Counties, it is not intended to and does not present the financial position, changes in net assets, or cash flows of School District Five of Lexington and Richland Counties.

(2) Summary of Significant Accounting Policies

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Uniform Guidance wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available. Also, the District has not elected to use the 10% de minimus indirect cost rate.

(3) Reconciliation of SEFA to Financial Statements:

Federal Assistance:

Government Funds	\$ 18,584,590
Total Federal Assistance Per Financial Statements	18,584,590
Less: Federal Interest Subsidy - Debt Service Fund	<u>(745,375)</u>
Total Federal Assistance Per SEFA	<u>\$ 17,839,215</u>

ARRA 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.

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2021**

Part I Summary of Auditor's Results

Financial Statements

Type of Auditor's Report Issued: Unmodified

Internal Control Over Financial Reporting:

Material Weakness(es) Identified? ___ Yes X No

Significant Deficiencies Identified That Are Not
Considered to Be Material Weaknesses ___ Yes X None Reported

Noncompliance Material to Financial Statements Noted ___ Yes X No

Federal Awards

Internal Control Over Major Federal Programs:

Material Weakness(es) Identified? ___ Yes X No

Significant Deficiencies Identified That Are Not
Considered to Be Material Weaknesses ___ Yes X None Reported

Type of Auditor's Report Issued on Compliance for Major
Federal Programs: Unmodified

Programs Tested as Major Programs:

<u>Program:</u>	<u>CFDA #</u>
Child Nutrition Cluster	10.553, 10.555

Dollar Threshold used to Distinguish Between
Type A and Type B Programs \$750,000

Auditee Qualify as a Low-Risk Auditee? X Yes ___ No

Any Audit Findings Disclosed That are Required To Be
Reported in Accordance With Government Auditing
Standards 2 CFR 200.516(a) ___ Yes X No

Part II Findings - Financial Statements Audit

None

Part III Findings and Questioned Costs – Major Federal Award Programs Audit

None

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2021**

Part II Findings - Financial Statements Audit

None

Part III Findings and Questioned Costs – Major Federal Award Programs Audit

None