

**HORRY COUNTY SCHOOLS
CONWAY, SOUTH CAROLINA**

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

JUNE 30, 2023

**Prepared by:
Fiscal Services**

**John K. Gardner
Chief Financial Officer**

INTRODUCTORY SECTION

HORRY COUNTY SCHOOLS
FOR THE YEAR ENDED JUNE 30, 2023

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November 22, 2023

**THE CITIZENS OF HORRY COUNTY,
HORRY COUNTY BOARD OF EDUCATION, AND
DR. RICK MAXEY SUPERINTENDENT OF SCHOOLS**

The Annual Comprehensive Financial Report (ACFR) of the Horry County Schools (the District) for the fiscal year ended June 30, 2023, is hereby submitted. Responsibility for both the accuracy of the information and the completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, the enclosed information is accurate in all material respects and reported in a manner designed to present fairly the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

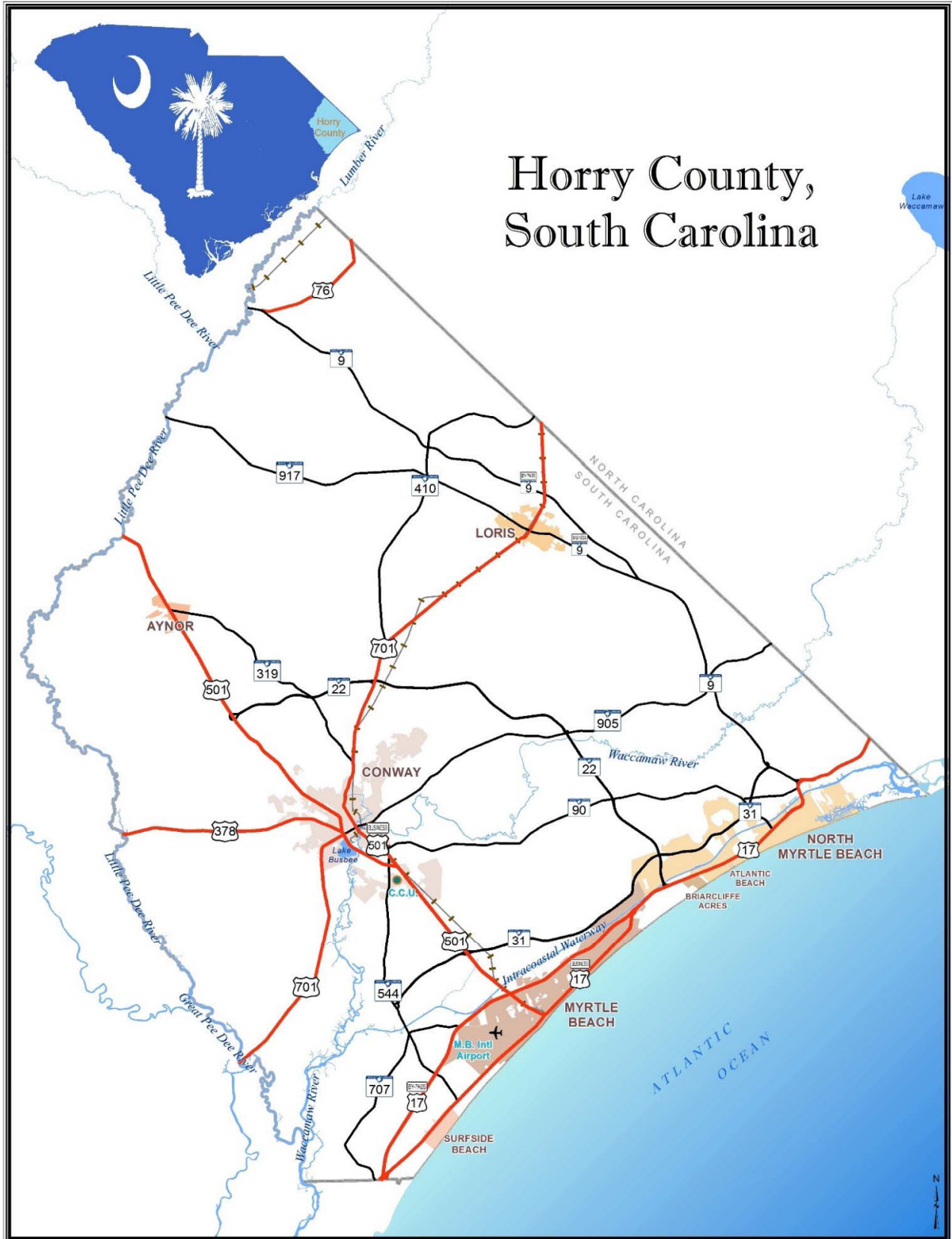
The District's Board of Education is financially accountable for the funds included in this report. The District is not included in any other "reporting entity" as defined by the Government Accounting Standards Board Statement 61, "The Financial Reporting Entity." The Board of Education has decision-making authority including the power to hire management, the ability to significantly influence operations and the accountability for fiscal matters. The District accounts for its financial activity using fund accounting procedures. Note 1 of the financial statements fully describes the various funds used by the District.

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

THE REPORTING ENTITY

Horry County, South Carolina, is located on the east coast of the United States, bounded on the north by the North Carolina state line and the east by the Atlantic Ocean. It encompasses 1,134 square miles of area, creating the largest county in landmass east of the Mississippi River and is slightly larger geographically than the state of Rhode Island. The District serves a county of approximately 383,101 people.

Horry County, South Carolina



The District is governed by a twelve-member Board of Education (the Board); eleven members elected from single-member districts for four-year staggered terms and a chairperson elected at large for a four-year term. The Board has legal authority for the operation of all public schools in Horry County. It has complete and final control over County school matters within the framework set by the State Legislature and the South Carolina Department of Education. The Board acts to interpret the educational needs of the County and then meets those needs with policies and facilities that stimulate the student and the learning process.

The Board is also responsible for hiring the Superintendent, who is a professional educator employed to advise the Board on all matters concerning management of the schools, as well as administering laws, regulations and policies adopted by the Board. As the leader for teaching and learning for the District, the Superintendent is responsible for guiding the development of the curriculum and educational programs that address the needs of students as well as providing leadership and advocacy for education.

The District has nine attendance areas: Myrtle Beach, Conway, Socastee, North Myrtle Beach, Loris, Aynor, Green Sea-Floyds, St. James, and Carolina Forest. Each area consists of a high school and the middle and elementary schools that feed into it. The District operates a total of 58 school facilities. All schools in the District are fully accredited by the South Carolina Department of Education and Cognia™. The District is the third largest of the State's eighty-five school districts and ranks second in the State in student enrollment growth during the past ten years. According to the 135-day average daily membership, the District has a student population of 46,226.



The District provides a full range of programs and services for its students. These include elementary and secondary course offerings at the general, vocational, college preparatory, and international baccalaureate levels. A broad range of co-curricular and extra-curricular activities to complement the students' curricular programs is also offered.

In addition, Waccamaw Park Public Charter Schools (also known as Bridgewater Academy), Palmetto Academy of Learning and Success (also known as PALS), the Academy of Hope, Inc., and Palmetto Academy for Learning Motor Sports (also known as PALM) are charter schools under legislation enacted on June 18, 1996. A charter school is considered a public school and is part of Horry County Schools for the purposes of state law and state constitution. Because these charter schools are fiscally dependent on the District and exclusion of their financial information would cause the District's financial statements to be incomplete, the financial statements of the charter schools are included in those of the District as discretely presented component units.

FINANCIAL INFORMATION

Internal Controls

The administration of the District is responsible for establishing and maintaining an internal control structure designed to protect the assets of the District from loss, theft, or misuse and to compile sufficient reliable information for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived and (2) the evaluation of costs and benefits requires estimates and judgments by management. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Independent Audit

State statutes require an annual audit by an independent Certified Public Accountant. The accounting firm of Mauldin & Jenkins LLC, Certified Public Accountants, was selected to perform this audit. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the year ended June 30, 2023, 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 an unmodified opinion that the District's financial statements for the year ended June 30, 2023, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the Financial Section of this report.

Single Audit

As a recipient of federal revenues, the District is required to undergo an annual single audit in conformity with the provisions of all applicable laws and/or regulations. Information related to this single audit, including the schedule of expenditures of federal awards, findings and recommendations, and auditors' reports on the internal control and compliance with applicable laws and regulations, is included in the single audit section of this report.

The District is also responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by the administration of the District. As a part of the single audit process, tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine that the District has complied with applicable laws and regulations.

Budgetary Control

The District approves an annual budget which acts as the financial operating plan for the entire fiscal year and provides budgetary controls for all components of the District. The objective of these budgetary controls is to ensure compliance with the annual appropriated budget approved by the Board of Education. Activities of the General Fund, Special Revenue Funds, Debt Service Fund and Capital Projects Fund are included in the annual appropriated budget. The legal level of budgetary

control is the fund level. To ensure compliance, the budgetary controls are established by function and activity within each individual fund. All annual appropriations lapse at year-end with the exception of those indicated as an assignment of fund balance. The District also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. With the exception of capital improvement projects, all encumbered amounts lapse at year-end.

Financial Policies

There have not been any significant changes in financial policies that have a material impact on the financial statements.

ECONOMIC CONDITION AND OUTLOOK

The County's predominantly tourist-based economy continues to expand. Most of the County's sixty (60) miles of coastline, stretching from Little River to Garden City, have been developed. According to the website Wallethub, North Myrtle Beach ranks number 5 on the list of "Best Beach Towns to Live in". Myrtle Beach was not far behind in the rankings at number 11. A survey conducted by Trip Advisor revealed that Myrtle Beach was the third most popular destination for 2021 summer trips.

According to the U.S. Census Bureau, the population grew by 81,738 residents, or 30.4 percent, to 351,029 people in 2020 from 269,291 in 2010. Population projections indicate that the County will grow by nearly 69.6 percent to 595,234 people in 2035. This makes Horry County the 39th fastest growing county in the United States and the fastest in South Carolina.

Carolina Forest is the largest development in Horry County, covering approximately seventeen (17) square miles or 10,850 acres and including sixty-one (61) major residential subdivisions. This development was started by International Paper and included a comprehensive development agreement, which has recently expired. The area is centrally located between Conway and Myrtle Beach and has become one of the most desirable areas in the County in which to live and shop. Between 2000 and 2010, the population increased 420 percent and now has nearly 35,000 residents. Commercial development has continued to expand and areas like Towne Center and Tanger Outlets have become regional shopping destinations. Currently, there are approximately 555,000 square feet of commercial construction within the Carolina Forest area with over 1.35 million additional square footage estimated over the next decade. A large increase in medical offices and a large Seacoast McLeod Medical campus are contributing to commercial growth in the Towne Center area. On the opposite end of Carolina Forest, near Highway 501, commercial construction and medical offices are also expanding to meet the needs of the growing population. By 2030, 50,000 to 60,000 people could live in Carolina Forest, twice the current population of the City of Myrtle Beach in an area nearly the same size. As the population of the Carolina Forest area continues to expand, so will the demand for infrastructure and public service upgrades, such as the widening of Carolina Forest Boulevard and the expansion of schools, recreation, and public safety facilities.

Another area of unincorporated Horry County experiencing tremendous growth over the past twenty (20) years is the Burgess community. Unlike Carolina Forest, Burgess has grown without a Development Agreement. Burgess is located on the southern end of the County, abutting Georgetown County. The community is approximately 28 square miles in area and is flanked on the west by the Waccamaw River and the east by US Highway 17 Bypass. The northern boundary is an amalgamation of properties with no clear delineation, south of neighboring Socastee, another area of growth in the County. Burgess has transitioned from a rural community to a predominantly suburban community in recent decades, growing from 3,396 residents in 1990 to approximately 30,000 residents today. Since 1990, the majority of development has been residential in nature; however, there has been commercial growth in the area to provide retail and food services to the new residents. Parts of the community still

retain some of the rural characteristics that preceded the rapid growth. The community has significant transportation infrastructure projects that are being finalized, including the completion of the widening of SC 707, extension of SC 31 from its current terminus at 544 to end at SC 707, and the completion of the Highway 17 Bypass overpass at Holmestown Road. Upcoming road improvement projects are planned for the McDowell Shortcut Rd and Tournament Boulevard intersection and the Tournament Boulevard and Hwy 17 Bypass intersection.

Development is beginning to occur more rapidly along the Highway 90 corridor, as the opening of International Drive has improved quick access to the beach. Additionally, new residential growth is occurring in Longs, along the Highway 9 corridor between Loris and the Waccamaw River. As land for new development begins to wain closer to the beach, the agricultural areas that are just a short distance away are anticipated to transition to new suburban development. The more established communities in unincorporated Horry, including Socastee, Forestbrook, Garden City, and Little River, continue to experience population growth, but at a slower rate than that of Burgess and Carolina Forest.

Due to the amount of growth in Horry County, construction, both residential and commercial, has continued to boom over the past several years. From FY 2005 to FY 2006, Horry County received the largest increase in building permit revenue since we started permitting construction in the mid-1970s. From FY 2004 to FY 2006, permit revenue increased from \$4.5 million to a peak of \$9.2 million. After the peak in 2006, permit revenue returned to the 2004 level by the end of FY 2008. Construction has continued to rise since FY 2014. In FY 2020, permit revenue increased 12.7 percent to \$7.1 million from FY 2019 at \$6.3 million. New Single-Family Residential structure permits increased 48.5 percent in FY 2021 (SFRs 4,917) from FY 2020 (SFRs 3,312). The construction value has increased 44.6 percent from FY 2020 (\$830 million) to FY 2021 (\$1.2 billion).

Tourism continues to be the largest industry on the Grand Strand. Myrtle Beach is considered one of the nation's top vacation destinations and hosts an estimated 12.8 million visitors annually. The sixty (60) plus miles of beach, golf, shopping, and entertainment theaters are all major attractions for the region. Group market sales, as well as sports tourism, are also an increasing part of the visitor industry for the Grand Strand. The region



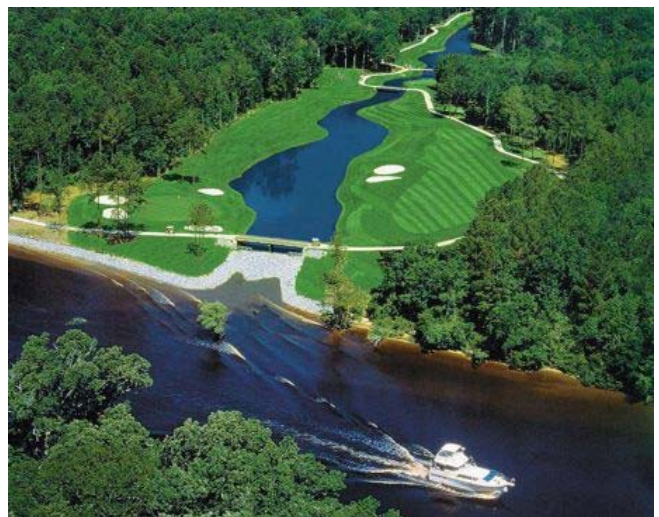
now has more than 2,000 full-service restaurants, more than 425 hotels for overnight guests, seven (7) live entertainment theaters with approximately 7,500 seats and approximately 90 golf courses. According to Tourism Works for Us, throughout the Grand Strand, tourism accounts for more than 80,000 jobs and \$10 billion in economic impact.



The Myrtle Beach area of South Carolina proves that it is worthy of the moniker “The Grand Strand” year after year by garnering prestigious awards and designations ranging from one of “America’s 100 Best Small Cities” by bestcities.org to “The South’s Best Beaches” by Southern Living, and Grand Strand golf course layouts earning spots on “America’s 100 Greatest Public Golf Courses” by Golf Digest. Campgrounds are also becoming increasingly popular with tourists and residents. Myrtle Beach State Park was noted as one of the “Best Campgrounds in the South for Family Fun” in 2022 by Traveling Mom.

There are many amusement attractions spanning the Grand Strand, and the ninety (80) plus golf courses located in the area constitute one of the largest concentrations of like facilities in the nation. Vacationing golfers play approximately 2.4 million rounds of golf annually. Golf Week listed Dunes Golf and Beach Club among their “Best Classic Courses” in the United States.

Some of the best-known names in golf, including Jack Nicklaus, Arnold Palmer, Robert Trent Jones, Tom Fazio, Davis Love III, Greg Norman, Gary Player, and Pete and P.B. Dye, have designed area golf courses. Many of the local courses host major professional and amateur golf tournaments including The Myrtle Beach World Amateur Handicap Championship, Hootie and the Blowfish Monday after the Masters, Palmetto High School Golf Championship, the Veterans Golf Classic and the Never Forget Memorial Golf Outing. The Horry County area contributes a large portion of South Carolina’s golf revenue. This industry has been instrumental in the expansion of the tourist season, including early spring and late fall in our regular May through October season.



Retail sales, employment, and construction are all intimately tied to the tourism industry. Retail sales tend to show a seasonal pattern with the first quarter of each year noticeably below the other quarters. However, all signs indicate that the Myrtle Beach area is becoming more of a year-round tourism destination.

The combined total of state and local accommodations tax and the hospitality fees reached a record high of \$74.2 million in FY 2022. This record year follows the temporary suspension of the Countywide 1.5% Hospitality Fee, which was effective July 1, 2019, for businesses within the City of Myrtle Beach pursuant to South Carolina Circuit Court Order dated June 21, 2019. A second South Carolina Court Order dated July 10, 2019, made effective August 10, 2019, suspended collections of the fee from all municipalities in Horry County, and is not comparable to the prior years. The FY 2020 decline was also due to impacts from COVID-19. Revenues in FY 2021 rebounded with 1% Hospitality and Local ATAX reaching record highs and State ATAX nearly at FY 2019 levels. As of August 1, 2021, the County resumed collecting the 1.5% hospitality fee from all municipalities.

AIRPORT

Horry County owns and operates the largest airport system in South Carolina with one commercial service airport serving the greater Myrtle Beach Region and three general aviation airports - Grand Strand, Conway, and Loris Twin Cities. The Grand Strand Airport (CRE), located in the City of North Myrtle Beach, serves private and corporate aircraft. The Conway-Horry County Airport (HYW), located 5 miles west of the county seat of Conway, provides operations and services for the growing general aviation community in the western part of Horry County. The Loris Twin Cities Airport (5J9) is an unattended airport for public use.

Myrtle Beach International Airport (MYR) is a county facility located on approximately 2,000 acres within the City of Myrtle Beach and provides air service for the Grand Strand and surrounding counties. The airport consists of a passenger terminal complex, a 9,500-foot lighted runway and related taxiways, a general aviation apron and supporting buildings and hangars. The facilities are located on or adjacent to property formerly utilized as the Myrtle Beach Air Force Base.

The following signatory and non-signatory carriers served the airport as of June 30, 2022: Allegiant, American, Avelo, Delta, Frontier, Porter, Southwest, Spirit, Sun Country, and United. These carriers collectively offer non-stop air service to over 50 markets. The airport is also served by a number of charter services.

Passenger enplanements for the fiscal year ending June 30, 2022, were 1,757,482. MYR has rebounded very strongly from the pandemic and was listed by Moody's Investors Service as a top 10 best recovering airport. For fiscal year 2022, enplanements outpaced fiscal year 2021 by 82 percent.

In fiscal year 2022, Porter Airlines returned to MYR, after a 2-year hiatus due to the pandemic, with service to Billy Bishop Airport in Toronto, Canada, and Avelo Airlines announced year-round service to New Haven, CT commencing in May 2022. Spirit remains as MYR's primary carrier. As of June 30, 2022, MYR has non-stop service to forty-nine (49) markets by ten (10) carriers.

TRANSPORTATION

In order to improve Horry County's transportation system, a major federal interstate is under consideration. I-73/I-74 would begin in Michigan and continue through Ohio, West Virginia, Virginia, North Carolina, and end in Charleston, South Carolina, after passing through the Grand Strand. The Federal Government has allocated \$400,000 for South Carolina to do a feasibility study regarding the project.

In addition, former Governor Beasley approved the most aggressive road construction program in the history of Horry County, RIDE – Road Improvement and Development Effort in September 1996. Horry County's RIDE Project represents a comprehensive solution for transportation problems which pairs significant funding from the local level with funding provided by the State of South Carolina. Horry County enacted an ordinance in the fall of 1996 that implemented a 1.5 percent hospitality fee (accommodations, restaurants, amusements, golf and theaters) effective January 1, 1997. The purpose of this fee is to provide the financial ability for Horry County to partner with the State of South Carolina to meet the infrastructure needs of the County. The participating parties of the RIDE project are Horry County, the South Carolina Transportation Infrastructure Bank, and the South Carolina Department of Transportation. The total cost of the RIDE I program was \$774 million (\$698 million in 1997 dollars, escalated at 4.5 percent per year over the seven-year construction period). The total debt service over the life of the proposed bonds for the RIDE project is \$1.2 billion. Horry County's contribution to retire the debt is \$368 million; the South Carolina Transportation Infrastructure Bank is expected to fund the balance of the debt service, \$859 million. The RIDE Project included a series of interconnected highway construction and road enhancements that improved the overall transportation network in Horry County.

The RIDE II program, submitted to Horry County Council in May 2004, outlined an additional list of priorities for roadway improvements. To fund these projects, a local option sales tax was passed by Horry County voters in November of 2006.

The RIDE III initiative was approved by voters in the November 2016 general election. This initiative includes more than twenty projects, which will cost close to \$592 million dollars. RIDE III calls for a one-penny sales tax to be collected for no more than eight years, beginning in May of 2017. The sales tax would remain in effect for eight years through April 30, 2025.

LONG-TERM PLANNING

Sustained unprecedented growth places many demands on the District. Determining future facility needs and their locations; performing enrollment forecasting and monitoring; performing redistricting analysis and making long-term recommendations; and assisting with developing long-range comprehensive facility plans present staff with challenges to meet the District's needs caused by this growth.

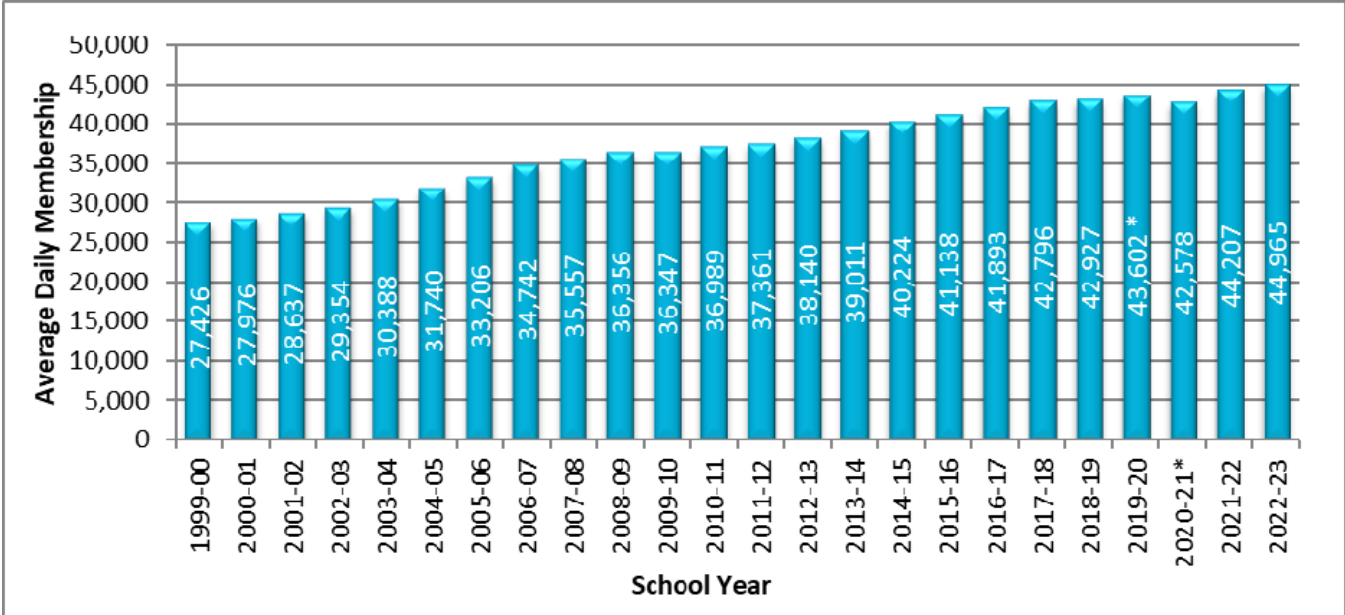
The District's strategic planning process represents a collaborative effort of engaging educators and citizens in the decision-making process for their schools. Each of the District's schools has developed a strategic plan, following the same process of involving stakeholders as used by the District's planning process. More than 5,000 teachers, parents, community members, and students have served as planning or action team members at the District or school level. The District recently updated the Strategic Plan in the spring of 2022. Through this planning process, the needs and challenges facing the District through 2027 will be met. On November 4, 2022, the District earned the distinction of accreditation by Cognia.

The District promotes the philosophy of site-based management, employing intense involvement by school principals, staff, and community members studying the needs of schools, instructional programs, administrative management, and fiscal authority. Extensive staff development plans continue for teachers and staff at every level of the organization.

The Horry County Board of Education is governed by policies designed to focus the District's attention on "Student Achievement Results," clearly delineating what students should know, understand, and be able to do upon exiting Horry County Schools. Goals are stated in terms of increased student achievement. A literacy program, which offers a structured delivery of reading and writing instruction, has already been implemented in grades K-12 and is only the beginning of the District's planned improvements in education.

Fueled by local economic growth and in-migration, the District has experienced a long period of sustained K-12 growth. In the past decade, the district has grown 1.8% a year on average, with a total percentage growth from 2013 to 2023 of 17.9%, or 6,825 students. The District experienced some of the most significant growth in its history during the period from 2002-2008. Due to the COVID-19 pandemic, district enrollment for 2020-21 was severely impacted with residual membership anomalies in 2021-22.

Horry County Schools K-12 45-Day ADM Historical Average Daily Membership



Of the District's 58 school facilities, 14 of them are operating at or over capacity with another 6 schools within 95 – 99% of capacity. To temporarily cope with growth, more than 100 modular classrooms are in use, and attendance lines are annually reviewed. Looking to the future, the District anticipates that the 45-day ADM will increase from 44,965 K-12 students in fiscal year 2022-23, to 46,433 K-12 students by fiscal year 2027-28.

In March 2023, Horry County Schools began discussions on the 2024-2029 Capital Improvement Plan. The purpose of the plan is to evaluate the adequacy of existing educational facilities, plan for future capital facilities spending, and address how the student population will be housed over the next 5 years. This document also provides for facility improvements or adjustments to the programmatic needs of the District. This report contains data and analysis that will provide the basis for decisions regarding when and where to build new capacity, renovate existing facilities, replace facilities, and when and how to provide sustainment activities to maintain our facilities to the highest quality.

Additionally, this report provided a comprehensive analysis of athletic facilities, playgrounds, and grounds along with recommendations for improvements to these areas. Capacity & Higher Utilization Planning will assist with developing capacity analysis and higher utilization modifications needed to handle growth and program additions in the future.

The 2024-2029 Capital Improvement Plan was based on a comprehensive approach to all facilities including custodial, maintenance, and capital improvements. The Board concentrated on establishing a capital plan within forecasted revenue from 2023-24 to 2028-29 and the Board priorities established on March 20, 2023. The 2024-2029 Capital Improvement Plan was approved on May 15, 2023, for the initiatives listed below.

2024-2029 Capital Improvement Plan

Approved Project List	Total	Proposed Completion Date
New Elementary School for Carolina Forest Attendance Area	64,000,000	
New Elementary School for Carolina Forest Attendance Area	64,000,000	
Replacement School for St. James Elementary	66,000,000	
Renovations - Aynor High School	14,000,000	
Renovations - Carolina Forest High School	33,000,000	
Renovations - Daisy Elementary School	15,000,000	
Renovations - Myrtle Beach High School	24,000,000	
Tennis Court Replacements	5,000,000	
Athletic Improvements	25,000,000	Annual \$5,000,000 (End: June 2029)
Capital Administration	10,000,000	Annual \$2,000,000 (End: June 2029)
Capital Improvement Projects	125,000,000	Annual \$25,000,000 (End: June 2029)
Emergency Maintenance Repair	9,000,000	Annual \$1,800,000 (End: June 2029)
Miscellaneous Equipment	11,000,000	Annual \$2,200,000 (End: June 2029)
Security Upgrades	20,250,000	Annual \$4,050,000 (End: June 2029)
Technology	79,750,000	Annual \$15,950,000 (End: June 2029)

Total **565,000,000**

Total Annual Allocation (5 years) **\$56,000,000**



HONORS AND DISTINCTIONS

Our Performance

[Horry County Schools](#) is fully-accredited by Cognia, a non-profit, non-partisan organization that conducts rigorous, on-site external reviews of Pre-K-12 schools and school systems to ensure that all learners realize their full potential. Combining the knowledge and expertise of a research institute, the skills of a management consulting firm and the passion of a grassroots movement for educational change, Cognia is a trusted partner to 34,000 schools and school systems across the United States and 70 other nations.

[Horry County Schools](#) rated Excellent or Good on the 2021-2022 SC state report card for 61% of its qualifying schools (31/49 schools)*.

**Early childhood, primary, alternative, and academy schools do not receive SC state report cards.*

[Horry County Schools](#) continues to outpace the national average on the SAT. The District's composite for Evidence-Based Reading and Writing (ERW) and Mathematics is 1040, 12 points above the national composite of 1028 and 17 points higher than the state composite of 1023.

[Horry County Schools'](#) students had an overall pass rate of 72.8 percent on Advanced Placement (AP) exams in 2022, outpacing the state average of 63 percent. During the 2021-2022 academic year, 1,894 students took 2,809 AP exams.

[Horry County Schools'](#) juniors ACT scores decreased .01 point for a composite of 18.0, down from 18.1 in 2021.

[Horry County Schools](#) on-time graduation rate increased slightly in 2022 to 83.1 percent compared to 82.7 percent in 2021. By comparison, the state's on-time graduation rate rose .5 percent, up to 83.8 percent in 2022, compared to 83.3 percent the previous year.

For a fourth consecutive year, [Horry County Schools](#) received the prestigious Best Communities for Music Education designation from the National Association of Music Merchants (NAMM) Foundation.

The American Heart Association announced that [Horry County Schools](#) was the top lifesaving district in South Carolina and the ninth lifesaving district nationwide for participation in programs aimed to educate students and their families about heart-related health topics.

School and Team Awards

The Class of 2022 was awarded \$85.6 million in scholarships.

The Class of 2022 totaled 2,847 graduates from the district's 10 high schools. Among the graduates, 72 percent plan to attend either a two-year or four-year college or university.

[St. James Elementary School](#) was named a National Blue Ribbon School by the U.S. Department of Education for the school's exemplary high performance.

[Forestbrook Elementary School](#) was named the #1 lifesaving school in South Carolina by the American Heart Association.

The [Carolina Forest High School's](#) Boys Track and Field team placed first on the 4x100 Meter Run.

The [Myrtle Beach High School's](#) Boys Tennis Team won the AAAA State Tennis Championship.

The [Ocean Bay Middle School's Robotics](#) team won the FIRST LEGO League Challenge & Global Innovators Challenge.

The [Socastee High School's](#) Girls Tennis team won the AAAAA State Tennis Championship.

The [St. James High School's](#) Dance team won the AAAAA State Game Day Dance Category (came in 7th nationally).

Student Awards

Four HCS students were nominated as 7th Congressional District candidates to attend U.S. Military Academies: [Jaden-Grace Anderson, Scholars Academy and Socastee High School](#) – U.S. Air Force Academy and the U.S. Military Academy; [Johnathan Mallon, Scholars Academy and Carolina Forest High School](#) – U.S. Military Academy; [Chloe Johnson, Academy for the Arts, Science & Technology and North Myrtle Beach High School](#) – U.S. Air Force Academy; and [Chad Caudle, Myrtle Beach High School](#) – U.S. Air Force Academy.

Four students were selected as candidates for the 2022 U.S. Presidential Scholars Program: [Isabella Aparicio-Morello and Reagan McQueen, Myrtle Beach High School and Scholars Academy](#); [Derrick Wargo, Carolina Forest High School and Scholars Academy](#); and [Morgan Diven, Carolina Forest High School and the Academy for the Arts, Science & Technology](#).

Twelve students won the \$2,500 National Merit scholarships: [Cody King, Hunter Kuperman, Michael Pikula, Nicole Ward, Derrick Wargo, and Brooke Zavistaski](#) from [Scholars Academy and Carolina Forest High School](#); [Isabella Aparicio-Morello and Reagan McQueen](#) from [Scholars Academy and Myrtle Beach High School](#); [Evan Barker](#) from [Scholars Academy and Socastee High School](#); [John Barnett and Guoren Zhong](#) from [Scholars Academy and St. James High School](#); and [Adrian Anderson](#) from [St. James High School](#).

[Gabby Grayson from North Myrtle Beach High School](#) was one of two SC Girls State delegates out of 650 from across the state chosen to represent South Carolina at Girls Nation at the end of July 2022. Gabby spent a week in Washington, D.C., meeting with lawmakers and learning about our government while touring many sites in DC.

[Sawyer Osborne from Scholars Academy and Socastee High School](#) earned a perfect score on the AP Capstone Seminar Exam, placing him among just 0.07% of the AP Capstone Seminar examinees who earned a perfect score in 2022.

HCS had 13 students who won awards at the SC State Fair Student Art competition, including several First Place winners and a Best in Show winner. [Andrew Bellah from Academy of Arts, Science & Technology](#) won Best in Show for high school 3D art; [Kloe Gregory from Socastee High School](#) won First Place in 12th grade 3D art; [Jackson Penn from Academy of Arts, Science & Technology](#) won First Place in 12th grade 2D art; and [Hailey Moreno from River Oaks Elementary School](#) won First Place in 5th grade photography.

As part of the summer READCamp program, students were challenged to read as many books as possible. [Carlee Ventura from Socastee Elementary School](#) came in first with 79 books. [Renley Graham from Waterway Elementary School](#) came in second with 69 books. Twins [Jersey and Jinjer Fehlman from River Oaks Elementary School](#) tied for third place with 64 books. [Carlee Ventura and Renley Graham](#) were the top two participants in READCamp 2022 out of over 33,000 students nationally.

Camden Smith from [Scholars Academy and Carolina Forest High School](#) and Rani Shelton from [Scholars Academy and Conway High School](#) were selected as Bank of America Student Leaders this year. They got to participate in an eight-week summer internship providing them with first-hand experience in serving their communities and developing workforce skills, leadership, and civic engagement with the YMCA of Coastal Carolina. They also participated in a virtual leadership summit with the Close Up Foundation. The summit included opportunities to engage with congressional leaders, hear from leaders in civil and human rights leaders, and have conversations about current issues facing young people today.

Trinity Lu and David Nesbitt of the [Academy for the Arts, Science & Technology](#) won the ArcGIS Online Map Contest.

T'Mars McCallum from [Carolina Forest High School](#) won the Class 5A championship in the 100-meter run, the 200-Meter run, and the Long Jump in Track and Field.

Seth Riley from [Myrtle Beach High School](#) won the Class AAAA 200-Yard Individual Medley in Boys Swimming.

Madison Messimer from [Myrtle Beach High School](#) won the Class 4A Individual in Girls Golf.

Wyatt Wheeler from [North Myrtle Beach High School](#) won the AAAA 120 lb. Class in Wrestling.

Joe Guthinger from [St. James High School](#) won the Class AAAAA 200-Yard Freestyle in Boys Swimming.

Leanna French and Rebecca Duelley from [Ten Oaks Middle School](#) won the National History Day, Junior Group Exhibit (selected to be displayed at the Smithsonian National Museum of American History in Washington, D.C.).

Bryson Gibson and Amelia Miksa from [Ten Oaks Middle School](#) won the Most Effective Witnesses in Mock Trial competition.

Charlotte Ward and Caleb Zahn from [Ten Oaks Middle School](#) won the Most Effective Attorneys in Mock Trial competition.

Staff Awards

Jeremy Rich from [Socastee High School](#) was named the 5A Principal of the Year by the South Carolina Athletic Administrators Association.

Melissa Gore from [Aynor High School](#) was recognized by SC Treasurer Curtis Loftis as the SC Financial Literacy Master Teacher Program's Educator of the Month for March.

Darrell Ricketts from [Socastee High School](#) received an Honorary American FFA Degree from the Future Farmers of America for his advancement of agricultural education.

Will Chappell from [Early College High School](#) received the Thomas Lowell Buckland Memorial Teacher of Excellence Award in Social Studies Education from the South Carolina Council for Social Studies.

Evan Sellers from [Academy for the Arts, Science & Technology](#) won the national ESRI K-12 ArcGIS Online Teacher of the Month Challenge for September 2022.

[Cindy Lilly from Ocean Bay Middle School](#) was named the 2022-2023 Marine Educator of the Year by the South Carolina Marine Educators Association.

[Dana McCallum from Academy for the Arts, Science & Technology](#) was named SC Health Science Teacher of the Year by the SC Health Science Education Association.

[Emily Scheffler from St. James High School](#) was awarded the Gary Bates National Memorial Award for Excellence in Career Education by the National Council of Administrators of Special Education.

[Tracy Todd from Carolina Forest High School](#) was named SC History Teacher of the Year and was a Top 10 finalist for the National History Teacher of the Year Award for 2022.

[Caroline Rogers from Ocean Drive Elementary School](#) was named Educator of the Year by the Share the Magic Foundation, a literacy advocacy nonprofit organization, for her passion and her dedication to her students and their reading.

[Kimberly Rothberg from Carolina Forest Elementary School](#) was one of two teachers in South Carolina to receive the Presidential Awards for Excellence in Mathematics and Science Teaching. This is the highest recognition a K-12 teacher of science, technology, engineering, mathematics, or computer science may receive for outstanding teaching in the United States. No more than 108 teachers are recognized each year.

[The Horry County Schools Department of Communication](#) swept 19 awards at the 2022 Rewards for Excellence program sponsored by the South Carolina Chapter of the National School Public Relations Association.

[HCS awarded Budget Award](#)

The District received the Meritorious Budget Award from the Association of School Business Officials International for excellence in the preparation and issuance of its budget for the Fiscal Year 2022-2023.

[HCS awarded Certificate of Achievement for Excellence in Financial Reporting](#)

The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to Horry County School District for its annual comprehensive financial report for the past twenty-one fiscal years. A Certificate of Excellence is valid for a period of one year only. We believe our current annual comprehensive financial report continues to meet the Certificate of Excellence Program's requirements, and we are submitting it to the ASBO to determine its eligibility for another certificate.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Horry County School District for its annual comprehensive financial report for the past twenty-one fiscal years. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

ACKNOWLEDGMENTS

The completion of this Annual Comprehensive Financial Report could not have been accomplished without the professionalism and dedication of the entire Fiscal Services staff. Each staff member has our sincere appreciation for their contributions in the timely closing of financial records. We also acknowledge and thank the other District departments for assistance in the presentation of information for this report.

In closing, without the leadership and support of the Superintendent and the Horry County Schools' Board of Education, the outstanding results described in the Fiscal Year 2023 Annual Comprehensive Financial Report would not have been possible.

Respectfully Submitted,



John K. Gardner
Chief Financial Officer

BOARD OF EDUCATION

Chairperson David Cox
District 1 Board Member David Koch
District 2 Board Member Debbie Edmonds
District 3 Board Member Tracy Winters
District 4 Board Member, Wendy Hodges
District 5 Board Member Howard Barnard
District 6 Board Member Pam Dawson
District 7 Board Member Janet Graham
District 8 Board Member Melanie Wellons
District 9 Board Member James Edwards
District 10 Vice Chairperson Neil James
District 11 Board Member Shanda Allen

ADMINISTRATIVE OFFICIALS

Superintendent Dr. Rick Maxey
Chief Academic Officer Boone Myrick
Chief Support Services Officer Daryl Brown
Chief Financial Officer John K. Gardner
Chief Human Resources Officer Mary J. Anderson
Chief Student Services Officer Velna Allen
Staff Attorney Kenny Generette

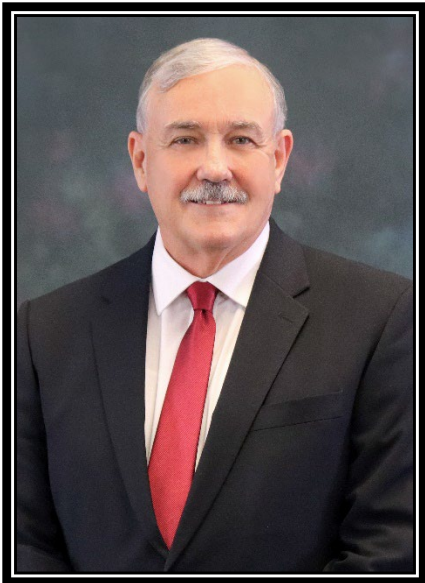


Dr. Rick Maxey, Superintendent of Schools: With 35 years of experience in teaching and educational leadership, Dr. Rick Maxey was appointed the Acting Superintendent of Horry County Schools on January 1, 2015, and then was named Superintendent on June 15, 2015. Dr. Maxey was the Deputy Superintendent for HCS for more than three years, where he supervised District Operations in the areas of facilities, food services, student affairs, and transportation.

Dr. Maxey has a foundation of educational leadership experiences having been HCS Executive Director for both middle and secondary schools. At the district level, he also served as a Principal Specialist for Support Services where he supervised the Department of Special Education.

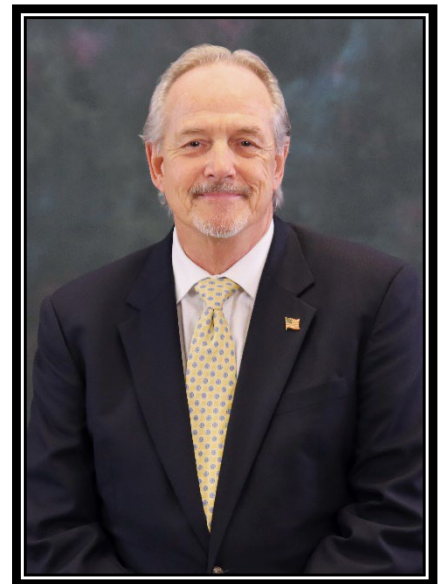
Before he began working as a District-level administrator, Dr. Maxey was the principal of Conway High School for five years (2000-2005) and of Carolina Forest High School for two years (1998-2000). He also served as assistant principal and technology coordinator at Loris High School after six years of teaching English at the school. Prior to beginning his career in secondary education, Dr. Maxey was an Instructor of English at both Presbyterian College and Clemson University. Dr. Maxey earned master's and doctoral degrees in Educational Leadership from the University of South Carolina. He also earned master's and bachelor's degrees in English from Clemson University.

Dr. Maxey and his wife, Vencie, are career educators. They are the parents of two adult sons.



David Cox, Chairperson – As chairman of the board, David Cox represents all of Horry County. He was first elected to the Horry County Board of Education in November 2008 as the representative for District 4, which includes parts of St. James and Socastee within the Burgess community. This is his first term of office as the chairman. He and his wife, Karen, live in the Market Common area on the south end of Myrtle Beach. Together they have eight children and 16 grandchildren. Mr. Cox graduated from the University of South Carolina with a degree in journalism and is presently employed by Elliott Realty as a realtor with Better Homes and Gardens Elliot Coastal Living.

David Koch, District 1 – Mr. Koch (pronounced “cook”) was elected in November 2022. He is the director of young adult services at Sea Haven, serving youth and young adults who are experiencing housing insecurity or crisis situations. Previously, Mr. Koch has worked with Shoreline Behavioral Health as a substance abuse specialist and Brunswick Christian Recovery Center as an interim director. In addition, he completed his internship at Teen Challenge of Georgetown County. Mr. Koch is very active in Waterbrook Community Church and is also on the leadership team of North Strand Celebrate Recovery as a training coach. He also serves as a board member of the North Myrtle Beach High School Band of Chiefs Boosters. A native of Michigan, he and his wife, Jeanne, have been residents of Horry County since 1985. They have three boys, their youngest graduating from North Myrtle Beach High School in 2023. Mr. Koch earned a bachelor’s in human services from Purdue University with a concentration in family/youth services and administration.



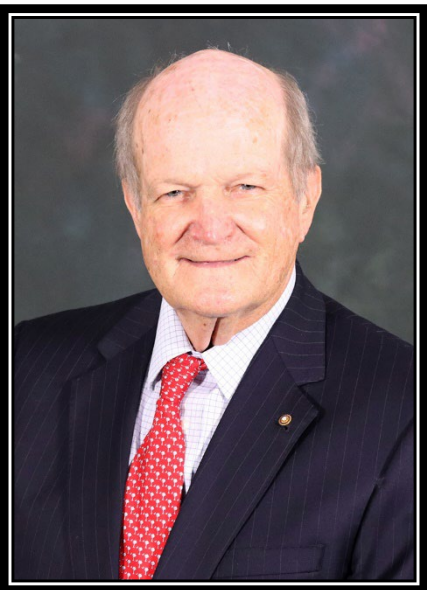
Debbie Edmonds, District 2 – Debbie Edmonds was elected in November 2022. Formerly an educator and school administrator, she is currently the owner of Integra Fabrics, located in Loris, SC. She received a bachelor’s and master’s degree in K-8 education from the University of Georgia and a specialist degree in education administration from Clemson University. She and her husband, Ron, have one child and three grandchildren.



Tracy Winters, District 3 – Tracy Winters was appointed by the Horry County Board of Education in November 2021 to fulfill the unexpired term of her late husband, Ray Winters. Mrs. Winters was the office manager for The Law Offices of Ray H. Winters, P.C. in Myrtle Beach and received her Associate's Degree from Faulkner University in Bay Minette, Alabama. She has one daughter, Alyssa.

Tracy Winters served on the School Improvement Council at Ocean Bay Elementary School, was an active member of the PTO, and supported the Booster Club at Carolina Forest High School.

Wendy Hodges, District 4 – Wendy Hodges was appointed to the Horry County Board of Education in March 2023. Formerly an English teacher and a Curriculum Specialist in Horry County Schools, she is currently a Realtor at Coldwell Banker Sea Coast Advantage in Myrtle Beach, SC. She received a bachelor's degree in secondary education - English and a master's degree in educational administration from the University of South Carolina.



Howard Barnard, District 5 – Howard Barnard was elected to represent District 5 in November of 2020. He is a retired fighter pilot and colonel in the United States Airforce. He has a BBA in Economics from the University of Georgia and an MBA from the University of Oklahoma. He and his wife, Marga, have a son and daughter and five grandchildren.

Pam Dawson, District 6 – Pam Dawson was elected in November 2022. She is a retired professional telecommunications program manager with a focus on the defense industry with companies in the aerospace sector. She has previously served on the Horry County Planning Commission, the Horry County Parks and Open Space Board, the Greater Burgess Community Association, and the Prince Creek West Road and Parks Association. She received a bachelor’s degree in commerce and business administration from the University of Alabama.



Janet P. Graham, District 7 – Janet Graham was appointed to the Horry County Board of Education in September 2012 and was elected in November 2014. Ms. Graham is an Area Manager for the Myrtle Beach Area Small Business Development Center at Coastal Carolina University. She received a Bachelor’s degree in Finance from Coastal Carolina University in 2000 and a Master of Business Administration from Winthrop University in 2004. She and her husband, Gregory, have three children and nine grandchildren.

Melanie Wellons, District 8 – Melanie Wellons was appointed to the Horry County Board of Education in April 2021. Ms. Wellons is a graduate of Coastal Carolina University and is the Vice President of Arnold’s Pools. Ms. Wellons served five years on the Carolina Forest High School Improvement Council and five years on the Carolina Forest Advisory Board. She and her husband, David T. Wellons, Jr, have two children, Madalyn Wellons and David T. Wellons, III.



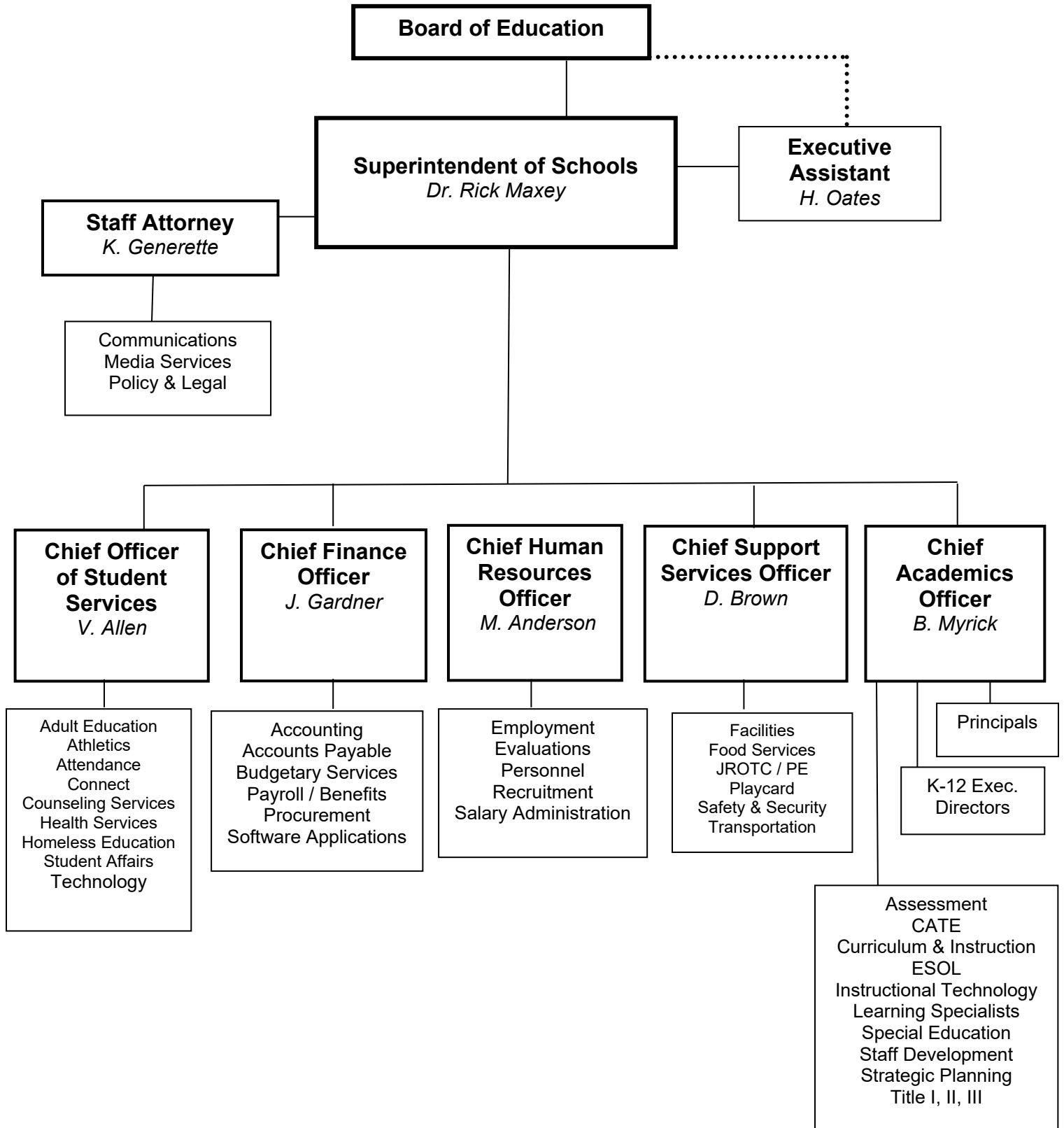
James Edwards, District 9 – James Edwards was elected to represent District 9, which serves Green Sea Floyds, Loris, and North Myrtle Beach. He is the President/Owner of Inland Associates, INC. where he provides real estate services as a NC & SC General Certified Real Estate Appraiser, a Realtor, and a Real Estate Property Manager. Mr. Edwards is a former instructor of licensing & continuing education classes at Southeastern Community College in Whiteville, NC as well as at Horry Georgetown Technical College in Conway, SC. He has a Bachelor of Science Degree in Business Administration from the University of South Carolina as well as studying Industrial Engineering at North Carolina State University. Mr. Edwards is the past President of the Loris Chamber of Commerce and is currently President of the Loris Historical Society. He is also an active member and treasurer of Dogwood Hill Baptist Church. He and his wife Amy have two daughters and one grandson.



Neil James, District 10, Vice Chairperson – Neil James was appointed to the Horry County Board of Education in November 2009 and elected to office in 2010, 2014, and 2018. He served as Interim Chair from May 2018 through January 2019. Mr. James is a professional engineer and holds two Bachelor of Science degrees in Agricultural Engineering and Electrical Engineering from Clemson University and a Master's degree in Business Administration from Webster University. He is employed by Santee Cooper. He and his wife, Felicia, have two daughters.

Shanda Allen, District 11 – Shanda Allen was elected to the Horry County Board of Education in 2016. She is the owner and operator of Allen Aviation, Inc., and has served on the Higher Education Commission at Coastal Carolina University. Ms. Allen is a native of Horry County, and she and her husband, Al, have two children and two grandchildren.







ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

The Certificate of Excellence in Financial Reporting
is presented to

Horry County Schools

for its Annual Comprehensive Financial Report
for the Fiscal Year Ended June 30, 2022.

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



A handwritten signature in black ink, reading 'John W. Hutchison'. The signature is written in a cursive style.

John W. Hutchison
President

A handwritten signature in black ink, reading 'Siobhán McMahon'. The signature is written in a cursive style.

Siobhán McMahon, CAE
Chief Operations Officer/
Interim Executive Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Horry County Schools
South Carolina**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

**To the Chairperson and Members of the Board of Education
Horry County Schools
Conway, South Carolina**

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, and each major fund, of **Horry County Schools** (the "District"), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, and each major fund, of the District, as of June 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Waccamaw Park Public Charter School, Inc., Palmetto Academy of Learning and Success, Academy of Hope, Inc., and Palmetto Academy for Learning Motorsports which represent 100% of the assets, net position and revenues of the District's aggregate discretely presented component units as of June 30, 2023. Those statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as it relates to the amounts included for the Waccamaw Park Public Charter School, Inc., Palmetto Academy of Learning and Success, Academy of Hope, Inc., and Palmetto Academy for Learning Motorsports are based solely on the reports of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (pages 5 - 19), the budgetary comparison schedules on pages 67- 70, Schedule of the District's Proportionate Share of the Net Pension Liability and Related Ratios, Schedule of District Pension Contributions, Schedule of the District's Proportionate Share of the Net OPEB Liability and Related Ratios, and Schedule of District OPEB Contributions (pages 71 - 75), be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The statements and schedules listed in the table of contents under the heading "Other Supplementary Information" required by the South Carolina Department of Education, and the schedule of expenditures of federal awards, 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*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Other Supplementary Information and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 22, 2023, on our consideration of the 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's 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 District's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Columbia, South Carolina
November 22, 2023

**HORRY COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2023**

The discussion and analysis of Horry County School District's (the "District") financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2023. We encourage readers to consider this information in conjunction with the additional information in the District's financial statements, and the accompanying notes to those financial statements.

FINANCIAL HIGHLIGHTS

- Beginning June 30, 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 68, *Accounting and Financial Reporting for Pensions*, which established new financial reporting requirements for most governments that provide pension benefits through a multiple-employer, cost-sharing defined-benefit pension plan. District employees, including the charter schools' employees, are in a program administered by the South Carolina Public Benefit Authority (PEBA). Statement No. 68 requires the district and its charter schools to record a proportionate share of PEBA's unfunded pension liability. The District and its charter schools have no legal obligation to fund any shortfall, nor do they have any liability to affect funding, benefits, or annual required contribution decisions made by PEBA.
- Beginning June 30, 2017, the GASB issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB)*, which revised and established new financial reporting requirements for most governments that provide OPEB benefits through a multiple-employer, cost-sharing defined-benefit plan. District employees, including the charter schools' employees, are in a program administered by PEBA. Statement No. 75 requires the district and its charter schools to record a proportionate share of PEBA's unfunded OPEB liability. The District and its charter schools have no legal obligation to fund any shortfall, nor do they have any liability to affect funding, benefits, or annual required contribution decisions made by PEBA.
- Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, is effective for reporting periods beginning after December 15, 2019. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of the construction period. The District adopted this Statement during the year ended June 30, 2020.
- Statement No. 84, *Fiduciary Activities*, is effective for reporting periods beginning after December 15, 2018. The principal objective of this Statement is to enhance the consistency and comparability of fiduciary activity reporting by state and local governments. This Statement also is intended to improve the usefulness of fiduciary activity information primarily for assessing the accountability of governments in their roles as fiduciaries. In May 2020, GASB issued Statement No. 95, *Postponement of the Effective Date of Certain Authoritative Guidance*. The District elected to adopt Statement No. 84 during the year ended June 30, 2021.
- For the first time in 5 years, the assets and deferred outflows of resources of the District exceeded liabilities and deferred inflows of resources at June 30, 2023, by \$69.6 million.
- The District's total net position for 2022-23 increased by \$156.8 million.

- Our principal operating fund, the General Fund, had \$506.9 million in fiscal year 2023 revenues, which primarily consisted of state aid and property taxes. In addition, the General Fund had \$33.1 million in other financing sources, which consisted primarily of transfers from the Special Revenue Funds in the form of indirect cost and the Education Improvement Act state aid transfers. The General Fund incurred \$511.9 million in expenditures, as well as \$13.5 million in other financing uses.
- The General Fund's fund balance increased from \$150.9 million as of June 30, 2022, to \$165.5 million as of June 30, 2023. In the original 2022-23 funding plan, the District planned to utilize \$7 million from fund balance. This significant change in fund balance was the result of several events. The District received \$24.3 million more in total revenues and other financing sources than was budgeted. This was most notably the result of a \$13.6 million increase in local property tax revenues, a \$1 million increase for revenue in lieu of property taxes, a \$4.7 million increase in earnings on investments, a \$1.5 million increase in Medicaid reimbursements, a \$.7 million increase in other local revenues, \$.4 million net decrease in restricted/miscellaneous state funding, a \$1.8 million increase in other state property tax revenues, and a \$1.4 million increase in transfer from other funds.
- Analysis of the positive budget variances related to expenditures and other financing uses indicate \$26.2 million in salaries and employee benefits and \$5.8 million in operating expenditures contributed to the surplus. As it is the District's position to budget all vacant positions at the full complement, it is not uncommon for the District to have unspent funds in salaries and employee benefits at the fiscal year end. In addition, it is the policy of the District to assign fund balance in the subsequent year for certain items not received prior to the fiscal year end and to assign reserve funds for workers' compensation claims. Included in the \$5.8 million operating expenditure surplus was \$6 million assigned from fiscal year 2022.
- The District's total general and special obligation debt decreased by \$48.8 million during fiscal year 2023 to \$196.6 million. This was attributed to scheduled principal payments.
- The District currently has a Standard & Poor's underlying rating of AA and a Moody's Investor Services underlying rating of Aa2.

OVERVIEW OF FINANCIAL STATEMENTS

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

Government-wide Financial Statements: The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private sector business. These statements outline functions of the District that are principally supported by property taxes and intergovernmental revenues (governmental activities). The governmental activities of the District include instruction, support services, community services, and intergovernmental activities. Short-term and long-term information about the District's overall financial status is provided in these statements. These statements are prepared utilizing the accrual basis of accounting which takes into account all current year revenues and expenses regardless of when cash is received or paid.

The government-wide financial statements include not only the District itself (known as the primary government), but also the component units of Waccamaw Park Public Charter Schools, Inc. (also known as Bridgewater Academy), Palmetto Academy of Learning and Success (also known as PALS), Academy of Hope, and Palmetto Academy of Learning Motor Sports (also known as PALM). Bridgewater Academy, PALS, Academy of Hope, and PALM are charter schools sponsored by the District. Financial information for the charter schools is reported separately from the financial information presented for the primary government itself. Additional information on the District's component units can be found on pages 107 and 108.

The government-wide financial statements are included on pages 20 and 21 of this report.

Statement of Net Position: The statement of net position presents information on all of the District's assets plus deferred outflows and liabilities plus deferred inflows except for those related to fiduciary funds, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

Statement of Activities: 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 in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused compensated absences).

Fund Financial Statements: A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District are governmental 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 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 evaluating the District's near-term financing requirements. The modified accrual basis of accounting is used for governmental funds.

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 District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. These reconciliations are on page 24.

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

Notes to the Financial Statements: The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 25 - 66.

Other information: In addition to the basic financial statements and accompanying notes, this report also presents certain required supplemental information that further supports the financial statements with a comparison of the District's budget for the year and other supplementary information schedules required either by the State Department of Education, the Certificate of Achievement Program of the Governmental Finance Officer's Association, or the Certificate of Excellence Program of the Association of School Business Officials.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position. Net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows of resources by exceeded liabilities and deferred inflows of resources \$69.6 million as of June 30, 2023.

The following table presents a comparative analysis of the District's net position for the fiscal years ended June 30, 2023, and June 30, 2022.

Net Position (Amounts expressed in thousands)

	2023	2022
Current and other assets	\$ 465,457	\$ 429,185
Capital assets, net	976,995	902,030
Total assets	<u>1,442,452</u>	<u>1,331,215</u>
Deferred outflows of resources	<u>258,096</u>	<u>268,073</u>
Current liabilities	135,335	129,861
Long-term liabilities	1,283,053	1,430,495
Total liabilities	<u>1,418,388</u>	<u>1,560,356</u>
Deferred inflows of resources	<u>212,583</u>	<u>126,142</u>
Net position		
Net investment in capital assets	761,652	635,006
Restricted	189,711	176,028
Unrestricted	<u>(881,786)</u>	<u>(898,244)</u>
Total Net position	<u>\$ 69,577</u>	<u>\$ (87,210)</u>

The following are significant current year transactions that have had an impact on the Statement of Net Position.

- Total receivables increased by \$2.3 million primarily due to current year federal revenues that were received after June 30, 2023, an increase in uncollected property taxes, and a decrease in the prior year's June Education Capital Improvement Sales and Use tax receipt and June reimbursement for property tax relief.
- Total prepayments increased by \$4.4 million primarily due to an increase in multi-year technology service agreements and subscriptions coupled with the payment of the July SC PEBA invoice.
- Total inventories increased by \$.2 million primarily due to cafeteria food and supplies.

- The \$75 million increase in capital assets is due to a \$74.2 million net increase in construction in progress, a \$29.6 million net increase in capital assets, and net depreciation expense of \$28.8 million.
- Total deferred outflows of resources decreased \$10 million primarily due to a \$.7 million decrease in deferred charges on refunding transactions, a \$.3 million increase in deferred outflows related to pensions, and a \$9.6 million decrease in deferred outflows related to OPEB.
- Total liabilities decreased \$142 million primarily due to a net \$56.2 million reduction in long-term obligations due to principal payments on outstanding debt and amortization of deferred bond premiums offset by a slight increase in compensated absences outstanding. The decrease in liabilities is also due to a \$.8 million decrease in accrued interest payable and a \$3.7 million increase in accounts payable and other accrued liabilities. These decreases were offset by a \$77.3 million increase in the net pension liability and a \$166 million decrease in the net OPEB liability.
- Total deferred inflows of resources increased \$86.4 million primarily due to a 79 million decrease in deferred inflows related to pensions, a \$168.7 million increase in deferred inflows related to OPEB, and a \$3.3 million decrease in deferred revenue.

The District's financial position is the product of several financial transactions including the net results of activities, the restructuring and payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets. The most notable impact on the District's net position was the the impacts of GASB 68 and GASB 75.

The following table presents a six-year comparative analysis of the District's net position for the fiscal years ended 2018 through 2023.

Net Position By Component
(Amounts expressed in thousands)

	2018	2019	2020	2021	2022	2023
Governmental Activities	\$(266,886)	\$(267,842)	\$(225,567)	\$(185,491)	\$ (87,210)	\$ 69,577
Business - Type Activities	(21,119)	-	-	-	-	-
Total Primary Government	<u>\$(288,005)</u>	<u>\$(267,842)</u>	<u>\$(225,567)</u>	<u>\$(185,491)</u>	<u>\$ (87,210)</u>	<u>\$ 69,577</u>

Prior to the implementation of GASB Statements 68 and 75, the largest portion of the District's positive net position reflected its net investment in capital assets (e.g., land and improvements, buildings and improvements, vehicles, furniture and equipment, and construction in progress), less any related debt used to acquire those assets that is still outstanding.

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 its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities. The restriction for Capital Projects represents residual funding for building construction scheduled in fiscal year 2024 and beyond.

An additional portion of the District's net position represents resources subject to external restrictions on how they may be used. The amount identified as restricted for Debt Service is earmarked for principal and interest payments. The remaining balance of unrestricted net position may be used to meet the District's ongoing activities.

The following table presents a six-year comparative analysis of the District's net position for the fiscal years ended 2018 through 2023.

Net Position By Classification
(Amounts expressed in thousands)

	2018	2019	2020	2021	2022	2023
Net Investment in Capital Assets	\$ 409,563	\$ 467,134	\$ 507,020	\$ 569,273	\$ 635,006	\$ 761,652
Restricted for Debt Service	56,185	53,913	46,720	43,447	54,730	57,457
Restricted for Capital Projects	57,224	44,968	59,713	61,302	98,272	108,271
Restricted for Student and Classroom Activities	1,682	1,455	7,946	8,006	8,529	11,219
Restricted for School Food Service	-	6,557	4,233	5,722	14,497	12,764
Unrestricted	(812,659)	(841,869)	(851,199)	(873,241)	(898,244)	(881,786)
Total Primary Government	<u>\$(288,005)</u>	<u>\$(267,842)</u>	<u>\$(225,567)</u>	<u>\$(185,491)</u>	<u>\$ (87,210)</u>	<u>\$ 69,577</u>

The implementation of GASB Statement 68 continues to have a significant impact on the District's ending net position. The following table presents a six-year comparative analysis of the District's net pension liability for the fiscal years ended 2018 through 2023.

Net Pension Liability By Component
(Amounts expressed in thousands)

	2018	2019	2020	2021	2022	2023
Governmental Activities	\$ 543,601	\$ 566,398	\$ 577,527	\$ 640,354	\$ 548,479	\$ 625,754
Business - Type Activities	19,827	-	-	-	-	-
Total Primary Government	<u>\$ 563,428</u>	<u>\$ 566,398</u>	<u>\$ 577,527</u>	<u>\$ 640,354</u>	<u>\$ 548,479</u>	<u>\$ 625,754</u>

The implementation of GASB Statement 75 also continues to have a significant impact on the District's ending net position. The following table presents a six-year comparative analysis of the District's net OPEB liability for the fiscal years ended 2018 through 2023.

Net OPEB Liability By Component
(Amounts expressed in thousands)

	2018	2019	2020	2021	2022	2023
Governmental Activities	\$ 411,773	\$ 449,948	\$ 482,358	\$ 570,357	\$ 660,212	\$ 494,237
Business - Type Activities	14,489	-	-	-	-	-
Total Primary Government	<u>\$ 426,262</u>	<u>\$ 449,948</u>	<u>\$ 482,358</u>	<u>\$ 570,357</u>	<u>\$ 660,212</u>	<u>\$ 494,237</u>

Changes in net position. The District's total revenues for the fiscal year ended June 30, 2023, were \$831.9 million. The total cost of all programs and services was \$675.1 million.

The following table presents a comparative analysis of changes in net position for the fiscal years ended June 30, 2023, and June 30, 2022.

Changes in Net Position
(Amounts expressed in thousands)

Revenues	2023	2022
Program revenues		
Charges for services	\$ 4,093	\$ 461
Operating grants and contributions	358,198	326,105
Capital grants and contributions	688	2,370
General revenues		
Property taxes	387,127	362,541
State aid	68,041	64,296
Other	13,723	(382)
Total revenues	831,870	755,391
Expenses		
Instruction	409,599	404,136
Support services	261,420	252,420
Community services	1,775	1,374
Interest on long-term debt	2,289	(820)
Total expenses	675,083	657,110
Increase (decrease) in net position	156,787	98,281
Net position July 1	(87,210)	(185,491)
Net position June 30	\$ 69,577	\$ (87,210)

The following are significant current year transactions that have had an impact on the Statement of Activities.

- Total charges for services increased \$3.6 million in the School Food Service Fund for student lunch, breakfast, and special sales to students. In 2022, the USDA reimbursed schools for free meals to all students. Beginning fiscal year 2024, the District will return to providing free meals to all students.

- Total operating grants and contributions increased by \$32.1 million due to a combination of factors. In the General Fund, the District received a net \$1.9 million increase in State aid for bus driver salary increases and retiree fringe benefits. The District also experienced a \$14.9 net increase as a result of the new state funding formula for public education. In the Special Projects Fund, the District experienced an increase in receipts in the amount of \$7.1 million from the American Recue Plan and a net increase of \$9.9 million in other grant awards. Initiatives funded from the Education Improvement Act (EIA) fund increased by \$9.3 million. The School Food Service Fund experienced a \$11 million decrease in federal reimbursements and commodities.
- Capital grants had a net decrease of \$1.7 million in fiscal year 2023 due to reimbursements from the E-Rate program.
- Ad valorem tax revenue had a net increase of \$21.1 million in fiscal year 2023. This was the net result of a \$18.3 million increase in actual collections coupled with a \$2.8 million increase in deferred tax revenues. In addition, the District received a \$4 million reduction from fees in lieu of taxes, other state property taxes, and penalties and interest on taxes. Included in property taxes is the collection of the Education Capital Improvements Sales and Use tax (additional penny sales tax) for debt service and the funding of capital improvement projects. The District collected an additional \$7.5 million in fiscal year 2023.
- State Aid increased primarily due to ACT 388. The ACT provides a 100 percent exemption from school operating tax for residential owner-occupied property. In fiscal year 2008, the State fully reimbursed districts the foregone amount. The District received \$24.8 million in fiscal year 2008; however, future payments will be “frozen” at the 2008 actual reimbursement with a proportionate share of the growth in the State entitlement. The District received an additional \$3.4 million as its proportionate share of the fiscal year 2023 entitlement. In addition, the District received an additional \$.3 other state property tax revenue.
- Other miscellaneous revenue increased \$1.8 million.
- Unrestricted investment earnings had a net increase of \$12.3 million in fiscal year 2023. This was the net result of a \$4.3 million increase in interest earnings and a \$8 million unrealized gain on investments due to interest rate fluctuations.
- Included in the expenses for 2023 was the implementation of a competitive employee compensation plan (approved August 2022). The plan’s purpose was to develop and implement compensation and benefit plans to attract and retain the highest quality employees by compensating employees consistent with the applicable marketplace, including but not limited to organizations of comparable size and type, and within available resources.
- The District did incur additional operating expenses for the 2023 fiscal year. These include property insurance, employee benefits, utilities, and maintenance of facilities.

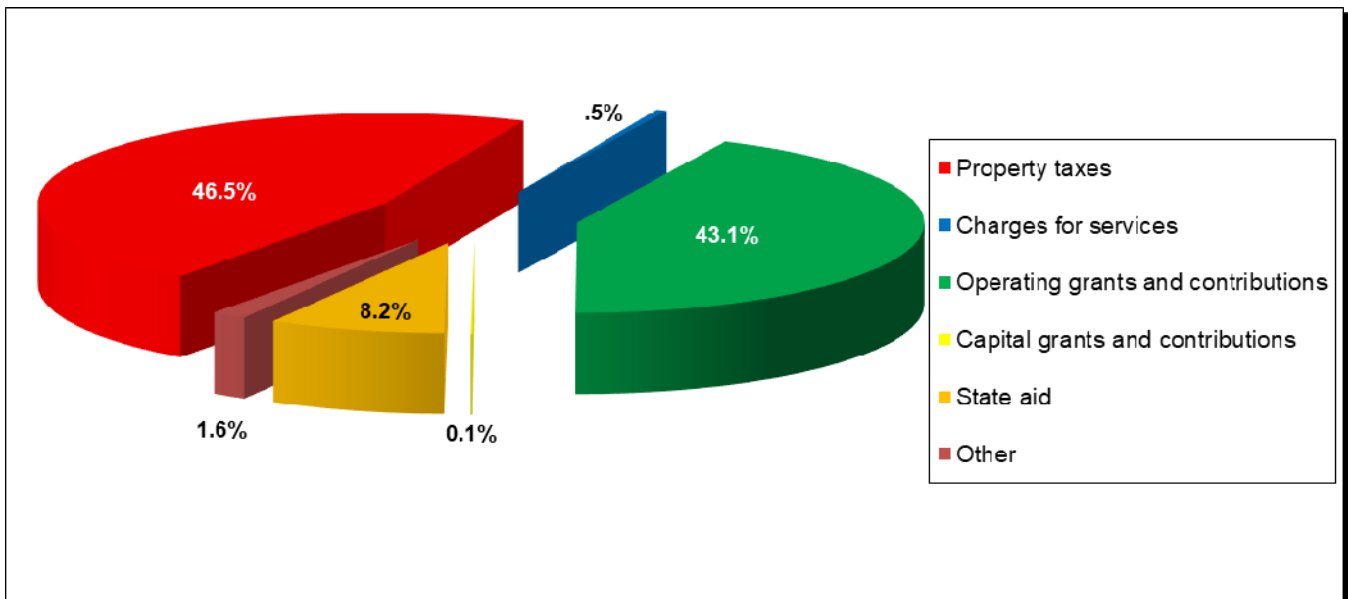
Governmental activities. The following table presents the cost of the four major District functional activities: instruction, support services, community services, and interest on long-term debt for the fiscal years ended June 30, 2023, and June 30, 2022. The table also shows each function's net cost (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 District taxpayers by each of these functions.

Governmental Activities
(Amounts expressed in thousands)

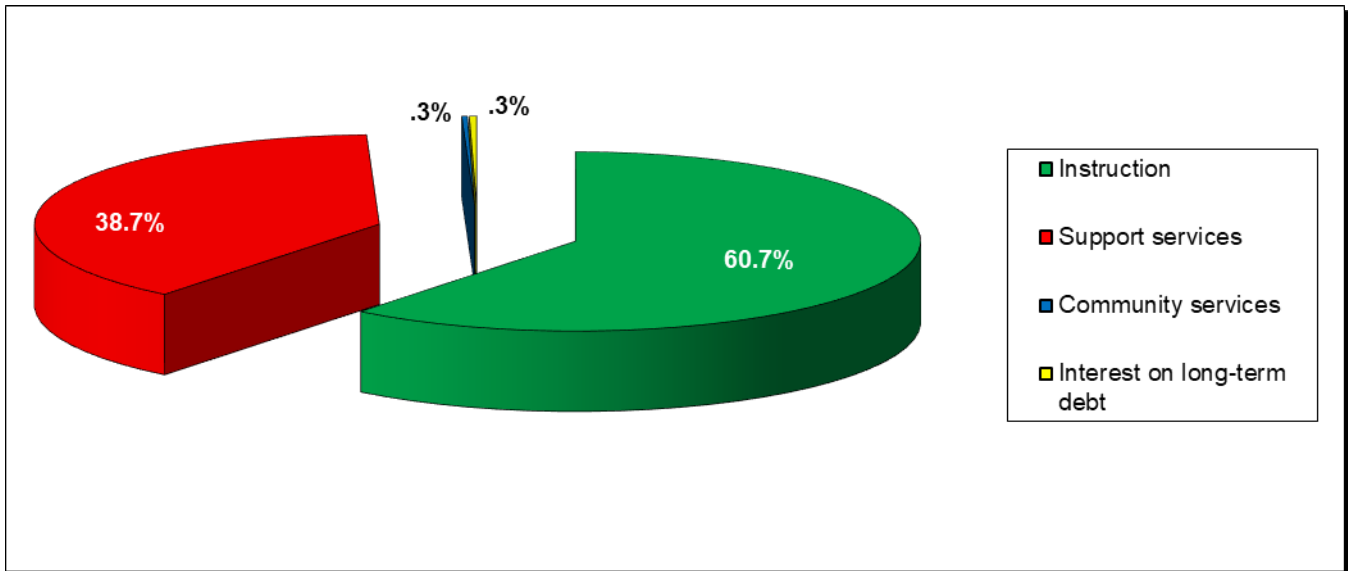
	2023		2022	
	Total Expenses	Net (Expense) Revenue	Total Expenses	Net (Expense) Revenue
Instruction	\$ 409,599	\$ (242,329)	\$ 404,136	\$ (296,741)
Support services	261,420	(67,486)	252,420	(32,253)
Community services	1,775	-	1,374	-
Interest on long-term debt	2,289	(2,289)	(820)	820
Total expenses	\$ 675,083	\$ (312,104)	\$ 657,110	\$ (328,174)

- The cost of all governmental activities this fiscal year was \$675.1 million.
- Operating and capital grants along with charges for services subsidized certain programs in the amount of \$363 million.
- Net cost of governmental activities, \$312.1 million was financed by general revenues, which are made up primarily of property taxes in the amount of \$387.1 million and state aid of \$68 million. Unrestricted grants/other contributions and other revenue accounted for \$6.2 million and the unrestricted investment earnings accounted for \$7.5 million.

As the graph below illustrates, the largest portion of revenues supporting governmental activities is the collection of property taxes.



The following graph below illustrates, the largest portion of governmental activity expenses are for instruction.



FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

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

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

The General Fund is the principal operating fund of the District. As mentioned previously, the increase in fund balance in the General Fund for the fiscal year was \$14.6 million. Incorporating *nonspendable categories* that include inventories and prepaid expenditures; *committed categories* that include a reserve for the 2021-24 building program; *assigned categories* that include encumbrances and subsequent years' expenditures; the remaining *unassigned* fund balance is \$117.3 million. It is the policy of the Board of Education to designate 15 percent of the prior year's General Fund expenditures as a minimum fund balance designation as advised by the District's bond counsel and financial advisors. Therefore, \$75.6 million of the *unassigned* fund balance is utilized to address cash flow requirements pending the receipt of local property tax revenues. The remaining \$41.7 million of *unassigned* fund balance is available for future Board initiatives.

Comparing actual revenues for 2021-22 and 2022-23, ad valorem tax revenues increased \$16.1 million, other local revenues increased \$8.1 million, state aid for public education increased \$14.9 million, other state revenues increased \$5.7 million, and other financing sources increased \$12.2 million.

In review of actual expenditures for 2021-22 and 2022-23, salaries and related benefits increased \$44.5 million primarily due to a \$2,500 mandated increase in teachers' salaries and the implementation of the competitive employee compensation plan. Purchased services increased \$1.2 million, supplies and materials increased \$1.6 million, capital outlay decreased \$3.3 million, and other financing uses increased \$5.3 million.

The Special Revenue Funds: Special Projects Fund, Education Improvement Act (EIA) Fund, and School Food Service Fund are primarily used to account for revenues derived from the state of South Carolina and the federal government. The Special Revenue Funds - Special Projects Fund's fund balance increased by \$2.7 million to \$11.2 million. This increase is due to the implementation of Statement No. 84. The Special Revenue - EIA Fund does not have a fund balance as revenues should be expended, deferred (unearned), or returned to the grantor. The Special Revenue Fund – School Food Service Fund's fund balance decreased by \$1.7 million to \$12.8 million. This decrease is due to the purchase of additional cafeteria equipment and indirect cost transfers.

The Debt Service fund balance showed an increase of \$2 million from the prior year. Incorporating the negative budgeted variance of \$.5 million is the net result of a \$26.3 million increase in the transfer of funds to the Capital Projects Fund offset by \$2.5 million in additional property tax revenue, \$25 million in additional receipts from Educational Capital Improvements Sales and Use tax, and a \$1.2 million increase in interest earnings, and a \$.1 million increase in other property tax revenue.

The additional penny sales tax enacted in March 2009 allows all consumers, including more than 14 million people who visit our area each year, to help support the needs of educational facilities. Penny revenues allowed the District to reduce the debt service millage from 28 to 10 mills over fiscal years' 2009 - 2012. In addition to rolling-back property taxes and broadening the tax base, the penny sales tax will enable Horry County Schools, Coastal Carolina University, and Horry Georgetown Technical College to collaborate on more shared initiatives to increase access and services to students of all ages. The penny sales tax does not apply to groceries, gasoline, or prescription drugs.

On November 8, 2022, Horry County voters approved a 15-year extension to the Educational Capital Improvement Sales and Use Tax. The tax is expected to generate more than \$1.9 billion over the 15-year period and will sunset in March 2039.

When the 2022-23 funding plan was developed, the estimate for the sales tax was \$75.6 million. Actual collections for 2022-23 were \$100.6 million which was the largest increase received since the inception of the sales tax. This change is largely attributed to the impact from the American Rescue Plan and its result on consumer spending and tourism.

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. By statute, only funds received and certified as of June 30 could be considered in the establishment of millage for 2023-24 principal and interest payments.

The funding for existing as well as future projects will be provided from the utilization of the Capital Projects fund balance and from the Education Capital Improvements tax. In 2023, \$72.5 million was transferred from the Debt Service fund to the Capital Projects fund. The Capital Projects fund balance increased from \$92.8 million to \$108.3 million due to timing of construction projects, the additional transfer of \$26.3 million from the Debt Service fund and a \$13 million transfer from the General Fund. As capital projects may span fiscal years, the Capital Projects fund balance is restricted for these commitments.

GENERAL FUND BUDGETARY HIGHLIGHTS

The net change between the General Fund's expenditure and other financing uses' original budget and final budget (\$34.8 million) is primarily due to the prior year assignments of fund balance, insurance claims, contributions and donations, and current year Board approved utilizations*. The table below indicates the changes:

Reserve for workers compensation	\$ 3,366,038
School carryover budgets and enrollment adjustments	684,264
Subsequent years expenditures	1,897,459
Board of Education funds	90,000
Modular classrooms for FY 2022-23*	2,920,547
Purchase property for new elementary school*	1,480,000
Additional funding for Myrtle Beach High HVAC project*	6,142,993
Competitive Employee Compensation*	18,100,000
Security Audit*	86,000
Donations/Insurance claims	75,229
	<u>\$34,842,530</u>

The net change between the General Fund's revenue and other financing sources' original budget and final budget is \$75,229, which is due to reimbursement from insurance claims and donations.

Significant budget variances are the result of several factors. Local revenues were impacted by additional property tax revenues and fees in lieu of taxes. Instructional and support expenditures for salaries and employee benefits were impacted by the staffing shortages that all K-12 schools are experiencing throughout the nation. In addition, the District has been very strategic in the utilization of the Elementary and Secondary School Emergency Relief (ESSER) Funds. Noting that the ESSER III grant sunsets on September 30, 2024, plans have been developed to liquidate the funds and also address sustainment of certain initiatives.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. As of June 30, 2023, the District had invested \$1,384.2 million in capital assets, which includes land, school buildings, construction in progress, athletic facilities, buses and other vehicles, computers, and other equipment. Accumulated depreciation was \$407.2 million including current depreciation expense of \$29.2 million for the year.

The following schedule presents capital asset balances net of depreciation for the fiscal years ended June 30, 2023, and June 30, 2022.

**Capital Asset Balances
Net of Depreciation
(Amounts expressed in thousands)**

	2023	2022
Land	\$ 33,156	\$ 33,156
Buildings and improvements	780,939	792,718
Improvements other than buildings	39,333	29,174
Autos and trucks	2,113	2,703
Machinery and equipment	20,106	17,164
Construction in progress	101,347	27,114
Total	<u>\$ 976,994</u>	<u>\$ 902,029</u>

Additional information on the District's capital assets can be found in Note 4 of this report.

Debt Administration: At year-end, the District had \$173.2 million in general obligation bonds and \$23.4 million in special obligation bonds outstanding, of which \$59 million in principal and interest payments are due within one year. The following table presents a summary of the District's outstanding long-term debt for the fiscal years ended June 30, 2023, and June 30, 2022.

Outstanding Debt
(Amounts expressed in thousands)

	2023	2022
8% General obligation debt	\$ 40,280	\$ 58,960
Special obligation debt	23,455	34,330
Referendum general obligation debt	<u>132,900</u>	<u>152,125</u>
Total	<u>\$ 196,635</u>	<u>\$ 245,415</u>

State statutes currently limit the amount of general obligation debt a District may issue to 8 percent of its total assessed valuation. Additional information on the District's long-term debt can be found in Note 5 of this report.

NEXT YEAR'S BUDGET

The 2023-24 comprehensive budget as proposed by the administration represents months of involvement by various stakeholders. This budget incorporates the parameters established by the Board of Education for the 2023-24 fiscal year:

- The District will comply with all applicable State and/or Federal laws and regulations.
- Resources will support the District’s vision to be a premier world-class school system in which every student acquires an excellent education.
- The District will provide the curriculum programs and instructional support which have been proven to be effective for students.
- The District must provide the instructional support essential to meet the State and Local accountability goals.
- The District must provide resources for unfunded mandates.
- The support services and operational aspects of the District will be maintained such that the essential services provided to students and staff will be continued.
- The District will identify funding sources for new programs and/or initiatives.

The District expects to serve approximately 660 new students when school begins in August. Funding is included in the budget to accommodate the instructional needs of these students as well as to provide services to newly identified special needs, gifted, and non-English speaking students.

The District will incur additional operating expenses for the 2023-24 fiscal year. These include increases in employee retirement, health insurance, and other fixed costs. Additionally, the 2023-24 funding plan incorporates a \$2,500 increase for teachers, a longevity or 2% salary increase for all eligible employees, and a \$1.48 per hour increase for support staff employees.

Although there is always a great deal of uncertainty regarding State funding, education received a large portion of the recurring dollars in the FY 2023-24 Appropriations Act. Most significant was increasing the beginning minimum teacher salary to \$42,500.

Continuing for 2023-24, the “new funding model” allocates State funding based on a target statewide student-teacher ratio of 11:2. The number of teachers funded would be determined by dividing the total statewide ADM (average daily membership) by the target student-teacher ratio. Total State funding is based on the average cost of a teacher multiplied by the number of teachers required to meet the target student-teacher ratio. The actual amount allocated to school districts would be adjusted by each district’s relative wealth as measured by its index of tax paying ability along with a 25% average requirement of local funding.

Although the Appropriations bill has returned to the House for additional debate with the possibility of moving to the Conference Committee for resolution, the revenue projections incorporated in this document are generally based on the latest version of the State budget (House version), where appropriate. Otherwise, projections are based on the current year allocations. Property tax revenues have seen a modest increase for the past several years. We are projecting a 2% growth rate for real property in 2023-24 based on anticipated 2022-23 collections.

ACT 388 limits millage increases to the percent of growth in CPI and the population growth of the County. Based on information received from the South Carolina Revenue and Fiscal Affairs Office, the CPI increased 8% and the population increase for the County is 6.01%. Under this statute, the District cannot exceed a 14.01% or 16.5 mill increase for operations.

The proposed 2023-24 General Fund budget indicates the utilization of \$21.5 million of the unassigned fund balance. The projected fund balance on June 30, 2023, for the General Fund is expected to be \$152.7 million. This amount maintains the Board established minimum of 15% and provides adequate reserves for 2023-24.

This budget allows the District to continue the significant progress in academic achievement and addresses the instructional and operational needs of serving a growing student population.

The following table presents a summary of the original budgets for the District's Governmental Funds for the years 2023-24 and 2022-23.

	2023-24	2022-23	Change
Governmental Funds Budget (total)	\$1,043,321,786	\$890,898,248	\$ 152,423,538
General Fund	585,855,056	522,583,639	63,271,417
Special Projects Fund	104,964,706	95,615,894	9,348,812
Food Service Fund	27,939,390	23,953,432	3,985,958
Education Improvement Act Fund (EIA)	43,190,063	36,651,731	6,538,332
Debt Service Fund	131,722,279	105,244,441	26,477,838
Capital Projects Fund	149,650,292	106,849,111	42,801,181
Millage required for General Fund	118.1 mills	118.1 mills	no change
Millage required for Debt Service	10.0 mills	10.0 mills	no change
Total millage required	128.1 mills	128.1 mills	no change

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the District's finances and to demonstrate accountability for the resources it receives. If you have questions about this report or need additional information, contact the Office of Fiscal Services, Horry County School District, P.O. Box 260005, 335 Four Mile Road, Conway, South Carolina 29528-6005.

**HORRY COUNTY SCHOOLS
STATEMENT OF NET POSITION
JUNE 30, 2023**

	<u>Primary Government Governmental Activities</u>	<u>Component Units</u>
ASSETS		
Cash and investments	\$ 390,862,299	\$ 2,512,424
Restricted cash	-	9,221
Receivables:		
Taxes receivable, net	25,569,017	-
Due from county treasurer	6,543	-
Due from State Department of Education	28,000	-
Due from other state agencies	843,026	735,866
Due from federal government	34,442,545	-
Other receivables	2,555,169	71,949
Leases receivables	-	336,239
Due from Charter School	6,017	-
Prepaid items	9,487,659	175,648
Inventories	1,656,890	-
Capital Assets:		
Non-depreciable capital assets	134,502,831	16,366,792
Depreciable capital assets, net of depreciation	842,491,538	(4,890,930)
Total assets	<u>1,442,451,534</u>	<u>15,317,209</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred charge on refunding	4,582,129	-
Deferred outflows related to pensions	91,043,311	1,883,041
Deferred outflows related to OPEB	162,470,587	1,174,299
Total deferred outflows of resources	<u>258,096,027</u>	<u>3,057,340</u>
LIABILITIES		
Accounts payable and accrued liabilities	76,254,865	548,259
Accrued interest	2,606,834	-
Due to others	31,197	1,032
Due to State Department of Education	215,758	-
Retainage payable	3,035,772	-
Compensated absences, due in one year	2,050,710	-
Compensated absences, due in more than one year	4,163,562	-
General obligation bonds payable, due in one year	51,140,000	-
General obligation bonds payable, due in more than one year	158,898,874	-
Long-term liabilities, due in one year	-	465,732
Long-term liabilities, due in more than one year	-	13,106,608
Net pension liability, due in more than one year	625,753,582	6,801,906
Net OPEB liability, due in more than one year	494,236,827	3,124,629
Total liabilities	<u>1,418,387,981</u>	<u>24,048,166</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred revenue	3,473,896	204,587
Leases	-	328,903
Deferred inflows related to pensions	4,068,636	1,334,427
Deferred inflows related to OPEB	205,040,240	1,632,830
Total deferred inflows of resources	<u>212,582,772</u>	<u>3,500,747</u>
NET POSITION		
Net investment in capital assets	761,651,899	(2,096,478)
Restricted for:		
Debt service	57,456,847	9,221
Capital projects	108,270,996	-
Special Revenue - Student and Classroom Activities	11,219,260	-
School food service operations	12,763,598	-
Unrestricted	(881,785,792)	(7,087,107)
Total net position	<u>\$ 69,576,808</u>	<u>\$ (9,174,364)</u>

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

**HORRY COUNTY SCHOOLS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>	
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Primary Government</u>	
			<u>Governmental Activities</u>	<u>Component Units</u>		
Governmental Activities:						
Instruction	\$ 409,599,504	\$ 35,047	\$ 167,235,768	\$ -	\$ (242,328,689)	\$ -
Support services	261,419,931	4,058,282	189,187,358	687,824	(67,486,467)	-
Community services	1,774,723	-	1,774,723	-	-	-
Interest and other charges	2,289,259	-	-	-	(2,289,259)	-
Total governmental activities	<u>\$ 675,083,417</u>	<u>\$ 4,093,329</u>	<u>\$ 358,197,849</u>	<u>\$ 687,824</u>	<u>(312,104,415)</u>	<u>-</u>
Component Units:						
Charter Schools	<u>\$ 10,884,313</u>	<u>\$ 17,599</u>	<u>\$ 10,335,878</u>	<u>\$ -</u>	<u>-</u>	<u>(530,836)</u>
General revenues:						
Property taxes levied for:						
General purposes					254,994,559	-
Debt services					132,132,186	-
State aid - not restricted for specific purpose					68,041,324	-
Miscellaneous revenues					6,249,592	568,074
Unrestricted investment earnings					7,473,894	-
Total general revenues					<u>468,891,555</u>	<u>568,074</u>
Change in net position					156,787,140	37,238
Net position, beginning of year					(87,210,332)	(9,211,602)
Net position, end of year					<u>\$ 69,576,808</u>	<u>\$ (9,174,364)</u>

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

HORRY COUNTY SCHOOLS
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023

	GENERAL	SPECIAL PROJECTS	EDUCATION IMPROVEMENT ACT	SCHOOL FOOD SERVICE	DEBT SERVICE	CAPITAL PROJECTS	TOTAL GOVERNMENTAL FUNDS
ASSETS							
Cash and investments	\$ 195,938,546	\$ -	\$ 3,909,891	\$ 13,689,145	\$ 59,847,487	\$ 117,477,230	\$ 390,862,299
Property taxes receivable, net	23,562,321	-	-	-	2,006,696	-	25,569,017
Due from other funds	10,336,838	-	-	-	-	-	10,336,838
Due from County treasurer	5,920	-	-	-	623	-	6,543
Due from State Department of Education	-	-	28,000	-	-	-	28,000
Due from other state agencies	753,900	40,550	-	-	48,576	-	843,026
Due from federal government	118,126	34,008,545	-	315,874	-	-	34,442,545
Due from Charter school	-	-	6,017	-	-	-	6,017
Other receivables	1,797,641	118,415	204	83,528	-	555,381	2,555,169
Prepaid items	8,968,414	292,880	102,255	-	-	124,110	9,487,659
Inventory	944,775	-	-	712,115	-	-	1,656,890
Total assets	242,426,481	34,460,390	4,046,367	14,800,662	61,903,382	118,156,721	475,794,003
LIABILITIES							
Accrued payroll related liabilities	50,734,879	4,251,621	532,746	1,457,174	-	-	56,976,420
Accounts payable	3,375,479	6,135,293	1,201,303	296,242	-	8,270,128	19,278,445
Retainage payable	2,734	1,417,441	-	-	-	1,615,597	3,035,772
Due to other funds	-	10,336,838	-	-	-	-	10,336,838
Due to State Department of Education	-	190,547	25,211	-	-	-	215,758
Due to others	24,948	2,317	247	3,685	-	-	31,197
Total liabilities	54,138,040	22,334,057	1,759,507	1,757,101	-	9,885,725	89,874,430
DEFERRED INFLOWS OF RESOURCES							
Deferred revenues	-	907,073	2,286,860	279,963	-	-	3,473,896
Unavailable revenue - property taxes	22,747,087	-	-	-	1,839,701	-	24,586,788
Total deferred inflows of resources	22,747,087	907,073	2,286,860	279,963	1,839,701	-	28,060,684
FUND BALANCES							
Nonspendable							
Prepays and Inventory	9,913,189	292,880	102,255	712,115	-	124,110	11,144,549
Restricted							
Debt Service	-	-	-	-	60,063,681	-	60,063,681
Student and Classroom Activities	-	10,926,380	-	-	-	-	10,926,380
School Food Service	-	-	-	12,051,483	-	-	12,051,483
Capital Projects	-	-	-	-	-	108,146,886	108,146,886
Committed							
Reserve for 2021-24 Building Program	6,870,626	-	-	-	-	-	6,870,626
Assigned							
Subsequent Year Expenditures	29,081,463	-	-	-	-	-	29,081,463
Carryover School Budgets	2,358,410	-	-	-	-	-	2,358,410
Unassigned	117,317,666	-	(102,255)	-	-	-	117,215,411
Total fund balances	165,541,354	11,219,260	-	12,763,598	60,063,681	108,270,996	357,858,889
Total liabilities, deferred inflows of resources, and fund balances	\$ 242,426,481	\$ 34,460,390	\$ 4,046,367	\$ 14,800,662	\$ 61,903,382	\$ 118,156,721	\$ 475,794,003
Total fund balances							\$ 357,858,889
Amounts reported for <i>governmental activities</i> in the statement of net position are different because of the following:							
Capital assets used in governmental activities are not financial resources and therefore, are not reported in governmental funds. The cost of capital assets is \$1,384,167,718 and the accumulated depreciation is \$407,173,349.							
976,994,369							
Property taxes receivable are not available to pay for current period expenditures and are therefore deferred in the funds.							
24,586,788							
Net pension and net OPEB liabilities, are not due and payable in the current period and, therefore, are not reported in the funds:							
Net pension liability							
(625,753,582)							
Net OPEB liability							
(494,236,827)							
Deferred outflows and inflows of resources related to pensions and OPEB are applicable to future periods and, therefore, are not reported in the funds:							
Deferred outflows of resources related to pensions							
91,043,311							
Deferred outflows of resources related to OPEB							
162,470,587							
Deferred inflows of resources related to pensions							
(4,068,636)							
Deferred inflows of resources related to OPEB							
(205,040,240)							
Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the funds:							
Deferred charges from bond refunding							
\$ 4,582,129							
Bonds payable							
(196,635,000)							
Bond premiums							
(13,403,874)							
Accrued interest payable							
(2,606,834)							
Compensated absences							
(6,214,272)							
(214,277,851)							
Total net position - governmental activities							\$ 69,576,808

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

HORRY COUNTY SCHOOLS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	GENERAL	SPECIAL PROJECTS	EDUCATION IMPROVEMENT ACT	SCHOOL FOOD SERVICE	DEBT SERVICE	CAPITAL PROJECTS	TOTAL GOVERNMENTAL FUNDS
REVENUES							
Local							
Property taxes	\$ 252,181,981	\$ -	\$ -	\$ -	\$ 131,010,696	\$ -	\$ 383,192,677
Tuition	35,047	-	-	-	-	-	35,047
Earnings (loss) on investments	4,865,786	117,129	-	185,120	1,287,007	1,135,981	7,591,023
Food services	-	-	-	4,058,282	-	-	4,058,282
Other revenues from local sources	5,539,060	13,855,712	-	99,782	70,691	503,833	20,069,078
State	243,453,889	3,664,503	38,617,099	-	1,121,490	-	286,856,981
Federal	709,974	102,829,329	-	22,849,739	-	-	126,389,042
Intergovernmental	141,122	677	-	-	-	687,824	829,623
Total revenues	506,926,859	120,467,350	38,617,099	27,192,923	133,489,884	2,327,638	829,021,753
EXPENDITURES							
Current							
Instruction	318,968,207	42,321,532	8,886,426	-	-	223,595	370,399,760
Support services	182,341,407	23,879,635	1,957,821	26,047,706	-	2,350,143	236,576,712
Community services	47,140	1,727,583	-	-	-	-	1,774,723
Intergovernmental	7,921,007	1,944,769	666,828	95,953	-	-	10,628,557
Debt service							
Principal	-	-	-	-	48,780,000	-	48,780,000
Interest and fiscal charges	-	-	-	-	10,240,879	-	10,240,879
Capital outlay	2,597,858	43,832,688	481,231	959,085	-	69,813,525	117,684,387
Total expenditures	511,875,619	113,706,207	11,992,306	27,102,744	59,020,879	72,387,263	796,085,018
Excess (deficiency) of revenues over (under) expenditures	(4,948,760)	6,761,143	26,624,793	90,179	74,469,005	(70,059,625)	32,936,735
OTHER FINANCING SOURCES (USES)							
Sale of capital assets	36,226	-	-	-	-	-	36,226
Transfers in	33,047,652	216,749	-	301,101	-	85,513,619	119,079,121
Transfers out	(13,531,469)	(4,298,631)	(26,624,793)	(2,124,228)	(72,500,000)	-	(119,079,121)
Total other financing sources (uses)	19,552,409	(4,081,882)	(26,624,793)	(1,823,127)	(72,500,000)	85,513,619	36,226
Net change in fund balance	14,603,649	2,679,261	-	(1,732,948)	1,969,005	15,453,994	32,972,961
Fund balance, July 1, 2022	150,937,705	8,539,999	-	14,496,546	58,094,676	92,817,002	324,885,928
Fund balance, June 30, 2023	\$ 165,541,354	\$ 11,219,260	\$ -	\$ 12,763,598	\$ 60,063,681	\$ 108,270,996	\$ 357,858,889

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

HORRY COUNTY SCHOOLS
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

Amounts reported for the governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds	\$	32,972,961
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay (\$104,145,720) exceeds depreciation expense (\$29,180,841).		74,964,879
The issuance of long-term debt (e.g., bonds, premiums and compensated absences) 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. This is the difference in bonds issued during the year (\$0) and bond payments made during the year (\$48,780,000).		48,780,000
This is the difference in premiums issued during the year (\$0) and amounts amortized during the year (\$7,875,208).		7,875,208
This is the difference in compensated absences earned during the year (\$2,601,246) and the amount used during the year (\$2,192,924).		(408,322)
This is the difference in deferred charges from current year bond refundings during the year (\$0) and amounts amortized during the year (\$681,074).		(681,074)
Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. This is the difference in accrued interest on bonds at the end of the prior year (\$3,364,320) and the accrued interest on bonds at the end of the current year (\$2,606,834).		757,486
Certain unavailable tax revenues reported in the governmental funds are recognized as revenue in the statement of activities, net of a reserve for uncollectible amounts. This amount is the difference in tax revenue recognized at the end of the current year (\$24,586,788) and that revenue recognized at the end of the prior year (\$21,774,210).		2,812,578
Governmental funds report pension contributions as expenditures. However, in the statement of activities, the cost of pension benefits earned net of employee contributions is reported as a pension expense.		
District pension contributions	\$ 53,312,778	
Costs of benefits earned net of employee contributions	<u>(51,255,167)</u>	2,057,611
District OPEB contributions	\$ 21,577,740	
Costs of benefits expensed net of employee OPEB contributions	<u>(33,921,927)</u>	(12,344,187)
Change in Net Position - Governmental Activities		<u><u>\$ 156,787,140</u></u>

HORRY COUNTY SCHOOLS

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Introduction:

The accounting policies of Horry County Schools (the "District") conform to accounting principles generally accepted in the United States of America (U.S. GAAP) as promulgated by the Governmental Accounting Standards Board, applicable to governments. The following is a summary of the more significant accounting policies:

Reporting Entity:

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 Horry County, South Carolina. The District receives State, Local and Federal government funding and must adhere to the legal requirements of each funding entity. Educational services are provided to approximately 46,000 students residing in Horry County, South Carolina. The District operates under the direction of an elected Board of Education (the "Board"). A Superintendent, hired by the Board, serves as the chief administrative officer of the District.

The financial reporting entity consists of the primary government, organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion could cause the financial statements to be misleading or incomplete. 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.

As required by U.S. GAAP, these financial statements present the District and its component units, entities for which the District is considered to be financially accountable or for which exclusion of a component unit would render the financial statements incomplete or misleading. The discretely presented component units are reported in a separate column in the basic financial statements to emphasize they are legally separate from the District.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Discretely Presented Component Units:

Waccamaw Park Public Charter Schools, Inc., d/b/a Bridgewater Academy, Palmetto Academy of Learning and Success, Academy of Hope, Inc. and Palmetto Academy for Learning Motorsports, are charter schools chartered under legislation enacted on June 18, 1996. Educational services are provided to approximately 700 students residing in Horry County, South Carolina. As these charter schools are fiscally dependent on the District and exclusion of the charter schools would cause the District's financial statements to be incomplete, the financial statements of the charter schools are included in those of the District.

Complete separately issued financial statements may be obtained for each of the charter schools from the administrative offices of Bridgewater Academy, 161 River Landing Blvd., Myrtle Beach, SC 29579; Palmetto Academy of Learning and Success, 3021 Fred Nash Road, Myrtle Beach, SC 29577; Academy of Hope, 3521 Juniper Bay Road, Conway, SC 29527; and Palmetto Academy for Learning Motorsports, 136 Rodeo Drive, Myrtle Beach, SC 29579.

The District evaluated its current and potential component units and made the determination that the charter schools noted above are the only component units required to be included in its financial statements at June 30, 2023.

Basis of Presentation:

The financial statement presentation for the District meets the requirements of the Governmental Accounting Standards Board (GASB). The financial statement presentation provides a comprehensive, entity-wide perspective of the District's net position, revenue, expenses and changes in net position and, as applicable, cash flows that replace 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 District. The effect of interfund activity has been eliminated from these statements except for interfund services provided and used. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function, and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been eliminated for the Statement of Activities. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not program revenues are presented as general revenues.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued):

Government-wide Statements (Continued). The government-wide financial statements are prepared using the economic resources measurement focus. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide financial statements and the financial statements for governmental funds.

Fund Financial Statements. Fund financial statements report detailed information about the District. The focus of the governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of *current financial resources measurement focus*. The financial statements for governmental funds are a balance sheet, which generally includes only current assets and current liabilities, and a statement of revenues, expenditures and changes in fund balances, which reports on the sources (i.e. revenues and other financing sources) and uses (i.e. expenditures and other financing uses) of current financial resources.

Fund Accounting. The District uses funds to maintain its financial records during the fiscal year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain District functions or activities. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. All funds of the District are grouped into governmental fund types.

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

General Fund (major fund) - to account for all financial transactions not required to be accounted for in another fund. The District uses this fund to account for expenditures principally for administration, instruction, pupil services, operation and maintenance of plant and related fixed charges.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued):

Governmental Funds (Continued).

Special Revenue Funds - to account for the proceeds of specific revenue sources (other than debt service or major capital projects) that are restricted, committed or assigned to expenditures for specified purposes. The District has three special revenue funds:

1. Special Projects Fund (major fund), a fund used to account for financial resources provided by federal, state, and local projects and grants.
2. The Education Improvement Act (EIA) Fund (major fund), a fund used to account for the revenue from the Education Improvement Act of 1984 and legally required to be accounted for as a specific revenue source.
3. School Food Service Fund (major fund), a fund used to account for the United States Department of Agriculture (USDA) approved school breakfast and lunch programs.

Debt Service Fund (major fund) - to account for and report the accumulation of resources that are restricted, committed, or assigned to expenditures for the payment of general long-term debt, principal and interest.

Capital Projects Fund (major fund) - to account for and report all financial resources that are restricted to expenditures for capital outlays, other than those financed by trust funds. Capital projects are funded by proceeds of bonds issued for public school construction and from certain State assistance and grants.

Measurement Focus and Basis of Accounting:

Government-wide Financial Statements. The government-wide financial statements are reported using the economic resource measurement focus and the accrual basis of accounting. 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.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus and Basis of Accounting (Continued):

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 (60) 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 leases are reported as other financing sources.

Under the terms of grant agreements, the District funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net position 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.

Budgetary Data:

The District adopts an annual operating budget, which can be amended by the Board throughout the year. During the year ended June 30, 2023, there were several budget amendments.

Formal budgetary accounting is employed as a management control device for all funds of the District; however, legal budgets are adopted only for the General Fund, Special Revenue Funds, Debt Service Fund and Capital Projects Fund. For each of the funds for which a formal budget is adopted, the basis of accounting used to reflect budget and actual revenues and expenditures is the accounting principles generally accepted in the United States of America. Budgeted appropriations lapse at year-end for all funds.

When the Board adopts a budget, it is done at the fund level of budgetary control. Because expenditures may not legally exceed budgeted appropriations, supplemental budget appropriations are made by the Board, when additional revenue is identified, or for expenditures exceeding total appropriations within the legal level of control.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus and Basis of Accounting (Continued):

Budgetary Data (Continued):

The District maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbrance accounting is used for the General Fund, Special Revenue Fund and Capital Projects Fund. Encumbrances are recorded when purchase orders are issued but are not considered expenditures until liabilities for payments are incurred. Encumbrances lapse at year end, except for the General Fund, which is carried forward as assigned fund balance until liquidated. There were no significant encumbrances for the District as of June 30, 2023. See Note 11 regarding future contractual commitments for the Capital Projects Fund.

Cash and Cash Equivalents:

The District considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Investments:

The District accounts for its investments at fair value in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*. 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.

State statutes authorize the District to invest in (1) obligations of the United States and its agencies, (2) general obligations of the state of South Carolina and its subdivisions, (3) savings and loan associations to the extent of federal deposit insurance, (4) certificates of deposit collaterally secured, (5) repurchase agreements secured by the foregoing obligations, and (6) the SC Local Government Investment Pool (SCLGIP). The SCLGIP is a 2a-7 like pool, which is not registered with the Securities and Exchange Commission (SEC), but has a policy that it will operate in a manner consistent with the SEC's Rule 2a-7 of the Investment Company Act of 1940. Investments are stated at fair value. The fair value of the District's investments approximated cost.

Receivables:

Receivables consist of property taxes levied against Horry County taxpayers. Receivables also include 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. Receivables are recorded net of estimated uncollectible amounts.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus and Basis of Accounting (Continued):

Allowance for Doubtful Accounts:

All receivables that historically experience uncollectible amounts 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.

Prepaid Items:

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

Inventories:

The inventories of the District's General Fund consist of expendable materials and supplies, which are recorded as expenditures when purchased. These inventories are reported at cost using the first in first out (FIFO) method. The General Fund inventories do not reflect current appropriable resources and, thus, an equivalent portion of fund balance is designated as non-spendable. School Food Service Fund inventories consist of food and supplies and are recorded as inventory when received and expenditures when consumed. Included within the School Food Service Fund inventories are USDA commodities which were received, but not consumed as of June 30, 2023. Commodities received from the USDA have been recorded at fair market value as provided by the USDA.

Capital Assets:

Capital assets are recorded at cost at the date of acquisition or acquisition value at the date of donation in the case of gifts. 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 which are capitalized include major additions and renovations; improvements that add to the usable space; or improvements that extend the useful life of an existing building. The District capitalizes moveable personal property and 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 expenditures in the year in which the expenditure is incurred.

Depreciation is computed using the straight-line method over the estimated lives of the assets, generally 15 to 50 years for buildings and improvements and 5 to 15 years for machinery, equipment and vehicles. Depreciation is prorated six months the year the asset is placed in service and in the year of disposition. The District does not allocate any depreciation expense directly to any program. Land and construction in progress are not depreciated.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus and Basis of Accounting (Continued):

Unavailable Revenues:

Unavailable revenues arise when assets are recognized before revenue recognition criteria have been satisfied. Delinquent property taxes and property taxes for which there is an enforceable legal claim as of June 30, 2023, but which have not met the revenue recognition criteria, have been recorded as unavailable revenue. On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as unavailable revenue.

Long-term Obligations:

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expense in the period incurred.

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

Compensated Absences:

Employee vacation pay and salary-related expenses are accrued at year end for financial statement purposes. The liability and expense incurred are recorded at year end as compensated absences payable in the government-wide Statement of Net Position on a FIFO basis and as a component of the appropriate functional category in the Statement of Activities. Employees can earn up to 45 days for subsequent use or payment upon termination, death or retirement. Sick leave benefits are accrued as a liability using the termination payment method. An accrual for earned sick leave is made to the extent that it is probable that the benefits will result in termination payments. The liability is based on the District's past experience of making termination payments. The portion of time that is estimated to be used in the next fiscal year has been designated as a current liability in the government-wide financial statements. In prior years, the General Fund has been used to liquidate the liability for compensated absences.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus and Basis of Accounting (Continued):

Deferred Outflows/Inflows of Resources:

In addition to assets, the financial statements report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to future period(s) and so will not be recognized as an outflow of resources (expense) until that time. The District has one type of item that qualifies for reporting in this category (in addition to items related to pension and OPEB discussed further below). The District reports a deferred outflow of resources for unamortized deferred charges resulting from bond refunding's. These deferred charges result from the difference in the net book value of the refunded debt and the reacquisition price. The deferred charges are then amortized on a straight-line basis over the shorter of the refunding debt or the refunded debt.

In addition to liabilities, the financial statements reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has two types of items that qualify for reporting in this category.

The first item, unavailable revenue, is reported only by the governmental funds balance sheet and includes amounts from property taxes and special assessments that are deferred and will be recognized as an inflow of resources in the period in which the amounts become available under the modified accrual basis of accounting.

The second item, deferred revenue, is reported in both the governmental funds balance sheet and the statement of net position and arises from voluntary nonexchange transactions in which the District has received resources before time requirements are met but after all other eligibility requirements have been met.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus and Basis of Accounting (Continued):

Deferred Outflows/Inflows of Resources: (Continued)

The District also has deferred inflows and outflows related to the recording of changes in its net pension liability and net OPEB liability. Certain changes in these liabilities are recognized as expense over time instead of all being recognized in the year of occurrence. Experience gains or losses result from periodic studies by the District's actuaries which adjust the net pension liability or net OPEB liability for actual experience for certain trend information that was previously assumed, for example, the assumed dates of retirement of plan members. These experience gains or losses are recorded as deferred outflows of resources or deferred inflows of resources and are amortized into expense over the expected remaining service lives of plan members. Changes in actuarial assumptions which adjust the net pension liability or net OPEB liability are also recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension or OPEB expense over the expected remaining service lives of plan members. Changes in proportion arise from difference between the District's actual contributions to its pension and OPEB plans and the District's proportionate share of contributions. These items will be amortized into pension or OPEB expense over the expected remaining service lives of plan members.

The difference between projected investment return on pension or OPEB investments and actual return on those investments is also deferred and amortized against pension or OPEB expense over a five-year period. Additionally, any contributions made by the District to the pension or OPEB plans before year end but subsequent to the measurement date of the District's net pension liability or net OPEB liability are reported as deferred outflows of resources. These contributions will reduce the net pension liability or net OPEB liability in the subsequent fiscal period.

Fund Balances:

The District has five classifications of governmental fund balances: nonspendable, restricted, committed, assigned and unassigned. Where applicable, these classifications are presented on the face of the governmental funds balance sheet.

For the government-wide financial statements, the District applies restricted resources when an expense is incurred for the purposes for which both restricted and unrestricted net position are available. The District generally requires restricted amounts to be spent first when both restricted and unrestricted (committed, assigned, and unassigned) fund balance is available unless there are legal documents, contracts, or agreements that prohibit doing such. Additionally, the District generally would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus and Basis of Accounting (Continued):

Fund Balances (Continued):

The District's Board passed a resolution whereby a 15% reserve equal to 15% of the current year General Fund expenditures is to remain in Fund Balance at all times to meet cash flow needs based upon the seasonal receipt of local property tax revenues. The amount of approximately \$76.8 million for this policy is included in the unassigned fund balance at June 30, 2023.

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

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

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

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

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

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus and Basis of Accounting (Continued):

Fund Balances (Continued):

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

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

Net Position:

The District's net position in the government-wide financial statements is classified as follows:

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

Restricted. This represents amounts restricted for debt service on the District's bonds in which the District is legally or contractually obligated by external parties such as lenders, grantors or contributors or by laws or regulations to spend in accordance with the restrictions imposed.

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

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

Non-exchange Transactions:

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus and Basis of Accounting (Continued):

Use of Estimates:

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the District's financial position and results of operations and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

NOTE 2. DEPOSITS AND INVESTMENTS

The District follows GASB Statement No. 40, *Deposit and Investment Risk Disclosures*. The Horry County Treasurer is authorized to invest funds held for the District, 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 the State of South Carolina or in securities issued by the United States Government.

Cash and investments as listed in the statement of net position at June 30, 2023, consists of the following:

Demand deposits	\$ 668,575
Cash held with County Treasurer	37,942,236
SC Local Government Investment Pool	139,238,308
Investments held with County Treasurer	212,918,077
Investments	95,103
Total cash and investments	<u>\$ 390,862,299</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 2. DEPOSITS AND INVESTMENTS (CONTINUED)

Custodial Credit Risk:

Custodial credit risk for deposits is the risk that, in the event of a bank failure, the District's deposits may not be returned to it. Deposits of the District are subject to South Carolina state statutes for custodial credit risk. The statutes provide that banks accepting deposits of funds from local government units must furnish an indemnity bond or pledge as collateral obligations of the United States, South Carolina, political subdivisions of South Carolina, the Federal National Mortgage Association, the Federal Home Loan Bank, the Federal Farm Credit Bank, or the Federal Home Loan Mortgage Corporation. In accordance with the aforementioned statute, the District's policy requires deposits to be secured by collateral valued at market or par, whichever is lower, less the amount of the Federal Deposit Insurance Corporation (FDIC) insurance. Deposited funds may be invested in demand or time deposits, continuously and fully secured with direct obligations of or obligations guaranteed by the United States of America having a market value not less than the amount of such monies. At June 30, 2023, the carrying amount of the District's deposits was \$390,862,299 and the bank balance was \$397,559,725. All of these deposits were fully collateralized with securities held by the pledging financial institution's trust department in the District's name, insured by the FDIC, or are held by the Horry County Treasurer and thus responsibility for managing the custodial credit risk with these deposits rests with the County Treasurer.

Interest Rate Risk:

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The District contracts with a banking institution for a guaranteed interest rate. The District does not have a formal investment policy that limits investment maturities to reduce its exposure to fair value losses arising from increasing interest rates but follows the investment policy strategy of the State of South Carolina.

The maturity dates as of June 30, 2023, are as follows:

US Treasury Notes maturing in less than one year	\$ 88,621,768
US Treasury Notes maturing in one to five years	124,391,412
Total Investments	<u>\$ 213,013,180</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 2. DEPOSITS AND INVESTMENTS (CONTINUED)

Credit Risk:

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The District has adopted an investment policy in accordance with state statutes, which authorizes the District to invest in the following:

1. Obligations of the United States and agencies thereof;
2. General obligations of the State of South Carolina or any of its political units;
3. Savings and loan association deposits to the extent insured by the FDIC;
4. Certificates of deposit and repurchase agreements collateralized by securities of the type described in (1) and (2) above held by a third party as escrow agent or custodian, of a market value not less than the amount of certificates of deposit and repurchase agreements so secured, including interest; and
5. No-load open and closed-end management type investment companies or investment trusts registered under the Investment Company Act of 1940, as amended, where the investment is made by a bank or trust company or savings and loan association or other financial institution when acting as trustee or agent for a bond or other debt issue of that local government unit.

In addition, South Carolina state statutes authorize the District to invest in the South Carolina Local Government Investment Pool (SCLGIP). The SCLGIP is an investment trust fund created by state legislation, in which public monies under the custody of any political subdivision in excess of current needs may be deposited. The SCLGIP is permitted to purchase obligations of the United States, its agencies and instrumentalities, and any corporation within the United States if such obligations bear any of the three highest ratings of at least two nationally recognized rating services. The SCLGIP 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 fair value of the District's position in the SCLGIP approximates the same value of the District's SCLGIP shares. The SCLGIP is not rated. The SCLGIP's complete financial statements may be obtained by writing the Office of the State Treasurer, Local Government Investment Pool, Post Office Box 11778, Columbia, South Carolina 29211.

The investment ratings as of June 30, 2023 are as follows:

US Treasury Notes with a AAA rating	\$ 193,186,902
US Treasury Notes not rated	19,740,685
Total Investments	<u>\$ 212,927,587</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 2. DEPOSITS AND INVESTMENTS (CONTINUED)

Fair Value Measurements:

The District categorizes its fair value measurements within the fair value hierarchy established by U.S. GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

As of June 30, 2023, all of the District's investments were classified as Level 1 in the fair value hierarchy.

NOTE 3. PROPERTY TAXES

The Horry County Treasurer collects Horry County property taxes for the District. Taxes are levied on October 1st of each year. They are due and payable without penalty until January 15th. If unpaid on March 16th of the following year, they attach as an enforceable lien on the property at that time. Vehicle taxes are levied on a monthly basis in accordance with guidelines established by the State of South Carolina. Vehicle taxes must be paid prior to the time the vehicle license is renewed.

Property taxes levied but uncollected are recorded as receivables reduced by an allowance for uncollectible amounts. Taxes receivable not collected within 60 days after year-end are recorded as unavailable revenue in the governmental fund financial statements since they are not available to meet current obligations at the end of the year.

A summary of property taxes receivable as of June 30, 2023, is as follows:

Total property taxes uncollected	\$ 35,267,610
Less allowance for doubtful accounts	<u>(9,698,593)</u>
Net property taxes receivable in the Statement of Net Position	25,569,017
Less collections made within 60 days of year-end	<u>(982,229)</u>
Total deferred inflows of resources included in the Governmental Funds Balance Sheet for unavailable revenues	<u><u>\$ 24,586,788</u></u>

NOTES TO FINANCIAL STATEMENTS

NOTE 4. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2023, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 33,155,591	\$ -	\$ -	\$ 33,155,591
Construction in progress	27,114,410	99,203,222	(24,970,392)	101,347,240
Total	<u>60,270,001</u>	<u>99,203,222</u>	<u>(24,970,392)</u>	<u>134,502,831</u>
Capital assets, being depreciated:				
Buildings and improvements	1,112,700,707	10,448,528	-	1,123,149,235
Land improvements	63,323,937	13,103,843	-	76,427,780
Vehicles	12,984,112	420,398	(327,313)	13,077,197
Machinery and equipment	31,077,091	5,940,121	(6,537)	37,010,675
Total	<u>1,220,085,847</u>	<u>29,912,890</u>	<u>(333,850)</u>	<u>1,249,664,887</u>
Less accumulated depreciation for:				
Buildings and improvements	(319,983,071)	(22,226,593)		(342,209,664)
Land improvements	(34,149,350)	(2,945,181)		(37,094,531)
Vehicles	(10,280,691)	(1,010,800)	327,313	(10,964,178)
Machinery and equipment	(13,913,246)	(2,998,267)	6,537	(16,904,976)
Total	<u>(378,326,358)</u>	<u>(29,180,841)</u>	<u>333,850</u>	<u>(407,173,349)</u>
Total capital assets, being depreciated, net	<u>841,759,489</u>	<u>732,049</u>	<u>-</u>	<u>842,491,538</u>
Total capital assets, net	<u>\$ 902,029,490</u>	<u>\$ 99,935,271</u>	<u>\$ (24,970,392)</u>	<u>\$ 976,994,369</u>

The District calculates its net investment in capital assets as follows:

Net Investment in Capital Assets:	
Capital assets, net	\$ 976,994,369
Less capital related long-term debt outstanding	(210,038,874)
Less capital related accounts and retainages payable	(9,885,725)
Plus deferred charges on capital related long-term debt	4,582,129
	<u>\$ 761,651,899</u>

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

Governmental activities:	
Instruction	\$ 17,870,347
Support services	11,310,494
Total depreciation expense - governmental activities	<u>\$ 29,180,841</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 5. LONG-TERM DEBT

Changes in Long-term Liabilities:

The following is a summary of changes in the District's long-term obligations for the year ended June 30, 2023:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Governmental activities:					
General obligation bonds	\$ 211,085,000	\$ -	\$ (37,905,000)	\$ 173,180,000	\$ 39,705,000
Special obligation bonds	34,330,000	-	(10,875,000)	23,455,000	11,435,000
Deferred amounts for issuance premiums	21,279,082	-	(7,875,208)	13,403,874	-
Total bonds payable	266,694,082	-	(56,655,208)	210,038,874	51,140,000
Compensated absences	5,805,950	2,601,246	(2,192,924)	6,214,272	2,050,710
Net pension liability	548,478,881	144,112,070	(66,837,369)	625,753,582	-
Net OPEB liability	660,211,864	49,031,384	(215,006,421)	494,236,827	-
Total other long-term debt	1,214,496,695	195,744,700	(284,036,714)	1,126,204,681	2,050,710
Governmental activities:					
Long-term liabilities	\$ 1,481,190,777	\$ 195,744,700	\$ (340,691,922)	\$ 1,336,243,555	\$ 53,190,710

The Debt Service Fund has been used to service all long-term obligations. The General Fund and School Food Service Fund have been used in prior years to liquidate compensated absences. The General Fund has been used in prior years to liquidate net pension and OPEB liabilities.

General and Special Obligation Bonds:

The District issues bonds to provide funds for the acquisition and construction on major capital facilities for its governmental activities. General obligation bonds of the District are backed by the full faith, credit, and taxing power of the District and special obligation bonds are collateralized by the assets acquired with their proceeds. No unusual events of default or termination exist for these debt issuances. Bonds payable consisted of the following at June 30, 2023:

	Original Bond Issue	Interest Rates	Maturity Dates	Balance June 30, 2023
Series 2015A	\$ 110,810,000	3.50-5.00%	March 1, 2031	\$ 94,880,000
Series 2015B	32,970,000	3.00-5.00%	March 1, 2027	8,705,000
Series 2016A	125,000,000	5.00%	March 1, 2025	40,280,000
Series 2022	33,235,000	5.00%	March 1, 2030	29,315,000
Total General Obligation Bonds				173,180,000
Series 2016B*	72,780,000	5.00%	March 1, 2025	23,455,000
Total Bonds				\$ 196,635,000

*Special Obligation Bond

NOTES TO FINANCIAL STATEMENTS

NOTE 5. LONG-TERM DEBT (CONTINUED)

General and Special Obligation Bonds (Continued):

The annual requirements to amortize all bonds outstanding at June 30, 2023, including interest payments over the life of the debt are summarized as follows:

Year Ending June 30,	General Obligation Bonds		
	Principal	Interest	Total
2024	\$ 51,140,000	\$ 7,928,224	\$ 59,068,224
2025	53,475,000	5,506,374	58,981,374
2026	21,565,000	3,259,863	24,824,863
2027	13,080,000	2,362,543	15,442,543
2028	13,550,000	1,888,393	15,438,393
2029-2031	43,825,000	2,950,233	46,775,233
Total	\$ 196,635,000	\$ 23,895,630	\$ 220,530,630

Direct Borrowing and Placement Debt:

None of the District's debt issuances were direct borrowings/direct placements.

Legal Debt Margin:

Constitutionally, the District is limited in the amount of debt it can hold to 8% of the assessed value of all taxable property within the District. This constitutional debt limit does not include any debt existing prior to November 30, 1982, or any special obligation debt or debt approved by referendum. Based on Horry County's assessed property tax values, the District's debt limit is approximately \$249,626,000 at June 30, 2023, leaving a legal debt margin of approximately \$209,346,000. At June 30, 2023, the only debt applicable to the debt limitation is related to the Series 2016A issue with an outstanding balance of \$40,280,000.

NOTE 6. RETIREMENT PLANS

Description of the Entity:

The South Carolina Public Employee Benefit Authority (PEBA), created July 1, 2012, is the state agency responsible for the administrators and management of the retirement systems and benefit programs of the state of South Carolina, including the State Optional Retirement Program and the S.C. Deferred Compensation Program, as well as the state's employee insurance programs. As such, 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 retirement trust funds.

NOTES TO FINANCIAL STATEMENTS

NOTE 6. RETIREMENT PLANS (CONTINUED)

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. By law, the State of Fiscal Accountability Authority (SFAA), which consists of five elected officials, also reviews certain PEBA Board decisions regarding the actuary of the 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 plans. Investments are reported at fair value.

PEBA issues an Annual Comprehensive Financial Report (ACFR) containing financial statements and required supplementary information for the Systems' Pension Trust Funds. The ACFR is publicly available through the Retirement Benefits' link on PEBA's website at www.peba.sc.gov or a copy may be obtained by submitting a request to PEBA, 202 Arbor Lake Drive, Columbia, SC 29223. PEBA is a division of the primary government of the state of South Carolina and therefore, retirement trust fund financial information is also included in the ACFR 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 subdivision. SCRA covers employees of state agencies, public school districts and participating charter schools, public higher education institutions, other participating local subdivisions of government and first-term individuals elected to the South Carolina General Assembly.

The State Optional Retirement Program (State ORP) is a defined contribution plan that is offered as an alternative to certain SCRS to newly hired state, public higher education institution and public school district employees, as well as first-term individuals elected to the South Carolina General Assembly. State ORP participants direct the investment of their funds into an account administered by one of four third party service providers. PEBA assumes no liability for State ORP benefits. Rather, the benefits are the liability of the four third party service providers. For this reason, State ORP assets are not part of the retirement systems' trust funds for financial statement purposes.

NOTES TO FINANCIAL STATEMENTS

NOTE 6. RETIREMENT PLANS (CONTINUED)

Plan Descriptions (Continued):

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 to police officers and firefighters. PORS also covers peace officers, coroners, probate judges and magistrates.

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 first-term individuals elected to the South Carolina General Assembly. 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.

ORP. As an alternative to membership in SCRS, newly hired state, public higher education institution, and public school district employees, as well as first-term individuals elected to the S.C. General Assembly 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 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.

NOTES TO FINANCIAL STATEMENTS

NOTE 6. RETIREMENT PLANS (CONTINUED)

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.

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.

NOTES TO FINANCIAL STATEMENTS

NOTE 6. RETIREMENT PLANS (CONTINUED)

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. The Retirement Funding and Administration Act of 2017 increased, but also established a ceiling for SCRS and PORS employee contribution rates. Effective July 1, 2017, employee rates were increased to a capped rate of 9.00 percent for SCRS and 9.75 percent for PORS. The legislation also increased employer contribution rates beginning July 1, 2017, for both SCRS and PORS by two percentage points and further scheduled employer contribution rates to increase by a minimum of one percentage point each year in accordance with state statute. The General Assembly postponed the one percent increase in the SCRS and the PORS employer contribution rate that was scheduled to go into effect beginning July 1, 2020. In accordance with the legislative funding schedule, employer contribution rates will continue to increase by 1 percentage point each year until reaching 18.56 percent for SCRS and 21.24 percent for PORS but may be increased further, if the scheduled contributions are not sufficient to meet the funding periods set for the applicable year. The Board shall increase the employer contribution rates as necessary to meet the amortization period set in statute. For the year ended June 30, 2023, the District contributed \$53,242,214 and \$70,564 to SCRS and PORS, respectively.

Pension reform legislation modified statute such that the employer contribution rates for SCRS and PORS to be further increased, not to exceed one-half of one percent in any one year, if necessary, in order to improve the funding of the plans. The statute set rates intended to reduce the unfunded liability of SCRS and PORS to the maximum amortization period of 20 years from 30 years over a ten-year schedule, as determined by the annual actuarial valuations of the plan. Finally, under the revised statute, the contribution rates for SCRS and PORS may not be decreased until the plans are at least 85 percent funded.

Required employee and employer contribution rates for fiscal year 2022-2023 are as follows:

- Required employee contribution rates for SCRS are as follows:

	South Carolina Retirement System	
	<u>Fiscal year ended June 30, 2023</u>	<u>Fiscal year ended June 30, 2022</u>
Employee class two	9.00%	9.00%
Employee class three	9.00%	9.00%

- Required employee contribution rates for PORS are as follows:

	Police Officers Retirement System	
	<u>Fiscal year ended June 30, 2023</u>	<u>Fiscal year ended June 30, 2022</u>
Employee class two	9.75%	9.75%
Employee class three	9.75%	9.75%

NOTES TO FINANCIAL STATEMENTS

NOTE 6. RETIREMENT PLANS (CONTINUED)

Contributions (Continued):

- Required employer contribution rates for SCRS are as follows:

	South Carolina Retirement System	
	<u>Fiscal year ended June 30, 2023</u>	<u>Fiscal year ended June 30, 2022</u>
Employer class two	17.41%	16.41%
Employer class three	17.41%	16.41%
Employer incidental death benefit	0.15%	0.15%

- Required employer contribution rates for PORS are as follows:

	Police Officers Retirement System	
	<u>Fiscal year ended June 30, 2023</u>	<u>Fiscal year ended June 30, 2022</u>
Employer class two	19.84%	18.84%
Employer class three	19.84%	18.84%
Employer incidental death benefit	0.20%	0.20%
Employer accidental death program	0.20%	0.20%

- Required employee and employer contribution rates for ORP are as follows:

	South Carolina Optional Retirement Program	
	<u>Fiscal year ended June 30, 2023</u>	<u>Fiscal year ended June 30, 2022</u>
Employee	9.00%	9.00%
Employer	17.41%	16.41%
Employer incidental death benefit	0.15%	0.15%

Actuarial Assumptions and Methods:

Actuarial valuations of the ongoing plan involve estimates of the reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and future salary increases. Amounts determined regarding the net pension liability are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. South Carolina state statute requires that an actuarial experience study be completed at least once in each five-year period. An experience report on the Systems was most recently issued for the period ending June 30, 2019.

The June 30, 2022, total pension liability (TPL), net pension liability (NPL), and sensitivity information shown in this report were determined by our consulting actuary, Gabriel Roeder Smith & Company (GRS) and are based on an actuarial valuation performed as of July 1, 2021. The total pension liability was rolled-forward from the valuation date to the plans' fiscal year end, June 30, 2022, using generally accepted actuarial principles. There was no legislation enacted during the 2022 legislative session that had a material change in the benefit provisions for any of the systems.

NOTES TO FINANCIAL STATEMENTS

NOTE 6. RETIREMENT PLANS (CONTINUED)

Actuarial Assumptions and Methods (Continued):

The following table provides a summary of the actuarial assumptions and methods used to calculate the TPL as of June 30, 2022.

	SCRS	PORS
Actuarial cost method	Entry Age	Entry Age
Actuarial assumptions:		
Investment rate of return	7.00%	7.00%
Projected salary increases	3.0% to 11.00% (varies by service)	3.0% to 10.50% (varies by service)
Includes inflation at	2.25%	2.25%
Benefit adjustments	lesser of 1% or \$500	lesser of 1% or \$500

The post-retiree mortality assumption is dependent upon the member's job category and gender. The base mortality assumption, the 2020 Public Retirees of South Carolina Mortality table (2020 PRSC), was developed using the Systems' mortality experience. These base rates are adjusted for future improvement in mortality using 80% of Sale UMP projected from the year 2020. Assumptions used in the determination of the June 30, 2022, TPL are as follows:

Former Job Class	Males	Females
Educators	2020 PRSC Males multiplied by 95%	2020 PRSC Females multiplied by 94%
Public Safety and Firefighters	2020 PRSC Males multiplied by 127%	2020 PRSC Females multiplied by 107%
General Employees	2020 PRSC Males multiplied by 97%	2020 PRSC Females multiplied by 107%

Net Pension Liability:

At June 30, 2023, the District reported a liability for its proportionate share of the net pension liability for both SCRS and PORS as follows:

	SCRS	PORS
Employer's proportionate share of the net pension liability	\$ 625,224,206	\$ 529,376

The District's proportion of the net pension liability was based on contributions to SCRS and PORS, respectively, during the fiscal year ended June 30, 2023. At June 30, 2022, (the measurement date) the District's proportion for SCRS was 2.25791%, which was a decrease of 0.272292% from its proportion measured at June 30, 2021. At June 30, 2022, (the measurement date), the District's proportion for PORS was 0.01765%, which was a decrease from its proportion measured at June 30, 2021, of 0.00228%.

NOTES TO FINANCIAL STATEMENTS

NOTE 6. RETIREMENT PLANS (CONTINUED)

Long-term Expected Rate of Return:

The long-term expected rate of return on pension plan investments is based upon the 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 2022 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 on the following page. For actuarial purposes, the 7.00 percent assumed annual investment rate of return used in the calculation of the TPL includes a 4.75 percent real rate of return and a 2.25 percent inflation component.

Asset Class	Target Asset Allocation	Expected Arithmetic Real Rate of Return	Long-term Expected Portfolio Real Rate of Return
Public Equity	46.0%	6.79%	3.12%
Bonds	26.0%	-0.35%	-0.09%
Private Equity	9.0%	8.75%	0.79%
Private Debt	7.0%	6.00%	42.00%
Real assets	12.0%		
Real estate	9.0%	4.12%	0.37%
Infrastructure	3.0%	5.88%	0.18%
	100%		
			4.79%
			2.25%
			7.04%

Discount Rate:

The discount rate used to measure the TPL was 7 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.

NOTES TO FINANCIAL STATEMENTS

NOTE 6. RETIREMENT PLANS (CONTINUED)

Sensitivity Analysis:

The following table presents the District's net pension liability calculated using the discount rate of 7.00 percent, as well as what the District's net pension liability would be if it were calculated using the discount rate that is 1.00 percent lower (6.00 percent) or 1.00 percent higher (8.00 percent) than the current rate.

South Carolina Retirement System

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

Fiscal Year	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
2023	\$ 801,614,574	\$ 625,224,206	\$ 478,578,524

Police Officers Retirement System

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

Fiscal Year	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
2023	\$ 738,183	\$ 529,376	\$ 358,448

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NOTES TO FINANCIAL STATEMENTS

NOTE 6. RETIREMENT PLANS (CONTINUED)

Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions and Pension Expense:

For the year ended June 30, 2023, the District's pension expense was \$51,255,167. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

South Carolina Retirement System	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 5,432,031	\$ 2,724,706
Changes of assumptions	20,052,409	-
Net difference between projected and actual earnings on pension plan investments	964,221	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	11,200,222	1,283,549
Employer contributions subsequent to the measurement date	53,242,214	-
Total	<u>\$ 90,891,097</u>	<u>\$ 4,008,255</u>
Police Officers Retirement System	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 8,882	\$ 10,465
Changes of assumptions	22,044	-
Net difference between projected and actual earnings on pension plan investments	1,598	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	49,126	49,916
Employer contributions subsequent to the measurement date	70,564	-
Total	<u>\$ 152,214</u>	<u>\$ 60,381</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 6. RETIREMENT PLANS (CONTINUED)

Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions and Pension Expense:

District contributions subsequent to the measurement date of \$53,242,214 and \$70,564 reported as deferred outflows of resources for the SCRS and PORS, respectively, will be recognized as a reduction of the net pension liability in the year ended June 30, 2024.

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

Year Ended June 30:	<u>SCRS</u>	<u>PORS</u>
2024	\$ 17,173,843	\$ 17,300
2025	12,722,357	13,466
2026	(12,561,020)	(30,073)
2027	16,305,448	20,576
Total	<u>\$ 33,640,628</u>	<u>\$ 21,269</u>

Payable to Pension Plan:

At June 30, 2023, the District had \$9,633,203 in outstanding payables to the plans for legally required contributions. This amount is reported in the statement of net position with accounts payable and accrued liabilities.

Optional Retirement Program:

As an alternative to membership in SCRS, certain State, public school, and higher education employees and individuals newly elected to the South Carolina General Assembly beginning with the November 2012 general election have the option to participate in the State Optional Retirement Program. Participants in the State ORP direct the investment of their funds into a plan administered by one of four investment providers and are governed by the terms of the contracts that those providers issue. The District contributed \$5,236,908 to the plan as of June 30, 2023.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

Overview:

The South Carolina Public Employee Benefit Authority (PEBA) was created by the South Carolina General Assembly as part of Act No. 278 effective July 1, 2012. PEBA – Insurance Benefits is a state agency responsible for the administration and management of the state's employee insurance programs, other post-employment benefits trusts and retirement systems and is part of the State of South Carolina primary government.

The governing board of PEBA is a board of 11 members. The membership composition is three members appointed by the Governor, two members appointed by the President Pro Tempore of the Senate, two members appointed by the Chairman of the Senate Finance Committee, two members appointed by the Speaker of the House of Representatives and two members appointed by the Chairman of the House Ways and Means Committee. Individuals appointed to the PEBA board must possess certain qualifications. Members of the PEBA board serve for terms of two years and until their successors are appointed and qualify. Terms commence on July first of even numbered years. The PEBA board appoints the Executive Director. The laws of the State and the policies and procedures specified by the State for State agencies are applicable to all activities of PEBA. By law, the State Fiscal Accountability Authority (SFAA), which consists of five elected officials, also reviews certain PEBA Board decisions in administering the State Health Plan and other post-employment benefits (OPEB).

Plan Description:

The Other Postemployment 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 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.

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.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Benefits:

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

The SCLTDITF is a long-term disability plan that covers employees of the state of South Carolina, including all agencies and public school districts and all participating local governmental entities. The SCLTDITF provides disability payments to eligible employees that have been approved for disability. Since the employer contribution/premium paid and the proportionate share of the net OPEB liability and related deferred outflows and inflows of resources related to the SCLTDITF are not material to the District, no SCLTDITF OPEB amounts have been recorded in these financial statements, and only limited note disclosures have been provided related to these benefits.

Contributions and Funding Policies:

Section 1-11-710 of the South Carolina Code of Laws of 1976, as amended, requires the postemployment and long-term disability benefits to be funded through non-employer and employer contributions for active employees and retirees to the PEBA – Insurance Benefits.

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 covered payroll surcharge for the year ended June 30, 2023, was 6.25 percent. The South Carolina Retirement System collects the monthly covered payroll surcharge for all participating employers and remits it directly to the SCRHITF. Other sources of funding for the SCRHITF also include the implicit subsidy, or age-related subsidy inherent in the healthcare premiums structure. The implicit subsidy represents a portion of the health care expenditures paid on behalf of the employer's active employees.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Contributions and Funding Policies (Continued):

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 consist of an annual appropriation by the General Assembly and the statutorily required transfer from PEBA – Insurance Benefits reserves. However, due to the COVID-19 pandemic and the impact it has had on the PEBA – Insurance Benefits reserves, the General Assembly has indefinitely suspended the statutorily required transfer until further notice. The SCRHITF is also funded through investment income. For the year ended June 30, 2023, the District contributed \$21,577,840 to the plan.

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. The 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 ACFR of the state.

Actuarial Assumptions and Methods:

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

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

NOTES TO FINANCIAL STATEMENTS

NOTE 7. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Actuarial Assumptions and Methods (Continued):

Additional information as of the latest actuarial valuation for SCRHITF:

Valuation Date:	June 30, 2021
Actuarial Cost Method:	Individual Entry – Age Normal
Inflation:	2.25%
Investment Rate of Return:	2.75%, net of OPEB Plan investment expense; including inflation.
Single Discount Rate:	3.69% as of June 30, 2022.
Demographic Assumptions:	Based on the experience study performed for the South Carolina Retirement Systems for the 5-year period ending June 30, 2019
Mortality:	For healthy retirees, the gender-distinct South Carolina Retirees 2020 Mortality Tables are used with multipliers based on the plan experience; the rates are projected on a fully generational basis using 80% of the ultimate rates Scale MP-2019 to account for future mortality improvements.
Health Care Trend Rate:	Initial trend starting at 6.00% and gradually decreasing to an ultimate trend rate of 4.00% over a period of 15 years.
Aging Factors:	Based on plan specific experience.
Retiree Participation:	79% for retirees who are eligible for funded premiums. 59% participations for retirees who are eligible for partial funded premiums. 20% participation for retirees who are eligible for non-funded premiums.
Notes:	The discount rate changed from 1.92% as of June 30, 2021, to 3.69% as of June 30, 2022

Roll Forward Disclosure:

The actuarial valuation was performed as of June 30, 2021. Update procedures were used to roll forward the total OPEB liability to June 30, 2022. (measurement date used for the District's reporting as of June 30, 2023).

Net OPEB Liability:

The Net OPEB Liability (NOL) is calculated separately for each OPEB Trust Fund and represents that particular Trust's 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.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Net OPEB Liability (Continued):

At June 30, 2023, the District reported a liability for its proportionate share of the net OPEB liability of \$494,236,827 for the SCRHITF. The net OPEB liability was measured as of June 30, 2022. The District's proportion of the net OPEB liability was based on contributions to SCRHITF during the fiscal year ended June 30, 2022. At June 30, 2022, the District's proportion of the total net OPEB liability was 3.24903%, which was an increase of 0.007846% from its proportion measured as of June 30, 2021. The plan's fiduciary net position as a percentage of total OPEB liability was 9.64% as of June 30, 2022.

Single Discount Rate:

The Single Discount Rate of 3.69% 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).

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:

Asset Class	Target Asset Allocation	Expected Arithmetic Real Rate of Return	Weighted Long- Term Expected Real Rate of Return
U.S. Domestic Fixed Income	80.00%	0.95%	0.76%
Cash	20.00%	0.35%	0.07%
Total	<u>100.00%</u>		<u>0.83%</u>
		Total expected weighted real return	0.83%
		Inflation for actuarial purposes	2.25%
		Total expected nominal return	<u>3.08%</u>
		Investment return assumption	<u><u>2.75%</u></u>

NOTES TO FINANCIAL STATEMENTS

NOTE 7. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Sensitivity Analysis:

The following table presents the SCRHITF's net OPEB liability calculated using a Single Discount Rate of 3.69%, as well as what the plan'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>South Carolina Retiree Health Insurance Plan</u>			
<u>Sensitivity of the Net OPEB Liability to Changes in the Discount Rate</u>			
<u>Fiscal</u>	<u>1% Decrease</u>	<u>Current</u>	<u>1% Increase</u>
<u>Year</u>	<u>(2.69%)</u>	<u>Discount Rate</u>	<u>(4.69%)</u>
<u>2023</u>	<u>\$ 584,321,591</u>	<u>\$ 494,236,827</u>	<u>\$ 421,841,463</u>

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

<u>South Carolina Retiree Health Insurance Plan</u>			
<u>Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate</u>			
<u>Fiscal</u>	<u>1% Decrease</u>	<u>Current</u>	<u>1% Increase</u>
<u>Year</u>	<u>Healthcare</u>	<u>Cost Trend Rates</u>	<u>Healthcare</u>
<u>2023</u>	<u>\$ 406,461,480</u>	<u>\$ 494,236,827</u>	<u>\$ 596,719,325</u>

Deferred Outflows of Resources and Deferred Inflows of Resources and OPEB Expense:

For the year ended June 30, 2023, the District recognized OPEB expense of \$32,154,520. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

NOTES TO FINANCIAL STATEMENTS

NOTE 7. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Deferred Outflows of Resources and Deferred Inflows of Resources and OPEB Expense (Continued):

South Carolina Retiree Health Insurance Plan	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 10,608,193	\$ 43,457,318
Changes of assumptions	111,437,665	158,870,306
Net difference between projected and actual earnings on pension plan investments	3,886,140	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	14,960,849	2,712,616
Employer contributions subsequent to the measurement date	<u>21,577,740</u>	<u>-</u>
Total	<u>\$ 162,470,587</u>	<u>\$ 205,040,240</u>

District contributions subsequent to the measurement date of \$21,577,740 will be recognized as a reduction of the net OPEB liability in the next fiscal year.

As of June 30, 2023, other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>SCRHIP</u>	
Year Ended June 30:	
2024	\$ (8,819,102)
2025	(3,621,006)
2026	(2,572,388)
2027	(5,727,554)
2028	(17,423,949)
Thereafter	<u>(25,983,394)</u>
	<u>\$ (64,147,393)</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 8. INTERFUND RECEIVABLES AND PAYABLES

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 expenditures must be incurred prior to submitting a claim for reimbursement. Accordingly, the District must temporarily provide funds for these expenditures until such a time as the related reimbursement from the grantor agency is received. At June 30, 2023, the general fund was owed \$10,336,838 from the special revenue funds.

NOTE 9. INTERFUND TRANSFERS

The District reports interfund transfers between many of its funds. During the course of normal operations, the District has transactions between funds to provide services, construct assets, service debt, etc. These transactions are generally reflected as transfers.

Transfers are used (1) to move revenues from the fund that a statute or budget requires to collect them to the fund that a statute or budget requires to expend them, and (2) to use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

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NOTES TO FINANCIAL STATEMENTS

NOTE 9. INTERFUND TRANSFERS (CONTINUED)

The District uses a common payroll account in the General fund to pay the salaries of employees for all funds, including the Special Projects and Education Improvement Act funds. Transfers out of the School Food Service fund to the General fund are to cover indirect costs. Transfers out of the Debt Service and General funds to the Capital Projects fund are to fund various approved capital improvement projects at the District. Interfund transfers for the year ended June 30, 2023, consist of the following:

General Fund			
Transfers from	Amount	Transfers to	Amount
Education Improvement Act Fund	\$ 26,624,793	Capital Projects Fund	\$ 13,013,619
Food Service Fund	2,124,228	Food Service Fund	301,101
Special Projects Fund	4,298,631	Special Projects Fund	216,749
	\$ 33,047,652		\$ 13,531,469
School Food Service Fund			
Transfers from	Amount	Transfers to	Amount
General Fund	\$ 301,101	General Fund	\$ 2,124,228
Debt Service Fund			
Transfers from	Amount	Transfers to	Amount
	\$ -	Capital Projects Fund	\$ 72,500,000
Capital Projects Fund			
Transfers from	Amount	Transfers to	Amount
General Fund	\$ 13,013,619		\$ -
Debt Service Fund	72,500,000		-
	\$ 85,513,619		\$ -
Education Improvement Act Fund			
Transfers from	Amount	Transfers to	Amount
	\$ -	General Fund	\$ 26,624,793
Special Projects Fund			
Transfers from	Amount	Transfers to	Amount
General Fund	\$ 216,749	General Fund	\$ 4,298,631
TOTAL	\$ 119,079,121		\$ 119,079,121

NOTE 10. FUNDING FLEXIBILITY

The State of South Carolina passed a Joint Resolution to provide funding flexibility for the fiscal year ended June 30, 2023. Under the resolution, Districts may transfer revenue between programs to any instructional program with the same funding source and may make expenditures for instructional programs and essential operating costs from any state source without regard to fund type except school building bond funds. Certain funds and other exceptions apply. The District used this flexibility for the current fiscal year by making certain transfers allowed under the Joint Resolution. The impact of applying funding flexibility to the District's General Fund was not measured.

NOTES TO FINANCIAL STATEMENTS

NOTE 11. RISK MANAGEMENT

The District is exposed to various risks of loss and maintains State and other insurance coverage for each of these risks. Management believes such coverage is sufficient to preclude any significant uninsured losses for the covered risks. Settlement claims have not exceeded this coverage in any of the past three years.

The District believes it is more economical to manage its workers' compensation claims through the South Carolina School Boards Insurance Trust/Workers Compensation Trust Fund (SCSBIT/WCTF), a public entity risk pool comprised of member Districts in the State of South Carolina. This entity is operating as a common risk management and insurance program. The District pays an annual premium to SCSBIT/WCTF for its workers' compensation insurance coverage based upon the total payroll of the District for each plan year. The Agreement for Formation of the SCSBIT/WCTF provides that the SCSBIT/WCTF will be self-sustaining through member premiums and deficiencies can be charged back to the member districts in the event a fund deficit arises. Insurance settlements have not exceeded insurance coverage for the past three years.

The District obtains coverage for its property and casualty insurance through the South Carolina Insurance Reserve Fund. There have been no significant reductions in insurance coverage over the prior years.

NOTE 12. COMMITMENTS AND CONTINGENCIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount of expenditures, which may be disallowed by the grantor cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

The District is a defendant in several routine tort and personnel dismissal claims. All of the claims are covered by insurance. Management believes that none of the claims will result in any material loss to the District.

The District has entered into contracts and agreements with contractors and builders for various capital projects throughout the District including, but not limited to the following: flooring and painting improvements, HVAC enhancements, and the construction/renovation of facilities. The outstanding contract balance is included in restricted fund balance for contracts in the capital projects fund.

NOTES TO FINANCIAL STATEMENTS

NOTE 12. COMMITMENTS AND CONTINGENCIES (CONTINUED)

Several capital projects are in process at June 30, 2023. A summary of the contracts in process by location is as follows:

Project	Contract Amounts	Expenditures to Date	Remaining Commitment
AHS Light Install	\$ 9,822	\$ -	\$ 9,822
SJE - modulars	395,739	29,999	365,740
CFE - modulars	351,998	9,812	342,186
CFHS - modulars	601,434	12,904	588,530
OBE - modulars	216,221	25,405	190,816
24/25 LEASE PMTS & RETURN/REMOVAL	752,204	-	752,204
AHS - HVAC reno	6,710,983	2,903,529	3,807,454
CHS - HVAC Reno	25,562,767	20,011,227	5,551,540
CHS - roof reno	3,507,573	3,168,252	339,321
DES - HVAC	2,559,651	1,994,138	565,513
DES - Roof	2,043,976	2,039,376	4,600
KES - remove & replace 4 MAUs	1,064,025	84,441	979,584
CFHS - HVAC reno - new operational system	2,289,616	2,185,440	104,176
MES - replace 2 MAUs with gas heat	353,500	333,500	20,000
CES - perform work to remove & replace 4 MAU's	1,044,025	969,356	74,669
SJMS - roof replacement/HVAC	3,969,534	3,963,537	5,997
CFE - replace existing MAUs with new MAUs with gas	942,100	922,100	20,000
WWE - control work associated with roof replacement	1,265,283	733,951	531,332
CEC - HVAC replacement	262,258	-	262,258
CEC - partial roof replacement	834,846	661,768	173,078
CHS - partial interior refresh	600,000	117,831	482,169
LHS - controls work - cooling tower replacement	371,500	366,070	5,430
WES - targeted renovations throughout interior	668,813	130,023	538,790
software upgrades for controls district-wide	62,587	58,102	4,485
NMBH - tennis	54,450	54,450	-
CHS - track surfacing	1,457,015	1,439,898	17,117
track & field improvements GSFH	1,015,425	1,007,025	8,400
LHS - tennis	995,965	553,347	442,618
AHS - turf	1,025,593	947,336	78,257
NMBHS - turf	1,126,837	896,287	230,550
CHS - turf	1,505,848	1,335,609	170,239
GSFH - turf	1,196,385	1,067,438	128,947
MBHS - mechanical renovations	14,394,322	4,224,205	10,170,117
SHS - turf	1,588,739	1,494,688	94,051
new WPMS - building	50,199,209	31,188,297	19,010,912
PDE - 4 modular units	619,636	4,831	614,805
CFHS - turf	979,217	920,669	58,548
SJHS - turf	1,261,066	1,245,780	15,286
Fantasy Harbour - bus facility	12,961,347	53,574	12,907,773
	<u>\$ 146,821,509</u>	<u>\$ 87,154,195</u>	<u>\$ 59,667,314</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 13. LEGAL COMPLIANCE

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

NOTE 14. TAX ABATEMENTS

The District does not negotiate or enter into agreements for tax abatements. The District is subject to any tax abatement agreements entered by Horry County (the "County"). The County provides tax abatement incentives through three programs to encourage economic development, attract new businesses, and retain existing businesses – Fee in Lieu of Tax, Special Source Revenue Credits, and Multi-County Business Parks:

- Fee in Lieu of Tax (FILOT) is authorized under South Carolina Code Title 12, Chapter 44, Title 4, Chapter 29, or Title 4, Chapter 12. The FILOT is used to encourage investment and provides a reduction of property tax when a business invests a minimum of \$2,500,000 within a 5-6 year investment period (beginning with date property is placed in service, ending five years after the last day of the property tax year in which the property is initially placed in service). The reduction in property taxes is accomplished by a reduction of assessed value, reduction in millage rate and elimination of (or reduction in) number of times millage rates are changed. In addition, an agreement may allow the possible use of net present value method over the term of FILOT to equalize payments. Repayment of incentive is required by state law if taxpayer fails to meet statutory minimum investment requirement. Other recapture provisions may be negotiated (such as a pro rata claw back for failure to meet and/or maintain jobs/investment).
- Special Source Revenue Credit (SSRC) is authorized under South Carolina Code Sections 4-29-68, 4-1-170, and 12-44-70. The SSRC is used to encourage investment and provides a credit against property taxes in the form of a percentage reduction or a dollar amount reduction. The County manually applies SSRC to reduce the applicable property tax bill. To receive the credit, a business must incur costs of designing, acquiring, constructing, improving, or expanding improved or unimproved real estate or personal property used in the operation of a manufacturing or commercial enterprise, infrastructure servicing the project, or certain aircraft.

NOTES TO FINANCIAL STATEMENTS

NOTE 14. TAX ABATEMENTS (CONTINUED)

- A Multi-County Business Park (MCBP) is authorized under Article VIII, Section 13(d) of the Constitution of South Carolina, as amended and South Carolina Title 4, Chapter 1. A MCBP is used to promote the economic welfare of their citizens by inducing businesses to invest in the Counties through the offer of benefits available under South Carolina law pursuant to multi-county business park arrangements. The designation as a MCBP provides that all real and personal property located in the Park shall be exempt from all ad valorem taxation. This is typically used in the creation of a FILOT or SSRC, but also has the additional benefit of exemption of property from the rollback taxes when the property was previously taxed as agricultural property. When agricultural real property is applied to a use other than agricultural, it is subject to additional taxes, referred to as rollback taxes. The amount of the rollback taxes is equal to the sum of the differences, if any, between the taxes paid or payable on the basis of the fair market value for agricultural purposes and the taxes that would have been paid or payable if the real property had been valued, assessed, and taxed as other real property in the taxing district (except the value of standing timber is excluded), for the current tax year (the year of change in use) and each of the immediately preceding five tax years.

For the fiscal year ended June 30, 2023, the County abated District property tax revenues of \$375,187 under agreements entered into by the County. The table below summarizes the tax abatements by program:

Tax Abatement Program	Abatement
Fee-in-Lieu Tax Program (FILOT)	\$ 351,276
Special Source Revenue Credit (SSRC)	23,911
	\$ 375,187

REQUIRED SUPPLEMENTARY INFORMATION

HORRY COUNTY SCHOOLS
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR FISCAL YEAR ENDED JUNE 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Local	\$ 241,106,236	\$ 241,181,310	\$ 262,621,874	\$ 21,440,564
Intergovernmental	124,881	124,881	141,122	16,241
State	242,026,411	242,026,466	243,453,889	1,427,423
Federal	672,718	672,718	709,974	37,256
Total revenues	<u>483,930,246</u>	<u>484,005,375</u>	<u>506,926,859</u>	<u>22,921,484</u>
Expenditures:				
Current				
Instruction	322,237,794	330,306,368	318,968,207	11,338,161
Support services	187,232,474	205,040,610	182,341,407	22,699,203
Community services	35,499	47,671	47,140	531
Intergovernmental	8,952,691	8,859,087	7,921,007	938,080
Capital outlay	3,416,548	6,230,807	2,597,858	3,632,949
Total expenditures	<u>521,875,006</u>	<u>550,484,543</u>	<u>511,875,619</u>	<u>38,608,924</u>
Deficiency of revenues under expenditures	<u>(37,944,760)</u>	<u>(66,479,168)</u>	<u>(4,948,760)</u>	<u>61,530,408</u>
Other Financing Sources (Uses)				
Sale of capital assets	60,036	60,036	36,226	(23,810)
Transfers in	31,617,182	31,617,282	33,047,652	1,430,370
Transfers out	<u>(708,633)</u>	<u>(6,941,626)</u>	<u>(13,531,469)</u>	<u>(6,589,843)</u>
Total other financing sources, net	<u>30,968,585</u>	<u>24,735,692</u>	<u>19,552,409</u>	<u>(5,183,283)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing (uses)	<u>\$ (6,976,175)</u>	<u>\$ (41,743,476)</u>	14,603,649	<u>\$ 56,347,125</u>
Fund balance, July 1, 2022			<u>150,937,705</u>	
Fund balance, June 30, 2023			<u>\$ 165,541,354</u>	

HORRY COUNTY SCHOOLS
BUDGETARY COMPARISON SCHEDULE - SPECIAL REVENUE FUND
SPECIAL PROJECTS FUND
FOR FISCAL YEAR ENDED JUNE 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Local	\$ 7,498,368	\$ 14,175,674	\$ 13,972,841	\$ (202,833)
Intergovernmental	-	677	677	-
State	3,361,345	4,260,468	3,664,503	(595,965)
Federal	84,627,931	160,215,053	102,829,329	(57,385,724)
Total revenues	<u>95,487,644</u>	<u>178,651,872</u>	<u>120,467,350</u>	<u>(58,184,522)</u>
Expenditures:				
Current				
Instruction	40,853,982	68,499,242	42,321,532	26,177,710
Support services	20,234,820	31,378,921	23,879,635	7,499,286
Community services	1,572,096	2,490,667	1,727,583	763,084
Intergovernmental	2,201,060	3,034,313	1,944,769	1,089,544
Capital outlay	27,797,654	65,085,977	43,832,688	21,253,289
Total expenditures	<u>92,659,612</u>	<u>170,489,120</u>	<u>113,706,207</u>	<u>56,782,913</u>
Excess of revenues over expenditures	<u>2,828,032</u>	<u>8,162,752</u>	<u>6,761,143</u>	<u>(1,401,609)</u>
Other Financing Sources (Uses)				
Transfers in	-	-	216,749	216,749
Transfers out	(2,828,032)	(8,162,752)	(4,298,631)	3,864,121
Total other financing (uses), net	<u>(2,828,032)</u>	<u>(8,162,752)</u>	<u>(4,081,882)</u>	<u>4,080,870</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing (uses)	<u>\$ -</u>	<u>\$ -</u>	2,679,261	<u>\$ 2,679,261</u>
Fund balance, July 1, 2022			<u>8,539,999</u>	
Fund balance, June 30, 2023			<u>\$ 11,219,260</u>	

HORRY COUNTY SCHOOLS
BUDGETARY COMPARISON SCHEDULE - SPECIAL REVENUE FUND
EDUCATION IMPROVEMENT ACT FUND
FOR FISCAL YEAR ENDED JUNE 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
State	\$ 36,651,731	\$ 40,106,891	\$ 38,617,099	\$ (1,489,792)
Total revenues	<u>36,651,731</u>	<u>40,106,891</u>	<u>38,617,099</u>	<u>(1,489,792)</u>
Expenditures:				
Current				
Instruction	6,624,135	10,643,409	8,886,426	1,756,983
Support services	2,279,658	1,572,399	1,957,821	(385,422)
Intergovernmental	210,133	780,048	666,828	113,220
Capital outlay	231,500	486,242	481,231	5,011
Total expenditures	<u>9,345,426</u>	<u>13,482,098</u>	<u>11,992,306</u>	<u>1,489,792</u>
Excess of revenues over expenditures	<u>27,306,305</u>	<u>26,624,793</u>	<u>26,624,793</u>	<u>-</u>
Other Financing Uses				
Transfers out	<u>(27,306,305)</u>	<u>(26,624,793)</u>	<u>(26,624,793)</u>	<u>-</u>
Total other financing uses	<u>(27,306,305)</u>	<u>(26,624,793)</u>	<u>(26,624,793)</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing (uses)	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balance, July 1, 2022			<u>-</u>	
Fund balance, June 30, 2023			<u>\$ -</u>	

HORRY COUNTY SCHOOLS
BUDGETARY COMPARISON SCHEDULE - SPECIAL REVENUE FUND
SCHOOL FOOD SERVICE FUND
FOR FISCAL YEAR ENDED JUNE 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Local	\$ 4,047,406	\$ 6,526,406	\$ 4,343,184	\$ (2,183,222)
State	15,500	15,500	-	(15,500)
Federal	19,310,143	21,137,774	22,849,739	1,711,965
Total revenues	<u>23,373,049</u>	<u>27,679,680</u>	<u>27,192,923</u>	<u>(486,757)</u>
Expenditures:				
Current				
Support services	21,821,398	26,097,485	26,047,706	49,779
Intergovernmental	-	-	95,953	(95,953)
Capital outlay	700,296	765,296	959,085	(193,789)
Total expenditures	<u>22,521,694</u>	<u>26,862,781</u>	<u>27,102,744</u>	<u>(239,963)</u>
Excess of revenues over expenditures	<u>851,355</u>	<u>816,899</u>	<u>90,179</u>	<u>(726,720)</u>
Other Financing Sources (Uses)				
Transfers in	580,383	580,383	301,101	(279,282)
Transfers out	(1,431,738)	(1,462,282)	(2,124,228)	(661,946)
Total other financing (uses), net	<u>(851,355)</u>	<u>(881,899)</u>	<u>(1,823,127)</u>	<u>(941,228)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing (uses)	<u>\$ -</u>	<u>\$ (65,000)</u>	<u>(1,732,948)</u>	<u>\$ (1,667,948)</u>
Fund balance, July 1, 2022			<u>14,496,546</u>	
Fund balance, June 30, 2023			<u>\$ 12,763,598</u>	

HORRY COUNTY SCHOOLS

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY AND RELATED RATIOS JUNE 30,

South Carolina Retirement System

Plan Year Ended June 30,	District's proportion of the net pension liability	District's proportionate share of the net pension liability	District's covered payroll	District's share of the net pension liability as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2022	2.57908%	\$ 625,224,206	\$ 278,406,097	224.6%	57.1%
2021	2.53020%	547,966,060	257,651,256	212.7%	60.7%
2020	2.50393%	639,798,666	245,278,722	260.8%	50.7%
2019	2.52715%	577,054,025	278,710,739	207.0%	54.4%
2018	2.52559%	565,904,368	273,530,206	206.9%	54.1%
2017	2.50065%	562,936,306	265,112,547	212.3%	53.3%
2016	2.52242%	538,784,122	256,766,931	209.8%	52.9%
2015	2.51573%	477,120,324	220,703,321	216.2%	57.0%

South Carolina Police Officers Retirement System

Plan Year Ended June 30,	District's proportion of the net pension liability	District's proportionate share of the net pension liability	District's covered payroll	District's share of the net pension liability as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2022	0.01765%	\$ 529,376	\$ 277,407	190.8%	66.4%
2021	0.01993%	512,821	299,708	171.1%	70.4%
2020	0.01673%	554,881	249,443	222.4%	58.8%
2019	0.01651%	473,132	239,453	197.6%	62.7%
2018	0.01742%	493,581	240,854	204.9%	61.7%
2017	0.01953%	491,340	241,521	203.4%	60.9%
2016	0.01945%	495,298	248,943	199.0%	60.4%
2015	0.02015%	423,868	240,929	175.9%	64.6%

The District implemented GASB Statements 68 and 71 with the fiscal year beginning July 1, 2014.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the government will present information for those years for which information is available.

HORRY COUNTY SCHOOLS

SCHEDULE OF THE DISTRICT'S PENSION CONTRIBUTIONS FOR THE FISCAL YEAR ENDED JUNE 30,

South Carolina Retirement System

Fiscal Year Ended June 30,	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	District's covered payroll	Contributions as a percentage of covered payroll
2023	\$ 53,242,214	\$ 53,242,214	\$ -	\$ 303,201,673	17.560%
2022	46,164,408	46,164,408	-	278,406,097	16.582%
2021	40,091,002	40,091,002	-	257,651,256	15.560%
2020	40,830,063	40,830,063	-	245,278,722	16.646%
2019	36,222,790	36,222,790	-	278,710,739	12.997%
2018	32,706,666	32,706,666	-	273,530,206	11.957%
2017	29,136,600	29,136,600	-	265,112,547	10.990%
2016	27,015,407	27,015,407	-	256,766,931	10.521%
2015	25,710,929	25,710,929	-	220,703,321	11.650%

South Carolina Police Officers Retirement System

Fiscal Year Ended June 30,	Actuarially required contribution	Contributions in relation to the actuarially required contribution	Contribution deficiency (excess)	District's covered payroll	Contributions as a percentage of covered payroll
2023	\$ 70,564	\$ 70,564	\$ -	348,637	20.240%
2022	53,380	53,380	-	277,407	19.242%
2021	54,667	54,667	-	299,708	18.240%
2020	42,939	42,939	-	249,443	17.214%
2019	38,722	38,722	-	239,453	16.171%
2018	39,117	39,117	-	240,854	16.241%
2017	34,393	34,393	-	241,521	14.240%
2016	34,205	34,205	-	248,943	13.740%
2015	32,309	32,309	-	240,929	13.410%

The District implemented GASB Statements 68 and 71 with the fiscal year beginning July 1, 2014.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the government will present information for those years for which information is available.

HORRY COUNTY SCHOOLS

SCHEDULE OF THE DISTRICT'S PENSION CONTRIBUTIONS FOR THE FISCAL YEAR ENDED JUNE 30,

Notes to the schedule:

The schedule will present 10 years of information once it is accumulated.

Actuarial assumptions used in determining the statutorily required contribution are as follows:

System	SCRS	PORS
Calculation date	7/1/2020	7/1/2020
Actuarial cost method	Entry Age Normal	Entry Age Normal
Asset valuation method	5-year Smoothed	5-year Smoothed
Amortization method	Level % of pay	Level % of pay
Amortization period	27 years maximum, closed period	27 years maximum, closed period
Investment return	7.25%	7.25%
Inflation	2.25%	2.25%
Salary increases	3.00% plus step-rate increases for members with less than 21 years of service.	3.50% plus step-rate increases for members with less than 15 years of service.
Mortality	2016 Public Retirees of South Carolina Mortality Tables for Males and Females, both projected at Scale AA from the year 2016. Male rates are multiplied by 100% for non-educators and 92% for educators. Female rates multiplied by 111% for non-educators and 98% for educators.	2016 Public Retirees of South Carolina Mortality Tables for Males and Females, both projected at Scale AA from the year 2016. Male rates are multiplied by 125% and females rates are multiplied by 111%.

HORRY COUNTY SCHOOLS

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY AND RELATED RATIOS JUNE 30,

South Carolina Retiree Health Plan

Plan Year Ended June 30,	District's proportion of the net OPEB liability	District's proportionate share of the net OPEB liability	District's covered payroll	District's share of the net OPEB liability as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total OPEB liability
2022	3.24903%	\$ 494,236,827	\$ 318,346,149	224.0%	9.64%
2021	3.17056%	660,211,864	295,680,107	224.0%	7.48%
2020	3.15962%	570,357,294	291,248,599	195.8%	8.39%
2019	3.18952%	482,304,202	278,950,193	172.9%	8.44%
2018	3.17463%	449,863,641	273,771,060	164.3%	7.91%
2017	3.14667%	426,211,839	265,354,068	160.6%	7.60%

The District implemented GASB Statement 75 with the fiscal year beginning July 1, 2017.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the government will present information for those years for which information is available.

HORRY COUNTY SCHOOLS

SCHEDULE OF THE DISTRICT'S OPEB CONTRIBUTIONS FOR THE FISCAL YEAR ENDED JUNE 30,

South Carolina Retiree Health Plan

Fiscal Year Ended June 30,	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	District's covered payroll	Contributions as a percentage of covered payroll
2023	\$ 21,577,740	\$ 21,577,740	\$ -	\$ 345,245,435	6.25%
2022	19,959,034	19,959,034	-	318,346,149	6.27%
2021	21,480,007	21,480,007	-	295,680,107	7.26%
2020	16,945,786	16,945,786	-	291,248,596	5.82%
2019	16,826,667	16,826,667	-	278,950,193	6.03%
2018	14,718,600	14,718,600	-	273,771,060	5.38%

The District implemented GASB Statement 75 with the fiscal year beginning July 1, 2017.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the government will present information for those years for which information is available.

Changes of assumptions: The discount rate changed from 3.62% as of June 30, 2018, to 3.13% as of June 30, 2019, and changed to 2.45% as of June 30, 2020, to 1.92% as of June 30, 2021, to 3.69% as of June 30, 2022.

OTHER SUPPLEMENTARY INFORMATION

GENERAL FUND

The general fund is used to record all financial resources except 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. Operational expenditures for general education, support services and other departments are paid through the general fund. Any unassigned fund balance may be appropriated to support operating expenditures in subsequent years.

HORRY COUNTY SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2023

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
1000 Revenue from Local Sources				
1100 Taxes:				
1110 Ad Valorem Taxes - including Delinquent (Independent)	\$ 224,182,295	\$ 224,182,295	\$ 237,797,891	\$ 13,615,596
1140 Penalties & Interest on Taxes (Independent)	2,151,070	2,151,070	2,040,593	(110,477)
1200 Revenues from Local Governmental Units Other than LEAs:				
1280 Revenue in Lieu of Taxes	11,349,144	11,349,144	12,343,497	994,353
1300 Tuition:				
1310 Tuition from Patrons for Regular Day School	14,736	14,736	35,047	20,311
1500 Earnings on Investments:				
1510 Interest on Investments	202,179	202,179	3,024,153	2,821,974
1530 Gain (Loss) on Investments	-	-	1,841,633	1,841,633
1900 Other Revenues from Local Sources:				
1910 Rentals	4,325	4,325	39,291	34,966
1930 Medicaid	2,605,837	2,605,837	4,089,949	1,484,112
1950 Refund of Prior Year's Expenditures	236,706	236,706	477,485	240,779
1993 Receipt of Insurance Proceeds	-	69,161	185,682	116,521
1994 Receipt of Legal Settlements	-	-	552,244	552,244
1999 Revenue from Other Local Sources	359,944	365,857	194,409	(171,448)
Total Local Sources	<u>241,106,236</u>	<u>241,181,310</u>	<u>262,621,874</u>	<u>21,440,564</u>
2000 Intergovernmental Revenue				
2100 Payments from Other Governmental Units	124,881	124,881	141,122	16,241
Total Intergovernmental Revenues	<u>124,881</u>	<u>124,881</u>	<u>141,122</u>	<u>16,241</u>
3000 Revenue from State Sources				
3100 Restricted State Funding:				
3103 State Aid to Classrooms	157,573,024	157,573,024	156,260,742	(1,312,282)
3130 Special Programs				
3131 Handicapped Transportation	30,841	30,841	18,786	(12,055)
3132 Home Schooling	1,867	1,867	-	(1,867)
3160 School Bus Driver's Salary	3,683,317	3,683,317	3,729,288	45,971
3161 EAA Bus Driver Salary and Fringe	9,278	9,278	9,399	121
3162 Transportation Workers' Compensation	201,410	201,410	195,340	(6,070)
3181 Retiree Insurance (No Carryover Provision)	14,250,120	14,250,120	14,655,782	405,662
3199 Other Restricted State Grants	-	55	55	-
3330 Miscellaneous EFA Programs:				
3392 NBC Excess EFA Formula	-	-	543,173	543,173
3800 State Revenue in Lieu of Taxes:				
3810 Reimbursement for Local Residential Property Tax Relief (Tier 1)	11,700,436	11,700,436	11,700,436	-
3820 Homestead Exemption (Tier 2)	3,952,008	3,952,008	3,952,008	-
3825 Reimbursement for Property Tax Relief (Tier 3)	45,337,292	45,337,292	46,439,243	1,101,951
3830 Merchant's Inventory Tax	819,389	819,389	799,463	(19,926)
3840 Manufacturers Depreciation Reimbursement	246,119	246,119	264,198	18,079
3890 Other State Property Tax Revenues	1,597,505	1,597,505	2,262,171	664,666
3900 Other State Revenue:				
3993 PEBA on Behalf	2,623,805	2,623,805	2,623,805	-
Total State Sources	<u>242,026,411</u>	<u>242,026,466</u>	<u>243,453,889</u>	<u>1,427,423</u>
4000 Revenue from Federal Sources				
4900 Other Federal Sources				
4999 Revenue from Other Federal Sources	672,718	672,718	709,974	37,256
TOTAL REVENUE ALL SOURCES	<u>483,930,246</u>	<u>484,005,375</u>	<u>506,926,859</u>	<u>22,921,484</u>

HORRY COUNTY SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2023

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
EXPENDITURES				
100 INSTRUCTION				
110 General Instruction:				
111 Kindergarten Programs:				
100 Salaries	\$ 10,667,469	\$ 11,291,636	\$ 11,291,527	\$ 109
200 Employee Benefits	5,344,597	5,631,861	5,626,485	5,376
300 Purchased Services	24,727	24,056	23,525	531
400 Supplies and Materials	217,040	137,113	135,750	1,363
500 Capital Outlay	-	3,725	3,672	53
600 Other Objects	-	75	-	75
112 Primary Programs:				
100 Salaries	34,783,956	35,679,876	35,673,838	6,038
140 Terminal Leave	-	-	4,130	(4,130)
200 Employee Benefits	15,738,513	16,069,199	16,068,613	586
300 Purchased Services	582,749	719,409	718,816	593
400 Supplies and Materials	925,574	1,239,212	1,203,831	35,381
500 Capital Outlay	2,354	8,854	8,713	141
600 Other Objects	-	1,150	943	207
113 Elementary Programs:				
100 Salaries	52,011,512	52,117,054	52,106,847	10,207
140 Terminal Leave	-	-	10,147	(10,147)
200 Employee Benefits	23,033,423	23,499,373	22,971,059	528,314
300 Purchased Services	423,797	534,573	402,187	132,386
400 Supplies and Materials	3,113,434	4,162,622	2,665,729	1,496,893
500 Capital Outlay	13,407	15,407	15,210	197
600 Other Objects	8,787	18,794	15,345	3,449
114 High School Programs:				
100 Salaries	47,534,937	47,595,766	45,229,789	2,365,977
140 Terminal Leave	-	-	7,042	(7,042)
200 Employee Benefits	20,828,535	21,196,767	19,681,756	1,515,011
300 Purchased Services	1,756,512	1,891,545	1,603,713	287,832
400 Supplies and Materials	2,494,385	3,193,142	2,274,677	918,465
500 Capital Outlay	15,481	32,481	31,581	900
600 Other Objects	30,470	34,094	17,981	16,113
115 Career and Technology Education Programs:				
100 Salaries	2,764,731	3,316,281	3,295,699	20,582
140 Terminal Leave	-	-	20,092	(20,092)
200 Employee Benefits	1,178,944	1,422,848	1,422,280	568
300 Purchased Services	45,088	40,774	40,772	2
400 Supplies and Materials	685,124	191,800	190,044	1,756
500 Capital Outlay	5,326	-	-	-
600 Other Objects	1,200	1,200	172	1,028
117 Drivers Education Programs:				
400 Supplies and Materials	1,000	1,000	259	741
120 Exceptional Programs:				
121 Educable Mentally Handicapped:				
400 Supplies and Materials	4,079	4,079	2,257	1,822
122 Trainable Mentally Handicapped:				
100 Salaries	3,233,866	3,233,766	3,023,827	209,939
140 Terminal Leave	-	-	106	(106)
200 Employee Benefits	1,518,240	1,551,053	1,425,225	125,828
300 Purchased Services	-	30,500	30,218	282
400 Supplies and Materials	11,153	43,683	31,826	11,857
123 Orthopedically Handicapped:				
100 Salaries	1,090,794	1,026,353	988,338	38,015
200 Employee Benefits	486,912	465,919	442,555	23,364
300 Purchased Services	38,785	110,529	109,798	731
400 Supplies and Materials	18,400	42,300	41,678	622
500 Capital Outlay	-	5,500	5,416	84
124 Visually Handicapped:				
100 Salaries	157,516	157,516	51,290	106,226
200 Employee Benefits	83,529	86,001	30,941	55,060
300 Purchased Services	3,920	76,227	76,163	64
400 Supplies and Materials	4,000	4,000	3,067	933
125 Hearing Handicapped:				
100 Salaries	463,420	385,060	221,455	163,605
200 Employee Benefits	243,120	195,854	123,775	72,079
300 Purchased Services	5,000	165,710	165,680	30
400 Supplies and Materials	12,750	5,250	2,706	2,544

HORRY COUNTY SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2023

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
EXPENDITURES (CONTINUED)				
100 INSTRUCTION (CONTINUED)				
120 Exceptional Programs (Continued):				
126 Speech Handicapped:				
100 Salaries	\$ 3,350,836	\$ 3,437,671	\$ 3,437,270	\$ 401
140 Terminal Leave	-	-	330	(330)
200 Employee Benefits	1,465,473	1,517,832	1,517,491	341
300 Purchased Services	98,099	115,899	102,298	13,601
400 Supplies and Materials	14,656	15,756	15,718	38
600 Other Objects	180	180	-	180
127 Learning Disabilities:				
100 Salaries	22,861,507	22,731,163	22,367,762	363,401
140 Terminal Leave	-	-	1,931	(1,931)
200 Employee Benefits	10,838,869	11,017,558	10,549,979	467,579
300 Purchased Services	125,804	151,266	134,501	16,765
400 Supplies and Materials	688,435	287,482	249,683	37,799
500 Capital Outlay	-	10,000	9,395	605
600 Other Objects	100	500	376	124
128 Emotionally Handicapped:				
100 Salaries	1,697,742	1,697,642	1,619,208	78,434
200 Employee Benefits	838,965	853,828	794,651	59,177
400 Supplies and Materials	12,348	12,165	7,194	4,971
129 Coordinated Early Learning Services (CEIS):				
100 Salaries	3,954,906	4,025,906	4,025,732	174
200 Employee Benefits	1,716,166	1,757,251	1,756,854	397
400 Supplies and Materials	1,520	1,520	483	1,037
130 Pre-School Programs:				
137 Pre-School Handicapped-Self-Contained (3 & 4 year olds):				
100 Salaries	1,867,076	1,920,186	1,910,655	9,531
140 Terminal Leave	-	-	30	(30)
200 Employee Benefits	852,862	887,838	887,412	426
300 Purchased Services	4,000	14,000	13,911	89
400 Supplies and Materials	3,271	76,592	75,545	1,047
139 Early Childhood Programs:				
100 Salaries	121,705	1,141,245	1,140,724	521
200 Employee Benefits	28,176	726,701	713,825	12,876
300 Purchased Services	5,940	440	-	440
400 Supplies and Materials	98,858	92,796	35,466	57,330
500 Capital Outlay	1,403	203	-	203
600 Other Objects	-	1,200	1,160	40
140 Special Programs:				
141 Gifted and Talented-Academic:				
100 Salaries	8,006,719	8,001,274	7,879,295	121,979
200 Employee Benefits	3,562,043	3,631,306	3,499,958	131,348
300 Purchased Services	360,156	360,098	276,688	83,410
400 Supplies and Materials	284,587	326,195	273,497	52,698
600 Other Objects	300	550	550	-
143 Advanced Placement:				
100 Salaries	45,555	351,162	349,520	1,642
200 Employee Benefits	14,446	112,849	112,717	132
300 Purchased Services	460,738	238,188	8,947	229,241
400 Supplies and Materials	95,283	87,299	66,813	20,486
600 Other Objects	-	80	80	-
145 Homebound:				
100 Salaries	721,282	721,282	569,155	152,127
200 Employee Benefits	228,718	233,798	182,762	51,036
300 Purchased Services	150,000	150,000	-	150,000
148 Gifted and Talented- Artistic:				
300 Purchased Services	-	16,000	15,969	31
400 Supplies and Materials	-	32,636	32,602	34
500 Capital Outlay	-	5,850	5,804	46

HORRY COUNTY SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2023

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
EXPENDITURES (CONTINUED)				
100 INSTRUCTION (CONTINUED)				
140 Special Programs:				
149 Other Special Programs:				
100 Salaries	\$ 13,213,574	\$ 13,562,392	\$ 13,561,373	\$ 1,019
140 Terminal Leave	-	-	185	(185)
200 Employee Benefits	5,938,594	6,132,780	6,132,715	65
300 Purchased Services	346,758	276,584	207,371	69,213
400 Supplies and Materials	575,882	301,361	285,777	15,584
600 Other Objects	500	500	-	500
160 Other Exceptional Programs:				
161 Autism:				
100 Salaries	2,018,731	1,941,004	1,713,379	227,625
200 Employee Benefits	1,101,622	1,094,286	910,572	183,714
300 Purchased Services	-	24,950	24,923	27
400 Supplies and Materials	13,952	13,952	10,273	3,679
170 Summer School Programs:				
171 Primary Summer School:				
100 Salaries	-	15,000	14,595	405
200 Employee Benefits	-	5,168	5,010	158
172 Elementary Summer School:				
100 Salaries	499,895	336,212	-	336,212
200 Employee Benefits	158,515	115,764	7,807	107,957
400 Supplies and Materials	150,000	-	-	-
173 High School Summer School:				
100 Salaries	56,944	50,751	9,887	40,864
200 Employee Benefits	18,056	17,128	4,088	13,040
400 Supplies and Materials	5,000	3,455	-	3,455
174 Gifted and Talented Summer School:				
100 Salaries	-	56,726	56,726	-
200 Employee Benefits	-	18,220	18,217	3
300 Purchased Services	98,907	23,830	23,830	-
400 Supplies and Materials	66,080	11,429	10,598	831
175 Instructional Programs Beyond Regular School Day:				
100 Salaries	424,801	423,306	402,002	21,304
200 Employee Benefits	134,699	140,733	133,148	7,585
400 Supplies and Materials	70,000	-	-	-
180 Adult/Continuing Education Programs:				
181 Adult Basic Education Programs:				
100 Salaries	321,798	394,798	394,488	310
200 Employee Benefits	155,767	192,482	191,610	872
300 Purchased Services	11,600	13,341	11,758	1,583
400 Supplies and Materials	3,400	7,211	7,210	1
182 Adult Secondary Education Programs:				
100 Salaries	190,982	187,291	181,666	5,625
200 Employee Benefits	76,193	76,987	72,377	4,610
300 Purchased Services	2,500	8,188	8,187	1
400 Supplies and Materials	10,000	10,837	10,836	1
183 Adult Secondary Education Programs:				
100 Salaries	4,242	1,092	160	932
200 Employee Benefits	1,346	2,307	2,208	99
400 Supplies and Materials	1,500	376	376	-
188 Parenting/Family Literacy:				
100 Salaries	104,466	148,725	127,655	21,070
200 Employee Benefits	38,555	59,791	56,970	2,821
300 Purchased Services	-	3,443	567	2,876
400 Supplies and Materials	-	9,225	9,203	22
600 Other Objects	-	202	130	72

HORRY COUNTY SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2023

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
EXPENDITURES (CONTINUED)				
100 INSTRUCTION (CONTINUED)				
190 Instructional Pupil Activity:				
100 Salaries	\$ 157,830	\$ 159,349	\$ 146,113	\$ 13,236
200 Employee Benefits	63,919	65,699	61,225	4,474
300 Purchased Services	2,562	1,812	-	1,812
400 Supplies and Materials	49,315	55,327	50,297	5,030
Total Current Expenditures	<u>322,237,794</u>	<u>330,306,368</u>	<u>318,968,207</u>	<u>11,338,161</u>
Total Capital Outlay	<u>37,971</u>	<u>82,020</u>	<u>79,791</u>	<u>2,229</u>
TOTAL INSTRUCTION	<u>322,275,765</u>	<u>330,388,388</u>	<u>319,047,998</u>	<u>11,340,390</u>
200 SUPPORT SERVICES				
210 Pupil Services:				
211 Attendance and Social Work Services:				
100 Salaries	2,943,972	2,985,641	2,984,970	671
200 Employee Benefits	1,380,338	1,405,714	1,404,441	1,273
300 Purchased Services	28,520	80,614	80,567	47
400 Supplies and Materials	32,538	27,538	26,935	603
500 Capital Outlay	6,500	2,865	2,864	1
600 Other Objects	-	1,000	1,000	-
212 Guidance Services:				
100 Salaries	9,250,671	9,250,671	8,958,025	292,646
140 Terminal Leave	-	-	103	(103)
200 Employee Benefits	4,003,985	4,092,930	4,004,172	88,758
300 Purchased Services	66,148	67,168	4,493	62,675
400 Supplies and Materials	37,320	36,990	36,569	421
600 Other Objects	206	221	216	5
213 Health Services:				
100 Salaries	3,366,398	3,366,398	3,123,157	243,241
140 Terminal Leave	-	-	1,140	(1,140)
200 Employee Benefits	1,755,834	1,794,212	1,497,218	296,994
300 Purchased Services	224,925	225,012	188,259	36,753
400 Supplies and Materials	186,159	189,916	167,223	22,693
600 Other Objects	246	246	-	246
214 Psychological Services:				
100 Salaries	2,299,742	2,299,742	2,199,178	100,564
200 Employee Benefits	1,014,355	1,035,210	987,797	47,413
300 Purchased Services	7,000	226,013	225,604	409
400 Supplies and Materials	55,050	83,050	82,834	216
215 Exceptional Program Services:				
100 Salaries	65,000	75,500	75,425	75
200 Employee Benefits	29,163	33,338	33,267	71
300 Purchased Services	1,000	41,000	21,406	19,594
600 Other Objects	15,000	15,000	13,811	1,189
210 Pupil Services:				
216 Career and Technical Education Placement Services:				
300 Purchased Services	-	300	300	-
217 Career Specialist Services:				
100 Salaries	330	430	416	14
200 Employee Benefits	103	1,540	1,533	7
300 Purchased Services	10,000	-	-	-
220 Instructional Staff Services:				
221 Improvement of Instruction - Curriculum Development:				
100 Salaries	4,650,189	5,341,171	5,331,148	10,023
140 Terminal Leave	-	-	9,247	(9,247)
200 Employee Benefits	1,881,914	2,248,892	2,228,783	20,109
300 Purchased Services	246,231	145,033	65,318	79,715
400 Supplies and Materials	158,354	126,672	83,178	43,494
500 Capital Outlay	5,000	11,000	10,355	645
600 Other Objects	450	500	464	36

HORRY COUNTY SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2023

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
EXPENDITURES (CONTINUED)				
200 SUPPORT SERVICES (CONTINUED)				
220 Instructional Staff Services (Continued):				
222 Library and Media Services:				
100 Salaries	\$ 4,860,185	\$ 4,950,469	\$ 4,949,236	\$ 1,233
140 Terminal Leave	-	-	1,200	(1,200)
200 Employee Benefits	2,366,139	2,438,904	2,380,948	57,956
300 Purchased Services	80,202	80,031	4,533	75,498
400 Supplies and Materials	649,072	619,092	581,779	37,313
500 Capital Outlay	-	1,500	1,274	226
600 Other Objects	50	1,450	1,441	9
223 Supervision of Special Programs:				
100 Salaries	1,313,312	1,387,752	1,378,758	8,994
140 Terminal Leave	-	-	8,320	(8,320)
200 Employee Benefits	551,184	582,287	582,107	180
300 Purchased Services	33,000	46,611	29,930	16,681
400 Supplies and Materials	38,443	40,443	37,689	2,754
600 Other Objects	1,600	1,000	-	1,000
224 Improvement of Instruction - In-service and Staff Training:				
100 Salaries	906,935	1,580,524	1,441,918	138,606
200 Employee Benefits	350,472	574,616	525,296	49,320
300 Purchased Services	811,791	1,153,656	970,144	183,512
400 Supplies and Materials	2,511,804	601,899	214,407	387,492
500 Capital Outlay	20,400	24,542	11,003	13,539
600 Other Objects	17,106	31,586	25,996	5,590
230 General Administration Services:				
231 Board of Education:				
100 Salaries	228,018	228,018	219,358	8,660
200 Employee Benefits	72,307	74,257	70,916	3,341
300 Purchased Services	230,400	255,400	562,532	(307,132)
318 Audit Services	-	-	50,000	(50,000)
400 Supplies and Materials	34,410	9,410	9,400	10
600 Other Objects	48,500	48,500	48,450	50
232 Office of the Superintendent:				
100 Salaries	568,025	590,025	589,571	454
200 Employee Benefits	240,461	250,201	250,071	130
300 Purchased Services	30,250	23,964	15,888	8,076
400 Supplies and Materials	30,000	116,082	22,610	93,472
600 Other Objects	18,902	18,902	14,020	4,882
233 School Administration:				
100 Salaries	21,419,976	23,278,085	23,033,345	244,740
140 Terminal Leave	-	-	205,197	(205,197)
200 Employee Benefits	9,379,017	9,988,577	9,978,184	10,393
300 Purchased Services	104,697	114,108	114,048	60
400 Supplies and Materials	230,584	240,678	240,398	280
500 Capital Outlay	2,617	12,374	12,343	31
600 Other Objects	24,853	53,403	49,238	4,165
250 Finance and Operations Services:				
251 Student Transportation (Federal/District Mandated):				
100 Salaries	-	3,195	3,193	2
200 Employee Benefits	-	16,448	16,424	24
300 Purchased Services	6,000	4,715	529	4,186
252 Fiscal Services:				
100 Salaries	1,800,308	1,844,352	1,812,739	31,613
140 Terminal Leave	-	-	11,288	(11,288)
200 Employee Benefits	780,147	809,435	791,100	18,335
300 Purchased Services	139,751	163,322	162,929	393
400 Supplies and Materials	36,850	49,421	47,988	1,433
500 Capital Outlay	-	1,269	1,269	-
600 Other Objects	9,060	9,915	7,730	2,185
253 Facilities Acquisition and Construction:				
200 Employee Benefits	-	6,735	6,733	2
500 Capital Outlay	-	1,624,591	129,214	1,495,377
525 Buildings	-	-	-	-
600 Other Objects	-	2,701	-	2,701

HORRY COUNTY SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2023

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
EXPENDITURES (CONTINUED)				
200 SUPPORT SERVICES (CONTINUED)				
250 Finance and Operations Services:				
254 Operation and Maintenance of Plant:				
100 Salaries	\$ 14,432,993	\$ 15,218,272	\$ 15,171,220	\$ 47,052
140 Terminal Leave	-	-	45,638	(45,638)
200 Employee Benefits	7,371,673	7,508,716	7,241,510	267,206
300 Purchased Services	9,763,908	11,162,405	7,817,816	3,344,589
321 Public Utility Services	-	-	1,925,871	(1,925,871)
400 Supplies and Materials	16,606,555	16,531,489	5,825,123	10,706,366
470 Energy	-	-	10,617,416	(10,617,416)
500 Capital Outlay	812,160	2,347,025	1,014,689	1,332,336
600 Other Objects	1,154,930	1,155,330	1,048,464	106,866
255 Student Transportation (State Mandated):				
100 Salaries	14,220,783	14,389,439	14,374,685	14,754
140 Terminal Leave	-	-	9,417	(9,417)
200 Employee Benefits	7,756,941	7,741,000	6,738,317	1,002,683
300 Purchased Services	739,415	625,854	463,770	162,084
400 Supplies and Materials	315,480	445,480	441,352	4,128
500 Capital Outlay	379,400	349,400	170,196	179,204
256 Food Services:				
100 Salaries	155	32,971	32,797	174
200 Employee Benefits	12	85,808	85,392	416
300 Purchased Services	6,000	7,381	7,381	-
257 Internal Services:				
100 Salaries	612,336	618,358	617,557	801
140 Terminal Leave	-	-	452	(452)
200 Employee Benefits	252,996	259,695	259,629	66
300 Purchased Services	66,700	146,857	50,437	96,420
318 Audit Services	-	-	6,500	(6,500)
400 Supplies and Materials	86,035	87,360	78,950	8,410
600 Other Objects	2,800	2,800	1,200	1,600
258 Security:				
100 Salaries	275,276	305,276	304,358	918
200 Employee Benefits	101,156	115,425	115,389	36
300 Purchased Services	3,922,990	3,876,008	3,150,292	725,716
400 Supplies and Materials	30,474	73,363	51,803	21,560
500 Capital Outlay	30,000	241,980	88,700	153,280
600 Other Objects	-	200	200	-
260 Central Support Services:				
262 Planning:				
100 Salaries	410,831	432,331	424,697	7,634
140 Terminal Leave	-	-	7,166	(7,166)
200 Employee Benefits	172,516	177,397	175,434	1,963
300 Purchased Services	367,500	364,646	196,724	167,922
400 Supplies and Materials	26,026	279,725	275,826	3,899
600 Other Objects	70,000	65,100	65,100	-
263 Information Services:				
100 Salaries	621,647	620,547	618,417	2,130
200 Employee Benefits	263,956	270,551	265,053	5,498
300 Purchased Services	85,581	90,609	13,587	77,022
400 Supplies and Materials	213,150	213,150	207,796	5,354
500 Capital Outlay	5,000	5,000	2,174	2,826
600 Other Objects	1,800	3,853	3,853	-
264 Staff Services:				
100 Salaries	1,966,885	9,213,031	1,788,989	7,424,042
140 Terminal Leave	-	-	11,028	(11,028)
200 Employee Benefits	4,945,290	7,670,085	994,838	6,675,247
300 Purchased Services	430,375	480,737	324,085	156,652
400 Supplies and Materials	154,693	163,131	129,356	33,775
500 Capital Outlay	27,500	27,500	6,753	20,747
600 Other Objects	10,300	10,300	1,350	8,950

HORRY COUNTY SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2023

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
EXPENDITURES (CONTINUED)				
200 SUPPORT SERVICES (CONTINUED)				
260 Central Support Services:				
266 Technology and Data Processing Services:				
100 Salaries	\$ 4,214,164	\$ 4,113,693	\$ 3,413,121	\$ 700,572
140 Terminal Leave	-	-	239	(239)
200 Employee Benefits	1,952,302	1,946,103	1,570,120	375,983
300 Purchased Services	1,094,433	1,412,550	1,410,549	2,001
400 Supplies and Materials	58,542	668,931	656,709	12,222
500 Capital Outlay	2,040,000	1,423,595	1,011,265	412,330
600 Other Objects	3,000	3,000	-	3,000
270 Support Services Pupil Activity:				
271 Pupil Services Activities:				
100 Salaries	4,864,576	4,863,527	4,468,091	395,436
200 Employee Benefits	1,763,409	1,807,686	1,584,827	222,859
300 Purchased Services	1,794,991	1,675,363	1,330,515	344,848
400 Supplies and Materials	247,348	302,340	302,301	39
500 Capital Outlay	50,000	76,146	55,968	20,178
600 Other Objects	144,599	314,906	312,922	1,984
Total Expenditures, Excluding Capital Outlay	187,232,474	205,040,610	182,341,407	22,699,203
Total Capital Outlay	3,378,577	6,148,787	2,518,067	3,630,720
TOTAL SUPPORT SERVICES	<u>190,611,051</u>	<u>211,189,397</u>	<u>184,859,474</u>	<u>26,329,923</u>
300 COMMUNITY SERVICES				
350 Custody and Care of Children:				
100 Salaries	22,796	26,165	25,679	486
200 Employee Benefits	12,703	21,506	21,461	45
Total Expenditures, Excluding Capital Outlay	35,499	47,671	47,140	531
Total Capital Outlay	-	-	-	-
TOTAL COMMUNITY SERVICES	<u>35,499</u>	<u>47,671</u>	<u>47,140</u>	<u>531</u>
410 INTERGOVERNMENTAL EXPENDITURES				
412 Payments to Other Governmental Units	249,000	249,000	118,110	130,890
414 Medicaid Payments to SCDE	843,166	843,166	467,197	375,969
416 LEA Payments to Public Charter Schools	7,860,525	7,766,921	7,335,700	431,221
TOTAL INTERGOVERNMENTAL EXPENDITURES	<u>8,952,691</u>	<u>8,859,087</u>	<u>7,921,007</u>	<u>938,080</u>
TOTAL EXPENDITURES	<u>521,875,006</u>	<u>550,484,543</u>	<u>511,875,619</u>	<u>38,608,924</u>
OTHER FINANCING SOURCES (USES):				
5300 Sale of Capital Assets	60,036	60,036	36,226	(23,810)
Interfund Transfers, From (To) Other Funds:				
5220 Transfer from Special Revenue Fund	-	-	6,809	6,809
5230 Transfer from Special Revenue EIA Fund	27,357,412	27,357,412	26,624,793	(732,619)
5270 Transfer from Pupil Activity	-	100	-	(100)
5280 Transfer from Other Funds Indirect Cost	4,259,770	4,259,770	6,416,050	2,156,280
421-710 Transfer to Special Revenue Fund	(128,250)	(128,250)	(216,749)	(88,499)
424-710 Transfer to Capital Projects	-	(6,142,993)	(13,013,619)	(6,870,626)
425-710 Transfer to Food Service	(580,383)	(580,383)	(301,101)	279,282
426-710 Transfer to Pupil Activity	-	(90,000)	-	90,000
TOTAL OTHER FINANCING SOURCES	<u>30,968,585</u>	<u>24,735,692</u>	<u>19,552,409</u>	<u>(5,183,283)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ (6,976,175)</u>	<u>\$ (41,743,476)</u>	<u>14,603,649</u>	<u>\$ 56,347,125</u>
FUND BALANCE, JULY 1, 2022			<u>150,937,705</u>	
FUND BALANCE, JUNE 30, 2023			<u>\$ 165,541,354</u>	

SPECIAL REVENUE FUND – SPECIAL PROJECTS

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

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

Purpose of Special Revenue Subfunds:

Title I. Title I funds are used for programs to benefit the educationally disadvantaged. Guidelines are set by the Federal Government.

IDEA and Preschool Handicapped. IDEA and Preschool Handicapped funds are provided for the purpose of educating the handicapped. Guidelines are set by the Federal Government.

Occupational Education. The purpose of these funds is to provide vocational education. Guidelines are set by the Federal Government.

Adult Education. The purpose of these funds is to assist districts in establishing, operating or improving local programs over adult education. Guidelines are set by the Federal Government.

Other State Restricted Grants. The purpose of these funds varies. Guidelines are set by the South Carolina General Assembly.

Other Special Revenue Programs. The purpose of these funds varies. Guidelines are set by the grantor/donors.

Student Activities Fund. The purpose of these funds is to account for monies from various student activities and organizations.

HORRY COUNTY SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
SPECIAL REVENUE FUND - SPECIAL PROJECTS FUND
YEAR ENDED JUNE 30, 2023

	Title I	IDEA	Preschool Handicapped	CATE	Adult Education	Student Activity Funds	Other Restricted State Grants	*Other Special Revenue Programs	Total
REVENUES:									
1000 Revenue from Local Sources:									
1500 Earnings on Investments:									
1510 Interest on Investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 99,239	\$ -	\$ 17,890	\$ 117,129
1700 Pupil Activities:									
1710 Admissions	-	-	-	-	-	1,377,198	-	-	1,377,198
1720 Bookstore Sales	-	-	-	-	-	27,137	-	-	27,137
1730 Pupil Organization Membership Dues and Fees	-	-	-	-	-	76,849	-	-	76,849
1740 Student Fees	-	-	-	-	-	-	-	2,105,224	2,105,224
1790 Other Pupil Activity Income	-	-	-	-	-	5,884,629	-	-	5,884,629
1900 Other Revenue from Local Sources:									
1910 Rentals	-	-	-	-	-	77,555	-	20,565	98,120
1920 Contributions and Donations Private Sources	-	-	-	-	-	753,518	-	176,113	929,631
1950 Refund of Prior Year's Expenditures	-	-	-	-	-	3,851	-	2,492	6,343
1999 Revenue from Other Local Sources	-	-	-	-	-	345,734	-	3,004,847	3,350,581
Total Local Sources	-	-	-	-	-	8,645,710	-	5,327,131	13,972,841
2000 Revenue from Intergovernmental Sources:									
2100 Payments from Other Governmental Units	-	-	-	-	-	-	-	677	677
Total Intergovernmental Sources	-	-	-	-	-	-	-	677	677
3000 Revenue from State Sources:									
3100 Restricted Grants:									
3110 Occupational Education:									
3118 EEDA Career Specialist	-	-	-	-	-	-	1,343,861	-	1,343,861
3120 General Education:									
3127 Student Health and Fitness	-	-	-	-	-	-	322,225	-	322,225
3130 Special Programs:									
3136 Student Health and Fitness - Nurses	-	-	-	-	-	-	1,217,664	-	1,217,664
3156 Adult Education:	-	-	-	-	-	-	9,159	-	9,159
3187 Teacher Supplies (No Carryover Provision)	-	-	-	-	-	-	93,300	-	93,300
3190 Miscellaneous Restricted State Grants:									
3193 Education License Plates	-	-	-	-	-	-	4,657	-	4,657
3199 Other State Restricted Grants	-	-	-	-	-	-	-	1,505	1,505
3600 Education Lottery Act Revenue:									
3699 Other State Lottery Programs	-	-	-	-	-	-	1,200	-	1,200
3900 Other State Revenue:									
3994 OPEB Nonemployer Contributions	-	-	-	-	-	-	77,174	-	77,174
3999 Revenue from Other State Sources	-	-	-	-	-	-	496,682	97,076	593,758
Total State Sources	-	-	-	-	-	-	3,565,922	98,581	3,664,503

HORRY COUNTY SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
SPECIAL REVENUE FUND - SPECIAL PROJECTS FUND
YEAR ENDED JUNE 30, 2023

	Title I	IDEA	Preschool Handicapped	CATE	Adult Education	Student Activity Funds	Other Restricted State Grants	*Other Special Revenue Programs	Total
REVENUES (CONTINUED):									
4000 Revenue from Federal Sources:									
4200 Occupational Education:									
4210 Perkins Aid, Title I	\$ -	\$ -	\$ -	\$ 772,050	\$ -	\$ -	\$ -	\$ -	\$ 772,050
4300 Elementary and Secondary Education Act:									
4310 Title I	16,971,165	-	-	-	-	-	-	776,937	17,748,102
4341 Language Instruction for Limited English Proficient and Immigrant Students	-	-	-	-	-	-	-	327,810	327,810
4351 Improving Teacher Quality	-	-	-	-	-	-	-	2,333,703	2,333,703
4400 Adult Education:									
4410 Basic	-	-	-	-	560,030	-	-	-	560,030
4430 State Literacy Resource	-	-	-	-	37,272	-	-	-	37,272
4500 Programs for Children with Disabilities:									
4510 IDEA	-	8,765,192	-	-	-	-	-	69,577	8,834,769
4520 Preschool	-	-	389,260	-	-	-	-	-	389,260
4900 Other Federal Sources:									
4974 ESSER III	-	-	-	-	-	-	-	54,388,765	54,388,765
4975 CARES Act	-	-	-	-	-	-	-	486	486
4977 ESSER II	-	-	-	-	-	-	-	15,367,700	15,367,700
4997 Title IV - SSAE	-	-	-	-	-	-	-	1,866,113	1,866,113
4999 Revenue from Other Federal Sources	-	-	-	-	-	-	-	203,269	203,269
Total Federal Sources	16,971,165	8,765,192	389,260	772,050	597,302	-	-	75,334,360	102,829,329
TOTAL REVENUE ALL SOURCES	16,971,165	8,765,192	389,260	772,050	597,302	8,645,710	3,565,922	80,760,749	120,467,350
EXPENDITURES:									
100 INSTRUCTION:									
110 General Instruction:									
111 Kindergarten Programs:									
100 Salaries	115,028	-	-	-	-	600	8,575	44,551	168,754
200 Employee Benefits	36,188	-	-	-	-	115	2,719	14,077	53,099
300 Purchased Services									
400 Supplies and Materials	29,910	-	-	-	-	-	-	42,893	72,803
500 Capital Outlay	-	-	-	-	-	-	-	110,735	110,735
112 Primary Programs:									
100 Salaries	1,985,141	-	-	-	-	190	205,795	245,753	2,436,879
200 Employee Benefits	747,623	-	-	-	-	38	65,258	105,725	918,644
300 Purchased Services	64,213	-	-	-	-	-	-	760	64,973
400 Supplies and Materials	794,134	-	-	-	-	-	-	437,305	1,231,439
500 Capital Outlay	34,155	-	-	-	-	-	-	30,572	64,727
113 Elementary Programs:									
100 Salaries	1,577,226	-	-	-	-	10,000	25,724	3,642,032	5,254,982
200 Employee Benefits	710,273	-	-	-	-	2,235	8,157	1,471,988	2,192,653
300 Purchased Services	32,813	-	-	-	-	-	-	25,788	58,601
400 Supplies and Materials	562,927	-	-	-	-	-	-	7,668,404	8,231,331
500 Capital Outlay	20,470	-	-	-	-	-	4,657	2,912,279	2,937,406
600 Other Objects	-	-	-	-	-	-	-	115	115

HORRY COUNTY SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
SPECIAL REVENUE FUND - SPECIAL PROJECTS FUND
YEAR ENDED JUNE 30, 2023

	Title I	IDEA	Preschool Handicapped	CATE	Adult Education	Student Activity Funds	Other Restricted State Grants	*Other Special Revenue Programs	Total
EXPENDITURES (CONTINUED):									
100 INSTRUCTION (CONTINUED):									
110 General Instruction (Continued):									
114 High School Programs:									
100 Salaries	\$ 209,235	\$ -	\$ -	\$ -	\$ -	\$ 41,851	\$ -	\$ 1,676,164	\$ 1,927,250
200 Employee Benefits	91,798	-	-	-	-	9,408	-	633,073	734,279
300 Purchased Services	19,675	-	-	-	-	-	-	640	20,315
400 Supplies and Materials	192,512	-	-	-	-	843	54,900	273,687	521,942
500 Capital Outlay	28,688	-	-	-	-	-	-	663,745	692,433
600 Other Objects	-	-	-	-	-	-	-	5,129	5,129
115 Vocational Programs:									
100 Salaries	-	-	-	-	-	-	-	209,750	209,750
200 Employee Benefits	-	-	-	-	-	-	-	81,373	81,373
400 Supplies and Materials	-	-	-	151,681	-	-	-	27,347	179,028
500 Capital Outlay	-	-	-	55,634	-	-	-	3,740	59,374
600 Other Objects	-	-	-	-	-	-	-	7,975	7,975
120 Exceptional Programs:									
122 Trainable Mentally Handicapped:									
100 Salaries	-	652,253	-	-	-	-	-	-	652,253
200 Employee Benefits	-	306,623	-	-	-	-	-	-	306,623
300 Purchased Services	-	-	-	-	-	-	-	1,505	1,505
123 Orthopedically Handicapped:									
400 Supplies and Materials	-	35,203	-	-	-	-	-	-	35,203
124 Visually Handicapped:									
100 Salaries	-	219,258	-	-	-	-	-	-	219,258
200 Employee Benefits	-	83,274	-	-	-	-	-	-	83,274
400 Supplies and Materials	-	-	-	-	-	-	900	-	900
125 Hearing Handicapped:									
100 Salaries	-	412,435	-	-	-	-	-	-	412,435
200 Employee Benefits	-	194,470	-	-	-	-	-	-	194,470
400 Supplies and Materials	-	4,978	-	-	-	-	1,500	-	6,478
126 Speech Handicapped:									
100 Salaries	-	364,803	-	-	-	-	-	2,413	367,216
200 Employee Benefits	-	161,480	-	-	-	-	-	754	162,234
400 Supplies and Materials	-	-	-	-	-	-	5,100	-	5,100
EXPENDITURES (CONTINUED):									
100 INSTRUCTION (CONTINUED):									
120 Exceptional Programs (Continued):									
127 Learning Disabilities:									
100 Salaries	100,186	2,082,127	-	-	-	330	-	93,677	2,276,320
200 Employee Benefits	37,296	1,002,040	-	-	-	78	-	38,471	1,077,885
300 Purchased Services	-	-	-	-	-	-	-	14,911	14,911
400 Supplies and Materials	-	6,263	-	-	-	-	-	187,992	194,255
500 Capital Outlay	-	-	-	-	-	-	-	4,302	4,302
600 Other Objects	-	-	-	-	-	-	-	4,524	4,524
128 Emotionally Handicapped:									
100 Salaries	-	51,052	-	-	-	-	-	-	51,052
200 Employee Benefits	-	43,235	-	-	-	-	-	-	43,235

HORRY COUNTY SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
SPECIAL REVENUE FUND - SPECIAL PROJECTS FUND
YEAR ENDED JUNE 30, 2023

	Title I	IDEA	Preschool Handicapped	CATE	Adult Education	Student Activity Funds	Other Restricted State Grants	*Other Special Revenue Programs	Total
EXPENDITURES (CONTINUED):									
100 INSTRUCTION (CONTINUED):									
130 Preschool Handicapped Programs:									
137 Preschool Handicapped Self-Contained (3 & 4 Year Olds):									
100 Salaries	\$ -	\$ 253,069	\$ 255,678	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 508,747
200 Employee Benefits	-	100,241	123,090	-	-	-	-	-	223,331
400 Supplies and Materials	-	-	-	-	-	-	1,800	-	1,800
139 Early Childhood Programs:									
100 Salaries	3,894,478	-	-	-	-	-	-	-	3,894,478
200 Employee Benefits	1,751,161	-	-	-	-	-	-	-	1,751,161
400 Supplies and Materials	-	-	-	-	-	-	-	267	267
140 Special Programs:									
141 Gifted and Talented Academic:									
100 Salaries	-	-	-	-	-	-	-	72,072	72,072
200 Employee Benefits	-	-	-	-	-	-	-	31,003	31,003
149 Other Special Programs:									
100 Salaries	243,241	43,145	-	-	-	-	-	339,800	626,186
200 Employee Benefits	93,068	13,573	-	-	-	-	-	156,359	263,000
300 Purchased Services	-	-	-	-	-	-	-	95,950	95,950
400 Supplies and Materials	-	-	-	-	-	-	29,100	376,114	405,214
160 Other Exceptional Programs:									
161 Autism:									
100 Salaries	-	234,616	-	-	-	-	-	160	234,776
200 Employee Benefits	-	131,949	-	-	-	-	-	52	132,001
170 Summer School Programs:									
171 Primary Summer School:									
100 Salaries	-	-	-	-	-	-	-	37,619	37,619
200 Employee Benefits	-	-	-	-	-	-	-	11,993	11,993
172 Elementary Summer School:									
100 Salaries	-	-	-	-	-	-	-	878,842	878,842
200 Employee Benefits	-	-	-	-	-	-	-	279,496	279,496
400 Supplies and Materials	-	-	-	-	-	-	-	2,016	2,016
173 High School Summer School:									
100 Salaries	-	-	-	-	-	-	-	97,589	97,589
200 Employee Benefits	-	-	-	-	-	-	-	31,012	31,012
300 Purchased Services	-	-	-	-	-	-	-	938	938
175 Instructional Programs Beyond Regular School Day:									
100 Salaries	76,622	-	-	-	-	-	-	393,813	470,435
200 Employee Benefits	23,891	-	-	-	-	-	-	122,553	146,444
400 Supplies and Materials	-	-	-	-	-	-	-	2,097	2,097

HORRY COUNTY SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
SPECIAL REVENUE FUND - SPECIAL PROJECTS FUND
YEAR ENDED JUNE 30, 2023

	Title I	IDEA	Preschool Handicapped	CATE	Adult Education	Student Activity Funds	Other Restricted State Grants	*Other Special Revenue Programs	Total
EXPENDITURES (CONTINUED):									
100 INSTRUCTION (CONTINUED):									
180 Adult/Continuing Educational Programs:									
181 Adult Basic:									
100 Salaries	\$ -	\$ -	\$ -	\$ -	\$ 206,677	\$ -	\$ -	\$ -	\$ 206,677
200 Employee Benefits	-	-	-	-	62,666	-	-	-	62,666
400 Supplies and Materials	-	-	-	-	4,747	-	49	-	4,796
500 Capital Outlay	-	-	-	-	-	-	-	153,883	153,883
182 Adult Basic:									
300 Purchased Services	-	-	-	-	-	-	3,975	-	3,975
400 Supplies and Materials	-	-	-	-	-	-	135	-	135
183 Adult ESL:									
100 Salaries	-	-	-	-	242,746	-	-	-	242,746
200 Employee Benefits	-	-	-	-	62,587	-	-	-	62,587
400 Supplies and Materials	-	-	-	-	1,779	-	-	-	1,779
188 Parenting/Family Literacy:									
100 Salaries	586,353	-	-	-	-	-	-	1,205	587,558
200 Employee Benefits	337,319	-	-	-	-	-	-	379	337,698
300 Purchased Services	10,521	-	-	-	-	-	-	-	10,521
400 Supplies and Materials	107,395	-	-	-	-	-	-	13,437	120,832
500 Capital Outlay	4,510	-	-	-	-	-	-	-	4,510
600 Other Objects	650	-	-	-	-	-	-	-	650
190 Pupil Activity:									
500 Capital Outlay	-	-	-	-	-	-	-	4,245	4,245
Total Expenditures, Excluding Capital Outlay	14,430,877	6,396,087	378,768	151,681	581,202	65,688	413,687	19,903,542	42,321,532
Total Capital Outlay	87,823	-	-	55,634	-	-	4,657	3,883,501	4,031,615
TOTAL INSTRUCTION	14,518,700	6,396,087	378,768	207,315	581,202	65,688	418,344	23,787,043	46,353,147
200 SUPPORTING SERVICES:									
210 Pupil Services:									
211 Attendance and Social Work Services:									
100 Salaries	-	-	-	-	-	-	-	56,764	56,764
200 Employee Benefits	-	-	-	-	-	-	-	26,547	26,547
212 Guidance:									
100 Salaries	50,820	-	-	-	-	-	955,588	-	1,006,408
200 Employee Benefits	18,723	-	-	-	-	-	388,272	-	406,995
213 Health:									
100 Salaries	-	-	-	-	-	-	815,126	379,928	1,195,054
200 Employee Benefits	-	-	-	-	-	-	357,439	104,400	461,839
400 Supplies and Materials	-	-	-	-	-	-	-	84,845	84,845
214 Psychological:									
100 Salaries	-	148,317	-	-	-	-	-	-	148,317
200 Employee Benefits	-	65,556	-	-	-	-	-	-	65,556
215 Exceptional Program Services:									
100 Salaries	-	22,949	-	-	-	-	-	-	22,949
200 Employee Benefits	-	21,072	-	-	-	-	-	-	21,072

HORRY COUNTY SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
SPECIAL REVENUE FUND - SPECIAL PROJECTS FUND
YEAR ENDED JUNE 30, 2023

	Title I	IDEA	Preschool Handicapped	CATE	Adult Education	Student Activity Funds	Other Restricted State Grants	*Other Special Revenue Programs	Total
EXPENDITURES (CONTINUED):									
200 SUPPORTING SERVICES (CONTINUED) :									
210 Pupil Services (Continued):									
217 Career Specialist Services:									
100 Salaries	\$ 63,810	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 93,676	\$ 157,486
200 Employee Benefits	25,530	-	-	-	-	-	-	48,276	73,806
220 Instructional Staff Services:									
221 Improvement of Instruction:									
100 Salaries	63,095	918,790	-	-	-	-	-	258,861	1,240,746
200 Employee Benefits	25,307	384,419	-	-	-	-	-	125,189	534,915
222 Library and Media:									
100 Salaries	-	-	-	-	-	180	-	-	180
200 Employee Benefits	-	-	-	-	-	57	-	-	57
223 Supervision of Special Programs:									
100 Salaries	382,721	279,057	-	144,931	-	-	320,539	106,729	1,233,977
140 Terminal Leave	-	3,642	-	-	-	-	3,124	-	6,766
200 Employee Benefits	156,571	132,123	-	67,236	-	-	156,582	35,118	547,630
300 Purchased Services	9,355	-	-	7,364	-	-	6,200	-	22,919
400 Supplies and Materials	22,088	-	-	-	-	-	-	-	22,088
224 Improvement of Instruction - In-Service and Staff Training:									
100 Salaries	105,300	-	-	49,120	-	80	-	484,006	638,506
200 Employee Benefits	33,077	-	-	15,378	-	25	-	170,638	219,118
300 Purchased Services	211,621	-	-	52,739	-	2,259	-	1,979,110	2,245,729
400 Supplies and Materials	218	-	-	-	-	-	-	31,961	32,179
500 Capital Outlay	-	-	-	-	-	-	-	297,080	297,080
230 General Administration Services:									
233 School Administration:									
100 Salaries	-	-	-	-	-	-	-	57,511	57,511
200 Employee Benefits	-	-	-	-	-	-	-	18,037	18,037
300 Purchased Services	-	-	-	-	-	6,865	-	3,176	10,041
400 Supplies and Materials	-	-	-	-	-	128	-	2,249	2,377
600 Other Objects	-	-	-	-	-	136	-	48	184
250 Finance and Operations Services:									
251 Student Transportation:									
100 Salaries	20,214	-	-	-	-	-	-	1,716,498	1,736,712
200 Employee Benefits	6,305	-	-	-	-	-	-	217,649	223,954
300 Purchased Services	2,990	-	-	-	-	-	-	18,524	21,514
253 Facilities Acquisition and Construction:									
300 Purchased Services	-	-	-	-	-	-	-	80,450	80,450
400 Supplies and Materials	-	-	-	-	-	-	-	755	755
500 Capital Outlay	-	-	-	-	-	-	-	28,220,151	28,220,151

HORRY COUNTY SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
SPECIAL REVENUE FUND - SPECIAL PROJECTS FUND
YEAR ENDED JUNE 30, 2023

	Title I	IDEA	Preschool Handicapped	CATE	Adult Education	Student Activity Funds	Other Restricted State Grants	*Other Special Revenue Programs	Total
EXPENDITURES (CONTINUED):									
200 SUPPORTING SERVICES (CONTINUED):									
250 Finance and Operations Services (Continued):									
254 Operations and Maintenance of Plant:									
100 Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,551	\$ -	\$ 177,679	\$ 191,230
200 Employee Benefits	-	-	-	-	-	4,228	-	84,352	88,580
300 Purchased Services	-	-	-	-	-	-	-	9,480	9,480
400 Supplies and Materials	-	-	-	-	-	-	-	415,249	415,249
500 Capital Outlay	-	-	-	-	-	-	-	10,823,087	10,823,087
255 Student Transportation:									
100 Salaries	-	-	-	-	-	54,348	-	711	55,059
200 Employee Benefits	-	-	-	-	-	16,969	-	221	17,190
256 Food Services:									
100 Salaries	-	-	-	-	-	2,905	-	-	2,905
200 Employee Benefits	-	-	-	-	-	918	-	-	918
400 Supplies and Materials	-	-	-	-	-	-	-	20,516	20,516
258 Central Support Services:									
100 Salaries	-	-	-	-	-	29,672	-	-	29,672
200 Employee Benefits	-	-	-	-	-	8,887	-	-	8,887
300 Purchased Services	-	-	-	-	-	117,696	-	43,339	161,035
500 Capital Outlay	-	-	-	-	-	6,124	-	-	6,124
600 Other Objects	-	-	-	-	-	600	-	-	600
260 Central Support Services:									
264 Staff Services:									
100 Salaries	-	-	-	-	-	3,753	-	608,290	612,043
200 Employee Benefits	-	-	-	-	-	287	-	158,665	158,952
266 Technology and Data Processing Services:									
100 Salaries	74,903	-	-	-	-	-	-	52,277	127,180
200 Employee Benefits	36,824	-	-	-	-	-	-	16,551	53,375
500 Capital Outlay	-	-	-	-	-	-	-	23,599	23,599
270 Support Services - Pupil Activity:									
271 Pupil Service Activities:									
100 Salaries	-	-	-	-	-	226,873	-	326,907	553,780
200 Employee Benefits	-	-	-	-	-	69,527	-	99,847	169,374
300 Purchased Services	-	-	-	-	-	819,220	-	-	819,220
400 Supplies and Materials	-	-	-	-	-	3,083,548	-	309,167	3,392,715
500 Capital Outlay	-	-	-	-	-	120,799	-	310,233	431,032
600 Other Objects	35,862	-	-	189,526	-	4,017,074	-	123,329	4,365,791
273 Trust Activities:									
600 Other Objects	-	-	-	-	-	-	-	1,901	1,901
Total Expenditures, Excluding Capital Outlay	<u>1,345,334</u>	<u>1,975,925</u>	<u>-</u>	<u>526,294</u>	<u>-</u>	<u>8,479,786</u>	<u>3,002,870</u>	<u>8,549,426</u>	<u>23,879,635</u>
Total Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>126,923</u>	<u>-</u>	<u>39,674,150</u>	<u>39,801,073</u>
TOTAL SUPPORT SERVICES	<u>1,345,334</u>	<u>1,975,925</u>	<u>-</u>	<u>526,294</u>	<u>-</u>	<u>8,606,709</u>	<u>3,002,870</u>	<u>48,223,576</u>	<u>63,680,708</u>

HORRY COUNTY SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
SPECIAL REVENUE FUND - SPECIAL PROJECTS FUND
YEAR ENDED JUNE 30, 2023

	Title I	IDEA	Preschool Handicapped	CATE	Adult Education	Student Activity Funds	Other Restricted State Grants	*Other Special Revenue Programs	Total
EXPENDITURES (CONTINUED):									
300 COMMUNITY SERVICES:									
350 Custody and Care of Children:									
100 Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 872,824	\$ 872,824
200 Employee Benefits	-	-	-	-	-	-	-	269,855	269,855
300 Purchased Services	-	-	-	-	-	-	-	2,343	2,343
400 Supplies and Materials	-	-	-	-	-	-	-	30,243	30,243
600 Other Objects	-	-	-	-	-	-	-	3,181	3,181
360 Custody and Care of Children:									
400 Supplies and Materials	2,736	-	-	-	-	-	-	-	2,736
370 Non Public School Services:									
300 Purchased Services	415,577	-	-	-	-	-	-	25,954	441,531
400 Supplies and Materials	37,365	-	-	-	-	-	-	67,505	104,870
Total Expenditures, Excluding Capital Outlay	455,678	-	-	-	-	-	-	1,271,905	1,727,583
Total Capital Outlay	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY SERVICES	455,678	-	-	-	-	-	-	1,271,905	1,727,583
410 INTERGOVERNMENTAL EXPENDITURES:									
416-720 LEA Payments to Public Charter Schools	201,830	165,363	-	19,661	-	-	51,096	1,429,645	1,867,595
419-720 Payments to OPEB for Nonemployer Contributions	-	-	-	-	-	-	77,174	-	77,174
TOTAL INTERGOVERNMENTAL EXPENDITURES	201,830	165,363	-	19,661	-	-	128,270	1,429,645	1,944,769
TOTAL EXPENDITURES	16,521,542	8,537,375	378,768	753,270	581,202	8,672,397	3,549,484	74,712,169	113,706,207
OTHER FINANCING SOURCES (USES):									
5210 Transfer from General Fund	-	-	-	-	-	216,749	-	-	216,749
5220 Transfer from Special Projects Fund	-	-	-	-	-	183,898	-	(183,898)	-
420-710 Transfer to General Fund	-	-	-	-	-	(200)	-	(6,609)	(6,809)
431-791 Special Revenue Indirect Cost Transfer	(449,623)	(227,817)	(10,492)	(18,780)	(16,100)	-	(16,438)	(3,552,572)	(4,291,822)
TOTAL OTHER FINANCING SOURCES	(449,623)	(227,817)	(10,492)	(18,780)	(16,100)	400,447	(16,438)	(3,743,079)	(4,081,882)
Total Other Financing Sources (Uses)	(449,623)	(227,817)	(10,492)	(18,780)	(16,100)	400,447	(16,438)	(3,743,079)	(4,081,882)
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-	373,760	-	2,305,501	2,679,261
FUND BALANCE, JULY 1, 2022	-	-	-	-	-	6,237,273	-	2,302,726	8,539,999
FUND BALANCE, JUNE 30, 2023	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,611,033	\$ -	\$ 4,608,227	\$ 11,219,260

HORRY COUNTY SCHOOLS
SUMMARY SCHEDULE FOR DESIGNATED STATE RESTRICTED GRANTS
SPECIAL PROJECTS FUND
YEAR ENDED JUNE 30, 2023

SUBFUND	REVENUE CODE	PROGRAM	REVENUES	EXPENDITURES	TRANSFERS	DEFERRED REVENUE
919	3193	Education License Plates	\$ 4,657	\$ 4,657	\$ -	\$ -
928	3118	EEDA Career Specialist	1,343,861	1,343,861	-	353,676
936	3136	Student Health & Fitness - Nurses	1,217,664	1,217,664	-	-
937	3127	Student Health & Fitness	322,225	322,225	-	-
956	3156	Adult Education	9,159	9,159	-	27,387
917	3187	Teacher Supplies	93,300	93,300	-	-
969	3699	Other State Lottery Programs	1,200	1,200	-	6,684
994	3994	OPEB Nonemployer Contributions	77,174	77,174	-	-
982	3999	First Steps - Director Salary	496,682	496,682	-	980
Totals			<u>\$ 3,565,922</u>	<u>\$ 3,565,922</u>	<u>\$ -</u>	<u>\$ 388,727</u>

HORRY COUNTY SCHOOLS
SUMMARY SCHEDULE FOR OTHER SPECIAL REVENUE PROGRAMS
SPECIAL PROJECTS FUND
YEAR ENDED JUNE 30, 2023

***Other Special Revenue Programs**

210	4997	Title IV - SSAE
212	4510	Extended School Year Handicapped Services
218	4974	21 SC CARES ESSER III
220	4975	CARES ACT
221	4310	Title I, (Neglected and Delinquent)
222	4310	Title I, (Neglected and Delinquent) Carryover
225	4977	ESSER II
237	4310	Title I, (School Improvement) Carryover
239	4310	Title I, (Comprehensive Support and Improvement)
264	4341	ESOL Title III
265	4341	ESOL Title III Carryover
266	4351	Title II Supporting Effective Instruction Carryover
267	4351	Title II Supporting Effective Instruction
401	1999	ESOL Afterschool Program
410	1740/1999/5270	PDL Device Repair Fund
413	1999	United Way
414	1999	PDL Device Repair - Staff
432	1999/5220	After School Childcare
433	1999	After School Childcare Summer
434	1950/5220	After School Childcare Carryover
453	1999	Exxon Mobile Grant
457	1999	Bright Ideas Grant
470	1920/1999	Miscellaneous Grants
471	1999	Knights of Columbus
472	1920/1999	Santee Cooper
480	1999	Waves of the Future Grant
483	1999	Tanger Grant
490	1999	HCS Activity Bus
497	1910/1920/1999	Myrtle Beach Auditorium
513	3999	Clemson - Mini-Grant
528	3999	12 Month Agriculture Program
551	1999/3999	Recycling Grants - DHEC
561	3199	Profound Mentally Disabled
599	2100	Miscellaneous State
603	4510	IDEA-Private Placements
605	4999	DHEC Nurse Retention Bonus
606	4999	School Health Profiles Survey

SPECIAL REVENUE FUND – EDUCATION IMPROVEMENT ACT (EIA)

Education Improvement Act. The purpose of these funds is to improve education by providing funds for specific strategies implemented by the Education Improvement Act of 1984, enacted by the South Carolina General Assembly.

HORRY COUNTY SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - ALL PROGRAMS - EDUCATION IMPROVEMENT ACT
YEAR ENDED JUNE 30, 2023

	TOTAL
REVENUES:	
3000 Revenue from State Sources:	
3500 Education Improvement Act:	
3502 ADEPT	\$ 40,225
3503 State Aid to Classrooms	27,043,203
3509 Arts in Education	191,750
3518 Formative Assessment	176,423
3519 Grade 10 Assessment	138,040
3526 Refurbishment of K-8 Science Kits	1,081,947
3528 Industry Certificates	88,875
3529 Career and Technology Education	1,148,475
3532 National Board Salary Supplement (No Carryover Provision)	1,859,503
3533 Teacher of the Year Awards	26,913
3535 Reading Coaches	978,523
3538 Students at Risk of School Failure	2,505,894
3540 Four-Year Old Early Childhood Education	789,085
3541 Child Development Education Pilot Program (CDEPP)	39,742
3556 Adult Education	654,991
3557 Summer Reading Camp	114,553
3577 Teacher Supplies (No Carryover Provision)	910,500
3595 EEDA - Supplies and Materials - Career Awareness	101,974
3597 Aid to Districts	726,483
	38,617,099
TOTAL REVENUE ALL SOURCES	38,617,099
EXPENDITURES:	
100 INSTRUCTION:	
110 General Instruction:	
111 Kindergarten Programs:	
100 Salaries	20,850
200 Employee Benefits	6,541
300 Purchased Services	1,500
400 Supplies and Materials	51,272
112 Primary Programs:	
100 Salaries	474,628
200 Employee Benefits	143,682
300 Purchased Services	1,715
400 Supplies and Materials	1,057,263
500 Capital Outlay	1,579
113 Elementary Programs:	
100 Salaries	276,372
200 Employee Benefits	86,698
300 Purchased Services	344,359
400 Supplies and Materials	2,083,416
500 Capital Outlay	3,048
114 High School Programs:	
100 Salaries	489,214
200 Employee Benefits	147,662
300 Purchased Services	88,269
400 Supplies and Materials	1,382,341
500 Capital Outlay	5,014

**HORRY COUNTY SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - ALL PROGRAMS - EDUCATION IMPROVEMENT ACT
YEAR ENDED JUNE 30, 2023**

	TOTAL
EXPENDITURES (CONTINUED):	
100 INSTRUCTION (CONTINUED):	
110 General Instruction (Continued):	
115 Career Technology Education Programs:	
100 Salaries	\$ 53,487
200 Employee Benefits	16,827
300 Purchased Services	5,985
400 Supplies and Materials	557,020
500 Capital Outlay	399,874
116 Career Technology Education Programs- Middle School:	
500 Capital Outlay	70,373
120 Exceptional Programs:	
122 Trainable Mentally Handicapped:	
100 Salaries	17,184
200 Employee Benefits	5,406
400 Supplies and Materials	13,800
124 Visually Handicapped:	
100 Salaries	7,500
200 Employee Benefits	2,360
125 Hearing Handicapped:	
400 Supplies and Materials	300
126 Speech Handicapped:	
100 Salaries	15,000
200 Employee Benefits	4,719
400 Supplies and Materials	11,400
127 Learning Disabilities:	
100 Salaries	60,000
200 Employee Benefits	18,876
400 Supplies and Materials	92,040
128 Emotionally Handicapped:	
400 Supplies and Materials	5,700
129 Coordinated Early Intervening Services:	
100 Salaries	35,000
200 Employee Benefits	11,011
400 Supplies and Materials	17,325
130 Pre-School Programs:	
137 Pre-school Handicapped Self-Contained (3- and 4- Yr.-Olds):	
400 Supplies and Materials	6,900
139 Early Childhood Programs:	
100 Salaries	408,520
200 Employee Benefits	228,515
300 Purchased Services	832
400 Supplies and Materials	157,394
600 Other Objects	180
140 Special Programs:	
141 Gifted and Talented Academic:	
100 Salaries	40,000
200 Employee Benefits	12,584
400 Supplies and Materials	34,500

HORRY COUNTY SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - ALL PROGRAMS - EDUCATION IMPROVEMENT ACT
YEAR ENDED JUNE 30, 2023

	TOTAL
EXPENDITURES (CONTINUED):	
100 INSTRUCTION (CONTINUED):	
140 Special Programs (Continued):	
149 Other Special Programs:	
100 Salaries	\$ 22,500
200 Employee Benefits	7,079
400 Supplies and Materials	6,300
170 Summer School Programs:	
172 Elementary Summer School:	
400 Supplies and Materials	57,537
180 Adult/Continuing Educational Programs:	
181 Adult Basic Education Programs:	
100 Salaries	154,130
200 Employee Benefits	44,373
400 Supplies and Materials	35,916
182 Adult Secondary Education Programs:	
100 Salaries	39,039
200 Employee Benefits	14,581
400 Supplies and Materials	8,524
190 Instructional Pupil Activity:	
400 Supplies and Materials	300
Total Expenditures, Excluding Capital Outlay	8,886,426
Total Capital Outlay	479,888
TOTAL INSTRUCTION	9,366,314
200 SUPPORT SERVICES:	
210 Pupil Services:	
212 Guidance Services:	
100 Salaries	47,159
200 Employee Benefits	14,836
300 Purchased Services	23,089
400 Supplies and Materials	117,284
216 Career and Technical Education Placement Services:	
300 Purchased Services	88,875

HORRY COUNTY SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - ALL PROGRAMS - EDUCATION IMPROVEMENT ACT
YEAR ENDED JUNE 30, 2023

	TOTAL
EXPENDITURES (CONTINUED):	
200 SUPPORT SERVICES (CONTINUED):	
220 Instructional Staff Services:	
221 Improvement of Instruction - Curriculum Development:	
100 Salaries	\$ 605,100
200 Employee Benefits	226,769
300 Purchased Services	1,368
222 Library Services:	
100 Salaries	62,500
200 Employee Benefits	19,663
400 Supplies and Materials	15,600
223 Supervision of Special Programs:	
100 Salaries	240,108
200 Employee Benefits	89,559
300 Purchased Services	67,994
400 Supplies and Materials	42
500 Capital Outlay	1,343
224 Improvement of Instruction-Inservice and Staff Training:	
100 Salaries	30,645
200 Employee Benefits	9,580
300 Purchased Services	230,826
400 Supplies and Materials	8,760
230 General Administrative Services:	
233 School Administration:	
100 Salaries	5,640
200 Employee Benefits	1,822
250 Finance and Operations Services:	
254 Operation and Maintenance of Plant:	
300 Purchased Services	3,250
255 Student Transportation (State Mandated):	
100 Salaries	2,084
200 Employee Benefits	648
258 Security	
300 Purchased Services	6,436
270 Support Services:	
271 Pupil Activities:	
400 Supplies and Materials	2,410
600 Other Objects	35,774
Total Expenditures, Excluding Capital Outlay	1,957,821
Total Capital Outlay	1,343
TOTAL SUPPORT SERVICES	1,959,164

**HORRY COUNTY SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - ALL PROGRAMS - EDUCATION IMPROVEMENT ACT
YEAR ENDED JUNE 30, 2023**

	TOTAL
EXPENDITURES (CONTINUED):	
400 OTHER CHARGES	
410 Intergovernmental Expenditures	
416-720 LEA Payments to Public Charter Schools	\$ 666,828
TOTAL EXPENDITURES	11,992,306
OTHER FINANCING SOURCES (USES):	
Interfund Transfers From (To) Other Funds:	
420 - 710 Transfer to General Fund	(26,624,793)
Excess (Deficiency) of Revenues Over (Under) Expenditures	-
FUND BALANCE, JULY 1, 2022	-
FUND BALANCE, JUNE 30, 2023	\$ -

**HORRY COUNTY SCHOOLS
SUMMARY SCHEDULE BY PROGRAM
EDUCATION IMPROVEMENT ACT FUND
YEAR ENDED JUNE 30, 2023**

PROGRAM	<u>Revenues</u>	<u>Expenditures</u>	<u>EIA Interfund Transfers In/(Out)</u>	<u>Transfers In/(Out)</u>	<u>Deferred Revenue</u>
3500 Education Improvement Act:					
3502 ADEPT	\$ 40,225	\$ 40,225	\$ -	\$ -	\$ -
3503 State Aid to Districts	27,043,203	418,410	-	(26,624,793)	-
3509 Arts in Education	191,750	191,750	-	-	-
3518 Formative Assessment	176,423	176,423	-	-	-
3519 Grade 10 Assessment	138,040	138,040	-	-	134,788
3526 Refurbishment of K-8 Science Kits	1,081,947	1,081,947	-	-	153,939
3528 Industry Certificates	88,875	88,875	-	-	88,130
3529 Career and Technology Education	1,148,475	1,148,475	-	-	292,544
3532 National Board Salary Supplement (No Carryover Provision)	1,859,503	1,859,503	-	-	-
3533 Teacher of the Year Awards	26,913	26,913	-	-	-
3535 Reading Coaches	978,523	978,523	-	-	-
3538 Students at Risk of School Failure	2,505,894	2,505,894	-	-	-
3540 Four-Year Old Early Childhood Education	789,085	789,085	-	-	1,193,797
3541 Child Development Education Program (CDEP)	39,742	39,742	-	-	-
3556 Adult Education	654,991	654,991	-	-	43,613
3557 Summer Reading Camp	114,553	114,553	-	-	170,367
3571 Technical Assistance - State Priority Schools	-	-	-	-	118,000
3577 Teacher Supplies (No Carryover Provision)	910,500	910,500	-	-	-
3595 EEDA - Supplies and Materials - Career Awareness	101,974	101,974	-	-	91,682
3597 Aid to Districts	726,483	726,483	-	-	-
TOTALS	<u>\$ 38,617,099</u>	<u>\$ 11,992,306</u>	<u>\$ -</u>	<u>\$ (26,624,793)</u>	<u>\$ 2,286,860</u>

SPECIAL REVENUE FUND – SCHOOL FOOD SERVICE FUND

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

HORRY COUNTY SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
SCHOOL FOOD SERVICE FUND
YEAR ENDED JUNE 30, 2023

REVENUES

1000 Revenue from Local Sources

1500 Earnings on Investments:		
1510 Interest on Investments	\$	185,120
1600 Food Service:		
1610 Lunch Sales to Pupils		3,386,202
1620 Breakfast Sales to Pupils		3,819
1630 Special Sales to Pupils		294,841
1640 Lunch Sales to Adults		356,007
1650 Breakfast Sales to Adults		2,839
1660 Special Sales to Adults		14,574
1900 Other Revenue from Local Sources:		
1920 Refund of Prior Year's Expenditures		48,442
1950 Refund of Prior Year's Expenditures		116
1999 Revenue from Other Local Sources		51,224
		<u>4,343,184</u>
Total Revenue from Local Sources		<u>4,343,184</u>

4000 Revenue from Federal Sources:

4800 USDA Reimbursement:		
4810 School Lunch Program		15,172,743
4820 FSF Supply Chain		1,564,430
4830 School Breakfast Program		4,696,142
4880 Summer Feeding Program		80,522
4899 Miscellaneous Food Service		67,045
4900 Other Federal Sources:		
4991 USDA Commodities		1,268,857
		<u>22,849,739</u>
Total Revenue from Federal Sources		<u>22,849,739</u>

TOTAL REVENUE ALL SOURCES

27,192,923

EXPENDITURES

256 Food Services:		
100 Salaries		8,424,507
140 Terminal Leave		1,040
200 Employee Benefits		4,677,580
300 Purchased Services		159,261
400 Supplies and Materials		12,769,603
500 Capital Outlay		959,085
600 Other Objects		15,715
		<u>26,047,706</u>
Total Expenditures, Excluding Capital Outlay		26,047,706
Total Capital Outlay		<u>959,085</u>
TOTAL SUPPORT SERVICES		<u>27,006,791</u>

HORRY COUNTY SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
SCHOOL FOOD SERVICE FUND
YEAR ENDED JUNE 30, 2023

EXPENDITURES (CONTINUED)

400 OTHER CHARGES

410 Intergovernmental Expenses	
416-720 LEA Payments to Public Charter Schools	\$ 95,953

TOTAL EXPENDITURES	27,102,744
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OTHER FINANCING SOURCES (USES)

Interfund Transfers from (to) Other Funds:

5210 Transfer from General Fund	301,101
432-791 Food Service Fund Indirect Costs	(2,124,228)

TOTAL OTHER FINANCING (USES)	(1,823,127)
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(Deficiency) of Revenues (Under) Expenditures and Other Financing (Uses)	(1,732,948)
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FUND BALANCE, JULY 1, 2022	14,496,546
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FUND BALANCE, JUNE 30, 2023	\$ 12,763,598
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DEBT SERVICE FUND

The debt service fund is used to account for the accumulation of resources for and payment of interest and principal long-term obligation debt. Sources of funds used for payments include tax proceeds and earnings on temporary investments.

HORRY COUNTY SCHOOLS
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET TO ACTUAL - DEBT SERVICE FUND
FOR FISCAL YEAR ENDED JUNE 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Local	\$ 103,708,745	\$ 103,708,745	\$ 132,368,394	\$ 28,659,649
State	1,006,648	1,006,648	1,121,490	114,842
Total revenues	<u>104,715,393</u>	<u>104,715,393</u>	<u>133,489,884</u>	<u>28,774,491</u>
Expenditures:				
Debt service	<u>59,044,441</u>	<u>59,044,441</u>	<u>59,020,879</u>	<u>23,562</u>
Total expenditures	<u>59,044,441</u>	<u>59,044,441</u>	<u>59,020,879</u>	<u>23,562</u>
Excess of revenues over expenditures	<u>45,670,952</u>	<u>45,670,952</u>	<u>74,469,005</u>	<u>28,798,053</u>
Other Financing Sources (Uses)				
Transfers out	<u>(46,200,000)</u>	<u>(46,200,000)</u>	<u>(72,500,000)</u>	<u>(26,300,000)</u>
Total other financing (uses)	<u>(46,200,000)</u>	<u>(46,200,000)</u>	<u>(72,500,000)</u>	<u>(26,300,000)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing (uses)	<u>\$ (529,048)</u>	<u>\$ (529,048)</u>	1,969,005	<u>\$ 2,498,053</u>
Fund balance, July 1, 2022			<u>58,094,676</u>	
Fund balance, June 30, 2023			<u>\$ 60,063,681</u>	

HORRY COUNTY SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2023

REVENUES

1000 Revenue from Local Sources

1100 Taxes:		
1110 Ad Valorem Taxes - including Delinquent Taxes	\$	29,139,838
1140 Penalties and Interest on Taxes		215,874
1200 Revenue from Local Governmental Units Other than LEA's:		
1280 Revenue in Lieu of Taxes (Dependent and Independent)		1,044,249
1190 Edu Cap Imp Sales/Use Tax Act		100,610,735
1500 Earnings on Investments:		
1510 Interest on Investments		1,287,007
1900 Other Revenue from Local Sources:		
1950 Refund of Prior Years Expenditures		70,691
Total Local Sources		<u>132,368,394</u>

3000 Revenue from State Sources

3800 State Revenue in Lieu of Taxes:		
3820 Homestead Exemption (Tier 2)		839,878
3830 Merchant's Inventory Tax		67,694
3840 Manufacturer's Depreciation Reimbursement		22,371
3890 Other State Property Tax Revenues		191,547
Total State Sources		<u>1,121,490</u>

TOTAL REVENUE ALL SOURCES		<u>133,489,884</u>
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EXPENDITURES

500 DEBT SERVICE

300 Purchased Services		500
610 Redemption of Principal		48,780,000
620 Interest		10,231,983
690 Other Objects (Includes Fees for Servicing Bonds)		8,396
Total Debt Service		<u>59,020,879</u>

TOTAL EXPENDITURES		<u>59,020,879</u>
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OTHER FINANCING SOURCES (USES)

Interfund Transfers, From (To) Other Funds:

424-710 Transfer to Capital Projects Fund		<u>(72,500,000)</u>
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TOTAL OTHER FINANCING (USES)		<u>(72,500,000)</u>
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Excess of Revenues Over Expenditures		1,969,005
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FUND BALANCE, JULY 1, 2022		<u>58,094,676</u>
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FUND BALANCE, JUNE 30, 2023		<u><u>\$ 60,063,681</u></u>
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CAPITAL PROJECTS FUND

The capital projects fund is used to account for the receipt of proceeds from the sale of long-term general obligation bonds and other revenues used for facilities acquisition and construction and other capital projects. The fund balance is restricted for the completion of specific projects.

HORRY COUNTY SCHOOLS
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET TO ACTUAL - CAPITAL PROJECTS FUND
FOR FISCAL YEAR ENDED JUNE 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Local	\$ 53,075	\$ 53,075	\$ 1,639,814	\$ (1,586,739)
Intergovernmental	1,703,810	1,703,810	687,824	1,015,986
Total revenues	<u>1,756,885</u>	<u>1,756,885</u>	<u>2,327,638</u>	<u>570,753</u>
Expenditures:				
Current				
Instruction	522,767	574,581	223,595	350,986
Support services	19,041,708	19,732,599	2,350,143	17,382,456
Capital Outlay	87,284,636	105,884,924	69,813,525	36,071,399
Total expenditures	<u>106,849,111</u>	<u>126,192,104</u>	<u>72,387,263</u>	<u>53,804,841</u>
(Deficiency) of revenues (under) expenditures	<u>(105,092,226)</u>	<u>(124,435,219)</u>	<u>(70,059,625)</u>	<u>54,375,594</u>
Other Financing Sources (Uses)				
Transfers in	46,200,000	52,342,993	85,513,619	33,170,626
Total other financing sources	<u>46,200,000</u>	<u>52,342,993</u>	<u>85,513,619</u>	<u>33,170,626</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing (uses)	<u>\$ (58,892,226)</u>	<u>\$ (72,092,226)</u>	15,453,994	<u>\$ 87,546,220</u>
Fund balance, July 1, 2022			<u>92,817,002</u>	
Fund balance, June 30, 2023			<u>\$ 108,270,996</u>	

HORRY COUNTY SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - CAPITAL PROJECTS FUND
YEAR ENDED JUNE 30, 2023

REVENUES

1000 Revenue from Local Sources

1500 Earnings on Investments:	
1510 Interest on Investments	\$ 1,135,981
1900 Other Revenue from Local Sources:	
1950 Refund of Prior Years Expenditures	379
1999 Revenue from Other Local Sources	<u>503,454</u>

Total Local Sources 1,639,814

2000 Intergovernmental Revenues

2100 Payments from Other Governmental Units 687,824

TOTAL REVENUE ALL SOURCES 2,327,638

EXPENDITURES

100 Instruction

111 Kindergarten Programs:	
500 Capital Outlay	14,541
112 Primary Programs:	
500 Capital Outlay	2,326
113 Elementary Programs:	
400 Supplies and Materials	6,358
500 Capital Outlay	1,040,053
114 High School Programs:	
400 Supplies and Materials	217,237
500 Capital Outlay	<u>27,002</u>
Total Expenditures, Excluding Capital Outlay	223,595

Total Capital Outlay 1,083,922

Total Instruction 1,307,517

200 Pupil Services

252 Fiscal Services:	
400 Supplies and Materials	4,787
500 Capital Outlay	1,155

253 Facilities Acquisition and Construction:

100 Salaries	724,681
140 Terminal Leave	3,363
200 Employee Benefits	290,810
300 Purchased Services	83,256
400 Supplies and Materials	221,507
500 Capital Outlay:	
520 Construction Services	39,971,839
525 Buildings	6,096,682
530 Improvements Other than Buildings	11,854,417
540 Equipment	28,995
545 Technology Equipment and Software	38,811
545 Technology Equipment	8,199

HORRY COUNTY SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - CAPITAL PROJECTS FUND
YEAR ENDED JUNE 30, 2023

EXPENDITURES (CONTINUED)

200 Pupil Services (Continued)

254 Operation and Maintenance of Plant:		
300 Purchased Services	\$	14,445
400 Supplies and Materials		188,432
500 Capital Outlay		4,667,781
258 Security:		
300 Purchased Services		12,500
400 Supplies and Materials		36,000
500 Capital Outlay		1,013,423
262 Planning:		
100 Salaries		117,372
200 Employee Benefits		42,115
266 Technology and Data Processing:		
300 Purchased Services		387,671
400 Supplies and Materials		223,204
500 Capital Outlay		4,921,905
271 Pupil Service Activities:		
500 Capital Outlay		126,396

Total Expenditures, Excluding Capital Outlay	2,350,143
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Total Capital Outlay	<u>68,729,603</u>
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TOTAL SUPPORT SERVICES	<u>71,079,746</u>
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TOTAL EXPENDITURES	<u>72,387,263</u>
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OTHER FINANCING SOURCES

Interfund Transfers, from (to) Other Funds:

5210 Transfer from General Fund	13,013,619
5240 Transfer from Debt Service Fund	<u>72,500,000</u>

TOTAL OTHER FINANCING SOURCES	<u>85,513,619</u>
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Excess of Revenues Over Expenditures	15,453,994
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FUND BALANCE JULY 1, 2022	<u>92,817,002</u>
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FUND BALANCE JUNE 30, 2023	<u><u>\$ 108,270,996</u></u>
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COMPONENT UNITS – CHARTER SCHOOLS

HORRY COUNTY SCHOOLS
COMBINING STATEMENT OF NET POSITION - CHARTER SCHOOLS
JUNE 30, 2023

	Waccamaw Park Public Charter School, Inc.	Palmetto Academy of Learning and Success	Academy of Hope, Inc.	Palmetto Academy for Learning Motorsports	Component Unit Totals
ASSETS					
Cash and cash equivalents	\$ 384,131	\$ 715,761	\$ 245,182	\$ 1,167,350	\$ 2,512,424
Restricted cash	-	-	-	9,221	9,221
Other receivables	-	66,365	5,584	-	71,949
Lease receivables	-	336,239	-	-	336,239
Due from other state agencies	209,311	187,878	213,411	125,266	735,866
Prepaid items	22,098	91,522	40,306	21,722	175,648
Capital assets, net					
Non-depreciable capital assets	3,111,132	7,087,872	912,165	5,255,623	16,366,792
Depreciable capital assets, net of depreciation	(1,411,901)	(2,240,834)	(696,745)	(541,450)	(4,890,930)
Total assets	2,314,771	6,244,803	719,903	6,037,732	15,317,209
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows related to pensions	591,384	447,653	844,004	-	1,883,041
Deferred outflows related to OPEB	520,459	653,840	-	-	1,174,299
Total deferred outflows of resources	\$ 1,111,843	\$ 1,101,493	\$ 844,004	\$ -	\$ 3,057,340
LIABILITIES					
Accounts payable and other liabilities	\$ 258,365	\$ 142,250	\$ 132,212	\$ 15,432	\$ 548,259
Due to others	-	-	1,032	-	1,032
Long-term liabilities, due in one year	124,720	72,304	143,192	125,516	465,732
Long-term liabilities, due in more than one year	1,412,517	6,673,462	45,667	4,974,962	13,106,608
Net pension liability	1,525,862	2,505,558	2,770,486	-	6,801,906
Net OPEB liability	1,202,040	1,922,589	-	-	3,124,629
Total liabilities	4,523,504	11,316,163	3,092,589	5,115,910	24,048,166
DEFERRED INFLOWS OF RESOURCES					
Deferred revenue	1,478	30,927	11,873	160,309	204,587
Lease	-	328,903	-	-	328,903
Deferred inflows related to pensions	241,185	132,156	961,086	-	1,334,427
Deferred inflows related to OPEB	651,065	981,765	-	-	1,632,830
Total deferred inflows of resources	893,728	1,473,751	972,959	160,309	3,500,747
NET POSITION					
Net investment in capital assets	161,994	(1,898,728)	26,561	(386,305)	(2,096,478)
Restricted					
Debt service	-	-	-	9,221	9,221
Unrestricted	(2,152,612)	(3,544,890)	(2,528,202)	1,138,597	(7,087,107)
Total net position	\$ (1,990,618)	\$ (5,443,618)	\$ (2,501,641)	\$ 761,513	\$ (9,174,364)

HORRY COUNTY SCHOOLS
COMBINING STATEMENT OF ACTIVITIES - CHARTER SCHOOLS
FOR THE YEAR ENDED JUNE 30, 2023

Functions/Programs	Waccamaw Park Public Charter School, Inc.	Palmetto Academy of Learning and Success	Academy of Hope, Inc.	Palmetto Academy for Learning Motorsports	Component Unit Totals
Governmental Activities:					
Revenues:					
Operating grants and contributions	\$ 2,559,479	\$ 3,340,131	\$ 1,521,959	\$ 2,914,309	\$ 10,335,878
Charges for services and sales	16,820	-	779	-	17,599
Instruction expenses	(1,377,318)	(1,675,997)	(1,026,706)	(1,458,158)	(5,538,179)
Support service expenses	(1,033,598)	(1,562,484)	(663,366)	(1,224,822)	(4,484,270)
Interest and other charges	(77,387)	(664,423)	(11,353)	(108,701)	(861,864)
Total governmental activities	<u>87,996</u>	<u>(562,773)</u>	<u>(178,687)</u>	<u>122,628</u>	<u>(530,836)</u>
General revenues					
Miscellaneous revenues	11,017	325,072	124,709	107,276	568,074
Other governmental grants - loan forgiveness	-	-	-	-	-
Total general revenues	<u>11,017</u>	<u>325,072</u>	<u>124,709</u>	<u>107,276</u>	<u>568,074</u>
Change in Net Position	99,013	(237,701)	(53,978)	229,904	37,238
Net Position (Deficit) - Beginning of Year	<u>(2,089,631)</u>	<u>(5,205,917)</u>	<u>(2,447,663)</u>	<u>531,609</u>	<u>(9,211,602)</u>
Net Position (Deficit) - End of Year	<u>\$ (1,990,618)</u>	<u>\$ (5,443,618)</u>	<u>\$ (2,501,641)</u>	<u>\$ 761,513</u>	<u>\$ (9,174,364)</u>

**ADDITIONAL SCHEDULES REQUIRED BY THE
SOUTH CAROLINA DEPARTMENT OF EDUCATION**

**HORRY COUNTY SCHOOLS
 DETAILED SCHEDULE OF DUE TO STATE DEPARTMENT OF
 EDUCATION/FEDERAL GOVERNMENT
 JUNE 30, 2023**

<u>Program</u>	<u>Project Number</u>	<u>Revenue/ Subfund Code</u>	<u>Description</u>	<u>Amount Due to State Department or Federal Government</u>
Refurbishment of K-8 Science Kits	N/A	3526/326	Unspent Funds *Status: Repaid Sept. 7, 2023 – Check 788665	\$2,791
Industry Certificates	N/A	3528/328	Unspent Funds *Status: Repaid August 23, 2023 – Check 787960	\$12,467
National Board Salary Supplement	N/A	3532/332	Unspent Funds *Status: Repaid August 18, 2023 – Check 787846	\$6,727
Summer Reading Program	N/A	3557/357	Unspent Funds *Status: Repaid September 7, 2023 – Check 788665	\$3,226
EEDA Career Specialist	N/A	3118/928	Unspent Funds *Status: Repaid August 25, 2023 – Check 788117	\$190,547

HORRY COUNTY SCHOOLS
INSITE LOCATION RECONCILIATION SCHEDULE
YEAR ENDED JUNE 30, 2023

<u>Location</u>	<u>Location Description</u>	<u>Education Level</u>	<u>Cost Type</u>	<u>Total Expenditures</u>
0001	Aynor High	High	School	\$ 15,499,666
0002	North Myrtle Beach High	High	School	19,228,194
0004	Conway High	High	School	45,392,703
0006	Green Sea Floyds High	High	School	12,522,876
0008	Loris High	High	School	14,496,936
0010	Myrtle Beach High	High	School	23,876,282
0011	Socastee High	High	School	21,094,450
0013	Whittemore Park Middle	Middle	School	42,784,583
0014	Aynor Elementary	Elementary	School	9,776,027
0016	Myrtle Beach Middle	Middle	School	12,073,340
0017	Conway Middle	Middle	School	7,191,665
0021	Daisy Elementary	Elementary	School	11,801,731
0023	Green Sea Floyds Elementary	Elementary	School	8,246,050
0025	Homewood Elementary	Elementary	School	9,465,255
0027	Loris Middle	Middle	School	9,894,031
0028	Kingston Elementary	Elementary	School	6,494,098
0029	Lakewood Elementary	Elementary	School	11,691,424
0030	St. James Elementary	Elementary	School	10,034,306
0032	Loris Elementary	Elementary	School	11,818,538
0033	Midland Elementary	Elementary	School	7,636,581
0036	Conway Elementary	Elementary	School	8,748,098
0037	North Myrtle Beach Middle	Middle	School	13,631,220
0039	Pee Dee Elementary	Elementary	School	11,982,572
0042	Waccamaw Elementary	Elementary	School	13,828,876
0045	South Conway Elementary	Elementary	School	9,109,617
0046	Forestbrook Elementary	Elementary	School	11,203,851
0047	St. James Middle	Middle	School	12,960,720
0049	Carolina Forest Elementary	Elementary	School	15,750,571
0050	Seaside Elementary	Elementary	School	6,780,555
0051	Forestbrook Middle	Middle	School	9,829,724
0052	Carolina Forest High	High	School	34,191,856
0054	Socastee Elementary	Elementary	School	10,699,193
0056	Palmetto Bays Elementary	Elementary	School	8,423,121
0057	Aynor Middle	Middle	School	9,701,830
0058	St. James High	High	School	21,736,921
0060	Ocean Bay Elementary	Elementary	School	11,575,582
0061	Ocean Bay Middle	Middle	School	8,734,432
0062	Black Water Middle	Middle	School	9,179,231
0063	Burgess Elementary	Elementary	School	8,352,126
0064	Early College High School	High	School	4,637,094
0065	River Oaks Elementary	Elementary	School	15,483,442
0066	Ocean Drive Elementary	Elementary	School	9,899,321
0067	Waterway Elementary	Elementary	School	12,107,109
0068	Riverside Elementary	Elementary	School	9,897,807
0069	Socastee Middle	Middle	School	6,670,330
0070	Ten Oaks Middle	Middle	School	12,484,122
0071	St. James Intermediate	Intermediate	School	9,098,167
0072	Myrtle Beach Early Childhood Center	Early Childhood	School	7,554,359
0073	Myrtle Beach Primary	Primary	School	7,971,822
0074	Myrtle Beach Elementary	Elementary	School	11,900,204
0075	CCU Scholars Academy	High	School	2,601,945
0161	Conway Christian School	Various	School	151,633
0164	Calvary Christian School	Various	School	21,517
0166	Anoor Academy	Various	School	30,179
0169	St Elizabeth Ann Seton Catholic School	Various	School	11,874

HORRY COUNTY SCHOOLS
INSITE LOCATION RECONCILIATION SCHEDULE
YEAR ENDED JUNE 30, 2023

<u>Location</u>	<u>Location Description</u>	<u>Education Level</u>	<u>Cost Type</u>	<u>Total Expenditures</u>
0172	Conway Education Center	Various	School	\$ 1,007,968
0173	Myrtle Beach Education Center	Various	School	238,829
0174	Saint Andrews	Various	School	119,523
0175	Chabad Academy	Various	School	21,994
0176	SOAR Academy	Various	School	5,914,338
0179	Bridgewater Academy	Charter School	School	2,284,913
0180	Playcard Environmental Center	Various	School	189,647
0181	Palmetto Academy of Learning and Success	Charter School	School	3,341,750
0182	Therapeutic Learning Center	Various	School	1,692,296
0183	Palmetto Academy for Learning Motorsports	Charter School	School	2,840,281
0184	Academy of Hope	Charter School	School	1,499,157
0185	Saint Michaels	Various	School	6,372
0186	Holy Trinity Catholic School	Various	School	57,263
0188	Risen Christ Lutheran Church	Various	School	37,698
0190	Waccamaw Youth Center	Various	School	33,305
0194	Ascent Christian Academy	Various	School	40,439
0195	North Myrtle Beach Christian School	Various	School	47,908
0196	Academy of Arts Science & Technology	Various	School	7,049,542
0198	Academy of Technology & Academics	Various	School	7,427,401
1100	Office Of Superintendent	Various	Central	559,692
1200	Board Of Education	Various	Central	964,337
1300	Policy and Legal	Various	Central	559,127
2000	Academics	Various	Central	7,682,745
3000	Support Services	Various	Central	7,314,324
4000	Fiscal Services	Various	Central	3,913,422
4600	Human Resources	Various	Central	3,412,439
4900	Debt Service	Various	Central	59,020,879
5100	Facilities Management	Various	Central	9,779,452
8000	Communications	Various	Central	1,331,361
9100	Student Services	Various	Central	9,736,859
Total Expenditures/Disbursements for All Funds				<u>\$ 796,085,018</u>

RECONCILIATION OF PRIMARY GOVERNMENT EXPENDITURES TO THE FINANCIAL STATEMENTS

General Fund	\$ 511,875,619
Special Revenue Fund	113,706,207
Special Revenue EIA Fund	11,992,306
Special Revenue School Food Service Fund	27,102,744
Debt Service Fund	59,020,879
Capital Projects Fund	72,387,263
Total Expenditures/Disbursements for All Funds	<u>\$ 796,085,018</u>

STATISTICAL SECTION

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

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.

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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

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

HORRY COUNTY SCHOOLS
Net Position by Component
Last Ten Years - Accrual Basis (Dollars in thousands)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental activities										
Net investment in capital assets	\$ 286,007	\$ 308,891	\$ 140,200	\$ 315,403	\$ 404,743	\$ 467,134	\$ 507,020	\$ 569,273	\$ 635,006	\$ 761,652
Restricted	83,606	87,927	302,736	176,491	115,091	106,893	111,663	118,477	176,028	189,711
Unrestricted	90,920	(335,482) *	(328,140) *	(340,033) *	(786,720)	(841,869)	(851,199)	(873,241)	(898,244)	(881,786)
Total governmental activities net position	\$ 460,533	\$ 61,336	\$ 114,796	\$ 151,861 **	\$ (266,886)	\$ (267,842)	\$ (232,516)	\$ (185,491)	\$ (87,210)	\$ 69,577
Business-type activities										
Net investment in capital assets	\$ 2,310	\$ 2,162	\$ 2,038	\$ 1,806	\$ 4,820 ***	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	4,251	(2,009) *	(1,920) *	(2,111) *	(25,939) ***	-	-	-	-	-
Total business-type activities net position	\$ 6,561	\$ 153	\$ 118	\$ (305) **	\$ (21,119) ***	\$ -	\$ -	\$ -	\$ -	\$ -
Total primary government net position	\$ 467,094	\$ 61,489	\$ 114,914	\$ 151,556 **	\$ (288,005)	\$ (267,842)	\$ (232,516)	\$ (185,491)	\$ (87,210)	\$ 69,577
Component units										
Net investment in capital assets	\$ 465	\$ 604	\$ 507	\$ 97	\$ (258)	\$ (734)	\$ (1,168)	\$ (2,082)	\$ (2,094)	\$ (2,096)
Restricted	8	9	7	5	3	2	2	147	21	9
Unrestricted	533	(2,391) *	(2,858) *	(3,228) *	(8,585)	(9,116)	(9,475)	(8,082)	(7,138)	(7,087)
Total component units net position (deficit)	\$ 1,006	\$ (1,778)	\$ (2,344)	\$ (3,126)	\$ (8,840)	\$ (9,848)	\$ (10,641)	\$ (10,017)	\$ (9,211)	\$ (9,174)

* The change in unrestricted net position beginning in 2015 is due to the implementation of GASB Statement No. 68.

** The change in unrestricted net position in 2018 is due to the implementation of GASB Statement No. 75.

*** The School District converted its food service program operations, its only enterprise fund, from an enterprise fund to a special revenue fund effective July 1, 2018.

Horry County Schools
Changes in Net Position
Last Ten Fiscal Years - Accrual Basis (Dollars in thousands)

	Fiscal year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses:										
Governmental activities										
Instructional services	\$ 267,754	\$ 273,224	\$ 276,465	\$ 299,279	\$ 321,479	\$ 333,064	\$ 351,528	\$ 380,321	\$ 404,136	\$ 409,600
Supporting services	152,291	155,900	157,822	168,860	185,218	212,453	213,957	235,285	252,420	261,420
Community services	1,000	1,285	1,344	1,491	1,963	2,020	1,775	844	1,374	1,774
Interest and other charges	15,908	13,707	9,406	14,272	17,446	12,809	10,722	8,476	(820)	2,289
Pupil activities	646	716	-	242	-	-	-	-	-	-
Total governmental activities expenses	437,599	444,832	445,037	484,144	526,106	560,346	577,982	624,926	657,110	675,083
Business-type activities:										
Food service	21,189	21,376	21,026	20,761	30,405 *	-	-	-	-	-
Total business-type activities expenses	21,189	21,376	21,026	20,761	30,405 *	-	-	-	-	-
Total primary government expenses	\$ 458,788	\$ 466,208	\$ 466,063	\$ 504,905	\$ 556,511	\$ 560,346	\$ 577,982	\$ 624,926	\$ 657,110	\$ 675,083
Program revenues:										
Governmental activities										
Charges for services:										
Instruction	\$ 43	\$ 36	\$ 611	\$ 827	\$ 562	\$ 4,670	\$ 3,638	\$ 15	\$ 45	\$ 35
Supporting services	3,862	3,389	-	-	-	-	-	204	415	4,058
Community services	-	-	151	75	73	54	50	-	-	-
Capital grants and contributions	-	-	-	-	-	-	-	-	2,370	687
Operating grants and contributions	147,407	156,393	171,374	186,359	202,062	223,199	239,544	269,929	326,105	358,199
Total governmental activities program revenues	151,312	159,818	172,136	187,261	202,697	227,923	243,232	270,148	328,935	362,979
Business-type activities										
Charges for services	5,033	4,824	4,381	4,568	4,101 *	-	-	-	-	-
Operating grants and contributions	15,559	16,422	16,455	16,136	17,263 *	-	-	-	-	-
Total business-type activities program revenues	20,592	21,246	20,836	20,704	21,364 *	-	-	-	-	-
Total primary government program revenues	\$ 171,904	\$ 181,064	\$ 192,972	\$ 207,965	\$ 224,061	\$ 227,923	\$ 243,232	\$ 270,148	\$ 328,935	\$ 362,979

(Continued)

Horry County Schools
Changes in Net Position
Last Ten Fiscal Years - Accrual Basis (Dollars in thousands)

	Fiscal year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Net (expense) revenue										
Governmental activities net (expense) revenue	\$ (286,287)	\$ (285,014)	\$ (272,901)	\$ (296,883)	\$ (323,409)	\$ (332,423)	\$ (334,750)	\$ (354,778)	\$ (328,175)	\$ (312,104)
Business-type activities net (expense) revenue	(597)	(130)	(190)	(57)	(9,041) *	-	-	-	-	-
Total primary government (net expense)	<u>(286,884)</u>	<u>(285,144)</u>	<u>(273,091)</u>	<u>(296,940)</u>	<u>(332,450)</u>	<u>(332,423)</u>	<u>(334,750)</u>	<u>(354,778)</u>	<u>(328,175)</u>	<u>(312,104)</u>
General revenues and other:										
Governmental activities:										
Property taxes	\$ 259,884	\$ 262,613	\$ 272,056	\$ 278,248	\$ 277,205	\$ 290,328	\$ 307,601	\$ 329,987	\$ 362,541	\$ 387,127
State aid	49,642	51,292	52,369	52,829	54,063	55,957	57,211	62,564	64,296	68,041
Other	481	680	1,122	2,312	3,625	6,301	5,264	2,303	(382)	13,723
Transfers	(566)	(485)	813	559	(3,110)	-	-	-	-	-
Total general revenues and other	<u>309,441</u>	<u>314,100</u>	<u>326,360</u>	<u>333,948</u>	<u>331,783</u>	<u>352,586</u>	<u>370,076</u>	<u>394,854</u>	<u>426,455</u>	<u>468,891</u>
Change in net position, governmental activities	<u>\$ 23,154</u>	<u>\$ 29,086</u>	<u>\$ 53,459</u>	<u>\$ 37,065</u>	<u>\$ 8,374</u>	<u>\$ 20,163</u>	<u>\$ 35,326</u>	<u>\$ 40,076</u>	<u>\$ 98,280</u>	<u>\$ 156,787</u>
Business-type activities:										
Other	\$ 3	\$ 9	\$ 235	\$ 193	\$ 145 *	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers	566	485	(79)	(559)	3,110 *	-	-	-	-	-
Total general revenues and other	<u>569</u>	<u>494</u>	<u>156</u>	<u>(366)</u>	<u>3,255 *</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in net position, business-type activities	<u>\$ (28)</u>	<u>\$ 364</u>	<u>\$ (34)</u>	<u>\$ (423)</u>	<u>\$ (5,786) *</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Primary government:										
Property taxes	\$ 259,884	\$ 262,613	\$ 272,056	\$ 278,248	\$ 277,205	\$ 290,328	\$ 307,601	\$ 329,987	\$ 362,541	\$ 387,127
State aid	49,642	51,292	52,369	52,829	54,063	55,957	57,211	62,564	64,296	68,041
Other	484	689	1,357	2,505	3,770	6,301	5,264	2,303	(382)	13,723
Transfers	-	-	734	-	-	-	-	-	-	-
Total general revenues and other	<u>310,010</u>	<u>314,594</u>	<u>326,516</u>	<u>333,582</u>	<u>335,038</u>	<u>352,586</u>	<u>370,076</u>	<u>394,854</u>	<u>426,455</u>	<u>468,891</u>
Change in net position, primary government	<u>\$ 23,126</u>	<u>\$ 29,450</u>	<u>\$ 53,425</u>	<u>\$ 36,642</u>	<u>\$ 2,588</u>	<u>\$ 20,163</u>	<u>\$ 35,326</u>	<u>\$ 40,076</u>	<u>\$ 98,280</u>	<u>\$ 156,787</u>
Total Component Units										
Total Expenses	\$ 6,912	\$ 7,076	\$ 8,054	\$ 8,673	\$ 8,888	\$ 9,143	\$ 9,550	\$ 9,852	\$ 10,150	\$ 10,884
Program Revenues:										
Charges for Services	-	-	-	-	-	10	3	12	-	17
Operating Grants and Contributions	6,473	7,015	6,987	7,466	7,310	7,659	8,278	9,218	10,315	10,336
Total program revenues	<u>6,473</u>	<u>7,015</u>	<u>6,987</u>	<u>7,466</u>	<u>7,310</u>	<u>7,669</u>	<u>8,281</u>	<u>9,230</u>	<u>10,315</u>	<u>10,353</u>
Net (expense) revenue	(439)	(61)	(1,067)	(1,207)	(1,578)	(1,474)	(1,269)	(622)	165	(531)
General revenues - state aid/grants (unrestricted)	394	442	501	425	489	466	477	1,246	640	568
Change in net position - component units	<u>\$ (45)</u>	<u>\$ 381</u>	<u>\$ (566)</u>	<u>\$ (782)</u>	<u>\$ (1,089)</u>	<u>\$ (1,008)</u>	<u>\$ (792)</u>	<u>\$ 624</u>	<u>\$ 805</u>	<u>\$ 37</u>

Source: Horry County Schools' Audit Reports

* The School District converted its food service program operations, its only enterprise fund, from an enterprise fund to a special revenue fund effective July 1, 2018.

Horry County Schools
Fund Balances, Governmental Funds
Last Ten Years - Modified Accrual Basis (Dollars in thousands)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General fund										
Non-spendable:										
Inventories	\$ 580	\$ 570	\$ 518	\$ 641	\$ 696	\$ 725	\$ 786	\$ 777	\$ 817	\$ 945
Prepaid Expenditures	1,946	1,896	1,987	2,454	2,877	3,220	4,914	5,012	4,650	8,968
Committed										
Reserve for 2021-2021 Building Program	-	-	-	-	-	-	-	20,612	13,741	6,871
Assigned:										
Carryover School Budgets	552	495	497	525	567	688	765	1,246	2,758	2,358
Subsequent Year Expenditures	4,698	14,134	11,345	17,683	21,236	24,183	18,569	25,979	28,442	29,081
Encumbered Operating Expenditures	-	-	-	-	-	-	-	-	-	-
Unassigned	75,919	71,806	77,600	80,511	85,113	78,901	102,635	90,248	100,530	117,318
Total general fund	<u>\$ 83,695</u>	<u>\$ 88,901</u>	<u>\$ 91,947</u>	<u>\$ 101,814</u>	<u>\$ 110,489</u>	<u>\$ 107,717</u>	<u>\$ 127,669</u>	<u>\$ 143,874</u>	<u>\$ 150,938</u>	<u>\$ 165,541</u>
All other governmental funds										
Non-spendable	\$ -	\$ -	\$ 761,532	\$ 404	\$ 20	\$ 383	\$ 1,596	\$ 760	\$ 1,171	\$ 1,231
Restricted:										
Special Projects	-	-	677	1,385	1,682 *	8,012	5,230	8,006	8,530	10,926
School Food Service	-	-	-	-	- *	-	-	5,301	13,809	12,052
Debt Service	25,080	24,318	34,590	31,926	54,552	52,372	45,033	47,806	58,095	60,064
Capital Projects	56,408	61,496	265,227	116,783	42,695	39,272	56,008	56,894	92,689	108,147
Unassigned	-	-	-	-	-	(19)	(10)	(7)	(346)	(102)
Total all other governmental funds	<u>\$ 81,488</u>	<u>\$ 85,814</u>	<u>\$ 1,062,026</u>	<u>\$ 150,498</u>	<u>\$ 98,949</u>	<u>\$ 100,020</u>	<u>\$ 107,857</u>	<u>\$ 118,760</u>	<u>\$ 173,948</u>	<u>\$ 192,318</u>

Notes: Modified accrual basis of accounting.

* The School District converted its food service program operations, its only enterprise fund, from an enterprise fund to a special revenue fund effective July 1, 2018.

Horry County Schools
Changes in Fund Balances, Governmental Funds
Last Ten Years - Modified Accrual Basis

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues:										
Local sources	\$ 269,272,250	\$ 268,240,809	\$ 279,013,531	\$ 288,560,731	\$ 294,870,019	\$ 308,743,136	\$ 321,331,434	\$ 337,614,544	\$ 370,817,124	\$ 414,946,107
Intergovernmental	98,407.00	36,536	1,651,625	1,688,098	737,500	1,171,111	1,018,019	917,756	2,500,596	829,623
State sources	169,692,055	178,626,061	187,206,318	200,571,651	225,123,941	229,866,443	248,002,317	257,138,772	256,544,301	286,856,981
Federal sources	23,696,383	25,912,165	26,800,598	29,830,964	28,208,037	45,896,297	47,860,505	68,002,025	125,416,538	126,389,042
Total revenue	462,759,095	472,815,571	494,672,072	520,651,444	548,939,497	585,676,987	618,212,275	663,673,097	755,278,559	829,021,753
Expenditures:										
Current:										
Instructional services	240,683,778	245,518,875	252,922,172	265,897,095	280,526,941	285,154,149	300,857,316	321,313,702	354,553,933	370,399,760
Support services	136,916,619	139,944,831	144,215,511	150,309,788	164,457,225	187,294,426	187,322,732	199,067,699	221,729,241	236,576,712
Community services	885,554	1,138,889	1,219,662	1,315,048	1,747,261	1,768,089	1,508,097	844,360	1,373,969	1,774,723
Pupil activities	646,784	715,943	-	242,068	-	-	-	-	-	-
Intergovernmental	7,137,197	7,874,729	8,221,998	7,924,685	11,422,585	11,859,411	13,555,430	13,918,654	11,065,897	10,628,557
Capital outlay	31,972,154	31,870,449	73,318,123	193,778,519	91,899,156	44,959,827	24,167,991	45,463,216	44,954,457	117,684,387
Debt Service:										
Principal	19,935,000	20,845,000	21,860,000	22,945,000	17,815,000	42,895,000	45,070,000	47,375,000	46,130,000	48,780,000
Interest and Legal Fees	16,064,806	15,708,756	14,162,896	19,689,855	20,840,969	19,983,319	17,942,289	15,635,030	13,411,404	10,240,879
Total expenditures	454,241,892	463,617,472	515,920,362	662,102,058	588,709,137	593,914,221	590,423,855	643,617,661	693,218,901	796,085,018
Excess (deficiency) of revenues over (under) expenditures	8,517,203	9,198,099	(21,248,290)	(141,450,614)	(39,769,640)	(8,237,234)	27,788,420	20,055,436	62,059,658	32,936,735
Other financing sources (uses):										
Premium on bonds sold	-	23,080,290	41,113,039	-	-	-	-	-	-	-
General obligation bonds issued	-	-	197,780,000	-	-	-	-	-	-	-
Issuance of refunding debt	-	143,780,000	-	-	-	-	-	-	33,235,000	-
Refunding deposits with escrow agent	-	(166,352,383)	-	-	-	-	-	-	(33,095,000)	-
Sale of capital assets	240,239	150,850	29,883	-	5,000	57,000	-	103,936	51,835	36,226
Other financing sources	-	160,926	-	-	-	-	-	-	-	-
Transfers in	47,761,342	48,187,711	44,351,867	54,986,957	35,834,349	51,573,491	52,814,307	58,372,464	81,887,545	119,079,121
Transfers out	(48,327,433)	(48,672,830)	(43,538,901)	(54,427,925)	(38,944,519)	(51,573,491)	(52,814,307)	(58,372,464)	(81,887,545)	(119,079,121)
Total other financing sources (uses)	(325,852)	334,564	239,735,888	559,032	(3,105,170)	57,000	-	103,936	191,835	36,226
Change in fund balances	\$ 8,191,351	\$ 9,532,663	\$ 218,487,598	\$ (140,891,582)	\$ (42,874,810)	\$ (8,180,234)	\$ 27,788,420	\$ 20,159,372	\$ 62,251,493	\$ 32,972,961
Debt service as a percentage of non capital expenditures	8.5%	8.5%	7.8%	8.9%	7.6%	11.1%	10.9%	10.4%	9.1%	8.5%

Source: Horry County Schools' Audit Reports

Horry County Schools
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years

Jurisdiction	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<i>Direct Rates:</i>										
Horry County Schools										
General Fund	120.2	123.1	123.1	123.1	123.1	123.1	118.1	118.1	118.1	118.1
Debt Service	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
Total	<u>130.2</u>	<u>133.1</u>	<u>133.1</u>	<u>133.1</u>	<u>133.1</u>	<u>133.1</u>	<u>128.1</u>	<u>128.1</u>	<u>128.1</u>	<u>128.1</u>
<i>Overlapping Rates:</i>										
Horry County	45.2	45.2	52.4	52.4	52.4	52.4	50.7	50.7	53.2	53.2
Town of Atlantic Beach	84.5	84.5	84.5	84.5	84.5	84.5	84.5	84.5	84.5	84.5
Town of Aynor	60.8	60.8	60.8	60.8	60.8	60.8	60.8	60.8	60.8	65.8
Town of Briarcliffe Acres	50.8	50.8	50.8	50.8	50.8	50.8	45.0	45.0	45.0	45.0
City of Conway	79.3	82.4	82.4	82.4	82.4	82.4	76.0	76.0	77.3	82.7
City of Loris	103.2	111.7	115.0	115.0	118.5	118.5	118.5	110.8	110.8	110.8
City of Myrtle Beach	66.1	74.5	74.5	77.5	77.5	80.5	78.9	78.9	78.9	88.9
City of North Myrtle Beach	38.0	39.3	39.3	41.3	41.3	43.3	37.1	45.0	45.0	45.0
Town of Surfside Beach	40.0	46.2	46.2	46.2	46.2	46.2	43.0	43.0	43.0	43.0

Source: Horry County Auditor

Horry County Schools
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years - (Dollars in thousands)

Fiscal Year Ended June 30,	Real Property		Personal Property		Total		Percentage of Estimated Value	Total Direct Rate *
	Assessed Value	Estimated Taxable Value	Assessed Value	Estimated Taxable Value	Assessed Value	Estimated Taxable Value		
2014	\$ 1,780,231	\$ 32,189,061	\$ 304,251	\$ 5,501,283	\$ 2,084,482	\$ 37,690,344	5.53%	\$ 130.2
2015	1,710,319	30,622,912	386,683	6,923,480	2,097,002	37,546,392	5.59%	133.1
2016	1,746,474	31,610,130	361,462	6,542,245	2,107,936	38,152,375	5.53%	133.1
2017	1,794,535	32,602,762	381,119	6,924,096	2,175,654	39,526,858	5.50%	133.1
2018	1,854,839	33,961,085	374,627	6,859,215	2,229,466	40,835,795	5.46%	133.1
2019	1,936,313	35,575,980	383,311	7,042,593	2,319,624	42,618,573	5.44%	133.1
2020	2,206,670	40,906,489	387,759	7,188,143	2,594,429	48,064,002	5.40%	128.1
2021	2,305,792	42,605,171	421,400	7,786,400	2,727,192	50,391,571	5.41%	128.1
2022	2,406,201	44,629,125	461,589	8,561,344	2,867,790	53,190,469	5.39%	128.1
2023	2,626,714	48,808,989	493,614	9,172,221	3,120,328	57,981,210	5.38%	128.1

Source: Horry County Government

*Per \$1,000 of assessed value

**Horry County Schools
Principal Property Taxpayers
Current Year and Nine Years Prior**

Taxpayer	Fiscal Year Ended June 30, 2023 (b)			Fiscal Year Ended June 30, 2014 (a)		
	Taxable Assessed Value	Rank	Percent of Assessed Value to Total Assessed	Taxable Assessed Value	Rank	Percent of Assessed Value to Total Assessed
Horry Electric Co-op. Inc.	\$ 20,689,690	1	0.69%	\$ 18,297,680	2	0.94%
Burroughs & Chapin Company, Inc.	19,583,210	2	0.65%	25,513,006	1	1.31%
Dominion Energy South Carolina	8,426,800	3	0.28%	-		0.00%
Kingston Resort Owner LLC	6,997,516	4	0.23%	-		0.00%
Bluegreen Vacations Unlimited Inc.	5,685,849	5	0.19%	5,097,440	5	0.26%
Lawyers Title Insurance Corp.	5,659,670	6	0.19%	5,713,926	4	0.29%
Wal-Mart Real Estate Business Trust	4,715,420	7	0.16%	7,402,376	3	0.38%
Marriott Ownership Resorts Inc.	4,677,650	8	0.16%	4,606,110	6	0.24%
Grand Strand Regional Medical Ctr	4,518,410	9	0.15%	-		0.00%
Spectrum Southeast LLC	4,466,670	10	0.15%	-		0.00%
HRP Myrtle Beach Operations LLC	-		0.00%	4,602,570	7	0.24%
Frontier Communications of the Carolinas	-		0.00%	4,185,760	8	0.21%
Horry Telephone Coop./HTC Communications, Inc.	-		0.00%	3,472,430	9	0.18%
Time Warner Cable Southeast, LLC	-		0.00%	3,394,910	10	0.17%
Totals	<u>\$ 85,420,885</u>		<u>2.85%</u>	<u>\$ 82,286,208</u>		<u>4.22%</u>

Source: (a) 2014 Horry County Schools' ACFR
(b) Horry County Finance

Horry County Schools
Property Tax Levies and Collections
Last Ten Fiscal Years - (Dollars in thousands)

Fiscal Year Ended June 30,	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
2014	\$ 210,364	\$ 207,083	98.44%	\$ 2,646	\$ 209,729	99.70%
2015	201,426	189,274	93.97%	2,857	192,131	95.39%
2016	204,525	191,591	93.68%	3,118	194,709	95.20%
2017	202,814	195,063	96.18%	3,016	198,079	97.67%
2018	208,229	197,628	94.91%	4,426	202,054	97.03%
2019	214,650	203,794	94.94%	3,224	207,018	96.44%
2020	228,234	216,591	94.90%	2,542	219,133	96.01%
2021	236,655	226,504	95.71%	3,032	229,536	96.99%
2022	245,889	235,365	95.72%	2,157	237,522	96.60%
2023	269,534	254,278	94.34%	-	254,278	94.34%

Source(s): Horry County Schools' audited financial statements and Horry County Treasurer

Horry County Schools
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years (Amounts expressed in thousands)

Fiscal Year	Total Outstanding	Less Debt Service	Net General Bonded Debt	Estimated Actual Value	Population	Ratio Bonded Debt to Estimated Actual Value	Bonded Debt per Capita in Actual Dollars
2014	\$ 346,986	\$ 20,466	\$ 326,520	\$ 37,690,344	290	0.92%	\$ 1,197
2015	330,620	19,612	311,008	37,546,392	299	0.88%	1,106
2016	543,301	34,462	508,839	38,152,375	309	1.42%	1,758
2017	512,157	34,068	478,089	39,526,858	322	1.30%	1,591
2018	486,314	56,185	430,129	40,835,795	333	1.19%	1,460
2019	435,390	53,913	381,477	42,618,573	344	1.02%	1,266
2020	382,292	46,720	335,572	48,064,002	354	0.80%	1,080
2021	327,134	43,447	283,687	50,391,571	351	0.65%	932
2022	266,694	54,730	211,964	53,190,469	366	0.50%	729
2023	210,039	57,457	152,582	57,981,210	383	0.36%	548

Source(s): Horry County Government
Population - US Census Bureau

Horry County Schools
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years (Amounts expressed in thousands)

Fiscal Year	General Obligation Bonds	Personal Income	Population	Ratio of O/S Debt to Personal Income	Bonded Debt per Capita In Actual Dollars
2014	\$ 346,986	\$ 9,260,979	290	3.75%	\$ 1,197
2015	330,620	9,810,655	299	3.37%	1,106
2016	543,301	10,457,110	309	5.20%	1,758
2017	512,157	11,449,588	322	4.47%	1,591
2018	486,314	12,361,243	333	3.93%	1,460
2019	435,390	13,431,369	344	3.24%	1,266
2020	382,292	14,910,351	354	2.56%	1,080
2021	327,134	16,434,125	351	1.99%	932
2022	266,694	Unavailable	366	Unavailable	729
2023	210,039	Unavailable	383	Unavailable	548

Note: Detail regarding the District's outstanding debt can be found in the notes to the financial statements

Source(s): Personal Income - County Population x Per Capita Personal Income (in thousands)
Population - US Census Bureau

Horry County Schools
Ratio of Annual Debt Service Expenditures for General Bonded Debt to Total Governmental Expenditures
Last Ten Fiscal Years

Fiscal Year	Principal	Interest and Fiscal Charges	Total	Total Governmental Expenditures	Ratio of Debt Service to Total Expenditures
2014	\$ 19,935,000	\$ 16,064,806	\$ 35,999,806	\$ 454,241,892	7.93%
2015	20,845,000	15,708,756	36,553,756	463,617,472	7.88%
2016	21,860,000	14,162,896	36,022,896	515,920,362	6.98%
2017	22,945,000	19,689,855	42,634,855	662,102,058	6.44%
2018	17,815,000	20,840,969	38,655,969	588,709,137	6.57%
2019	42,895,000	19,983,319	62,878,319	593,914,221	10.59%
2020	45,070,000	17,942,289	63,012,289	590,423,855	10.67%
2021	47,375,000	15,635,030	63,010,030	643,617,661	9.79%
2022	46,130,000	13,411,405	59,541,405	693,218,901	8.59%
2023	48,780,000	10,240,379	59,020,379	796,085,018	7.41%

Note: Total governmental expenditures represent total expenditures, excluding other financing sources (uses), for all governmental fund types: General Fund, Special Revenue Fund, Debt Service Fund and Capital Projects Fund.

Source(s): Horry County Schools' Auditor Reports.

Horry County Schools
Computation of Direct and Overlapping Debt
June 30, 2023 (Dollars in thousands)

<u>Government</u>	<u>Total General Debt Outstanding</u>	<u>Percentage Applicable to the District*</u>	<u>District's Share of Debt</u>
Entity:			
Horry County Schools	\$ 210,039	100%	\$ 210,039
Direct Debt	<u>210,039</u>		<u>210,039</u>
Horry County Government	165,461	100%	165,461
City of Myrtle Beach	184,463	100%	184,463
City of Conway	588	100%	588
City of Loris	1,251	100%	1,251
Town of Surfside Beach	3,753	100%	3,753
Higher Education Commission	<u>1,540</u>	100%	<u>1,540</u>
Total Overlapping Debt	<u>357,056</u>		<u>357,056</u>
Total Direct and Overlapping Debt	<u>\$ 567,095</u>		<u>\$ 567,095</u>

Note: Net Debt Outstanding is all general obligation long-term debt (excluding compensation for future absences, revenue bonds, and other "user fee" bonds).

Debt outstanding includes capital leases for all entities.

Debt outstanding includes the net of unamortized premiums, discounts, and bond issuance costs.

Source(s): Finance Department of each entity

*Overlapping governments are those that coincide with the geographic boundaries of the County. The overlapping portion is calculated to be 100% since Horry County Schools is the only school district located within the geographic boundaries. This percentage represents the portion of burden the outstanding debt of those overlapping governments place on residents and businesses in Horry County. This process recognizes that when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account.

Horry County Schools
Computation of Legal Debt Margin
Last Ten Fiscal Years - (Dollars in thousands)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Debt Limit	\$ 164,364	\$ 167,760	\$ 168,635	\$ 168,615	\$ 178,357	\$ 185,570	\$ 207,554	\$ 218,175	\$ 229,423	\$ 249,626
Total net debt applicable to limit	4,355	3,035	125,000	125,000	125,000	109,705	93,630	76,730	58,960	40,280
Legal debt margin	<u>\$ 160,009</u>	<u>\$ 164,725</u>	<u>\$ 43,635</u>	<u>\$ 43,615</u>	<u>\$ 53,357</u>	<u>\$ 75,865</u>	<u>\$ 113,924</u>	<u>\$ 141,445</u>	<u>\$ 170,463</u>	<u>\$ 209,346</u>
Total net debt applicable to limit as a percentage of debt limit	2.65%	1.81%	74.12%	74.13%	70.08%	59.12%	45.11%	35.17%	25.70%	16.14%

Legal debt margin calculation for fiscal year 2023

Assessed value	\$ 3,120,327
Debt limit (8% of assessed value)	249,626
Debt applicable to limit	(40,280)
Legal debt margin	<u>\$ 209,346</u>

Source(s): Horry County Schools' audit reports and Horry County Auditor and Assessor

Horry County Schools
Demographic and Economic Statistics
Last Ten Calendar Years

Fiscal Year Ended June 30,	Population (1)	Per Capita Income County (2)	Personal Income (3)	County Unemployment Rate (4)	School Enrollment (5)
2014	289,650	\$ 31,973	\$ 9,260,979	6.6%	40,256
2015	298,832	32,830	9,810,655	6.7%	41,195
2016	309,199	33,820	10,457,110	5.6%	42,174
2017	322,342	35,520	11,449,588	4.3%	42,912
2018	333,268	37,091	12,361,243	3.8%	43,706
2019	344,147	39,028	13,431,369	3.8%	43,854
2020	354,081	42,110	14,910,351	11.4%	44,665
2021	351,029	46,817	16,434,125	5.4%	43,398
2022	365,579	N/A	N/A	3.9%	45,496
2023	383,101	N/A	N/A	3.7%	46,226

Source(s): (1) U.S. Census Bureau
(2) Bureau of Economic Analysis
(3) County Population x Per Capita Personal Income (in thousands)
(4) South Carolina Department of Employment and Workforce
(5) Horry County Schools' 135-Day Average Daily Membership (based on fiscal year)
N/A Not available for the current year ACFR

**Horry County Schools
Principal Employers
Current Year and Nine Years Prior**

Employer	Fiscal Year Ended June 30, 2023			Fiscal Year Ended June 30, 2014		
	Approximate Numbers of Employees	Rank	Percentage of Total Employment	Approximate Numbers of Employees	Rank	Percentage of Total Employment
Horry County School District	6,041	1	3.69%	5,473	1	4.12%
Wal-Mart/Sam's Club	3,644	2	2.23%	2,262	2	1.70%
Horry County Government	2,598	3	1.59%	2,134	3	1.60%
Conway Medical Center	1,906	4	1.17%	1,398	5	1.05%
Food Lion	1,731	5	1.06%	1,477	4	1.11%
Coastal Carolina University	1,601	6	0.98%	972	8	0.73%
Grand Strand Regional Medical Center	1,523	7	0.93%	1,300	6	0.98%
McLeod Health (Loris & Seacoast)	1,151	8	0.70%	8,500	10	0.64%
City of Myrtle Beach	1,089	9	0.67%	928	9	0.70%
Lowe's Home Centers, LLC	743	10	0.45%	-		0.00%
Blue Cross Blue Shield	-		0.00%	1,200	7	0.90%
Totals	22,027		13.47%	25,644		13.53%

Note: The total employment is as of June of that year.

Source: Horry County Government

Horry County Schools
Employee Staffing Levels and Staffing Ratios for Regular Teachers
Last Ten Fiscal Years

<u>Budgeted Positions</u>	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Teachers (1)	2,667	2,726	2,829	2,888	2,959	3,015	3,072	3,145	3,203	3,239
Classified Instructional Aides	774	769	783	793	811	814	813	790	803	798
Principals and Assistant Principals	137	137	144	146	153	156	156	163	165	167
Supervisors and Directors	33	39	40	39	42	43	44	43	45	44
Coordinators and Learning Specialists	114	115	116	115	112	113	115	112	111	114
Counselors and Guidance	89	99	108	112	118	127	130	136	149	152
Librarians and Media Specialists	48	48	49	49	52	52	52	52	52	52
Nurses	60	59	60	67	70	70	74	74	81	85
Psychologists	31	31	31	31	33	33	33	33	33	33
Special Education Therapists	66	65	65	65	65	65	67	70	72	71
Technology	23	25	20	25	25	24	19	19	19	27
Transportation	423	429	452	465	465	473	473	478	479	465
Cafeteria	355	341	331	330	325	317	317	316	316	341
Custodians	241	247	277	279	301	305	312	313	325	332
Clerical	271	270	281	282	289	292	294	293	297	306
Maintenance	72	77	48	48	53	58	60	61	62	60
Miscellaneous (2)	107	114	139	152	153	176	180	182	195	211
Totals	5,511	5,591	5,773	5,886	6,026	6,133	6,211	6,280	6,407	6,497

<u>Budgeted Staffing Ratios</u>	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Child Development	20 to 1	20 to 1	20 to 1	20 to 1	20 to 1	20 to 1	20 to 1	20 to 1	20 to 1	20 to 1
Kindergarten	25 to 1	25.5 to 1	25.5 to 1	25.5 to 1	25.5 to 1	25.5 to 1	25.5 to 1	25.5 to 1	25.5 to 1	25.5 to 1
Primary - Grade 1	21 to 1	21.5 to 1	21.5 to 1	21.5 to 1	21.5 to 1	21.5 to 1	21.5 to 1	21.5 to 1	21.5 to 1	21.5 to 1
Primary - Grades 2-3	21 to 1	21.5 to 1	21.5 to 1	21.5 to 1	21.5 to 1	21.5 to 1	21.5 to 1	21.5 to 1	21.5 to 1	21.5 to 1
Elementary - Grades 4-5	24 to 1	24.5 to 1	24.5 to 1	24.5 to 1	24.5 to 1	24.5 to 1	24.5 to 1	24.5 to 1	24.5 to 1	24.5 to 1
Middle - Grade 6	20 to 1	20.2 to 1	20.2 to 1	20.2 to 1	20.2 to 1	20.2 to 1	25.3 to 1	25.3 to 1	25.3 to 1	25.3 to 1
Middle - Grades 7-8	20 to 1	20.2 to 1	20.2 to 1	20.2 to 1	20.2 to 1	20.2 to 1	25.3 to 1	25.3 to 1	25.3 to 1	25.3 to 1
High - Grades 9-12 (Smallest Schools)	16 to 1	16.13 to 1	16.13 to 1	16.13 to 1	16.13 to 1	16.13 to 1	21.5 to 1	21.5 to 1	21.5 to 1	21.5 to 1
High - Grades 9-12 (Largest Schools)	19.88 to 1	19.88 to 1	19.88 to 1	19.88 to 1	19.88 to 1	19.88 to 1	26.5 to 1	26.5 to 1	26.5 to 1	26.5 to 1

Note: (1) The number of regular classroom teachers employed varies with student enrollment.
(2) Miscellaneous staff includes accountants, administrative assistants, athletic directors, trainers, auditorium managers, childcare and First Steps managers, interpreters, and interventionists.

Source(s): Horry County School District's budget document

Horry County Schools
Operating Statistics
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Enrollment	Expenses	Cost per Pupil	Percentage Change	Teaching Staff	Pupil- Teacher Ratio	Percentage of Students Receiving Free or Reduced - Price Meals
2014	40,256	\$ 437,599,506	\$ 10,870	3.86%	2,688	14.98	63.01%
2015	41,195	444,831,810	10,798	-0.66%	2,747	15.00	61.14%
2016	42,174	445,036,307	10,552	-2.28%	2,849	14.80	59.73%
2017	42,912	484,144,123	11,282	6.92%	2,918	14.71	58.84%
2018	43,706	526,106,284	12,037	6.69%	2,992	14.61	48.99%
2019	43,854	560,345,394	12,778	6.15%	3,052	14.37	57.16%
2020	44,665	577,981,847	12,940	1.27%	3,109	14.37	48.36%
2021	43,398	624,926,400	14,400	11.28%	3,187	13.62	49.73%
2022	45,496	657,110,164	14,443	11.61%	3,244	14.02	43.56%
2023	46,226	675,083,417	14,604	1.42%	3,283	14.08	84.68%

Note: Enrollment reflects grades CD through 12.
Percentage of Students Receiving Free or Reduced-Price Meals in 2018 is for NON-CEP Schools only.
In 2019-2022, this is the District Wide Direct Certification Percentage.
In 2023, this is the District Total CEP %.

Source(s): Financial records of Horry County, SC Dept of Education

**Horry County Schools
Capital Asset Information
Last Ten Fiscal Years**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Buildings:										
Primary Schools										
Number	1	1	1	1	1	1	2	2	2	2
Square feet	113,650	113,650	113,650	113,650	113,650	113,650	214,758	214,758	214,578	214,578
Capacity	850	850	826	826	762	762	1,472	1,472	1,472	1,472
Enrollment	910	884	830	825	798	766	1,208	1,143	1,210	1,215
Elementary Schools										
Number	25	25	25	25	26	25	25	25	25	25
Square feet	2,563,829	2,563,829	2,563,829	2,563,829	2,709,672	2,709,672	2,667,454	2,667,454	2,667,454	2,667,454
Capacity	20,347	20,347	20,290	20,646	19,494	19,494	19,494	19,494	19,464	19,464
Enrollment	18,621	19,130	19,301	19,392	19,124	19,003	19,604	18,173	19,487	19,897
Intermediate Schools										
Number	1	1	1	1	2	2	1	1	1	1
Square feet	78,290	78,290	78,290	78,290	249,208	249,208	169,199	169,199	169,199	169,199
Capacity	735	735	735	735	1,947	1,947	1,200	1,200	1,200	1,200
Enrollment	648	692	720	726	1,620	1,630	919	815	834	862
Middle Schools										
Number	10	10	10	10	12	12	12	12	12	12
Square feet	1,393,714	1,393,714	1,393,714	1,393,714	1,618,112	1,766,086	1,766,086	1,766,086	1,766,086	1,766,086
Capacity	8,912	8,912	8,610	9,216	11,051	11,051	11,051	11,051	11,051	11,051
Enrollment	9,115	9,127	9,338	9,348	9,192	9,662	10,086	10,076	10,445	10,316
High Schools										
Number	9	9	10	10	10	10	10	11	11	11
Square feet	2,254,304	2,254,304	2,313,304	2,313,304	2,313,304	2,313,304	2,313,304	2,333,804	2,333,804	2,333,804
Capacity	14,457	14,457	15,075	15,075	13,862	13,862	13,862	14,082	14,082	14,082
Enrollment	12,196	12,632	12,999	12,803	12,972	12,989	13,152	13,258	13,801	14,340
Other										
Buildings	14	14	12	12	12	139	82	85	70	75
Square Feet	786,002	786,002	679,825	679,825	679,825	883,744	830,707	820,997	878,273	910,448
Capacity	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Source: Horry County School District's records

**Horry County Schools
Student Enrollment
Last Ten Fiscal Years**

Fiscal Year Ended June 30,	Child Development	Kindergarten	Elementary Grades 1-8	High School Grades 9-12	Total
2014	1,120	3,386	24,543	11,207	40,256
2015	1,100	3,135	25,233	11,727	41,195
2016	1,120	2,957	25,935	12,162	42,174
2017	1,114	3,072	26,234	12,492	42,912
2018	1,060	3,160	26,842	12,644	43,706
2019	1,060	2,970	27,139	12,685	43,854
2020	1,160	3,106	27,564	12,835	44,665
2021	1,054	2,785	26,619	12,940	43,398
2022	1,243	3,002	27,494	13,757	45,496
2023	1,302	3,101	27,777	14,046	46,226

Source: Horry County Schools' 135-Day Average Daily Membership Summary

Horry County Schools
Teacher Base Salaries
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Minimum Salary (a)	Maximum Salary (a)	Average Contracted Salary (a)	Statewide Average Salary (b)
2014	\$ 35,306	\$ 77,452	\$ 53,636	\$ 48,430
2015	35,306	77,452	53,636	48,561
2016	35,306	77,452	53,636	48,769
2017	36,011	79,000	54,709	50,050
2018	36,011	79,000	54,709	50,182
2019	36,371	79,790	55,256	50,882
2020	37,826	82,982	56,363	53,329
2021	37,826	82,982	57,466	53,185
2022	39,748	93,222	60,268	54,814
2023	43,761	97,234	64,281	57,737

Source: (a) Horry County Schools' budget document and District records
(b) SC Revenue and Fiscal Affairs Office

SINGLE AUDIT SECTION



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

To the Honorable Chairperson and Members of the Board of Education
Horry County Schools
Conway, South Carolina

We have audited, 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, the financial statements of the governmental activities, the aggregate discretely presented component units, and each major fund of the **Horry County Schools** (the "District") as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 22, 2023. Our report includes a reference to other auditors who audited the financial statements of Waccamaw Park Public Charter School, Inc., Palmetto Academy of Learning and Success, Academy of Hope, Inc., and Palmetto Academy for Learning Motorsports, as described in our report on the District's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting and compliance and other matters that are reported on separately by those auditors.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Mauldin & Jenkins, LLC

Columbia, South Carolina
November 22, 2023



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

To the Honorable Chairperson and Members of the Board of Trustees
Horry County Schools
Conway, South Carolina

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited **Horry County School's** (the "District") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2023. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

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* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the District's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

Mauldin & Jenkins, LLC

Columbia, South Carolina
November 22, 2023

HORRY COUNTY SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023

LEA Subfund Code	Federal Grantor/ Pass-through Grantor Program Title	Federal Assistance Listing Number	Pass-through Grantor's Number	Total Expenditures
U. S. Department of Education				
Passed through SC Department of Education:				
Special Education Cluster (IDEA)				
2203	23 IDEA (203)	84.027A	H63010100923	\$ 5,031,109
2204	22 IDEA (203)	84.027A	H63010100922	3,734,083
2205	23 IDEA Preschool (205)	84.173A	H63010100823	211,860
2206	22 IDEA Preschool (205)	84.173A	H63010100822	177,400
2212	Extended School Year	84.027A	Direct Allocation	54,985
2603	Private School Placement	84.027A	N/A	14,592
	Total for			<u>9,224,029</u>
2201	23 Title I Regular (201)	84.010A	H63010100123	14,902,931
2202	22 Title I Regular (201)	84.010A	H63010100122	2,068,234
2221	23 Title I N&D (LEA)	84.010A	H63010100123	19,660
2222	22 Title I N&D (LEA)	84.010A	H63010100122	4,393
2222	21 Title I N&D (LEA)	84.010A	H63010100121	10,211
2237	21 Targeted School Improvement	84.010A	H63010100121	156,509
2237	22 Targeted School Improvement	84.010A	H63010100122	285,414
2239	20 Comprehensive School Improvement	84.010A	H63010100120	27,649
2239	21 Comprehensive School Improvement	84.010A	H63010100121	18,545
2239	22 Comprehensive School Improvement	84.010A	H63010100122	254,556
	Total for Title I Part A			<u>17,748,102</u>
2207	23 CTE Federal (217)	84.048	H63010107123	701,256
2208	22 CTE Federal (217)	84.048	H63010107122	70,794
2210	23 Title IV SSAE (221)	84.424A	H63010100323	322,033
2210	22 Title IV SSAE (221)	84.424A	H63010100322	1,239,546
2210	21 Title IV SSAE (221)	84.424	H63010100321	303,650
2210	20 Title IV SSAE (221)	84.424	H63010100320	884
2218	COVID-19: Elementary & Secondary School Emergency Relief (ESSER) Fund III	84.425U	H63010497523	54,388,765
2220	COVID-19: Elementary & Secondary School Emergency Relief (ESSER) Fund - CARES Act	84.425D	H630104497520	486
2225	COVID-19: Elementary & Secondary School Emergency Relief (ESSER) Fund II	84.425D	H630104497522	15,367,700
2243	22 Adult Education Program - Reverted (243)	84.002A	H63010101021	145,411
2243	22 Civic Reverted	84.002A	H63010101022	1,818
2243	23 Adult Education (243)	84.002A	H63010101022	387,571
2243	23 Adult Education - Civics	84.002A	H63010101023	34,734
2243	23 Adult Education - Institutionalized	84.002A	H63010101023	27,000
2243	21 Adult Education (243)	84.002A	H63010101021	48
2243	21 Civic Reverted	84.002A	H63010101021	719
2264	23 Title III Part A- Immigrant	84.365A	H63010006723	30,841
2265	22 Title III English Language Acquisition - EL (264)	84.365A	H63010006722	287,851
2265	21 Title III English Language Acquisition - EL (264)	84.365A	H63010006721	9,118
2266	22 Title II Supporting Effective Instruction (267)	84.367A	H63010006822	1,096,053
2267	23 Title II Supporting Effective Instruction (267)	84.367A	H63010006823	1,237,650
	Total US Department of Education			<u>102,626,059</u>
	Total U. S. Department of Education			<u>102,626,059</u>
U. S. Department of Agriculture:				
Passed through SC Department of Education:				
Child Nutrition Cluster:				
Cash Assistance:				
6002	Supply Chain Assistance	10.555	N/A	1,564,430
6200	Summer Food for Children	10.559	N/A	80,522
6000	School Breakfast Program	10.553	N/A	4,696,142
6000	National School Lunch Program	10.555	N/A	15,172,743
				<u>21,513,837</u>
Non-cash Assistance (Commodities):				
6000	National School Lunch Program	10.555	N/A	1,268,858
	Total for Child Nutrition Cluster			<u>22,782,695</u>
600	USDA Health & Nutrition Transportation Rebate/Reimbursement	10.560	N/A	67,045
	Total U. S. Department of Agriculture			<u>22,849,740</u>
U. S. Department of Health and Human Services:				
Passed through SC Department of Health and Environmental Control:				
2605	Response: Public Health Crisis Response	93.354	NU90TP922168	202,069
2606	YRBS/YTS Administration	93.079	H6304999	1,200
				<u>203,269</u>
U.S. Department of Defense:				
1000	ROTC	12.357	N/A	709,974
	Total Expenditures of Federal Awards			<u>\$ 126,389,042</u>

HORRY COUNTY SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023

Notes

- (1) **Basis of Presentation**
The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of Horry County Schools (the "District") under programs of the federal government for the year ended June 30, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, change in net position, or cash flows of the District.
- (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 the 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.
- (3) The District has a restricted indirect cost rate that is used for its federal programs and did not use the 10% de Minimis indirect cost rate allowed under the Uniform Guidance and covered in 2 CFR Part 200.414.

**HORRY COUNTY SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2023**

I. Summary of Auditor's Results:

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	None
Significant deficiency(ies) identified?	None Reported
Noncompliance material to the financial statements noted?	No

Federal Awards

Internal control over major federal programs:	
Material weakness(es) identified?	None
Significant deficiency(ies) identified?	None Reported
Type of auditor's report issued on compliance for major Federal programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516 (a)	None

Identification of major programs:

<u>Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.425D/84.425U	Department of Education, COVID-19 Elementary & Secondary School Emergency Relief (ESSER) Fund
84.027A/84.173A	Department of Education, Special Education Cluster (IDEA)

Dollar threshold used to distinguish between Type A and Type B programs	\$ 3,000,000
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Horry County Schools qualified as a low risk auditee	Yes
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II. Financial Statement Audit Findings	None reported.
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III. Federal Awards Findings and Questioned Costs	None reported.
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**HORRY COUNTY SCHOOLS
SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2023**

None reported.