Report on Financial Statements

For the fiscal year ended June 30, 2022

School District of Edgefield County Members of the Board of Trustees

DR. KEVIN O'GORMAN, SUPERINTENDENT

| | Term o | f office |
|-------------------------------------|--------|----------|
| <u>Name</u> | From | То |
| Mrs. Robin Ball, Chairperson | 2021 | 2024 |
| Mrs. Blair Massey, Vice-Chairperson | 2021 | 2024 |
| Mr. Willie Campbell, Secretary | 2023 | 2026 |
| Mr. Jonathan Harling | 2023 | 2026 |
| Mr. Johnny Peterson | 2021 | 2024 |
| Mrs. Deidra Young | 2021 | 2024 |
| Mr. Erik Drylie | 2023 | 2026 |

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Independent Auditor's Report

Board of Trustees School District of Edgefield County Edgefield, South Carolina

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of the School District of Edgefield County (the District) as of and for the year ended June 30, 2022, 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 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, 2022, 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 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 generally accepted auditing standards 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 generally accepted auditing standards 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.

Change in Accounting Principle

As discussed in Note 17 to the financial statements, the District has elected to change its policy for accounting and reporting its food service fund operations from an enterprise fund to a special revenue fund. Our opinion is not modified with respect to this matter.

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying supplementary information, as listed in the table of contents, and 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* (Uniform Guidance), are presented for purposes of additional analysis and are not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 23, 2022, 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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Manley Gawin, LIC

Greenwood, South Carolina November 23, 2022

Management's Discussion and Analysis (MD&A) Fiscal Year ended June 30, 2022

INTRODUCTION

This discussion and analysis of the District's financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2022.

FINANCIAL HIGHLIGHTS

The Base Student Cost (BSC) is the main source of state funding. Although the maximum allowed millage increase was 20.17 mills (15.31 banked from the prior years and 4.86 mills for 21-22), the Board did not raise millage for the 2021-2022 school year. The District's net position decreased approximately \$10.1 million during the fiscal year. The District's liabilities and deferred inflows of resources exceeded its assets and deferred outflows of resources at June 30, 2022 by approximately \$70.2 million.

OVERVIEW OF FINANCIAL STATEMENTS

This annual report consists of a series of financial statements and accompanying notes. These statements are organized so the reader can understand the District as a financial whole, or as an entire operating entity.

The statement of net position and statement of activities provide information about the activities of the whole District, presenting both an aggregate view and a longer-term view of our finances. Fund financial statements provide the next level of detail. For government funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the District's most significant funds with all other non-major funds presented in total in a single column.

Statement of Net Position and Statement of Activities - One of the most important questions asked about the District's finances is, "is the District better or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the District as a whole and about its activities in a manner that helps to answer this question. These statements include all assets and deferred outflows of resources and liabilities and deferred inflows of resources using the accrual basis of accounting similar to the accounting used by the private sector. All of the current year's revenues and expenses are taken into consideration, regardless of when cash is received or paid.

These two statements report the District's net position and changes in them. The change in net position provides the reader a tool to assist in determining whether the District's health is improving or deteriorating. The reader will need to consider property tax laws, funding issues, student enrollment growth or decline, facility conditions and other economic factors in arriving at their conclusion regarding the overall health of the District.

Fund Financial Statements - The fund financial statements provide detailed information about the most significant funds, not the District as a whole. Some funds are required to be established by State or Federal statute, while many other funds are established by the District to help manage money for particular purposes and compliance with various grant provisions. The District's two types of funds – governmental and fiduciary use different accounting approaches as further described in the notes to the financial statements.

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

Management's Discussion and Analysis (MD&A) Fiscal Year ended June 30, 2022

Fiduciary Funds - The District is the trustee, or fiduciary, for its scholarship program and the other items listed as private purpose trusts. It is also responsible for other assets that, due to a trust agreement, can be used only for the trust beneficiaries. All of the District's fiduciary activities are reported in separate Statements of Fiduciary Net Position. We exclude these activities from the District's financial statements because the assets cannot be utilized by the District to finance its operations.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The District's net position decreased approximately \$10.1 million during the fiscal year. The District's liabilities and deferred inflows of resources exceeded its assets and deferred outflows of resources at June 30, 2022 by approximately \$70.2 million.

By far the largest portion of the District's total assets reflects its investment in capital assets (e.g., land, buildings and improvements, vehicles, furniture and equipment). The District uses these capital assets to provide services to its students; consequently, these assets are not available for future spending. Although the District's net position invested in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The District's financial position is the product of several financial transactions including the net results of operating activities, the acquisition and payment of debt and the acquisition and disposal of capital assets.

The following table presents a comparative summary of the District's net position for the fiscal year ended June 30, 2022 and 2021.

| | | Governme | ntal | Activities | Business-type Activities | | | | | | |
|--|----|--------------|------|--------------|--------------------------|------|----|----------------------|--|--|--|
| | _ | 2022 | | 2021 | | 2022 | | 2021 | | | |
| Assets and Deferred Outflows of Resources: | | | | | | | | | | | |
| Current assets | \$ | 24,514,059 | \$ | 39,619,246 | \$ | - | \$ | 115,547 | | | |
| Capital assets, net | | 56,059,233 | | 51,153,081 | | - | | 125,942 | | | |
| Deferred outflows of resources | | 19,720,192 | | 10,713,627 | | | | 975,512 | | | |
| Total assets and deferred outflows | | | | | | | | | | | |
| of resources | _ | 100,293,484 | | 107,485,954 | | _ | | 1,217,001 | | | |
| Liabilities and Deferred Inflows of Resources: | | | | | | | | | | | |
| Current liabilities | | 9,930,921 | | 10,330,565 | | - | | 323,652 | | | |
| Long-term liabilities | | 149,809,232 | | 148,174,625 | | - | | 5,311,390 | | | |
| Deferred inflows of resources | | 10,801,807 | | 4,450,706 | | | | 259,585 | | | |
| Total liabilities and deferred | | | | | | | | | | | |
| inflows of resources | _ | 170,541,960 | | 162,955,896 | | | | 5,894,627 | | | |
| Net Position (Deficit): | | | | | | | | | | | |
| Net investment in capital assets | | 5,433,219 | | 16,492,857 | | - | | 125,942 | | | |
| Restricted | | 2,439,077 | | 2,137,203 | | - | | - | | | |
| Unrestricted (deficit) | | (78,120,772) | | (74,100,002) | | | | (4,803,568) | | | |
| Total net position | | (70,248,476) | | (55,469,942) | | _ | | (4,677,62 <u>6</u>) | | | |
| Total liabilities, deferred inflows of | | | | | | | | | | | |
| resources and net position (deficit) | \$ | 100,293,484 | \$ | 107,485,954 | \$ | | \$ | 1,217,001 | | | |

Management's Discussion and Analysis (MD&A)

Fiscal Year ended June 30, 2022

Comparative information for 2022 and 2021 Statement of Activities is presented in the chart below. The chart shows that the primary mission of the school district was preserved (classroom instruction). 52% of District resources went directly into classrooms at our schools (not including instructional support functions).

| | Governme | ntal | Activities | Business-type Activities | | | | | |
|-------------------------------------|--------------------|------|-------------|--------------------------|----------|----|-----------|--|--|
| | 2022 | | 2021 | | 2022 | | 2021 | | |
| Revenues: | | | | | | | | | |
| Program revenues: | | | | | | | | | |
| Charges for services | \$ 295,265 | \$ | - | \$ | - | \$ | 195,790 | | |
| Operating grants and contributions | 29,156,795 | | 23,409,468 | | - | | 1,331,325 | | |
| General revenues: | | | | | | | | | |
| Property taxes | 16,359,820 | | 16,097,734 | | - | | - | | |
| Intergovernmental | 6,722,479 | | 6,536,326 | | - | | - | | |
| Miscellaneous and transfers | 193,368 | | (25,474) | | | | 207,078 | | |
| Total revenues | 52,727,727 | | 46,018,054 | | | | 1,734,193 | | |
| Expenses: | | | | | | | | | |
| Instruction | 32,609,394 | | 27,089,139 | | - | | - | | |
| Support services | 28,349,680 | | 18,821,227 | | - | | 1,994,522 | | |
| Community services | 9,584 | | 16,814 | | - | | - | | |
| Intergovernmental | 46,862 | | 42,077 | | - | | - | | |
| Interest and other charges | 1,813,115 | | 1,844,700 | | <u>-</u> | | <u>-</u> | | |
| Total expenses | 62,828,635 | | 47,813,957 | | <u>-</u> | | 1,944,522 | | |
| Increase (decrease) in net position | \$ (10,100,908) | \$ | (1,795,903) | \$ | | \$ | (260,329) | | |

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements and such information is useful in assessing the District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

The financial performance of the District as a whole is reflected in its governmental funds. As the District completed the year, its governmental funds reported a combined fund balance of \$16,327,196, a decrease of \$14,660,699. 100% of general fund balance constitutes unassigned fund balance, which is available for spending at the District's discretion. The administration intends to maintain this balance in order to be assured District operations continue to run smoothly despite unexpected budget cuts and the State Department of Education's failure to make payments in a timely manner, both serious issues in recent years.

The food service fund reported a deficit fund balance of \$100,449 as of June 30, 2022. This deficit will be made up from future operational revenues or transfers from the general fund.

The remaining fund balance is nonspendable, restricted, or committed, which indicates that it is not available for spending because it has already been restricted/committed as follows:

- Restricted for debt service \$2,325,467
- Restricted for capital projects \$5,685,905
- Restricted for special revenue purposes \$796,999

Management's Discussion and Analysis (MD&A) Fiscal Year ended June 30, 2022

The general fund is the principal operating fund of the District. As the table below illustrates, the largest portions of the general fund expenditures each year are for salary and fringe benefits. 90% of the 2021-2022 budget (and portions of other fund transfers accounted for here under miscellaneous) was expended for staffing in the District.

| | Fiscal Year | 2022 % of | Fiscal Year |
|------------------------|------------------|-----------|------------------|
| | 2022 | Actual | 2021 |
| Expenditures by Object | | | |
| Salaries and Wages | \$ 19,729,547 | 62.70% | \$ 19,144,130 |
| Fringe Benefits | 8,649,508 | 27.49% | 8,427,566 |
| Purchased Services | 2,038,500 | 6.48% | 1,929,492 |
| Supplies | 917,143 | 2.91% | 1,383,999 |
| Capital Outlay | - | .00% | 10,898 |
| Miscellaneous | 133,770 | .43% | 293,531 |
| | \$ 31,468,468 | 100.00% | \$ 31,189,616 |

BUDGETARY HIGHLIGHTS

Over the course of the year, the District's General Fund expenditure and revenue budgets both traditionally increase slightly over the prior year operations, all things constant, if for no other reason than mandated salary and benefit increases. The District continues to employ strict cost control measures and takes a conservative approach to budgeted revenues in order to combat state funding levels that are comparable to the late 1990s.

A schedule showing the original and final budget amounts compared to the District's actual financial activity for the General Fund is provided in the fund financial statements of this report.

CAPITAL ASSETS

As of June 30, 2022, the District had invested a net amount of \$56,059,233 in governmental capital assets, including school buildings, athletic facilities, buses, vehicles, computers and other equipment. Total depreciation expense for the year was \$1,345,761.

The detailed schedule for 2022 and more information can be located in Note 4 of the notes to the financial statements.

DEBT ADMINISTRATION

At year-end, the District had \$57,282,492 in general obligation bonds and other long-term obligations outstanding, of which \$1,801,835 is due within one year. The following table presents a summary of the District's outstanding long-term debt for the fiscal year ended June 30, 2022.

| | Principal outstanding | | | Principal outstanding | Amounts due |
|-------------------------------|-------------------------|-------------|--------------|-----------------------|--------------|
| | June 30, 2021 Additions | | Reductions | June 30, 2022 | in one year |
| Governmental activities | | | | | |
| General obligation bonds | \$ 58,680,846 | \$ - | \$ 1,681,132 | \$ 56,999,714 | \$ 1,741,132 |
| Note payable | 109,656 | - | 109,656 | - | - |
| Accrued compensated absences | 303,517 | | 20,739 | 282,778 | 60,703 |
| Total governmental activities | | | | | |
| general long-term debt | \$ 59,094,019 | <u>\$</u> _ | \$ 1,811,527 | \$ 57,282,492 | \$ 1,801,835 |

Management's Discussion and Analysis (MD&A) Fiscal Year ended June 30, 2022

State statutes currently limit the amount of general obligation debt a District may issue to 8% of its total assessed valuation. The current remaining debt limitation for the District is approximately \$6,527,000. Additional information on the District's long-term debt can be found in Note 5 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The District is coextensive with the area and boundaries of Edgefield County (the "County"), which is located in the southwestern section of South Carolina. It has a land area of 481 square miles and is bordered to the north by Greenwood County, to the northeast by Saluda County, to the south by Aiken County and to the west by McCormick County. The population of Edgefield County, according to the 2010 Census, is 26,985.

In the 2021-2022 school year, the District operated four elementary schools, two middle schools, one high school, and one career center. Kindergarten classes were available for all five-year-olds within the District. Enrollment for the 2021-2022 school year was 3,106 average daily membership. For fiscal year 2021-2022, the District employed approximately 252 certified staff and 250 other employees. Despite the COVID-19 pandemic, assessment rates show a steady growth pattern. In addition, local manufacturing grew with the addition of Generac Power Systems, a leading global power and energy technology company, expanding operations in Edgefield County which will create 300 new jobs. It is predicted that the population of the County will continue to grow, especially in the Merriwether area, from the new cyber security center at Fort Gordon and as people in general are moving into parts of the County adjacent to Augusta, Georgia. In addition, vehicle sales remain strong in the County. The unemployment rate compares favorably with the state's rate and the County's top employers and taxpayers have shown stable operations.

The District's primary goal is to have a well-run instructional program in a financially sound environment. Conservative budgeting has permitted the District to manage uncertain revenue sources in prior years without negatively impacting programs. Flexibility legislation and a sound fund balance have also eased the impact of unstable funding in prior years on the District. However, there is no doubt the state implementation of Act 388, the overall state of the economy and increased health costs and state infrastructure needs, which compete with education funding, are to blame for the suppressed Base Student Cost funding levels. The majority of revenues are now dependent upon sales tax collections as opposed to the more stable prior model of dependence on real estate taxes.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the resources it receives. If you have questions about this report or need additional information, contact the Financial Services Office, Edgefield County School District, 425 Lee Street, Johnston, South Carolina 29832, (Telephone # 803-275-1122).

| | Primary | Government |
|--|-------------------------|----------------|
| | Governmental | , |
| | Activities | Total |
| Assets | | |
| Current assets | | |
| Cash and investments | \$ 9,556,783 | \$ 9,556,783 |
| Deposits with Edgefield County Treasurer | 9,858,215 | 9,858,215 |
| Accounts receivable | 24,584 | 24,584 |
| Property taxes receivable, net | 942,110 | 942,110 |
| Due from other governmental units | 4,093,444 | 4,093,444 |
| Inventories | 38,923 | 38,923 |
| Total current assets | 24,514,059 | 24,514,059 |
| Non-current assets | | |
| Non-depreciable capital assets | 7,441,904 | 7,441,904 |
| Depreciable capital assets, net of accumulated depreciation | 48,617,329 | |
| Total non-current assets | 56,059,233 | |
| Total assets | 80,573,292 | 80,573,292 |
| Deferred outflows of recourses | | |
| Deferred outflows of resources | 6,006,356 | 6 006 350 |
| Deferred outflows - pension | 6,886,259 | |
| Deferred outflows - OPEB | 12,833,933 | |
| Total deferred outflows of resources | 19,720,192 | 19,720,192 |
| | | |
| Total assets and deferred outflows of resources | \$ 100,293,484 | \$ 100,293,484 |
| | | |
| Liabilities, deferred inflows of resources and net position | | |
| Current liabilities | | |
| Accounts payable and accrued expenses | \$ 1,789,012 | \$ 1,789,012 |
| Unearned revenue | 324,176 | 324,176 |
| Accrued salaries and benefits | 5,131,565 | 5,131,565 |
| Accrued interest | 884,333 | 884,333 |
| Current portion of non-current liabilities: | | |
| Bonds payable | 1,741,132 | |
| Compensated absences | 60,703 | |
| Total current liabilities | 9,930,922 | 9,930,921 |
| Non-current liabilities | | |
| Bonds payable | 55,258,582 | 55,258,582 |
| Compensated absences | 222,075 | 222,075 |
| Net pension liability | 43,169,143 | 43,169,143 |
| Net OPEB liability | 51,159,432 | 51,159,432 |
| Total non-current liabilities | 149,809,232 | |
| Total liabilities | 159,740,153 | 159,740,153 |
| Deferred inflows of resources | | |
| Deferred inflows - pension | 7,162,670 | 7,162,670 |
| Deferred inflows - DEEB | | |
| Total deferred inflows of resources | 3,639,137 10,801,807 | |
| Total deferred lilliows of resources | 10,801,807 | 10,801,807 |
| Net position (deficit) | | |
| Net investment in capital assets | 5,433,219 | 5,433,219 |
| Restricted for: | 5,455,215 | 3,433,213 |
| Debt service | 1,642,078 | 1,642,078 |
| Special revenue | 796,999 | |
| Unrestricted (deficit) | (78,120,772 | |
| Total net position (deficit) | (70,248,476 | |
| Total liabilities, deferred inflows of resources, and net position (deficit) | \$ 100,293,484 | |
| , | | |

| | | | | Program | Net revenue (expense) and changes in net position | | | | | | | |
|---|--|--|-------------------------------------|-------------------------|---|---|----|---|---------|---|--|--|
| Functions and Programs | | Expenses | Charges for Sales and Service | | | Operating Grants and Contributions | G | Primary Go overnmental Activities | overnme | ent | | |
| Primary Government Governmental activities: | | | | | | | | | | | | |
| Instruction Support services Community services Intergovernmental | \$ | 32,609,394 28,349,680 9,584 46,862 | \$ | 157,943 137,322 - | \$ | 15,568,539 13,535,848 - 52,408 | \$ | (16,882,912) (14,676,510) (9,584) 5,546 | \$ | (16,882,912) (14,676,510) (9,584) 5,546 | | |
| Intergovernmental Interest and other charges | | 1,813,115 | | <u>-</u> | | - | | (1,813,115) | | (1,813,115) | | |
| Total governmental activities | | 62,828,635 | | 295,265 | | 29,156,795 | | (33,376,575) | | (33,376,575) | | |
| Total primary government | \$ | 62,828,635 | \$ | 295,265 | \$ | 29,156,795 | - | (33,376,575) | | (33,376,575) | | |
| | Propei Gene Debt Federa Unrest | I revenues: rty taxes levied for eral purposes service al and state aid not tricted investment laneous | restricted | for specific purpo | se | | | 11,551,210 4,808,610 6,722,479 37,140 156,228 | | 11,551,210 4,808,610 6,722,479 37,140 156,228 | | |
| | To | otal general revenu | ies | | | | | 23,275,667 | | 23,275,667 | | |
| | Cł | nange in net position | on | | | | | (10,100,908) | | (10,100,908) | | |
| | Net pos | ition (deficit), begi | inning of y | ear | | | | (55,469,942) | | (55,469,942) | | |
| | Restate | ment, see note 17 | | | | | | (4,677,626) | | (4,677,626) | | |
| | Net pos | sition (deficit), begi | inning of y | ear as restated | | | | (60,147,568) | | (60,147,568) | | |
| | Net pos | sition (deficit), end | of year | | | | \$ | (70,248,476) | \$ | (70,248,476) | | |

Exhibit 3 - Balance Sheet - Governmental Funds

June 30, 2022

| | | | | | Special R | evenue Funds | 5 | | | | | | | | |
|---|----|------------|-----|--------------|-----------|--------------|---------|-----------|----------|-----------|---------|----------------|--------------|------------|--|
| | | | | | | ucation | | | | | | | | Total | |
| | | | | Special | | ovement | | Food | | Capital | | Debt | Governmental | | |
| | | General | Rev | enue - Other | | Act | Service | | Projects | | Service | | Funds | | |
| Assets Cash and investments | Ś | 8,749,136 | \$ | 807,347 | Ś | | \$ | 300 | Ś | | Ś | | Ś | 9,556,783 | |
| Deposits with Edgefield County Treasurer | Ş | 1,158,976 | Ş | 607,547 | Ş | - | Ş | 300 | Ş | 6,373,700 | Ş | - 2,325,539 | Ş | 9,858,215 | |
| Accounts receivable | | 20,530 | | 4,054 | | - | | - | | 0,373,700 | | 2,323,339 | | 24,584 | |
| Property taxes receivable, net | | 741,166 | | 4,034 | | | | - | | - | | 200,944 | | 942,110 | |
| Inventories | | 741,100 | | _ | | _ | | 38,923 | | _ | | 200,544 | | 38,923 | |
| Due from other governmental units | | 175,659 | | 3,745,906 | | 99,473 | | 72,406 | | - | | _ | | 4,093,444 | |
| Due from other funds | | 4,656,931 | | - | | 152,508 | | | | - | | - | | 4,809,439 | |
| Total assets | \$ | 15,502,398 | \$ | 4,557,307 | \$ | 251,981 | \$ | 111,629 | \$ | 6,373,700 | \$ | 2,526,483 | \$ | 29,323,498 | |
| Liabilities | | | | | | | | | | | | | | | |
| Accounts payable and accrued liabilities | \$ | 1,774,610 | \$ | 14,402 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | 1,789,012 | |
| Unearned revenue, other | | - | | 72,195 | | 251,981 | | - | | - | | - | | 324,176 | |
| Due to other funds | | 235,783 | | 3,673,711 | | - | | 212,078 | | 687,795 | | 72 | | 4,809,439 | |
| Accrued salaries and benefits | | 5,131,565 | | | | | | | | - | | | | 5,131,565 | |
| Total liabilities | | 7,141,958 | | 3,760,308 | | 251,981 | | 212,078 | | 687,795 | | 72 | | 12,054,192 | |
| Deferred inflows of resources | | | | | | | | | | | | | | | |
| Unavailable revenue - property taxes | | 741,166 | | - | | | | | | - | | 200,944 | | 942,110 | |
| Total deferred inflows of resources | | 741,166 | | - | | - | | - | | | | 200,944 | | 942,110 | |
| Fund balances (deficits) | | | | | | | | | | | | | | | |
| Restricted for special revenue purposes | | _ | | 796,999 | | _ | | _ | | _ | | _ | | 796,999 | |
| Restricted for debt service | | _ | | - | | _ | | _ | | _ | | 2,325,467 | | 2,325,467 | |
| Restricted for capital projects | | _ | | _ | | _ | | _ | | 5,685,905 | | -,, | | 5,685,905 | |
| Unassigned (deficit) | | 7,619,274 | | - | | | | (100,449) | | - | | | | 7,518,825 | |
| Total fund balances (deficit) | | 7,619,274 | | 796,999 | | | | (100,449) | | 5,685,905 | | 2,325,467 | | 16,327,196 | |
| Total liabilities, deferred inflows of resources and fund | ł | | | | | | | | | | | | | | |
| balances (deficits) | \$ | 15,502,398 | \$ | 4,557,307 | \$ | 251,981 | \$ | 111,629 | \$ | 6,373,700 | \$ | 2,526,483 | \$ | 29,323,498 | |

Exhibit 4 - Reconciliation of Balance Sheet of Governmental Funds to the Statement of Net Position June 30, 2022

| Total governmental fund balances | \$ 16,327,196 |
|---|--------------------|
| Amounts reported for governmental activities in the Statement of Net Position are different because of the following: | |
| Capital assets used in governmental activities are not financial resources and therefore are | |
| not reported in governmental funds. | 56,059,233 |
| A portion of property taxes receivable are not available to pay for current period | |
| expenditures and therefore are unavailable in the funds. | 942,110 |
| Deferred inflows and outflows of resources are not reported in the funds: | |
| Deferred outflows related to pension | 6,886,259 |
| Deferred outflows related to OPEB | 12,833,933 |
| Deferred inflows related to pension | (7,162,670) |
| Deferred inflows related to OPEB | (3,639,137) |
| Some liabilities, including bonds payable, are not due and payable in the current period and | |
| therefore are not reported in the funds. | |
| General obligation bonds payable | (56,999,714) |
| Net pension liability | (43,169,143) |
| OPEB liability | (51,159,432) |
| Compensated absences | (282,778) |
| Accrued interest | (884,333) |
| Net position (deficit) of governmental activities | \$ (70,248,476) |

Exhibit 5 - Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds For the year ended June 30, 2022

| | | | | | Special I | Revenue Funds | S | | | | | | |
|---|----|------------------|-------|------------|-----------|---------------|----|----------------|-----------------|---------|------------------|-------|---------------------|
| | | | | | E | ducation | | | | | | | Total |
| | | | | pecial | Imp | rovement | | Food | Capital | | Debt | Go | vernmental |
| | | General | Reven | ue - Other | | Act | | Service | Projects | Service | | Funds | |
| REVENUES | | | | | | | | | | | | | |
| Local | | 44 454 604 | | | | | | | | | 4 200 406 | \$ | 45.660.070 |
| Property taxes | \$ | 11,451,684 | \$ | - | \$ | - | \$ | - | \$ | \$ | 4,209,186 | \$ | 15,660,870 |
| Investment earnings Other | | 1,600 162,409 | | 1,495,340 | | - | | 448 301,508 | 29,669 | | 5,423 206,629 | | 37,140 2,165,886 |
| Total local sources | | 11,615,693 | | 1,495,340 | | | | 301,308 | 29,669 | | 4,421,238 | | 17,863,896 |
| Intergovernmental | | 10,000 | | 42,408 | | | | 301,930 | 23,003 | | 4,421,236 | | 52,408 |
| State | | 21,346,463 | | 555,630 | | 2,659,744 | | _ | _ | | 392,795 | | 24,954,632 |
| Federal | | 58,081 | | 7,600,055 | | - | | 2,099,129 | - | | - | | 9,757,265 |
| Total revenues | - | 33,030,237 | | 9,693,433 | | 2,659,744 | | 2,401,085 | 29,669 | | 4,814,033 | | 52,628,201 |
| EXPENDITURES | | | | | | | | | | | | | |
| Current: | | | | | | | | | | | | | |
| Instruction | | 18,088,800 | | 5,219,565 | | 1,547,672 | | - | - | | - | | 24,856,037 |
| Support services | | 14,385,443 | | 4,508,091 | | 423,770 | | 2,293,429 | - | | - | | 21,610,733 |
| Community services | | 7,306 | | - | | - | | - | - | | - | | 7,306 |
| Intergovernmental | | 46,862 | | - | | - | | - | - | | - | | 46,862 |
| Debt service: | | | | | | | | | | | | | |
| Principal | | 112,072 | | - | | - | | - | - | | 2,745,000 | | 2,857,072 |
| Interest | | - | | - | | - | | - | - | | 1,826,172 | | 1,826,172 |
| Other | | - | | - | | - | | - | - | | 1,022 | | 1,022 |
| Capital outlay | | <u> </u> | | 24,748 | | 6,990 | | - | 17,301,958 | | <u> </u> | | 17,333,696 |
| Total expenditures | | 32,640,483 | | 9,752,404 | | 1,978,432 | | 2,293,429 | 17,301,958 | | 4,572,194 | | 68,538,900 |
| Excess (deficiency) of revenues over (under) expenditures | | 389,754 | | (58,971) | | 681,312 | | 107,656 | (17,272,289) | | 241,839 | | (15,910,699) |
| OTHER FINANCING SOURCES (USES) | | | | | | | | | | | | | |
| Proceeds from bonds | | - | | - | | - | | - | 1,250,000 | | - | | 1,250,000 |
| Operating transfers in | | 1,058,673 | | 182,813 | | 289,383 | | - | - | | - | | 1,530,869 |
| Operating transfers out | | (472,196) | | (87,978) | | (970,695) | | | | | | | (1,530,869) |
| Total other financing sources (uses) | | 586,477 | | 94,835 | | (681,312) | | - | 1,250,000 | | | | 1,250,000 |
| Net change in fund balances | | 976,231 | | 35,864 | | | | 107,656 | (16,022,289) | | 241,839 | | (14,660,699) |
| FUND BALANCE, beginning of year as previously reported | | 6,643,043 | | 761,135 | | - | | - | 21,708,194 | | 2,083,628 | | 31,196,000 |
| Restatement, see Note 17 | | | | - | | | | (208,105) | - | | - | | (208,105) |
| FUND BALANCE, beginning of year as restated | | 6,643,043 | | 761,135 | | | | (208,105) | 21,708,194 | | 2,083,628 | | 30,987,895 |
| FUND BALANCE, end of year | \$ | 7,619,274 | \$ | 796,999 | \$ | - | \$ | (100,449) | \$ 5,685,905 | \$ | 2,325,467 | \$ | 16,327,196 |

Exhibit 6 - Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities

For the year ended June 30, 2022

| Total net change in fund balance - governmental funds | \$ (14,660,699) |
|---|--------------------|
| rotal net change in fund balance - governmental funds | \$ (14,000,099) |

Amounts reported for governmental activities in the Statement of Activities are different because of the following:

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. Details supporting this adjustment are as follows:

| Capital outlay | \$ 6,125,971 |
|----------------------|--------------|
| Depreciation expense | (1,345,761) |
| | 4,780,210 |

Proceeds from debt provide current financial resources to governmental funds; however, issuing debt increases long-term liabilities in the statement of net position. In the current period, proceeds were received from:

Proceeds from bonds (1,250,000)

Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.

| Bond principal retirement | 2,745,000 |
|------------------------------------|-----------|
| Notes payable principal retirement | 109,656 |
| Bond premium amortization | 186,132 |

Because some property taxes will not be collected for several months after the District's fiscal year ends, they are not considered "available revenues" and are unavailable in the governmental funds. Unavailable tax revenues changed by this amount this year.

99,526

In the Statement of Activities, certain operating expenses - compensated absences (annual leave), and other post employment benefits - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid).

Compensated absences 20,739

Activity related to deferred outflows and inflows of resources related to pension and OPEB is not recorded at the fund level but is included in the Statement of Activities:

| Deferred outflows related to pension | (1,165,927) |
|--------------------------------------|-------------|
| Deferred outflows related to OPEB | 3,196,980 |
| Deferred inflows related to pension | (6,160,736) |
| Deferred inflows related to OPEB | 69,220 |

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 the governmental funds. The net changes are as follows:

| Net pension liability | 8,321,017 |
|-----------------------|-------------|
| OPEB liability | (6,406,105) |

Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.

when it is due.14,079Change in net position of governmental activities\$ (10,100,908)

Notes to Financial Statements
June 30, 2022

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The School District of Edgefield County (the District) is governed by a seven member board of education (the Board). The District provides regular and exceptional education for students in kindergarten through grade twelve.

The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District has elected not to apply Financial Accounting Standards Board (FASB) statements and interpretations issued after November 30, 1989, to its governmental funds. The following is a summary of the more significant policies.

A. Reporting Entity

The District's financial statements include all funds over which the Board is considered to be financially accountable. The District receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities. However, the District is not included in any other governmental reporting entity because it does not meet the financial accountability criteria for inclusion established by governmental accounting standards. Board members have decision-making authority, the power to designate management, the ability to significantly influence operations and the primary accountability for fiscal matters. The District invests funds and receives property tax revenues through its relationship with Edgefield County.

Component units are legally separate organizations for which the District is financially accountable. Component units may also include organizations that are fiscally dependent on the District in that the District approves their budget, the issuance of their debt or the levying of their taxes. The District has no component units.

B. Basis of Presentation

The statements of the District are presented as follows:

Government-wide financial statements - The Statement of Net Position and the Statement of Activities display information about the District as a whole. These statements include the financial activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions.

The government-wide statements are prepared using the economic resources management focus. This differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

The government-wide statement of activities presents a comparison between direct expenses and program revenues of the District and for each function or program of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and therefore clearly identifiable to a particular function. Depreciation expense has been allocated to individual functions in the governmental activities. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues, including taxes, which are not classified as program revenues are presented as general revenues of the District, with certain limited exceptions. 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.

Notes to Financial Statements

June 30, 2022

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

B. Basis of Presentation, Continued

Fund financial statements - Fund financial statements report detailed information about the District. The focus of governmental is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. The District has no non-major funds.

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

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the District's financial position and results of operations and disclosure of contingent assets and liabilities. Actual results could differ from these estimates.

C. Measurement Focus and Basis of Accounting

Fund accounting

The accounts of the District are organized and operated on the basis of funds during the fiscal year, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts. The various funds are grouped into the categories governmental, and fiduciary.

Governmental Funds

Governmental funds are used to account for all or most of a District's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the acquisition or construction of general capital assets (school building fund), and the servicing of general long-term debt (debt service fund).

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

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

- 1. The Education Improvement Act (EIA) Fund, a budgeted fund used to account for the revenue from the Education Improvement Act of 1984 and legally required to be accounted for as a specific revenue source.
- 2. Special Revenue Other, a budgeted fund used to account for financial resources provided by federal, state, local projects and grants and student activity funds.
- 3. Food Service Fund an unbudgeted fund used to account for the cafeteria operations at school locations that are restricted for the operation and improvement of the food service program. The fund is financed by user charges and subsidized by USDA school lunch and breakfast programs.

Capital Projects (Building) Fund - to account for financial resources that are restricted, committed, or assigned to expenditures for capital outlays.

Debt Service Fund - to account for financial resources that are restricted, committed, or assigned to expenditures for principal and interest payments

Notes to Financial Statements June 30, 2022

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

C. Measurement Focus and Basis of Accounting, Continued

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Fiduciary funds also use the accrual basis of accounting, revenues are recognized when earned and expenses are recognized when incurred. Under the modified accrual basis of accounting, revenues and expenditures are recognized when they become both measurable and available/due.

Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, are recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means expected to be received within sixty days of fiscal year-end.

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized. Under the modified accrual basis, the following revenue sources associated with the current fiscal period are considered to be both measurable and available at fiscal year-end: property taxes, interest, tuition, grants, student fees and rentals.

Unavailable revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Delinquent property taxes and property taxes for which there is an enforceable legal claim as of June 30, 2022, but which have not met the revenue recognition criteria, have been recorded as unavailable revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as unavailable revenue. On governmental fund financial statements, receivables that will not be collected within the available period (60 days) have also been reported as unavailable revenue.

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the year is reported in the operating statement as an expense with a like amount reported as donated commodities revenue.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation, are not recognized in governmental funds.

D. Assets, Liabilities, and Equity or Net Position

Cash and Cash Equivalents and Investments

The District's investments are carried at fair value, except that repurchase agreements and U.S. Government Agencies that have a maturity at the time of purchase of one year or less are shown at amortized cost. The District's cash consists of cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

Notes to Financial Statements

June 30, 2022

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

D. Assets, Liabilities, and Equity or Net Position, Continued

Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. On fund financial statements, these receivables and payables are classified as "due from other funds" or "due to other funds." These amounts are eliminated in the governmental and business-type activities columns of the Statement of Net Position, except for net residual amounts due between governmental and business-type activities, which are presented as internal balances.

Inventories

Under the system of accounting for inventories, materials and supplies are carried in an inventory account at cost using the first-in, first-out method of accounting and are subsequently charged to expense when consumed. Inventories include food, supplies, and commodities. An amount for commodities received from the USDA, but not consumed as of June 30, 2022, has been recorded at fair value as provided by the USDA.

Capital Assets

General capital assets are those assets that result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide Statement of Net Position but are not reported in the fund financial statements.

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 their fair market values as of the date received. The cost and accumulated depreciation of property sold or retired are removed from the accounts, and gains or losses, if any, are reflected in revenue or expenditures/expenses for the year. The District maintains a capitalization threshold of \$5,000. The District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed.

With the exception of land and construction in progress, all reported capital assets are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

| Description | Governmental activities estimated lives |
|----------------------------|---|
| Land improvements | 15 - 40 years |
| Buildings and improvements | 15 - 50 years |
| Furniture and equipment | 5 - 20 years |
| Vehicles | 5 - 10 years |

Compensated Absences

Compensated absences are absences for which employees will be paid, such as vacation leave. A liability for compensated absences is reported on the government-wide financial statements.

In the governmental fund financial statements, the current portion of compensated absences is the amount expected to be paid using expendable available financial resources and is reported as an expenditure and fund liability in the fund that will pay it. The remainder of the compensated absences liability is not reported.

Notes to Financial Statements

June 30, 2022

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

D. Assets, Liabilities, and Equity or Net Position, Continued

Accrued Liabilities and Long-term Obligations

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 and compensated absences 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, 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.

Bond premiums and discounts are deferred and amortized over the life of the bonds, using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

For governmental funds, bond premiums and discounts, as well as issuance costs, are recognized during the current period. Bond proceeds are reported as other financing source net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

Pensions

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

Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so, will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so, will not be recognized as an inflow of resources (revenue) until then.

Fund Balances and Net Position

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

For the government-wide financial statements, the District applies restricted resources when an expenditure is incurred for the purposes for which both restricted and unrestricted net position are available. For the governmental funds financial statements, the District applies committed, then assigned, then unassigned resources when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Notes to Financial Statements

June 30, 2022

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

D. Assets, Liabilities, and Equity or Net Position, Continued

Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Interfund Activity

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Transfers between governmental funds and enterprise balances are eliminated.

Exchange transactions between funds are reported as revenue in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

II. STEWARDSHIP. COMPLIANCE AND ACCOUNTABILITY

The budgetary data reflected in the financial statements is prepared and adopted on a basis consistent with accounting principles generally accepted in the United States of America. The following procedures are used in establishing budgetary data:

- The Superintendent submits a proposed budget to the District Board of Education prior to May 1 each year.
- Taxpayers are given the opportunity to comment on the proposed budget in regular open Board meetings.
- The budget is legally adopted prior to June 30.
- Amendments are made during the year as approved by the Board of Education.
- Budgets for certain special revenue funds are adopted through submission and subsequent approval of a project application to the appropriate authorizing agency.
- Budgets are not adopted for the debt service fund or the building fund.
- The budget is used as a management control device during the year for the general and special revenue funds.

Encumbrances represent uncompleted purchase orders, contracts and other commitments outstanding at year end. The District's encumbrances lapse at year end.

III. DETAILED NOTES ON ALL FUNDS

NOTE 1 - DEPOSITS, AMOUNTS ON DEPOSIT WITH EDGEFIELD COUNTY TREASURER AND INVESTMENTS

The District is authorized by South Carolina state law to invest in the following types of investments:

- 1. Obligations of the United States and agencies thereof.
- 2. General obligations of the State of South Carolina or any of its political units.
- 3. Banks and savings and loan associations to the extent they are guaranteed by the Federal Deposit Insurance Corporation.

Notes to Financial Statements June 30, 2022

III. DETAILED NOTES ON ALL FUNDS - (Continued)

NOTE 1 - DEPOSITS, AMOUNTS ON DEPOSIT WITH EDGEFIELD COUNTY TREASURER AND INVESTMENTS - (Continued)

- 4. Deposits in certificates of deposit where the certificates are collaterally secured by securities of the type described in (1) and (2) above held by a third party as escrow agent or custodian, of a market value not less than the amount of the certificate of deposit so secured, including interest.
- 5. The State Treasurer's Local Government Investment Pool (monitored by the State Treasurer for investments invested in government-guaranteed securities in accordance with South Carolina State laws).
- 6. Repurchase agreements.

<u>Custodial Credit Risk</u> - Custodial credit risk is the risk that the District's deposits will not be returned to it. The District has no formal policy regarding custodial credit risk. At June 30, 2022, the carrying amount of the District's deposits was \$9,546,404 and the bank balance was \$10,729,423. At June 30, 2022, all of the District's deposits were collateralized with securities held by the pledging financial institution's trust department or its agent, and in the District's name, or insured by the Federal Deposit Insurance Corporation. Management believes there is no significant custodial risk associated with these deposits. The District held \$302 in petty cash at June 30, 2022. Information was not available regarding the custodial credit risk of deposits with the Edgefield County Treasurer of \$9,858,215.

At June 30, 2022, the District had the following investments:

| Investment | <u> Maturity</u> | <u>Fair value</u> | | |
|----------------------------------|------------------|-------------------|--------|--|
| Local government investment pool | Various | \$ | 10,077 | |

<u>Credit Risk</u> - South Carolina statutes authorize investments in certificates of deposit, savings accounts, repurchase agreements, the State Treasurer's Local Government Investment Pool, obligations of the U.S. Government and government agencies unconditionally guaranteed by the U.S. Government. The District has no investment policy that would further restrict its choices.

The Local Government Investment Pool (LGIP) is not rated. The fair value of the District's position in the LGIP approximates the same value of the District's shares. Further information may be obtained from the LGIP's complete financial statements. These financial statements may be obtained by writing to the following address:

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

<u>Interest Rate Risk</u> - 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.

<u>Concentration of Credit Risk</u> - Concentration of credit risk is the risk of loss attributed to the magnitude of the District's investment in a single issuer. The District places no limit on the amount that may be invested in one issuer. A reconciliation of cash and investments as shown on the Statement of Net Position for the primary government follows:

| Deposits/petty cash | \$ | 9,546,706 |
|---------------------------|-----------------|------------------------|
| Investments | <u>\$</u> | 10,077 9,556,783 |
| Statement of Net Position | <u>\$</u> \$ | 9,556,783 9,556,783 |

Notes to Financial Statements
June 30, 2022

III. DETAILED NOTES ON ALL FUNDS - (Continued)

NOTE 1 - DEPOSITS, AMOUNTS ON DEPOSIT WITH EDGEFIELD COUNTY TREASURER AND INVESTMENTS - (Continued)

Amounts on Deposit with Edgefield County Treasurer

Amounts on deposit with the Edgefield County Treasurer are not categorized since they cannot be identified by securities that exist in physical or book entry form. These amounts are subject to the same investment authorizations as the District under state law. The carrying values of these investments approximate the fair values. The Edgefield County Treasurer is responsible for maintaining these investments in accordance with state laws.

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

The District's recurring fair value measurements as of June 30, 2022 for the investments are valued using quoted market prices (Level 1 inputs).

NOTE 2 - PROPERTY TAXES

Assessed valuation of taxable property for 2022 for the District was approximately \$82,000,000. The tax rate for the District totaled 263.32 mills, of which 213.32 mills were for the general fund and 50 mills were for the debt service fund. Taxes receivable of \$741,166 in the general fund and \$200,944 in the debt service fund are net of an allowance for uncollectible taxes.

Property taxes are collected for the District by the Edgefield County Treasurer.

The District's property tax is levied on the assessed value listed as of January 1 for all real and business personal property located in the District's geographical area. Liens attach to the property at the time taxes are levied. Taxes are due without penalty, for real and personal property excluding automobiles, through January 15. After that time, penalties are added depending on the date paid as follows:

January 15 through February 13% of taxFebruary 2 through March 1510% of taxMarch 16 and thereafter15% of tax

South Carolina Code Section 12-37-251(A) provides a property tax exemption for property classified pursuant to Section 12-43-220(C) (homestead exemption) from property taxes levied for other than bonded indebtedness and payments pursuant to lease purchase agreements for capital construction. The exemption applies against millage imposed for school operations and the amount of fair market value of the homestead that is exempt from such millage must be set by the Department of Revenue and Taxation based on the amount available in the State Property Tax Relief Fund.

NOTE 3 - RECEIVABLES

Intergovernmental receivables at June 30, 2022 consisted of taxes, intergovernmental grants, reimbursements and interest. All intergovernmental receivables are considered collectible in full.

Notes to Financial Statements

June 30, 2022

III. DETAILED NOTES ON ALL FUNDS - (Continued)

NOTE 3 - RECEIVABLES - (Continued)

A summary of the principal items of intergovernmental receivables follows:

| Governmental a | activities |
|----------------|------------|
|----------------|------------|

| Due from state and/or federal government | | |
|--|--------------------|---|
| General fund | \$ 175,659 | 9 |
| EIA | 99,47 | 3 |
| Food service | 72,40 | 6 |
| Special projects | | |
| Title I | 374,16 | 4 |
| IDEA | 408,65 | 0 |
| Occupational education | 48,78 | 1 |
| Adult education | 90,97 | 1 |
| ESSER III | 2,188,12 | 4 |
| Other special revenue programs | 635,21 | 6 |
| Total governmental activities | <u>\$ 4,093,44</u> | 4 |

Receivables for property taxes are reported net of the allowance for uncollectible accounts. Governmental funds report unavailable revenue (deferred inflows of resources) in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. At June 30, 2022, unavailable revenue related to property taxes reported in the governmental funds totaled \$741,166 and \$200,944 in the general and debt service funds, respectively.

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NOTE 4 - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2022 was as follows:

| | | Balance | Additions/ | Deletions/ | | | Balance |
|---|----|-------------|-----------------|------------------|----------|------------|-------------|
| | Ju | ne 30, 2021 | Transfers | <u>Transfers</u> | - | <u>Jur</u> | ne 30, 2022 |
| Governmental activities | | | | | | | |
| Capital assets, not being depreciated | | | | | | | |
| Land | \$ | 420,724 | \$ - | \$ - | | \$ | 420,724 |
| Construction in Process | | 30,785,623 | 5,733,963 | (29,498,406 |) | | 7,021,180 |
| Total capital assets, | | | | | | | |
| not being depreciated | | 31,206,347 | 5,733,963 | (29,498,406 |) | | 7,441,904 |
| Capital assets, being depreciated | | | | | | | |
| Improvements | | 12,473,810 | 116,571 | - | | | 12,590,381 |
| Buildings | | 36,843,941 | - | 29,128,525 | | | 65,972,466 |
| Equipment | | 3,579,744 | 275,436 | 369,882 | <u>.</u> | | 4,225,062 |
| Total capital assets, | | | | | | | |
| being depreciated | | 52,897,495 | 392,008 | 29,498,406 | 1 | | 82,787,909 |
| Total cost | | 84,103,842 | 6,125,971 | | | | 90,229,813 |
| Less accumulated depreciation | | | | | | | |
| Improvements | | 4,546,392 | 664,529 | - | | | 5,210,921 |
| Buildings | | 25,277,317 | 537,268 | - | | | 25,814,585 |
| Equipment | | 3,001,110 | 143,964 | | | | 3,145,074 |
| Total accumulated depreciation | | 32,824,819 | 1,345,761 | | | | 34,170,580 |
| Governmental activities capital assets, net | \$ | 51,279,023 | \$ 4,780,210 | \$ - | | \$ | 56,059,233 |

During the year ended June 30, 2022, the District had depreciation expense of \$1,345,761 for governmental activities. This depreciation expense has been allocated to instruction, support services and community services in the amounts of \$720,437, \$625,113 and \$211, respectively.

Notes to Financial Statements June 30, 2022

III. DETAILED NOTES ON ALL FUNDS - (Continued)

NOTE 5 - LONG-TERM DEBT

Changes in long-term obligations for the year ended June 30, 2022, were as follows:

| | Principal outstanding June 30, 2021 | Additions | Reductions | Principal outstanding June 30, 2022 | Amounts due in one year |
|-------------------------------|-------------------------------------|-----------|--------------|-------------------------------------|-------------------------|
| Governmental activities | | | | | |
| General obligation bonds | \$ 58,680,846 | \$ - | \$ 1,681,132 | \$ 56,999,714 | \$ 1,741,132 |
| Note payable | 109,656 | - | 109,656 | - | - |
| Accrued compensated absences | 303,517 | | 20,739 | 282,778 | 60,703 |
| Total governmental activities | | | | | |
| general long-term debt | \$ 59,094,019 | <u>\$</u> | \$ 1,811,527 | <u>\$ 57,282,492</u> | \$ 1,801,835 |

General obligation bonds consist of the following at June 30, 2022:

| | | Payment | | Original | Ou | tstanding at |
|--------------------|----------------|---------|----------|------------|-----|--------------|
| Date of Issue | Interest Rates | Dates | Maturity | lssue | _Ju | ne 30, 2022 |
| August 21, 2019 | 2.13 - 5.00 | Mar | 2044 | 54,670,000 | \$ | 53,060,000 |
| | | | | | | 53,060,000 |
| Add unamortized bo | ond premium | | | | | 3,939,714 |
| | | | | | \$ | 56,999,714 |

The annual requirements to amortize all general obligation bonds outstanding at June 30, 2022, including interest payments over the life of the debt are as follows:

| Year Ended | | | |
|------------|------------------|------------------|------------------|
| June 30 | Principal | Interest | Total |
| 2023 | \$ 1,741,132 | \$ 1,770,274 | \$ 3,511,406 |
| 2024 | 1,821,132 | 1,692,524 | 3,513,656 |
| 2025 | 1,906,132 | 1,610,774 | 3,516,906 |
| 2026 | 1,991,132 | 1,524,774 | 3,515,906 |
| 2027 | 2,086,132 | 1,434,524 | 3,520,656 |
| 2028-2032 | 11,870,660 | 5,716,620 | 17,587,280 |
| 2033-2037 | 13,625,660 | 3,873,892 | 17,499,552 |
| 2038-2042 | 15,365,660 | 2,192,048 | 17,557,708 |
| 2043-2044 | 6,592,074 | 288,300 | 6,880,374 |
| | \$ 56,999,714 | \$ 20,103,730 | \$ 77,103,444 |

Article X, Section 15 of the Constitution of the State of South Carolina, as amended, empowers each school district of the State to incur general obligation debt in such manner and upon such terms and conditions, as the General Assembly shall prescribe by law. After November 30, 1982, each school district may incur general obligation debt, without an election and upon such terms and conditions as the General Assembly may prescribe, in an amount not exceeding 8% of the assessed value of all taxable property of such school district.

Bonded indebtedness existing on November 30, 1982, and bonded indebtedness authorized by a majority vote of the qualified electors of the District voting in a referendum will not be considered in the computation of the 8% limitation. As of June 30, 2022, the remaining debt margin available to the District was approximately \$6,527,000.

NOTE 6 - SHORT TERM OBLIGATIONS

The District issued \$1,250,000 in general obligation bonds, series 2021B, in September 2021, with a coupon rate of 3.0% to fund capital projects. The bond matured on March 1, 2022.

Notes to Financial Statements June 30, 2022

III. DETAILED NOTES ON ALL FUNDS - (Continued)

NOTE 6 - SHORT TERM OBLIGATIONS - (Continued)

Changes in short-term obligations for the year ended June 30, 2022, were as follows:

| | Principal outstanding July 1, 2021 | Additions | Reductions | Principal outstanding June 30, 2022 |
|--------------------------------|------------------------------------|--------------|--------------|-------------------------------------|
| Governmental activities | | | | |
| General obligation bonds | | | | |
| Series 2020C | \$ - | \$ 1,250,000 | \$ 1,250,000 | \$ - |

NOTE 7 - TRANSFERS IN AND OUT/INTERFUND BALANCES

During the course of normal operations, the District has transactions between funds to provide services, construct assets, service debt, etc. These transactions are generally reflected as transfers. Total transfers during the year ended June 30, 2022, consisted of the following individual fund amounts:

| | | Transfers In | <u>Tr</u> | ansfers Out |
|---------------------------|-----------|--------------|-----------|-------------|
| General | \$ | 1,058,673 | \$ | 472,196 |
| Special projects | | 182,813 | | 87,978 |
| Education Improvement Act | | 289,383 | | 970,695 |
| | <u>\$</u> | 1,530,869 | \$ | 1,530,869 |

As of June 30, 2022, amounts due from (to) other funds related to the District's pooled cash are as follows:

| <u>Fund</u> | Receivables | Payables |
|--------------------------------|----------------------|-----------------|
| General | \$ 4,656,931 | \$ 235,783 |
| Special revenue – Other | - | 3,673,711 |
| Special revenue – EIA | 152,508 | - |
| Capital projects | - | 687,795 |
| Debt service | - | 72 |
| Special revenue - Food service | | 212,078 |
| | \$ 4,809,43 <u>9</u> | \$ 4,809,439 |

IV. OTHER INFORMATION

NOTE 8 - PENSION PLAN

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 (the Systems). 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 June 30, 2022

IV. OTHER INFORMATION – (Continued)

NOTE 8 - PENSION PLAN - (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 a Comprehensive Annual Financial Report containing financial statements and required supplementary information for the Systems' Pension Trust Funds. The Comprehensive Annual Financial Report 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 comprehensive annual financial report of the state.

Plan descriptions:

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

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.

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.

Notes to Financial Statements
June 30, 2022

IV. OTHER INFORMATION – (Continued)

NOTE 8 - PENSION PLAN - (Continued)

Membership, continued:

State ORP - As an alternative to membership in SCRS, newly hired state, public school, and higher education employees and individuals newly elected to the S.C. General Assembly beginning with the November 2012 general election have the option to participate in the State ORP. PEBA assumes no liability for State ORP benefits. Rather, the benefits are the liability of the four third party record keepers. For this reason, State ORP assets are not part of the retirement systems' trust funds for financial statement purposes. Contributions to the State ORP are at the same rates as SCRS. A direct remittance is required from the employers to the member's account with the ORP vendor 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; or to serve as a peace officer employed by the Department of Corrections, the Department of Juvenile Justice, or the Department of Mental Health. Probate judges and coroners may elect membership in PORS. Magistrates are required to participate in PORS for service as a magistrate. PORS members, other than magistrates and probate judges, must also earn at least \$2,000 per year and devote at least 1,600 hours per year to this work, unless exempted by statute. An employee member of the system with an effective date of membership prior to July 1, 2012, is a Class Two member. An employee member of the system with an effective date of membership on or after July 1, 2012, is a Class Three member.

Benefits:

Benefit terms are prescribed in Title 9 of the South Carolina Code of Laws. PEBA does not have the authority to establish or amend benefit terms without 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 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.

Notes to Financial Statements
June 30, 2022

IV. OTHER INFORMATION – (Continued)

NOTE 8 - PENSION PLAN - (Continued)

Benefits, continued:

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

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

Contributions:

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

Additionally, the Board is prohibited from decreasing the SCRS and PORS contribution rates until the funded ratio is at least 85 percent. If the most recent annual actuarial valuation of the Systems for funding purposes shows a ratio of the actuarial value of system assets to the actuarial accrued liability of the system (the funded ratio) that is equal to or greater than 85 percent, then the board, effective on the following July 1, may decrease the then current contribution rates upon making a finding that the decrease will not result in a funded ratio of less than 85 percent. If contribution rates are decreased pursuant to this provision, and the most recent annual actuarial valuation of the system shows a funded ratio of less than 85 percent, then effective on the following July 1, and annually thereafter as necessary, the board shall increase the then current contribution rates until a subsequent annual actuarial valuation of the system shows a funded ratio that is equal to or greater than 85 percent.

Notes to Financial Statements

June 30, 2022

IV. OTHER INFORMATION – (Continued)

NOTE 8 - PENSION PLAN - (Continued)

Contributions, continued:

Required <u>employee</u> contribution rates¹ are as follows:

| | Fiscal Year 2022 ¹ | Fiscal Year 2021 ¹ |
|----------------------|-------------------------------|-------------------------------|
| SCRS | | |
| Employee Class Two | 9.00% | 9.00% |
| Employee Class Three | 9.00% | 9.00% |
| State ORP | | |
| Employee | 9.00% | 9.00% |
| PORS | | |
| Employee Class Two | 9.75% | 9.75% |
| Employee Class Three | 9.75% | 9.75% |

Required employer contribution rates¹ are as follows:

| | Fiscal Year 2022 ¹ | Fiscal Year 2021 ¹ |
|------------------------------------|-------------------------------|-------------------------------|
| SCRS | | |
| Employer Class Two | 16.41% | 15.41% |
| Employer Class Three | 16.41% | 15.41% |
| Employer Incidental Death Benefit | .15% | .15% |
| State ORP | | |
| Employer Contribution ² | 16.41% | 15.41% |
| Employer Incidental Death Benefit | .15% | .15% |
| PORS | | |
| Employer Class Two | 18.84% | 17.84% |
| Employer Class Three | 18.84% | 17.84% |
| Employer Incidental Death Benefit | .20% | .20% |
| Employer Incidental Death Program | .20% | .20% |

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

Contributions to the SCRS, ORP, and PORS pension plans from the District were \$3,753,914, \$45,103 and \$2,818 respectively, for the year ended June 30, 2022.

Net Pension Liability:

At June 30, 2022, the District reported a liability of \$43,153,251 for its proportionate share of the SCRS and \$15,892 for its proportionate share of the PORS net pension liability ("NPL"). The NPL was measured as of June 30, 2021, and the total pension liability ("TPL") used to calculate the NPL was determined by an actuarial valuation as July 1, 2020 and projected forward. The District's proportionate share of the NPL was based on a projection of the District's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2021, the District's proportionate share of the SCRS plan was .199403%.

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

Notes to Financial Statements
June 30, 2022

IV. OTHER INFORMATION, Continued

NOTE 8 - PENSION PLAN - (Continued)

Non-employer Contributions:

Employer's proportionate shares were calculated on the basis of employer contributions remitted to the plan by employers and non-employer contributions appropriated in the State's budget. In an effort to offset a portion of the burden of the increased contribution requirement for employers, the General Assembly funded 1 percent of the SCRS and PORS contribution increases for fiscal year 2019, 2020, and 2021. The State budget appropriated these funds directly to PEBA and a credit was issued for each employer to use when submitting their quarterly remittances to PEBA. For the year ended June 30, 2021 measurement period, PEBA provided non-employer contributions to the District in the amount of \$214,372 which is shown as a reduction of net pension liability and other grant revenue in the government-wide financial statements for the year ended June 30, 2022, which are presented on the economic resources measurement focus and accrual basis of accounting.

Pension expense:

For the year ended June 30, 2022, the District recognized pension expense of \$2,716,227 and \$1,739 for the SCRS and PORS plans, respectively.

<u>Deferred inflows of resources and deferred outflows of resources:</u>

At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

SCBS

| | SCK2 | | | |
|---|------|------------------------------------|----|-----------------------------|
| | | Deferred outflows fresources | _0 | Deferred inflows fresources |
| Differences between expected and actual experience Changes of assumptions Net difference between projected and actual | \$ | 735,066 2,362,067 | \$ | 58,241 - |
| earnings on pension plan investments Changes in proportion and differences between | | - | | 6,268,578 |
| District contributions and proportionate share of contributions | | 22,700 | | 827,192 |
| District contributions subsequent to the measurement date | | 3,753,914 | | - |
| Total | \$ | 6,873,747 | \$ | 7,154,011 |
| | | PC | RS | |
| | | Deferred outflows fresources | _0 | Deferred inflows fresources |
| Differences between expected and actual experience Changes of assumptions Net difference between projected and actual | \$ | 541 1133 | \$ | 49 - |
| earnings on pension plan investments Changes in proportion and differences between District | | - | | 3,563 |
| contributions and proportionate share of contributions District contributions subsequent to the measurement date | | 8,020 2,818 | | 5,047 - |
| Total | \$ | 12,512 | \$ | 8,659 |

Notes to Financial Statements June 30, 2022

IV. OTHER INFORMATION, Continued

NOTE 8 - PENSION PLAN - (Continued)

<u>Deferred inflows of resources and deferred outflows of resources, continued:</u>

The \$6,873,747 and \$12,512 reported as of June 30, 2022 as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date for the SCRS and PORS plans, respectively, will be recognized as a reduction of the net pension liabilities in the year ending June 30, 2023.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows for the SCRS and PORS plans, respectively:

| Year ended June 30: | <u>SCRS</u> |
|-----------------------------|-----------------------|
| 2023 | \$ (570,661) |
| 2024 | (462,613) |
| 2025 | (655,283) |
| 2026 | <u>(2,345,621</u>) |
| | <u>\$ (4,034,178)</u> |
| | |
| Year ended June 30: | PORS |
| Year ended June 30: 2023 | PORS \$ 3,310 |
| · | |
| 2023 | \$ 3,310 |
| 2023 2024 | \$ 3,310 (854) |

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.

The June 30, 2021, total pension liability (TPL), net pension liability (NPL), and sensitivity information shown in this report were determined by our consulting actuary, Gabriel Roeder Smith & Company (GRS) and are based on an actuarial valuation performed as of July 1, 2020. The total pension liability was rolled-forward from the valuation date to the plans' fiscal year end, June 30, 2021, using generally accepted actuarial principles. There was no legislation enacted during the 2021 legislative session that had a material change in the benefit provisions for any of the systems. In FY 2021 the Board adopted updated demographic assumptions. Also, the General Assembly permitted the investment return assumption at July 1, 2021 to decrease from 7.25% to 7.00%, as provided by Section 9-16-335 in South Carolina State Code.

The following table provides a summary of the actuarial assumptions and methods used to calculate the TPL as of June 30, 2021.

| | SCRS | PORS |
|--|--|--|
| Actuarial cost method | Entry age normal | Entry age normal |
| Investment rate of return ¹ | 7.00% | 7.00% |
| Projected salary increases | 3.0% to 11.0% (varies by service) ¹ | 3.5% to 10.5% (varies by service) ¹ |
| Benefitadjustments | lesser of 1% or \$500 annually | lesser of 1% or \$500 annually |

¹ Includes inflation at 2.25%

Notes to Financial Statements
June 30, 2022

IV. OTHER INFORMATION, Continued

NOTE 8 - PENSION PLAN - (Continued)

The post-retiree mortality assumption is dependent upon the member's job category and gender. The base mortality assumptions, 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 published Scale AA projected from the year 2020.

Assumptions used in the determination of the June 30, 2021, TPL are as follows.

| Former Job Class | Males | Females |
|---|------------------------------------|--------------------------------------|
| Educators | 2020 PRSC Males multiplied by 95% | 2020 PRSC Females multiplied by 94% |
| General Employees and Members of the General Assembly | 2020 PRSC Males multiplied by 97% | 2020 PRSC Females multiplied by 107% |
| Public Safety and Firefighters | 2020 PRSC Males multiplied by 127% | 2020 PRSC Females multiplied by 107% |

The NPL is calculated separately for each system and represents that particular system's TPL determined in accordance with GASB No. 67 less that Systems' fiduciary net position. NPL totals, as of June 30, 2021, for SCRS and PORS are presented below.

| System | Total Pension Liability | Plan Fiduciary Net Position | Employers' Net Pension Liability (Asset) | Plan Fiduciary Net Position as a Percentage of the Total Pension Liability |
|--------|-------------------------------|-----------------------------------|--|--|
| SCRS | \$ 55,131,579,363 | \$ 33,490,305,970 | \$21,641,273,393 | 60.7% |
| PORS | \$ 8,684,586,488 | \$ 6,111,672,064 | \$ 2,572,914,424 | 70.4% |

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

<u>Long-term expected rate of return:</u>

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

Notes to Financial Statements June 30, 2022

IV. OTHER INFORMATION, Continued

NOTE 8 - PENSION PLAN - (Continued)

The expected returns, along with the expected inflation rate, form the basis for the target asset allocation adopted at the beginning of the 2021 fiscal year. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and adding expected inflation and is summarized in the table below. For actuarial purposes, the 7.00 percent assumed annual investment rate of return used in the calculation of the TPL includes a 4.75 percent real rate of return and a 2.25 percent inflation component.

| Allocation / Exposure | Policy Target | Expected Arithmetic Real Rate of Return | Long Term Expected Portfolio Real Rate of Return |
|--|---------------|---|--|
| Public Equity ¹ | 46.0% | 6.87% | 3.16% |
| Bonds | 26.0% | 0.27% | 0.07% |
| Private Equity ^{1,2} | 9.0% | 9.68% | 0.87% |
| Private Debt ² | 7.0% | 5.47% | 0.39% |
| Real Assets | 12.0% | | |
| Real Estate ² | 9.0% | 6.01% | 0.54% |
| Infrastructure ² | 3.0% | 5.08% | 0.15% |
| Total Expected Return ³ Inflation for Actuarial Purposes | 100.0% | | 5.18% 2.25% |
| | | | 7.43% |

¹ The target weight to Private Equity will be equal to its actual weight, reported by the custodial bank, as of prior month end. When flows have occurred, flow adjusted weights are used to more accurately reflect the impact of the asset class weight. Private Equity and Public Equity combine for 55% of the entire portfolio.

Discount rate:

The discount rate used to measure the TPL was 7.00 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers in SCRS and PORS will be made based on the actuarially determined rates based on provisions in the South Carolina Code of Laws. Based on those assumptions, the Systems' fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL.

Sensitivity analysis:

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

| Sensitivity of the Net Pension Liability to Changes in the Discount Rate | | | | | | | | |
|--|----|-------------------------|------|------------------------------|---------------------------|------------|--|--|
| System | 1 | 00% Decrease (6.00%) | Curr | ent Discount Rate (7.00%) | te 1.00% Increase (8.00%) | | | |
| SCRS | \$ | 56,525,387 | \$ | 43,153,251 | \$ | 32,038,241 | | |
| PORS | \$ | 23,057 | \$ | 15,892 | \$ | 10,023 | | |

² Staff and Consultant will notify the Commission if Private Markets assets exceed 25% of total assets.

³ Portable Alpha Strategies, which are not included in the Policy Target, will be capped at 12% of total assets; hedge funds (including all hedge funds used in portable alpha implementation) are capped at 20% of total assets.

Notes to Financial Statements
June 30, 2022

IV. OTHER INFORMATION, Continued

NOTE 8 - PENSION PLAN - (Continued)

Additional Financial and Actuarial Information:

Information contained in these Notes to the Schedules of Employer and Nonemployer Allocations and Schedules of Pension Amounts by Employer (Schedules) was compiled from the Systems' audited financial statements for the fiscal year ended June 30, 2021, and the accounting valuation report as of June 30, 2021. Additional financial information supporting the preparation of the Schedules (including the unmodified audit opinion on the financial statements and required supplementary information) is available in the Systems' Comprehensive Annual Financial Report.

NOTE 9 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

General information:

As previously discussed, 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 "State"). 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 ("SFFA"), which consists of five elected officials, also reviews certain PEBA Board decisions in administering the State Health Plan and OPEB.

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

Plan descriptions:

The OPEB Trusts collectively refers to the SCRHITF and SCLTDITF, and were established by the State of South Carolina as Act 195, which became effective on May 2008. The SCRHITF was created to fund and account for the employer costs of the State's retiree health and dental plans. The SCLTDITF was created to fund and account for the employer costs of the State's Basic Long-Term Disability Income Benefit Plan. In accordance with Act 195, the OPEB Trusts are administered by PEBA Insurance Benefits. The State Treasurer is the custodian of the funds held in trust. The Board of Directors of PEBA has been designated as the Trustee.

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

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.

Notes to Financial Statements
June 30, 2022

IV. OTHER INFORMATION - (Continued)

NOTE 9 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) - (Continued)

Contributions:

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

The SCRHITF is funded through participating employers that are mandated by the 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, 2021 was 6.50 percent. The South Carolina Retirement System collects the monthly surcharge for all participating employers and remits it directly to the SCRHITF. Other sources of funding for the SCRHITF include mandatory transfers of accumulated PEBA, Insurance Benefits' reserves and income generated from investments.

Employer contributions also include the implicit subsidy, or age-related subsidy inherent in the healthcare premiums structure. The implicit subsidy represents a portion of the health care expenditures paid on behalf of the employer's active employees. For purposes of GASB Statement No. 75, this expenditure on behalf of the active employee is reclassified as a retiree health care expenditure so that the employer's contributions towards the plan reflect the underlying age-adjusted, retiree benefit costs. Non-employer contributions include the mandatory transfer of accumulated PEBA – Insurance Benefits' reserves and the annual appropriation budgeted by the General Assembly. It is also funded through investment income. Therefore, employers should classify this revenue in the same manner as it classifies grants from other entities.

Contributions to the SCRHITF plan from the District were \$1,493,118 for the year ended June 30, 2022.

OPEB liabilities and OPEB expense:

At June 30, 2022, the District reported a liability of \$51,159,432 for its proportionate share of the SCRHITF net OPEB liability, measured at June 30, 2021. The net OPEB liability is calculated separately for each OPEB Trust Fund and represents that particular Trust's total OPEB liability determined in accordance with GASB No. 74, less that Trust's fiduciary net position. The collective net OPEB liability was determined based upon actuarial valuations performed on June 30, 2021. The District's proportion of the collective net OPEB liability was determined using the District's payroll-related contributions over the measurement period.

This method is expected to be reflective of the District's long-term contribution effort, as well as, be transparent to individual employers and their external auditors. At June 30, 2021, the District's proportion share of the SCRHITF plan's net OPEB liability was .002457 percent.

For the year ended June 30, 2022, the District recognized OPEB expense of \$4,216,818 for the SCRHITF plan.

Notes to Financial Statements
June 30, 2022

IV. OTHER INFORMATION - (Continued)

NOTE 9 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) - (Continued)

<u>Deferred outflows of resources and deferred inflows of resources related to OPEB:</u>

At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

| | | SCRHITF | | |
|---|-----------|------------------------------------|----|----------------------------------|
| | | Deferred outflows fresources | | Deferred inflows resources |
| Differences between expected and actual experience | \$ | 1,035,306 | \$ | 1,311,297 |
| Changes of assumptions | | 9,971,886 | | 1,231,852 |
| Net difference between projected and actual | | | | |
| earnings on OPEB plan investments | | 105,131 | | 118,964 |
| Changes in proportion and differences between District | | | | |
| contributions and proportionate share of contributions | | 220,529 | | 977,024 |
| Reduction for implicity subsidy | | 7,963 | | - |
| District contributions subsequent to the measurement date | | 1,493,118 | | |
| Total | <u>\$</u> | 12,833,933 | \$ | 3,639,137 |

Of the total amount reported as deferred outflows of resources related to OPEB, \$1,493,118 resulting from District contributions subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the collective net OPEB liability in the year ended June 30, 2023.

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

| Years ending June 30: | SCRHITF |
|-----------------------|-----------------|
| 2023 | \$ 1,253,689 |
| 2024 | 1,231,037 |
| 2025 | 1,624,116 |
| 2026 | 1,755,174 |
| 2027 | 1,504,063 |
| Thereafter | 754,706 |
| | \$ 8,122,785 |

Actuarial assumptions:

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost 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.

The total OPEB liabilities were determined by actuarial valuations performed as of June 30, 2020. Update procedures were used to roll forward the total OPEB liabilities to June 30, 2021. The actuarial valuations were performed using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified.

Notes to Financial Statements June 30, 2022

IV. OTHER INFORMATION - (Continued)

NOTE 9 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) - (Continued)

Actuarial assumptions, continued:

Additional information as of the latest actuarial valuation for SCRHITF:

SCRHITF:

Valuation Date: June 30, 2020
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: 1.92% as of June 30, 2021

Demographic Assumptions: Based on the experience study performed for the South Carolina Retirement Systems

for the 5-year period ended 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 multiplies 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 15 years

Aging Factors: Based on plan specific experience

Retiree Participation: 79% for retirees who are eligible for funded premiums

59% participation for retirees who are eligible for Partial Fund Premiums 20% participation for retirees who are eligible for Non-Funded Premiums

Notes: There were no benefit changes during the year. The discount rate changed from 2.45% as of June 30, 2020 to 1.92% as of June 30, 2021. Also the demographic and salary increase assumptions were updated to reflect the 2020 SRCS experience study and the health care trend rates were rest to better reflect the plan's anticipated experience.

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

This information is summarized in the following table:

| Asset Class | Target Asset Allocation | Expected Arithmetic Real Rate of Return | Allocation- Weighted Long- Term Expected Real Rate of Return |
|------------------------------|-------------------------|--|---|
| U.S. Domestic Fixed Income | 80.00% | 0.60% | 0.48% |
| Cash | 20.00% | 0.35% | 0.07% |
| Total | 100.00% | | 0.55% |
| Expected Inflation | | | 2.25% |
| Total Return | | | 2.80% |
| Investment Return Assumption | | | 2.75% |

Notes to Financial Statements
June 30, 2022

IV. OTHER INFORMATION - (Continued)

NOTE 9 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) - (Continued)

Discount rate:

The Single Discount Rate of 1.92% was used to measure the total OPEB liability for the SCRHITF. The accounting policy for this plan is to set the Single Discount Rate equal to the prevailing municipal bond rate. Due to the plan's investment and funding policies, the difference between a blended discount rate and the municipal bond rate would be less than several basis points (several hundredths of one percent).

Sensitivity analysis:

The following table presents the SCRHITF's net OPEB liability calculated using a Single Discount Rate of 1.92%, 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. In addition, regarding the sensitivity of the SCRHITF's net OPEB liability to changes in the healthcare cost trend rates, the following table presents the plan's net OPEB liability, calculated using the assumed trend rates as well as what the plan's net OPEB liability would be if were calculated using a trend rate that is one percent lower or one percent higher.

| | | Current | |
|----------------------------|---------------|-----------------------|---------------|
| | 1% Decrease | Discount Rate | 1% Increase |
| | .92% | 1.92% | 2.92% |
| SCRHITF Net OPEB Liability | \$ 61,659,769 | \$ 51,159,432 | \$ 42,881,209 |
| | | Current Healthcare | |
| | 1% Decrease | Cost Trend Rate | 1% Increase |
| SCRHITF Net OPEB Liability | \$ 41,043,634 | \$ 51,159,432 | \$ 64,638,398 |

OPEB plan fiduciary net position:

Detailed information about the OPEB Trusts' fiduciary net position is available in the separately issued PEBA financial report which can be obtained as noted above.

NOTE 10 - DEFERRED COMPENSATION PLAN

The District offers their employees a deferred compensation plan, created in accordance with Internal Revenue Code Section 457, which is administered and controlled by the State of South Carolina. The plan, available to all District employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

Great West Retirement Services - South Carolina Deferred Compensation Program, PO Box 173764, Denver, CO 80217-3764, (under state contract) is the program administrator of the 457 plan as well as the 401k plan, which is also available to District employees at their option.

NOTE 11 - COMMITMENTS AND CONTINGENCIES

The District participates in a number of federally assisted programs, which are audited in accordance with the Single Audit Act Amendments of 1996. Audits have not resulted in any material disallowed costs, however, grantor agencies may conduct further examinations based on reported questioned costs. Based on prior experience, the District believes that further examinations would not result in any material disallowed costs.

Notes to Financial Statements
June 30, 2022

IV. OTHER INFORMATION - (Continued)

NOTE 11- COMMITMENTS AND CONTINGENCIES - (Continued)

From time to time, the District is a defendant in various lawsuits arising in the normal course of business. It is the opinion of the District's management, after conferring with legal counsel, that any liability, net of insurance coverage, which may arise from these lawsuits would not have a material adverse effect on the District's financial statements.

The District leases copiers under a cancelable operating lease expiring September 2024. The lease includes a per copy charge ranging from \$0.0155 to \$0.0065 per copy. During the year, total lease payments amounted to approximately \$109,000. Approximate remaining payments due under contracts in place at June 30, 2022, are as follows:

| ase payment | _ <u>Le</u> | <u>Year</u> |
|-------------|-------------|-------------|
| 109,000 | \$ | 2023 |
| 27,000 | | 2024 |
| 136,000 | \$ | |

NOTE 12 - 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 for which the District carries state or commercial insurance. Management believes such coverage is sufficient to preclude any significant uninsured losses for the covered risks. The District has had no significant reduction in coverage due to settled claims. Settled claims have not exceeded this coverage in the past three years. The District pays insurance premiums to certain State agencies and commercial insurers to cover risks that may occur in normal operations. The insurers promise to pay to or on behalf of the insured for covered economic losses sustained during the policy period in accordance with insurance policy and benefit program limits. For property losses, the District's deductible is \$2,500.

The District pays premiums to HUB International Insurance which issues policies, accumulates assets to cover the risks of loss, and pays claims incurred for covered losses related to the following assets, activities, and/or events:

- 1. Theft of, damage to, or destruction of assets;
- 2. Real property, its contents, and other equipment;
- Motor vehicles;
- 4. Torts; and
- 5. Natural disasters

HUB International Insurance is a self-insurer and purchases reinsurance to obtain certain services and specialized coverage and to limit losses in the areas of property, boiler and machinery, automobile liability, cyber liability, and School Board liability insurance. HUB International Insurance's rates are determined actuarially.

The District obtains coverage through a commercial insurer for employee fidelity bond insurance for all employees for losses arising from theft or misappropriation, up to a maximum of \$100,000. Management believes such coverage is sufficient to preclude any significant uninsured losses for the covered risks. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

Prior to July 1, 1978, school districts in South Carolina were exempt from unemployment tax. Legislation was enacted providing that, effective July 1, 1978, these employing units would no longer be excluded by the South Carolina Employment Security Commission (the Commission). In lieu of payment of contributions, the District, as permitted by the Act, elected to be "self-insured," whereby it would reimburse the Commission's unemployment fund for any claims attributable to service in the employ of the District. Payments of claims for reimbursement to the Commission are paid out of the general operating fund. Payments of \$0 were made by the District for this purpose during the current year.

Notes to Financial Statements June 30, 2022

IV. OTHER INFORMATION - (Continued)

NOTE 12- RISK MANAGEMENT - (Continued)

In March 2020, the 2019 novel coronavirus (or "COVID-19") adversely affected, and may continue to adversely affect economic activity globally, nationally and locally. It is unknown the extent to which COVID-19 may spread, have a destabilizing effect on financial and economic activity, and increasingly have the potential to negatively impact the District and the U.S. economy. These conditions could adversely affect the District's financial condition and results of operations. Further, COVID-19 may result in health or other government authorities requiring the closure of certain District operations.

NOTE 13 - FUND BALANCE AND NET POSITION

The fund balances (deficits)/net position (deficits) and other credits have been classified to reflect the limitations and restrictions placed on the respective funds as follows:

Governmental fund financial statements

<u>Fund balances - Nonspendable</u> – balances that by their nature are unable to be spent.

<u>Fund balances - Restricted</u> – balances that can only be spent for the specific purpose stipulated by constitution, external resources providers, or through enabling legislation.

<u>Fund balances - Committed</u> — balances that can only be used for the specific purpose determined by the District's Board of Trustees. The Board of Trustees must take a formal action during one of its meetings to commit fund balance.

<u>Fund balances - Assigned</u> – balances meant to be used for a specific purpose but that do not meet the criteria as restricted or committed. Senior management at the District may assign fund balance.

<u>Fund balances (deficits)- Unassigned</u> – balances that are spendable amounts not contained in other classifications.

Government-wide and fund financial statements

<u>Net Investment in capital assets</u> - represents the net cost less accumulated depreciation and outstanding debt attributable to the organization of the capital assets.

<u>Restricted net position</u> - represents net position restricted externally by creditors, grantors, contributors or laws and regulations of other governments; or restrictions imposed by law through constitutional provisions or enabling legislation.

<u>Unrestricted (deficit) net position</u> - represents the remainder of the District's net position (deficit) in the government-wide activities.

NOTE 14 - ARBITRAGE REBATE

In accordance with the provisions of Section 148(f) of the Internal Revenue Code of 1986, as amended, bonds must satisfy certain arbitrage rebate requirements. Positive arbitrage is the excess of (1) the amount earned on investments purchased with bond proceeds over (2) the amount of such investments would have earned had such investments been invested at a rate equal to the yield on the bond issue. In order to comply with the arbitrage rebate requirements, positive arbitrage must be paid to the U.S. Treasury at the end of each five year anniversary date of the bond issue. As of June 30, 2022, the District has determined that there are no amounts outstanding for arbitrage rebates.

Notes to Financial Statements June 30, 2022

IV. OTHER INFORMATION - (Continued)

Note 15 - TAX ABATEMENT

The County provides tax abatements under one program: Fee-in-Lieu of Tax Program (FILOT).

The Fee-in-Lieu of Tax Program (FILOT) offers individual incentive packages by abating property taxes to attract new business to the County and to retain current businesses. The FILOT program was established by the SC Code Title 12, Chapter 44 and Title 4, Chapter 12. Generally, for taxpayers to be approved for this program they must agree to invest the statutory minimum (A higher amount may be negotiated) during the investment period. The investment period begins on the day in which the property described in the agreement is entered into service and ends at an agreed upon point in time. Once the investment period begins, the taxpayer may receive a reduction of assessed rate, reduction in millage rate and elimination of (or reduction in) the number of times the millage rates change for the property over the length of the agreement. Repayments of any savings in property taxes are required by state law if the taxpayer fails to maintain the conditions set forth in the agreement. Other recapture provisions may be negotiated on a case by case basis.

The District's property tax revenues were reduced by \$407,624 under agreements entered into by Edgefield County as of June 30, 2022.

Note 16 - SUBSEQUENT EVENTS

In preparing these financial statements, the District's management has evaluated events and transactions for potential recognition or disclosure through the date of the independent auditor's report, the date the financial statements were available for issuance.

Note 17 - CHANGE IN ACCOUNTING PRINCIPLE

Effective July 1, 2021, the District converted its food service operations from an enterprise fund to a special revenue fund. This change in accounting principle resulted in an adjusted beginning fund balance (deficit) for the special revenue – school food service fund of \$(208,105), calculated as shown below, and an increase in net position for the enterprise fund of \$4,677,626. The changes relate to the net pension and OPEB liabilities and related deferred inflows and outflows of resources, capital assets net of accumulated depreciation, which are reflected on the full accrual enterprise fund and government-wide statements, but are not reflected on the modified accrual governmental fund statements. On its government-wide financial statements, the District recognized a corresponding decrease to beginning net position for governmental activities and increase for business-type activities of \$4,677,626 as shown below. There was no change in total net position for the District as a result of this change.

| Net Position, July 1, 2021, as originally stated | \$ (4,677,626) |
|--|-------------------|
| Add: Net Pension Liability | 2,841,123 |
| Add: Net OPEB Liability | 2,470,267 |
| Add: Deferred Inflows – Pension | 54,893 |
| Add: Deferred Inflows – OPEB | 204,692 |
| Less: Deferred Outflows – Pension | (443,577) |
| Less: Deferred Outflows – OPEB | (531,935) |
| Less: Capital Assets, net of accumulated depreciation | (125,942) |
| Food Service Special Revenue Fund Balance (Deficit), July 1, 2021, as restated | \$ (208,105) |
| | |

| | <u>activities</u> | |
|--|---------------------|------------------|
| Net position, July 1, 2021, as originally stated | \$ (55,469,942) | \$ (4,677,626) |
| Change in Accounting Principle – Food Service Fund | <u>(4,677,626</u>) | <u>4,677,626</u> |
| Net position, July 1, 2021, as restated | \$ (60,147,568) | \$ |

Required Supplementary Information

Schedule 1 - Budgetary Comparison Schedule - General Fund

| | | | Rudget | ed Amounts | | , | Variance with Final |
|------|--------|--|--------|--------------|---------------|----|------------------------|
| | | | _ | al and Final | Actual | | Budget |
| | REVE | NUES | | | 710000 | | 244801 |
| 1000 | Rever | nue from local sources | | | | | |
| | 1100 | Taxes | | | | | |
| | | 1110 Ad valorem taxes-including delinquent | \$ | 10,688,185 | \$ 11,451,684 | \$ | 763,499 |
| | 1300 | Tuition | | | | | |
| | | 1310 From patrons for regular day school | | - | 17,914 | | 17,914 |
| | | 1330 From patrons for adult/continuing ed | | - | 446 | | 446 |
| | 1500 | Earnings on investments | | 25.000 | 4.600 | | (22,400) |
| | 1000 | 1510 Interest on investments | | 25,000 | 1,600 | | (23,400) |
| | 1900 | Other revenue from local sources 1990 Miscellaneous local revenue | | | 11 004 | | 11 004 |
| | | 1999 Revenue from other local sources | | - | 11,894 | | 11,894 |
| | | 1999 Revenue from other local sources | | <u>-</u> | 132,155 | | 132,155 |
| | | Total local sources | | 10,713,185 | 11,615,693 | | 902,508 |
| 2000 | Interg | overnmental revenue | | _ | | | _ |
| | 2100 | Payments from other governmental units | | | 10,000 | | 10,000 |
| | | Total intergovernmental sources | | | 10,000 | | 10,000 |
| | | Total littergoverninental sources | - | | 10,000 | | 10,000 |
| 3000 | Rever | nue from state sources | | | | | |
| | | Restricted state funding | | | | | |
| | | 3113 12-month agriculture program | | 17,000 | 18,390 | | 1,390 |
| | | 3130 Special programs | | | | | |
| | | 3131 Handicapped transportation | | - | 678 | | 678 |
| | | 3160 School bus driver's salary | | 482,307 | 582,117 | | 99,810 |
| | | 3161 EAA Bus Driver Salary and Fringe | | - | 6,384 | | 6,384 |
| | | 3162 Transportation workers' compensation | | 27,693 | 27,990 | | 297 |
| | | 3180 Fringe benefits employer contributions | | 4,508,679 | 3,864,162 | | (644,517) |
| | | 3181 Retiree insurance | | 500,000 | 1,053,566 | | 553,566 |
| | | 3186 State aid to classrooms-teacher salary increase | | - | 998,968 | | 998,968 |
| | 3300 | Education Finance Act | | | | | |
| | | 3310 Full-time programs | | | | | |
| | | 3311 Kindergarten | | 442,788 | 452,760 | | 9,972 |
| | | 3312 Primary | | 1,234,241 | 1,331,684 | | 97,443 |
| | | 3313 Elementary | | 2,354,359 | 2,258,000 | | (96,359) |
| | | 3314 High school | | 506,184 | 206,051 | | (300,133) |
| | | 3315 Trainable mentally handicapped | | 54,668 | 36,391 | | (18,277) |
| | | 3316 Speech handicapped | | 318,188 | 267,108 | | (51,080) |
| | | 3317 Homebound | | 2,259 | 7,849 | | 5,590 |
| | | 3320 Part-time programs 3321 Emotionally handicapped | | 33,457 | 32,103 | | (1,354) |
| | | 3322 Educable mentally handicapped | | 118,997 | 91,311 | | (27,686) |
| | | 3323 Learning disabilities | | 600,246 | 543,481 | | (56,765) |
| | | 3324 Hearing handicapped | | 17,920 | 20,221 | | 2,301 |
| | | 3325 Visually handicapped | | | 3,614 | | 3,614 |
| | | 3326 Orthopedically handicapped | | _ | 6,708 | | 6,708 |
| | | 3327 Vocational | | 1,080,586 | 1,416,839 | | 336,253 |
| | 3300 | Education Finance Act, continued | | _,,,,,,,,, | _,, | | 555,255 |
| | | 3330 Miscellaneous EFA programs | | | | | |
| | | 3331 Autism | | 115,764 | 142,455 | | 26,691 |
| | | 3332 High Achieving Student | | 81,339 | 82,420 | | 1,081 |
| | | 3334 Limited English Proficiency | | 64,187 | 63,163 | | (1,024) |
| | | 3351 Academic Assistance | | 353,453 | 339,614 | | (13,839) |
| | | 3352 Pupils in Poverty | | 800,420 | 735,014 | | (65,406) |
| | | 3353 Dual Credit Enrollment | | 10,532 | 12,452 | | 1,920 |
| | | 3392 NBC Excess EFA Formula | | - | 22,491 | | 22,491 |
| | | | | | | | |

Required Supplementary Information
Schedule 1 - Budgetary Comparison Schedule - General Fund, Continued
For the fiscal year ended June 30, 2022

| | | Budgeted Amounts | | Variance with Final |
|------|--|--------------------|---------------|------------------------|
| | | Original and Final | Actual | Budget |
| | REVENUES, Continued | | | |
| 3000 | Revenue from state sources, continued | | | |
| | 3800 State revenue in lieu of taxes | | | |
| | 3810 Reimbursement for local property tax relief | 1,553,034 | 1,397,731 | (155,303) |
| | 3820 Homestead exemption | 532,741 | 532,741 | _ |
| | 3825 Reimbursement for property tax relief | 3,756,102 | 3,902,998 | 146,896 |
| | 3830 Merchants inventory tax | 50,000 | 49,590 | (410) |
| | 3840 Manufacturers depreciation reimbursement | 180,000 | 275,925 | 95,925 |
| | 3890 Other state property tax revenues | 200,000 | 349,122 | 149,122 |
| | 3900 Other state revenue | | | |
| | 3993 PEBA on-Behalf | 214,300 | 214,372 | 72 |
| | Total state sources | 20,211,444 | 21,346,463 | 1,135,019 |
| 4000 | Revenues from federal sources | | | |
| | 4900 Other federal sources | | | |
| | 4992 U.S. Forest Commission Revenue | 49,000 | 53,081 | 4,081 |
| | 4999 Revenue from Other Federal Sources | | 5,000 | 5,000 |
| | Total federal sources | 49,000 | 58,081 | 9,081 |
| | Total revenue all sources | \$ 30,973,629 | \$ 33,030,237 | \$ 2,056,608 |

| | | | | Budgeted Amounts Original and Final | Actual | Variance with Final Budget |
|-----|-----|--------|--|--|------------|----------------------------------|
| | | NDITU | | | | |
| 100 | | RUCTIO | | | | |
| | 110 | | ral instruction | | | |
| | | 111 | Kindergarten programs | Å 044 200 | 6 004 744 | ć (47.442) |
| | | | 100 Salaries | \$ 944,298 | \$ 991,741 | \$ (47,443) |
| | | | 200 Employee benefits | 451,156 | 470,044 | (18,888) |
| | | | 400 Supplies and materials | 6,623 | 3,450 | 3,173 |
| | | 112 | Primary programs | 1,402,077 | 1,465,235 | (63,158) |
| | | 112 | 100 Salaries | 2,554,233 | 2,491,883 | 62,350 |
| | | | 200 Employee benefits | 1,222,585 | 1,120,986 | 101,599 |
| | | | 400 Supplies and materials | 16,644 | 16,571 | 73 |
| | | | 400 Supplies and materials | 3,793,462 | 3,629,440 | 164,022 |
| | | 113 | Elementary programs | 3,733,402 | 3,023,440 | 104,022 |
| | | 113 | 100 Salaries | 4,656,576 | 4,241,499 | 415,077 |
| | | | 200 Employee benefits | 2,065,745 | 1,992,373 | 73,372 |
| | | | 300 Purchased services | 242,534 | 85,599 | 156,935 |
| | | | 400 Supplies and materials | 84,131 | 90,788 | (6,657) |
| | | | Too Supplies and materials | 7,048,986 | 6,410,259 | 638,727 |
| | | 114 | High school programs | | | |
| | | | 100 Salaries | 2,153,390 | 1,559,226 | 594,164 |
| | | | 200 Employee benefits | 965,026 | 694,128 | 270,898 |
| | | | 300 Purchased services | 57,193 | 55,825 | 1,368 |
| | | | 400 Supplies and materials | 59,335 | 47,871 | 11,464 |
| | | | | 3,234,944 | 2,357,050 | 877,894 |
| | | 115 | Career and technical programs | | | |
| | | | 100 Salaries | 769,667 | 835,272 | (65,605) |
| | | | 140 Terminal leave | · - | 7,451 | (7,451) |
| | | | 200 Employee benefits | 354,193 | 386,129 | (31,936) |
| | | | 300 Purchased services | 59,816 | 10,544 | 49,272 |
| | | | 400 Supplies and materials | 33,268 | 36,151 | (2,883) |
| | | | 500 Capital outlay | 1,864 | - | 1,864 |
| | | | | 1,218,808 | 1,275,547 | (56,739) |
| | | | Total and and instruction | 16 600 277 | 15 127 521 | 1 500 746 |
| | 120 | - Fyee | Total general instruction | 16,698,277 | 15,137,531 | 1,560,746 |
| | 120 | | otional programs | | | |
| | | 121 | Educable mentally handicapped 100 Salaries | 158,176 | 139,801 | 18,375 |
| | | | 200 Employee benefits | 66,662 | 70,494 | (3,832) |
| | | | 200 Employee beliefits | 224,838 | 210,295 | 14,543 |
| | | 122 | Trainable mentally handicapped | | 210,293 | 14,545 |
| | | 122 | 100 Salaries | 151,141 | 122,037 | 29,104 |
| | | | 200 Employee benefits | 76,765 | 50,308 | 26,457 |
| | | | 200 Employee sellents | 227,906 | 172,345 | 55,561 |
| | | 123 | Orthopedically handicapped | | 172,343 | 33,301 |
| | | | 300 Purchased services | 205,000 | 279,231 | (74,231) |
| | | | | 205,000 | 279,231 | (74,231) |
| | | 126 | Speech handicapped | | | (* 1/202/ |
| | | | 100 Salaries | 222,354 | 223,205 | (851) |
| | | | 200 Employee benefits | 100,387 | 104,187 | (3,800) |
| | | | r - , | 322,741 | 327,392 | (4,651) |
| | | 127 | Learning disabilities | | | (-// |
| | | | 100 Salaries | 750,239 | 657,456 | 92,783 |
| | | | 200 Employee benefits | 406,852 | 338,539 | 68,313 |
| | | | 400 Supplies and materials | - | 12,981 | (12,981) |
| | | | • • | 1,157,091 | 1,008,976 | 148,115 |
| | | | | | | |

| | | | | Budgeted Amounts Original and Final | Actual | Variance with Final Budget |
|-----|------|--------|--|--|-----------------|----------------------------------|
| | EXPE | NDITU | RES, Continued | | | |
| 100 | INST | RUCTIO | DN, Continued | | | |
| | 120 | Exce | ptional programs, continued | | | |
| | | 128 | Emotionally handicapped | | | |
| | | | 100 Salaries | 37,881 | 37,881 | - |
| | | | 200 Employee benefits | 19,007 | 16,960 | 2,047 |
| | | | | 56,888 | 54,841 | 2,047 |
| | | | Total exceptional programs | 2,194,464 | 2,053,080 | 141,384 |
| | 130 | | chool programs | | | |
| | | 137 | Pre-school handicapped - self contained | | | |
| | | | 100 Salaries | 168,665 | 149,462 | 19,203 |
| | | | 200 Employee benefits | 53,325 | 77,518 | (24,193) |
| | | 420 | For the 1940 and a consequent | 221,990 | 226,980 | (4,990) |
| | | 139 | Early childhood programs | | 20.607 | (20, 607) |
| | | | 100 Salaries | - | 28,697 | (28,697) |
| | | | 200 Employee benefits 400 Supplies and materials | - | 7,498 893 | (7,498) |
| | | | 400 Supplies and materials | <u> </u> | 37,088 | (893) |
| | | | | <u> </u> | 37,000 | (37,066) |
| | | | Total preschool programs | 221,990 | 264,068 | (42,078) |
| | 140 | Spec | ial programs | | | |
| | | 141 | Gifted and talented - academic | | | |
| | | | 100 Salaries | 147,256 | 166,289 | (19,033) |
| | | | 200 Employee benefits | 73,109 | 97,333 | (24,224) |
| | | | 600 Other objects | 256 | | 256 |
| | | | | 220,621 | 263,622 | (43,001) |
| | | 145 | Homebound | 45.000 | 22.460 | (7.460) |
| | | | 100 Salaries 200 Employee benefits | 16,000 | 23,169 | (7,169) |
| | | | 200 Employee benefits | 3,092 19,092 | 7,194 30,363 | (4,102) |
| | | 148 | Gifted and Talented Artistic | 19,092 | 30,303 | (11,271) |
| | | 140 | 100 Salaries | 11,082 | 11,379 | (297) |
| | | | 200 Employee benefits | 5,472 | 5,070 | 402 |
| | | | 300 Purchased services | - | 34,363 | (34,363) |
| | | | 300 Tarenasea services | 16,554 | 50,812 | (34,258) |
| | | | | | | |
| | | | Total special programs | 256,267 | 344,797 | (88,530) |
| | 160 | | er exceptional programs | | | |
| | | 161 | Autism | 27.272 | | 27.272 |
| | | | 100 Salaries | 37,272 | - | 37,272 |
| | | | 200 Employee benefits | 8,835 | | 8,835 |
| | | 162 | Limited anglish profisions | 46,107 | | 46,107 |
| | | 102 | Limited english proficiency 100 Salaries | 65,011 | 62,179 | 2,832 |
| | | | 200 Employee benefits | 27,298 | 28,917 | (1,619) |
| | | | 300 Purchased services | 1,000 | 4,336 | (3,336) |
| | | | 300 Turchasea services | 93,309 | 95,432 | (2,123) |
| | | | | 93,309 | 33,432 | (2,123) |
| | | | Total other exceptional programs | 139,416 | 95,432 | 43,984 |
| | 170 | | mer school program | | | |
| | | 17 | 2 Elementary Summer School | | | |
| | | | 300 Purchased Services | | 87,213 | (87,213) |
| | | | | | 87,213 | (87,213) |
| | | | Total summer school programs | - | 87,213 | (87,213) |
| | | | | | | (= , ===) |

| | | | | | Budgeted Amounts Original and Final | Actual | Variance with Final Budget |
|-----|------|--------|------------|---|--|------------------|---|
| | EXPE | NDITUE | RES. Co | ntinued | Original and Final | Actual | Duuget |
| 100 | | RUCTIO | | | | | |
| | 180 | | | uing educational programs | | | |
| | | 181 | | basic education programs | | | |
| | | | 100 | Salaries | - | 605 | (605) |
| | | | 200 | Employee benefits | - | 407 | (407) |
| | | | 400 | Supplies and materials | - | 10,675 | (10,675) |
| | | | | | | 11,687 | (11,687) |
| | | 188 | Parer | nting/family literacy | - | · | <u>, , , , , , , , , , , , , , , , , , , </u> |
| | | | 100 | Salaries | 66,827 | 67,111 | (284) |
| | | | 200 | Employee benefits | 32,689 | 26,802 | 5,887 |
| | | | 300 | Purchased Services | - | 350 | (350) |
| | | | 400 | Supplies and materials | - | 729 | (729) |
| | | | | | 99,516 | 94,992 | 4,524 |
| | | | | Total adult/continuing educational programs | 99,516 | 106,679 | (7,163) |
| | | | | Total instruction | 19,609,930 | 18,088,800 | 1,521,130 |
| 200 | SUPP | ORT SE | RVICES | • | | | |
| | 210 | Pupil | service | S | | | |
| | | 211 | Atten | dance and social work services | | | |
| | | | 100 | Salaries | 43,997 | 1,257 | 42,740 |
| | | | 200 | Employee benefits | 18,514 | - | 18,514 |
| | | | 300 | Purchased services | 9,384 | 4,585 | 4,799 |
| | | | 400 | Supplies and materials | 58 | 32 | 26 |
| | | | 600 | Other objects | 65 | <u> </u> | 65 |
| | | | | | 72,018 | 5,874 | 66,144 |
| | | 212 | | ance services | | | |
| | | | 100 | Salaries | 485,034 | 488,913 | (3,879) |
| | | | 200 | Employee benefits | 199,215 | 188,115 | 11,100 |
| | | | 300 | Purchased services | 3,403 | 824 | 2,579 |
| | | | 400 | Supplies and materials | 2,558 | 3,222 | (664) |
| | | | | | 690,210 | 681,074 | 9,136 |
| | | 213 | | h services | 204 577 | | |
| | | | 100 | Salaries | 281,577 | 228,302 | 53,275 |
| | | | 200 | Employee benefits | 122,309 | 85,094 | 37,215 |
| | | | 300 | Purchased services | 5,539 | 3,317 | 2,222 |
| | | | 400 | Supplies and materials | 18,239 | 14,092 | 4,147 |
| | | | 600 | Other objects | 2,100 | 1,304 | 796 |
| | | | | | 429,764 | 332,109 | 97,655 |
| | | 214 | | ological services | | | |
| | | | 100 | Salaries | 79,681 | 74,681 | 5,000 |
| | | | 200 | Employee benefits | 31,782 | 30,260 | 1,522 |
| | | | 300 | Purchased services | 25,000 | 20,995 | 4,005 |
| | | | 400 | Supplies and materials | 58 | - | 58 |
| | | | 600 | Other objects | 357 | 176 | 181 |
| | | 247 | C | ar Charialist Comings | 136,878 | 126,112 | 10,766 |
| | | 217 | | er Specialist Services | 60.333 | 69.326 | 7 |
| | | | 100 200 | Salaries | 68,333 20,731 | 68,326 | 7 |
| | | | 200 | Employee benefits | 30,721 99,054 | 29,940 98,266 | 781 788 |
| | | | | Total pupil services | 1,427,924 | 1,243,435 | 184,489 |
| | | | | . 3.00. pap.: 30. 1.003 | 1,727,327 | 1,2 13,433 | 104,403 |

| | | | | Budgeted Amounts Original and Final | Actual | Variance with Final Budget |
|-----|------|--------|---|--|-------------------|----------------------------------|
| | EXPE | NDITUI | RES, Continued | | | |
| 200 | | | RVICES, Continued | | | |
| | 220 | | uctional staff services | | | |
| | | 221 | Improvement of instruction - curriculum development | | | |
| | | | curriculum development 100 Salaries | 585,119 | 483,409 | 101,710 |
| | | | 140 Terminal leave | 383,119 | 10,412 | (10,412) |
| | | | 200 Employee benefits | 242,070 | 213,526 | 28,544 |
| | | | 300 Purchased services | 14,240 | 2,859 | 11,381 |
| | | | 400 Supplies and materials | 66,091 | 9,856 | 56,235 |
| | | | 600 Other objects | 1,565 | 1,078 | 487 |
| | | | | 909,085 | 721,140 | 187,945 |
| | | 222 | Library and media services | | | _ |
| | | | 100 Salaries | 435,497 | 426,940 | 8,557 |
| | | | 200 Employee benefits | 202,791 | 205,132 | (2,341) |
| | | | 400 Supplies and materials | 31,598 | 30,498 | 1,100 |
| | | | | 669,886 | 662,570 | 7,316 |
| | | 223 | Supervision of special programs | 07.574 | 400.000 | (4.400) |
| | | | 100 Salaries | 97,671 | 102,099 | (4,428) |
| | | | 200 Employee benefits | 44,649 | 56,652 | (12,003) |
| | | 224 | Improvement of instruction - inservice and staff training | 142,320 | 158,751 | (16,431) |
| | | 224 | inservice and staff training | | | |
| | | | 300 Purchased services | 7,252 | 9,234 | (1,982) |
| | | | 400 Supplies and materials | 1,339 | 5,285 | (3,946) |
| | | | | 8,591 | 14,519 | (5,928) |
| | | | Total instructional staff services | 1,729,882 | 1,556,980 | |
| | 230 | Gono | ral administration services | 1,729,882 | 1,550,560 | 172,902 |
| | 230 | 231 | Board of education | | | |
| | | 231 | 100 Salaries | 8,400 | 604,010 | (595,610) |
| | | | 200 Employee benefits | 15,732 | 61,584 | (45,852) |
| | | | 300 Purchased services | 65,798 | 46,601 | 19,197 |
| | | | 318 Audit services | 27,500 | 38,700 | (11,200) |
| | | | 400 Supplies and materials | 580 | 191 | 389 |
| | | | 600 Other objects | 147,120 | 65,510 | 81,610 |
| | | | | 265,130 | 816,596 | (551,466) |
| | | 232 | Office of the superintendent | | | |
| | | | 100 Salaries | 215,468 | 218,632 | (3,164) |
| | | | 200 Employee benefits | 85,160 | 86,198 | (1,038) |
| | | | 300 Purchased services | 32,767 | 33,339 | (572) |
| | | | 400 Supplies and materials | 15,840 | 15,565 | 275 |
| | | | 600 Other objects | 11,940 361,175 | 35,838 389,572 | (23,898) |
| | | 233 | School administration | 301,173 | 309,372 | (28,397) |
| | | 233 | 100 Salaries | 1,910,105 | 1,979,851 | (69,746) |
| | | | 200 Employee benefits | 784,593 | 822,667 | (38,074) |
| | | | 300 Purchased services | 17,260 | 12,899 | 4,361 |
| | | | 400 Supplies and materials | 27,709 | 26,936 | 773 |
| | | | 600 Other objects | 10,612 | 2,962 | 7,650 |
| | | | | 2,750,279 | 2,845,315 | (95,036) |
| | | | Total general administration services | 3,376,584 | 4,051,483 | (674,899) |
| | 250 | Finan | ce and operations services | 3,370,384 | 4,031,403 | (074,033) |
| | _50 | 252 | Fiscal services | | | |
| | | | 100 Salaries | 238,001 | 234,264 | 3,737 |
| | | | 200 Employee benefits | 90,462 | 95,521 | (5,059) |
| | | | 300 Purchased services | 22,950 | 22,941 | 9 |
| | | | 400 Supplies and materials | 9,142 | 7,005 | 2,137 |
| | | | 600 Other objects | 3,500 | 4,059 | (559) |
| | | | | 364,055 | 363,790 | 265 |
| | | | | | | |

| Page | | | | | | Budgeted Amounts Original and Final | Actual | Variance with Final Budget |
|--|-----|-------|---------|--------|---------------------------------------|--|------------|----------------------------------|
| Primatice and operations services, continued | | EXPEN | IDITURE | S, Co | ntinued | | | |
| | 200 | SUPPO | ORT SER | VICES | Continued | | | |
| 100 Salaries 1,238,673 1,331,675 16,27875 1,331,675 | | 250 | Finance | e and | operations services, continued | | | |
| Purpose benefits | | | 254 | Opera | tion and maintenance of plant | | | |
| 300 Purchased services 1919,639 1,144,281 2(24,642) 240 200 2 | | | | 100 | Salaries | 1,238,623 | 1,301,405 | (62,782) |
| | | | : | 200 | Employee benefits | 632,032 | 632,150 | (118) |
| Mode Supplies and materials 240,717 174,181 56,38 | | | ; | 300 | Purchased services | 919,639 | 1,144,281 | (224,642) |
| ### ### ### ### ### ### ### ### ### ## | | | : | 321 | Public utilities | 78,950 | 119,879 | (40,929) |
| Sol | | | | 400 | Supplies and materials | 240,717 | 174,181 | 66,536 |
| 255 Student transportation 30,10,652 4,208,537 192,485 100 Salaries 959,101 979,265 (20,164 200 Employee benefits 229,730 370,405 (140,675 300 Purchased services 11,047 8,620 2,27 400 Supplies and materials 807 12,267 (11,660 500 Capital outlay 7,784 6,045 21,363 (20,164 | | | | 470 | Energy | 876,091 | 836,641 | 39,450 |
| 255 Student transportation 200 Employee benefits 229,730 370,405 (20,164) 200 Employee benefits 229,730 370,405 (140,675) 229,730 370,405 (140,675) 229,730 370,405 (140,675) 229,730 370,405 (140,675) 229,730 370,405 (11,60) 229,730 229,730 22,672 226,730 22,672 22,674 22,67 | | | | 500 | Capital outlay | 30,000 | <u>-</u> | 30,000 |
| 100 Salaries 959,101 979,265 (20,164) 200 Employee benefits 229,700 370,405 (10,675) 300 Purchased services 11,047 8,620 2,277 400 Supplies and materials 8,774 12,767 (11,460) 2,274 600 Other objects 27,408 6,045 21,363 27,408 6,045 21,363 2,274 2,2740 2 | | | | | | 4,016,052 | 4,208,537 | (192,485) |
| 200 | | | 255 | Stude | nt transportation | | | |
| 300 | | | | 100 | Salaries | 959,101 | 979,265 | (20,164) |
| Mathematical Supplies and materials 12,764 12,767 13,1460 12,765 12,768 12,768 12,768 12,768 12,768 12,768 12,768 12,768 12,768 12,768 12,768 12,768 12,778 | | | | 200 | Employee benefits | 229,730 | 370,405 | (140,675) |
| 100 | | | | 300 | Purchased services | 11,047 | 8,620 | 2,427 |
| 1 | | | | 400 | Supplies and materials | 807 | 12,267 | (11,460) |
| 258 Security 300 Purchased services 204,492 23,270 181,222 21,084 (195,155) (19,931) (19 | | | | 500 | Capital outlay | 2,784 | - | 2,784 |
| 258 Security 300 Purchased services 204,492 23,270 181,222 210,084 (195,155) 219,421 233,354 (195,155) 219,421 233,354 (195,155) 219,421 233,354 (195,155) 219,421 233,354 (195,155) 219,421 233,354 (195,155) 219,421 233,354 (195,155) 219,421 233,354 (195,155) 219,421 233,354 (195,155) 219,421 233,354 (195,155) 219,421 233,354 (195,155) 219,421 233,354 (195,155) 219,421 233,354 (195,155) 219,421 233,345 (195,155) 219,421 219,422 219,422 219,422 219,422 219,422 219,422 219,422 219,422 219,422 219,422 219,422 219,423 219 | | | | 600 | Other objects | 27,408 | 6,045 | 21,363 |
| 1817 1818 | | | | | • | 1,230,877 | 1,376,602 | (145,725) |
| 14,929 210,084 (195,155) | | | 258 | Secur | ty | | | |
| 100 Salaries 100 Supplies and materials 11,929 110,084 139,515) 13,933 13,9 | | | | 300 | Purchased services | 204,492 | 23,270 | 181,222 |
| Total finance and operations services | | | | 400 | Supplies and materials | 14,929 | 210,084 | |
| Total finance and operations services S,830,405 6,182,283 (351,878) | | | | | | | 233,354 | |
| Central support services 263 Information services 22,000 - 22,000 100 Salaries 23,428 - 1,428 264 Staff services 23,428 - 23,428 200 Employee benefits 39,399 45,487 (6,088) 300 Purchased services 12,342 7,816 4,526 400 Supplies and materials 4,909 5,369 (460) 600 Other objects 1,124 330 794 266 Technology and data processing services 157,394 158,277 (883) 266 Technology and materials 30,764 298,969 1,795 200 Employee benefits 30,764 298,969 1,795 200 Employee benefits 122,179 126,937 (4,758) 300 Purchased services 73,884 61,449 12,435 400 Supplies and materials 16,498 175,145 (158,647) 600 Other objects 513,325 663,027 (149,702) 70 Support services pupil activity 224,582 331,055 (106,478) | | | | | | | | |
| 10 | | | | | · | 5,830,405 | 6,182,283 | (351,878) |
| 100 Salaries 22,000 - 22,000 - 22,000 - 1,428 - 1,42 | | 260 | | | | | | |
| 1,428 | | | | | | | | |
| 264 Staff services 23,428 - 23,428 | | | | | | | - | |
| 264 Staff services 99,620 99,275 345 200 Employee benefits 39,399 45,487 (6,088) 300 Purchased services 12,342 7,816 4,526 400 Supplies and materials 4,909 5,369 (460) 400 Other objects 157,394 158,277 (883) 266 Technology and data processing services 300,764 298,969 1,795 200 Employee benefits 300,764 298,969 1,795 200 Employee benefits 122,179 126,937 (4,758) 300 Purchased services 73,884 61,449 12,435 400 Supplies and materials 16,498 175,145 (158,647) 600 Other objects 513,325 663,027 (149,702) 71 Pupil services pupil activity 70 821,304 (127,157) 270 Employee benefits 224,582 331,055 (106,473) 100 Salaries 224,582 | | | | 200 | Employee benefits | | | |
| 100 Salaries 99,620 99,275 345 200 Employee benefits 39,399 45,487 (6,088) 300 Purchased services 12,342 7,816 4,526 400 Supplies and materials 4,909 5,369 (460) 500 Other objects 1,124 330 794 266 Technology and data processing services 100 Salaries 300,764 298,969 1,795 201 Employee benefits 300,764 298,969 1,795 202 Employee benefits 122,179 126,937 (4,758) 300 Purchased services 33,884 61,449 12,435 400 Supplies and materials 16,498 175,145 (158,647) 400 Supplies and materials 16,498 175,145 (158,647) 500 Other objects 513,325 663,027 (149,702) 271 Pupil services activities 513,325 663,027 (127,157) 270 Support services 694,147 821,304 (127,157) 271 Pupil services activities 56,612 104,953 (48,341) 300 Purchased services 59,600 78,009 (18,409) 400 Salaries 224,582 331,055 (106,473) 400 Supplies and materials 2,5500 78,009 (18,409) 400 Supplies and materials 2,5500 5,2500 500 Other objects 15,000 15,941 (941) 400 Supplies and materials 2,5500 5,250 500 Other objects 15,000 15,941 (941) 500 15,941 (941) 500 15,945 15,060 15,945 (171,664) 500 15,945 15,060 15,945 (171,664) 500 15,945 15,060 15,945 (171,664) 500 15,945 15,060 15,945 (171,664) 500 15,945 15,060 15,945 (171,664) 500 15,945 15,060 15,945 (171,664) 500 15,945 15,060 15,945 (171,664) 500 15,945 15,060 15,945 (171,664) 500 15,945 15,060 15,945 (171,664) 500 15,945 15,060 15,945 (171,664) 500 15,945 15,060 15,945 (171,664) 500 15,945 15,060 15,945 (171,664) 500 15,945 15,060 15,945 (171,664) 500 15,945 15,060 15,945 (171,664) 500 15,945 15,060 15,945 (171,664) 500 15,945 15,060 15,945 15,060 15,9 | | | | | | 23,428 | | 23,428 |
| 200 Employee benefits 33,399 45,487 (6,088) 300 Purchased services 12,342 7,816 4,526 4,000 5,369 (460) 5,000 0 (460) 1,794 158,277 (883) 157,394 158,277 (883) 157,394 158,277 (883) 157,394 158,277 (883) 157,394 158,277 (883) 158,277 (8 | | | | | | | | |
| 12,342 | | | | | | | | |
| | | | | | • • | | | |
| 1,124 330 794 157,394 158,277 (883) 157,394 158,277 (883) 157,394 158,277 (883) 157,394 158,277 (883) 157,394 158,277 (883) 157,394 158,277 (883) 100 Salaries 300,764 298,969 1,795 126,937 (4,758) 122,179 126,937 (4,758) 122,179 126,937 (4,758) 122,179 126,937 (4,758) 122,179 126,937 (4,758) 122,179 126,937 (4,758) 122,179 126,937 (4,758) 122,179 126,937 (4,758) 122,179 126,937 (4,758) 122,179 126,937 (4,758) 124,355 (4,758) 1 | | | | | | | | |
| 157,394 158,277 (883) | | | | | | | | |
| 100 Salaries 300,764 298,969 1,795 200 Employee benefits 122,179 126,937 (4,758) 300 Purchased services 73,884 61,449 12,435 400 Supplies and materials 16,498 175,145 (158,647) 600 Other objects 513,325 663,027 (149,702) 701 Total central support services 694,147 821,304 (127,157) 270 Support services pupil activity 271 Pupil services activities 224,582 331,055 (106,473) 270 Salaries 224,582 331,055 (106,473) 271 Pupil services activities 224,582 331,055 (166,473) 272 Support services 59,600 78,009 (18,409) 273 400 Supplies and materials 2,500 - 2,500 400 Supplies and materials 2,500 - 2,500 500 Other objects 15,000 15,941 (941) 501 Total support services pupil activity 358,294 529,958 (171,664) | | | 1 | 600 | Other objects | | | |
| 100 Salaries 300,764 298,969 1,795 200 Employee benefits 122,179 126,937 (4,758) 300 Purchased services 73,884 61,449 12,435 400 Supplies and materials 16,498 175,145 (158,647) 600 Other objects 513,325 663,027 (149,702) 701 Support services pupil activity 270 Support services pupil activity 271 Pupil services activities 100 Salaries 224,582 331,055 (106,473) 200 Employee benefits 56,612 104,953 (48,341) 300 Purchased services 59,600 78,009 (18,409) 400 Supplies and materials 2,500 - 2,500 600 Other objects 15,000 15,941 (941) Total support services pupil activity 358,294 529,958 (171,664) | | | | | | 157,394 | 158,277 | (883) |
| 200 Employee benefits 122,179 126,937 (4,758) 300 Purchased services 73,884 61,449 12,435 400 Supplies and materials 16,498 175,145 (158,647) 600 Other objects 513,325 663,027 (149,702) (149,7 | | | | | | | | |
| 300 Purchased services 73,884 61,449 12,435 400 Supplies and materials 16,498 175,145 (158,647) 600 Other objects 513,325 663,027 (149,702) 70 694,147 821,304 (127,157) 70 Support services pupil activity 271 Pupil services activities 100 Salaries 224,582 331,055 (106,473) 200 Employee benefits 56,612 104,953 (48,341) 200 Employee benefits 59,600 78,009 (18,409) 400 Supplies and materials 2,500 2,500 2,500 400 50 600 00 15,941 (941) 600 | | | | | | | | |
| 400 Supplies and materials 16,498 175,145 (158,647) | | | | | • • | | | |
| Formal F | | | | | | | | |
| Total central support services 513,325 663,027 (149,702) | | | | | • • | 16,498 | | |
| Total central support services 694,147 821,304 (127,157) | | | 1 | 600 | Other objects | | | |
| 270 Support services pupil activity 271 Pupil services activities | | | | | | | | |
| 271 Pupil services activities 100 Salaries 224,582 331,055 (106,473) 200 Employee benefits 56,612 104,953 (48,341) 300 Purchased services 59,600 78,009 (18,409) 400 Supplies and materials 2,500 - 2,500 600 Other objects 15,000 15,941 (941) Total support services pupil activity 358,294 529,958 (171,664) | | | | | Total central support services | 694,147 | 821,304 | (127,157) |
| 100 Salaries 224,582 331,055 (106,473) 200 Employee benefits 56,612 104,953 (48,341) 300 Purchased services 59,600 78,009 (18,409) 400 Supplies and materials 2,500 - 2,500 600 Other objects 15,000 15,941 (941) Total support services pupil activity 358,294 529,958 (171,664) | | 270 | Suppor | t serv | ces pupil activity | | | |
| 200 Employee benefits 56,612 104,953 (48,341) 300 Purchased services 59,600 78,009 (18,409) 400 Supplies and materials 2,500 - 2,500 600 Other objects 15,000 15,941 (941) Total support services pupil activity 358,294 529,958 (171,664) | | | 271 | Pupil | services activities | | | |
| 300 Purchased services 59,600 78,009 (18,409) 400 Supplies and materials 2,500 - 2,500 600 Other objects 15,000 15,941 (941) Total support services pupil activity 358,294 529,958 (171,664) | | | | 100 | Salaries | 224,582 | 331,055 | (106,473) |
| 400 Supplies and materials 2,500 - 2,500 600 Other objects 15,000 15,941 (941) 358,294 529,958 (171,664) Total support services pupil activity 358,294 529,958 (171,664) | | | ; | 200 | Employee benefits | 56,612 | 104,953 | (48,341) |
| 600 Other objects 15,000 15,941 (941) 358,294 529,958 (171,664) Total support services pupil activity 358,294 529,958 (171,664) | | | ; | 300 | Purchased services | 59,600 | 78,009 | (18,409) |
| 358,294 529,958 (171,664) Total support services pupil activity 358,294 529,958 (171,664) | | | | 400 | Supplies and materials | 2,500 | - | 2,500 |
| Total support services pupil activity 358,294 529,958 (171,664) | | | | 600 | Other objects | 15,000 | 15,941 | (941) |
| | | | | | | 358,294 | 529,958 | (171,664) |
| Total support services 13,417,236 14,385,443 (968,207) | | | | | Total support services pupil activity | 358,294 | 529,958 | (171,664) |
| | | | | | Total support services | 13,417,236 | 14,385,443 | (968,207) |

Required Supplementary Information

Schedule 1 - Budgetary Comparison Schedule - General Fund, Continued

| | | Budgeted Amounts Original and Final | Actual | Variance with Final Budget |
|---------------|--|--|-------------------|----------------------------------|
| 300 | EXPENDITURES, Continued COMMUNITY SERVICES | | | |
| 300 | 390 Other community services | | | |
| | 400 Supplies and materials | - | 7,306 | (7,306) |
| | Total other community services | | 7,306 | (7,306) |
| | Total community services | | 7,306 | (7,306) |
| 410 | INTERGOVERNMENTAL EXPENDITURES | | | |
| | 411 Payments to the State Department of Education | | | |
| | 720 Transits | 70,000 | 18,822 | 51,178 |
| | Payments to the Other Governmental UnitsTransits | | 28,040 | (28,040) |
| | Total intergovernmental expenditures | 70,000 | 46,862 | 23,138 |
| 500 | DEBT SERVICE 500 Debt Service | | | |
| | 610 Redemption of principal | _ | 112,072 | (112,072) |
| | Total debt service expenditures | | 112,072 | (112,072) |
| | Total expenditures | 33,097,166 | 32,640,483 | 456,683 |
| | R FINANCING SOURCES (USES) | | | |
| Interi 523 | fund transfers, from (to) other funds Transfer from special revenue EIA fund | 1,855,583 | 970,695 | (884,888) |
| 528 | · | 20,000 | 970,693 87,978 | (884,888) 67,978 |
| | L-710 Transfer to special revenue fund | (200,000) | (182,813) | 17,187 |
| | 2-710 Transfer to special revenue EIA fund | (160,000) | (289,383) | (129,383) |
| 425 | 5-710 Transfer to food service fund | (230,000) | | 230,000 |
| | Total other financing sources | 1,285,583 | 586,477 | (699,106) |
| | Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses | \$ (837,954) | 976,231 | \$ 1,814,185 |
| FUND | BALANCE, beginning of year | | 6,643,043 | |
| FUND | BALANCE, end of year | | \$ 7,619,274 | |

School District of Edgefield County
Required Supplementary Information
Schedule 2 - Schedule of the District's Proportionate Share of the Net OPEB Liability
For the year ended June 30, 2022

| | SCRHITF | | | | | | | | | |
|---|---------|------------|----|------------|----|------------|----|------------|----|------------|
| | | 2022 | | 2021 | | 2020 | | 2019 | | 2018 |
| District's proportion of the net OPEB liability | | 0.002457% | | 0.247921% | | 0.253274% | | 0.098602% | | 0.251791% |
| District's proportionate share of the net OPEB liability | \$ | 51,159,432 | \$ | 44,753,327 | \$ | 38,298,890 | \$ | 35,531,892 | \$ | 31,104,677 |
| District's covered payroll during the measurement period | \$ | 22,912,098 | \$ | 22,852,919 | \$ | 22,150,948 | \$ | 20,635,482 | \$ | 21,233,111 |
| District's proportionate share of the OPEB liability as a percentage of its covered-payroll | | 223.28567% | | 195.83199% | | 172.89955% | | 172.18833% | | 146.49138% |
| Plan fiduciary net position as a percentage of the total OPEB liability | | 7.48% | | 8.39% | | 8.44% | | 7.91% | | 7.60% |

Required Supplementary Information Schedule 3 - Schedule of the District's Contributions - OPEB For the year ended June 30, 2022

| | SCRHITF | | | | | | | |
|--|---------|---------------|---------------|---------------|---------------|------------|--|--|
| | 2022 | | 2021 | 2020 | 2019 | 2018 | | |
| Contractually required contribution | \$ | 1,493,118 \$ | 1,448,147 \$ | 1,428,307 \$ | 1,340,132 \$ | 1,176,116 | | |
| Contributions in relation to the contractually required contribution | | 1,493,118 | 1,448,147 | 1,428,307 | 1,340,132 | 1,176,116 | | |
| Contribution deficiency (excess) | \$ | - \$ | - \$ | - \$ | - \$ | - | | |
| District's covered-payroll | \$ | 22,912,098 \$ | 23,170,360 \$ | 22,852,919 \$ | 22,150,948 \$ | 20,635,482 | | |
| Contributions as a percentage of covered-payroll | | 6.51672% | 6.25000% | 6.25000% | 6.05000% | 5.69948% | | |

Required Supplementary Information

Schedule 4 - Schedule of the District's Proportionate Share of the Net Pension Liability

For the year ended June 30, 2022

| | | | | SCR | s | | | | | | |
|--|------------------|------------------|------------------|------------------|----|------------|------------------|----|------------|------------------|------------------|
| | 2022 | 2021 | 2020 | 2019 | | 2018 | 2017 | | 2016 | 2015 | 2014 |
| District's proportion of the net pension liability | 0.19940% | 0.20144% | 0.20558% | 0.20515% | | 0.20668% | 0.21360% | | 0.22017% | 0.22957% | 0.22957% |
| District's proportionate share of the net pension liability | \$ 43,153,251 | \$ 51,472,041 | \$ 46,942,650 | \$ 45,966,942 | \$ | 46,526,090 | \$ 45,624,858 | \$ | 41,756,871 | \$ 39,524,515 | \$ 41,176,848 |
| District's covered payroll during the measurement period | \$ 23,161,013 | \$ 22,844,665 | \$ 22,145,212 | \$ 20,635,482 | \$ | 21,233,111 | \$ 21,023,844 | \$ | 20,913,294 | \$ 21,115,763 | \$ 20,981,404 |
| District's proportionate share of the net pension liability as a percentage of its covered payroll | 186.31850% | 225.31318% | 211.97652% | 222.75681% | | 219.12046% | 217.01482% | | 199.66664% | 187.18014% | 196.25402% |
| Plan fiduciary net position as a percentage of the total pension liability | 60.70% | 50.70% | 54.40% | 54.10% | | 53.34% | 52.91% | | 56.99% | 59.92% | 56.39% |
| | | | | POR | ·s | | | | | | |
| | 2022 | 2021 | 2020 | 2019 | | 2018 | 2017 | | 2016 | 2015 | 2014 |
| District's proportion of the net pension liability | 0.000618% | 0.000546% | 0.000908% | 0.000017% | | 0.00000% | 0.00000% | | 0.00003% | 0.00000% | 0.00000% |
| District's proportionate share of the net pension liability | \$ 15,892 | \$ 18,119 | \$ 26,022 | \$ 478 | \$ | - | \$ | \$ | 719 | \$ - | \$ - |
| District's covered payroll during the measurement period | \$ 9,347 | \$ 8,254 | \$ 5,736 | \$ | \$ | | \$ | \$ | 414 | \$ | \$ |
| District's proportionate share of the net pension liability as a percentage of its covered payroll | 170.02247% | 219.51781% | 453.66109% | 0.00000% | | 0.00000% | 0.00000% | 1 | 173.67150% | 0.00000% | 0.00000% |
| Plan fiduciary net position as a percentage of the total pension liability | 70.40% | 58.80% | 62.70% | 61.70% | | 60.90% | 60.44% | | 64.57% | 67.55% | 67.55% |

Required Supplementary Information
Schedule 5 - Schedule of the District's Contributions-Pension
For the year ended June 30, 2022

| | | | | | S | CRS | | | | | |
|--|------------------|------------------|------------------|------------------|-------------------|-----|-------------|-------------------|------------------|------------|----------|
| | 2022 | 2021 | 2020 | 2019 | 2018 | | 2017 | 2016 | 2015 | 2014 | |
| Contractually required contribution | \$ 3,753,914 | \$ 3,548,186 | \$ 3,499,037 | \$ 3,166,144 | \$ 2,767,218 | \$ | 2,410,856 | \$ 2,287,693 | \$ 2,250,182 | \$ 2,209, | 260 |
| Contributions in relation to the contractually required contribution | 3,753,914 | 3,548,186 | 3,499,037 | 3,166,144 | 2,767,218 | | 2,410,856 | 2,287,693 | 2,250,182 | 2,209, | 260 |
| Contribution deficiency (excess) | \$ <u>-</u> | \$ | \$ = | \$ | \$ | \$ | | \$ | \$ | \$ | |
| District's covered payroll | \$ 23,161,013 | \$ 23,161,013 | \$ 22,844,665 | \$ 22,145,212 | \$ 20,635,482 | \$ | 21,233,111 | \$ 21,023,844 | \$ 20,913,294 | \$ 21,115, | 763 |
| Contributions as a percentage of covered payroll | 16.20790% | 15.31965% | 15.31665% | 14.29719% | 13.41000% | | 11.35423% | 10.88142% | 10.75958% | 10.462 | 61% |
| | | | | | P | ORS | | | | | |
| | 2022 | 2021 | 2020 | 2019 | 2018 | | 2017 | 2016 | 2015 | 2014 | |
| Contractually required contribution | \$ 2,818 | \$ 1,686 | \$ 1,489 | \$ 978 | \$ - | \$ | - | \$ - | \$ 56 | \$ | - |
| | | | | | | | | | | | |
| Contributions in relation to the contractually required contribution | 2,818 | 1,686 | 1,489 | 978 | <u>-</u> | | | | 56 | | |
| Contributions in relation to the contractually required contribution Contribution deficiency (excess) | \$ 2,818 | \$ 1,686 | \$ 1,489 | \$ 978 | \$ <u>-</u> | \$ | <u>-</u> | \$ <u>-</u> | \$ 56 - | \$ | <u>-</u> |
| , , | \$ • | \$ | \$ | \$ | \$ - - - | \$ | - - - | \$ - - - | \$ | \$ | <u>-</u> |

| | | Title I (201/202) | IDEA (203) | Preschool Handi- capped (205) | CATE (207) | Adult Education (243) | Other Designated Restricted State Grants* (900s) | Other Special Revenue Programs* (200s/800s) | Student Acitvity Funds* (700s) | Total |
|------|---|----------------------|---------------------------------------|--|---------------|-----------------------------|---|---|---|------------|
| | REVENUES | | | | | | | | | |
| 1000 | Revenues from local sources | | | | | | | | | |
| | 1700 Pupil activities 1730 Pupil organization membership dues and fees | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 170,969 | \$ 170,969 |
| | 1730 Pupil organization membership dues and rees | ş - | • · | | • · | ş - | ş - | ş - | 121,502 | 121,502 |
| | 1790 Other pupil activity income | | - | - | - | - | - | - | 962,442 | 962,442 |
| | 1900 Other revenue from local sources | - | - | - | - | | - | - | 302,442 | 302,442 |
| | 1910 Rentals | _ | _ | _ | _ | _ | _ | _ | 5,936 | 5,936 |
| | 1930 Special needs transportation-Medicaid | _ | _ | _ | _ | _ | _ | 91,566 | - | 91,566 |
| | 1999 Revenue from other local sources | | - | - | - | - | | 142,925 | | 142,925 |
| | Total local sources | - | - | - | - | | - | 234,491 | 1,260,849 | 1,495,340 |
| 2000 | Intergovernmental revenue | | | | | | | | | |
| | 2100 Payments from other government units | | | - | - | | 42,408 | | | 42,408 |
| | Total intergovernmental revenue | - | - | - | - | - | 42,408 | | | 42,408 |
| 3000 | Revenues from state sources | | | | | | | | | |
| | 3100 Restricted state funding | | | | | | | | | |
| | 3110 Occupational education | | | | | | | | | |
| | 3118 EEDA career specialists | - | - | - | - | - | 141,659 | - | - | 141,659 |
| | 3120 General education | | | | | | | | | |
| | 3127 Student health and fitness | • | - | - | - | - | 24,986 | - | - | 24,986 |
| | 3130 Special programs | | | | | | 226 444 | | | 226 444 |
| | 3135 Reading coaches | - | - | - | - | - | 236,441 | - | - | 236,441 |
| | 3136 Student health and fitness | - | - | - | - | - | 150,025 | - | - | 150,025 |
| | 3150 Adult education 3156 Adult Education | | | | | | 1,420 | | | 1,420 |
| | 3190 Miscellaneous restricted state grants | • | - | - | - | - | 1,420 | - | - | 1,420 |
| | 3193 Education license plates | | | | | | 1,099 | | | 1,099 |
| | 5155 Education needse places | | | | | | | | | |
| | Total state sources | | | <u> </u> | - | | 555,630 | | | 555,630 |
| 4000 | Revenues from federal sources | | | | | | | | | |
| | 4200 Occupational education | | | | | | | | | |
| | 4210 Vocational aid, Title I | - | - | - | 56,081 | - | - | - | - | 56,081 |
| | 4300 Elementary and Secondary Education Act of 1965 | | | | | | | | | |
| | 4310 Title I | 993,916 | - | - | - | - | - | 181,761 | - | 1,175,677 |
| | 4312 Rural and low-income school 4341 Language Instruction for Limited English Proficient | - | - | - | - | - | - | 81,231 | - | 81,231 |
| | and Immigrant Students, Title III | | | | | | | 17,895 | | 17,895 |
| | 4351 Improving teacher quality | | _ | | | | _ | 148,846 | | 148,846 |
| | 4410 Basic adult education | | | | | 131,580 | | 140,040 | | 131,580 |
| | 4510 IDEA | _ | 1,006,292 | _ | _ | 151,500 | _ | _ | _ | 1,006,292 |
| | 4520 Pre-School Grants | _ | - | 40,727 | _ | _ | _ | _ | _ | 40,727 |
| | 4974 ESSER III | _ | _ | | _ | _ | _ | 2,473,273 | | 2,473,273 |
| | 4975 Coronavirus Aid, Relief, and Economic Security Act (CARES Act) | | - | - | - | - | - | 29,950 | _ | 29,950 |
| | 4977 ESSER II | - | - | - | - | - | - | 2,304,229 | - | 2,304,229 |
| | 4990 Other federal revenue | | | | | | | | | |
| | 4997 Title IV SSAE | - | - | - | - | - | - | 99,656 | - | 99,656 |
| | 4999 Revenue from other federal sources | | | | | | | 34,618 | | 34,618 |
| | Total federal sources | 993,916 | 1,006,292 | 40,727 | 56,081 | 131,580 | - | 5,371,459 | - | 7,600,055 |
| | Total revenue all sources | 993,916 | 1,006,292 | 40,727 | 56,081 | 131,580 | 598,038 | 5,605,950 | 1,260,849 | 9,693,433 |
| | | | · · · · · · · · · · · · · · · · · · · | | | | | | | |

| | | Title I (201/202) | IDEA (203) | Preschool Handi- capped (205) | CATE (207) | Adult Education (243) | Other Designated Restricted State Grants* (900s) | Other Special Revenue Programs* (200s/800s) | Student Acitvity Funds* (700s) | Total |
|----|------------------------------------|----------------------|---------------|--|---------------|-----------------------------|---|---|---|-----------|
| | EXPENDITURES | | | | | | | | | |
| | NSTRUCTION | | | | | | | | | |
| 11 | 110 General instruction | | | | | | | | | |
| | 111 Kindergarten programs | | | | | | | | | |
| | 100 Salaries | - | - | - | - | - | - | 15,298 | - | 15,298 |
| | 200 Employee benefits | - | - | - | - | - | - | 5,281 | - | 5,281 |
| | 400 Supplies and materials | - | - | - | - | - | - | - | 4,721 | 4,721 |
| | 112 Primary programs | | | | | | | | | |
| | 100 Salaries | - | - | - | - | - | - | 65,030 | - | 65,030 |
| | 200 Employee benefits | - | - | - | - | - | - | 20,697 | - | 20,697 |
| | 400 Supplies and materials | - | - | - | - | - | - | - | 6,232 | 6,232 |
| | 113 Elementary programs | | | | | | | | | |
| | 100 Salaries | 493,964 | - | - | - | - | 20,961 | 196,634 | - | 711,559 |
| | 200 Employee benefits | 213,916 | - | - | - | - | 4,025 | 88,300 | - | 306,241 |
| | 300 Purchased services | 33,219 | - | - | - | - | - | 233,072 | - | 266,291 |
| | 400 Supplies and materials | 86,580 | - | - | - | - | 1,099 | 582,732 | 551,270 | 1,221,681 |
| | 114 High school programs | | | | | | | | | |
| | 100 Salaries | - | - | - | - | - | - | 462,727 | - | 462,727 |
| | 200 Employee benefits | - | - | - | - | - | - | 166,130 | - | 166,130 |
| | 300 Purchased services | - | - | - | - | - | - | 22,235 | - | 22,235 |
| | 400 Supplies and materials | - | - | - | - | - | - | 17,201 | 327,074 | 344,275 |
| | 115 Career and technical programs | | | | | | | | | |
| | 300 Purchased services | | _ | - | 8,200 | | - | _ | | 8,200 |
| | 400 Supplies and materials | | _ | - | 19,770 | | - | _ | 134,511 | 154,281 |
| | 500 Capital outlay | _ | - | _ | 24,748 | _ | _ | _ | - | 24,748 |
| 17 | 120 Exceptional programs | | | | | | | | | |
| | 121 Educable mentally handicapped | | | | | | | | | |
| | 100 Salaries | _ | 87,717 | _ | _ | _ | _ | _ | _ | 87,717 |
| | 200 Employee benefits | _ | 32,261 | | | | | | _ | 32,261 |
| | 122 Trainable mentally handicapped | | 52,201 | | | | | | | 52,201 |
| | 100 Salaries | _ | 65,065 | | | | | 3,853 | _ | 68,918 |
| | 200 Employee benefits | _ | 31,359 | | | _ | - | 1,360 | _ | 32,719 |
| | 126 Speech handicapped | | 31,333 | | | | | 1,500 | | 32,713 |
| | 300 Purchased services | _ | 60,000 | | | | | 5 | | 60,005 |
| | | - | 60,000 | - | - | - | - | 5 | - | 60,005 |
| | 127 Learning disabilities | | 200.000 | | | | | 22.540 | | 202.470 |
| | 100 Salaries | - | 269,669 | - | - | - | - | 33,510 | - | 303,179 |
| | 200 Employee benefits | - | 107,804 | - | - | - | - | 9,515 | - | 117,319 |
| | 300 Purchased services | - | - | - | - | - | - | 902 | - | 902 |
| | 400 Supplies and materials | - | 3,867 | - | - | - | - | - | 200 | 4,067 |
| | 128 Emotionally handicapped | | | | | | | | | |
| | 100 Salaries | - | 20,066 | - | - | - | - | 5,459 | - | 25,525 |
| | 200 Employee benefits | - | 7,490 | - | - | - | - | 1,878 | - | 9,368 |

| | | | Title I (201/202) | IDEA (203) | Preschool Handi- capped (205) | CATE (207) | Adult Education (243) | Other Designated Restricted State Grants* (900s) | Other Special Revenue Programs* (200s/800s) | Student Acitvity Funds* (700s) | Total |
|-----|-----------------------------------|----------------------------|----------------------|---------------|--|---------------|-----------------------------|---|---|---|------------------|
| | EXPENDITURES, Continued | | (201/202) | (203) | (203) | (207) | (243) | (5003) | (2003) 0003) | (7003) | |
| 100 | INSTRUCTION, Continued | | | | | | | | | | |
| | 130 Pre-school programs | | | | | | | | | | |
| | 137 Pre-school ha | ndicapped - Self-contained | | | | | | | | | |
| | 100 Salarie | | - | - | 25,727 | - | - | - | - | - | 25,727 |
| | | yee benefits | - | - | 15,000 | - | - | - | - | - | 15,000 |
| | | es and materials | - | - | - | - | - | - | - | 2,138 | 2,138 |
| | 139 Early childhoo | | | | | | | | | | |
| | 100 Salarie | | - | - | - | - | - | 24,840 | - | - | 24,840 |
| | | yee benefits | - | - | - | - | - | 11,780 | - | - | 11,780 |
| | | es and materials | - | - | - | - | - | 5,354 | - | - | 5,354 |
| | 140 Special programs | | | | | | | | | | |
| | 147 CDEP | | | | | | | | | | |
| | 100 Salarie | | - | - | - | - | - | - | 2,033 | - | 2,033 |
| | | yee benefits | - | - | - | - | - | - | 657 | - | 657 |
| | | es and materials | - | - | - | - | - | - | - | 556 | 556 |
| | 149 Other special | | | | | | | | | | |
| | | es and materials | - | 27,964 | - | - | - | - | - | - | 27,964 |
| | 160 Other Exceptional Pro | | | | | | | | | | |
| | 162 Limited Englis 100 Salarie | | | | | | | | 74,328 | | 74.220 |
| | | yee benefits | - | - | - | - | - | - | 74,328 30,634 | - | 74,328 30,634 |
| | 170 Summer school progra | | - | - | = | - | = | - | 30,034 | - | 30,034 |
| | 170 Summer School progra | | | | | | | | | | |
| | 100 Salarie | | - | _ | - | _ | _ | _ | 259,103 | | 259,103 |
| | | yee benefits | - | - | - | - | - | - | 56,045 | - | 56,045 |
| | | ased services | - | - | - | - | - | - | 4,139 | - | 4,139 |
| | | es and materials | - | - | - | - | - | - | 12,399 | - | 12,399 |
| | 180 Adult continuing educ | | | | | | | | | | |
| | | ducation programs | | | | | | | | | |
| | 100 Salarie | | - | - | - | - | 16,617 | - | - | - | 16,617 |
| | | yee benefits | - | - | - | - | 12,175 | - | - | - | 12,175 |
| | | ased services | - | - | - | - | 5,267 | - | - | - | 5,267 |
| | | es and materials | - | - | - | - | 17,000 | - | - | - | 17,000 |
| | | ary education programs | | | | | | | | | |
| | 100 Salarie | | - | - | - | - | 35,641 | - | - | - | 35,641 |
| | | yee benefits | - | - | - | - | 11,880 | - | - | - | 11,880 |
| | 188 Parenting/fan | | | | | | | | | | |
| | 100 Salarie | | - | - | - | - | 23,154 | - | - | - | 23,154 |
| | | yee benefits | - | - | - | - | 6,846 | - | - | - | 6,846 |
| | 400 Suppli | es and materials | 15,429 | <u> </u> | | <u> </u> | - | | <u> </u> | | 15,429 |
| | | Total instruction | 843,108 | 713,262 | 40,727 | 52,718 | 128,580 | 68,059 | 2,371,157 | 1,026,702 | 5,244,313 |

| | | | | | | Preschool Handi- | | Adult | Other Designated Restricted State | Other Special Revenue | Student Acitvity | |
|-----|-----|----------|--|----------------------|---------------|---------------------|---------------|--------------------|--|-----------------------------|---------------------|-----------------|
| | | | | Title I (201/202) | IDEA (203) | capped (205) | CATE (207) | Education (243) | Grants* (900s) | Programs* (200s/800s) | Funds* (700s) | Total |
| | | | 6, Continued | (202) 202) | (200) | (200) | (207) | (2-10) | (3003) | (2003) 0003) | (1003) | |
| 200 | | ORT SERV | | | | | | | | | | |
| | 210 | | ervices | | | | | | | | | |
| | | 211 | Attendance and social work services 100 Salaries | | | | | | | 51,307 | | 51,307 |
| | | | 200 Employee benefits | | - | - | - | - | - | 20,994 | - | 20,994 |
| | | 212 | Guidance services | | | | | | | 20,334 | | 20,334 |
| | | 212 | 100 Salaries | - | | - | _ | _ | 95,523 | 75,312 | _ | 170,835 |
| | | | 200 Employee benefits | - | - | - | - | - | 46,136 | 24,797 | - | 70,933 |
| | | | 300 Purchased services | - | - | - | - | - | - | 32,291 | - | 32,291 |
| | | 213 | Health services | | | | | | | | | |
| | | | 100 Salaries | - | - | - | - | - | 76,391 | 99,879 | - | 176,270 |
| | | | 200 Employee benefits | - | - | - | - | - | 73,634 | 33,967 | - | 107,601 |
| | | | 300 Purchased services | - | - | - | - | - | - | 172 | - | 172 |
| | | 214 | 400 Supplies and materials | - | - | - | - | - | - | 1,109 | - | 1,109 |
| | | 214 | Psychological services 300 Purchased services | | | | | | | 26,448 | _ | 26,448 |
| | 220 | Instru | ctional staff services | | | | | | | 20,446 | | 20,440 |
| | LLO | | Improvement of instruction - | | | | | | | | | |
| | | | curriculum development | | | | | | | | | |
| | | | 100 Salaries | - | - | - | - | - | 252,251 | 132,731 | - | 384,982 |
| | | | 200 Employee benefits | - | - | - | - | - | 97,095 | 56,360 | - | 153,455 |
| | | | 300 Purchased services | 58,924 | - | - | - | - | - | 203,306 | - | 262,230 |
| | | 222 | 400 Supplies and materials | - | - | - | - | - | 1,348 | 1,107 | - | 2,455 |
| | | 222 | Library and media 100 Salaries | | | | | | | 2,037 | _ | 2,037 |
| | | | 200 Employee benefits | - | - | - | - | - | - | 658 | - | 658 |
| | | 223 | Supervision of special programs | | | | | | | 038 | | 038 |
| | | LLU | 100 Salaries | 52,041 | 206,139 | - | _ | _ | - | 33,399 | _ | 291,579 |
| | | | 200 Employee benefits | 18,762 | 86,891 | - | - | - | - | 9,090 | - | 114,743 |
| | | | 300 Purchased services | 5,615 | - | - | 3,363 | - | 435 | 5,347 | - | 14,760 |
| | | | 400 Supplies and materials | 15,466 | - | - | - | - | - | 9,985 | - | 25,451 |
| | 220 | | ctional staff services | | | | | | | | | |
| | | 224 | Improvement of instruction - | | | | | | | | | |
| | | | inservice and staff training | | | | | | | 44.420 | | 44.420 |
| | | | 100 Salaries 200 Employee benefits | • | - | - | - | - | - | 14,420 927 | - | 14,420 927 |
| | | | 300 Purchased services | | | - | - | 3,000 | - | 161,141 | - | 164,141 |
| | | | 400 Supplies and materials | - | | - | _ | - | - | 10,922 | _ | 10,922 |
| | 230 | Gener | al administrative services | | | | | | | | | -,- |
| | | 233 | School administration | | | | | | | | | |
| | | | 100 Salaries | - | - | - | - | - | - | 3,740 | - | 3,740 |
| | | | 200 Employee benefits | - | - | - | - | - | - | 922 | - | 922 |
| | 250 | | e and operations services | | | | | | | | | |
| | | 251 | Student transportation | | | | | | | 20.405 | | 20.405 |
| | | | SalariesEmployee benefits | • | - | - | - | - | - | 20,485 5,659 | - | 20,485 5,659 |
| | | | 300 Purchased services | | - | - | - | - | - | 24,956 | - | 24,956 |
| | | 252 | Fiscal services | | | | | | | 24,550 | | 24,550 |
| | | LUL | 100 Salaries | - | _ | _ | _ | _ | - | 500 | _ | 500 |
| | | | 200 Employee benefits | - | | | | - | | 157 | | 157 |
| | | 254 | Operation and maintenance of plant | | | | | | | | | |
| | | | 100 Salaries | - | - | - | - | - | - | 21,711 | - | 21,711 |
| | | | 200 Employee benefits | - | - | - | - | - | - | 7,614 | - | 7,614 |
| | | | 400 Supplies and materials | - | - | - | - | - | - | 234,201 | - | 234,201 |
| | | | 500 Capital Outlay | - | - | - | - | - | - | 981,619 | - | 981,619 |
| | | 255 | Student transportation | | | | | | | 44.777 | | 44777 |
| | | | 100 Salaries 200 Employee benefits | | - | - | - | - | - | 14,777 5,558 | - | 14,777 5,558 |
| | | | 200 Employee benefits | - | - | - | - | - | - | 5,558 | - | 5,558 |

Schedule A-1 - Special Revenue - Other

Combining Schedule of Revenues, Expenditures and Changes in Fund Balance, Continued

| | Title I (201/202) | IDEA (203) | Preschool Handi- capped (205) | CATE (207) | Adult Education (243) | Other Designated Restricted State Grants* (900s) | Other Special Revenue Programs* (200s/800s) | Student Acitvity Funds* (700s) | Total |
|--|----------------------|---------------|--|---------------|-----------------------------|--|---|---|------------|
| EXPENDITURES, Continued | | | | | | | | | |
| 200 SUPPORT SERVICES, Continued | | | | | | | | | |
| 250 Finance and operations services, continued | | | | | | | | | |
| 256 Food services | | | | | | | | | |
| 100 Salaries | | - | - | - | - | - | 173,553 | - | 173,553 |
| 200 Employee benefits | | - | - | - | - | - | 16,704 | - | 16,704 |
| 400 Supplies and materials | | - | - | - | - | - | - | 198,283 | 198,283 |
| 258 Security | | | | | | | | | |
| 300 Purchased services | - | - | - | - | - | - | 237,211 | - | 237,211 |
| 260 Central Support Services | | | | | | | | | |
| 263 Information services | | | | | | | | | |
| 300 Purchased services | - | - | - | - | - | - | 19,005 | - | 19,005 |
| 264 Staff services | | | | | | | | | |
| 300 Purchased services | - | - | - | - | - | - | 5,497 | • | 5,497 |
| 400 Supplies and materials | - | - | - | - | - | - | 26,518 | - | 26,518 |
| 266 Technology and data processing services | | | | | | | | | |
| 300 Purchased services | - | - | - | - | - | - | 100,385 | - | 100,385 |
| 400 Supplies and materials | | | | | | | 308,316 | | 308,316 |
| Total support services | 150,808 | 293,030 | | 3,363 | 3,000 | 642,813 | 3,216,794 | 198,283 | 4,508,091 |
| Total expenditures | 993,916 | 1,006,292 | 40,727 | 56,081 | 131,580 | 710,872 | 5,587,951 | 1,224,985 | 9,752,404 |
| OTHER FINANCING SOURCES (USES) | | | | | | | | | |
| Interfund transfers from (to) other funds | | | | | | | | | |
| 5210 Transfer from general fund 431-791 Special revenue indirect costs | - | - | - | - | - | 112,834 | 69,979 | - | 182,813 |
| | | | | · — - | | | (87,978) | | (87,978) |
| Total other financing | | | | | | 442.024 | (47.000) | | 04.025 |
| sources (uses) | | | | · | | 112,834 | (17,999) | | 94,835 |
| Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses | _ | _ | _ | _ | _ | _ | _ | 35,864 | 35,864 |
| · | | | | | | | | | 33,001 |
| FUND BALANCE, beginning of year | | | | | - | | | 761,135 | 761,135 |
| FUND BALANCE, end of year | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 796,999 | \$ 796,999 |

Schedule A-2 - Special Revenue - Other Summary Schedule for Designated Restricted State Grants For the year ended June 30, 2022

| Subfund | Revenue | Programs | R | evenues | Ex | penditures | ansfers In (Out) | earned evenue |
|---------|---------|-------------------------------------|----|---------|----|------------|-------------------------|------------------|
| 919 | 3193 | Education license plates | \$ | 1,099 | \$ | 1,099 | \$ - | \$ 169 |
| 928 | 3118 | EEDA Career specialists | | 141,659 | | 141,659 | - | - |
| 935 | 3135 | Reading coaches | | 236,441 | | 349,275 | 112,834 | - |
| 936 | 3136 | Student health and fitness-nurses | | 150,025 | | 150,025 | - | - |
| 937 | 3127 | Student health and fitness | | 24,986 | | 24,986 | - | - |
| 956 | 3156 | Adult Education | | 1,420 | | 1,420 | - | - |
| 980 | 2100 | First steps family literacy program | | 42,408 | | 42,408 | - | |
| | | | \$ | 598,038 | \$ | 710,872 | \$ 112,834 | \$ 169 |

Schedule A-3 - EIA Combined Schedule of Revenues, Expenditures and Changes in Fund Balance For the year ended June 30, 2022

| | | | Total |
|------|-------------|--|-----------------|
| | REVENUES | | |
| 3000 | Revenue fro | m state sources | |
| | 3500 Educ | ation Improvement Act: | |
| | 3502 | Adept | \$ 1,839 |
| | 3518 | Formative Assessment | 11,888 |
| | 3519 | Grade 10 Assessments | 524 |
| | 3526 | EIA Science Kit Refurbishment | 27,388 |
| | 3528 | Industry Certificates | 24,395 |
| | 3529 | Career and Technology Education | 106,017 |
| | 3532 | National Board Certification (NBC) Salary Supplement | 35,877 |
| | 3533 | Teacher of the year awards | 1,077 |
| | 3536 | Student health and fitness | 36,666 |
| | 3538 | Students at risk of school failure | 341,487 |
| | 3541 | Child early reading development and education program (CERDEP)-Full Day 4K | 552,711 |
| | 3550 | Teacher salary increase | 782,684 |
| | 3555 | School employer contributions | 188,011 |
| | 3556 | Adult education | 179,126 |
| | 3557 | Summer reading program | 21,691 |
| | 3577 | Teacher supplies | 72,875 |
| | 3594 | EEDA supplemental programs | 180,436 |
| | 3595 | EEDA homework center awards | 8,887 |
| | 3597 | Aid to districts | 80,867 |
| | 3599 | Other EIA | 5,298 |
| | | Total revenue from state sources | \$ 2,659,744 |

Schedule A-3 - EIA Combined Schedule of Revenues, Expenditures and Changes in Fund Balance, Continued For the year ended June 30, 2022

EXPENDITURES

| | | NDITO | | |
|-----|-------|--------|----------------------------------|-------------|
| 100 | INSTE | RUCTIO | ON | |
| | 110 | Gene | eral instruction | |
| | | 112 | Primary programs | |
| | | | 400 Supplies and materials | \$ 9,990 |
| | | | | 9,990 |
| | | 113 | Elementary programs | |
| | | | 100 Salaries | 174,473 |
| | | | 200 Employee benefits | 57,190 |
| | | | 300 Purchased services | 7,997 |
| | | | | |
| | | | 400 Supplies and materials | 86,517 |
| | | | 600 Other objects | 3,800 |
| | | | | 329,977 |
| | | 114 | High school programs | |
| | | | 100 Salaries | 85,549 |
| | | | 200 Employee benefits | 34,060 |
| | | | 300 Purchased services | 433 |
| | | | 400 Supplies and materials | 15,571 |
| | | | | 135,613 |
| | | 115 | Career and technical development | |
| | | | 400 Supplies and materials | 127,548 |
| | | | 500 Capital Outlay | 6,990 |
| | | | | 134,538 |
| | 120 | Exce | ptional programs | |
| | | | Learning disabilities | |
| | | 12, | | |
| | | | 100 Salaries | 63,444 |
| | | | 200 Employee benefits | 24,796 |
| | | | 400 Supplies and materials | 6,875 |
| | | | | 95,115 |
| | | 139 | Early childhood programs | |
| | | | 100 Salaries | 201 |
| | | | 300 Purchased services | 847 |
| | | | 400 Supplies and materials | 913 |
| | | | | 1,961 |
| | 140 | Spec | ial programs | |
| | | | Gifted and talented - academic | |
| | | | 100 Salaries | 23,574 |
| | | | 200 Suluries | 23,574 |
| | | 147 | CDEP/CERDEP | 23,374 |
| | | 17/ | 100 Salaries | 528,364 |
| | | | | |
| | | | 200 Employee Benefits | 245,963 |
| | | | 400 Supplies and materials | 6,723 |
| | 4-0 | _ | | 781,050 |
| | 170 | | mer school program | |
| | | 172 | Elementary summer school | |
| | | | 100 Salaries | 17,914 |
| | | | 200 Employee benefits | 3,777 |
| | | | | 21,691 |
| | | | | |

Schedule A-3 - EIA Combined Schedule of Revenues, Expenditures and Changes in Fund Balance, Continued For the year ended June 30, 2022

| | | | JRES, Continued | |
|-----|-------|-------|--|-------------------------|
| 100 | | | ON, Continued | |
| | 180 | | t/ continuing educational programs | |
| | | 181 | Adult basic education programs | 11 261 |
| | | | 100 Salaries | 11,261 |
| | | 100 | Deventing /family literacy | 11,261 |
| | | 188 | Parenting/family literacy 100 Salaries | 21 |
| | | | 300 Purchased services | 21 |
| | | | 300 Purchased services | 9,871 |
| | | | Total instruction | 9,892 |
| | | | Total Instruction | 1,554,662 |
| 200 | CLIDD | OPT 9 | ERVICES | |
| 200 | 210 | | l Services | |
| | 210 | | Attendance and Social Work Services | |
| | | 211 | 100 Salaries | 62,032 |
| | | | 200 Employee Benefits | 25,561 |
| | | | 200 Employee benefits | 87,593 |
| | | 212 | Guidance Services | |
| | | 212 | 100 Salaries | 467 |
| | | | 200 Employee Benefits | 211 |
| | | | 300 Purchased services | 1,527 |
| | | | 400 Supplies and materials | 7,295 |
| | | | 400 Supplies and materials | 9,500 |
| | | 213 | Health services | 9,300 |
| | | 213 | 100 Salaries | 36,666 |
| | | | 400 Supplies and materials | 347 |
| | | | 400 Supplies and materials | 37,013 |
| | 220 | Inctr | uctional staff services | 37,013 |
| | 220 | | Improvement of instruction - curriculum development | |
| | | 221 | 300 Purchased services | 839 |
| | | | 400 Supplies and materials | 5,102 |
| | | | 400 Supplies and materials | <u> </u> |
| | | 222 | Supervision of special programs | |
| | | 223 | 100 Salaries | 166,228 |
| | | | 200 Employee benefits | 61,402 |
| | | | 300 Purchased services | 2,192 |
| | | | 400 Supplies and materials | 2,192 |
| | | | 400 Supplies and materials | 232,643 |
| | 230 | Gen | eral administrative services | 232,043 |
| | 230 | | Board of education | |
| | | 231 | 100 Salaries | 1,077 |
| | | | 100 Jaiailes | 1,077 |
| | | 222 | School administration | |
| | | 233 | 300 Purchased services | 178 |
| | | | 500 Fulchased services | 178 |
| | | 252 | Facilities acquisition and construction | |
| | | 232 | 300 Purchased services | 17.425 |
| | | | 500 Fulchased services | <u>17,425</u> 17,425 |
| | 250 | Eina | ace and operation services | 17,425 |
| | 230 | | nce and operation services Operation and maintenance of plant | |
| | | 254 | · | 1 240 |
| | | | 400 Supplies and materials | 1,219 |
| | | | | 1,219 |

Schedule A-3 - EIA Combined Schedule of Revenues, Expenditures and Changes in Fund Balance, Continued For the year ended June 30, 2022

| | EXPEN | NDITU | RES, Continued | |
|------|-------|---------|--|-----------|
| 200 | SUPPO | ORT SE | ERVICES, Continued | |
| | 260 | Centr | ral Support Services | |
| | | 266 | Technology and Data Processing Services | |
| | | | 300 Purchased services | 30,181 |
| | | | 400 Supplies and materials | 1,000 |
| | | | | 31,181 |
| | | | Total support services | 423,770 |
| | | | Total expenditures | 1,978,432 |
| | | | ANCING SOURCES (USES) ransfers from (to) other funds | |
| | 5210 | | Transfer from general fund | 289,383 |
| | 420-7 | | Transfer to general fund | (970,695) |
| | | | Total other financing sources/(uses) | (681,312) |
| | | | Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses | - |
| Fund | balan | ce (def | ficit), beginning of year | |
| Fund | balan | ce (def | ficit), end of year | \$ - |

Schedule A-4 - EIA Summary Schedule by Program

For the year ended June 30, 2022

| | | | Revenues | Ex | penditures | Transfers In/(Out) | _ | Inearned Revenue |
|------|-----------|--|-----------------|----|------------|---------------------------|----|---------------------|
| 3500 | Education | n Improvement Act | | | | | | |
| | 3502 | Adept | \$ 1,839 | \$ | 1,839 | \$ - | \$ | - |
| | 3518 | Formative assessment | 11,888 | | 11,888 | - | | 2,050 |
| | 3519 | Grade 10 assessments | 524 | | 524 | - | | 3,104 |
| | 3526 | Science kit refurbishment | 27,388 | | 27,388 | - | | 12,399 |
| | 3528 | Industry certificates | 24,395 | | 24,395 | - | | 4,255 |
| | 3529 | Career and technology education | 106,017 | | 106,017 | - | | 6,372 |
| | 3532 | National Board Certification (NBC) Salary Supplement | 35,877 | | 35,877 | - | | - |
| | 3533 | Teacher of the year awards | 1,077 | | 1,077 | - | | - |
| | 3536 | Student health and fitness | 36,666 | | 36,666 | - | | - |
| | 3538 | Students at risk of school failure | 341,487 | | 341,487 | - | | 45,057 |
| | 3541 | Child development education program (CDEP) | 552,711 | | 842,094 | 289,383 | | - |
| | 3550 | Teacher salary increase | 782,684 | | - | (782,684) | | - |
| | 3555 | School employer contributions | 188,011 | | - | (188,011) | | - |
| | 3556 | Adult education | 179,126 | | 179,126 | - | | - |
| | 3557 | Summer reading program | 21,691 | | 21,691 | - | | 42,085 |
| | 3577 | Teacher supplies | 72,875 | | 72,875 | - | | - |
| | 3594 | EEDA supplemental programs | 180,436 | | 180,436 | - | | - |
| | 3595 | EEDA homework center awards | 8,887 | | 8,887 | - | | - |
| | 3597 | Aid to districts | 80,867 | | 80,867 | - | | 136,659 |
| | 3599 | Other EIA | 5,298 | | 5,298 | | | |
| | | Total | \$ 2,659,744 | \$ | 1,978,432 | \$ (681,312) | \$ | 251,981 |

64

Schedule B - Capital Projects Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance

| 1000 Revenue from local sources 1500 Earnings on investments 1510 Interest on investments \$ | 29,669 29,669 |
|--|------------------|
| · · · · · · · · · · · · · · · · · · · | |
| | |
| Total local sources | |
| Total revenue all sources | 29,669 |
| EXPENDITURES | |
| 250 Finance and operations | |
| 252 100 Salaries | 15,000 |
| 200 Employee benefits | 4,666 |
| 253 Facilities acquisition and construction services | ,,,,,, |
| 300 Purchased services | 366,064 |
| 400 Supplies and materials | 34,040 |
| 500 Capital outlay | , |
| 520 Construction services | 14,002,026 |
| 530 Improvements other than buildings | 38,415 |
| 540 Equipment | 941,447 |
| 545 Technology equipment and software | 1,089,845 |
| 254 Operation and maintenance of plant | |
| 300 Purchased services | 3,270 |
| 400 Supplies and materials | 62,856 |
| 500 Capital outlay | 55,043 |
| 266 Technology and data processing services | |
| 400 Supplies and materials | 454,489 |
| 500 Capital outlay | 234,797 |
| Total finance and operations | 17,301,958 |
| Total expenditures | 17,301,958 |
| OTHER FINANCING SOURCES (USES) | |
| 5100 Sale of Bonds: | |
| 5120 Proceeds of general obligation bonds | 1,250,000 |
| Total other financing sources | 1,250,000 |
| Excess (deficiency) of revenues and other | |
| financing sources over (under) | |
| expenditures and other financing uses | (16,022,289) |
| Fund balance (deficit), beginning of year | 21,708,194 |
| Fund balance (deficit), end of year\$ | 5,685,905 |

Schedule C - Debt Service Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance

| REVEN | JES | | |
|--------|-----------|---|-----------------|
| 1000 | Revenue | from local sources | |
| | 1100 | Taxes | |
| | | 1110 Ad valorem taxes, including delinquent taxes | \$ 4,209,186 |
| | | 1140 Penalties and interest on taxes | 206,629 |
| | 1500 | Earnings on investments | |
| | | 1510 Interest on investments | 5,423 |
| | | Total local sources | 4,421,238 |
| 3000 | Revenue | e from state sources | |
| | 3800 | State revenue in lieu of taxes | |
| | | 3820 Homestead exemption | 236,595 |
| | | 3830 Merchants inventory tax | 6,578 |
| | | 3840 Manufacturer's depreciation reimbursement | 64,674 |
| | | 3890 Other state property tax revenues | 84,948 |
| | | Total state sources | 392,795 |
| | | Total revenue all sources | 4,814,033 |
| EXPENI | DITURES | | |
| 500 | Debt serv | <i>v</i> ice | |
| | 610 | Redemption of principal | 2,745,000 |
| | 620 | Interest | 1,826,172 |
| | 690 | Other objects | 1,022 |
| | | Total debt service | 4,572,194 |
| | | Total expenditures | 4,572,194 |
| | | Excess (deficiency) of revenues and other | |
| | | financing sources over (under) | |
| | | expenditures and other financing uses | 241,839 |
| | Fund bal | ance (deficit), beginning of year | 2,083,628 |
| | Fund bal | ance (deficit), end of year | \$ 2,325,467 |

Schedule D - Food Service Fund

Schedule of Revenues, Expenses and Changes in Net Position

| 1640 Lunch sales to adults1650 Breakfast sales to adults | 448 22,805 36 168,966 31,242 599 65,681 12,179 301,956 |
|--|--|
| 1500 Earnings on investments 1510 Interest on investments \$ 1600 Food services 1610 Lunch sales to pupils 1620 Breakfast sales to pupils 1630 Special sales to pupils 1640 Lunch sales to adults 1650 Breakfast sales to adults | 22,805 36 168,966 31,242 599 65,681 12,179 |
| 1510 Interest on investments \$ 1600 Food services 1610 Lunch sales to pupils 1620 Breakfast sales to pupils 1630 Special sales to pupils 1640 Lunch sales to adults 1650 Breakfast sales to adults | 22,805 36 168,966 31,242 599 65,681 12,179 |
| 1600 Food services 1610 Lunch sales to pupils 1620 Breakfast sales to pupils 1630 Special sales to pupils 1640 Lunch sales to adults 1650 Breakfast sales to adults | 22,805 36 168,966 31,242 599 65,681 12,179 |
| 1610 Lunch sales to pupils 1620 Breakfast sales to pupils 1630 Special sales to pupils 1640 Lunch sales to adults 1650 Breakfast sales to adults | 36 168,966 31,242 599 65,681 12,179 |
| 1620 Breakfast sales to pupils 1630 Special sales to pupils 1640 Lunch sales to adults 1650 Breakfast sales to adults | 36 168,966 31,242 599 65,681 12,179 |
| 1630 Special sales to pupils 1640 Lunch sales to adults 1650 Breakfast sales to adults | 168,966 31,242 599 65,681 12,179 |
| 1640 Lunch sales to adults1650 Breakfast sales to adults | 31,242 599 65,681 12,179 |
| 1650 Breakfast sales to adults | 599 65,681 12,179 |
| | 65,681 12,179 |
| | 12,179 |
| 1660 Special sales to adults 1900 Other revenue from local sources | |
| 1999 Revenue from other local sources | |
| | 01,330 |
| | |
| 4000 Revenue from federal sources 4800 USDA reimbursements | |
| | 27 007 |
| | 527,997 |
| 4820 Supply chain assistance funding | 66,524 |
| | 336,615 |
| | 131,613 |
| 4880 Summer feeding programs (SFSP) Total federal sources 2.0 | 36,380 |
| | 099,129 |
| Total revenue all sources | 101,085 |
| EXPENDITURES | |
| 250 Finance and operations services | |
| 256 Food service | |
| | 646,276 |
| | 232,357 |
| | 220,206 |
| 300 Purchased services | 92,791 |
| | 92,336 |
| 600 Other | 9,463 |
| | 293,429 |
| 10tal 3apport 3cl vices | .55,725 |
| Total amanditures | 102 420 |
| Total expenditures 2,2 | 293,429 |
| | |
| Excess (deficiency) of revenues and other | |
| over (under) expenditures | 107,656 |
| Fund balance (deficit), beginning of year, as originally stated | - |
| | |
| Change in accounting principle, See note 17 | 208,105) |
| | 100 40=1 |
| Fund balance (deficit), beginnning of year, as restated | 208,105) |
| Fund balance (deficit), end of year \$ (2) | 100,449) |

Schedule E - Detailed Schedule of Due to State Department of Education/Federal Government June 30, 2022

| | Grant or | | | | Status of |
|---------|----------|---------|-------------|--------|-----------|
| | project | Revenue | | Amount | Amount |
| Program | number | code | Description | due | due |
| None | _ | | | | |

Schedule F - Location Reconciliation Schedule

| 01 | Districtwide | Non-Schools | Central | \$ | 13,765,711 |
|-----|--------------------------------|--------------------|---------|----|------------|
| 02 | Strom Thurmond High School | High Schools | School | · | 23,620,217 |
| 03 | Douglas Elementary | Elementary Schools | School | | 2,757,101 |
| 05 | Johnston Elementary | Elementary Schools | School | | 3,187,139 |
| 07 | W.E. Parker Elementary | Elementary Schools | School | | 3,938,226 |
| 08 | Merriwether Elementary | Elementary Schools | School | | 7,583,570 |
| 09 | J.E.T. Middle | Middle Schools | School | | 3,911,225 |
| 10 | Merriwether Middle | Middle Schools | School | | 7,760,786 |
| 95 | Strom Thurmond Vocational | Other Schools | Central | | 2,014,925 |
| | | | | \$ | 68,538,900 |
| | | | | | |
| | | | | | |
| Gei | neral Fund | | | \$ | 32,640,483 |
| Spe | cial Revenue Fund | | | | 9,752,404 |
| Spe | cial Revenue EIA Fund | | | | 1,978,432 |
| Spe | cial Revenue Food Service Fund | | | | 2,293,429 |
| Del | ot Service Fund | | | | 4,572,194 |
| Cap | oital Projects Fund | | | | 17,301,958 |
| | | | | \$ | 68,538,900 |



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

Board of Trustees School District of Edgefield County Edgefield, 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 the School District of Edgefield County (the "District") as of and for the year ended June 30, 2022, 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 23, 2022

Report on Internal Control over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the 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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

Manley Gawin, LLC Greenwood, South Carolina

November 23, 2022



Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance

Board of Trustees School District of Edgefield County Edgefield, South Carolina

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the School District of Edgefield County'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, 2022. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and
 perform audit procedures responsive to those risks. Such procedures include examining, on a test basis,
 evidence regarding the District's compliance with the compliance requirements referred to above and
 performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to
 design audit procedures that are appropriate in the circumstances and to test and report on internal control
 over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion
 on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is
 expressed.

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

Report on Internal Control over Compliance

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

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

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

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

Manley Gawin, LLC

Greenwood, South Carolina

November 23, 2022

 ${\it Schedule\ of\ Expenditures\ of\ Federal\ Awards}$

| LEA Subfund Code | Federal grantor/ Pass-through grantor/ Program title | Federal CFDA number | Pass through grantor's number | Total Federal expenditures |
|---|---|---|--|---|
| | United States Department of Education | | | |
| 201 237 | Passed through South Carolina Department of Education: Title I, Part A Cluster Title I Title I - Targeted Support and Improvement Total Title I, Part A Cluster | 84.010 84.010 | H63010100120 H63010100120 | \$ 993,916 181,761 1,175,677 |
| 203 205 | Special Education Cluster Individuals with Disabilities Education Act (IDEA) IDEA Preschool Grants Total Special Education Cluster | 84.027 84.173 | H63010100920 H63010100820 | 1,006,292 40,727 1,047,019 |
| 207 210 218 220 225 243 251 264 267 | Other programs Occupational Education Title IV, Part A, Student Support and Academic Enrichment Program ARP Elementary and Secondary Education Relief Fund Elementary and Secondary Education Relief Fund I Elementary and Secondary Education Relief Fund II Adult Education Rural Education Achievement Program-REAP, Title VI Title III ESL Improving Teacher Quality Total other programs Total United States Department of Education | 84.048 84.424 84.425U 84.425D 84.425D 84.002 84.358 84.365 84.367 | H63010107120 H63010100320 H63010497523 H63010497520 H63010497522 H63010101020 H63010007020 H63010006720 H63010006820 | 56,081 99,656 2,473,273 29,950 2,304,229 131,580 81,231 17,895 148,846 5,342,741 |
| 600 600 600 | United States Department of Agriculture Passed through South Carolina Department of Education: Child Nutrition Cluster School breakfast program - cash assistance Supply chain assistance funding School lunch program - Cash assistance Total Child Nutrition Cluster | 10.553 10.553 10.555 | N/A N/A N/A | 336,615 66,524 1,695,990 2,099,129 |
| 100 | Direct program U.S. Forest Commission Revenues Total United States Department of Agriculture | 10.666 | N/A | 53,081 2,152,210 |
| 172 272 | United States Department of Defense Direct program Naval Junior ROTC Naval Junior ROTC | 12.990 12.990 | N/A N/A | 5,000 34,618 |
| | Total United States Department of Defense | | | 39,618 |
| | Total Federal Assistance Expended | | | \$ 9,757,265 |

Notes to Schedule of Expenditures of Federal Awards For the year ended June 30, 2022

A. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of the District under programs of the federal government for the year ended June 30, 2022. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net assets or cash flows of the District.

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting as applicable to governmental funds. 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 RATE

The District used the restricted indirect cost rate for its programs and did not elect to use the 10% de minimis cost rate as covered in 2 CFR Part 200.414.

Schedule of Findings and Questioned Costs For the year ended June 30, 2022

Auditee qualified as low-risk auditee?

Section I. Summary of Auditor's Results **Financial Statements** Type of auditor's report issued: Unmodified Internal control over financial reporting: Material weakness(es) identified? yes no Significant deficiency(ies) identified? none reported yes Noncompliance material to financial statements noted? yes X no Federal Awards Internal control over major federal programs: Material weakness(es) identified? yes Significant deficiency(ies) identified? none reported yes 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 <u>X</u> no Identification of major federal programs: Program / Cluster Name CFDA# 10.553, 10.555 Child Nutrition Cluster 84.425D ESSER II Dollar threshold used to distinguish between Type A and Type B Programs: \$750,000

X no

__ yes

Schedule of Findings and Questioned Costs, Continued For the year ended June 30, 2022

Section II. Financial Statement Findings

2022 Financial Statement Findings

None.

Section III. Federal Award Questioned Costs & Findings

None.

Summary Schedule of Prior Audit Findings For the year ended June 30, 2022

2021 Financial Statement Findings

| 2021 – 001: Material Weakness | |
|-------------------------------|--|
| Condition: | The District did not have adequate controls in place over its annual year end close process that would allow the District to prevent and detect material misstatements in its basic financial statements. As a result, the external auditors were required to record numerous adjustments of which some were material to the financial statements. |
| Criteria: | District should implement adequate controls over the year end close process to prevent or detect material misstatements |
| Effect: | There is a higher risk that material misstatements in the basic financial statements will go undetected. |
| Cause: | The District's internal control year end close processes did not function to ensure proper recording and reporting. |
| Recommendation: | We recommend the District review its internal control procedures over the year end close process to ensure proper recording and reporting under generally accepted accounting principles. |
| Response: | We agree with the recommendation and will review internal controls over year end close procedures and to ensure proper oversight and compliance with generally accepted accounting principles. |
| Current Status: | The finding was not repeated in the current year. |