SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES

IRMO, SOUTH CAROLINA



COMPREHENSIVE ANNUAL FINANCIAL REPORT

JUNE 30, 2017

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

COMPREHENSIVE
ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2017



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

Bruce Shealy
Director of Finance

A. Len Richardson
Chief Financial Officer

Dr. Stephen Hefner
Superintendent

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DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
FISCAL YEAR ENDED JUNE 30, 2017

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INTRODUCTORY SECTION

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November 27, 2017

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, 2017.

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 auditor's report on these financial statements. The statistical section reflects social and economic data, financial trends, and the fiscal capacity of the District. The final section is the single audit section.

School District Five of Lexington and Richland Counties' financial statements have been audited by McGregor & Company, L.L.P., 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, 2017, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded based upon the audit, that there was a reasonable basis for rendering the unmodified opinion that School District Five of Lexington and Richland Counties' financial statements for the fiscal year ended June 30, 2017, 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.

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

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

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

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

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

The District 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) Program (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 and The Center for Advanced Technical Studies offer career and technology courses. Also, for faculty and staff, School District Five of Lexington and Richland Counties offers extensive professional development related to effective teacher collaboration, use of classroom, state and benchmark assessment data, differentiation of instruction to meet students' individual needs, and the infusion of technology into the instructional programs in all schools.

Each year School District Five of Lexington and Richland Counties uses an extensive budgeting process to develop an annual budget for the District. This annual budget for the general fund serves as the foundation for the District's financial planning and control. The District's management then presents the proposed budget to the Board for study and review during the months of March, April, May, and June. The Board conducts 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.

Factors Affecting Financial Conditions

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

Economic conditions and outlook. School District Five of Lexington and Richland Counties enjoys a relatively favorable economic environment. Local indicators continue to give a positive outlook for stability. The District is located within the Columbia Metropolitan Statistical Area (MSA), which includes Richland County and Lexington County. The 2010 estimated populations of Richland County and Lexington County were 384,504 and 262,394, respectively. In 2010, the total population in School District Five of Lexington and Richland Counties was estimated at 91,018. 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 Harbison area of the District continues to be one of the fastest growing business areas as is evidenced by the location of additional businesses in and around the Columbiana Mall area. Growth continues away from the mall area along Dutch Fork Road.

A number of major corporate enterprises, which contribute to a stable economy, are located in or near the District in Lexington and Richland Counties. Included among the larger corporate enterprises in Lexington County are 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 2009 through 2013, totaled approximately $1.04 billion for Lexington County and approximately $1.25 billion 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.

The median family income for 2014, the last year available, was $55,413 for Lexington County and $51,065 for Richland County. Per capita personal income for 2014, the last year available, was $41,764 for Lexington County and $41,025 for Richland County. The state per capita income for this same period was $38,302, and in the United States was $38,326. The unemployment rate for Lexington County as of October 2017 was 4.0 percent and for Richland County was 4.7 percent. The state and national unemployment rates for the same period were 4.8 percent and 4.9 percent, respectively.

Long-term financial planning. Over the last ten years, student enrollment in the District has remained stable, but has been growing since 2013 as the economy and housing markets recover. In order to accommodate future growth and to eliminate the use of most portable classrooms, the District has added an additional high school, renovated a number of the District's existing facilities and opened a new middle school in August 2015. 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 54.8 mills. Richland and Lexington Counties continue to levy an additional one-cent tax which gives taxpayers a credit on their property tax bills.

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

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

The financial statements of this report show that capital projects are one of the main areas of focus in the District's financial planning. As a result of the District's 2008 bond referendum, renovations and additions have been completed at Leaphart Elementary School, Seven Oaks Elementary School, Chapin Elementary School, and Irmo Elementary School. Construction of Spring Hill High School, the Center for Advanced Technical Studies, and a new Chapin Middle School have been completed. The former Chapin Middle School has been converted to Chapin Intermediate School to house grade 5 – 6 to ease overcrowding at two Chapin area elementary schools. Renovation and additions at Chapin High School, Dutch Fork High School and Irmo High School have also been completed. The District is currently constructing an additional wing to the new Chapin Middle School which is expected to open in August 2018.

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

Major Initiatives. In April 2015, the District completed a comprehensive accreditation review by AdvancED, a world-wide external accreditation system. As a part of that review process, the District completed an in-depth study and review of all major operations within the District. The process included an internal and external review of the five AdvanceED standards, the District's Strategic Plan, and the goals of the District included in the Standards Assessment Report. Following a visit and report by the External Review Team, the District's accreditation was affirmed and approved on April 22, 2015. The plan included major goals in the areas of student achievement, teacher/administrator quality, school climate, and District priorities. Continued instructional initiatives for the District include the RtI (Response to Intervention) Program, PBIS (Positive Behavioral Interventions and Support), 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.

Awards and Acknowledgements

- *Niche.com*, a national clearinghouse for evaluating public education, recognized District Five as the number one school district in the state. All District Five elementary schools were in the top 35 in the state, and all middle schools were in the top 15 in the *Niche* ranking.

- Two of the district's high schools were included in the *U.S. News & World Report's* Best High School Rankings.

- The Washington Post ranked a District Five high school for its academic rigor.

- The class of 2017 had 126 Palmetto Fellows and 18 National Merit Scholars, representing all four of the district's high schools.

- The South Carolina Association of School Administrators named two principals in District Five as 2017 South Carolina Principals of the Year.

- A District Five principal was awarded the Inez Tenenbaum leadership award.

- A District Five Spanish teacher received a prestigious Milken Educator Award.

- A District Five teacher was named the SC Council for Exceptional Children's General Education Teacher of the Year.

- The Southern Business Education Association named a District Five educator Middle School Teacher of the Year.

- A District Five librarian earned School Librarian of the Year from the South Carolina Association of School Librarians.

- A District Five teacher won the Lorin Anderson Award for Excellence.

- The National Federation of State High School Associations named a District Five staff member Coach of the Year.

- 338 District Five teachers have National Board Certification.

- Several of the district's athletic teams earned state championships during the 2017 school year.

- 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, 2016. This is the thirteenth consecutive year that the District has received this prestigious award.

- The District was also awarded The Association of School Business Officials (ASBO) International Certificate of Excellence in Financial Reporting. This is the thirteenth consecutive year that the District has received this prestigious award.

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

Acknowledgements

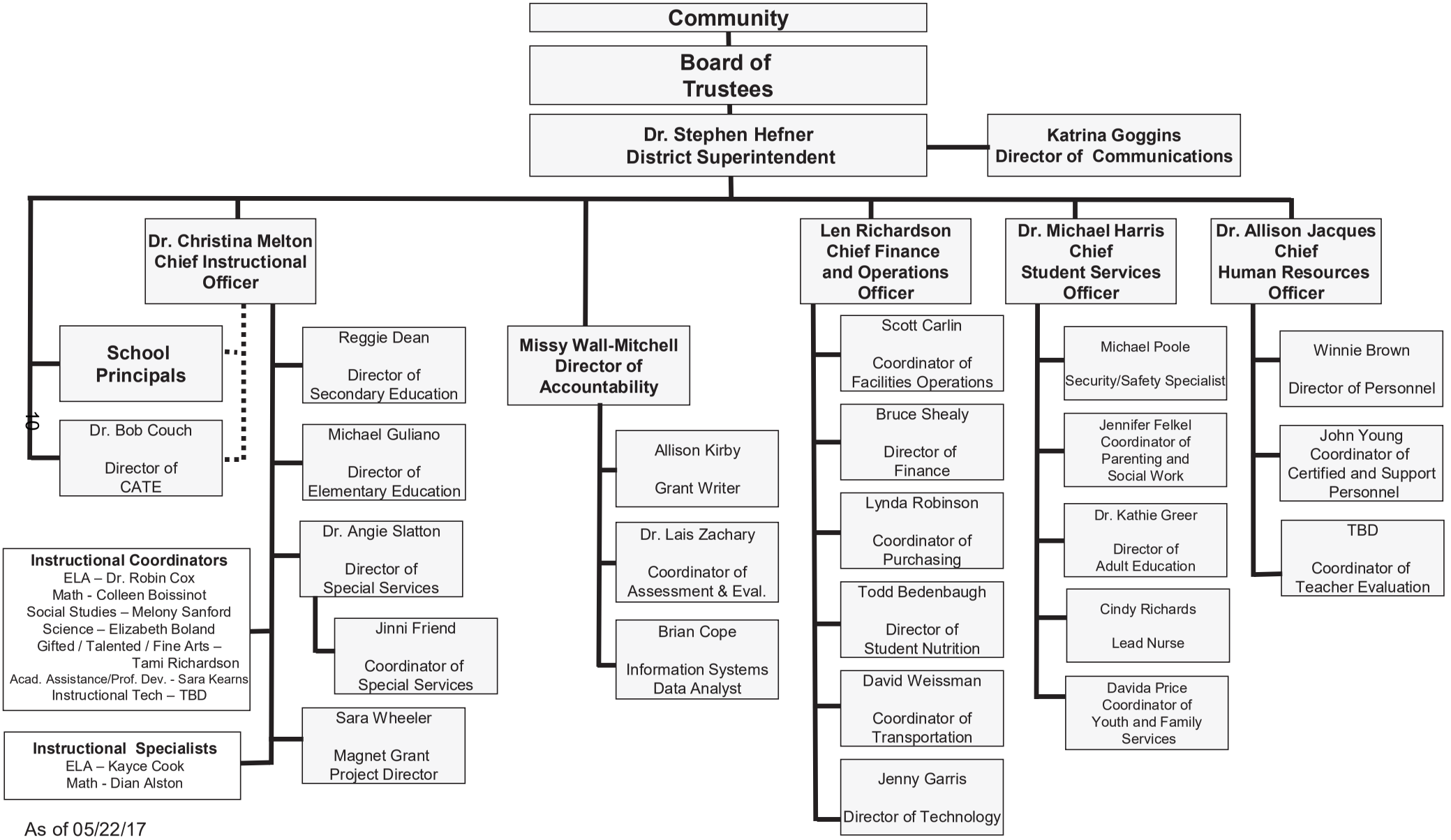
The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated services of the entire staff of the Office of Finance and Operations. All members of the department as well as members of other various departments have our sincere appreciation for their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

A. Len Richardson
Chief Finance and Operations Officer

Stephen W. Hefner, Ed.D.
Superintendent


Community
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District Superintendent
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Director of Communications
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John Young
Coordinator of Certified and Support Personnel
TBD
Coordinator of Teacher Evaluation

As of 05/22/17

SCHOOL DISTRICT FIVE OF LEXINGTON & RICHLAND COUNTIES
PRINCIPAL OFFICIALS

Year Ended June 30, 2017

MEMBERS OF BOARD OF TRUSTEES

Mr. Robert Gantt	Chairman
Mr. Larry Haltiwanger	Vice Chairman
Mrs. Ellen Baumgardner	Secretary
Mr. Michael Cates	Board Member
Mrs. Jan Hammond	Board Member
Ms. Beth Hutchison	Board Member
Mr. Ed White	Board Member

EXECUTIVE STAFF

Dr. Stephen Hefner	Superintendent
Mrs. Katrina Goggins	Director of Communications
Dr. Michael Harris	Chief Student Services Officer
Dr. Allison Jacques	Chief Human Resources Officer
Dr. Christina Melton	Chief Instructional Officer
Mr. A. Len Richardson	Chief Finance & Operations Officer

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

School District Five

of Lexington and Richland Counties

South Carolina

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2016



Executive Director/CEO

ASSOCIATION OF SCHOOL BUSINESS OFFICIALS INTERNATIONAL

The Certificate of Excellence in Financial Reporting is presented to

School District Five of Lexington and Richland Counties

for its Comprehensive Annual Financial Report (CAFR) for the Fiscal Year Ended June 30, 2016.

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

CERTIFICATE OF EXCELLENCE IN FINANCIAL REPORTING

Anthony N. Dragona, Ed.D., RSBA
President

John D. Musso, CAE, RSBA
Executive Director

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FINANCIAL SECTION

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McGregor & Company LLP
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INDEPENDENT AUDITORS' REPORT

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, each major fund, and the aggregate remaining fund information of School District Five of Lexington and Richland Counties as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the School District Five of Lexington and Richland Counties' 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.

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Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of School District Five of Lexington and Richland Counties as of June 30, 2017, and the respective changes in financial position, and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 20 – 28 and schedules of the District's proportionate share of the net pension liability – SCRS/PORS and District's contributions – SCRS/PORS on pages 73 – 74 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 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 inquires, 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 School District Five of Lexington and Richland Counties' basic financial statements. The introductory section, other supplementary information listed in the table of contents, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulation*s (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The other supplementary information and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 27, 2017, on our consideration of School District Five of Lexington and Richland Counties' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering School District Five of Lexington and Richland Counties' internal control over financial reporting and compliance.

McGregor & Company LLP

Orangeburg, South Carolina
November 27, 2017

As management of School District Five of Lexington and Richland Counties' (District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended. June 30, 2017. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 3-9 of this report.

FINANCIAL HIGHLIGHTS

Major financial highlights for 2017 include:

- The District's total net position increased $2,265,530 for the 2016-2017 fiscal year. Net position of governmental activities increased by $2,789,837 and net position of business-type activities decreased by $524,307. Total revenues were $232,774,462 while total expenses were $230,508,932.
- Total revenues increased $10,489,279 (4.7%) from $222,285,183 in fiscal year 2016 to $232,774,462 in fiscal year 2017. Total expenses increased $1,483,457 (.6%), from $229,025,475 in fiscal year 2016 to $230,508,932 in fiscal year 2017.
- Governmental funds reported a total increase of $5,146,559 in the fund balance, which included a $1,263,465 increase to the general fund, an $811,937 increase to the debt service fund, and a $3,071,697 increase to the capital projects fund.
- The General Fund total fund balance is $38,336,237 as of June 30, 2017, an increase of 3.4% from June 30, 2016.
- Total revenue for the District's principal operating fund, the general fund, was $172,539,183, with an additional $3,519,325, consisting of transfers from the special revenue and capital projects funds for indirect costs, teacher salary supplement increases, and closing of capital funds. Total expenditures in the general fund were $174,827,536 including $103,899,887 for instruction, $69,041,534 for support, $18,698 for community service, $36,899 for intergovernmental expenditures, and $1,830,518 in capital outlay.

Overview of the Financial Statements

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

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

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

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

unused vacation leave).

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

The government-wide financial statements can be found on pages 31-32 of this report.

Fund Financial Statements. The remaining financial statements focus on individual parts of the District, reporting its operations in more detail than the government-wide financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. The District maintains five individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Special Revenue Fund-Special Projects, Special Revenue Fund – Education Improvement Act (EIA), Debt Service Fund and the Capital Projects Fund, all of which are considered to be major funds.

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

The basic governmental fund financial statements can be found on pages 33-37 of this report.

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

The basic proprietary fund financial statements can be found on pages 38-40 of this report.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside of the government. Fiduciary funds are not reported in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. The District is the trustee, or fiduciary, for the pupil activity funds of the schools and accounts for this activity in an agency fund.

The fiduciary fund financial statements can be found on page 41 of this report.

Notes to the Financial Statements. The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 42-70 of this report.

Other information. The combining statements and individual fund financial schedules are included in the supplementary section. The pension schedules required per the adoption of GASB 68/71 are provided in the required supplementary information section.

Government-wide Overall Financial Analysis

As noted earlier, net position over time, may serve as a useful indicator of a government's financial position. In the case of the District, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by $4,239,896, at the close of the most recent fiscal year.

The following table provides a summary of the District's net position for 2017 compared to 2016.

Net Position

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Current and Other Assets	**$ 96,609,683**	$ 95,758,124	**$ 3,143,546**	$ 2,557,531	**$ 99,753,229**	$ 98,315,655
Net Capital Assets	**369,969,787**	376,596,843	**2,558,825**	2,925,150	**372,528,612**	379,521,993
Total Assets	**466,579,470**	472,354,967	**5,702,371**	5,482,681	**472,281,841**	477,837,648
Deferred Outflows of Resources	**36,161,219**	18,350,444	**1,098,382**	489,580	**37,259,601**	18,840,024
Current and Other Liabilities	**39,560,105**	43,926,584	**157,709**	161,455	**39,717,814**	44,088,039
Long-Term Liabilities	**457,948,617**	448,603,748	**7,427,955**	6,216,289	**465,376,572**	454,820,037
Total Liabilities	**497,508,722**	492,530,332	**7,585,664**	6,377,744	**505,094,386**	498,908,076
Deferred Inflows of Resources	**8,424,847**	4,157,796	**262,105**	117,226	**8,686,952**	4,275,022
Net Position						
Net Investment in Capital Assets	**152,302,772**	150,048,473	**2,558,825**	2,925,150	**154,861,597**	152,973,623
Restricted	**16,984,735**	13,101,641	**-**	-	**16,984,735**	13,101,641
Unrestricted	**(172,480,387)**	(169,132,831)	**(3,605,841)**	(3,447,859)	**(176,086,228)**	(172,580,690)
Total Net Position	**$ (3,192,880)**	$ (5,982,717)	**$ (1,047,016)**	$ (522,709)	**$ (4,239,896)**	$ (6,505,426)

Government-wide Overall Financial Analysis (continued)

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

The District's overall net position increased by $2,265,530 during 2016-17. Significant current year transactions, such as the addition of $10,635,324 in capital assets through construction of school improvements, and purchases of furniture, equipment and vehicles less the additional accumulated depreciation of $17,291,714 have had an impact on the Statement of Net Position.

Government-wide Overall Financial Analysis (Continued)

The following table shows the changes in the District's net position for 2017 compared to 2016:

Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Revenue						
Program Revenue:						
Charges for Services	$ 6,704	$ 29,673	$ 5,158,902	$ 5,147,509	$ 5,165,606	$ 5,177,182
Operating Grants	85,992,887	79,547,616	5,201,429	4,869,015	91,194,316	84,416,631
Capital Grants	-	-		-	-	-
General Revenue:						
Ad Valorem Taxes and Fees	91,526,539	88,056,726	-	-	91,526,539	88,056,726
Unrestricted Grants	44,215,110	43,941,177	-	-	44,215,110	43,941,177
Investment Earnings and Disposals	421,937	182,439	60,663	58,866	482,600	241,305
Other General Revenue	190,291	306,876		145,286	190,291	452,162
Transfers	(267,897)	-	267,897	-	-	-
Total Revenue	222,085,571	212,064,507	10,688,891	10,220,676	232,774,462	222,285,183
Functions/Program Expense						
Instruction Service	127,992,580	120,506,839	-	-	127,992,580	120,506,839
Support Services	85,010,739	91,001,448	-	-	85,010,739	91,001,448
Community Services	78,703	63,034	-	-	78,703	63,034
Interest on Long-Term Debt	6,213,712	7,265,870	-	-	6,213,712	7,265,870
School Food Service & After School	-	-	11,213,198	10,188,284	11,213,198	10,188,284
Total Expenses	219,295,734	218,837,191	11,213,198	10,188,284	230,508,932	229,025,475
Increase (Decrease) in Net Position Before Transfers	2,789,837	(6,772,684)	(524,307)	32,392	2,265,530	(6,740,292)
Transfers	-		-	-	-	-
Increase (Decrease) in Net Position	2,789,837	(6,772,684)	(524,307)	32,392	2,265,530	(6,740,292)
Net Position , Beginning of Year, as Previously Reported	(5,982,717)	(3,154,211)	(522,709)	2,456,627	(6,505,426)	(697,584)
*Correct Capital Asset Balances	-	(4,918,209)	-	2,518,154	-	(2,400,055)
*Reclass Business-Type Activities' Portion of Pension Liability and Related Net Deferred Inflows/Outflows	-	5,799,344	-	(5,799,344)	-	-
*Correct Compensated Absences	-	3,063,043	-	269,462	-	3,332,505
Net Position, Beginning of Year, As Restated	(5,982,717)	789,967	(522,709)	(555,101)	(6,505,426)	234,866
Net Position, End of Year	$ (3,192,880)	$ (5,982,717)	$ (1,047,016)	$ (522,709)	$ (4,239,896)	$ (6,505,426)

Government-wide Overall Financial Analysis (Continued)

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

Governmental Activities

	Total Cost of Services		Net Cost of Services	
	2017	2016	2017	2016
Instruction Service	$ 127,992,580	$ 120,506,839	$ (78,747,533)	$ (76,521,840)
Support Service	85,010,739	91,001,448	(48,286,406)	(55,432,084)
Community Service	78,703	63,034	(48,492)	(40,108)
Interest (Long-Term Debt)	6,213,712	7,265,870	(6,213,712)	(7,265,870)
Totals	$ 219,295,734	$ 218,837,191	$ (133,296,143)	$ (139,259,902)

Business-Type Activities. Business-type activities include the District's school food service and after school programs. These programs had revenues of $5,158,902 non-operating revenue and transfers of $5,529,989, and expenses of $11,213,198. This resulted in net decrease of $524,307.

Financial Analysis of Governmental Funds

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

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

At June 30, 2017, the District's governmental funds reported combined fund balances of $55,320,972, an increase of $5,146,559 in comparison with the prior year. Approximately 48.9% of this amount ($27,071,193) constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of the fund balance is either non-spendable, restricted, or assigned to indicate that it is 1) not in spendable form ($4,288,441), 2) restricted for particular purposes ($16,984,735), or 3) assigned for special purposes ($6,976,603).

The general fund is the principal operating fund of the District. The increase in net position in the general fund for the fiscal year was $1,263,465. After reservations for inventories, prepaid expenditures, and funds assigned for special purposes, the unassigned fund balance was $27,071,193. 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.

Financial Analysis of Governmental Funds (Continued)

The special revenue fund – special projects fund and special revenue fund – EIA fund are used to account for revenues derived from the state of South Carolina and the federal government. The District's special revenue funds do not typically have fund balances as revenues should be expended, deferred, or returned to the grantor.

The debt service fund balance had a total fund balance of $5,451,625, all of which is restricted for the payment of debt service. This is an increase of $811,397 from the prior year. The District maintains sufficient fund balance in the debt service fund to pay the ensuing six-month principal and interest payments on general obligation debt.

The capital projects fund showed a fund balance increase of $3,071,697. The ending balance is $11,553,110. The change was attributable to the sale of 8% bonds only during the year, and expenditure of referendum funds during the current year.

Proprietary Funds. The District's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The proprietary funds (food services and after school programs) showed a decrease in net position of $524,307. The food services program ended the year with a $880,279 decrease in net position and the after school program ended the year with a $355,972 increase in net position.

General Fund Budgetary Highlights

The District's budget is prepared according to South Carolina law. The District did not amend the general fund budget for increases or decreases in total budget. Minor categorical budget amendments were made during the year to insure expenditures were recorded in the proper account codes as defined by the South Carolina Department of Education. Budgeted general fund revenue and expenditures for the 2016 - 2017 fiscal year increased by 4.84% over the prior year. Revenue has a positive variance of $3,193,615. Actual expenditures resulted in a negative variance of $726,614.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2017, the District had $372,528,612 invested in a broad range of capital assets, including land, buildings, site improvements, furniture, equipment, vehicles, and library books. This represents a net decrease of $6,993,381 (-1.8%) for the 2016 - 2017 fiscal year. For more detailed information on capital asset activity see Note 4 - Capital Assets.

Capital Assets

	Governmental Activities		Business-Type Activities		Total School District	
	2017	**2016**	**2017**	**2016**	**2017**	**2016**
Land	**$ 7,593,144**	$ 7,593,144	**$ -**	**$ -**	**$ 7,593,144**	$ 7,593,144
Buildings	**452,895,760**	447,076,492	**-**	**-**	**452,895,760**	447,076,492
Site Improvements	**35,043,546**	34,307,865	**-**	**-**	**35,043,546**	34,307,865
Furniture and Equipment	**17,713,736**	16,745,994	**4,874,668**	4,981,972	**22,588,404**	21,727,966
Construction in Progress	**2,466,661**	731,399	**-**	**-**	**2,466,661**	731,399
Total Before Accumulated Depreciation	515,712,847	506,454,894	4,874,668	4,981,972	520,587,515	511,436,866
Less: Accumulated Depreciation	**145,743,060**	129,858,051	**2,315,843**	2,056,822	**148,058,903**	131,914,873
Net Capital Assets	$ 369,969,787	$ 376,596,843	$ 2,558,825	$ 2,925,150	$372,528,612	$379,521,993

Debt Administration

As of June 30, 2017, the District had total outstanding long-term debt of $204,976,527. The general obligation debt is backed by the full faith and credit of the District as well as the State of South Carolina. The District's total long-term debt as of June 30, 2017 and 2016 is as follows:

Long-Term Debt at June 30

	Governmental Activities	
	2017	2016
November 19, 2013 Issue	**$ 32,724,000**	$ 34,791,000
November 9, 2015 Issue	**60,220,000**	62,025,000
June 9, 2010 Issue	**10,000,000**	10,000,000
August 21, 2012 Issue	**100,155,000**	105,290,000
Lease Acquisition - April 3, 2017 Issue	**1,877,527**	-
Totals	**$ 204,976,527**	$ 212,106,000

CAPITAL ASSETS AND DEBT ADMINISTRATION (Continued)

Moody's Investors Service has assigned an Aa1 enhanced rating with a stable outlook and an Aa2 underlying rating to the District's General Obligation Bonds. Standard & Poor's rates the District's bonds AA/Stable long-term and AA/Stable School Issuer. The Aa1 enhanced rating and AA/Stable rating are based on the additional security provided by the South Carolina School District Credit Enhancement Program (SCSDCEP). The program assures timely debt service payment through county and state government coordination. The SCSDCEP is a state-backed enhancement program that shadows the state's rating and consequently carries the stable outlook that is assigned to the state's AAA general obligation rating. School districts in South Carolina may issue up to 8% of their assessed value without voter approval. On June 30, 2017, the District's debt capacity was approximately $39,657,136. The district issued Series 2017A $9,819,000 SCAGO general obligation bonds leaving the legal debt limit margin of $29,838,136 at year end.

Other obligations include accrued obligations such as annual leave accumulated. More detailed information on these obligations is available in Note 7 - Long-Term Debt of the financial statements (page 63).

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 2017-2018. The most important factor affecting the budget for the near future is the General Assembly struggles with allocating the State's limited resources and fully funding the education funding formula as established in law.

When setting the 2017 - 2018 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. The District's general fund budget for fiscal year 2017-2018 was approved by the Board of Trustees on May 22, 2017. The budget was approved for $181,891,358 which is an increase of $6,048,707 or 3.47% from the prior year's budget. The Board of Trustees approved an amended budget on July 17, 2017 to include changes ratified by the General Assembly on June 6, 2017.

REQUESTS FOR INFORMATION

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

BASIC FINANCIAL STATEMENTS

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

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SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
STATEMENT OF NET POSITION (DEFICIT)
JUNE 30, 2017

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash & Cash Equivalents	$ 48,805,787	$ 5,367,688	$ 54,173,475
Property Tax Receivable, Net	4,873,850	-	4,873,850
Accrued Interest	43,750	-	43,750
Internal Balances	2,423,468	(2,423,468)	-
Due From County Government	28,780,501	-	28,780,501
Due From Federal Government	154,255	-	154,255
Prepaid Expenses	4,283,690	-	4,283,690
Inventories - Supply & Materials	4,751	108,377	113,128
Other Receivables	7,239,631	90,949	7,330,580
Noncurrent Assets:			
Capital Assets (Net of Accumulated Depreciation):			
Land	7,593,144	-	7,593,144
Buildings	323,639,418	-	323,639,418
Site Improvements	26,491,516	-	26,491,516
Machinery, Equipment and Vehicles	9,779,048	2,558,825	12,337,873
Construction in Progress	2,466,661	-	2,466,661
Total Assets	466,579,470	5,702,371	472,281,841
Deferred Outflows of Resources			
Net Pension Deferred Outflows	35,305,430	1,098,382	36,403,812
Unamortized Loss on Refunding - Debt Defeasance	855,789	-	855,789
Total Deferred Outflows of Resources	36,161,219	1,098,382	37,259,601
Liabilities			
Accounts Payable and Other Liabilities	4,506,901	31,091	4,537,992
Accrued Salaries	11,327,064	-	11,327,064
Accrued Payroll Related Liabilities	3,296,531	-	3,296,531
Due To State Government	40,338	-	40,338
Due to Pupil Activity	3,151,813	-	3,151,813
Bonds Payable	9,819,000	-	9,819,000
Retainage Payable	75,680	-	75,680
Revenue Received in Advance	4,885,807	126,618	5,012,425
Other Liabilities	6,799	-	6,799
Accrued Interest Payable	2,450,172	-	2,450,172
Noncurrent Liabilities:			
Due Within One Year	12,951,037	5,332	12,956,369
Due in More Than One Year	206,569,708	4,929	206,574,637
Net Pension Liability	238,427,872	7,417,694	245,845,566
Total Liabilities	497,508,722	7,585,664	505,094,386
Deferred Inflows of Resources			
Net Pension Deferred Inflows	8,424,847	262,105	8,686,952
Total Deferred Inflows of Resources	8,424,847	262,105	8,686,952
Net Position (Deficit)			
Net Investment in Capital Assets	152,302,772	2,558,825	154,861,597
Restricted For:			
Debt Service	5,451,625		5,451,625
Capital Projects	11,533,110		11,533,110
Net Position (Deficit) - Unrestricted	(172,480,387)	(3,605,841)	(176,086,228)
Total Net Position (Deficit)	$ (3,192,880)	$ (1,047,016)	$ (4,239,896)

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

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017

		Program Revenues			Net (Expense) Revenue and Changes in Net Position		
					Primary Government		
Functions/Programs	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**	**Governmental Activities**	**Business-Type Activities**	**Total**
Governmental Activities:							
Instruction	$ 127,992,580	$ 3,839	$ 49,241,208	$ -	$ (78,747,533)	$ -	$ (78,747,533)
Support Services	85,010,739	2,863	36,721,470	-	(48,286,406)	-	(48,286,406)
Community Service	78,703	2	30,209	-	(48,492)	-	(48,492)
Interest & Other Charges	6,213,712	-	-	-	(6,213,712)	-	(6,213,712)
Total Governmental Activities	219,295,734	6,704	85,992,887	-	(133,296,143)	-	(133,296,143)
Business-Type Activities:							
Food Service	10,156,891	3,749,352	5,198,700	-	-	(1,208,839)	(1,208,839)
After School	1,056,307	1,409,550	2,729	-	-	355,972	355,972
Total Business-Type Activities	11,213,198	5,158,902	5,201,429	-	-	(852,867)	(852,867)
Total Primary Government	$ 230,508,932	$ 5,165,606	$ 91,194,316	$ -	(133,296,143)	(852,867)	(134,149,010)
General Revenues:							
Property Taxes Levied For:							
General Purposes					64,236,308	-	64,236,308
Debt Service					25,665,085	-	25,665,085
Payment in Lieu of Taxes					1,625,146	-	1,625,146
Unrestricted State Revenue in Lieu of Taxes					44,215,110	-	44,215,110
Unrestricted Investment Earnings					421,937	60,663	482,600
Miscellaneous					190,291	-	190,291
Transfers					(267,897)	267,897	-
Total General Revenues and Transfers					136,085,980	328,560	136,414,540
Change in Net Position					2,789,837	(524,307)	2,265,530
Net Position (Deficit) - Beginning					(5,982,717)	(522,709)	(6,505,426)
Net Position (Deficit) - Ending					$ (3,192,880)	$ (1,047,016)	$ (4,239,896)

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

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2017

	General	Special Revenue Funds: Special Projects	Special Revenue Funds: Education Improvement Act	Debt Service	Capital Projects	Total Governmental Funds
Assets						
Cash & Cash Equivalents	$ 48,805,787	$ -	$ -	$ -	$ -	$ 48,805,787
Property Tax Receivable, Net	3,908,650	-	-	965,200	-	4,873,850
Due From Other Funds	-	-	2,689,348	232	23,559,447	26,249,027
Due From County Government	23,646,075	-	-	5,134,426	-	28,780,501
Due From Federal Government	-	642	-	153,613	-	154,255
Prepaid Items	4,283,690	-	-	-	-	4,283,690
Inventories - Supplies & Materials	4,751	-	-	-	-	4,751
Other Receivables	3,047,317	4,117,370	74,944	-	-	7,239,631
Total Assets	$ 83,696,270	$ 4,118,012	$ 2,764,292	$ 6,253,471	$ 23,559,447	$ 120,391,492
Liabilities, Deferred Inflows & Fund Balances						
Liabilities						
Accounts Payable	$ 2,323,962	$ 3,619	$ 47,664	$ -	$ 2,131,657	$ 4,506,902
Accrued Salaries	11,327,064	-	-	-	-	11,327,064
Accrued Payroll Related Liabilities	3,296,531	-	-	-	-	3,296,531
Due To Other Funds	25,072,496	1,904,876	-	-	-	26,977,372
Due To State Government	-	-	40,338	-	-	40,338
Bonds Payable	-	-	-	-	9,819,000	9,819,000
Retainage Payable	-	-	-	-	75,680	75,680
Unearned Revenue	-	2,209,517	2,676,290	-	-	4,885,807
Other Liabilities	6,799	-	-	-	-	6,799
Total Liabilities	42,026,852	4,118,012	2,764,292	-	12,026,337	60,935,493
Deferred Inflows						
Unavailable Tax Revenues	3,333,181	-	-	801,846		4,135,027
Total Deferred Inflows	3,333,181	-	-	801,846	-	4,135,027
Fund Balances						
Non-Spendable	4,288,441	-	-	-	-	4,288,441
Restricted	-	-	-	5,451,625	11,533,110	16,984,735
Assigned for Special Purposes	6,976,603	-	-	-	-	6,976,603
Unassigned	27,071,193	-	-	-	-	27,071,193
Total Fund Balances	38,336,237	-	-	5,451,625	11,533,110	55,320,972
Total Liabilities, Deferred Inflows & Fund Balances	$ 83,696,270	$ 4,118,012	$ 2,764,292	$ 6,253,471	$ 23,559,447	$ 120,391,492

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 BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION (DEFICIT)
JUNE 30, 2017

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

Total Governmental Fund Balances		$ 55,320,972
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. *This is the amount that the cost of the assets exceeds the accumulated depreciation.*		
Cost of Assets	$ 515,712,847	
Accumulated Depreciation	(145,743,060)	369,969,787
Interest subsidy receivable on outstanding bonds in governmental accounting is not receivable in current period and, therefore, has not been reported as an asset in the funds.		43,750
Deferred Outflows (Inflows) resulting from the recognition of the employer's share of the state's net pension liability are not current financial resources and, therefore, are not reported in the funds.		26,880,583
Deferred charges from loss on refunding bonds (net of amortization) are not reported in the funds because they are not current financial resources, but they are reported in the statement of net position.		855,789
Certain unearned revenues reported in the governmental funds are recognized subject to a reserve for uncollectible amounts in the statement of activities. *This is the additional amount of taxes receivable recognized under the accrual basis.*		4,135,028
Certain liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Long Term Debt	(204,976,527)	
Net Pension Liability	(238,427,872)	
Bond Premiums, Net of Amortization	(12,690,488)	
Compensated Absences	(1,853,730)	
Accrued Interest Payable	(2,450,172)	(460,398,789)
Net Position (Deficit) of Governmental Activities:		$ (3,192,880)

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

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2017

	General	Special Revenue		Debt Service	Capital Projects	Total Governmental Funds
		Special Projects	Education Improvement Act			
Revenues						
Taxes Levied/Assessed by the LEA	$ 64,258,258	$ -	$ -	$ 25,667,338	$ -	$ 89,925,596
Revenue From Local Governmental Units Other Than LEAs	1,371,057	-	-	254,089	-	1,625,146
Tuition	6,704	-	-	-	-	6,704
Earnings on Investments	216,059	-	-	45,440	160,438	421,937
Other Revenue from Local Sources	1,106,473	1,074,624	-	-	18,000	2,199,097
Total Local	66,958,551	1,074,624	-	25,966,867	178,438	94,178,480
State Sources	105,580,632	2,175,481	11,051,516	1,046,803	-	119,854,432
Federal Sources	-	8,150,972	-	428,375	-	8,579,347
Total Revenues	172,539,183	11,401,077	11,051,516	27,442,045	178,438	222,612,259
Expenditures						
Current:						
Instruction	103,899,887	6,263,989	5,390,354	-	6,370	115,560,600
Support Services	69,041,534	3,847,428	1,113,067	-	4,979,642	78,981,671
Community Services	18,698	52,260	-	-	-	70,958
Intergovernmental	36,899	151,448	-	-	-	188,347
Debt Service:						
Other Professional and Technical Services	-	-	-	1,525	-	1,525
Redemption of Principal	-	419,467	-	9,007,000	-	9,426,467
Interest	-	9,434	-	8,072,123	-	8,081,557
Capital Outlay	1,830,518	2,666,552	48,366	-	2,822,629	7,368,065
Total Expenditures	174,827,536	13,410,578	6,551,787	17,080,648	7,808,641	219,679,190
Excess of Revenues Over (Under) Expenditures	(2,288,353)	(2,009,501)	4,499,729	10,361,397	(7,630,203)	2,933,069
Other Financing Sources (Uses)						
Premiums on Bonds Sold	-	-	-	-	151,900	151,900
Sale of Capital Assets	32,493	-	-	-	-	32,493
Lease Purchase	-	-	-	-	2,296,994	2,296,994
Transfers In	4,787,222	2,296,994	-	-	12,636,979	19,721,195
Transfers Out	(1,267,897)	(287,493)	(4,499,729)	(9,550,000)	(4,383,973)	(19,989,092)
Total Other Financing Sources (Uses)	3,551,818	2,009,501	(4,499,729)	(9,550,000)	10,701,900	2,213,490
Net Change in Fund Balances	1,263,465	-	-	811,397	3,071,697	5,146,559
Fund Balance, Beginning of Year	37,072,772	-	-	4,640,228	8,461,413	50,174,413
Fund Balance, Ending of Year	$ 38,336,237	$ -	$ -	$ 5,451,625	$ 11,533,110	$ 55,320,972

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 BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017

Amounts Reported for the Governmental Activities in the Statement of Activities are Different Because:

Net Change in Fund Balances - Total Governmental Funds		$ 5,146,559
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. *This is the amount by which depreciation expense exceeded capital outlays in the current period.*		
Depreciation Expense	$ (16,970,079)	
Capital Outlay	10,610,107	(6,359,972)
The issuance of long-term debt (e.g. bonds, lease purchase) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. *This is the amount that principal repaid during the year exceeds the amount of debt issued during the year.*		
Redemption of Principal	9,558,374	
Issuance of Long-Term Debt	(2,428,901)	7,129,473
Governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. *This is the change in loss on refunding bonds amortization and change in bond premium amortization.*		
Change in Amortization of Loss on Refunding Bonds	(130,091)	
Change in Amortization of Bond Premiums	1,751,882	1,621,791
In the statement of activities, the gain/(loss) on the sale or disposal of capital assets is reported, whereas in the governmental funds, the proceeds from the sale increases financial resources. Thus the change in net position differs from the change in fund balance by the cost of capital assets disposed or sold.		(267,080)
Certain unavailable tax revenues reported in the governmental funds are recognized in the statement of activities, net of a reserve for uncollectible amounts. This is the change in the amount of taxes receivable recognized under the accrual basis.		(24,203)
The change in compensated absences reported in the statement of activities does not require the use of current financial resources, and therefore, is not reported as an expenditure/revenue in the governmental funds. *This is the amount that compensated absences at the end of the prior year exceeded the compensated absences at the end of the current year.*		
Compensated Absences - End of Current Year	(1,853,730)	
Compensated Absences - End of Prior Year	2,190,519	336,789
Retirement expense in the statement of activities is measured by the District's proportionate share of the SCRS total pension expense. In the governmental funds, however, the expenditure is measured by the current contributions to the retirement system. *This is the difference between the Current Contributions and the District's proportionate share.*		(4,889,198)
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.		95,678
Change in Net Position of Governmental Activities		$ 2,789,837

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

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Local	$ 64,879,551	$ 64,885,551	$ 66,958,551	$ 2,073,000
State	104,450,982	104,450,982	105,580,632	1,129,650
Total Revenues	169,330,533	169,336,533	172,539,183	3,202,650
Expenditures				
Current:				
Instruction	104,459,998	104,435,124	103,907,664	527,460
Support Services	69,594,074	69,625,847	70,864,275	(1,238,428)
Community Services	20,850	19,951	18,698	1,253
Intergovernmental	20,000	20,000	36,899	(16,899)
Total Expenditures	174,094,922	174,100,922	174,827,536	(726,614)
Excess Revenues Over (Under) Expenditures	(4,764,389)	(4,764,389)	(2,288,353)	2,476,036
Other Financing Sources (Uses)				
Sale of Capital Assets	-	-	32,493	32,493
Transfers from Other Funds	4,094,004	4,094,004	3,519,325	(574,679)
Total Other Financing Sources (Uses)	4,094,004	4,094,004	3,551,818	(542,186)
Excess Revenues and Other Sources Over (Under) Expenditures and Other Uses	$ (670,385)	$ (670,385)	1,263,465	$ 1,933,850
Fund Balance, Beginning of Year			37,072,772	
Fund Balance, Ending of Year			$ 38,336,237	

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

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
STATEMENT OF NET POSITION (DEFICIT)
PROPRIETARY FUND
JUNE 30, 2017

Assets	Business-Type Activities Enterprise Fund - Food Services	Business-Type Activities Enterprise Fund - After School Program	Totals
Current Assets:			
Cash & Cash Equivalents	$ 5,367,688	$ -	$ 5,367,688
Due From Other Funds	-	754,450	754,450
Inventories - Supply & Materials	108,377	-	108,377
Other Receivables	90,949	-	90,949
Total Current Assets	5,567,014	754,450	6,321,464
Noncurrent Assets:			
Property and Equipment, Net	2,558,825	-	2,558,825
Total Noncurrent Assets	2,558,825	-	2,558,825
Total Assets	8,125,839	754,450	8,880,289
Deferred Outflows of Resources			
Net Pension Deferred Outflows	869,852	228,530	1,098,382
Total Deferred Outflows of Resources	869,852	228,530	1,098,382
Liabilities			
Current Liabilities:			
Accounts Payable	30,493	598	31,091
Due To Other Funds	3,177,918	-	3,177,918
Unearned Revenue	126,618	-	126,618
Compensated Absences Payable	5,332	-	5,332
Total Current Liabilities	3,340,361	598	3,340,959
Noncurrent Liabilities:			
Compensated Absences Payable	4,929	-	4,929
Net Pension Liability	5,874,369	1,543,325	7,417,694
Total Noncurrent Liabilities	5,879,298	1,543,325	7,422,623
Total Liabilities	9,219,659	1,543,923	10,763,582
Deferred Inflows of Resources			
Net Pension Deferred Inflows	207,571	54,534	262,105
Total Deferred Inflows of Resources	207,571	54,534	262,105
Net Position (Deficit)			
Investment in Capital Assets	2,558,825	-	2,558,825
Unrestricted	(2,990,364)	(615,477)	(3,605,841)
Total Net Position (Deficit)	$ (431,539)	$ (615,477)	$ (1,047,016)

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

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION (DEFICIT)
PROPRIETARY FUND TYPES - ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

	Food Service	After School Program	Totals
Operating Revenues			
Proceeds from Sales of Meals	$ 3,749,352	$ -	$ 3,749,352
Proceeds of Tuition	-	1,409,550	1,409,550
Total Operating Revenues	3,749,352	1,409,550	5,158,902
Operating Expenses			
Food Costs	4,039,369	-	4,039,369
Salaries & Employee Benefits	4,870,262	720,778	5,591,040
Purchased Services	429,043	118,541	547,584
Supplies and Materials	474,855	193,827	668,682
Capital Outlay	1,648	20,280	21,928
Depreciation	321,635	-	321,635
Other Operating Costs	20,079	2,881	22,960
Total Operating Expenses	10,156,891	1,056,307	11,213,198
Operating Income (Loss)	(6,407,539)	353,243	(6,054,296)
Non-Operating Revenues (Expenses)			
USDA Reimbursements	4,378,691	-	4,378,691
Commodities Received from USDA	508,974	-	508,974
Other Federal & State Aid	180,073	-	180,073
Other Local Revenue	215,010	2,729	217,739
Interest Income	60,663	-	60,663
Loss on Disposal of Capital Assets	(84,048)	-	(84,048)
Total Non-Operating Revenues	5,259,363	2,729	5,262,092
Net Income Before Transfers	(1,148,176)	355,972	(792,204)
Transfers In (Out)	267,897	-	267,897
Change in Net Position	(880,279)	355,972	(524,307)
Net Position (Deficit), Beginning of Year	448,740	(971,449)	(522,709)
Net Position (Deficit), End of Year	$ (431,539)	$ (615,477)	$ (1,047,016)

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
FOR THE YEAR ENDED JUNE 30, 2017

	Food Service	After School Program	Totals
Cash Flows from Operating Activities			
Received from Patrons	$ 3,726,299	$ 1,409,550	$ 5,135,849
Payments to Employees for Services	(3,909,249)	(934,048)	(4,843,297)
Payments to Suppliers for Goods and Services	(4,442,942)	(335,470)	(4,778,412)
Net Cash Provided (Used) by Operating Activities	(4,625,892)	140,032	(4,485,860)
Cash Flows from Noncapital Financing Activities			
Federal Subsidy	4,398,207	-	4,398,207
Other Federal and State Aid	180,073	-	180,073
Non-operating Local Support	215,010	2,729	217,739
Transfers to Other Funds	(4,478,528)	(142,761)	(4,621,289)
Net Cash Provided (Used) by Noncapital Financing Activities	314,762	(140,032)	174,730
Cash Flows from Capital and Related Financing Activities			
Proceeds from the Sale of Assets	987	-	987
Purchase of Capital Assets	(40,345)	-	(40,345)
Net Cash Provided (Used) by Capital and Financing Activities	(39,358)	-	(39,358)
Cash Flows from Investing Activities			
Interest on Investments	60,663	-	60,663
Net Increase in Cash and Cash Equivalents	(4,289,825)	-	(4,289,825)
Cash and Cash Equivalents - Beginning	9,657,513	-	9,657,513
Cash and Cash Equivalents - Ending	$ 5,367,688	$ -	$ 5,367,688
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities			
Operating Income (Loss)	$ (6,407,539)	$ 353,243	$ (6,054,296)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Used by Operating Activities:			
Depreciation Expense	321,635	-	321,635
Commodities Received from USDA	508,974	-	508,974
Pension Expense	968,127	(213,270)	754,857
Change in Assets and Liabilities:			-
Decrease in Inventories	(6,171)	-	(6,171)
Increase in Accounts Payable	19,249	59	19,308
Decrease in Accrued Expenses	(7,114)	-	(7,114)
Increase in Unearned Revenue	(23,053)	-	(23,053)
Total Adjustments	1,781,647	(213,211)	1,568,436
Net Cash Provided (Used) by Operating Activities	$ (4,625,892)	$ 140,032	$ (4,485,860)
Non-Cash Transactions:			
Commodities Received from USDA	$ 508,974	$ -	$ 508,974

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

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
FIDUCIARY FUND - PUPIL ACTIVITY AGENCY FUND
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
JUNE 30, 2017

	Pupil Activity
Assets	
Due From District	$ 3,151,813
Total Assets	$ 3,151,813
Liabilities	
Accounts Payable	$ 5,002
Due to Pupil Activities	3,146,811
Total Liabilities	$ 3,151,813

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

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 16,821 students pre-kindergarten through grade twelve.

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

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

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

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

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

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of presentation (continued)

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

***Fund Financial Statements*:** The fund financial statements provide information about the District's funds. Separate statements for each fund category – governmental, proprietary, and fiduciary – are presented. The emphasis of fund financial 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 received and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary services.

The District reports the following major governmental funds:

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

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

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

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.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of presentation (continued)

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

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

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

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

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

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

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

The School Board for any expenditure exceeding total appropriations makes supplemental budget appropriations. Unexpended appropriations lapse at fiscal year-end. Budget amounts reflected in the accompanying financial statements represent the adopted budget and any revisions during the fiscal year. The administration has discretionary authority to make transfer between appropriation accounts and the Chief Financial Services Officer approves all transfers. No supplemental appropriations were necessary during the year. The General Fund had excess of expenditures over appropriations of $1,238,428 for support services and $16,899 for intergovernmental expenditures.

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

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

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

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

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

a. Obligation of the United States, its agencies, and instrumentalities, the principal and interest of which is fully guaranteed by the United States;
b. Obligations of the State of South Carolina or any of its political subdivisions;
c. Obligations of any corporation with the United States if such obligations bear investment grade ratings of at least two nationally recognized rating services;
d. Certificates of Deposit where the certificates are collaterally secured by securities of the type described in a. or b. above, held by a third party as escrow agent or custodian, and are of a fair value not less than the amount of the certificates of deposits so secured, including interest;
e. Repurchase agreements when collateralized by securities of the type described in a. and b. above and held by a third party as escrow agent or custodian of a fair value not less than the amount of the repurchase agreement so collateralized, including interest;

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments (continued)

f. Guaranteed investment contracts issued by a domestic or foreign insurance company or other financial institution, whose long-term unsecured debt rating bears the two highest rates of at lest two nationally recognized rating services.

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

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

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

Inventories: Inventory items are valued at cost, based on the "Average Cost" method of accounting, determined using the first-in, first-out method, and are subsequently charged to expenditure/expenses when consumed rather than when purchased. Inventories include plant maintenance and operating supplies. Inventories recorded in the 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, 2017.

Prepaid items: Payments made to vendors for services benefitting future periods are recorded as prepaid items in both government-wide and fund financial statements using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

Capital assets: Capital assets are recorded at 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 movable personal property with a unit value in excess of $5,000 and a useful life in excess of one year. Routine repairs and maintenance are charged to expenses in the year in which the expense was incurred.

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

Deferred outflows/inflows of resources: In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. The separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government only has two items that qualify for reporting in this category. They are the deferred charge on refunding reported in the government-wide

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Deferred outflows/inflows of resources (continued)

statement of net position, and outflows related to pensions. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The outflows related to pensions are described in Note 5.

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

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

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

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

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

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

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.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Compensated absences (continued)

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

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

Non-exchange transactions: The District generally has two types of non-exchange transactions: government-mandated non-exchange transactions (which occur when a government at one level provides resources to a government at another level and requires the recipient to use the resources for a specific purpose), and voluntary non-exchange transactions (which result from legislative or contractual agreements other than exchanges, entered into willingly by the parties to the agreement). The District recognizes non-exchange transactions when they are both measurable and probable for collections. For government-mandated non-exchange transactions and voluntary non-exchange transactions, the District 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,* the District's governmental fund balances are classified as follows:

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

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

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

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

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 be both restricted and unrestricted resources is designated to the program administrative level. General practice is to first apply the expense to the restricted resource then to the unrestricted resources.

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

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

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

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

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

NOTE 2 – CASH AND CASH EQUIVALENTS

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

At June 30, 2017, the carrying amount of the District's deposits and investments held by the various funds was as follows:

Fund Types	
General Fund	$ 48,805,787
Enterprise Fund	5,367,688
	$ 54,173,475
Cash on hand	$ 90,961
Deposits	14,979,277
Investments	39,103,237
Carrying amount at June 30, 2017	$ 54,173,475

Deposits

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

At June 30, 2017, the bank balance of the District deposits totaled $24,123,632 of which $7,262,413 was insured by Federal Depository Insurance Corporation (FDIC) insurance and $16,861,219 was secured by collateral held by the bank's trust department in the District's name.

Investments

Credit risk: The District adheres to the State of South Carolina's investment policy and invests in primarily Certificates of Deposit and U.S. Government-backed obligations. There are no investments in commercial paper or corporate bonds and equities. The District's investments are composed of $39,103,237 invested with the South Carolina State Investment Pool.

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, 2017, the underlying security rates of the District's investment in the Local Government Investment Pool (LGIP) is classified in risk category "A" and may be obtained from the LGIP's complete financial statements by writing to the following address:

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

NOTE 2 – CASH AND CASH EQUIVALENTS (continued)

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

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

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

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

NOTE 3 – RECEIVABLES

Property taxes are levied by Lexington and Richland Counties (the Counties) on the assessed value for all real and personal property (except vehicles) owned on the preceding December 31st. Liens are attached to the property at the time the taxes are levied, which usually occurs in November of each year. These taxes are due without penalty through January 15th. Penalties are added to taxes depending upon the date paid as follows:

January 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 2, 2007, the annual millage rate for operations may increase only at a rate equal to the sum of (a) the increase in the consumer price index, plus (b) the rate of population growth of the school district. Act 388 created a new homestead exemption equal to 100 percent of the fair market value of owner-occupied residential property for ad valorem taxes imposed for school operating purposes. Act 388 imposed an additional state-wide one percent sales tax, beginning June 1, 2007, the collections of which are deposited in the Homestead Exemption Fund. Proceeds of the sales tax deposited in the Homestead Exemption Fund are distributed to the school districts of the State in substitution for the ad valorem property taxes not collected as a consequence of the New Homestead Exemption.

NOTE 3 – RECEIVABLES (continued)

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

Delinquent taxes receivable	$ 6,962,644
Less: Allowance for uncollectible amounts	(2,088,794)
Taxes receivable	$ 4,873,850

NOTE 4 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2017 was as follows:

Capital Assets:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	$ 7,593,144	$ -	$ -	$ 7,593,144
Construction-in-Progress	731,399	6,847,545	(5,112,283)	2,466,661
Total Capital Assets, Not being Depreciated	8,324,543	6,847,545	(5,112,283)	10,059,805
Capital Assets, Being Depreciated:				
Buildings	447,076,492	5,986,809	(167,541)	452,895,760
Site Improvements	34,307,865	841,454	(105,773)	35,043,546
Furniture and Equipment	16,745,994	2,046,579	(1,078,837)	17,713,736
Total Capital Assets, Being Depreciated	498,130,351	8,874,842	(1,352,151)	505,653,042
Less Accumulated Depreciation For:				
Buildings	(116,401,271)	(12,939,459)	84,388	(129,256,342)
Site Improvements	(6,602,932)	(1,997,179)	48,081	(8,552,030)
Furniture and Equipment	(6,853,848)	(2,033,441)	952,601	(7,934,688)
Total Accumulated Depreciation	(129,858,051)	(16,970,079)	1,085,070	(145,743,060)
Total Capital Assets, Being Depreciated, Net	368,272,300	(8,095,237)	(267,081)	359,909,982
Governmental Activities Capital Assets, Net	$ 376,596,843	$ (1,247,692)	$ (5,379,364)	$ 369,969,787

NOTE 4 – CAPITAL ASSETS (continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activities:				
School Food Service Fund:				
Capital Assets Being Depreciated:				
Furniture and Equipment	$ 4,981,972	$ 25,220	$ (132,524)	$ 4,874,668
Total Capital Assets Being Depreciated	4,981,972	25,220	(132,524)	4,874,668
Less, Accumulated Depreciation for:				
Furniture and Equipment	(2,056,822)	(321,635)	62,614	(2,315,843)
Business-Type Activities Capital Assets, Net	$ 2,925,150	$ (296,415)	$ (69,910)	$ 2,558,825

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

Governmental Activities:	
Instruction	$ 9,814,578
Support	7,149,480
Community Service	6,021
Total Depreciation – Governmental Activities	$ 16,970,079
Business-Type Activities:	
Food Service	$ 321,635
Total Depreciation – Business –Type Activities	$ 321,635

Construction Commitments: The District has active construction projects at June 30, 2017. At June 30, 2017, the District's commitments with contractors are as follows:

Project	**Spent to Date**	**Remaining Commitment**
Chapin Intermediate School:		
Roof	$ 423,061	$ 374,053
Chapin Middle School:		
Third Wing	112,804	139,864
River Springs Elementary:		
HVAC	28,805	205,370
Dutch Fork High School:		
HVAC	587,728	789,672
Lake Murray Elementary:		
HVAC	788,823	953,952
Irmo High School:		
Renovations	42,645	246,258
Roof	149,593	309,346
Total Government Activities	**$ 2,133,459**	**$ 3,018,515**

NOTE 5 – RETIREMENT PLAN

General Information about the Pension Plans

The District participates in the South Carolina Retirement System (SCRS), and the South Carolina Police Officer's Retirement System (PORS). The South Carolina Public Employee Benefit Authority (PEBA), which was created July 1, 2012, administers the various retirement systems and retirement programs managed by its Retirement Division. PEBA has an 11-member Board of Directors, appointed by the Governor and General Assembly leadership, which serves as co-trustee and co-fiduciary of the systems and the trust funds. By law, the State Fiscal Accountability Authority (SFAA), which consists of five elected officials, also reviews certain PEBA Board decisions regarding the funding of the South Carolina Retirement Systems (Systems) and serves as a co-trustee of the Systems in conducting that review. PEBA issues a Comprehensive Annual Financial Report (CAFR) containing financial statements and required supplementary information for the Systems' Pension Trust Funds. The CAFR is publicly available through the Retirement Benefits' link on PEBA's website at www.peba.sc.gov, or a copy may be obtained by submitting a request to PEBA, 202 Arbor Lake Drive, Columbia, SC 29223.

Plan Descriptions

The South Carolina Retirement System (SCRS), a cost-sharing multiple-employer defined benefit pension plan, was established effective July 1, 1945, pursuant to the provisions of Section 9-1-20 of the South Carolina Code of Laws for the purpose of providing retirement allowances and other benefits for employees of the state, its public school districts, and political subdivisions.

The State Optional Retirement Program (State ORP) is a defined contribution plan that is offered as an alternative to certain newly hired state, public school, and higher education employees. State ORP participants direct the investment of their funds into a plan administered by one of four investment providers.

The South Carolina Police Officer's Retirement System (PORS), a cost-sharing multiple-employer defined benefit pension plan, was established effective July 1, 1962, pursuant to the provisions of Section 9-11-20 of the South Carolina Code of Laws for the purpose of providing retirement allowances and other benefits for police officers and firemen of the state and its political subdivisions.

Membership

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

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

- State ORP – As an alternative to membership in SCRS, newly hired state, public school, and higher education employees and individuals newly elected to the South Carolina General Assembly beginning with the November 2012 general election have the option to participate in the State Optional Retirement Program (State ORP), which is a defined contribution plan. State ORP participants direct the investment of their funds into a plan administered by one of four investment providers. PEBA assumes no liability for State ORP benefits. Rather, the benefits are the liability of the investment providers. For this reason, State ORP programs are not considered part of the retirement systems' trust funds for financial statement purposes. Employee and Employer contributions to the State ORP are at the same rates as SCRS. A direct remittance is required from the employers to the member's account with investment providers for the employee

NOTE 5 – RETIREMENT PLAN (continued)

Membership (continued)

contribution and a portion of the employer contribution (5 percent). A direct remittance is also required to SCRS for the remaining portion of the employer contribution and an incidental death benefit contribution, if applicable, which is retained by SCRS.

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

Benefits

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

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

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

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

NOTE 5 – RETIREMENT PLAN (continued)

Benefits (continued)

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

Contributions

Contributions are prescribed in Title 9 of the South Carolina Code of Laws. Upon recommendation by the actuary in the annual actuarial valuation, the PEBA Board may adopt and present to the SFAA for approval an increase in the SCRS and PORS employer and employee contribution rates, but any such increase may not result in a differential between the employee and total employer contribution rate that exceeds 2.9 percent of earnable compensation for SCRS and 5 percent for PORS. An increase in the contribution rates adopted by the Board may not provide for an increase of more than one-half of one percent in any one year. If the scheduled employee or employer contributions provided in statute or the rates last adopted by the Board are insufficient to maintain a thirty year amortization schedule of the unfunded liabilities of the plans, the Board shall increase the contribution rates in equal percentage amounts for the employer and employee as necessary to maintain the thirty-year amortization period; and, this increase is not limited to one-half of one percent per year.

Required **employee** contribution rates[1] for fiscal year 2016-2017 are as follows:

SCRS	
Employee Class Two	8.66%
Employee Class Three	8.66%
State ORP	
Employee	8.66%
PORS	
Employee Class Two	9.24%
Employee Class Three	9.24%

Required **employer** contribution rates[1] are as follows:

SCRS	
Employer Class Two	11.41%
Employer Class Three	11.41%
Employer Incidental Death Benefit	0.15%
State ORP	
Employer Contribution[2]	11.41%
Employer Incidental Death Benefit	0.15%
PORS	
Employer Class Two	13.84%
Employer Class Three	13.84%
Employer Incidental Death Benefit	0.20%
Employer Accidental Death Program	0.20%

[1] Calculated on earnable compensation as defined in Title 9 of the South Carolina Code of Laws.
[2] Of this employer contribution, 5% of earnable compensation must be remitted by the employer directly to the ORP vendor to be allocated to the member's account with the remainder of the employer contribution remitted to the SCRS.

NOTE 5 – RETIREMENT PLAN (continued)

Contributions (continued)

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

	2017	2016	2015
SCRS			
Employee Contributions	$ 9,230,967	$ 8,556,658	$ 8,442,701
Employer Contributions	12,966,077	12,131,873	11,995,419
Employer Group Life Contributions	178,699	174,843	175,271
Total	$ 22,375,743	$ 20,863,374	$ 20,613,391
PORS			
Employee Contributions	$ 11,198	$ 8,088	$ 7,342
Employer Contributions	16,773	12,343	11,358
Employer Group Life Contributions	485	370	349
Total	$ 28,456	$ 20,801	$ 19,049

The District contributed 100% of the required contributions for the current year and each of the two preceding years.

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

At June 30, 2017, the District reported a liability of $245,665,857 for its proportionate share of the net pension liability for SCRS and a liability of $179,709 for its proportionate share of the net pension liability for PORS. The net pension liability of the defined benefit plan was determined based on the most recent actuarial valuation as of July 1, 2015, using membership as of that date projected forward to the end of the retirement plan's fiscal year, and financial information of the pension trust funds as of June 30, 2016. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental units, actuarially determined.

At the retirement plan's year end of June 30, 2016, the District's proportion was 1.150129% and .007090% for SCRS and PORS, respectively.

For the year ended June 30, 2017, the District recognized pension expense of $18,806,088, including $18,784,705 for SCRS and $21,383 for PORS, respectively.

At June 30, 2017, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
SCRS		
Differences between expected and actual experience	$ 2,546,615	$ 266,794
Net difference between projected and actual earnings on pension plan investments	20,668,392	-
Deferred amounts from changes in proportionate share and differences between District contributions and proportionate share of contributions	-	8,420,158
District contributions subsequent to the measurement date	13,144,776	-
Totals	$36,359,783	$8,686,952

NOTE 5 – RETIREMENT PLAN (continued)

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
PORS		
Differences between expected and actual experience	$ 2,667	$ -
Net difference between projected and actual earnings on pension plan investments	20,378	-
Deferred amounts from changes in proportionate share and differences between District contributions and proportionate share of contributions	3,726	-
District contributions subsequent to the measurement date	17,258	-
Totals	$ 44,029	$ -

The amount of $13,144,776 for SCRS and $17,258 for PORS reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2018.

As discussed in GASB 68, collective deferred outflows/inflows of resources arising from differences between projected and actual pension plan investment earnings in different measurement periods should be aggregated and included as a net collective deferred outflow or inflow of resources related to pensions. The following schedules reflect the District's proportionate share of amortization of collective deferred outflows/(inflows) of resources related to pensions outstanding at June 30, 2016.

Difference between expected and actual experience[1]

	SCRS	PORS
	June 30, 2016	June 30, 2016
Initial Balance	$ 7,370,291	$ 5,860
Amortized[2] period ending June 30,		
2014	$ (1,735,504)	$ (939)
2015	(1,612,217)	(1,039)
2016	(1,742,749)	(1,215)
2017	(1,742,749)	(1,215)
2018	(411,617)	(1,080)
2019	(110,313)	(256)
2020	(15,142)	(116)
2021	-	-
Thereafter	-	-

NOTE 5 – RETIREMENT PLAN (continued)

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

Difference between projected and actual investment earnings[3]

	SCRS	PORS
	June 30, 2016	June 30, 2016
Initial Balance	$ 19,770,645	$ 19,870
Amortized[2] period ending June 30,		
2014	$ 4,173,508	$ 3,926
2015	678,368	559
2016	(3,954,129)	(3,977)
2017	(3,954,129)	(3,977)
2018	(3,954,129)	(3,977)
2019	(8,127,637)	(7,903)
2020	(4,632,497)	(4,521)
2021	-	-
Thereafter	-	-

[1] *In accordance with GASB 68, the difference between each year's expected and actual experience is required to be amortized over the average remaining service lives of all employees provided with pensions through the plan at June 30. The service periods used for amortization periods are 4.233 years for 6/30/14; 4.164 years for 6/30/15; and 4.116 years for 6/30/16 for SCRS and are 4.856 for 6/30/14; 4.796 for 6/30/15; and 4.665 for 6/30/16 for PORS.*

[2] *Amount amortized and included in pension expense during measurement period listed.*

[3] *In accordance with GASB 68, the difference between each year's projected and actual investment earnings is required to be amortized over a closed 5 year period.*

NOTE 5 – RETIREMENT PLAN (continued)

Actuarial Assumptions

Actuarial valuations involve estimates of the reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and future salary increases. Actuarial assumptions and methods used during the annual valuation process are subject to periodic revision, typically with an experience study, as actual results over an extended period of time are compared with past expectations and new estimates are made about the future.

South Carolina state statute requires that an actuarial experience study be completed at least once in each five-year period. An experience report on the Systems was most recently issued as of July 1, 2015. The June 30, 2016, total pension liability, net pension liability, and sensitivity information were determined by the Systems' consulting actuary and are based on the July 1, 2015, actuarial valuations, as adopted by the PEBA Board and SFAA which utilized membership data as of July 1, 2015. The total pension liability was rolled-forward from the valuation date to the System's fiscal year ended June 30, 2016, using generally accepted actuarial principles. Information included in the following schedules is provided by PEBA to participating employers based on the certification provided by the Systems' actuary.

	SCRS	PORS
Actuarial Cost Method	Entry age normal	Entry age normal
Investment rate of return[1]	7.5%	7.5%
Projected salary increases	3.5% - 12.5% (varies by service)[1]	4.0% - 10.0%(varies by service)[1]
Benefit adjustments	Lesser of 1% or $500 annually	Lesser of 1% or $500 annually

[1] *Includes inflation at 2.75%*

The post-retiree mortality assumption is dependent upon the member's job category and gender. This assumption includes base rates which are automatically adjusted for future improvement in mortality using published Scale AA projected from the year 2000. Assumptions used in the July 1, 2015 valuation for SCRS and PORS are as follows:

Former Job Class	Males	Females
Educators	RP-2000 Males (with White Collar adjustment) multiplied by 110%	RP-2000 Females (with White Collar adjustment) multiplied by 95%
General Employees and Members of the General Assembly	RP-2000 Males multiplied by 100%	RP-2000 Females multiplied by 90%
Public Safety and Firefighters	RP-2000 Males (with Blue Collar adjustment) multiplied by 115%	RP-2000 Females (with Blue Collar adjustment) multiplied by 115%

NOTE 5 – RETIREMENT PLAN (continued)

Net Pension Liability

The net pension liability (NPL) is calculated separately for each system and represents that particular system's total pension liability determined in accordance with GASB No. 67 less that System's fiduciary net position. NPL totals, as of June 30, 2016, for SCRS and PORS are presented below.

System	Total Pension Liability	Plan Fiduciary Net Position	Employers' Net Pension Liability(Asset)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
SCRS	$45,356,214,752	$23,996,362,354	$21,359,852,398	52.9%
PORS	6,412,510,458	3,876,035,732	2,536,474,726	60.4%

The total pension liability is calculated by the Systems' actuary, and each plan's fiduciary net position is reported in the Systems' financial statements. The net pension liability is disclosed in accordance with the requirements of GASB 67 in the Systems' notes to the financial statements and required supplementary information. Liability calculations performed by the Systems' actuary for the purpose of satisfying the requirements of GASB Nos. 67 & 68 are not applicable for other purposes, such as determining the plans' funding requirements.

Long-term Expected Rate of Return

The long-term expected rate of return on pension plan investments, as used in the July 1, 2015, actuarial valuations, was based upon the 30-year capital markets outlook at the end of the third quarter 2015. The long-term expected rate of returns represent assumptions developed using an arithmetic building block approach, primarily based on consensus expectations and market based inputs. Expected returns are net of investment fees.

The expected returns, along with the expected inflation rate, form the basis for the revised target asset allocation adopted beginning January 1, 2016. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentages and adding expected inflation and is summarized in the table below. For actuarial purposes, the 7.50 percent assumed annual investment rate of return used in the calculation of the total pension liability includes a 4.75 percent real rate of return and a 2.75 percent inflation component.

NOTE 5 – RETIREMENT PLAN (continued)

Long-term Expected Rate of Return (continued)

Asset Class	Target Asset Allocation	Expected Arithmetic Real Rate of Return	Long-Term Expected Portfolio Real Rate of Return
Global Equity	**43.0%**		
Global Public Equity	34.0%	6.52%	2.22%
Private Equity	9.0%	9.30%	0.84%
Real Assets	**8.0%**		
Real Estate	5.0%	4.32%	0.22%
Commodities	3.0%	4.53%	0.13%
Opportunistic	**20.0%**		
GTAA/Risk Parity	10.0%	3.90%	0.39%
HF (Low Beta)	10.0%	3.87%	0.39%
Diversified Credit	**17.0%**		
Mixed Credit	5.0%	3.52%	0.17%
Emerging Markets Debt	5.0%	4.91%	0.25%
Private Debt	7.0%	4.47%	0.31%
Conservative Fixed Income	**12.0%**		
Core Fixed Income	10.0%	1.72%	0.17%
Cash and Short Duration (Net)	2.0%	.71%	0.01%
Total Expected Real Return	**100.0%**		5.10%
Inflation for Actuarial Purposes			2.75%
Total Expected Nominal Return			7.85%

Discount Rate

The discount rate used to measure the total pension liability was 7.50 percent. The projection of cash flows used to determine the discount rate assumed that the funding policy specified in the South Carolina State Code of Laws will remain unchanged in future years. Based on those assumptions, each System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

NOTE 5 – RETIREMENT PLAN (continued)

Sensitivity Analysis

The following table presents the District's proportionate share of the collective net pension liability calculated using the discount rate of 7.50 percent, as well as what the District's proportionate share of the employers' net pension liability would be if it were calculated using a discount rate that is 1.00 percent lower (6.50 percent) or 1.00 percent higher (8.50 percent) than the current rate:

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

System	1.00% Decrease (6.50%)	Current Discount Rate (7.50%)	1.00% Increase (8.50%)
SCRS	$ 306,461,429	$ 245,665,857	$ 195,055,833
PORS	$ 235,691	$ 179,709	$ 129,640

Additional Financial and Actuarial Information

Detailed information regarding the fiduciary net position of the plans administered by PEBA is available in the Systems' separately issued Comprehensive Annual Financial Report (CAFR) containing financial statements and required supplementary information for SCRS and PORS. Additional actuarial information is available in the accounting and financial reporting actuarial valuation as of June 30, 2016.

Payables to the Pension Plan

As of June 30, 2017, the District had $2,673,991 in payables outstanding to the pension plans for its legally required contributions.

NOTE 6 – POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS

Plan Description

The South Carolina Health Insurance Trust Fund and the South Carolina Long-Term Disability Insurance Trust Fund were established by the State of South Carolina as Act 195, which became effective on May 1, 2008. These trusts were established to fund and account for the employer costs of the State's retiree health and dental plans and the State's basic long-term disability plan in compliance with Governmental Accounting Standards Board Statements No. 43, Financial Reporting for Post Employment Benefit Plans Other Than Pension Plans, and No. 45, Accounting and Financial Reporting by Employers for Post Employment Benefits Other Than Pensions.

The Employee Insurance Program administers both trusts and the South Carolina Public Employee Benefit Authority (PEBA) acts as Trustee. The State Treasurer is custodian of the funds and invests the funds in accordance with State statutes. The Trustee for these trusts has determined them to be cost-sharing multiple-employer defined benefit plans that cover employees of the State, including all agencies and public school districts. The South Carolina Health Insurance Trust Fund provides health and dental insurance benefits to eligible retirees and the South Carolina Long-Term Disability Insurance Trust Fund provides disability payments to eligible employees as defined in Article 5 of the State Code of Laws (the Code). Article 5 of the Code authorizes the Trustee of both Plans to at any time adjust the Plan, including the benefits and contributions, as necessary to insure the fiscal stability of the Plans.

Both Plans issue a publicly available financial report that includes financial statements and required information for the Plans. These reports may be obtained by writing to Finance Officer, Employee Insurance Program, 202 Arbor Lake Drive, Columbia, SC 29223.

NOTE 6 – POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS

Funding Policy

Article 5 of the Code provides that contribution requirements of the Plan members and the participating employers are established and may be amended by the Trustee. Participating employers are contractually required to contribute at rates assessed each year by PEBA, currently 5.33% of annual covered payroll for the health insurance and $3.20 per month for active employees for long-term disability. PEBA sets the employer contribution rate based on the annual required contribution of the employers (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents the level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan for a period not to exceed thirty years. The District's contributions to the SC Retiree Health Insurance Trust Fund for the years ended June 30, 2017, 2016, and 2015, respectively, were $6,356,243, $6,217,696, and $5,846,741 which equaled the required contributions for that year.

NOTE 7 – LONG-TERM OBLIGATIONS

Long-term obligations activity for the year ended June 30, 2017, was as follows:

	Amounts Outstanding June 30, 2016	Additions	Deductions	Amounts Outstanding June 30, 2017	Amounts Due in One Year
Governmental Activities:					
Current Refunding General Obligation Bonds:					
Series 2013A – issued November 19, 2013	$ 34,791,000	$ -	$ 2,067,000	$ 32,724,000	$ 2,203,000
Series 2015B – Issued November 9, 2015	62,025,000	-	1,805,000	60,220,000	2,270,000
General Obligation Bonds:					
Series 2010A – Issued June 9, 2010	10,000,000	-	-	10,000,000	-
Series 2012B – Issued August 21, 2012	105,290,000	-	5,135,000	100,155,000	5,395,000
Net Acquisition – Issued April 3, 2017	-	2,428,901	551,374	1,877,527	451,626
	212,106,000	2,428,901	9,558,374	204,976,527	10,319,626
Deferred Amounts:					
Unamortized premium on bonds	14,442,370	-	1,751,882	12,690,488	1,668,080
Total Bonds Payable	226,548,370	2,428,901	11,310,256	217,667,015	11,987,706
Compensated Absences	2,190,519	-	336,789	1,853,730	963,331
Long-Term Liabilities	$ 228,738,889	$ 2,428,901	$ 11,647,045	$ 219,520,745	$ 12,951,037
Business Activities:					
Compensated Absences	$ 17,375	$ -	$ 7,114	$ 10,261	$ 5,332
Business Activities Long-Term Liabilities	$ 17,375	$ -	$ 7,114	$ 10,261	$ 5,332

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

NOTE 7 – LONG-TERM OBLIGATIONS (continued)

Details for each debt issue are as follows:

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

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

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

The reacquisition price exceeded the net carrying amount of the old debt by $470,941; this amount is being amortized over the life of the new debt. The District entered into this refunding to take advantage of lower interest rates, resulting in a reduction of total debt service payments of $6,008,119 and an economic gain (difference between the present values of the debt service payments on the old and new debt) of $4,531,246. Bonds are due in annual installments beginning March 1, 2014, through March 1, 2028, ranging from $1,819,000 to $3,838,000. Interest payments are payable semiannually on March 1 and September 1 beginning March 1, 2014, through March 1, 2028. The deferred loss on refunding at June 30, 2017 was $300,513.

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

The reacquisition price exceeded the net carrying amount of the old debt by $659,618; this amount is being amortized over the life of the new debt. The District entered into this refunding to take advantage of lower interest rates, resulting in a reduction of total debt service payments of $4,170,746 and an economic gain (difference between the present values of the debt service payments on the old and new debt) of $3,438,817. Bonds are due in annual installments beginning March 1, 2017 through March 1, 2029, ranging from $1,805,000 to $12,975,000. Interest payments are payable semi-annually on March 1 and September 1 beginning March 1, 2016 through March 2, 2029. The deferred loss on refunding at June 30, 2017 was $555,276.

NOTE 7 – LONG-TERM OBLIGATIONS (continued)

On April 3, 2017, the District entered into a Tax-Exempt Lease/Purchase Agreement, for $2,428,901. The net proceeds of the agreement, after a promotional contribution from the vendor of $131,907, were $2,296,994. Principal payments are payable annually beginning on June 1, 2017, through June 1, 2021, ranging from $419,467 to $487,441. The interest rate is 2.5466 percent. Interest payments are payable annually on June 1 beginning June 1, 2017, through June 1, 2021. The proceeds will be used to fund the purchase of certain equipment and implementation of the technology plan, and paying cost of issuance associated with the agreement.

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

The annual debt service requirements to maturity as of June 30, 2017 are as follows:

Year ended June 30	Principal	Interest	Total
2018	$ 10,319,626	$ 7,672,700	$ 17,992,326
2019	11,243,262	7,229,127	18,472,389
2020	12,218,198	6,743,477	18,961,675
2021	13,244,441	6,213,360	19,457,801
2022	13,826,000	5,636,384	19,462,384
2023 – 2027	78,532,000	19,692,447	98,224,447
2028 – 2032	65,593,000	6,326,357	71,919,357
	$ 204,976,527	$ 59,513,852	$ 264,490,379

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, 2016 assessed property valuation of $495,714,200 (unaudited), the legal debt limit is $39,657,136, with $9,819,000 of applicable general obligation debt outstanding, leaving a legal debt margin of $29,838,136 at June 30, 2017.

NOTE 8 – SHORT-TERM OBLIGATIONS

Summary of Changes in Short-term Debt: During the year ended June 30, 2017, the following transactions occurred in short-term liabilities:

	Balance at June 30, 2016	Additions	Deductions	Balance at June 30, 2017
SCAGO – Series 2016A	$ 9,550,000	$ -	$ 9,550,000	$ -
SCAGO – Series 2017A	-	9,819,000	-	9,819,000
	$ 9,550,000	$ 9,819,000	$ 9,550,000	$ 9,819,000

Capital Projects Funds:

On May 17, 2017, the District issued Series 2017A, $9,819,000 SCAGO general obligation bonds (8% debt) with an interest rate of 3.0 percent for the purpose of providing funds for capital improvements, equipment, and technology. The net proceeds were $9,925,378 after bid premium of $151,900 less cost of issuance of $45,522. These bonds, including interest of $232,383, are due March 1, 2018 and are scheduled to be repaid utilizing debt service fund property tax revenues.

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	$ 2,209,517	$ 2,676,290	$ 126,618

NOTE 10 – INTERFUND TRANSACTIONS

Interfund Transfers:

Transfers during the year ended June 30, 2017 consisted of the following:

Fund Category	Transfers In	Transfers Out
General Fund	$ 4,787,222	$ 1,267,897
Special Revenue Funds	2,296,994	287,493
Combined EIA Funds	-	4,499,729
Debt Service Fund	-	9,550,000
Capital Projects Fund	12,636,979	4,383,973
Food Service Fund	267,897	-
Totals	$ 19,989,092	$ 19,989,092

Interfund Receivables and Payables:

Fund Category	Interfund Receivables	Interfund Payables
General Fund	$ -	$ 25,072,496
Special Revenue Funds	-	1,904,876
Combined EIA Funds	2,689,348	-
Debt Service Fund	232	-
Capital Projects Fund	23,559,447	-
Enterprise Fund – Food Service	-	3,177,918
Enterprise Fund – After School	754,450	-
Pupil Activity	3,151,813	-
Totals	**$ 30,155,290**	**$ 30,155,290**

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

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.

NOTE 10 – INTERFUND TRANSACTIONS (continued)

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

NOTE 11 – RISK MANAGEMENT

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

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

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

There were no significant reductions in insurance coverage from the previous year and no settlements have exceeded insurance coverage for the past three years ended June 30, 2017, 2016 and 2015.

NOTE 12 – OPERATING LEASES

The School District is obligated to account for certain leases as operating leases. Current rental expenditures for the year ended June 30, 2017 were $489,961. 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, 2017:

Year Ended June 30	Totals
2018	$ 500,393
2019	493,108
2020	373,275
2021	160,696
2022	39,958
Total payments	$ 1,567,430

NOTE 13 – FUND BALANCES

The District uses the following governmental fund balance accounts:

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

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

Restricted for 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.

Committed for School Building Fund – This amount represents the School Building Fund balance that has been committed to 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:

Future capital projects	$ 6,800,000
Appropriation for succeeding year's budget	176,603
Total assigned for special purposes	$ 6,976,603

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 lease an Aa2/AA credit rating. This average may change from time to time but generally ranges from 15 percent – 18 percent of the general fund budgeted expenditures. The required range as of June 30, 2017 is $27,283,704 to $32,740,444 based on the 2017/2018 general fund budget. The unassigned amount at June 30, 2017 is $27,071,193.

NOTE 14 – CONTINGENCIES AND LITIGATION

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

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

NOTE 15 – SUBSEQUENT EVENTS

On July 28, 2017, the District purchased 23.79 acres in Lexington County for $932,950 as the site for a new elementary school.

The District has evaluated subsequent events through November 27, 2017, the date on which the financial statements were available to be issued.

NOTE 16 – TAX ABATEMENTS

The District's boundaries encompass areas in both the County of Lexington and the County of Richland. The County of Richland has no tax abatement agreements for the 2016 tax year within the District's property lines. The District is subject to the following property tax abatement agreements entered into by the County of Lexington:

	Amount of Taxes Abated during the Fiscal Year	State of South Carolina Revenue Reimbursement Amount
County of Lexington:		
Fee-in-lieu of Taxes Program (FILOT)	$ 276,043	$ 32,889
Fee-in-lieu of Tax Infrastructure Program (FILOT & IP)	576,698	4,128
	$ 852,741	$ 37,017

REQUIRED SUPPLEMENTARY INFORMATION

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

	Fiscal Year									
	2008*	2009*	2010*	2011*	2012*	2013*	2014*	2015	2016	2017
SCRS										
District's Proportion of Net Pension Liability	N/A	N/A	N/A	N/A	N/A	N/A	N/A	$ 209,898,245	$ 225,910,185	$ 245,665,857
District's Proportionate Share of Net Pension Liability	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1.219156%	1.191165%	1.150129%
District's Covered-Employee Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	115,524,407	116,847,519	116,562,170
District's Proportionate Share of Net Pension Liability as a Percentage of Its Covered-Employee Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	181.69%	193.34%	210.76%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	N/A	N/A	N/A	N/A	N/A	N/A	N/A	59.90%	57.00%	52.90%
PORS										
District's Proportion of Net Pension Liability	N/A	N/A	N/A	N/A	N/A	N/A	N/A	$ 130,009	$ 153,589	$ 179,709
District's Proportionate Share of Net Pension Liability	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.00679%	0.00705%	0.00709%
District's Covered-Employee Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	81,675	87,304	92,530
District's Proportionate Share of Net Pension Liability as a Percentage of Its Covered-Employee Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	159.18%	175.92%	194.22%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	N/A	N/A	N/A	N/A	N/A	N/A	N/A	67.50%	64.60%	60.40%

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

Source:
Audit report of employer allocations of the South Carolina Retirement System (SCRS) and Police Officers Retirement System (PORS), as administered by the SC Public Employee Benefit Authority for the year ended June 30, 2016.

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SCHEDULE OF DISTRICT CONTRIBUTIONS - SCRS AND PORS
LAST TEN FISCAL YEARS

	Fiscal Year									
	2008*	2009*	2010*	2011*	2012*	2013*	2014*	2015	2016	2017
SCRS										
Contractually Required Contribution	N/A	N/A	N/A	N/A	N/A	N/A	N/A	$ 11,732,446	$ 12,173,782	$ 12,318,034
Contributions in Relation to the Contractually Required Contribution	N/A	N/A	N/A	N/A	N/A	N/A	N/A	(11,732,446)	(12,173,782)	(12,318,034)
Contribution Deficiency (Excess)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	$ -	$ -	$ -
District's Covered-Employee Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	$ 115,524,407	$ 116,847,519	$ 116,562,170
Contributiuons as a Percentage of Covered-Employee Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	10.16%	10.42%	10.57%
PORS										
Contractually Required Contribution	N/A	N/A	N/A	N/A	N/A	N/A	N/A	$ 10,487	$ 11,707	$ 12,411
Contributions in Relation to the Contractually Required Contribution	N/A	N/A	N/A	N/A	N/A	N/A	N/A	(10,487)	(11,707)	(12,411)
Contribution Deficiency (Excess)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	$ -	$ -	$ -
District's Covered-Employee Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	$ 81,675	$ 87,304	$ 92,530
Contributiuons as a Percentage of Covered-Employee Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	12.84%	13.41%	13.41%

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

Source:
District Quarterly Retirement Contibution Reports

OTHER SUPPLEMENTARY INFORMATION

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GENERAL FUND

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

The following Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual for the General Fund has been prepared in the format mandated by the South Carolina Department of Education. The account numbers shown on the schedule are also mandated by the South Carolina Department of Education.

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SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
1000 Revenue from Local Sources			
1100 Taxes Levied/Assessed by the LEA:			
1110 Ad Valorem Taxes-Including Delinquent (Independent)	$ 62,913,251	$ 63,903,952	$ 990,701
1140 Penalties & Interest on Taxes (Independent)	277,000	354,306	77,306
1200 Revenue From Local Governmental Units Other Than LEAs:			
1280 Revenue in Lieu of Taxes (Independent and Dependent)	999,300	1,371,057	371,757
1300 Tuition:			
1310 From Patrons for Regular Day School	50,000	6,704	(43,296)
1500 Earnings on Investments:			
1510 Interest on Investments	95,000	216,059	121,059
1900 Other Revenue from Local Sources:			
1910 Rentals	110,000	181,310	71,310
1930 Special Needs Transportation - Medicaid	100,000	149,780	49,780
1950 Refund of Prior Year's Expenditures	15,000	3,536	(11,464)
1990 Miscellaneous Local Revenue:			
1992 Canteen Operations	-	549,815	549,815
1993 Receipt of Insurance Proceeds	20,000	19,346	(654)
1999 Revenue from Other Local Sources	306,000	193,651	(112,349)
Total Local Sources	64,885,551	66,949,516	2,063,965
3000 Revenue from State Sources			
3100 Restricted State Funding:			
3130 Special Programs:			
3131 Handicapped Transportation	-	7,305	7,305
3132 Home Schooling (No Carryover Provision)	-	1,175	1,175
3160 School Bus Driver Salary	1,133,005	1,207,468	74,463
3161 EAA Bus Driver Salary and Fringe	-	2,437	2,437
3162 Transportation Workers' Compensation	58,632	61,356	2,724
3180 Fringe Benefits Employer Contributions (No Carryover Provision)	17,004,173	16,930,136	(74,037)
3181 Retiree Insurance (No Carryover Provision)	4,306,644	4,287,910	(18,734)
3300 Education Finance Act:			
3310 Full-Time Programs:			
3311 Kindergarten	1,760,080	1,809,518	49,438
3312 Primary	5,014,610	5,155,459	140,849
3313 Elementary	9,769,225	10,043,620	274,395
3314 High School	2,409,713	2,477,397	67,684
3315 Trainable Mentally Handicapped	104,980	107,929	2,949
3316 Speech Handicapped (Part-Time Program)	2,871,295	2,951,943	80,648
3317 Homebound	21,264	21,862	598
3320 Part-Time Programs:			
3321 Emotionally Handicapped	143,619	147,653	4,034
3322 Educable Mentally Handicapped	87,180	89,629	2,449
3323 Learning Disabilities	2,558,546	2,630,410	71,864
3324 Hearing Handicapped	74,952	77,057	2,105
3325 Visually Handicapped	138,897	142,799	3,902
3326 Orthopedically Handicapped	37,586	38,642	1,056
3327 Vocational	7,723,535	7,940,472	216,937

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017

	Final Budget	Actual	Variance Positive (Negative)
3330 Miscellaneous EFA Programs:			
3331 Autism	$ 903,071	$ 928,437	$ 25,366
3332 High Achieving Students	1,240,753	1,275,603	34,850
3334 Limited English Proficiency	150,753	154,987	4,234
3351 Academic Assistance	1,111,774	1,143,001	31,227
3352 Pupils in Poverty	2,625,431	2,699,173	73,742
3353 Dual Credit Enrollment	34,410	35,377	967
3800 State Revenue in Lieu of Taxes:			
3810 Reimbursement for Local Residential Property Tax Relief (Tier 1)	10,580,071	10,580,071	-
3820 Homestead Exemption (Tier 2)	1,758,201	1,758,200	(1)
3825 Reimbursement for Property Tax Relief (Tier 3)	30,128,932	30,130,211	1,279
3830 Merchant's Inventory Tax	209,687	213,955	4,268
3840 Manufacturers Depreciation Reimbursement	303,663	281,678	(21,985)
3890 Other State Property Tax Revenues (Includes Motor Carrier Tax)	176,300	204,190	27,890
3900 Other State Revenue:			
3992 State Forest Commission Revenues	-	24,674	24,674
3999 Revenue From Other State Sources	10,000	18,898	8,898
Total State Sources	104,450,982	105,580,632	1,129,650
Total Revenues All Sources	169,336,533	172,530,148	3,193,615
Expenditures			
100 Instruction			
110 General Instruction			
111 Kindergarten Programs:			
100 Salaries	4,670,102	4,595,141	74,961
200 Employee Benefits	1,898,184	1,928,085	(29,901)
300 Purchased Services	3,160	1,919	1,241
400 Supplies and Materials	68,442	64,353	4,089
112 Primary Programs:			
100 Salaries	12,199,548	11,286,169	913,379
200 Employee Benefits	4,515,156	4,407,984	107,172
300 Purchased Services	10,354	8,216	2,138
400 Supplies and Materials	322,021	304,859	17,162
113 Elementary Programs:			
100 Salaries	21,089,531	20,388,849	700,682
200 Employee Benefits	7,779,903	7,762,395	17,508
300 Purchased Services	23,604	16,965	6,639
400 Supplies and Materials	619,037	446,122	172,915
114 High School Programs:			
100 Salaries	17,111,560	16,482,819	628,741
200 Employee Benefits	5,966,960	5,514,049	452,911
300 Purchased Services	206,814	166,375	40,439
400 Supplies and Materials	642,529	2,451,612	(1,809,083)
500 Capital Outlay	7,800	7,776	24
600 Other Objects	6,100	5,100	1,000

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017

	Final Budget	Actual	Variance Positive (Negative)
115 Career and Technology Education Programs:			
100 Salaries	$ 2,686,492	$ 2,517,892	$ 168,600
200 Employee Benefits	947,280	833,234	114,046
300 Purchased Services - Other Than Tuition	600	525	75
400 Supplies and Materials	118,990	119,185	(195)
120 Exceptional Programs			
121 Educable Mentally Handicapped:			
100 Salaries	681,407	700,395	(18,988)
200 Employee Benefits	227,484	281,366	(53,882)
300 Purchased Services	15,619	15,842	(223)
400 Supplies and Materials	217	323	(106)
122 Trainable Mentally Handicapped:			
100 Salaries	473,330	296,837	176,493
200 Employee Benefits	185,193	110,261	74,932
400 Supplies and Materials	273	213	60
123 Orthopedically Handicapped:			
400 Supplies and Materials	137	21	116
124 Visually Handicapped:			
100 Salaries	147,766	104,145	43,621
200 Employee Benefits	58,346	42,213	16,133
400 Supplies and Materials	188	128	60
125 Hearing Handicapped:			
100 Salaries	284,277	285,156	(879)
200 Employee Benefits	95,291	96,586	(1,295)
300 Purchased Services	-	433	(433)
400 Supplies and Materials	178	84	94
126 Speech Handicapped:			
100 Salaries	1,561,319	1,602,197	(40,878)
200 Employee Benefits	570,424	583,538	(13,114)
400 Supplies and Materials	9,331	7,760	1,571
127 Learning Disabilities:			
100 Salaries	4,667,759	4,664,693	3,066
200 Employee Benefits	1,709,001	1,775,800	(66,799)
300 Purchased Services	750	-	750
400 Supplies and Materials	8,371	8,245	126
128 Emotionally Handicapped:			
100 Salaries	536,718	501,200	35,518
200 Employee Benefits	222,422	207,567	14,855
400 Supplies and Materials	587	699	(112)
129 Coordinated Early Intervening Services (CEIS):			
100 Salaries	296,694	310,995	(14,301)
200 Employee Benefits	112,857	125,412	(12,555)
130 Pre-School Programs			
135 Pre-School Handicapped-Speech (3 & 4 year olds):			
100 Salaries	5,600	5,000	600
200 Employee Benefits	1,261	1,228	33
400 Supplies and Materials	90	90	-
136 Pre-School Handicapped-Itinerant (3 & 4 year olds):			
100 Salaries	11,919	11,844	75
200 Employee Benefits	3,856	3,891	(35)
137 Pre-School Handicapped-Self-Contained (3 & 4 year olds):			
100 Salaries	887,410	969,942	(82,532)
200 Employee Benefits	371,321	406,973	(35,652)
400 Supplies and Materials	540	541	(1)

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017

	Final Budget	Actual	Variance Positive (Negative)
138 Pre-School Handicapped-Homebased (3 & 4 year olds):			
100 Salaries	$ 6,325	$ 6,275	$ 50
200 Employee Benefits	2,132	2,150	(18)
139 Early Childhood Programs:			
100 Salaries	1,039,683	908,674	131,009
200 Employee Benefits	424,224	382,159	42,065
300 Purchased Services	14,883	9,062	5,821
400 Supplies and Materials	37,277	32,990	4,287
600 Other Objects	500	221	279
140 Special Programs			
141 Gifted and Talented - Academic:			
100 Salaries	1,045,670	980,208	65,462
200 Employee Benefits	387,881	371,630	16,251
300 Purchased Services	3,376	3,192	184
400 Supplies and Materials	14,675	3,236	11,439
600 Other Objects	49	49	-
143 Advanced Placement:			
100 Salaries	359,240	354,767	4,473
200 Employee Benefits	126,196	124,965	1,231
144 International Baccalaureate:			
100 Salaries	500	48,935	(48,435)
200 Employee Benefits	38	18,935	(18,897)
300 Purchased Services	-	860	(860)
400 Supplies and Materials	50,000	48,905	1,095
145 Homebound:			
100 Salaries	193,937	182,465	11,472
200 Employee Benefits	48,484	46,634	1,850
300 Purchased Services	16,000	4,800	11,200
148 Gifted and Talented - Artistic:			
100 Salaries	145,586	133,984	11,602
200 Employee Benefits	47,585	46,818	767
300 Purchased Services	3,945	3,093	852
400 Supplies and Materials	5,900	3,657	2,243
149 Other Special Programs:			
100 Salaries	1,505,241	2,004,871	(499,630)
140 Terminal Leave	-	922,915	(922,915)
200 Employee Benefits	393,325	518,897	(125,572)
300 Purchased Services	2,000,000	2,169,773	(169,773)
160 Other Exceptional Programs			
161 Autism:			
100 Salaries	994,293	760,569	233,724
200 Employee Benefits	418,109	316,309	101,800
400 Supplies and Materials	2,450	1,403	1,047
170 Summer School Program			
172 Elementary Summer School:			
100 Salaries	20,410	18,360	2,050
200 Employee Benefits	5,066	4,868	198
400 Supplies and Materials	-	640	(640)
173 High School Summer School:			
100 Salaries	59,844	56,229	3,615
200 Employee Benefits	14,680	14,422	258

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017

	Final Budget	Actual	Variance Positive (Negative)
180 Adult/Continuing Educational Programs			
181 Adult Basic Education Programs:			
100 Salaries	$ 217,677	$ 224,569	$ (6,892)
200 Employee Benefits	64,943	69,035	(4,092)
300 Purchased Services	4,547	1,916	2,631
400 Supplies and Materials	3,204	3,214	(10)
600 Other Objects	651	651	-
182 Adult Secondary Education Programs:			
100 Salaries	1,000	-	1,000
200 Employee Benefits	77	-	77
300 Purchased Services	200	266	(66)
400 Supplies and Materials	4,828	4,416	412
188 Parenting/Family Literacy:			
100 Salaries	51,533	28,213	23,320
200 Employee Benefits	21,692	13,673	8,019
190 Instructional Pupil Activity:			
100 Salaries (optional)	492,034	482,881	9,153
200 Employee Benefits (optional)	122,331	118,882	3,449
660 Instructional Pupil Activity	20,800	20,786	14
Total Instruction	104,435,124	103,907,664	527,460
200 Support Services			
210 Pupil Services			
211 Attendance and Social Work Services:			
100 Salaries	850,129	971,362	(121,233)
200 Employee Benefits	360,637	420,128	(59,491)
300 Purchased Services	42,305	36,367	5,938
400 Supplies and Materials	1,890	458	1,432
212 Guidance Services:			
100 Salaries	3,076,369	3,054,991	21,378
200 Employee Benefits	1,076,132	1,096,056	(19,924)
300 Purchased Services	2,313	1,949	364
400 Supplies and Materials	32,089	27,235	4,854
213 Health Services:			
100 Salaries	1,474,956	1,568,677	(93,721)
200 Employee Benefits	560,321	588,890	(28,569)
300 Purchased Services	3,155	2,648	507
400 Supplies and Materials	34,037	29,197	4,840
600 Other Objects	345	200	145
214 Psychological Services:			
100 Salaries	1,192,640	1,171,635	21,005
200 Employee Benefits	387,493	378,908	8,585
300 Purchased Services	6,000	14,141	(8,141)
400 Supplies and Materials	5,850	5,831	19
217 Career Specialist Services:			
100 Salaries	82,035	79,235	2,800
200 Employee Benefits	28,569	28,325	244
400 Supplies and Materials	1,260	633	627

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017

	Final Budget	Actual	Variance Positive (Negative)
220 Instructional Staff Services			
221 Improvement of Instruction Curriculum Development:			
100 Salaries	$ 1,868,551	$ 1,900,206	$ (31,655)
200 Employee Benefits	623,571	616,314	7,257
300 Purchased Services	479,490	437,687	41,803
400 Supplies and Materials	147,440	93,467	53,973
600 Other Objects	3,507	4,030	(523)
222 Library and Media Services:			
100 Salaries	1,846,287	1,715,396	130,891
200 Employee Benefits	676,362	692,373	(16,011)
300 Purchased Services	3,665	2,365	1,300
400 Supplies and Materials	326,703	308,601	18,102
223 Supervision of Special Programs:			
100 Salaries	554,942	564,955	(10,013)
200 Employee Benefits	186,270	192,187	(5,917)
300 Purchased Services	1,011	941	70
400 Supplies and Materials	540	-	540
224 Improvement of Instruction Inservice and Staff Training:			
100 Salaries	1,020	2,880	(1,860)
200 Employee Benefits	256	789	(533)
300 Purchased Services	81,915	69,137	12,778
400 Supplies and Materials	11,781	9,291	2,490
230 General Administration Services			
231 Board of Education:			
100 Salaries	67,281	63,276	4,005
200 Employee Benefits	16,827	15,863	964
300 Purchased Services	296,775	326,409	(29,634)
318 Audit Services	40,000	32,500	7,500
600 Other Objects	368,185	414,535	(46,350)
232 Office of the Superintendent:			
100 Salaries	271,439	283,119	(11,680)
200 Employee Benefits	79,841	78,951	890
300 Purchased Services	19,000	17,157	1,843
400 Supplies and Materials	6,723	4,886	1,837
600 Other Objects	7,100	2,976	4,124
233 School Administration:			
100 Salaries	10,042,327	10,013,190	29,137
200 Employee Benefits	3,538,206	3,595,618	(57,412)
300 Purchased Services	193,613	174,323	19,290
400 Supplies and Materials	222,478	181,206	41,272
600 Other Objects	20,293	21,168	(875)
250 Finance and Operations Services			
251 Student Transportation (Federal/District Mandated):			
300 Purchased Services	440,000	536,884	(96,884)
252 Fiscal Services:			
100 Salaries	693,951	839,757	(145,806)
200 Employee Benefits	241,436	300,745	(59,309)
300 Purchased Services	136,680	300,089	(163,409)
400 Supplies and Materials	53,955	47,640	6,315
600 Other Objects	3,600	3,704	(104)

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017

	Final Budget	Actual	Variance Positive (Negative)
254 Operation and Maintenance of Plant:			
100 Salaries	$ 6,556,065	$ 6,320,263	$ 235,802
200 Employee Benefits	3,593,669	2,692,126	901,543
300 Purchased Services	3,916,111	4,411,114	(495,003)
321 Public Utilities (Excludes gas, oil, elec. & other heating fuels)	719,000	815,657	(96,657)
400 Supplies and Materials	981,284	932,915	48,369
470 Energy (Include gas, oil, elec. & other heating fuels)	4,388,312	4,171,016	217,296
500 Capital Outlay	197,000	337,374	(140,374)
600 Other Objects	3,556	1,979	1,577
255 Student Transportation (State Mandated):			
100 Salaries	3,271,623	3,449,806	(178,183)
200 Employee Benefits	1,246,236	1,378,629	(132,393)
300 Purchased Services	164,192	121,297	42,895
400 Supplies and Materials	49,790	52,573	(2,783)
600 Other Objects	750	633	117
256 Food Service:			
100 Salaries	66,721	-	66,721
200 Employee Benefits	5,104	-	5,104
600 Other Objects	-	23,366	(23,366)
257 Internal Services:			
100 Salaries	279,107	235,812	43,295
200 Employee Benefits	103,124	87,830	15,294
300 Purchased Services	734,509	729,432	5,077
400 Supplies and Materials	36,675	23,543	13,132
258 Security:			
100 Salaries	74,323	75,325	(1,002)
200 Employee Benefits	27,043	23,837	3,206
300 Purchased Services	1,762,281	1,599,834	162,447
400 Supplies and Materials	900	98	802
600 Other Objects	410	-	410
260 Central Support Services			
261 Head of Component Unit:			
100 Salaries	645,886	127,964	517,922
200 Employee Benefits	189,028	37,375	151,653
263 Information Services:			
100 Salaries	740,998	931,687	(190,689)
200 Employee Benefits	223,973	301,383	(77,410)
300 Purchased Services	75,000	88,871	(13,871)
400 Supplies and Materials	31,000	35,394	(4,394)
600 Other Objects	12,700	23,898	(11,198)
264 Staff Services:			
100 Salaries	608,973	730,725	(121,752)
200 Employee Benefits	207,391	264,698	(57,307)
300 Purchased Services	78,744	15,915	62,829
400 Supplies and Materials	59,527	23,221	36,306
600 Other Objects	-	351	(351)
266 Technology and Data Processing Services:			
100 Salaries	1,828,161	1,645,424	182,737
200 Employee Benefits	607,944	577,043	30,901
300 Purchased Services	824,723	904,842	(80,119)
400 Supplies and Materials	10,520	422,657	(412,137)
500 Capital Outlay	-	1,485,368	(1,485,368)
600 Other Objects	176	-	176

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017

	Final Budget	Actual	Variance Positive (Negative)
270 Support Services Pupil Activity			
271 Pupil Services Activities:			
100 Salaries (optional)	$ 1,519,575	$ 1,472,445	$ 47,130
200 Employee Benefits (optional)	403,145	383,213	19,932
300 Purchased Services (optional)	61,523	59,936	1,587
400 Supplies and Materials (optional)	5,500	24,923	(19,423)
660 Pupil Activity	522,029	481,002	41,027
Total Support Services	69,625,847	70,864,275	(1,238,428)
300 Community Services			
390 Other Community Services:			
300 Purchased Services	17,973	17,900	73
400 Supplies and Materials	1,978	798	1,180
Total Community Services	19,951	18,698	1,253
400 Other Charges:			
410 Intergovernmental Expenditures			
412 Payments to Other Governmental Units			
720 Transits	20,000	36,899	(16,899)
Total Intergovernmental Expenditures	20,000	36,899	(16,899)
Total Expenditures	174,100,922	174,827,536	(726,614)
Other Financing Sources (Uses)			
5300 Sale of Capital Assets	-	32,493	32,493
Interfund Transfers, From (To) Other Funds:			
5230 Transfer from Special Revenue EIA Fund	4,240,749	4,499,729	258,980
5270 Transfer from Pupil Activity Fund	-	9,035	9,035
5280 Transfer from Other Funds Indirect Costs	265,000	287,493	22,493
424-710 Transfer to School Building Fund Capital Projects Fund	-	(1,000,000)	(1,000,000)
425-710 Transfer to Food Service Fund	(411,745)	(267,897)	143,848
Total Other Financing Sources (Uses)	4,094,004	3,560,853	(533,151)
Excess/(Deficiency) of Revenues over Expenditures	$ (670,385)	1,263,465	$ 1,933,850
Fund Balance, Beginning of Year		37,072,772	
Fund Balance, Ending of Year		$ 38,336,237	

SPECIAL REVENUE FUNDS

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

1. The Special Projects Fund consists of multiple special revenue subfunds used to account for all federal, state and local projects and grants except for those subject to EIA.

2. The Education Improvement Act (EIA) Fund was passed in 1984 by the South Carolina State Legislature to upgrade the quality of education in South Carolina. The fund accounts for the proceeds of the additional one percent Sales and Use Tax which is restricted to expenditures for the Education Improvement Act standards. Because of the categorical nature of the funding, the state requires that revenues and expenditures be accounted for in a separate fund. Accordingly, the EIA Fund is reported as a Special Revenue.

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

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SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SPECIAL REVENUE - SPECIAL PROJECTS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2017

	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)	OTHER DESIGNATED RESTRICTED STATE GRANTS (900s)	OTHER SPECIAL REVENUE PROGRAMS (200s/800s)	TOTAL
Revenues								
1000 Revenue from Local Sources								
1900 Other Revenue from Local Sources:								
1920 Contributions & Donations Private Sources	$ -	$ -	$ -	$ -	$ -	$ 131,907	$ 230,155	$ 362,062
1930 Special Needs Transportation - Medicaid	-	-	-	-	-	-	712,562	712,562
Total Local Sources	-	-	-	-	-	131,907	942,717	1,074,624
3000 Revenue from State Sources								
3100 Restricted State Funding:								
3118 EEDA Career Specialists	-	-	-	-	-	380,464	-	380,464
3127 Student Health and Fitness - PE Teachers	-	-	-	-	-	102,715	-	102,715
3130 Special Programs:								
3135 Reading Coaches	-	-	-	-	-	575,676	-	575,676
3136 Student Health and Fitness - Nurses	-	-	-	-	-	406,472	-	406,472
3155 DDS SNAP & E&T Program	-	-	-	-	-	15,086	-	15,086
3177 Summer Reading Camp	-	-	-	-	-	91,501	-	91,501
3193 Education License Plates	-	-	-	-	-	5,762	-	5,762
3199 Other Restricted State Grants	-	-	-	-	-	-	11,273	11,273
3600 Education Lottery								
3630 K-12 Technology Initiative	-	-	-	-	-	586,532	-	586,532
Total State Sources	-	-	-	-	-	2,164,208	11,273	2,175,481
4000 Revenue from Federal Sources								
4200 Occupational Education:								
4210 Perkins Aid, Title I-Career & Technical Education-Basic Grants to States	-	-	-	196,204	-	-	-	196,204
4300 Elementary and Secondary Education Act of 1965 (ESEA):								
4310 Title I, Basic State Grant Programs (Carryover Provision)	1,710,317	-	-	-	-	-	63,500	1,773,817
4341 Language Instruction for Limited English Proficient and Immigrant Students, Title III	-	-	-	-	-	-	32,494	32,494
4343 McKinney-Vento	-	-	-	-	-	-	59,765	59,765
4351 Improving Teacher Quality (Carryover Provision)	-	-	-	-	-	-	240,140	240,140
4400 Adult Education:								
4410 Basic, Adult Education	-	-	-	-	92,069	-	-	92,069
4430 State Literacy Resource	-	-	-	-	7,189	-	-	7,189
4500 Programs for Children with Disabilities								
4510 Individuals With Disabilities Education Act (IDEA) (Carryover Provision)	-	3,497,783	-	-	-	-	-	3,497,783
4520 Preschool Grants (Carryover Provision)	-	-	196,510	-	-	-	-	196,510
4800 USDA Reimbursement:								
4870 School Food Service (Equipment)	-	-	-	-	-	-	41,200	41,200
4900 Other Federal Sources:								
4924 21st Century Community Learning Centers Program, (Title IV, 21st Century Schools)	-	-	-	-	-	-	150,622	150,622
4990 Other Federal Revenue:								
4999 Revenue from Other Federal Sources	-	-	-	-	-	-	1,863,179	1,863,179
Total Federal Sources	1,710,317	3,497,783	196,510	196,204	99,258	-	2,450,900	8,150,972
Total Revenues All Sources	1,710,317	3,497,783	196,510	196,204	99,258	2,296,115	3,404,890	11,401,077

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SPECIAL REVENUE - SPECIAL PROJECTS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2017

	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)	OTHER DESIGNATED RESTRICTED STATE GRANTS (900s)	OTHER SPECIAL REVENUE PROGRAMS (200s/800s)	TOTAL
Expenditures								
100 Instruction								
110 General Instruction								
111 Kindergarten Programs:								
100 Salaries	$ 1,000	$ -	$ -	$ -	$ -	$ 13,917	$ -	$ 14,917
200 Employee Benefits	274	-	-	-	-	5,104	-	5,378
400 Supplies and Materials	-	-	-	-	-	-	999	999
112 Primary Programs:								
100 Salaries	834,837	-	-	-	-	92,042	55,319	982,198
200 Employee Benefits	227,251	-	-	-	-	25,044	18,395	270,690
300 Purchased Services	18,616	-	-	-	-	-	14,871	33,487
400 Supplies and Materials	108,786	-	-	-	-	1,428	198,221	308,435
113 Elementary Programs:								
100 Salaries	254,528	-	-	-	-	30,921	159,084	444,533
200 Employee Benefits	69,741	-	-	-	-	11,515	58,747	140,003
300 Purchased Services	-	-	-	-	-	-	520	520
400 Supplies and Materials	12,465	-	-	-	-	-	49,105	61,570
600 Other Objects	-	-	-	-	-	-	275	275
114 High School Programs:								
100 Salaries	-	-	-	-	-	-	227,195	227,195
200 Employee Benefits	-	-	-	-	-	-	19,091	19,091
300 Purchased Services	-	-	-	-	-	-	46,485	46,485
400 Supplies and Materials	-	-	-	-	-	5,762	120,161	125,923
500 Capital Outlay	-	-	-	-	-	-	37,877	37,877
115 Career and Technology Education Programs:								
100 Salaries	-	-	-	-	-	-	3,065	3,065
200 Employee Benefits	-	-	-	-	-	-	254	254
300 Purchased Services - Other Than Tuition	-	-	-	29,250	-	-	3,956	33,206
400 Supplies and Materials	-	-	-	36,492	-	-	42,018	78,510
120 Exceptional Programs								
121 Educable Mentally Handicapped:								
100 Salaries	-	603,515	-	-	-	-	51,105	654,620
200 Employee Benefits	-	290,845	-	-	-	-	32,804	323,649
300 Purchased Services	-	1,556	-	-	-	-	5,264	6,820
400 Supplies and Materials	-	91,383	-	-	-	-	5,489	96,872
122 Trainable Mentally Handicapped:								
100 Salaries	-	128,271	-	-	-	-	-	128,271
200 Employee Benefits	-	58,541	-	-	-	-	-	58,541
400 Supplies and Materials	-	5,470	-	-	-	-	-	5,470
123 Orthopedically Handicapped:								
400 Supplies and Materials	-	-	-	-	-	-	689	689
124 Visually Handicapped:								
100 Salaries	-	10,633	-	-	-	-	22,614	33,247
200 Employee Benefits	-	1,495	-	-	-	-	3,526	5,021
300 Purchased Services	-	22,784	-	-	-	-	-	22,784
400 Supplies and Materials	-	3,527	-	-	-	-	-	3,527
125 Hearing Handicapped:								
100 Salaries	-	-	-	-	-	-	628	628
200 Employee Benefits	-	-	-	-	-	-	156	156
300 Purchased Services	-	8,285	-	-	-	-	356	8,641
400 Supplies and Materials	-	9,092	-	-	-	-	2,202	11,294

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SPECIAL REVENUE - SPECIAL PROJECTS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2017

	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)	OTHER DESIGNATED RESTRICTED STATE GRANTS (900s)	OTHER SPECIAL REVENUE PROGRAMS (200s/800s)	TOTAL
126 Speech Handicapped:								
100 Salaries	$ 250	$ 3,704	$ -	$ -	$ -	$ -	$ 8,274	$ 12,228
200 Employee Benefits	68	949	-	-	-	-	2,128	3,145
300 Purchased Services	-	27,988	-	-	-	-	-	27,988
400 Supplies and Materials	-	25,696	-	-	-	-	-	25,696
127 Learning Disabilities:								
100 Salaries	-	208,892	-	-	-	-	40,746	249,638
200 Employee Benefits	-	105,555	-	-	-	-	22,557	128,112
300 Purchased Services	-	3,669	-	-	-	-	-	3,669
400 Supplies and Materials	-	12,096	-	-	-	-	-	12,096
128 Emotionally Handicapped:								
100 Salaries	250	42,686	-	-	-	-	23,172	66,108
200 Employee Benefits	68	9,528	-	-	-	-	3,069	12,665
400 Supplies and Materials	-	898	-	-	-	-	-	898
129 Coordinated Early Intervening Services (CEIS)::								
100 Salaries	47,456	282,841	-	-	-	-	-	330,297
200 Employee Benefits	12,140	109,909	-	-	-	-	-	122,049
130 Pre-School Prgrams								
135 Pre-School Handicapped-Speech (3 & 4 year olds):								
100 Salaries	-	-	60,456	-	-	-	-	60,456
200 Employee Benefits	-	-	27,196	-	-	-	-	27,196
137 Pre-School Handicapped-Self-Contained (3 & 4 year olds):								
100 Salaries	-	181,617	24,731	-	-	-	-	206,348
200 Employee Benefits	-	101,525	6,270	-	-	-	-	107,795
300 Purchased Services	-	-	1,299	-	-	-	-	1,299
400 Supplies and Materials	-	14,627	20,192	-	-	-	-	34,819
140 Special Programs								
149 Other Special Programs:								
100 Salaries	-	19,155	-	-	-	-	1,590	20,745
200 Employee Benefits	-	8,290	-	-	-	-	394	8,684
400 Supplies and Materials	-	-	-	-	-	-	25,524	25,524
160 Other Exceptional Programs								
161 Autism:								
100 Salaries	-	101,761	-	-	-	-	54,988	156,749
200 Employee Benefits	-	42,275	-	-	-	-	7,541	49,816
300 Purchased Services	-	120,929	-	-	-	-	-	120,929
400 Supplies and Materials	-	4,053	-	-	-	-	-	4,053
170 Summer School Program								
172 Elementary Summer School:								
300 Purchased Services	-	-	-	-	-	-	253	253
400 Supplies and Materials	-	-	-	-	-	-	3,591	3,591

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SPECIAL REVENUE - SPECIAL PROJECTS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2017

	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)	OTHER DESIGNATED RESTRICTED STATE GRANTS (900s)	OTHER SPECIAL REVENUE PROGRAMS (200s/800s)	TOTAL
175 Instructional Programs Beyond Regular School Day:								
100 Salaries	$ -	$ -	$ -	$ -	$ -	$ -	$ 52,430	$ 52,430
200 Employee Benefits	-	-	-	-	-	-	13,760	13,760
300 Purchased Services	-	-	-	-	-	-	23,114	23,114
400 Supplies and Materials	-	-	-	-	-	-	4,780	4,780
180 Adult/Continuing Educational Programs								
181 Adult Basic Education Programs:								
100 Salaries	-	-	-	-	3,070	-	32	3,102
200 Employee Benefits	-	-	-	-	61	-	10	71
400 Supplies and Materials	-	-	-	-	2,765	1,162	-	3,927
600 Other Objects	-	-	-	-	185	-	-	185
182 Adult Secondary Education Programs:								
100 Salaries	-	-	-	-	47,129	-	1,700	48,829
200 Employee Benefits	-	-	-	-	11,784	-	141	11,925
400 Supplies and Materials	-	-	-	-	1,646	7,266	1,757	10,669
183 Adult English Literacy (ESL):								
100 Salaries	-	-	-	-	25,406	-	-	25,406
200 Employee Benefits	-	-	-	-	4,890	-	-	4,890
400 Supplies and Materials	-	-	-	-	1,000	-	-	1,000
188 Parenting/Family Literacy:								
100 Salaries	-	-	-	-	-	-	34,855	34,855
200 Employee Benefits	-	-	-	-	-	-	21,767	21,767
300 Purchased Services	-	-	-	-	-	-	3,040	3,040
400 Supplies and Materials	500	-	-	-	-	-	5,684	6,184
190 Instructional Pupil Activity:								
300 Purchased Services (optional)	-	-	-	-	-	14,246	-	14,246
Total Instruction	1,588,230	2,664,040	140,144	65,742	97,936	208,407	1,537,368	6,301,867
200 Support Services								
210 Pupil Services								
211 Attendance and Social Work Services:								
300 Purchased Services	-	-	-	-	-	-	4,898	4,898
400 Supplies and Materials	-	-	-	-	-	-	9,905	9,905
212 Guidance Services:								
100 Salaries	-	-	-	-	-	106,007	-	106,007
200 Employee Benefits	-	-	-	-	-	41,821	-	41,821
213 Health Services:								
100 Salaries	-	14,260	-	-	-	284,688	57,737	356,685
200 Employee Benefits	-	6,104	-	-	-	121,784	20,219	148,107
300 Purchased Services	-	2,385	-	-	-	-	25,973	28,358
400 Supplies and Materials	-	23,622	-	-	-	-	2,277	25,899

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SPECIAL REVENUE - SPECIAL PROJECTS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2017

	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)	OTHER DESIGNATED RESTRICTED STATE GRANTS (900s)	OTHER SPECIAL REVENUE PROGRAMS (200s/800s)	TOTAL
214 Psychological Services:								
100 Salaries	$ -	$ 302,045	$ 34,189	$ -	$ -	$ -	$ -	$ 336,234
200 Employee Benefits	-	96,954	13,956	-	-	-	-	110,910
300 Purchased Services	-	2,640	-	-	-	-	-	2,640
400 Supplies and Materials	-	21,902	-	-	-	-	-	21,902
217 Career Specialist Services:								
100 Salaries	-	-	-	-	-	163,322	-	163,322
200 Employee Benefits	-	-	-	-	-	69,313	-	69,313
220 Instructional Staff Services								
221 Improvement of Instruction Curriculum Development:								
100 Salaries	-	21,392	-	-	-	417,521	10,470	449,383
200 Employee Benefits	-	8,080	-	-	-	158,155	3,968	170,203
300 Purchased Services	-	13,808	-	-	-	-	-	13,808
400 Supplies and Materials	-	12,577	-	-	-	-	250	12,827
600 Other Objects	-	-	-	-	-	-	2,151	2,151
223 Supervision of Special Programs:								
100 Salaries	-	81,023	-	-	-	-	137,959	218,982
200 Employee Benefits	-	31,311	-	-	-	-	49,512	80,823
300 Purchased Services	-	3,857	-	-	30	273	345,746	349,906
400 Supplies and Materials	-	5,180	-	-	-	4,591	3,690	13,461
600 Other Objects	-	-	-	-	-	-	2,090	2,090
224 Improvement of Instruction Inservice and Staff Training:								
100 Salaries	-	-	-	-	-	-	82,105	82,105
200 Employee Benefits	-	-	-	-	-	-	20,428	20,428
300 Purchased Services	11,443	23,205	-	35,000	-	-	285,969	355,617
400 Supplies and Materials	-	448	-	-	-	-	10,813	11,261
600 Other Objects	-	-	-	-	-	-	2,850	2,850
230 General Administration Services								
233 School Administration:								
100 Salaries	-	-	-	-	-	-	41,255	41,255
200 Employee Benefits	-	-	-	-	-	-	20,948	20,948
300 Purchased Services	-	-	-	-	-	-	3,835	3,835
500 Capital Outlay	-	-	-	-	-	-	5,774	5,774
600 Other Objects	-	-	-	-	-	-	7,790	7,790
250 Finance and Operations Services								
251 Student Transportation (Federal/District Mandated):								
300 Purchased Services	28,200	35,171	-	-	-	-	29,822	93,193
253 Facilities Acquisition and Construction:								
500 Capital Outlay								
540 Equipment	-	-	-	-	-	-	60,680	60,680
550 Vehicles	-	-	-	-	-	-	32,315	32,315
254 Operation and Maintenance of Plant:								
300 Purchased Services	-	-	-	-	-	-	18,225	18,225
500 Capital Outlay	-	-	-	-	-	-	55,261	55,261
256 Food Service:								
300 Purchased Services (Excludes gas, oil, electricity, and other heating fuels.)	-	-	-	-	-	-	3,049	3,049
400 Supplies and Materials (Includes gas, oil, electricity, and other heating fuels.)	-	-	-	-	-	-	48,242	48,242
500 Capital Outlay	-	-	-	-	-	-	45,743	45,743
260 Central Support Services								

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SPECIAL REVENUE - SPECIAL PROJECTS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2017

	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)	OTHER DESIGNATED RESTRICTED STATE GRANTS (900s)	OTHER SPECIAL REVENUE PROGRAMS (200s/800s)	TOTAL
264 Staff Services:								
300 Purchased Services	$ -	$ -	$ -	$ -	$ -	$ -	$ 4,342	$ 4,342
266 Technology and Data Processing Services:								
100 Salaries	-	-	-	-	-	-	61,271	61,271
200 Employee Benefits	-	-	-	-	-	-	22,450	22,450
300 Purchased Services	1,000	-	-	-	-	34,312	18,943	54,255
400 Supplies and Materials	-	-	-	-	-	123,319	-	123,319
500 Capital Outlay	-	-	-	-	-	2,428,901	-	2,428,901
270 Support Services Pupil Activity								
271 Pupil Services Activities:								
100 Salaries (optional)	-	-	-	-	-	-	300	300
200 Employee Benefits (optional)	-	-	-	-	-	-	74	74
300 Purchased Services (optional)	-	-	-	95,462	-	1,794	33,167	130,423
400 Supplies and Materials (optional)	-	-	-	-	-	-	1,061	1,061
660 Pupil Activity	-	-	-	-	-	-	1,500	1,500
Total Support Services	40,643	705,964	48,145	130,462	30	3,955,801	1,595,057	6,476,102
300 Community Services								
350 Custody and Care of Children Services:								
100 Salaries	-	-	-	-	-	-	4,450	4,450
200 Employee Benefits	-	-	-	-	-	-	1,161	1,161
360 Welfare Services:								
300 Purchased Services	-	-	-	-	-	-	39,960	39,960
400 Supplies and Materials	-	-	-	-	-	-	6,689	6,689
Total Community Services	-	-	-	-	-	-	52,260	52,260
400 Other Charges:								
410 Intergovernmental Expenditures								
411 Payments to the South Carolina Department of Education								
720 Transits	-	-	-	-	-	-	151,448	151,448
Total Intergovernmental Expenditures	-	-	-	-	-	-	151,448	151,448
500 Debt Service								
610 Redemption of Principal	-	-	-	-	-	419,467	-	419,467
620 Interest	-	-	-	-	-	9,434	-	9,434
Total Debt Service	-	-	-	-	-	428,901	-	428,901
Total Expenditures	1,628,873	3,370,004	188,289	196,204	97,966	4,593,109	3,336,133	13,410,578

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SPECIAL REVENUE - SPECIAL PROJECTS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2017

	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)	OTHER DESIGNATED RESTRICTED STATE GRANTS (900s)	OTHER SPECIAL REVENUE PROGRAMS (200s/800s)	TOTAL
Other Financing Sources (Uses)								
Interfund Transfers, From (To) Other Funds:								
5250 Transfer from Capital Projects Fund	$ -	$ -	$ -	$ -	$ -	$ 2,296,994	$ -	$ 2,296,994
431-791 Special Revenue Fund Indirect Costs	(81,444)	(127,779)	(8,221)	-	(1,292)	-	(68,757)	(287,493)
Total Other Financing Sources (Uses)	(81,444)	(127,779)	(8,221)	-	(1,292)	2,296,994	(68,757)	2,009,501
Excess/Deficiency of Revenues over Expenditures	-	-	-	-	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-	-	-	-	-
Fund Balance, Ending of Year	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SPECIAL REVENUE - SPECIAL PROJECTS
SUMMARY SCHEDULE OF DESIGNATED STATE RESTRICTED GRANTS AND OTHER SPECIAL PROJECTS PROGRAMS
FOR THE YEAR ENDED JUNE 30, 2017

District Subfund Code	District Revenue Code	Program	Revenues	Expenditures	Interfund Transfers In/(Out)	Other Fund Transfers In/(Out)	Unearned Revenue
Other State Restricted Grants:							
919	3193	Education License Plates	$ 5,762	$ 5,762	$ -	$ -	$ -
926	3177	Summer Reading Camp	91,501	91,501	-	-	134,440
928	3118	EEDA Career Specialists	380,464	380,464	-	-	695,994
935	3135	Reading Coaches	575,676	575,676	-	-	170,890
936	3136	Student Health and Fitness	406,472	406,472	-	-	-
937	3127	Student Health and Fitness - PE Teachers	102,715	102,715	-	-	30,253
955	3155	DSS SNAP & E&T Program	15,086	15,086	-	-	35,700
963	3630	K-12 Technology Initiative	586,532	2,883,526	-	2,296,994	504,927
			$ 2,164,208	$ 4,461,202	$ -	$ 2,296,994	$ 1,572,204
Other Special:							
224	4924	21st Century	$ 150,622	$ 143,765	$ -	$ (6,857)	$ -
232	4343	McKinney-Vento	59,765	57,193	-	(2,572)	-
237	4310	Title I - School Improvement	63,500	63,500	-	-	-
264	4341	Title II - English Language Acquisition	32,494	31,844	-	(650)	-
267	4351	Improving Teach Quality	240,140	230,152	-	(9,988)	-
803	4999	Magnet School Grant	1,569,572	1,524,598	-	(44,974)	-
809	4999	Farm to Five USDA Grant	99,251	95,535	-	(3,716)	-
814	4870	National School Lunch Equipment Assistance	20,600	20,600	-	-	-
815	4870	National School Lunch Equipment Assistance	20,600	20,600	-	-	-
820	3199	National School Lunch Equipment Assistance	9,230	9,230	-	-	-
831	4999	CHS NJROTC	88,924	88,924	-	-	5,946
832	4999	IHS, DFHS AF JROTC	105,432	105,432	-	-	296
868	1920	Lexington County First Steps	71,668	71,668	-	-	-
890	1930/3199	Medicaid	714,605	714,605	-	-	421,297
898	1920	Mini Grants	158,487	158,487	-	-	204,775
			$ 3,404,890	$ 3,336,133	$ -	$ (68,757)	$ 632,314

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SPECIAL REVENUE - EDUCATION IMPROVEMENT ACT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2017

Revenues	
3000 Revenue from State Sources	
3500 Education Improvement Act:	
3502 ADEPT	$ 7,631
3511 Professional Development	115,024
3512 Technology Professional Development	90,448
3525 Career and Technology Education Equipment	209,676
3526 Refurbishment of K-8 Science Kits	60,038
3528 Industry Certificates	8,407
3532 National Board Salary Supplement (No Carryover Provision)	2,756,611
3533 Teacher of the Year Awards	1,077
3535 Reading Coaches	8,000
3538 Students At Risk of School Failure	1,334,001
3540 Early Childhood Program (4K Programs Serving Four-Year-Old Children)	357,084
3550 Teacher Salary Increase (No Carryover Provision)	3,927,461
3555 Teacher Salary Fringe (No Carryover Provision)	572,268
3556 Adult Education	305,740
3558 Reading	84,653
3577 Teacher Supplies (No Carryover Provision)	362,725
3578 High Schools That Work/Making Middle Grades Work	23,658
3587 IDEA MOE Tier 1	180,561
3592 Work-Based Learning	60,906
3594 EEDA Supplemental Programs	107,290
3597 Aid to Districts	478,257
Total State Sources	11,051,516
Total Revenues All Sources	11,051,516
Expenditures	
100 Instruction	
110 General Instruction	
111 Kindergarten Programs:	
100 Salaries	83,247
200 Employee Benefits	20,872
400 Supplies and Materials	28,413
112 Primary Programs:	
100 Salaries	926,118
200 Employee Benefits	292,361
400 Supplies and Materials	13,807
113 Elementary Programs:	
100 Salaries	1,036,430
200 Employee Benefits	318,879
400 Supplies and Materials	61,508
114 High School Programs:	
100 Salaries	658,491
200 Employee Benefits	165,165
115 Career and Technology Education Programs:	
100 Salaries	103,825
200 Employee Benefits	26,050
300 Purchased Services - Other Than Tuition	12,956
400 Supplies and Materials	161,310
500 Capital Outlay	48,366

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SPECIAL REVENUE - EDUCATION IMPROVEMENT ACT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2017

120 Exceptional Programs	
121 Educable Mentally Handicapped:	
100 Salaries	$ 22,500
200 Employee Benefits	5,654
400 Supplies and Materials	129,780
126 Speech Handicapped:	
100 Salaries	11,250
200 Employee Benefits	2,770
127 Learning Disabilities:	
100 Salaries	66,829
200 Employee Benefits	16,591
128 Emotionally Handicapped:	
100 Salaries	1,000
200 Employee Benefits	77
129 Coordinated Early Intervening Services (CEIS):	
100 Salaries	38,711
200 Employee Benefits	9,612
130 Pre-School Programs	
135 Pre-School Handicapped-Speech (3 & 4 year olds):	
100 Salaries	5,000
200 Employee Benefits	1,225
136 Pre-School Handicapped-Itinerant (3 & 4 year olds):	
100 Salaries	5,125
200 Employee Benefits	1,284
137 Pre-School Handicapped-Self-Contained (3 & 4 year olds):	
100 Salaries	19,434
200 Employee Benefits	4,884
138 Pre-School Handicapped-Homebased (3 & 4 year olds):	
100 Salaries	375
200 Employee Benefits	94
139 Early Childhood Programs:	
100 Salaries	207,553
200 Employee Benefits	84,799
300 Purchased Services	5,077
400 Supplies and Materials	52,854
140 Special Programs	
141 Gifted and Talented - Academic:	
100 Salaries	21,225
200 Employee Benefits	5,307
143 Advanced Placement:	
100 Salaries	24,962
200 Employee Benefits	6,248

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SPECIAL REVENUE - EDUCATION IMPROVEMENT ACT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2017

149 Other Special Programs:	
100 Salaries	$ 7,500
200 Employee Benefits	1,890
400 Supplies and Materials	362,725
160 Other Exceptional Programs	
161 Autism:	
100 Salaries	15,000
200 Employee Benefits	3,766
170 Summer School Program	
175 Instructional Programs Beyond Regular School Day:	
100 Salaries	37,962
200 Employee Benefits	9,809
300 Purchased Services	1,329
400 Supplies and Materials	352
180 Adult/Continuing Educational Programs	
181 Adult Basic Education Programs:	
100 Salaries	11,350
200 Employee Benefits	1,550
400 Supplies and Materials	941
182 Adult Secondary Education Programs:	
100 Salaries	122,126
200 Employee Benefits	36,585
400 Supplies and Materials	4,328
183 Adult English Literacy (ESL):	
100 Salaries	1,595
200 Employee Benefits	244
400 Supplies and Materials	459
184 Post Secondary Education Programs:	
100 Salaries	31,965
200 Employee Benefits	8,105
188 Parenting/Family Literacy:	
100 Salaries	48,189
200 Employee Benefits	16,401
300 Purchased Services	1,189
400 Supplies and Materials	5,342
Total Instruction	5,438,720
200 Support Services	
210 Pupil Services	
212 Guidance Services:	
100 Salaries	74,656
200 Employee Benefits	18,938
220 Instructional Staff Services	
221 Improvement of Instruction Curriculum Development:	
100 Salaries	216,928
200 Employee Benefits	65,410
300 Purchased Services	4,720

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SPECIAL REVENUE - EDUCATION IMPROVEMENT ACT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2017

222 Library and Media Services:	
100 Salaries	$ 45,000
200 Employee Benefits	11,279
223 Supervision of Special Programs:	
100 Salaries	121,327
200 Employee Benefits	45,450
300 Purchased Services	36,590
400 Supplies and Materials	3,659
224 Improvement of Instruction Inservice and Staff Training:	
100 Salaries	65,254
200 Employee Benefits	16,872
300 Purchased Services	159,399
400 Supplies and Materials	34,218
600 Other Objects	2,445
230 General Administration Services	
233 School Administration:	
300 Purchased Services	21,480
400 Supplies and Materials	521
600 Other Objects	18,975
250 Finance and Operations Services	
251 Student Transportation (Federal/District Mandated):	
300 Purchased Services	38,790
252 Fiscal Services:	
100 Salaries	55,795
200 Employee Benefits	20,598
260 Central Support Services	
266 Technology and Data Processing Services:	
100 Salaries	6,670
200 Employee Benefits	1,642
270 Support Services Pupil Activity	
271 Pupil Services Activities:	
300 Purchased Services (optional)	26,451
Total Support Services	1,113,067
Total Expenditures	6,551,787
Other Financing Sources (Uses)	
Interfund Transfers, From (To) Other Funds:	
420-710 Transfer to General Fund (Exclude Indirect Costs)	(4,499,729)
Total Other Financing Sources (Uses)	(4,499,729)
Excess/Deficiency of Revenues over Expenditures	-
Fund Balance, Beginning of Year	-
Fund Balance, Ending of Year	$ -

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SPECIAL REVENUE - EDUCATION IMPROVEMENT ACT
SUMMARY SCHEDULE BY PROGRAM
FOR THE YEAR ENDED JUNE 30, 2017

Program	Revenues	Expenditures	Interfund Transfers In/(Out)	Other Fund Transfers In/(Out)	Unearned Revenue
3500 Education Improvement Act:					
3502 ADEPT	$ 7,631	$ 7,631	$ -	$ -	$ 17,661
3511 Professional Development	115,024	115,024	-	-	28,862
3512 Technology Professional Development	90,448	90,448	-	-	89,854
3518 Formative Assessment	-	-	-	-	72,741
3519 Grade 10 Assessments	-	-	-	-	19,410
3525 Career and Technology Education Equipment	209,676	209,676	-	-	182,073
3526 Refurbishment of K-8 Science Kits	60,038	60,038	-	-	55,126
3528 Industry Certificates	8,407	8,407	-	-	96,932
3532 National Board Salary Supplement (No Carryover Provision)	2,756,611	2,756,611	-	-	-
3533 Teacher of the Year Awards (No Carryover Provision)	1,077	1,077	-	-	-
3535 Reading Coaches	8,000	8,000	-	-	-
3538 Students At Risk of School Failure	1,334,001	1,334,001	-	-	1,000,407
3540 Early Childhood Program (4K Programs Serving Four-Year-Old Children)	357,084	357,084	-	-	144,552
3550 Teacher Salary Increase (No Carryover Provision)	3,927,461	-	-	(3,927,461)	-
3555 Teacher Salary Fringe (No Carryover Provision)	572,268	-	-	(572,268)	-
3556 Adult Education	305,740	305,740	-	-	106,760
3558 Reading	84,653	84,653	-	-	77,291
3577 Teacher Supplies (No Carryover Provision)	362,725	362,725	-	-	-
3578 High Schools That Work/Making Middle Grades Work	23,658	23,658	-	-	43,368
3587 IDEA MOE Tier 1	180,561	180,561	-	-	609,820
3592 Work-Based Learning	60,906	60,906	-	-	33,790
3594 EEDA Supplemental Programs	107,290	107,290	-	-	-
3595 EEDA - Supplies and Materials	-	-	-	-	60,977
3597 Aid to Districts	478,257	478,257	-	-	36,666
Total	$ 11,051,516	$ 6,551,787	$ -	$ (4,499,729)	$ 2,676,290

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DEBT SERVICE FUND

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

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

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SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2017

Revenues	
1000 Revenue from Local Sources	
1100 Taxes Levied/Assessed by the LEA:	
1110 Ad Valorem Taxes-Including Delinquent (Independent)	$ 25,598,458
1140 Penalties & Interest on Taxes (Independent)	68,880
1200 Revenue From Local Governmental Units Other Than LEAs:	
1280 Revenue in Lieu of Taxes (Independent and Dependent)	254,089
1500 Earnings on Investments:	
1510 Interest on Investments	45,440
Total Local Sources	25,966,867
3000 Revenue from State Sources	
3800 State Revenue in Lieu of Taxes:	
3820 Homestead Exemption (Tier 2)	871,133
3830 Merchant's Inventory Tax	71,318
3840 Manufacturers Depreciation Reimbursement	61,346
3890 Other State Property Tax Revenues (Includes Motor Carrier Vehicle Tax)	43,006
Total State Sources	1,046,803
4000 Revenue from Federal Sources	
4900 Other Federal Sources:	
4999 Revenue from Other Federal Sources	428,375
Total Federal Sources	428,375
Total Revenues All Sources	27,442,045
Expenditures	
500 Debt Service	
395 Other Professional and Technical Services	1,525
610 Redemption of Principal	9,007,000
620 Interest	8,072,123
Total Debt Service	17,080,648
Total Expenditures	17,080,648

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2017

Other Financing Sources (Uses)	
Interfund Transfers, From (To) Other Funds:	
424-710 Transfer to Capital Projects Fund	$ (9,550,000)
Total Other Financing Sources (Uses)	(9,550,000)
Excess/Deficiency of Revenues over Expenditures	811,397
Fund Balance, Beginning of Year	4,640,228
Fund Balance, Ending of Year	$ 5,451,625

CAPITAL PROJECTS FUND

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

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

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SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SCHOOL BUILDING FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2017

Revenues		
1000 Revenue from Local Sources		
1500 Earnings on Investments:		
1510 Interest on Investments	$	160,438
Total Local Sources		160,438
Total Revenues All Sources		160,438
Expenditures		
100 Instruction		
110 General Instruction		
113 Elementary Programs:		
400 Supplies and Materials		6,371
Total Instruction		6,371
200 Support Services		
250 Finance and Operations Services		
252 Fiscal Services:		
300 Purchased Services		16,117
400 Supplies and Materials		8,791
253 Facilities Acquisition and Construction:		
100 Salaries		30,122
200 Employee Benefits		7,495
300 Purchased Services		2,417,583
400 Supplies and Materials		14,325
500 Capital Outlay		
510 Land		55,307
520 Construction Services		1,880,949
530 Improvements Other Than Buildings		252,665
540 Equipment		164,757
545 Technology Equipment and Software		24,823
550 Vehicles		290,686
600 Other Objects		45,522
254 Operation and Maintenance of Plant:		
300 Purchased Services		2,351,722
500 Capital Outlay		81,752
258 Security:		
500 Capital Outlay		63,144

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SCHOOL BUILDING FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2017

260 Central Support Services	
266 Technology and Data Processing Services:	
300 Purchased Services	$ 77,825
400 Supplies and Materials	10,139
500 Capital Outlay	8,546
Total Support Services	7,802,270
Total Expenditures	7,808,641
Other Financing Sources (Uses)	
5110 Premium on Bonds Sold	151,900
5600 Lease Purchase	2,296,994
Interfund Transfers, From (To) Other Funds:	
5210 Transfer from General Fund (Exclude Indirect Costs)	1,000,000
5240 Transfer from Debt Service Fund	9,550,000
5250 Transfer from School Building Fund Capital Projects Fund	2,086,979
5270 Transfer from Pupil Activity Fund	18,000
421-710 Transfer to Special Revenue Fund	(2,296,994)
424-710 Transfer to School Building Fund Capital Projects Fund	(2,086,979)
Total Other Financing Sources (Uses)	10,719,900
Excess/Deficiency of Revenues over Expenditures	3,071,697
Fund Balance, Beginning of Year	8,461,413
Fund Balance, Ending of Year	$ 11,533,110

ENTERPRISE FUND

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

1. School Food Services Enterprise Fund's purpose is to provide balanced nutritious meals to the School District's students, some of which are free and reduced meals under the United States Department of Agriculture (USDA) school breakfast and lunch programs.

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

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

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SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
PROPRIETARY FUND TYPES - FOOD SERVICE FUND AND AFTER SCHOOL PROGRAM
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION (DEFICIT)
FOR THE YEAR ENDED JUNE 30, 2017

	Food Service	After School Program	Totals
Revenues			
1000 Revenue from Local Sources			
1300 Tuition:			
1310 From Patrons for Regular Day School	$ -	$ 1,409,550	$ 1,409,550
1500 Earnings on Investments:			
1510 Interest on Investments	60,663	-	60,663
1600 Food Service:			
1610 Lunch Sales to Pupils	1,912,182	-	1,912,182
1620 Breakfast Sales to Pupils	82,653	-	82,653
1630 Special Sales to Pupils	1,541,975	-	1,541,975
1640 Lunch Sales to Adults	130,961	-	130,961
1650 Breakfast Sales to Adults	1,609	-	1,609
1660 Special Sales to Adults	79,972	-	79,972
1700 Pupil Activities:			
1790 Other Pupil Activity Income	1,728	2,729	4,457
1900 Other Revenue from Local Sources:			
1990 Miscellaneous Local Revenue:			
1999 Revenue from Other Local Sources	213,282	-	213,282
Total Local Sources	4,025,025	1,412,279	5,437,304
3000 Revenue from State Sources			
3100 Restricted State Funding:			
3140 School Lunch			
3142 Program Aid	473	-	473
Total State Sources	473	-	473
4000 Revenue from Federal Sources			
4800 USDA Reimbursement:			
4810 School Lunch and After School Snacks Program	3,032,410	-	3,032,410
4830 School Breakfast Program	1,186,687	-	1,186,687
4880 Summer Feeding Programs (SFSP)	159,594	-	159,594
4990 Other Federal Revenue:			
4991 USDA Commodities (Food Distribution Program)	508,974	-	508,974
4999 Revenue from Other Federal Sources	179,600	-	179,600
Total Federal Sources	5,067,265	-	5,067,265
Total Revenues All Sources	9,092,763	1,412,279	10,505,042

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
PROPRIETARY FUND TYPES - FOOD SERVICE FUND AND AFTER SCHOOL PROGRAM
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION (DEFICIT)
FOR THE YEAR ENDED JUNE 30, 2017

	Food Service	After School Program	Totals
Expenditures			
100 Instruction			
110 General Instruction			
111 Kindergarten Programs:			
100 Salaries	$ -	$ 540	$ 540
200 Employee Benefits	-	132	132
400 Supplies and Materials	-	42,870	42,870
113 Elementary Programs:			
100 Salaries	-	1,127	1,127
200 Employee Benefits	-	286	286
300 Purchased Services	-	5,273	5,273
130 Pre-School Prgrams			
139 Early Childhood Programs:			
100 Salaries	-	122,215	122,215
200 Employee Benefits	-	60,842	60,842
300 Purchased Services	-	1,120	1,120
400 Supplies and Materials	-	8,433	8,433
600 Other Objects	-	900	900
Total Instruction	-	243,738	243,738
200 Support Services			
220 Instructional Staff Services			
221 Improvement of Instruction Curriculum Development:			
300 Purchased Services	-	1,030	1,030
223 Supervision of Special Programs:			
300 Purchased Services	-	1,304	1,304
224 Improvement of Instruction Inservice and Staff Training:			
300 Purchased Services	-	40,914	40,914
400 Supplies and Materials	-	32,680	32,680
600 Other Objects	-	750	750
230 General Administration Services			
233 School Administration:			
100 Salaries	-	6,692	6,692
200 Employee Benefits	-	1,729	1,729
300 Purchased Services	-	3,466	3,466
400 Supplies and Materials	-	23,928	23,928
600 Other Objects	-	351	351
250 Finance and Operations Services			
253 Facilities Acquisition and Construction:			
500 Capital Outlay			
540 Equipment	-	20,280	20,280
256 Food Service:			
100 Salaries	2,673,253	-	2,673,253
200 Employee Benefits	2,197,010	-	2,197,010
300 Purchased Services	429,044	-	429,044
400 Supplies and Materials	4,514,222	-	4,514,222
500 Capital Outlay	323,283	-	323,283
600 Other Objects	20,079	-	20,079

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
PROPRIETARY FUND TYPES - FOOD SERVICE FUND AND AFTER SCHOOL PROGRAM
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION (DEFICIT)
FOR THE YEAR ENDED JUNE 30, 2017

	Food Service	After School Program	Totals
260 Central Support Services			
266 Technology and Data Processing Services:			
300 Purchased Services	$ -	$ 288	$ 288
270 Support Services Pupil Activity			
271 Pupil Services Activities:			
300 Purchased Services (optional)	-	200	200
600 Other Objects (optional)	-	880	880
Total Support Services	10,156,891	134,492	10,291,383
300 Community Services			
350 Custody and Care of Children Services:			
100 Salaries	-	594,789	594,789
200 Employee Benefits	-	(101,341)	(101,341)
300 Purchased Services	-	64,946	64,946
400 Supplies and Materials	-	82,466	82,466
390 Other Community Services:			
100 Salaries	-	27,072	27,072
200 Employee Benefits	-	6,696	6,696
400 Supplies and Materials	-	3,449	3,449
Total Community Services	-	678,077	678,077
Total Expenditures	10,156,891	1,056,307	11,213,198
Other Financing Sources (Uses)			
5300 Sale of Capital Assets	(84,048)	-	(84,048)
Interfund Transfers, From (To) Other Funds:			
5210 Transfer from General Fund (Exclude Indirect Costs)	267,897	-	267,897
Total Other Financing Sources (Uses)	183,849	-	183,849
Excess/Deficiency of Revenues over Expenditures	(880,279)	355,972	(524,307)
Net Position (Deficit), Beginning of Year	448,740	(971,449)	(522,709)
Net Position (Deficit), Ending of Year	$ (431,539)	$ (615,477)	$ (1,047,016)

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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 and operations.

The Pupil Activity Fund, an agency 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 schedules have been prepared in the format mandated by the South Carolina Department of Education. The account numbers shown on various schedules are also mandated by the South Carolina Department of Education.

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SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
FIDUCIARY FUND - PUPIL ACTIVITY AGENCY FUND
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2017

	Balance June 30, 2016	Additions	Reductions	Balance June 30, 2017
Assets				
Due From District	$ 2,988,121	$ 5,408,655	$ 5,244,963	$ 3,151,813
Inventories - Supply & Materials	8,322	-	8,322	-
Total Assets	$ 2,996,443	$ 5,408,655	$ 5,253,285	$ 3,151,813
Liabilities				
Accounts Payable	31,093	5,002	31,093	5,002
Due to Pupil Activities	2,965,350	5,408,655	5,227,194	3,146,811
Total Liabilities	$ 2,996,443	$ 5,413,657	$ 5,258,287	$ 3,151,813

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
FIDUCIARY FUND - PUPIL ACTIVITY AGENCY FUNDS
SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN AMOUNTS DUE TO PUPIL ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017

	Other Pupil Activity	Schools Pupil Activity	Totals
Receipts			
1000 Receipts from Local Sources			
1700 Pupil Activities:			
1740 Student Fees	$ -	$ 309,927	$ 309,927
1790 Other Pupil Activity Income	876,199	3,794,061	4,670,260
1900 Other Receipts from Local Sources:			
1990 Miscellaneous Local Receipts:			
1999 Receipts from Other Local Sources	37,825	125	37,950
Total Local Sources	914,024	4,104,113	5,018,137
Total Receipts All Sources	914,024	4,104,113	5,018,137
Disbursements			
190 Instruction Pupil Activity			
190 Instruction Pupil Activities:			
660 Pupil Activity	-	79,472	79,472
270 Support Services Pupil Activity			
271 Pupil Services Activities:			
100 Salaries (optional)	178,649	101,178	279,827
200 Employee Benefits (optional)	42,390	24,118	66,508
300 Purchased Services (optional)	901	399,654	400,555
400 Supplies and Materials (optional)	-	300,791	300,791
500 Capital Outlay (optional)	136,035	-	136,035
600 Other Objects (optional)	-	113,431	113,431
660 Pupil Activity	429,493	3,000,094	3,429,587
Total Disbursements	787,468	4,022,173	4,809,641

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
FIDUCIARY FUND - PUPIL ACTIVITY AGENCY FUNDS
SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN AMOUNTS DUE TO PUPIL ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017

	Other Pupil Activity	Schools Pupil Activity	Totals
Other Financing Sources (Uses)			
Interfund Transfers, From (To) Other Funds:			
5270 Transfer from Pupil Activity Fund	$ 338,909	$ 51,609	$ 390,518
420-710 Transfer to General Fund (Excludes Indirect Costs)	-	(9,035)	(9,035)
424-710 Transfer to Capital Projects Fund	-	(18,000)	(18,000)
426-710 Transfer to Pupil Activity Fund	-	(390,518)	(390,518)
Total Other Financing Sources (Uses)	338,909	(365,944)	(27,035)
Excess/Deficiency of Receipts over Disbursements	465,465	(284,004)	181,461
Due to Pupil Activities, Beginning of Year	447,657	2,517,693	2,965,350
Due to Pupil Activities, Ending of Year	$ 913,122	$ 2,233,689	$ 3,146,811

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
FIDUCIARY FUND - PUPIL ACTIVITY AGENCY FUNDS - BY SITE
SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN AMOUNTS DUE TO PUPIL ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017

	Chapin Elementary	Ballentine Elementary	Chapin Middle	Chapin High	Crossroads Middle	Dutch Fork Elementary	Oak Pointe Elementary
Receipts							
1000 Receipts from Local Sources							
1700 Pupil Activities:							
1740 Student Fees	$ -	$ -	$ 14,672	$ 47,872	$ 10,540	$ -	$ -
1790 Other Pupil Activity Income	41,917	136,986	177,851	273,267	283,623	22,947	108,713
1900 Other Receipts from Local Sources:							
1990 Miscellaneous Local Receipts:							
1999 Receipts from Other Local Sources	-	-	-	-	-	-	-
Total Receipts from Local Sources	41,917	136,986	192,523	321,139	294,163	22,947	108,713
Disbursements							
190 Instruction Pupil Activity							
190 Instruction Pupil Activities:							
100 Salaries (optional)	-	-	-	-	-	-	-
200 Employee Benefits (optional)	-	-	-	-	-	-	-
660 Pupil Activity	2,633	9,528	1,846	-	-	8,727	-
270 Support Services Pupil Activity							
271 Pupil Services Activities:							
100 Salaries (optional)	105	11,030	-	6,647	1,067	-	70
200 Employee Benefits (optional)	-	2,774	-	1,685	297	-	6
300 Purchased Services (optional)	-	-	-	-	-	-	-
400 Supplies and Materials (optional)	-	-	-	-	-	-	-
600 Other Objects (optional)	-	-	-	-	-	-	-
660 Pupil Activity	54,428	125,119	218,214	274,595	304,938	18,395	108,609
Total Disbursements	57,166	148,451	220,060	282,927	306,302	27,122	108,685

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
FIDUCIARY FUND - PUPIL ACTIVITY AGENCY FUNDS - BY SITE
SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN AMOUNTS DUE TO PUPIL ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017

	Chapin Elementary	Ballentine Elementary	Chapin Middle	Chapin High	Crossroads Middle	Dutch Fork Elementary	Oak Pointe Elementary
Other Financing Sources (Uses)							
Interfund Transfers, From (To) Other Funds:							
5270 Transfer from Pupil Activity Fund	$ -	$ 19	$ -	$ 11,430	$ -	$ -	$ 281
420-710 Transfer to General Fund (Excludes Indirect Costs)	(830)	(180)	-	-	(180)	(1,833)	(847)
424-710 Transfer to Capital Projects Fund	-	-	-	-	-	-	-
426-710 Transfer to Pupil Activity Fund	-	-	(778)	(110,603)	(6,009)	-	(281)
Total Other Financing Sources (Uses)	(830)	(161)	(778)	(99,173)	(6,189)	(1,833)	(847)
Excess/Deficiency of Receipts over Disbursements	(16,079)	(11,626)	(28,315)	(60,961)	(18,328)	(6,008)	(819)
Due to Pupil Activities, Beginning of Year	91,983	74,839	116,467	334,688	102,387	50,244	35,508
Due to Pupil Activities, Ending of Year	$ 75,904	$ 63,213	$ 88,152	$ 273,727	$ 84,059	$ 44,236	$ 34,689

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
FIDUCIARY FUND - PUPIL ACTIVITY AGENCY FUNDS - BY SITE
SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN AMOUNTS DUE TO PUPIL ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017

	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							
1700 Pupil Activities:							
1740 Student Fees	$ 48,105	$ 17,738	$ -	$ -	$ -	$ 7,388	$ 45,866
1790 Other Pupil Activity Income	300,563	140,772	58,664	79,119	53,962	111,656	389,594
1900 Other Receipts from Local Sources:							
1990 Miscellaneous Local Receipts:							
1999 Receipts from Other Local Sources	-	-	-	-	-	-	-
Total Receipts from Local Sources	348,668	158,510	58,664	79,119	53,962	119,044	435,460
Disbursements							
190 Instruction Pupil Activity							
190 Instruction Pupil Activities:							
100 Salaries (optional)	-	-	-	-	-	-	-
200 Employee Benefits (optional)	-	-	-	-	-	-	-
660 Pupil Activity	4,578	24	3,002	557	2,866	-	12,771
270 Support Services Pupil Activity							
271 Pupil Services Activities:							
100 Salaries (optional)	9,624	-	-	300	-	875	5,393
200 Employee Benefits (optional)	2,571	-	-	74	-	213	1,473
300 Purchased Services (optional)	-	-	-	-	-	-	-
400 Supplies and Materials (optional)	-	-	-	-	-	-	-
600 Other Objects (optional)	-	-	-	-	-	-	-
660 Pupil Activity	369,057	129,870	58,683	65,284	50,344	126,554	396,539
Total Disbursements	385,830	129,894	61,685	66,215	53,210	127,642	416,176

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
FIDUCIARY FUND - PUPIL ACTIVITY AGENCY FUNDS - BY SITE
SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN AMOUNTS DUE TO PUPIL ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017

	Dutch Fork High	Dutch Fork Middle	H.E. Corley Elementary	Harbison West Elementary	Irmo Elementary	Irmo Middle	Irmo High
Other Financing Sources (Uses)							
Interfund Transfers, From (To) Other Funds:							
5270 Transfer from Pupil Activity Fund	$ 1,750	$ -	$ -	$ -	$ -	$ -	$ 8,301
420-710 Transfer to General Fund (Excludes Indirect Costs)	-	-	(5)	(2,264)	(150)	(70)	-
424-710 Transfer to Capital Projects Fund	-	-	-	-	-	-	(18,000)
426-710 Transfer to Pupil Activity Fund	(75,817)	(4,805)	-	(19)	-	(3,029)	(99,953)
Total Other Financing Sources (Uses)	(74,067)	(4,805)	(5)	(2,283)	(150)	(3,099)	(109,652)
Excess/Deficiency of Receipts over Disbursements	(111,229)	23,811	(3,026)	10,621	602	(11,697)	(90,368)
Due to Pupil Activities, Beginning of Year	408,944	71,785	34,220	31,861	30,651	74,034	323,112
Due to Pupil Activities, Ending of Year	$ 297,715	$ 95,596	$ 31,194	$ 42,482	$ 31,253	$ 62,337	$ 232,744

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
FIDUCIARY FUND - PUPIL ACTIVITY AGENCY FUNDS - BY SITE
SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN AMOUNTS DUE TO PUPIL ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017

	Chapin Intermediate	Lake Murray Elementary	Leaphart Elementary	Nursery Road Elementary	River Springs Elementary	Seven Oaks Elementary	Academy for Success
Receipts							
1000 Receipts from Local Sources							
1700 Pupil Activities:							
1740 Student Fees	$ 11,165	$ -	$ (1,110)	$ -	$ -	$ -	$ -
1790 Other Pupil Activity Income	84,858	160,418	46,720	38,150	61,256	55,360	2,629
1900 Other Receipts from Local Sources:							
1990 Miscellaneous Local Receipts:							
1999 Receipts from Other Local Sources	-	-	-	-	-	-	-
Total Receipts from Local Sources	96,023	160,418	45,610	38,150	61,256	55,360	2,629
Disbursements							
190 Instruction Pupil Activity							
190 Instruction Pupil Activities:							
100 Salaries (optional)	-	-	-	-	-	-	-
200 Employee Benefits (optional)	-	-	-	-	-	-	-
660 Pupil Activity	5,371	7,746	-	-	205	658	-
270 Support Services Pupil Activity							
271 Pupil Services Activities:							
100 Salaries (optional)	-	3,149	137	450	-	130	-
200 Employee Benefits (optional)	-	755	37	111	-	47	-
300 Purchased Services (optional)	-	-	-	-	-	-	-
400 Supplies and Materials (optional)	-	-	-	-	-	-	-
600 Other Objects (optional)	-	-	-	-	-	-	-
660 Pupil Activity	61,894	106,925	41,603	31,543	63,777	70,422	2,252
Total Disbursements	67,265	118,575	41,777	32,104	63,982	71,257	2,252

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
FIDUCIARY FUND - PUPIL ACTIVITY AGENCY FUNDS - BY SITE
SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN AMOUNTS DUE TO PUPIL ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017

	Chapin Intermediate	Lake Murray Elementary	Leaphart Elementary	Nursery Road Elementary	River Springs Elementary	Seven Oaks Elementary	Academy for Success
Other Financing Sources (Uses)							
Interfund Transfers, From (To) Other Funds:							
5270 Transfer from Pupil Activity Fund	$ -	$ 550	$ -	$ -	$ -	$ -	$ -
420-710 Transfer to General Fund (Excludes Indirect Costs)	-	(240)	(165)	(2,036)	(235)	-	-
424-710 Transfer to Capital Projects Fund	-	-	-	-	-	-	-
426-710 Transfer to Pupil Activity Fund	(15,190)	(550)	-	-	-	-	(100)
Total Other Financing Sources (Uses)	(15,190)	(240)	(165)	(2,036)	(235)	-	(100)
Excess/Deficiency of Receipts over Disbursements	13,568	41,603	3,668	4,010	(2,961)	(15,897)	277
Due to Pupil Activities, Beginning of Year	50,656	247,853	33,762	9,158	14,186	60,142	3,581
Due to Pupil Activities, Ending of Year	$ 64,224	$ 289,456	$ 37,430	$ 13,168	$ 11,225	$ 44,245	$ 3,858

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
FIDUCIARY FUND - PUPIL ACTIVITY AGENCY FUNDS - BY SITE
SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN AMOUNTS DUE TO PUPIL ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017

	The Center	Adult Education	Spring Hill High	Technology Training Center	Athletics	Total
Receipts						
1000 Receipts from Local Sources						
1700 Pupil Activities:						
1740 Student Fees	$ 79,531	$ -	$ 28,160	$ -	$ -	$ 309,927
1790 Other Pupil Activity Income	58,828	14,760	258,841	-	832,607	3,794,061
1900 Other Receipts from Local Sources:						
1990 Miscellaneous Local Receipts:						
1999 Receipts from Other Local Sources	-	-	-	125	-	125
Total Receipts from Local Sources	138,359	14,760	287,001	125	832,607	4,104,113
Disbursements						
190 Instruction Pupil Activity						
190 Instruction Pupil Activities:						
100 Salaries (optional)	2,857	-	-	-	-	2,857
200 Employee Benefits (optional)	578	-	-	-	-	578
660 Pupil Activity	18,960	-	-	-	-	79,472
270 Support Services Pupil Activity						
271 Pupil Services Activities:						
100 Salaries (optional)	522	-	1,380	-	60,299	101,178
200 Employee Benefits (optional)	129	-	345	-	13,601	24,118
300 Purchased Services (optional)	-	-	-	-	399,654	399,654
400 Supplies and Materials (optional)	-	-	-	10,398	290,393	300,791
600 Other Objects (optional)	-	-	-	-	113,431	113,431
660 Pupil Activity	65,911	11,332	243,036	-	770	3,000,094
Total Disbursements	88,957	11,332	244,761	10,398	878,148	4,022,173

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
FIDUCIARY FUND - PUPIL ACTIVITY AGENCY FUNDS - BY SITE
SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN AMOUNTS DUE TO PUPIL ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017

	The Center	Adult Education	Spring Hill High	Technology Training Center	Athletics	Total
Other Financing Sources (Uses)						
Interfund Transfers, From (To) Other Funds:						
5270 Transfer from Pupil Activity Fund	$ -	$ -	$ 465	$ -	$ 28,813	$ 51,609
420-710 Transfer to General Fund (Excludes Indirect Costs)	-	-	-	-	-	(9,035)
424-710 Transfer to Capital Projects Fund	-	-	-	-	-	(18,000)
426-710 Transfer to Pupil Activity Fund	-	-	(73,384)	-	-	(390,518)
Total Other Financing Sources (Uses)	-	-	(72,919)	-	28,813	(365,944)
Excess/Deficiency of Receipts over Disbursements	49,402	3,428	(30,679)	(10,273)	(16,728)	(284,004)
Due to Pupil Activities, Beginning of Year	41,379	28,535	156,634	29,525	61,559	2,517,693
Due to Pupil Activities, Ending of Year	$ 90,781	$ 31,963	$ 125,955	$ 19,252	$ 44,831	$ 2,233,689

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SUPPLEMENTARY SCHEDULES
REQUIRED BY THE
SOUTH CAROLINA STATE
DEPARTMENT OF EDUCATION

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SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
LOCATION RECONCILIATION SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2017

Location ID	Location Description	Education Level	Cost Type	Total Expenditures
000	Districtwide	Non-Schools	Central	$ 57,789,437
038	Chapin High School	High School	School	14,309,509
039	Irmo High School	High School	School	15,845,609
040	Irmo Middle School	Middle School	School	9,153,721
041	Chapin Elementary School	Elementary School	School	7,002,193
042	Dutch Fork Elementary School	Elementary School	School	6,131,027
043	Irmo Elementary School	Elementary School	School	5,554,253
044	Leaphart Elementary Schhol	Elementary School	School	4,944,481
045	Seven Oaks Elementary School	Elementary School	School	6,091,306
046	Crossroads Intermediate School	Intermediate School	School	8,043,915
047	Nursery Road Elementary School	Elementary School	School	6,098,130
048	Harbison West Elementary School	Elementary School	School	7,166,243
049	H.E. Corley Elementary School	Elementary School	School	6,675,915
050	Chapin Intermediate School	Intermediate School	School	6,565,362
051	Dutch Fork High School	High School	School	16,661,192
052	Lake Murray Elementary School	Elementary School	School	8,775,090
053	River Springs Elementary School	Elementary School	School	6,469,903
054	Dutch Fork Middle School	Middle School	School	8,279,461
055	Ballentine Elementary School	Elementary School	School	6,048,286
056	Oak Pointe Elementary School	Elementary School	School	6,327,512
057	Spring Hill High School	High School	School	9,139,153
058	Chapin Middle School	Middle School	School	7,180,977
750	Academy For Success	Other Schools	School	1,495,354
995	Center for Advanced Technical Studies	Other Schools	School	3,954,000
Total Expenditures/Disbursements for All Funds				$ 235,702,029

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

General Fund	$ 174,827,536
Special Revenue Fund - Special Projects	13,410,578
Special Revenue Fund - EIA Fund	6,551,787
Debt Service Fund	17,080,648
Capital Projects Fund	7,808,641
Proprietary Funds	11,213,198
Agency Fund - Pupil Activity	4,809,641
Total Expenditures/Disbursements for All Funds	$ 235,702,029

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
DETAILED SCHEDULE OF DUE TO STATE DEPARTMENT OF EDUCATION/ FEDERAL GOVERNMENT
JUNE 30, 2017

Program	Project/Grant Number	Revenue & Subfund Code	Description	Amount Due to SDE or Federal Government	Status of Amounts Due To Grantors
High Schools That Work/Making Middle Grades Work	EIA	378 / 3578	Unexpended Funds	$ 5,345	Outstanding
EEDA Supplemental Programs	EIA	394 / 3594	Unexpended Funds	3,315	Outstanding
EEDA Supplies and Materials	EIA	395 / 3595	Unexpended Funds	31,678	Outstanding
				$ 40,338	

STATISTICAL SECTION (Unaudited)

This section 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.

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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. ..... 137 – 143

Revenue Capacity
These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax. ..... 144 – 151

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. ..... 152 – 155

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. ..... 156 – 158

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. ..... 159 – 164

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 2, 2012; therefore, schedules presenting government-wide fund balance information reflect the new fund balance terminology.

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TABLE 1

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

	2008	2009	2010	2011	2012	2013	2014	2015*	2016**	2017**
Governmental activities:										
Net investment in capital assets	$ 149,508,221	$ 141,675,359	$ 167,131,935	$ 173,068,374	$ 175,518,572	$ 174,275,981	$ 174,598,030	$ 171,553,790	$ 150,048,473	$ 152,302,772
Restricted	3,372,639	20,717,142	4,787,501	752,378	6,477,810	6,934,331	4,642,905	3,583,875	13,101,641	16,984,735
Unrestricted	25,968,031	22,596,243	20,832,647	26,613,502	27,967,938	29,979,061	29,050,873	(178,291,876)	(169,132,831)	(172,480,387)
Total governmental activities	178,848,891	184,988,744	192,752,083	200,434,254	209,964,320	211,189,373	208,291,808	(3,154,211)	(5,982,717)	(3,192,880)
Business-type activities:										
Net investment in capital assets	1,122,400	949,845	768,077	590,670	544,780	554,085	553,912	565,844	2,925,150	2,558,825
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	407,107	781,999	1,302,017	2,080,461	2,569,413	2,311,351	1,860,712	1,890,783	(3,447,859)	(3,605,841)
Total business-type activities	1,529,507	1,731,844	2,070,094	2,671,131	3,114,193	2,865,436	2,414,624	2,456,627	(522,709)	(1,047,016)
Primary government										
Net investment in capital assets	150,630,621	142,625,204	167,900,012	173,659,044	176,063,352	174,830,066	175,151,942	172,119,634	152,973,623	154,861,597
Restricted	3,372,639	20,717,142	4,787,501	752,378	6,477,810	6,934,331	4,642,905	3,583,875	13,101,641	16,984,735
Unrestricted	26,375,138	23,378,242	22,134,664	28,693,963	30,537,351	32,290,412	30,911,585	(176,401,093)	(172,580,690)	(176,086,228)
Total primary government	$ 180,378,398	$ 186,720,588	$ 194,822,177	$ 203,105,385	$ 213,078,513	$ 214,054,809	$ 210,706,432	$ (697,584)	$ (6,505,426)	$ (4,239,896)

Source: Records maintained by the School District Finance Department

*-The district implemented GASB 68 and GASB 71 on July 1, 2014.
The cumulative effect of the change in accounting principle decreased beginning net position by $207,070,939.

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

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)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Expenses										
Government activities:										
Instruction	$ 99,977,330	$ 103,349,967	$ 103,102,269	$ 101,732,197	$ 101,998,583	$ 108,242,761	$ 115,863,958	$ 124,800,258	$ 120,506,839	$ 127,992,580
Support service	66,279,033	66,005,330	68,169,387	67,979,135	71,146,133	74,983,257	78,213,038	79,879,481	91,001,448	85,010,739
Community service	2,408	-	36,397	30,715	76,339	50,377	59,029	65,869	63,034	78,703
Intergovernmental	177,042	218,338	-	-	-	-	-	-	-	
Interest and other charges	1,098,074	450,189	1,441,216	3,923,810	4,312,025	9,120,703	9,782,790	8,150,714	7,265,870	6,213,712
Depreciation - unallocated	-	-	-	-	-	-	-	-	-	-
Total governmental expenses	167,533,887	170,023,824	172,749,269	173,665,857	177,533,080	192,397,098	203,918,815	212,896,322	218,837,191	219,295,734
Business-type activities:										
Food service	7,378,956	7,823,389	7,368,772	7,273,648	7,614,547	7,843,171	8,899,748	8,886,303	8,745,796	10,156,891
After school	665,743	737,646	924,671	990,012	1,033,685	1,197,571	1,315,160	1,393,372	1,442,488	1,056,307
Total business-type expenses	8,044,699	8,561,035	8,293,443	8,263,660	8,648,232	9,040,742	10,214,908	10,279,675	10,188,284	11,213,198
Total primary government expenses	175,578,586	178,584,859	181,042,712	181,929,517	186,181,312	201,437,840	214,133,723	223,175,997	229,025,475	230,508,932
Program Revenues										
Government activities:										
Charges for services										
Instruction Services	796,798	806,077	831,091	419,662	633,584	30,864	20,206	43,311	16,401	3,839
Support Services	494,877	456,325	408,865	178,779	263,966	19,428	13,365	9,912	13,263	2,863
Community Services	-	-	-	-	-	-	-	25	9	2
Intergovernmental	-	-	-	-	-	-	-	-	-	-
Operating grants and contributions	73,388,602	67,715,102	67,856,214	65,919,385	67,207,775	73,559,278	77,171,071	79,696,829	79,547,616	85,992,887
Capital grants and contributions	487,789	-	1,003,483	-	-	-	-	-	-	-
Total governmental revenues	75,168,066	68,977,504	70,099,653	66,517,826	68,105,325	73,609,570	77,204,642	79,750,077	79,577,289	85,999,591
Business-type activities:										
Charges for services	5,655,178	5,579,912	5,469,608	5,443,817	5,327,592	5,278,078	5,535,223	5,550,294	5,147,509	5,158,902
Operating grants and contributions	2,531,503	2,852,827	3,115,745	3,346,582	3,654,464	3,534,109	3,866,388	4,309,458	4,869,015	5,201,429
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total business-type revenues	8,186,681	8,432,739	8,585,353	8,790,399	8,982,056	8,812,187	9,401,611	9,859,752	10,016,524	10,360,331
Total primary government revenues	83,354,747	77,410,243	78,685,006	75,308,225	77,087,381	82,421,757	86,606,253	89,609,829	89,593,813	96,359,922
Net (Expense) Revenue										
Total primary government net expense	$ (92,223,839)	$ (101,174,616)	$ (102,357,706)	$ (106,621,292)	$ (109,093,931)	$ (119,016,083)	$ (127,527,470)	$ (133,566,168)	$ (139,431,662)	$ (134,149,010)

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)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Net (Expense)/Revenue										
Total primary government net expense	$ (92,223,839)	$ (101,174,616)	$ (102,357,706)	$ (106,621,292)	$ (109,093,931)	$ (119,016,083)	$ (127,527,470)	$ (133,566,168)	$ (139,431,662)	$ (134,149,010)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property taxes levied for general purposes	43,645,680	46,528,039	46,196,847	48,181,527	51,096,858	51,408,125	54,408,077	58,538,094	62,449,554	64,236,308
Property taxes levied for debt service	19,026,906	20,065,446	22,254,816	23,391,210	23,732,876	23,899,135	24,390,363	24,426,849	24,441,196	25,665,085
Payment in lieu of taxes	80,207	81,018	145,151	562,911	1,085,626	1,030,578	1,294,119	1,208,483	1,165,976	1,625,146
Unrestricted state revenue in lieu of taxes	39,794,004	40,385,037	41,212,780	41,501,416	41,932,359	42,603,890	43,083,852	43,560,260	43,941,177	44,215,110
Investment earnings	1,634,000	385,519	374,660	454,666	354,198	501,042	395,295	227,716	182,439	421,937
Miscellaneous	151,297	65,448	272,639	806,241	856,805	430,263	485,910	1,271,689	306,876	190,291
Transfers										(267,897)
Total governmental revenues	104,332,094	107,510,507	110,456,893	114,897,971	119,058,722	119,873,033	124,057,616	129,233,091	132,487,218	136,085,980
Business-type activities:										
Investment earnings	16,870	6,299	2,402	6,529	8,337	7,485	4,111	4,835	58,866	60,663
Miscellaneous	-	-	-	-	-	111,861	117,366	208,191	145,286	-
Transfers										267,897
Total business-type revenues	16,870	6,299	2,402	6,529	8,337	119,346	121,477	213,026	204,152	328,560
Total primary government	104,348,964	107,516,806	110,459,295	114,904,500	119,067,059	119,992,379	124,179,093	129,446,117	132,691,370	136,414,540
Change in Net Position										
Governmental activities	11,997,049	6,139,853	7,763,339	7,682,171	9,530,066	1,225,053	(2,897,565)	(4,375,080)	(6,772,684)	2,789,837
Business-type activities	128,076	202,337	338,250	601,037	443,062	(248,757)	(450,812)	42,003	32,392	(524,307)
Total primary government	$ 12,125,125	$ 6,342,190	$ 8,101,589	$ 8,283,208	$ 9,973,128	$ 976,296	$ (3,348,377)	$ (4,333,077)	$ (6,740,292)	$ 2,265,530

Source: Records maintained by the School District Finance Department

TABLE 4

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

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Fund										
Nonspendable for Inventory	$ -	$ -	$ -	$ 269,657	$ 159,516	$ 9,083	$ 12,574	$ 12,574	$ 12,574	$ 4,751
Nonspendable for Prepaid Items	-	-	-	2,871,605	2,893,816	3,118,702	712,139	788,406	1,005,634	4,283,690
Assigned for Special Purposes	-	-	-	6,183,579	4,574,852	10,749,175	7,467,714	6,800,000	7,470,385	6,976,603
Unassigned	-	-	-	15,321,244	23,115,911	19,252,097	23,971,686	26,786,336	28,584,179	27,071,193
Reserved	552,387	3,470,904	5,701,580	-	-	-	-	-	-	-
Unreserved	28,392,396	21,492,632	17,375,197	-	-	-	-	-	-	-
Total General Fund	$ 28,944,783	$ 24,963,536	$23,076,777	$24,646,085	$30,744,095	$ 33,129,057	$ 32,164,113	$ 34,387,316	$ 37,072,772	$ 38,336,237
All Other Governmental Funds										
Restricted- Debt Service	$ -	$ -	$ -	$ 4,726,778	$ 5,715,026	$ 7,500,378	$ 6,509,558	$ 5,228,679	$ 4,640,228	$ 5,451,625
Restricted- Building Fund	-	-	-	66,486,908	-	-	-	-	8,461,413	11,533,110
Committed- Building Fund	-	-	-	27,123,803	45,581,375	93,048,799	39,182,854	15,301,929	-	-
Reserved										
Debt Service	4,940,428	1,895,195	4,787,501	-	-	-	-	-	-	-
Building Fund-Special Purposes	500,000	500,000	179,892	-	-	-	218,930	-	-	-
Unreserved	-	-	-	-	-	-	-	-	-	-
Building Fund	(2,067,789)	18,321,947	45,122,925	-	-	-	-	-	-	-
Total All Other Governmental Funds	$ 3,372,639	$ 20,717,142	$50,090,318	$98,337,489	$51,296,401	$ 100,549,177	$ 45,911,342	$ 20,530,608	$ 13,101,641	$ 16,984,735

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)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Local sources	$ 65,768,664	$ 68,243,166	$ 69,969,985	$ 73,973,918	$ 77,787,518	$ 78,404,569	$ 81,824,431	$ 85,064,866	$ 89,493,199	$ 94,178,480
State sources	107,735,190	101,518,072	98,319,597	95,162,865	102,513,220	106,307,556	108,709,486	112,210,851	111,883,766	119,854,432
Federal sources	5,766,203	6,489,250	11,697,077	12,201,783	6,537,246	9,075,000	10,761,981	10,752,713	10,238,943	8,579,347
Total revenues	$ 179,270,057	$ 176,250,488	$ 179,986,659	$ 181,338,566	$ 186,837,984	$ 193,787,125	$ 201,295,898	$ 208,028,430	$ 211,615,908	$ 222,612,259

Source: Records maintained by the School District Finance Department

TABLE 6

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

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Instruction	$ 95,549,350	$ 98,020,654	$ 97,736,125	$ 96,341,961	$ 96,528,377	$ 102,390,616	$ 107,109,102	$ 108,507,061	$ 110,123,458	$ 115,560,600
Support services	63,616,099	69,354,122	69,803,600	66,389,110	64,126,752	69,059,636	72,333,714	74,627,436	74,840,186	78,981,671
Community services	2,408	-	34,673	30,715	76,339	50,377	59,029	65,869	57,414	70,958
Intergovernmental	177,042	218,338	148,738	205,507	75,805	54,980	268,694	239,460	264,744	188,347
Capital outlay	11,082,441	9,170,097	14,746,208	35,938,160	60,084,729	89,416,159	59,355,151	29,533,420	14,269,756	7,368,065
Debt service										
Principal	17,070,000	23,190,000	18,740,000	21,655,000	2,455,000	2,225,000	47,959,000	8,770,000	77,284,000	9,426,467
Interest and other fees	1,095,704	668,565	1,327,433	3,241,569	4,336,154	8,347,424	10,025,119	9,195,781	9,024,963	8,083,082
Total expenditures	$ 188,593,044	$ 200,621,776	$ 202,536,777	$ 223,802,022	$ 227,683,156	$ 271,544,192	$ 297,109,809	$ 230,939,027	$ 285,864,521	$ 219,679,190
Debt service as a percentage of noncapital expenditures	10.3%	14.2%	12.0%	15.3%	4.0%	5.7%	24.3%	9.0%	30.9%	8.4%

Source: Records maintained by the School District Finance Department

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

TABLE 7

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
GOVERNMENTAL FUNDS OTHER FINANCING SOURCES AND USES AND
NET CHANGE IN FUND BALANCES
LAST TEN FISCAL YEARS
(modified accrual basis of accounting - unaudited)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Excess of revenues over (under) expenditures	$ (9,322,987)	$ (24,371,288)	$ (22,550,118)	$ (42,463,456)	$ (40,845,172)	$ (77,757,067)	$ (95,813,911)	$ (22,910,597)	$ (74,248,613)	$ 2,933,069
Other Financing Sources (Uses)										
General long-term debt issued	-	37,565,000	50,000,000	91,500,000	-	-	-	-	-	-
Premiums on bonds sold	-	492,497	79,577	840,815	-	-	-	-	7,456,021	151,900
Sale of capital assets	1,808	1,381	896	6,889	2,995	33,072	8,140	1,966	24,081	32,493
Lease Purchases	-	-	-	-	-	2,970,000	-	-	-	2,296,994
Proceeds from long-term notes	-	-	-	-	-	126,252,185	-	-	-	-
Issurance of Refunding Debt	-	-	-	-	-	-	40,444,000	-	62,025,000	-
Transfers in	5,581,745	3,281,338	3,328,018	3,553,508	20,613,737	19,573,565	17,297,379	16,637,903	15,631,908	19,721,195
Transfers out	(5,550,969)	(3,605,672)	(3,371,956)	(3,621,277)	(20,714,638)	(19,434,017)	(17,538,387)	(16,886,803)	(15,631,908)	(19,989,092)
Total other financing sources (uses)	32,584	37,734,544	50,036,535	92,279,935	(97,906)	129,394,805	40,211,132	(246,934)	69,505,102	2,213,490
Net change in fund balances	($9,290,403)	$ 13,363,256	$ 27,486,417	$ 49,816,479	$ (40,943,078)	$ 51,637,738	$ (55,602,779)	$ (23,157,531)	$ (4,743,511)	$ 5,146,559

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
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%
2014	2013	222,309,960	4,771,760,716	74,403,610	836,607,381	296,713,570	5,608,368,097	281.77	5.3%
2015	2014	218,291,070	4,717,054,338	79,430,980	921,143,809	297,722,050	5,638,198,147	288.30	5.3%
2016	2015	214,676,690	4,624,830,605	80,599,160	940,202,500	295,275,850	5,565,033,105	304.00	5.3%
2017	2016	217,167,910	4,690,040,315	84,769,970	983,252,760	301,937,880	5,673,293,075	306.30	5.3%

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
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%
2014	2013	151,507,630	3,451,657,009	36,619,405	501,232,157	188,127,035	3,952,889,166	229.30	4.8%
2015	2014	143,158,920	3,225,050,100	38,851,430	533,672,468	182,010,350	3,758,722,568	235.80	4.8%
2016	2015	147,025,490	3,317,914,710	40,734,589	561,278,432	187,760,079	3,879,193,142	304.00	4.8%
2017	2016	151,399,200	3,421,280,693	42,377,120	580,420,150	193,776,320	4,001,700,843	304.00	4.8%

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
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
2014	2013	229.270	52.500	281.770	94.296	18.604	4.374	1.893	11.505	-	98.100	2.900
2015	2014	235.800	52.500	288.300	94.746	20.604	4.374	2.393	11.505	-	98.100	2.900
2016	2015	251.500	52.500	304.000	94.441	20.604	4.353	2.088	11.505	-	96.100	2.500
2017	2016	251.500	54.800	306.300	94.973	20.604	4.353	2.088	11.505		96.100	1.460

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
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
2014	2013	229.300	52.500	281.800	109.400	11.400	3.100	1.300	-	98.100
2015	2014	235.800	52.500	288.300	118.800	12.600	3.400	1.400	-	98.100
2016	2015	251.500	52.500	304.000	120.900	12.800	3.500	1.400	-	96.100
2017	2016	251.500	52.500	304.000	121.600	12.800	3.500	1.400		96.100

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)

	2017			2008		
Lexington Taxpayer:	Taxable Assessed Value	Rank	Percentage of Total Taxable Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Value
South Carolina Electric & Gas	$ 29,171,910	1	9.66%	$ 20,925,310	1	8.28%
Shaw Industries Group, Inc.	6,415,190	2	2.12%	3,221,180	4	1.28%
GGP Columbiana Trust	3,434,430	3	1.14%	2,987,050	3	1.18%
AT&T Mobility F/K/A Cingular	4,014,500	4	1.33%	4,307,410	2	
DDRTC Columbiana Station I, LLC	1,496,830	5	0.50%	1,555,170	5	
AVR Columbia LLC	1,673,720	6	0.55%			0.00%
BRE DDR Harbison Court, LLC	1,290,790	7	0.43%			0.00%
Mid-Carolina Electric COOP, Inc	1,435,900	8	0.48%	1,332,040	9	0.53%
Columbiana Station (E & A) LLC	1,153,700	9	0.38%	1,043,190	10	0.41%
LSREF2 Newton, LLC	1,140,000	10	0.38%			
HUB Properties				1,842,030	6	0.73%
BellSouth Telecommunications				-		0.00%
Wal-Mart Real Estate Business				1,339,830	7	0.53%
DDR MDT Harbison Court, LLC				1,070,870	8	0.42%
Total Assessed Value of Ten Principal Taxpayers	$ 51,226,970		16.97%	$ 39,624,080		13.37%
Total Assessed Value of Other Taxpayers	250,710,910		83.03%	212,979,570		84.31%
Total Assessed Value of All Taxpayers	$ 301,937,880		100.00%	$ 252,603,650		97.68%

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)

	2017			2008		
Richland Taxpayer:	Taxable Assessed Value	Rank	Percentage of Total Taxable Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Value
South Carolina Electric & Gas	$ 2,422,350	1	1.25%	$ 1,295,740	3	0.85%
Mid-Carolina Electric Coop.	2,198,700	2	1.13%	1,963,090	1	1.29%
1600 Marina Road, LLC	1,237,980	3	0.64%			
Ballentine Crossing, LLC	1,083,470	4	0.56%			
AVR-Lake Murray, LLC	966,590	5	0.50%			
Crestmont Apartments, LLC	840,630	6	0.43%			
Bellsouth Telecommunications, Inc.	799,810	7	0.41%	-		0.00%
Paces Brook Gardens Associates	782,990	8	0.40%	786,600	6	
EEA Wellspring, LLC	726,750	9	0.38%	1,620,040	2	1.06%
Real Sub, LLC	563,700	10	0.29%			
Columbia MSA Limited Partnership	-			1,214,600	4	0.80%
Century Heights Partners, LLC	-			861,520	5	0.57%
Southland Log Homes	-			761,930	7	0.50%
Harpaw LLC	-			716,660	8	0.47%
NGC Harbison, LLC	-			667,800	9	0.44%
Franklin Pineridge Associates	-			560,020	10	0.37%
Total Assessed Value of Ten Principal Taxpayers	11,622,970		6.00%	10,448,000		6.35%
Total Assessed Value of Other Taxpayers	182,153,350		94.00%	141,701,794		93.13%
Total Assessed Value of All Taxpayers	$ 193,776,320		100.00%	$ 152,149,794		99.48%

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
2008	2007	93,375,366	91,387,277	97.87%	1,814,822	93,202,099	99.81%
2009	2008	99,657,065	97,016,034	97.35%	2,526,829	99,542,863	99.89%
2010	2009	101,242,837	98,883,830	97.67%	2,225,253	101,109,083	99.87%
2011	2010	109,187,940	106,425,326	97.47%	2,622,154	109,047,480	99.87%
2012	2011	113,787,350	111,549,859	98.03%	2,049,783	113,599,642	99.84%
2013	2012	116,706,404	114,123,980	97.79%	2,205,055	116,329,035	99.68%
2014	2013	121,537,092	118,742,250	97.70%	2,299,130	121,041,380	99.59%
2015	2014	126,474,764	123,390,291	97.56%	2,130,193	125,520,484	99.25%
2016	2015	130,039,022	126,511,241	97.29%	2,174,415	128,685,656	98.96%
2017	2016	134,846,478	130,885,264	97.06%	-	130,885,264	97.06%

Note: Levies and Collections updated for each fiscal year as of 6/30/17 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
2008	2007	38,417,823	37,282,199	97.04%	514,798	37,796,997	98.38%
2009	2008	40,526,957	39,133,834	96.56%	678,583	39,812,417	98.24%
2010	2009	41,710,253	40,089,788	96.11%	892,827	40,982,615	98.26%
2011	2010	42,650,504	41,368,546	96.99%	793,083	42,161,629	98.85%
2012	2011	45,074,021	43,710,463	96.97%	892,703	44,603,166	98.96%
2013	2012	46,216,599	44,651,273	96.61%	1,014,322	45,665,595	98.81%
2014	2013	47,657,973	46,316,828	97.19%	557,796	46,874,624	98.36%
2015	2014	49,471,459	48,430,437	97.90%	944,402	49,374,839	99.80%
2016	2015	52,038,893	50,488,324	97.02%	623,257	51,111,581	98.22%
2017	2016	52,932,549	51,950,725	98.15%	-	51,950,725	98.15%

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

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
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%		1.92%	668
2011	129,705,000		129,705,000		1.43%		3.98%	1,425
2012	127,250,000		127,250,000		1.37%		3.65%	1,377
2013	254,018,653		254,018,653		2.70%		7.28%	2,765
2014	245,431,641	*	245,431,641	*	2.57%		7.06%	2,779
2015	235,647,636		235,647,636		2.51%		6.17%	2,554
2016	236,098,370		236,098,370		2.50%		not available	2,431
2017	227,486,015		227,486,015		2.35%		not available	not available

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

Fiscal years ended June 30, 2017 and 2016 includes short-term general obligation bonds that were outstanding at year-end of $9,819,000 and $9,550,000, respectively.

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

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

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	Net General Bonded Debt	Percentage of Estimated Actual Taxable Value of Property	Per Capita
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%	1,315
2013	254,018,653	7,500,378	246,518,275	2.62%	2,684
2014	245,431,641	6,509,558	238,922,083	2.50%	2,705
2015	235,647,636	5,228,679	230,418,957	2.45%	2,373
2016	236,098,370	4,640,228	231,458,142	2.45%	Not available
2017	227,486,015	5,451,624	222,034,391	2.29%	Not available

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

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

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

TABLE 14

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2017
(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	$ 227,486,015	100.00%	$ 227,486,015
Total direct debt	227,486,015		227,486,015
Overlapping:			
Lexington County:			
Lexington County	38,631,159	28.20%	10,893,987
Irmo-Chapin Recreation District	22,435,000	100.00%	22,435,000
Riverbanks Park District	31,970,000	18.20%	5,818,540
City of Columbia	30,710,000	4.10%	1,259,110
Richland County:			
Richland County	22,975,085	11.60%	2,665,110
Richland Co Recreation District	36,555,000	14.90%	5,446,695
Riverbanks Park District	31,970,000	18.20%	5,818,540
City of Columbia	30,710,000	4.10%	1,259,110
Total overlapping debt	245,956,244		55,596,092
Total direct and overlapping debt	$ 473,442,259		$ 283,082,107

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

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

TABLE 15

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

Legal Debt Margin Calculation For Fiscal Year 2017

Assessed Value	$ 495,714,200
Debt limit (8% of assessed value)	39,657,136
Debt applicable to limit	-
Legal debt margin	$ 39,657,136

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Debt limit	$ 32,380,276	$ 33,823,676	$ 37,200,913	$ 36,464,287	$ 37,374,924	$ 38,052,768	$ 38,787,248	$ 38,378,592	$ 38,642,874	$ 39,657,136
Total net debt applicable to limit	14,225,000	28,600,000	9,860,000	2,330,000	15,183,300	-	-	-	9,550,000	9,819,000
Legal debt margin	$ 18,155,276	$ 5,223,676	$ 27,340,913	$ 34,134,287	$ 22,191,624	$ 38,052,768	$ 38,787,248	$ 38,378,592	$ 29,092,874	$ 29,838,136
Total net debt applicable to the limit as a percentage of debt limit	43.93%	84.56%	26.50%	6.39%	40.62%	0.00%	0.00%	0.00%	24.71%	24.76%

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

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
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	3,306,015	35,211	36,347	7.8%	9.2%
2013	2012	91,853	3,463,731	37,224	38,195	6.9%	8.4%
2014	2013	88,313	3,477,148	39,935	38,811	4.8%	6.0%
2015	2014	92,800	3,819,884	41,764	41,025	5.3%	6.4%
2016	2015	97,101	not available	not available	not available	4.7%	5.6%
2017	2016	not available	not available	not available	not available	3.6%	4.2%

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

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

	2017			2008		
Lexington Employer:	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Lexington Medical Center	6,450	1	4.48%			
Amazon.com	4,000	2	2.78%			
SCANA	3,794	3	2.64%			
General Information Services (GIS)	1,000	4	0.70%			
Walter P. Rawl & Sons, Inc.	700	5	0.49%			
Southeastern Freight Lines	587	6	0.41%			
Republic National Distributions Co	550	7	0.38%			
US Foods	500	8	0.35%	500	5	0.39%
Harsco Track Technologies	445	9	0.31%	560	3	0.44%
House of Raeford	400	10	0.28%			
CMC Steel South Carolina	400	10	0.28%			
Wal-Marti Stores, Inc.				2,160	1	1.70%
Michelin North America Inc.				1,300	2	1.02%
Solectron				550	4	0.43%
Cooper Tools				500	5	0.39%
Union Switch & Signal				500	5	0.39%
Armstrong Air Conditioning, Inc.				500	5	0.39%
Eagle Aviation				449	9	0.35%
Shaw Industries				400	10	0.32%
	18,826		13.09%	7,419		5.84%

2017 Top Employers from Central Alliance website at www.centralsc.org
2017 Total Employment from Bureau of Labor Statistics, SC Dept of Employment & Workfoce
2008 Data from Department of Commerce

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

	2017			2008		
Richland Employer:	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Palmetto Health Alliance	12,500	1	6.43%	9,300	1	5.45%
Blue Cross Blue Shield of SC	10,500	2	5.40%	6,900	2	4.05%
AT&T South Carolina	2,400	3	1.23%	2,852	9	1.67%
Providence Health	1,809	4	0.93%	0		
First Citizens Bank & Trust of SC	1,313	5	0.68%	0		
Palmetto GBA	1,300	6	0.67%	0		
Colonial Life & Accident Insurance	1,140	7	0.59%	0		
Wells Fargo Bank	1,000	8	0.51%	0		
Verizon Communications	1,000	8	0.51%	0		
UCI Medical Affiliates	767	10	0.39%	0		
University of South Carolina				4,755	3	2.79%
Department of Mental Health				4,917	4	2.88%
Wal-Mart				4,500	5	2.64%
Richland County School District One				4,302	6	2.52%
Richland County School District Two				3,248	7	1.90%
SC Department of Corrections				3,160	8	1.85%
SCANA and SCE&G				2,210	10	1.30%
	21,229		10.92%	36,844		21.61%

2017 Top Employers from Central Alliance website at www.centralsc.org
2017 Total Employment from Bureau of Labor Statistics, SC Dept of Employment & Workfoce
2008 Data from Department of Commerce

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

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
School Allocations:										
Teachers	1,433.00	1,298.74	1,212.42	1,190.02	1,175.52	1,203.55	1,245.00	1,271.00	1,261.31	1,274.40
Guidance	43.50	51.00	48.50	46.50	46.50	46.50	21.00	50.00	49.60	50.10
Media specialists	21.00	25.00	24.00	24.00	24.00	24.00	19.00	21.00	22.00	21.00
Psychologists and social workers	19.70	27.30	25.00	27.00	27.00	27.00	22.00	26.00	27.50	25.90
Speech therapists	24.30	27.50	29.80	31.00	31.00	31.00	32.00	28.00	30.20	31.30
Nurses, occupational and physical therapists	27.41	31.80	38.50	37.00	37.00	37.00	29.00	40.00	35.25	34.80
Secretaries, bookkeepers, and receptionists	134.30	119.75	112.00	113.00	113.00	116.00	139.00	151.00	130.00	127.00
Teacher assistants and media assistants	265.36	333.13	330.12	296.92	292.92	296.92	300.00	289.00	296.68	317.42
Food service personnel and cafeteria monitors	170.00	171.33	143.26	143.58	143.58	143.58	149.00	146.00	129.71	132.73
Custodians, maintenance and transportation	266.00	288.10	263.85	271.42	271.42	272.42	272.00	233.00	277.23	291.08
Technology services and and other specialized	6.50	12.00	6.00	6.00	6.00	12.00	17.00	10.00	5.00	5.00
Principal/assistant and principal/coordinators	69.00	67.43	70.00	71.00	69.84	71.84	83.00	79.00	76.50	73.00
Total	2,480.07	2,453.08	2,303.45	2,257.44	2,237.78	2,281.81	2,328.00	2,344.00	2,340.98	2,383.73
District Office Allocations:										
Superintendent	7.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Instruction	38.00	38.80	36.28	37.50	37.50	37.50	35.00	33.00	29.50	33.00
Human resources services	9.27	9.27	9.30	7.80	7.80	7.80	10.00	11.00	10.40	10.40
Financial services	36.00	21.00	30.00	30.00	30.00	30.00	33.00	15.00	30.73	17.00
Community Services	2.00	4.73	4.73	4.73	4.73	5.73	10.00	26.00	25.75	27.75
Technology	0.00	17.00	14.50	15.00	15.00	15.00	28.00	18.00	18.00	22.00
Facilities/Maintenance	0.00	43.03	19.00	20.00	20.00	20.00	24.00	25.00	19.00	23.00
Total	92.27	135.83	115.81	117.03	117.03	118.03	142.00	130.00	135.38	135.15
Total	2572.34	2,588.91	2,419.26	2,374.47	2,354.81	2,399.84	2,470.00	2,474.00	2,476.36	2,518.88

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
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%
2014	16,321	179,770,539	11,015	4.26%	214,133,723	13,120	5.76%	1,245	13.1	36.3%
2015	16,463	183,439,826	11,143	1.16%	223,175,997	13,556	3.32%	1,271	13.0	34.7%
2016	16,622	185,285,802	11,147	0.04%	229,025,475	13,778	1.64%	1,261	13.2	34.5%
2017	16,822	194,801,576	11,580	3.89%	230,508,932	13,703	-0.55%	1,274	13.2	30.1%

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
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
2014	33,054	73,701	48,430
2015	33,054	73,701	48,561
2016	33,054	73,701	48,469
2017	33,715	75,175	50,050

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

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
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	819	819	819	819	819	819	819	819
Enrollment	712	771	737	742	752	720	718	716	668	623
Chapin Elementary (1977)										
Square feet	108,900	108,900	118,900	131,950	131,950	131,950	131,950	131,950	131,950	131,950
Capacity	850	850	916	916	916	916	916	916	916	916
Enrollment	776	807	822	794	811	820	854	843	686	651
Dutch Fork Elementary (1953)										
Square feet	103,522	103,522	95,182	95,182	95,182	95,182	95,182	95,182	95,182	95,182
Capacity	750	750	657	657	657	657	657	657	657	657
Enrollment	559	563	537	541	519	514	511	504	498	506
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	733	733	733	733	733	733	733	733
Enrollment	543	517	498	522	514	511	467	486	486	495
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	710	710	710	710	710	710	710	710
Enrollment	408	368	394	486	502	479	487	518	559	592
Irmo Elementary (1933)										
Square feet	86,674	86,674	85,674	85,674	121,000	121,000	121,000	121,000	121,000	121,000
Capacity	550	550	584	584	640	640	640	640	640	640
Enrollment	498	505	479	509	468	511	478	474	505	486
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	849	849	849	849	849	849	849	849
Enrollment	814	853	862	866	847	874	926	992	872	994
Leaphart Elementary (1975)										
Square feet	95,300	95,300	108,300	120,500	120,500	120,500	120,500	120,500	120,500	120,500
Capacity	725	725	814	814	814	814	814	814	814	814
Enrollment	496	486	466	433	430	429	452	432	435	427
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	777	777	777	777	777	777	777	777
Enrollment	595	521	492	499	519	491	477	454	401	418

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

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
School										
Elementary (Continued)										
Oak Pointe Elementary (2007)										
Square feet	110,390	110,390	110,396	110,396	110,396	110,396	110,396	110,396	110,396	110,396
Capacity	825	825	756	756	756	756	756	756	756	756
Enrollment	601	630	634	671	647	645	627	636	635	615
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	925	925	925	925	925	925	925	925
Enrollment	645	642	677	654	641	633	598	568	556	541
Seven Oaks Elementary (1966)										
Square feet	72,756	72,756	72,756	72,756	103,756	103,756	103,756	103,756	103,756	103,756
Capacity	550	550	570	570	640	640	640	640	640	640
Enrollment	510	510	484	475	465	438	486	534	588	593
Middle										
Chapin Intermediate (1991)										
<3> Square feet	177,433	177,433	177,433	177,433	177,433	177,433	177,433	177,433	177,433	177,433
Capacity	900	900	1,018	1,018	1,018	1,018	1,018	1,018	1,018	1,018
Enrollment	979	975	996	1,030	1,103	1,121	1,111	1,172	718	759
Chapin Middle (2015)										
Square feet									122,000	122,000
Capacity									1,200	1,200
Enrollment									808	866
Cross Roads Intermediate (1971)										
Square feet	148,194	148,194	148,194	148,194	148,194	148,194	148,194	148,194	148,194	148,194
Capacity	1,100	1,100	1,098	1,098	1,098	1,098	1,098	1,098	1,098	1,098
Enrollment	997	955	966	917	988	946	943	917	793	803
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	1,149	1,149	1,149	1,149	1,149	1,149	1,149	1,149
Enrollment	1,011	1,039	1,049	1,100	1,054	1,045	1,092	1,089	1,061	1,034
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	1,181	1,181	1,181	1,181	1,181	1,181	1,181	1,181
Enrollment	1,030	925	896	880	879	909	897	843	926	891

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

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
School										
High										
Chapin High (1971)										
Square feet	187,288	187,288	187,288	187,288	187,288	187,288	252,288	375,500	375,500	375,500
Capacity	1,150	1,150	1,239	1,239	1,239	1,239	1,700	1,700	1,700	1,700
Enrollment	1,245	1,242	1,286	1,302	1,341	1,346	1,206	1,152	1,238	1,315
Dutch Fork High (1993)										
Square feet	316,788	316,788	316,788	316,788	316,788	316,788	316,788	368,788	368,788	368,788
Capacity	2,000	2,000	2,207	2,207	2,207	2,207	2,207	2,207	2,207	2,207
Enrollment	2,073	2,088	2,068	2,031	2,031	2,097	1,894	1,833	1,766	1,708
Irmo High (1964)										
Square feet	343,121	343,121	343,121	343,121	343,121	343,121	343,121	396,121	396,121	396,121
Capacity	2,000	2,000	2,141	2,141	2,141	2,141	2,141	2,141	2,141	2,141
Enrollment	2,012	2,029	1,983	1,915	1,829	1,707	1,540	1,508	1,436	1,413
Center for Advanced Technical Studies (2012)										
Square feet						115,000	115,000	115,000	115,000	115,000
Capacity						1,200	1,200	1,200	1,200	1,200
<1> Enrollment										
Spring Hill High School (2013)										
Square feet							287,000	287,000	287,000	287,000
Capacity							1,700	1,700	1,700	1,700
Enrollment							556	792	987	1,092
Other										
Academy for Success (1955)										
Square feet	26,005	26,005	20,961	20,961	20,961	20,961	20,961	20,961	20,961	20,961
Capacity	99	99	99	99	99	99	99	99	99	99
<2> Enrollment	73	138	127	127	127	95	0	0	0	0

Source: Records maintained by the School District

Note: Capacity stated as Core Capacity as developed by the Southern Management Group, Columbia, SC
2010 - Capacity is "current as-used program capacity" as reported in District and School Level Program Capacity Study prepared by H. Dale Holden & Associates.
Enrollment as of the 135 day Average Daily Attendance report
<1> Students enrolled in programs at this facility are included in their home-based school.
<2> Facility is no longer used for instructional purposes. This program is housed at Spring Hill High School beginning with the 13/14 school year.
<3> Facility was site of Chapi n Middle School until the fiscal year 2015-16. Chapin Intermediate includes only 5th and 6th grades. Chapin Middle School includes only 7th and 8th grades beginning with the 15-16 school year.

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of School District Five of Lexington and Richland Counties as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise School District Five of Lexington and Richland Counties' basic financial statements, and have issued our report thereon dated November 27, 2017.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered School District Five of Lexington and Richland Counties' 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 School District Five of Lexington and Richland Counties' internal control. Accordingly, we do not express an opinion on the effectiveness of School District Five of Lexington and Richland Counties' internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be a material weakness.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as 2017-1 to be a material weakness.

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.

.

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether School District Five of Lexington and Richland Counties' 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.*

School District Five of Lexington and Richland Counties' Response to the Findings

School District Five of Lexington and Richland Counties' response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

McGregor & Company LLP

Orangeburg, South Carolina
November 27, 2017

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

Honorable Chairman and Members of the Board of Trustees of
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' compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of School District Five of Lexington and Richland Counties' major federal programs for the year ended June 30, 2017. School District Five of Lexington and Richland Counties' major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of School District Five of Lexington and Richland Counties' major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 *U.S. Code of Federal* Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School District Five of Lexington and Richland Counties' 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 School District Five of Lexington and Richland Counties' compliance.

Opinion on Each Major Federal Program

In our opinion, School District Five of Lexington and Richland Counties 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, 2017.

Report on Internal Control over Compliance

Management of School District Five of Lexington and Richland Counties 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 School District Five of Lexington and Richland Counties' internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of School District Five of Lexington and Richland Counties' internal control over compliance.

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

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

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

McGregor & Company LLP

Orangeburg, South Carolina
November 27, 2017

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2017

LEA Subfund Code		Federal Grantor Pass-Through Grantor Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Total Expenditures
U.S. Department of Education					
Pass-Through S.C. Department of Education:					
203	**	Handicapped Disabilities Act	84.027	H63010100916 & ESY	$ 1,388,447
204	**	Handicapped Disabilities Act	84.027	H63010100915	257,922
204	**	Handicapped Disabilities Act	84.027	H63010100917	1,851,414
205	**	Special Education - Preschool Grants	84.173	H63010100816	111,962
206	**	Special Education - Preschool Grants	84.173	H63010100817	84,548
		Special Education (IDEA) Cluster			3,694,293
201	**	Title I Grant Regular	84.010	H63010100117	1,437,988
201	**	Title I Carryover from Prior Year	84.010	H63010100116	272,329
237	**	Title I School Improvement	84.010A	H63010100117	63,500
207		Career and Technical Education - Basic Grants to States	84.048	H63010107115	6,492
207		Career and Technical Education - Basic Grants to States	84.048	H63010107117	189,712
224		21st Century Community Learning Centers	84.287	H63010006916	6,628
224		21st Century - 15 Summer Bridge Program	84.287	H63010006917	143,994
232		McKinney-Vento Homeless Assistance	84.196	H63010108916	25,831
232		McKinney-Vento Homeless Assistance	84.196	H63010108917	33,934
243		Adult Education	84.002	H63010101016	11,787
243		Adult Education - Reverted Funds School District	84.002	H63010101017	87,471
264		Title II - English Language Acquisition	84.365A	H63010006716	32,494
267		Title II Part A - Improving Teacher Quality	84.367	H63010006816	140,395
267		Title II Part A - Improving Teacher Quality	84.367	H63010006817	99,745
		Direct Programs:			
803	**	Project ASSESS	84.165A	N/A	1,569,572
Total U.S. Department of Education					7,816,165
U.S. Department of Agriculture					
Pass-Through S.C. Department of Education:					
		Child Nutrition Cluster:			
		Non-Cash Assistance (Commodities):			
600		National School Lunch Program	10.555	N/A	508,974
		Cash Assistance:			
600		School Breakfast Program	10.553	N/A	1,186,687
600		School Lunch Program	10.555	N/A	3,032,410
		Total Child Nutrition Cluster			4,728,071
814		2014-15 National School Lunch Equipment Assistance	10.579	H63010013515	20,600
815		2014-15 National School Lunch Equipment Assistance	10.579	H63010013516	20,600
Pass-Through S.C. Department of Social Services:					
600		Supper Program	10.558	N/A	179,600
600		Summer Feeding Program	10.559	N/A	159,594
		Direct Programs:			
809		Farm to Five: Communities Thrive	10.575	CN-F2S-IMPL-15-SC-12	99,251
Total U.S. Department of Agriculture					5,207,716

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2017

LEA Subfund Code	Federal Grantor Pass-Through Grantor Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Total Expenditures
U.S. Department of Defense				
	Direct Programs:			
831	Navy JROTC	12.000	N/A	88,924
832	Air Force JROTC	12.000	N/A	105,432
Total U.S. Department of Defense				194,356
Total Federal Awards Expended				$ 13,218,237

**Denotes Major Program

Notes:

(1) Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of School District Five of Lexington and Richland Counties under programs of the federal government for the year ended June 30, 2017. The information in this schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Uniform Guidance, Audits of States, Local Government, and Non-Profit Organizations. Because the schedule presents only a selection portion of the operations of School District Five of Lexington and Richland Counties, it is not intended to and does not present the financial position, changes in net assets, or cash flows of School District Five of Lexington and Richland Counties.

(2) Summary of Significant Accounting Policies

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

(3) Reconciliation of SEFA to Financial Statements:

Federal Assistance:	
Governmental Funds	$ 8,579,347
Enterprise Funds	5,067,265
Total Federal Assistance per Financial Statements	13,646,612
Less: Federal Interest Subsidy - Debt Service Fund	(428,375)
Total Federal Assistance per SEFA	$ 13,218,237

ARRA Funded Programs Not Subject to Single Audit:

Build America Bonds
Qualified School Construction Bonds

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

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2017

Part I Summary of Auditors' Results:

Financial Statements

Type of Auditors' Report Issued:	Unmodified	
Internal Control Over Financial Reporting:		
Material Weakness(es) Identified?	X Yes	___ No
Significant Deficiencies Identified That Are Not Considered To Be Material Weaknesses	___ Yes	X None Reported
Noncompliance Material to Financial Statements Noted	___ Yes	X No

Federal Awards

Internal Control Over Major Federal Programs:		
Material Weakness(es) Identified?	___ Yes	X No
Significant Deficiencies Identified That Are Not Considered To Be Material Weaknesses	___ Yes	X None Reported
Type of Auditors' Report Issued on Compliance for Major Federal Programs:	Unmodified	

Program:	CFDA #:
Special Education Cluster (IDEA)	84.027, 84.173
Title One Grants	84.010
Project ASSESS	84.165A

Dollar Threshold used to Distinguish Between Type A and Type B Programs:	$750,000	
Auditee Qualify as Low-Risk Auditee?	___ Yes	X No
Any Audit Findings Disclosed That are Required To Be Reported in Accordance With Government Auditing Standards 2 CFR 200.516(a)	___ Yes	X No

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR FISCAL YEAR ENDED JUNE 30, 2017

Part II Findings - Financial Statements Audit

Finding 2017-1 Material Audit Adjustments

Criteria: Sound internal control over financial reporting requires that there be in place adequate controls over the selection and application of accounting principles that are in conformity with U.S. Generally Accepted Accounting Principles.

Condition: The District's unadjusted financial statements reported material misstatements in the General Fund, Special Revenue – Special Projects Fund, School Building Fund, and Debt Service Governmental Funds. These misstatements were not prevented or detected by the District's internal control over financial reporting and were not corrected by the District prior to the financial statements being presented for audit.

Effect: These funds would have contained material misstatements had the audit adjustments not been posted.

Cause: The District's internal controls failed to detect material errors in processing, recording and reporting of information related to the General Fund, Special Revenue – Special Projects Fund, School Building Fund, and Debt Service Fund.

Recommendation: The District should have procedures in place to assure the proper recording of all activity and trial balances of all funds should be reviewed by District staff to ensure balances are correct.

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

None

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR FISCAL YEAR ENDED JUNE 30, 2017

Part II Findings - Financial Statements Audit

Material Weaknesses

Finding 2016-1 Material Audit Adjustments

Condition: The District's unadjusted financial statements reported material misstatements in the School Building Fund and Debt Service Governmental Funds, the Food Service and After School Proprietary Funds, and the Pupil Activity Fiduciary Fund. These misstatements were not prevented or detected by the District's internal control over financial reporting and were not corrected by the District prior to the financial statements being presented for audit.

Recommendation: The District should have procedures in place to assure the proper recording of School Building Fund, Debt Service Fund, Food Service Fund and Pupil Activity Fund.

Current Status: Sustained in current year. See Finding 2017-1.

Finding 2016-2 Capital Assets

Condition: The District did not maintain an accurate listing of its capital assets and related depreciation calculations. The District's capital asset listing and related accumulated depreciation provided for audit contained material errors.

Recommendation: We recommend capital assets and related depreciation calculations be reviewed for accuracy in carrying forward at year end and any discrepancies be noted and investigated.

Current Status: Not sustained in current year.

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

None

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
CORRECTIVE ACTION PLAN
FOR FISCAL YEAR ENDED JUNE 30, 2017

Finding 2017-1

Failure to detect material errors in processing, recording and reporting of information related to the General Fund, School Building Fund, and Debt Service Fund.

The district has implemented additional internal controls to detect and correct any errors in recording the activity. The District staff identified the errors and implemented processes to reconcile balance sheet accounts on a monthly basis, therefore reducing the necessary year end journal entries.