

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

Irmo, South Carolina



**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

Fiscal Year ended June 30, 2020

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

Irmo, South Carolina

COMPREHENSIVE ANNUAL
FINANCIAL REPORT
Fiscal Year ended June 30, 2020



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

Bruce Shealy
Director of Finance

A. Len Richardson
Chief Finance & Operations Officer

Christina S. Melton, Ed.D.
Superintendent

This page was intentionally left blank.

DRAFT

**DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
FISCAL YEAR ENDED JUNE 30, 2020**

TABLE OF CONTENTS

	Page
INTRODUCTORY SECTION	1
Letter of Transmittal from Administration	3-9
Administrative Table of Organization	10
Principal Officials	11
Certificate of Achievement for Excellence in Financial Reporting	12
Certificate of Excellence in Financial Reporting	13
FINANCIAL SECTION	14
Independent Auditor's Report	16-18
Management's Discussion and Analysis	19-26
Basic Financial Statements	28
<i>Government-Wide Financial Statements</i>	
Statement of Net Position (Deficit)	30
Statement of Activities	31
<i>Fund Financial Statements</i>	
Balance Sheet - Governmental Funds	32
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position (Deficit)	33
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	34
Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	35
Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund	36
Statement of Net Position (Deficit) – Proprietary Fund Type – Enterprise Fund	37
Statement of Revenues, Expenses, and Changes in Fund Net Position (Deficit) – Proprietary Fund Type – Enterprise Fund	38
Statement of Cash Flows – Proprietary Fund Type – Enterprise Fund	39
Statement of Fiduciary Assets and Liabilities – Fiduciary Fund Type	40
Notes to Basic Financial Statements	41 - 75

**DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
FISCAL YEAR ENDED JUNE 30, 2020**

TABLE OF CONTENTS

Page

Financial Section (Continued)

Required Supplementary Information	77
Schedule of the District's Proportionate Share of the Net Pension Liability – SCRS and PORS	79
Schedule of the District's Contributions – SCRS and PORS	80
Schedule of the District's Proportionate Share of the Net OPEB Liability – SCRHITF and SCLTDITF	81
Schedule of the District's Contributions – SCRHITF and SCLTDITF	82
Other Supplementary Information	83
GENERAL FUND	85
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	87-94
SPECIAL REVENUE FUNDS	95
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances – Special Revenue Fund – Special Projects Funds	97-101
Summary Schedule of Designated State Restricted Grants and Other Special Projects Programs – Special Revenue Fund – Special Projects Funds	102
Schedule of Revenues, Expenditures and Changes in Fund Balance – All Programs – Special Revenue Fund – Education Improvement Act	103-107
Summary Schedule By Program – Special Revenue Fund – Education Improvement Act	108
Schedule of Revenues, Expenditures and Changes in Fund Balance Special Revenue Fund - Food Service Fund	109-110
DEBT SERVICE FUND	111
Schedule of Revenues, Expenditures and Changes in Fund Balance – Debt Service Fund	113-114
CAPITAL PROJECTS FUND	115
Schedule of Revenues, Expenditures and Changes in Fund Balance – School Building Fund	117-118
ENTERPRISE FUND	119
Schedule of Revenues, Expenses, and Changes in Net Position (Deficit) – Proprietary Fund Type – After School Program	121-122

DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
FISCAL YEAR ENDED JUNE 30, 2020

TABLE OF CONTENTS

	Page
<i>Financial Section (Continued)</i>	
<i>FIDUCIARY FUND</i>	124
Statement of Changes in Assets and Liabilities – Fiduciary Fund – Pupil Activity Agency Fund	126
Combining Schedule of Receipts, Disbursements and Changes In Due to Pupil Activities – Fiduciary Fund – Pupil Activity Agency Funds	127-128
Schedule of Receipts, Disbursements and Changes in Due to Pupil Activities – Fiduciary Fund – Pupil Activity Agency Funds – By Site	129-135
<i>SOUTH CAROLINA STATE DEPARTMENT OF EDUCATION SCHEDULES</i>	137
Location Reconciliation Schedule	139
Detailed Schedule of Due to State Department of Education/Federal Government	140
<i>STATISTICAL SECTION (UNAUDITED)</i>	141
Net Position by Component	143
Expenses, Program Revenues, and Net (Expense) Revenue	144
General Revenues and Total Change in Net Position	145
Fund Balances, Governmental Funds	146
Governmental Funds Revenues	147
Governmental Funds Expenditures by Function and Debt Service Ratios	148
Governmental Funds Other Financing Sources and Uses and Net Change in Fund Balances	149
Assessed Value and Estimated Value of Taxable Property	150-151
Direct and Overlapping Property Tax Rates	152-153
Principal Property Taxpayers	154-155
Property Tax Levies and Collections	156-157
Outstanding Debt by Type	158
Ratios of General Bonded Debt Outstanding	159
Direct and Overlapping Governmental Activities Debt	160
Legal Debt Margin Information	161
Demographic and Economic Statistics	162
Principal Employers	163-164

**DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
FISCAL YEAR ENDED JUNE 30, 2020**

TABLE OF CONTENTS

Page

STATISTICAL SECTION (UNAUDITED) (CONTINUED)

Full-Time Equivalents Personnel Allocations by Type	165
Operating Statistics	166
Teacher Base Salaries	167
School Building Information	168-170

SINGLE AUDIT SECTION

171

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	173-174
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance	175-176
Schedule of Expenditures of Federal Awards	177-178
Schedule of Findings and Questioned Costs	179
Summary Schedule of Prior Audit Findings	180

DRAFT

INTRODUCTORY SECTION

DRAFT

This page was intentionally left blank.

DRAFT



December 14, 2020

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

Normally 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. Due to the Covid-19 pandemic, pursuant to the authority granted to the State Superintendent of Education under Act 135 (Continuing Resolution), flexibility has been authorized and extended to South Carolina Code §59-17-100 and State Board of Education Regulation §43-172 (II). Specifically, the requirement of school districts to submit an audit report to the SCDE by December 1, regarding the prior fiscal year, has been extended to January 15, 2021. 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, 2020.

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 Burkett, Burkett & Burkett, Certified Public Accountants, P.A. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2020, 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, 2020, 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 curricula with high expectations for learning that develop productive citizens who can solve problems and contribute to a global society.

In fiscal year 2019-2020, the District provided comprehensive educational services for 16,979 students grade kindergarten through twelve. These District educational services range from child development (3 and 4 year olds) to a full program of instruction including continuing education for adults. Included in the programs are: academically gifted and talented classes for students in grades three through twelve; fourteen magnet programs at eleven sites; three-year old preschool classes for children with developmental delays; child development classes that provide interventions for four-year-old children to better prepare them for school; a full day five-year-old kindergarten program; early intervention services for students who need more instruction or re-teaching of basic skills in the areas of reading, English language arts, and mathematics; instructional opportunities in the visual and performing arts; instruction in world languages; special education programs for all students who meet the criteria for the recognized areas of disability; an alternative learning center for middle and high school students; at risk programs to reduce the potential for students dropping out of school; and a variety of elective courses in order for high school students to complete their Individual Graduation Plans. All high schools and The Center for Advanced Technical Studies offer career and technical courses. Also, for faculty and staff, School District Five of Lexington and Richland Counties offers extensive professional development related to effective teacher collaboration, use of classroom, state and benchmark assessment data, differentiation of instruction to meet students' individual needs, and the infusion of technology into the instructional programs in all schools.

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

principals may request transfers of appropriations within their school. Transfers of appropriations, however, require the special approval of the District's superintendent and must be reported to the District's Board of Trustees for their review and acceptance. Budget-to-actual comparisons are provided in this report for the general fund as noted in the table of contents as required supplementary information. This annual budget for the general fund serves as the foundation for the District's financial planning and control. The District's management then presents the proposed budget to the Board for study and review during the months of March, April, May, and June. The Board conducts 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 2018 estimated populations of Richland County and Lexington County were 414,032 and 295,032, respectively. In 2018, the total population in School District Five of Lexington and Richland Counties was estimated at 100,406. The District is a suburban school district located near the City of Columbia, the State Capital 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 Lexington Medical Center, Dominion Energy, Amazon.com, Inc., United Parcel Service, Michelin North America, Inc., Nephron Pharmaceuticals, HireRight, Walter P. Rawl & Sons, Inc., and Southeastern Freight Lines, Inc. Included among the larger corporate enterprises in Richland County are Prisma Health, BlueCross BlueShield of SC, AT&T South Carolina, Providence Health, Verizon Communications, Colonial Life & Accident Insurance, Palmetto GBA, LLC, Westinghouse Electric Co. LLC, Allied Universal Security and BB&T.

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 2018, the last year available, was \$60,627 for Lexington County and

\$52,611 for Richland County. Per capita personal income for 2018, the last year available, was \$46,513 for Lexington County and \$45,529 for Richland County. The state per capita income for this same period was \$45,438, and in the United States was \$56,469. The unemployment rates more than doubled from a year ago due to the Covid-19 shutdown in the spring of 2020. The unemployment rate for Lexington County as of June 2020 was 6.5 percent and for Richland County was 8.7 percent. The state and national unemployment rates for the same period were 8.7 percent and 11.1 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 in the northwest portion of the District and to eliminate the use of portable classrooms at two elementary schools, the District is scheduled to open a new elementary school, Piney Woods Elementary, in August of 2021. In order to accomplish this, on May 20, 2019 the Board of Trustees of the District approved a \$30 million bond issuance to be repaid in three years. These bonds are being financed with the addition of 20.6 mills of taxes added to the District's debt service levy, effective on property tax bills issued for calendar year 2019. The millage increase is within the limit of district bonded indebtedness as established in Article X of the South Carolina Constitution. The current debt service levy for the District is 75.4 mills. Richland and Lexington Counties continue to levy an additional one-cent tax which gives taxpayers a credit on their property tax bills.

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

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

As evidenced by the financial statements contained in this report, capital projects are one of the main areas of focus in financial planning. The District's oldest buildings were constructed in 1933, 1953, 1955 and 1964, and have undergone major renovations. Other facilities were constructed from 1966 through 2015. A complete listing of school sites with ages, square footage, capacity and enrollment can be found on Table 21 of the statistical section of this report as referenced in the table of contents.

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

Major Initiatives. In April 2015, the District completed a comprehensive accreditation review by AdvancED, now known as Cognia, a world-wide external accreditation system. As a part of that review process, the District completed an in-depth study and review of all major operations within the District. The process included an internal and external review of the five AdvanceED (Cognia) standards, the District's Strategic Plan, and the goals of the District included in the Standards Assessment Report.

Following a visit and report by the External Review Team, the District's accreditation was affirmed and approved on April 22, 2015. The plan included major goals in the areas of student achievement, teacher/administrator quality, school climate, and District priorities. Continued instructional initiatives for the District include the Response to Intervention (RtI) 4K - 5th grade and Middle Level Intervention (MLI) 6th - 8th grade Programs; Positive Behavioral Interventions and Support (PBIS); iFive Technology Integration; Data Teams; and Classroom Mosaic. The District will continue to focus upon these goals and initiatives, reviewing the strategic plan each year. Necessary funding to carry out these goals and initiatives and for the accreditation process has been included in the District's budget. Details for each of the major goals referenced above are included in the District's Strategic Plan.

Awards and Acknowledgements

- The district had 588 students earn an AP Scholar designation by the College Board in recognition of their exceptional achievement on the college level Advanced Placement Program (AP) Exams. Of the 588 students honored district-wide, 277 qualified for the AP Scholar designation, 129 earned AP Scholars with Honor, 182 earned AP Scholars with Distinction, and 45 earned National AP Scholars.
- A School District Five Teacher was selected as the 2021 South Carolina Teacher of the Year. Sarah Gams receives a total of \$25,000 and is provided with a brand new BMW to use while serving for one year as a roving ambassador providing mentoring, attending speaking engagements, working with teacher cadets and teaching fellows, leading the State Teacher Forum, and serving as the state spokesperson for over 50,000 educators.
- Seven students from School District Five of Lexington and Richland Counties have been announced as semifinalists in the 2020-2021 National Merit Scholarship program. These academically talented high school students from the District are represented in the nationwide pool of semifinalists which represents less than one percent of U.S. high school seniors.
- A District high school was recognized by the South Carolina Association of School Administrators (SCASA) as the 2020 Palmetto's Finest award winner in the high school division. Dutch Fork High School and other Palmetto's Finest award winners are models of innovation throughout the state. They set the standard of excellence by creating an outstanding school culture which includes setting high expectations and providing opportunities for personalized learning.
- The District's SkillsUSA Chapter advisor at the Center for Advanced Technical Studies (The Center), Joe Chapman, has been selected as the SkillsUSA National Advisor of the Year. The award was presented to Chapman, a law enforcement services instructor, on June 26 at a virtual recognition ceremony. SkillsUSA created the Advisor of the Year award to recognize and honor dedicated career and technical education instructors who serve as SkillsUSA advisors.
- A School District Five senior was named a U.S. Presidential Scholar in 2020. Lauren Chen is one of 161 high school seniors recognized across the country for their accomplishments in academics, the arts and career and technical education fields.
- The District serves more than 2,500 students with disabilities annually, providing a variety of programs for K-12 students. The Department of Special Services provides leadership in the

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

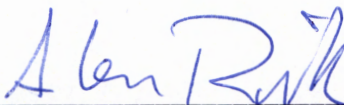
- The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to School District Five of Lexington and Richland Counties for its Comprehensive Annual Financial Report (CAFR) for fiscal year ended June 30, 2019. This is the seventeenth consecutive year that the District has received this prestigious award.
- The District was also awarded The Association of School Business Officials (ASBO) International Certificate of Excellence in Financial Reporting. This is the seventeenth consecutive year that the District has received this prestigious award.

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

The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated services of the entire staff of the Office of Finance 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.

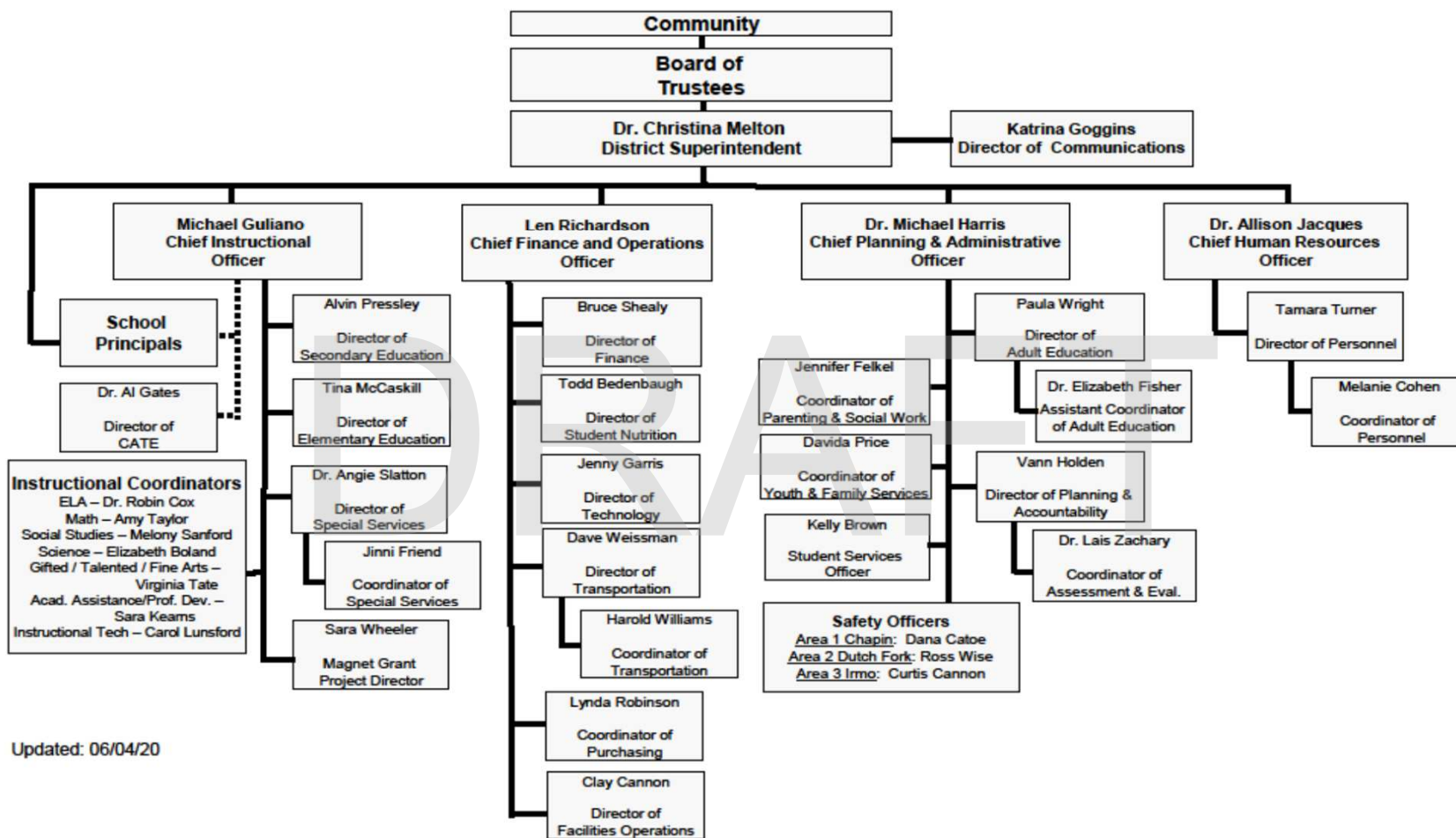
Respectfully submitted,



A. Len Richardson,
Chief Finance & Operations Officer



Christina S. Melton, Ed.D.
Superintendent



Updated: 06/04/20

SCHOOL DISTRICT FIVE OF LEXINGTON & RICHLAND COUNTIES
PRINCIPAL OFFICIALS

Year Ended June 30, 2020

MEMBERS OF THE BOARD OF TRUSTEES

Mr. Michael Cates	Chairman
Ms. Beth Hutchison	Vice Chairman
Mr. Robert Gantt	Secretary
Ms. Nikki Gardner	Board Member
Mrs. Jan Hammond	Board Member
Mr. Ken Loveless	Board Member
Mr. Ed White	Board Member

EXECUTIVE STAFF

Dr. Christina Melton	Superintendent
Mrs. Katrina Goggins	Director of Communications
Dr. Michael Harris	Chief Planning and Administrative Officer
Dr. Allison Jacques	Chief Human Resources Officer
Mr. Michael Guliano	Chief Instruction Officer
Mr. A. Len Richardson	Chief Finance and 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, 2019

Christopher P. Morill

Executive Director/CEO



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

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

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

**for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2019.**

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



A handwritten signature in black ink, reading 'Claire Hertz'.

Claire Hertz, SFO
President

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

David J. Lewis
Executive Director

FINANCIAL SECTION

DRAFT

This page was intentionally left blank.

DRAFT

INDEPENDENT AUDITOR'S 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, and each major fund of School District Five of Lexington and Richland Counties ("the School District"), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of School District Five of Lexington and Richland Counties, as of June 30, 2020, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary information for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District's basic financial statements. The introductory section, supplementary information, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2020 on our consideration of the School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control over financial reporting and compliance.

Burkett Burkett & Burkett
Certified Public Accountants, P.A.
West Columbia, South Carolina
December 14, 2020

School District Five of Lexington and Richland Counties
Management's Discussion and Analysis (Unaudited)
Year Ended June 30, 2020

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, 2020. 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 2020 include:

- The District's total net position increased \$14,243,697 for the 2019-2020 fiscal year. Net position of governmental activities increased by \$14,379,122 and net position of business-type activities decreased by \$135,425. Total revenues were \$272,242,494 while total expenses were \$257,998,797.
- Total revenues increased \$20,855,828 (8.3%) from \$251,386,666 in fiscal year 2019 to \$272,242,494 in fiscal year 2020. Total expenses increased 11,993,201 (4.9%), from \$246,005,596 in fiscal year 2019 to \$257,998,797 in fiscal year 2020.
- Governmental funds reported a total increase of \$25,649,764 in the fund balance, which included a \$5,985,501 increase to the general fund, a \$66,467 increase to the food service fund, a \$3,027,305 increase to the debt service fund, and a \$16,570,491 increase to the capital projects fund.
- The General Fund total fund balance is \$46,518,549 as of June 30, 2020, an increase of 14.8% from June 30, 2019.
- Total revenue for the District's principal operating fund, the general fund, was \$193,228,923, with an additional \$3,142,701, 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 \$190,440,405 including \$116,287,028 for instruction, \$73,869,678 for support, \$12,241 for community service, \$16,585 for intergovernmental expenditures, and \$254,873 in capital outlay.

Overview of the Financial Statements

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

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

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

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

School District Five of Lexington and Richland Counties
Management's Discussion and Analysis (Unaudited)
Year Ended June 30, 2020

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 30-31 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 32-36 of this report.

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

The basic proprietary fund financial statements can be found on pages 37-39 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 40 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 41-75 of this report.

School District Five of Lexington and Richland Counties
Management's Discussion and Analysis (Unaudited)
Year Ended June 30, 2020

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 \$181,336,305, at the close of the most recent fiscal year.

The following table provides a summary of the District's net position for 2020 compared to 2019.

Net Position						
	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Current and Other Assets	\$ 136,493,207	\$ 108,547,672	\$ 365,677	\$ 472,003	\$ 136,858,884	\$ 109,019,675
Net Capital Assets	369,549,527	363,469,147	-	-	369,549,527	363,469,147
Total Assets	506,042,734	472,016,819	365,677	472,003	506,408,411	472,488,822
Deferred Outflows of Resources	52,167,519	43,303,843	313,026	279,734	52,480,545	43,583,577
Current and Other Liabilities	246,647,753	42,059,763	81	4,759	246,647,834	42,064,522
Long-term Liabilities	464,297,158	643,282,447	2,954,737	2,898,456	467,251,895	646,180,903
Total Liabilities	710,944,911	685,342,210	2,954,818	2,903,215	713,899,729	688,245,425
Deferred Inflows of Resources	26,154,802	23,247,034	170,730	159,942	26,325,532	23,406,976
Net Position						
Net Investment in Capital Assets	198,474,597	183,790,644	-	-	198,474,597	183,790,644
Restricted	11,770,036	10,730,020	-	-	11,770,036	10,730,020
Unrestricted	(389,134,093)	(387,789,246)	(2,446,845)	(2,311,420)	(391,580,938)	(390,100,666)
Total Net Position	\$(178,889,460)	\$(193,268,582)	\$ (2,446,845)	\$ (2,311,420)	\$(181,336,305)	\$(195,580,002)

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 \$14,243,697 during 2019-2020. Significant current year transactions, such as the addition of \$36,498,768 in capital assets through construction of school improvements, and purchases of furniture, equipment and vehicles less the additional accumulated depreciation of \$18,349,470 have had an impact on the Statement of Net Position.

School District Five of Lexington and Richland Counties
Management's Discussion and Analysis (Unaudited)
Year Ended June 30, 2020

Government-wide Overall Financial Analysis (Continued)

The following table shows the changes in the District's net position for 2020 compared to 2019:

	Changes in Net Position					
	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Revenue						
Program Revenue:						
Charges for Services	\$ 2,568,627	\$ 3,407,430	\$ 797,358	\$ 1,134,491	\$ 3,365,985	\$ 4,541,921
Operating Grants	108,659,709	101,783,326	-	-	108,659,709	101,783,326
General Revenue:						
Ad Valorem Taxes and Fees	111,736,561	97,259,889	-	-	111,736,561	97,259,889
Unrestricted Grants	46,275,478	45,326,074	-	-	46,275,478	45,326,074
Investment Earnings & Disposals	1,510,401	1,552,620	-	-	1,510,401	1,552,620
Other General Revenue	631,132	914,692	63,228	8,144	694,360	922,836
Total Revenue	271,381,908	250,244,031	860,586	1,142,635	272,242,494	251,386,666
Instruction Services	134,277,651	127,229,632	-	-	134,277,651	127,229,632
Support Services	116,540,697	110,128,101	-	-	116,540,697	110,128,101
Community Services	24,515	48,594	-	-	24,515	48,594
Interest on Long-Term Debt	6,159,923	7,121,552	-	-	6,159,923	7,121,552
After School	-	-	996,011	1,477,717	996,011	1,477,717
Total Expenses	257,002,786	244,527,879	996,011	1,477,717	257,998,797	246,005,596
Increase (Decrease) in Net Position	14,379,122	5,716,152	(135,425)	(335,082)	14,243,697	5,381,070
Net Position , Beginning of Year	(193,268,582)	(198,984,734)	(2,311,420)	(1,976,338)	(195,580,002)	(200,961,072)
Net Position, End of Year	\$ (178,889,460)	\$ (193,268,582)	\$ (2,446,845)	\$ (2,311,420)	\$ (181,336,305)	\$ (195,580,002)

School District Five of Lexington and Richland Counties
Management's Discussion and Analysis (Unaudited)
Year Ended June 30, 2020

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	
	2020	2019	2020	2019
Instruction Services	\$ 134,277,651	\$ 127,229,632	\$ (33,423,766)	\$ (32,249,216)
Support Services	116,540,697	110,128,101	(106,166,246)	(99,917,761)
Community Services	24,515	48,594	(24,515)	(48,594)
Interest (Long-Term Debt)	6,159,923	7,121,552	(6,159,923)	(7,121,552)
Totals	<u>\$ 257,002,786</u>	<u>\$ 244,527,879</u>	<u>\$ (145,774,450)</u>	<u>\$ (139,337,123)</u>

Business-Type Activities. Business-type activities include the District's after school programs. These programs had revenues of \$860,586, expenses of \$996,011. This resulted in net decrease of \$135,425.

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, 2020, the District's governmental funds reported combined fund balances of \$89,136,685, an increase of \$25,649,764 in comparison with the prior year. Approximately 48.6% of this amount (\$43,344,184) constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of the fund balance is either non-spendable or restricted to indicate that it is 1) not in spendable form (\$1,174,365) or 2) restricted for particular purposes (\$42,618,136) or 3) assigned for a specific purpose (\$2,000,000).

The general fund is the principal operating fund of the District. The increase in fund balance in the general fund for the fiscal year was \$5,985,501. After reservations for inventories, prepaid expenditures, and funds assigned for special purposes, the unassigned fund balance was \$45,344,184. 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.

School District Five of Lexington and Richland Counties
Management's Discussion and Analysis (Unaudited)
Year Ended June 30, 2020

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 food service fund had a total fund balance of \$3,063,392, all of which is restricted.

The debt service fund had a total fund balance of \$9,800,230, all of which is restricted for the payment of debt service. This is an increase of \$3,027,305 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 \$16,570,491. The ending balance is \$29,754,514. The change was attributable to the sale of 8% bonds during the year and delays in completion of projects.

Proprietary Funds. The District's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The proprietary funds (after school programs) showed a decrease in net position of \$135,425.

General Fund Budgetary Highlights

The District's budget is prepared according to South Carolina law. The District amended the general fund budget for decreases in total budgeted revenues. Minor categorical budget amendments were made during the year to insure expenditures were recorded in the proper account codes as defined by the South Carolina Department of Education. Budgeted general fund revenue and expenditures for the 2019-2020 fiscal year increased by 1.87% and 2.60% respectively. Revenue has a positive variance of \$3,543,221. Actual expenditures resulted in a positive variance of \$5,086,251.

This area intentionally left blank.

School District Five of Lexington and Richland Counties
Management's Discussion and Analysis (Unaudited)
Year Ended June 30, 2020

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2020, the District had \$369,549,527 invested in a broad range of capital assets, including land, buildings, site improvements, furniture, equipment, vehicles, and library books. This represents a net increase of \$6,080,380 (1.6%) for the 2019 - 2020 fiscal year. For more detailed information on capital asset activity see Note 4 - Capital Assets.

Capital Assets

	Governmental Activities	
	2020	2019
Land	\$ 8,844,166	\$ 8,844,166
Buildings	479,157,379	467,902,863
Site Improvements	36,385,753	35,584,151
Furniture and Equipment	26,730,444	25,870,181
Construction in Progress	16,730,760	6,069,881
Total Before Accumulated Depreciation	567,848,502	544,271,242
Less: Accumulated Depreciation	198,298,975	180,802,095
Net Capital Assets	<u>\$ 369,549,527</u>	<u>\$363,469,147</u>

Debt Administration

As of June 30, 2020, the District had total outstanding long-term debt of \$192,125,441. 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, 2020 and 2019 is as follows:

Long-Term Debt at June 30

	Governmental Activities	
	2020	2019
November 19, 2013 Issue	\$ 25,698,000	\$ 28,181,000
November 9, 2015 Issue	51,890,000	55,185,000
June 9, 2010 Issue	10,000,000	10,000,000
August 21, 2012 Issue	83,120,000	89,085,000
September 1, 2019 Issue	20,930,000	-
Lease Acquisition - April 3, 2017 Issue	487,441	962,639
Totals	<u>\$ 192,125,441</u>	<u>\$ 183,413,639</u>

School District Five of Lexington and Richland Counties
Management's Discussion and Analysis (Unaudited)
Year Ended June 30, 2020

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, 2020, the District's debt capacity was approximately \$43,922,716. The District issued Series 2019B \$30,000,000 SCAGO general obligation bonds and Series 2020 \$9,362,000 SCAGO general obligation bonds leaving the legal debt limit margin of \$30,292,000 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 (pages 69-71).

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 2020 - 2021. 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.

On May 13, 2020, the General Assembly passed a Continuing Resolution to fund ordinary expenses of state government at current levels for 2020-2021 fiscal year.

When setting the 2020-2021 fiscal year budget, the District focused on mental health services, security, maintaining quality instructional programs in the classrooms and pupil teacher ratios in all schools at the ratio set in Board Policy. The District's original general fund budget for fiscal year 2020-2021 was approved by the Board of Trustees on August 10, 2020 for \$198,883,473. On October 12, 2020, the Board of Trustees passed an amended budget to remove the step increase and health insurance increase not allowed by the Continuing Resolution. The amended budget was approved for \$196,524,672.

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.

This page was intentionally left blank.

DRAFT

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.

DRAFT

This page was intentionally left blank.

DRAFT

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
STATEMENT OF NET POSITION (DEFICIT)
JUNE 30, 2020

	Governmental Activities	Business-type Activities	Totals
Assets			
Cash & Cash Equivalents	\$ 14,361,476	\$ -	\$ 14,361,476
Investments	44,963,470	-	44,963,470
Property Tax Receivable, Net	6,840,407	-	6,840,407
Accrued Interest	38,853	-	38,853
Internal Balances	(365,677)	365,677	-
Due From County Government	58,894,167	-	58,894,167
Prepaid Expenses	1,170,720	-	1,170,720
Inventories - Supply & Materials	291,603	-	291,603
Other Receivables	10,298,188	-	10,298,188
Noncurrent Assets:			
Capital Assets (Net of Accumulated Depreciation):			
Land	8,844,166	-	8,844,166
Buildings	311,078,592	-	311,078,592
Site Improvements	22,081,568	-	22,081,568
Machinery, Equipment and Vehicles	10,814,441	-	10,814,441
Construction in Progress	16,730,760	-	16,730,760
Total Assets	506,042,734	365,677	506,408,411
Deferred Outflows of Resources			
Net Pension Deferred Outflows	26,758,645	196,751	26,955,396
Net OPEB Deferred Outflows	24,905,336	116,275	25,021,611
Unamortized Loss on Refunding - Debt Defeasance	503,538	-	503,538
Total Deferred Outflows of Resources	52,167,519	313,026	52,480,545
Liabilities			
Accounts Payable and Other Liabilities	5,530,320	81	5,530,401
Accrued Salaries	12,538,082	-	12,538,082
Accrued Payroll Related Liabilities	3,568,467	-	3,568,467
Due to State Department of Education	74,708	-	74,708
Due to Pupil Activity	4,703,405	-	4,703,405
Bonds Payable	9,362,000	-	9,362,000
Retainage Payable	229,184	-	229,184
Unearned Revenue	5,555,253	-	5,555,253
Arbitrage Rebate Liability	181,460	-	181,460
Accrued Interest Payable	2,275,014	-	2,275,014
Noncurrent Liabilities:			
Due within One Year	26,183,123	-	26,183,123
Due in More Than One Year	176,446,737	-	176,446,737
Net OPEB Liability	211,264,132	1,350,509	212,614,641
Net Pension Liability	253,033,026	1,604,228	254,637,254
Total Liabilities	710,944,911	2,954,818	713,899,729
Deferred Inflows of Resources			
Net Pension Deferred Inflows	5,208,508	40,763	5,249,271
Net OPEB Deferred Inflows	20,946,294	129,967	21,076,261
Total Deferred Inflows of Resources	26,154,802	170,730	26,325,532
Net Position (Deficit)			
Net Investment in Capital Assets	198,474,597	-	198,474,597
Restricted For:			
Debt Service	8,706,644	-	8,706,644
Food Service	3,063,392	-	3,063,392
Net Position (Deficit) - Unrestricted	(389,134,093)	(2,446,845)	(391,580,938)
Total Net Position (Deficit)	\$ (178,889,460)	\$ (2,446,845)	\$ (181,336,305)

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, 2020

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges For Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government Governmental Activities	Business-Type Activities	Total
Governmental Activities:							
Instruction	\$ 134,277,651	\$ 3,162	\$ 100,850,723	\$ -	\$ (33,423,766)	\$ -	\$ (33,423,766)
Support Services	116,540,697	2,565,465	7,808,986	-	(106,166,246)	-	(106,166,246)
Community Services	24,515	-	-	-	(24,515)	-	(24,515)
Interest and Other Charges	6,159,923	-	-	-	(6,159,923)	-	(6,159,923)
Total Governmental Activities	257,002,786	2,568,627	108,659,709	-	(145,774,450)	-	(145,774,450)
Business-Type Activities:							
After School	996,011	797,358	-	-	-	(198,653)	(198,653)
Total Business-Type Activities	996,011	797,358	-	-	-	(198,653)	(198,653)
Total Primary Government	\$ 257,998,797	\$ 3,365,985	\$ 108,659,709	\$ -	(145,774,450)	(198,653)	(145,973,103)
General Revenues:							
Property Taxes Levied for:							
General Purposes					70,383,209	-	70,383,209
Debt Service					39,318,096	-	39,318,096
Payment in Lieu of Taxes					2,035,256	-	2,035,256
Unrestricted State Revenue in Lieu of Taxes					46,275,478	-	46,275,478
Unrestricted Investment Earnings					1,510,401	-	1,510,401
Miscellaneous					631,132	63,228	694,360
Total General Revenues					160,153,572	63,228	160,216,800
Change in Net Position					14,379,122	(135,425)	14,243,697
Net Position (Deficit) - Beginning					(193,268,582)	(2,311,420)	(195,580,002)
Net Position (Deficit) - Ending					\$ (178,889,460)	\$ (2,446,845)	\$ (181,336,305)

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, 2020

	Special Revenue Funds						Total Governmental Funds
	General	Special Projects	Education Improvement Act	Food Service	Debt Service	Capital Projects	
Assets							
Cash & Cash Equivalents	\$ 13,256,249	\$ -	\$ -	\$ 1,105,227	\$ -	\$ -	\$ 14,361,476
Investments	44,039,667	-	-	923,803	-	-	44,963,470
Property Tax Receivable, Net	5,352,317	-	-	-	1,488,090	-	6,840,407
Due From Other Funds	-	-	2,787,108	429,565	144,505	43,910,374	47,271,552
Due From County Government	49,583,957	-	-	-	9,310,210	-	58,894,167
Prepaid Items	1,170,720	-	-	-	-	-	1,170,720
Inventories - Supplies & Materials	3,645	-	-	287,958	-	-	291,603
Other Receivables	3,485,908	5,928,660	313,815	569,805	-	-	10,298,188
Total Assets	\$ 116,892,463	\$ 5,928,660	\$ 3,100,923	\$ 3,316,358	\$ 10,942,805	\$ 43,910,374	\$ 184,091,583
Liabilities, Deferred Inflows & Fund Balances							
Liabilities							
Accounts Payable	\$ 937,620	\$ 30,813	\$ 18,964	\$ 22,423	\$ -	\$ 4,383,216	\$ 5,393,036
Accrued Salaries	12,538,082	-	-	-	-	-	12,538,082
Accrued Payroll Related Liabilities	3,568,467	-	-	-	-	-	3,568,467
Due To Other Funds	48,897,530	3,580,388	-	-	-	-	52,477,918
Due To State Government	-	48,448	26,260	-	-	-	74,708
Bonds Payable	-	-	-	-	-	9,362,000	9,362,000
Retainage Payable	-	-	-	-	-	229,184	229,184
Unearned Revenue	-	2,269,011	3,055,699	230,543	-	-	5,555,253
Arbitrage Rebate Liability	-	-	-	-	-	181,460	181,460
Total Liabilities	65,941,699	5,928,660	3,100,923	252,966	-	14,155,860	89,380,108
Deferred Inflows							
Unavailable Tax Revenues	4,432,215	-	-	-	1,142,575	-	5,574,790
Total Deferred Inflows	4,432,215	-	-	-	1,142,575	-	5,574,790
Fund Balances							
Non-Spendable	1,174,365	-	-	-	-	-	1,174,365
Restricted	-	-	-	3,063,392	9,800,230	29,754,514	42,618,136
Assigned	2,000,000	-	-	-	-	-	2,000,000
Unassigned	43,344,184	-	-	-	-	-	43,344,184
Total Fund Balances	46,518,549	-	-	3,063,392	9,800,230	29,754,514	89,136,685
Total Liabilities, Deferred Inflows & Fund Balances	\$ 116,892,463	\$ 5,928,660	\$ 3,100,923	\$ 3,316,358	\$ 10,942,805	\$ 43,910,374	\$ 184,091,583

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

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION (DEFICIT)
JUNE 30, 2020

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

Total Governmental Fund Balances	\$	89,136,685
---	-----------	-------------------

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	\$ 567,848,502	
Accumulated Depreciation	<u>(198,298,975)</u>	369,549,527

Interest subsidy receivable on outstanding bonds in governmental accounting is not receivable in current period and, therefore, has not been reported as an asset in the funds.	38,853
---	--------

Deferred Outflows (Inflows) resulting from the recognition of the employer's share of the state's net pension and OPEB liability are not current financial resources and, therefore, are not reported in the funds.	25,509,179
---	------------

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.	503,538
---	---------

Certain unearned revenues reported in the governmental funds are recognized subject to a reserve for uncollectible amounts in the statement of activities. <i>This is the additional amount of taxes receivable recognized under the accrual basis.</i>	5,574,790
---	-----------

Certain liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

Long-Term Debt	(192,125,441)	
Net Pension Liability	(253,033,026)	
Net OPEB Liability	(211,264,132)	
Bond Premiums, Net of Amortization	(9,207,541)	
Compensated Absences	(1,296,878)	
Accrued Interest Payable	<u>(2,275,014)</u>	<u>(669,202,032)</u>

Net Position (Deficit) of Governmental Activities	\$	<u>(178,889,460)</u>
--	-----------	-----------------------------

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

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2020

	Special Revenue					Capital Projects	Total Governmental Funds
	General	Special Projects	Education Improvement Act	Food Service	Debt Service		
Revenues							
Taxes Levied/Assessed by the LEA	\$ 70,058,160	\$ -	\$ -	\$ -	\$ 39,135,691	\$ -	\$ 109,193,851
Revenue From Local Governmental Units Other Than LEAs	1,661,633	-	-	-	373,623	-	2,035,256
Tuition	3,162	-	-	-	-	-	3,162
Earnings on Investments	507,777	-	-	53,071	145,106	804,447	1,510,401
Other Revenue from Local Sources	495,735	1,019,356	-	2,584,383	-	51,117	4,150,591
Total Local	72,726,467	1,019,356	-	2,637,454	39,654,420	855,564	116,893,261
State Sources	120,502,456	1,985,681	12,614,962	-	1,561,272	-	136,664,371
Federal Sources	-	10,822,315	-	6,247,494	247,013	-	17,316,822
Total Revenues	193,228,923	13,827,352	12,614,962	8,884,948	41,462,705	855,564	270,874,454
Expenditures							
Current:							
Instruction	116,287,028	6,573,419	5,437,422	-	-	-	128,297,869
Support Services	73,869,678	6,257,383	1,335,242	9,033,709	-	15,691,983	106,187,995
Community Services	12,241	12,274	-	-	-	-	24,515
Intergovernmental	16,585	140,562	-	-	-	-	157,147
Debt Service:							
Other Professional and Technical Services	-	-	-	-	2,275	-	2,275
Redemption of Principal	-	-	-	-	20,813,000	475,198	21,288,198
Interest	-	-	-	-	7,615,125	24,802	7,639,927
Other Objects	-	-	-	-	-	215,454	215,454
Capital Outlay	254,873	306,111	125,208	31,157	-	12,587,446	13,304,795
Total Expenditures	190,440,405	13,289,749	6,897,872	9,064,866	28,430,400	28,994,883	277,118,175
Excess of Revenues Over (Under) Expenditures	2,788,518	537,603	5,717,090	(179,918)	13,032,305	(28,139,319)	(6,243,721)
Other Financing Sources (Uses)							
Proceeds from Bonds Issuance	-	-	-	-	-	30,000,000	30,000,000
Premium on Bonds Issued	-	-	-	-	-	1,839,203	1,839,203
Sale of Capital Assets	54,282	-	-	-	-	-	54,282
Transfers In	6,254,692	-	-	246,385	-	12,870,607	19,371,684
Transfers Out	(3,111,991)	(537,603)	(5,717,090)	-	(10,005,000)	-	(19,371,684)
Total Other Financing Sources (Uses)	3,196,983	(537,603)	(5,717,090)	246,385	(10,005,000)	44,709,810	31,893,485
Net Change in Fund Balances	5,985,501	-	-	66,467	3,027,305	16,570,491	25,649,764
Fund Balance, Beginning of Year	40,533,048	-	-	2,996,925	6,772,925	13,184,023	63,486,921
Fund Balance, Ending of Year	\$ 46,518,549	\$ -	\$ -	\$ 3,063,392	\$ 9,800,230	\$ 29,754,514	\$ 89,136,685

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

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020**

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

Net Change in Fund Balances - Total Governmental Funds	\$ 25,649,764
--	---------------

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	\$ (18,349,470)	
Capital Outlay	24,429,850	6,080,380

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	21,288,198	
Issuance of Long-Term Debt	(30,000,000)	(8,711,802)

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	(110,138)	
Change in Amortization of Bond Premiums	241,346	131,208

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.

507,454

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	(1,296,878)	
Compensated Absences - End of Prior Year	1,292,943	(3,935)

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

(9,104,134)

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.

(169,813)

Change in Net Position of Governmental Activities

\$ 14,379,122

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

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE- BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues				
Local	\$ 70,558,225	\$ 70,558,225	\$ 72,726,467	\$ 2,168,242
State	119,127,477	119,127,477	120,502,456	1,374,979
Total Revenues	<u>189,685,702</u>	<u>189,685,702</u>	<u>193,228,923</u>	<u>3,543,221</u>
Expenditures				
Current:				
Instruction	118,294,275	118,294,275	116,303,753	1,990,522
Support Services	77,191,531	77,191,531	74,107,826	3,083,705
Community Services	20,850	20,850	12,241	8,609
Intergovernmental	20,000	20,000	16,585	3,415
Total Expenditures	<u>195,526,656</u>	<u>195,526,656</u>	<u>190,440,405</u>	<u>5,086,251</u>
Excess Revenues Over (Under) Expenditures	<u>(5,840,954)</u>	<u>(5,840,954)</u>	<u>2,788,518</u>	<u>(1,543,030)</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	-	-	54,282	54,282
Transfers from (to) Other Funds	5,840,954	5,840,954	3,142,701	(2,698,253)
Total Other Financing Sources (Uses)	<u>5,840,954</u>	<u>5,840,954</u>	<u>3,196,983</u>	<u>(2,643,971)</u>
Excess Revenues and Other Sources				
Over (Under) Expenditures and Other Uses	<u>\$ -</u>	<u>\$ -</u>	<u>5,985,501</u>	<u>\$ (4,187,001)</u>
Fund Balance, Beginning of Year			<u>40,533,048</u>	
Fund Balance, Ending of Year			<u>\$ 46,518,549</u>	

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

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
STATEMENT OF NET POSITION (DEFICIT)
PROPRIETARY FUND TYPE - ENTERPRISE FUND
JUNE 30, 2020

Assets	<u>After School Program</u>
Current Assets:	
Due From Other Funds	\$ 365,677
Total Current Assets	365,677
Total Assets	365,677
Deferred Outflows of Resources	
Net Pension Deferred Outflows	196,751
Net OPEB Deferred Outflows	116,275
Total Deferred Outflows of Resources	313,026
Liabilities	
Current Liabilities:	
Accounts Payable	81
Total Current Liabilities	81
Noncurrent Liabilities:	
Net OPEB Liability	1,350,509
Net Pension Liability	1,604,228
Total Noncurrent Liabilities	2,954,737
Total Liabilities	2,954,818
Deferred Inflows of Resources	
Net Pension Deferred Inflows	40,763
Net OPEB Deferred Inflows	129,967
Total Deferred Inflows of Resources	170,730
Net Position (Deficit)	
Unrestricted	(2,446,845)
Total Net Position (Deficit)	\$ (2,446,845)

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

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION (DEFICIT)
PROPRIETARY FUND TYPE - ENTERPRISE FUND
FOR THE YEAR ENDED JUNE 30, 2020**

	<u>After School Program</u>
Operating Revenues	
Proceeds of Tuition	\$ 797,358
Total Operating Revenues	<u>797,358</u>
Operating Expenses	
Salaries and Employee Benefits	787,349
Purchased Services	89,846
Supplies and Materials	<u>118,816</u>
Total Operating Expenses	<u>996,011</u>
Operating Income (Loss)	<u>(198,653)</u>
Non-Operating Revenues (Expenses)	
Other Local Revenue	<u>63,228</u>
Total Non-Operating Revenues	<u>63,228</u>
Change in Net Position	(135,425)
Net Position (Deficit), Beginning of Year	<u>(2,311,420)</u>
Net Position (Deficit), End of Year	<u><u>\$ (2,446,845)</u></u>

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

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
STATEMENT OF CASH FLOWS
PROPRIETARY FUND TYPE - ENTERPRISE FUND
FOR THE YEAR ENDED JUNE 30, 2020

	<u>After School Program</u>
Cash Flows from Operation Activities	
Received from Patrons	\$ 797,358
Payments to Employees for Services	(753,572)
Payments to Suppliers for Goods and Services	<u>(213,340)</u>
Net Cash Provided (Used) by Operating Activities	<u>(169,554)</u>
Cash Flows from Noncapital Financing Activities	
Non-Operating Local Support	63,228
Transfers from Other Funds	<u>106,326</u>
Net Cash Provided (Used) by Noncapital Financing Activities	<u>169,554</u>
Net Increase (Decrease) in Cash and Cash Equivalents	-
Cash and Cash Equivalents - Beginning	-
Cash and Cash Equivalents - Ending	<u>\$ -</u>
Reconciliation of Operating Income (Loss) to	
Net Cash Provided (Used) by Operating Activities	
Net Operating Income (Loss)	<u>\$ (198,653)</u>
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided	
(Used) by Operating Activities:	
Pension Expense	21,745
OPEB Expense	12,032
Changes in Assets and Liabilities:	
(Decrease) in Accounts Payable	<u>(4,678)</u>
Total Adjustments	<u>29,099</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (169,554)</u>

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

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
FIDUCIARY FUND TYPE - PUPIL ACTIVITY AGENCY FUND
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
JUNE 30, 2020**

	Pupil Activity
Assets	
Due from District	\$ 4,840,689
Total Assets	<u>\$ 4,840,689</u>
Liabilities	
Accounts Payable	\$ 137,284
Due to Pupil Activities	<u>4,703,405</u>
Total Liabilities	<u>\$ 4,840,689</u>

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

DRAFT

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Reporting Entity

School District Five of Lexington and Richland Counties (the District) is a Local Education Agency empowered by State law with the responsibility to oversee and control all activities related to public school education in Lexington and Richland Counties, South Carolina. The Board receives state, local and federal government funding and must adhere to the legal requirements of each funding entity. The District operates under the direction of an elected seven member Board of Trustees, with a superintendent serving as the chief administrative officer, and provides education services to 17,409 students pre-kindergarten through grade twelve.

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

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

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

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

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

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

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of presentation (continued)

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

Fund Financial Statements: The fund financial statements provide information about the District's funds. Separate statements for each fund category – governmental, 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 of the District's governmental and enterprise funds are reported as major funds. The fiduciary funds are presented separately.

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

The District reports the following major governmental funds:

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

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

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

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

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

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

The District reports the following major proprietary funds:

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of presentation (continued)

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

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, wherein revenues are recognized when earned, and expenses are recorded when an obligation has been incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include grants and donations. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

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

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

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

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

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

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

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

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

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

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

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

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

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

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments (continued)

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

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

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

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

Inventories: Inventory items are valued at cost, based on the "Average Cost" method of accounting, determined using the first-in, first-out method, and are subsequently charged to expenditure/expenses when consumed rather than when purchased. Inventories include plant maintenance and operating supplies. Inventories recorded in the Food Service Fund are valued at the lower of cost or market determined on a first-in, first-out basis except for commodities received from the United States Department of Agriculture (USDA), which are recorded at fair market value at the time of receipt but have not been consumed as of June 30, 2020.

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.

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

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

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

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

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

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

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

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Compensated absences (continued)

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

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

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

Postemployment Benefits Other Than Pensions (OPEB):

For purposes of measuring the net OPEB liability, deferred outflows and inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the OPEB Trusts, and additions to and deductions from the OPEB Trusts' fiduciary net position have been determined on the same basis as they are reported by the OPEB Trusts. For this purpose, revenues are recognized when earned and expenses are recognized when incurred. Therefore, benefit and administrative expenses are recognized when due and payable. Investments are reported at fair value.

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

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

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

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

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

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fund balances (continued)

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

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

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

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

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

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

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

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

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

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

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

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

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

NOTE 2 – CASH AND CASH EQUIVALENTS

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

At June 30, 2020, the carrying amount of the District's deposits and investments held by the various funds was as follows:

Fund Types

General Fund	\$ 57,295,916
Food Service Fund	<u>2,029,030</u>
	\$ 59,324,946
Cash on hand	\$ 91,596
Deposits	14,269,880
Investments	<u>44,963,470</u>
Carrying amount at June 30, 2020	<u>\$ 59,324,946</u>

Deposits

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

At June 30, 2020, the bank balance of the District's deposits totaled \$20,517,314 of which \$250,000 was insured by Federal Depository Insurance Corporation (FDIC) insurance and \$20,267,314 was secured by collateral held by the bank's trust department in the District's name.

Investments

Credit risk: The District adheres to the State of South Carolina's investment policy and invests in primarily Certificates of Deposit and U.S. Government-backed obligations. There are no investments in commercial paper or corporate bonds and equities. At June 30, 2020, the District had the following investments:

<u>Investment Type</u>	<u>Fair Value Level</u>	<u>Maturities</u>	<u>Credit Rating</u>	<u>Fair Value</u>
SC Local Government Investment Pool	N/A	Various	Unrated	<u>\$ 44,963,470</u>
Total Investments				<u>\$ 44,963,470</u>

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

NOTE 2 – CASH AND CASH EQUIVALENTS (continued)

Investments (continued)

The local government investment pool is a 2a7-like pool which is not registered with the Securities and Exchange Commission ("SEC") as an investment company, but has a policy that it will operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. The South Carolina State Treasurer oversees the pool. The fair value of the position in the pool is the same as the value of the pool shares. The Pool is included as an investment trust fund in the State of South Carolina Comprehensive Annual Financial Report. At June 30, 2020, the underlying security rates of the District's investment in the Local Government Investment Pool (LGIP) is classified in risk category "A" and may be obtained from the LGIP's complete financial statements by writing to the following address:

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

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

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

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

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

NOTE 3 – RECEIVABLES

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

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

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

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

South Carolina Code Section 12-37-251(A) provides a property tax exemption for property classified pursuant to Section 12-43-220(C) (homestead exemption) from property taxes levied for other than bonded indebtedness and payments pursuant to lease purchase agreements for capital construction.

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

NOTE 3 – RECEIVABLES (continued)

The exemption applies against millage imposed for school operations and the amount of fair market value of the homestead that is exempt from such millage must be set by the Department of Revenue and Taxation based on the amount available in the State Property Tax Relief Fund.

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

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

Delinquent taxes receivable	\$ 8,836,489
Less: Allowance for uncollectible amounts	<u>(1,996,081)</u>
Taxes receivable	<u>\$ 6,840,407</u>

NOTE 4 – CAPITAL ASSETS

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

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
<u>Capital Assets, Not Being Depreciated:</u>				
Land	\$ 8,844,166	\$ -	\$ -	\$ 8,844,166
Construction-in-Progress	6,069,881	22,551,639	(11,890,760)	16,730,760
Total Capital Assets, Not being Depreciated	<u>14,914,047</u>	<u>22,551,639</u>	<u>(11,890,760)</u>	<u>25,574,926</u>
<u>Capital Assets, Being Depreciated:</u>				
Buildings	467,902,863	11,572,761	(318,245)	479,157,379
Site Improvements	35,584,151	840,220	(38,618)	36,385,753
Furniture and Equipment	25,870,181	1,534,148	(673,885)	26,730,444
Total Capital Assets, Being Depreciated	<u>529,357,195</u>	<u>13,947,129</u>	<u>(1,030,748)</u>	<u>542,273,576</u>
<u>Less Accumulated Depreciation For:</u>				
Buildings	(154,726,092)	(13,603,246)	250,551	(168,078,787)
Site Improvements	(12,245,042)	(2,063,081)	3,938	(14,304,185)
Furniture and Equipment	(13,830,961)	(2,683,143)	598,101	(15,916,003)
Total Accumulated Depreciation	<u>(180,802,095)</u>	<u>(18,349,470)</u>	<u>852,590</u>	<u>(198,298,975)</u>
Total Capital Assets, Being Depreciated, Net	<u>348,555,100</u>	<u>(4,402,341)</u>	<u>(178,158)</u>	<u>343,974,601</u>
Governmental Activities Capital Assets, Net	<u>\$ 363,469,147</u>	<u>\$ 18,149,298</u>	<u>\$ (12,068,918)</u>	<u>\$ 369,549,527</u>

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

NOTE 4 – CAPITAL ASSETS (continued)

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

Governmental Activities:	
Instruction	\$ 93,048
Support	18,256,422
Total Depreciation –	
Governmental Activities	<u>\$ 18,349,470</u>

Construction Commitments: The District has active construction projects at June 30, 2020. At June 30, 2020, the District's commitments with contractors are as follows:

<u>Project</u>	<u>Spent to Date</u>	<u>Remaining Commitment</u>
Dutch Fork High School: Roof	\$ 1,265,404	\$ 744,590
Harbison West Elementary School HVAC	984,550	743,452
Irmo High School: HVAC & Lighting Renovation	1,174,301	611,134
Track Surfacing	674,652	19,459
Irmo Middle School: HVAC	828,095	1,613,873
New Elementary School	6,713,527	21,328,528
Nursery Road Elementary School HVAC	1,003,124	419,193
Total Government Activities	<u>\$ 12,643,653</u>	<u>\$ 25,480,229</u>

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

NOTE 5 – PENSION PLANS

General Information about the Pension Plans

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

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

PEBA issues 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. PEBA is considered a division of the primary government of the state of South Carolina and therefore, retirement trust fund financial information is also included in the comprehensive annual financial report of the state.

Plan Descriptions

- The South Carolina Retirement System (SCRS), a cost-sharing multiple-employer defined benefit pension plan, was established effective July 1, 1945, pursuant to the provisions of Section 9-1-20 of the South Carolina Code of Laws for the purpose of providing retirement and other benefits for teachers and employees of the state, and political subdivisions. SCRS covers employees of state agencies, public school districts, higher education institutions, other participating local subdivisions of government and individuals newly elected to the South Carolina General Assembly at or after the 2012 general election.
- The State Optional Retirement Program (State ORP) is a defined contribution plan that is offered as an alternative to SCRS to certain newly hired employees of state, institutions of higher education, public school districts and individuals first elected to the S.C. General Assembly at or after the general election in November 2012. State ORP participants direct the investment of their funds into an account administered by one of four third-party service providers. For this reason, State ORP assets are not part of the retirement systems' trust funds for financial statement purposes.
- The South Carolina Police Officers Retirement System (PORS), a cost-sharing multiple-employer defined benefit pension plan, was established effective July 1, 1962, pursuant to the provisions of Section 9-11-20 of the South Carolina Code of Laws for the purpose of providing retirement and other benefits for police officers and firefighters. PORS also covers peace officers, coroners, probate judges, and magistrates.

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

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

NOTE 5 – PENSION PLANS (continued)

Membership

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

- SCRS – Generally, all employees of covered employers are required to participate in and contribute to the system as a condition of employment. This plan covers general employees and teachers and individuals newly elected to the South Carolina General Assembly beginning with the November 2012 general election. An employee member of the system with an effective date of membership prior to July 1, 2012, is a Class Two member. An employee member of the system with an effective date of membership on or after July 1, 2012, is a Class Three member.
- State ORP – As an alternative to membership in SCRS, certain newly hired state, public school, and higher education employees and individuals first elected to the S.C. General Assembly beginning with the November 2012 general election have the option to participate in the State ORP. Contributions to the State ORP are at the same rates as SCRS. A direct remittance is required from the employer to the member's account with the ORP service provider for the employee contribution and a portion of the employer contribution (5 percent). A direct remittance is also required to SCRS for the remaining portion of the employer contribution and an incidental death benefit contribution, if applicable, which is retained by SCRS.
- PORS – To be eligible for PORS membership, an employee must be required by the terms of his employment, by election or appointment, to preserve public order, protect life and property, and detect crimes in the state; to prevent and control property destruction by fire; be a coroner in a full-time permanent position; or to be a peace officer employed by the Department of Corrections, the Department of Juvenile Justice, or the Department of Mental Health. Probate judges and coroners may elect membership in PORS. Magistrates are required to participate in PORS for service as a magistrate. PORS members, other than magistrates and probate judges, must also earn at least \$2,000 per year and devote at least 1,600 hours per year to this work, unless exempted by statute. An employee member of the system with an effective date of membership prior to July 1, 2012, is a Class Two member. An employee member of the system with an effective date of membership on or after July 1, 2012, is a Class Three member.

Benefits

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

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

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

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

NOTE 5 – PENSION PLANS (continued)

Benefits (continued)

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

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

Contributions

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

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

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

NOTE 5 – PENSION PLANS (continued)

Contributions (continued)

Required employee contribution rates¹ are as follows:

	<u>7/1/19 to 6/30/20</u>	<u>7/1/18 to 6/30/19</u>
<u>SCRS</u>		
Employee Class Two	9.00%	9.00%
Employee Class Three	9.00%	9.00%
<u>State ORP</u>		
Employee Class Three	9.00%	9.00%
<u>PORS</u>		
Employee Class Two	9.75%	9.75%
Employee Class Three	9.75%	9.75%

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

	<u>7/1/19 to 6/30/20</u>	<u>7/1/18 to 6/30/19</u>
<u>SCRS</u>		
Employer Class Two	15.41%	14.41%
Employer Class Three	15.41%	14.41%
Employer Incidental Death Benefit	0.15%	0.15%
<u>State ORP</u>		
Employer Contribution ²	15.41%	14.41%
Employer Incidental Death Benefit	0.15%	0.15%
<u>PORS</u>		
Employer Class Two	17.84%	16.84%
Employer Class Three	17.84%	16.84%
Employer Incidental Death Benefit	0.20%	0.20%
Employer Accidental Death Program	0.20%	0.20%

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

² Of this employer contribution, 5% of earnable compensation must be remitted by the employer directly to the ORP vendor to be allocated to the member's account with the remainder of the employer contribution remitted to the SCRS.

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

NOTE 5 – PENSION PLANS (continued)

Contributions (continued)

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

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

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

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

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

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

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

At June 30, 2020, the District reported a liability of \$254,346,648 for its proportionate share of the net pension liability for SCRS and a liability of \$290,606 for its proportionate share of the net pension liability for PORS, for a total net pension liability of \$254,637,254. The net pension liability of the defined benefit plan was determined based on the most recent actuarial valuation as of July 1, 2018, 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, 2019. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental units, actuarially determined. The net pension liability is generally liquidated by the general fund.

At the retirement plan's year end of June 30, 2019, the District's proportion was 1.113887% and 0.01014 % for SCRS and PORS, respectively.

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

NOTE 5 – PENSION PLANS (continued)

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

For the year ended June 30, 2020, the District recognized pension expense of \$25,231,842, including \$25,171,861 for SCRS and \$59,981 for PORS, respectively. At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
SCRS		
Differences between expected and actual experience	\$ 174,839	\$ 1,827,181
Assumption changes	5,125,453	-
Net difference between projected and actual earnings on pension plan investments	2,251,817	-
Deferred amounts from changes in proportionate share and differences between District contributions and proportionate share of contributions	-	3,419,942
District contributions subsequent to the measurement date	19,330,347	-
Total SCRS	<u>\$ 26,882,456</u>	<u>\$ 5,247,123</u>
PORS		
Differences between expected and actual experience	\$ 5,975	\$ 2,148
Assumption changes	11,524	-
Net difference between projected and actual earnings on pension plan investments	3,685	-
Deferred amounts from changes in proportionate share and differences between District contributions and proportionate share of contributions	32,614	-
District contributions subsequent to the measurement date	19,142	-
Total PORS	<u>\$ 72,940</u>	<u>\$ 2,148</u>
Total SCRS and PORS	<u>\$ 26,955,396</u>	<u>\$ 5,249,271</u>

The amount of \$19,330,347 for SCRS and \$19,142 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, 2020.

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

<u>Year Ended June 30,</u>	<u>SCRS</u>	<u>PORS</u>	<u>Total</u>
2020	\$ 4,860,816	\$ 29,276	\$ 4,890,092
2021	(3,019,843)	14,987	(3,004,856)
2022	(385,982)	5,466	(380,516)
2023	849,995	1,921	851,916
Totals	<u>\$ 2,304,986</u>	<u>\$ 51,650</u>	<u>\$ 2,356,636</u>

Actuarial Assumptions and Methods

Actuarial valuations of the plan involve estimates of the reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and future salary increases. Amounts determined regarding the net pension liability are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. South Carolina state statute requires that an actuarial experience study be completed at least once in each five-year period. An experience report on the Systems was most recently issued for the period ending June 30, 2015.

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

NOTE 5 – PENSION PLANS (continued)

Actuarial Assumptions and Methods (continued)

The June 30, 2019, total pension liability (TPL), net pension liability (NPL), and sensitivity information shown in this report were determined by the Systems' consulting actuary, Gabriel, Roeder, Smith and Company (GRS) and are based on an actuarial valuation performed as of July 1, 2018. The total pension liability was rolled-forward from the valuation date to the plans' fiscal year end, June 30, 2019, using generally accepted actuarial principles.

The following table provides a summary of the actuarial assumptions and methods used to calculate the TPL as of June 30, 2019.

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

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

Assumptions used in the determination of the June 30, 2019, TPL are as follows:

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

Net Pension Liability

The NPL is calculated separately for each system and represents that particular system's TPL determined in accordance with GASB No. 67 less that System's fiduciary net position. NPL totals, as of June 30, 2019, 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	\$50,073,060,256	\$27,238,916,138	\$22,834,144,118	54.4%
PORS	7,681,749,768	4,815,808,554	2,865,941,214	62.7%

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

NOTE 5 – PENSION PLANS (continued)

Net Pension Liability (continued)

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

Long-term Expected Rate of Return

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

The expected returns, along with the expected inflation rate, form the basis for the target asset allocation adopted at the beginning of the 2019 fiscal year. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and adding expected inflation and is summarized in the table below. For actuarial purposes, the 7.25 percent assumed annual investment rate of return used in the calculation of the TPL includes a 5.00 percent real rate of return and a 2.25 percent inflation component.

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Expected Arithmetic Real Rate of Return</u>	<u>Long Term Expected Portfolio Real Rate of Return</u>
Global Equity	51.0%		
Global Public Equity	35.0%	7.29%	2.55%
Private Equity	9.0%	7.67%	0.69%
Equity Options Strategies	7.0%	5.23%	0.37%
Real Assets	12.0%		
Real Estate (Private)	8.0%	5.59%	0.45%
Real Estate (REITs)	1.0%	8.16%	0.08%
Infrastructure (Private)	2.0%	5.03%	0.10%
Infrastructure (Public)	1.0%	6.12%	0.06%
Opportunistic	8.0%		
GTAA/Risk Parity	7.0%	3.09%	0.22%
Other Opportunistic Strategies	1.0%	3.82%	0.04%
Diversified Credit	15.0%		
Mixed Credit	4.0%	3.14%	0.13%
Emerging Markets Debt	4.0%	3.31%	0.13%
Private Debt	7.0%	5.49%	0.38%
Conservative Fixed Income	14.0%		
Core Fixed Income	13.0%	1.62%	0.21%
Cash and Short Duration (Net)	1.0%	0.31%	0.00%
Total Expected Return	100.0%		5.41%
Inflation for Actuarial Purposes			<u>2.25%</u>
Total Expected Nominal Return			<u>7.66%</u>

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

NOTE 5 – PENSION PLANS (continued)

Discount Rate

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

Sensitivity Analysis

The following table presents the District's proportionate share of the collective NPL calculated using the discount rate of 7.25 percent, as well as what the District's proportionate share of the employers' NPL would look like were calculated using a discount rate that is 1.00 percent lower (6.25 percent) or 1.00 percent higher (8.25 percent) than the current rate:

Sensitivity of the Net Pension Liability to Changes in the Discount Rate			
System	1.00% Decrease (6.25%)	Current Discount Rate (7.25%)	1.00% Increase (8.25%)
SCRS	\$ 320,423,552	\$ 254,346,648	\$ 199,201,643
PORS	\$ 393,840	\$ 290,606	\$ 206,031

Additional Financial and Actuarial Information

Information contained in these Notes to the Basic Financial Statements was compiled from the Systems' audited financial statements for the fiscal year ended June 30, 2019, and the accounting valuation report as of June 30, 2019. Additional financial information supporting the preparation of the Schedules (including the unmodified audit opinion on the financial statements and required supplementary information) is available on the Systems' CAFR.

Payables to the Pension Plan

As of June 30, 2020, the District had \$3,386,167 in payables outstanding to the pension plans for its legally required contributions.

NOTE 6 – OTHER POST-EMPLOYMENT BENEFITS

Plan Descriptions

The Other Post-Employment Benefits Trust Funds (OPEB Trusts), collectively refers to the South Carolina Retiree Health Insurance Trust Fund (SCRHITF) and the South Carolina Long-Term Disability Insurance Trust Fund (SCLTDITF), were established by the State of South Carolina as Act 195, which became effective in May, 2008. The SCRHITF was created to fund and account for the employer costs of the State's retiree health and dental plans. The SCLTDITF was created to fund and account for the employer costs of the State's Basic Long-Term Disability Income Benefit Plan.

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

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

NOTE 6 – OTHER POST-EMPLOYMENT BENEFITS (continued)

The OPEB Trusts are cost-sharing multiple-employer defined benefit OPEB plans. Article 5 of the State Code of Laws defines the two plans and authorizes the Trustee to at any time adjust the plans, including its benefits and contributions, as necessary to insure the fiscal stability of the plans. In accordance with the South Carolina Code of Laws and the annual Appropriations Act, the State provides post-employment health and dental and long-term disability benefits to retired State and school district employees and their covered dependents.

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

Benefits Provided

The SCRHITF is a healthcare plan that covers retired employees of the State of South Carolina, including all agencies, and public school districts. The SCRHITF provides health and dental insurance benefits to eligible retirees. Generally, retirees are eligible for health and dental benefits if they have established at least ten years of retirement service credit. For new hires beginning employment May 2, 2008 and after, retirees are eligible for benefits if they have established 25 years of service for 100% employer funding and 15-24 years of service for 50% employer funding.

The SCLTDITF is a long-term disability plan that covers employees of the State of South Carolina, including all agencies and public school districts and all participating local government entities. The SCLTDITF provides disability payments to eligible employees that have been approved for disability.

Contributions and Funding Policies

Section 1-11-710 of the South Carolina Code of Laws of 1976, as amended, requires these post-employment and long-term disability benefits to be funded through non-employer and employer contributions for active employees and retirees to the PEBA – Insurance Benefits. Non-employer contributions consist of an annual appropriation by the General Assembly and the statutorily required transfer from PEBA – Insurance Benefits reserves.

The SCRHITF is funded through The SCRHITF is funded through participating employers that are mandated by State statute to contribute at a rate assessed each year by the Department of Administration Executive Budget Office on active employee covered payroll. The District's contractually required contribution rate for the year ended June 30, 2019 was 6.05 percent. The South Carolina Retirement System collects the monthly covered payroll surcharge for all participating employers and remits it directly to the SCRHITF. Other sources of funding for the SCRHITF also include the implicit subsidy, or age-related subsidy inherent in the healthcare premiums structure. The implicit subsidy represents a portion of the health care expenditures paid on behalf of the employer's active employees. For purposes of GASB Statement No. 75, this expenditure on behalf of the active employee is reclassified as a retiree health care expenditure so that the employer's contributions towards the plan reflect the underlying age-adjusted, retiree benefit costs. Non-employer contributions include the mandatory transfer of accumulated PEBA – Insurance Benefits' reserves and the annual appropriation budgeted by the General Assembly. It is also funded through investment income.

The SCLTDITF is funded through employer contributions for active employees that elect health insurance coverage. For this group of active employees, PEBA – Insurance Benefits bills and collects premiums charged to State agencies, public school districts and other participating local governments. The monthly premium per active employee was \$3.22 for the fiscal year ended June 30, 2019. The SCLTDITF premium is billed monthly by PEBA – Insurance Benefits and transferred monthly to the SCLTDITF. It is also funded through investment income.

The allocation percentage of the OPEB amounts are calculated differently for each OPEB Trust. For the SCRHITF, the allocation percentage is based on the covered payroll surcharge contribution for each employer. Please note that actual covered payroll contributions received from SCRS for the fiscal year 2019 totaled \$529,122,849. However, the covered payroll contributions total includes prior year covered payroll contribution adjustments and true-ups that net to a total of \$190,548.

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

NOTE 6 – OTHER POST-EMPLOYMENT BENEFITS (continued)

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

For purposes of measuring the net OPEB liability, deferred outflows and inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the OPEB Trusts, and additions to and deductions from the OPEB Trusts fiduciary net position have been determined on the same basis as they were reported by the OPEB Trusts. For this purpose, revenues are recognized when earned and expenses are recognized when incurred. Therefore, benefit and administrative expenses are recognized when due and payable. Investments are reported at fair value.

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

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

At June 30, 2020, the District reported a liability of \$212,592,154 for its proportionate share of the net OPEB liability for SCRHITF and a liability of \$22,487 for its proportionate share of the net OPEB liability for SCLTDITF, for a total net OPEB liability of \$212,614,641. The net OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The District's proportion of the net OPEB liability was based on a projection of the District's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2020, the District's proportion was 1.405891% for SCRHITF and 1.142475% for SCLTDITF. The net OPEB liability is generally liquidated by the general fund.

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

NOTE 6 – OTHER POST-EMPLOYMENT BENEFITS (continued)

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

For the year ended June 30, 2020, the District recognized OPEB expense of \$12,951,001, including \$12,857,587 for SCRHITF and \$93,414 for SCLTDITF, respectively. At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows Of Resources</u>	<u>Deferred Inflows Of Resources</u>
<u>SCRHITF</u>		
Differences between expected and actual experience	\$ 2,503,320	\$ 6,910,390
Changes in assumptions	14,067,400	13,164,861
Net difference between projected and actual investment experience	248,680	-
Changes in proportionate share and differences between District contributions and proportionate share of contributions	-	979,415
District contributions subsequent to the measurement date	8,103,101	-
Total SCRHITF	<u>\$ 24,922,501</u>	<u>\$ 21,054,666</u>
<u>SCLTDITF</u>		
Changes in assumptions	\$ 12,649	\$ 15,648
Net difference between projected and actual investment experience	604	2,004
Changes in proportionate share and differences between District contributions and proportionate share of contributions	-	3,943
District contributions subsequent to the measurement date	85,857	-
Total SCLTDITF	<u>\$ 99,110</u>	<u>\$ 21,595</u>
Total SCRHITF and SCLTDITF	<u>\$ 25,021,611</u>	<u>\$ 21,076,261</u>

\$8,103,101 (SCRHITF) and \$85,857 (SCLTDITF) reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as reductions of the net OPEB liability in the year ended June 30, 2020.

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

NOTE 6 – OTHER POST-EMPLOYMENT BENEFITS (continued)

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

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

Year Ended June 30,	SCRHITF	SCLTDITF	Total
2020	\$ (1,450,592)	\$ 1,126	\$ (1,449,466)
2021	(1,450,592)	1,126	(1,449,466)
2022	(1,532,393)	(1,369)	(1,533,762)
2023	(1,662,017)	(4,577)	(1,666,594)
2024	586,940	(1,075)	585,865
Thereafter	1,273,388	(3,573)	1,269,815
Totals	\$ (4,235,266)	\$ (8,342)	\$ (4,243,608)

Actuarial Assumptions

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trends. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plans (as understood by the employer and plan participants) and include the types of benefits provided at the time the valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point.

Additional information as of the latest actuarial valuation for SCRHITF:

Valuation Date:	June 30, 2018
Actuarial Cost Method:	Entry Age Normal
Inflation:	2.25%
Investment Rate of Return:	2.75%, net of OPEB Plan investment expense; including inflation.
Single Discount Rate:	3.13% as of June 30, 2019
Demographic Assumptions:	Based on the experience study performed for the South Carolina Retirement Systems for the 5-year period ending June 30, 2015.
Mortality:	For healthy retirees, the 2016 Public Retirees of South Carolina Mortality Table for Males and the 2016 Public Retirees of South Carolina Mortality Table for Females are used with fully generational mortality projections based on Scale AA from the year 2016. Multipliers are applied to the base tables based on gender and employment type.
Health Care Trend Rate:	Initial trend starting at 6.40% and gradually decreasing to an ultimate trend of 4.15% over a period of 14 years.
Aging Factors:	Based on plan specific experience.
Retiree Participation:	79% for retirees who are eligible for funded premiums.
Notes:	There were no benefit changes during the year; the discount rate changed from 3.62% as of June 30, 2018 to 3.13% as of June 30, 2019. Minor updates were made to the healthcare trend rate assumption.

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

NOTE 6 – OTHER POST-EMPLOYMENT BENEFITS (continued)

Actuarial Assumptions (continued)

Additional information as of the latest actuarial valuation for SCLTDITF:

Valuation Date:	June 30, 2018
Actuarial Cost Method:	Entry Age Normal
Inflation:	2.25%
Investment Rate of Return:	3.00%, net of Plan investment expense; including inflation. Single
Discount Rate:	3.04% as of June 30, 2019
Salary, Termination and Retirement Rates:	Based on the experience study performed for the South Carolina Retirement Systems for the 5-year period ending June 30, 2015.
Disability Incidence:	The rates used in the valuation are based on the rates developed for the South Carolina Retirement Systems pension plans.
Disability Recovery:	For participants in payment, 1987 CGDT Group Disability; for active employees, 60% were assumed to recover after the first year and 92% were assumed to recover after the first two years.
Offsets:	40% are assumed to be eligible for Social Security benefits; assumed percentage who will be eligible for a pension plan offset varies based on employee group.
Notes:	There were no benefit changes during the year; the discount rate changed from 3.91% as of June 30, 2018 to 3.87% as of June 30, 2019.

Roll Forward Disclosure

The actuarial valuation was performed as of June 30, 2018. Update procedures were used to roll forward the total OPEB liability to June 30, 2019.

Net OPEB Liability

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

The following table represents the components of the net OPEB liability as of June 30, 2019:

<u>OPEB Trust</u>	<u>Total OPEB Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net OPEB Liability</u>	<u>Plan Fiduciary Net Position as a % of Total OPEB Liability</u>
SCRHITF	\$ 16,516,264,617	\$ 1,394,740,049	\$ 15,121,524,568	8.44%
SCLTDITF	\$ 40,743,755	\$ 38,775,500	\$ 1,968,255	95.17%

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

NOTE 6 – OTHER POST-EMPLOYMENT BENEFITS (continued)

Net OPEB Liability (continued)

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

Single Discount Rate

The Single Discount Rate of 3.13% was used to measure the total OPEB liability for the SCRHITF. The accounting policy for this plan is to set the Single Discount Rate equal to the prevailing municipal bond rate. Due to the plan's investment and funding policies, the difference between a blended discount rate and the municipal bond rate would be less than several basis points (several hundredths of one percent).

A Single Discount Rate of 3.04% was used to measure the total OPEB liability for the SCLTDITF. This Single Discount Rate was based on an expected rate of return on plan investments of 3.00% and a municipal bond rate of 3.13%. The projection of cash flows to determine this Single Discount Rate assumed that employer contributions will remain \$38.64 per year for each covered active employee. Based on these assumptions, the plan's Fiduciary Net Position and future contributions were sufficient to finance the benefit payments through the year 2039. As a result, the long-term expected rate of return on plan investments was applied to project benefit payments through the year 2039, and the municipal bond rate was applied to all benefit payments after that date.

Long-Term Expected Rate of Return

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

SOUTH CAROLINA RETIREE HEALTH INSURANCE TRUST FUND

	<u>Target Asset Allocation</u>	<u>Arithmetic Real Rate of Return</u>	<u>Allocation- Weighted Long- Term Expected Real Rate of Return</u>
Asset Class			
U.S. Domestic Fixed Income	80.00%	0.60%	0.48%
Cash equivalents	<u>20.00%</u>	0.10%	<u>0.02%</u>
Total	100.00%		0.50%
Expected Inflation			<u>2.25%</u>
Total Return			<u>2.75%</u>
Investment Return Assumption			<u>2.75%</u>

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

NOTE 6 – OTHER POST-EMPLOYMENT BENEFITS (continued)

Long-Term Expected Rate of Return (Continued)

SOUTH CAROLINA LONG-TERM DISABILITY INSURANCE TRUST FUND

	<u>Target Asset Allocation</u>	<u>Arithmetic Real Rate of Return</u>	<u>Allocation- Weighted Long- Term Expected Real Rate of Return</u>
Asset Class			
U.S. Domestic Fixed Income	80.00%	0.95%	0.76%
Cash equivalents	<u>20.00%</u>	0.51%	<u>0.10%</u>
Total	100.00%		0.86%
Expected Inflation			<u>2.25%</u>
Total Return			<u>3.11%</u>
Investment Return Assumption			<u>3.00%</u>

Sensitivity Analysis

The following table presents the District's SCRHITF net OPEB liability calculated using a Single Discount Rate of 3.13% as well as what the District's SCRHITF net OPEB liability would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

	<u>1% Decrease 2.13%</u>	<u>Current Discount Rate 3.13%</u>	<u>1% Increase 4.13%</u>
SCRHITF Net OPEB Liability	\$ 252,025,395	\$ 212,592,154	\$ 180,945,341

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

	<u>1% Decrease</u>	<u>Current Healthcare Cost Trend Rate</u>	<u>1% Increase</u>
SCRHITF Net OPEB Liability	\$ 173,497,908	\$ 212,592,154	\$ 263,504,409

The following table represents the District's SCLTDITF's net OPEB liability calculated using a Single Discount Rate of 3.91%, as well as what the District's SCLTDITF's net OPEB liability would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

	<u>1% Decrease 2.91%</u>	<u>Current Discount Rate 3.91%</u>	<u>1% Increase 4.91%</u>
SCLTDITF Net OPEB Liability	\$ 38,680	\$ 22,487	\$ 6,423

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

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

NOTE 6 – OTHER POST-EMPLOYMENT BENEFITS (continued)

Additional Financial and Actuarial Information

Information in this note was compiled from the OPEB Trusts Funds audited financial statement for the fiscal year ended June 30, 2019, and the accounting and financial reporting actuarial valuation as of June 30, 2019. Additional financial information supporting the preparation of the Schedules (including the unmodified audit opinion on the financial statements and required supplementary information) is available in the OPEB Trusts Funds' audited financial statements.

NOTE 7 – LONG-TERM OBLIGATIONS

Long-term obligations activity for the year ended June 30, 2020, was as follows:

	Amounts Outstanding June 30, 2019	Additions	Deductions	Amounts Outstanding June 30, 2020	Amounts Due in One Year
<u>Governmental Activities</u>					
Current Refunding General Obligation Bonds					
Series 2013A – Issued November 19, 2013	\$ 28,181,000	\$ -	\$ (2,483,000)	\$ 25,698,000	\$ 2,632,000
Series 2015B – Issued November 9, 2015	55,185,000	-	(3,295,000)	51,890,000	3,860,000
General Obligation Bonds:					
Series 2010A – Issued June 9, 2010	10,000,000	-	-	10,000,000	-
Series 2012B – Issued August 21, 2012	89,085,000	-	(5,965,000)	83,120,000	6,265,000
Series 2019B – Issued September 1, 2019	-	30,000,000	(9,070,000)	20,930,000	10,335,000
	182,451,000	30,000,000	(20,813,000)	191,638,000	23,092,000
Deferred Amounts:					
Unamortized Premium on Bonds	9,448,887	1,839,203	(2,080,549)	9,207,541	2,084,931
Total Bonds Payable	191,899,887	31,839,203	(22,893,549)	200,845,541	25,176,931
Net Acquisition Lease Purchase - Issued April 3, 2017	962,639	-	(475,198)	487,441	487,441
Compensated Absences	1,292,943	940,169	(936,234)	1,296,878	518,751
Long-Term Liabilities	\$ 194,155,469	\$ 32,779,372	\$ (24,304,981)	\$ 202,629,860	\$ 26,183,123

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

Details for each debt issue are as follows:

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

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

NOTE 7 – LONG-TERM OBLIGATIONS (continued)

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

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

The reacquisition price exceeded the net carrying amount of the old debt by \$470,941; this amount is being amortized over the life of the new debt. The District entered into this refunding to take advantage of lower interest rates, resulting in a reduction of total debt service payments of \$6,008,119 and an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$4,531,246. Bonds are due in annual installments beginning March 1, 2014, through March 1, 2028, ranging from \$1,819,000 to \$3,838,000. Interest payments are payable semi-annually on March 1 and September 1 beginning March 1, 2014, through March 1, 2028. The deferred loss on refunding at June 30, 2020 was \$172,309.

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, 2020 was \$331,229.

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

On September 4, 2019, the District issued Series 2019B, \$30,000,000 general obligation bonds (Bond Referendum debt). The net proceeds were \$31,673,774 after a bid premium of \$1,839,203 less costs of issuance of \$165,430. Principal payments are payable annually beginning on March 1, 2020, through March 1, 2022, ranging from \$9,070,000 to \$10,595,000. The bonds have an interest rate of 5.0 percent. Interest payments are payable semi-annually on March 1 and September 1 beginning March 1, 2020, through March 1, 2022. The proceeds will be used for purposes of funding capital projects approved in the Referendum, paying costs of issuance of the bonds, and such other lawful purposes as may be determined by the School District.

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

NOTE 7 – LONG-TERM OBLIGATIONS (continued)

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

The annual debt service requirements to maturity for the District's long-term general obligation bonds as of June 30, 2020 are as follows:

Year Ended June 30	Principal	Interest	Total
2021	\$ 23,092,000	\$ 7,247,301	\$ 30,339,301
2022	24,421,000	6,166,133	30,587,133
2023	14,660,000	5,022,813	19,682,813
2024	15,206,000	4,487,139	19,693,139
2025	15,773,000	3,932,436	19,705,436
2025 – 2029	77,321,000	11,298,016	88,619,016
2030 – 2032	21,165,000	1,278,400	22,443,400
	<u>\$ 191,638,000</u>	<u>\$ 39,432,238</u>	<u>\$ 231,070,238</u>

The future minimum lease payments required by the Tax-Exempt Lease/Purchase Agreement as of June 30, 2020 are as follows:

Year Ended June 30	Principal	Imputed Interest	Total
2021	\$ 487,441	\$ 12,559	\$ 500,000

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 June 30, 2019 assessed property valuation of \$527,297,620 (unaudited), the legal debt limit is \$42,183,809, with \$30,292,000 of applicable general obligation debt outstanding, leaving a legal debt margin of \$11,891,809 at June 30, 2020.

NOTE 8 – SHORT-TERM OBLIGATIONS

Summary of Changes in Short-term Debt: During the year ended June 30, 2020, the following transactions occurred in short-term liabilities:

	Balance at June 30, 2019	Additions	Deductions	Balance at June 30, 2020
SCAGO – Series 2019A	\$ 10,005,000	\$ -	\$ (10,005,000)	\$ -
SCAGO – Series 2020	-	9,362,000	-	9,362,000
	<u>\$ 10,005,000</u>	<u>\$ 9,362,000</u>	<u>\$ (10,005,000)</u>	<u>\$ 9,362,000</u>

Capital Projects Funds:

On May 14, 2020, the District issued Series 2020A, \$9,362,000 SCAGO general obligation bonds (8% debt) with an interest rate of 0.81 percent for the purpose of providing funds for capital improvements, equipment, and technology. The net proceeds were \$9,363,093 after bid premium of \$51,117 less cost of issuance of \$50,024. These bonds, including interest of \$111,954, are due March 1, 2021 and are scheduled to be repaid utilizing debt service fund property tax revenues.

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

NOTE 9 – UNEARNED REVENUE

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

	<u>Special Projects Fund</u>	<u>EIA Fund</u>	<u>Food Service</u>
Unexpended Carryover Amounts	\$ 2,269,011	\$ 3,055,699	\$ 230,543

NOTE 10 – INTERFUND TRANSACTIONS

Interfund transfers, receivables and payables for fiscal year 2020 consisted of the following:

Interfund Transfers:

<u>Fund Category</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 6,254,692	\$ 3,111,991
Special Revenue Funds	-	537,603
Combined EIA Funds	-	5,717,090
Food Service Fund	246,385	-
Debt Service Fund	-	10,005,000
Capital Projects Fund	12,870,607	-
Totals	<u>\$ 19,371,684</u>	<u>\$ 19,371,684</u>

Interfund Receivables and Payables:

<u>Fund Category</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ -	\$ 48,897,530
Special Revenue Funds	-	3,580,388
Combined EIA Funds	2,787,108	-
Food Service Fund	429,565	-
Debt Service Fund	144,505	-
Capital Projects Fund	43,910,374	-
Enterprise Fund – After School	365,677	-
Pupil Activity Funds	4,840,689	-
Totals	<u>\$ 52,477,918</u>	<u>\$ 52,477,918</u>

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

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

NOTE 10 – INTERFUND TRANSACTIONS

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

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

NOTE 11 – RISK MANAGEMENT

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

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

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

There were no significant reductions in insurance coverage from the previous year and no settlements have exceeded insurance coverage for the past three years ended June 30, 2020, 2019, and 2018.

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

NOTE 12 – OPERATING LEASES

The School District is obligated to account for certain leases as operating leases. Current rental expenditures for the year ended June 30, 2020 were \$ 515,014. 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, 2020:

Year Ended June 30	Totals
2021	\$ 513,303
2022	148,356
2023	9,517
Total payments	<u>\$ 671,176</u>

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

NOTE 13 – FUND BALANCES

The District uses the following governmental fund balance accounts:

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

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

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

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

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

Assigned – This represents the amount set aside by the District for special purposes. As of June 30, 2020, the District has set aside \$2,000,000 for start-up costs associated with new school.

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

District policy is to maintain an unassigned fund balance consistent with the medial averages for issuers that retain at least an Aa2/AA credit rating. This average may change from time to time but generally ranges from 15 percent – 18 percent of the general fund budgeted expenditures. The required range as of June 30, 2020 is \$29,832,521 to \$35,799,025 based on the 2020/2021 general fund budget. The unassigned amount at June 30, 2020 is \$43,344,184.

NOTE 14 – CONTINGENCIES AND LITIGATION

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

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

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

NOTE 15 – TAX ABATEMENTS

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

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

	Amount of Taxes Abated during the Fiscal Year	State of South Carolina Revenue Reimbursement Amount
County of Lexington:		
Fee-in-lieu of Taxes Program (FILOT)	\$ 192,044	\$ 53,453
Fee-in-lieu of Tax Infrastructure Program (FILOT & IP)	416,119	87,305
Fee-in-lieu of Tax, Special Source Revenue Credit and Infrastructure Program (FILOT & SSRC & IP)	1,294,820	-
	<u>\$ 1,902,983</u>	<u>\$ 140,758</u>

Richland County:

Richland County, South Carolina has two tax abatement programs which abate the School District Five of Lexington & Richland Counties property tax revenues from certain taxpayers. Those programs are the "Fee-in- Lieu of Ad Valorem Property Tax" ("FILOT") program and the "Special Source Revenue Credit" ("SSRC") Program. The purpose of the FILOT program is to reduce the disparately higher property tax rates applied to manufacturing and certain commercial properties in South Carolina, which have previously impeded new and expanding business from locating in South Carolina. The purpose of the SSRC program is to enhance economic development by reducing property taxes for taxpayers that use the credit provided under the SSRC program to pay the cost of designing, acquiring, constructing, improving, or expanding (a) infrastructure serving the local government or the taxpayer's property, or (b) improved or unimproved real estate and personal property, including machinery and equipment used in the operation of a manufacturing or commercial enterprise.

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

For tax year 2019, the gross dollar amount by which the School District's property tax revenues were abated pursuant to tax abatement agreements entered into by Richland County under each of the programs described above is as follows:

FILOT Program: \$0
SSRC Program: \$0
MCIP: \$18,092

For tax year 2019, the gross dollar amount of property tax revenues the School District received pursuant to the tax abatement agreements entered into by Richland County under each of the programs described above is as follows:

FILOT Program: \$0
SSRC Program: \$0
MCIP: \$338,553

NOTE 16 – SUBSEQUENT EVENTS

The District has evaluated subsequent events through December 1, 2020, the date on which the financial statements were available to be issued.

This page was intentionally left blank.

DRAFT

REQUIRED SUPPLEMENTARY INFORMATION

DRAFT

This page was intentionally left blank.

DRAFT

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

	2011*	2012*	2013*	2014*	2015	2016	2017	2018	2019	2020
SCRS										
District's Proportion of Net Pension Liability	N/A	N/A	N/A	N/A	\$ 209,898,245	\$ 225,910,185	\$ 245,665,857	\$ 253,980,016	\$ 251,892,870	\$ 254,346,648
District's Proportionate Share of Net Pension Liability	N/A	N/A	N/A	N/A	1.219156%	1.191165%	1.150129%	1.128218%	1.124180%	1.113887%
District's Covered Payroll	N/A	N/A	N/A	N/A	115,524,407	116,847,519	116,562,170	119,132,897	121,474,377	122,809,802
District's Proportionate Share of Net Pension Liability as a Percentage of Its Covered Payroll	N/A	N/A	N/A	N/A	181.69%	193.34%	210.76%	213.19%	207.36%	207.11%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	N/A	N/A	N/A	N/A	59.90%	57.00%	52.90%	53.30%	54.10%	54.40%
PORS										
District's Proportion of Net Pension Liability	N/A	N/A	N/A	N/A	\$ 130,009	\$ 153,589	\$ 179,709	\$ 246,533	\$ 271,422	\$ 290,606
District's Proportionate Share of Net Pension Liability	N/A	N/A	N/A	N/A	0.00679%	0.00705%	0.00709%	0.00900%	0.00958%	0.01014%
District's Covered Payroll	N/A	N/A	N/A	N/A	81,765	87,304	92,530	121,191	132,586	147,076
District's Proportionate Share of Net Pension Liability as a Percentage of Its Covered Payroll	N/A	N/A	N/A	N/A	159.00%	175.92%	194.22%	203.43%	204.71%	197.59%
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	N/A	N/A	N/A	N/A	67.50%	64.60%	60.40%	60.90%	61.73%	62.70%

*** Note: Not Available**

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

Source:

Audit report of employer allocations of the South Carolina Retirement System (SCRS) and Police Officers Retirement System (PORS), as administered by the SC Public Employee Benefit Authority for the year ended June 30, 2018.

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

	2011*	2012*	2013*	2014	2015	2016	2017	2018	2019	2020
SCRS										
Contractually Required Contribution	N/A	N/A	N/A	\$ 11,732,446	\$ 12,173,782	\$ 12,318,034	\$ 13,159,144	\$ 15,796,894	\$ 17,124,523	\$ 19,330,347
Contributions in Relation to the Contractually Required Contribution	N/A	N/A	N/A	(11,732,446)	(12,173,782)	(12,318,034)	(13,159,144)	(15,796,894)	(17,124,523)	(19,330,347)
Contribution Deficiency (Excess)	N/A	N/A	N/A	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's Covered Payroll	N/A	N/A	N/A	\$ 115,524,407	\$ 116,847,519	\$ 116,562,170	\$ 119,132,897	\$ 121,474,377	\$ 122,809,802	\$ 129,544,663
Contributions as a percentage of Covered Payroll	N/A	N/A	N/A	10.16%	10.42%	10.57%	11.05%	13.00%	13.94%	14.92%
PORS										
Contractually Required Contribution	N/A	N/A	N/A	\$ 10,487	\$ 11,707	\$ 12,411	\$ 17,258	\$ 21,532	\$ 25,356	\$ 19,143
Contributions in Relation to the Contractually Required Contribution	N/A	N/A	N/A	(10,487)	(11,707)	(12,411)	(17,258)	(21,532)	(25,356)	(19,143)
Contribution Deficiency (Excess)	N/A	N/A	N/A	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's Covered Payroll	N/A	N/A	N/A	\$ 81,675	\$ 87,304	\$ 92,530	\$ 121,191	\$ 132,586	\$ 147,076	\$ 104,955
Contributions as a Percentage of Covered Payroll	N/A	N/A	N/A	12.84%	13.41%	13.41%	14.24%	16.24%	17.24%	18.24%

*** Note: Not Available**

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

Sources:

District Quarterly Retirement Contribution Reports

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

	2011*	2012*	2013*	2014*	2015*	2016*	2017	2018	2019	2020
SCRHTF										
District's Net OPEB Liability	N/A	N/A	N/A	N/A	N/A	N/A	\$ 204,609,880	\$ 191,545,927	\$ 199,825,937	\$ 212,592,153
District's Proportionate Share of Net OPEB Liability	N/A	N/A	N/A	N/A	N/A	N/A	1.414162%	1.414162%	1.410146%	1.405891%
District's Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A	116,654,699	119,254,088	121,606,963	129,649,618
District's Proportionate Share of Net OPEB Liability as a Percentage of Its Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A	175.40%	160.62%	164.32%	163.97%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	N/A	N/A	N/A	N/A	N/A	N/A	N/A	7.60%	7.91%	8.44%
SCLTDITF										
District's Net OPEB Liability	N/A	N/A	N/A	N/A	N/A	N/A	\$ 7,908	\$ 20,655	\$ 35,205	\$ 22,487
District's Proportionate Share of Net OPEB Liability	N/A	N/A	N/A	N/A	N/A	N/A	1.13923%	1.13928%	1.15004%	1.14248%
District's Covered Payroll (1)										
District's Proportionate Share of Net OPEB Liability as a percentage of its covered payroll (1)										
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	N/A	N/A	N/A	N/A	N/A	N/A	N/A	95.29%	92.20%	95.17%

*** Note: Not Available**

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

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

Source:

Audit report on the Schedules of Employer and Non-Employer Entity Allocations and Other Post-Employment Benefit (OPEB) Amounts by Employer for the South Carolina Retiree Health Insurance and Long-Term Disability Insurance Trust Funds, as administered by the SC Public Employee Benefit Authority for the year ended June 30, 2018.

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

	Fiscal Year									
	2011*	2012*	2013*	2014*	2015*	2016	2017	2018	2019	2020
SCRHTF										
Contractually Required Contribution	N/A	N/A	N/A	N/A	N/A	\$ 6,217,696	\$ 6,356,243	\$ 6,688,383	\$ 7,438,891	\$ 8,103,101
Contributions in Relation to the										
Contractually Required Contribution	N/A	N/A	N/A	N/A	N/A	N/A	(6,356,243)	(6,688,383)	(7,438,891)	(8,103,101)
Contribution Deficiency (Excess)	N/A	N/A	N/A	N/A	N/A	N/A	\$ -	\$ -	\$ -	\$ -
District's Covered Payroll	N/A	N/A	N/A	N/A	N/A	\$ 116,654,699	\$ 119,254,088	\$ 121,606,963	\$ 122,956,878	\$ 129,649,618
Contributions as a Percentage of										
Covered Payroll	N/A	N/A	N/A	N/A	N/A	5.33%	5.33%	5.50%	6.05%	6.25%
SCLTDITF										
Contractually Required Contribution	N/A	N/A	N/A	N/A	N/A	\$ 81,595	\$ 82,467	\$ 83,627	\$ 84,174	\$ 85,857
Contributions in Relation to the										
Contractually Required Contribution	N/A	N/A	N/A	N/A	N/A	N/A	(82,467)	(83,627)	(84,174)	(85,857)
Contribution Deficiency (Excess)	N/A	N/A	N/A	N/A	N/A	N/A	\$ -	\$ -	\$ -	\$ -
District's Covered Payroll (1)										
Contributions as a Percentage of										
Covered Payroll (1)										

*** Note: Not Available**

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

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

Sources:

District Quarterly Retirement Contribution Reports and Health Insurance Reports

OTHER SUPPLEMENTARY
INFORMATION

DRAFT

This page was intentionally left blank.

DRAFT

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.

This page was intentionally left blank.

DRAFT

**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, 2020**

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
1000 Revenues from Local Sources			
1100 Taxes Levied/Assessed by the LEA:			
1110 Ad Valorem Taxes - Including Delinquent (Independent)	\$ 67,831,629	\$ 69,637,206	\$ 1,805,577
1140 Penalties and Interest on Taxes (Independent)	277,000	420,954	143,954
1200 Revenue From Local Governmental Units Other Than LEAs:			
1280 Revenue in Lieu of Taxes (Independent and Dependent)	1,509,596	1,661,633	152,037
1300 Tuition:			
1310 Tuition from Patrons for Regular Day School	5,000	3,162	(1,838)
1500 Earnings on Investments:			
1510 Interest on Investments	450,000	507,777	57,777
1900 Other Revenue from Local Sources:			
1910 Rentals	120,000	139,688	19,688
1930 Special Needs Transportation - Medicaid	125,000	181,651	56,651
1950 Refund of Prior Year's Expenditures	15,000	9,675	(5,325)
1960 Printing Revenue	-	18,947	18,947
1990 Miscellaneous Local Revenue:			
1993 Receipt of Insurance Proceeds	25,000	18,008	(6,992)
1994 Receipt of Legal Settlements	-	4,001	4,001
1999 Revenue from Other Local Sources	200,000	123,765	(76,235)
Total Local Sources	70,558,225	72,726,467	2,168,242
3000 Revenue from State Sources			
3100 Restricted State Funding:			
3130 Special Programs:			
3131 Handicapped Transportation	-	2,540	2,540
3160 School Bus Driver Salary (Includes Hazardous Condition Transportation)	1,200,000	1,313,169	113,169
3161 EAA Bus Driver Salary and Fringe	-	2,405	2,405
3162 Transportation Workers' Compensation	62,270	61,727	(543)
3180 Fringe Benefits Employer Contributions (No Carryover Provision)	20,066,202	20,097,971	31,769
3181 Retiree Insurance (No Carryover Provision)	4,960,895	5,440,985	480,090
3186 State Aid to Classrooms - Teacher Salary Increase	3,863,887	4,124,175	260,288
3300 State Aid to Classrooms - Education Finance Act (EIA):			
3310 Full-Time Programs:			
3311 Kindergarten	1,767,365	1,761,651	(5,714)
3312 Primary	5,591,396	5,602,683	11,287
3313 Elementary	10,916,859	11,006,335	89,476
3314 High School	3,236,805	3,130,056	(106,749)
3315 Trainable Mentally Handicapped	100,237	75,614	(24,623)
3316 Speech Handicapped (Part-Time)	3,276,475	3,348,205	71,730
3317 Homebound	27,883	19,471	(8,412)
3320 Part-Time Programs:			
3321 Emotionally Handicapped	159,054	137,877	(21,177)
3322 Educable Mentally Handicapped	63,976	83,221	19,245
3323 Learning Disabilities	3,061,880	3,093,610	31,730
3324 Hearing Handicapped	169,541	190,725	21,184
3325 Visually Handicapped	69,002	90,615	21,613
3326 Orthopedically Handicapped	47,426	46,714	(712)
3327 Pre-Career and Career Technology	7,816,135	8,042,411	226,276

**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, 2020**

	Final Budget	Actual	Variance Positive (Negative)
3300 Miscellaneous EFA Programs:			
3331 Autism	\$ 1,168,579	\$ 1,184,098	\$ 15,519
3332 High Achieving Students	1,326,823	1,305,308	(21,515)
3334 Limited English Proficiency	178,540	181,609	3,069
3351 Academic Assistance	1,293,912	1,317,237	23,325
3352 Pupils in Poverty	2,705,722	2,875,800	170,078
3353 Dual Credit Enrollment	37,071	37,333	262
3800 State Revenue in Lieu of Taxes:			
3810 Reimbursement for Local Residential Property Tax Relief (Tier 1)	10,580,071	10,580,071	-
3820 Homestead Exemption (Tier 2)	1,758,200	1,758,201	1
3825 Reimbursement for Property Tax Relief (Tier 3)	31,656,943	31,664,987	8,044
3830 Merchant's Inventory Tax	213,955	213,955	-
3840 Manufacturer's Depreciation Reimbursement	289,373	374,329	84,956
3890 Other State Property Tax Revenues (Includes Motor Carrier Tax)	250,590	122,663	(127,927)
3900 Other State Revenue:			
3992 State Forest Commission Revenues	20,000	24,295	4,295
3993 PEBA on-Behalf	1,190,410	1,190,410	-
Total State Sources	<u>119,127,477</u>	<u>120,502,456</u>	<u>1,374,979</u>
Total Revenues All Sources	<u>189,685,702</u>	<u>193,228,923</u>	<u>3,543,221</u>
Expenditures			
100 Instruction:			
110 General Instruction:			
111 Kindergarten Programs:			
100 Salaries	4,941,844	4,610,457	331,387
200 Employee Benefits	2,334,652	2,155,984	178,668
300 Purchased Services	2,626	111,206	(108,580)
400 Supplies and Materials	61,343	50,749	10,594
112 Primary Programs:			
100 Salaries	13,144,363	12,929,686	214,677
200 Employee Benefits	5,863,916	5,685,379	178,537
300 Purchased Services	5,621	273,869	(268,248)
400 Supplies and Materials	308,147	224,295	83,852
113 Elementary Programs:			
100 Salaries	23,261,824	23,332,454	(70,630)
200 Employee Benefits	10,026,006	9,879,664	146,342
300 Purchased Services	17,702	849,226	(831,524)
400 Supplies and Materials	505,327	368,183	137,144
600 Other Objects	-	118	(118)
114 High School Programs:			
100 Salaries	18,928,870	18,253,105	675,765
200 Employee Benefits	7,881,345	7,635,060	246,285
300 Purchased Services	385,866	778,006	(392,140)
400 Supplies and Materials	770,464	537,741	232,723
500 Capital Outlay	-	16,725	(16,725)
600 Other Objects	885	185	700
115 Career and Technology Education Programs:			
100 Salaries	2,681,887	2,608,157	73,730
200 Employee Benefits	1,144,571	1,093,604	50,967
300 Purchased Services	10,600	35,863	(25,263)
400 Supplies and Materials	115,000	67,946	47,054
118 Montessori Programs:			
100 Salaries	81,158	209,662	(128,504)
200 Employee Benefits	36,948	109,405	(72,457)
300 Purchased Services	-	1,563	(1,563)

**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, 2020**

	Final Budget	Actual	Variance Positive (Negative)
120 Exceptional Programs:			
121 Educable Mentally Handicapped:			
100 Salaries	\$ 1,006,353	\$ 1,028,094	\$ (21,741)
200 Employee Benefits	456,020	460,483	(4,463)
300 Purchased Services	-	106,434	(106,434)
400 Supplies and Materials	2,523	5,240	(2,717)
122 Trainable Mentally Handicapped:			
100 Salaries	439,787	438,765	1,022
200 Employee Benefits	184,841	188,788	(3,947)
300 Purchased Services	-	5,267	(5,267)
400 Supplies and Materials	3,262	5,393	(2,131)
123 Orthopedically Handicapped:			
300 Purchased Services	-	128	(128)
400 Supplies and Materials	1,187	204	983
124 Visually Handicapped:			
100 Salaries	114,615	60,700	53,915
200 Employee Benefits	47,348	23,065	24,283
400 Supplies and Materials	1,841	641	1,200
125 Hearing Handicapped:			
100 Salaries	288,135	287,135	1,000
200 Employee Benefits	116,464	115,425	1,039
300 Purchased Services	-	768	(768)
400 Supplies and Materials	2,848	976	1,872
126 Speech Handicapped:			
100 Salaries	1,756,296	1,864,617	(108,321)
200 Employee Benefits	741,542	799,477	(57,935)
300 Purchased Services	-	29,204	(29,204)
400 Supplies and Materials	78,181	26,159	52,022
127 Learning Disabilities:			
100 Salaries	4,237,857	4,487,413	(249,556)
200 Employee Benefits	1,891,768	1,931,383	(39,615)
300 Purchased Services	-	77,831	(77,831)
400 Supplies and Materials	99,931	104,298	(4,367)
128 Emotionally Handicapped:			
100 Salaries	850,373	787,934	62,439
200 Employee Benefits	378,924	350,728	28,196
300 Purchased Services	-	6,376	(6,376)
400 Supplies and Materials	4,445	3,328	1,117
129 Coordinated Early Intervening Services (CEIS):			
100 Salaries	782,856	664,270	118,586
140 Terminal Leave	318,958	-	318,958
200 Employee Benefits	-	277,910	(277,910)
300 Purchased Services	-	13,836	(13,836)
130 Pre-School Programs:			
135 Preschool Handicapped Speech (3- and 4-Yr. Olds):			
100 Salaries	-	12,214	(12,214)
200 Employee Benefits	-	5,700	(5,700)
400 Supplies and Materials	90	68	22
136 Preschool Handicapped Itinerant (3- and 4-Yr.-Olds):			
100 Salaries	12,620	8,200	4,420
200 Employee Benefits	4,791	3,496	1,295
300 Purchased Services	-	718	(718)
137 Pre-School Handicapped-Self-Contained (3- and 4-Yr. Olds):			
100 Salaries	1,229,993	1,109,353	120,640
200 Employee Benefits	549,103	483,339	65,764
300 Purchased Services	-	33,859	(33,859)
400 Supplies and Materials	540	537	3

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2020**

	Final Budget	Actual	Variance Positive (Negative)
138 Pre-School Handicapped-Homebased (3- and 4-Yr. Olds):			
100 Salaries	\$ 6,793	\$ 5,617	\$ 1,176
200 Employee Benefits	2,666	2,132	534
300 Purchased Services	-	4	(4)
139 Early Childhood Programs:			
100 Salaries	1,055,960	1,015,149	40,811
200 Employee Benefits	488,308	473,212	15,096
300 Purchased Services	19,575	25,977	(6,402)
400 Supplies and Materials	30,945	26,677	4,268
600 Other Objects	1,500	800	700
140 Special Programs:			
141 Gifted and Talented - Academic:			
100 Salaries	1,298,379	1,419,496	(121,117)
200 Employee Benefits	565,075	605,590	(40,515)
300 Purchased Services	1,388	18,944	(17,556)
400 Supplies and Materials	12,725	631	12,094
600 Other Objects	-	150	(150)
143 Advanced Placement:			
100 Salaries	343,669	291,869	51,800
200 Employee Benefits	139,757	118,023	21,734
300 Purchased Services	-	1,012	(1,012)
144 International Baccalaureate:			
300 Purchased Services	8,300	870	7,430
400 Supplies and Materials	50,000	13,730	36,270
600 Other Objects	11,775	11,775	-
145 Homebound:			
100 Salaries	193,937	95,659	98,278
200 Employee Benefits	58,045	33,510	24,535
300 Purchased Services	16,000	-	16,000
148 Gifted and Talented - Artistic:			
100 Salaries	157,650	159,939	(2,289)
200 Employee Benefits	63,816	61,780	2,036
300 Purchased Services	7,020	5,207	1,813
400 Supplies and Materials	2,875	145	2,730
149 Other Special Programs:			
100 Salaries	622,264	785,898	(163,634)
140 Terminal Leave	-	665,655	(665,655)
200 Employee Benefits	270,394	453,773	(183,379)
300 Purchased Services	2,054,331	72,653	1,981,678
400 Supplies and Materials	-	4,675	(4,675)
160 Other Exceptional Programs:			
161 Autism:			
100 Salaries	967,239	808,153	159,086
200 Employee Benefits	477,172	392,675	84,497
300 Purchased Services	-	12,140	(12,140)
400 Supplies and Materials	25,379	21,283	4,096
170 Summer School Programs:			
172 Elementary Summer School:			
100 Salaries	40,000	-	40,000
200 Employee Benefits	11,552	-	11,552
173 High School Summer School:			
100 Salaries	65,000	-	65,000
200 Employee Benefits	17,999	-	17,999

**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, 2020**

	Final Budget	Actual	Variance Positive (Negative)
180 Adult/Continuing Educational Programs:			
181 Adult Basic Education Programs:			
100 Salaries	\$ 114,933	\$ 115,433	\$ (500)
200 Employee Benefits	39,436	39,486	(50)
300 Purchased Services	3,856	700	3,156
400 Supplies and Materials	800	378	422
600 Other Objects	691	651	40
182 Adult Secondary Education Programs:			
100 Salaries	-	1,000	(1,000)
200 Employee Benefits	-	83	(83)
300 Purchased Services	500	167	333
400 Supplies and Materials	5,130	1,724	3,406
188 Parenting/Family Literacy:			
100 Salaries	38,142	39,642	(1,500)
200 Employee Benefits	23,605	22,114	1,491
190 Instructional Pupil Activity:			
100 Salaries (optional)	652,010	643,960	8,050
200 Employee Benefits (optional)	192,427	191,860	567
660 Pupil Activity (optional)	20,800	13,706	7,094
Total Instruction	118,294,275	116,303,753	1,990,522
200 Support Services:			
210 Pupil Services:			
211 Attendance and Social Work Services:			
100 Salaries	1,007,806	1,022,318	(14,512)
200 Employee Benefits	497,789	501,940	(4,151)
300 Purchased Services	121,000	35,270	85,730
400 Supplies and Materials	3,000	32,221	(29,221)
212 Guidance Services:			
100 Salaries	3,397,042	3,454,837	(57,795)
200 Employee Benefits	1,449,980	1,460,187	(10,207)
300 Purchased Services	3,443	1,785	1,658
400 Supplies and Materials	34,272	18,793	15,479
213 Health Services:			
100 Salaries	1,909,676	1,905,512	4,164
200 Employee Benefits	818,781	819,920	(1,139)
300 Purchased Services	1,530	66,224	(64,694)
400 Supplies and Materials	36,272	31,621	4,651
600 Other Objects		116	(116)
214 Psychological Services:			
100 Salaries	1,184,874	1,190,871	(5,997)
140 Terminal Leave	466,692	-	466,692
200 Employee Benefits	6,000	476,074	(470,074)
300 Purchased Services	5,850	41,033	(35,183)
400 Supplies and Materials		5,924	(5,924)
217 Career Specialist Services:			
100 Salaries	84,053	89,053	(5,000)
200 Employee Benefits	34,933	35,196	(263)
400 Supplies and Materials	1,035	500	535

**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, 2020**

	Final Budget	Actual	Variance Positive (Negative)
220 Instructional Staff Services:			
221 Improvement of Instruction-Curriculum Development:			
100 Salaries	\$ 1,927,862	\$ 1,891,746	\$ 36,116
200 Employee Benefits	742,993	712,400	30,593
300 Purchased Services	607,203	600,727	6,476
400 Supplies and Materials	92,350	16,004	76,346
600 Other Objects	3,979	29,421	(25,442)
222 Library and Media Services:			
100 Salaries	1,891,429		1,891,429
140 Terminal Leave	892,803	1,887,732	(994,929)
200 Employee Benefits	1,200	876,188	(874,988)
300 Purchased Services	337,710	11,555	326,155
400 Supplies and Materials	175	260,698	(260,523)
600 Other Objects		175	(175)
223 Supervision of Special Programs:			
100 Salaries	898,068	956,770	(58,702)
200 Employee Benefits	338,712	356,590	(17,878)
300 Purchased Services	13,749	357	13,392
400 Supplies and Materials	540	1,010	(470)
600 Other Objects	-	351	(351)
224 Improvement of Instruction Inservice and Staff Training:			
100 Salaries	1,957	83	1,874
200 Employee Benefits	542	-	542
300 Purchased Services	90,897	51,825	39,072
400 Supplies and Materials	9,842	3,778	6,064
600 Other Objects	351	-	351
230 General Administration Services:			
231 Board of Education:			
100 Salaries	59,076	59,076	-
200 Employee Benefits	17,682	17,800	(118)
300 Purchased Services	390,500	412,929	(22,429)
318 Audit Services	40,000	34,880	5,120
600 Other Objects	395,000	503,370	(108,370)
232 Office of the Superintendent:			
100 Salaries	362,519	342,307	20,212
200 Employee Benefits	133,059	116,839	16,220
300 Purchased Services	43,419	4,844	38,575
400 Supplies and Materials	6,723	9,274	(2,551)
600 Other Objects	7,100	1,893	5,207
233 School Administration:			
100 Salaries	10,977,055	10,780,329	196,726
200 Employee Benefits	4,550,969	4,430,804	120,165
300 Purchased Services	189,625	347,945	(158,320)
400 Supplies and Materials	267,782	195,459	72,323
600 Other Objects	22,051	17,010	5,041
250 Finance and Operations Services:			
251 Student Transportation (Federal/District Mandated):			
100 Salaries	56,628	61,141	(4,513)
200 Employee Benefits	28,314	35,602	(7,288)
300 Purchased Services	374,000	187,881	186,119
400 Supplies and Materials	-	63,142	(63,142)
500 Capital Outlay			
550 Vehicles	-	149,641	(149,641)

**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, 2020**

	Final Budget	Actual	Variance Positive (Negative)
252 Fiscal Services:			
100 Salaries	\$ 924,544	\$ 903,288	\$ 21,256
200 Employee Benefits	384,875	370,399	14,476
300 Purchased Services	202,691	101,100	101,591
400 Supplies and Materials	53,955	21,670	32,285
600 Other Objects	5,938	3,919	2,019
254 Operation and Maintenance of Plant:			
100 Salaries	6,872,351	5,806,318	1,066,033
200 Employee Benefits	3,379,416	3,241,816	137,600
300 Purchased Services	4,012,652	4,544,509	(531,857)
321 Public Utility Services (Excludes gas, oil, elec. & heating fuels)	719,000	827,224	(108,224)
400 Supplies and Materials	1,053,844	949,689	104,155
470 Energy (Includes gas, oil, elec. & heating fuels)	4,485,312	3,579,134	906,178
500 Capital Outlay	-	88,507	(88,507)
255 Student Transportation (State Mandated):			
100 Salaries	3,698,346	2,962,732	735,614
200 Employee Benefits	1,689,060	1,623,750	65,310
300 Purchased Services	177,130	78,493	98,637
400 Supplies and Materials	56,500	39,338	17,162
600 Other Objects	1,000	546	454
256 Food Services:			
100 Salaries	-	64,500	(64,500)
200 Employee Benefits	-	6,640	(6,640)
257 Internal Services:			
100 Salaries	253,768	278,739	(24,971)
200 Employee Benefits	106,825	117,775	(10,950)
300 Purchased Services	734,184	699,245	34,939
400 Supplies and Materials	42,973	11,128	31,845
258 Security:			
100 Salaries	185,058	183,688	1,370
200 Employee Benefits	68,104	67,474	630
300 Purchased Services	1,964,725	1,927,251	37,474
400 Supplies and Materials	16,000	26,484	(10,484)
600 Other Objects	410	-	410
260 Central Support Services:			
262 Planning:			
100 Salaries	705,843	728,521	(22,678)
200 Employee Benefits	277,632	282,769	(5,137)
300 Purchased Services	-	46,050	(46,050)
263 Information Services:			
100 Salaries	392,722	405,828	(13,106)
200 Employee Benefits	166,856	168,342	(1,486)
300 Purchased Services	179,500	83,294	96,206
400 Supplies and Materials	30,000	27,920	2,080
600 Other Objects	12,000	5,895	6,105
264 Staff Services:			
100 Salaries	826,520	777,644	48,876
200 Employee Benefits	319,429	288,749	30,680
300 Purchased Services	28,744	44,555	(15,811)
400 Supplies and Materials	30,527	21,062	9,465
600 Other Objects	-	952	(952)
266 Technology and Data Processing Services:			
100 Salaries	1,772,640	1,701,553	71,087
200 Employee Benefits	709,516	674,147	35,369
300 Purchased Services	1,001,471	930,217	71,254
400 Supplies and Materials	160,520	15,856	144,664
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, 2020**

	Final Budget	Actual	Variance Positive (Negative)
270 Support Services - Pupil Activity:			
271 Pupil Service Activities:			
100 Salaries	\$ 1,518,127	\$ 1,734,500	\$ (216,373)
200 Employee Benefits	473,751	559,906	(86,155)
300 Purchased Services	239,952	126,553	113,399
400 Supplies and Materials	-	21,644	(21,644)
660 Pupil Activity	419,228	317,366	101,862
Total Support Services	<u>77,191,531</u>	<u>74,107,826</u>	<u>3,083,705</u>
300 Community Services:			
390 Other Community Services:			
300 Purchased Services	15,000	12,000	3,000
400 Supplies and Materials	5,850	241	5,609
Total Community Services	<u>20,850</u>	<u>12,241</u>	<u>8,609</u>
400 Other Charges:			
410 Intergovernmental Expenditures:			
412 Payments to Other Governmental Units:			
720 Transits	20,000	16,585	3,415
Total Intergovernmental Expenditures	<u>20,000</u>	<u>16,585</u>	<u>3,415</u>
Total Expenditures	<u>195,526,656</u>	<u>190,440,405</u>	<u>5,086,251</u>
Other Financing Sources (Uses)			
5300 Sale of Fixed Assets	-	54,282	54,282
Interfund Transfers, From (To) Other Funds:			
5230 Transfer from Special Revenue EIA Fund	5,758,851	5,717,090	(41,761)
5280 Transfer from Other Funds Indirect Costs	350,000	537,602	187,602
424-710 Transfer to Capital Projects Fund	-	(2,865,606)	(2,865,606)
425-710 Transfer to Food Service Fund	(267,897)	(246,385)	21,512
Total Other Financing Sources (Uses)	<u>5,840,954</u>	<u>3,196,983</u>	<u>(2,643,971)</u>
Excess/(Deficiency) of Revenues over Expenditures	<u>\$ -</u>	5,985,501	<u>\$ 5,985,501</u>
Fund Balance, Beginning of Year		40,533,048	
Fund Balance, End of Year		<u>\$ 46,518,549</u>	

SPECIAL REVENUE FUNDS

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

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

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

This page was intentionally left blank.

DRAFT

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SPECIAL REVENUE FUNDS - SPECIAL PROJECTS FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2020

	TITLE I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	PRESCHOOL HANDICAPPED (CG Projects) (205/206)	CATE (VA Projects) (207/208)	ADULT EDUCATION (EA Projects) (243)	OTHER DESIGNATED RESTRICTED STATE GRANTS (900s)	OTHER SPECIAL REVENUE PROGRAMS (200s/800s)	TOTAL
Revenues								
1000 Revenue from Local Sources								
1900 Other Revenue from Local Sources:								
1920 Contributions & Donations Private Sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 322,521	\$ 322,521
1930 Special Needs Transportation - Medicaid	-	-	-	-	-	-	696,835	696,835
Total Local Sources	-	-	-	-	-	-	1,019,356	1,019,356
3000 Revenue from State Sources								
3110 Occupation Education:								
3118 EEDA Career Specialists	-	-	-	-	-	693,402	-	693,402
3120 General Education:								
3127 Student Health and Fitness - PE Teachers	-	-	-	-	-	120,293	-	120,293
3130 Special Programs:								
3135 Reading Coaches	-	-	-	-	-	608,067	-	608,067
3136 Student Health and Fitness-Nurses	-	-	-	-	-	275,137	-	275,137
3155 DDS SNAP & E&T Program	-	-	-	-	-	3,026	-	3,026
3190 Miscellaneous Restricted State Grants:								
3193 Education License Plates	-	-	-	-	-	5,551	-	5,551
3600 Education Lottery Act Revenue:								
3670 School Safety - Facility and Infrastructure Safety Upgrades	-	-	-	-	-	280,205	-	280,205
Total State Sources	-	-	-	-	-	1,985,681	-	1,985,681
4000 Revenue from Federal Sources								
4100 Federally Impacted Areas								
4200 Occupational Education:								
4210 Perkins Aid, Title I - Career and Technology Education - Basic Grants to State	-	-	-	98,485	-	-	-	98,485
4300 Elementary and Secondary Education Act of 1965 (ESEA):								
4310 Title I, Basic State Grant Programs (Carryover Provision)	1,915,714	-	-	-	-	-	240,713	2,156,427
4341 Language Instruction for Limited English Proficient and Immigrant Students, Title III	-	-	-	-	-	-	23,636	23,636
4343 McKinney-Vento Education for Homeless Children and Youth Program	-	-	-	-	-	-	21,210	21,210
4351 Supporting Effective Instruction	-	-	-	-	-	-	265,962	265,962
4400 Adult Education:								
4410 Basic Adult Education	-	-	-	-	97,302	-	-	97,302
4430 State Literacy Resource	-	-	-	-	24,074	-	-	24,074
4500 Programs for Children with Disabilities:								
4510 Individuals with Disabilities Education Act (IDEA)	-	3,400,783	-	-	-	-	-	3,400,783
4520 Preschool Grants for Children with Disabilities (IDEA)	-	-	238,007	-	-	-	-	238,007
4900 Other Federal Sources:								
4924 21st Century Community Learning Centers Program	-	-	-	-	-	-	121,696	121,696
4975 Coronavirus Aid, Relief, and Economic Security Act (CARES Act)	-	-	-	-	-	-	1,579,882	1,579,882
4990 Other Federal Revenue:								
4997 Title IV - SSAE	-	-	-	-	-	-	75,954	75,954
4999 Revenue from Other Federal Sources	-	-	-	-	-	-	2,718,897	2,718,897
Total Federal Sources	1,915,714	3,400,783	238,007	98,485	121,376	-	5,047,950	10,822,315
Total Revenues All Sources	1,915,714	3,400,783	238,007	98,485	121,376	1,985,681	6,067,306	13,827,352

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SPECIAL REVENUE FUNDS - SPECIAL PROJECTS FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2020

	TITLE I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	PRESCHOOL HANDICAPPED (CG Projects) (205/206)	CATE (VA Projects) (207/208)	ADULT EDUCATION (EA Projects) (243)	OTHER DESIGNATED RESTRICTED STATE GRANTS (900s)	OTHER SPECIAL REVENUE PROGRAMS (200s/800s)	TOTAL
Expenditures								
100 Instruction								
110 General Instruction:								
111 Kindergarten Programs:								
100 Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,755	\$ 8,869	\$ 24,624
200 Employee Benefits	-	-	-	-	-	6,506	4,015	10,521
300 Purchased Services	-	-	-	-	-	-	611	611
400 Supplies and Materials	-	-	-	-	-	-	3,071	3,071
112 Primary Programs:								
100 Salaries	975,585	-	-	-	-	35,645	164,819	1,176,049
200 Employee Benefits	398,457	-	-	-	-	12,731	66,135	477,323
300 Purchased Services	14,459	-	-	-	-	-	52,250	66,709
400 Supplies and Materials	130,376	-	-	-	-	-	176,192	306,568
113 Elementary Programs:								
100 Salaries	120,892	-	-	-	-	35,005	106,028	261,925
200 Employee Benefits	47,539	-	-	-	-	14,652	52,028	114,219
300 Purchased Services	-	-	-	-	-	-	42,852	42,852
400 Supplies and Materials	2,927	-	-	-	-	4,296	10,826	18,049
114 High School Programs:								
100 Salaries	-	-	-	-	-	1,255	271,923	273,178
200 Employee Benefits	-	-	-	-	-	-	19,678	19,678
300 Purchased Services	-	-	-	-	-	-	18,678	18,678
400 Supplies and Materials	-	-	-	-	-	-	5,439	5,439
115 Career and Technology Education Programs:								
300 Purchased Services	-	-	-	20,250	-	-	341	20,591
400 Supplies and Materials	-	-	-	-	-	-	16,660	16,660
118 Montessori Programs:								
100 Salaries	-	-	-	-	-	-	69,415	69,415
200 Employee Benefits	-	-	-	-	-	-	28,347	28,347
300 Purchased Services	-	-	-	-	-	-	4,581	4,581
400 Supplies and Materials	-	-	-	-	-	-	44,435	44,435
500 Capital Outlay	-	-	-	-	-	-	1,615	1,615
120 Exceptional Programs:								
121 Educable Mentally Handicapped:								
100 Salaries	-	613,690	-	-	-	-	80,201	693,891
200 Employee Benefits	-	310,550	-	-	-	-	27,006	337,556
300 Purchased Services	-	2,032	-	-	-	-	1,239	3,271
400 Supplies and Materials	-	4,669	-	-	-	-	2,283	6,952
122 Trainable Mentally Handicapped:								
100 Salaries	-	143,523	-	-	-	-	10,115	153,638
200 Employee Benefits	-	67,221	-	-	-	-	3,047	70,268
300 Purchased Services	-	-	-	-	-	-	154	154
124 Visually Handicapped:								
100 Salaries	-	-	-	-	-	-	9,770	9,770
200 Employee Benefits	-	-	-	-	-	-	2,944	2,944
300 Supplies and Materials	-	8,773	-	-	-	-	-	8,773
400 Supplies and Materials	-	574	-	-	-	-	-	574
125 Hearing Handicapped:								
100 Salaries	-	166	-	-	-	-	-	166
200 Employee Benefits	-	50	-	-	-	-	-	50
300 Purchased Services	-	13,044	-	-	-	-	1,014	14,058
400 Supplies and Materials	-	6,376	-	-	-	-	1,094	7,470
126 Speech Handicapped:								
100 Salaries	-	9,008	-	-	-	-	-	9,008
200 Employee Benefits	-	2,579	-	-	-	-	-	2,579
300 Purchased Services	-	746	-	-	-	-	-	746
400 Supplies and Materials	-	4,465	-	-	-	-	-	4,465
127 Learning Disabilities:								
100 Salaries	-	199,538	-	-	-	-	101,855	301,393
200 Employee Benefits	-	121,173	-	-	-	-	40,438	161,611
300 Purchased Services	-	-	-	-	-	-	42	42
400 Supplies and Materials	-	1,910	-	-	-	-	-	1,910
128 Emotionally Handicapped:								
100 Salaries	-	46,523	-	-	-	-	14,390	60,913
200 Employee Benefits	-	18,942	-	-	-	-	1,700	20,642

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SPECIAL REVENUE FUNDS - SPECIAL PROJECTS FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2020

	TITLE I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	PRESCHOOL HANDICAPPED (CG Projects) (205/206)	CATE (VA Projects) (207/208)	ADULT EDUCATION (EA Projects) (243)	OTHER DESIGNATED RESTRICTED STATE GRANTS (900s)	OTHER SPECIAL REVENUE PROGRAMS (200s/800s)	TOTAL
129 Coordinated Early Intervening Services (CEIS):								
100 Salaries	\$ 53,330	\$ 303,206	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 356,536
200 Employee Benefits	22,878	130,871	-	-	-	-	-	153,749
130 Preschool Programs:								
135 Preschool Handicapped Speech (3- and 4-Yr. Olds):								
100 Salaries	-	-	69,643	-	-	-	-	69,643
200 Employee Benefits	-	-	32,868	-	-	-	-	32,868
137 Preschool Handicapped Self-Contained (3- and 4-Yr. Olds):								
100 Salaries	-	199,234	28,701	-	-	-	17,117	245,052
200 Employee Benefits	-	122,536	18,054	-	-	-	1,423	142,013
300 Purchased Services	-	473	1,478	-	-	-	-	1,951
400 Supplies and Materials	-	18,389	21,452	-	-	-	-	39,841
139 Early Childhood Programs:								
100 Salaries	-	-	-	-	-	-	66,400	66,400
200 Employee Benefits	-	-	-	-	-	-	24,813	24,813
300 Purchased Services	-	-	-	-	-	-	1,948	1,948
400 Supplies and Materials	-	-	-	-	-	-	13,728	13,728
140 Special Programs:								
144 International Baccalaureate:								
300 Purchased Services	-	-	-	-	-	-	5,400	5,400
400 Supplies and Materials	-	-	-	-	-	-	9,439	9,439
600 Other Objects	-	-	-	-	-	-	75	75
148 Gifted and Talented Artist:								
300 Purchased Services	-	-	-	-	-	-	1,182	1,182
149 Other Special Programs:								
100 Salaries	-	21,621	-	-	-	-	-	21,621
200 Employee Benefits	-	10,341	-	-	-	-	-	10,341
400 Supplies and Materials	-	-	-	-	-	-	10,577	10,577
160 Other Exceptional Programs:								
161 Autism:								
100 Salaries	-	77,621	-	-	-	-	84,036	161,657
200 Employee Benefits	-	44,799	-	-	-	-	17,096	61,895
300 Purchased Services	-	1,500	-	-	-	-	48	1,548
400 Supplies and Materials	-	624	-	-	-	-	-	624
170 Summer School Programs:								
172 Elementary Summer School:								
400 Supplies and Materials	-	-	-	-	-	-	2,911	2,911
175 Instructional Programs Beyond Regular School Day:								
100 Salaries	-	-	-	-	-	-	53,627	53,627
200 Employee Benefits	-	-	-	-	-	-	16,061	16,061
400 Supplies and Materials	-	-	-	-	-	-	158	158
180 Adult/Continuing Education Programs:								
181 Adult Basic Education Programs:								
100 Salaries	-	-	-	-	14,731	7	-	14,738
200 Employee Benefits	-	-	-	-	3,346	1,510	-	4,856
182 Adult Secondary Education Programs:								
100 Salaries	-	-	-	-	20,479	-	-	20,479
200 Employee Benefits	-	-	-	-	5,989	-	-	5,989
400 Supplies and Materials	-	-	-	-	-	641	-	641
183 Adult English Literacy (ESL):								
100 Salaries	-	-	-	-	34,914	-	-	34,914
200 Employee Benefits	-	-	-	-	9,997	-	-	9,997
400 Supplies and Materials	-	-	-	-	676	-	-	676
188 Parenting/Family Literacy:								
100 Salaries	-	-	-	-	22,477	-	34,226	56,703
200 Employee Benefits	-	-	-	-	7,523	-	20,080	27,603
300 Purchased Services	-	-	-	-	-	-	2,898	2,898
400 Supplies and Materials	-	-	-	-	-	-	-	-
	11,900	-	-	-	-	-	-	11,900
Total Instruction	1,778,343	2,506,767	172,196	20,250	120,132	128,003	1,849,343	6,575,034

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SPECIAL REVENUE FUNDS - SPECIAL PROJECTS FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2020

	TITLE I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	PRESCHOOL HANDICAPPED (CG Projects) (205/206)	CATE (VA Projects) (207/208)	ADULT EDUCATION (EA Projects) (243)	OTHER DESIGNATED RESTRICTED STATE GRANTS (900s)	OTHER SPECIAL REVENUE PROGRAMS (200s/800s)	TOTAL
200 Support Services								
210 Pupil Services:								
212 Guidance Services:								
100 Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 119,506	\$ -	\$ 119,506
200 Employee Benefits	-	-	-	-	-	48,933	-	48,933
213 Health Services:								
100 Salaries	-	15,479	-	-	-	188,271	24,841	228,591
200 Employee Benefits	-	7,587	-	-	-	86,866	9,290	103,743
300 Purchased Services	-	2,628	-	-	-	-	20,687	23,315
400 Supplies and Materials	-	9,436	-	-	-	-	672	10,108
214 Psychological Services:								
100 Salaries	-	297,300	36,893	-	-	-	20,000	354,193
200 Employee Benefits	-	115,441	13,772	-	-	-	3,626	132,839
300 Purchased Services	-	1,730	-	-	-	-	-	1,730
400 Supplies and Materials	-	20,854	-	-	-	-	-	20,854
217 Career Specialist Services:								
100 Salaries	-	-	-	-	-	362,379	-	362,379
200 Employee Benefits	-	-	-	-	-	162,584	-	162,584
220 Instructional Staff Services:								
221 Improvement of Instruction - Curriculum Development:								
100 Salaries	-	23,349	-	-	-	426,980	11,317	461,646
200 Employee Benefits	-	10,625	-	-	-	181,086	5,204	196,915
300 Purchased Services	-	6,816	-	-	-	-	-	6,816
400 Supplies and Materials	-	5,159	-	-	-	-	-	5,159
600 Other Objects	-	-	-	-	-	-	8,971	8,971
223 Supervision of Special Programs:								
100 Salaries	-	86,045	-	-	-	-	334,648	420,693
200 Employee Benefits	-	30,952	-	-	-	-	144,440	175,392
300 Purchased Services	-	11,353	-	-	-	120	412,894	424,367
400 Supplies and Materials	-	1,228	-	-	-	566	223,839	225,633
600 Other Objects	-	-	-	-	-	-	3,371	3,371
224 Improvement of Instruction Inservice and Staff Training:								
100 Salaries	-	-	-	-	-	-	80,070	80,070
200 Employee Benefits	-	-	-	-	-	-	23,651	23,651
300 Purchased Services	17,091	13,683	-	11,380	-	-	260,869	303,023
400 Supplies and Materials	-	-	-	-	-	-	7,795	7,795
600 Other Objects	-	-	-	-	-	-	3,197	3,197
230 General Administration Services:								
233 School Administration:								
100 Salaries	-	-	-	-	-	-	96,857	96,857
200 Employee Benefits	-	-	-	-	-	-	45,781	45,781
300 Purchased Services	-	-	-	-	-	-	56,250	56,250
400 Supplies and Materials	-	-	-	-	-	-	2,972	2,972
250 Finance and Operations Services:								
251 Student Transportation (Federal/District Mandated):								
100 Salaries	-	-	-	-	-	-	135,369	135,369
200 Employee Benefits	-	-	-	-	-	-	42,382	42,382
300 Purchased Services	-	22,163	-	-	-	-	95,542	117,705
400 Supplies and Materials	-	-	-	-	-	-	5,442	5,442
500 Capital Outlay	-	-	-	-	-	-	5,537	5,537
253 Facilities Acquisition and Construction:								
300 Purchased Services	-	-	-	-	-	-	1,500	1,500
500 Capital Outlay	-	-	-	-	-	-	6,523	6,523
540 Equipment	-	-	-	-	-	-	82,889	82,889
550 Vehicles	-	-	-	-	-	-	11,224	11,224
254 Operations and Maintenance of Plant:								
100 Salaries	-	-	-	-	-	-	1,027,422	1,027,422
300 Purchased Services	-	-	-	-	-	-	42,421	42,421
400 Supplies and Materials	-	-	-	-	-	-	7,265	7,265
500 Capital Outlay	-	-	-	-	-	-	21,202	21,202

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SPECIAL REVENUE FUNDS - SPECIAL PROJECTS FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2020

	TITLE I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	PRESCHOOL HANDICAPPED (CG Projects) (205/206)	CATE (VA Projects) (207/208)	ADULT EDUCATION (EA Projects) (243)	OTHER DESIGNATED RESTRICTED STATE GRANTS (900s)	OTHER SPECIAL REVENUE PROGRAMS (200s/800s)	TOTAL
255 Student Transportation (State Mandated):								
100 Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 517,594	\$ 517,594
256 Food Services:								
400 Supplies and Materials (Includes gas, oil, electricity, and other heating fuels)	-	-	-	-	-	-	7,693	7,693
258 Security:								
400 Supplies and Materials						103,084	-	103,084
500 Capital Outlay						177,121	-	177,121
260 Central Support Services*								
263 Information Services:								
300 Purchased Services	-	-	-	-	-	-	900	900
264 Staff Services:								
300 Purchased Services	-	-	-	-	-	-	5,215	5,215
266 Technology and Data Processing Services:								
300 Purchased Services	-	-	-	-	-	-	24,622	24,622
400 Supplies and Materials	-	-	-	-	-	-	15,900	15,900
270 Support Services Pupil Activity:								
271 Pupil Service Activities:								
300 Purchased Services	-	-	-	63,610	-	182	16,402	80,194
400 Supplies and Materials	-	-	-	3,245	-	-	1,096	4,341
660 Pupil Activity	-	-	-	-	-	-	1,000	1,000
Total Support Services	17,091	681,828	50,665	78,235	-	1,857,678	3,876,382	6,561,879
300 Community Services								
350 Custody and Care of Children:								
400 Supplies and Materials	-	-	-	-	-	-	2,089	2,089
360 Welfare Services:								
300 Purchased Services	-	-	-	-	-	-	2,742	2,742
400 Supplies and Materials	-	-	-	-	-	-	7,443	7,443
Total Community Services	-	-	-	-	-	-	12,274	12,274
400 Other Charges								
410 Intergovernmental Expenditures:								
411 Payments to the State Department of Education:								
720 Transits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 140,562	\$ 140,562
Total Intergovernmental Expenditures	-	-	-	-	-	-	140,562	140,562
Total Expenditures	1,795,434	3,188,595	222,861	98,485	120,132	1,985,681	5,878,561	13,289,749
Other Financing Sources (Uses):								
Interfund Transfer, From (To) Other Funds:								
431-791 Special Revenue Fund Indirect Costs	(120,280)	(212,188)	(15,146)	-	(1,244)	-	(188,745)	(537,603)
Total Other Financing Sources (Uses)	(120,280)	(212,188)	(15,146)	-	(1,244)	-	(188,745)	(537,603)
Excess/Deficiency of Revenues over Expenditures	-	-	-	-	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-	-	-	-	-
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SPECIAL REVENUE FUNDS - SPECIAL PROJECTS FUNDS
SUMMARY SCHEDULE FOR DESIGNATED STATE RESTRICTED GRANTS AND OTHER SPECIAL PROJECTS PROGRAMS
FOR THE YEAR ENDED JUNE 30, 2020

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	\$ 5,551	\$ 5,551	\$ -	\$ -	\$ -
928	3118	EEDA Career Specialists	693,402	693,402	-	-	909,800
935	3135	Reading Coaches	608,067	608,067	-	-	559,645
936	3136	Student Health and Fitness	275,137	275,137	-	-	479,794
937	3127	Student Health and Fitness - PE Teachers	120,293	120,293	-	-	107,682
955	3155	DSS SNAP & E&T Program	3,026	3,026	-	-	11,026
956	3156	Adult Education	-	-	-	-	4,565
969	3699	Misc. Lottery	-	-	-	-	48
970	3670	School Safety Upgrades	280,205	280,205	-	-	1,195
			<u>\$ 1,985,681</u>	<u>\$ 1,985,681</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,073,755</u>
Other Special:							
210	4997	Title IV SSAE	\$ 75,954	\$ 70,826	\$ (5,128)	\$ -	\$ -
220	4975	ESSER Fund	1,579,882	1,579,882	-	-	-
224	4924	21st Century	121,696	114,969	(6,727)	-	-
232	4343	McKinney-Vento	21,210	19,809	(1,400)	-	-
237	4310	Title I - School Improvement	83,334	77,708	(5,626)	-	-
238	4310	Title I - School Improvement	55,173	51,752	(3,421)	-	-
239	4310	Title I - School Improvement	102,206	95,306	(6,900)	-	-
264	4341	Title II - English Language Acquisition	23,636	23,173	(463)	-	-
267	4351	Supporting Effective Instruction	265,962	248,842	(17,120)	-	-
804	4999	Magnet School Grant - Discover Five	2,494,205	2,352,550	(141,655)	-	-
831	4999	CHS NJROTC	89,352	89,352	-	-	9,098
832	4999	IHS, DJHS AF ROTC	135,341	135,341	-	-	814
868	1920	Lexington County First Steps	61,193	61,193	-	-	-
890	1930/3199	Medicaid	696,835	696,835	-	-	2,350
898	1740/1920	Mini Grants	261,327	261,023	(305)	-	165,586
			<u>\$ 6,067,306</u>	<u>\$ 5,878,561</u>	<u>\$ (188,745)</u>	<u>\$ -</u>	<u>\$ 177,848</u>

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SPECIAL REVENUE FUNDS - EDUCATION IMPROVEMENT ACT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2020**

Revenues

3000 Revenue from State Sources

3500 Education Improvement Act:	
3502 ADEPT	\$ 15,072
3509 Arts in Education	7,841
3518 Adoption List of Formative Assessment	73,371
3519 Grade 10 Assessments	78,557
3526 Refurbishment of Science Kits	54,479
3528 Industry Certifications/Credentials	65,172
3529 Career and Technology Education	394,800
3532 National Board Salary Supplement (No Carryover Provision)	2,676,865
3538 Students at Risk of School Failure	1,386,662
3540 Early Childhood Program (4K Programs Serving Four-Year-Old Children)	338,075
3550 Teacher Salary Increase (No Carryover Provision)	4,555,025
3555 Teacher Salary Fringe (No Carryover Provision)	1,162,065
3556 Adult Education	352,279
3557 Summer Reading Program	93,774
3571 CSI and State Priority Schools	136,741
3577 Teacher Supplies (No Carryover Provision)	379,500
3594 EEDA Supplemental Programs	165,811
3595 EEDA - Supplies and Materials	25,244
3597 Aid to Districts	653,629
Total State Sources	12,614,962
Total Revenues All Sources	12,614,962

Expenditures

100 Instruction:

110 General Instruction:	
111 Kindergarten Programs:	
100 Salaries	97,467
200 Employee Benefits	29,003
300 Purchased Services	1,807
112 Primary Programs:	
100 Salaries	1,090,080
200 Employee Benefits	391,479
300 Purchased Services	869
400 Supplies and Materials	60,169
113 Elementary Programs:	
100 Salaries	832,537
200 Employee Benefits	296,994
400 Supplies and Materials	28,413

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SPECIAL REVENUE FUNDS - EDUCATION IMPROVEMENT ACT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2020**

114 High School Programs:		
100 Salaries	\$	572,596
200 Employee Benefits		170,739
115 Career and Technology Education Programs:		
100 Salaries		85,025
200 Employee Benefits		25,368
300 Purchased Services		70,009
400 Supplies and Materials		163,074
500 Capital Outlay		125,208
600 Other Objects		600
118 Montessori Programs:		
100 Salaries		7,500
200 Employee Benefits		2,238
120 Exceptional Programs:		
121 Educable Mentally Handicapped:		
100 Salaries		30,000
200 Employee Benefits		8,936
122 Trainable Mentally Handicapped:		
100 Salaries		5,000
200 Employee Benefits		1,480
126 Speech Handicapped:		
100 Salaries		22,500
200 Employee Benefits		6,682
127 Learning Disabilities:		
100 Salaries		38,750
200 Employee Benefits		11,460
129 Coordinated Early Intervening Services (CEIS):		
100 Salaries		54,737
200 Employee Benefits		16,285
130 Preschool Programs:		
136 Preschool Handicapped-Itinerant (3- and 4-Yr. Olds):		
100 Salaries		375
200 Employee Benefits		112
137 Preschool Handicapped Self-Contained (3- and 4-Yr. Olds):		
100 Salaries		19,250
200 Employee Benefits		5,747
138 Preschool Handicapped Homebased (3- and 4-Yr. Olds):		
100 Salaries		375
200 Employee Benefits		112
139 Early Childhood Programs:		
100 Salaries		226,328
200 Employee Benefits		99,711
300 Purchased Services		2,835
400 Supplies and Materials		34,479

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SPECIAL REVENUE FUNDS - EDUCATION IMPROVEMENT ACT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2020**

140 Special Programs:

141 Gifted and Talented Academic:	
100 Salaries	\$ 36,250
200 Employee Benefits	10,772
143 Advanced Placement:	
100 Salaries	16,275
200 Employee Benefits	4,868
149 Other Special Programs:	
400 Supplies and Materials	379,500

170 Summer School Programs:

172 Elementary Summer School:	
300 Purchased Services	6,150
175 Instructional Programs Beyond Regular School Day:	
100 Salaries	47,544
200 Employee Benefits	14,124
400 Supplies and Materials	498

180 Adult/Continuing Education Programs:

181 Adult Education Basic Programs:	
100 Salaries	78,701
200 Employee Benefits	31,479
400 Supplies and Materials	92
182 Adult Secondary Education Programs:	
100 Salaries	119,237
200 Employee Benefits	50,350
400 Supplies and Materials	2,126
183 Adult English Literacy (ESL):	
100 Salaries	4,876
200 Employee Benefits	582
188 Parenting/Family Literacy:	
100 Salaries	81,947
200 Employee Benefits	32,103
300 Purchased Services	811
400 Supplies and Materials	1,628

190 Instructional Pupil Activity:

300 Purchased Services	5,203
400 Supplies and Materials	1,185

Total Instruction

5,562,630

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SPECIAL REVENUE FUNDS - EDUCATION IMPROVEMENT ACT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2020**

200 Supporting Services:

210 Pupil Services:

211 Attendance and Social Work Services:

100 Salaries	\$	40,518
200 Employee Benefits		12,512
300 Purchased Services		2,056
400 Supplies and Materials		1,030

212 Guidance Services:

100 Salaries	82,500
200 Employee Benefits	24,622
300 Purchased Services	4,454
400 Supplies and Materials	20,240
600 Other Objects	550

220 Instructional Staff Services:

221 Improvement of Instruction Curriculum Development:

100 Salaries	206,362
200 Employee Benefits	74,428
300 Purchased Services	84,560

222 Library and Media Services:

100 Salaries	45,000
200 Employee Benefits	13,428

223 Supervision of Special Programs:

100 Salaries	67,404
200 Employee Benefits	32,061
300 Purchased Services	2,524
400 Supplies and Materials	10,617

224 Improvement of Instruction Inservice and Staff Training:

100 Salaries	78,083
200 Employee Benefits	23,444
300 Purchased Services	350,929
400 Supplies and Materials	31,626

250 Finance and Operations Services:

251 Student Transportation (Federal/District Mandated):

300 Purchased Services	27,355
------------------------	--------

252 Fiscal Services:

100 Salaries	62,081
200 Employee Benefits	26,112

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SPECIAL REVENUE FUNDS - EDUCATION IMPROVEMENT ACT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2020**

270 Support Services - Pupil Activity:

271 Pupil Service Activities:
300 Purchased Services

\$ 10,746

Total Support Services

1,335,242

Total Expenditures

6,897,872

Other Financing Sources (Uses)

Interfund Transfers, From (To) Other Funds:

420-710 Transfer to General Fund (Exclude Indirect Costs)

(5,717,090)

Total Other Financing Sources (Uses)

(5,717,090)

Excess/Deficiency of Revenues over Expenditures

-

Fund Balance, Beginning of Year

-

Fund Balance, End of Year

\$ -

DRAFT

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

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT
SUMMARY SCHEDULE BY PROGRAM
FOR THE YEAR ENDED JUNE 30, 2020

Program	Revenues	Expenditures	Interfund Transfers In/(Out)	Other Fund Transfers In/(Out)	Unearned Revenue
3500 Education Improvement Act:					
3502 ADEPT	\$ 15,072	\$ 15,072	\$ -	\$ -	\$ 4,271
3507 Aid to District Technology	-	-	-	-	3,238
3509 Arts in Education	7,841	7,841	-	-	2,138
3518 Adoption List of Formative Assessment	73,371	73,371	-	-	78,220
3519 Grade 10 Assessments	78,557	78,557	-	-	49,517
3526 Refurbishment of Science Kits	54,479	54,479	-	-	56,342
3528 Industry Certifications/Credentials	65,172	65,172	-	-	96,912
3529 Career and Technology Education	394,800	394,800	-	-	372,197
3532 National Board Salary Supplement (No Carryover Provision)	2,676,865	2,676,865	-	-	-
3533 Teacher of the Year Awards	-	-	-	-	26,913
3538 Students at Risk of School Failure	1,386,662	1,386,662	-	-	1,143,645
3540 Early Childhood Program (4K Programs Serving Four-Year-Old Children)	338,075	338,075	-	-	441,775
3550 Teacher Salary Increase (No Carryover Provision)	4,555,025	-	-	(4,555,025)	-
3555 Teacher Salary Fringe (No Carryover Provision)	1,162,065	-	-	(1,162,065)	-
3556 Adult Education	352,279	352,279	-	-	6,050
3557 Summer Reading Program	93,774	93,774	-	-	82,546
3558 Reading	-	-	-	-	-
3571 CSI and State Priority Schools	136,741	136,741	-	-	459,933
3577 Teacher Supplies (No Carryover Provision)	379,500	379,500	-	-	-
3594 EEDA Supplemental Programs	165,811	165,811	-	-	-
3395 EEDA Supplies and Materials	25,244	25,244	-	-	25,443
3597 Aid to Districts	653,629	653,629	-	-	103,880
3599 Other EIA	-	-	-	-	102,679
Total	\$ 12,614,962	\$ 6,897,872	\$ -	\$ (5,717,090)	\$ 3,055,699

DRAFT

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SPECIAL REVENUE FUND - FOOD SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2020**

	<u>Actual</u>
Revenues	
1000 Revenues from Local Sources	
1500 Earnings on Investments:	
1510 Interest on Investments	\$ 53,071
1600 Food Services:	
1610 Lunch Sales to Pupils	1,358,448
1620 Breakfast Sales to Pupils	84,640
1630 Special Sales to Pupils	858,214
1640 Lunch Sales to Adults	76,431
1650 Breakfast Sales to Adults	1,135
1660 Special Sales to Adults	46,909
1700 Pupil Activities	
1790 Other Pupil Activity Income	113
1900 Other Revenue from Local Sources:	
1990 Miscellaneous Local Revenue:	
1999 Revenue from Other Local Sources	158,493
Total Local Sources	<u>2,637,454</u>
4000 Revenue from Federal Sources:	
4800 USDA Reimbursement:	
4810 School Lunch and After School Snacks Program, and Special Milk Program	3,662,797
4830 School Breakfast Program (Carryover Provision)	1,534,859
4870 School Food Service (Equipment)	25,000
4900 Other Federal Sources:	
4971 CARES Additional Cost Per Meal	271,478
4991 USDA Commodities (Food Distribution Program) (Carryover Provision)	597,169
4999 Revenue from Other Federal Sources	156,191
Total Federal Sources	<u>6,247,494</u>
Total Revenue - All Sources	<u>8,884,948</u>

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SPECIAL REVENUE FUND - FOOD SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2020**

	<u>Actual</u>
Expenditures	
200 Support Services	
250 Finance and Operation Services:	
256 Food Services:	
100 Salaries	\$ 2,845,625
200 Employee Benefits	1,512,618
300 Purchased Services	362,893
400 Supplies and Materials	4,298,742
500 Capital Outlay	31,157
600 Other Objects	<u>13,831</u>
Total Support Services	<u>9,064,866</u>
Total Expenditures	<u>9,064,866</u>
Other Financing Sources (Uses)	
Interfund Transfers, From (To) Other Funds:	
5210 Transfer from General Fund (Exclude Indirect Costs)	<u>246,385</u>
Total Other Financing Sources (Uses)	<u>246,385</u>
Excess/(Deficiency) of Revenues Over Expenditures	66,467
Fund Balance - Beginning of Year	<u>2,996,925</u>
Fund Balance - End of Year	<u><u>\$ 3,063,392</u></u>

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.

DRAFT

This page was intentionally left blank.

DRAFT

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, 2020

Revenues

1000 Revenue from Local Sources

1100 Taxes Levied/Assessed by the LEA:	
1110 Ad Valorem Taxes - Including Delinquent (Independent)	\$ 39,038,471
1140 Penalties & Interest on Taxes (Independent)	97,220
1200 Revenue from Local Governmental Units Other than LEAs:	
1280 Revenue in Lieu of Taxes (Independent and Dependent)	373,623
1500 Earnings on Investments:	
1510 Interest on Investments	145,106
Total Local Sources	39,654,420

3000 Revenue from State Sources

3800 State Revenue in Lieu of Taxes:	
3820 Homestead Exemption (Tier 2)	1,352,274
3830 Merchant's Inventory Tax	71,318
3840 Manufacturer's Depreciation Reimbursement	108,081
3890 Other State Property Tax Revenues (includes Motor Carrier Vehicle Tax)	29,599
Total State Sources	1,561,272

4000 Revenue from Federal Sources

4900 Other Federal Revenue:	
4999 Revenue from Other Federal Sources	247,013
Total Federal Sources	247,013

Total Revenues All Sources	41,462,705
-----------------------------------	-------------------

Expenditures

500 Debt Service

395 Other Professional and Technical Services	2,275
610 Redemption of Principal	20,813,000
620 Interest	7,615,125
Total Debt Service	28,430,400
Total Expenditures	28,430,400

**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, 2020**

Other Financing Sources (Uses)

Interfund Transfers, From (To) Other Funds:

424-710 Transfer to Capital Projects Fund	\$ (10,005,000)
---	-----------------

Total Other Financing Sources (Uses)	<u>(10,005,000)</u>
---	---------------------

Excess/Deficiency of Revenues over Expenditures	<u>3,027,305</u>
--	------------------

Fund Balance, Beginning of Year	<u>6,772,925</u>
--	------------------

Fund Balance, Ending of Year	<u><u>\$ 9,800,230</u></u>
-------------------------------------	----------------------------

DRAFT

CAPITAL PROJECTS FUND

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

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

DRAFT

This page was intentionally left blank.

DRAFT

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, 2020

Revenues

1000 Revenue from Local Sources

1500 Earnings on Investments:	
1510 Interest on Investments	\$ 804,447
1900 Other Revenue from Local Services	
1990 Miscellaneous Local Revenue	
1999 Revenue from Other Local Sources	51,117
Total Local Sources	855,564
Total Revenues All Sources	855,564

Expenditures

200 Support Services

250 Finance and Operations Services:	
253 Facilities Acquisition and Construction:	
300 Purchased Services	2,331,499
400 Supplies and Materials	189,769
500 Capital Outlay	
520 Construction Services	3,678,778
530 Improvements Other Than Buildings	7,218,711
540 Equipment	42,680
550 Vehicles	84,872
600 Other Objects	185,998
254 Operations and Maintenance of Plant:	
300 Purchased Services	10,646,406
400 Supplies and Materials	250,528
500 Capital Outlay	1,174,736
600 Other Objects	138,805
256 Food Services:	
400 Supplies and Materials	95,776
500 Capital Outlay	35,972
260 Central Support Services:	
266 Technology and Data Processing Services:	
300 Purchased Services	261,006
400 Supplies and Materials	1,592,196
500 Capital Outlay	351,697
Total Support Services	28,279,429

**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, 2020**

500 Debt Service

610 Redemption of Principal	\$ 475,198
620 Interest	24,802
690 Other Objects (Including Fees For Servicing Bonds)	<u>215,454</u>

Total Debt Service	<u>715,454</u>
---------------------------	----------------

Total Expenditures	<u>28,994,883</u>
---------------------------	-------------------

Other Financing Sources (Uses):

5100 Sale of Bonds:

5110 Premium on Bonds Sold	1,839,203
5120 Proceeds of General Obligation Bonds	30,000,000

Interfund Transfers, From (To) Other Funds:

5210 Transfer from General Fund (Exclude Indirect Costs)	2,865,607
5240 Transfer from Debt Service Fund	<u>10,005,000</u>

Total Other Financing Sources (Uses)	<u>44,709,810</u>
---	-------------------

Excess/Deficiency of Revenues over Expenditures	16,570,491
--	------------

Fund Balance, Beginning of Year	<u>13,184,023</u>
--	-------------------

Fund Balance, Ending of Year	<u><u>\$ 29,754,514</u></u>
-------------------------------------	-----------------------------

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

ENTERPRISE FUND

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

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

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

DRAFT

This page was intentionally left blank.

DRAFT

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
ENTERPRISE FUND - AFTERSCHOOL PROGRAM
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN NET POSITION (DEFICIT)
FOR THE YEAR ENDED JUNE 30, 2020**

	<u>Actual</u>
Revenues	
1000 Revenues from Local Sources:	
1300 Tuition:	
1310 From Patrons for Regular Day School	\$ 797,358
1900 Other Revenue from Local Sources:	
1990 Miscellaneous Local Revenue:	
1999 Revenue from Other Local Sources	<u>63,228</u>
Total Revenues from Local Sources	<u>860,586</u>
Total Revenue All Sources	<u>860,586</u>
Expenditures	
100 Instruction	
110 General Instruction:	
112 Primary Programs:	
300 Purchased Services	6,680
400 Supplies and Materials	18,091
113 Elementary Programs:	
100 Salaries	234
200 Employee Benefits	70
130 Pre-School Programs:	
139 Early Childhood Programs:	
100 Salaries	228,742
200 Employee Benefits	114,433
300 Purchased Services	3,481
400 Supplies and Materials	<u>1,029</u>
Total Instruction	<u>372,760</u>

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
ENTERPRISE FUND - AFTERSCHOOL PROGRAM
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN NET POSITION (DEFICIT)
FOR THE YEAR ENDED JUNE 30, 2020**

	<u>Actual</u>
200 Support Services	
213 Health Services:	
100 Salaries	\$ 390
200 Employee Benefits	118
224 Improvement of Instruction Inservice and Staff Training:	
300 Purchased Services	7,790
400 Supplies and Materials	28,345
230 General Administrative Services:	
233 School Administration:	
100 Salaries	13,777
200 Employee Benefits	4,150
400 Supplies and Materials	27,905
250 Finance and Operation Services:	
254 Operation and Maintenance of Plant:	
300 Purchased Services	3,780
Total Support Services	<u>86,255</u>
300 Community Services	
350 Custody and Care of Children Services:	
100 Salaries	311,574
200 Employee Benefits	112,560
300 Purchased Services	68,115
400 Supplies and Materials	43,446
390 Other Community Services:	
100 Salaries	1,000
200 Employee Benefits	301
Total Community Services	<u>536,996</u>
Total Expenditures	<u>996,011</u>
Excess/Deficiency of Revenues Over Expenditures	(135,425)
Total Net Position (Deficit) - Beginning of Year	<u>(2,311,420)</u>
Total Net Position (Deficit) - Ending of Year	<u><u>\$ (2,446,845)</u></u>

This page was intentionally left blank.

DRAFT

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.

DRAFT

This page was intentionally left blank.

DRAFT

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
FIDUCIARY FUND - PUPIL ACTIVITY AGENCY FUND
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2020**

	<u>Balance July 1, 2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2020</u>
Assets				
Due From District	\$ 4,325,475	\$ 711,535	\$ 196,321	\$ 4,840,689
Total Assets	<u>\$ 4,325,475</u>	<u>\$ 711,535</u>	<u>\$ 196,321</u>	<u>\$ 4,840,689</u>
Liabilities				
Accounts Payable	\$ 57,567	\$ 137,284	\$ 57,567	\$ 137,284
Due to Pupil Activities	<u>4,267,908</u>	<u>3,868,741</u>	<u>3,433,244</u>	<u>4,703,405</u>
Total Liabilities	<u>\$ 4,325,475</u>	<u>\$ 4,006,025</u>	<u>\$ 3,490,811</u>	<u>\$ 4,840,689</u>

DRAFT

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
FIDUCIARY FUND - PUPIL ACTIVITY AGENCY FUNDS
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN
AMOUNTS DUE TO PUPIL ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020**

	<u>Other Pupil Activity</u>	<u>Schools' Pupil Activity</u>	<u>Totals</u>
Receipts			
1000 Receipts from Local Sources			
1700 Pupil Activities:			
1790 Other Pupil Activity Income	\$ 748,096	\$ 3,115,575	\$ 3,863,671
Total Local Sources	<u>748,096</u>	<u>3,115,575</u>	<u>3,863,671</u>
Total Receipts All Sources	<u>748,096</u>	<u>3,115,575</u>	<u>3,863,671</u>
Disbursements			
100 Instruction:			
115 Career and Technology Education Programs:			
100 Salaries	-	1,261	1,261
200 Employee Benefits	-	380	380
170 Summer School Programs:			
172 Elementary Summer School			
100 Salaries	13,306	-	13,306
200 Employee Benefits	4,009	-	4,009
173 High School Summer School:			
100 Salaries	55,441	-	55,441
200 Employee Benefits	16,796	-	16,796
190 Instructional Pupil Activity:			
190 Instructional Pupil Activity			
660 Pupil Activity	-	285	285
250 Support Services:			
254 Operation and Maintenance of Plant			
300 Purchased Services	35,300	-	35,300
270 Support Services Pupil Activity:			
271 Pupil Services Activities:			
100 Salaries	138,259	58,240	196,499
200 Employee Benefits	40,829	16,400	57,229
300 Purchased Services	-	302,044	302,044
400 Supplies and Materials	-	200,584	200,584
500 Capital Outlay	11,294	-	11,294
600 Other Objects	-	109,508	109,508
660 Pupil Activity	343,884	2,080,354	2,424,238
Total Disbursements	<u>659,118</u>	<u>2,769,056</u>	<u>3,428,174</u>

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
FIDUCIARY FUND - PUPIL ACTIVITY AGENCY FUNDS
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN
AMOUNTS DUE TO PUPIL ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Other Pupil Activity</u>	<u>Schools' Pupil Activity</u>	<u>Totals</u>
Other Financing Sources (Uses)			
Interfund Transfers, From (To) Other Funds:			
5270 Transfer from Pupil Activity Fund	\$ -	\$ 5,070	\$ 5,070
426-710 Transfer to Pupil Activity Fund	<u>-</u>	<u>(5,070)</u>	<u>(5,070)</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Excess/Deficiency of Receipts over Disbursements	88,978	346,519	435,497
Due to Pupil Activities, Beginning of Year	<u>1,880,157</u>	<u>2,387,751</u>	<u>4,267,908</u>
Due to Pupil Activities, Ending of Year	<u>\$ 1,969,135</u>	<u>\$ 2,734,270</u>	<u>\$ 4,703,405</u>

DRAFT

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
FIDUCIARY FUND - PUPIL ACTIVITY AGENCY FUNDS - BY SITE
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Ballentine Elementary</u>	<u>Chapin Elementary</u>	<u>Chapin High</u>
Receipts			
1000 Receipts from Local Sources			
1700 Pupil Activities			
1790 Other Pupil Activity Income	\$ 87,102	\$ 62,094	\$ 228,297
Total Receipts from Local Sources	<u>87,102</u>	<u>62,094</u>	<u>228,297</u>
Disbursements			
100 Instruction:			
115 Career and Technology Education Programs:			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
190 Instruction Pupil Activity			
190 Instructional Pupil Activity			
660 Pupil Activity	-	-	-
200 Support Services:			
271 Pupil Services Activities:			
100 Salaries	3,650	4,000	4,511
200 Employee Benefits	1,100	1,205	1,368
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
600 Other Objects	-	-	-
660 Pupil Activity	71,015	46,213	176,705
Total Disbursements	<u>75,765</u>	<u>51,418</u>	<u>182,584</u>
Other Financing Sources (Uses)			
Interfund Transfer, From (To) Other Funds:			
426-710 Transfer to Pupil Activity Fund	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Excess/Deficiency of Receipts Over Disbursements	11,337	10,676	45,713
Due to Pupil Activities, Beginning of Year	<u>63,093</u>	<u>27,636</u>	<u>319,676</u>
Due to Pupil Activities, End of Year	<u>\$ 74,430</u>	<u>\$ 38,312</u>	<u>\$ 365,389</u>

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
FIDUCIARY FUND - PUPIL ACTIVITY AGENCY FUNDS - BY SITE
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Chapin Intermediate</u>	<u>Chapin Middle</u>	<u>Crossroads Intermediate</u>	<u>Dutch Fork Elementary</u>
Receipts				
1000 Receipts from Local Sources				
1700 Pupil Activities				
1790 Other Pupil Activity Income	\$ 89,639	\$ 190,917	\$ 163,650	\$ 23,514
Total Receipts from Local Sources	<u>89,639</u>	<u>190,917</u>	<u>163,650</u>	<u>23,514</u>
Disbursements				
100 Instruction:				
115 Career and Technology Education Programs:				
100 Salaries	-	-	-	-
200 Employee Benefits	-	-	-	-
190 Instruction Pupil Activity				
190 Instructional Pupil Activity				
660 Pupil Activity	285	-	-	-
200 Support Services:				
271 Pupil Services Activities:				
100 Salaries	-	-	-	-
200 Employee Benefits	-	-	-	-
300 Purchased Services	-	-	-	-
400 Supplies and Materials	-	-	-	-
600 Other Objects	-	-	-	-
660 Pupil Activity	72,963	185,854	149,358	13,835
Total Disbursements	<u>73,248</u>	<u>185,854</u>	<u>149,358</u>	<u>13,835</u>
Other Financing Sources (Uses)				
Interfund Transfer, From (To) Other Funds:				
426-710 Transfer to Pupil Activity Fund	-	(380)	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(380)</u>	<u>-</u>	<u>-</u>
Excess/Deficiency of Receipts Over Disbursements	16,391	4,683	14,292	9,679
Due to Pupil Activities, Beginning of Year	<u>66,653</u>	<u>82,384</u>	<u>75,425</u>	<u>41,906</u>
Due to Pupil Activities, End of Year	<u>\$ 83,044</u>	<u>\$ 87,067</u>	<u>\$ 89,717</u>	<u>\$ 51,585</u>

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
FIDUCIARY FUND - PUPIL ACTIVITY AGENCY FUNDS - BY SITE
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Dutch Fork High</u>	<u>Dutch Fork Middle</u>	<u>H.E. Corley Elementary</u>	<u>Harbison West Elementary</u>
Receipts				
1000 Receipts from Local Sources				
1700 Pupil Activities				
1790 Other Pupil Activity Income	\$ 294,561	\$ 70,230	\$ 29,539	\$ 35,981
Total Receipts from Local Sources	<u>294,561</u>	<u>70,230</u>	<u>29,539</u>	<u>35,981</u>
Disbursements				
100 Instruction:				
115 Career and Technology Education Programs:				
100 Salaries	-	-	-	-
200 Employee Benefits	-	-	-	-
190 Instruction Pupil Activity				
190 Instructional Pupil Activity				
660 Pupil Activity	-	-	-	-
200 Support Services:				
271 Pupil Services Activities:				
100 Salaries	5,638	-	-	-
200 Employee Benefits	1,700	-	-	-
300 Purchased Services	-	-	-	-
400 Supplies and Materials	-	-	-	-
600 Other Objects	-	-	-	-
660 Pupil Activity	229,279	68,729	25,849	37,186
Total Disbursements	<u>236,617</u>	<u>68,729</u>	<u>25,849</u>	<u>37,186</u>
Other Financing Sources (Uses)				
Interfund Transfer, From (To) Other Funds:				
426-710 Transfer to Pupil Activity Fund	-	(275)	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(275)</u>	<u>-</u>	<u>-</u>
Excess/Deficiency of Receipts Over Disbursements	57,944	1,226	3,690	(1,205)
Due to Pupil Activities, Beginning of Year	<u>302,085</u>	<u>114,311</u>	<u>24,575</u>	<u>36,975</u>
Due to Pupil Activities, End of Year	<u>\$ 360,029</u>	<u>\$ 115,537</u>	<u>\$ 28,265</u>	<u>\$ 35,770</u>

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
FIDUCIARY FUND - PUPIL ACTIVITY AGENCY FUNDS - BY SITE
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Irmo Elementary</u>	<u>Irmo High</u>	<u>Irmo Middle</u>	<u>Lake Murray Elementary</u>
Receipts				
1000 Receipts from Local Sources				
1700 Pupil Activities				
1790 Other Pupil Activity Income	\$ 73,369	\$ 254,598	\$ 46,737	\$ 102,046
Total Receipts from Local Sources	<u>73,369</u>	<u>254,598</u>	<u>46,737</u>	<u>102,046</u>
Disbursements				
100 Instruction:				
115 Career and Technology Education Programs:				
100 Salaries	-	-	-	-
200 Employee Benefits	-	-	-	-
190 Instruction Pupil Activity				
190 Instructional Pupil Activity				
660 Pupil Activity	-	-	-	-
200 Support Services:				
271 Pupil Services Activities:				
100 Salaries	-	7,092	195	596
200 Employee Benefits	-	2,144	59	187
300 Purchased Services	-	-	-	-
400 Supplies and Materials	-	-	-	-
600 Other Objects	-	-	-	-
660 Pupil Activity	129,077	217,118	37,469	89,821
Total Disbursements	<u>129,077</u>	<u>226,354</u>	<u>37,723</u>	<u>90,604</u>
Other Financing Sources (Uses)				
Interfund Transfer, From (To) Other Funds:				
426-710 Transfer to Pupil Activity Fund	-	(2,775)	(1,255)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(2,775)</u>	<u>(1,255)</u>	<u>-</u>
Excess/Deficiency of Receipts Over Disbursements	(55,708)	25,469	7,759	11,442
Due to Pupil Activities, Beginning of Year	<u>195,193</u>	<u>229,183</u>	<u>68,966</u>	<u>261,649</u>
Due to Pupil Activities, End of Year	<u>\$ 139,485</u>	<u>\$ 254,652</u>	<u>\$ 76,725</u>	<u>\$ 273,091</u>

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
FIDUCIARY FUND - PUPIL ACTIVITY AGENCY FUNDS - BY SITE
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Leaphart Elementary</u>	<u>Nursery Road Elementary</u>	<u>Oak Pointe Elementary</u>	<u>River Springs Elementary</u>
Receipts				
1000 Receipts from Local Sources				
1700 Pupil Activities				
1790 Other Pupil Activity Income	\$ 23,546	\$ 9,971	\$ 71,343	\$ 19,623
Total Receipts from Local Sources	<u>23,546</u>	<u>9,971</u>	<u>71,343</u>	<u>19,623</u>
Disbursements				
100 Instruction:				
115 Career and Technology Education Programs:				
100 Salaries	-	-	-	-
200 Employee Benefits	-	-	-	-
190 Instruction Pupil Activity				
190 Instructional Pupil Activity				
660 Pupil Activity	-	-	-	-
200 Support Services:				
271 Pupil Services Activities:				
100 Salaries	-	-	-	-
200 Employee Benefits	-	-	-	-
300 Purchased Services	-	-	-	-
400 Supplies and Materials	-	-	-	-
600 Other Objects	-	-	-	-
660 Pupil Activity	26,768	12,261	54,787	20,978
Total Disbursements	<u>26,768</u>	<u>12,261</u>	<u>54,787</u>	<u>20,978</u>
Other Financing Sources (Uses)				
Interfund Transfer, From (To) Other Funds:				
426-710 Transfer to Pupil Activity Fund	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess/Deficiency of Receipts Over Disbursements	(3,222)	(2,290)	16,556	(1,355)
Due to Pupil Activities, Beginning of Year	<u>28,930</u>	<u>9,311</u>	<u>36,240</u>	<u>23,125</u>
Due to Pupil Activities, End of Year	<u>\$ 25,708</u>	<u>\$ 7,021</u>	<u>\$ 52,796</u>	<u>\$ 21,770</u>

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
FIDUCIARY FUND - PUPIL ACTIVITY AGENCY FUNDS - BY SITE
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Seven Oaks Elementary</u>	<u>Academy for Success</u>	<u>The Center</u>	<u>Adult Education</u>
Receipts				
1000 Receipts from Local Sources				
1700 Pupil Activities				
1790 Other Pupil Activity Income	\$ 29,853	\$ 1,981	\$ 130,384	\$ 7,556
Total Receipts from Local Sources	<u>29,853</u>	<u>1,981</u>	<u>130,384</u>	<u>7,556</u>
Disbursements				
100 Instruction:				
115 Career and Technology Education Programs:				
100 Salaries	-	-	1,261	-
200 Employee Benefits	-	-	380	-
190 Instruction Pupil Activity				
190 Instructional Pupil Activity				
660 Pupil Activity	-	-	-	-
200 Support Services:				
271 Pupil Services Activities:				
100 Salaries	-	-	-	-
200 Employee Benefits	-	-	-	-
300 Purchased Services	-	-	-	-
400 Supplies and Materials	-	-	-	-
600 Other Objects	-	-	-	-
660 Pupil Activity	34,779	2,211	95,975	14,532
Total Disbursements	<u>34,779</u>	<u>2,211</u>	<u>97,616</u>	<u>14,532</u>
Other Financing Sources (Uses)				
Interfund Transfer, From (To) Other Funds:				
426-710 Transfer to Pupil Activity Fund	-	-	1,040	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>1,040</u>	<u>-</u>
Excess/Deficiency of Receipts Over Disbursements	(4,926)	(230)	33,808	(6,976)
Due to Pupil Activities, Beginning of Year	<u>44,032</u>	<u>2,535</u>	<u>125,371</u>	<u>30,611</u>
Due to Pupil Activities, End of Year	<u>\$ 39,106</u>	<u>\$ 2,305</u>	<u>\$ 159,179</u>	<u>\$ 23,635</u>

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
FIDUCIARY FUND - PUPIL ACTIVITY AGENCY FUNDS - BY SITE
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Spring Hill High</u>	<u>Athletics</u>	<u>Total</u>
Receipts			
1000 Receipts from Local Sources			
1700 Pupil Activities			
1790 Other Pupil Activity Income	\$ 261,469	\$ 807,575	\$ 3,115,575
Total Receipts from Local Sources	<u>261,469</u>	<u>807,575</u>	<u>3,115,575</u>
Disbursements			
100 Instruction:			
115 Career and Technology Education Programs:			
100 Salaries	-	-	1,261
200 Employee Benefits	-	-	380
190 Instruction Pupil Activity			
190 Instructional Pupil Activity			
660 Pupil Activity	-	-	285
200 Support Services:			
271 Pupil Services Activities:			
100 Salaries	-	32,558	58,240
200 Employee Benefits	-	8,637	16,400
300 Purchased Services	-	302,044	302,044
400 Supplies and Materials	-	200,584	200,584
600 Other Objects	-	109,508	109,508
660 Pupil Activity	266,570	1,022	2,080,354
Total Disbursements	<u>266,570</u>	<u>654,353</u>	<u>2,769,056</u>
Other Financing Sources (Uses)			
Interfund Transfer, From (To) Other Funds:			
426-710 Transfer to Pupil Activity Fund	(385)	4,030	-
Total Other Financing Sources (Uses)	<u>(385)</u>	<u>4,030</u>	<u>-</u>
Excess/Deficiency of Receipts Over Disbursements	(5,486)	157,252	346,519
Due to Pupil Activities, Beginning of Year	<u>124,414</u>	<u>53,472</u>	<u>2,387,751</u>
Due to Pupil Activities, End of Year	<u>\$ 118,928</u>	<u>\$ 210,724</u>	<u>\$ 2,734,270</u>

This page was intentionally left blank.

DRAFT

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

DRAFT

This page was intentionally left blank.

DRAFT

SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
LOCATION RECONCILIATION SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2020

Location I.D.	Location Description	Education Level	Cost Type	Total Expenditures
000	Districtwide	Non-Schools	Central	\$ 68,114,332
038	Chapin High School	High School	School	13,956,641
039	Irmo High School	High School	School	22,244,757
040	Irmo Middle School	Middle School	School	10,892,892
041	Chapin Elementary School	Elementary School	School	8,388,632
042	Dutch Fork Elementary School	Elementary School	School	5,976,413
043	Irmo Elementary School	Elementary School	School	6,087,998
044	Leaphart Elementary School	Elementary School	School	6,062,147
045	Seven Oaks Elementary School	Elementary School	School	6,741,559
046	Crossroads Intermediate School	Intermediate School	School	7,870,647
047	Nursery Road Elementary School	Elementary School	School	8,369,848
048	Harbison West Elementary School	Elementary School	School	8,727,078
049	H.E. Corley Elementary School	Elementary School	School	8,153,093
050	Chapin Intermediate School	Intermediate School	School	7,108,759
051	Dutch Fork High School	High School	School	20,208,261
052	Lake Murray Elementary School	Elementary School	School	7,553,829
053	River Springs Elementary School	Elementary School	School	5,798,865
054	Dutch Fork Middle School	Middle School	School	10,843,966
055	Ballentine Elementary School	Elementary School	School	6,595,377
056	Oak Pointe Elementary School	Elementary School	School	6,831,941
057	Spring Hill High School	High School	School	10,244,877
058	Chapin Middle School	Middle School	School	8,482,418
059	New Elementary School #13	Elementary School	School	10,279,097
750	Academy For Success	Other Schools	School	2,003,472
995	Center for Advanced Technical Studies	Other Schools	School	4,005,461

Total Expenditures/Disbursements for All Funds

\$ 281,542,360

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

General Fund	\$ 190,440,405
Special Revenue Fund - Special Projects	13,289,749
Special Revenue Fund - EIA Fund	6,897,872
Special Revenue Fund - Food Service	9,064,866
Debt Service Fund	28,430,400
Capital Projects Fund	28,994,883
Proprietary Fund	996,011
Agency Fund - Pupil Activity	3,428,174

Total Expenditures/Disbursements for All Funds

\$ 281,542,360

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
DETAILED SCHEDULE OF DUE TO STATE DEPARTMENT OF EDUCATION/FEDERAL GOVERNMENT
FOR THE YEAR ENDED JUNE 30, 2020**

Program	Project/Grant Number	Revenue & Subfund Code	Description	Amount Due to SDE or Federal Government	Status of Amount Due To Grantors
National Board Salary Supplement	EIA	332/3532	Unexpended Funds	\$ 26,260	Outstanding
Title I - Basic State Grant	SRF	201/4310	Unexpended Funds	565	Outstanding
IDEA	SRF	203/4510	Unexpended Funds	5,782	Outstanding
Perkins Aid, Title I	SRF	207/4210	Unexpended Funds	41,830	Outstanding
English Language Acquisition	SRF	264/4341	Unexpended Funds	271	Outstanding
				<u>\$ 74,708</u>	

DRAFT

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.

Contents

Page

Financial Trends

These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time. 143 – 149

Revenue Capacity

These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax..... 150 – 157

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. 158 – 161

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..... 162 – 164

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..... 165 – 170

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 63 with the fiscal year beginning July 2, 2012; therefore, schedules presenting government-wide fund balance information reflect the new fund balance terminology.

This page was intentionally left blank.

DRAFT

TABLE 1

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

	2011	2012	2013	2014	2015*	2016**	2017	2018***	2019****	2020
Governmental activities:										
Net investment in capital assets	\$ 173,068,374	\$ 175,518,572	\$ 174,275,981	\$ 174,598,030	\$ 171,553,790	\$ 150,048,473	\$ 152,302,772	\$ 163,073,794	\$ 183,790,644	\$ 198,474,597
Restricted	752,378	6,477,810	6,934,331	4,642,905	3,583,875	13,101,641	16,984,735	19,729,707	10,730,020	11,770,036
Unrestricted	26,613,502	27,967,938	29,979,061	29,050,873	(178,291,876)	(169,132,831)	(172,480,387)	(377,452,293)	(387,789,246)	(389,134,093)
Total governmental activities	<u>200,434,254</u>	<u>209,964,320</u>	<u>211,189,373</u>	<u>208,291,808</u>	<u>(3,154,211)</u>	<u>(5,982,717)</u>	<u>(3,192,880)</u>	<u>(194,648,792)</u>	<u>(193,268,582)</u>	<u>(178,889,460)</u>
Business-type activities:										
Net investment in capital assets	590,670	544,780	554,085	553,912	565,844	2,925,150	2,558,825	2,271,933	-	-
Unrestricted	2,080,461	2,569,413	2,311,351	1,860,712	1,890,783	(3,447,859)	(3,605,841)	(8,584,213)	(2,311,420)	(2,446,845)
Total business-type activities	<u>2,671,131</u>	<u>3,114,193</u>	<u>2,865,436</u>	<u>2,414,624</u>	<u>2,456,627</u>	<u>(522,709)</u>	<u>(1,047,016)</u>	<u>(6,312,280)</u>	<u>(2,311,420)</u>	<u>(2,446,845)</u>
Primary government										
Net investment in capital assets	173,659,044	176,063,352	174,830,066	175,151,942	172,119,634	152,973,623	154,861,597	165,345,727	183,790,644	198,474,597
Restricted	752,378	6,477,810	6,934,331	4,642,905	3,583,875	13,101,641	16,984,735	19,729,707	10,730,020	11,770,036
Unrestricted	28,693,963	30,537,351	32,290,412	30,911,585	(176,401,093)	(172,580,690)	(176,086,228)	(386,036,506)	(390,100,666)	(391,580,938)
Total primary government	<u>\$ 203,105,385</u>	<u>\$ 213,078,513</u>	<u>\$ 214,054,809</u>	<u>\$ 210,706,432</u>	<u>\$ (697,584)</u>	<u>\$ (6,505,426)</u>	<u>\$ (4,239,896)</u>	<u>\$ (200,961,072)</u>	<u>\$ (195,580,002)</u>	<u>\$ (181,336,305)</u>

Source: Records maintained by the School District Finance Department

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

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

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

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

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

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

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

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

This reclassification is reflected in the financial statements.

TABLE 2

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

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Expenses										
Government activities:										
Instruction	\$ 101,732,197	\$ 101,998,583	\$ 108,242,761	\$ 115,863,958	\$ 124,800,258	\$ 120,506,839	\$ 127,992,580	\$ 135,172,741	\$ 127,229,632	\$ 134,277,651
Support service	67,979,135	71,146,133	74,983,257	78,213,038	79,879,481	91,001,448	85,010,739	89,069,070	110,128,101	116,540,697
Community service	30,715	76,339	50,377	59,029	65,869	63,034	78,703	101,009	48,594	24,515
Interest and other charges	3,923,810	4,312,025	9,120,703	9,782,790	8,150,714	7,265,870	6,213,712	6,165,827	7,121,552	6,159,923
Total governmental expenses	<u>173,665,857</u>	<u>177,533,080</u>	<u>192,397,098</u>	<u>203,918,815</u>	<u>212,896,322</u>	<u>218,837,191</u>	<u>219,295,734</u>	<u>230,508,647</u>	<u>244,527,879</u>	<u>257,002,786</u>
Business-type activities:										
Food service	7,273,648	7,614,547	7,843,171	8,899,748	8,886,303	8,745,796	10,156,891	8,869,617	-	-
After school	990,012	1,033,685	1,197,571	1,315,160	1,393,372	1,442,488	1,056,307	1,537,405	1,477,717	996,011
Total business-type expenses	<u>8,263,660</u>	<u>8,648,232</u>	<u>9,040,742</u>	<u>10,214,908</u>	<u>10,279,675</u>	<u>10,188,284</u>	<u>11,213,198</u>	<u>10,407,022</u>	<u>1,477,717</u>	<u>996,011</u>
Total primary government expenses	<u>181,929,517</u>	<u>186,181,312</u>	<u>201,437,840</u>	<u>214,133,723</u>	<u>223,175,997</u>	<u>229,025,475</u>	<u>230,508,932</u>	<u>240,915,669</u>	<u>246,005,596</u>	<u>257,998,797</u>
Program Revenues										
Government activities:										
Charges for services	419,662	633,584	30,864	20,206	43,311	16,401	3,839	2,350	1,648	3,162
Instruction Services	178,779	263,966	19,428	13,365	9,912	13,263	2,863	1,845	3,405,782	2,565,465
Support Services	-	-	-	-	25	9	2	2	-	-
Community Services	65,919,385	67,207,775	73,559,278	77,171,071	79,696,829	79,547,616	85,992,887	90,902,260	101,783,326	108,659,709
Operating grants and contributions	-	-	-	-	-	-	-	-	-	-
Capital grants and contributions	66,517,826	68,105,325	73,609,570	77,204,642	79,750,077	79,577,289	85,999,591	90,906,457	105,190,756	111,228,336
Total governmental revenues										
Business-type activities:										
Charges for services	5,443,817	5,327,592	5,278,078	5,535,223	5,550,294	5,147,509	5,158,902	4,894,353	1,134,491	797,358
Operating grants and contributions	3,346,582	3,654,464	3,534,109	3,866,388	4,309,458	4,869,015	5,201,429	5,509,028	-	-
Total business-type revenues	<u>8,790,399</u>	<u>8,982,056</u>	<u>8,812,187</u>	<u>9,401,611</u>	<u>9,859,752</u>	<u>10,016,524</u>	<u>10,360,331</u>	<u>10,403,381</u>	<u>1,134,491</u>	<u>797,358</u>
Total primary government revenues	<u>75,308,225</u>	<u>77,087,381</u>	<u>82,421,757</u>	<u>86,606,253</u>	<u>89,609,829</u>	<u>89,593,813</u>	<u>96,359,922</u>	<u>101,309,838</u>	<u>106,325,247</u>	<u>112,025,694</u>
Net (Expense) Revenue										
Total primary government net expense	<u>\$ (106,621,292)</u>	<u>\$ (109,093,931)</u>	<u>\$ (119,016,083)</u>	<u>\$ (127,527,470)</u>	<u>\$ (133,566,168)</u>	<u>\$ (139,431,662)</u>	<u>\$ (134,149,010)</u>	<u>\$ (139,605,831)</u>	<u>\$ (139,680,349)</u>	<u>\$ (145,973,103)</u>

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)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Net (Expense)/Revenue										
Total primary government net expense	\$ (106,621,292)	\$ (109,093,931)	\$ (119,016,083)	\$ (127,527,470)	\$ (133,566,168)	\$ (139,431,662)	\$ (134,149,010)	\$ (139,605,831)	\$ (139,680,349)	\$ (145,973,103)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property taxes levied for general purposes	48,181,527	51,096,858	51,408,125	54,408,077	58,538,094	62,449,554	64,236,308	66,740,797	68,468,602	70,383,209
Property taxes levied for debt service	23,391,210	23,732,876	23,899,135	24,390,363	24,426,849	24,441,196	25,665,085	26,280,631	27,027,998	39,318,096
Payment in lieu of taxes	562,911	1,085,626	1,030,578	1,294,119	1,208,483	1,165,976	1,625,146	1,781,093	1,763,289	2,035,256
Unrestricted state revenue in lieu of taxes	41,501,416	41,932,359	42,603,890	43,083,852	43,560,260	43,941,177	44,215,110	44,676,344	45,326,074	46,275,478
Investment earnings	454,666	354,198	501,042	395,295	227,716	182,439	421,937	790,998	1,552,620	1,510,401
Miscellaneous	806,241	856,805	430,263	485,910	1,271,689	306,876	190,291	433,678	914,692	631,132
Transfers							(267,897)	(239,431)		
Total governmental revenues	114,897,971	119,058,722	119,873,033	124,057,616	129,233,091	132,487,218	136,085,980	140,464,110	145,053,275	160,153,572
Business-type activities:										
Investment earnings	6,529	8,337	7,485	4,111	4,835	58,866	60,663	47,960	-	-
Miscellaneous	-	-	111,861	117,366	208,191	145,286	-	-	8,144	63,228
Transfers	-	-	-	-	-	-	267,897	239,431	-	-
Total business-type revenues	6,529	8,337	119,346	121,477	213,026	204,152	328,560	287,391	8,144	63,228
Total primary government	114,904,500	119,067,059	119,992,379	124,179,093	129,446,117	132,691,370	136,414,540	140,751,501	145,061,419	160,216,800
Change in Net Position										
Governmental activities	7,682,171	9,530,066	1,225,053	(2,897,565)	(4,375,080)	(6,772,684)	2,789,837	861,920	5,716,152	14,379,122
Business-type activities	601,037	443,062	(248,757)	(450,812)	42,003	32,392	(524,307)	283,750	(335,082)	(135,425)
Total primary government	\$ 8,283,208	\$ 9,973,128	\$ 976,296	\$ (3,348,377)	\$ (4,333,077)	\$ (6,740,292)	\$ 2,265,530	\$ 1,145,670	\$ 5,381,070	\$ 14,243,697

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)

	2011	2012	2013	2014	2015	2016	2017	2018	2019****	2020
General Fund										
Nonspendable for Inventory	\$ 269,657	\$ 159,516	\$ 9,083	\$ 12,574	\$ 12,574	\$ 12,574	\$ 4,751	\$ 4,934	\$ 5,400	\$ 3,645
Nonspendable for Prepaid Items	2,871,605	2,893,816	3,118,702	712,139	788,406	1,005,634	4,283,690	1,299,021	1,005,685	1,170,720
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	2,898,273	-	2,000,000
Unassigned	15,321,244	23,115,911	19,252,097	23,971,686	26,786,336	28,584,179	27,071,193	32,453,103	39,521,963	43,344,184
Total General Fund	<u>\$24,646,085</u>	<u>\$30,744,095</u>	<u>\$ 33,129,057</u>	<u>\$ 32,164,113</u>	<u>\$ 34,387,316</u>	<u>\$ 37,072,772</u>	<u>\$ 38,336,237</u>	<u>\$ 36,655,331</u>	<u>\$ 40,533,048</u>	<u>\$ 46,518,549</u>
All Other Governmental Funds										
Restricted- Food Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,996,925	\$ 3,063,392
Restricted- Debt Service	4,726,778	5,715,026	7,500,378	6,509,558	5,228,679	4,640,228	5,451,625	6,003,256	6,772,925	9,800,230
Restricted- Building Fund	66,486,908	-	-	-	-	8,461,413	11,533,110	12,813,804	13,184,023	29,754,514
Committed- Building Fund	27,123,803	45,581,375	93,048,799	39,182,854	15,301,929	-	-	-	-	-
Reserved	-	-	-	-	-	-	-	-	-	-
Building Fund-Special Purposes	-	-	-	218,930	-	-	-	-	-	-
Total All Other Governmental Funds	<u>\$98,337,489</u>	<u>\$51,296,401</u>	<u>\$ 100,549,177</u>	<u>\$ 45,911,342</u>	<u>\$ 20,530,608</u>	<u>\$ 13,101,641</u>	<u>\$ 16,984,735</u>	<u>\$ 18,817,060</u>	<u>\$ 22,953,873</u>	<u>\$ 42,618,136</u>

Source: Records maintained by the School District Finance Department

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

This reclassification is reflected in the financial statements.

TABLE 5

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

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Local sources	\$ 73,973,918	\$ 77,787,518	\$ 78,404,569	\$ 81,824,431	\$ 85,064,866	\$ 89,493,199	\$ 94,178,480	\$ 97,146,924	\$ 103,488,957	\$ 116,893,261
State sources	95,162,865	102,513,220	106,307,556	108,709,486	112,210,851	111,883,766	119,854,432	124,406,632	130,747,411	136,664,371
Federal sources	12,201,783	6,537,246	9,075,000	10,761,981	10,752,713	10,238,943	8,579,347	9,398,914	15,731,877	17,316,822
Total revenues	<u>\$ 181,338,566</u>	<u>\$ 186,837,984</u>	<u>\$ 193,787,125</u>	<u>\$ 201,295,898</u>	<u>\$ 208,028,430</u>	<u>\$ 211,615,908</u>	<u>\$ 222,612,259</u>	<u>\$ 230,952,470</u>	<u>\$ 249,968,245</u>	<u>\$ 270,874,454</u>

Source: Records maintained by the School District Finance Department

DRAFT

TABLE 6

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

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Instruction	\$ 96,341,961	\$ 96,528,377	\$ 102,390,616	\$ 107,109,102	\$ 108,507,061	\$ 110,123,458	\$ 115,560,600	\$ 118,751,391	\$ 122,986,803	\$ 128,297,869
Support services	66,389,110	64,126,752	69,059,636	72,333,714	74,627,436	74,840,186	78,981,671	82,901,879	96,461,960	106,187,995
Community services	30,715	76,339	50,377	59,029	65,869	57,414	70,958	88,555	48,594	24,515
Intergovernmental	205,507	75,805	54,980	268,694	239,460	264,744	188,347	216,508	1,308,176	157,147
Capital outlay	35,938,160	60,084,729	89,416,159	59,355,151	29,533,420	14,269,756	7,368,065	10,821,297	4,828,207	13,304,795
Debt service										
Principal	21,655,000	2,455,000	2,225,000	47,959,000	8,770,000	77,284,000	9,426,467	10,319,626	11,239,805	21,288,198
Interest and other fees	3,241,569	4,336,154	8,347,424	10,025,119	9,195,781	9,024,963	8,083,082	7,952,641	7,517,895	7,857,656
Total expenditures	<u>\$ 223,802,022</u>	<u>\$ 227,683,156</u>	<u>\$ 271,544,192</u>	<u>\$ 297,109,809</u>	<u>\$ 230,939,027</u>	<u>\$ 285,864,521</u>	<u>\$ 219,679,190</u>	<u>\$ 231,051,897</u>	<u>\$ 244,391,440</u>	<u>\$ 277,118,175</u>
Debt service as a percentage of noncapital expenditures	<u>15.3%</u>	<u>4.0%</u>	<u>5.7%</u>	<u>24.3%</u>	<u>9.0%</u>	<u>30.9%</u>	<u>8.4%</u>	<u>8.6%</u>	<u>8.1%</u>	<u>11.5%</u>

Source: Records maintained by the School District Finance Department

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

TABLE 7

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

(modified accrual basis of accounting - unaudited)

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Excess of revenues over (under) expenditures	<u>\$ (42,463,456)</u>	<u>\$ (40,845,172)</u>	<u>\$ (77,757,067)</u>	<u>\$ (95,813,911)</u>	<u>\$ (22,910,597)</u>	<u>\$ (74,248,613)</u>	<u>\$ 2,933,069</u>	<u>\$ (99,427)</u>	<u>\$ 5,576,805</u>	<u>\$ (6,243,721)</u>
Other Financing Sources (Uses)										
General long-term debt issued	91,500,000	-	-	-	-	-	-	-	-	30,000,000
Premiums on bonds sold	840,815	-	-	-	-	7,456,021	151,900	90,377	-	1,839,203
Sale of capital assets	6,889	2,995	33,072	8,140	1,966	24,081	32,493	86,663	61,393	54,282
Other Financing Sources	-	-	-	-	-	-	-	1,007	-	-
Lease Purchases	-	-	2,970,000	-	-	-	2,296,994	-	-	-
Proceeds from long-term notes	-	-	126,252,185	-	-	-	-	-	-	-
Issurance of Refunding Debt	-	-	-	40,444,000	-	62,025,000	-	-	-	-
Transfers in	3,553,508	20,613,737	19,573,565	17,297,379	16,637,903	15,631,908	19,721,195	20,112,694	16,036,450	19,371,684
Transfers out	<u>(3,621,277)</u>	<u>(20,714,638)</u>	<u>(19,434,017)</u>	<u>(17,538,387)</u>	<u>(16,886,803)</u>	<u>(15,631,908)</u>	<u>(19,989,092)</u>	<u>(20,352,125)</u>	<u>(16,403,327)</u>	<u>(19,371,684)</u>
Total other financing sources (uses)	<u>92,279,935</u>	<u>(97,906)</u>	<u>129,394,805</u>	<u>40,211,132</u>	<u>(246,934)</u>	<u>69,505,102</u>	<u>2,213,490</u>	<u>(61,384)</u>	<u>(305,484)</u>	<u>31,893,485</u>
Net change in fund balances	<u>\$ 49,816,479</u>	<u>\$ (40,943,078)</u>	<u>\$ 51,637,738</u>	<u>\$ (55,602,779)</u>	<u>\$ (23,157,531)</u>	<u>\$ (4,743,511)</u>	<u>\$ 5,146,559</u>	<u>\$ (160,811)</u>	<u>\$ 5,271,321</u>	<u>\$ 25,649,764</u>

Source: Records maintained by the School District Finance Department

TABLE 8
Page 1 of 2

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

Lexington County:

Fiscal Year	Tax Year December 31	Real Property		Personal Property		Total		Total Direct Rate	Ratio Of Total Assessed Value To Total Estimated Actual Value
		Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
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%
2018	2017	222,507,660	4,804,084,343	90,539,510	1,076,360,040	313,047,170	5,880,444,383	311.70	5.3%
2019	2018	227,510,610	4,925,960,056	91,436,670	1,076,003,910	318,947,280	6,001,963,966	311.70	5.3%
2020	2019	234,169,700	5,056,062,299	91,000,200	1,102,158,240	325,169,900	6,158,220,539	332.30	5.3%

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

Source: Lexington County Auditor's Office

TABLE 8
Page 2 of 2

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

Richland County:

Fiscal Year	Tax Year December 31	Real Property		Personal Property		Total		Total Direct Rate	Ratio Of
		Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		Total Assessed Value To Total Estimated Actual Value
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%
2018	2017	158,606,520	3,571,114,660	41,670,560	567,519,999	200,277,080	4,138,634,659	309.40	4.8%
2019	2018	163,927,800	3,689,939,590	42,934,050	580,609,937	206,861,850	4,270,549,527	309.40	4.8%
2020	2019	180,212,860	4,056,703,270	43,651,185	587,318,515	223,864,045	4,644,021,785	332.30	4.8%

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

Source: Richland County Auditor's Office

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

Lexington County:

Fiscal Year	Tax Year December 31	District Direct Rates			Overlapping Rates							
		General Purposes	Capital Purposes	Total	Lexington County	Recreation District	Midlands Technical College	Riverbanks Zoo	Town Of Chapin	City Of Irmo	City Of Columbia	Irmo Fire District Bond
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
2018	2017	256.900	54.800	311.700	94.689	20.604	4.353	2.088	11.505	-	98.100	17.675
2019	2018	256.900	54.800	311.700	97.160	20.604	4.353	2.088	12.884	-	98.100	18.945
2020	2019	256.900	75.400	332.300	98.348	20.604	4.353	1.000	12.884		93.800	19.682

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

Source: Lexington County Auditor's Office

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

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

Richland County:

Fiscal Year	Tax Year December 31	District Direct Rates			Overlapping Rates					
		General Purposes	Capital Purposes	Total	Richland County	Recreation District	Midlands Technical College	Riverbanks Zoo	City Of Irmo	City Of Columbia
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
2018	2017	256.900	52.500	309.400	121.300	13.100	3.600	1.400	-	98.100
2019	2018	256.900	52.500	309.400	125.100	13.500	3.700	1.400	-	98.100
2020	2019	256.900	75.400	332.300	121.900	13.500	3.700	1.400	-	93.800

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

Source: Richland County Auditor's Office

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

TABLE 10
Page 1 of 2

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

	2020			2011		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Value
<u>Lexington Taxpayer:</u>						
South Carolina Electric & Gas	\$ 29,698,780	1	13.27%	\$ 23,657,070	1	13.51%
Shaw Industries Group, Inc.	7,734,930	2	3.46%	6,838,060	2	3.90%
GGP Columbiana Trust	3,406,660	3	1.52%	2,997,270	4	1.71%
AT&T Mobility F/K/A Cingular	3,881,380	4	1.73%	4,204,270	3	2.40%
DDRTC Columbiana Station I, LLC	1,496,830	5	0.67%	1,459,650	5	0.83%
North Lake Drive Apts, LLC	1,673,720	6	0.75%			
Blue Granite Water FKA	1,630,610	7	0.73%			
Mid-Carolina Electric COOP, Inc	1,579,070	8	0.71%	1,358,740	8	0.78%
BVA Harbison Cout LLC	1,290,790	9	0.58%			
LBX Harbison TH LLC	1,158,750	10	0.52%			
Columbiana Station (E & A) LLC				1,128,950	7	0.64%
DDR MDT Harbison Court, LLC				1,194,710	6	0.68%
AVR Columbia LLC				1,222,880	9	0.70%
Wal-Mart Real Estate Business				921,490	10	0.53%
Total Assessed Value of Ten Principal Taxpayers	\$ 53,551,520		23.92%	\$ 44,983,090		25.68%
Total Assessed Value of Other Taxpayers	271,618,380		83.53%	235,682,000		83.97%
Total Assessed Value of All Taxpayers	\$ 325,169,900		107.45%	\$ 280,665,090		109.66%

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

TABLE 10
Page 2 of 2

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

	2020			2011		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Value
<u>Richland Taxpayer:</u>						
South Carolina Electric & Gas	\$ 3,894,540	1	1.74%	\$ 1,702,910	2	0.97%
Mid-Carolina Electric Coop.	2,401,720	2	1.07%	1,982,060	1	1.13%
AVR-Lake Murray, LLC	1,814,080	3	0.81%			
1600 Marina Road, LLC	1,306,780	4	0.58%			
Lake Murray Drive Apts LLC	1,106,800	5	0.49%			
Ballentine Crossing, LLC	1,096,840	6	0.49%			
Paces Brook Gardens Associates	900,440	7	0.40%	903,980	4	0.52%
Crestmont Apartments, LLC	829,970	8	0.37%			
EEA Wellspring, LLC	753,750	9	0.34%			
Bellsouth Telecommunications, Inc.	675,500	10	0.30%	1,245,990	3	0.71%
Harpaw LLC				822,700	6	0.47%
Franklin Pineridge Associates				644,020	7	0.37%
Century Heights Partners, LLC				840,510	5	0.48%
Southland Log Homes				663,630	8	0.38%
Wal-Mart Real Estate Business				582,570	9	0.33%
LHC Realty Trust				445,520	10	0.25%
Total Assessed Value of Ten Principal Taxpayers	14,780,420		6.60%	9,833,890		5.61%
Total Assessed Value of Other Taxpayers	209,083,625		93.40%	165,304,608		94.39%
Total Assessed Value of All Taxpayers	<u>\$ 223,864,045</u>		<u>100.00%</u>	<u>\$ 175,138,498</u>		<u>100.00%</u>

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

TABLE 11
Page 1 of 2

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
2011	2010	109,164,589	106,425,326	97.49%	2,622,967	109,048,293	99.89%
2012	2011	113,750,313	111,549,859	98.07%	2,051,136	113,600,995	99.87%
2013	2012	116,648,762	114,123,980	97.84%	2,216,959	116,340,939	99.74%
2014	2013	121,463,738	118,742,250	97.76%	2,320,006	121,062,256	99.67%
2015	2014	126,071,221	123,390,291	97.87%	2,162,209	125,552,500	99.59%
2016	2015	129,255,768	126,511,241	97.88%	2,166,795	128,678,036	99.55%
2017	2016	133,766,976	130,885,264	97.85%	1,882,153	132,767,417	99.25%
2018	2017	138,309,460	134,889,253	97.53%	1,877,822	136,767,075	98.88%
2019	2018	143,092,550	138,964,787	97.12%	2,156,256	141,121,043	98.62%
2020	2019	152,464,904	147,886,907	97.00%	-	147,886,907	97.00%

Note: Levies and Collections updated for each fiscal year as of 6/30/18 per Lexington County Treasurer's Office.

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

TABLE 11
Page 2 of 2

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
2011	2010	42,650,504	41,368,546	96.99%	797,426	42,165,972	98.86%
2012	2011	45,074,021	43,710,463	96.97%	895,224	44,605,687	98.96%
2013	2012	46,216,599	44,651,273	96.61%	1,017,110	45,668,383	98.81%
2014	2013	47,657,973	46,316,828	97.19%	561,343	46,878,171	98.36%
2015	2014	49,471,459	48,430,437	97.90%	951,460	49,381,897	99.82%
2016	2015	52,038,893	50,488,324	97.02%	637,490	51,125,814	98.25%
2017	2016	52,932,549	51,950,725	98.15%	449,700	52,400,425	98.99%
2018	2017	54,708,568	53,232,891	97.30%	1,012,612	54,245,503	99.15%
2019	2018	56,230,247	54,122,238	96.25%	497,410	54,619,648	97.14%
2020	2019	65,221,306	62,545,763	95.90%			

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

TABLE 12

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

Fiscal Year	Governmental Activities General Obligation Bonds	Lease Purchase	Total Primary Government	Percentage of Estimated Actual Value of Taxable Property	Percentage of Personal Income	Per Capita
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%	5.72%	2,431
2017	215,789,488	1,877,527	217,667,015	2.25%	4.96%	2,193
2018	204,253,408	1,425,901	205,679,309	2.05%	4.45%	2,048
2019	191,899,887	962,639	192,862,526	1.88%	not available	not available
2020	200,845,541	487,441	201,332,982	1.86%	not available	not available

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

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

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

TABLE 13

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

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Less: Amounts Available in Debt Service Fund</u>	<u>Net General Bonded Debt</u>	<u>Percentage of Estimated Actual Taxable Value of Property</u>	<u>Per Capita</u>
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%	2,357
2017	225,608,448	5,451,624	220,156,824	2.28%	2,218
2018	213,971,408	6,003,256	207,968,152	2.08%	2,071
2019	201,904,887	6,772,925	195,131,962	1.90%	Not available
2020	210,207,541	9,800,230	200,407,311	1.86%	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, 2020**
(unaudited)

	Debt Outstanding	Estimated Percentage Applicable To District	Estimated District Share of Direct and Overlapping Debt
<u>Direct:</u>			
School District Five of Lexington and Richland Counties	\$ 201,332,982	100.00%	\$ 201,332,982
Total direct debt	201,332,982		201,332,982
<u>Overlapping:</u>			
<u>Lexington County:</u>			
Lexington County	24,810,000	28.20%	6,996,420
Irmo-Chapin Recreation District	18,021,000	100.00%	18,021,000
Riverbanks Park District	27,935,000	18.20%	5,084,170
City of Columbia	89,924,394	4.10%	3,686,900
<u>Richland County:</u>			
Richland County	17,838,052	11.60%	2,069,214
Richland Co Recreation District	30,740,000	14.90%	4,580,260
Riverbanks Park District	27,935,000	18.20%	5,084,170
City of Columbia	89,924,394	4.10%	3,686,900
Total overlapping debt	327,127,840		49,209,034
Total direct and overlapping debt	\$ 528,460,822		\$ 250,542,016

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 2020

Assessed Value	\$ 549,033,945
Debt limit (8% of assessed value)	43,922,716
Debt applicable to limit*	30,292,000
Legal debt margin	\$ 13,630,716

	2011	2012	2013	2014	2015	2016	2017	2019	2020
Debt limit	\$ 36,464,287	\$ 37,374,924	\$ 38,052,768	\$ 38,787,248	\$ 38,378,592	\$ 38,642,874	\$ 39,657,136	\$ 42,064,730	\$ 43,922,716
Total net debt applicable to limit	2,330,000	15,183,300	-	-	-	9,550,000	9,819,000	10,005,000	30,292,000
Legal debt margin	\$ 34,134,287	\$ 22,191,624	\$ 38,052,768	\$ 38,787,248	\$ 38,378,592	\$ 29,092,874	\$ 29,838,136	\$ 32,059,730	\$ 13,630,716
Total net debt applicable to the limit as a percentage of debt limit	6.39%	40.62%	0.00%	0.00%	0.00%	24.71%	24.76%	23.78%	68.97%

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

*Note: Debt applicable to limit of \$30,292,000 represents the District's short-term SCAGO general obligation bonds in the amount of \$9,362,000 and Regions general obligation bonds in the amount of \$20,930,000 payable as of June 30, 2020. The District's long-term general obligation bonds are all referendum debt and are not applicable to the legal debt margin calculation.

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

TABLE 16

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

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
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	3,841,410	41,764	41,025	5.3%	6.4%
2016	2015	97,101	4,131,065	42,843	42,245	4.7%	5.6%
2017	2016	98,184	4,337,769	44,497	43,863	3.6%	4.2%
2018	2017	99,248	4,567,492	46,513	45,529	3.1%	3.7%
2019	2018	100,406	not available	not available	not available	3.0%	3.6%
2020	2019	not available	not available	not available	not available	6.5%	8.7%

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

TABLE 17
Page 1 of 2

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

	2020			2011		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
<u>Lexington Employer:</u>						
Lexington Medical Center	6,699	1	4.71%			
Dominion Energy (formerly SCANA)	3,066	2	2.16%	1,000	3	0.81%
Amazon.com	2,400	3	1.69%			
UPS	1,546	4	1.09%	1,000	4	0.81%
Michelin North America Inc.(US #5)	1,525	5	1.07%	1,750	1	1.41%
Nephron Pharmaceuticals	1,000	6	0.70%			
HireRight	700	7	0.49%			
Walter P. Rawl & Sons, Inc.	650	8	0.46%			
Southeastern Freight Lines, Inc.	587	9	0.41%			
Michelin North America Inc.(US #7)	530	10	0.37%			
Amicks Farms				1,200	2	0.97%
Babcock Center				750	5	0.61%
Flextronics				600	6	0.48%
Walmart Stores				550	7	0.44%
Armstrong Air Conditioning (Lennox)				500	8	0.40%
Columbia Farms / House of Raeford				425	9	0.34%
Harsco Rail				400	10	0.32%
	<u>18,703</u>		<u>13.16%</u>	<u>8,175</u>		<u>6.60%</u>

2020 Top Employers from Central Alliance website at www.centralsc.org

2020 Total Employment from Bureau of Labor Statistics, SC Dept of Employment & Workforce

2011 Data from Department of Commerce

TABLE 17
Page 2 of 2

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

	2020			2011		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
<u>Richland Employer:</u>						
Prisma Health (formerly Palmetto Health)	15,000	1	7.99%			
Blue Cross Blue Shield of SC	9,839	2	5.24%	6,900	1	4.06%
AT&T South Carolina	2,100	3	1.12%	2,852	3	1.68%
Providence Health	1,625	4	0.87%			
Verizon Communications	1,445	5	0.77%	1,550	6	0.91%
Colonial Life & Accident Insurance	1,300	6	0.69%	1,000	9	0.59%
Palmetto GBA	1,300	6	0.69%	1,900	5	1.12%
Westinghouse Electric Company	1,227	8	0.65%	1,200	7	0.71%
Allied Universal Security	1,200	9	0.64%			
BB&T	950	10	0.51%			
Walmart				4,500	2	2.65%
Humana Military Healthcare/TriCare				2,000	4	1.18%
CSC Corporation				1,100	8	0.65%
Bose Corp.				750	10	0.44%
	<u>35,986</u>		<u>11.17%</u>	<u>23,752</u>		<u>13.99%</u>

2020 Top Employers from Central Alliance website at www.centralsc.org

2020 Total Employment from Bureau of Labor Statistics, SC Dept of Employment & Workforce

2011 Data from Department of Commerce

TABLE 18

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

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
School Allocations:										
Teachers	1,190.02	1,175.52	1,203.55	1,245.00	1,271.00	1,261.31	1,274.40	1,270.60	1,264.93	1,284.99
Guidance	46.50	46.50	46.50	21.00	50.00	49.60	50.10	50.30	61.80	64.50
Media specialists	24.00	24.00	24.00	19.00	21.00	22.00	21.00	21.00	20.00	21.00
Psychologists and social workers	27.00	27.00	27.00	22.00	26.00	27.50	25.90	26.81	26.81	26.35
Speech therapists	31.00	31.00	31.00	32.00	28.00	30.20	31.30	32.30	32.30	34.30
Nurses, occupational and physical therapists	37.00	37.00	37.00	29.00	40.00	35.25	34.80	37.30	38.80	36.50
Secretaries, bookkeepers, and receptionists	113.00	113.00	116.00	139.00	151.00	130.00	127.00	132.50	126.00	127.33
Teacher assistants and media assistants	296.92	292.92	296.92	300.00	289.00	296.68	317.42	307.19	301.39	302.35
Food service personnel and cafeteria monitors	143.58	143.58	143.58	149.00	146.00	129.71	132.73	122.70	116.49	118.14
Custodians, maintenance and transportation	271.42	271.42	272.42	272.00	233.00	277.23	291.08	290.97	285.84	294.15
Technology services and other specialized	6.00	6.00	12.00	17.00	10.00	5.00	5.00	-	1.00	-
Principal/assistant and principal/coordinators	71.00	69.84	71.84	83.00	79.00	76.50	73.00	76.00	74.00	74.00
Total	2,257.44	2,237.78	2,281.81	2,328.00	2,344.00	2,340.98	2,383.73	2,367.67	2,349.36	2,383.61
District Office Allocations:										
Superintendent	2.00	2.00	2.00	2.00	2.00	2.00	2.00	4.00	3.00	2.00
Instruction	37.50	37.50	37.50	35.00	33.00	29.50	33.00	34.00	35.00	34.00
Human resources services	7.80	7.80	7.80	10.00	11.00	10.40	10.40	10.50	10.50	10.00
Financial services	30.00	30.00	30.00	33.00	15.00	30.73	17.00	17.00	17.00	18.00
Community services	4.73	4.73	5.73	10.00	26.00	25.75	27.75	28.18	26.75	28.50
Technology	15.00	15.00	15.00	28.00	18.00	18.00	22.00	23.00	24.00	25.00
Facilities/Maintenance	20.00	20.00	20.00	24.00	25.00	19.00	23.00	23.00	22.00	22.25
Total	117.03	117.03	118.03	142.00	130.00	135.38	135.15	139.68	138.25	139.75
Total	2,374.47	2,354.81	2,399.84	2,470.00	2,474.00	2,476.36	2,518.88	2,507.35	2,487.61	2,523.36

Source: Records maintained by the School District Human Resources Department

TABLE 19

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

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
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%
2018	16,724	201,958,333	12,076	4.28%	240,915,669	14,405	5.13%	1,271	13.2	35.7%
2019	16,899	220,805,533	13,066	8.20%	246,005,596	14,557	1.06%	1,265	13.4	37.4%
2020	16,976	234,667,526	13,823	5.80%	257,998,797	15,198	4.40%	1,285	13.2	42.1%

Source: Records maintained by the School District Finance Department

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

Expenses are total expenses from Statement of Activities.

N/A = Not available

TABLE 20

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

Fiscal Year	Minimum Salary	Maximum Salary	Statewide Average Salary
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
2018	33,715	75,175	50,182
2019	34,389	76,679	50,882
2020	38,746	79,746	53,329

DRAFT

TABLE 21
Page 1 of 3

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

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<u>School</u>										
<u>Elementary</u>										
Ballentine Elementary (2002)										
Square feet	106,731	106,731	106,731	106,731	106,731	106,731	106,731	106,731	106,731	106,731
Capacity	819	819	819	819	819	819	819	819	819	819
Enrollment	742	752	720	718	716	668	623	585	617	678
Chapin Elementary (1977)										
Square feet	131,950	131,950	131,950	131,950	131,950	131,950	131,950	131,950	131,950	131,950
Capacity	916	916	916	916	916	916	916	916	916	916
Enrollment	794	811	820	854	843	686	651	663	786	779
Dutch Fork Elementary (1953)										
Square feet	95,182	95,182	95,182	95,182	95,182	95,182	95,182	95,182	95,182	95,182
Capacity	657	657	657	657	657	657	657	657	657	657
Enrollment	541	519	514	511	504	498	506	462	495	481
H. E. Corley Elementary (1990)										
Square feet	105,944	105,944	105,944	105,944	105,944	105,944	105,944	105,944	105,944	105,944
Capacity	733	733	733	733	733	733	733	733	733	733
Enrollment	522	514	511	467	486	486	495	476	479	505
Harbison West Elementary (1982)										
Square feet	115,000	115,000	115,000	115,000	115,000	115,000	115,000	115,000	115,000	115,000
Capacity	710	710	710	710	710	710	710	710	710	710
Enrollment	486	502	479	487	518	559	592	579	551	543
Irmo Elementary (1933)										
Square feet	85,674	121,000	121,000	121,000	121,000	121,000	121,000	121,000	121,000	121,000
Capacity	584	640	640	640	640	640	640	640	640	640
Enrollment	509	468	511	478	474	505	486	524	520	538
Lake Murray Elementary (1997)										
Square feet	102,842	102,842	102,842	102,842	102,842	102,842	102,842	102,842	102,842	102,842
Capacity	849	849	849	849	849	849	849	849	849	849
Enrollment	866	847	874	926	992	872	994	966	916	933
Leaphart Elementary (1975)										
Square feet	120,500	120,500	120,500	120,500	120,500	120,500	120,500	120,500	120,500	120,500
Capacity	814	814	814	814	814	814	814	814	814	814
Enrollment	433	430	429	452	432	435	427	459	461	465
Nursery Road Elementary (1980)										
Square feet	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000
Capacity	777	777	777	777	777	777	777	777	777	777
Enrollment	499	519	491	477	454	401	418	421	419	416

TABLE 21
Page 2 of 3

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

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<u>School</u>										
<u>Elementary (Continued)</u>										
Oak Pointe Elementary (2007)										
Square feet	110,396	110,396	110,396	110,396	110,396	110,396	110,396	110,396	110,396	110,396
Capacity	756	756	756	756	756	756	756	756	756	756
Enrollment	671	647	645	627	636	635	615	615	573	557
River Springs Elementary (1997)										
Square feet	99,899	99,899	99,899	99,899	99,899	99,899	99,899	99,899	99,899	99,899
Capacity	925	925	925	925	925	925	925	925	925	925
Enrollment	654	641	633	598	568	556	541	520	489	479
Seven Oaks Elementary (1966)										
Square feet	72,756	103,756	103,756	103,756	103,756	103,756	103,756	103,756	103,756	103,756
Capacity	570	640	640	640	640	640	640	640	640	640
Enrollment	475	465	438	486	534	588	593	542	517	505
<u>Middle</u>										
Chapin Intermediate (1991)										
<3> Square feet	177,433	177,433	177,433	177,433	177,433	177,433	177,433	177,433	177,433	177,433
Capacity	1,018	1,018	1,018	1,018	1,018	1,018	1,018	1,018	1,018	1,018
Enrollment	1,030	1,103	1,121	1,111	1,172	718	759	852	867	794
Chapin Middle (2015)										
Square feet						122,000	122,000	122,000	122,000	122,000
Capacity						1,200	1,200	1,200	1,200	1,200
Enrollment						808	866	842	903	1,008
Cross Roads Intermediate (1971)										
Square feet	148,194	148,194	148,194	148,194	148,194	148,194	148,194	148,194	148,194	148,194
Capacity	1,098	1,098	1,098	1,098	1,098	1,098	1,098	1,098	1,098	1,098
Enrollment	917	988	946	943	917	793	803	745	823	727
Dutch Fork Middle (1998)										
Square feet	142,901	142,901	142,901	142,901	142,901	142,901	142,901	142,901	142,901	142,901
Capacity	1,149	1,149	1,149	1,149	1,149	1,149	1,149	1,149	1,149	1,149
Enrollment	1,100	1,054	1,045	1,092	1,089	1,061	1,034	1,067	1,031	1,017
Irmo Middle (1977)										
Square feet	233,000	233,000	233,000	233,000	233,000	233,000	233,000	233,000	233,000	233,000
Capacity	1,181	1,181	1,181	1,181	1,181	1,181	1,181	1,181	1,181	1,181
Enrollment	880	879	909	897	843	926	891	891	920	1,016

TABLE 21
Page 3 of 3

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

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<u>School</u>										
<u>High</u>										
Chapin High (1971)										
Square feet	187,288	187,288	187,288	252,288	375,500	375,500	375,500	375,500	375,500	375,500
Capacity	1,239	1,239	1,239	1,700	1,700	1,700	1,700	1,700	1,700	1,700
Enrollment	1,302	1,341	1,346	1,206	1,152	1,238	1,315	1,371	1,475	1,484
Dutch Fork High (1993)										
Square feet	316,788	316,788	316,788	316,788	368,788	368,788	368,788	368,788	368,788	368,788
Capacity	2,207	2,207	2,207	2,207	2,207	2,207	2,207	2,207	2,207	2,207
Enrollment	2,031	2,031	2,097	1,894	1,833	1,766	1,708	1,754	1,698	1,684
Irmo High (1964)										
Square feet	343,121	343,121	343,121	343,121	396,121	396,121	396,121	396,121	396,121	396,121
Capacity	2,141	2,141	2,141	2,141	2,141	2,141	2,141	2,141	2,141	2,141
Enrollment	1,915	1,829	1,707	1,540	1,508	1,436	1,413	1,344	1,302	1,252
Center for Advanced Technical Studies (2012)										
Square feet			115,000	115,000	115,000	115,000	115,000	115,000	115,000	115,000
Capacity			1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
<1> Enrollment										
Spring Hill High School (2013)										
Square feet				287,000	287,000	287,000	287,000	287,000	287,000	287,000
Capacity				1,700	1,700	1,700	1,700	1,700	1,700	1,700
Enrollment				556	792	987	1,092	1,046	1,057	1,118
<u>Other</u>										
Academy for Success (1955)										
Square feet	20,961	20,961	20,961	20,961	20,961	20,961	20,961	20,961	20,961	20,961
Capacity	99	99	99	99	99	99	99	99	99	99
<2> Enrollment	127	127	95	0	0	0	0	0	0	0

Source: Records maintained by the School District

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

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

Enrollment as of the 135-day Average Daily Attendance report

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

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

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

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.

DRAFT

This page was intentionally left blank.

DRAFT

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

Honorable 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, the aggregate discretely presented component unit, and each major fund of School District Five of Lexington and Richland Counties (“the School District”), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the School District’s basic financial statements and have issued our report thereon dated December 14, 2020.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Burkett Burkett & Burkett
Certified Public Accountants, P.A.
West Columbia, South Carolina
December 14, 2020

**INDEPENDENT AUDITOR’S 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 (“the School District”)’s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the School District’s major federal programs for the year ended June 30, 2020. The School District’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

Management’s Responsibility

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

Auditor’s Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

Report on Internal Control Over Compliance

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

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

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

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

Burkett Burkett & Burkett

Certified Public Accountants, P.A.
West Columbia, South Carolina
December 14, 2020

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2020**

LEA Subfund Fund Code	Federal Grantor Pass-Through Grantor Program Title	Federal CFDA Number	Pass- Through Grantor's Number	Total Expenditures
U. S. Department of Education				
Pass-Through S.C. Department of Education:				
203	Handicapped Disabilities Act	84.027	H63010100920 & ESY	\$ 2,765,854
204	Handicapped Disabilities Act	84.027	H63010100919	634,929
205	Special Education - Preschool Grants	84.173	H63010100820	167,428
206	Special Education - Preschool Grants	84.173	H63010100819	70,579
	<i>Special Education (IDEA) Cluster</i>			<u>3,638,790</u>
201	Title I Regular	84.010	H63010100120	1,781,048
201	Title I Regular	84.010	H63010100118	134,666
237	Targeted School Improvement	84.010A	H63010100119	83,334
210	Title IV SSAE		H63010100319	75,954
238	Title I School Improvement	84.010A	H63010100118	55,173
239	Title I Comprehensive School Improvement	84.010A	H63010100119	102,205
207	Career and Technical Education - Basic Grants to States	84.048	H63010107119	98,485
224	21st Century Community Learning Centers	84.287	H63010006919	121,696
232	McKinney Vento Homeless Assistance	82.196A	H63010108920	20,742
232	McKinney Vento Homeless Assistance	82.196A	H63010108919	468
243	Adult Education Federal Grant Program	84.002	H63010101020	64,040
243	Adult Education Federal Grant Program - Civics	84.002	H63010101020	24,074
243	Adult Education Federal Grant Program - Generational Family Services	84.002	H63010101020	30,000
243	Adult Education Federal Grant Program - Reverted	84.002	H63010101018	3,262
264	Title III - English Language Acquisition	84.365A	H63010006720	23,365
264	Title III - English Language Acquisition	84.365A	H63010006718	272
267	Title II Part A - Improving Teacher Quality	84.367	H63010006820	114,313
267	Title II Part A - Improving Teacher Quality	84.367	H63010006819	151,648
220	** COVID-19 Education Stabilization Fund	84.425D	H63010497520	1,579,882
				<u>4,464,627</u>
Direct Programs:				
804	MSAP Grant - Discover Five	84.165A	N/A	<u>2,494,205</u>
Total U. S. Department of Education				<u>10,597,622</u>
U. S. Department of Agriculture				
Child Nutrition Cluster:				
Pass-Through S.C. Department of Education:				
Non-Cash Assistance (Commodities):				
600	National School Lunch Program	10.555	N/A	597,169
Cash Assistance				
600	School Breakfast Program	10.553	N/A	1,534,859
600	National School Lunch Program	10.555	N/A	3,662,797
600	School Food Service Equipment Grant	10.579	N/A	<u>25,000</u>
	<i>Total Child Nutrition Cluster</i>			5,819,825
Pass-Through S.C. Department of Social Services:				
600	Supper Program	10.558	N/A	<u>156,191</u>
Total U.S. Department of Agriculture				<u>5,976,016</u>
U.S. Department of Treasury				
601	COVID-19 Coronavirus Relief Fund	21.019	CARES Additional Cost Per Meal	<u>271,478</u>
Total U.S. Department of Defense				<u>271,478</u>
U.S. Department of Defense				
Direct Programs:				
831	Navy JROTC	12.000	N/A	\$ 89,352
832	Air Force JROTC	12.000	N/A	<u>135,341</u>
Total U.S. Department of Defense				<u>224,693</u>
Total Federal Awards Expended				<u>\$ 17,069,809</u>

** Denotes Major Program

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2020**

Notes

(1) Basis of Presentation

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

(2) Summary of Significant Accounting Policies

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

(3) Reconciliation of SEFA to Financial Statements:

Federal Assistance:

Government Funds	<u>\$ 17,316,822</u>
Total Federal Assistance Per Financial Statements	17,316,822
Less: Federal Interest Subsidy - Debt Service Fund	<u>(247,013)</u>
Total Federal Assistance Per SEFA	<u>\$ 17,069,809</u>

ARRA Funded Programs Not Subject to Single Audit:

Build America Bonds
Qualified School Construction Bonds

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

DRAFT

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2020**

Part I Summary of Auditors' Results

Financial Statements

Type of Auditors' Report Issued: Unmodified

Internal Control Over Financial Reporting:

Material Weakness(es) Identified? ☐ Yes ☒ No

Significant Deficiencies Identified That Are Not
Considered to Be Material Weaknesses ☐ Yes ☒ None Reported

Noncompliance Material to Financial Statements Noted ☐ Yes ☒ No

Federal Awards

Internal Control Over Major Federal Programs:

Material Weakness(es) Identified? ☐ Yes ☒ No

Significant Deficiencies Identified That Are Not
Considered to Be Material Weaknesses ☐ Yes ☒ None Reported

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

Programs Tested as Major Programs:

<u>Program:</u>	<u>CFDA #</u>
COVID-19 Coronavirus Relief Fund	21.019
MSAP Grant - Discover Five	84.165A
COVID-19 Education Stabilization Fund	84.425D

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

Auditee Qualify as a Low-Risk Auditee? ☒ Yes ☐ No

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

Part II Findings - Financial Statements Audit

None

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

None

**SCHOOL DISTRICT FIVE OF LEXINGTON AND RICHLAND COUNTIES
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2020**

Part II Findings - Financial Statements Audit

None

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

None

DRAFT