SCHOOL DISTRICT FIVE
OF LEXINGTON AND RICHLAND COUNTIES
IRMO, SOUTH CAROLINA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED JUNE 30, 2013

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OF LEXINGTON AND RICHLAND COUNTIES
IRMO, SOUTH CAROLINA

COMPREHENSIVE
ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2013



Prepared By
Division of Financial Services
School District Five of Lexington and Richland Counties

Donna M. Patten, CPA
Director of Finance

Dr. Karl E. Fulmer
Chief Financial Officer

Dr. Stephen Hefner
Superintendent

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INTRODUCTORY SECTION



November 11, 2013

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 Comprehensive Annual Financial Report (CAFR) of School District Five of Lexington and Richland Counties (the District) for the fiscal year ended June 30, 2013.

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 comprehensive annual 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 auditors' 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 Derrick, Stubbs & Stith, L.L.P., Certified Public Accountants, a firm of licensed certified public accountants. 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, 2013, 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 unqualified opinion that School District Five of Lexington and Richland Counties' financial statements for the fiscal year ended June 30, 2013, 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 comprehensive annual 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. 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. In 2010, the total population in the District was estimated at 91,018. The 2010 estimated populations of Richland County and Lexington County were 384,501 and 262,394, respectively.

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 twelve elementary schools, four middle schools, four high schools, a career and technology center, and an alternative learning academy that serve students located in the District. Table 21 in the Statistical Section gives additional data about the size, capacity, and age of each school.

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. Four trustees represent the portion of the District located within Lexington County, and they are

required to be residents of Lexington County and elected by the registered voters therein. Three trustees are required to be residents of the portion of the District located within Richland County, and they are elected by the registered voters therein. Each trustee is elected to a four-year term. 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 curricular with high expectations for learning that develop productive citizens who can solve problems and contribute to a global society.*

In fiscal year 2012-2013, the District provided comprehensive educational services for 16,238 students: pre-kindergarten through grade twelve. These educational services range from child development (3 and 4 year olds) to a full program of basic and continuing education for adults. Included in the programs are: academically gifted and talented classes for students in grades three through twelve; a school-wide math and engineering magnet program located at Leaphart Elementary School; an academically talented magnet program located at Harbison West Elementary School; accelerated honors level and Advanced Placement courses; an International Baccalaureate (IB) Programme (diploma) located at Irmo High School; A STEM Academy housed at Dutch Fork High School; 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 offer career and technology courses as well as a new career and technology center (The Center for Advanced Technical Studies) that opened in August 2012. 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. This annual budget for the general fund serves as the foundation for the District's financial planning and control. All schools and departments of the District are required to submit requests for appropriations to the District's management by the last day of February each year. This process incorporates input and requests from principals, parents, students, administrators, teachers, supervisors, and community members. Once assembled, the requests are used to begin the development of a proposed budget after each school and department has had an opportunity to justify their requested appropriations with management. The District's management then presents the proposed budget to the Board for study and review during the months of April, May, and June. The Board conducts three 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.

The Board authorizes 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.

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 consists of Richland County and Lexington County. The 2010 estimated populations of Richland County and Lexington County were 384,501 and 262,394, respectively. In 2010, the total population in School District Five of Lexington and Richland Counties was estimated at 91,018. In June of 2003, the Columbia MSA was expanded to include Calhoun, Fairfield, Kershaw, and Saluda Counties. The District is a suburban school district located near the City of Columbia, the State Capital and largest city in the state.

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 Columbiana Mall 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 mall area. Growth continues away from the mall area along Dutch Fork Road. A new Walmart Supercenter, Tractor Supply, and Sonic are located in the area. In addition to those businesses on Dutch Fork Road, a new McDonalds and Chick-Fil-A have also opened. The most recent retail business to open, San Jose Mexican Restaurant, was completed in June 2012 across the street from McDonalds. A new medical facility is currently under construction located just off of the

intersection of Interstate 26 and Lake Murray Boulevard near the center of the District. To support this facility, preparations are underway for additional medical offices that will be built across Board River Road from the District's central offices.

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 Michelin North America, Inc., United Parcel Service, Amazon.com, Inc., House of Raeford Farms, General Information Systems, CMC Steel, Prysmian Power Cables & Systems USA, Flextronics International, Harsco Track Technologies, and DHL Global Forwarding North America. Included among the larger corporate enterprises in Richland County are BlueCross BlueShield of SC, Computer Sciences Corporation, Consolidated Systems, International Paper, Verizon Wireless, Westinghouse Electric Co. LLC, PurePower Technologies, Schneider Electric, and FN Manufacturing.

Based on information from the South Carolina Department of Commerce, the total announced capital investments for new and expanded industry that they were instrumental in bringing to Lexington and Richland Counties from 2005 through July 2011, totaled approximately $1,095,801,974 for Lexington County and approximately $867,676,265 for Richland County. Based on these recent projections and the additional job opportunities these investments create, long-term economic growth is expected to continue for the foreseeable future in Lexington and Richland Counties and the District.

Median family income statistics for Lexington and Richland Counties are available only as combined figures for the Columbia Metropolitan Statistical Area (MSA) made up of Lexington, Richland, Calhoun, Fairfield, and Saluda Counties. The median family income for the MSA for 2009, the last year available, was $62,100. Per capita personal income for 2010, the last year available, was $34,456 for Lexington County and $35,266 for Richland County. The state per capita income for this same period was $32,462, and in the United States was $39,937. The unemployment rate for Lexington County for 2012 was 6.9 percent and for Richland County was 8.4 percent. The state and national unemployment rates for the same period were 9.1 percent and 8.1 percent, respectively.

Long-term financial planning. Over the last ten years, student enrollment in the District has remained stable, but is expected to begin growing as the economy and housing markets recover. In order to accommodate future growth and to eliminate the use of most portable classrooms, the District is adding a new additional high school, a new middle school, and renovating a number of the District's existing facilities. In order to accomplish this, citizens of the District approved a $243.6 million bond referendum in November 2008. These bonds are being financed with the addition of 3.5 mills of taxes added to the District's debt service levy, effective on property tax bills issued for calendar year 2009. The current debt service levy for the District is 52.5 mills. Richland and Lexington Counties continue to levy an additional one-cent tax which gives taxpayers a credit on their property tax bills.

On June 30, 2013, the District had $251,048,653 outstanding in general obligation bonds. Of this amount $115,655,000 in general obligation bonds were identified as Series 2012B and issued on September 11, 2012. In addition to the general obligation bonds, the district entered into an equipment acquisition lease of $2,970,000 on June 20, 2013, to fund the first phase of the new technology plan.

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.

In August 2012, the District's senior management presented information to both Moody's and Standard & Poor's for a ratings review. Following that review, the District was granted a rating of Aa1 and AA, respectively by these rating agencies.

The South Carolina General Assembly passed Act 388 in 2006 to become effective for school districts in July 2007. Act 388 limited the amount a school district can increase local millage each year for operational purposes to a rate equal to the sum of the increases in the consumer price index plus the rate of population growth in the District. The Board of Trustees can override this limitation contained in Act 388 if certain specific conditions are present. These events are a prior year deficit, a catastrophic event, a requirement to comply with a court order, an experience of significant decline in revenue due to a taxpayer closure beyond the control of the District equal to ten percent or more of the revenue payable to the District, or to comply with state or federal regulations. Act 388 did not take away the District's fiscal autonomy, but limited the District's autonomy to the above restrictions. School District Five of Lexington and Richland Counties did not increase operational millage or debt service millage for fiscal year 2012 -2013.

Act 388 also relieved the District's taxpayers from paying *ad valorem* taxes on owner-occupied property for school operations. A one-cent sales tax was imposed statewide on June 1, 2007, to fund the property tax relief legislation included in Act 388. The proceeds from the one-cent tax were distributed to school districts of the state based on the amount of *ad valorem* taxes that would have been collected during fiscal year 2008 from the owner-occupied property in each school district. Each year thereafter, beginning in fiscal year 2009, the reimbursement to school districts is the aggregate amount equal to the percentage increase in the previous year of the Consumer Price Index, Southeast region, plus the percentage increase in the previous year of the state population as determined by the South Carolina State Budget and Control Board. The reimbursement to each school district of the state will increase proportionately based on each school district's weighted pupil units as a percentage of the statewide pupil units.

The District expects that the funding changes to school districts imposed by Act 388 may have an impact on the District's operations. As student growth continues in the District, that growth is likely to exceed the rate of growth in reimbursements from the State for owner-occupied property. For the past several years, the District's growth has been flat, due primarily to the recession and housing market. However, this trend is expected to change as the economy and housing market improve. As new owner-occupied housing is added to the tax base, the

reimbursement from the State will not be tied to those housing values. As a result, reimbursements from the State will lag behind the amount of taxes the District could have collected over time from new and reassessed owner-occupied housing.

The financial statements of this report show that capital projects are one of the main areas of focus in the District's financial planning. Now in the fifth year since passage of the $243.6 million bond referendum, the District has basically completed renovations and additions at Leaphart Elementary School, Seven Oaks Elementary School, Chapin Elementary School, and Irmo Elementary School. The Center for Advanced Technical Studies opened in August, 2012, with an enrollment of approximately 726 students. The new Spring Hill High School located on the same campus with the CATE Center opened in August 2013. Renovation and additions at Chapin High School are underway and scheduled for completion by August 2014. Construction work is underway for the additions and renovations at Dutch Fork High School and Irmo High School. Bids for this work were awarded in October 2012. Also included in the referendum are additional funds to address overcrowding in the District's middle and elementary schools. This part of the referendum will be addressed with the addition of a new middle school. Planning is currently underway to construct a new middle school.

Relevant financial policies. Board Policy requires that the District maintain a reserve fund consistent with the medial average of school districts that maintain "AA" ratings. This amount is generally equivalent to approximately two months operating balance in general fund operating reserve from one fiscal year to the next. The District's total reserve fund exceeds that amount and meets the unreserved fund requirement without funds that have been designated for tentative use to construct the new middle school that is being planned. Those funds will not be needed until the 2014-2015 fiscal year by which time the District expects to have generated other funds that will significantly reduce that need.

Major Initiatives. In January 2010, the District completed a comprehensive accreditation review by the Southern Association of Colleges and Schools Council on Accreditation and School Improvement (SACS). As a part of that review process, the District completed an in-depth study and review of all major programs within the District. The process included a review of the Advance ED 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 SACS Review Committee, the District's accreditation was affirmed and approved on January 22, 2010. The plan included major goals in the areas of student achievement, teacher/administrator quality, school climate, and District priorities. New initiatives for the District include the RTI (Response to Intervention) Program, PBIS (Positive Behavioral Interventions and Supports), and the Continuous Improvement Process. 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 Update 2011.

Awards and Acknowledgements

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, 2012. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. The comprehensive annual financial report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. School District Five of Lexington and Richland Counties has received a Certificate of Achievement for the ninth consecutive year. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

In addition, the District was also awarded The Association of School Business Officials (ASBO) International Certificate of Excellence in Financial Reporting for the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2012. This was the ninth consecutive year the District has received this award.

To be awarded a Certificate of Excellence in Financial Reporting, a district's comprehensive annual financial report must receive the recommendation of the Association's Panel of review. This panel must judge that the report conforms to the principles and standards of ASBO's Certificate of Excellence Program.

A Certificate of Excellence is valid for one year only. We believe the District's current report continues to conform to the Certificate of Excellence Program requirements and we are submitting it to ASBO to determine its eligibility for the award.

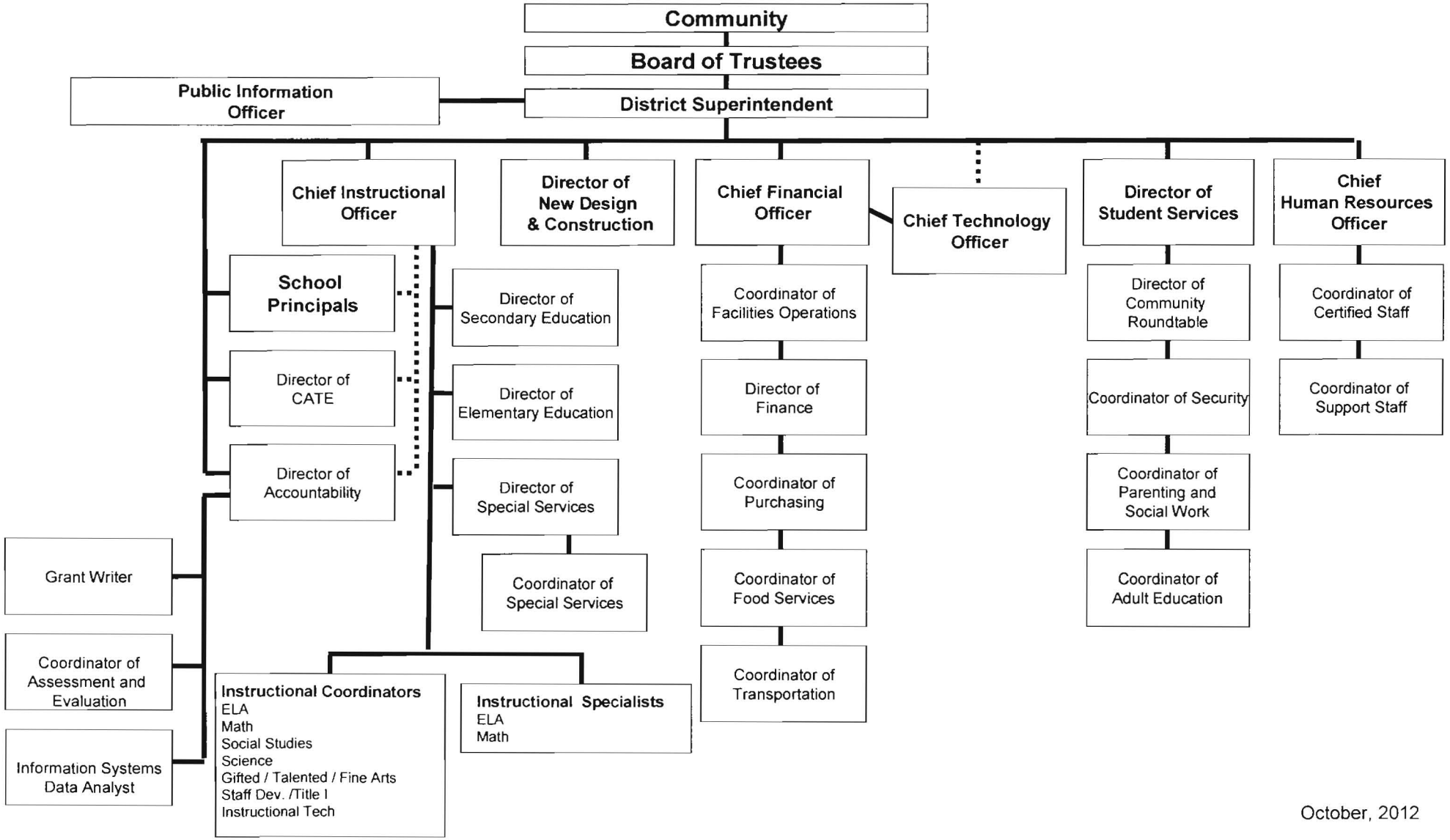
The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated services of the entire staff of the Financial Services Department. All members of the department as well as members of other various departments have our sincere appreciation for their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

Karl E. Fulmer, Ed.D.
Chief Financial Services Officer

Stephen W. Hefner, Ed.D.
Superintendent



October, 2012

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
PRINCIPAL OFFICIALS

Year Ended June 30, 2013

MEMBERS OF SCHOOL BOARD

Mr. Robert Gantt	**Chairperson**
Mrs. Beth Burn Watson	**Vice Chairperson**
Mrs. Ellen Baumgardner	**Secretary**
Mrs. Jondy Loveless	**Member of School Board**
Mr. Jim Turner	**Member of School Board**
Mr. Ed White	**Member of School Board**

EXECUTIVE STAFF

Dr. Stephen Hefner	**Superintendent**
Ms. Helen Anderson	**Chief Instructional Officer**
Dr. Angela Bain	**Chief Human Resources Officer**
Dr. Karl Fulmer	**Chief Financial Officer**
Mr. Mark Bounds	**Public Information Officer**
Mr. Michael Harris	**Director of Student Services**
Mr. Keith McAlister	**Director of New Design and Construction**

The Government Finance Officers Association of the United States and Canada

presents this

AWARD OF FINANCIAL REPORTING ACHIEVEMENT

to

Donna M. Patten, CPA

Director of Finance

School District Five of Lexington and Richland Counties, South Carolina



The award of Financial Reporting Achievement is presented by the Government Finance Officers Association to the individual(s) designated as instrumental in their government unit achieving a Certificate of Achievement for Excellence in Financial Reporting. A Certificate of Achievement is presented to those government units whose annual financial reports are judged to adhere to program standards and represents the highest award in government financial reporting.

Executive Director

Jeffrey R. Esser

Date May 9, 2013

Association of School Business Officials International

The Certificate of Excellence in Financial Reporting Award
is presented to

School District Five of Lexington and Richland Counties

For Its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2012

The CAFR has been reviewed and met or exceeded
ASBO International's Certificate of Excellence standards

Ron McCulley, CPPB, RSBO
President

John D. Musso, CAE, RSBA
Executive Director

FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

To the Honorable Chairman 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 (District) as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

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 and the aggregate remaining fund information of the District as of June 30, 2013, and the respective changes in financial position, where applicable, and cash flows, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 17 - 24 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 operations, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The schedules, listed in the table of contents as other supplementary information are presented for the purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis, as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Government, and Non-Profit Organizations*, is not a required part of the basic financial statements.

Such other supplementary information, listed in the table of contents, and the Schedule of Expenditures of Federal Awards, are the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, such other supplementary information and the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and the statistical section as listed in the table of contents has 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 it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated October 30, 2013, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Derrick, Hawkins + Hatch, LLP

October 30, 2013

Our discussion and analysis of School District Five of Lexington and Richland Counties' financial performance provides an overview of the District's financial activities of the fiscal year ended June 30, 2013. Please read it in conjunction with the District's financial statements (beginning on page 26) and accompanying notes to those statements in order to better understand the District's financial performance as a whole.

FINANCIAL HIGHLIGHTS

Major financial highlights for 2013 include:

- In total, net position is $214,054,809, an increase of $976,296 (.5%) for the 2012 – 2013 fiscal year. Net position of governmental activities grew by $1,225,053 (.6%), while net position of business-type activities decreased by $248,757 (8.0%). Total revenues were $202,414,136 while total expenses were $201,437,840. The change in net position is due to the increase in property taxes as a result of the improving economy and growth in property values. In addition, funds were received from the state to help the state meet federally required maintenance of effort for IDEA. Increased property tax revenue in debt service is due to increased revenue received from growth in assessments in both Lexington County and Richland County. Payments in lieu of taxes increased due to the negotiated fees for industrial taxpayers.

- Governmental funds reported an increase of $51,637,738 in the total fund balance, which included a $47,467,424 increase to the building fund, a $2,384,962 increase to the general fund and a $1,785,352 increase to the debt service fund. The increase for the school building fund was due to the sale of $115,655,000 in bonds on August 21, 2012, to continue funding of construction projects. The increase in the general fund balance was due mainly to conservative management of expenditures and interfund transfers in excess of those budgeted and the receipt of $627,420 from the state to help ensure that the state's maintenance of effort for IDEA was met, as required by the federal government. The increase in the debt service fund was due to funds held to meet anticipated pending principal and interest payments.

- Total revenue for the District's principal operating fund, the general fund, was $144,602,292, with an additional $4,606,637, consisting of transfers from the special revenue and proprietary funds for indirect costs, teacher salary supplement increases, and sales of capital assets. Total expenditures in the general fund were $146,400,092 including $90,147,592 for instruction, $56,192,707 for support, $15,648 for community service, $728 for capital outlay, and $43,417 for intergovernmental expenditures. In addition, the general fund transferred out $423,875 to other funds for school food service fringe benefits and the local portion of special revenue funds.

- Budgeted general fund revenue and expenditures for the 2012 – 2013 fiscal year both increased by 5.8%. The budget increase included the use of $1,373,422 of fund balance to compensate the continued reduction of state revenue due to the recession and $1,081,630 of state maintenance of effort funds. Employees were given a step increase on the salary schedules for another year of experience. Employees did not receive a cost of living increase. The District does not revise revenue budgets except for insurance reimbursements from property losses, miscellaneous donations, and transfers from fiduciary funds for the purchase of supplies and materials. The operating millage was set at 221.97 mills for the District. Debt service millage remained the same at 52.5 mills.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements and the notes to those statements that show information, first, for School District as a whole. The subsequent statements show more details of specific financial activities. The Statement of Net Position and the Statement of Activities (pages 26 and 27) provide financial information of both a cumulative and a longer-term nature. Fund financial statements (beginning on page 28) show the next level of detail. For governmental activities, these statements show how well the District financed the fund in the short-term and how much remains for future activities. The fund financial statements also show the most important funds (e.g. the District's general fund, special revenue, Education Improvement Act funds, and capital projects) and other non-major funds totaled in one column. The proprietary fund statement shows the activity in the

District's school food service fund and after school Program. The remaining statement presents financial information about activities for which the District acts as an agent for the benefit of the students and employees.

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

While the District's financial statements contain a large number of funds used to provide programs and activities for our students, the Statement of Net Position and the Statement of Activities help provide the answer to the question, "How well did we do financially in the 2012 – 2013 school year?" These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when the cash is paid or received.

These two statements report the District's net position, the difference between assets and liabilities, and the changes in them. Over time, increases or decreases in net position, reported in the Statement of Activities, are one indicator of whether the District's financial health is improving or deteriorating. Causes of these changes can be non-financial as well as financial. Some of the non-financial factors include the District's property tax base, variances of estimates in State growth, facility conditions, required educational programs and the quality of those programs, and other factors. These factors must be considered when assessing the overall health of the District.

The Statement of Net Position and the Statement of Activities are divided into two distinct kinds of activities:

- Governmental Activities – The majority of the District's activities, such as instruction, support services, operations, plant maintenance, pupil transportation, extracurricular activities, debt service, and construction projects, are reported here.

- Business-Type Activities – These goods or services are provided on a fee basis in order to recover the cost of the goods or services provided. The District's school food service program is reported as a business-type activity.

Reporting the School District's Most Significant Funds

Fund Financial Statements

The District's fund financial statements beginning on page 28 provide detailed information about the most significant funds – not the District as a whole. Some funds are required to be established by State law and by bond covenants. However, the District establishes many other funds to help it manage and direct money for particular purposes (such as school food service) or to show that it is meeting legal requirements for using grants, certain taxes, and other money. The District's governmental funds use the following approaches:

- Governmental Funds – All of the District's services are reported in governmental funds. Governmental fund reporting focuses on how money flows into and out of those funds and the balances left at year-end that are available for spending. The funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can be readily converted into cash. The governmental fund statements provide a detailed short-term view of the District's operations and the services it provides. Governmental fund information helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements (pages 29 and 31).

- Proprietary Funds – Proprietary funds use the same basis of accounting as business-type activities, therefore, these statements are essentially the same.

The School District as a Trustee

Reporting the School District's Fiduciary Responsibilities

The District is the trustee, or fiduciary, for all pupil activity funds. All of the District's fiduciary activities are reported in a separate Statement of Fiduciary Net Position. These activities are excluded from the District's other financial statements because the District cannot use these assets to finance its operations. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

THE SCHOOL DISTRICT AS A WHOLE

The Statement of Net Position provides the perspective of the District as a whole and can be an indicator of a government's financial health if compared over a period of time. The following table provides a summary of the District's net position for 2013 compared to 2012.

Table 1
Net Position

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Current and Other Assets	$ 175,880,695	$ 136,435,389	$2,703,729	$2,935,026	$ 178,584,424	$ 139,370,415
Net Capital Assets	336,624,738	258,995,242	544,085	544,780	337,178,823	259,540,022
Total Assets	512,505,433	395,430,631	3,257,814	3,479,806	515,763,247	398,910,437
Current and Other Liabilities	51,296,577	55,168,162	158,936	135,075	51,445,513	55,303,237
Long-Term Liabilities	250,019,483	130,298,149	233,442	230,538	250,252,925	130,528,687
Total Liabilities	301,316,060	185,466,311	392,378	365,613	301,708,438	185,831,924
Net Position						
Net Investment in Capital Assets	174,275,981	175,518,572	554,085	544,780	174,830,066	176,063,352
Restricted	6,934,331	6,477,810	0	0	6,934,331	6,477,810
Unrestricted	29,979,061	27,967,938	2,311,351	2,569,413	32,290,412	30,537,351
Total Net Position	$ 211,189,373	$ 209,964,320	$2,865,436	$3,114,193	$ 214,054,809	$ 213,078,513

The District's net position increased by $976,296 (.5%) during 2012-2013.

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.

Significant current year transactions, such as the addition of $81,952,080 in capital assets through construction of school improvements, and purchases of furniture, equipment and vehicles less the additional accumulated depreciation of $4,462,769 have had an impact on the Statement of Net Position.

The results of this year's operations for the School Board as a whole are reported in the Statement of Activities. The following table takes information from that statement.

Table 2
Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2013	**2012**	**2013**	**2012**	**2013**	**2012**
Revenue						
Program Revenue:						
Charges for Services	$ 50,292	$ 897,550	$5,278,078	$5,327,592	$5,328,370	$6,225,142
Operating Grants	73,559,278	67,207,775	3,534,109	3,654,464	77,093,387	70,862,239
Capital Grants	0	0	0	0	0	0
General Revenue:						
Ad Valorem Taxes and Fees	76,337,838	75,915,360	0	0	76,337,838	75,915,360
Unrestricted Grants	42,603,890	41,932,359	0	0	42,603,890	41,932,359
Investment Earnings and Disposals	501,042	354,198	7,485	8,337	508,527	362,535
Other General Revenue	430,263	856,805	111,861	0	542,124	856,805
Total Revenue	193,482,603	187,164,047	8,931,533	8,990,393	202,414,136	196,154,440
Functions/Program Expense						
Instruction Service	108,242,761	101,998,583	0	0	108,242,761	101,998,583
Support Services	74,983,257	71,146,133	0	0	74,983,257	71,146,133
Community Services	50,377	76,339	0	0	50,377	76,339
Interest on Long-Term Debt	9,120,703	4,312,025	0	0	9,120,703	4,312,025
School Food Service & After School	0	0	9,040,742	8,648,232	9,040,742	8,648,232
Total Expenses	192,397,098	177,533,080	9,040,742	8,648,232	201,437,840	186,181,312
Increase (Decrease) in Net Position Before Transfers	1,085,505	9,630,967	(109,209)	342,161	976,296	9,973,128
Transfers	139,548	(100,901)	(139,548)	100,901	0	0
Increase (Decrease) in Net Position	1,225,053	9,530,066	(248,757)	443,062	976,296	9,973,128
Net Position July 1	$209,964,320	$200,434,254	$3,114,193	$2,671,131	$213,078,513	$203,105,385
Net Position June 30	$211,189,373	$209,964,320	$2,865,436	$3,114,193	$214,054,809	$213,078,513

Governmental Activities

The following table presents the cost of the District's five major functional activities: instruction service, support service, community service, intergovernmental, 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.

Table 3
Governmental Activities
June 30, 2012

	Total Cost of Services		Net Cost of Services	
	2013	2012	2013	2012
Instruction Service	$108,242,761	$101,998,583	$ (57,341,628)	$ (54,591,276)
Support Service	74,983,257	71,146,133	(52,309,549)	(50,500,395)
Community Service	50,377	76,339	(15,648)	(24,059)
Interest (Long-Term Debt)	9,120,703	4,312,025	(9,120,703)	(4,312,025)
Totals	**$192,397,098**	**$177,533,080**	**$(118,787,528)**	**$(109,427,755)**

Business-Type Activities

Business-type activities include the District's school food service and after school programs. These programs had revenues of $5,278,078, non-operating revenue and transfers of $3,513,907, and expenses of $9,040,742. This resulted in net loss of $248,757.

THE SCHOOL DISTRICT'S 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 the District's net resources available for spending at the end of the fiscal year.

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 $2,384,962. This increase was due to the conservative management of general fund expenditures and more than anticipated state funding. After reservations for inventories, prepaid expenditures, and funds assigned for special purposes, the unassigned fund balance was $19,252,097. 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 Board has tentatively assigned $5,000,000 for the construction of the new middle school. However, those funds are not likely to be needed until 2014-15 by which time the District plans to significantly reduce that need through conservative management of general fund expenditures and referendum projects currently under construction.

The debt service fund balance showed an increase of $1,785,352 from the prior year. This was a result of changes in revenue resulting from growth in Richland and Lexington County assessments for the year as compared to expenditures for the debt service fund for the 2012 – 2013 fiscal 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 building fund showed a fund balance increase of $47,467,424. The ending balance is $93,048,799. The change was due to the bond sale of $115,655,000, funds used for the bond referendum projects, and to complete projects as outlined in the District's capital plan.

Proprietary Funds: The District's proprietary fund (food services and after school programs) showed a decrease in fund balance of $248,757. The food services program ended the year with a $347,739 decrease in fund balance and the after school program ended the year with a $98,982 increase in fund balance.

General Fund Budgeting Highlights

The District's budget is prepared according to South Carolina law. The District does not revise revenue budgets without the approval of the Board. No revisions were made for the 2012-2013 fiscal year. The operating millage for the District remains unchanged at 221.97 mills.

Budgeted general fund revenue and expenditures for the 2012 – 2013 fiscal year increased by 5.2% due to the opening of the new Center for Advanced Technical Studies. Employees were not given a cost of living increase, but were given a step increase on the salary schedules.

A schedule showing the final budget amounts compared to the District's actual financial activity for the general fund is provided in this report as required supplementary information.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2013, The District had $335,245,835 invested in a broad range of capital assets, including land, buildings, furniture, equipment, vehicles, and library books. This represents a net increase of $77,480,006 (30.0%) for the 2012 – 2013 fiscal year. For more detailed information on capital asset activity see Note 4 – Capital Assets (page 47).

Table 4
Capital Assets

	Governmental Activities		Business-Type Activities		Total School District	
	2013	2012	2013	2012	2013	2012
Land	$ 7,328,598	$ 7,328,598	$ 0	$ 0	$ 7,328,598	$ 7,328,598
Buildings	254,930,925	230,746,628	0	0	254,930,925	230,746,628
Site Improvements	13,461,517	13,316,371	0	0	13,461,517	13,316,371
Furniture and Equipment	22,528,956	23,184,845	2,824,669	3,570,506	25,353,625	26,755,351
Construction in Progress	142,944,782	83,920,419	0	0	142,944,782	83,920,419
Total Before Accumulated Depreciation	$441,194,778	$358,496,861	$2,824,669	$3,570,506	$444,019,447	$362,067,367
Less: Accumulated Depreciation	105,948,943	100,731,032	2,270,584	3,025,726	108,219,527	103,756,758
Net Capital Assets	$335,245,835	$257,765,829	$554,085	$544,780	$335,799,920	$258,310,609

Debt

On June 30, 2013, the District had $254,018,653 in bonds and unamortized premiums outstanding versus $127,828,632 at the end of 2012. Those bonds consisted of:

Table 5
Outstanding Debt

	Governmental Activities	
	2013	**2012**
July 21, 2009 Issue	$ 39,850,000	$ 39,950,000
June 9, 2010 Issue	$ 10,000,000	$ 10,000,000
September 16, 2010 Issue	$ 6,675,000	$ 8,800,000
September 16, 2010 Issue	$ 68,500,000	$ 68,500,000
August 21, 2012 Issue	$ 115,655,000	$ 0
Note - June 20, 2013 Issue	$ 2,970,000	$ 0
Unamortized premium on bonds	$ 10,368,653	$ 578,632
Total Outstanding Debt	$ 254,018,653	$ 127,828,632

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, 2013, the District's debt capacity was approximately $38,052,768.

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 51).

In November 2008, the citizens of the District approved a bond referendum in the amount of $243.6 million to finance the renovation and additions to existing facilities and to build a new elementary school, middle school, and high school. These renovations, additions, and construction of new facilities are intended to maintain quality teaching and learning by reducing overcrowding at existing facilities and to accommodate the projected student population in the District for the immediate future. The Board approved a maximum 20 year payback schedule for the bonds that required an increase of 3.5 mills for debt service in addition to the 49 mills that were levied for 2008-2009 fiscal year. Millage for debt service for the 2012-2013 fiscal year was set at the required 52.5 mills.

On June 30, 2013, the District had $254,018,653 outstanding in long term general obligation bonds. The District issued Series 2012B general obligation bonds in the amount of $115,655,000 in August 2012 to continue funding referendum projects currently under construction and to begin planning and design for a new middle school to relieve overcrowding in the Chapin attendance area. In addition to the general obligation bonds sold, the District entered into an equipment acquisition note in June 2013 to fund the first phase of the District's new technology plan. The technology plan is a five-year plan to assign a personal computing device to all students over the next five years. Effective with the 2013-2014 school year, all high school students will be assigned a personal computing device with students in lower grades to be assigned a device in subsequent years.

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 2013 – 2014. The most important factor affecting the budget for the near future is the implementation of the new revenue structure, created by Act 388 of 2006. Act 388 eliminated property taxes for owner-occupied houses and replaced that revenue stream with a one-cent sales tax imposed by the state. For the 2007 – 2008 fiscal year, the revenue replacement was a 100% exchange. After the 2008 fiscal year, any increase in this revenue will be based on the consumer price index increase plus growth in the state population. With nearly 50% of the District's assessed value being replaced by the one-cent sales tax, it can be a challenge during a year in which expenditures grow faster than the increase of this revenue stream. The District needs to continue to provide at least the same level of service to students. Beginning in the 2007 – 2008 fiscal year, school districts with unlimited autonomy to raise millage were restricted to a percentage increase of the consumer price index and population growth in the district. While this limited autonomy does provide for some flexibility, it also creates a dilemma for the Board to place additional tax burden on the remaining taxpayers if the growth in the sales tax revenue does not keep up with inflation and cost of living increases.

When setting the 2013 – 2014 fiscal year budget, the District focused on maintaining quality instructional programs in the classrooms and pupil teacher ratios in all schools at the ratio set in Board Policy while facing significant reductions in revenue due to state budget cuts in previous years because of the economy. The general fund budget for the 2013 – 2014 fiscal year is $158,457,021 with a 229.27 operating millage set for the District. There was a millage increase of 7.3 mills for the 2013 – 2014 fiscal year.

CONTACTING THE SCHOOL DISTRICT'S FINANCIAL MANAGEMENT

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 Donna Patten, CPA, Director of Finance, at 1020 Dutch Fork Road, Irmo, SC, 29063, or e-mail at dpatten@lexrich5.org.

BASIC FINANCIAL STATEMENTS

The basic financial statements consist of the government-wide financial statements, the fund financial statements, and the notes to the financial statements. The basic financial statements provide a summary overview of the financial position of all funds and of the operating results of all funds. They also serve as an introduction to the more detailed statements and schedules that follow.

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
STATEMENT OF NET POSITION
JUNE 30, 2013

	Governmental Activities	Business-Type Activities	Total
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents	$ 64,485,490	$ 3,181,678	$ 67,667,168
Due from County Government	95,407,380	-	95,407,380
Taxes Receivable, Net	3,608,198	-	3,608,198
Accounts Receivable	7,370,734	480,613	7,851,347
Interest Subsidy Receivable	648,016	-	648,016
Internal Balance	1,082,204	(1,082,204)	-
Deferred Charges-Current	150,888	-	150,888
Inventory	9,083	123,642	132,725
Prepaid Items	3,118,702	-	3,118,702
TOTAL CURRENT ASSETS	175,880,695	2,703,729	178,584,424
NON-CURRENT ASSETS			
Deferred Charges - Noncurrent	1,378,903	-	1,378,903
Land	7,328,598	-	7,328,598
Buildings	254,930,925	-	254,930,925
Site Improvements	13,461,517	-	13,461,517
Equipment	22,528,956	2,824,669	25,353,625
Construction-in-Progress	142,944,782	-	142,944,782
Accumulated Depreciation	(105,948,943)	(2,270,584)	(108,219,527)
TOTAL NON-CURRENT ASSETS	336,624,738	554,085	337,178,823
TOTAL ASSETS	512,505,433	3,257,814	515,763,247
LIABILITIES			
CURRENT LIABILITIES			
Accounts Payable	11,141,502	17	11,141,519
Retainage Payable	3,202,249	-	3,202,249
Accrued Salaries	11,656,089	-	11,656,089
Other Accrued Liabilities	8,797,535	-	8,797,535
Unearned Revenue	3,678,214	114,539	3,792,753
Accrued Interest	3,358,213	-	3,358,213
Current Portion of Long-Term Obligations	8,590,012	-	8,590,012
Current Portion of Compensated Absences Payable	872,763	44,380	917,143
TOTAL CURRENT LIABILITIES	51,296,577	158,936	51,455,513
NON-CURRENT LIABILITIES			
Noncurrent Portion of Long-Term Obligations	245,428,641	-	245,428,641
Noncurrent Portion Compensated Absences Payable	4,590,842	233,442	4,824,284
TOTAL NON-CURRENT LIABILITIES	250,019,483	233,442	250,252,925
TOTAL LIABILITIES	301,316,060	392,378	301,708,438
NET POSITION			
Net Investment in Capital Assets	174,275,981	554,085	174,830,066
Restricted For:			
Debt Service	6,934,331	-	6,934,331
Unrestricted	29,979,061	2,311,351	32,290,412
TOTAL NET POSITION	$ 211,189,373	$ 2,865,436	$ 214,054,809

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
YEAR ENDED JUNE 30, 2013

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES: CHARGES FOR SERVICES	PROGRAM REVENUES: OPERATING GRANTS AND CONTRIBUTIONS	PROGRAM REVENUES: CAPITAL GRANTS AND CONTRIBUTIONS	NET (EXPENSE) REVENUE & CHANGES IN NET POSITION: GOVERNMENTAL ACTIVITIES	NET (EXPENSE) REVENUE & CHANGES IN NET POSITION: BUSINESS-TYPE ACTIVITIES	NET (EXPENSE) REVENUE & CHANGES IN NET POSITION: TOTAL
Governmental Activities:							
Instruction Service	$ 108,242,761	$ 30,864	$ 50,870,269	$ -	$ (57,341,628)	$ -	$ (57,341,628)
Support Service	74,983,257	19,428	22,654,280	-	(52,309,549)	-	(52,309,549)
Community Services	50,377	-	34,729	-	(15,648)	-	(15,648)
Interest & Other Charges	9,120,703	-	-	-	(9,120,703)	-	(9,120,703)
Total Governmental Activities	192,397,098	50,292	73,559,278	-	(118,787,528)	-	(118,787,528)
Business-Type Activities:							
Food Services	7,843,171	3,982,365	3,534,109	-	-	(326,697)	(326,697)
After School	1,197,571	1,295,713	-	-	-	98,142	98,142
Total Business-Type Activities	9,040,742	5,278,078	3,534,109	-	-	(228,555)	(228,555)
Total	$ 201,437,840	$ 5,328,370	$ 77,093,387	$ -	(118,787,528)	(228,555)	(119,016,083)
General Revenues:							
Property Taxes Levied For:							
General Purposes					51,408,125	-	51,408,125
Debt Service					23,899,135	-	23,899,135
Payment in Lieu of Taxes					1,030,578	-	1,030,578
Unrestricted State Revenue in Lieu of Taxes					42,603,890	-	42,603,890
Unrestricted Investment Earnings					501,042	7,485	508,527
Miscellaneous					430,263	111,861	542,124
Total General Revenues					119,873,033	119,346	119,992,379
Change in Net Position Before Transfers					1,085,505	(109,209)	976,296
Transfers					139,548	(139,548)	-
Change in Net Position					1,225,053	(248,757)	976,296
Net Position, Beginning of the Year					209,964,320	3,114,193	213,078,513
Net Position, End of the Year					$ 211,189,373	$ 2,865,436	$ 214,054,809

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

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2013

	General	Special Projects	Education Improvement Act	Debt Service	Building Fund	Total Governmental Funds
ASSETS						
Cash and Cash Equivalents	$ 64,485,490	$ -	$ -	$ -	$ -	$ 64,485,490
Due from County Government	88,082,282	-	-	7,325,098	-	95,407,380
Taxes Receivable, Net	2,818,791	-	-	789,407	-	3,608,198
Accounts Receivable	3,097,362	3,125,726	1,147,646	-	-	7,370,734
Due from Other Funds	-	-	1,882,957	232	96,251,048	98,134,237
Inventory	9,083	-	-	-	-	9,083
Prepaid Items	3,118,702	-	-		-	3,118,702
				-		
TOTAL ASSETS	161,611,710	3,125,726	3,030,603	8,114,737	96,251,048	272,133,824
LIABILITIES						
Accounts Payable	11,137,629	46	3,827	-	-	11,141,502
Retainage Payable	-	-	-	-	3,202,249	3,202,249
Due to Other Funds	94,577,791	2,474,242	-	-	-	97,052,033
Accrued Salaries	11,656,089	-	-	-	-	11,656,089
Other Accrued Liabilities	8,797,535	-	-	-	-	8,797,535
Deferred and Unearned Revenue	2,313,609	651,438	3,026,776	614,359	-	6,606,182
TOTAL LIABILITIES	128,482,653	3,125,726	3,030,603	614,359	3,202,249	138,455,590
FUND BALANCES						
Nonspendable for Inventory	9,083	-	-	-	-	9,083
Nonspendable for Prepaid Items	3,118,702	-	-	-	-	3,118,702
Restricted	-	-	-	7,500,378	-	7,500,378
Committed	-	-	-	-	93,048,799	93,048,799
Assigned for Special Purposes	10,749,175	-	-		-	10,749,175
Unassigned	19,252,097	-	-	-	-	19,252,097
				-		
TOTAL FUND BALANCES	33,129,057	-	-	7,500,378	93,048,799	133,678,234
TOTAL LIABILITIES AND FUND BALANCES	$ 161,611,710	$ 3,125,726	$ 3,030,603	$ 8,114,737	$ 96,251,048	$ 272,133,824

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 FUND BALANCES
TO THE STATEMENT OF NET POSITION
JUNE 30, 2013

Reconciliation of governmental fund balances to Statement of Net Position:		
Total Fund Balances - Governmental Funds		$ 133,678,234
Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds.		
Capital Assets	$ 441,194,778	
Accumulated Depreciation	(105,948,943)	335,245,835
Property taxes receivable are not available to pay for current period expenditures and, therefore, are deferred in the funds.		2,927,968
Bond issuance costs are amortized over the lives of the bonds: however, in governmental accounting, bond issuance costs are expenditures the year they are incurred. Bond issuance costs have been shown net of accumulated amortization expense.		1,529,791
Interest subsidy receivable on outstanding bonds in governmental accounting is not receivable in the current period and, therefore, has not been reported as an asset in the funds.		648,016
Accrued interest on outstanding bonds in governmental accounting is not due and payable in the current period and, therefore, has not been reported as a liability in the funds.		(3,358,213)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the funds.		
Bonds Payable and other long-term debt	(243,650,000)	
Bond Premium, net of accumulated amortization	(10,368,653)	
Compensated Absences	(5,463,605)	(259,482,258)
Total Net Position - Governmental Activities		$ 211,189,373

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, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2013

	General Fund	Special Projects	Education Improvement Act	Debt Service	Building Fund	Total Governmental Funds
Revenues						
Local	$ 53,055,855	$ 780,547	$ 65	$ 24,157,552	$ 410,550	$ 78,404,569
State	91,546,437	1,910,701	11,966,318	884,100	-	106,307,556
Federal	-	6,758,876	-	2,316,124	-	9,075,000
Total Revenues	144,602,292	9,450,124	11,966,383	27,357,776	410,550	193,787,125
Expenditures						
Current						
Instruction	90,147,592	5,390,720	6,852,304	-	-	102,390,616
Support Services	56,192,707	3,833,398	1,283,651	-	7,749,880	69,059,636
Community Service	15,648	34,729	-	-	-	50,377
Capital Outlay	728	-	-	-	89,415,431	89,416,159
Debt Service						
Principal	-	-	-	2,225,000	-	2,225,000
Interest and Other Fees	-	-	-	8,347,424	-	8,347,424
Intergovernmental	43,417	11,563	-	-	-	54,980
Total Expenditures	146,400,092	9,270,410	8,135,955	10,572,424	97,165,311	271,544,192
Excess (Deficiency) of Revenues Over Expenditures	(1,797,800)	179,714	3,830,428	16,785,352	(96,754,761)	(77,757,067)
Other Financing Sources (Uses)						
Sale of Capital Assets	33,072	-	-	-	-	33,072
Lease Purchases	-	-	-	-	2,970,000	2,970,000
Proceeds from long-term notes	-	-	-	-	126,252,185	126,252,185
Transfers In	4,573,565	-	-	-	15,000,000	19,573,565
Transfers Out	(423,875)	(179,714)	(3,830,428)	(15,000,000)	-	(19,434,017)
Total Other Financing Sources (Uses)	4,182,762	(179,714)	(3,830,428)	(15,000,000)	144,222,185	129,394,805
Net Change in Fund Balance	2,384,962	-	-	1,785,352	47,467,424	51,637,738
Fund Balance July 1, 2012	30,744,095	-	-	5,715,026	45,581,375	82,040,496
Fund Balance June 30, 2013	$ 33,129,057	$ -	$ -	$ 7,500,378	$ 93,048,799	$ 133,678,234

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 - GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2013

Net change in fund balances - total governmental funds		$ 51,637,738
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over the estimated useful lives as depreciation expense. This is the amount by which capital outlays exceed depreciation expense in the period.		
Capital outlays	$ 87,304,253	
Depreciation expense	(9,355,947)	77,948,306
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		2,225,000
Bond, bond premium, and other long-term debt proceeds provide current financial resources in the governmental funds, but issuing debt increases long-term liabilities in the statement of net position.		(118,625,000)
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. This amount represents the change in accrued interest on bonds between the years.		(1,445,604)
The Interest subsidy receivable in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as revenue in the funds when it is received. In the Statement of Activities, however, Interest is recognized as the interest accrues. This amount represents the change in accrued interest receivable.		(391)
Governmental funds report the effect of issuance costs, 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 amount that premiums on bonds issued exceed deferred issuance costs and amortization of bond premiums.		(9,612,091)
In the Statement of Activities, compensated absences are measured by the amounts earned during the year. However, in the governmental funds expenditures for these absences are measured by the amount of financial resources used. This amount represents the change in accrued compensated absences between years. This amount is the difference in compensated absences recognized at the end of the current year ($ 5,463,605) and that revenue recognized at the end of the prior year ($ 5,333,522).		(130,083)
In the Statement of Activities, the gain/(loss) on the sale of capital assets is reported, whereas in the governmental funds, the proceeds from the sale increases financial resources. Thus, the change in net assets differs from the change in fund balance by the net book value of the capital assets sold.		(468,300)
Certain deferred tax revenues reported in the governmental funds are recognized as revenue in the Statement of Activities, net of a reserve for uncollected amounts. This amount is the difference in tax revenue recognized at the end of the current year ($ 2,927,968) and that revenue recognized at the end of the prior year ($ 3,232,490).		(304,522)
Change in Net Position - Governmental Activities		$ 1,225,053

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, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2013

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Local	$ 53,407,441	$ 53,407,441	$ 53,055,855	$ (351,586)
State	92,561,557	92,561,557	91,546,437	(1,015,120)
Total Revenues	145,968,998	145,968,998	144,602,292	(1,366,706)
Expenditures:				
Current				
Instruction	91,530,910	91,518,358	90,147,592	1,370,766
Support Services	57,293,059	57,342,751	56,192,707	1,150,044
Community Service	37,760	21,920	15,648	6,272
Capital Outlay	12,050	11,250	728	10,522
Intergovernmental	180,400	159,900	43,417	116,483
Total Expenditures	149,054,179	149,054,179	146,400,092	2,654,087
Excess (Deficiency) of Revenues Over Expenditures	(3,085,181)	(3,085,181)	(1,797,800)	1,287,381
Other Financing Sources (Uses):				
Sale of Capital Assets	-	-	33,072	33,072
Transfers In	3,811,672	3,811,672	4,573,565	761,893
Transfers Out	(726,491)	(726,491)	(423,875)	302,616
Total Other Financing Sources (Uses)	3,085,181	3,085,181	4,182,762	1,097,581
Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Financing (Uses)	$ -	$ -	2,384,962	$ 2,384,962
Fund Balance, July 1, 2012			30,744,095	
Fund Balance, June 30, 2013			$ 33,129,057	

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
PROPRIETARY FUND
JUNE 30, 2013

	Business-Type Activity Enterprise Fund Food Services	Business-Type Activity Enterprise Fund After School Program	Totals
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents	$ 3,181,678	$ -	$ 3,181,678
Accounts Receivable	480,613	-	480,613
Due from General Fund	-	498,612	498,612
Inventory	123,642	-	123,642
TOTAL CURRENT ASSETS	3,785,933	498,612	4,284,545
NONCURRENT ASSETS			
Equipment	2,824,669	-	2,824,669
Accumulated Depreciation	(2,270,584)	-	(2,270,584)
TOTAL NONCURRENT ASSETS	554,085	-	554,085
TOTAL ASSETS	4,340,018	498,612	4,838,630
LIABILITIES			
CURRENT LIABILITIES			
Accounts Payable	17	-	17
Due to General Fund	1,580,816	-	1,580,816
Unearned Revenue	114,539	-	114,539
Current Portion of Compensated Absences Payable	44,380	-	44,380
TOTAL CURRENT LIABILITIES	1,739,752	-	1,739,752
NON-CURRENT LIABILITIES			
Noncurrent Portion Compensated Absences Payable	233,442	-	233,442
TOTAL NON-CURRENT LIABILITIES	233,442	-	233,442
TOTAL LIABILITIES	1,973,194	-	1,973,194
NET POSITION			
Net Investment in Capital Assets	554,085	-	554,085
Unrestricted	1,812,739	498,612	2,311,351
TOTAL NET POSITION	$ 2,366,824	$ 498,612	$ 2,865,436

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 FUND NET POSITION
PROPRIETARY FUND TYPES - ENTERPRISE FUNDS
YEAR ENDED JUNE 30, 2013

	Food Services	After School Program	Totals
Operating Revenues:			
Proceeds of Sales of Meals	$ 3,982,365	$ -	$ 3,982,365
Proceeds of Tuition	-	1,295,713	1,295,713
Total Operating Revenues	3,982,365	1,295,713	5,278,078
Operating Expenses:			
Salaries and Wages	2,819,359	747,139	3,566,498
Employee Benefits	1,223,181	157,019	1,380,200
Purchased Services	187,608	134,222	321,830
Supplies	3,469,768	159,191	3,628,959
Depreciation	118,919	-	118,919
Loss on Disposal of Capital Assets	6,258	-	6,258
Other	18,078	-	18,078
Total Operating Expenses	7,843,171	1,197,571	9,040,742
Operating Income (Loss)	(3,860,806)	98,142	(3,762,664)
Non-Operating Revenue:			
Interest	6,645	840	7,485
Other Local Revenue	111,861	-	111,861
Other State Aid	8,498	-	8,498
USDA Reimbursements	3,236,186	-	3,236,186
Commodities Received from USDA	259,007	-	259,007
Other Federal Revenue	30,418	-	30,418
Total Non-Operating Revenue	3,652,615	840	3,653,455
Income before Transfers	(208,191)	98,982	(109,209)
Transfers In (Out)	(139,548)	-	(139,548)
Change in Net Position	(347,739)	98,982	(248,757)
Net Position, Beginning of Year	2,714,563	399,630	3,114,193
Net Position, End of Year	$ 2,366,824	$ 498,612	$ 2,865,436

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 TYPES - ENTERPRISE FUNDS
YEAR ENDED JUNE 30, 2013

	Food Services	After School Program	Totals
Cash Flows From Operating Activities:			
Cash Received From Patrons	$ 3,850,480	$ 1,196,731	$ 5,047,211
Cash Payments to Suppliers For Goods and Services	(3,401,062)	(293,413)	(3,694,475)
Cash Payments to Employees For Services	(4,016,589)	(904,158)	(4,920,747)
Net Cash (Used) By Operating Activities	(3,567,171)	(840)	(3,568,011)
Cash Flows From Non-Capital Financing Activities:			
Cash Received From USDA Reimbursements	3,779,546	-	3,779,546
Cash Received From Other Federal/State Reimbursements	150,777	-	150,777
Transfers - Out to Other Funds	(139,548)	-	(139,548)
Net Cash Provided By Non-Capital Financing Activities	3,790,775	-	3,790,775
Cash Flows From Capital and Related Financing Activities:			
Acquisition of Equipment	(134,482)	-	(134,482)
Net Cash (Used) By Capital Activities	(134,482)	-	(134,482)
Cash Flows From Investing Activities:			
Interest on Investments	6,645	840	7,485
Net Cash Provided By Investing Activities	6,645	840	7,485
Net Increase In Cash And Cash Equivalents	95,767	-	95,767
Cash And Cash Equivalents At Beginning Of Year	3,085,911	-	3,085,911
Cash And Cash Equivalents At End Of Year	3,181,678	-	3,181,678
Reconciliation Of Operating Income (Loss) To Net Cash Provided (Used) By Operating Activities			
Operating Income (Loss)	(3,860,806)	98,142	(3,762,664)
Adjustments To Reconcile Operating Income (Loss) To Net Cash Provided (Used) By Operating Activities:			
Depreciation	118,919	-	118,919
Loss on Disposal of Capital Assets	6,258	-	6,258
Noncash USDA Commodities Used	259,007	-	259,007
Change In Assets And Liabilities:			
Decrease In Inventory	15,368	-	15,368
(Increase) In Accounts Receivable	(132,682)	(98,982)	(231,664)
Increase In Accounts Payable	17	-	17
Increase In Deferred Revenue	797	-	797
Increase In Accrued Expenses	25,951	-	25,951
Net Cash (Used) By Operating Activities	(3,567,171)	(840)	(3,568,011)
SUPPLEMENTAL SCHEDULE OF NON-CASH OPERATING ACTIVITIES			
Non-Cash Donation-USDA Commodities	$ 259,007	$ -	$ 259,007

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

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUND TYPE
JUNE 30, 2013

	Agency Funds
ASSETS	Pupil Activity Fund
Accounts Receivable	$ 1,891,143
Fuel Inventory	8,322
TOTAL ASSETS	1,899,465
LIABILITIES	
Accounts Payable	863
Due to Pupil Activities	1,898,602
TOTAL LIABILITIES	$ 1,899,465

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

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 approximately 16,238 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 of 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 Governmental Accounting Standards Board. The financial statement presentation provides a comprehensive, entity-wide perspective of the District's net position, revenue, 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. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the effect of internal activities upon revenues and expenses. 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 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.

Notes to the Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Basis of presentation (continued):

The effect of inter-fund activity has been eliminated from the government-wide financial statements.

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

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 activities.

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 trusts, 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.

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:

Food service fund**:** The Food Service Fund, an enterprise fund, is used to account for operations of the school lunch and breakfast 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, even though the activity is subsidized from other governmental resources.

Notes to the Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (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.

Additionally, the District reports the following fiduciary fund type:

***Agency fund –pupil activity fund*:** This fund is used to report resources held by the District in a custodial capacity for student organizations and activities. Those funds generally belong to the individual schools or their student bodies and are not available for general use by the District. These funds have no equity (assets are equal to liabilities) and do not include revenues and expenditures for general operation of the School District. This accounting reflects the agency relationship of the School District with the student activity organizations. This fiduciary fund type uses the accrual basis of accounting. Agency funds do not have a measurement focus.

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, 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 *nonoperating* 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 nonoperating 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 deferred 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 net assets 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.

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 specifies 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. No supplemental appropriations were necessary during the year.

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 canceled.

The Board authorizes the superintendent or his/her designee to approve general fund line item transfers in the aggregate totaling no more $ 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 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.

Notes to the Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

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 expenditures/expenses when consumed rather than when purchased. Inventories include plant maintenance and operating supplies. Inventories recorded in the Proprietary 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, 2013.

Prepaid items: Payments made to vendors for services benefiting 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 cost at the date of acquisition or fair market value at the date of donation in the case of gifts. 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. 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 moveable 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 for buildings and improvements, 5 to 8 for vehicles, 10 to 20 for site improvements, and 3 to 15 years for machinery, equipment. Depreciation is pro rated 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.

Unearned revenues: Unearned revenues in the governmental funds include amounts received from grant and contract sponsors that have not yet been earned. Unearned revenues in the enterprise fund represent 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 debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, 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 deferred charges and amortized over the term of the related debt.

Notes to the Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Long-term obligations (continued): In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, 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 benefit 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.

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.

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 collection. For government-mandated non-exchange transactions and voluntary non-exchange transactions, the District recognized 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"* (GASB 54), the District's governmental fund balances are classified as follows:

Nonspendable: 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 legislation.

Notes to the Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Fund balances (Continued):

Committed : Represents amounts that can only be used by 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.

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 : Represents the fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund.

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 for debt service on the District's bonds in which 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 use 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 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.

Notes to the Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

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.

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.

New accounting matters: The GASB issued Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30,1989 FASB and AICPA Pronouncements*. This Statement codifies into GASB accounting and financial reporting standards the "legacy" standards from the private sector. This statement was effective for the District as of July 1, 2012.

In July 2012, the District adopted GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position (GASB 63)*. The objective of this Statement is to provide guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in at statement of financial position (net assets/balance sheet). Amounts that are required to be reported as deferred outflows should be reported in a statement of net position in a separate section following assets. Similarly, amount required to be reported as deferred inflows of resources should be reported in a separated section following liabilities. The statement of net position should report the residual amount as net position, rather than net assets or equity. GASB 63 was implemented retroactively. The adoption of this statement resulted in a change in the presentation of the Statement of Net Assets (government wide and proprietary funds) to net position.

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, was issued by the GASB in June 2012. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local government employers about financial support for pensions that are provided by other entities. In addition, state and local governments who participate in a cost-sharing multiple employer plan will now be required to recognize a liability for its proportionate share of the net pension liability of that plan. It is GASB's intention that this new Statement will provide citizens and other users of the financial statements with a clearer picture of the size and nature of the District's financial obligations to current and former employees for past services rendered.

In particular, the District will be required to report a net pension liability for its participation in the SCRS on financial statements prepared on the economic resources measurement focus and accrual basis of accounting (i.e., the Statement of Net Position) and present more extensive note disclosures. The effect of implementation of this Statement has not been determined at this time, but it is anticipated that it will materially decrease the District's unrestricted net position. This Statement is required to be implemented by the District no later than the fiscal year ending June 30, 2015.

Note 2. Cash and Cash Equivalents

All cash and investments are stated at fair value with accrued interest shown on the statement of net assets. The District is authorized to invest funds received from the Counties Treasurer 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. As of June 30, 2013, all of the District's cash was held in demand deposit accounts covered by federal depository insurance or by collateral held by the District's agent in the District's name.

Notes to the Basic Financial Statements

Note 2. Cash and Cash Equivalents (Continued)

At June 30, 2013, the carrying amount of the District's deposits and investments held by the various funds was as follows:

Fund Types	Deposits
General fund	$ 64,485,490
Governmental carrying amount at June 30, 2013	64,485,490
Business-type funds	3,181,678
Carrying amount at June 30, 2013	$ 67,667,168

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. The District has $ 28,945,004 invested with the South Carolina State Investment Pool, $ 2,938,577 invested with TD Bank, and $ 32,601,908 invested with Branch Banking and Trust.

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 Comprehensive Annual Financial Report. At June 30, 2013, the underlying security ratings 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.

Notes to the Basic Financial Statements

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 16th - February 1st	3% of tax
February 2nd - March 15th	10% of tax
March 16th - 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.

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 1, 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% 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	$ 5,154,570
Less: Allowance for uncollectible amounts	(1,546,372)
Taxes receivable	$ 3,608,198

Notes to the Basic Financial Statements

Note 4. Capital Assets

Capital asset activity for the year ended June 30, 2013, was as follows:

Capital Assets

Governmental Activities:	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets, Not Being Depreciated:				
Land	$ 7,328,598	$ -	$ -	$ 7,328,598
Construction-in-Progress	83,920,419	85,068,139	(26,043,776)	142,944,782
Total Capital Assets, Not Being Depreciated	91,249,017	85,068,139	(26,043,776)	150,273,380
Capital Assets, Being Depreciated:				
Buildings	230,746,628	24,600,878	(416,581)	254,930,925
Site Improvements	13,316,371	672,705	(527,559)	13,461,517
Furniture and Equipment	23,184,845	3,006,307	(3,662,196)	22,528,956
Total Capital Assets, Being Depreciated	267,247,844	28,279,890	(4,606,336)	290,921,398
Less Accumulated Depreciation For:				
Buildings	(83,581,477)	(6,336,123)	216,192	(89,701,408)
Site Improvements	(3,815,309)	(831,619)	303,286	(4,343,642)
Furniture and Equipment	(13,334,246)	(2,188,205)	3,618,558	(11,903,893)
Total Accumulated Depreciation	(100,731,032)	(9,355,947)	4,138,036	(105,948,943)
Total Capital Assets, Being Depreciated, Net	166,516,812	18,923,943	(468,300)	184,972,455
Governmental Activities Capital Assets, Net	257,765,829	103,992,082	(26,512,076)	335,245,835
Business Type Activities:				
School Food Service Fund:				
Capital Assets Being Depreciated:				
Furniture and Equipment	3,570,506	134,482	(880,319)	2,824,669
Total Capital Assets Being Depreciated	3,570,506	134,482	(880,319)	2,824,669
Less, Acumulated Depreciation for:				
Furniture and Equipment	(3,025,726)	(118,919)	874,061	(2,270,584)
Total Accumulated Depreciation	(3,025,726)	(118,919)	874,061	(2,270,584)
Business Type Activities Capital Assets, Net	$ 544,780	$ 15,563	$ (6,258)	$ 554,085

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

Government Activities:	
Instruction	$ 5,852,145
Support	3,503,802
Total Depreciation – Governmental Activities	9,355,947
Business – Type Activities:	
Food Service	118,919
Total Depreciation – Business Type Activities	$ 118,919

Note 4. Capital Assets (Continued)

Construction commitments: The District has active construction projects at June 30, 2013. The projects include primarily school building construction and renovation. At June 30, 2013, the District's commitments with contractors are as follows:

Project	Spent-to-Date	Remaining Commitment
Chapin High School	$ 32,949,639	$ 22,251,905
HE Corley Elementary School	96,704	-
River Springs Elementary School	95,277	-
Dutch Fork High School	7,471,312	11,240,568
Dutch Fork Middle School	115,094	-
Harbison West Elementary School	5,847	-
Oak Point Elementary School	1,530	-
New Elementary School	614,154	-
New Middle School	264,035	1,166,518
New High School / CATE	66,270,990	6,335,862
Irmo Elementary School	16,448,103	100,000
Irmo High School	10,912,447	15,945,644
Crossroads Middle School	316,780	-
Irmo Middle School	492,849	784,073
Nursery Road Elementary School	2,300	-
District Office	67,980	-
In-House Construction Management	6,819,741	1,725,241
Total Government Activities	$ 142,944,782	$ 59,549,811

Note 5. Retirement Plan

Plan description: Substantially all of the School District's full-time employees are required by law to participate in the South Carolina Retirement System ("SCRS") which is a cost-sharing multiple-employer public employee defined benefit pension plan administered by the Retirement Division of the State Budget and Control Board.

This is a Defined Benefit Retirement System, which was established by the South Carolina State Legislature on July 1, 1945 for the benefit of teachers and employees of the State and its political subdivisions. The Plan's provisions are established and amended under Title 9 of the S. C. Code of Laws.

All full-time employees are eligible and must participate in the SCRS. The pension plan provides benefits, deferred allowances, and death and disability benefits. Under the SCRS, employees are eligible for a full service retirement annuity upon reaching age 65 or completion of 28 years of credited service regardless of age. The benefit formula for full benefits effective since July 1, 1989, for the SCRS is 1.82% of an employee's average final compensation multiplied by the number of years of credited service. Early retirement options with reduced benefits are available as early as age 55. Employees are vested for a deferred annuity after five years of service and qualify for a survivor's benefit upon completion of 5 years credited service. Disability annuity benefits are payable to employees totally and permanently disabled provided they have a minimum of five years of service (this restriction does not apply if the disability is the result of a job-related injury).

A group-life insurance benefit equal to an employee's annual rate of compensation is payable upon the death of an active employee with a minimum of one year of credited service.

Note 5. Retirement Plan (Continued)

Plan description (continued): Effective January 1, 2001, Section 9-1-2210 of the South Carolina Code of Laws allows employees eligible for service retirement to participate in the Teacher and Employee Retention Incentive (TERI) Program. TERI participants may retire and begin accumulating retirement benefits on a deferred basis without terminating employment for up to five years. Upon termination of employment or at the end of the TERI period, whichever is earlier, participants will begin receiving monthly service retirement benefits which will include any cost of living adjustments granted during the TERI period. Because participants are considered retired during the TERI pension, they do not make SCRS contributions, do not earn service credit, and are ineligible to receive group life insurance benefits or disability retirement benefits. For employees who entered the TERI program after July 1, 2005, they are required to pay member contributions.

The South Carolina Retirement System issues a publicly available Comprehensive Annual Financial Report containing financial statements and supplementary information for the South Carolina Retirement System and the Police Officers Retirement System. The report is publicly available at www.retirement.sc.gov or a copy may be obtained by writing the South Carolina Retirement System, Post Office Box 11960, Columbia, S.C. 29211-1960.

Funding policy: Both employers and employees are required to contribute to the Plan under the authority of Title 9 of the S. C. Code of Laws. South Carolina Retirement System members are required to contribute 6.50% of their annual covered earnings.

The District is required to contribute at an actuarially determined contribution rate. The current rate is 10.45% of annual covered earnings. In addition, participating employers also contribute 0.15% of annual covered payroll for group life insurance benefits for their participants. Annual covered payroll of active members was $ 90,013,755 and annual covered payroll of retired members was $ 11,734,373 for the year ended June 30, 2013. All contributions were equal to the required contribution.

THREE YEAR TREND INFORMATION

Fiscal Year June 30	Annual Employer Contributions	Percentage Contributed for Current Year
2011	$ 9,192,232	100%
2012	9,389,140	100%
2013	10,632,679	100%

Optional retirement program: Certain State employees may elect to participate in the Optional Retirement Program (ORP), a defined contribution plan. The ORP was established in 1987 under Title 9, Chapter 17, of the South Carolina Code of Laws. The ORP provides retirement and death benefits through the purchase of individual fixed or variable annuity contracts, which are issued to, and become the property of, the participants. The State assumes no liability for this plan other than for payment of contributions to designated insurance companies. The obligation for payment of benefits resides with the insurance companies.

ORP participation is limited to faculty and administrative staff who meet all eligibility requirements for membership in the SCRS. To elect participation in the ORP, eligible employees must irrevocably waive SCRS membership within their first thirty days of employment.

For those employees that have elected to be covered under the optional retirement plan, both employees and employer are required to contribute to the ORP (7.0% for employees and a total of 10.45% for employers on ORP wages of $ 9,420,183 for 2013). The School District contributed amounts equal to the required contributions of $ 984,409; $ 784,714; and $ 795,090 for the years ended June 30, 2013, 2012, and 2011, respectively. The 0.15% for group life insurance coverage was also contributed for these participants.

Note 6. Post-Employment Benefits Other Than Pensions

Plan description: 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. "Agency" contributes to the Retiree Medical Plan (RMP) and the Long-Term Disability Plan (LTDP), cost-sharing multiple-employer defined benefit postemployment healthcare and long-term disability plans administered by the Employee Insurance Program (EIP), a part of the State Budget and Control Board (SBCB). Generally, retirees are eligible for the health and dental benefits if they have established at least ten years of retirement service credit. For new hires May 2, 2008 and after, retirees are eligible for benefits if they have established twenty-five years of service for 100% employer funding and fifteen through twenty-four years of service for 50% employer funding. Benefits become effective when the former employee retires under a State retirement system. Basic long-term disability (BLTD) benefits are provided to active state, public school district and participating local government employees approved for disability.

Funding policy: Section 1-11-710 and 1-11-720 of the South Carolina Code of Laws of 1976, as amended, requires these postemployment healthcare and long-term disability benefits be funded though annual appropriations by the General Assembly for active employees to the EIP and participating retirees to the SBCB except the portion funded through the pension surcharge and provided from other applicable sources of the EIP for its active employees who are not funded by State General Fund appropriations. Employers participating in the RMP are mandated by State statute to contribute at a rate assessed each year set by the Office of the State Budget. The EIP sets the employer contribution rate based on a pay-as-you-go basis. The employer contribution surcharge was 4.55% for 2013, 4.30% for 2012 and 3.90% for 2011 of annual covered payroll. The District contributed amounts equal to the required contribution to the SCRS for retiree healthcare benefits of approximately $ 5,061,961; $ 4,670,877; and $ 4,220,381 for the years ended June 30, 2013; 2012; and 2011, respectively. BLTD benefits are funded through a per person premium charged to State agencies, public school districts, and other participating local governments.

Effective May 1, 2008 the State established two trust funds through Act 195 for the purpose of funding and accounting for the employer costs of retiree health and dental insurance benefits and long-term disability insurance benefits. The South Carolina Retiree Health Insurance Trust Fund is primarily funded through the payroll surcharge. Other sources of funding include additional State appropriated dollars, accumulated EIP reserves, and income generated from investments. The Long Term Disability Insurance Trust Fund is primarily funded through investment income and employer contributions. One may obtain complete financial statements for the benefit plans and the trust funds from Employee Insurance Program, 1201 Main Street, Suite 360, Columbia, SC 29201.

Notes to the Basic Financial Statements

Note 7. Long-Term Obligations

Long-term obligations activity for the year ended June 30, 2013, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
General Obligation Bonds:					
Series 2009B - Issued July 21, 2009	$ 39,950,000	$ -	$ (100,000)	$ 39,850,000	$ 1,300,000
Series 2010A - Issued June 9, 2010	10,000,000	-	-	10,000,000	-
Series 2010B1 - Issued September 16, 2010	8,800,000	-	(2,125,000)	6,675,000	1,610,000
Series 2010B2 - Issued September 16, 2010	68,500,000	-	-	68,500,000	-
Series 2012B - Issued August 21, 2012	-	115,655,000	-	115,655,000	3,415,000
Net Acquisition - Issued June 20, 2013	-	2,970,000	-	2,970,000	1,193,000
Unamortized premium on bonds	578,632	10,413,885	(623,864)	10,368,653	1,072,012
Total Bonds Payable	127,828,632	129,038,885	(2,848,864)	254,018,653	8,590,012
Compensated Absences	5,333,522	979,127	(849,044)	5,463,605	872,763
Government Activity Long-Term Liabilities	133,162,154	130,018,012	(3,697,908)	259,482,258	9,462,775
Business Activities:					
Compensated Absences	251,871	69,125	(43,174)	277,822	44,380
Business Activities Long-Term Liabilities	$ 251,871	$ 69,125	$ (43,174)	$ 277,822	$ 44,380

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

Details for each debt issue are as follows:

On July 21, 2009, the School District issued Taxable Series 2009 B, $ 40,000,000 general obligation bonds (Build America Bonds) referendum debt. The Build America Bonds provide for an interest credit subsidy equal to 35% 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 $ 39,736,127 after a bid premium of $ 1,377 and costs of issuance of $ 265,250. The bonds have a variable interest rate which ranges from 2.4%-5.9%. Interest payments are payable semi-annually on March 1 and September 1 beginning March 1, 2010, through March 1, 2029. Principal payments are due in annual installments ranging from $ 25,000 to $ 4,040,000 beginning March 1, 2010, through March 1, 2029. The proceeds will be used for the purpose of providing funds for capital improvements, equipment, and technology, paying the costs of issuance of the bonds and such other lawful purposes as may be determined by the School District. The unamortized bond issuance costs at June 30, 2013, were $ 211,952.

Note 7. Long-Term Obligations (Continued)

On June 9, 2010, the District issued Taxable Series 2010A, $ 10,000,000, general obligation bonds (Qualified School Construction Bonds - Direct Payment) referendum debt with an interest rate of 5.25%. 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% 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. The unamortized bond issuance costs at June 30, 2013, were $ 164,620.

On September 16, 2010, the District issued Tax-Exempt Series 2010B-1, $ 9,000,000 general obligation bonds referendum debt. The bonds have variable interest rates which range from 2.0% - 4.0%. The net proceeds were $ 9,645,472 after a bid premium of $ 771,095 less costs of issuance of $ 125,623. Principal payments are payable annually beginning on March 1, 2011 through March 1, 2016 ranging from $ 100,000 to $ 2,855,000. Interest payments are payable semi-annually on March 1 and September 1 beginning March 1, 2011, through March 1, 2016. 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. The unamortized bond issuance costs at June 30, 2013, were $ 60,921.

On September 16, 2010, the District issued Taxable Series 2010B-2, $ 68,500,000 general obligation (Build America Bonds) referendum debt. The Build America Bonds provide for an interest credit subsidy equal to 35% 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 $ 67,497,722 after costs of issuance of $ 1,002,278. Principal payments are payable annually beginning on March 1, 2017, through March 1, 2029, ranging from $ 250,000 to $ 9,210,000.The bonds have variable interest rates which range from 2.75% - 5.0%. Interest payments are payable semi-annually on March 1 and September 1 beginning March 1, 2011, through March 1, 2029. 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. The unamortized bond issuance costs at June 30, 2013, were $ 791,920.

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% - 5.0%. 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. The unamortized bond issuance costs at June 30, 2013, were $ 268,778.

On June 20, 2013, the District entered into Acquisition, Use and Security Agreement, Series 2013, for $ 2,970,000. The net proceeds of the agreement were $ 2,938,400 after costs of issuance of $ 31,600. Principal payments are payable annually beginning on October 1, 2013, through October 1, 2015, ranging from $ 1,193,000 to $ 591,000. The interest rate is 0.75%. Interest payments are payable annually on October 1 beginning October 1, 2013, through October 1, 2015. The proceeds will be used fund the purchase of certain equipment and implementation of the technology plan, and paying costs of issuance associated with the agreement. The unamortized bond issuance costs at June 30, 2013, were $ 31,600.

Notes to the Basic Financial Statements

Note 7. Long-Term Obligations (Continued)

Bond premium and cost of issuance are amortized using the effective interest method over the life of the debt.

The annual debt service requirements to maturity as of June 30, 2013, are as follows:

Year Ended June 30	Principal	Interest	Total
2014	$ 7,518,000	$ 10,474,639	$ 17,992,639
2015	8,366,000	10,246,768	18,612,768
2016	8,381,000	9,971,004	18,352,004
2017	8,770,000	9,644,961	18,414,961
2018	9,805,000	9,252,761	19,057,761
2019-2023	65,215,000	38,394,058	103,609,058
2024-2028	86,675,000	22,517,383	109,192,383
2029-2032	48,920,000	4,430,935	53,350,935
Totals	$ 243,650,000	$ 114,932,509	$ 358,582,509

In November 2008 a bond referendum was approved in the amount of $ 243,665,000 which will allow the school district to borrow money to renovate seven schools and construct three new schools. As of June 30, 2013, $ 243,155,000 referendum debt has been issued.

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, 2012, assessed property valuation of $ 475,659,602 (unaudited), the legal debt limit is $ 38,052,768, leaving a legal debt margin of $ 38,052,768 at June 30, 2013.

Note 8. Short-Term Obligations

Summary of changes in short-term debt: During the year ended June 30, 2013, the following transactions occurred in short-term liabilities:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Series 2012A - Issued June 29, 2012	$ 15,000,000	$ -	$ (15,000,000)	$ -
Bond premiums	183,300	-	(183,300)	-
Totals	$ 15,183,300	$ -	$ (15,183,300)	$ -

Capital Projects Fund:

On June 29, 2012, the District issued Series 2012A, $ 15,000,000 general obligation bonds (Eight Percent Debt) for the purpose of providing funds for capital improvements, equipment, and technology. The net proceeds were $ 15,077,800 after a bid premium of $ 183,300 less cost of issuance of $ 105,500. These bonds, including interest of $201,667 were due March 1, 2013 and were repaid utilizing debt service fund property tax revenues in February 2013.

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 Services
Unexpended Carryover Amounts	$ 651,438	$ 3,026,776	$ 114,539

Note 10. Transfers In and Out

Transfers during the year ended June 30, 2013, consisted of the following:

General Fund

Transfers from	Amount	Transfers to	Amount
Special Revenue-EIA	$ 3,830,428	Enterprise Fund	$ 423,875
Enterprise Fund	563,423		
Special Revenue-Special Projects	179,714		
	$ 4,573,565		$ 423,875

Special Revenue Funds

Special Projects

Transfers from	Amount	Transfers to	Amount
	$ -	General Fund	$ 179,714

EIA

Transfers from	Amount	Transfers to	Amount
	$ -	General Fund	$ 3,830,428

Debt Service

Transfers from	Amount	Transfers to	Amount
	$ -	Capital Projects	$ 15,000,000

Capital Projects

Transfers from	Amount	Transfers to	Amount
Debt Service	$ 15,000,000		$ -

Enterprise Fund

Transfers from	Amount	Transfers to	Amount
General Fund	$ 423,875	General Fund	$ 563,423
TOTAL	$ 19,997,440		$ 19,997,440

Descriptions of interfund transfers:

General Fund to Enterprise Fund – to fund the shortfall portion of fringe benefits.

Special Revenue – Special Projects to General Fund – to transfer allowable indirect costs from grants.

Special Revenue – EIA to General Fund – to transfer amounts received for EIA Teacher Salary Increase and Fringe Benefits to the general fund where expenditures are recorded.

Notes to the Basic Financial Statements

Note 10. Transfers In and Out (Continued)

Enterprise Fund to General Fund – to transfer allowable indirect costs.

Debt Service Fund to Capital Projects Fund – to transfer amounts to make bond payments.

Note 11. Interfund Receivables and Payables

The composition of interfund balances as of June 30, 2013, is as follows:

Fund	Interfund Receivables	Interfund Payables
General Fund	$ -	$ 94,577,791
Special Projects	-	2,474,242
EIA	1,882,957	-
Debt Service	232	-
Building Fund	96,251,048	-
Enterprise Fund	-	1,082,204
Total for Primary Government	$ 98,134,237	$ 98,134,237

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 uses one bank account to hold deposits and to issue checks which results in the inter-fund 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 12. 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, 2013, 2012 and 2011.

Notes to the Basic Financial Statements

Note 13. Pupil Activity Fund

The South Carolina Department of Education requires a Schedule of Receipts, Disbursements, and Changes in Amounts Due to Pupil Activities for the Pupil Activity Fund, although the Pupil Activity Fund is an Agency Fund, which does not report results of operations. Accordingly, this schedule has been included in the financial statements in an effort to satisfy this requirement and accounting principles generally accepted in the United States of America.

Note 14. Operating Leases

The School District is obligated to account for certain leases as operating leases. Operating leases do not give rise to property rights or lease obligations and, therefore, the results of the lease agreements are not reflected in the School District's account groups. Current rental expenditures for the year ended June 30, 2013, were $ 440,672. 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, 2013:

Year Ended June 30	Totals
2014	$ 423,732
2015	415,027
2016	274,768
2017	6,375
2018	2,737
Total Rent Payments	$ 1,122,639

Note 15. 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 balance to indicate that prepaid items are “not in spendable form” even though it is a component of current assets.

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 School Building Fund: This represents the School Building Fund balance that is not available for appropriation because it represents the year-end fund balance that has been formally restricted to use for approved building projects and is not an expendable, available resource.

Committed for School Building Fund: This amount represents the School Building Fund balance that has been committed for contractual obligations for approved building projects and is not an expendable, available resource.

Assigned for special purposes general fund – Amounts assigned were approved by the Board of Trustees and are for the following purposes:

School parking lots maintenance	$ 201,430
Start up costs associated with new schools	1,800,000
Appropriation of fund balance for budgetary deficit for fiscal year 2013-2014	3,747,745
Construction of new middle school	5,000,000
Total Assigned for special purposes	$ 10,749,175

Note 15. Fund Balances (Continued)

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% - 18% of the general fund budgeted expenditures. The required range as of June 30, 2013 is $ 23,768,553 to $ 28,522,263 based on the 2013/2014 general fund budget. The unassigned amount at June 30, 2013, is $ 19,252,097.

Note 16. 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.

Note 17. Legal Compliance

All schedules and exhibits are presented in the level of detail as required by the South Carolina Department of Education. Account numbers are presented on the combining fund statements and supporting schedules as required.

Note 18. Subsequent Events

The District has evaluated subsequent events through October 30, 2013, the date on which the financial statements were available to be issued.

On August 28, 2013, the District issued Series 2013, $ 12,000,000 general obligation bonds (8% debt). The net proceeds were $ 12,079,440 after a bid premium of $ 79,440. These bonds, including interest of $ 92,500, are due March 3, 2014. The bonds have an interest rate of 1.5%. The proceeds will be used for purposes of funding capital improvements, referendum-approved projects, paying legal fees and costs of issuance of the bonds, and such other lawful purposes as may be determined by the School District.

OTHER SUPPLEMENTARY INFORMATION

GENERAL FUND

The General Fund also referred to as the "general operating fund," is the basic budgetary 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 Revenue, Expenditures and Change 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 S.C. Department of Education.

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GENERAL FUND - BUDGETS AND ACTUAL
YEAR ENDED JUNE 30, 2013

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
1000 Revenue from Local Sources				
1100 Taxes:				
1110 Ad Valorem Taxes-Including Delinquent Taxes	$ 50,651,078	$ 50,651,078	$ 51,258,090	$ 607,012
1140 Penalties & Interest On Taxes	377,732	377,732	393,791	16,059
1200 Revenue From Local Governmental Units Other Than LEAs:				
1280 Revenue in Lieu of Taxes	743,709	743,709	846,631	102,922
1300 Tuition:				
1310 Regular Day School From Patrons	5,000	5,000	-	(5,000)
1350 Summer School From Patrons	-	-	19,784	19,784
1500 Earnings on Investments:				
1510 Interest on Investments	100,000	100,000	86,788	(13,212)
1700 Pupil Activities:				
1740 Student Fees	85,000	85,000	30,508	(54,492)
1900 Miscellaneous Local Revenue:				
1910 Rentals	55,000	55,000	-	(55,000)
1950 Refund of Prior Year's Expenditures	6,500	6,500	13,798	7,298
1999 Revenue from Other Local Sources	1,383,422	1,383,422	406,465	(976,957)
Total Local Sources	53,407,441	53,407,441	53,055,855	(351,586)
3000 Revenue from State Sources				
3100 Restricted State Funding:				
3130 Special Programs:				
3131 Handicapped Transportation	-	-	22,588	22,588
3132 Home Schooling	-	-	503	503
3133 IDEA Contingency	1,081,630	1,081,630	880,398	(201,232)
3160 School Bus Driver Salary	548,494	548,494	694,618	146,124
3162 Transportation Workers' Compensation	-	-	58,867	58,867
3180 Fringe Benefits Employer Contributions	13,044,502	13,044,502	13,657,957	613,455
3181 Retiree Insurance	3,252,096	3,252,096	3,837,288	585,192
3300 Education Finance Act:				
3310 Full-Time Programs:				
3310 EFA Totals	30,938,843	30,938,843	-	(30,938,843)
3311 Kindergarten	-	-	1,895,647	1,895,647
3312 Primary	-	-	5,251,134	5,251,134
3313 Elementary	-	-	8,466,659	8,466,659
3314 High School	-	-	2,150,011	2,150,011
3315 Trainable Mentally Handicapped	-	-	96,419	96,419
3316 Speech Handicapped	-	-	2,765,861	2,765,861
3317 Homebound	-	-	111,028	111,028
3320 Part-Time Programs:				
3321 Emotionally Handicapped	-	-	222,654	222,654
3322 Educable Mentally Handicapped	-	-	73,031	73,031
3323 Learning Disabilities	-	-	2,089,092	2,089,092
3324 Hearing Handicapped	-	-	77,820	77,820
3325 Visually Handicapped	-	-	88,915	88,915
3326 Orthopedically Handicapped	-	-	58,438	58,438
3327 Vocational	-	-	6,752,658	6,752,658
3330 Other EFA Programs:				
3331 Autism	-	-	575,061	575,061
3375 Education Foundation Supplement	2,020,581	2,020,581	-	(2,020,581)
3800 State Revenue In Lieu of Taxes:				
3810 Reimbursement for Local Property Tax Relief (Tier 1)	10,580,071	10,580,071	10,580,071	-
3820 Homestead Exemption (Tier 2)	1,758,200	1,758,200	1,758,201	1
3825 Reimbursement for Property Tax Relief (Tier 3)	28,626,522	28,626,522	28,623,424	(3,098)
3830 Merchant's Inventory Tax	213,955	213,955	213,955	-
3840 Manufacturers Depreciation Reimbursement	303,663	303,663	368,409	64,746
3890 Other State Property Tax Revenues	193,000	193,000	131,389	(61,611)
3900 Other State Revenue:				
3999 Other State Revenue	-	-	12,601	12,601
3992 State Forest Commission Revenues	-	-	31,740	31,740
Total State Sources	92,561,557	92,561,557	91,546,437	(1,015,120)
TOTAL REVENUE ALL SOURCES	145,968,998	145,968,998	144,602,292	(1,366,706)

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GENERAL FUND - BUDGETS AND ACTUAL
YEAR ENDED JUNE 30, 2013

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
EXPENDITURES				
100 INSTRUCTION				
110 General Instruction:				
111 Kindergarten Programs:				
100 Salaries	$ 4,338,685	$ 4,338,685	$ 4,460,229	$ (121,544)
200 Employee Benefits	1,633,413	1,633,413	1,661,821	(28,408)
300 Purchased Services	450	300	290	10
400 Supplies and Materials	57,507	57,450	56,522	928
112 Primary Programs:				
100 Salaries	13,045,753	13,045,753	11,798,303	1,247,450
200 Employee Benefits	4,538,596	4,538,596	4,034,195	504,401
300 Purchased Services	73,100	73,244	71,689	1,555
400 Supplies and Materials	205,369	202,654	295,927	(93,273)
113 Elementary Programs:				
100 Salaries	19,150,305	19,127,055	19,856,192	(729,137)
200 Employee Benefits	6,596,580	6,596,580	6,817,581	(221,001)
300 Purchased Services	5,200	22,050	20,632	1,418
400 Supplies and Materials	347,649	361,713	356,015	5,698
114 High School Programs:				
100 Salaries	14,755,819	14,737,619	14,245,387	492,232
200 Employee Benefits	4,918,646	4,918,646	4,709,149	209,497
300 Purchased Services	148,090	172,052	166,257	5,795
400 Supplies and Materials	389,252	393,317	458,548	(65,231)
600 Other Objects	6,065	6,065	5,000	1,065
115 Career and Technology Education Programs:				
100 Salaries	2,476,255	2,476,255	2,616,065	(139,810)
200 Employee Benefits	858,307	858,307	885,170	(26,863)
300 Purchased Services	730	1,109	1,109	-
400 Supplies and Materials	123,264	105,730	224,235	(118,505)
120 Exceptional Programs:				
121 Educable Mentally Handicapped:				
100 Salaries	574,483	574,483	644,792	(70,309)
200 Employee Benefits	208,612	208,612	225,178	(16,566)
400 Supplies and Materials	1,750	1,750	1,512	238
122 Trainable Mentally Handicapped:				
100 Salaries	651,944	651,944	588,527	63,417
200 Employee Benefits	263,169	263,169	217,147	46,022
400 Supplies and Materials	1,500	1,500	1,396	104
123 Orthopedically Handicapped:				
100 Salaries	193,476	193,476	57,372	136,104
200 Employee Benefits	84,272	84,272	20,170	64,102
400 Supplies and Materials	400	-	-	-
124 Visually Handicapped:				
100 Salaries	118,378	118,378	116,021	2,357
200 Employee Benefits	39,092	39,092	39,477	(385)
400 Supplies and Materials	630	630	608	22
125 Hearing Handicapped:				
100 Salaries	138,801	138,801	138,801	-
200 Employee Benefits	46,664	46,664	49,816	(3,152)
400 Supplies and Materials	330	230	81	149
126 Speech Handicapped:				
100 Salaries	1,114,342	1,114,342	940,712	173,630
200 Employee Benefits	380,150	380,150	316,967	63,183
300 Purchased Services	75,000	75,000	17,533	57,467
400 Supplies and Materials	6,503	6,334	5,390	944
127 Learning Disabilities:				
100 Salaries	3,894,651	3,894,651	4,230,035	(335,384)
200 Employee Benefits	1,351,205	1,351,205	1,436,308	(85,103)
300 Purchased Services	780	780	750	30
400 Supplies and Materials	20,973	26,153	24,587	1,566
128 Emotionally Handicapped:				
100 Salaries	855,706	855,706	622,861	232,845
200 Employee Benefits	334,362	334,362	239,200	95,162
400 Supplies and Materials	3,650	3,650	3,256	394

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GENERAL FUND - BUDGETS AND ACTUAL
YEAR ENDED JUNE 30, 2013

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
EXPENDITURES (CONTINUED)				
100 INSTRUCTION (CONTINUED)				
120 Exceptional Programs (Continued):				
129 Coordinated Early Intervening Services (CEIS):				
100 Salaries	$ 270,157	$ 270,157	$ 235,915	$ 34,242
200 Employee Benefits	103,032	103,032	80,415	22,617
130 Pre-School Programs:				
135 Pre-School Handicapped-Speech (3 & 4 year olds):				
400 Supplies and Materials	200	200	197	3
136 Pre-School Handicapped-Itinerant (3 & 4 year olds):				
100 Salaries	11,322	11,322	11,314	8
200 Employee Benefits	3,738	3,738	3,830	(92)
137 Pre-School Handicapped-Self-Contained (3 & 4 year olds):				
100 Salaries	881,701	881,701	655,978	225,723
200 Employee Benefits	335,223	335,223	299,220	36,003
400 Supplies and Materials	300	300	294	6
138 Pre-School Handicapped-Homebased (3 & 4 year olds):				
100 Salaries	8,407	8,407	8,407	-
200 Employee Benefits	2,783	2,783	2,854	(71)
400 Supplies and Materials	300	300	296	4
139 Early Childhood Programs:				
100 Salaries	565,818	565,818	565,269	549
200 Employee Benefits	204,834	204,834	206,517	(1,683)
300 Purchased Services	210	210	74	136
140 Special Programs:				
141 Gifted and Talented-Academic:				
100 Salaries	528,177	528,177	560,734	(32,557)
200 Employee Benefits	190,817	190,817	199,677	(8,860)
143 Advanced Placement:				
100 Salaries	610,966	610,966	566,248	44,718
200 Employee Benefits	195,534	195,534	184,140	11,394
145 Homebound:				
100 Salaries	125,000	110,000	166,754	(56,754)
200 Employee Benefits	13,796	13,796	37,779	(23,983)
300 Purchased Services	11,800	11,800	8,233	3,567
148 Gifted and Talented-Artistic:				
100 Salaries	8,040	8,040	3,516	4,524
200 Employee Benefits	2,282	2,282	942	1,340
149 Other Special Programs:				
100 Salaries	1,025,321	1,025,321	1,395,918	(370,597)
140 Terminal Leave	293,705	293,705	19,257	274,448
200 Employee Benefits	-	-	334,189	(334,189)
160 Other Exceptional Programs:				
161 Autism:				
100 Salaries	951,353	951,353	817,083	134,270
200 Employee Benefits	372,183	372,183	318,132	54,051
400 Supplies and Materials	3,076	3,426	3,047	379
170 Summer School Program:				
173 High School Summer School:				
100 Salaries	30,000	30,000	46,424	(16,424)
200 Employee Benefits	-	-	11,011	(11,011)

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GENERAL FUND - BUDGETS AND ACTUAL
YEAR ENDED JUNE 30, 2013

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
EXPENDITURES (CONTINUED)				
100 INSTRUCTION (CONTINUED)				
180 Adult/Continuing Educational Programs:				
181 Adult Basic Education Programs:				
100 Salaries	$ 171,634	$ 171,634	$ 187,873	$ (16,239)
200 Employee Benefits	53,695	53,695	59,428	(5,733)
300 Purchased Services	1,800	1,800	1,323	477
182 Adult Education Secondary Programs:				
300 Purchased Services	500	500	-	500
400 Supplies and Materials	10,570	10,570	10,081	489
188 Parenting/Family Literacy				
100 Salaries	29,885	29,885	-	29,885
200 Employee Benefits	13,390	13,390	-	13,390
190 Instructional Pupil Activity:				
100 Salaries	358,171	358,171	357,859	312
200 Employee Benefits	84,948	84,948	82,223	2,725
660 Instructional Pupil Activity	26,384	26,413	26,328	85
TOTAL INSTRUCTION	91,530,910	91,518,358	90,147,592	1,370,766
200 SUPPORT SERVICES:				
210 Pupil Services:				
211 Attendance and Social Work Services:				
100 Salaries	939,220	939,220	816,506	122,714
200 Employee Benefits	375,211	375,211	319,182	56,029
300 Purchased Services	13,000	7,000	4,396	2,604
400 Supplies and Materials	8,480	4,030	3,051	979
212 Guidance Services:				
100 Salaries	3,059,145	3,059,145	2,766,470	292,675
200 Employee Benefits	1,017,800	1,017,800	920,928	96,872
300 Purchased Services	1,225	2,139	1,673	466
400 Supplies and Materials	20,435	21,438	19,383	2,055
213 Health Services:				
100 Salaries	1,367,377	1,367,377	1,211,361	156,016
200 Employee Benefits	397,245	397,245	430,349	(33,104)
300 Purchased Services	525	485	59,198	(58,713)
400 Supplies and Materials	22,483	21,334	28,047	(6,713)
214 Psychological Services:				
100 Salaries	1,033,085	1,033,085	932,918	100,167
200 Employee Benefits	315,874	315,874	276,858	39,016
300 Purchased Services	6,000	6,000	5,997	3
400 Supplies and Materials	6,562	6,562	7,013	(451)
217 Career Specialist Services:				
100 Salaries	99,969	99,969	-	99,969
200 Employee Benefits	52,187	52,187	1,129	51,058
400 Supplies and Materials	1,050	1,050	965	85
220 Instructional Staff Services:				
221 Improvement of Instruction-Curriculum Development:				
100 Salaries	3,124,517	3,126,235	3,559,361	(433,126)
200 Employee Benefits	920,314	920,314	1,086,274	(165,960)
300 Purchased Services	468,590	473,200	430,571	42,629
400 Supplies and Materials	206,777	225,997	145,448	80,549
600 Other Objects	1,650	1,650	1,181	469
222 Library and Media Services:				
100 Salaries	1,879,393	1,879,393	1,909,761	(30,368)
200 Employee Benefits	666,249	666,249	661,134	5,115
300 Purchased Services	800	1,295	1,376	(81)
400 Supplies and Materials	316,805	313,540	302,052	11,488

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GENERAL FUND - BUDGETS AND ACTUAL
YEAR ENDED JUNE 30, 2013

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
EXPENDITURES (CONTINUED)				
200 SUPPORT SERVICES (CONTINUED)				
220 Instructional Staff Services (Continued):				
223 Supervision of Special Programs:				
100 Salaries	$ 354,286	$ 354,286	$ 400,770	$ (46,484)
200 Employee Benefits	181,182	181,182	114,700	66,482
300 Purchased Services	1,325	1,325	715	610
400 Supplies and Materials	4,500	4,500	4,660	(160)
224 Improvement of Instruction-Inservice and Staff Training:				
100 Salaries	6,600	13,107	21,463	(8,356)
200 Employee Benefits	22	22	3,812	(3,790)
300 Purchased Services	107,696	86,210	72,234	13,976
400 Supplies and Materials	4,450	5,421	8,980	(3,559)
230 General Administration Services:				
231 Board of Education:				
100 Salaries	13,750	13,750	22,500	(8,750)
200 Employee Benefits	871	871	3,273	(2,402)
300 Purchased Services	339,275	334,275	290,174	44,101
318 Audit Services			32,600	(32,600)
600 Other Objects	206,680	206,680	269,988	(63,308)
232 Office of the Superintendent:				
100 Salaries	261,672	261,672	268,999	(7,327)
200 Employee Benefits	81,569	81,569	69,527	12,042
300 Purchased Services	12,000	12,000	4,727	7,273
400 Supplies and Materials	10,470	10,470	5,300	5,170
600 Other Objects	6,100	6,100	1,320	4,780
233 School Administration:				
100 Salaries	7,829,670	7,829,670	7,962,296	(132,626)
200 Employee Benefits	2,584,503	2,584,503	2,568,584	15,919
300 Purchased Services	181,551	194,677	167,879	26,798
400 Supplies and Materials	211,469	213,790	175,231	38,559
500 Capital Outlay	5,800	5,000	728	4,272
600 Other Objects	47,676	46,311	42,822	3,489
250 Finance and Operations Services:				
251 Student Transportation (Federal/District Mandated):				
100 Salaries	1,579	1,579	1,590	(11)
200 Employee Benefits	598	598	1,071	(473)
300 Purchased Services	2,345	2,345	1,967	378
252 Fiscal Services:				
100 Salaries	815,565	815,565	818,918	(3,353)
200 Employee Benefits	277,293	277,293	268,975	8,318
300 Purchased Services	55,000	64,000	46,964	17,036
400 Supplies and Materials	65,250	65,250	55,196	10,054
500 Capital Outlay	6,250	6,250	-	6,250
600 Other Objects	4,500	4,500	4,415	85
254 Operation and Maintenance of Plant:				
100 Salaries	5,884,375	5,884,375	5,981,071	(96,696)
200 Employee Benefits	2,454,261	2,454,261	2,377,715	76,546
300 Purchased Services	2,654,846	2,655,056	2,616,621	38,435
321 Public Utilities	533,345	533,345	580,141	(46,796)
400 Supplies and Materials	883,660	887,709	823,022	64,687
470 Energy	3,597,590	3,597,590	3,466,136	131,454
500 Capital Outlay	-	-	-	-
600 Other Objects	35,310	35,310	5,380	29,930
255 Student Transportation:				
100 Salaries	3,102,931	3,102,931	2,934,484	168,447
200 Employee Benefits	872,937	872,937	811,732	61,205
300 Purchased Services	387,900	390,180	306,456	83,724
400 Supplies and Materials	69,235	79,585	67,765	11,820
600 Other Objects	450	1,000	512	488

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GENERAL FUND - BUDGETS AND ACTUAL
YEAR ENDED JUNE 30, 2013

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
EXPENDITURES (CONTINUED)				
200 SUPPORT SERVICES (CONTINUED)				
250 Finance and Operations Services (Continued):				
257 Internal Services:				
100 Salaries	$ 330,501	$ 330,501	$ 270,450	$ 60,051
200 Employee Benefits	113,713	113,713	89,043	24,670
300 Purchased Services	687,577	674,162	574,369	99,793
400 Supplies and Materials	46,030	46,030	(29,181)	75,211
258 Security:				
100 Salaries	141,812	141,812	71,006	70,806
200 Employee Benefits	47,333	47,333	24,364	22,969
300 Purchased Services	542,207	549,905	476,984	72,921
260 Central Support Services:				
263 Information Services:				
100 Salaries	202,378	205,378	226,355	(20,977)
200 Employee Benefits	61,783	61,783	65,713	(3,930)
300 Purchased Services	60,560	73,400	15,271	58,129
400 Supplies and Materials	32,899	33,481	23,980	9,501
600 Other Objects	13,835	13,253	7,765	5,488
264 Staff Services:				
100 Salaries	545,288	546,288	540,693	5,595
200 Employee Benefits	169,393	169,393	177,420	(8,027)
300 Purchased Services	65,750	68,750	52,556	16,194
400 Supplies and Materials	63,824	64,824	39,029	25,795
600 Other Objects	825	825	827	(2)
266 Technology and Data Processing Services:				
100 Salaries	1,221,746	1,221,746	1,274,542	(52,796)
200 Employee Benefits	459,844	459,844	413,438	46,406
300 Purchased Services	159,265	159,265	208,607	(49,342)
400 Supplies and Materials	12,300	12,300	12,484	(184)
270 Support Services Pupil Activity:				
271 Pupil Services Activities:				
100 Salaries	1,149,583	1,149,583	1,346,150	(196,567)
200 Employee Benefits	313,490	313,490	342,966	(29,476)
300 Purchased Services	19,700	19,700	19,441	259
660 Pupil Activity	363,168	363,168	363,168	-
Total expenditures, excluding capital outlay	57,293,059	57,342,751	56,192,707	1,150,044
Total capital outlay	12,050	11,250	728	10,522
TOTAL SUPPORT SERVICES	57,305,109	57,354,001	56,193,435	1,160,566
300 COMMUNITY SERVICES				
390 Other Community Services:				
300 Purchased Services	30,960	15,509	15,508	1
400 Supplies and Materials	6,800	6,411	140	6,271
TOTAL COMMUNITY SERVICES	37,760	21,920	15,648	6,272

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GENERAL FUND - BUDGETS AND ACTUAL
YEAR ENDED JUNE 30, 2013

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
EXPENDITURES (CONTINUED)				
400 OTHER CHARGES				
410 Intergovernmental Expenditures:				
411 Payments to the State Department of Education:				
720 Transits	$ 25,000	$ 4,500	$ -	$ 4,500
412 Payments to Other Governmental Units:				
720 Transits	152,200	152,200	43,417	108,783
415 Payments to Nonprofit Entities (for First Steps):				
720 Transits	3,200	3,200	-	3,200
TOTAL INTERGOVERNMENTAL EXPENDITURES	180,400	159,900	43,417	116,483
TOTAL EXPENDITURES	149,054,179	149,054,179	146,400,092	2,654,087
OTHER FINANCING SOURCES (USES):				
Interfund Transfers, From (To) Other Funds:				
5300 Sale of Capital Assets	-	-	33,072	33,072
5230 Transfer from Special Revenue EIA	3,606,122	3,606,122	3,830,428	224,306
5280 Transfers from Other Funds Indirect Costs	205,550	205,550	743,137	537,587
420-710 Transfer to General Fund	(40,215)	(40,215)	-	40,215
421-710 Transfer to Special Revenue Funds	(134,531)	(134,531)	-	134,531
425-710 Transfer to Food Service Fund	(521,745)	(521,745)	(423,875)	97,870
426-710 Transfer to Pupil Activity Fund	(30,000)	(30,000)	-	30,000
TOTAL OTHER FINANCING SOURCES (USES)	3,085,181	3,085,181	4,182,762	1,097,581
Excess (Deficiency) of Revenues Over Expenditures	$ -	$ -	2,384,962	$ 2,384,962
FUND BALANCE, JULY 1, 2012			30,744,095	
FUND BALANCE, JUNE 30, 2013			$ 33,129,057	

SPECIAL REVENUE FUNDS

The Special Revenue Funds account for the proceeds of specific revenue sources (other than expandable 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 funds 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 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 Fund.

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 S.C. Department of Education.

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
SPECIAL REVENUE FUND - SPECIAL PROJECTS FUND
YEAR ENDED JUNE 30, 2013

	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	OTHER SPECIAL REVENUE PROGRAMS	TOTAL
REVENUES:								
1000 Revenue from Local Sources:								
1900 Other Revenue From Local Sources:								
1920 Contributions and Donations Private Sources	$ -	$ -	$ -	$ -	$ -	$ -	$ 127,487	$ 127,487
1930 Medicaid	-	-	-	-	-		648,746	648,746
1999 Other local revenue	-	-	-	-	-	-	4,314	4,314
Total Local Sources	-	-	-	-	-	-	780,547	780,547
3000 Revenue from State Sources:								
3100 Restricted State Funding:								
3110 Occupational Education:								
3116 EEDA - Miscellaneous	-	-	-	-	-	5,113	-	5,113
3118 EEDA Career Specialist	-	-	-	-	-	713,245	-	713,245
3120 General Education:								
3123 Formative Assessment						2,660	-	2,660
3127 Student Health and Fitness - PE Teachers	-	-	-	-	-	168,751	-	168,751
3128 High Schools That Work/Making Middle Grades Work	-	-	-	-	-	3,462	-	3,462
3130 Special Programs:								
3136 Student Health and Fitness - Nurses	-	-	-	-	-	377,619	-	377,619
3190 Miscellaneous Restricted State Grants:								
3193 Education License Plate	-	-	-	-	-	6,188	-	6,188
3199 Other Restricted State Grants	-	-	-	-	-	-	1,426	1,426
3600 Education Lottery Act Revenue:								
3607 6-8 Enhancement	-	-	-	-	-	66,333	-	66,333
3610 K - 5 Enhancement	-	-	-	-	-	565,777	-	565,777
3900 Other State Revenue:								
3999 Other State Revenue	-	-	-	-	-	-	127	127
Total State Sources	-	-	-	-	-	1,909,148	1,553	1,910,701
4000 Revenue from Federal Sources:								
4200 Occupational Education:								
4210 Perkins Aid, Title I	-	-	-	196,312	-	-	-	196,312
4300 Elementary and Secondary Education Act of 1965:								
4310 Title I, Basic State Grant Programs	1,458,953	-	-	-	-	-	61,525	1,520,478
4341 Language Instruction for Limited English, Title III	-	-	-	-	-	-	59,010	59,010
4343 McKinney-Vento	-	-	-	-	-	-	43,520	43,520
4351 Improving Teacher Quality	-	-	-	-	-	-	160,074	160,074
4400 Adult Education:								
4410 Basic Adult Education	-	-	-	-	94,489	-	-	94,489

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
SPECIAL REVENUE FUND - SPECIAL PROJECTS FUND
YEAR ENDED JUNE 30, 2013

	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	OTHER SPECIAL REVENUE PROGRAMS	TOTAL
REVENUES (CONTINUED):								
4000 Revenue from Federal Sources (Continued):								
4500 Programs for Children with Disabilities:								
4510 IDEA	$ -	$ 3,130,004	$ -	$ -	$ -	$ -	$ -	$ 3,130,004
4520 Pre-School Grants (IDEA)	-	-	123,659	-	-	-	-	123,659
4900 Other Federal Sources:								
4924 21st Century	-	-	-	-	-	-	270,897	270,897
4999 Revenue from Other Federal Sources	-	-	-	-	-	-	1,160,433	1,160,433
Total Federal Sources	1,458,953	3,130,004	123,659	196,312	94,489	-	1,755,459	6,758,876
TOTAL REVENUE ALL SOURCES	1,458,953	3,130,004	123,659	196,312	94,489	1,909,148	2,537,559	9,450,124
EXPENDITURES:								
100 INSTRUCTION:								
110 General Instruction:								
111 Kindergarten Programs:								
100 Salaries	-	-	-	-	-	38,034	-	38,034
200 Employee Benefits	-	-	-	-	-	4,638	-	4,638
112 Primary Programs:								
100 Salaries	709,020	-	-	-	-	112,285	44,709	866,014
200 Employee Benefits	230,327	-	-	-	-	22,295	10,500	263,122
300 Purchased Services	4,164	-	-	-	-	-	2,088	6,252
400 Supplies and Materials	38,839	-	-	-	-	-	7,919	46,758
113 Elementary Programs:								
100 Salaries	167,818	-	-	-	-	106,293	7,320	281,431
200 Employee Benefits	54,122	-	-	-	-	24,010	1,698	79,830
300 Purchased Services	-	-	-	-	-	-	1,151	1,151
400 Supplies and Materials	5,847	-	-	-	-	-	12,722	18,569
114 High School Programs:								
100 Salaries	-	-	-	-	-	2,784	291,997	294,781
200 Employee Benefits	-	-	-	-	-	583	26,587	27,170
300 Purchased Services	-	-	-	-	-	-	34,427	34,427
400 Supplies and Materials	-	-	-	-	-	6,479	13,589	20,068
115 Career & Technology Education Programs:								
100 Salaries	-	-	-	-	-	-	3,000	3,000
200 Employee Benefits	-	-	-	-	-	-	693	693
400 Supplies and Materials	-	-	-	104,422	-	3,462	2,000	109,884

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
SPECIAL REVENUE FUND - SPECIAL PROJECTS FUND
YEAR ENDED JUNE 30, 2013

	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	OTHER SPECIAL REVENUE PROGRAMS	TOTAL
EXPENDITURES (CONTINUED):								
100 INSTRUCTION (CONTINUED):								
120 Exceptional Programs:								
121 Educable Mentally Handicapped:								
100 Salaries	$ -	$ 119,439	$ -	$ -	$ -	$ -	$ -	$ 119,439
200 Employee Benefits	-	47,072	-	-	-	-	-	47,072
300 Purchased Services	-	1,230	-	-	-	-	-	1,230
400 Supplies and Materials	-	10,862	-	-	-	-	-	10,862
122 Trainable Mentally Handicapped:								
100 Salaries	-	99,285	-	-	-	-	83,461	182,746
200 Employee Benefits	-	28,005	-	-	-	-	18,666	46,671
300 Purchased Services	-	942	-	-	-	-	-	942
400 Supplies and Materials	-	4,995	-	-	-	-	-	4,995
124 Visually Handicapped:								
100 Salaries	-	130	-	-	-	-	12,200	12,330
200 Employee Benefits	-	11	-	-	-	-	2,920	2,931
300 Purchased Services	-	18,330	-	-	-	-	-	18,330
400 Supplies and Materials	-	5,907	-	-	-	-	-	5,907
125 Hearing Handicapped:								
100 Salaries	-	75,453	-	-	-	-	-	75,453
200 Employee Benefits	-	21,507	-	-	-	-	-	21,507
300 Purchased Services	-	10,278	-	-	-	-	-	10,278
400 Supplies and Materials	-	11,769	-	-	-	-	-	11,769
126 Speech Handicapped:								
100 Salaries	-	425,021	-	-	-	-	92,818	517,839
200 Employee Benefits	-	134,119	-	-	-	-	30,553	164,672
300 Purchased Services	-	1,619	-	-	-	-	-	1,619
400 Supplies and Materials	-	5,597	-	-	-	-	-	5,597
127 Learning Disabilities:								
100 Salaries	-	304,330	-	-	-	-	17,058	321,388
200 Employee Benefits	-	102,877	-	-	-	-	3,950	106,827
400 Supplies and Materials	-	131,458	-	-	-	-	-	131,458
128 Emotionally Handicapped:								
100 Salaries	-	56,205	-	-	-	-	33,082	89,287
200 Employee Benefits	-	15,366	-	-	-	-	5,468	20,834
300 Purchased Services	-	8,267	-	-	-	-	-	8,267

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
SPECIAL REVENUE FUND - SPECIAL PROJECTS FUND
YEAR ENDED JUNE 30, 2013

	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	OTHER SPECIAL REVENUE PROGRAMS	TOTAL
EXPENDITURES (CONTINUED):								
100 INSTRUCTION (CONTINUED):								
120 Exceptional Programs (Continued):								
129 Coordinated Early Intervening Services:								
100 Salaries	$ 38,595	$ 340,328	$ -	$ -	$ -	$ 11,841	$ -	$ 390,764
200 Employee Benefits	18,075	110,664	-	-	-	3,493	-	132,232
130 Pre-School Programs:								
135 Preschool Handicapped Speech (3&4 Yr Olds):								
100 Salaries	-	-	49,318	-	-	-	-	49,318
200 Employee Benefits	-	-	19,314	-	-	-	-	19,314
136 Preschool Handicapped Itinerant (3&4 Yr. Olds):								
100 Salaries	-	17,225	-	-	-	-	12,888	30,113
200 Employee Benefits	-	5,958	-	-	-	-	5,414	11,372
137 Preschool Handicapped Self-Contained (3&4 Yr. Olds):								
100 Salaries	-	68,069	22,756	-	-	-	12,887	103,712
200 Employee Benefits	-	20,879	5,352	-	-	-	5,261	31,492
300 Purchased Services	-	426	-	-	-	-	-	426
400 Supplies and Materials	-	560	23,050	-	-	-	-	23,610
140 Special Programs:								
149 Other Special Programs:								
100 Salaries	-	25,957	-	-	-	-	-	25,957
200 Employee Benefits	-	8,132	-	-	-	-	-	8,132
400 Supplies and Materials	-	-	-	-	-	-	46,430	46,430
160 Other Exceptional Programs:								
161 Autism:								
100 Salaries	-	69,013	-	-	-	-	121,513	190,526
200 Employee Benefits	-	27,381	-	-	-	-	37,208	64,589
300 Purchased Services	-	20,955	-	-	-	-	-	20,955
400 Supplies and Materials	-	11,346	-	-	-	-	-	11,346
170 Summer School Programs:								
175 Instructional Programs Beyond Regular School Day:								
300 Purchased Services	20,495	-	-	-	-	-	-	20,495

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
SPECIAL REVENUE FUND - SPECIAL PROJECTS FUND
YEAR ENDED JUNE 30, 2013

	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	OTHER SPECIAL REVENUE PROGRAMS	TOTAL
EXPENDITURES (CONTINUED):								
100 INSTRUCTION (CONTINUED):								
180 Adult/Continuing Educational Programs:								
181 Adult Basic Education Programs:								
100 Salaries	$ -	$ -	$ -	$ -	$ 31,577	$ -	$ -	$ 31,577
200 Employee Benefits	-	-	-	-	7,411	-	-	7,411
400 Supplies and Materials	-	-	-	-	500	-	4,314	4,814
182 Adult Secondary Education Programs:								
100 Salaries	-	-	-	-	31,165	-	-	31,165
200 Employee Benefits	-	-	-	-	7,312	-	-	7,312
400 Supplies and Materials	-	-	-	-	500	-	-	500
183 Adult English Literacy (ESL):								
100 Salaries	-	-	-	-	11,536	-	-	11,536
200 Employee Benefits	-	-	-	-	2,708	-	-	2,708
400 Supplies and Materials	-	-	-	-	1,500	-	-	1,500
188 Parenting/Family Literacy:								
100 Salaries	-	-	-	-	-	-	57,075	57,075
200 Employee Benefits	-	-	-	-	-	-	17,589	17,589
400 Supplies and Materials	-	-	-	-	-	-	678	678
TOTAL INSTRUCTION	1,287,302	2,366,967	119,790	104,422	94,209	336,197	1,081,833	5,390,720
200 SUPPORT SERVICES:								
210 Pupil Services:								
211 Attendance and Social Work Services:								
100 Salaries	-	-	-	-	-	-	1,462	1,462
200 Employee Benefits	-	-	-	-	-	-	336	336
212 Guidance Services:								
100 Salaries	-	-	-	-	-	351,995		351,995
200 Employee Benefits	-	-	-	-	-	90,726	-	90,726
300 Purchased Services	-	-	-	-	-	1,455	-	1,455
400 Supplies and Materials	-	-	-	2,500	-	-	-	2,500
213 Health Services:								
100 Salaries	-	52,558	-	-	-	302,276	45,638	400,472
200 Employee Benefits	-	12,468	-	-	-	75,343	16,845	104,656
300 Purchased Services	-	2,582	-	-	-	-	-	2,582
400 Supplies and Materials	-	19,914	-	-	-	-	1,377	21,291
214 Psychological Services:								
100 Salaries	-	298,086	-	-	-	-	-	298,086
200 Employee Benefits	-	85,738	-	-	-	-	-	85,738
300 Purchased Services	-	5,581	-	-	-	-	-	5,581
400 Supplies and Materials	-	29,849	-	-	-	-	-	29,849

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
SPECIAL REVENUE FUND - SPECIAL PROJECTS FUND
YEAR ENDED JUNE 30, 2013

	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	OTHER SPECIAL REVENUE PROGRAMS	TOTAL
EXPENDITURES (CONTINUED):								
200 SUPPORT SERVICES (CONTINUED):								
210 Pupil Services (Continued):								
217 Career Specialist Services:								
100 Salaries	$ -	$ -	$ -	$ -	$ -	$ 193,971	$ -	$ 193,971
200 Employee Benefits	-	-	-	-	-	76,553	-	76,553
220 Instructional Staff Services:								
221 Improvement of Instruction - Curriculum Development:								
100 Salaries	-	14,313	-	-	-	356,120	31,789	402,222
200 Employee Benefits	-	3,128	-	-	-	121,852	11,225	136,205
300 Purchased Services	-	16,329	-	-	-	2,660	8,137	27,126
400 Supplies and Materials	-	8,506	-	-	-	-	1,962	10,468
223 Supervision of Special Programs:								
100 Salaries	41,866	35,892	-	-	100	-	135,456	213,314
200 Employee Benefits	11,302	12,101	-	-	165	-	50,740	74,308
300 Purchased Services	-	19,453	-	-	-	-	234,772	254,225
400 Supplies and Materials	64	5,626	-	-	-	-	252,742	258,432
600 Other Objects	-	-	-	-	-	-	72	72
224 Improvement of Instruction-Inservice Training:								
100 Salaries	-	1,530	-	-	-	-	88,826	90,356
200 Employee Benefits	-	277	-	-	-	-	21,642	21,919
300 Purchased Services	7,993	26,912	-	42,975	-	-	350,623	428,503
400 Supplies and Materials	7,676	-	-	-	-	-	28,635	36,311
230 General Administration Services:								
233 School Administration:								
300 Purchased Services	-	-	-	3,500	-	-	-	3,500
400 Supplies and Materials	-	-	-	5,315	-	-	-	5,315
250 Finance and Operations Services:								
251 Student Transportation (Federal/District Mandated):								
100 Salaries	-	-	-	-	-	-	21,163	21,163
200 Employee Benefits	-	-	-	-	-	-	4,412	4,412
300 Purchased Services	57,100	13,986	-	-	-	-	35,108	106,194
260 Central Support Services:								
266 Technology and Data Processing Services:								
300 Purchased Services	-	-	-	-	-	-	23,220	23,220

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
SPECIAL REVENUE FUND - SPECIAL PROJECTS FUND
YEAR ENDED JUNE 30, 2013

	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	OTHER SPECIAL REVENUE PROGRAMS	TOTAL
EXPENDITURES (CONTINUED):								
200 SUPPORT SERVICES (CONTINUED):								
270 Support Services - Pupil Activity:								
271 Pupil Service Activities:								
100 Salaries	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,000	$ 1,000
200 Employee Benefits	-	-	-	-	-	-	231	231
300 Purchased Services	-	-	-	37,600	-	-	5,219	42,819
400 Supplies and Materials	-	-	-	-	-	-	4,830	4,830
Total expenditures, excluding capital outlay	126,001	664,829	-	91,890	265	1,572,951	1,377,462	3,833,398
Capital outlay	-	-	-	-	-	-	-	-
TOTAL SUPPORT SERVICES	126,001	664,829	-	91,890	265	1,572,951	1,377,462	3,833,398
300 COMMUNITY SERVICES								
360 Welfare Services:								
300 Purchased Services	-	-	-	-	-	-	22,181	22,181
400 Supplies and Materials	-	-	-	-	-	-	12,548	12,548
Total expenditures, excluding capital outlay	-	-	-	-	-	-	34,729	34,729
Capital outlay	-	-	-	-	-	-	-	-
TOTAL COMMUNITY SERVICES	-	-	-	-	-	-	34,729	34,729
410 INTERGOVERNMENTAL EXPENDITURES:								
412-720 Payments to Other Governmental Units	-	-	-	-	-	-	11,563	11,563
TOTAL EXPENDITURES	1,413,303	3,031,796	119,790	196,312	94,474	1,909,148	2,505,587	9,270,410
OTHER FINANCING SOURCES (USES):								
431-791 Special Revenue Fund Indirect Cost	(45,650)	(98,208)	(3,869)	-	(15)	-	(31,972)	(179,714)
Excess (Deficiency) of Revenues Over Expenditures	-	-	-	-	-	-	-	-
FUND BALANCE, JULY 1, 2012	-	-	-	-	-	-	-	-
FUND BALANCE, JUNE 30, 2013	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SUMMARY SCHEDULE FOR ADULT EDUCATION, OTHER RESTRICTED
STATE GRANTS AND OTHER SPECIAL PROJECTS PROGRAMS
SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2013

SUBFUND	REVENUE CODE	PROGRAM	REVENUE	EXPENDITURES	Other Fund Transfers In/(Out)	DEFERRED REVENUE
Other Restricted State Grants						
919	3193	Education License Plates	$ 6,188	$ 6,188	$ -	$ -
926	3116	EEDA Miscellaneous	5,113	5,113	-	10,444
928	3118	EEDA Career Specialist	713,245	713,245	-	-
933	3123	Formative Assessment	2,660	2,660	-	-
936	3136	Student Health and Fitness - Nurses	377,619	377,619	-	-
937	3127	Student Health and Fitness - PE Teachers	168,751	168,751	-	-
938	3128	High Schools That Work/Making Middle Grades Work	3,462	3,462	-	-
960	3610	K - 5 Enhancement	565,777	565,777	-	-
967	3607	6 - 8 Enhancement	66,333	66,333	-	-
		Total	1,909,148	1,909,148	-	$ 10,444
Other Special Revenue Programs						
224	4924	21st Century	270,897	262,421	(8,476)	
232	4343	McKinney-Vento	34,944	33,851	(1,093)	
237	4310	Title I - School Improvement	61,525	59,600	(1,925)	
256	4343	McKinney-Vento	8,576	8,576	-	
263	4351	Comprehensive School Reform	15,301	15,155	(146)	
264	4341	Title II - English Language Acquisition	59,010	57,853	(1,157)	
267	4351	Improving Teacher Quality	144,773	139,911	(4,862)	
812	3199	ESY Handicap	125	125	-	
831	4999	CHS NJROTC	85,823	85,823	-	
832	4999	IHS, DFHS AFJROTC	125,742	125,742	-	
834	3199	Profoundly Mentally Handicapped	1,301	1,301	-	
841	3999	Artist in Education	127	127	-	
846	4999	Smaller Learning Communities	491,463	491,463	-	
857	4999	Drug Free Communities	122,684	118,844	(3,840)	
868	1920	Lexington County First Steps	61,991	61,991	-	
890	1930	Medicaid	648,746	648,746	-	
897	4999	Teaching American History	334,721	324,248	(10,473)	
898	1920/1999	Mini Grants	69,810	69,810	-	
		Total	$ 2,537,559	$ 2,505,587	$ (31,972)	

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - ALL PROGRAMS
SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT
YEAR ENDED JUNE 30, 2013

	TOTAL
REVENUES:	
1000 Revenue from Local Sources:	
1900 Miscellaneous Local Revenue	
1999 Revenue from Other Local Sources	$ 65
Total Local Sources	65
3000 Revenue from State Sources:	
3500 Education Improvement Act:	
3502 ADEPT	16,632
3509 Arts in Education	
3511 Professional Development	91,084
3518 Formative Assessment	70,566
3525 Career and Technology Education Equipment	189,460
3526 Science Kits	92,889
3532 National Board Certification Salary Supplement	2,798,740
3533 Teacher of the Year Awards	1,073
3538 Students at Risk of School Failure	1,848,454
3540 Early Childhood (Four-Year-Old)	201,985
3542 Preschool Program for Children with Disabilities	456
3544 High Achieving Students	1,101,061
3550 Teacher Salary Increase	1,810,069
3551 Teacher Salary Supplement State Share	1,309,172
3555 School Employer Contributions	711,187
3556 Adult Education	104,326
3558 Reading	85,546
3577 Teacher Supplies	335,904
3578 High Schools that Work/Making Middle Grades Work	19,632
3585 Special Education	1,081,630
3592 Work-Based Learning	76,016
3598 Flexibility Cost Savings	1,177
3599 Other EIA	19,259
Total State Sources	11,966,318
TOTAL REVENUE ALL SOURCES	11,966,383
EXPENDITURES:	
100 INSTRUCTION:	
110 General Instruction:	
111 Kindergarten Programs:	
100 Salaries	74,644
200 Employee Benefits	16,851
400 Supplies and Materials	26,925

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - ALL PROGRAMS
SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT
YEAR ENDED JUNE 30, 2013

	TOTAL
EXPENDITURES (CONTINUED):	
100 INSTRUCTION (CONTINUED):	
110 General Instruction (Continued):	
112 Primary Programs:	
100 Salaries	$ 1,134,872
200 Employee Benefits	334,498
400 Supplies and Materials	172,521
113 Elementary Programs:	
100 Salaries	851,410
200 Employee Benefits	213,058
400 Supplies and Materials	145,150
114 High School Programs:	
100 Salaries	732,532
200 Employee Benefits	176,150
400 Supplies and Materials	73,903
115 Career & Technology Education Programs:	
100 Salaries	86,615
200 Employee Benefits	19,663
300 Purchased Services - Other Than Tuition	4,200
400 Supplies and Materials	223,484
120 Exceptional Programs:	
121 Educable Mentally Handicapped:	
400 Supplies and Materials	1,500
122 Trainable Mentally Handicapped:	
100 Salaries	15,000
200 Employee Benefits	3,470
400 Supplies and Materials	3,000
124 Visually Handicapped:	
400 Supplies and Materials	500
125 Hearing Handicapped:	
400 Supplies and Materials	500
126 Speech Handicapped:	
100 Salaries	7,500
200 Employee Benefits	1,720
400 Supplies and Materials	6,750
127 Learning Disabilities:	
100 Salaries	187,600
200 Employee Benefits	47,215
400 Supplies and Materials	16,750
128 Emotionally Handicapped:	
100 Salaries	98,352
200 Employee Benefits	31,435
400 Supplies and Materials	3,250
129 Coordinated Early Intervening Services:	
100 Salaries	60,968
200 Employee Benefits	17,943
400 Supplies and Materials	1,000

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - ALL PROGRAMS
SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT
YEAR ENDED JUNE 30, 2013

	TOTAL
EXPENDITURES (CONTINUED):	
100 INSTRUCTION (CONTINUED):	
130 Pre-School Programs:	
135 Preschool Handicapped Speech (3 & 4 Yr. Olds):	
400 Supplies and Materials	$ 500
137 Preschool Handicapped Self-Contained (3 & 4 Yr. Olds):	
100 Salaries	376,493
200 Employee Benefits	97,071
400 Supplies and Materials	3,500
139 Early Childhood Programs:	
100 Salaries	124,491
200 Employee Benefits	33,557
300 Purchased Services	865
400 Supplies and Materials	22,481
140 Special Programs:	
141 Gifted and Talented-Academic:	
100 Salaries	751,428
200 Employee Benefits	237,193
300 Purchased Services	397
400 Supplies and Materials	18,554
600 Other Objects	100
143 Advanced Placement:	
100 Salaries	7,500
200 Employee Benefits	1,734
400 Supplies and Materials	1,750
148 Gifted and Talented-Artistic:	
100 Salaries	104,144
200 Employee Benefits	33,384
300 Purchased Services	1,119
400 Supplies and Materials	4,801
600 Other Objects	158
149 Other Special Programs:	
100 Salaries	7,500
200 Employee Benefits	1,711
400 Supplies and Materials	750
160 Other Exceptional Programs:	
161 Autism:	
100 Salaries	90,485
200 Employee Benefits	22,913
400 Supplies and Materials	2,500
180 Adult/Continuing Educational Programs:	
181 Adult Basic Education Programs:	
100 Salaries	5,823

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - ALL PROGRAMS
SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT
YEAR ENDED JUNE 30, 2013

	TOTAL
EXPENDITURES (CONTINUED):	
100 INSTRUCTION (CONTINUED):	
180 Adult/Continuing Educational Programs (Continued):	
182 Adult Secondary Education Programs:	
100 Salaries	$ 2,264
400 Supplies and Materials	9,500
183 Adult English Literacy:	
100 Salaries	445
200 Employee Benefits	77
188 Parenting/Family Literacy:	
100 Salaries	53,274
200 Employee Benefits	25,684
300 Purchased Services	6,539
400 Supplies and Materials	10,690
TOTAL INSTRUCTION	6,852,304
200 SUPPORT SERVICES:	
210 Pupil Services:	
211 Attendance and Social Work Services:	
100 Salaries	4,213
200 Employee Benefits	989
212 Guidance Services:	
100 Salaries	66,875
200 Employee Benefits	15,285
400 Supplies and Materials	11,250
214 Psychological Services:	
100 Salaries	207,413
200 Employee Benefits	61,123
220 Instructional Staff Services:	
221 Improvement of Instruction-Curriculum Development:	
100 Salaries	149,508
200 Employee Benefits	45,166
300 Purchased Services	71,626
400 Supplies and Materials	650
600 Other Objects	1,250
222 Library and Media:	
100 Salaries	60,000
200 Employee Benefits	13,761
400 Supplies and Materials	6,000
223 Supervision of Special Programs:	
100 Salaries	245,591
200 Employee Benefits	66,348
300 Purchased Services	3,679
400 Supplies and Materials	2,233

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - ALL PROGRAMS
SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT
YEAR ENDED JUNE 30, 2013

	TOTAL
EXPENDITURES (CONTINUED):	
200 SUPPORT SERVICES (CONTINUED):	
220 Instructional Staff Services (Continued):	
224 Improvement of Instruction-Inservice and Staff Training:	
100 Salaries	$ 37,526
200 Employee Benefits	7,622
300 Purchased Services	118,585
400 Supplies and Materials	18,992
233 School Administration	
300 Purchased Services	850
255 Student Transportation	
500 Capital Outlay	48,145
263 Information Services	
100 Salaries	900
200 Employee Benefits	209
300 Purchased Services	69
266 Technology and Data Processing Services	
100 Salaries	7,500
200 Employee Benefits	1,716
270 Support Services - Pupil Activity:	
271 Pupil Service Activities:	
300 Purchased Services	8,577
TOTAL SUPPORT SERVICES	1,283,651
TOTAL EXPENDITURES	8,135,955
OTHER FINANCING SOURCES (USES):	
Interfund Transfers, From (To) Other Funds:	
420-710 Transfer to General Fund	(3,830,428)
TOTAL OTHER FINANCING SOURCES (USES)	(3,830,428)
Excess (Deficiency) of Revenues Over Expenditures	-
FUND BALANCE, JULY 1, 2012	-
FUND BALANCE, JUNE 30, 2013	$ -

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SUMMARY SCHEDULE BY PROGRAM
SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT
YEAR ENDED JUNE 30, 2013

PROGRAM	Revenues	Expenditures	EIA Interfund Transfer In/(Out)	Transfers In/(Out)	Deferred Revenue
3500 Education Improvement Act:					
3502 ADEPT	$ 16,632	$ 16,632	$ -	$ -	$ -
3509 Arts in Education	-	-	-	-	3,478
3511 Professional Development	91,084	91,084	-	-	8,387
3518 Formative Assessment	70,566	70,566			-
3525 Career and Technology Education Equipment	189,460	189,460	-	-	60,399
3526 Science Kits	92,889	92,889	-	-	2,853
3530 Trainable & Profoundly Mentally Disabled Student Services	-	-	-	-	12,154
3532 National Board Certification Salary Supplement	2,798,740	2,798,740	-	-	4
3533 Teacher of the Year Awards	1,073	1,073	-	-	-
3538 Students at Risk of School Failure	1,848,454	1,848,454	-	-	800,297
3540 Early Childhood (Four-Year-Old)	201,985	201,985	-	-	21,731
3542 Preschool Program for Children with Disabilities	456	456	-	-	11
3544 High Achieving Students	1,101,061	1,101,061	-	-	351,966
3550 Teacher Salary Increase	1,810,069	-	-	(1,810,069)	-
3551 Teacher Salary Supplement State Share	1,309,172	-		(1,309,172)	-
3555 School Employer Contributions	711,187	-	-	(711,187)	-
3556 Adult Education	104,326	104,326	-	-	200,939
3558 Reading	85,546	85,546	-	-	40,375
3577 Teacher Supplies	335,904	335,904	-	-	-
3578(1999) High Schools that Work/Making Middle Grades Work	19,697	19,697	-	-	-
3585 Aid to Districts-Special Education	1,081,630	1,081,630	-	-	627,420
3592 Work-Based Learning	76,016	76,016	-	-	12,075
3597 Aid to Districts	-	-	-	-	793,181
3598 Cost Savings Allocations	1,177	1,177	-	-	30,789
3599 Other EIA	19,259	19,259	-	-	60,717
TOTALS	$ 11,966,383	$ 8,135,955	$ -	$ (3,830,428)	$ 3,026,776

DEBT SERVICE FUND

The Debt Service Fund accounts 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 statements and schedules have been prepared in the format mandated by the South Carolina Department of Education. The account numbers shown on various statements are also mandated by the S.C. Department of Education.

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2013

REVENUES		
1000 Revenue from Local Sources		
1100 Taxes:		
1110 Ad Valorem Taxes-Including Delinquent Taxes	$	23,872,174
1140 Penalties & Interest on Taxes		87,727
1200 Revenue from Local Governmental Units Other than LEAs:		
1280 Revenue in Lieu of Taxes		183,947
1500 Earnings on Investments:		
1510 Interest on Investments		13,704
Total Local Sources		24,157,552
3000 Revenue from State Sources		
3800 State Revenue in Lieu of Taxes:		
3820 Homestead Exemption (Tier 2)		694,567
3830 Merchants Inventory Tax		71,317
3840 Manufacturers Depreciation Reimbursement		87,137
3890 Other State Property Tax Revenue		31,079
Total State Sources		884,100
4000 Revenue from Federal Sources		
4900 Other Federal Sources:		
4999 Revenue from other federal sources		2,316,124
TOTAL REVENUE ALL SOURCES		27,357,776
EXPENDITURES		
500 DEBT SERVICE		
610 Redemption of Principal		2,225,000
620 Interest		8,343,599
690 Other Objects		3,825
TOTAL EXPENDITURES		10,572,424
OTHER FINANCING SOURCES (USES):		
Interfund Transfers, From (To) Other Funds:		
424-710 Transfer to School Building Fund		(15,000,000)
TOTAL OTHER FINANCING SOURCES (USES)		(15,000,000)
Excess (Deficiency) of Revenues Over Expenditures		1,785,352
Fund Balance July 1, 2012		5,715,026
Fund Balance June 30, 2013	$	7,500,378

CAPITAL PROJECTS FUND

The Capital Projects Fund accounts, 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 statements and schedules have been prepared in the format mandated by the South Carolina Department of Education. The account numbers shown on various statements are also mandated by the S.C. Department of Education.

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
SCHOOL BUILDING FUND
YEAR ENDED JUNE 30, 2013

REVENUES	
1000 Revenues from Local Sources	
1500 Earnings on Investments:	
1510 Interest on Investments	$ 400,550
1900 Other Revenue from Local Sources	
1950 Refund of Prior Year's Expenditures	10,000
Total Local Sources	410,550
TOTAL REVENUES ALL SOURCES	410,550
EXPENDITURES	
250 Finance and Operations	
253 Facilities Acquisition & Construction:	
100 Salaries	208,432
200 Employee Benefits	64,875
300 Purchased Services	1,743,736
400 Supplies	5,420,459
500 Capital Outlay	
520 Construction Services	77,318,518
530 Improvements Other Than Buildings	2,452,788
540 Equipment	4,646,136
545 Technology, Equipment and Software	4,932,883
550 Vehicles	65,106
600 Other Objects	
690 Other Objects	312,378
TOTAL EXPENDITURES	97,165,311
OTHER FINANCING SOURCES (USES)	
5110 Premium on Bonds Sold	10,597,185
5120 Proceeds of General Obligation Bonds	115,655,000
5600 Lease Purchases	2,970,000
Interfund Transfers, From (To) Other Funds:	
5240 Transfer from Debt Service Fund	15,000,000
TOTAL OTHER FINANCING SOURCES (USES)	144,222,185
Excess (Deficiency) of Revenues Over Expenditures	47,467,424
FUND BALANCE JULY 1, 2012	45,581,375
FUND BALANCE JUNE 30, 2013	$ 93,048,799

ENTERPRISE FUND

The Enterprise Fund accounts for operations that are financed and operated 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.

School Food Services Enterprise Fund 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.

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

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

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUND TYPES - FOOD SERVICE FUND AND AFTER SCHOOL PROGRAM
YEAR ENDED JUNE 30, 2013

	Food Services	After School Program	Totals
REVENUES			
1000 Revenue from Local Sources			
1300 Tuition:			
1310 From Patrons for Regular Day School	$ -	$ 1,295,713	$ 1,295,713
1500 Earnings on Investments:			
1510 Interest on Investments	6,645	840	7,485
1600 Food Service:			
1610 Lunch Sales to Pupils	1,792,393	-	1,792,393
1620 Breakfast Sales to Pupils	107,011	-	107,011
1630 Special Sales to Pupils	1,839,603	-	1,839,603
1640 Lunch Sales to Adults	141,497	-	141,497
1650 Breakfast Sales to Adults	1,846	-	1,846
1660 Special Sales to Adults	100,015	-	100,015
1900 Other Revenue from Local Sources:			
1999 Revenue from Other Local Sources	111,861	-	111,861
Total Revenue from Local Sources	4,100,871	1,296,553	5,397,424
3000 Revenue from State Sources			
3100 Restricted State Funding:			
3140 School Lunch:			
3142 Program Aid	441	-	441
3900 Other State Sources:			
3999 Revenue from Other State Sources	8,057	-	8,057
Total Revenue from State Sources	8,498	-	8,498
4000 Revenue from Federal Sources			
4800 USDA Reimbursement:			
4810 School Lunch Program	2,513,503	-	2,513,503
4830 School Breakfast Program	722,683	-	722,683
4900 Other Federal Sources:			
4991 USDA Commodities	259,007	-	259,007
4999 Revenue from Other Federal Sources	30,418	-	30,418
Total Federal Sources	3,525,611	-	3,525,611
Total Revenue All Sources	$ 7,634,980	$ 1,296,553	$ 8,931,533

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUND TYPES - FOOD SERVICE FUND AND AFTER SCHOOL PROGRAM
YEAR ENDED JUNE 30, 2013

	Food Services	After School Program	Totals
EXPENSES			
111 Kindergarten Programs:			
100 Salaries	$ -	$ 64,977	$ 64,977
200 Employee Benefits	-	27,959	27,959
113 Elementary Programs:			
100 Salaries	-	1,037	1,037
200 Employee Benefits	-	240	240
221 Improvement of Instruction - Curriculum Development			
300 Purchased Services	-	600	600
224 Improvement of Instruction-Inservice and Staff Training:			
100 Salaries	-	8,283	8,283
200 Employee Benefits	-	1,947	1,947
300 Purchased Services	-	8,868	8,868
233 School Administration:			
100 Salaries	-	18,801	18,801
200 Employee Benefits	-	4,380	4,380
300 Purchased Services	-	1,478	1,478
256 Food Services:			
100 Salaries	2,819,359	-	2,819,359
200 Employee Benefits	1,223,181	-	1,223,181
300 Purchased Services	187,608	-	187,608
400 Supplies and Materials	3,469,768	-	3,469,768
500 Capital Outlay	125,177	-	125,177
600 Other Objects	18,078	-	18,078
271 Pupil Services Activities:			
300 Purchased Services	-	1,959	1,959
400 Supplies and Materials	-	7,907	7,907
350 Custody and Care of Children Services:			
100 Salaries	-	654,041	654,041
200 Employee Benefits	-	122,493	122,493
300 Purchased Services	-	121,317	121,317
400 Supplies and Materials	-	151,284	151,284
TOTAL EXPENSES	7,843,171	1,197,571	9,040,742
Interfund Transfers, From (To) Other Funds:			
5210 Transfer from General Fund	423,875	-	423,875
432-791 Food Service/After School Program Indirect Cost	(563,423)	-	(563,423)
TOTAL OTHER FINANCING SOURCES (USES)	(139,548)	-	(139,548)
Excess (Deficiency) of Revenues Over Expenses	(347,739)	98,982	(248,757)
NET POSITION, JULY 1, 2012	2,714,563	399,630	3,114,193
NET POSITION, JUNE 30, 2013	$ 2,366,824	$ 498,612	$ 2,865,436

FIDUCIARY FUND

The Agency Fund accounts for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. Agency funds are purely custodial and do not involve measurement of results of operations.

The Pupil Activity Fund is used to record the receipts and disbursements of monies from various student activities organizations. These organizations exist with the explicit approval of the Board of Education. The approval may be revoked. The fund accounting reflects the School District's agency relationship with student activities organizations.

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

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FIDUCIARY FUND
PUPIL ACTIVITY FUNDS
FOR FISCAL YEAR ENDED JUNE 30, 2013

ASSETS	**BALANCE JUNE 30, 2012**	**ADDITIONS**	**DEDUCTIONS**	**BALANCE JUNE 30, 2013**
Accounts Receivable	$ 1,806,763	$ 5,389,550	$ 5,305,170	$ 1,891,143
Inventory	7,030	1,292	-	8,322
TOTAL ASSETS	1,813,793	5,390,842	5,305,170	1,899,465
LIABILITIES				
Accounts Payable	-	863	-	863
Due to Pupil Activities	1,813,793	5,389,979	5,305,170	1,898,602
TOTAL LIABILITIES	$ 1,813,793	$ 5,390,842	$ 5,305,170	$ 1,899,465

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN DUE TO PUPIL ACTIVITY
FIDUCIARY FUND
PUPIL ACTIVITY FUNDS
YEAR ENDED JUNE 30, 2013

	Other Pupil Activity	Schools Pupil Activity	Totals
RECEIPTS			
1500 Earnings on Investments:			
1510 Interest on Investments	$ -	$ 2,277	$ 2,277
1700 Pupil Activities:			
1740 Student Fees	-	740,290	740,290
1790 Other	633,749	3,997,278	4,631,027
1900 Other Revenue from Local Sources:			
1999 Miscellaneous Local Revenue	16,385	-	16,385
Total Receipts	650,134	4,739,845	5,389,979
DISBURSEMENTS			
270 Supporting Services Pupil Activity:			
271 Pupil Service Activities:			
100 Salaries	164,628	-	164,628
200 Employee Benefits	38,290	-	38,290
300 Purchased Services	9,800	-	9,800
400 Supplies and Materials	3	-	3
660 Pupil Activity	358,040	4,734,409	5,092,449
Total Pupil Activity Expenditures	570,761	4,734,409	5,305,170
Excess (Deficiency) of Revenues Over Expenditures	79,373	5,436	84,809
Due to Pupil Activity - July 1, 2012	189,075	1,624,718	1,813,793
Due to Pupil Activity - June 30, 2013	$ 268,448	$ 1,630,154	$ 1,898,602

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN DUE TO PUPIL ACTIVITY
FIDUCIARY FUND - PUPIL ACTIVITY FUNDS - BY SCHOOL
YEAR ENDED JUNE 30, 2013

	Chapin Elementary	Ballentine Elementary	Chapin Middle	Chapin High	Crossroads Middle	Dutch Fork Elementary	Oak Pointe Elementary
RECEIPTS							
1000 Receipts from Local Sources							
1500 Earnings on Investments							
1510 Interest on Investments	$ 58	$ 107	$ 139	$ 429	$ 118	$ 63	$ 38
1700 Pupil Activities:							
1740 Student Fees	18,616	18,272	97,949	111,279	35,670	8,273	14,273
1790 Other	97,009	135,919	177,166	569,971	314,621	47,536	112,444
Total Receipts	115,683	154,298	275,254	681,679	350,409	55,872	126,755
DISBURSEMENTS							
270 Supporting Services Pupil Activity:							
271 Pupil Service Activities:							
660 Pupil Activity	115,538	150,869	241,331	794,884	326,996	53,935	126,262
Total Disbursements	115,538	150,869	241,331	794,884	326,996	53,935	126,262
Excess (Deficiency) of Receipts Over Disbursements	145	3,429	33,923	(113,205)	23,413	1,937	493
Due to Pupil Activity - July 1, 2012	46,501	92,775	61,640	352,658	54,507	48,850	25,459
Due to Pupil Activity - June 30, 2013	$ 46,646	$ 96,204	$ 95,563	$ 239,453	$ 77,920	$ 50,787	$ 25,952

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN DUE TO PUPIL ACTIVITY
FIDUCIARY FUND - PUPIL ACTIVITY FUNDS - BY SCHOOL
YEAR ENDED JUNE 30, 2013

	Dutch Fork High	Dutch Fork Middle	H.E. Corley Elementary	Harbison West Elementary	Irmo Elementary	Irmo Middle	Irmo High
RECEIPTS							
1000 Receipts from Local Sources							
1500 Earnings on Investments							
1510 Interest on Investments	$ 284	$ 80	$ 56	$ 41	$ 43	$ 79	$ 358
1700 Pupil Activities:							
1740 Student Fees	126,679	49,046	8,367	5,572	11,605	38,191	104,981
1790 Other	780,943	280,263	50,725	62,427	52,463	107,754	748,375
Total Receipts	907,906	329,389	59,148	68,040	64,111	146,024	853,714
DISBURSEMENTS							
270 Supporting Services Pupil Activity:							
271 Pupil Service Activities:							
660 Pupil Activity	884,568	320,276	59,717	78,990	61,329	154,173	931,045
Total Disbursements	884,568	320,276	59,717	78,990	61,329	154,173	931,045
Excess (Deficiency) of Receipts Over Disbursements	23,338	9,113	(569)	(10,950)	2,782	(8,149)	(77,331)
Due to Pupil Activity - July 1, 2012	169,361	35,596	49,255	44,988	28,884	65,521	299,914
Due to Pupil Activity - June 30, 2013	$ 192,699	$ 44,709	$ 48,686	$ 34,038	$ 31,666	$ 57,372	$ 222,583

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN DUE TO PUPIL ACTIVITY
FIDUCIARY FUND - PUPIL ACTIVITY FUNDS - BY SCHOOL
YEAR ENDED JUNE 30, 2013

	Lake Murray Elementary	Leaphart Elementary	Nursery Road Elementary	River Springs Elementary	Seven Oaks Elementary	Alternative School	Cate Center
RECEIPTS							
1000 Receipts from Local Sources							
1500 Earnings on Investments							
1510 Interest on Investments	$ 224	$ 39	$ 20	$ 35	$ 15	$ 5	$ 23
1700 Pupil Activities:							
1740 Student Fees	22,847	5,740	7,323	15,928	4,302	-	30,671
1790 Other	160,771	79,771	35,876	76,156	55,864	2,096	16,935
Total Receipts	183,842	85,550	43,219	92,119	60,181	2,101	47,629
DISBURSEMENTS							
270 Supporting Services Pupil Activity:							
271 Pupil Service Activities:							
660 Pupil Activity	152,172	82,552	42,336	80,652	32,922	2,437	27,812
Total Disbursements	152,172	82,552	42,336	80,652	32,922	2,437	27,812
Excess (Deficiency) of Receipts Over Disbursements	31,670	2,998	883	11,467	27,259	(336)	19,817
Due to Pupil Activity - July 1, 2012	169,813	25,129	12,468	22,473	14,010	4,916	-
Due to Pupil Activity - June 30, 2013	$ 201,483	$ 28,127	$ 13,351	$ 33,940	$ 41,269	$ 4,580	$ 19,817

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN DUE TO PUPIL ACTIVITY
FIDUCIARY FUND - PUPIL ACTIVITY FUNDS - BY SCHOOL
YEAR ENDED JUNE 30, 2013

	Adult Ed	Total
RECEIPTS		
1000 Receipts from Local Sources		
1500 Earnings on Investments		
1510 Interest on Investments	$ 23	$ 2,277
1700 Pupil Activities:		
1740 Student Fees	4,706	740,290
1790 Other	32,193	3,997,278
Total Receipts	36,922	4,739,845
DISBURSEMENTS		
270 Supporting Services Pupil Activity:		
271 Pupil Service Activities:		
660 Pupil Activity	13,613	4,734,409
Total Disbursements	13,613	4,734,409
Excess (Deficiency) of Receipts Over Disbursements	23,309	5,436
Due to Pupil Activity - July 1, 2012	-	1,624,718
Due to Pupil Activity - June 30, 2013	$ 23,309	$ 1,630,154

SOUTH CAROLINA STATE DEPARTMENT OF EDUCATION SCHEDULES

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
INSITE LOCATION RECONCILIATION SCHEDULE
YEAR ENDED JUNE 30, 2013

Location	Location Description	Education Level	Cost Type	2013 YTD Expenditures
1	Districtwide	Non-Schools	Central	$ 40,106,590
15	Chapin Elementary School	Elementary Schools	School	7,592,380
17	Lake Murray Elementary School	Elementary Schools	School	6,491,370
20	Chapin High School	High Schools	School	35,335,561
21	Chapin Middle School	Middle Schools	School	8,894,514
23	HE Corley Elementary School	Elementary Schools	School	6,828,957
24	Ballentine Elementary School	Elementary Schools	School	6,040,131
25	Dutch Fork Elementary School	Elementary Schools	School	5,549,041
26	River Springs Elementary School	Elementary Schools	School	5,513,592
27	Dutch Fork High School	High Schools	School	24,459,838
28	Dutch Fork Middle School	Middle Schools	School	7,995,126
29	Harbison West Elementary School	Elementary Schools	School	6,466,868
30	Oak Point Elementary	Elementary Schools	School	6,257,259
32	New Middle School	Middle Schools	School	262,509
33	The Center	High Schools	School	42,322,931
34	Spring Hill High School	High Schools	School	251,206
35	Irmo Elementary School	Elementary Schools	School	6,538,589
40	Irmo High School	High Schools	School	29,127,102
45	Crossroads Middle School	Middle Schools	School	9,781,816
46	Irmo Middle School	Middle Schools	School	10,634,552
50	Leaphart Elementary School	Elementary Schools	School	5,310,705
52	Nursery Road Elementary School	Elementary Schools	School	6,467,558
55	Seven Oaks Elementary School	Elementary Schools	School	5,908,510
61	Summer School	High Schools	School	22,431
65	Alternative School	Other Schools	School	1,730,968
				$ 285,890,104

RECONCILIATION OF PRIMARY GOVERNMENT EXPENDITURES TO THE FINANCIAL STATEMENTS

	Expenditures
General Fund	$ 146,400,092
Special Revenue Fund	9,270,410
Special Revenue EIA Fund	8,135,955
Debt Service Fund	10,572,424
Capital Projects Fund	97,165,311
Proprietary Fund	9,040,742
Trust and Agency Fund	5,305,170
Total Expenditures/Disbursements for All Funds	$ 285,890,104

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
DETAILED SCHEDULE OF DUE TO STATE DEPARTMENT
OF EDUCATION/FEDERAL GOVERNMENT
JUNE 30, 2013

Program	Grant or Project Number and FY	Revenue & Subfund Codes	Description	Amount Due to SCDE or Federal Government

No funds are due to state / federal government.

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
DETAILED SCHEDULE OF DEFERRED REVENUE
SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT
JUNE 30, 2013

Program	Fund Number	Revenue Code	Amount
Arts in Education	309	3509	$ 3,478
Professional Development	311	3511	8,387
Career and Technology Education Equipment	325	3525	60,399
Science Kits	326	3526	2,853
Trainable & Profoundly Mentally Disabled Student Services	330	3530	12,154
Teacher of the Year Awards	333	3533	4
Students at Risk of School Failure	338	3538	800,297
Early Childhood Program (Four-Year-Old)	340	3540	21,731
Preschool Program for Children with Disabilities	342	3542	11
High Achieving Students	344	3544	351,966
Adult Education	356	3556	200,939
Reading	358	3558	40,375
Aid to Districts-Special Education	385	3585	627,420
Work-Based Learning	392	3592	12,075
Aid to Districts	397	3597	793,181
Cost Savings Allocations	398	3598	30,789
Other EIA	399	3599	60,717
			$ 3,026,776

STATISTICAL SECTION (Unaudited)

This part of the District's comprehensive annual 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.

Contents

	Page
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.	101 - 107
Revenue Capacity These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	108 - 115
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.	116 - 119
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.	120 - 122
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.	123 - 128

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. This District implemented GASB Statement 54 with the fiscal year beginning July 1, 2010; therefore, schedules presenting governmental fund balance information include new fund balance terminology beginning with June 30, 2011. The 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.

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(accrual basis of accounting - unaudited)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Governmental activities:										
Net investment in capital assets	$ 106,739,242	$ 124,152,122	$ 137,979,595	$ 127,615,113	$ 149,508,221	$ 141,675,359	$ 167,131,935	$ 173,068,374	$ 175,518,572	$ 174,275,981
Restricted	10,700,584	3,344,517	2,513,011	18,525,701	3,372,639	20,717,142	4,787,501	752,378	6,477,810	6,934,331
Unrestricted	6,662,474	10,677,434	11,677,539	20,711,028	25,968,031	22,596,243	20,832,647	26,613,502	27,967,938	29,979,061
Total governmental activities	124,102,300	138,174,073	152,170,145	166,851,842	178,848,891	184,988,744	192,752,083	200,434,254	209,964,320	211,189,373
Business-type activities:										
Net investment in capital assets	1,282,130	1,464,485	1,549,904	1,327,852	1,122,400	949,845	768,077	590,670	544,780	554,085
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	476,081	(289,600)	11,341	73,579	407,107	781,999	1,302,017	2,080,461	2,569,413	2,311,351
Total business-type activities	1,758,211	1,174,885	1,561,245	1,401,431	1,529,507	1,731,844	2,070,094	2,671,131	3,114,193	2,865,436
Primary government										
Net investment in capital assets	108,021,372	125,616,607	139,529,499	128,942,965	150,630,621	142,625,204	167,900,012	173,659,044	176,063,352	174,830,066
Restricted	10,700,584	3,344,517	2,513,011	18,525,701	3,372,639	20,717,142	4,787,501	752,378	6,477,810	6,934,331
Unrestricted	7,138,555	10,387,834	11,688,880	20,784,607	26,375,138	23,378,242	22,134,664	28,693,963	30,537,351	32,290,412
Total primary government	$ 125,860,511	$ 139,348,958	$ 153,731,390	$ 168,253,273	$ 180,378,398	$186,720,588	$194,822,177	$203,105,385	$213,078,513	$214,054,809

Source: Records maintained by the School District Finance Department

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)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Expenses										
Government activities:										
Instruction	$ 77,636,671	$ 78,103,905	$ 84,035,162	$ 89,513,413	$ 99,977,330	$ 103,349,967	$ 103,102,269	$ 101,732,197	$ 101,998,583	$ 108,242,761
Support service	41,449,602	46,082,728	53,068,424	55,254,878	66,279,033	66,005,330	68,169,387	67,979,135	71,146,133	74,983,257
Community service	66,240	65,922	81,070	78,231	2,408	-	36,397	30,715	76,339	50,377
Intergovernmental	869,523	1,246,782	1,053,433	525,218	177,042	218,338	-	-	-	-
Interest and other charges	1,410,551	1,251,247	916,724	1,043,455	1,098,074	450,189	1,441,216	3,923,810	4,312,025	9,120,703
Depreciation - unallocated	176,810	302,152	422,789	1,587,476	-	-	-	-	-	-
Total governmental expenses	121,609,397	127,052,736	139,577,602	148,002,671	167,533,887	170,023,824	172,749,269	173,665,857	177,533,080	192,397,098
Business-type activities:										
Food service	5,832,527	6,497,943	6,874,026	7,215,560	7,378,956	7,823,389	7,368,772	7,273,648	7,614,547	7,843,171
After school	-	-	160,889	228,462	665,743	737,646	924,671	990,012	1,033,685	1,197,571
Total business-type expenses	5,832,527	6,497,943	7,034,915	7,444,022	8,044,699	8,561,035	8,293,443	8,263,660	8,648,232	9,040,742
Total primary government expenses	127,441,924	133,550,679	146,612,517	155,446,693	175,578,586	178,584,859	181,042,712	181,929,517	186,181,312	201,437,840
Program Revenues										
Government activities:										
Charges for services										
Instruction Services	69,394	754,944	736,024	872,627	796,798	806,077	831,091	419,662	633,584	30,864
Support Services	774,749	385,673	474,065	489,424	494,877	456,325	408,865	178,779	263,966	19,428
Intergovernmental	-	16,487	25,000	-	-	-	-	-	-	-
Operating grants and contributions	55,190,654	62,437,734	69,020,560	69,795,112	73,388,602	67,715,102	67,856,214	65,919,385	67,207,775	73,559,278
Capital grants and contributions	-	400,567	-	-	487,789	-	1,003,483	-	-	-
Total governmental revenues	56,034,797	63,995,405	70,255,649	71,157,163	75,168,066	68,977,504	70,099,653	66,517,826	68,105,325	73,609,570
Business-type activities:										
Charges for services	3,852,849	4,004,880	4,759,337	4,922,080	5,655,178	5,579,912	5,469,608	5,443,817	5,327,592	5,278,078
Operating grants and contributions	1,834,672	1,900,937	2,578,938	2,390,437	2,531,503	2,852,827	3,115,745	3,346,582	3,654,464	3,534,109
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total business-type revenues	5,687,521	5,905,817	7,338,275	7,312,517	8,186,681	8,432,739	8,585,353	8,790,399	8,982,056	8,812,187
Total primary government revenues	61,722,318	69,901,222	77,593,924	78,469,680	83,354,747	77,410,243	78,685,006	75,308,225	77,087,381	82,421,757
Net (Expense) Revenue										
Total primary government net expense	$ (65,719,606)	$ (63,649,457)	$ (69,018,593)	$ (76,977,013)	$ (92,223,839)	$ (101,174,616)	$ (102,357,706)	$ (106,621,292)	$ (109,093,931)	$ (119,016,083)

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)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Net (Expense)/Revenue										
Total primary government net expense	$ (65,719,606)	$ (63,649,457)	$ (69,018,593)	$ (76,977,013)	$ (92,223,839)	$(101,174,616)	$ (102,357,706)	$ (106,621,292)	$ (109,093,931)	$ (119,016,083)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property taxes levied for general purposes	46,428,770	46,543,180	52,578,885	60,008,122	43,645,680	46,528,039	46,196,847	48,181,527	51,096,858	51,408,125
Property taxes levied for debt service	14,743,459	14,887,776	15,615,508	15,544,153	19,026,906	20,065,446	22,254,816	23,391,210	23,732,876	23,899,135
Payment in lieu of taxes	115,906	84,837	75,045	78,278	80,207	81,018	145,151	562,911	1,085,626	1,030,578
Unrestricted state revenue in lieu of taxes	12,926,902	13,681,146	13,227,983	13,730,219	39,794,004	40,385,037	41,212,780	41,501,416	41,932,359	42,603,890
Gain on sale of land	-	53,312	-	-	-	-	-	-	-	-
Loss on disposals	(30,088)	(89,275)	-	-	-	-	-	-	-	-
Investment earnings	220,787	521,014	1,292,613	1,912,150	1,634,000	385,519	374,660	454,666	354,198	501,042
Miscellaneous	226,331	1,386,098	472,062	208,987	151,297	65,448	272,639	806,241	856,805	430,263
Total governmental revenues	74,632,067	77,068,088	83,262,096	91,481,909	104,332,094	107,510,507	110,456,893	114,897,971	119,058,722	119,873,033
Business-type activities:										
Investment earnings	43,317	69,816	138,929	16,987	16,870	6,299	2,402	6,529	8,337	7,485
Miscellaneous	21,439	-	-	-	-	-	-	-	-	111,861
Total business-type revenues	64,756	69,816	138,929	16,987	16,870	6,299	2,402	6,529	8,337	119,346
Total primary government	74,696,823	77,137,904	83,401,025	91,498,896	104,348,964	107,516,806	110,459,295	114,904,500	119,067,059	119,992,379
Change in Net Position										
Governmental activities	9,057,467	14,010,577	13,940,143	14,681,697	11,997,049	6,139,853	7,763,339	7,682,171	9,530,066	1,225,053
Business-type activities	(80,250)	(522,130)	442,289	(159,814)	128,076	202,337	338,250	601,037	443,062	(248,757)
Total primary government	$ 8,977,217	$ 13,488,447	$ 14,382,432	$ 14,521,883	$ 12,125,125	$ 6,342,190	$ 8,101,589	$ 8,283,208	$ 9,973,128	$ 976,296

Source: Records maintained by the School District Finance Department

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

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Fund										
Nonspendable for Inventory	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 269,657	$ 159,516	$ 9,083
Nonspendable for Prepaid Items	-	-	-	-	-	-	-	2,871,605	2,893,816	3,118,702
Assigned for Special Purposes	-	-	-	-	-	-	-	6,183,579	4,574,852	10,749,175
Unassigned	-	-	-	-	-	-	-	15,321,244	23,115,911	19,252,097
Reserved	333,566	428,925	442,249	587,982	552,387	3,470,904	5,701,580	-	-	-
Unreserved	8,595,917	12,342,425	15,611,999	21,994,142	28,392,396	21,492,632	17,375,197	-	-	-
Total General Fund	$ 8,929,483	$12,771,350	$16,054,248	$22,582,124	$ 28,944,783	$ 24,963,536	$23,076,777	$24,646,085	$30,744,095	$ 33,129,057
All Other Governmental Funds										
Restricted- Debt Service	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 4,726,778	$ 5,715,026	$ 7,500,378
Restricted- Building Fund	-	-	-	-	-	-	-	66,486,908	-	-
Committed- Building Fund	-	-	-	-	-	-	-	27,123,803	45,581,375	93,048,799
Reserved										
Debt Service	1,533,732	2,558,228	2,513,011	3,188,124	4,940,428	1,895,195	4,787,501	-	-	-
Building Fund-Special Purposes	-	-	-	500,000	500,000	500,000	179,892	-	-	-
Unreserved	-	-	-	-	-	-	-	-	-	-
Building Fund	8,833,286	786,289	(2,162,620)	15,337,577	(2,067,789)	18,321,947	45,122,925	-	-	-
Total all other governmental funds	$10,367,018	$ 3,344,517	$ 350,391	$19,025,701	$ 3,372,639	$ 20,717,142	$50,090,318	$98,337,489	$51,296,401	$ 100,549,177

Source: Records maintained by the School District Finance Department

This District implemented GASB Statement 54 with the fiscal year beginning July 1, 2010, therefore, this schedule presents new fund balance terminology information beginning with June 30, 2011.

TABLE 5

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

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Local sources	$ 62,440,144	$ 65,250,384	$ 71,405,717	$ 79,265,649	$ 65,768,664	$ 68,243,166	$ 69,969,985	$ 73,973,918	$ 77,787,518	$ 78,404,569
State sources	61,692,169	67,923,880	74,094,537	77,028,601	107,735,190	101,518,072	98,319,597	95,162,865	102,513,220	106,307,556
Federal sources	6,083,576	8,121,467	8,115,364	6,350,891	5,766,203	6,489,250	11,697,077	12,201,783	6,537,246	9,075,000
Total revenues	$ 130,215,889	$ 141,295,731	$ 153,615,618	$ 162,645,141	$ 179,270,057	$ 176,250,488	$ 179,986,659	$ 181,338,566	$ 186,837,984	$ 193,787,125

Source: Records maintained by the School District Finance Department

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)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Instruction	$ 73,100,720	$ 75,161,029	$ 81,021,567	$ 86,190,182	$ 95,549,350	$ 98,020,654	$ 97,736,125	$ 96,341,961	$ 96,528,377	$ 102,390,616
Support services	39,448,879	42,501,379	48,828,138	50,904,792	63,616,099	69,354,122	69,803,600	66,389,110	64,126,752	69,059,636
Community services	2,430	2,886	18,738	13,342	2,408	-	34,673	30,715	76,339	50,377
Intergovernmental	869,523	1,246,782	1,053,433	525,218	177,042	218,338	148,738	205,507	75,805	54,980
Capital outlay	6,150,866	10,732,041	25,664,777	14,923,946	11,082,441	9,170,097	14,746,208	35,938,160	60,084,729	89,416,159
Debt service										
Principal	14,485,000	13,665,000	18,155,000	17,705,000	17,070,000	23,190,000	18,740,000	21,655,000	2,455,000	2,225,000
Interest and other fees	1,496,418	1,284,091	949,107	950,992	1,095,704	668,565	1,327,433	3,241,569	4,336,154	8,347,424
Total expenditures	$ 135,553,836	$ 144,593,208	$ 175,690,760	$ 171,213,472	$ 188,593,044	$ 200,621,776	$ 202,536,777	$ 223,802,022	$ 227,683,156	$ 271,544,192
Debt service as a percentage of noncapital expenditures	12.1%	11.0%	12.5%	11.7%	10.3%	14.2%	12.0%	15.3%	4.0%	5.7%

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 - Governmental Funds to the Statement of Activities).

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)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Excess of revenues over (under) expenditures	$ (5,337,947)	$ (3,297,477)	$ (22,075,142)	$ (8,568,331)	$ (9,322,987)	$ (24,371,288)	$ (22,550,118)	$ (42,463,456)	$ (40,845,172)	$ (77,757,067)
Other Financing Sources (Uses)										
General long-term debt issued	15,500,000	-	22,300,000	33,725,000	-	37,565,000	50,000,000	91,500,000	-	-
Premiums on bonds sold	-	-	-	0	-	492,497	79,577	840,815	-	-
Sale of capital assets	-	55,127	7,983	1,222	1,808	1,381	896	6,889	2,995	33,072
Lease Purchases	-	-	-	-	-	-	-	-	-	2,970,000
Proceeds from long-term notes	-	-	-	-	-	-	-	-	-	126,252,185
Transfers in	7,895,850	10,116,795	7,029,596	8,047,799	5,581,745	3,281,338	3,328,018	3,553,508	20,613,737	19,573,565
Transfers out	(7,730,094)	(10,055,079)	(6,973,666)	(8,002,503)	(5,550,969)	(3,605,672)	(3,371,956)	(3,621,277)	(20,714,638)	(19,434,017)
Total other financing sources (uses)	15,665,756	116,843	22,363,913	33,771,518	32,584	37,734,544	50,036,535	92,279,935	(97,906)	129,394,805
Net change in fund balances	$ 10,327,809	$ (3,180,634)	$ 288,771	$25,203,187	($9,290,403)	$ 13,363,256	$ 27,486,417	$ 49,816,479	$ (40,943,078)	$ 51,637,738

Source: Records maintained by the School District Finance Department

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 Assessed Value	Real Property Estimated Actual Value	Personal Property Assessed Value	Personal Property Estimated Actual Value	Total Assessed Value	Total Estimated Actual Value	Total Direct Rate	Ratio Of Total Assessed Value To Total Estimated Actual Value
2004	2003	$ 130,761,130	$ 2,876,123,450	$ 61,631,520	$ 341,947,124	$ 192,392,650	$ 3,218,070,574	246.10	6.0%
2005	2004	132,554,060	2,809,420,117	60,537,390	365,894,826	193,091,450	3,175,314,943	244.90	6.1%
2006	2005	172,360,600	3,699,968,703	61,798,580	364,004,305	234,159,180	4,063,973,008	214.60	5.8%
2007	2006	177,489,860	3,771,146,558	70,830,305	395,923,921	248,320,165	4,167,070,479	231.10	6.0%
2008	2007	181,109,220	3,883,609,100	71,494,430	840,624,720	252,603,650	4,724,233,820	252.20	5.3%
2009	2008	188,785,650	4,203,372,242	72,625,080	823,241,882	261,410,730	5,026,614,124	261.50	5.2%
2010	2009	194,851,890	4,180,217,453	67,837,490	787,621,405	262,689,380	4,967,838,858	265.00	5.3%
2011	2010	213,686,120	4,645,292,369	66,978,970	757,286,738	280,665,090	5,402,579,107	266.30	5.2%
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%

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

Source: Lexington County Auditor's Office

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 Assessed Value	Real Property Estimated Actual Value	Personal Property Assessed Value	Personal Property Estimated Actual Value	Total Assessed Value	Total Estimated Actual Value	Total Direct Rate	Ratio Of Total Assessed Value To Total Estimated Actual Value
2004	2003	$ 77,421,590	$ 1,758,710,100	$ 32,859,465	$ 259,887,348	$ 110,281,055	$ 2,018,597,448	246.10	5.5%
2005	2004	82,370,170	1,830,836,093	32,387,450	284,936,409	114,757,620	2,115,772,502	244.90	5.4%
2006	2005	104,541,020	2,386,563,800	32,940,429	306,246,869	137,481,449	2,692,810,669	214.60	5.1%
2007	2006	113,752,760	2,585,290,000	21,270,099	292,769,532	135,022,859	2,878,059,532	231.10	4.7%
2008	2007	117,939,420	2,669,377,000	34,210,374	460,418,632	152,149,794	3,129,795,632	252.50	4.9%
2009	2008	126,005,620	2,845,008,000	35,379,606	465,665,463	161,385,226	3,310,673,463	261.50	4.9%
2010	2009	142,735,450	3,233,354,560	33,533,543	443,733,320	176,268,993	3,677,087,880	252.70	4.8%
2011	2010	145,920,360	3,310,104,270	29,218,138	382,558,208	175,138,498	3,692,662,478	266.30	4.7%
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%

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:

		District Direct Rates			Overlapping Rates							
Fiscal Year	Tax Year December 31	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
2004	2003	197.100	49.000	246.100	83.908	18.471	4.181	1.858	14.000	18.000	92.000	-
2005	2004	195.900	49.000	244.900	87.555	18.778	4.277	1.885	14.000	18.000	92.000	-
2006	2005	173.600	41.000	214.600	76.858	16.097	3.769	1.643	11.663	-	92.000	-
2007	2006	190.900	40.190	231.090	80.786	17.013	4.452	1.915	11.900	-	99.000	-
2008	2007	203.500	49.000	252.500	85.818	18.023	1.452	1.960	11.900	-	102.500	-
2009	2008	212.500	49.000	261.500	89.287	18.577	4.452	1.888	11.900	-	106.300	-
2010	2009	212.500	52.500	265.000	90.455	18.577	4.452	1.788	11.900	-	106.300	-
2011	2010	213.800	52.500	266.300	86.467	17.270	4.303	1.775	11.900	-	98.100	-
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

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:

		District Direct Rates			Overlapping Rates					
Fiscal Year	Tax Year December 31	General Purposes	Capital Purposes	Total	Richland County	Recreation District	Midlands Technical College	Riverbanks Zoo	City Of Irmo	City Of Columbia
2004	2003	197.100	49.000	246.100	95.600	9.700	4.200	2.000	18.000	92.000
2005	2004	195.900	49.000	244.900	99.300	11.200	4.300	2.100	18.000	92.000
2006	2005	173.600	41.000	214.600	95.000	12.000	4.400	2.100	-	83.600
2007	2006	190.900	40.200	231.100	96.400	12.300	4.400	2.100	-	99.000
2008	2007	203.500	49.000	252.500	97.700	12.400	4.400	2.100	-	102.500
2009	2008	212.500	49.000	261.500	101.600	13.600	4.400	2.100	-	106.300
2010	2009	200.200	52.500	252.700	56.100	13.200	4.200	2.000	-	98.100
2011	2010	213.800	52.500	266.300	47.800	10.400	2.800	1.300	-	98.100
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

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.

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

	2013			2004		
Lexington Taxpayer:	Taxable Assessed Value	Rank	Percentage of Total Taxable Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Value
South Carolina Electric & Gas	$ 24,197,410	1	8.28%	$ 12,716,960	1	6.61%
Shaw Industries Group, Inc.	6,521,220	2	2.23%			
AT&T Mobility F/K/A Cingular	4,101,970	3	1.40%			
GGP Columbiana Trust	2,988,360	4	1.02%	2,385,850	4	1.24%
AVR Columbia LLC	1,485,000	5	0.51%			
DDRTC Columbiana Station I, LLC	1,459,650	6	0.50%			
Mid Carolina Electric Coop., Inc.	1,380,100	7	0.47%	984,800	7	0.51%
BRE DDR Harbison Court, LLC	1,194,710	8	0.41%	825,790	8	0.43%
Columbiana Station (E & A) LLC	1,128,950	9	0.39%	720,130	9	0.37%
Wal-Mart Realty Company	921,490	10	0.32%			
SBP Columbia, LLC et al				1,151,390	6	0.60%
Bellsouth Personal Comm				5,573,820	2	2.90%
Honeywell International Inc.				4,022,170	3	2.09%
Bellsouth Telecommunication				1,501,460	5	0.78%
Belk, Inc.				668,200	10	0.35%
Total Assessed Value of Ten Principal Taxpayers	$ 45,378,860		15.53%	$ 30,550,570		15.88%
Total Assessed Value of Other Taxpayers	246,772,460		84.47%	161,842,080		84.12%
Total Assessed Value of All Taxpayers	$ 292,151,320		100.00%	$ 192,392,650		100.00%

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

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

	2013			2004		
Richland Taxpayer;	Taxable Assessed Value	Rank	Percentage of Total Taxable Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Value
Mid-Carolina Electric Coop.	$ 2,056,790	1	1.12%	$ 1,100,920	3	1.00%
South Carolina Electric & Gas	1,970,440	2	1.07%	1,067,970	4	0.97%
Bellsouth Telecommunications, Inc.	1,027,280	3	0.56%	1,748,520	1	1.59%
AVR-Lake Murray, LLC	840,510	4	0.46%			
Harpaw LLC	822,700	5	0.45%			
Paces Brook Gardens Associates	782,980	6	0.43%			
Franklin Pineridge Associates	644,020	7	0.35%			
Southland Log House Inc.	584,810	8	0.32%			
Wal-Mart Real Estate Business	582,570	9	0.32%			
LHC Realty Trust	445,520	10	0.24%			
Triton PCS Holding Co LLC				1,262,370	2	1.14%
Columbia MSA Limited Partnership				1,058,170	5	0.96%
Metropolitan Life Insurance				616,630	6	0.56%
Aimco Properties LP				509,570	7	0.46%
Dillard Department Store				436,780	8	0.40%
Home Depot USA, Inc.				377,490	9	0.34%
Prime Hospitality Corp				373,480	10	0.34%
Total Assessed Value of Ten Principal Taxpayers	$ 9,757,620		5.32%	$ 8,551,900		7.75%
Total Assessed Value of Other Taxpayers	173,750,662		94.68%	101,729,155		92.25%
Total Assessed Value of All Taxpayers	$ 183,508,282		100.00%	$ 110,281,055		100.00%

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
2004	2003	$ 69,538,674	$ 67,672,292	97.32%	$ 1,847,696	$ 69,519,988	99.97%
2005	2004	71,442,738	69,506,007	97.29%	1,883,501	71,389,508	99.93%
2006	2005	80,992,480	79,051,034	97.60%	1,894,798	80,945,832	99.94%
2007	2006	85,173,870	83,205,742	97.69%	1,804,050	85,009,792	99.81%
2008	2007	93,384,660	91,387,277	97.86%	1,811,993	93,199,270	99.80%
2009	2008	99,670,223	97,016,034	97.34%	2,518,988	99,535,022	99.86%
2010	2009	101,260,300	98,883,830	97.65%	2,211,764	101,095,594	99.84%
2011	2010	109,424,317	106,425,326	97.26%	2,585,414	109,010,740	99.62%
2012	2011	114,258,224	111,549,859	97.63%	2,047,837	113,597,696	99.42%
2013	2012	117,535,166	114,123,980	97.10%	-	114,123,980	97.10%

Note: Levies and Collections updated for each fiscal year as of 6/30/13 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
2004	2003	$ 26,877,569	$ 24,506,348	91.18%	$ 1,129,757	$ 25,636,105	95.38%
2005	2004	28,104,141	25,874,000	92.06%	821,779	26,695,779	94.99%
2006	2005	29,390,908	26,997,963	91.86%	781,096	27,779,059	94.52%
2007	2006	33,648,301	32,604,998	96.90%	491,900	33,096,898	98.36%
2008	2007	38,417,823	37,282,199	97.04%	511,826	37,794,025	98.38%
2009	2008	40,526,957	39,133,834	96.56%	669,275	39,803,109	98.21%
2010	2009	41,710,253	40,089,788	96.11%	882,462	40,972,250	98.23%
2011	2010	42,650,504	41,368,546	96.99%	746,703	42,115,249	98.75%
2012	2011	45,074,021	43,710,463	96.97%	824,116	44,534,579	98.80%
2013	2012	46,216,599	44,651,273	96.61%	-	44,651,273	96.61%

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	Total Primary Government	Percentage of Estimated Actual Value of Taxable Property	Percentage of Personal Income	Per Capita
2004	$ 24,795,000	$ 24,795,000	0.47%	1.04%	306
2005	11,130,000	11,130,000	0.21%	0.45%	135
2006	15,275,000	15,275,000	0.23%	0.58%	182
2007	31,295,000	31,295,000	0.44%	1.10%	367
2008	14,225,000	14,225,000	0.18%	0.48%	164
2009	28,600,000	28,600,000	0.34%	0.88%	325
2010	59,860,000	59,860,000	0.69%	1.85%	668
2011	129,705,000	129,705,000	1.43%	Not Available	1,425
2012	127,250,000	127,250,000	1.37%	Not Available	1,393
2013	254,018,653	254,018,653	2.70%	Not Available	2,749

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.

TABLE 13

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

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property	Per Capita
2004	$ 24,795,000	$ 1,533,732	$ 23,261,268	0.44%	287
2005	11,130,000	2,558,228	8,571,772	0.16%	104
2006	15,275,000	2,513,011	12,761,989	0.19%	152
2007	31,295,000	3,188,124	28,106,876	0.40%	330
2008	14,225,000	4,940,428	9,284,572	0.12%	107
2009	28,600,000	1,895,195	26,704,805	0.32%	303
2010	59,860,000	4,787,501	55,072,499	0.64%	615
2011	129,705,000	4,726,778	124,978,222	1.37%	1,373
2012	127,250,000	5,715,026	121,534,974	1.31%	1,331
2013	254,018,653	7,500,378	246,518,275	2.62%	2,668

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.

TABLE 14

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2013
(unaudited)

	General Bonded Debt Outstanding	Estimated Percentage Applicable To District	Estimated District Share of Direct and Overlapping Debt
Direct:			
School District Five of Lexington and Richland Counties	$ 254,018,653	100.00%	$ 254,018,653
Total direct debt	254,018,653		254,018,653
Overlapping:			
Lexington County:			
Lexington County	$ 54,980,612	28.20%	$ 15,504,533
Irmo-Chapin Recreation District	24,490,000	100.00%	24,490,000
Riverbanks Park District	7,305,000	18.20%	1,329,510
City of Columbia	33,515,000	4.10%	1,374,115
Richland County:			
Richland County	$ 55,155,000	11.60%	6,397,980
Richland Co Recreation District	46,030,000	14.90%	6,858,470
Riverbanks Park District	7,305,000	18.20%	1,329,510
City of Columbia	33,515,000	4.10%	1,374,115
Total overlapping debt	262,295,612		58,658,233
Total direct and overlapping debt	$ 516,314,265		$ 312,676,886

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.

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

Legal Debt Margin Calculation For Fiscal Year 2013

Assessed Value	$475,659,602
Debt limit (8% of assessed value)	38,052,768
Debt applicable to limit	-
Legal debt margin	$ 38,052,768

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Debt limit	$ 24,213,896	$ 24,944,759	$ 29,731,250	$31,524,337	$ 32,380,276	$ 33,823,676	$ 37,200,913	$ 36,464,287	$ 37,374,924	$ 38,052,768
Total net debt applicable to limit	10,345,000	-	7,650,000	27,375,000	14,225,000	28,600,000	9,860,000	2,330,000	15,183,300	-
Legal debt margin	$ 13,868,896	$ 24,944,759	$ 22,081,250	$ 4,049,337	$ 18,155,276	$ 5,223,676	$ 27,340,913	$ 34,134,287	$ 22,191,624	$ 38,052,768
Total net debt applicable to the limit as a percentage of debt limit	42.72%	0.00%	25.73%	86.84%	43.93%	84.56%	26.50%	6.39%	40.62%	0.00%

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.

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)

Fiscal Year	Calendar Year	Estimated Population	Personal Income (thousands of dollars)	Per Capita Personal Income Lexington County	Per Capita Personal Income Richland County	Unemployment Rate Lexington County	Unemployment Rate Richland County
2004	2003	80,954	$ 2,375,028	$ 30,048	$ 28,628	4.5%	5.6%
2005	2004	82,334	2,487,804	30,816	29,616	4.9%	6.0%
2006	2005	83,737	2,641,735	31,855	31,241	4.9%	5.6%
2007	2006	85,161	2,854,980	33,748	33,301	4.6%	5.7%
2008	2007	86,609	2,952,414	33,744	34,434	4.7%	6.1%
2009	2008	88,081	3,242,306	36,797	36,824	8.8%	9.2%
2010	2009	89,578	3,228,167	35,773	36,302	8.4%	9.6%
2011	2010	91,018	3,172,978	34,456	35,266	8.1%	9.6%
2012	2011	92,401	not available	35,211	36,347	7.8%	9.2%
2013	2012	not available	not available	not available	not available	6.9%	8.4%

Sources: South Carolina Budget and Control Board, Division of Research and Statistical Services
South Carolina Budget and Control Board, Office of Economic Research
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

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

	2013			2004		
Lexington Employer:	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Michelin North America Inc.	1,960	1	1.57%	1,300	2	1.10%
UPS	1,493	2	1.19%			
Amazon.com Inc	1,200	3	0.96%			
House of Raeford Farms (Columbia Farms)	857	4	0.68%	375	9	0.32%
General Information Systems (GIS)	583	5	0.47%			
CMC Steel	515	6	0.41%			
Prysmian Power Cables & Systems USA	500	7	0.40%			
Harsco Track Technologies	430	8	0.34%	400	6	0.34%
DHL Global Forwarding North America	400	9	0.32%			
Flextronics	350	10	0.28%			
Amick Farms				1,350	1	1.15%
Meridian (Eastman Chemical				1,000	3	0.85%
Commercial Metals				965	4	0.82%
Honeywell International				600	5	0.51%
Union Switch & Signal, Inc.				400	6	0.34%
Solectron				400	6	0.34%
Pirelli Cables & Systems				300	10	0.25%
	8,288		6.62%	7,090		6.02%

Source: South Carolina Department of Commerce
Total Employment from Bureau of Labor Statistics

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

	2013			2004		
Richland Employer:	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
BlueCross BlueShield of SC	6,400	1	3.83%			
Verizon Wireless	1,500	2	0.90%			
Westinghouse Electric Co LLC	1,200	3	0.72%	2,100	1	1.34%
Computer Sciences Corp	1,100	4	0.66%	500	5	0.32%
Consolidated Systems, Inc.	700	5	0.42%			
International Paper Co	675	6	0.40%	850	2	0.54%
PurePOWER Technologies	650	7	0.39%			
Schneider Electric (Square D)	530	8	0.32%	600	4	0.38%
FN Manufacturing	510	9	0.30%	400	9	0.25%
Sysco	400	10	0.24%			
Bose Corp.				800	3	0.51%
The State Record				500	5	0.32%
Indus International				450	7	0.29%
Intertape Polymer Group				430	8	0.27%
Siemens Diesel				400	9	0.25%
	13,665		8.17%	7,030		4.47%

Source: South Carolina Department of Commerce
Total Employment from Bureau of Labor Statistics

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

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
School Allocations:										
Teachers	1,091.63	1,122.55	1,186.41	1,395.00	1,433.00	1,298.74	1,212.42	1,190.02	1,175.52	1,203.55
Guidance	41.50	43.50	43.50	50.00	43.50	51.00	48.50	46.50	46.50	46.50
Media specialists	21.00	22.00	23.00	24.00	21.00	25.00	24.00	24.00	24.00	24.00
Psychologists and social workers	19.50	13.50	15.30	18.80	19.70	27.30	25.00	27.00	27.00	27.00
Speech therapists	23.00	24.00	24.00	25.30	24.30	27.50	29.80	31.00	31.00	31.00
Nurses, occupational and physical therapists	27.30	28.10	28.57	24.32	27.41	31.80	38.50	37.00	37.00	37.00
Secretaries, bookkeepers, and receptionists	121.00	121.50	121.50	122.00	134.30	119.75	112.00	113.00	113.00	116.00
Teacher assistants and media assistants	255.59	261.49	272.09	287.21	265.36	333.13	330.12	296.92	292.92	296.92
Food service personnel and cafeteria monitors	156.73	156.81	164.22	169.00	170.00	171.33	143.26	143.58	143.58	143.58
Custodians, maintenance and transportation	255.78	259.78	261.59	278.50	266.00	288.10	263.85	271.42	271.42	272.42
Technology services and and other specialized	15.00	17.50	15.00	18.00	6.50	12.00	6.00	6.00	6.00	12.00
Principal/assistant and principal/coordinators	58.66	59.83	60.88	71.67	69.00	67.43	70.00	71.00	69.84	71.84
Total	2,086.69	2,130.56	2,216.06	2,483.80	2,480.07	2,453.08	2,303.45	2,257.44	2,237.78	2,281.81
District Office Allocations:										
Superintendent	7.87	7.87	8.00	8.00	7.00	2.00	2.00	2.00	2.00	2.00
Instruction	26.92	27.92	27.51	28.00	38.00	38.80	36.28	37.50	37.50	37.50
Human resources services	8.00	8.00	8.00	8.00	9.27	9.27	9.30	7.80	7.80	7.80
Financial services	28.85	28.85	29.35	39.00	36.00	21.00	30.00	30.00	30.00	30.00
Community Services	0.00	0.00	0.00	0.00	2.00	4.73	4.73	4.73	4.73	5.73
Technology	0.00	0.00	0.00	0.00	0.00	17.00	14.50	15.00	15.00	15.00
Facilities/Maintenance	0.00	0.00	0.00	0.00	0.00	43.03	19.00	20.00	20.00	20.00
Total	71.64	72.64	72.86	83.00	92.27	135.83	115.81	117.03	117.03	118.03
Total	2158.33	2203.20	2288.92	2,566.80	2572.34	2,588.91	2,419.26	2,374.47	2,354.81	2,399.84

Source: Records maintained by the School District Human Resources Department

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

Fiscal Year	Enrollment	Operating Expenditures	Cost per Pupil	Percentage Change	Expenses	Cost per Pupil	Percentage Change	Teaching Staff	Pupil-Teacher Ratio	Percentage of Students Receiving Free or Reduced -Price Meals
2004	15,377	$113,421,552	$ 7,376	2.02%	$ 127,441,924	$ 8,288	2.32%	903	17.0	21.0%
2005	15,901	118,912,076	7,478	1.39%	133,550,679	8,399	1.34%	912	17.4	22.0%
2006	16,394	130,921,876	7,986	6.79%	146,612,517	8,943	6.48%	952	17.2	23.0%
2007	16,569	137,633,534	8,307	4.02%	155,446,693	9,382	4.91%	1,108	15.0	23.0%
2008	16,505	159,344,899	9,654	16.22%	175,578,586	10,638	13.39%	1,395	11.8	26.10%
2009	16,423	167,593,114	10,205	5.71%	178,584,859	10,874	2.22%	1,299	12.6	28.0%
2010	16,325	167,723,136	10,274	0.68%	181,042,712	11,090	1.98%	1,212	13.5	30.0%
2011	16,368	162,967,293	9,956	-3.09%	181,929,517	11,115	0.23%	1,190	13.8	32.5%
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%

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

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

Fiscal Year	Minimum Salary	Maximum Salary	Statewide Average Salary
2004	$ 28,137	$ 61,025	$ 41,162
2005	28,719	62,286	42,189
2006	29,804	65,061	42,959
2007	30,581 *	66,760 *	44,123
2008	31,828	69,573	45,758
2009	33,054	72,256	47,602
2010	32,406	72,256	47,421
2011	32,406	72,256	47,421
2012	32,406	72,256	47,428
2013	33,054	73,701	47,428

* - Correction from 2006 - 2007 CAFR

Source: Records maintained by the School District
South Carolina Department of Education

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

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
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	800	800	800	800	800	800	819	819	819	819
Enrollment	652	719	789	703	712	771	737	742	752	720
Chapin Elementary (1977)										
Square feet	108,900	108,900	108,900	108,900	108,900	108,900	118,900	131,950	131,950	131,950
Capacity	850	850	850	850	850	850	916	916	916	916
Enrollment	599	670	704	727	776	807	822	794	811	820
Dutch Fork Elementary (1953)										
Square feet	83,446	83,446	93,485	103,522	103,522	103,522	95,182	95,182	95,182	95,182
Capacity	750	750	750	750	750	750	657	657	657	657
Enrollment	506	535	578	542	559	563	537	541	519	514
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	750	750	750	750	750	750	733	733	733	733
Enrollment	637	636	581	594	543	517	498	522	514	511
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	800	800	800	800	800	800	710	710	710	710
Enrollment	500	512	496	471	408	368	394	486	502	479
Irmo Elementary (1933)										
Square feet	86,674	86,674	86,674	86,674	86,674	86,674	85,674	85,674	121,000	121,000
Capacity	550	550	550	550	550	550	584	584	640	640
Enrollment	555	525	527	532	498	505	479	509	468	511
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	800	800	800	800	800	800	849	849	849	849
Enrollment	711	774	840	807	814	853	862	866	847	874
Leaphart Elementary (1975)										
Square feet	95,300	95,300	95,300	95,300	95,300	95,300	108,300	120,500	120,500	120,500
Capacity	750	750	750	725	725	725	814	814	814	814
Enrollment	582	582	569	546	496	486	466	433	430	429

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

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
School										
Elementary (Continued)										
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	800	800	800	800	800	800	777	777	777	777
Enrollment	706	691	703	654	595	521	492	499	519	491
Oak Pointe Elementary (2007)										
Square feet	-	-	-	110,390	110,390	110,390	110,396	110,396	110,396	110,396
Capacity	-	-	-	825	825	825	756	756	756	756
Enrollment	-	-	-	539	601	630	634	671	647	645
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	800	800	800	800	800	800	925	925	925	925
Enrollment	862	834	879	611	645	642	677	654	641	633
Seven Oaks Elementary (1966)										
Square feet	72,756	72,756	72,756	72,756	72,756	72,756	72,756	72,756	103,756	103,756
Capacity	550	550	550	550	550	550	570	570	640	640
Enrollment	501	495	543	557	510	510	484	475	465	438
Middle										
Chapin Middle (1991)										
Square feet	103,886	103,886	139,651	177,433	177,433	177,433	177,433	177,433	177,433	177,433
Capacity	800	800	800	900	900	900	1,018	1,018	1,018	1,018
Enrollment	782	810	863	883	979	975	996	1,030	1,103	1,121
Cross Roads Middle (1971)										
Square feet	148,194	148,194	148,194	148,194	148,194	148,194	148,194	148,194	148,194	148,194
Capacity	1,100	1,100	1,100	1,100	1,100	1,100	1,098	1,098	1,098	1,098
Enrollment	1,021	1,012	1,018	1,004	997	955	966	917	988	946
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	1,100	1,100	1,100	1,100	1,100	1,100	1,149	1,149	1,149	1,149
Enrollment	1,095	1,108	1,044	1,037	1,011	1,039	1,049	1,100	1,054	1,045
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	1,100	1,100	1,100	1,100	1,100	1,100	1,181	1,181	1,181	1,181
Enrollment	995	1,092	1,087	1,044	1,030	925	896	880	879	909

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

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
School										
High										
Chapin High (1971)										
Square feet	187,288	187,288	187,288	187,288	187,288	187,288	187,288	187,288	187,288	187,288
Capacity	1,150	1,150	1,150	1,150	1,150	1,150	1,239	1,239	1,239	1,239
Enrollment	955	1,057	1,111	1,166	1,245	1,242	1,286	1,302	1,341	1,346
Dutch Fork High (1993)										
Square feet	316,788	316,788	316,788	316,788	316,788	316,788	316,788	316,788	316,788	316,788
Capacity	2,000	2,000	2,000	2,000	2,000	2,000	2,207	2,207	2,207	2,207
Enrollment	1,882	1,966	2,079	2,076	2,073	2,088	2,068	2,031	2,031	2,097
Irmo High (1964)										
Square feet	343,121	343,121	343,121	343,121	343,121	343,121	343,121	343,121	343,121	343,121
Capacity	2,000	2,000	2,000	2,000	2,000	2,000	2,141	2,141	2,141	2,141
Enrollment	1,772	1,801	1,915	2,003	2,012	2,029	1,983	1,915	1,829	1,707
Center for Advanced Technical Studies (2012)										
Square feet										115,000
Capacity										1,200
Enrollment										591
Other										
Academy for Success (1955)										
Square feet	26,005	26,005	26,005	26,005	26,005	26,005	20,961	20,961	20,961	20,961
Capacity	99	99	99	99	99	99	99	99	99	99
Enrollment	64	82	68	73	73	138	127	127	127	95

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

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*

To the Honorable Chairman and Members of the Board of Trustees
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 as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 30, 2013.

Internal Control Over Financial Reporting
In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) 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 District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

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

Compliance and Other Matters
As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Derrick, Stubbs + Stith, LLP

October 30, 2013

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

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

Report on Compliance for Each Major Federal Program

We have audited School District Five of Lexington and Richland Counties' (the District) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on the District's major federal programs for the year ended June 30, 2013. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.

Report on Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Derrick, Hawkins + Stith, LLP

October 30, 2013

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2013

Fund	Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number		Expenditures Paid
	U. S. DEPARTMENT OF EDUCATION				
	Passed Through S.C. Department of Education:				
201	Title I Grants to Local Educational Agencies	84.010	12BA057 & 13BA057	$	1,458,953
237	Title I School Improvement	84.010A	11BJ057, 12BJ057 & 13FO057		61,525
					1,520,478
203	Handicapped Disabilities Act	84.027	12CA057	*	2,526,183
204	Handicapped Disabilities Act	84.027	13CA057	*	603,821
205	Special Education - Preschool Grants	84.173	12CG057	*	115,214
206	Special Education - Preschool Grants	84.173	13CG057	*	8,445
					3,253,663
207	Vocation Education	84.048A	13VA057		196,312
224	21st Century	84.287	12CL057 & 13CL057		270,897
243	Adult Education Federal Grant Program	84.002	12EA057, 13EA057 & 13ED057		94,489
232	McKinney-Vento Homeless Assistance	84.196	13FH057		34,944
256	McKinney-Vento Homeless Assistance	84.196	12FH057		8,576
264	Title II - English Language Acquisition	84.365A	12BP057 & 13BP057		59,010
263	Title II Part A - Improving Teacher Quality	84.367	12TQ057		15,301
267	Title II Part A - Improving Teacher Quality	84.367	13TQ057		144,773
	Passed Through Orangeburg School District Five:				
846	Smaller Learning Communities	84.215L	N/A		491,463
	Direct Programs:				
897	Teaching American History	84.215X	N/A		334,721
	TOTAL U.S. DEPARTMENT OF EDUCATION				6,424,627
	U. S. DEPARTMENT OF JUSTICE				
	Direct Programs:				
857	Drug Free Communities	16.729	N/A		122,684
	U.S. DEPARTMENT OF DEFENSE				
	Direct Programs:				
831/832	NJROTC/AFJROTC	12.000	N/A		211,565
	U. S. DEPARTMENT OF AGRICULTURE				
	Passed Through S.C. Department of Education:				
	Child Nutrition Cluster:				
600	Non- Cash Assistance (Commodities):				
	National School Lunch Program	10.555	N/A		259,007
	Cash Assistance:				
600	School Breakfast Program	10.553	N/A		722,683
600	National School Lunch Program	10.555	N/A		2,513,503
	Cash Assistance Subtotal				3,236,186
	Total for Cluster				3,495,193

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2013

Fund	Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Expenditures Paid
	U. S. DEPARTMENT OF AGRICULTURE (CONTINUED)			
	Passed Through S.C. Department of Social Services:			
600	Supper Program	10.558	N/A	$ 30,418
	TOTAL U.S. DEPARTMENT OF AGRICULTURE			3,525,611
	Total Federal Assistance Expended			$ 10,284,487

* Denotes major fund

Summary of Significant Accounting Policies:

This schedule includes the federal grant activity of the School District Five of Lexington and Richland Counties and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations". The financial activity shown in this schedule reflects amounts recorded by the District during its fiscal year July 1, 2012, through June 30, 2013, and, accordingly, does not include a full year's financial activity for grants awarded or terminated on dates not coinciding with the District's year.

Reconciliation of SEFA to Financial Statements:

Federal assistance:	
Governmental Funds	$ 9,075,000
Enterprise Funds	3,525,611
Total Federal assistance per financial statements	12,600,611
Less: Federal Interest Subsidy - Debt Service Fund	(2,316,124)
Total Federal assistance per SEFA	$ 10,284,487

ARRA funded programs not subject to A-133 audit:
Build America Bonds
Qualified School Construction Bonds
The federal interest subsidy assistance received from these bond programs is excluded from SEFA reporting.

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2013

I. Summary of Auditor's Results:

Financial Statements

Type of report issued on financial statements	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	None Identified
Significant deficiency(ies) identified?	None Identified
Noncompliance material to the financial statements noted?	None Reported

Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	None Identified
Significant deficiency(ies) identified?	None Identified
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported In accordance with section 510(a) of Circular A-133?	None Disclosed

Identification of major programs:

U.S. Department of Education:	CFDA#	Expenditure
Handicapped Disabilities Act	84.027	$ 3,130,004
Special Education – Preschool Grants	84.173	123,659
	Total	$ 3,253,663

Dollar threshold used to distinguish between Type A and Type B programs	$ 308,535
School District Five of Lexington and Richland Counties qualified as a low risk auditee under paragraph .530 OMB 133	Yes

II. **Findings 2013 Financial Statements Audit** — None Reported

III. **Findings and questioned costs for Federal awards** — None Reported

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SCHEDULE OF SUMMARY OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2013

There are no prior audit findings and questioned costs relative to Federal Awards.

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SCHEDULE OF CORRECTIVE ACTION PLAN
JUNE 30, 2013

No corrective action plan is required for the year ending June 30, 2013.