

**SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
FINANCIAL AND COMPLIANCE REPORT
YEAR ENDED JUNE 30, 2024**

**Issued by:
Spartanburg County School District Four**

**Dr. Aaron Fulmer
Superintendent**

**Prepared by:
Finance Department**

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

FOR THE YEAR ENDED JUNE 30, 2024

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INTRODUCTORY SECTION

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

PRINCIPAL OFFICIALS FOR THE YEAR ENDED JUNE 30, 2024

ADMINISTRATIVE OFFICIALS

Dr. Aaron Fulmer
Superintendent

Chris Benfield
Assistant Superintendent of Business and Finance

MEMBERS OF BOARD OF TUSTEES

Tony Davis
Morgan Smith
Sandy Norman
Nathan Craig
Rick Sloan
Jay Phillips
Ted Harrison
Gary lee
Micha Kelley

Chairman
Vice-Chairman
Secretary
Board Trustee
Board Trustee
Board Trustee
Board Trustee
Board Trustee
Board Trustee

FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Spartanburg County School District Four
Woodruff, South Carolina

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and each major fund of **Spartanburg County School District Four** (the "District"), as of and for the year ended June 30, 2024, 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, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District, as of June 30, 2024, 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.

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, budgetary comparison information, and supplementary pension and OPEB information on pages 5 through 11 and pages 58 through 62, 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 GAAS, 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 Other Supplementary Information, required by the South Carolina Department of Education, as listed in the table of contents, 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 GAAS. In our opinion, the Other Supplementary Information required by the South Carolina Department of Education 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 section, as listed in the table of contents, 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 18, 2024, 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 the District's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Columbia, South Carolina
November 18, 2024

**SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
JUNE 30, 2024**

This section of Spartanburg County School District Four's (the District) financial report presents our discussion and analysis of the financial performance of the District for the year ended June 30, 2024. This information should be read in conjunction with the audited financial statements included in this report.

FINANCIAL HIGHLIGHTS:

- During fiscal year 2024, average daily membership increased by 35.96 or 1.34% from the previous year.
- In March 2024, the District issued Bond Anticipation Notes (BAN) in the amount of \$700,000. The proceeds will be used to renovate, repair and upgrade the District's facilities and upgrade technology at all locations.
- In March 2024, the District issued General Obligation Bonds in the amount of \$1,390,000. The proceeds were used to repay the BAN issued in 2023 plus interest. Any remaining proceeds will be used to renovate, repair and upgrade the District's facilities and upgrade technology.
- Due to reassessment and growth, the District's operating millage decreased from 184.0 mills to 170.7 mills. The District increased debt service fund millage from 19.1 mills to 42.5 mills. The increase was due to the additional debt requirements related to the \$100 million general obligation bond issued November 2022.

OVERVIEW OF THE FINANCIAL STATEMENTS:

The financial statements are comprised of the following components:

- Independent Auditor's Report
- Management's Discussion and Analysis (MD&A)
- Basic Financial Statements
- Required Supplementary Information
- Combining and Individual Fund Schedules
- Other Schedules required by the SC Department of Education
- Single Audit

The Basic Financial Statements include two types of statements that present different views of the District's finances. The first is the government-wide statements. The government-wide statements are presented on the full accrual basis of accounting and include the statement of net position and the statement of activities. The statement of net position includes all of the District's assets, deferred outflows of resources, liabilities and deferred inflow of resources. Assets and liabilities are classified in the order of relative liquidity for assets and due date for liabilities. This statement provides a summary of the District's investment in assets and obligations to creditors. Liquidity and financial flexibility can be evaluated using the information contained in this statement. The statement of activities summarizes the District's revenues and expenses for the current year. A net (expense) revenue format is used to indicate to what extent each function is self-sufficient.

The second type of statement included in the basic financial statements is the fund financial statements, which are presented for the District's governmental funds. These statements present the governmental funds on the modified accrual basis of accounting, measuring the near term inflows and outflows of financial resources and what is available at year-end to spend in the next fiscal year. The fund financial statements focus on the District's most significant funds. Because a different basis of accounting is used in the government-wide statements, reconciliation from the governmental fund financial statements to the government-wide statements is required. The governmentwide statements provide information about the District as an economic unit, while the fund financial statements provide information on the financial resources of the District's major funds.

**SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
JUNE 30, 2024**

Government-Wide Financial Statements

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the District's assets, deferred outflow of resources, liabilities and deferred inflow of resources. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the District's net position and how they have changed. Net position, the difference between the District's assets and liabilities, is one way to measure the District's financial health or position.

- Over time, increases or decreases in the District's net position are an indicator of whether its financial position is improving or deteriorating.
- To assess the District's overall health, additional non-financial factors such as changes in the District's property tax base and the condition of its school buildings and other physical assets should be considered.

The District's activities in the government-wide statements consists of:

- Governmental activities: The District's basic services are included here, such as regular and special education, transportation, and administration. Local property taxes, state funding and federal financial assistance finance most of these activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's funds, focusing on its most significant or "major" funds - not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs.

- The general fund is always shown as a major fund.
- Some funds are required by State law to be presented as major, such as the Education Improvement Act Fund.
- The District established other funds to control and manage money for a particular purpose or to show that it is properly using certain revenues, such as in the Federal Grant funds.

Spartanburg County School District Four funds consist of:

Governmental funds: The District's basic services are included in the governmental funds, which generally focus on two things - how cash, and other assets that can readily be converted to cash, flow in and out and the balances left at year-end that are available for spending. As a result of this focus, the governmental funds statements provide a detailed short-term view that helps one determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, additional information is provided in the form of a reconciliation to explain the relationship (or differences) between them. The District has several governmental funds: the General Fund, the Special Projects Funds, the Education Improvement Act Fund, the School Building Fund, the Debt Service Fund, and the Food Service Fund.

**SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
JUNE 30, 2024**

Notes to the Basic 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.

GOVERNMENT-WIDE FINANCIAL ANALYSIS:

Net Position

Net position is an indicator of the fiscal health of the District. Total net position increased between fiscal years 2024 and 2023 by \$9,302,377 or 82.0%.

The District's current assets decreased by \$24,613,729. Of this decrease, \$24,105,112 relates to a decrease in cash and cash equivalents. Cash and cash equivalents decreased as the District began using the proceeds of the \$100 million GO Bond issued November of 2022 for the construction of the new Woodruff High School. The increase in capital assets net of depreciation of \$37,433,206 is also due mainly to the construction of the new Woodruff High School. The District's current liabilities increased by \$4,139,996. Although short-term bond payable decreased by \$600,000, the District's accounts payable and accrued liabilities increased by \$4,714,614 due to outstanding construction invoices for the construction of the new Woodruff High School. The District's long-term liabilities decreased \$178,314 due to repayment of long-term bonds exceeding the issuance of new general obligation bonds. The remaining decrease in long-term liabilities results because the District's proportionate share of the Net Pension Liability and Net OPEB Liability decreased by decreased by \$3,797,207. The overall increase in total assets and deferred outflows of resources was greater than the increase in total liabilities and deferred inflow of resources. As a result, the District's total net position increased by \$9,302,377.

The following table provides a summary of the District's net position for the fiscal years ended June 30, 2024 and 2023:

	<u>2024</u>	<u>2023</u>	<u>Increase (Decrease)</u>
Assets:			
Current assets	\$ 111,580,373	\$ 136,194,102	\$ (24,613,729)
Capital assets (Net of Accumulated Depreciation)	62,197,360	24,764,154	37,433,206
Total Assets	<u>173,777,733</u>	<u>160,958,256</u>	<u>12,819,477</u>
Deferred Outflows of Resources:	<u>10,785,399</u>	<u>12,508,086</u>	<u>(1,722,687)</u>
Liabilities:			
Current liabilities	9,862,644	5,722,648	4,139,996
Long-term liabilities	163,025,090	167,000,611	(3,975,521)
Total Liabilities	<u>172,887,734</u>	<u>172,723,259</u>	<u>164,475</u>
Deferred Inflows of Resources:	<u>13,712,119</u>	<u>12,082,181</u>	<u>1,629,938</u>
Net Position			
Net Investment in Capital Assets	31,554,564	16,118,003	15,436,561
Restricted	11,618,614	112,665,449	(101,046,835)
Unrestricted	(45,209,899)	(140,122,550)	94,912,651
Total Net Position	<u>\$ (2,036,721)</u>	<u>\$ (11,339,098)</u>	<u>\$ 9,302,377</u>

**SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
JUNE 30, 2024**

Operating Results

Total governmental activities generated revenues of \$52,030,916, which represents a \$7,586,229 increase from the prior year. The increase results investment earnings increased by \$1,677,748 and property tax revenue increased by \$5,301,014. The increase in investment earnings was due to interest rates exceeding 5.5% for most of the year. The increase in property tax revenue was due to growth and the debt service fund millage increasing by 23.4 mills.

Total expenses increased by \$2,930,626. This increase is due to mandatory salary increases and fringe benefit increases. In addition, interest and other charges increased by \$604,925 due to the payments and the accrual of interest expense related to general obligation bonds.

The following table provides a summary of the District's changes in net position for the fiscal years ended June 30, 2024 and June 30, 2023:

	2024	2023	Increase (Decrease)
Revenues:			
Program Revenues			
Charges for Services	\$ 50,692	\$ 1,082,159	\$ (1,031,467)
Operating Grants and Contributions	22,613,064	22,448,995	164,069
Capital Grants and Contributions	2,545,146	-	2,545,146
General Revenues			
Property Taxes	14,373,349	11,672,043	2,701,306
State Aid Not Restricted for Specific Purpose	5,331,523	4,979,924	351,599
Unrestricted Investment Earnings	6,685,067	4,085,359	2,599,708
Miscellaneous	432,075	176,207	255,868
Total Revenues	<u>52,030,916</u>	<u>44,444,687</u>	<u>7,586,229</u>
Expenses:			
Instruction	20,932,880	19,801,809	1,131,071
Support Services	16,697,120	15,502,490	1,194,630
Interest & Other Charges	5,098,539	4,493,614	604,925
Total Expenses	<u>42,728,539</u>	<u>39,797,913</u>	<u>2,930,626</u>
Change in Net Position	9,302,377	4,646,774	4,655,603
Net Position, Beginning of Year	(11,339,098)	(15,985,872)	4,646,774
Net Position, End of Year	<u>\$ (2,036,721)</u>	<u>\$ (11,339,098)</u>	<u>\$ 9,302,377</u>

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS:

Governmental Funds

The District's governmental funds reported a combined fund balance of \$103,200,365 a decrease of \$28,800,359 from the prior year. The District's General Fund had expenditures and other financing uses that exceeded revenue and other financing sources by \$2,177,893. The District's assessed value increased. This resulted in additional local property tax revenue of \$1,471,872. Also, interest earning exceeded expectations by \$673,399 due to continued plus 5 % interest rates. State revenue exceeded expectations by \$1,153,702. This resulted because state aid revenue exceeded expectations by \$233,851 and state tax revenues exceeded expectations by \$757,685. Also, the District continued cost savings measures established in prior years to reduce expenditures. These measures include funding as many positions as possible with grant funding resulted in savings of \$2,235,072. The additional revenue and savings in expenditures was offset by a board approved transfer to capital projects fund of \$7,500,000.

**SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
JUNE 30, 2024**

The District's Special Revenue funds had revenues and other financing sources that exceeded expenditures and other financing uses by \$95,366. This results because pupil activity receipts exceeded expenditures by \$95,366. The increase in Pupil Activity Fund results because of ticket sales for athletic events increasing as well as additional funds collected by clubs exceeding expenditures.

The District's Food Service Fund had revenues and other financing sources that exceeded expenditures and other financing uses by \$480,662. In fiscal year 2024, the District elected to become a community eligibility provision school district. As a result, all USDA qualifying meals served are 100% free to the students, while the District is reimbursed by the federal government for these meals. As a result, participation increased resulting in an increase of revenue. This increase in revenue was offset by an increase in labor, supply and food cost.

The District's School Building Fund had expenditures and other financing uses that exceeded revenues and other financing sources by \$31,821,456. This occurred because the district began using the proceeds of the \$100 million GO bond issued November 2022 to construct the new Woodruff High School.

The District's Debt Service Fund had revenues and other financing sources exceed expenditures and other financing uses by \$4,622,962. The results because the District transferred \$6,757,924 from the Capital Projects Fund for future bond payments.

GENERAL FUND BUDGETARY HIGHLIGHTS:

The District did not amend its fiscal year 2024 budget. Total actual revenue exceeded budgeted revenue by \$3,429,503. This increase results local and state property tax revenue exceeded expectations by \$2,194,695. This results because the District's assessed value continues to grow. Also, various state allocations exceeded expectations by \$395,278. This resulted because the projected numbers were based on a small number of students. Actual student daily membership increased by 35.96 students, which resulted in additional revenue. Finally, investment earnings exceeded expectations by \$673,399. This is a direct result of continued high interest rates. Expenditures were less than budgeted expenditures by \$2,235,072. This resulted because cost savings measures implemented in fiscal year 2010 were continued and the District continued to fund many positions and expenditures with grant funding. The District budgeted to have other financing sources exceed other financing uses by \$2,643,825. The District's financing uses actually exceeded financing sources by \$7,402,435. This resulted because the District's Board approved an unbudgeted transfer of \$7,500,000 to the capital projects fund.

CAPITAL ASSETS AND DEBT ADMINISTRATION:

Capital Assets

Capital assets, net of depreciation, increased by \$37,433,206 from the previous year. This was due to the fact that capital additions exceeded depreciation expense and disposals. Major additions this year included construction in progress on the new Woodruff High School of \$38,032,123. Other major additions included metal detectors and parking lot improvements at Woodruff High School and security cameras at all schools. The following is a summary of the capital assets, net of depreciation and amortization at year-end.

**SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
JUNE 30, 2024**

The following table is a summary of the components of Capital Assets at June 30, 2024 and 2023:

	2024	2023	Increase (Decrease)
Land	\$ 4,429,539	\$ 4,429,539	\$ -
Construction in Progress	40,533,986	2,501,863	38,032,123
Land Improvements	5,654,966	5,132,575	522,391
Buildings & Building Improvements	32,165,741	32,411,382	(245,641)
Equipment & Vehicles	8,100,280	7,537,848	562,432
Subscription Based IT Assests	89,208	89,208	-
	<u>90,973,720</u>	<u>52,102,415</u>	<u>38,871,305</u>
Accumulated Depreciation and Amortization	<u>(28,776,360)</u>	<u>(27,338,261)</u>	<u>1,438,099</u>
Total	<u>\$ 62,197,360</u>	<u>\$ 24,764,154</u>	<u>\$ 37,433,206</u>

Debt Administration

As of June 30, 2024, the District had general obligation bonded indebtedness outstanding of \$102,148,611. This is an increase of \$7,928 from June 30, 2023. In March 2024, the District issued a general obligation bond in the amount of \$1,390,000. During fiscal year 2024, the District made bond principal payments in the amount of \$1,382,072. In addition, the District has Deferred Amounts for Premiums of \$4,668,825 which relates to the issuance of the \$100 million general obligation bond in November 2022. Also, the District issued bond anticipation notes in the amount of \$700,000, which are still outstanding as of June 30, 2024. More detailed information about the District's debt is presented in the Notes to the Financial Statements.

The following table is a summary of the District's outstanding debt at June 30, 2024 and 2023:

	2024	2023	Increase (Decrease)
General Obligation Bonds	\$ 102,148,611	\$ 102,140,683	\$ 7,928
Deferred Amounts for Premiums	4,668,825	4,837,071	(168,146)
Total	<u>\$ 106,817,436</u>	<u>\$ 106,977,754</u>	<u>\$ (160,318)</u>

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET:

The District anticipates enrollment over the next couple years to continue to increase. Currently, there are over 7,000 new homes approved within the District. The District continues the process of constructing a new Woodruff High School to accommodate the expected inflow of students. The anticipated completion date is November 2025.

County and state funding is a major source of income for the District; therefore, both the County's economic outlook and the State's economic outlook directly affect that of the District. The following factors affect the economic outlook of Spartanburg County and the State.

- The County's tax base continues to grow positively.
- The County's employment was 155,042 for September 2024. The employment for the prior year was 153,980.

**SPARTANBURG COUNTY SCHOOL DISTRICT FOUR
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
JUNE 30, 2024**

REQUEST FOR INFORMATION:

This financial report is designed to provide its citizens, investors, and creditors with a general overview of the School District's finances and to demonstrate the School District's accountability for the resources it receives. Questions concerning any of the information should be addressed to:

Chris Benfield, Business Manager
Spartanburg County School District Four
118 McEdco Road
Woodruff, SC 29388

BASIC FINANCIAL STATEMENTS

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

STATEMENT OF NET POSITION

JUNE 30, 2024

	GOVERNMENTAL ACTIVITIES
ASSETS	
Cash and Cash Equivalents	\$ 18,753,426
Restricted Cash and Cash Equivalents	88,823,319
Taxes Receivable	193,657
Due from County Treasurer	1,930,772
Due from State Department of Education	107,287
Due from Federal Government	1,377,317
Due from Other Entities	48,671
Inventories and Prepays	345,924
Capital Assets:	
Capital Assets, Not Being Depreciated or Amortized	44,963,525
Depreciable Capital Assets, Net of Depreciation and Amortization	17,233,835
Total Assets	173,777,733
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Outflows Related to Pensions	4,434,984
Deferred Outflows Related to Other Postemployment Benefits	6,350,415
Total Deferred Outflows of Resources	10,785,399
LIABILITIES	
Accounts Payable and Accrued Liabilities	7,431,335
Accrued Interest Payable	1,729,234
Due to State Department of Education	2,075
Short-term Bond Payable	700,000
Subscriptions Payable, Due in One Year	17,903
Subscriptions Payable, Due in More than One Year	47,231
General Obligation Bonds, Due in One Year	3,438,611
General Obligation Bonds, Due in More than One Year	103,378,825
Net Pension Liability, Due in More than One Year	33,506,696
Net Other Postemployment Benefits Liability, Due in More than One Year	22,635,824
Total Liabilities	172,887,734
DEFERRED INFLOWS OF RESOURCES	
Deferred Revenue	164,654
Deferred Inflows Related to Pensions	461,616
Deferred Inflows Related to Other Postemployment Benefits	13,085,849
Total Deferred Inflows of Resources	13,712,119
NET POSITION	
Net Investment in Capital Assets	31,554,564
Restricted for Debt Service	9,433,840
Restricted for Program Activities	455,540
Restricted for Food Service	1,979,476
Unrestricted	(45,460,141)
Total Net (Deficit)	\$ (2,036,721)

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

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024**

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES
Governmental Activities:					
Instruction Service	\$ 20,932,880	\$ 50,692	\$ 19,440,825	\$ -	\$ (1,441,363)
Support Service	16,697,120	-	3,172,239	2,545,146	(10,979,735)
Interest and Fiscal Charges	5,098,539	-	-	-	(5,098,539)
Total Governmental Activities	<u>\$ 42,728,539</u>	<u>\$ 50,692</u>	<u>\$ 22,613,064</u>	<u>\$ 2,545,146</u>	<u>(17,519,637)</u>
General Revenues:					
Property Taxes Levied for:					
General Purposes					11,184,684
Debt Service					3,188,665
State Aid - Formula Grants					5,331,523
Unrestricted Investment Earnings					6,685,067
Miscellaneous					432,075
Total General Revenues					<u>26,822,014</u>
Change in Net Position					9,302,377
Net (Deficit), Beginning of Year					<u>(11,339,098)</u>
Net (Deficit), End of Year					<u>\$ (2,036,721)</u>

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

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

**BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2024**

	GENERAL	SPECIAL PROJECTS	EDUCATION IMPROVEMENT ACT	FOOD SERVICE	DEBT SERVICE	CAPITAL PROJECTS	TOTAL GOVERNMENTAL FUNDS
ASSETS							
Cash and Cash Equivalents	\$ 16,371,998	473,381	\$ -	1,908,047	\$ -	\$ -	\$ 18,753,426
Cash and Cash Equivalents, Restricted	-	-	-	-	11,355,439	77,467,880	88,823,319
Taxes Receivable	152,947	-	-	-	40,710	-	193,657
Due from County Treasurer	1,851,182	-	-	-	79,590	-	1,930,772
Due from State Department of Education	94,724	12,563	-	-	-	-	107,287
Due from Federal Government	-	1,068,143	-	309,174	-	-	1,377,317
Due from Other Entities	42,103	-	-	1,841	4,727	-	48,671
Due from Other Funds	2,879,550	-	40,142	-	-	-	2,919,692
Inventories and Prepaids	270,533	-	-	75,391	-	-	345,924
TOTAL ASSETS	21,663,037	1,554,087	40,142	2,294,453	11,480,466	77,467,880	114,500,065
LIABILITIES							
Accounts Payable and Accrued Liabilities	6,182,066	21,163	-	-	-	1,228,106	7,431,335
Bonds Payable - Short-term	-	-	-	-	-	700,000	700,000
Due to State Department of Education	-	915	1,160	-	-	-	2,075
Due to Other Funds	-	950,797	-	314,977	304,727	1,349,191	2,919,692
TOTAL LIABILITIES	6,182,066	972,875	1,160	314,977	304,727	3,277,297	11,053,102
DEFERRED INFLOWS OF RESOURCES							
Deferred Revenue	-	125,672	38,982	-	-	-	164,654
Unavailable Revenue - Property Taxes	69,279	-	-	-	12,665	-	81,944
TOTAL DEFERRED INFLOWS OF RESOURCES	69,279	125,672	38,982	-	12,665	-	246,598
FUND BALANCES							
Nonspendable	270,533	-	-	-	-	-	270,533
Restricted	-	455,540	-	1,979,476	11,163,074	74,190,583	87,788,673
Unassigned	15,141,159	-	-	-	-	-	15,141,159
TOTAL FUND BALANCES	15,411,692	455,540	-	1,979,476	11,163,074	74,190,583	103,200,365
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	\$ 21,663,037	\$ 1,554,087	\$ 40,142	\$ 2,294,453	\$ 11,480,466	\$ 77,467,880	\$ 114,500,065
Total fund balances							\$ 103,200,365
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 as assets in governmental funds.							
Capital assets							90,973,720
Accumulated depreciation and amortization							(28,776,360)
Property taxes receivable are not available to pay for current period expenditures and, therefore, are deferred in the funds.							
							81,944
Deferred outflows (inflows) resulting from the recognition of the employer's share of the state's net pension and OPEB liabilities are not current financial resources; therefore, they are not reported on the fund financial statements.							
Deferred outflows of resources related to pensions							4,434,984
Deferred outflows of resources related to OPEB							6,350,415
Deferred inflows of resources related to pensions							(461,616)
Deferred inflows of resources related to OPEB							(13,085,849)
Accrued interest on outstanding bonds is not due and payable in the current period and, therefore, has not been reported as a liability in the funds.							
							(1,729,234)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the funds.							
Installment purchase obligations							(65,134)
General obligation bonds							(102,148,611)
Bond premium, net of accumulated amortization							(4,668,825)
Net pension liability							(33,506,696)
Net OPEB liability							(22,635,824)
Total net position - governmental activities							\$ (2,036,721)

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2024**

	<u>GENERAL</u>	<u>SPECIAL PROJECTS</u>	<u>EDUCATION IMPROVEMENT ACT</u>	<u>FOOD SERVICE</u>	<u>DEBT SERVICE</u>	<u>CAPITAL PROJECTS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
Revenues							
Local	\$ 12,214,801	\$ 1,060,759	\$ -	\$ 148,131	\$ 4,049,510	\$ 5,217,637	\$ 22,690,838
State	19,312,591	62,733	3,457,389	-	314,113	-	23,146,826
Federal	-	3,726,454	-	2,532,438	-	-	6,258,892
Intergovernmental	-	10,548	-	-	-	-	10,548
Total Revenues	<u>31,527,392</u>	<u>4,860,494</u>	<u>3,457,389</u>	<u>2,680,569</u>	<u>4,363,623</u>	<u>5,217,637</u>	<u>52,107,104</u>
Expenditures							
Current							
Instruction	16,421,290	2,768,183	752,160	-	-	-	19,941,633
Support Services	12,496,970	1,731,681	55,916	2,051,813	-	-	16,336,380
Intergovernmental	-	44,458	10,000	-	-	-	54,458
Debt Service							
Principal	-	-	-	-	1,382,072	17,996	1,400,068
Interest and Fiscal Charges	-	-	-	-	5,116,513	108,440	5,224,953
Capital Outlay	28,415	220,806	-	46,017	-	39,044,733	39,339,971
Total Expenditures	<u>28,946,675</u>	<u>4,765,128</u>	<u>818,076</u>	<u>2,097,830</u>	<u>6,498,585</u>	<u>39,171,169</u>	<u>82,297,463</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>2,580,717</u>	<u>95,366</u>	<u>2,639,313</u>	<u>582,739</u>	<u>(2,134,962)</u>	<u>(33,953,532)</u>	<u>(30,190,359)</u>
Other Financing Sources (Uses)							
Transfers In	2,741,390	-	-	-	6,757,924	7,500,000	16,999,314
Transfers Out	(7,500,000)	-	(2,639,313)	(102,077)	-	(6,757,924)	(16,999,314)
Issuance of General Obligation Bonds	-	-	-	-	-	1,390,000	1,390,000
Total Other Financing Sources (Uses), Net	<u>(4,758,610)</u>	<u>-</u>	<u>(2,639,313)</u>	<u>(102,077)</u>	<u>6,757,924</u>	<u>2,132,076</u>	<u>1,390,000</u>
Net Change in Fund Balance	<u>(2,177,893)</u>	<u>95,366</u>	<u>-</u>	<u>480,662</u>	<u>4,622,962</u>	<u>(31,821,456)</u>	<u>(28,800,359)</u>
Fund Balance, Beginning of Year	<u>17,589,585</u>	<u>360,174</u>	<u>-</u>	<u>1,498,814</u>	<u>6,540,112</u>	<u>106,012,039</u>	<u>132,000,724</u>
Fund Balance, End of Year	<u>\$ 15,411,692</u>	<u>\$ 455,540</u>	<u>\$ -</u>	<u>\$ 1,979,476</u>	<u>\$ 11,163,074</u>	<u>\$ 74,190,583</u>	<u>\$ 103,200,365</u>

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2024

Net change in fund balances - total governmental funds		\$ (28,800,359)
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Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay	\$ 39,208,933		
Depreciation and amortization expense	<u>(1,528,814)</u>		37,680,119

The net effect of various miscellaneous transactions (i.e., sales and donations) is to decrease net position.		(246,913)
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Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.		(76,188)
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The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. The effects of these items are as follows:

Repayment of the principal of long-term debt	\$ 1,400,068		
Issuance of general obligation bonds	(1,390,000)		
Amortization of premium on long-term debt	<u>168,246</u>		178,314

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. The following amounts represent the net liability changes using the full accrual method of accounting:

Pension expense	\$ 1,104		
Accrued interest on long-term debt	(41,832)		
Other postemployment benefits expense	<u>608,132</u>		<u>567,404</u>

Change in Net Position - Governmental Activities		<u>\$ 9,302,377</u>
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SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity:

Spartanburg County School District Four (the "District") is located in the southwestern part of Spartanburg County, South Carolina and is the largest school district in land area in Spartanburg County. The District operates a public school system under guidelines approved by the U.S. Department of Education and consists of four major schools. The District is fully accredited by the Cognia, Inc., formerly Advance Accreditation Commission.

The District's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (statements and interpretations).

The accompanying financial statements present all funds that are controlled by or financially dependent upon the District. Controlled by or financial dependence was determined on the basis of obligation of the District to finance deficits, guarantee of debt, selection of governing authority, approval of budget, authority to make a public levy, ownership of assets, and scope of public service and special financing relationships where there was only partial or no oversight responsibility. These financial statements exclude the related organization in Note 11 because the District does not significantly influence operations of the organization nor is the related organization accountable to the District for its fiscal operations.

Measurement Focus, Basis of Accounting, and Basis of Presentation:

The financial statement presentation for the District meets the requirements of GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments* and related amendments, pronouncements, and interpretations. This financial statement presentation provides a comprehensive, entity-wide perspective of the District's net position, revenues, expenses and changes in net position that replaces the fund group perspective previously required and provides for the inclusion of Management's Discussion and Analysis as required supplementary information.

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the District (the "Primary Government"). For the most part, the effect of interfund activity has been removed from these statements.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued):

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the District.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The government-wide financial statements are prepared using a different measurement focus from the manner in which governmental fund financial statements are prepared (see further detail below). Governmental Fund financial statements, therefore, include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Governmental Fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period.

For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued):

Property taxes, penalties, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash has been received by the government.

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

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

The accounts of the government are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. There are a minimum number of funds maintained to keep the accounts consistent with legal and managerial requirements. The following major funds and fund types are used by the District:

Governmental Fund Types are those through which most governmental functions of the District are financed. The District's expendable financial resources and related assets and liabilities are accounted for through governmental funds. Governmental funds are accounted for using a current financial resources measurement focus and the modified accrual basis of accounting. The following are the District's major governmental funds:

The *General Fund*, a major fund, is the general operating fund of the District and accounts for all revenues and expenditures of the District except those required to be accounted for in another fund. All general tax revenues and other receipts that are not allocated by law or contractual agreement to other funds are accounted for in the General Fund. General operating expenditures and capital improvement costs that are not paid through other funds are paid from the General Fund. This is a budgeted fund and any fund balance is considered a resource available for use.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued):

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The District has the following three Special Revenue Funds:

1. The Special Projects Fund, a major fund and an unbudgeted fund, is used to account for financial resources provided by federal, state and local projects, and grants.
2. The Education Improvement Act (EIA) Fund, a major fund and an unbudgeted fund, is used to account for the revenue from the South Carolina Education Improvement Act of 1984, which is legally required by the state to be accounted for as a specific revenue source.
3. The Food Service Fund, a major fund and an unbudgeted fund, is used to account for activities of the food service operations of the District, including collections for meals from students and teachers, USDA reimbursements, and all related expenditures.

The *Debt Service Fund*, a major fund and not a budgeted fund, is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

The *Capital Projects Fund*, a major fund and not a budgeted fund, is used to account for financial resources to be used for the acquisition, construction and/or renovations of major capital facilities and purchases of equipment (other than those financed by proprietary funds and trust funds).

Cash Management

At June 30, 2024, the District utilizes a cash management system whereby the District's excess of deposits over operating disbursements is invested in short-term interest-bearing investments. As operating disbursements are presented to the financial institution for payment, District funds are automatically transferred from the investment accounts to the checking account in order to maintain a zero balance in the checking accounts.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents:

The District considers cash equivalents to be short-term highly liquid investments that are (a) readily convertible to known amounts of cash and (b) are so near to maturity that they present negligible risk of changes in value because of changes in interest rates. Examples of cash equivalents are certificates of deposits, money market funds, and other short-term investments that mature within three months of acquisition.

Pooled Cash and Investments

The monies for the Debt Service Fund, Capital Projects Fund, Food Service Fund, and certain Special Project Funds are deposited and maintained in individual, segregated bank accounts. The District uses a pooled general bank account for the General Fund, Federal, State and Local Special Revenue Fund, and Education Improvement Act Fund. The pooled bank account is recorded in the General Fund. The equity interests in the pool belonging to Federal, State and Local Special Revenue Fund, and Education Improvement Act Fund are maintained in the account(s) due from (to) General Fund. These amounts will be settled from collections of reimbursements under grant programs from the Federal and State Governments and local sources.

Investments:

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 insurance, (4) certificates of deposit collaterally secured, (5) repurchase agreements secured by the foregoing obligations, and (6) the State Treasurer's Investment Pool.

Investments are stated at fair value, except for certain short-term highly liquid debt investments which are exempted from reporting at fair value. The District's investments reported at fair value approximate cost.

The District has certain funds invested with the South Carolina State Treasurer's Office, which established the Pool pursuant to Section 6-6-10 of the South Carolina Code. The Pool is an investment trust fund, in which public monies in excess of current needs, which are under the custody of any city treasurer or any governing body of a political subdivision of the State, may be deposited. The Pool is a 2a 7-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 2a 7 of the Investment Company Act of 1940. Investments are carried at fair value as determined in accordance with GASB Statement No. 72. The total fair value of the Pool is apportioned to the entities with funds invested on an equal basis for each share owned, which are acquired at a cost of \$1.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value:

The fair value measurement and disclosure framework provides for a three-tier fair value hierarchy that gives highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of fair value hierarchy are described below:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the District can access at the measurement date.

Level 2 – Inputs to the valuation methodology, other than quoted prices included in Level 1, that are observable for an asset or liability either directly or indirectly and include:

- Quoted prices for similar assets and liabilities in active markets.
- Quoted prices for identical or similar assets or liabilities in inactive markets.
- Inputs other than quoted market prices that are observable for the asset or liability.
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 – Inputs to the valuation methodology that are unobservable for an asset or liability and include:

- Fair value is often based on developed models in which there are few, if any, observable inputs.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used should maximize the use of observable inputs and minimize the use of unobservable input.

The valuation methodologies described above may produce a fair value calculation that may not be indicative of future net realizable values or reflective of future fair values. The District believes that the valuation methods used are appropriate and consistent with GAAP. The use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. There have been no significant changes from the prior year in the methodologies used to measure fair value.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Due from County Government

The County Government, fiscal agent for the District, receives monies from local, state and federal sources on behalf of the District. The monies held by the County Government are uninsured but collateralized with government investments held by the pledging institution's agent in the name of the County. Market value approximates cost on the investments. These monies are remitted to the District once a claim has been presented to the County Government.

Taxes Receivable

Taxes receivable represents delinquent taxes being processed for collection by the Spartanburg County Delinquent Tax Office, originally assessed for the District. Thirty percent of the delinquent taxes delivered each year to the Delinquent Tax Office are estimated to be collectible; the remainder is considered to be uncollectible and, accordingly, an allowance for the uncollectible amounts has been recorded.

Interfund Receivables and Payables:

Transactions between funds that are representative of reimbursement arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds."

In the fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/payables."

Inventories:

The District follows the practice of expensing supply items as they are purchased, with the exception of expenditures for inventory increases in the Food Service Fund, which are capitalized. Inventory in the Food Service Fund consists of purchased food supplies and United States Department of Agriculture (USDA) donated food commodities. Inventories of purchased food and supplies are valued at cost (first-in, first-out). Inventory of USDA food commodities is valued as determined by current purchase price if known, otherwise at USDA value.

Prepaid Items:

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Bond Premiums:

On the accompanying government wide financial statements bond premiums are capitalized and amortized (these costs are recorded as other financing sources in the fund financial statements). The District amortizes the bond premiums from general obligation bonds on an effective interest rate basis over the term of the bonds.

Capital Assets:

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at estimated acquisition value values as of the date received. The District follows the policy of not capitalizing assets with a cost of less than \$5,000. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. The District does not possess any infrastructure.

All reported capital assets except land and construction in progress are depreciated. Construction projects are depreciated once they are completed or placed into service, at which time the complete costs of the project are transferred to the appropriate capital asset category. Depreciation is computed using the straight-line method over the following useful lives:

Buildings and Improvements	10 - 50 years
Equipment and Vehicles	5 - 10 years
Land Improvements	20 years

Accrued Liabilities and Long-term Liabilities:

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements.

In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources. However, claims and judgments, compensated absences, contractually required pension contributions, and special termination benefits that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they will be paid with current, expendable, and available financial resources. In general, payments made within sixty days after year-end are considered to have been made with current available financial resources. Bonds and other long-term obligations that will be paid from governmental funds are not recognized as a liability in the fund financial statements until due.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Subscription-Based Information Technology Agreements (SBITAS)

The District has various right-to-use subscription assets recorded on the government-wide Statement of Net Position. The right-to-use assets are initially measured at an amount equal to the initial measurement of the related subscription liability plus any payments made prior to the term, less incentives, and plus ancillary charges necessary to place the asset into service. The right-to-use assets are amortized on a straight-line basis over the life of the related subscription.

At the commencement of a lease/subscription, the District initially measures the liability at the present value of payments expected to be made during the lease/subscription term. Subsequently, the liability is reduced by the principal portion of payments made.

Key estimates and judgments related to leases/subscriptions include the following:

- The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District uses its estimated incremental borrowing rate as the discount rate for leases/subscriptions. The District's estimated incremental borrowing rate is based on historical market data and credit spread based on market data points compared to the lease/subscription commencement date.
- The lease/subscription term includes the noncancellable period of the lease/subscription. Payments included in the measurement of the lease/subscription liability are composed of fixed payments and purchase option price that the District is reasonably certain to exercise.

The District monitors changes in circumstances that would require a remeasurement of its lease/subscription and will remeasure the lease/subscription asset and liability if certain changes occur that are expected to significantly affect the amount of the liability.

Compensated Absences:

In accordance with state law, the District allows employees to accumulate a maximum of ninety (90) days sick leave. Accumulated sick leave is transferable to other school districts. During an illness, an employee continues to receive full pay for each day of accumulated sick leave. If an employee leaves the employment of the District, any unused sick leave is not paid. Because of the nonvesting of sick leave and other uncertainties, no estimate of any potential liability has been made.

Two weeks' vacation is given to all 12-month employees. Vacation is noncumulative and employees are not paid for unused vacation days. Therefore, no provision for liability has been made.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Outflows/Inflows of Resources:

In addition to assets, the Statement of Net Financial Position reports a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government has four items that qualify for reporting in this category for outflows related to pensions and other postemployment benefits (OPEB). Employer contributions subsequent to the measurement date of the net pension and net OPEB liabilities are reported as deferred outflows of resources. The remaining deferred outflows related to pensions and OPEB are described in Notes 7 and 8.

Deferred inflows of resources represent acquisition of net assets that is applicable to a future period. Changes in net pension and net OPEB liabilities not included in expenses are reported as deferred outflows of resources or deferred inflows of resources. The District reports deferred revenues from voluntary exchange transactions for resources received before time requirements are met but after all other eligibility requirements have been met.

Equity Classification:

In the government-wide financial statements, equity is classified as net position and is displayed in the following components:

Net Investment in Capital Assets. Consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any bonds, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

Restricted Net Position. Consists of net position with constraints placed on their use by (a) third parties such as creditors, grantors, contributors or laws or regulations of other governments or (b) law through constitutional provisions or enabling legislation.

Unrestricted Net Position. All other net position that does not meet the definition of restricted or net investment in capital assets.

In the governmental fund financial statements, equity is classified as fund balance.

The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

Nonspendable Fund Balance. Consists of amounts that are not in a spendable form (such as inventory and prepaid items) or are required to be maintained intact.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity Classification (Continued):

Restricted Fund Balance. Consists of amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

Committed Fund Balance. Consists of amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.

Assigned Fund Balance. Consists of amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.

Unassigned Fund Balance. Consists of amounts that are available for any purpose; positive amounts are reported only in the general fund.

Spending Policy. The District would typically use restricted fund balances first, followed by committed resources and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first and to defer the use of these other classified funds. Where applicable, these classifications are presented on the face of the governmental funds balance sheets.

Accounting Estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. Those estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. In addition, they affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates and assumptions.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgetary Information:

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The District superintendent submits to the local school Board of Trustees an operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Any revisions to transfer budgeted amounts between departments or that alter the total expenditures of any fund must be approved by the Board.
3. Formal budgetary integration is employed as a management control device during the year for the General Fund.
4. Budgeted amounts are as amended by the District. The District reports the annual budget of all funds on the modified accrual basis of accounting.

The District legally adopts an annual budget for the General Fund prior to the beginning of each fiscal year. The adopted budget specifies expenditure limits appropriated to each function. All annual appropriations lapse at fiscal year-end. The budget is prepared on a basis consistent with U.S. generally accepted accounting principles, which is consistent with actual financial statement results, including significant accruals to provide meaningful comparisons.

Excess of Expenditures over Appropriations

The legal level of budgetary control is at the total expenditure level. This is the level at which expenditures should not exceed appropriations. For the fiscal year ended June 30, 2024, the District's overall general fund expenditures did not exceed appropriations, however expenditures exceeded appropriations for support services by \$512,376.

NOTES TO FINANCIAL STATEMENTS

NOTE 2. CASH AND CASH EQUIVALENTS

All of the District's deposits are either insured or collateralized by the Dedicated Method. Under the Dedicated Method, all deposits exceeding the federal depository insurance coverage level are collateralized with securities held by the District's agents in the District's name. The District's cash and cash equivalents are held by multiple depositories. Cash and cash equivalents (demand deposits) consist of checking, savings, and money market accounts.

All cash held under the custody of the District is pooled except for food service and student activity funds. At year-end the carrying amounts of the District's total deposits including special projects and food service funds were \$2,674,932 and the bank balances totaled \$2,970,066. Of these deposits, \$500,000 was insured by FDIC. The remaining balance was collateralized with securities held by the pledging financial institution in the District's name. The cash held by the treasurer in the name of the District was either fully insured by FDIC or collateralized with securities held by financial institutions in the name of Spartanburg County, South Carolina.

Custodial credit risk is the risk that, in the event of a bank failure, the District's deposits may not be returned to it. The District's policy regarding cash custodial risk is to require banks with which the District maintains deposits to collateralize and/or insure the District's funds.

Investments

The District does not have a formal investment policy that would limit its investment choices; however, the District follows the state law that defines the investments permitted a governmental entity in the state of South Carolina. The South Carolina Local Government Investment Pool (LGIP) is unrated.

The District's investments with a maturity of more than one year are carried at acquisition value and non-money market investments are carried at fair value as determined by quoted market prices. Investments that have a remaining maturity at the time of purchase of one year or less and non-participating interest earnings and investment contracts are reported at amortized cost.

The District's investments in the state treasurer's investment pool are stated at fair value. These investments are part of a pool of funds for which the collateral is not identified for each deposit, but rather for the fund as a whole. These investments are collateralized by cash or government and agency securities, which are fully guaranteed as to principal and interest by the federal government, but not in the name of the District. As of June 30, 2024, the LGIP has a weighted average maturity of 54 days.

NOTES TO FINANCIAL STATEMENTS

NOTE 2. CASH AND CASH EQUIVALENTS

At June 30, 2024, cash and cash equivalents were as follows:

Statement of Net Position:

Cash and Cash Equivalents	\$ 18,753,426
Restricted Cash and Cash Equivalents	88,823,319
	<u>\$ 107,576,745</u>
Deposits with Financial Institutions	\$ 2,674,932
Cash with fiscal agent	34,373
South Carolina Local Government Investment Pool	104,867,440
	<u>\$ 107,576,745</u>

Custodial Credit Risk for Deposits:

Custodial risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal and state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities. As of June 30, 2024, the District's deposits with financial institutions were fully collateralized in compliance with state requirements.

Interest Rate Risk:

Interest rate risk is the risk that the market value of securities in the portfolio will fall due to changes in the market interest rates. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk:

The District does not have a custodial credit risk policy. For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral that are in the possession of an outside party.

NOTES TO FINANCIAL STATEMENTS

NOTE 3. PROPERTY TAXES AND OTHER RECEIVABLES

The District's property taxes (except vehicles) are levied by the Spartanburg County Auditor each fall on the assessed valuation of the property located in the District as of the preceding January 1. Vehicle property taxes are levied on various dates in conjunction with the renewal dates of vehicle license tags. The tax books are open for collection on September 1, with the first penalty of 3% applied to payments made after January 15, the due date. An additional penalty of 5% is charged for payments made after January 31.

Uncollected property taxes attach as an enforceable lien on January 1. Uncollected property taxes as of March 15 are transferred to the Spartanburg County Delinquent Tax Collector, at which time an additional 5% penalty is assessed. Spartanburg County bills and collects the District's property taxes. The District's uncollected assessed taxes that have been transferred to the Spartanburg County Delinquent Tax Collector are recorded as taxes receivable in the accompanying government-wide statement of net position. An allowance for the amounts considered to be uncollected has also been recorded. These delinquent amounts and related allowance are not reflected as receivables in the accompanying fund financial statement balance sheet in that they are not deemed available.

Assessed values for real estate are established annually by the County Tax Assessor based on the assessment ratio applied to the appropriate class of property. Real and personal property, excluding merchant's inventory, in the District for the calendar year 2023 tax levy was assessed at \$84,720,927.

The District's operating tax rate is currently 170.7 mills with an additional 42.5 mills for debt retirement.

Taxes receivable represents delinquent taxes being processed for collection by the Spartanburg County Delinquent Tax Office, originally assessed for the District. Thirty percent of the delinquent taxes delivered each year to the Delinquent Tax Office are estimated to be collectible; the remainder is considered to be uncollectible and, accordingly, an allowance for the uncollectible amounts has been recorded.

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

	General Fund	Debt Service Fund	Total
Taxes Receivable	\$ 605,732	\$ 109,650	\$ 715,382
Less allowance	(452,785)	(68,940)	(521,725)
	\$ 152,947	\$ 40,710	\$ 193,657

NOTES TO FINANCIAL STATEMENTS

NOTE 4. CAPITAL ASSETS

Capital asset activity for the District for the year ended June 30, 2024, was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental Activities:					
Capital Assets, Not Being Depreciated:					
Land	\$ 4,429,539	\$ -	\$ -	\$ -	\$ 4,429,539
Construction in Progress	2,501,863	38,156,076	-	(123,953)	40,533,986
Total	<u>6,931,402</u>	<u>38,156,076</u>	<u>-</u>	<u>(123,953)</u>	<u>44,963,525</u>
Capital Assets, Being Depreciated and Amortized:					
Land Improvements	5,132,575	522,391	-	-	5,654,966
Buildings and Improvements	32,411,382	-	(245,641)	-	32,165,741
Furniture & Vehicles	7,537,848	530,466	(91,987)	123,953	8,100,280
Subscription Based IT Assets	89,208	-	-	-	89,208
Total	<u>45,171,013</u>	<u>1,052,857</u>	<u>(337,628)</u>	<u>123,953</u>	<u>46,010,195</u>
Less Accumulated Depreciation and Amortization For:					
Land Improvements	(18,826,637)	(315,852)	-	-	(19,142,489)
Buildings and Improvements	(3,456,890)	(739,497)	12,964	-	(4,183,423)
Furniture & Vehicles	(5,048,787)	(449,450)	77,751	-	(5,420,486)
Subscription Based IT Assets	(5,947)	(24,015)	-	-	(29,962)
Total	<u>(27,338,261)</u>	<u>(1,528,814)</u>	<u>90,715</u>	<u>-</u>	<u>(28,776,360)</u>
Total Capital Assets, Being Depreciated and Amortized, Net	<u>17,832,752</u>	<u>(475,957)</u>	<u>(246,913)</u>	<u>123,953</u>	<u>17,233,835</u>
Total Capital Assets, Net	<u>\$ 24,764,154</u>	<u>\$ 37,680,119</u>	<u>\$ (246,913)</u>	<u>\$ -</u>	<u>\$ 62,197,360</u>

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

Governmental activities:	
Instruction	\$ 890,687
Support Services	638,127
Total depreciation and amortization expense - governmental activities	<u>\$ 1,528,814</u>

NOTE 5. SHORT TERM DEBT

The following is a summary of short-term debt activity of the District for the year ended June 30, 2024:

	Beginning Balance	Additions	Reductions	Ending Balance
Governmental activities:				
Bond Anticipation Notes	\$ 1,300,000	\$ -	\$ (1,300,000)	\$ -
2024 General Obligation Bond	-	700,000	-	700,000
Other Long-term Liabilities	<u>\$ 1,300,000</u>	<u>\$ 700,000</u>	<u>\$ (1,300,000)</u>	<u>\$ 700,000</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 5. SHORT TERM DEBT (CONTINUED)

On March 20, 2024, the District issued a \$700,000 General Obligation Bond Anticipation Note, Series 2024. As of June 30, 2024, these bonds were outstanding.

On March 23, 2023, the District issued a \$1,300,000 General Obligation Bond Anticipation Note, Series 2024. As of June 30, 2024, these bonds were paid in full, including interest of \$56,753.

NOTE 6. LONG-TERM LIABILITIES

General Obligation Bonds

On June 17, 2021, the District issued \$3,000,000 in General Obligation Bonds at an interest rate of 0.79% payable on June 1, 2025. Principal and interest payments are due annually on June 1 of each year until the bonds are paid in full. Proceeds of these bonds were used to (a) to acquire land for the new high school, engineering studies, demolition of the two houses on the property and (b) pay a portion of the costs of acquiring, constructing, furnishing, and equipping improvements to various facilities of the School District.

On November 10, 2022, the District issued \$100,000,000 in General Obligation Bonds with an interest rate of 5.00% payable on March 1, 2052. Interest on the Bonds is payable on March 1, 2023, and semiannually thereafter on March 1 and September 1 of each year (the "Bond Payment Dates") until the Bonds are paid in full. The Bonds will mature and bear interest in accordance with the agreement. This issuance is part of the August 11, 2022 bond referendum approved by Spartanburg County voters authorizing the Board to issue general obligation bonds in a principal amount not to exceed \$100,000,000. The bond proceeds will be used to fund a new Woodruff High School. Debt is not subject to the constitutional debt limit of 8%.

On March 19, 2024, the District issued \$1,390,000 in General Obligation Bonds with an interest rate of 4.54% payable on March 19. Principal and interest payments are due annually on March 19 of each year until the bonds mature in fiscal year 2026. Proceeds of these bonds were used pay off the Bond Anticipation Note issued in 2022.

Subscription Liabilities

In March 2023, the District entered into a subscription arrangement for the use of certain information technology software. The subscription arrangement is in effect for a 60-month period commencing March 1, 2023, ending February 28, 2028, with a minimum monthly charge ranging from \$1,531 to \$1,723.

NOTES TO FINANCIAL STATEMENTS

NOTE 6. LONG-TERM LIABILITIES (CONTINUED)

The following is a summary of changes in District long-term obligations for the year ended June 30, 2024:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Governmental activities:					
Bonds Payable					
General obligation bonds series 2021	\$ 1,511,276	\$ -	\$ (752,665)	\$ 758,611	\$ 758,611
General obligation bonds series 2022	629,407	-	(629,407)	-	-
General obligation bonds series 2022	100,000,000	-	-	100,000,000	2,000,000
General obligation bonds series 2024	-	1,390,000	-	1,390,000	680,000
Bonds Payable	<u>102,140,683</u>	<u>1,390,000</u>	<u>(1,382,072)</u>	<u>102,148,611</u>	<u>3,438,611</u>
Premiums	4,837,071	-	(168,246)	4,668,825	-
Bonds Payable, Net	<u>106,977,754</u>	<u>1,390,000</u>	<u>(1,550,318)</u>	<u>106,817,436</u>	<u>3,438,611</u>
Other Long-term Liabilities					
Subscriptions payable	83,130	-	(17,996)	65,134	17,903
Net pension liability	33,458,498	3,789,923	(3,741,725)	33,506,696	-
Net OPEB liability	26,481,229	468,962	(4,314,367)	22,635,824	-
Other Long-term Liabilities	<u>60,022,857</u>	<u>4,258,885</u>	<u>(8,074,088)</u>	<u>56,207,654</u>	<u>17,903</u>
Governmental activities:					
Long-term liabilities	<u>\$ 167,000,611</u>	<u>\$ 5,648,885</u>	<u>\$ (9,624,406)</u>	<u>\$ 163,025,090</u>	<u>\$ 3,456,514</u>

General Fund resources have been used in prior years to liquidate compensated absences payable, installment purchase obligations, and pension and OPEB liabilities. The Debt Service Fund has been used to service all other long-term obligations.

The governmental activities annual debt service requirements to maturity for bonds as of June 30, 2024, are as follows:

Year Ending June 30,	Principal	Interest	Total
2025	\$ 3,438,611	\$ 5,164,237	\$ 8,602,848
2026	710,000	5,027,372	5,737,372
2027	-	4,995,138	4,995,138
2028	-	4,995,138	4,995,138
2029	175,000	4,995,138	5,170,138
2030-2034	5,110,000	24,698,437	29,808,437
2035-2039	14,625,000	22,323,187	36,948,187
2040-2044	22,170,000	17,954,187	40,124,187
2045-2050	31,860,000	11,460,737	43,320,737
2050-2053	24,060,000	2,570,662	26,630,662
Total	<u>\$ 102,148,611</u>	<u>\$ 104,184,233</u>	<u>\$ 206,332,844</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 6. LONG-TERM LIABILITIES (CONTINUED)

The future minimum subscription obligations and the net present value of these minimum subscription payments for the District as of June 30, 2024, are as follows:

Year Ending June 30,	Principal	Interest	Total
2025	\$ 17,903	\$ 1,663	\$ 19,566
2026	17,810	1,663	19,473
2027	17,718	1,663	19,381
2028	11,703	1,108	12,811
Total	<u>\$ 65,134</u>	<u>\$ 6,097</u>	<u>\$ 71,231</u>

Arbitrage is the difference between the yield on an issuer's tax-exempt bonds and the investment income earned on the proceeds. Restrictions imposed by the federal government prohibit an issuer from retaining arbitrage profits when investing bond proceeds at a yield that exceeds the yield on the bonds. Any excess arbitrage must be rebated to the U.S. Treasury. The District is required to have an arbitrage rebate calculation performed every five years and to rebate any excess arbitrage earnings. As of June 30, 2024, the District had no arbitrage rebate liability.

The District has authority to issue general obligation bonds each calendar year, subject to a constitutional debt limit equal to 8% of the assessed value of all taxable property in the District. The debt limitation does not apply to certain certificates of participation, debt approved through a district-wide referendum, and original or refunding debt for obligations issued on or before November 30, 1982. The District's constitutional debt limit at June 30, 2024, was approximately \$9,714,000 of which the District had debt of \$2,848,611 outstanding against this limit.

NOTE 7. PENSION AND RETIREMENT PLAN

Description of the Entity

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

NOTES TO FINANCIAL STATEMENTS

NOTE 7. PENSION AND RETIREMENT PLAN (CONTINUED)

Description of the Entity (Continued)

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

PEBA issues an Annual Comprehensive Financial Report (ACFR) containing financial statements and required supplementary information for the Systems' Pension Trust Funds. The ACFR is publicly available through PEBA's website at www.peba.sc.gov, or a copy may be obtained by submitting a request to PEBA, 202 Arbor Lake Drive, Columbia, SC 29223. PEBA is considered a division of the primary government of the state of South Carolina and therefore, retirement trust fund financial information is also included in the ACFR of the state.

Plan Descriptions

The **South Carolina Retirement System (SCRS)**, a cost-sharing multiple-employer defined benefit pension plan, was established 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 its political subdivisions. SCRS covers employees of state agencies, public school districts, higher education institutions, other participating local subdivisions of government and individuals newly elected to the South Carolina General Assembly at or after the 2012 general election.

The **State Optional Retirement Program (State ORP)** is a defined contribution plan that is offered as an alternative to SCRS to certain newly hired employees of state agencies, institutions of higher education, public school districts and individuals first elected to the S.C. General Assembly at or after the general election in November 2012. State ORP participants direct the investment of their funds into an account administered by one of four third party service providers. 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.

The **South Carolina Police Officers Retirement System (PORS)**, a cost-sharing multiple-employer defined benefit pension plan, was established 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.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. PENSION AND RETIREMENT PLAN (CONTINUED)

Plan Descriptions (Continued):

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

Membership:

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

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

State ORP. As an alternative to membership in SCRS, certain newly hired state, public school, and higher education employees and individuals first elected to the S.C. General Assembly at or after the November 2012 general election have the option to participate in the State ORP. Contributions to the State ORP are at the same rates as SCRS. A direct remittance is required from the employer to the member's account with the ORP service provider for the employee contribution and a portion of the employer contribution (5 percent). A direct remittance is also required to SCRS for the remaining portion of the employer contribution and an incidental death benefit contribution, if applicable, which is retained by SCRS.

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

NOTES TO FINANCIAL STATEMENTS

NOTE 7. PENSION AND RETIREMENT PLAN (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 a 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 the 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 7. PENSION AND RETIREMENT PLAN (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 PORS employer contribution rates 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 funding periods set for the applicable year.

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 contribution rates for SCRS are as follows:

	South Carolina Retirement System	
	<u>Fiscal year ended June 30, 2024</u>	<u>Fiscal year ended June 30, 2023</u>
Employee class two	9.00%	9.00%
Employee class three	9.00%	9.00%

- Required employee contribution rates for ORP are as follows:

	State ORP	
	<u>Fiscal year ended June 30, 2024</u>	<u>Fiscal year ended June 30, 2023</u>
Employee	9.00%	9.00%

NOTES TO FINANCIAL STATEMENTS

NOTE 7. PENSION AND RETIREMENT PLAN (CONTINUED)

Contributions (Continued):

- Required employee contribution rates for PORS are as follows:

	Police Officers Retirement System	
	Fiscal year ended June 30, 2024	Fiscal year ended June 30, 2023
Employee class two	9.75%	9.75%
Employee class three	9.75%	9.75%

- Required employer contribution rates for SCRS are as follows:

	South Carolina Retirement System	
	Fiscal year ended June 30, 2024	Fiscal year ended June 30, 2023
Employer class two	18.41%	17.41%
Employer class three	18.41%	17.41%
Employer incidental death benefit	0.15%	0.15%

- Required employer contribution rates for ORP are as follows:

	State ORP	
	Fiscal year ended June 30, 2024	Fiscal year ended June 30, 2023
Employer contribution	18.41%	17.41%
Employer incidental death benefit	0.15%	0.15%

- Required employer contribution rates for PORS are as follows:

	Police Officers Retirement System	
	Fiscal year ended June 30, 2024	Fiscal year ended June 30, 2023
Employer class two	20.84%	19.84%
Employer class three	20.84%	19.84%
Employer incidental death benefit	0.20%	0.20%
Employer accidental death program	0.20%	0.20%

Actuarial Assumptions and Methods:

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

NOTES TO FINANCIAL STATEMENTS

NOTE 7. PENSION AND RETIREMENT PLAN (CONTINUED)

Actuarial Assumptions and Methods (Continued):

The June 30, 2023 (the measurement date) total pension liability, net pension liability, and sensitivity information were determined by the consulting actuary, Gabriel, Roeder, Smith and Company (GRS) and are based on the July 1, 2022 actuarial valuation. The total pension liability was rolled-forward from the valuation date to the plan's fiscal year ended June 30, 2023, using generally accepted actuarial principles. There was no legislation enacted during the 2023 legislative session that had a material change in the benefit provisions for any of the systems.

Assumptions and methods used in the July 1, 2022, valuation for the System are as follows:

	SCRS	PORS
Actuarial cost method	Entry Age Normal	Entry Age Normal
Actuarial assumptions:		
Investment rate of return	7.0%	7.0%
Projected salary increases	3.0% to 11.0% (varies by service)	3.5% to 10.5% (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 Scale UMP projected from the year 2020.

Assumptions used in the determination of the June 30, 2023, 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 97%	2020 PRSC Females multiplied by 107%
General Employees	2020 PRSC Males multiplied by 127%	2020 PRSC Females multiplied by 107%

NOTES TO FINANCIAL STATEMENTS

NOTE 7. PENSION AND RETIREMENT PLAN (CONTINUED)

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:

	<u>SCRS</u>	<u>PORS</u>
Employers' net pension liability	<u>\$ 33,474,997</u>	<u>\$ 31,699</u>

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, 2023, the District's proportion for SCRS was 0.138456%, which was an increase of 0.000582% from its proportion measured at June 30, 2022. At June 30, 2023, the District's proportion for PORS was 0.001041%, which was a decrease from its proportion measured at June 30, 2022, which was 0.01165%.

Long-term Expected Rate of Return:

The long-term expected rate of return on pension plan investments for actuarial purposes is based upon the 20-year capital market assumptions. The actuarial 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 2023 fiscal year. The long-term expected rate of return is produced by weighting the expected future real rates of the return by the target allocation percentage and adding expected inflation and is summarized in the table below. For actuarial purposes, the 7 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.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. PENSION AND RETIREMENT PLAN (CONTINUED)

Long-term Expected Rate of Return (Continued):

Allocation/Exposure	Policy Target	Expected Arithmetic Real Rate of Return	Long-term Expected Portfolio Real Rate of Return
Public Equity	46.0%	6.62%	3.04%
Bonds	26.0%	0.31%	0.08%
Private Equity	9.0%	10.91%	0.98%
Private Debt	7.0%	6.16%	0.43%
Real Assets	12.0%		
Real estate	9.0%	6.41%	0.58%
Infrastructure	3.0%	6.62%	0.20%
	100.0%		
		Total expected real return	5.31%
		Inflation for actuarial purposes	2.25%
		Total expected nominal return	7.56%

Discount Rate:

The discount rate used to measure the total pension liability was 7 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers in SCRS will be made based on the actuarially determined rates based on provisions in the South Carolina State Code of Laws. Based on those assumptions, the District's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity Analysis:

The following table presents the collective NPL of the participating employers calculated using the discount rate of 7 percent, as well as what the employers' NPL would be if it were calculated using a discount rate that is 1.00 percent lower (6 percent) or 1.00 percent higher (8 percent) than the current rate.

<u>South Carolina Retirement System</u>			
<u>Sensitivity of the Net Position Liability to Changes in the Discount Rate</u>			
Fiscal Year	1% Decrease (6%)	Current Discount Rate (7%)	1% Increase (8%)
2024	\$ 43,252,887	\$ 33,474,997	\$ 25,347,951

NOTES TO FINANCIAL STATEMENTS

NOTE 7. PENSION AND RETIREMENT PLAN (CONTINUED)

Sensitivity Analysis (Continued):

<u>Police Officers Retirement System</u>			
<u>Sensitivity of the Net Position 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>(6%)</u>	<u>Discount Rate</u>	<u>(8%)</u>
<u>2024</u>	<u>\$ 44,716</u>	<u>\$ 31,699</u>	<u>\$ 21,036</u>

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

For the year ended June 30, 2024, the District recognized pension expense of \$3,217,420 related to the SCRS plan. At June 30, 2024, 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	\$ 581,184	\$ 92,831
Changes of assumptions	512,885	-
Net difference between projected and actual earnings on pension plan investments	-	45,820
Changes in proportion and differences between employer contributions and proportionate share of contributions	117,266	319,909
Employer contributions subsequent to the measurement date	3,213,724	-
Total	<u>\$ 4,425,059</u>	<u>\$ 458,560</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 7. PENSION AND RETIREMENT PLAN (CONTINUED)

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

For the year ended June 30, 2024, the District recognized a pension credit of \$1,104 related to the PORS plan. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Police Officers Retirement System	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,493	\$ 391
Changes of assumptions	690	-
Net difference between projected and actual earnings on pension plan investments	-	54
Changes in proportion and differences between employer contributions and proportionate share of contributions	3,920	2,611
Employer contributions subsequent to the measurement date	3,822	-
Total	\$ 9,925	\$ 3,056

District contributions subsequent of the measurement date of \$3,213,724 and \$3,822 reported as deferred outflow 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, 2025.

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:	SCRS	PORS
2025	\$ 491,102	\$ 3,421
2026	(727,025)	(1,147)
2027	1,008,334	805
2028	(19,636)	(32)

Payable to Pension Plan:

At June 30, 2024, the District had \$951,362 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.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. PENSION AND RETIREMENT PLAN (CONTINUED)

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 (ORP). 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 \$303,516 for the year ended June 30, 2024.

NOTE 8. OTHER POSTEMPLOYMENT BENEFITS

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 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 1 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.

Plan Description

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

NOTES TO FINANCIAL STATEMENTS

NOTE 8. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Plan Description (Continued)

In accordance with Act 195, the SCRHITF is 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 SCRHITF is a cost-sharing multiple-employer defined benefit plans. Article 5 of the State Code of Laws defines the plan and authorizes the Trustee to at any time adjust the plan, including its benefits and contributions, as necessary to insure the fiscal stability of the plan. In accordance with the South Carolina Code of Laws and the annual Appropriations Act, the State provides post-employment health and dental benefits to retired State and school district employees and their covered dependents.

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.

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 healthcare expenditures paid on behalf of the employer's active employees.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. OTHER POSTEMPLOYMENT BENEFITS (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.

In accordance with part (b) of paragraph 69 of GASB Statement No. 75, participating employers should recognize revenue in an amount equal to the employer's proportionate share of the change in the collective net OPEB liability arising from contributions to the OPEB plan during the measurement period from non-employer contributing entities for purposes other than the separate financing of specific liabilities to the OPEB plan. Therefore, employers should classify this revenue in the same manner as it classifies grants from other entities. For the fiscal year ended June 30, 2024, the District recognized \$4,135 as a non-operating revenue from contributions from non-employer contributing entities.

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

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

NOTES TO FINANCIAL STATEMENTS

NOTE 8. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Actuarial Assumptions and Methods (Continued)

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

Additional information as of the latest actuarial valuation for SCRHITF:

Valuation Date:	June 30, 2022
Actuarial Cost Method:	Entry Age Normal
Inflation:	2.25%
Investment Rate of Return:	2.75%, net of OPEB Plan investment expense; including inflation
Single Discount Rate:	3.86% as of June 30, 2023 (measurement date)
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 fully generational mortality projections based on a fully generational basis by the 80% of Scale UMP to account for future mortality improvements and adjusted with multipliers based on plan experience.
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 13 years.
Aging Factors:	Based on plan specific experience.
Retiree Participation:	79% for retirees who are eligible for funded premiums. 59% for retirees who are eligible for partial funded premiums. 20% for retirees who are eligible for non-funded premiums.
Notes:	The discount rate changed from 3.69% as of the June 30, 2022, measurement date, to 3.86% as of the June 30, 2023 measurement date.

Roll Forward Disclosure

The actuarial valuation was performed as of June 30, 2022. Update procedures were used to roll forward the total OPEB liability to June 30, 2023, (measurement date used for the District's reporting as of June 30, 2024).

NOTES TO FINANCIAL STATEMENTS

NOTE 8. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

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. This method is expected to be reflective of the employer's long-term contribution effort as well as be transparent to individual employers and their external auditors.

At June 30, 2024, the District reported a liability for its proportionate share of the net OPEB liability of \$22,635,824 for the SCRHITF. The net OPEB liability was measured as of June 30, 2023. The District's proportion of the net OPEB liability was based on contributions to SCRHITF during the fiscal year ended June 30, 2023. At June 30, 2023, the District's proportion of the total net OPEB liability was 0.172905%, which was a decrease of 0.001178% from its proportion measured as of June 30, 2022. The plan's fiduciary net position as a percentage of total OPEB liability was 11.24% as of June 30, 2023.

Single Discount Rate

The Single Discount Rate of 3.86% was used to measure the total OPEB liability for the SCRHITF for the year ended June 30, 2024 (June 30, 2023 measurement date). 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).

NOTES TO FINANCIAL STATEMENTS

NOTE 8. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Long-term Expected Rate of Return

The long-term expected rate of return 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. Information regarding the long-term rate of return is summarized below:

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	100.00%		0.83%
		Total expected weighted real return	0.83%
		Inflation for actuarial purposes	2.25%
		Total expected nominal return	3.08%
		Investment return assumption	2.75%

Sensitivity Analysis

The following table presents the SCRHITF's net OPEB liability as of June 30, 2023, calculated using a Single Discount Rate of 3.86%, 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:

South Carolina Retiree Health Insurance Trust Fund		
Sensitivity of the Net OPEB Liability to Changes in the Discount Rate		
1% Decrease (2.86%)	Current Discount Rate (3.86%)	1% Increase (4.86%)
\$ 26,720,685	\$ 22,635,824	\$ 19,341,369

NOTES TO FINANCIAL STATEMENTS

NOTE 8. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Sensitivity Analysis (Continued)

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 for fiscal year ended June 30, 2024, 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:

South Carolina Retiree Health Insurance Trust Fund		
Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate		
(5.00% decreasing to 3.00%)	Current Healthcare Cost Trend Rates (6.00% decreasing to 4.00%)	(7.00% decreasing to 5.00%)
\$ 18,795,452	\$ 22,635,824	\$ 27,569,895

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

For the year ended June 30, 2024, the District recognized OPEB expense of \$540,212. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

South Carolina Retiree Health Insurance Trust Fund	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 400,468	\$ 5,158,191
Changes of assumptions	4,541,012	7,272,618
Net difference between projected and actual earnings on pension plan investments	227,329	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	33,262	655,040
Employer contributions subsequent to the measurement date	1,148,344	-
Total	\$ 6,350,415	\$ 13,085,849

NOTES TO FINANCIAL STATEMENTS

NOTE 8. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

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

District contributions subsequent to the measurement date of \$1,148,344 for the SCRHITF plan are reported as deferred outflows of resources and will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2025.

As of June 30, 2024, other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

South Carolina Retiree Health Insurance Trust Fund

Year ended June 30:

2025	\$	(1,089,354)
2026		(1,022,579)
2027		(1,161,731)
2028		(1,809,751)
2029		(2,219,041)
Thereafter		(581,322)

NOTE 9. INTERFUND RECEIVABLES, PAYABLES AND ADVANCES

Interfund balances are comprised of expenditures and expenses paid on behalf of one fund by another and are to be repaid. All cash activities are recorded in the general fund, and as a result, receivables and payables exist at year end that are either due to or due from the general fund to/from other funds. Various differences include special revenue payments not received from the State Department of Education until after the fiscal year end, fringe amounts paid by the general fund for food service, taxes receivable for debt service, and building project costs. As of June 30, 2024, amounts due from/to other funds related to the School District's pooled cash are as follows:

Fund	Receivables	Payables
General Fund	\$ 2,879,550	\$ -
Special Project Fund	-	950,797
EIA Fund	40,142	-
Debt Service Fund	-	304,727
Capital Projects Fund	-	1,349,191
Food Service Fund	-	314,977
Total	\$ 2,919,692	\$ 2,919,692

NOTES TO FINANCIAL STATEMENTS

NOTE 10. TRANSFERS IN (OUT)

Interfund transfers include funding allowed for indirect costs, required matches, supplemental funding, and accounting practice. The transfers for the year ended June 30, 2024, consisted of the following:

General Fund			
Transfers from	Amount	Transfers to	Amount
EIA Fund	\$ 2,639,313	Capital Projects Fund	\$ 7,500,000
Food Service Fund	102,077		-
	\$ 2,741,390		\$ 7,500,000
Food Service Fund			
Transfers from	Amount	Transfers to	Amount
	\$ -	General Fund	\$ 102,077
	-		-
Debt Service Fund			
Transfers from	Amount	Transfers to	Amount
Capital Projects Fund	\$ 6,757,924		\$ -
	6,757,924		-
Capital Projects Fund			
Transfers from	Amount	Transfers to	Amount
General Fund	\$ 7,500,000	Debt Service Fund	\$ 6,757,924
	7,500,000		6,757,924
Education Improvement Act Fund			
Transfers from	Amount	Transfers to	Amount
	\$ -	General Fund	\$ 2,639,313
	-		2,639,313
TOTAL	\$ 16,999,314		\$ 16,999,314

Funds are transferred into the General Fund from other funds to cover EIA salary and associated fringe benefits for teachers, Funds are transferred from the Food Service Fund into the General Fund for indirect costs.

Funds are transferred from the EIA Fund to the General Fund to cover the EIA salary and associated fringe benefits for teachers. Transfers from the Special Projects Fund to the General Fund are for indirect costs.

Funds from bond proceeds were transferred from Capital Projects Fund to Debt Service Fund for bond payments.

NOTES TO FINANCIAL STATEMENTS

NOTE 11. RELATED ORGANIZATIONS

These financial statements exclude R.D. Anderson Area Vocational Center, Moore, South Carolina. The Center serves the high schools in Spartanburg County School District Four, Five and Six. In addition, two of District Four's Board of Trustees, also serve as Board members of R.D. Anderson Area Vocational Center. The District remits a portion of its Education Finance Act monies to the Center to cover the educational costs of the District's students attending R.D. Anderson Area Vocational Center. For the year ended June 30, 2024, \$213,553 was recorded as a General Fund expenditure.

NOTE 12. RELATED PARTY TRANSACTION

The District purchased the following services from related parties during the year ended June 30, 2024:

Service	Relationship	Amount Paid
Cleaning Services	Relationship with Individual in Position of Control	\$ 11,655
Graphic Design Services	Relationship with Board of Trustees	8,114
Printing Services	Relationship with Board of Trustees	49,961
Landscaping Services	Relationship with Board of Trustees	223,801
Repair Services	Relationship with Board of Trustees	2,250

NOTE 13. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District is insured by a commercial insurance carrier. The District pays premiums to the commercial carrier for its general insurance coverage. The District continues to carry insurance for other risks of loss including employee health, dental, group life, and accident insurance under the State of South Carolina. The State accumulate assets to cover risks that its members incur in their normal operations. Specifically, the State assume substantially all the risk for the above.

NOTE 14. CONTINGENCIES, LITIGATION, AND PROJECT COMMITMENTS

The District is required to pay unemployment compensation on covered employees. It has chosen the alternative of paying claims as billed by the South Carolina Employment Security Commission. Under this method of funding, no accurate estimate of any potential liability can be made. However, the District does not believe any such liability would have a detrimental impact on the financial status of the District.

NOTES TO FINANCIAL STATEMENTS

NOTE 14. CONTINGENCIES, LITIGATION, AND PROJECT COMMITMENTS (CONTINUED)

The District has received proceeds from Federal and State grants, and/or entitlements. Periodic audits of these grants are required, and certain costs may be questioned as not being appropriate expenditures under the grant agreements. Such audits could result in the refund of grant monies to the grantor agencies. Management believes that any required refunds will be immaterial. No provision has been made in the accompanying financial statements for the refund of grant monies.

The District's asbestos management plan was completed and implemented in July 1989. It has been determined by proper authorities, under federal guidelines, that no serious threats regarding asbestos were found. The District is unable to determine any future cost associated with the management of the Plan in order to provide continued compliance with federal guidelines or future cost associated with new construction, repairs or normal maintenance to new or existing buildings. Maintenance and inspection programs are carried out for all District property. At June 30, 2024, in the opinion of management, the District was in compliance with Environmental Protection Agency and Department of Health and Environmental Control procedures regarding the Asbestos Plan.

Various claims and lawsuits are pending against the District. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the District's legal counsel that resolution of these matters will not have a material adverse effect on the financial condition of the District.

Project Commitments:

Project	Expenditures to Date	Balance to Complete
New High School	\$ 39,373,603	\$ 51,721,490
Facility Upgrades	-	69,229
Technology Upgrades	131,573	1,513,043
Security Upgrades	-	107,102
Totals	\$ 39,505,176	\$ 53,410,864

NOTE 15. TAX ABATEMENT

The State of South Carolina has enacted Fee-in-Lieu of Tax Acts and Special Source Revenue Credit Act as part of Title 12 of the South Carolina Code of Laws in support of economic development. The legislation allows Spartanburg County to enter into negotiated fee-in-lieu of tax (FILOT) arrangements with entities in exchange for making investments in facilities and jobs in the County. The FILOT typically include millage caps and reduced assessment ratios for entities who commit to certain investment and employment targets. Some FILOT also include Special Source Revenue Credits which further reduce the negotiated fee by a percentage for some time period.

For the year ended June 30, 2024, the District's property tax revenues were reduced by \$3.5 million, as a result of fee-in-lieu of tax programs related to economic development programs negotiated by the County.

NOTES TO FINANCIAL STATEMENTS

NOTE 16. SUBSEQUENT EVENTS

Management has evaluated the effects subsequent events would have on the financial statements through the date of the auditors' report, which is the date the financial statements were available for issuance.

REQUIRED SUPPLEMENTARY INFORMATION

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL (GAAP) - GENERAL FUND FOR YEAR ENDED JUNE 30, 2024

	<u>ORIGINAL AND FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET- POSITIVE (NEGATIVE)</u>
Revenues:			
Local	\$ 9,939,000	\$ 12,214,801	\$ 2,275,801
State	18,158,889	19,312,591	1,153,702
Total Revenues	<u>28,097,889</u>	<u>31,527,392</u>	<u>3,429,503</u>
Expenditures:			
Current			
Instruction	19,101,153	16,421,290	2,679,863
Support Services	11,984,594	12,496,970	(512,376)
Intergovernmental	20,000	-	20,000
Capital Outlay	76,000	28,415	47,585
Total Expenditures	<u>31,181,747</u>	<u>28,946,675</u>	<u>2,235,072</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(3,083,858)</u>	<u>2,580,717</u>	<u>5,664,575</u>
Other Financing Sources (Uses)			
Transfers In	2,677,825	2,741,390	63,565
Transfers Out	(34,000)	(7,500,000)	(7,466,000)
Total Other Financing Sources (Uses), Net	<u>2,643,825</u>	<u>(4,758,610)</u>	<u>(7,402,435)</u>
Deficiency of Revenues and Other Financing Sources Under Expenditures and Other Financing Uses	<u>\$ (440,033)</u>	<u>(2,177,893)</u>	<u>\$ (1,737,860)</u>
Fund Balance, Beginning of Year		<u>17,589,585</u>	
Fund Balance, End of Year		<u>\$ 15,411,692</u>	

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

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY FOR THE PLAN YEAR ENDED 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 employee payroll	District's share of the net pension liability as a percentage of its covered employee payroll	Plan fiduciary net position as a percentage of the total pension liability
2023	0.138456%	\$ 33,474,997	\$ 18,109,112	184.9%	58.6%
2022	0.137974%	33,423,567	18,109,112	184.6%	57.1%
2021	0.140800%	30,470,858	14,439,854	188.6%	60.8%
2020	0.140404%	35,875,618	14,070,025	255.0%	50.7%
2019	0.139885%	31,941,492	13,259,758	240.9%	54.4%
2018	0.140601%	31,504,264	13,172,889	239.2%	54.1%
2017	0.139693%	31,447,141	12,938,936	243.0%	53.3%
2016	0.139021%	29,694,680	12,447,459	238.6%	52.9%
2015	0.139021%	27,041,364	12,528,548	215.8%	57.0%
2014	0.142582%	25,583,133	12,706,464	201.3%	59.9%

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 employee payroll	District's share of the net pension liability as a percentage of its covered employee payroll	Plan fiduciary net position as a percentage of the total pension liability
2023	0.00104%	\$ 31,699	\$ 18,245	173.7%	67.8%
2022	0.00104%	34,931	17,357	201.3%	66.4%
2021	0.00185%	40,708	10,874	174.6%	70.4%
2020	0.00252%	83,652	5,869	231.2%	58.8%
2019	0.00274%	78,517	16,589	473.3%	62.7%
2018	0.00576%	163,217	17,653	924.6%	61.7%
2017	0.00554%	146,758	14,839	989.0%	60.9%
2016	0.00724%	183,565	12,218	1502.4%	60.4%
2015	0.00371%	80,859	7,668	1054.5%	64.6%
2014	0.00373%	71,408	9,356	763.2%	67.5%

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

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

SCHEDULE OF THE DISTRICT'S PENSION CONTRIBUTIONS FOR THE 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 employee payroll	Contributions as a percentage of covered employee payroll
2024	\$ 3,213,724	\$ 3,213,724	\$ -	\$ 17,315,325	18.56%
2023	3,073,938	3,073,938	-	18,109,112	16.97%
2022	2,437,869	2,437,869	-	14,439,854	16.88%
2021	2,199,580	2,199,580	-	14,070,025	15.63%
2020	2,167,428	2,167,428	-	13,259,758	16.35%
2019	1,910,731	1,910,731	-	13,172,889	14.51%
2018	1,766,484	1,766,484	-	12,938,936	13.65%
2017	1,476,289	1,476,289	-	12,447,459	11.86%
2016	1,358,018	1,358,018	-	12,528,548	10.84%
2015	1,346,819	1,346,819	-	12,706,464	10.60%

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 employee payroll	Contributions as a percentage of covered employee payroll
2024	\$ 3,822	\$ 3,822	\$ -	\$ 18,167	21.04%
2023	2,716	2,716	-	18,245	14.89%
2022	3,473	3,473	-	17,357	20.01%
2021	3,096	3,096	-	10,874	28.47%
2020	1,940	1,940	-	5,869	33.06%
2019	988	988	-	16,589	5.96%
2018	2,627	2,627	-	17,653	14.88%
2017	2,443	2,443	-	14,839	16.46%
2016	1,979	1,979	-	12,218	16.20%
2015	1,590	1,590	-	7,668	20.74%

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

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY FOR THE YEAR ENDED 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 employee payroll	District's share of the net OPEB liability as a percentage of its covered employee payroll	Plan fiduciary net position as a percentage of the total OPEB liability
2023	0.172905%	\$ 22,635,834	\$ 18,127,357	124.9%	11.24%
2022	0.174083%	26,481,229	14,457,211	183.2%	9.64%
2021	0.176349%	36,721,471	14,080,899	223.3%	7.48%
2020	0.178210%	32,169,483	13,265,627	242.5%	8.39%
2019	0.177987%	26,914,348	13,189,478	204.1%	8.44%
2018	0.178612%	25,310,365	12,956,589	195.3%	7.91%
2017	0.177795%	24,082,042	12,462,298	193.2%	7.60%
2016	N/A	N/A	N/A	N/A	N/A

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.

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

SCHEDULE OF THE DISTRICT'S OPEB CONTRIBUTIONS FOR THE 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 employee payroll	Contributions as a percentage of covered employee payroll
2024	\$ 1,148,344	\$ 1,148,344	\$ -	\$ 19,571,794	5.87%
2023	1,132,960	1,132,960	-	18,127,357	6.25%
2022	1,069,409	1,069,409	-	14,457,211	7.40%
2021	1,039,691	1,039,691	-	14,080,899	7.38%
2020	1,026,738	1,026,738	-	13,265,627	7.74%
2019	941,862	941,862	-	13,189,478	7.14%
2018	847,163	847,163	-	12,956,589	6.54%
2017	799,136	799,136	-	12,462,298	6.41%

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.

OTHER SUPPLEMENTARY INFORMATION

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND FOR THE YEAR ENDED JUNE 30, 2024

REVENUES	BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
1000 Revenue from Local Sources			
1100 Taxes:			
1110 Ad Valorem Taxes - Including Delinquent (Independent)	\$ 8,789,000	\$ 9,273,444	\$ 484,444
1200 Revenues from Local Governmental Units Other than LEAs:			
1280 Revenue in Lieu of Taxes	1,000,000	1,987,428	987,428
1300 Tuition:			
1310 From Patrons for Regular Day School	-	14,950	14,950
1500 Earnings on Investments:			
1510 Interest on Investments	150,000	823,399	673,399
1900 Other Revenues from Local Sources:			
1920 Contributions and Donations From Private Sources	-	8,137	8,137
1994 Receipt of Legal Settlements	-	20,301	20,301
1999 Revenue from Other Local Sources	-	87,142	87,142
Total Local Sources	9,939,000	12,214,801	2,275,801
3000 Revenue from State Sources			
3100 Restricted State Funding:			
3130 Special Programs			
3103 State Aid to Classrooms	12,630,173	12,864,024	233,851
3131 Handicapped Transportation	-	870	870
3160 School Bus Driver's Salary	225,000	314,837	89,837
3161 EAA Bus Driver Salary and Fringe	-	591	591
3162 Transportation Workers' Compensation	14,600	14,078	(522)
3181 Retiree Insurance (No Carryover Provision)	883,441	907,577	24,136
3330 Other EFA Programs			
3392 NBC Excess EFA Formula	-	46,515	46,515
3800 State Revenue in Lieu of Taxes:			
3810 Reimbursement for Local Residential Property Tax Relief (Tier 1)	892,411	892,411	-
3820 Homestead Exemption (Tier 2)	433,314	433,314	-
3825 Reimbursement for Property Tax Relief (Tier 3)	2,650,000	3,045,013	395,013
3830 Merchant's Inventory Tax	29,000	29,256	256
3840 Manufacturers Depreciation Reimbursement	225,000	572,404	347,404
3890 Other State Property Tax Revenues	30,000	45,012	15,012
3900 Other State Revenue:			
3993 PEBA on-behalf	145,950	145,969	19
3999 Revenue from Other State Sources	-	720	720
Total State Sources	18,158,889	19,312,591	1,153,702
TOTAL REVENUE ALL SOURCES	28,097,889	31,527,392	3,429,503

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND FOR THE YEAR ENDED JUNE 30, 2024

EXPENDITURES	BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
100 INSTRUCTION			
110 General Instruction:			
111 Kindergarten Programs:			
100 Salaries	\$ 658,661	\$ 698,444	\$ (39,783)
200 Employee Benefits	346,644	367,957	(21,313)
400 Supplies and Materials	60,000	19,536	40,464
500 Capital Outlay	5,000	-	5,000
112 Primary Programs:			
100 Salaries	1,946,337	1,703,577	242,760
200 Employee Benefits	908,525	795,918	112,607
300 Purchased Services	35,000	39,995	(4,995)
400 Supplies and Materials	190,000	50,717	139,283
500 Capital Outlay	6,000	-	6,000
113 Elementary Programs:			
100 Salaries	3,676,702	3,633,028	43,674
200 Employee Benefits	1,723,125	1,667,283	55,842
300 Purchased Services	25,000	58,033	(33,033)
400 Supplies and Materials	332,000	73,719	258,281
500 Capital Outlay	10,000	-	10,000
114 High School Programs:			
100 Salaries	2,627,011	2,492,654	134,357
200 Employee Benefits	1,305,375	1,201,345	104,030
300 Purchased Services	258,000	300,610	(42,610)
400 Supplies and Materials	210,200	86,310	123,890
500 Capital Outlay	5,000	-	5,000
600 Other Objects	2,000	2,540	(540)
115 Career and Technology Education Programs:			
100 Salaries	211,365	214,900	(3,535)
200 Employee Benefits	95,515	92,336	3,179
300 Purchased Services	278,000	253,693	24,307
400 Supplies and Materials	12,700	5,712	6,988
120 Exceptional Programs:			
121 Educable Mentally Handicapped:			
100 Salaries	867,401	834,666	32,735
200 Employee Benefits	479,016	374,089	104,927
300 Purchased Services	64,500	119,426	(54,926)
400 Supplies and Materials	1,500	6,414	(4,914)
122 Trainable Mentally Handicapped:			
300 Purchased Services	4,000	39,137	(35,137)
123 Orthopedically Handicapped:			
100 Salaries	10,000	-	10,000
200 Employee Benefits	3,204	-	3,204
300 Purchased Services	23,000	2,679	20,321

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND FOR THE YEAR ENDED JUNE 30, 2024

EXPENDITURES (CONTINUED)	BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
100 INSTRUCTION (CONTINUED)			
110 General Instruction (Continued):			
124 Visually Handicapped:			
300 Purchased Services	\$ 40,400	\$ 23,632	\$ 16,768
400 Supplies and Materials	1,000	-	1,000
125 Hearing Handicapped:			
100 Salaries	10,000	-	10,000
200 Employee Benefits	3,204	-	3,204
300 Purchased Services	13,300	30,796	(17,496)
400 Supplies and Materials	150	668	(518)
126 Speech Handicapped:			
100 Salaries	269,143	211,011	58,132
200 Employee Benefits	130,038	95,706	34,332
300 Purchased Services	-	5,890	(5,890)
400 Supplies and Materials	1,800	569	1,231
127 Learning Disabilities:			
100 Salaries	148,317	67,338	80,979
200 Employee Benefits	66,578	29,537	37,041
300 Purchased Services	-	7,104	(7,104)
400 Supplies and Materials	2,000	-	2,000
128 Emotionally Handicapped:			
100 Salaries	3,280	-	3,280
200 Employee Benefits	1,052	-	1,052
300 Purchased Services	10,600	-	10,600
400 Supplies and Materials	300	-	300
130 Pre-School Programs:			
132 Pre-School Handicapped Itinerant (5-Yr.-Olds):			
100 Salaries	-	7,714	(7,714)
200 Employee Benefits	-	1,399	(1,399)
133 Pre-School Handicapped Self-Contained (5-Yr.-Olds):			
100 Salaries	30,913	31,163	(250)
200 Employee Benefits	12,867	12,845	22
139 Early Childhood Programs:			
100 Salaries	32,886	35,008	(2,122)
200 Employee Benefits	10,547	11,180	(633)
400 Supplies and Materials	10,000	-	10,000
140 Special Programs:			
141 Gifted and Talented-Academic:			
100 Salaries	80,443	80,693	(250)
200 Employee Benefits	37,854	33,761	4,093
400 Supplies and Materials	12,000	3,973	8,027

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND FOR THE YEAR ENDED JUNE 30, 2024

EXPENDITURES (CONTINUED)	BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
100 INSTRUCTION (CONTINUED)			
140 Special Programs (Continued):			
143 Advanced Placement:			
400 Supplies and Materials	\$ -	\$ 1,165	\$ (1,165)
145 Homebound:			
100 Salaries	20,000	41,374	(21,374)
200 Employee Benefits	6,412	13,205	(6,793)
300 Purchased Services	8,441	21,922	(13,481)
147 CDEP:			
100 Salaries	169,715	163,986	5,729
200 Employee Benefits	85,143	85,141	2
300 Purchased Services	115,000	113,651	1,349
400 Supplies and Materials	15,000	5,295	9,705
148 Gifted and Talented- Artistic:			
100 Salaries	30,000	7,977	22,023
200 Employee Benefits	9,621	2,574	7,047
400 Supplies and Materials	-	104	(104)
149 Other Special Programs:			
300 Purchased Services	4,000	-	4,000
160 Other Exceptional Programs:			
161 Autism:			
100 Salaries	-	250	(250)
200 Employee Benefits	-	20	(20)
300 Purchased Services	8,800	52,172	(43,372)
170 Summer School Programs:			
171 Primary Summer School:			
100 Salaries	-	28,900	(28,900)
200 Employee Benefits	-	9,502	(9,502)
300 Purchased Services	-	3,080	(3,080)
400 Supplies and Materials	2,000	-	2,000
172 Elementary Summer School:			
100 Salaries	-	1,943	(1,943)
200 Employee Benefits	-	645	(645)
300 Purchased Services	-	7,532	(7,532)
400 Supplies and Materials	-	3,082	(3,082)
173 High School Summer School:			
100 Salaries	-	3,025	(3,025)
200 Employee Benefits	-	992	(992)

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND FOR THE YEAR ENDED JUNE 30, 2024

	BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
EXPENDITURES (CONTINUED)			
100 INSTRUCTION (CONTINUED)			
170 Summer School Programs (Continued):			
175 Instructional Programs beyond Regular School Day:			
100 Salaries	\$ 10,000	\$ 15,730	\$ (5,730)
200 Employee Benefits	3,204	4,954	(1,750)
300 Purchased Services	-	5,286	(5,286)
400 Supplies and Materials	4,000	2,679	1,321
180 Adult/Continuing Education Programs:			
181 Adult Basic Education Programs:			
100 Salaries	-	300	(300)
200 Employee Benefits	-	98	(98)
600 Other Objects	15,000	-	15,000
188 Parenting/Family Literacy:			
400 Supplies and Materials	-	1	(1)
190 Instructional Pupil Activity:			
100 Salaries	740,513	-	740,513
200 Employee Benefits	266,051	-	266,051
300 Purchased Services	197,500	-	197,500
400 Supplies and Materials	41,000	-	41,000
600 Other Objects	66,300	-	66,300
Total Current Expenditures	19,101,153	16,421,290	2,679,863
Total Capital Outlay	26,000	-	26,000
TOTAL INSTRUCTION	19,127,153	16,421,290	2,705,863
200 SUPPORT SERVICES			
210 Pupil Services:			
211 Attendance and Social Work Services:			
100 Salaries	-	250	(250)
200 Employee Benefits	-	20	(20)
300 Purchased Services	26,000	-	26,000
400 Supplies and Materials	400	-	400
600 Other Objects	-	400	(400)
212 Guidance Services:			
100 Salaries	345,815	346,994	(1,179)
200 Employee Benefits	154,185	152,161	2,024
300 Purchased Services	800	27,584	(26,784)
400 Supplies and Materials	4,000	683	3,317

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND FOR THE YEAR ENDED JUNE 30, 2024

EXPENDITURES (CONTINUED)	BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
200 SUPPORT SERVICES (CONTINUED)			
210 Pupil Services (Continued):			
213 Health Services:			
100 Salaries	\$ 125,512	\$ 119,262	\$ 6,250
200 Employee Benefits	57,616	48,924	8,692
300 Purchased Services	13,600	16,847	(3,247)
400 Supplies and Materials	10,000	15,995	(5,995)
600 Other Objects	2,000	-	2,000
214 Psychological Services:			
100 Salaries	153,924	105,575	48,349
200 Employee Benefits	73,282	43,995	29,287
400 Supplies and Materials	4,000	1,660	2,340
600 Other Objects	-	255	(255)
215 Educational Program Services:			
300 Purchased Services	-	18,634	(18,634)
217 Career Specialist Services:			
100 Salaries	130,215	131,572	(1,357)
200 Employee Benefits	58,936	59,420	(484)
300 Purchased Services	-	815	(815)
220 Instructional Staff Services:			
221 Improvement of Instruction - Curriculum Development:			
100 Salaries	19,500	110,744	(91,244)
200 Employee Benefits	6,256	49,314	(43,058)
300 Purchased Services	40,000	26,002	13,998
400 Supplies and Materials	-	10,097	(10,097)
222 Library and Media Services:			
100 Salaries	343,553	336,901	6,652
200 Employee Benefits	161,428	151,338	10,090
300 Purchased Services	8,000	-	8,000
400 Supplies and Materials	81,400	9,986	71,414
223 Supervision of Special Programs:			
100 Salaries	517,668	456,902	60,766
200 Employee Benefits	222,002	186,913	35,089
300 Purchased Services	112,000	143,488	(31,488)
400 Supplies and Materials	-	1,769	(1,769)
224 Improvement of Instruction - Inservice and Staff Training			
100 Salaries	168,538	145,208	23,330
200 Employee Benefits	85,219	78,412	6,807
300 Purchased Services	81,400	79,975	1,425
400 Supplies and Materials	43,600	15,993	27,607
600 Other Objects	4,000	4,544	(544)

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND FOR THE YEAR ENDED JUNE 30, 2024

EXPENDITURES (CONTINUED)	BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
200 SUPPORT SERVICES (CONTINUED)			
230 General Administration Services:			
231 Board of Education:			
100 Salaries	\$ 8,000	\$ 624	\$ 7,376
200 Employee Benefits	10,581	14,151	(3,570)
300 Purchased Services	119,199	122,668	(3,469)
400 Supplies and Materials	8,000	30,272	(22,272)
600 Other Objects	87,000	23,319	63,681
232 Office of the Superintendent:			
100 Salaries	351,417	360,386	(8,969)
200 Employee Benefits	131,873	128,854	3,019
300 Purchased Services	10,500	6,053	4,447
400 Supplies and Materials	14,000	9,245	4,755
600 Other Objects	3,000	950	2,050
233 School Administration:			
100 Salaries	1,448,351	1,431,671	16,680
200 Employee Benefits	703,129	666,254	36,875
300 Purchased Services	39,200	20,614	18,586
400 Supplies and Materials	55,000	60,802	(5,802)
600 Other Objects	6,000	7,200	(1,200)
250 Finance and Operations Services:			
252 Fiscal Services:			
100 Salaries	338,587	139,809	198,778
180 Head of Organization Unit Salaries		187,732	(187,732)
200 Employee Benefits	150,729	71,993	78,736
280 Head of Organization Unit Salaries		71,240	(71,240)
300 Purchased Services	20,000	28,726	(8,726)
400 Supplies and Materials	17,000	6,280	10,720
600 Other Objects	7,000	38,033	(31,033)
254 Operation and Maintenance of Plant:			
100 Salaries	1,183,958	991,038	192,920
200 Employee Benefits	567,941	443,990	123,951
300 Purchased Services	493,900	704,483	(210,583)
400 Supplies and Materials	542,000	509,621	32,379
500 Capital Outlay	50,000	13,045	36,955
600 Other Objects	76,000	-	76,000
255 Student Transportation (State Mandated):			
100 Salaries	742,382	687,560	54,822
200 Employee Benefits	333,922	274,508	59,414
300 Purchased Services	24,700	24,624	76
400 Supplies and Materials	8,000	3,238	4,762
600 Other Objects	-	200	(200)
256 Food Services:			
100 Salaries	-	6,761	(6,761)
200 Employee Benefits	363,033	285,715	77,318

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND FOR THE YEAR ENDED JUNE 30, 2024

	BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
EXPENDITURES (CONTINUED)			
200 SUPPORT SERVICES (CONTINUED)			
250 Finance and Operations Services (Continued):			
258 Security:			
100 Salaries	\$ 32,642	\$ 58,089	\$ (25,447)
200 Employee Benefits	11,131	19,539	(8,408)
300 Purchased Services	180,000	195,269	(15,269)
400 Supplies and Materials	2,000	4,898	(2,898)
260 Central Support Services:			
263 Information Services:			
100 Salaries	5,000	3,200	1,800
200 Employee Benefits	1,600	1,045	555
300 Purchased Services	35,000	29,715	5,285
400 Supplies and Materials	15,000	7,356	7,644
264 Staff Services:			
300 Purchased Services	-	27	(27)
266 Technology and Data Processing Services:			
100 Salaries	279,930	286,981	(7,051)
200 Employee Benefits	120,040	120,565	(525)
300 Purchased Services	233,000	193,150	39,850
400 Supplies and Materials	150,000	49,478	100,522
600 Other Objects	-	400	(400)
270 Support Services Pupil Activity:			
271 Pupil Services Activities:			
100 Salaries	-	669,155	(669,155)
200 Employee Benefits	-	231,119	(231,119)
500 Capital Outlay	-	15,370	(15,370)
600 Other Objects	-	369,738	(369,738)
Total Expenditures, Excluding Capital Outlay	11,984,594	12,496,970	(512,376)
Total Capital Outlay	50,000	28,415	21,585
TOTAL SUPPORT SERVICES	12,034,594	12,525,385	(490,791)
400 INTERGOVERNMENTAL EXPENDITURES			
410 Intergovernmental Expenditures:			
412-720 Payments to Other Governmental Units	20,000	-	20,000
TOTAL INTERGOVERNMENTAL EXPENDITURES	20,000	-	20,000
TOTAL EXPENDITURES	31,181,747	28,946,675	2,235,072

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

**DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2024**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
OTHER FINANCING SOURCES (USES):			
Interfund Transfers, From (To) Other Funds:			
5230 Transfer from Special Revenue EIA Fund	\$ 2,527,825	\$ 2,639,313	\$ (111,488)
5280 Transfer from Other Funds Indirect Cost	150,000	102,077	47,923
420-710 Transfer to General Fund	(34,000)	-	(34,000)
424-710 Transfer to Capital Projects Fund	-	(7,500,000)	7,500,000
	<u>2,643,825</u>	<u>(4,758,610)</u>	<u>7,402,435</u>
TOTAL OTHER FINANCING SOURCES (USES)			
Deficiency of Revenues Under Expenditures	<u>\$ (440,033)</u>	<u>(2,177,893)</u>	<u>\$ (1,737,860)</u>
FUND BALANCE, BEGINNING OF YEAR		<u>17,589,585</u>	
FUND BALANCE, END OF YEAR		<u>\$ 15,411,692</u>	

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
SPECIAL REVENUE FUND - SPECIAL PROJECTS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	Title I	IDEA	Preschool Handicapped	CATE	Pupil Activity	Other Restricted State Grants	*Other Special Revenue Programs	Total
REVENUES:								
1000 Revenue from Local Sources:								
1500 Earnings on Investments:								
1510 Interest on Investments	\$ -	\$ -	\$ -	\$ -	\$ 162	\$ -	\$ -	\$ 162
1700 Pupil Activities:								
1710 Admissions	-	-	-	-	135,421	-	-	135,421
1720 Bookstore Sales	-	-	-	-	5,303	-	-	5,303
1730 Pupil Organization Membership Dues and Fees	-	-	-	-	8,161	-	-	8,161
1740 Student Fees	-	-	-	-	40,543	-	-	40,543
1790 Other Pupil Activity Income	-	-	-	-	674,201	-	-	674,201
1900 Other Revenue from Local Sources:								
1920 Contributions and Donations Private Sources	-	-	-	-	10,300	-	1,719	12,019
1930 Medicaid	-	-	-	-	-	-	184,949	184,949
Total Local Sources	-	-	-	-	874,091	-	186,668	1,060,759
2000 Revenue from Intergovernmental Sources:								
2300 Payments from Non-profit Entities	-	-	-	-	-	-	10,548	10,548
Total Intergovernmental Sources	-	-	-	-	-	-	10,548	10,548
3000 Revenue from State Sources:								
3100 Restricted State Funding:								
3130 Special Programs:								
3135 Reading Coaches	-	-	-	-	-	58,441	-	58,441
3190 Miscellaneous Restricted State Grants:								
3193 Education License Plates	-	-	-	-	-	185	-	185
3900 Other State Revenue:								
3994 Nonemployer Contributions	-	-	-	-	-	4,107	-	4,107
Total State Sources	-	-	-	-	-	62,733	-	62,733
4000 Revenue from Federal Sources:								
4200 Occupational Education:								
4210 Perkins Aid, Title I	-	-	-	60,985	-	-	-	60,985
4300 Elementary and Secondary Education Act:								
4310 Title I, Basic State Grants Program	767,125	-	-	-	-	-	-	767,125
4351 Improving Teacher Quality	-	-	-	-	-	-	135,627	135,627
4500 Programs for Children with Disabilities:								
4510 Individuals with Disabilities Education Act (IDEA)	-	838,110	-	-	-	-	-	838,110
4520 Preschool Grants for Children with Disabilities	-	-	35,830	-	-	-	-	35,830

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
SPECIAL REVENUE FUND - SPECIAL PROJECTS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	Title I	IDEA	Preschool Handicapped	CATE	Pupil Activity	Other Restricted State Grants	*Other Special Revenue Programs	Total
REVENUES (CONTINUED):								
4000 Revenue from Federal Sources (Continued):								
4900 Other Federal Sources:								
4931 ARP IDEA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 141,842	\$ 141,842
4933 ARP IDEA Preschool	-	-	-	-	-	-	1,932	1,932
4937 ARP Homeless Children & Youth	-	-	-	-	-	-	7,309	7,309
4974 ESSER III	-	-	-	-	-	-	1,531,853	1,531,853
4977 ESSER II	-	-	-	-	-	-	36,703	36,703
4997 Title IV SSAE	-	-	-	-	-	-	54,190	54,190
4999 Revenue from Other Federal Sources	-	-	-	-	-	-	98,432	98,432
Total Federal Sources	767,125	838,110	35,830	60,985	-	-	2,024,404	3,726,454
TOTAL REVENUE ALL SOURCES	767,125	838,110	35,830	60,985	874,091	62,733	2,221,620	4,860,494
EXPENDITURES:								
100 INSTRUCTION:								
110 General Instruction:								
111 Kindergarten Programs:								
100 Salaries	55,052	-	-	-	-	-	-	55,052
200 Employee Benefits	18,116	-	-	-	-	-	-	18,116
400 Supplies and Materials	15,018	-	-	-	-	61	14,241	29,320
112 Primary Programs:								
100 Salaries	137,586	-	-	-	-	-	75,498	213,084
200 Employee Benefits	53,700	-	-	-	-	-	38,986	92,686
300 Purchased Services	20,394	-	-	-	-	-	901	21,295
400 Supplies and Materials	45,993	-	-	-	-	124	50,736	96,853
113 Elementary Programs:								
100 Salaries	118,076	-	-	-	-	-	61,100	179,176
200 Employee Benefits	53,320	-	-	-	-	-	25,415	78,735
300 Purchased Services	-	-	-	-	-	-	1,801	1,801
400 Supplies and Materials	22,629	-	-	-	-	-	47,226	69,855
114 High School Programs:								
300 Purchased Services	-	-	-	-	-	-	901	901
400 Supplies and Materials	-	-	-	-	-	-	66,870	66,870
115 Vocational Programs:								
100 Salaries	-	-	-	9,088	-	-	-	9,088
200 Employee Benefits	-	-	-	2,997	-	-	-	2,997
400 Supplies and Materials	-	-	-	48,900	-	-	-	48,900

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
SPECIAL REVENUE FUND - SPECIAL PROJECTS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Title I</u>	<u>IDEA</u>	<u>Preschool Handicapped</u>	<u>CATE</u>	<u>Pupil Activity</u>	<u>Other Restricted State Grants</u>	<u>*Other Special Revenue Programs</u>	<u>Total</u>
EXPENDITURES (CONTINUED)								
100 INSTRUCTION (CONTINUED):								
120 Exceptional Programs:								
121 Educable Mentally Handicapped:								
100 Salaries	\$ -	\$ 359,853	\$ -	\$ -	\$ -	\$ -	\$ 152,428	\$ 512,281
200 Employee Benefits	-	206,779	-	-	-	-	69,764	276,543
400 Supplies and Materials	-	-	-	-	-	-	94,151	94,151
126 Speech Handicapped:								
100 Salaries	-	41,153	-	-	-	-	2,000	43,153
200 Employee Benefits	-	27,778	-	-	-	-	619	28,397
300 Purchased Services	-	-	-	-	-	-	38,380	38,380
400 Supplies and Materials	-	736	-	-	-	-	28,052	28,788
130 Preschool Handicapped Programs:								
137 Preschool Handicapped Self-Contained (3 & 4 Year Olds):								
100 Salaries	-	-	23,199	-	-	-	-	23,199
200 Employee Benefits	-	-	11,426	-	-	-	-	11,426
139 Early Childhood Programs:								
100 Salaries	155,282	-	-	-	-	-	-	155,282
200 Employee Benefits	64,334	-	-	-	-	-	-	64,334
140 Special Programs:								
149 Other Special Programs:								
100 Salaries	-	-	907	-	-	-	-	907
200 Employee Benefits	-	-	298	-	-	-	-	298
160 Other Exceptional Programs:								
161 Autism:								
100 Salaries	-	-	-	-	-	-	60,040	60,040
200 Employee Benefits	-	-	-	-	-	-	29,051	29,051
400 Supplies and Materials	-	-	-	-	-	-	553	553
163 Comprehensive Coordinated Early Intervening Services:								
100 Salaries	-	87,950	-	-	-	-	-	87,950
200 Employee Benefits	-	44,277	-	-	-	-	-	44,277
170 Summer School Programs:								
171 Primary Summer School:								
100 Salaries	-	-	-	-	-	-	59,732	59,732
200 Employee Benefits	-	-	-	-	-	-	19,640	19,640

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
SPECIAL REVENUE FUND - SPECIAL PROJECTS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	Title I	IDEA	Preschool Handicapped	CATE	Pupil Activity	Other Restricted State Grants	*Other Special Revenue Programs	Total
EXPENDITURES (CONTINUED)								
100 INSTRUCTION (CONTINUED):								
170 Summer School Programs (Continued):								
172 Elementary Summer School								
100 Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60,588	\$ 60,588
200 Employee Benefits	-	-	-	-	-	-	19,915	19,915
173 High School Summer School:								
100 Salaries	-	-	-	-	-	-	23,528	23,528
200 Employee Benefits	-	-	-	-	-	-	7,736	7,736
175 Instructional Programs Beyond Regular School Day:								
100 Salaries	-	-	-	-	-	-	61,605	61,605
200 Employee Benefits	-	-	-	-	-	-	19,310	19,310
400 Supplies and Materials	-	-	-	-	-	-	109	109
180 Adult/Continuing Educational Programs:								
188 Parenting/Family Literacy:								
400 Supplies and Materials	6,686	-	-	-	-	-	-	6,686
190 Instructional Pupil Activity:								
600 Other Objects	-	-	-	-	5,595	-	-	5,595
Total Expenditures, Excluding Capital Outlay	<u>766,186</u>	<u>768,526</u>	<u>35,830</u>	<u>60,985</u>	<u>5,595</u>	<u>185</u>	<u>1,130,876</u>	<u>2,768,183</u>
Total Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL INSTRUCTION	<u>766,186</u>	<u>768,526</u>	<u>35,830</u>	<u>60,985</u>	<u>5,595</u>	<u>185</u>	<u>1,130,876</u>	<u>2,768,183</u>
200 SUPPORTING SERVICES:								
210 Pupil Services:								
211 Attendance and Social Work Services:								
100 Salaries	-	-	-	-	-	-	45,574	45,574
200 Employee Benefits	-	-	-	-	-	-	29,853	29,853
213 Health:								
100 Salaries	-	-	-	-	-	-	146,571	146,571
200 Employee Benefits	-	-	-	-	-	-	76,410	76,410
400 Supplies and Materials	-	-	-	-	-	-	2,810	2,810
214 Psychological Services:								
100 Salaries	-	2,641	-	-	-	-	192,761	195,402
200 Employee Benefits	-	5,108	-	-	-	-	78,770	83,878
400 Supplies and Materials	-	-	-	-	-	-	11,922	11,922

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
SPECIAL REVENUE FUND - SPECIAL PROJECTS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Title I</u>	<u>IDEA</u>	<u>Preschool Handicapped</u>	<u>CATE</u>	<u>Pupil Activity</u>	<u>Other Restricted State Grants</u>	<u>*Other Special Revenue Programs</u>	<u>Total</u>
EXPENDITURES (CONTINUED)								
200 SUPPORTING SERVICES (CONTINUED):								
220 Instructional Staff Services:								
221 Improvement of Instruction:								
100 Salaries	\$ -	\$ 2,226	\$ -	\$ -	\$ -	\$ 39,929	\$ 26,830	\$ 68,985
200 Employee Benefits	-	734	-	-	-	18,512	8,563	27,809
300 Purchased Services	-	-	-	-	-	-	16,433	16,433
400 Supplies and Materials	-	1,006	-	-	-	-	-	1,006
223 Supervision of Special Programs:								
100 Salaries	-	42,425	-	-	-	-	4,182	46,607
200 Employee Benefits	-	13,445	-	-	-	-	1,375	14,820
300 Purchased Services	805	-	-	-	-	-	15,383	16,188
400 Supplies and Materials	134	-	-	-	-	-	118	252
224 Improvement of Instruction-Inservice and Staff Training:								
300 Purchased Services	-	-	-	-	-	-	5,702	5,702
250 Finance and Operations Services:								
251 Student Transportation (Federal/District Mandated):								
100 Salaries	-	-	-	-	-	-	16,949	16,949
200 Employee Benefits	-	-	-	-	-	-	5,912	5,912
253 Facilities Acquisition and Construction:								
540 Improvements Other Than Buildings	-	-	-	-	-	-	220,806	220,806
254 Operation and Maintenance of Plant:								
500 Capital Outlay	-	-	-	-	-	-	7,776	7,776
255 Student Transportation (State Mandated):								
100 Salaries	-	-	-	-	-	-	18,428	18,428
200 Employee Benefits	-	-	-	-	-	-	6,308	6,308
256 Food Services								
300 Purchased Services	-	-	-	-	-	-	1,551	1,551
400 Supplies and Materials	-	-	-	-	-	-	15,190	15,190
500 Capital Outlay	-	-	-	-	-	-	91,250	91,250
600 Other Objects	-	-	-	-	-	-	990	990
257 Security								
300 Purchased Services	-	1,999	-	-	-	-	-	1,999
260 Central Support Services:								
264 Staff Services:								
300 Purchased Services	-	-	-	-	-	-	259	259

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
SPECIAL REVENUE FUND - SPECIAL PROJECTS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Title I</u>	<u>IDEA</u>	<u>Preschool Handicapped</u>	<u>CATE</u>	<u>Pupil Activity</u>	<u>Other Restricted State Grants</u>	<u>*Other Special Revenue Programs</u>	<u>Total</u>
EXPENDITURES (CONTINUED)								
200 SUPPORTING SERVICES (CONTINUED):								
270 Support Services - Pupil Activity:								
271 Pupil Service Activities:								
600 Other Objects	\$ -	\$ -	\$ -	\$ -	\$ 773,130	\$ -	\$ 1,717	\$ 774,847
Total Expenditures, Excluding Capital Outlay	<u>939</u>	<u>69,584</u>	<u>-</u>	<u>-</u>	<u>773,130</u>	<u>58,441</u>	<u>829,587</u>	<u>1,731,681</u>
Total Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>220,806</u>	<u>220,806</u>
TOTAL SUPPORT SERVICES	<u>939</u>	<u>69,584</u>	<u>-</u>	<u>-</u>	<u>773,130</u>	<u>58,441</u>	<u>1,050,393</u>	<u>1,952,487</u>
410 INTERGOVERNMENTAL EXPENDITURES:								
411-720 Payments to State Department of Education	-	-	-	-	-	-	40,351	40,351
412-720 Payments to Other Governmental Units	-	-	-	-	-	4,107	-	4,107
TOTAL INTERGOVERNMENTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,107</u>	<u>40,351</u>	<u>44,458</u>
TOTAL EXPENDITURES	<u>767,125</u>	<u>838,110</u>	<u>35,830</u>	<u>60,985</u>	<u>778,725</u>	<u>62,733</u>	<u>2,221,620</u>	<u>4,765,128</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	95,366	-	-	95,366
FUND BALANCE, BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>360,174</u>	<u>-</u>	<u>-</u>	<u>360,174</u>
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 455,540</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 455,540</u>

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

**SUMMARY SCHEDULE FOR DESIGNATED STATE RESTRICTED GRANTS
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

<u>SUBFUND</u>	<u>REVENUE CODE</u>	<u>PROGRAM</u>	<u>REVENUES</u>	<u>EXPENDITURES</u>	<u>TRANSFERS</u>	<u>DEFERRED REVENUE</u>
919	3193	Education License Plates	\$ 185	\$ 185	\$ -	\$ -
935	3135	Reading Coaches	58,441	58,441	-	-
970	3670	School Safety Upgrades	-	-	-	120,000
994	2300	PEBA on Behalf	4,107	4,107	-	-
			<u>\$ 62,733</u>	<u>\$ 62,733</u>	<u>\$ -</u>	<u>\$ 120,000</u>

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

SUMMARY SCHEDULE FOR OTHER SPECIAL REVENUE PROGRAMS SPECIAL PROJECTS FUND FOR THE FISCAL YEAR ENDED JUNE 30, 2024

*Other Special Revenue Programs

210	Title IV SSAE
218	ESSER III
225	ESSER II
230	IDEA/ARP
233	IDEA/ARP Preschool
263	ARP Homeless
264	Title III English Language Acquisition
267	Improving Teacher Quality
807	Local Grant - Teacher Forum
810	DHS COVID
811	Local Grant - No Kid Hungry
873	Local Grant - Various Contributions
885	Medicaid

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - EDUCATION IMPROVEMENT ACT FOR THE FISCAL YEAR ENDED JUNE 30, 2024

REVENUES:

3000 Revenue from State Sources:

3500 Education Improvement Act:	
3502 ADEPT	\$ 2,523
3503 State Aid to Classrooms	2,637,657
3518 Adoption List of Formative Assessment	21,999
3519 Grade 10 Assessments	1,656
3526 Refurbishment of K-8 Science Kits	9,508
3528 Industry Certifications/Credentials	10,000
3529 Career and Technology Education	52,083
3532 National Board Salary Supplement (No Carryover Provision)	157,310
3533 Teacher of the Year Awards	1,077
3541 Child Development Education Program (CDEP) - Full Day 4K	450,840
3557 Summer Reading Program	35,165
3567 CPR Instruction	10,025
3577 Teacher Supplies (No Carryover Provision)	64,400
3595 EEDA - Supplies & Materials	544
3599 Other EIA	2,602

TOTAL REVENUE ALL SOURCES

3,457,389

EXPENDITURES:

100 INSTRUCTION:

110 General Instruction:

111 Kindergarten Programs:	
400 Supplies and Materials	4,200
112 Primary Programs:	
100 Salaries	7,500
200 Employee Benefits	2,442
400 Supplies and Materials	16,364
113 Elementary Programs:	
100 Salaries	52,500
200 Employee Benefits	17,094
400 Supplies and Materials	46,187
114 High School Programs (Continued):	
100 Salaries	19,671
200 Employee Benefits	6,156
400 Supplies and Materials	23,430
115 Career Technology Education Programs:	
400 Supplies and Materials	53,133

120 Exceptional Programs:

121 Educable Mentally Handicapped:	
100 Salaries	5,000
200 Employee Benefits	1,628
400 Supplies and Materials	6,300

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - EDUCATION IMPROVEMENT ACT FOR THE FISCAL YEAR ENDED JUNE 30, 2024

EXPENDITURES (CONTINUED):

100 INSTRUCTION (CONTINUED):

120 Exceptional Programs (Continued):

126 Speech Handicapped:		
400 Supplies and Materials	\$	1,750

130 Pre-School Programs:

137 Pre-School Handicapped Self-Contained (3- and 4- Yr.-Olds):		
400 Supplies and Materials		350

140 Special Programs:

141 Gifted and Talented Academics:		
400 Supplies and Materials		350
147 CDEP:		
100 Salaries		301,268
200 Employee Benefits		149,572
400 Supplies and Materials		2,100

170 Summer School Programs:

171 Primary Summer School:		
100 Salaries		26,464
200 Employee Benefits		8,701

Total Expenditures, Excluding Capital Outlay		752,160
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Total Capital Outlay		-
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TOTAL INSTRUCTION		752,160
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200 SUPPORT SERVICES:

210 Pupil Services:

212 Guidance Services:		
100 Salaries		15,000
200 Employee Benefits		4,884
400 Supplies and Materials		1,750
217 Career Specialist Services:		
400 Supplies and Materials		700

220 Instructional Staff Services:

221 Improvement of Instruction - Curriculum Development:		
100 Salaries		20,000
200 Employee Benefits		6,512

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - EDUCATION IMPROVEMENT ACT FOR THE FISCAL YEAR ENDED JUNE 30, 2024

EXPENDITURES (CONTINUED):

100 INSTRUCTION (CONTINUED):

220 Instructional Staff Services (Continued):

222 Library and Media Services :				
400 Supplies and Materials		\$		1,400
224 Improvement of Instruction-Inservice and Staff Training:				
100 Salaries				1,930
200 Employee Benefits				592

250 Finance and Operations Services:

255 Student Transportation (State Mandated):				
300 Purchased Services				545

260 Central Support Services:

266 Technology and Data Processing Services:				
400 Supplies and Materials				2,603

Total Expenditures, Excluding Capital Outlay				55,916
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Total Capital Outlay				-
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TOTAL SUPPORT SERVICES				55,916
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400 OTHER CHARGES:

410 Intergovernmental Expenditures

412 - Payments Other Governmental Units				10,000
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TOTAL INTERGOVERNMENTAL EXPENDITURES				10,000
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TOTAL EXPENDITURES				818,076
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OTHER FINANCING SOURCES (USES):

Interfund Transfers From (To) Other Funds:

420 - 710 Transfer to General Fund				(2,639,313)
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TOTAL OTHER FINANCING USES				(2,639,313)
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Excess (Deficiency) of Revenues Over (Under) Expenditures				-
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FUND BALANCE, BEGINNING OF YEAR				-
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FUND BALANCE, END OF YEAR			\$	-
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SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

**SUMMARY SCHEDULE BY PROGRAM
EDUCATION IMPROVEMENT ACT
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

PROGRAM	Revenues	Expenditures	Transfers In/(Out)	Deferred Revenue
3500 Education Improvement Act:				
3502 ADEPT	\$ 2,523	\$ 2,523	\$ -	\$ -
3503 State Aid to Classrooms	2,637,657	-	(2,637,657)	-
3518 Adoption List of Formative Assessment	21,999	21,999	-	-
3519 Grade 10 Assessments	1,656	-	(1,656)	-
3526 Refurbishment of K-8 Science Kits	9,508	9,508	-	8,636
3528 Industry Certifications/Credentials	10,000	10,000	-	-
3529 Career and Technology Education	52,083	52,083	-	23,007
3532 National Board Salary Supplement (No Carryover Provision)	157,310	157,310	-	-
3534 Reading Coaches	1,077	1,077	-	-
3541 Child Development Education Program (CDEP) - Full Day 4K	450,840	450,840	-	-
3557 Summer Reading Program	35,165	35,165	-	-
3567 CPR Instruction	10,025	10,025	-	-
3577 Teacher Supplies (No Carryover Provision)	64,400	64,400	-	-
3595 EEDA - Supplies and Materials	544	544	-	7,339
3599 Other EIA	2,602	2,602	-	-
TOTALS	\$ 3,457,389	\$ 818,076	\$ (2,639,313)	\$ 38,982

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE FOOD SERVICE FUND FOR THE FISCAL YEAR ENDED JUNE 30, 2024

REVENUES

1000 Revenue from Local Sources

1500 Earnings on Investments:	
1510 Interest on Investments	\$ 99,681
1600 Food Service:	
1630 Special Sales to Pupils	5,021
1640 Lunch Sales to Adults	7,259
1650 Breakfast Sales to Adults	25
1660 Special Sales to Adults	23,437
1900 Other Revenue from Local Sources:	
1994 Receipt of Legal Settlements	106
1999 Revenue from Other Local Sources	12,602
Total Revenue from Local Sources	<u>148,131</u>

4000 Revenue from Federal Sources:

4800 USDA Reimbursement:	
4810 School Lunch Program	1,670,878
4820 Supply Chain Assistance Funding	79,339
4830 School Breakfast Program	550,881
4870 School Food Service (Equipment)	25,000
4899 Miscellaneous Food Service	23,234
4991 USDA Commodities	183,106
Total Revenue from Federal Sources	<u>2,532,438</u>

TOTAL REVENUE ALL SOURCES

2,680,569

EXPENDITURES

256 Food Services:	
100 Salaries	620,500
200 Employee Benefits	105,389
300 Purchased Services	21,730
400 Supplies and Materials	1,302,006
500 Capital Outlay	46,017
600 Other Objects	2,188
TOTAL EXPENDITURES	<u>2,097,830</u>

OTHER FINANCING SOURCES (USES)

Interfund Transfers from (to) Other Funds:

432-791 Food Service Fund Indirect Costs	<u>(102,077)</u>
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TOTAL OTHER FINANCING (USES)

(102,077)

Excess of Revenues Over Expenses

480,662

FUND BALANCE, BEGINNING OF YEAR

1,498,814

FUND BALANCE, END OF YEAR

\$ 1,979,476

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE DEBT SERVICE FUND FOR THE FISCAL YEAR ENDED JUNE 30, 2024

REVENUES

1000 Revenue from Local Sources

1100 Taxes:

1110 Ad Valorem Taxes Including Delinquent	\$	3,188,665
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1200 Revenue from Local Governmental Units Other Than LEA's:

1280 Revenue in Lieu of Taxes (Dependent and Independent)		306,210
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1500 Earnings on Investments:

1510 Interest on Investments		554,635
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Total Local Sources		4,049,510
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3000 Revenue from State Sources

3800 State Revenue in Lieu of Taxes:

3820 Homestead Exemption (Tier 2)		151,383
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3830 Merchant's Inventory Tax		5,007
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3840 Manufacturer's Depreciation Reimbursement		142,514
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3890 Other State Property Tax Revenues		15,209
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Total State Sources		314,113
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TOTAL REVENUE ALL SOURCES		4,363,623
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EXPENDITURES

500 DEBT SERVICE

610 Redemption of Principal		1,382,072
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620 Interest		5,116,013
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690 Other Objects		500
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TOTAL EXPENDITURES		6,498,585
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OTHER FINANCING SOURCES (USES)

5250 Transfer from Capital Projects Fund		6,757,924
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TOTAL OTHER FINANCING SOURCES		6,757,924
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Excess of Revenues Over Expenditures and Other Financing Sources		4,622,962
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FUND BALANCE, BEGINNING OF YEAR		6,540,112
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FUND BALANCE, END OF YEAR		\$ 11,163,074
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SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE CAPITAL PROJECTS FUND FOR THE FISCAL YEAR ENDED JUNE 30, 2024

REVENUES

1000 Revenue from Local Sources

1500 Earnings on Investments:	
1510 Interest on Investments	\$ 5,207,352
1900 Other Revenue from Local Sources:	
1999 Revenue from other Local Sources	<u>10,285</u>
Total Revenue from Local Sources	<u>5,217,637</u>
TOTAL REVENUE ALL SOURCES	<u>5,217,637</u>

EXPENDITURES

200 Support Services	
210 Pupil Services:	
213 Health Services:	
400 Supplies and Materials	18,700
250 Finance and Operations	
252 Fiscal Services:	
400 Supplies and Materials	19,230
253 Facilities Acquisition and Construction:	
300 Purchased Services	2,369,086
400 Supplies and Materials	19,285
500 Capital Outlay	
510 Land	9,516,334
520 Construction Services	25,743,395
540 Equipment	1,082,662
258 Security	
500 Capital Outlay	87,717
260 Central Support Services:	
266 Technology and Data Processing Services:	
300 Purchased Services	13,644
400 Supplies and Materials	39,115
500 Capital Outlay	18,512
270 Support Services - Pupil Activity:	
271 Pupil Service Activities:	
500 Capital Outlay	17,025
600 Other Objects	<u>100,028</u>
TOTAL EXPENDITURES	<u>39,044,733</u>

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE CAPITAL PROJECTS FUND FOR THE FISCAL YEAR ENDED JUNE 30, 2024

500 DEBT SERVICES:	
319 Legal Services	\$ 30,056
395 Other Professional and Technical Services	19,700
610 Redemption of Principal	17,996
620 Interest	<u>58,684</u>
TOTAL DEBT SERVICES	<u>126,436</u>
OTHER FINANCING SOURCES	
5120 Proceeds of General Obligations	1,390,000
5210 Transfer from General Fund	7,500,000
423-710 Transfer to Debt Service	<u>(6,757,924)</u>
TOTAL OTHER FINANCING SOURCES	<u>2,132,076</u>
Deficiency of Revenues Under Expenditures and Other Financing Sources	(31,821,456)
FUND BALANCE, BEGINNING OF YEAR	<u>106,012,039</u>
FUND BALANCE, END OF YEAR	<u>\$ 74,190,583</u>

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

**DETAILED SCHEDULE OF DUE TO STATE DEPARTMENT OF EDUCATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

<u>Program</u>	<u>Project Number</u>	<u>Revenue/ Subfund Code</u>	<u>Description</u>	<u>Amount Due to State of Department Education</u>
CDEP Expansion		924/3143	Unspent funds	\$ 915
National Board Certified	N/A	332/3532	Unspent funds	52
Teacher Supplies	N/A	377/3577	Unspent funds	350
EEDA Supplies and Materials	N/A	395/3595	Unspent funds	758
				<u>\$ 2,075</u>

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

**LOCATION RECONCILIATION SCHEDULE
YEAR ENDED JUNE 30, 2024**

<u>Location ID</u>	<u>Location Description</u>	<u>Education Level</u>	<u>Cost Type</u>	<u>Total Expenditures</u>
00	District-wide	Non-School	Central	\$ 2,584,405
35	Woodruff Middle School	Middle School	School	8,648,241
36	Woodruff High School	High School	School	55,069,014
40	Woodruff Primary School	Elementary School	School	8,849,104
42	Woodruff Elementary School	Elementary School	School	7,146,699
	Total Expenditures/Disbursements for All Funds			<u>\$ 82,297,463</u>

RECONCILIATION OF PRIMARY GOVERNMENT EXPENDITURES TO THE FINANCIAL STATEMENTS

General Fund	\$ 28,946,675
Special Revenue Special Projects Fund	4,765,128
Special Revenue EIA Fund	818,076
Special Revenue Food Service Fund	2,097,830
Debt Service Fund	6,498,585
Capital Projects Fund	39,171,169
Total Expenditures/Disbursements for All Funds	<u>\$ 82,297,463</u>

COMPLIANCE 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 Board of Trustees
Spartanburg County School District Four
Woodruff, South Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of **Spartanburg County School District Four** (the "District"), as of and for the year ended June 30, 2024, 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 18, 2024.

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) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

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

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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of the Report

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



Columbia, South Carolina
November 18, 2024



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

To the Board of Trustees
Spartanburg County School District Four
Woodruff, South Carolina

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited **Spartanburg County School District Four'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, 2024. 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 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, 2024.

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 (GAAS); 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 GAAS, *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 GAAS, *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 18, 2024

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2024**

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 S. C. Department of Education				
202	Title I	84.010	H63010100122	\$ 66,265
202	Title I	84.010	H63010100123	96,084
202	Title I	84.010	H63010100124	604,776
	Total Title I Programs			<u>767,125</u>
203	Special Education - Grants to States	84.027	ESY	312
204	Special Education - Grants to States	84.027	H63010100922	12,255
204	Special Education - Grants to States	84.027	H63010100923	67,367
204	Special Education - Grants to States	84.027	H63010100924	758,176
206	Special Education - Preschool Grants	84.173	H63010100823	1,205
206	Special Education - Preschool Grants	84.173	H63010100824	34,625
230	COVID-19 - Special Education - Grants to States	84.027X	H63010ARP922	141,842
233	COVID-19 - Special Education - Preschool Grants	84.173X	H63010ARP822	1,932
	Total Special Education (IDEA) Cluster			<u>1,017,714</u>
207	CTE - Subprogram 01	84.048A	H63010107124	60,985
	Total CATE Program			<u>60,985</u>
210	Title IV SSAE	84.424A	H63010100322	12,834
210	Title IV SSAE	84.424A	H63010100323	8,735
210	Title IV SSAE	84.424A	H63010100324	32,621
	Total Title IV SSAE			<u>54,190</u>
225	COVID-19 Education Stabilization Fund - ESSER	84.425D	H63010497523	1,531,853
218	COVID-19 Education Stabilization Fund - ARPA ESSER	84.425U	H63010497522	36,703
263	COVID-19 Education Stabilization Fund - ARPA ESSER	84.425W	H63010HCY721	7,309
	Total COVID-19 Education Stabilization Fund			<u>1,575,865</u>
264	English Language Acquisition - Title III Immigrant	84.365	H63010006723	4,244
264	English Language Acquisition - Title III Immigrant	84.365	H63010006724	10,874
264	English Language Acquisition	84.365	H63010006724	1,398
	Total Title III - English Language Acquisition			<u>16,516</u>
267	Supporting Effective Instruction	84.367	H63010006822	12,136
267	Supporting Effective Instruction	84.367	H63010006823	71,530
267	Supporting Effective Instruction	84.367	H63010006824	51,961
	Total Title II Part A Improving Teacher Quality			<u>135,627</u>
	Total U.S. Department of Education			<u>3,628,022</u>
U.S. DEPARTMENT OF AGRICULTURE				
Passed through S. C. Department of Education				
Child Nutrition Cluster:				
Non-cash Assistance				
600	Commodity Supplemental Food Program	10.555	N/A	175,028
600	Commodity Supplemental Food Program	10.555	N/A	8,078
				<u>183,106</u>
600	School Breakfast Program	10.553	N/A	550,881
600	School Lunch Program	10.555	N/A	1,670,878
600	Supply Chain Assistance	10.555	N/A	79,339
	Total Child Nutrition Cluster			<u>2,484,204</u>
Passed through Action for Healthy Kids				
811	Healthy Meal Incentives	10.579	N/A	98,432

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2024**

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 AGRICULTURE (CONTINUED)				
Passed through S. C. Department of Education				
600	School Meals Equipment	10.579	H63010013523	\$ 25,000
				<u>123,432</u>
630	Farm to School	10.645	H63010103323	4,599
630	Food Distribution Transportation Rebate	10.560	N/A	18,635
				<u>18,635</u>
	Total U.S. Department of Agriculture			<u>2,630,870</u>
	TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 6,258,892</u>

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2024

A. General

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") presents the activity of all federal award programs of Spartanburg County School District Four, South Carolina (the "District") for the year ended June 30, 2024. All federal awards received directly from federal agencies, as well as those passed through other government agencies, are included on the Schedule.

B. Basis of Accounting

The accompanying Schedule includes federal grant activity of the District under programs of the federal government for the year ended June 30, 2024. The information in this Schedule is presented in conformity with the requirements of Title 2 U.S. *Code of Federal Requirements* (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 financial position, changes in net position, or cash flows of the District.

Expenditures reported in 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.

C. Indirect Cost

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 as allowed under the Uniform Guidance and covered in 2 CFR Part 200.414.

D. Subrecipients

The District did not provide any awards to subrecipients for the year ended June 30, 2024.

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2024

A. SUMMARY OF AUDIT 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 weaknesses identified?

Yes No

Significant deficiency(ies) identified?

Yes None Reported

Noncompliance material to financial statements noted?

Yes No

Federal Awards

Internal control over major programs:

Material weaknesses identified?

Yes No

Significant deficiency(ies) identified?

Yes 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 2 CFR 200.516(a)?

Yes No

Identification of major programs:

Assistance Listing Number

Name of Federal Program or Cluster

84.425D

U.S. Department of Education –

COVID-19 Education Stabilization Funds – ESSER

84.425U

COVID-19 Education Stabilization Funds – ARPA

ESSER

84.425W

COVID-19 Education Stabilization Funds – ARPA

ESSER

Dollar threshold used to distinguish between Type A and Type B programs:

\$750,000

Auditee qualified as low-risk auditee?

Yes No

SPARTANBURG COUNTY SCHOOL DISTRICT FOUR

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2024

B. FINANCIAL STATEMENT AUDIT FINDINGS

None reported.

C. FEDERAL AWARD PROGRAMS FINDINGS

None reported.

D. SCHEDULE OF PRIOR YEAR FINDINGS

None reported.