

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
DUNCAN, SOUTH CAROLINA**

**FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION**

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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To the Board of Trustees of
Spartanburg County School District Five
Duncan, South Carolina

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Spartanburg County School District Five ("the District"), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Spartanburg County School District Five, as of June 30, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our 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 audit opinions.

Emphasis of Matter - Change in Accounting Principle and Restatement of Beginning Net Position/Fund Balance

As discussed in Notes 13 and 14 to the financial statements, as of June 30, 2021 Spartanburg County School District Five adopted new accounting guidance, Statement No. 84 of the Governmental Accounting Standards Board (GASB), *Fiduciary Activities*. The implementation of GASB No. 84 resulted in the restatement of beginning net position and fund balances. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

The District's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, 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 one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not absolute assurance, and therefore is not a guarantee that an audit conducted in accordance with GAAS 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, misrepresentation, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, 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 a substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedules of the District's Proportionate Share of the Collective Net Pension Liability, Schedule of the District's Proportionate Share of the Collective Net OPEB Liability, Schedules of the District's Contributions and the Budgetary Comparison Schedule, 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 inquires 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 combining and individual fund schedules, other schedules required by the South Carolina Department of Education and the Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund schedules, other schedules required by the South Carolina Department of Education, and the Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements, or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund schedules, other schedules required by the South Carolina Department of Education, and the Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

To the Board of Trustees of
Spartanburg County School District Five
Page Three

Other Reporting Required by *Governmental Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 9, 2021, on our consideration of Spartanburg County School District Five's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal controls 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.

Halliday, Schwartz & Co.

Spartanburg, South Carolina
November 9, 2021

Spartanburg County School District Five Management's Discussion & Analysis For the Fiscal Year Ended June 30, 2021

Our 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, 2021.

Financial Highlights

- The general operating fund balance increased \$1,869,873 over last year.
- Due to conservative budgeting and a significant increase in the number of students, the General Fund state revenue received was \$1,447,776 more than budgeted.
- The revenue from local sources had a favorable variance of \$9,119,232. This favorable variance was mainly due to fee-in-lieu of taxes collections being \$4,805,240 more than budgeted.
- The District had a favorable expenditure variance of \$4,506,261. This favorable variance was mainly due to an over-estimate of employee salaries and fringe benefits.
- A total of \$17,916,300 more than budgeted was transferred to the Capital Projects Fund.
- On June 30, 2021 the available, unassigned fund balance for the General Fund was \$21,307,316 which is 20.3% of the total budgeted General Fund expenditures, including transfers, for fiscal year 2021-22.
- The District's net position increased by \$16,203,513. Program revenues accounted for \$58,127,012 or 40.8% of total revenues, and general revenues accounted for \$84,314,016 or 59.2%.
- The construction to expand the parking spaces at Byrnes High School by constructing a new baseball field and using the outfield of the existing baseball field for parking was completed during the fiscal year.

Using the Basic Financial Statements

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Spartanburg County School District Five 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 School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental 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 School District's most significant funds with all other nonmajor funds presented in total in a single column.

Reporting the District as a Whole

The 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 off 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 liabilities using the accrual basis of accounting similar to the accounting used by private sector corporations. 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 financial health is improving or deteriorating. The reader will need to consider other nonfinancial factors such as property tax base, current property tax laws, student enrollment growth, and facility conditions in arriving at their conclusion regarding the overall health of the District.

**Spartanburg County School District Five
Management's Discussion & Analysis - Continued
For the Fiscal Year Ended June 30, 2021**

Reporting the District's Most Significant Funds

Fund Financial Statements

Our analysis of the District's major funds begins on page 8. The fund financial statements begin on page 14 and provide detailed information about the most significant funds—not the District as a whole. Some funds are required to be established by State 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

Most 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 a detailed 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 governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the basic financial statements.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Management of fiduciary funds is an auxiliary function of the District and is not necessarily related to the instructional and/or operational function of the District. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. The District is the trustee, or fiduciary, for the Middle Tyger Community Center and First Steps of Spartanburg County and accounts for these activities in a custodial fund. The District's fiduciary activities are reported in separate Statement of Fiduciary Net Position on page 18.

**Spartanburg County School District Five
Management's Discussion & Analysis - Continued
For the Fiscal Year Ended June 30, 2021**

Government-Wide Financial Analysis

Net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$7,716,079 at the close of the most recent fiscal year.

Table 1 provides a summary of the School District's net position for FYE 2021 and 2020:

	Governmental Activities	
	2021	2020*
Assets		
Current and Other Assets	\$ 79,943,090	\$ 60,666,941
Capital Assets	162,648,049	159,016,938
Total Assets	<u>242,591,139</u>	<u>219,683,879</u>
Deferred Outflows of Resources		
Loss on Advanced Refunding	389,076	855,970
Deferred Outflows Related to Pensions	22,098,873	12,826,894
Deferred Outflows Related to OPEB	27,162,904	11,777,382
Total Deferred Outflows of Resources	<u>49,650,853</u>	<u>25,460,246</u>
Liabilities		
Long - Term Liabilities	258,752,230	231,944,867
Other Liabilities	18,053,967	14,094,263
Total Liabilities	<u>276,806,197</u>	<u>246,039,130</u>
Deferred Inflows of Resources		
Deferred Inflows Related to Pensions	455,346	751,858
Deferred Inflows Related to OPEB	7,264,370	8,376,325
Total Deferred Inflows of Resources	<u>7,719,716</u>	<u>9,128,183</u>
Net Position		
Net Investment in Capital Assets	150,346,564	130,694,332
Restricted for:		
Pupil Activities	1,242,515	-
Debt Service	1,272,969	6,118,578
Food Service	8,534,484	1,021,571
Unrestricted (deficit)	(153,680,453)	(147,857,669)
Total Net Position	<u>\$ 7,716,079</u>	<u>\$ (10,023,188)</u>

*Not restated for implementation of GASB 84 for MD&A purposes.

**Spartanburg County School District Five
Management's Discussion & Analysis - Continued
For the Fiscal Year Ended June 30, 2021**

Table 2 shows the changes in net position for fiscal year 2021 and 2020:

	Governmental Activities	
	2021	2020
Revenues:		
Program Revenues:		
Charges for Services	\$ 1,756,219	\$ 1,231,684
Operating Grants	56,370,793	48,956,217
General Revenues:		
Property Taxes	68,110,030	60,734,873
Grants and Entitlements	15,484,695	14,688,658
Other	719,291	1,190,720
Total Revenues	<u>142,441,028</u>	<u>126,802,152</u>
Program Expenses:		
Instruction	79,784,761	70,310,677
Support Services	44,802,814	40,216,041
Community Services	192,665	212,002
Interest and Fiscal Charges	1,457,275	1,723,174
Total Expenses	<u>126,237,515</u>	<u>112,461,894</u>
Change in Net Position	<u>\$ 16,203,513</u>	<u>\$ 14,340,258</u>
Net Position* - Beginning of Year	<u>\$ (8,487,434)</u>	<u>\$ (24,363,446)</u>
Net Position - End of Year	<u>\$ 7,716,079</u>	<u>\$ (10,023,188)</u>

*Beginning net position for 2021 is restated for implementation of GASB 84.

**Spartanburg County School District Five
Management's Discussion & Analysis - Continued
For the Fiscal Year Ended June 30, 2021**

The District's Funds

The District's governmental funds (as presented on the balance sheet on page 14) reported a combined fund balance of \$61,033,657, which is more than last year's total of \$13,819,078.

Table 3 below indicates the fund balance and the total change in fund balances as of June 30, 2021 and 2020.

Fund Balance Comparison			
	<u>Fund Balance June 30, 2021</u>	<u>Fund Balance* June 30, 2020</u>	<u>Increase (Decrease)</u>
General	\$ 21,307,503	\$ 19,437,630	\$ 1,869,873
Special Revenue - Special Projects	1,242,515	1,535,754	(293,239)
Special Revenue - Food Service	1,272,969	1,021,571	251,398
Debt Service	8,370,532	5,931,915	2,438,617
Debt Service - EFC	20,191	20,256	(65)
Capital Projects	28,819,947	19,267,453	9,552,494
Total	<u><u>\$ 61,033,657</u></u>	<u><u>\$ 47,214,579</u></u>	<u><u>\$ 13,819,078</u></u>

*June 30, 2020 has been restated for implementation of GASB 84 for MD&A purposes.

As Table 4 below illustrates, the largest portions of General Fund expenditures are for salaries and fringe benefits.

General Fund Expenditures By Objects				
	<u>Fiscal Year 2021</u>		<u>Fiscal Year 2020</u>	
	<u>Expenditures</u>	<u>Percent</u>	<u>Expenditures</u>	<u>Percent</u>
Salary and Wages	\$ 52,836,024	60.0%	\$ 50,682,941	59.0%
Fringe Benefits	22,203,618	25.2%	21,609,708	25.1%
Purchased Services	6,202,280	7.0%	6,373,389	7.4%
Supplies and Materials	3,678,911	4.2%	3,755,985	4.4%
Capital Outlay	2,481,197	2.8%	2,902,609	3.4%
Miscellaneous	587,888	0.8%	561,169	0.7%
Total	<u><u>\$ 87,989,918</u></u>	<u><u>100.0%</u></u>	<u><u>\$ 85,885,801</u></u>	<u><u>100.0%</u></u>

The special revenue funds and Education Improvement Act funds are used to account for the proceeds and expenditures that are legally restricted for specified purposes.

**Spartanburg County School District Five
Management's Discussion & Analysis - Continued
For the Fiscal Year Ended June 30, 2021**

General Fund Budget Information

The General Fund schedule of revenues, expenditures and changes in fund balance is presented in Schedule 4 on page 56 of the financial statements. This schedule compares budget to actual and indicates the favorable and unfavorable variances.

The general operating fund balance increased \$1,869,873 over last year.

The revenue from local sources had a favorable variance of \$9,119,232. This favorable variance was mainly due to fee-in-lieu of taxes collections being \$4,805,240 more than budgeted.

The revenue from state sources had a favorable variance of \$1,447,776. This favorable variance was largely a result of a conservative budget approach in budgeting state revenue.

The District had a favorable expenditure variance in expenditures in the amount of \$4,506,261. This favorable variance was mainly due to an over-estimate of employee fringe benefits and a few budgeted positions not being filled.

The District was also able to transfer \$19,491,300 from the General Fund to the Capital Projects Fund to help fund future school construction projects.

Capital Assets

Construction was completed on the Byrnes High parking lot expansion and new baseball field at fiscal year-end. Construction began in June 2021 on a new softball field.

Debt

Of the \$66,000,000 Installment Refunding Revenue Bonds issued on October 10, 2013, \$9,070,000 were still outstanding at the end of the fiscal year. On July 15, 2015 the district issued \$18,200,000 in General Obligation Bonds to help fund the Byrnes High and Lyman Elementary expansions. At fiscal year-end, \$11,365,000 of the General Obligation Bonds were outstanding. On March 29, 2018 the district issued \$4,375,000 of General Obligation Bonds and \$5,110,000 of Special Obligation Bonds to help fund the new Reidville Elementary construction. At fiscal year-end, \$2,210,000 of the General Obligation Bonds and \$4,330,000 of the Special Obligation Bonds were still outstanding. On June 20, 2019 the district issued \$4,000,000 to help fund the addition at Abner Creek Academy and the parking expansion and new baseball field at Byrnes High school. At fiscal year-end, \$893,000 of the General Obligation Bonds were still outstanding. On May 13, 2021, \$9,000,000 of general obligation bonds were issued to help fund the purchase of land and to help fund principal and interest on the Installment Refunding Revenue Bonds. The net pension liability of the District at fiscal year-end, as required by GASB 68, was \$119,712,550. The net Other Post-employment Benefits Plan (OPED) liability at fiscal year-end, as required by GASB 75, was \$109,600,801.

Factors Expected to have an Effect on Future Operations

The number of students the District serves has been increasing annually for over twenty years, with the exception of FYE 2011. While the rate of student growth slowed for fiscal years 2010 through 2017 and again in 2021, the district experience significant growth in fiscal years 2018, 2019, and 2020. The district will continue to closely monitor the number of students served.

**Spartanburg County School District Five
Management's Discussion & Analysis - Continued
For the Fiscal Year Ended June 30, 2021**

Table 5 shows the students served, kindergarten through grade 12, for the past twenty-six years:

Number of Students Served K-12

School Year	Number of Students	Number Increased	Percentage Increased
95-96	4,615		
96-97	4,801	186	4.0%
97-98	5,005	204	4.2%
98-99	5,195	190	3.8%
99-00	5,351	156	3.0%
00-01	5,487	136	2.5%
01-02	5,755	268	4.9%
02-03	5,858	103	1.8%
03-04	6,060	202	3.4%
04-05	6,291	231	3.8%
05-06	6,540	249	4.0%
06-07	6,806	266	4.1%
07-08	6,975	169	2.5%
08-09	7,336	361	5.2%
09-10	7,428	92	1.3%
10-11	7,321	(107)	-1.4%
11-12	7,397	76	1.0%
12-13	7,538	141	1.9%
13-14	7,692	154	2.0%
14-15	7,819	127	1.7%
15-16	7,838	19	0.2%
16-17	7,879	41	0.5%
17-18	8,241	362	4.6%
18-19	8,533	292	3.5%
19-20	8,816	283	3.3%
20-21	8,837	21	0.2%

Twenty - five year increase 4,222 91.5%

* Based on 135 day Average Daily Membership K-12

In fiscal year 2015-16, the district had an outside firm assist in conducting a facilities and demographics study of the district. In fiscal year 2016-17, the District completed expansion projects at Byrnes High School and Lyman Elementary. The district completed construction on a new Reidville Elementary School to replace the existing school in August 2019. A ten-classroom expansion at Abner Creek Academy was completed in June 2020. An expansion of the parking lot and new baseball field at Byrnes High School was near completion at year end. In fiscal year 2019-20 the district had the outside firm update the facilities and demographic study. As a result, the District ordered a referendum be held on November 2, 2021 to ask voters permission to issue up to \$295,000,000 in general obligation bonds to be used for constructing a new elementary school, a new middle school, a new elementary school to replace Wellford Academy, renovate and expand Byrnes High School, expand Reidville Elementary, convert Berry Shoals Intermediate to an elementary school, to convert Beech Springs Intermediate to a middle school, and possibly purchase land for future school sites. The voters approved the referendum 84% to 16%.

**Spartanburg County School District Five
Management's Discussion & Analysis - Continued
For the Fiscal Year Ended June 30, 2021**

In September 2021, the District purchased approximately 57 acres of land for the site of the new elementary school.

The financial report is designed to provide the School District's citizens, taxpayers, customers, and investors and creditors with a general overview of the School District's finances and to demonstrate the School District's accountability for the money it receives. If you have any questions about this report or need additional information, contact the Chief Financial Officer, P. O. Box 307, Duncan, South Carolina 29334.

SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
STATEMENT OF NET POSITION
JUNE 30, 2021

	Governmental Activities
ASSETS	
Cash and Cash Equivalents	\$ 12,639,821
Cash Held by County Treasurer	54,286,702
Taxes Receivable	8,302,062
Less Allowance for Uncollectibles	(2,633,995)
Accounts Receivable	196,849
Due from Custodial Funds	842,522
Due from State Department of Education	73,636
Due from Federal Government	4,897,181
Due from Other State Agencies	1,192,900
Prepays	55,187
Inventory - Commodities	90,225
	<u>79,943,090</u>
Capital Assets	
Land	11,967,201
Construction in Progress	458,799
Buildings and Improvements	228,386,333
Furniture and Equipment	6,947,125
Less: Accumulated Depreciation	(85,111,409)
	<u>162,648,049</u>
Total Assets	<u>242,591,139</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Loss on Advanced Refunding	389,076
Deferred Outflows Related to Pensions	22,098,873
Deferred Outflows Related to OPEB	27,162,904
Total Deferred Outflows of Resources	<u>49,650,853</u>
LIABILITIES	
Accounts Payable	2,183,624
Retainage Payable	5,873
Accrued Salaries, Health & Fringe	4,152,591
Bonds Payable	9,000,000
Unearned Revenue	2,438,490
Accrued Interest Payable	273,389
Noncurrent Liabilities	
Due Within One Year	10,509,000
Due in More Than One Year	18,929,879
Net Pension Liability - Due in More Than One Year	119,712,550
Net OPEB Liability - Due in More Than One Year	109,600,801
Total Liabilities	<u>276,806,197</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred Inflows Related to Pensions	455,346
Deferred Inflows Related to OPEB	7,264,370
Total Deferred Inflows of Resources	<u>7,719,716</u>
NET POSITION	
Net Investment in Capital Assets	150,346,564
Restricted for:	
Pupil Activities	1,242,515
Food Service	1,272,969
Debt Service	8,534,484
Unrestricted	(153,680,453)
Total Net Position	<u>\$ 7,716,079</u>

The accompanying notes are an integral part of the financial statements.

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

FUNCTIONS/PROGRAMS	Expenses	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION
		Charges for Services	Operating Grants and Contributions	Primary Government Governmental Activities
PRIMARY GOVERNMENT:				
Governmental Activities:				
Instruction	\$ 79,784,761	\$ 47,200	\$ 46,971,455	\$ (32,766,106)
Support Services	44,802,814	1,709,019	9,242,739	(33,851,056)
Community Services	192,665	-	156,599	(36,066)
Interest and Other Charges	1,457,275	-	-	(1,457,275)
TOTAL PRIMARY GOVERNMENT	126,237,515	1,756,219	56,370,793	(68,110,503)
GENERAL REVENUES:				
Property Taxes Levied for:				
General Purpose				54,913,061
Debt Service				13,196,969
Unrestricted State Grants				15,484,695
Unrestricted Investment Earnings				71,289
Contributions				62,215
Miscellaneous				583,286
Gain on Sale of Fixed Assets				2,501
Total General Revenues				84,314,016
CHANGE IN NET POSITION				16,203,513
NET POSITION - AS ADJUSTED - JULY 1, 2020				(8,487,434)
NET POSITION - JUNE 30, 2021				\$ 7,716,079

The accompanying notes are an integral part of the financial statements.

SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2021

	Special Revenue Fund -							
	General Fund	Special Projects	Educational Improvement Act	Food Service	Debt Service Fund	Debt Service Fund - EFC	Capital Projects Fund	Total Governmental Funds
ASSETS								
Cash and Cash Equivalents	\$ 11,582,991	\$ 1,036,634	\$ -	\$ 2	\$ -	\$ 20,191	\$ 3	\$ 12,639,821
Cash Held by County Treasurer	36,157,231	-	-	-	1,162,764	-	16,966,707	54,286,702
Taxes Receivable	7,353,844	-	-	-	948,218	-	-	8,302,062
Less Allowance for Uncollectibles	(2,298,552)	-	-	-	(335,443)	-	-	(2,633,995)
Accounts Receivable	152,332	17,387	-	27,130	-	-	-	196,849
Due from State Department of Education	69,896	3,740	-	-	-	-	-	73,636
Due from Federal Government	-	4,795,488	-	101,693	-	-	-	4,897,181
Due from Other State Agencies	1,192,900	-	-	-	-	-	-	1,192,900
Due from Other Funds	5,218,792	499,740	1,357,525	1,144,144	15,738,754	-	11,804,110	35,763,065
Prepays	187	-	-	-	-	-	55,000	55,187
Inventory - Commodities	-	-	-	90,225	-	-	-	90,225
Total Assets	\$ 59,429,621	\$ 6,352,989	\$ 1,357,525	\$ 1,363,194	\$ 17,514,293	\$ 20,191	\$ 28,825,820	\$ 114,863,633
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES								
Liabilities:								
Accounts Payable	\$ 2,183,624	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,183,624
Retainage Payable	-	-	-	-	-	-	5,873	5,873
Due to Other Funds	30,800,809	4,119,734	-	-	-	-	-	34,920,543
Accrued Salaries, Health & Fringe	4,152,591	-	-	-	-	-	-	4,152,591
Bonds Payable	-	-	-	-	9,000,000	-	-	9,000,000
Unearned Revenue	-	990,740	1,357,525	90,225	-	-	-	2,438,490
Total Liabilities	37,137,024	5,110,474	1,357,525	90,225	9,000,000	-	5,873	52,701,121
Deferred Inflows of Resources:								
Unavailable Revenues - Property Taxes	985,094	-	-	-	143,761	-	-	1,128,855
Fund Balances:								
Nonspendable								
Prepays	187	-	-	-	-	-	55,000	55,187
Restricted								
Pupil Activities	-	1,242,515	-	-	-	-	-	1,242,515
Food Service	-	-	-	1,272,969	-	-	-	1,272,969
Debt Service	-	-	-	-	8,370,532	20,191	-	8,390,723
Capital Projects	-	-	-	-	-	-	16,966,707	16,966,707
Assigned								
Capital Projects	-	-	-	-	-	-	11,798,240	11,798,240
Unassigned	21,307,316	-	-	-	-	-	-	21,307,316
Total Fund Balances	21,307,503	1,242,515	-	1,272,969	8,370,532	20,191	28,819,947	61,033,657
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 59,429,621	\$ 6,352,989	\$ 1,357,525	\$ 1,363,194	\$ 17,514,293	\$ 20,191	\$ 28,825,820	\$ 114,863,633

The accompanying notes are an integral part of the financial statements.

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET POSITION OF GOVERNMENTAL ACTIVITIES
JUNE 30, 2021**

Total Governmental Fund Balances			\$ 61,033,657
Amounts reported for governmental activities on the statement of net position are different because of the following:			
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the funds.			162,648,049
Taxes Receivable are not available to pay for current period expenditures and, therefore, are deferred in the funds.			1,128,855
Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds:			
Accrued interest payable	(273,389)		
Bond premium, net of amortization	(1,570,879)		
Bonds payable	(27,868,000)		
Net pension liability	(119,712,550)		
Net OPEB liability	<u>(109,600,801)</u>	(259,025,619)	
Certain deferred outflows and inflows of resources are not available to use in the current period and, therefore, are not reported in the funds:			
Deferred loss on advanced refunding	389,076		
Deferred outflows related to pensions	22,098,873		
Deferred outflows related to OPEB	27,162,904		
Deferred inflows related to pensions	(455,346)		
Deferred outflows related to OPEB	<u>(7,264,370)</u>	<u>41,931,137</u>	
Net Position of Governmental Activities			<u><u>\$ 7,716,079</u></u>

The accompanying notes are an integral part of the financial statements.

SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Special Revenue Fund -						
	General Fund	Special Projects	Educational Improvement Act	Food Service	Debt Service Fund	Debt Service Fund - EFC	Capital Projects Fund
REVENUES							
Local Property Taxes	\$ 54,995,981	\$ -	\$ -	\$ -	\$ 13,196,969	\$ -	\$ -
Other Local	175,683	1,759,513	-	175,655	8,833	31	144,671
Total Local	55,171,664	1,759,513	-	175,655	13,205,802	31	144,671
Intergovernmental	286,390	-	-	-	-	-	-
State Sources	50,365,364	2,222,746	5,300,581	-	500,632	-	-
Federal Sources	-	8,656,450	-	3,728,041	-	-	-
Total Revenues	105,823,418	12,638,709	5,300,581	3,903,696	13,706,434	31	144,671
EXPENDITURES							
Current							
Instruction	55,851,305	7,003,130	2,313,798	-	-	-	-
Support Services	29,247,130	5,098,394	157,661	3,145,933	-	-	1,690,998
Community Services	1,101	181,475	-	-	-	-	-
Intergovernmental	409,186	68,274	55,358	-	-	-	-
Debt Service	-	-	-	-	-	-	-
Principal	-	-	-	-	2,248,000	7,825,000	-
Interest	-	-	-	-	1,002,427	342,969	-
Other Objects	-	-	-	-	53,137	5,000	-
Capital Outlay	2,481,196	256,127	55,781	23,724	-	-	8,392,479
Total Expenditures	87,989,918	12,607,400	2,582,598	3,169,657	3,303,564	8,172,969	10,083,477
Excess (Deficiency) of Revenues Over Expenditures	17,833,500	31,309	2,717,983	734,039	10,402,870	(8,172,938)	(9,938,806)
OTHER FINANCING SOURCES (USES)							
Premium on Bonds Sold	-	-	-	-	208,620	-	-
Sale of Capital Assets	2,501	-	-	-	-	-	-
Transfers In	3,703,972	358,258	-	-	-	8,172,873	19,491,300
Transfers Out	(19,670,100)	(682,806)	(2,717,983)	(482,641)	(8,172,873)	-	-
Total Other Financing Sources (Uses)	(15,963,627)	(324,548)	(2,717,983)	(482,641)	(7,964,253)	8,172,873	19,491,300
Net Change in Fund Balances	1,869,873	(293,239)	-	251,398	2,438,617	(65)	9,552,494
FUND BALANCE - AS ADJUSTED - JULY 1, 2020	19,437,630	1,535,754	-	1,021,571	5,931,915	20,256	19,267,453
FUND BALANCE - JUNE 30, 2021	\$ 21,307,503	\$ 1,242,515	\$ -	\$ 1,272,969	\$ 8,370,532	\$ 20,191	\$ 28,819,947
							\$ 61,033,657

The accompanying notes are an integral part of the financial statements.

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

TOTAL NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS \$ 13,819,078

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

Interest is reported as an expenditure when due in the governmental funds,
but is accrued on outstanding debt on the statement of activities. 44,533

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. The issuance of long-term debt increases long-term liabilities on the statement of net position and the repayment of principal on long-term debt reduces long-term debt on the statement of net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized over the term of the long-term debt in the statement of activities.

Principal payments on long-term debt	10,073,000	
Amortization of deferred loss on advanced refunding	(466,894)	
Amortization of bond premium	<u>368,619</u>	9,974,725

Governmental funds report capital outlay as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets. This is the amount by which capital outlays exceeded depreciation in the current period:

Capital outlay	9,416,158	
Depreciation expense	<u>(5,785,047)</u>	3,631,111

The cost of pension benefits earned, net of employee contributions is reported in the Statement of Activities as an element of pension expense. The governmental funds report pension contributions as expenditures. (7,236,941)

The cost of OPEB benefits, earned net of employee contributions is reported in the statement of activities as an element of OPEB expense. The governmental funds report OPEB contributions as expenditures. (5,217,732)

Revenues reported on the statement of activities do not provide current financial resources and, therefore, are not reported as revenues in governmental funds.

Taxes receivable	(82,920)	
Non-employer contributions related to Pensions	461,949	
Non-employer contributions related to OPEB	<u>809,710</u>	1,188,739

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 16,203,513

The accompanying notes are an integral part of the financial statements.

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2021**

	CUSTODIAL FUNDS
LIABILITIES	
Due to General Fund	\$ 842,522
Total Liabilities	<u>842,522</u>
NET POSITION	
Unrestricted	<u>(842,522)</u>
Total Net Position	<u><u>\$ (842,522)</u></u>

The accompanying notes are an integral part of the financial statements.

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	CUSTODIAL FUNDS
ADDITIONS	
Payments from Nonprofit Entities	\$ 2,883,058
Total Additions	<u>2,883,058</u>
DEDUCTIONS	
Salaries	2,581,387
Employee Benefits	1,138,426
Purchased Services	3,845
Supplies and Materials	<u>1,922</u>
Total Deductions	<u>3,725,580</u>
Net increase (decrease) in fiduciary net position	(842,522)
NET POSITION - JULY 1, 2020	<u>-</u>
NET POSITION - JUNE 30, 2021	<u><u>\$ (842,522)</u></u>

The accompanying notes are an integral part of the financial statements.

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Spartanburg County School District Five ("the District") is located between Greenville and Spartanburg in the western area of Spartanburg County. The District is one of seven (7) school districts in Spartanburg County. The District encompasses a land area of approximately 113 square miles and is bound by Spartanburg County School District One to the northwest, Spartanburg County School District Four to the south, Spartanburg County School District Six to the east, and Greenville County to the west. The District includes four incorporated small towns: Duncan, Lyman, Wellford, and Reidville, as well as the unincorporated town of Startex.

For financial reporting purposes, the District includes all funds and account groups that are controlled by or financially dependent upon the District. Control or financial dependence was determined on the basis of obligation of the District to finance deficits, guarantee of debt, selection of governing authority, approval of budget, authority to make a public levy, ownership of assets, and scope of public service and special financing relationships where there was only partial or no oversight responsibility. These financial statements exclude the related organization discussed in Note 12 because the District does not significantly influence operations of the organization nor is the related organization accountable to the District for its fiscal operations. The component unit discussed below is included in the District's reporting entity because of the significance of its operational or financial relationship with the District:

<u>Blended Component Unit Reported With Primary Government</u>	<u>Brief Description of Activities and Relationship to the District</u>	<u>Reporting Fund</u>
SCAGO Educational Facilities Corporation for Spartanburg County School District No. 5 South Carolina	Finance Construction and Renovations to School Facilities	Debt Service Fund

B. Basic Financial Statements - Government-Wide Statements

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 primary government, except for fiduciary funds.

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

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each function or program of the governmental activities of the District. Direct expenses are those that are specifically associated with a service, program, or department and therefore, clearly identifiable to a particular function. Program revenues include amounts paid by the recipient of 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. All taxes and revenues not classified as program revenues are presented as general revenues of the District.

C. Basic Financial Statements - Fund Financial Statements

Fund financial statements report detailed information about the District. Their focus is on major funds rather than reporting funds by type. Each major governmental fund is presented in a separate column, and all nonmajor funds are aggregated into one column. Fiduciary funds are reported by fund type.

SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED
JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

C. Basic Financial Statements - Fund Financial Statements - Continued

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets. Fiduciary funds are accounted for using the economic resources measurement focus.

The District's accounts are maintained on the basis of funds, each of which is considered a separate accounting entity. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to specific District functions or activities. The operation of each fund is accounted for within a separate set of self-balancing accounts.

Governmental Funds - Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance.

The following are the District's major governmental funds:

General Fund (Major Fund) - The General Fund is the District's primary operating fund. It accounts for all activities except those required to be accounted for in other funds.

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

1) Special Projects - is used to account for financial resources provided by federal and state grants; and is used to account for student admissions, organization memberships, bookstore sales, and other related receipts and disbursements.

2) Education Improvement Act (EIA) - is used to account for the proceeds of the additional one percent sales and use tax revenues that are legally restricted to expenditures for the South Carolina Education Improvement Act of 1984 standards.

3) Food Service - is used to account for cafeteria operations at school locations. The fund is financed by user charges and subsidized by USDA school lunch and breakfast programs.

Debt Service Fund (Major Fund) - The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

Debt Service Fund - EFC (Major Fund) - The Debt Service Fund – EFC is used to account for the accumulation of resources for, and the payment of, long-term debt of the Educational Facilities Corporation for Spartanburg County School District Five.

Capital Projects Fund (Major Fund) - The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED
JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

C. Basic Financial Statements - Fund Financial Statements - Continued

Additionally, the District reports the following fund type:

Fiduciary Funds - Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds, and custodial funds. The District's only fiduciary funds are custodial funds:

1) Middle Tyger Community Center Funds - is used to account for the expenditures related to Middle Tyger Community Center (MTCC) and the reimbursement of those funds from MTCC to the District.

2) First Steps Fund - is used to account for the expenditures related to First Steps and the reimbursement of those funds from First Steps to the District.

D. Measurement Focus and Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. The government-wide financial statements are reported using the accrual basis of accounting and the fund financial statements are prepared using either the modified accrual basis of accounting for the governmental funds or the accrual basis of accounting for fiduciary funds.

Revenues - Exchange and Non-exchange Transactions

Revenue resulting from exchange transactions is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenues are recognized in the accounting period when they become both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current fiscal year. The available period of the District is sixty days after year-end.

Nonexchange 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 met. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

In applying the "susceptible to accrual concept" under the modified accrual basis, the following revenue sources are deemed both measurable and available: property taxes available for advance, investment earnings, tuition, grants, and student fees.

Unearned Revenue

The District reports unearned revenue on its statement of net position and governmental funds balance sheet. In both the government-wide and governmental fund statements, taxes received that are "intended to finance" a future period are reported as unearned revenue. In subsequent periods, the liability for deferred revenue is removed from the statement of net position and governmental funds balance sheet and revenue is recognized.

Expenditures/Expenses

On the accrual basis of accounting, expenses are recorded at the time they are incurred. The measurement focus of governmental fund accounting is on the flow of current financial resources. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred except for (1) principal and interest on general long-term debt, which is recorded when due, and (2) the costs of accumulated unpaid vacation and sick leave, which are reported as fund liabilities in the period in which they will be liquidated with available financial resources rather than in the period earned by employees.

SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED
JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

E. Budget

The District adopts an annual budget for the General Fund at the beginning of each fiscal year. The District's Superintendent submits to the Board of Trustees an operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them. Any revisions to transfer budgeted amounts between functions or that alter the total expenditures of the General Fund must be approved by the Board of Trustees. Formal budgetary integration is employed as a management control device during the year for the General Fund. Budgeted amounts are as amended. The District reports the annual budget of all funds on the modified accrual basis of accounting. Budgeted General Fund appropriations lapse at fiscal year-end.

F. Deposits

State statutes authorize the District to invest in (1) obligations of the United States and its agencies, (2) general obligations of the State of South Carolina and its subdivisions, (3) savings and loan associations to the extent of federal insurance, (4) certificates of deposit collaterally secured, and (5) the State Treasurer's Investment Pool.

G. Cash Held by County Treasurer

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

H. Taxes Receivable

Taxes receivable represents delinquent taxes being processed for collection by the Spartanburg County Delinquent Tax Office, originally assessed for the District. Thirty percent of the delinquent taxes delivered each year to the Delinquent Tax Office are estimated to be collectible; the remainder is considered to be uncollectible and, accordingly, an allowance for the uncollectible amounts has been recorded. Taxes receivable represents \$4,481,218 of current taxes receivable and \$3,820,844 of delinquent taxes receivable.

I. Ad Valorem Taxes

The District's property taxes (except vehicles) are levied by the Spartanburg County Auditor each fall on the assessed valuation of the property located in the District as of the preceding January 1. The tax books are open for collection September 1, with the first penalty of 3% applied to payments made after January 15, the due date. An additional penalty of 7% is charged for payments made after January 31. Uncollected property taxes attach as an enforceable lien on January 1. Uncollected property taxes as of March 15 are transferred to the Spartanburg County Delinquent Tax Collector at which time an additional 5% penalty is assessed. Spartanburg County bills and collects the District's property taxes.

The assessed valuation of property in Spartanburg County for District Five for 2020 was \$292,341,455. In addition, the District billed fees in lieu of taxes on assessed values of \$90,562,570. The District's operating tax rate is currently 181.1 mills with an additional 32.6 mills for debt retirement.

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED
JUNE 30, 2021**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

J. Inventory and Prepaids

Inventories are valued at cost using the first-in/first-out (FIFO) method. The costs of governmental fund inventories are recorded as expenditures when consumed rather than when purchased.

The cost of prepaids are recorded as expenditures/expenses when consumed rather than when purchased.

K. Capital Assets and Depreciation

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 estimated acquisition cost as of the date received. The District follows the policy of not capitalizing assets with a cost of less than \$5,000. The District does not possess any infrastructure.

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

Description	Useful Life
Land	not depreciated
Construction in progress	not depreciated
Buildings & improvements	10 - 50 years
Furniture & equipment	3 - 10 years

L. Interfund Transactions

Interfund transactions are reported either as loans, services provided, reimbursements, or transfers. Loans are reported as due to/from other funds, as appropriate, and are subject to elimination in the government-wide financial statements. Services provided are treated as revenues and expenditures. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers among governmental funds are eliminated in the government-wide financial statements.

M. Vacation and Sick Pay

The District allows school teachers to accumulate a maximum of ninety days sick leave. Accumulated sick leave is transferable to other school districts. During an illness, a teacher continues to receive full pay for each day of accumulated sick leave. If a teacher leaves the employment of the District, any unused sick leave is not paid. Because of the nonvesting of sick leave and other uncertainties, no estimate of any potential liability has been made.

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

SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED
JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

N. Accrued Liabilities and Long-term Debt

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

In general, accounts payable 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 resources. Long-term debts paid from governmental funds are not recognized as a liability in the fund financial statements until due.

In the government-wide basic financial statements, long-term debt and other long-term obligations are reported as liabilities on the Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method that approximates the effective interest method. Amortizations of premiums and discounts are included in interest expense. Bonds payable are reported net of the applicable bond premiums or discounts.

In the fund financial statements, governmental funds recognize bond premiums and discounts during the current period.

O. Deferred Outflows and Inflows of Resources

In the government-wide financial statements, in addition to assets and liabilities, separate sections for deferred outflows and deferred inflows of resources are reported. Deferred outflows of resources represent a consumption of net position that applies to future periods and will not be recognized as an expenditure until then. Deferred inflows of resources represent an acquisition of net position that applies to future periods and will not be recognized as revenue until that time. The District's deferred outflows and inflows of resources are related to pensions and OPEB, and deferred loss on refunding from prior years.

P. Retirement Plans

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 South Carolina Retirement Systems and additions to/deductions from the SCRS' fiduciary net position have been determined on the accrual basis of accounting as they are reported by the SCRS 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.

Q. Other Post-Employment Benefit (OPEB) Plan

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

SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED
JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

R. Governmental Fund Balance Classifications

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

Nonspendable: This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The District has classified inventories and prepaids as being nonspendable as these items are not expected to be converted to cash or are not expected to be converted to cash within the next current year.

Restricted: This classification includes amounts for which constraints have been placed on the use of the resources through either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

Committed: This classification includes amounts that can only be used for specific purposes pursuant to constraints determined by a formal action of the government's highest level of decision making authority. The Board of Trustees is the highest level of decision-making authority for the government and the formal action they take that can commit fund balance is a majority vote (highest level of decision making authority). These amounts cannot be used for any other purpose unless the Board of Trustees removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

Assigned: This classification includes amounts that are constrained by the District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Trustees or an official to which the Board delegates authority. By a majority vote, the Board of Trustees has delegated this authority to the Superintendent. The authorization to assign fund balance can be found in the District's fund balance policy. This classification also includes the remaining positive fund balance for all governmental funds, except for the General Fund, as governed by the State Department of Education.

Unassigned: This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balances of any other governmental fund that cannot be eliminated by the offsetting of assigned fund balance amounts.

Spending Policy

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

Minimum Unassigned Fund Balance

The primary purpose of this reserve is to provide sufficient cash flow for daily needs, secure and maintain investment grade bond rating, offset revenue shortfalls, and provide for unforeseen expenditures related to emergencies. The Board of Trustees intends to maintain a fund balance ranging from 15 to 20 percent of the budgeted expenditures and outgoing transfers. Any excess over the minimum reserve may be transferred to the District building fund for facility needs or the debt service fund for repayment of debt.

SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED
JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

R. Governmental Fund Balance Classifications - Continued

However, when unexpected obligations occur and the reserve falls below the desired minimum, the District will implement budget strategies to replenish the fund through reduction of recurring expenditures or pursue increases in revenue or funding sources.

S. Net Position

Net position represents the difference between assets/deferred outflows of resources and liabilities/deferred inflows of resources. The 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. Outstanding debt, which has not been spent, is included in the same net position component as the unspent proceeds. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

T. Restricted Sources

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

U. Estimates

The preparation of the financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

V. 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 commercial insurance. The District obtains its employee health and accident insurance through the South Carolina Office of Insurance Services, South Carolina Reserve Fund (the "Fund") which is a public entity risk pool. The District pays premiums to the Fund for its employee health and accident insurance. The agreement for formation of the Fund provides that the Fund will be self-sustaining through member premiums and will reinsure through commercial companies for each insured event.

The District obtains its general liability, property, and workmen's compensation insurance through the South Carolina School Boards Insurance Trust (the "Trust") which is a public entity risk pool. The District pays premiums to the Trust for its workmen's compensation. The agreement for formation of the Trust provides that the Trust will be self-sustaining through member premiums and will reinsure through commercial companies for each insured event.

The District continues to carry commercial insurance for all other risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED
JUNE 30, 2021

NOTE 2 - DEPOSITS

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District has no formal policy regarding custodial credit risk for deposits.

As of June 30, 2021, the District's cash deposits were as follows:

	Carrying Amount	Bank Balance
Demand Deposits	\$ 12,639,821	\$ 14,407,557

Of the District's bank balance, \$766,118 was covered by FDIC insurance; \$13,577,649 was collateralized by securities held by the pledging bank's trust department or agent, but not in the District's name, and \$63,790 was uncollateralized.

NOTE 3 - CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2021, is as follows:

	Balance at June 30, 2020	Additions	Deductions	Transfers	Balance at June 30, 2021
Governmental Activities					
Capital Asset, not Being Depreciated					
Land	\$ 6,585,907	\$ 5,381,294	\$ -	\$ -	\$ 11,967,201
Construction in progress	4,346,408	3,475,094	-	(7,362,703)	458,799
Total Capital Asset, not Being Depreciated	10,932,315	8,856,388	-	(7,362,703)	12,426,000
Capital Assets, Being Depreciated					
Buildings and improvements	221,023,630	-	-	7,362,703	228,386,333
Furniture and equipment	6,407,949	559,770	20,594	-	6,947,125
Total Capital Assets, Being Depreciated	227,431,579	559,770	20,594	7,362,703	235,333,458
Less Accumulated Depreciation					
Buildings and improvements	74,472,549	5,446,276	-	-	79,918,825
Furniture and equipment	4,874,407	338,771	20,594	-	5,192,584
Total Accumulated Depreciation	79,346,956	5,785,047	20,594	-	85,111,409
Capital Assets, Being Depreciated, Net	148,084,623	(5,225,277)	-	7,362,703	150,222,049
Governmental Activities Capital Assets, Net	\$159,016,938	\$ 3,631,111	\$ -	\$ -	\$162,648,049

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

Instruction	\$ 3,601,088
Support services	2,173,870
Community services	10,089
Total Depreciation Expense	<u>\$ 5,785,047</u>

SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED
JUNE 30, 2021

NOTE 4 - SHORT-TERM OBLIGATIONS

The following is a summary of the District's short-term obligations for the fiscal year ended June 30, 2021:

	Amount Outstanding June 30, 2020	Additions	Deductions	Amount Outstanding June 30, 2021
2020 GO Bond	\$ 7,000,000	\$ -	\$ 7,000,000	\$ -
2021 GO Bond	-	9,000,000	-	9,000,000
	<u>\$ 7,000,000</u>	<u>\$ 9,000,000</u>	<u>\$ 7,000,000</u>	<u>\$ 9,000,000</u>

On May 15, 2020, the District issued \$7,000,000 in General Obligation Bonds, Series 2020A, to pay for the interest and principal payment on the District's IPR bonds due in June, as well as to help pay for various construction costs. The bond was paid on March 1, 2021, in full, with interest of \$83,708.

On May 13, 2021, the District issued \$9,000,000 in General Obligation Bonds, Series 2021, to pay for the interest and principal payment on the District's IPR bonds due in June, as well as to help pay for various construction costs. The bond will be paid on March 1, 2022, in full, with interest of \$216,000.

NOTE 5 - LONG-TERM OBLIGATIONS

The following is a summary of long-term obligations of the District for the fiscal year ended June 30, 2021:

	Amount Outstanding June 30, 2020	Additions	Deductions	Amount Outstanding June 30, 2021	Amounts Due in One Year
General Obligation Bonds	\$ 16,441,000	\$ -	\$ 1,973,000	\$14,468,000	\$ 1,154,000
Installment Purchase Revenue Bonds	16,895,000	-	7,825,000	9,070,000	9,070,000
Special Obligation Bonds	4,605,000	-	275,000	4,330,000	285,000
	<u>37,941,000</u>	<u>-</u>	<u>10,073,000</u>	<u>27,868,000</u>	<u>10,509,000</u>
Plus: unamortized bond premium	1,939,498	-	368,619	1,570,879	-
	<u>\$ 39,880,498</u>	<u>\$ -</u>	<u>\$ 10,441,619</u>	<u>\$ 29,438,879</u>	<u>\$ 10,509,000</u>

SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED
JUNE 30, 2021

NOTE 5 - LONG-TERM OBLIGATIONS - CONTINUED

Long-term obligations at June 30, 2021, is comprised of the following individual issues:

	General Obligation Bonds	Installment Purchase Revenue Bonds	Special Obligation Bonds	Total
\$18,200,000 2015 General Obligation Bond due in annual installments of \$25,000 to \$3,965,000 through March 2025; interest rates from 2.00% to 5.00%.	\$11,365,000	\$ -	\$ -	\$11,365,000
\$4,375,000 2018 General Obligation Bond due in annual installments of \$800,000 to \$1,015,000 through March 2024; interest rates from 2.00% to 4.00%	2,210,000	-	-	2,210,000
\$4,000,000 2019 General Obligation Bond due in annual installments of \$433,000 to \$2,674,000 through March 2023; interest rate of 2.08%	893,000	-	-	893,000
\$66,000,000 2013 Installment Purchase Revenue Refunding Bond with principal due in annual installments of \$4,565,000 to \$9,070,000 through June 2022; interest rate of 2.030%.	-	9,070,000	-	9,070,000
\$5,110,000 2018 Special Obligation Bond due in annual installments of \$245,000 to \$785,000 through June 2028; interest rates from 4.00% to 5.00%	-	-	4,330,000	4,330,000
	<u>\$ 14,468,000</u>	<u>\$ 9,070,000</u>	<u>\$ 4,330,000</u>	<u>\$27,868,000</u>

The annual requirements to amortize all long-term obligations outstanding as of June 30, 2021, including interest payments are as follows:

Fiscal Year Ending June 30	General Obligation Bonds		Installment Purchase Revenue Bonds		Special Obligation Bonds		Total
	Principal	Interest	Principal	Interest	Principal	Interest	
2022	\$ 1,154,000	\$ 647,912	\$ 9,070,000	\$ 184,121	\$ 285,000	\$ 190,700	\$11,531,733
2023	4,949,000	624,322	-	-	715,000	176,450	6,464,772
2024	4,400,000	412,000	-	-	750,000	140,700	5,702,700
2025	3,965,000	198,250	-	-	785,000	103,200	5,051,450
2026	-	-	-	-	575,000	71,800	646,800
2027 - 2028	-	-	-	-	1,220,000	73,600	1,293,600
	<u>\$14,468,000</u>	<u>\$1,882,484</u>	<u>\$ 9,070,000</u>	<u>\$ 184,121</u>	<u>\$4,330,000</u>	<u>\$ 756,450</u>	<u>\$30,691,055</u>

SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED
JUNE 30, 2021

NOTE 5 - LONG-TERM OBLIGATIONS – CONTINUED

There are a number of limitations and restrictions contained in the various debt instruments. The District is in compliance with all the significant limitations and restrictions including the legal debt limit imposed by Article X, Section 15 of the Constitution of the State of South Carolina, 1985, as amended.

The SCAGO Educational Facilities Corporation for Spartanburg County School District No. 5 (the Corporation) Installment Purchase Revenue (IPR) Bonds were issued pursuant to a School Facilities Purchase and Use Agreement and evidence proportionate interests of the owners in certain rental payments to be made by the District under the terms of a Base Lease Agreement between the District and the Corporation dated on December 14, 2005. The District will purchase the Capital Projects from the Corporation pursuant to the Purchase and Use Agreement, which will obligate the District to make semiannual installment payments of the purchase price to the Corporation in amounts calculated to be sufficient to enable the Corporation to pay the principal and interest on the outstanding bonds; amounts budgeted as reserves for the repair and replacement of the 2006 facilities and the program administrator fees. The District's obligations under the Purchase and Use Agreement are from year to year only and do not constitute a mandatory payment obligation of the District in any fiscal year in which funds are not appropriated by the District to pay the installment payments due in such fiscal year. However, the District would forfeit possession of the facilities for the remainder of the lease term.

The SCAGO Educational Facilities Corporation for Spartanburg County School District No. 5 bonds are not a debt of the District; however, as the Corporation is blended with the operations of the District, the debt of the Corporation is included with the District's other obligations, as required by generally accepted accounting principles.

In prior years, advance refundings resulted in book losses that are being amortized over the original remaining life of the old bonds that were defeased. The unamortized loss at June 30, 2021 is shown as a deferred outflow of resources on the Statement of Net Position. Amortization has been included in interest expense and was \$466,894 for the year ending June 30, 2021.

Bonds in the governmental funds will be retired by future property tax levies accumulated by the Debt Service Fund. As of June 30, 2021, \$8,370,532 was available in the Debt Service Fund to service these long-term obligations.

NOTE 6 - RETIREMENT PLANS

A. South Carolina Retirement System

Plan Description - The District, as the employer, participates in the South Carolina Retirement System (SCRS) Plan - a cost-sharing multiple-employer defined benefit pension plan administered and managed by the South Carolina Public Employee Benefit Authority (PEBA), a state agency. PEBA issues a Comprehensive Annual Financial Report (CAFR) containing financial statements and required supplementary information for the Systems' Pension Trust Funds. The CAFR that 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.

Benefits Provided/Membership - SCRS provides retirement and other benefits for employees of the state, its public school districts, and political subdivisions. An incidental death benefit is also available to beneficiaries of active and retired members of employers who participate in the death benefit program. Benefit terms are prescribed in Title 9 of the South Carolina Code of Laws, and PEBA does not have the authority to establish or amend benefit terms without a legislative change in the code of laws. Generally, all employees of covered employers are required to participate in and contribute to the system as a condition of employment. Key elements of the benefit calculation include the benefit multiplier, years of service, and average final compensation/current year salary.

SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED
JUNE 30, 2021

NOTE 6 - RETIREMENT PLANS - CONTINUED

A. South Carolina Retirement System - Continued

This plan covers general employees, teachers and individuals newly elected to the South Carolina General Assembly beginning with 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. 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.

An employee member of the system with an effective date of membership on or after July 1, 2012, is a Class Three member. 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.

The annual retirement allowance of eligible retirees or their surviving annuitants is increased by the lesser of 1% or \$500 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.

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 Optional Retirement Program (State ORP), which is a defined contribution plan. State ORP participants direct the investment of their funds into a plan administered by one of four investment providers. PEBA assumes no liability for State ORP benefits. Rather, the benefits are the liability of the investment providers. For this reason, State ORP programs are not part of the retirement systems' trust funds for financial statement purposes.

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 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 employee contribution rates. Effective July 1, 2017, employee rates were increased to a capped rate of 9.00% for SCRS. The legislation also increased 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 employer contribution rate that was scheduled to go into effect beginning July 1, 2020. If the scheduled contributions are not sufficient to meet the funding periods set in state statute, the PEBA board shall increase the employer contribution rates as necessary to meet the funding periods set for the applicable year. The maximum funding period of SCRS is scheduled to be reduced over a ten-year schedule from 30 years beginning fiscal year 2018, to 20 years by fiscal year 2028.

SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED
JUNE 30, 2021

NOTE 6 - RETIREMENT PLANS - CONTINUED

A. South Carolina Retirement System - Continued

Additionally, the PEBA board is prohibited from decreasing the SCRS contribution rates until the funded ratio is at least 85%. If the most recent actuarial valuation of the System for funding purposes shows a ratio of the actuarial value of the system assets to the actuarial accrued liability of the system (the funded ratio) that is equal to or greater than 85%, then the board, effective the following July 1st, 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%. If contribution rates decreased pursuant to this provision and the most recent annual actuarial valuation of the system shows a funded ratio of less than 85%, then effective the following July 1st, and annually thereafter as necessary, the PEBA 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%.

Required employee (both Class II and III) contribution rates for the year ended June 30, 2021 was 9.00%. Required employer contribution rates for the year ended June 30, 2021 was 15.41%. Both required employee and employer contribution rates are calculated on earnable compensation, as defined in Title 9 of the South Carolina Code of Laws. Employers also contribute an additional 0.15% of earnable compensation, if participating in the death benefit program.

Contributions to the Plan from the District were \$8,513,801, for the year ended June 30, 2021. For the State's year end June 30, 2020, the State General Assembly appropriated funds to cover 1% of the 2% contribution rate increase for all employers participating in the State retirement plans. For the year ended June 30, 2021, \$460,111 of contributions paid on behalf of the District by the General Assembly for SCRS was recognized as other operating revenues.

Employee and employer contributions to the State ORP are at the same rates as SCRS. A direct remittance is required from the employers to the member's account with investment providers for the employee contribution (9.0%) and a portion of the employer contribution (5%). A direct remittance is also required to SCRS for the remaining portion of the employer contribution (10.41%) and an incidental death benefit contribution (0.15%), if applicable, which is retained by SCRS.

Pension Liabilities, Pension Expense, and Deferred Outflows (Inflows) of Resources Related to Pensions - At June 30, 2021, the District reported a net pension liability of \$119,224,828 for its proportionate share of the collective net pension liability. The net pension liability was measured as of June 30, 2020. The total pension liability, net pension liability and sensitivity information are based on an actuarial valuation performed as of July 1, 2019. The total pension liability was rolled-forward from the valuation date to the plan's fiscal year end June 30, 2020, using generally accepted actuarial principles. The allocation of the District's proportionate share of the collective net pension liability and pension expense were calculated on the basis of the District's contributions actually remitted to the plan relative to the total contributions remitted to the plan for all participating employers, less employer contributions that are not representative of future contribution efforts, as of June 30, 2020. Based upon this information, the District's proportion of the collective net pension liability is 0.466601%, an increase of 0.015746% since June 30, 2019, the prior measurement date.

For the year ended June 30, 2021, the District recognized pension expense of \$15,250,974. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to the pension from the following sources:

SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED
JUNE 30, 2021

NOTE 6 - RETIREMENT PLANS - CONTINUED

A. South Carolina Retirement System - Continued

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,375,697	\$ 450,840
Changes in assumptions	146,070	-
Net difference between projected and actual earnings on pension plan investments	8,769,985	-
Changes in proportion and differences between District contributions and proportionate share of contributions	3,633,859	-
District contributions subsequent to the measurement date	8,053,690	-
Total	<u>\$ 21,979,301</u>	<u>\$ 450,840</u>

Deferred outflows of resources of \$8,053,690 related to pensions in 2021 resulted from District contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Any other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30,	
2021	\$ (3,332,228)
2022	(3,977,411)
2023	(3,927,222)
2024	(2,237,910)
	<u>\$ (13,474,771)</u>

Actuarial Assumptions - 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 to 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 System was most recently issued for the period ending July 1, 2019, for the first use in the July 1, 2021 actuarial valuation.

SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED
JUNE 30, 2021

NOTE 6 - RETIREMENT PLANS - CONTINUED

A. South Carolina Retirement System - Continued

The June 30, 2020 total pension liability, net pension liability, and sensitivity information determined by the July 1, 2019 valuation, which used the following actuarial assumptions and methods:

Actuarial cost method	Entry age normal
Inflation	2.25%
Salary increases	3.0% to 12.5% (varies by service and includes 2.25% inflation)
Benefit adjustments	lesser of 1% or \$500 annually
Investment rate of return	7.25% (includes 2.25% inflation)

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

The long-term expected rate of return on pension plan investments is based upon the 20 year capital market assumptions. The long-term expected rates of return represent assumptions developed using an arithmetic building block approach primarily based on consensus expectations and market based inputs. Expected returns are net of investment fees. Expected returns, along with the expected inflation rate, form the basis for the target asset allocation adopted at the beginning of the 2019 fiscal year. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and adding expected inflation, and is summarized in the following table. For actuarial purposes, the 7.25% assumed annual investment rate of return used in the calculation of the total pension liability includes 5.00% real rate of return and a 2.25% inflation component.

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Portfolio Real Rate of Return</u>
Global Equity	51%	3.89%
Real Assets	12%	0.69%
Opportunistic	8%	0.29%
Credit	15%	0.71%
Rate Sensitive	14%	0.22%
Total Expected Real Return	100%	5.80%
Inflation for Actuarial Purposes		2.25%
Total Expected Nominal Return		8.05%

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

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED
JUNE 30, 2021**

NOTE 6 - RETIREMENT PLANS - CONTINUED

A. South Carolina Retirement System - Continued

Sensitivity of the Net Pension Liability to Changes in the Discount Rate - The following table presents the District's proportionate share of the collective net pension liability calculated using the discount rate of 7.25%, as well as what the District's net pension liability would be if it were calculated using a discount rate that is 1% lower (6.25%) or 1% higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Discount Rate (7.25%)	1% Increase (8.25%)
District's proportionate share of the collective net pension liability	\$ 147,764,555	\$ 119,224,828	\$ 95,393,812

Pension Plan Fiduciary Net Position - Detailed information regarding the fiduciary net position of the plan, administered by PEBA, is available in the Systems' audited financial statements for the fiscal year ended June 30, 2020 (including the unmodified opinion on the financial statements). Information about the fiduciary net position of the System and additions to/deductions from the System's fiduciary net position have been determined on the accrual basis of accounting. Additional actuarial information is available in the accounting and financial reporting actuarial valuation as of June 30, 2020. The additional information is publicly available on PEBA's website at www.peba.sc.gov.

B. South Carolina Police Officers Retirement System

Plan Description - The District, as the employer, participates in the South Carolina Police Officers Retirement System (PORS) Plan - a cost-sharing multiple-employer defined benefit pension plan administered and managed by the South Carolina Public Employee Benefit Authority (PEBA), a state agency. PEBA issues a Comprehensive Annual Financial Report (CAFR) containing financial statements and required supplementary information for the Systems' Pension Trust Funds. The CAFR is publicly available through 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.

Benefits Provided/Membership - PORS provides retirement and other benefits for police officers and firemen of the state and its political subdivisions. 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. Benefit terms are prescribed in Title 9 of the South Carolina Code of Laws, and 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 year salary.

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.

SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED
JUNE 30, 2021

NOTE 6 - RETIREMENT PLANS - CONTINUED

B. South Carolina Police Officers Retirement System - Continued

An employee member of the system with an effective date of membership prior to July 1, 2012, is a Class Two member. 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. An employee member of the system with an effective date of membership on or after July 1, 2012, is a Class Three member. 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.

The retirement allowance of eligible retirees or their surviving annuitants is increased by the lesser of 1% or \$500 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, 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 PORS employee contribution rates. Effective July 1, 2017, employee rates were increased to a capped rate of 9.75% for PORS. The legislation also increased 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 PORS employer contribution rate that was scheduled to go into effect beginning July 1, 2020. If the scheduled contributions are not sufficient to meet the funding periods set in state statute, the PEBA board shall increase the employer contribution rates as necessary to meet the funding periods set for the applicable year. The maximum funding period of 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 PEBA board is prohibited from decreasing the PORS contribution rates until the funded ratio is at least 85%. If the most recent actuarial valuation of the system for funding purposes shows a ratio of the actuarial value of the system assets to the actuarial accrued liability of the system (the funded ratio) that is equal to or greater than 85%, then the PEBA board, effective the following July 1st, 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%. If the contribution rates decreased pursuant to this provision and the most recent annual actuarial valuation of the system shows a funded ratio of less than 85%, then effective the following July 1st, and annually thereafter as necessary, the PEBA board shall increase the then current contribution rates until the subsequent annual actuarial valuation of the system shows a funded ratio that is equal to or greater than 85%.

Required employee (both Class II and III) contribution rates for the year ended June 30, 2021 was 9.75%. Required employer contribution rates for the year ended June 30, 2021 was 17.84%. Both required employee and employer contribution rates are calculated on earnable compensation, as defined in Title 9 of the South Carolina Code of Laws. Employers also contribute an additional 0.20% of earnable compensation, if participating in the incidental and/or accidental death benefit program, respectively.

Contributions to the Plan from the District were \$39,638, for the year ended June 30, 2021. For the State's year end June 30, 2020, the State General Assembly appropriated funds to cover 1% of the 2% contribution rate increase for all employers participating in the State retirement plans. For the year ended June 30, 2021, \$1,838 of contributions paid on behalf of the District by the General Assembly for PORS was recognized as other operating revenues.

SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED
JUNE 30, 2021

NOTE 6 - RETIREMENT PLANS - CONTINUED

B. South Carolina Police Officers Retirement System - Continued

Pension Liabilities, Pension Expense, and Deferred Outflows (Inflows) of Resources Related to Pensions - At June 30, 2021, the District reported a net pension liability of \$487,722 for its proportionate share of the collective net pension liability. The net pension liability was measured as of June 30, 2020. The total pension liability, net pension liability and sensitivity information are based on an actuarial valuation performed as of July 1, 2019. The total pension liability was rolled-forward from the valuation date to the plan's fiscal year end June 30, 2020, using generally accepted actuarial principles. The allocation of the District's proportional share of the collective net pension liability and pension expense were calculated on the basis of the District's contributions actually remitted to the plan relative to the total contributions remitted to the plan for all participating employers, less employer contributions that are not representative of future contribution efforts, as of June 30, 2020. Based upon this information, the District's proportion of the collective net pension liability is 0.014707%, an increase of 0.000044% since June 30, 2019, the prior measurement date.

For the year ended June 30, 2021, the District recognized pension expense of \$78,357. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to the pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 10,365	\$ 2,147
Changes in assumptions	5,952	-
Net difference between projected and actual earnings on pension plan investments	49,942	-
Changes in proportion and differences between District contributions and proportionate share of contributions	15,513	2,359
District contributions subsequent to the measurement date	37,800	-
Total	<u>\$ 119,572</u>	<u>\$ 4,506</u>

Deferred outflows of resources of \$37,800 related to pensions in 2021 resulted from District contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Any other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED
JUNE 30, 2021

NOTE 6 - RETIREMENT PLANS - CONTINUED

B. South Carolina Police Officers Retirement System - Continued

<u>Year Ended June 30,</u>	
2021	\$ (25,711)
2022	(21,455)
2023	(17,149)
2024	(12,951)
	<u>\$ (77,266)</u>

Actuarial Assumptions - 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 to 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 System was most recently issued for the period ending July 1, 2019, for first use in the July 1, 2021 actuarial valuation.

The June 30, 2020 total pension liability, net pension liability, and sensitivity information is determined by the July 1, 2019 valuation, which used the following actuarial assumptions and methods:

Actuarial cost method	Entry age normal
Inflation	2.25%
Salary increases	3.5% to 9.5% (varies by service and includes 2.25% inflation)
Benefit adjustments	lesser of 1% or \$500 annually
Investment rate of return	7.25% (includes 2.25% inflation)

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

The long-term expected rate of return on pension plan investments is based upon the 20 year capital market assumptions. The long-term expected rates of return represent assumptions developed using an arithmetic building block approach primarily based on consensus expectation and market based inputs. Expected returns are net of investment fees. Expected returns, along with the expected inflation rate, form the basis for the target asset allocation adopted at the beginning of the 2019 fiscal year. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and adding expected inflation, and is summarized in the following table. For actuarial purposes, the 7.25% assumed annual investment rate of return used in the calculation of the total pension liability includes 5.00% real rate of return and a 2.25% inflation component.

SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED
JUNE 30, 2021

NOTE 6 - RETIREMENT PLANS - CONTINUED

B. South Carolina Police Officers Retirement System - Continued

Asset Class	Target Allocation	Long-term Expected Portfolio Real Rate of Return
Global Equity	51%	3.89%
Real Assets	12%	0.69%
Opportunistic	8%	0.29%
Credit	15%	0.71%
Rate Sensitive	14%	0.22%
Total Expected Real Return	<u>100%</u>	<u>5.80%</u>
Inflation for Actuarial Purposes		<u>2.25%</u>
Total Expected Nominal Return		<u>8.05%</u>

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

Sensitivity of the Net Pension Liability to Changes in the Discount Rate - The following table presents the District's proportionate share of the collective net pension liability calculated using the discount rate of 7.25%, as well as what the District's net pension liability would be if it were calculated using a discount rate that is 1% lower (6.25%) or 1% higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Discount Rate (7.25%)	1% Increase (8.25%)
District's proportionate share of the collective net pension liability	\$ 645,662	\$ 487,722	\$ 360,907

Pension Plan Fiduciary Net Position - Detailed information regarding the fiduciary net position of the plan, administered by PEBA, is available in the Systems' audited financial statements for the fiscal year ended June 30, 2020 (including the unmodified opinion on the financial statements). Information about the fiduciary net position of the System and additions to/deductions from the System's fiduciary net position have been determined on the accrual basis of accounting. Additional actuarial information is available in the accounting and financial reporting actuarial valuation as of July 1, 2019. The additional information is publicly available through PEBA's website at www.peba.sc.gov.

C. Reconciliation to Government-Wide Financial Statements

Deferred Inflows/Outflows of Resources and the Net Pension Liability, as reported on the government-wide financial statements, are reported after aggregating the total balances of the South Carolina Retirement System and the Police Officers' Retirement System. The following is a reconciliation of the aggregated amounts to the individual reporting plans:

SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED
JUNE 30, 2021

NOTE 6 - RETIREMENT PLANS - CONTINUED

C. Reconciliation to Government-Wide Financial Statements - Continued

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Pension Liability
South Carolina Retirement System	\$ 21,979,301	\$ 450,840	\$ 119,224,828
Police Officers Retirement System	119,572	4,506	487,722
Totals as Reported on Statement of Net Position	<u>\$ 22,098,873</u>	<u>\$ 455,346</u>	<u>\$ 119,712,550</u>

NOTE 7 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLAN

OPEB Plan Description - The District, as the employer, participates in the South Carolina Retiree Health Insurance Trust Fund (SCRHITF) - a cost-sharing multiple-employer defined benefit plan, for the purpose of providing post-employment health and dental benefits to retired State and school district employees and their covered dependents. The plan is administered and managed by the South Carolina Public Employee Benefit Authority (PEBA), a state agency. This information 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.

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

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

The SCRHITF is funded through participating employers that are mandated by State statute to contribute at a rate assessed each year by the Department of Administration Executive Budget Office on active employee covered payroll. The covered payroll surcharge for the year ended June 30, 2021 was 6.25%. The South Carolina Retirement System collects the monthly covered payroll surcharge for all participating employers and remits it directly to the SCRHITF. Other sources of funding for the SCRHITF also include the implicit subsidy, or age-related subsidy inherent in the healthcare premiums structure. The implicit subsidy represents a portion of the health care expenditures paid on behalf of the employer's active employees.

For purposes of GASB Statement No. 75, this expenditure on behalf of the active employee is reclassified as a retiree health care expenditure so that the employer's contributions towards the plan reflect the underlying age-adjusted, retiree benefit costs. Non-employer contributions include the mandatory transfer of accumulated PEBA – Insurance Benefits' reserves and the annual appropriation budgeted by the General Assembly. It is also funded through investment income.

SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED
JUNE 30, 2021

NOTE 7 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLAN - CONTINUED

In accordance with part (b) of paragraph 69 of GASB Statement No. 75, participating employers should recognize revenue in an amount equal to the District's proportionate share of the change in the collective net OPEB liability arising from contributions to the OPEB plan during the measurement period from non-employer contributing entities for purposes other than the separate financing of specific liabilities to the OPEB plan. The amount of revenue recognized in the current fiscal year was \$809,710.

Contributions to the OPEB plan from the District during the current fiscal year were \$3,691,634, which includes an implicit subsidy of \$61,033.

OPEB Liabilities, OPEB Expense, and Deferred Outflows (Inflows) of Resources Related to OPEB - At June 30, 2021, the District reported a net OPEB liability of \$109,600,801 for its proportionate share of the collective net OPEB liability. The net OPEB liability was measured as of June 30, 2020. The total OPEB liability, net OPEB liability and sensitivity information are based on an actuarial valuation performed as of June 30, 2019. The total OPEB liability was rolled-forward from the valuation date to the plan's fiscal year end June 30, 2020, using generally accepted actuarial principles.

The allocation of the District's proportionate share of the collective net OPEB liability and collective OPEB expense were determined using the employer's payroll-related contributions over the measurement period, which is expected to be reflective of the employer's long-term contribution effort. Based upon this information, the District's proportion of the collective net OPEB liability is 0.607158%, an increase of 0.020608% since June 30, 2019, the prior measurement date.

For the year ended June 30, 2021, the District recognized OPEB expense of \$9,039,459. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 3,134,683	\$ 2,496,003
Changes in assumptions	16,309,967	4,364,864
Net difference between projected and actual earnings on OPEB plan investments	147,288	402,927
Changes in proportion and differences between District contributions and proportionate share of contributions	3,940,365	576
District contributions subsequent to the measurement date	3,630,601	-
Total	<u>\$ 27,162,904</u>	<u>\$ 7,264,370</u>

SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED
JUNE 30, 2021

NOTE 7 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLAN - CONTINUED

Deferred outflows of resources of \$3,630,601 related to OPEB resulted from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2022. Any other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in pension expense as follows:

<u>Year Ended June 30,</u>	
2021	\$ (2,269,001)
2022	(2,233,673)
2023	(2,177,693)
2024	(3,149,084)
Thereafter	<u>(6,438,482)</u>
	<u>\$ (16,267,933)</u>

Actuarial Assumptions - 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 healthcare cost trend. Amounts determined regarding the net OPEB liability are subject to continual revision, as actual results are compared to 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 System was most recently issued for the period ending July 1, 2019, for first use in the July 1, 2021 actuarial valuation.

The total OPEB liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Cost Method:	Individual Entry Age Normal
Inflation:	2.25%
Retiree Participation:	79% for retirees eligible for funded premiums; 59% for partial-funded premiums; 20% for non-funded premiums
Investment Rate of Return:	2.75%, net of OPEB Plan investment expense; includes inflation
Healthcare Cost Trend Rates:	Initial trend starting at 6.40% and gradually decreasing to an ultimate trend rate of 4.00% over a period of 15 years

For healthy retirees, mortality rates were based on the 2016 Public Retirees of South Carolina Mortality Table for Males and Females, using fully generational mortality projections based on the Scale AA from the year 2016. Multipliers are applied to the base tables based on gender and employment type.

The long-term expected rate of return on OPEB plan investments represents assumptions developed using an arithmetic building block approach primarily based on consensus expectations and market-based inputs. The expected returns, along with the expected inflation rate, form the basis for the target 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:

SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED
JUNE 30, 2021

NOTE 7 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLAN - CONTINUED

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%	0.60%	0.48%
Cash equivalents	20%	0.35%	0.07%
Total			0.55%
Expected Inflation			2.25%
Total Return			2.80%
Investment Return Assumption			2.75%

Discount Rate - The discount rate used to measure the total OPEB liability at June 30, 2020 was 2.45%, which is a decrease from the previous year by 0.68%. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on actuarially determined rates based on the provisions of the South Carolina State Code of Laws. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate - The following table presents the District's proportionate share of the collective net OPEB liability calculated using the discount rate of 2.45%, as well as what the District's net OPEB liability would be if it were calculated using a discount rate that is 1% lower (1.45%) or 1% higher (3.45%) than the current rate:

	1% Decrease 1.45%	Current Discount Rate 2.45%	1% Increase 3.45%
District's proportionate share of the collective net OPEB liability	\$ 130,775,756	\$ 109,600,801	\$ 92,680,429

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate - The following table presents the District's proportionate share of the collective net OPEB liability calculated using the healthcare cost trend rate of 6.4%, gradually decreasing to 4.0% over a 15-year period, as well as what the District's net OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1% lower (5.4% decreasing to 3.00%) or 1% higher (7.4% decreasing to 5.00%) than the current rate:

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
District's proportionate share of the collective net OPEB liability	\$ 88,711,329	\$ 109,600,801	\$ 137,034,691

OPEB Plan Fiduciary Net Position - Detailed information regarding the fiduciary net position of the plan, administered by PEBA, is available in the OPEB Trusts Fund audited financial statements for the fiscal year ended June 30, 2020 (including the unmodified opinion on the financial statements). Additional actuarial information is available in the accounting and financial reporting actuarial valuation as of June 30, 2019. The additional information is publicly available through PEBA's website at www.peba.sc.gov.

SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED
JUNE 30, 2021

NOTE 8 - DEFERRED COMPENSATION PLANS

Several optional deferred compensation plans are available to the District's employees. The multiple-employer plans created under Internal Revenue Code Sections 457 and 401(k) are accounted for by the State of South Carolina. Employees may withdraw the current value of their contributions when they terminate employment. With approval of the State's Deferred Compensation Commission, employees may also withdraw the current value of their contributions prior to termination of employment if they meet certain requirements. These requirements differ among the three plans. Compensation deferred under the Section 457 and 401(k) plans is placed in trust for the contributing employees. Neither the State nor the District has any liability for losses under the plans.

NOTE 9 - INTERFUND TRANSACTIONS

Interfund Receivables and Payables

Interfund balances for the year ended June 30, 2021 consisted of the following:

	Receivables	Payables
General Fund	\$ 5,218,792	\$ 30,800,809
Special Revenue Fund - Special Projects	499,740	4,119,734
Special Revenue Fund - EIA	1,357,525	-
Special Revenue Fund - Food Service	1,144,144	-
Debt Service Fund	15,738,754	-
Debt Service - Educational Facilities Corp	-	-
Capital Projects Fund	11,804,110	-
Custodial Funds	-	842,522
	<u>\$ 35,763,065</u>	<u>\$ 35,763,065</u>

The interfund balances result from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. All remaining balances resulted from consolidation of available cash to optimize return.

Interfund Transfers

Interfund transfers for the year ended June 30, 2021, consisted of the following:

Transfer from	Transfer to	Amount
General Fund	Special Revenue Funds - Special Projects	\$ 178,800
General Fund	Capital Projects Fund	19,491,300
Special Revenue Fund - Special Projects	General Fund	503,348
Special Revenue Fund - EIA	General Fund	2,717,983
Special Revenue Fund - Food Service	General Fund	482,641
Debt Service Fund	Debt Service Fund - EFC	8,172,873
Special Revenue Funds - Special Projects	Special Revenue Funds - Special Projects	179,458
		<u>\$ 31,726,403</u>

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

SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED
JUNE 30, 2021

NOTE 10 - TAX ABATEMENTS

Spartanburg County

Beginning July 1, 2016, Spartanburg County changed the allocation of FILOT revenues amongst the 7 school districts within the County. Under these agreements, there is a countywide calculation of all Fee in Lieu of Ad Valorem Tax (FILOT) payments allocating revenue to all 7 districts based on a formula. Under these agreements, the District received \$1,270,613 of FILOT revenue. Because these agreements are written across 7 taxing districts, the District is unable to determine the amount that the general fund property tax revenues were reduced as a result of these agreements or the benefit recognized by taxpayers under either Special Source Revenue Credits (SSRC) or FILOT agreements.

Under agreements written prior to June 30, 2016, the District's general fund property tax revenues were reduced by \$23,276,774 under Fee in Lieu of Ad Valorem Tax (FILOT) agreements and Special Source Revenue Credits (SSRC) entered into by the County. The District received a total of \$15,546,262 under both FILOT and SSRC tax agreements for the fiscal year. Under the FILOT agreements, taxpayers receive a reduction in ad valorem property taxes through reduced assessed values and locked millage rates. Due to these agreements, the taxpayers realized a benefit of \$11,917,578. Under the SSRC program, taxpayers receive a percentage reduction off their total property tax bill if their property qualified for the program. Due to this program, the taxpayers realized a benefit of \$11,359,196.

Under agreements written prior to June 30, 2016, the District's debt service fund property tax revenues were reduced by \$1,538,111 under Fee in Lieu of Ad Valorem Tax (FILOT) agreements and Special Source Revenue Credits (SSRC) entered into by the County. The District received a total of \$3,207,521 under both FILOT and SSRC tax agreements for the fiscal year. Under the FILOT agreements, taxpayers receive a reduction in ad valorem property taxes through reduced assessed values and locked millage rates. Due to these agreements, the taxpayers realized a loss of \$751,069. Under the SSRC program, taxpayers receive a percentage reduction off their total property tax bill if their property qualified for the program. Due to this program, the taxpayers realized a benefit of \$2,289,180.

Cherokee County

Cherokee County collects and remits FILOT revenue due to Spartanburg County related to a Multi-County Industrial Park located within Cherokee County. Due to this agreement and the agreement to allocate all FILOT related to school districts under these agreements equitably across all 7 districts, the District received \$51,077 in FILOT revenue from Cherokee County.

NOTE 11 - SUMMARY DISCLOSURE OF SIGNIFICANT CONTINGENCIES AND COMMITMENTS

The District is required to pay unemployment compensation on covered employees. It has chosen the alternative of paying claims as billed by the South Carolina Employment Security Commission. However, under this method of funding, no accurate estimate of any potential liability has been made.

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

The District has contracted with Honeywell, Inc. to implement and maintain an energy conservation program. Under the program, Honeywell, Inc. provides an Energy and Operational Savings guarantee, maintenance and operation services, preferred maintenance services, building management support services, and retrofit services. The contract is for an initial term of five years and will renew year to year up to an additional five years. Either party may terminate the agreement by giving thirty days notice prior to the end of the year.

SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED
JUNE 30, 2021

NOTE 11 - SUMMARY DISCLOSURE OF SIGNIFICANT CONTINGENCIES AND COMMITMENTS - CONTINUED

Total contractual commitments of the Capital Projects Fund at June 30, 2021 are as follows:

Projects	Contract Amount	Job to Date Expenditures	Outstanding Commitments
Byrnes/Beech Springs Softball	\$ 5,080,473	\$ 357,526	\$ 4,722,947
Beech Springs Intermediate Addition	60,000	2,925	57,075
Berry Shoals Intermediate Addition	192,500	8,258	184,242
Byrnes High School, Phase II	1,650,000	90,090	1,559,910
	<u>\$ 6,982,973</u>	<u>\$ 458,799</u>	<u>\$ 6,524,174</u>

NOTE 12 - RELATED ORGANIZATION

These financial statements exclude R.D. Anderson Applied Technology District, Moore, South Carolina. The District serves the high schools in Spartanburg County School Districts Four, Five, and Six. Two members of District Five's Board of Trustees serve as board members of the District. Also, the superintendent of District Five is an ex-officio non-voting member of the R.D. Anderson Applied Technology District Board of Trustees. District Five remits a portion of their Education Finance Act monies to the District to cover the educational costs of the District's students attending the District and a portion of the Property Tax Relief Act Tier 3. For the year ended June 30, 2021, these amounts were \$445,378 and \$294,047 respectively and were recorded as General Fund expenditures.

NOTE 13 - CUMULATIVE CHANGE IN ACCOUNTING PRINCIPLE

For the year ended June 30, 2021, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*. This statement establishes criteria for identifying activities of all state and local governments. The focus of the criteria generally is on 1) whether a government is controlling the assets of the fiduciary activity and 2) the beneficiaries with whom a fiduciary relationship exists. Governments with activities meeting the criteria should present a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position.

Based on the established criteria in this statement, the District's pupil activity funds, as previously reported as agency funds, will now be reported as special revenue funds in the Special Revenue Fund – Special Projects major fund. The remaining fiduciary activities of the District relating to Middle Tyger Community Center and First Steps will be reported in the Statement of Fiduciary Net Position and the Statement of Changes in Fiduciary Net Position as Custodial Funds.

SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED
JUNE 30, 2021

NOTE 14 - RESTATEMENT OF BEGINNING NET POSITION / FUND BALANCE

The District implemented GASB Statement No. 84 during the fiscal year ending June 30, 2021. Beginning net position and beginning fund balance was restated as follows:

	Governmental Activities	Governmental Funds Special Revenue Fund-Special Projects	Fiduciary Funds Agency Funds Pupil Activity Fund
Net Position / Fund Balance / Due to Student Organizations at Beginning of Year, as Previously Reported	\$ (10,023,188)	\$ -	\$ 1,535,754
Implementation of GASB Statement 84 - Fiduciary Activities	1,535,754	1,535,754	(1,535,754)
Beginning of Year, as Adjusted	<u>\$ (8,487,434)</u>	<u>\$ 1,535,754</u>	<u>\$ -</u>

NOTE 15 - SUBSEQUENT EVENT

On September 22, 2021, the District purchased 56.85 acres of land at 12633 E. Wade Hampton Blvd., Duncan, SC, to be used for a future elementary school.

In August 2021, the Board of Trustees unanimously approved a resolution authorizing a bond referendum to ask the voters permission to issue up to \$295,000,000 of general obligation bonds for the purpose of new school construction, additions/renovations to existing schools, and land acquisition. On November 2, 2021, voters approved the bond referendum by a vote of 84% in favor and 16% opposed.

Management has evaluated subsequent events through November 9, 2021, the date on which the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION
SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE
COLLECTIVE NET PENSION LIABILITY
SOUTH CAROLINA RETIREMENT SYSTEM
LAST TEN FISCAL YEARS*

	2021	2020	2019	2018	2017	2016	2015
District's Proportion of the Collective Net Pension Liability	0.466601%	0.450855%	0.445212%	0.438291%	0.430060%	0.430512%	0.431989%
District's Proportionate Share of the Collective Net Pension Liability	\$ 119,224,828	\$ 102,948,843	\$ 99,757,769	\$ 98,666,353	\$ 91,860,181	\$ 81,648,676	\$ 74,374,184
District's Covered-Employee Payroll	\$ 55,743,907	\$ 51,086,033	\$ 49,761,349	\$ 48,238,262	\$ 46,032,903	\$ 43,955,092	\$ 42,750,998
District's Proportionate Share of the Collective Net Pension Liability as a Percentage of its Covered-Employee Payroll	213.88%	201.52%	200.47%	204.54%	199.55%	185.75%	173.97%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	50.70%	54.40%	54.10%	53.30%	52.91%	56.99%	59.92%

*The amounts presented were determined as of the prior fiscal year ending June 30.

Notes to Schedule:

June 30, 2015, was the first year of GASB 68 implementation, therefore 10-year data is not yet available.

REQUIRED SUPPLEMENTARY INFORMATION
SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
SOUTH CAROLINA RETIREMENT SYSTEM
LAST TEN FISCAL YEARS*

	2021	2020	2019	2018	2017	2016	2015
Statutorially Required Contributions	\$ 8,053,690	\$ 7,638,724	\$ 6,472,281	\$ 5,795,988	\$ 5,112,079	\$ 4,663,080	\$ 4,399,863
Contributions in Relation to the Statutorially Required Contributions	8,053,690	7,638,724	6,472,281	5,795,988	5,112,079	4,663,080	4,399,863
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's Covered-Employee Payroll	\$ 58,848,827	\$ 55,743,907	\$ 51,086,033	\$ 49,761,349	\$ 48,238,262	\$ 46,032,903	\$ 43,955,092
Contributions as a Percentage of Covered-Employee Payroll	13.69%	13.70%	12.67%	11.65%	10.60%	10.13%	10.01%

Notes to Schedule:
June 30, 2015, was the first year of GASB 68 implementation, therefore 10-year data is not yet available.

REQUIRED SUPPLEMENTARY INFORMATION
SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE
COLLECTIVE NET PENSION LIABILITY
POLICE OFFICERS RETIREMENT SYSTEM
LAST TEN FISCAL YEARS*

	2020	2020	2019	2018	2017	2016	2015
District's Proportion of the Collective Net Pension Liability	0.014707%	0.014663%	0.014058%	0.013140%	0.014020%	0.012840%	0.006830%
District's Proportionate Share of the Collective Net Pension Liability	\$ 487,722	\$ 420,224	\$ 398,338	\$ 360,088	\$ 355,639	\$ 279,869	\$ 130,736
District's Covered-Employee Payroll	\$ 222,888	\$ 212,676	\$ 194,583	\$ 177,005	\$ 178,753	\$ 159,084	\$ 82,140
District's Proportionate Share of the Collective Net Pension Liability as a Percentage of its Covered-Employee Payroll	218.82%	197.59%	204.71%	203.43%	198.96%	175.93%	159.16%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	58.80%	62.70%	61.70%	60.90%	60.40%	64.60%	67.50%

*The amounts presented were determined as of the prior fiscal year ending June 30.

Notes to Schedule:
June 30, 2015, was the first year of GASB 68 implementation, therefore 10-year data is not yet available.

**REQUIRED SUPPLEMENTARY INFORMATION
SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
POLICE OFFICERS RETIREMENT SYSTEM
LAST TEN FISCAL YEARS***

	2021	2020	2019	2018	2017	2016	2015
Statutorially Required Contributions	\$ 37,800	\$ 38,817	\$ 34,827	\$ 29,762	\$ 25,205	\$ 24,561	\$ 21,333
Contributions in Relation to the Statutorially Required Contributions	37,800	38,817	34,827	29,762	25,205	24,561	21,333
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's Covered-Employee Payroll	\$ 217,314	\$ 222,888	\$ 212,676	\$ 194,583	\$ 177,005	\$ 178,753	\$ 159,084
Contributions as a Percentage of Covered-Employee Payroll	17.39%	17.42%	16.38%	15.30%	14.24%	13.74%	13.41%

Notes to Schedule:
June 30, 2015, was the first year of GASB 68 implementation, therefore 10-year data is not yet available.

REQUIRED SUPPLEMENTARY INFORMATION
 SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
 SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE
 COLLECTIVE NET OPEB LIABILITY
 SOUTH CAROLINA RETIREE HEALTH INSURANCE TRUST FUND
 LAST TEN FISCAL YEARS*

	2021	2020	2019	2018
District's Proportion of the Collective Net OPEB Liability	0.607158%	0.586550%	0.579285%	0.574128%
District's Proportionate Share of the Collective Net OPEB Liability	\$ 109,600,801	\$ 88,695,302	\$ 82,088,073	\$ 77,764,697
District's Covered-Employee Payroll	\$ 55,966,796	\$ 51,298,709	\$ 49,955,932	\$ 48,415,267
District's Proportionate Share of the Collective Net OPEB Liability as a Percentage of its Covered-Employee Payroll	195.83%	172.90%	164.32%	160.62%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	8.39%	8.44%	7.91%	7.60%

*The amounts presented were determined as of the prior fiscal year ending June 30.

Notes to Schedule:

June 30, 2018 was the first year of GASB 75 implementation, therefore 10-year data is not yet available.

REQUIRED SUPPLEMENTARY INFORMATION
 SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
 SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
 SOUTH CAROLINA RETIREE HEALTH INSURANCE TRUST FUND
 LAST TEN FISCAL YEARS*

	2021	2020	2019	2018
Statutorially Required Contributions	\$ 3,630,601	\$ 3,266,718	\$ 3,094,481	\$ 2,685,758
Contributions in Relation to the Statutorially Required Contributions	3,630,601	3,266,718	3,094,481	2,685,758
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -
District's Covered-Employee Payroll	\$ 59,066,140	\$ 55,966,796	\$ 51,298,709	\$ 49,955,932
Contributions as a Percentage of Covered-Employee Payroll	6.147%	5.837%	6.032%	5.376%

Note to Schedule:
 June 30, 2018 was the first year of GASB 75 implementation, therefore 10-year data is not yet available.

**REQUIRED SUPPLEMENTARY INFORMATION
SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budgeted Amounts		Actual	Variance with
	Original	Final	(Budgetary Basis)	Final Budget- Positive (Negative)
REVENUE				
Local	\$ 46,052,432	\$ 46,052,432	\$ 55,171,664	\$ 9,119,232
Intergovernmental	261,585	261,585	286,390	24,805
State	47,980,543	48,917,588	50,365,364	1,447,776
Total Revenue	94,294,560	95,231,605	105,823,418	10,591,813
EXPENDITURES				
Current:				
Instruction	59,927,004	60,147,809	57,886,851	2,260,958
Support Services	31,395,930	31,932,269	29,692,780	2,239,489
Community Services	-	1,101	1,101	-
Intergovernmental	415,000	415,000	409,186	5,814
Total Expenditures	91,737,934	92,496,179	87,989,918	4,506,261
Excess / (Deficiency) of Revenues Over Expenditures	2,556,626	2,735,426	17,833,500	15,098,074
OTHER FINANCING SOURCES (USES)				
Sale of Fixed Assets	-	-	2,501	2,501
Operating Transfers In	2,934,674	2,934,674	3,703,972	769,298
Operating Transfers Out	(5,491,300)	(5,670,100)	(19,670,100)	(14,000,000)
Net Change in Fund Balance	\$ -	\$ -	1,869,873	\$ 1,869,873
FUND BALANCE - JULY 1, 2020			19,437,630	
FUND BALANCE - JUNE 30, 2021			\$ 21,307,503	

Note: The budget is prepared and monitored on a generally accepted accounting principles (GAAP) basis of accounting.

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FINAL BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
1000 Revenue From Local Sources			
1100 Taxes Levied/Assessed by the LEA			
1110 Ad Valorem Taxes - Including Delinquent (Independent)	\$ 32,300,000	\$ 35,794,857	\$ 3,494,857
1190 Other Taxes (Independent)	1,664,720	2,333,172	668,452
1200 Revenue from Local Government Units Other than LEAs			
1280 Revenue In Lieu of Taxes (Independent and Dependent)	12,062,712	16,867,952	4,805,240
1300 Tuition			
1310 Tuition from Patrons for Regular Day School	-	47,200	47,200
1500 Earnings on Investments			
1510 Interest on Investments	25,000	55,560	30,560
1900 Other Revenue from Local Sources			
1920 Contributions and Donations Private Sources	-	7,050	7,050
1950 Refund of Prior Year's Expenditures	-	95	95
1990 Miscellaneous Local Revenue			
1993 Receipt of Insurance Proceeds	-	13,420	13,420
1999 Revenue from Other Local Sources	-	52,358	52,358
Total Local Sources	46,052,432	55,171,664	9,119,232
2000 Intergovernmental Revenue			
2100 Payments for Other Governmental Units	261,585	286,390	24,805
Total Intergovernmental Revenue	261,585	286,390	24,805
3000 Revenue from State Sources			
3100 Restricted State Funding			
3130 Special Programs			
3131 Handicapped Transportation	-	635	635
3132 Home Schooling (No Carryover Provision)	-	622	622
3160 School Bus Drivery Salary (Includes Hazardous Condition Transportation)	349,717	413,306	63,589
3161 EAA Bus Driver Salary and Fringe	-	19,017	19,017
3162 Transportation Worker's Compensation	20,452	22,514	2,062
3180 Fringe Benefit Employer Contributions (No Carryover Provision)	9,667,113	9,667,113	-
3181 Retiree Insurance (No Carryover Provision)	2,078,193	2,144,970	66,777
3186 State Aid to Classrooms - Teacher Salary Increase	1,784,861	1,960,689	175,828
3189 Teacher Step	429,198	429,198	-
3300 State Aid to Classrooms - Education Finance Act (EFA)			
3310 Full-Time Programs			
3311 Kindergarten	984,164	960,268	(23,896)
3312 Primary	2,917,374	2,958,376	41,002
3313 Elementary	5,073,294	5,183,501	110,207
3314 High School	2,421,958	2,282,097	(139,861)
3315 Trainable Mentally Handicapped	57,171	72,247	15,076
3316 Speech Handicapped (Part-Time)	1,463,586	1,467,198	3,612
3317 Homebound	9,021	4,513	(4,508)

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FINAL BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
3320 Part-Time Programs			
3321 Emotionally Handicapped	151,458	130,460	(20,998)
3322 Educable Mentally Handicapped	47,964	50,003	2,039
3323 Learning Disabilities	1,717,929	1,735,659	17,730
3324 Hearing Handicapped	78,818	87,895	9,077
3325 Visually Handicapped	64,550	59,467	(5,083)
3326 Orthopedically Handicapped	14,183	29,287	15,104
3327 Pre-Career and Career Technology	1,675,668	1,981,120	305,452
3330 Miscellaneous EFA Programs			
3331 Autism	681,011	731,177	50,166
3332 High Achieving Students	327,836	330,556	2,720
3334 Limited English Proficiency	226,139	227,648	1,509
3351 Academic Assistance	667,256	671,865	4,609
3352 Pupils in Poverty	1,618,538	1,645,222	26,684
3353 Dual Credit Enrollment	55,638	53,249	(2,389)
3392 NBC Excess EFA Formula	-	61,429	61,429
3800 State Revenue in Lieu of Taxes			
3810 Reimbursement for Local Residential Property Tax Relief (Tier 1)	1,681,807	1,681,807	-
3820 Homestead Exemption (Tier 2)	968,250	968,250	-
3825 Reimbursement for Property Tax Relief (Tier 3)	10,603,885	10,628,676	24,791
3830 Merchant's Inventory Tax	78,607	78,608	1
3840 Manufacturers Depreciation Reimbursement	440,000	984,105	544,105
3890 Other State Property Tax Revenues (Includes Motor Carrier Vehicle Tax)	100,000	180,668	80,668
3990 Other State Revenue			
3993 PEBA On-Behalf	461,949	461,949	-
Total State Sources	48,917,588	50,365,364	1,447,776
TOTAL REVENUE ALL SOURCES	95,231,605	105,823,418	10,591,813
EXPENDITURES			
100 INSTRUCTION			
110 General Instruction			
111 Kindergarten Programs			
100 Salaries	2,462,125	2,442,227	19,898
200 Employee Benefits	1,304,726	1,188,015	116,711
400 Supplies and Materials	55,232	50,997	4,235
500 Capital Outlay	1,700	-	1,700
112 Primary Programs			
100 Salaries	8,746,980	8,553,846	193,134
200 Employee Benefits	3,834,076	3,641,131	192,945
300 Purchased Services	86,124	70,479	15,645
400 Supplies and Materials	183,428	170,943	12,485
500 Capital Outlay	1,700	-	1,700
600 Other Objects	14,700	14,400	300

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FINAL BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
113 Elementary Programs			
100 Salaries	11,896,637	11,780,247	116,390
200 Employee Benefits	5,497,662	5,125,201	372,461
300 Purchased Services	362,971	357,427	5,544
400 Supplies and Materials	834,540	683,299	151,241
500 Capital Outlay	1,994,732	1,914,420	80,312
600 Other Objects	5,100	4,800	300
114 High School Programs			
100 Salaries	7,179,335	7,085,771	93,564
200 Employee Benefits	2,976,214	2,802,846	173,368
300 Purchased Services	677,459	678,508	(1,049)
400 Supplies and Materials	334,499	205,426	129,073
500 Capital Outlay	153,173	111,309	41,864
600 Other Objects	12,300	11,932	368
115 Career and Technical Education Programs			
100 Salaries	642,168	628,599	13,569
200 Employee Benefits	277,156	273,098	4,058
300 Purchased Services (Other than Tuition)	2,488	-	2,488
370 Tuition (Purchased Services)	737,832	739,425	(1,593)
400 Supplies and Materials	31,999	24,277	7,722
500 Capital Outlay	10,300	6,291	4,009
120 Expectional Programs			
121 Educable Mentally Handicapped			
100 Salaries	291,736	290,802	934
200 Employee Benefits	135,451	124,142	11,309
300 Purchased Services	3,650	-	3,650
400 Supplies and Materials	561	297	264
122 Trainable Mentally Handicapped			
100 Salaries	254,576	254,117	459
200 Employee Benefits	130,219	128,806	1,413
300 Purchased Services	40,100	26,781	13,319
400 Supplies and Materials	516	368	148
123 Orthopedically Handicapped			
100 Salaries	2,864	2,765	99
200 Employee Benefits	1,320	1,286	34
300 Purchased Services	700	-	700
400 Supplies and Materials	183	144	39
124 Visually Handicapped			
300 Purchased Services	21,800	21,529	271
400 Supplies and Materials	430	276	154
500 Capital Outlay	5,000	1,275	3,725
125 Hearing Handicapped			
100 Salaries	16,000	15,150	850
200 Employee Benefits	9,000	8,013	987
300 Purchased Services	70,400	70,359	41
400 Supplies and Materials	594	262	332
500 Capital Outlay	5,000	2,251	2,749
126 Speech Handicapped			
100 Salaries	438,173	437,270	903
200 Employee Benefits	193,960	186,385	7,575
300 Purchased Services	218,340	156,771	61,569
400 Supplies and Materials	16,200	15,772	428

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FINAL BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
127 Learning Disabilities			
100 Salaries	2,467,756	2,466,810	946
200 Employee Benefits	1,168,454	1,103,645	64,809
300 Purchased Services	6,700	5,930	770
400 Supplies and Materials	20,460	16,433	4,027
128 Emotionally Handicapped			
100 Salaries	493,434	441,068	52,366
200 Employee Benefits	239,149	199,238	39,911
300 Purchased Services	21,200	17,679	3,521
400 Supplies and Materials	2,223	897	1,326
130 PreSchool Programs			
137 Preschool Handicapped Self-Contained (3- and 4- Yr. -Olds)			
100 Salaries	504,247	503,879	368
200 Employee Benefits	249,007	244,357	4,650
400 Supplies and Materials	2,068	1,977	91
139 Early Childhood Programs			
100 Salaries	329,512	308,282	21,230
200 Employee Benefits	186,931	171,608	15,323
140 Special Programs			
141 Gifted and Talented Academic			
100 Salaries	304,435	280,701	23,734
200 Employee Benefits	142,246	122,271	19,975
300 Purchased Services	6,200	-	6,200
400 Supplies and Materials	8,048	2,278	5,770
143 Advanced Placement			
300 Purchased Services	1,500	165	1,335
400 Supplies and Materials	3,825	1,591	2,234
145 Homebound			
100 Salaries	112,000	97,460	14,540
200 Employee Benefits	33,958	27,459	6,499
300 Purchased Services	4,500	3,703	797
148 Gifted and Talented Artistic			
100 Salaries	7,000	4,450	2,550
200 Employee Benefits	2,123	1,328	795
300 Purchased Services	600	600	-
400 Supplies and Materials	3,557	2,528	1,029
160 Other Exceptional Programs			
161 Autism			
100 Salaries	282,284	242,850	39,434
200 Employee Benefits	152,745	108,595	44,150
300 Purchased Services	102,500	102,079	421
400 Supplies and Materials	5,053	3,459	1,594
162 Limited English Proficiency			
100 Salaries	735,373	735,119	254
200 Employee Benefits	323,063	315,872	7,191
300 Purchased Services	2,400	1,931	469

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FINAL BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
170 Summer School Programs			
172 Elementary Summer School			
100 Salaries	14,000	10,360	3,640
200 Employee Benefits	4,245	3,121	1,124
173 High School Summer School			
100 Salaries	19,392	18,445	947
200 Employee Benefits	6,000	5,579	421
180 Adult/Continuing Education Programs			
188 Parenting/Family Literacy			
100 Salaries	3,342	3,110	232
200 Employee Benefits	350	259	91
300 Purchased Services	1,800	-	1,800
Total Instruction	60,147,809	57,886,851	2,260,958
200 SUPPORT SERVICES			
210 Pupil Service			
211 Attendance and Social Work Services			
100 Salaries	87,093	86,355	738
200 Employee Benefits	30,695	30,676	19
300 Purchased Services	2,308	1,982	326
400 Supplies and Materials	200	-	200
212 Guidance Services			
100 Salaries	1,411,955	1,411,394	561
200 Employee Benefits	612,027	580,111	31,916
300 Purchased Services	10,937	10,545	392
400 Supplies and Materials	49,319	48,432	887
213 Health Service			
100 Salaries	791,102	749,084	42,018
200 Employee Benefits	373,221	335,799	37,422
300 Purchased Services	10,310	5,773	4,537
400 Supplies and Materials	19,516	15,934	3,582
500 Capital Outlay	1,000	-	1,000
214 Psychological Services			
100 Salaries	456,098	452,430	3,668
200 Employee Benefits	225,648	183,247	42,401
300 Purchased Services	84,200	69,382	14,818
400 Supplies and Materials	850	552	298
217 Career Specialist Services			
100 Salaries	1,975	1,810	165
200 Employee Benefits	500	151	349
220 Instructional Staff Services			
221 Improvement of Instruction Curriculum Development			
100 Salaries	978,454	825,384	153,070
200 Employee Benefits	398,875	315,759	83,116
300 Purchased Services	48,500	26,908	21,592
400 Supplies and Materials	4,250	589	3,661
600 Other Objects	500	-	500

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FINAL BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
222 Library and Media Services			
100 Salaries	1,081,903	1,063,716	18,187
200 Employee Benefits	515,535	445,947	69,588
400 Supplies and Materials	173,807	148,493	25,314
223 Supervision of Special Programs			
100 Salaries	132,529	62,996	69,533
200 Employee Benefits	45,381	25,021	20,360
224 Improvement of Instruction Inservice and Staff Training			
100 Salaries	827,026	641,803	185,223
200 Employee Benefits	347,712	295,262	52,450
300 Purchased Services	129,299	106,036	23,263
400 Supplies and Materials	26,295	10,210	16,085
230 General Administrative Service			
231 Board of Education			
300 Purchased Services	46,500	44,389	2,111
318 Audit Services	40,000	37,975	2,025
400 Supplies and Materials	2,550	541	2,009
500 Capital Outlay	1,700	-	1,700
600 Other Objects	108,153	106,367	1,786
232 Office of Superintendent			
100 Salaries	338,110	312,086	26,024
200 Employee Benefits	110,565	100,942	9,623
300 Purchased Services	4,165	2,395	1,770
400 Supplies and Materials	6,800	4,317	2,483
500 Capital Outlay	2,125	-	2,125
600 Other Objects	4,000	2,189	1,811
233 School Administration			
100 Salaries	4,409,209	4,407,748	1,461
200 Employee Benefits	1,906,872	1,795,586	111,286
300 Purchased Services	50,291	42,015	8,276
400 Supplies and Materials	66,372	53,922	12,450
500 Capital Outlay	16,127	9,371	6,756
600 Other Objects	1,100	914	186
250 Finance and Operations Services			
252 Fiscal Services			
100 Salaries	329,822	329,617	205
180 Head of Organizational Unit Salaries	133,529	133,529	-
200 Employee Benefits	150,838	145,434	5,404
280 Head of Organizational Unit Employee Benefits	49,800	49,297	503
300 Purchased Services	30,000	2,232	27,768
380 Head of Organizational Unit Purchased Services	243	50	193
400 Supplies and Materials	12,500	12,391	109
500 Capital Outlay	1,400	-	1,400
254 Operations and Maintenance of Plant			
100 Salaries	2,770,489	2,615,380	155,109
200 Employee Benefits	1,319,145	1,002,647	316,498
300 Purchased Services (Excludes Energy Costs)	1,924,830	1,798,038	126,792
321 Public Utility Services (Exclude Gas, Oil, Electric & Other Heating Fuels)	346,500	267,770	78,730
400 Supplies and Materials (Included Energy Costs)	617,400	601,931	15,469
470 Energy (Includes Gas, Oil, Electric & Other Heating Fuels)	1,575,700	1,422,345	153,355
500 Capital Outlay	329,300	312,257	17,043

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FINAL BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
255 Student Transportation (State Mandated)			
100 Salaries	1,156,896	1,156,730	166
200 Employee Benefits	363,555	358,115	5,440
300 Purchased Services	167,330	102,389	64,941
400 Supplies and Materials	52,000	44,302	7,698
500 Capital Outlay	42,000	32,758	9,242
258 Security			
100 Salaries	182,445	181,879	566
200 Employee Benefits	71,872	70,550	1,322
300 Purchased Services	1,162,000	1,152,379	9,621
400 Supplies and Materials	110,700	80,269	30,431
500 Capital Outlay	101,540	89,909	11,631
259 Internal Auditing Services			
100 Salaries	9,615	9,615	-
200 Employee Benefits	3,435	3,382	53
300 Purchased Services	1,000	-	1,000
260 Central Support Services			
263 Information Services			
100 Salaries	13,885	12,985	900
180 Head of Organizational Unit Salaries	75,669	75,632	37
200 Employee Benefits	9,106	6,058	3,048
280 Head of Organizational Unit Employee Benefits	30,400	29,987	413
300 Purchased Services	57,228	51,152	6,076
380 Head of Organizational Unit Purchased Services	1,750	1,729	21
400 Supplies and Materials	48,092	45,443	2,649
500 Capital Outlay	2,700	1,340	1,360
264 Staff Services			
100 Salaries	212,053	211,480	573
200 Employee Benefits	97,403	97,072	331
300 Purchased Services	45,500	37,409	8,091
400 Supplies and Materials	5,000	1,084	3,916
266 Technology and Data Processing Services			
100 Salaries	740,710	740,947	(237)
180 Head of Organizational Unit Salaries	116,834	116,419	415
200 Employee Benefits	311,983	299,946	12,037
280 Head of Organizational Unit Employee Benefits	39,800	39,694	106
300 Purchased Services	2,500	434	2,066
380 Head of Organizational Unit Purchased Services	2,500	-	2,500
270 Support Services - Pupil Activity			
271 Pupil Service Activities			
100 Salaries (Optional)	634,834	634,216	618
200 Employee Benefits (Optional)	212,366	210,592	1,774
300 Purchased Services (Optional)	192,113	186,377	5,736
400 Supplies and Materials (Optional)	17,500	6,935	10,565
500 Capital Outlay (Optional)	6,800	16	6,784
600 Other Objects (Optional)	46,000	38,100	7,900
Total Support Services	31,932,269	29,692,780	2,239,489

SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FINAL BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
300 COMMUNITY SERVICES			
350 Custody and Care of Children			
100 Salaries	1,016	1,016	-
200 Employee Benefits	85	85	-
Total Community Services	<u>1,101</u>	<u>1,101</u>	<u>-</u>
400 OTHER CHARGES			
410 Intergovernmental Expenditures			
412 Payments to other governmental units			
720 Transits	415,000	409,186	5,814
Total Intergovernmental Expenditures	<u>415,000</u>	<u>409,186</u>	<u>5,814</u>
TOTAL EXPENDITURES	<u>92,496,179</u>	<u>87,989,918</u>	<u>4,506,261</u>
OTHER FINANCING SOURCES (USES)			
5300 Sales of Fixed Assets	-	2,501	2,501
Interfund Transfers, from (to) Other Funds			
5230 Transfer from Special Revenue EIA Fund	2,584,674	2,717,983	133,309
5280 Transfer from Other Funds Indirect Cost	350,000	985,989	635,989
423-710 Transfer to Debt Service Fund	(3,916,300)	-	3,916,300
424-710 Transfer to Capital Projects Fund	(1,575,000)	(19,491,300)	(17,916,300)
426-710 Transfer to Pupil Activity Fund	(178,800)	(178,800)	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(2,735,426)</u>	<u>(15,963,627)</u>	<u>(13,228,201)</u>
Excess/(Deficiency) of Revenues over Expenditures	<u>\$ -</u>	<u>1,869,873</u>	<u>\$ 1,869,873</u>
FUND BALANCE - JULY 1, 2020		<u>19,437,630</u>	
FUND BALANCE - JUNE 30, 2021		<u>\$ 21,307,503</u>	

SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
SPECIAL REVENUE FUND - SPECIAL PROJECTS
COMBINING BALANCE SHEET
JUNE 30, 2021

TITLE I	IDEA	PRESCHOOL HANDICAPPED	CATE	OTHER DESIGNATED RESTRICTED STATE GRANTS	OTHER SPECIAL REVENUE PROGRAMS	STUDENT ACTIVITY FUNDS	TOTAL
ASSETS							
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,036,634	\$ 1,036,634
Accounts Receivable	-	-	-	-	17,387	-	17,387
Due from State Department of Education	-	-	-	-	3,740	-	3,740
Due from Federal Government	499,437	12,197	8,224	-	3,735,066	-	4,795,488
Due from Other Funds	-	-	-	293,859	-	205,881	499,740
Total Assets	\$ 499,437	\$ 12,197	\$ 8,224	\$ 293,859	\$ 3,756,193	\$ 1,242,515	\$ 6,352,989
LIABILITIES AND FUND BALANCE							
Liabilities							
Due to Other Funds	\$ 499,437	\$ 12,197	\$ 8,224	\$ -	\$ 3,059,312	\$ -	\$ 4,119,734
Unearned Revenues	-	-	-	293,859	696,881	-	990,740
Total Liabilities	\$ 499,437	\$ 12,197	\$ 8,224	\$ 293,859	\$ 3,756,193	\$ -	\$ 5,110,474
Fund Balances							
	-	-	-	-	-	1,242,515	1,242,515
Total Liabilities and Fund Balance	\$ 499,437	\$ 12,197	\$ 8,224	\$ 293,859	\$ 3,756,193	\$ 1,242,515	\$ 6,352,989

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
SPECIAL REVENUE FUND - SPECIAL PROJECTS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

REVENUES	TITLE I	IDEA	PRESCHOOL HANDICAPPED	CATE	OTHER DESIGNATED RESTRICTED STATE GRANTS	OTHER SPECIAL REVENUE PROGRAMS	STUDENT ACTIVITY FUNDS	TOTAL
1000 Revenue From Local Sources								
1500 Earnings on Investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1510 Interest on Investments								
1700 Pupil Activities								
1710 Admissions	-	-	-	-	-	-	92,130	92,130
1720 Bookstore Sales	-	-	-	-	-	-	6,484	6,484
1730 Pupil Organization Membership Dues and Fees	-	-	-	-	-	-	8,561	8,561
1740 Student Fees	-	-	-	-	-	-	360,955	360,955
1790 Other Pupil Activity Income	-	-	-	-	-	-	780,089	780,089
1900 Other Revenue from Local Sources								
1910 Rentals	-	-	-	-	-	4,401	-	4,401
1920 Contributions and Donations From Private Sources	-	-	-	-	-	60,738	52,660	113,398
1930 Special Needs Transportation - Medicaid	-	-	-	-	-	228,441	-	228,441
1999 Revenue from Other Local Sources	-	-	-	-	-	165,052	-	165,052
Total Local Revenue	-	-	-	-	-	458,632	1,300,881	1,759,513
3000 Revenue from State Sources								
3100 Restricted State Funding								
3110 Occupational Education	-	-	-	-	330,071	-	-	330,071
3118 EEDA Career Specialists	-	-	-	-	65,020	-	-	65,020
3120 General Education	-	-	-	-	422,068	-	-	422,068
3127 Student Health and Fitness - PE Teachers	-	-	-	-	172,885	-	-	172,885
3130 Special Programs	-	-	-	-	818	-	-	818
3135 Reading Coaches	-	-	-	-	1,974	-	-	1,974
3136 Student Health and Fitness - Nurses	-	-	-	-	-	-	-	-
3190 Miscellaneous Restricted State Grants	-	-	-	-	-	-	-	-
3193 Education License Plates	-	-	-	-	-	-	-	-
3199 Other Restricted State Grants	-	-	-	-	-	-	-	-
3900 Other State Revenue	-	-	-	-	14,422	-	-	14,422
3994 PEBA Nonemployer Contributions	-	-	-	-	1,215,488	-	-	1,215,488
3995 CRF Per Pupil Funding	-	-	-	-	-	-	-	-
Total State Sources	-	-	-	-	2,222,746	-	-	2,222,746
4000 Revenue from Federal Sources								
4200 Occupational Education								
4210 Perkins Aid, Title I - Career and Technology Education - Basic Grants to States	-	-	-	81,056	-	-	-	81,056
4300 Elementary and Secondary Education Act of 1965 (ESEA)								
4310 Title I, Basic State Grant Programs (Carryover Provision)	1,525,073	-	-	-	-	203,137	-	1,728,210
4341 Language Instruction for Limited English Proficient and Immigrant Students, Title III	-	-	-	-	-	84,411	-	84,411
4351 Supporting Effective Instruction	-	-	-	-	-	222,031	-	222,031

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
SPECIAL REVENUE FUND - SPECIAL PROJECTS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	TITLE I	IDEA	PRESCHOOL HANDICAPPED	CATE	OTHER DESIGNATED RESTRICTED STATE GRANTS	OTHER SPECIAL REVENUE PROGRAMS	STUDENT ACTIVITY FUNDS	TOTAL
4500 Programs for Children with Disabilities	-	1,707,460	-	-	-	4,000	-	1,711,460
4510 Individuals with Disabilities Education Act (IDEA)	-	-	68,022	-	-	-	-	68,022
4520 Preschool Grants for Children with Disabilities (IDEA)								
4900 Other Federal Sources								
4975 Coronavirus Aid, Relief, and Economic Security Act (CARES)	-	-	-	-	-	1,016,370	-	1,016,370
4977 ESSER II	-	-	-	-	-	3,533,204	-	3,533,204
4990 Other Federal Revenue								
4997 Title IV - SSAE	-	-	-	-	-	98,392	-	98,392
4999 Revenue from Other Federal Sources	-	-	-	-	-	113,294	-	113,294
Total Federal Sources	1,525,073	1,707,460	68,022	81,056	-	5,274,839	-	8,656,450
TOTAL REVENUE ALL SOURCES	1,525,073	1,707,460	68,022	81,056	2,222,746	5,733,471	1,300,881	12,638,709

EXPENDITURES**100 INSTRUCTION**

110 General Instruction								
111 Kindergarten Programs								
100 Salaries	77,927	-	-	-	-	67,164	-	145,091
200 Employee Benefits	40,049	-	-	-	-	29,711	-	69,760
112 Primary Programs								
100 Salaries	354,459	-	-	-	254,382	149,113	-	757,954
200 Employee Benefits	150,510	-	-	-	80,387	65,476	-	296,373
300 Purchased Services	-	-	-	-	-	18,115	-	18,115
400 Supplies and Materials	19,490	-	-	-	-	740,072	-	759,562
113 Elementary Programs								
100 Salaries	309,780	-	-	-	82,519	40,816	-	433,115
200 Employee Benefits	121,114	-	-	-	24,859	12,306	-	158,279
300 Purchased Services	-	-	-	-	-	35,865	-	35,865
400 Supplies and Materials	-	-	-	-	-	156,423	-	156,423
500 Capital Outlay	-	-	-	-	818	-	-	818
114 High School Programs								
100 Salaries	-	-	-	-	-	127,220	-	127,220
200 Employee Benefits	-	-	-	-	-	37,159	-	37,159
300 Purchased Services	-	-	-	-	-	15,378	-	15,378
400 Supplies and Materials	-	-	-	-	-	4,061	-	4,061
115 Career and Technical Education Programs								
100 Salaries	-	-	-	-	-	2,552	-	2,552
200 Employee Benefits	-	-	-	-	-	769	-	769
300 Purchased Services (Other than Tuition)	-	-	-	7,300	-	-	-	7,300
400 Supplies and Materials	-	-	-	8,727	-	-	-	8,727
500 Capital Outlay	-	-	-	12,533	-	-	-	12,533
116 Career and Technical Education (Vocational) Programs - Middle School								
400 Supplies and Materials	-	-	-	12,539	-	-	-	12,539

SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
SPECIAL REVENUE FUND - SPECIAL PROJECTS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

TITLE I	IDEA	PRESCHOOL HANDICAPPED	CATE	OTHER DESIGNATED RESTRICTED STATE GRANTS	OTHER SPECIAL REVENUE PROGRAMS	STUDENT ACTIVITY FUNDS	TOTAL
120 Expectional Programs							
121 Educable Mentally Handicapped							
100 Salaries	35,490	-	-	-	3,156	-	38,646
200 Employee Benefits	17,096	-	-	-	951	-	18,047
400 Supplies and Materials	5,000	-	-	-	-	-	5,000
122 Trainable Mentally Handicapped							
100 Salaries	-	-	-	-	1,853	-	1,853
200 Employee Benefits	-	-	-	-	558	-	558
300 Purchased Services	-	-	-	1,974	-	-	1,974
124 Visually Handicapped							
300 Purchased Services	24,366	-	-	-	-	-	24,366
125 Hearing Handicapped							
100 Salaries	350	-	-	-	494	-	844
200 Employee Benefits	30	-	-	-	149	-	179
126 Speech Handicapped							
100 Salaries	-	-	-	-	63,741	-	63,741
200 Employee Benefits	-	-	-	-	31,029	-	31,029
300 Purchased Services	633,344	-	-	10,506	3,106	-	646,956
400 Supplies and Materials	-	-	-	-	352	-	352
600 Other Objects	-	-	-	-	3,300	-	3,300
127 Learning Disabilities							
100 Salaries	423,542	-	-	-	13,294	-	436,836
200 Employee Benefits	199,330	-	-	-	4,005	-	203,335
400 Supplies and Materials	22,800	-	-	-	-	-	22,800
128 Emotionally Handicapped							
100 Salaries	39,868	-	-	-	4,879	-	44,747
200 Employee Benefits	13,339	-	-	-	1,470	-	14,809
130 Pre-School Programs							
137 Preschool Handicapped Self-Contained (3- and 4- Yr. -Olds)							
100 Salaries	45,948	47,535	-	-	7,435	-	100,918
200 Employee Benefits	30,529	20,487	-	-	2,258	-	53,274
139 Early Childhood Programs							
100 Salaries	-	-	-	-	2,092	-	143,516
200 Employee Benefits	-	-	-	-	1,625	-	65,708
140 Special Programs							
141 Gifted and Talented Academic							
100 Salaries	-	-	-	-	41,699	-	41,699
200 Employee Benefits	-	-	-	-	12,564	-	12,564
142 Disadvantaged							
300 Purchased Services	-	-	-	-	2,050	-	2,050
400 Supplies and Materials	-	-	-	-	628	-	628
145 Homebound							
100 Salaries	-	-	-	18,333	-	-	18,333
200 Employee Benefits	-	-	-	5,524	-	-	5,524

SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
SPECIAL REVENUE FUND - SPECIAL PROJECTS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	TITLE I	IDEA	PRESCHOOL HANDICAPPED	CATE	OTHER DESIGNATED RESTRICTED STATE GRANTS	OTHER SPECIAL REVENUE PROGRAMS	STUDENT ACTIVITY FUNDS	TOTAL
160 Other Exceptional Programs								
161 Autism	-	25,719	-	-	-	5,655	-	31,374
100 Salaries	-	7,749	-	-	-	1,709	-	9,458
200 Employee Benefits	-	-	-	-	-	-	-	-
162 Limited English Proficiency	-	-	-	-	-	1,847	-	1,847
100 Salaries	-	-	-	-	-	557	-	557
200 Employee Benefits	-	-	-	-	-	-	-	-
170 Summer School Programs								
171 Primary Summer School	-	-	-	-	78,548	727,345	-	805,893
100 Salaries	-	-	-	-	23,527	221,166	-	244,693
200 Employee Benefits	-	-	-	-	13,532	-	-	13,532
400 Supplies and Materials	-	-	-	-	-	-	-	-
172 Elementary Summer School	-	-	-	-	-	189,965	-	189,965
100 Salaries	-	-	-	-	-	57,112	-	57,112
200 Employee Benefits	-	-	-	-	-	4,200	-	4,200
300 Purchased Services	-	-	-	-	-	9,720	-	9,720
400 Supplies and Materials	-	-	-	-	-	-	-	-
173 High School Summer School	-	-	-	-	-	114,765	-	114,765
100 Salaries	-	-	-	-	-	35,140	-	35,140
200 Employee Benefits	-	-	-	-	-	-	-	-
175 Instructional Programs Beyond Regular School Day	-	-	-	-	66,910	92,363	-	159,273
100 Salaries	-	-	-	-	20,157	27,673	-	47,830
200 Employee Benefits	-	-	-	-	-	412	-	412
400 Supplies and Materials	-	-	-	-	-	-	-	-
180 Adult/Continuing Education Programs								
188 Parenting/Family Literacy	41,892	-	-	-	-	222	-	42,114
100 Salaries	22,230	-	-	-	-	67	-	22,297
200 Employee Benefits	11,979	-	-	-	-	-	-	11,979
400 Supplies and Materials	-	-	-	-	-	-	-	-
190 Instructional Pupil Activity	-	-	-	-	-	-	151,142	151,142
660 Pupil Activity	-	-	-	-	-	-	-	-
Total Instruction	1,354,937	1,524,500	68,022	41,099	681,976	3,194,806	151,142	7,016,482
200 SUPPORT SERVICES								
210 Pupil Service								
211 Attendance and Social Work Services	3,383	-	-	-	-	-	-	3,383
400 Supplies and Materials	-	-	-	-	-	-	-	-
212 Guidance Services	-	-	-	-	18,600	4,861	-	23,461
100 Salaries	-	-	-	-	5,604	1,485	-	7,089
200 Employee Benefits	-	-	-	-	-	22,250	-	22,250
300 Purchased Services	-	-	-	-	-	8,107	-	8,107
400 Supplies and Materials	-	-	-	-	-	-	-	-

SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
SPECIAL REVENUE FUND - SPECIAL PROJECTS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

TITLE I	IDEA	PRESCHOOL HANDICAPPED	CATE	OTHER DESIGNATED RESTRICTED STATE GRANTS	OTHER SPECIAL REVENUE PROGRAMS	STUDENT ACTIVITY FUNDS	TOTAL
213 Health Service							
100 Salaries	-	-	-	143,947	103,462	-	247,409
200 Employee Benefits	-	-	-	52,209	31,521	-	83,730
300 Purchased Services	-	-	-	-	14,611	-	14,611
214 Psychological Services							
100 Salaries	-	-	-	321	1,302	-	1,623
200 Employee Benefits	-	-	-	97	392	-	489
300 Purchased Services	-	-	-	-	53,333	-	115,273
215 Exceptional Program Services							
400 Supplies and Materials	-	-	-	-	-	-	-
217 Career Specialist Services							
100 Salaries	27,273	-	-	-	-	-	27,273
200 Employee Benefits	-	-	-	229,663	1,390	-	231,053
	-	-	-	100,408	419	-	100,827
220 Instructional Staff Services							
221 Improvement of Instruction Curriculum Development							
100 Salaries	66,408	-	-	-	205,986	-	272,394
200 Employee Benefits	30,914	-	-	-	78,537	-	109,451
300 Purchased Services	-	-	-	-	6,636	-	6,636
400 Supplies and Materials	-	-	-	30	40,859	-	40,889
500 Capital Outlay	-	-	24,735	-	-	-	24,735
222 Library and Media Services							
100 Salaries	-	-	-	-	19,201	-	19,201
200 Employee Benefits	-	-	-	-	5,791	-	5,791
300 Purchased Services	-	-	-	-	44,143	-	44,143
223 Supervision of Special Programs							
100 Salaries	39,822	46,161	-	-	105,095	-	191,078
200 Employee Benefits	17,957	23,735	-	-	41,506	-	83,198
300 Purchased Services	1,001	1,785	-	-	-	-	2,786
400 Supplies and Materials	50	2,592	-	-	-	-	2,642
224 Improvement of Instruction Inservice and Staff Training							
100 Salaries	659	-	-	318,325	24,851	-	343,835
200 Employee Benefits	199	-	-	112,507	7,292	-	119,998
300 Purchased Services	-	19,474	50	-	35,764	-	55,288
400 Supplies and Materials	-	-	-	-	7,788	-	7,788
230 General Administrative Service							
232 Office of Superintendent							
100 Salaries	-	-	-	-	227	-	227
200 Employee Benefits	-	-	-	-	69	-	69
233 School Administration							
100 Salaries	-	-	-	1,538	14,289	-	15,827
200 Employee Benefits	-	-	-	463	4,328	-	4,791

SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
SPECIAL REVENUE FUND - SPECIAL PROJECTS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

TITLE I	IDEA	PRESCHOOL HANDICAPPED	CATE	OTHER DESIGNATED RESTRICTED STATE GRANTS	OTHER SPECIAL REVENUE PROGRAMS	STUDENT ACTIVITY FUNDS	TOTAL
250 Finance and Operations Services							
251 Student Transportation (Federal/District Mandated)							
100 Salaries	-	-	-	5,796	-	-	5,796
200 Employee Benefits	-	-	-	1,745	-	-	1,745
252 Fiscal Services							
100 Salaries	-	-	-	-	503	-	503
200 Employee Benefits	-	-	-	-	159	-	159
254 Operations and Maintenance of Plant							
100 Salaries	-	-	-	-	34,789	-	34,789
200 Employee Benefits	-	-	-	-	10,482	-	10,482
300 Purchased Services	-	-	-	76,329	105	-	76,434
400 Supplies and Materials	-	-	2,000	233,656	550,805	-	786,461
255 Student Transportation (State Mandated)							
100 Salaries	-	-	-	8,677	80,386	-	89,063
200 Employee Benefits	-	-	-	2,561	23,512	-	26,073
300 Purchased Services	-	-	-	-	11,785	-	11,785
258 Security							
300 Purchased Services	-	-	-	-	16,851	-	16,851
260 Central Support Services							
263 Information Services							
300 Purchased Services	-	-	-	-	19,680	-	19,680
264 Staff Services							
300 Purchased Services	-	-	-	-	19,498	-	19,498
266 Technology and Data Processing Services							
100 Salaries	-	-	-	-	10,518	-	10,518
200 Employee Benefits	-	-	-	-	3,194	-	3,194
300 Purchased Services	-	-	-	5,320	138,525	-	143,845
400 Supplies and Materials	-	-	-	133,276	40,078	-	173,354
500 Capital Outlay	-	-	-	65,883	152,063	-	217,946
270 Support Services - Pupil Activity							
271 Pupil Service Activities							
100 Salaries (Optional)	-	-	-	-	120	-	120
200 Employee Benefits (Optional)	-	-	-	-	36	-	36
300 Purchased Services (Optional)	-	-	3,910	-	-	-	3,910
400 Supplies and Materials (Optional)	-	-	9,167	-	-	-	9,167
500 Capital Outlay (Optional)	-	-	95	-	-	-	95
660 Pupil Activity	-	-	-	-	-	1,442,320	1,442,320
Total Support Services	160,393	182,960	39,957	1,516,955	1,998,584	1,442,320	5,341,169

SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
SPECIAL REVENUE FUND - SPECIAL PROJECTS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	TITLE I	IDEA	PRESCHOOL HANDICAPPED	CATE	OTHER DESIGNATED RESTRICTED STATE GRANTS	OTHER SPECIAL REVENUE PROGRAMS	STUDENT ACTIVITY FUNDS	TOTAL
300 COMMUNITY SERVICES								
350 Custody and Care of Children								
100 Salaries	-	-	-	-	-	151,187	-	151,187
200 Employee Benefits	-	-	-	-	-	28,271	-	28,271
300 Purchased Services	-	-	-	-	-	1,675	-	1,675
360 Welfare Services								
400 Supplies and Materials	342	-	-	-	-	-	-	342
Total Community Services	342	-	-	-	-	181,133	-	181,475
410 INTERGOVERNMENTAL EXPENDITURES								
411 Payments to State Department of Education								
720 Transits	-	-	-	-	9,393	-	-	9,393
414 Medicaid Payments to SCDE								
720 Transits	-	-	-	-	-	44,459	-	44,459
419 Payments to PEBA Non-employer Contributions								
720 Transits	-	-	-	-	14,422	-	-	14,422
Total Intergovernmental Expenditures	-	-	-	-	23,815	44,459	-	68,274
TOTAL EXPENDITURES	1,515,672	1,707,460	68,022	81,056	2,222,746	5,418,982	1,593,462	12,607,400
OTHER FINANCING SOURCES (USES)								
Interfund Transfers, from (to) Other Funds								
5210 Transfer from General Fund (Exclude Indirect Costs)	-	-	-	-	-	-	178,800	178,800
5220 Transfer from Special Revenue Fund (Exclude Indirect Costs)	-	-	-	-	-	179,458	-	179,458
421-710 Transfer to Special Revenue Fund	-	-	-	-	-	-	(179,458)	(179,458)
431-791 Special Revenue Fund Indirect Costs	(9,401)	-	-	-	-	(493,947)	-	(503,348)
TOTAL OTHER FINANCING SOURCES (USES)	(9,401)	-	-	-	-	(314,489)	(658)	(324,548)
Excess/(Deficiency) of Revenues over Expenditures	-	-	-	-	-	-	(293,239)	(293,239)
FUND BALANCE - JULY 1, 2020	-	-	-	-	-	-	1,535,754	1,535,754
FUND BALANCE - JUNE 30, 2021	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,242,515	\$ 1,242,515

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
NOTE TO SPECIAL REVENUE FUND - SPECIAL PROJECTS
SUPPLEMENTAL LISTING OF LEA SUBFUND CODES AND TITLES
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

District Subfund Code	Other Designated Restricted State Grants	District Subfund Code	Special Revenue Programs	
			Other	
217	CRF Per Pupil Funding	210	Student Support and Academic Enrichment, Title IV	
816	Profoundly Disabled	220	Coronavirus Aid, Relief, and Economic Security Act (CARES)	
919	Education License Plates	221	Title I, Neglected & Delinquent	
928	EEDA Career Specialists	225	ESSER II	
935	Reaching Coaches	237	Title I, Focus	
936	Student Health and Fitness - Nurses	263	Title II, Supporting Effective Instruction	
937	Student Health and Fitness - PE Teachers	264	Language Instruction for Limited English Proficient and Immigrant Students, Title III	
994	PEBA Nonemployer Contributions	267	Title II, Supporting Effective Instruction	
		277	Air Force JROTC	
		293	Medicaid	
		803	Risk Control Grant	
		805	Scale - Accommodations Tax	
		807	Extended School Year	
		810	SAM Contribution	
		817	Teen Pregnancy - Mary Black OAH	
		819	Bosch Grant	
		840	Teacher forum	
		870	Fine Arts Center	
		875	Lenovo / Student Technology Fees	

SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
NOTE TO SPECIAL REVENUE FUND - SPECIAL PROJECTS
SUMMARY SCHEDULE FOR DESIGNATED STATE RESTRICTED GRANTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Sub Fund	Revenue	Description	Special Revenue				
			Revenues	Expenditures	Interfund Transfers In(Out)	Other fund Transfers In(Out)	Unearned Revenue
217	3995	CRF Per Pupil Funding	\$ 1,215,488	\$ 1,215,488	\$ -	\$ -	293,859
816	3199	Profoundly Disabled	1,974	1,974	-	-	-
919	3193	Education License Plates	818	818	-	-	-
928	3118	EEDA Career Specialists	330,071	330,071	-	-	-
935	3135	Reaching Coaches	422,068	422,068	-	-	-
936	3136	Student Health and Fitness - Nurses	172,885	172,885	-	-	-
937	3127	Student Health and Fitness - PE Teachers	65,020	65,020	-	-	-
994	3994	PEBA Nonemployer Contributions	14,422	14,422	-	-	-
			<u>\$ 2,222,746</u>	<u>\$ 2,222,746</u>	<u>\$ -</u>	<u>\$ -</u>	<u>293,859</u>

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - ALL PROGRAMS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

REVENUES**3000 Revenue from State Sources**

3500 Education Improvement Act	
3502 ADEPT	\$ 9,030
3509 Arts in Education	9,562
3518 Adoption List of Formative Assessment	46,549
3519 Grade 10 Assessments	31,660
3526 Refurbishment of Science Kits	18,747
3528 Industry Certifications/Credentials	9,208
3529 Career and Technical Education	149,285
3532 National Board Salary Supplement (No Carryover Provision)	654,097
3533 Teacher of the Year Award (No Carryover Provision)	1,077
3538 Students At Risk of School Failure	800,490
3540 Early Childhood Program (4K Programs Serving Four-Year-Old Children)	300,437
3550 Teacher Salary Increase (No Carryover Provision)	2,186,058
3555 Teacher Salary Fringe (No Carryover Provision)	531,925
3557 Summer Reading Program	83,703
3577 Teacher Supplies (No Carryover Provision)	190,850
3595 EEDA - Supplies and Materials	6,704
3597 Aid to Districts	271,199

Total State Sources

5,300,581

TOTAL REVENUE ALL SOURCES

5,300,581

EXPENDITURES**100 INSTRUCTION**

110 General Instruction	
111 Kindergarten Programs	
100 Salaries	15,000
200 Employee Benefits	4,470
112 Primary Programs	
100 Salaries	631,860
200 Employee Benefits	206,280
300 Purchased Services	650
400 Supplies and Materials	96,559
113 Elementary Programs	
100 Salaries	439,315
200 Employee Benefits	92,997
400 Supplies and Materials	73,941
114 High School Programs	
100 Salaries	98,500
200 Employee Benefits	29,064
400 Supplies and Materials	45,650

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - ALL PROGRAMS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

115 Career and Technical Education Programs	
100 Salaries	7,500
200 Employee Benefits	2,216
300 Purchased Services (Other than Tuition)	8,276
400 Supplies and Materials	13,182
500 Capital Outlay	52,770
120 Exceptional Programs	
122 Trainable Mentally Handicapped	
100 Salaries	7,500
200 Employee Benefits	2,248
127 Learning Disabilities	
100 Salaries	15,000
200 Employee Benefits	4,485
128 Emotionally Handicapped	
100 Salaries	7,500
200 Employee Benefits	2,246
130 Pre-School Programs	
139 Early Childhood Programs	
100 Salaries	204,848
200 Employee Benefits	73,872
300 Purchased Services	158
400 Supplies and Materials	21,558
170 Summer School Programs	
171 Primary Summer School	
100 Salaries	33,402
200 Employee Benefits	10,064
300 Purchased Services	10,381
400 Supplies and Materials	29,856
180 Adult/Continuing Education Programs	
188 Parenting/Family Literacy	
100 Salaries	83,441
200 Employee Benefits	44,790
Total Instruction	2,369,579

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - ALL PROGRAMS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

200 SUPPORT SERVICES

210 Pupil Service

212 Guidance Services

100 Salaries 36,033

200 Employee Benefits 10,569

300 Purchased Services 1,327

400 Supplies and Materials 83,586

220 Instructional Staff Services

224 Improvement of Instruction Inservice and Staff Training

100 Salaries 1,500

200 Employee Benefits 452

300 Purchased Services 22,014

400 Supplies and Materials 2,180

Total Support Services

157,661

400 OTHER CHARGES

410 Intergovernmental Expenditures

412 Payments to other governmental units

720 Transits 55,358

Total Intergovernmental Expenditures

55,358

TOTAL EXPENDITURES

2,582,598

OTHER FINANCING SOURCES (USES)**Interfund Transfers, from (to) Other Funds**

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

(2,717,983)

TOTAL OTHER FINANCING SOURCES (USES)

(2,717,983)

Excess/(Deficiency) of Revenues over Expenditures

-

FUND BALANCE - JULY 1, 2020

-

FUND BALANCE - JUNE 30, 2021

\$ -

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT
SUMMARY SCHEDULE BY PROGRAM
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Program	Revenues	Expenditures	Other Fund Transfers In/(Out)	Unearned Revenue
3500 Education Improvement Act				
3502 ADEPT	\$ 9,030	\$ 9,030	\$ -	-
3509 Arts in Education	9,562	9,562	-	-
3518 Adoption List of Formative Assessment	46,549	46,549	-	-
3519 Grade 10 Assessments	31,660	31,660	-	-
3526 Refurbishment of Science Kits	18,747	18,747	-	60,352
3528 Industry Certifications/Credentials	9,208	9,208	-	792
3529 Career and Technology Education	149,285	149,285	-	38,097
3532 National Board Salary Supplement (No Carryover Provision)	654,097	654,097	-	-
3533 Teacher of the Year Award (No Carryover Provision)	1,077	1,077	-	-
3538 Students At Risk of School Failure	800,490	800,490	-	834,034
3540 Early Childhood Program (4K Programs Serving Four-Year-Old Children)	300,437	300,437	-	-
3550 Teacher Salary Increase (No Carryover Provision)	2,186,058	-	(2,186,058)	-
3555 Teacher Salary Fringe (No Carryover Provision)	531,925	-	(531,925)	-
3557 Summer Reading Program	83,703	83,703	-	59,161
3577 Teacher Supplies (No Carryover Provision)	190,850	190,850	-	-
3595 EEDA - Supplies and Materials	6,704	6,704	-	18,431
3597 Aid to Districts	271,199	271,199	-	281,956
3599 Other EIA	-	-	-	64,702
Totals	\$ 5,300,581	\$ 2,582,598	\$ (2,717,983)	\$ 1,357,525

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
SPECIAL REVENUE FUND - FOOD SERVICE
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

REVENUES**1000 Revenue From Local Sources**

1600 Food Service	
1610 Lunch Sales to Pupils	\$ 65,060
1620 Breakfast Sales to Pupils	2,257
1630 Special Sales to Pupils	52,873
1640 Lunch Sales to Adults	17,550
1650 Breakfast Sales to Adults	331
1660 Special Sales to Adults	30,827
1900 Other Revenue from Local Sources	
1999 Revenue from Other Local Sources	6,757

Total Local Revenue

175,655

4000 Revenue from Federal Sources

4800 USDA reimbursement	
4810 School Lunch and After School Snack Program, and Special Milk Program	2,488,567
4830 School Breakfast Program (Carryover Provision)	863,057
4900 Other federal sources	
4991 USDA Commodities (Food Distribution Program) (Carryover Provision)	300,431
4999 Revenue from Other Federal Sources	75,986

Total Federal Sources

3,728,041

TOTAL REVENUE ALL SOURCES

3,903,696

EXPENDITURES**200 SUPPORT SERVICES**

250 Finance and Operations Services	
256 Food Services	
300 Purchased Services (Excludes Energy Costs)	2,830,742
400 Supplies and Materials (Included Energy Costs)	311,936
500 Capital Outlay	23,724
600 Other Objects	3,255

Total Support Services

3,169,657

TOTAL EXPENDITURES

3,169,657

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
SPECIAL REVENUE FUND - FOOD SERVICE
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

OTHER FINANCING SOURCES (USES)

Interfund Transfers, from (to) Other Funds

432-791 Food Service Fund Indirect Costs

(482,641)

TOTAL OTHER FINANCING SOURCES (USES)

(482,641)

Excess/(Deficiency) of Revenues over Expenditures

251,398

FUND BALANCE - JULY 1, 2020

1,021,571

FUND BALANCE - JUNE 30, 2021

\$ 1,272,969

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

REVENUES**1000 Revenue From Local Sources**

1100 Taxes Levied/Assessed by the LEA	
1110 Ad Valorem Taxes - Including Delinquent (Independent)	\$ 9,989,448
1200 Revenue from Local Government Units Other than LEAs	
1280 Revenue In Lieu of Taxes (Independent and Dependent)	3,207,521
1500 Earnings on Investments	
1510 Interest on Investments	8,833
Total Local Revenue	<u>13,205,802</u>

3000 Revenue from State Sources

3800 State Revenue in Lieu of Taxes	
3820 Homestead Exemption (Tier 2)	261,700
3830 Merchant's Inventory Tax	10,569
3840 Manufacturers Depreciation Reimbursement	177,150
3890 Other State Property Tax Revenues (includes Motor Carrier Vehicle Tax)	51,213
Total State Sources	<u>500,632</u>

TOTAL REVENUE ALL SOURCES	<u>13,706,434</u>
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EXPENDITURES**500 DEBT SERVICE**

610 Redemption of Principal	2,248,000
620 Interest	1,002,427
690 Other Objects (Includes Fees for Servicing Bonds)	53,137

Total Debt Service Expenditures	<u>3,303,564</u>
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TOTAL EXPENDITURES	<u>3,303,564</u>
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OTHER FINANCING SOURCES (USES)

5100 Sale of Bonds	
5110 Premium on Bonds Sold	208,620

Interfund Transfers, from (to) Other Funds

423-710 Transfer to Debt Service Fund - EFC	<u>(8,172,873)</u>
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TOTAL OTHER FINANCING SOURCES (USES)	<u>(7,964,253)</u>
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Excess/(Deficiency) of Revenues over Expenditures	2,438,617
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FUND BALANCE - JULY 1, 2020	<u>5,931,915</u>
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FUND BALANCE - JUNE 30, 2021	<u><u>\$ 8,370,532</u></u>
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**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
DEBT SERVICE FUND - EDUCATIONAL FACILITIES CORPORATION (EFC)
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

REVENUES**1000 Revenue From Local Sources**

1500 Earnings on Investments

1510 Interest on Investments

\$ 31

Total Local Revenue

31

TOTAL REVENUE ALL SOURCES

\$ 31

EXPENDITURES**500 DEBT SERVICE**

610 Redemption of Principal

7,825,000

620 Interest

342,969

690 Other Objects (Includes Fees for Servicing Bonds)

5,000

Total Debt Service Expenditures

8,172,969

TOTAL EXPENDITURES

8,172,969

OTHER FINANCING SOURCES (USES)**Interfund Transfers, from (to) Other Funds**

5240 Transfer from Debt Service Fund

8,172,873

TOTAL OTHER FINANCING SOURCES (USES)

8,172,873

Excess/(Deficiency) of Revenues over Expenditures

(65)

FUND BALANCE - JULY 1, 2020

20,256

FUND BALANCE - JUNE 30, 2021

\$ 20,191

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

REVENUES**1000 Revenue From Local Sources**

1500 Earnings on Investments	
1510 Interest on Investments	\$ 6,866
1900 Other Revenue from Local Sources	
1950 Refund of Prior Year's Expenditures	137,805
Total Local Revenue	<u>144,671</u>
TOTAL REVENUE ALL SOURCES	<u>144,671</u>

EXPENDITURES**200 SUPPORT SERVICES**

250 Finance and Operations Services	
253 Facilities Acquisition and Construction	
300 Purchased Services	1,687,560
500 Capital Outlay	
510 Land	5,381,294
530 Improvements Other Than Buildings	2,989,977
540 Equipment	21,209
600 Other Objects	3,437
Total Support Services	<u>10,083,477</u>
TOTAL EXPENDITURES	<u>10,083,477</u>

OTHER FINANCING SOURCES (USES)

Interfund Transfers, from (to) Other Funds	
5210 Transfer from General Fund (Excludes Indirect Costs)	19,491,300
TOTAL OTHER FINANCING SOURCES (USES)	<u>19,491,300</u>
Excess/(Deficiency) of Revenues over Expenditures	9,552,494
FUND BALANCE - JULY 1, 2020	<u>19,267,453</u>
FUND BALANCE - JUNE 30, 2021	<u><u>\$ 28,819,947</u></u>

SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
 DETAILED SCHEDULE OF DUE TO S.C. DEPARTMENT OF EDUCATION/FEDERAL GOVERNMENT
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Program	Project Grant Number	Revenue & Subfund Codes	Description	Amount Due to SCDE/ Federal	Status of Amounts Due To Grantors
<u>Due to State Department of Education</u>					
None.					
				-	
<u>Due to Federal Government</u>					
None.					
				-	
Total Due to State Department of Education or Federal Government				\$ -	

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
LOCATION RECONCILIATION SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Location ID	Location Description	Education Level	Cost Type	Total Expenditures
000	Districtwide	Non-School	Central	\$ 39,449,434
043	J.F. Byrnes High School	High School	School	19,189,296
045	D.R. Hill Middle School	Middle School	School	6,205,525
046	Duncan Elementary	Elementary School	School	6,532,139
049	Reidville Elementary	Elementary School	School	5,014,401
052	Wellford Academy	Elementary School	School	5,606,683
089	Beech Springs Intermediate	Elementary School	School	6,691,892
090	River Ridge Elementary	Elementary School	School	7,557,812
091	Berry Shoals Intermediate School	Elementary School	School	6,559,462
092	Florence Chapel Middle School	Middle School	School	6,422,836
093	Freshman Academy	High School	School	5,007,731
094	Abner Creek Academy	Elementary School	School	6,474,399
095	Lyman Elementary	Elementary School	School	7,197,973
Total Expenditures/Disbursements for All Funds				\$ 127,909,583

The Above Expenditures are Reconciled to the District's Expenditures as Follows:

Fund	Amount
General Fund	\$ 87,989,918
Special Revenue Fund - Special Projects	12,607,400
Special Revenue Fund - Education Improvement Act	2,582,598
Special Revenue Fund - Food Service	3,169,657
Debt Service Fund	3,303,564
Debt Service Fund - Educational Facilities Corporation	8,172,969
Capital Projects Fund	10,083,477
Total Expenditures/Disbursements for All Funds	\$ 127,909,583

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

To the Board of Trustees of
Spartanburg County School District Five
Duncan, South Carolina

Independent Auditor's Report

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Spartanburg County School District Five ("the District") as of and for the year ended June 30, 2021, 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 9, 2021.

Internal Control over Financial Reporting

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

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

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

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*.

To the Board of Trustees of
Spartanburg County School District Five
Page Two

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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Halliday, Schwartz & Co.

Spartanburg, South Carolina
November 9, 2021

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE

To the Board of Trustees of
Spartanburg County School District Five
Duncan, South Carolina

Independent Auditor's Report

Report on Compliance for Each Major Federal Program

We have audited Spartanburg County School District Five's (the "District") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2021. Spartanburg County School District Five's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, Spartanburg County School District Five complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control over Compliance

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

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

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

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

Halliday, Schwartz & Co.

Spartanburg, South Carolina
November 9, 2021

SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

LEA Subfund Code	Federal Grantor/Pass Through Grantor/Program Title	Federal CFDA Number	Pass- through Grantor's Number		Expenditures
U.S. Department of Agriculture					
Pass-through S.C. Department of Education					
Child Nutrition Cluster					
<i>Non-Cash Assistance:</i>					
600	National School Lunch Program	10.555	N/A	\$ 291,530	
	<i>Total Non-Cash Assistance:</i>				291,530
<i>Cash Assistance:</i>					
600	School Breakfast Program	10.553	N/A	863,057	
600	National School Lunch Program	10.555	N/A	2,488,567	
	<i>Total Cash Assistance:</i>				3,351,624
	Total Child Nutrition Cluster				3,643,154
<i>Non-Cash Assistance:</i>					
600	Child and Adult Care Food Program	10.558	N/A	8,901	
Pass-through S.C. Department of Social Services					
<i>Cash Assistance:</i>					
600	Child and Adult Care Food Program	10.558	205SC329N2021	75,986	84,887
	Total U.S. Department of Agriculture				3,728,041
U.S. Department of Education					
Pass-through S.C. Department of Education					
201	Title I, Regular	84.010	21 Title I, Regular	1,206,276	
202	Title I, Regular	84.010	20 Title I, Regular	314,627	
202	Title I, Regular	84.010	19 Title I, Regular	4,170	
221	Title I, Neglected and Delinquent	84.010	21 Title I, N&D	6,427	
221	Title I, Neglected and Delinquent	84.010	20 Title I, N&D	3,265	
237	Title I, Targeted School Improvement	84.010	20 Targ. School Impr.	174,238	
237	Title I, Targeted School Improvement	84.010	19 Targ. School Impr.	19,207	1,728,210
Special Education Cluster					
203	Individuals With Disabilities Education Act (IDEA)	84.027	21 IDEA	1,316,725	
204	Individuals With Disabilities Education Act (IDEA)	84.027	20 IDEA	291,135	
204	Individuals With Disabilities Education Act (IDEA)	84.027	19 IDEA	1,244	
204	Individuals With Disabilities Education Act (IDEA)	84.027	19 IDEA Supp.	98,356	
807	Extended School Year	84.027	ESY	4,000	
205	Preschool Grants (IDEA)	84.173	21 IDEA Preschool	64,548	
206	Preschool Grants (IDEA)	84.173	19 IDEA Preschool Supp.	3,474	
	Total Special Education Cluster				1,779,482
207	CATE (Subprogram 1)	84.048	21 CTE Federal	11,980	
207	CATE (Subprogram 4)	84.048	21 CTE Federal	50	
207	CATE (Subprogram 6)	84.048	21 CTE Federal	31,104	
207	CATE (Subprogram 11)	84.048	21 CTE Federal	9,321	
207	COVID 19: CATE (Subprogram 6)	84.048	21 CTE PPE	2,000	
208	CATE (Subprogram 3)	84.048	20 CTE Federal	1,866	
208	CATE (Subprogram 6)	84.048	20 CTE Federal	23,886	
208	CATE (Subprogram 15)	84.048	20 CTE Federal	849	81,056
210	Student Support and Academic Enrichment, Title IV	84.424	21 Title IV	90,994	
210	Student Support and Academic Enrichment, Title IV	84.424	20 Title IV	7,398	98,392
264	Language Instruction for Limited English Proficient and Immigrant Students, Title III	84.365	21 Title III	51,106	
264	Language Instruction for Limited English Proficient and Immigrant Students, Title III	84.365	20 Title III	33,184	
264	Language Instruction for Limited English Proficient and Immigrant Students, Title III	84.365	19 Title III	121	84,411

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR FISCAL YEAR ENDED JUNE 30, 2021**

LEA Subfund Code	Federal Grantor/Pass Through Grantor/Program Title	Federal CFDA Number	Pass- through Grantor's Number	Expenditures	
U.S. Department of Education - Continued					
Pass-through S.C. Department of Education - Continued					
267	Supporting Effective Instruction, Title II	84.367	21 Title II	219,416	
263	Supporting Effective Instruction, Title II	84.367	20 Title II	<u>2,615</u>	222,031
225	COVID 19: Elementary and Secondary School Emergency Relief Fund (ESSER)	84.425D	21 ESSER II	3,533,204	
220	COVID 19: Elementary and Secondary School Emergency Relief Fund (ESSER)	84.425D	20 SCCARES ESSER	<u>1,016,370</u>	<u>4,549,574</u>
Total U.S. Department of Education					<u>8,543,156</u>
U.S. Department of Defense					
Direct Program					
277	ROTC	12.000	N/A		<u>89,071</u>
Total U.S. Department of Defense					<u>89,071</u>
U.S. Department of Health and Human Services					
Pass-through Spartanburg Regional Healthcare Foundation					
817	Adolescent Health Programs - Teen Pregnancy Prevention	93.297	TP1AH000229-01-00		<u>24,223</u>
Total U.S. Department of Agriculture					<u>24,223</u>
Total Federal Financial Assistance Expended					<u>\$ 12,384,491</u>

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 1 - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity for the District under programs of the federal government for the year ended June 30, 2021. 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). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- A. The accompanying schedule of expenditures of federal awards includes the federal grant activity of Spartanburg County School District Five and is presented on the modified accrual basis of accounting.
- B. The District has elected to not use the de minimis 10% indirect cost rate as allowed under the Uniform Guidance.

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Fiscal Year Ended June 30, 2020:

Financial Statement Findings:

None.

Federal Award Findings and Questioned Costs:

None.

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Fiscal Year Ended June 30, 2021:

Financial Statements

Type of Auditor's Report Issued: Unmodified

Internal Control Over Financial Reporting:

Material Weakness(es) Identified? Yes X No

Significant Deficiencies Identified That Are Not
Considered to be Material Weaknesses? Yes X None Reported

Noncompliance Material to Financial Statements Noted Yes X No

Federal Awards

Internal Control Over Major Programs:

Material Weakness(es) Identified? Yes X No

Significant Deficiencies Identified That Are Not
Considered to be Material Weaknesses? Yes X None Reported

Type of 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 Part 200? Yes X No

Identification of Major Federal Programs:

<u>Federal Program(s) or Cluster(s)</u>	<u>CFDA Number(s)</u>
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Special Education Cluster	84.027; 84.173
Elementary & Secondary School Emergency Relief Fund (ESSER)	84.425D

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

Auditee Qualified as Low-Risk Auditee? X Yes No

Section II - Financial Statement Findings

None

Section III - Federal Award Findings and Questioned Costs

None