

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

**FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION**

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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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, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, as listed in the table of contents.

In our opinion, 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, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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* (GAS), 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.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and GAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, 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 inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The 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 relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 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
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Other Reporting Required by *Governmental Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 14, 2023, 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Halliday, Schwartz & Co.

Spartanburg, South Carolina
November 14, 2023

**Spartanburg County School District Five
Management's Discussion & Analysis
For the Fiscal Year Ended June 30, 2023**

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, 2023.

Financial Highlights

- The general operating fund balance increased \$3,626,869 over last year.
- Due to conservative budgeting and a significant increase in the number of students, the General Fund state revenue received was \$8,129,667 more than budgeted.
- The revenue from local sources had a favorable variance of \$8,431,937. This favorable variance was mainly due to fee-in-lieu of taxes collections being \$6,611,593 more than budgeted.
- The District had a favorable expenditure variance of \$4,595,686. This favorable variance was mainly due to an over-estimate of employee fringe benefits and budgeted capital outlay.
- A total of \$19,549,296 more than budgeted was transferred to the Capital Projects Fund.
- On June 30, 2023 the available, unassigned fund balance for the General Fund was \$27,111,910 which is 20.8% of the total budgeted General Fund expenditures, including transfers, for fiscal year 2023-24.
- The District's net position increased by \$31,534,541. Program revenues accounted for \$70,578,794 or 40.3% of total revenues, and general revenues accounted for \$104,463,115 or 59.7%.
- The construction projects approved with the November 2, 2021 referendum are in full swing.

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.

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 an agency fund. The District's fiduciary activities are reported in separate Statement of Net Position on page 18.

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/deferred outflows of resources exceeded liabilities/deferred inflows of resources by \$59,247,526 at the close of the most recent fiscal year.

Table 1 provides a summary of the School District's net position for FYE 2023 and 2022:

	Governmental Activities	
	2023	2022
Assets		
Current and Other Assets	\$ 198,372,229	\$ 173,048,428
Capital Assets	323,009,055	196,423,872
Total Assets	521,381,284	369,472,300
Deferred Outflows of Resources		
Deferred Outflows Related to Pensions	23,060,899	21,197,150
Deferred Outflows Related to OPEB	37,828,455	40,324,991
Total Deferred Outflows of Resources	60,889,354	61,522,141
Liabilities		
Current and Other Liabilities	33,047,376	17,825,623
Long-Term Liabilities	448,646,797	363,384,836
Total Liabilities	481,694,173	381,210,459
Deferred Inflows of Resources		
Deferred Inflows Related to Pensions	549,742	15,292,267
Deferred Inflows Related to OPEB	40,592,630	6,592,163
Total Deferred Inflows of Resources	41,142,372	21,884,430
Net Position		
Net Investment in Capital Assets	193,880,435	166,037,535
Restricted for:		
Pupil Activities	1,324,518	1,487,170
Debt Service	975,705	15,587,006
Food Service	17,235,904	859,983
Unrestricted (deficit)	(153,982,469)	(156,072,142)
Total Net Position	\$ 59,434,093	\$ 27,899,552

Table 2 shows the changes in net position for fiscal year 2023 and 2022:

	Governmental Activities	
	2023	2022
Revenues:		
Program Revenues:		
Charges for Services	\$ 3,844,165	\$ 2,693,907
Operating Grants	66,734,629	59,758,458
General Revenues:		
Property Taxes	79,439,682	73,410,180
Grants and Entitlements	19,954,687	16,469,808
Other	5,068,746	708,112
Total Revenues	175,041,909	153,040,465
Program Expenses:		
Instruction	84,760,942	80,684,348
Support Services	52,433,740	48,963,010
Community Services	378,634	358,646
Interest and Fiscal Charges	5,934,052	2,850,988
Total Expenses	143,507,368	132,856,992
Change in Net Position	\$ 31,534,541	\$ 20,183,473
Net Position- Beginning of Year	\$ 27,899,552	\$ 7,716,079
Net Position - End of Year	\$ 59,434,093	\$ 27,899,552

The District's Funds

The District's governmental funds (as presented on the balance sheet on page 14) reported a combined fund balance of \$167,083,849, which is more than last year's total of \$155,619,307.

Table 3 below indicates the fund balance and the total change in fund balances as of June 30, 2023 and 2022.

Fund Balance Comparison			
	Fund Balance June 30, 2023	Fund Balance June 30, 2022	Increase (Decrease)
General	\$ 27,113,894	\$ 23,487,025	\$ 3,626,869
Special Revenue - Special Projects	1,324,518	1,487,170	(162,652)
Special Revenue - Food Service	975,705	859,983	115,722
Debt Service	17,061,500	15,426,889	1,634,611
Capital Projects	120,608,232	114,358,240	6,249,992
Total	\$ 167,083,849	\$ 155,619,307	\$ 11,464,542

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

General Fund Expenditures By Objects				
	Fiscal Year 2023		Fiscal Year 2022	
	Expenditures	Percent	Expenditures	Percent
Salary and Wages	\$ 62,048,650	58.9%	\$ 55,662,191	58.0%
Fringe Benefits	27,334,549	25.9%	23,886,885	24.9%
Purchased Services	8,573,825	8.1%	8,864,470	9.2%
Supplies and Materials	4,895,781	4.7%	4,025,052	4.2%
Capital Outlay	1,787,712	1.7%	3,362,659	3.5%
Miscellaneous	772,249	0.7%	162,845	0.2%
Total	\$ 105,412,766	100.0%	\$ 95,964,102	100.0%

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.

General Fund Budget Information

The General Fund schedule of revenues, expenditures and changes in fund balance is presented in Schedule 4 on page 55 of the financial statements. This schedule compares budget to actual and indicates the favorable and unfavorable variances.

The general operating fund balance increased \$3,626,869 over last year.

The revenue from local sources had a favorable variance of \$8,431,937. This favorable variance was mainly due to fee-in-lieu of taxes collections being \$6,611,593 more than budgeted.

The revenue from state sources had a favorable variance of \$8,129,667. This favorable variance was largely a result of a significant increase in the number of students served and a conservative budget approach in budgeting state revenue.

The District had a favorable expenditure variance in expenditures in the amount of \$4,595,686. This favorable variance was mainly due to an over-estimate of employee fringe benefits and equipment expenditures.

The District was also able to transfer \$25,040,596 from the General Fund to the Capital Projects Fund to help fund school construction projects.

Capital Assets

Work on the construction projects approved in the November 2, 2021 referendum continue.

Debt

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, \$7,740,000 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, \$625,000 of the General Obligation Bonds and \$3,330,000 of the Special Obligation Bonds were still outstanding. The \$4,000,000 General Obligation Bonds issued on June 20, 2019 the district issued to help fund the addition at Abner Creek Academy and the parking lot expansion and new baseball field at Byrnes High school were paid in full during the fiscal year. On January 25, 2022 the district issued \$100,000,000 in General Obligation Bonds. At fiscal year-end, \$95,045,000 were still outstanding. On January 26, 2023 the district issued \$100,000,000 in General Obligation Bonds. At fiscal year-end, \$100,000,000 were still outstanding.

The net pension liability of the District at fiscal year-end, as required by GASB 68, was \$123,098,511. The net Other Post-employment Benefits Plan (OPEB) liability at fiscal year-end, as required by GASB 75, was \$99,157,322.

Factors Expected to have an Effect on Future Operations

The number of students the District serves has been increasing annually for over twenty five 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 experienced significant growth in fiscal years 2018, 2019, 2020, 2022 and 2023. The district will continue to closely monitor the number of students served.

Table 5 shows the students served, kindergarten through grade 12, for the past twenty-eight 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%
21-22	9,511	674	7.6%
22-23	10,066	555	6.3%
27 year increase		5,451	118.1%

* 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 completed in the fall of 2020. Construction of a new softball field was completed February 2021. 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%. Construction continues on these referendum projects.

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, PO Box 307, Duncan, South Carolina 29334.

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
STATEMENT OF NET POSITION
JUNE 30, 2023**

	Governmental Activities
ASSETS	
Cash and Cash Equivalents	\$ 3,872,053
Investments	82,898,634
Cash Held by County Treasurer	96,379,833
Taxes Receivable	12,035,967
Less Allowance for Uncollectibles	(2,963,470)
Accounts Receivable	927,939
Due from Custodial Funds	914,068
Due from State Department of Education	19,475
Due from Federal Government	3,021,927
Due from Other State Agencies	1,207,071
Prepays	1,984
Inventory - Commodities	56,748
Capital Assets	
Non-Depreciable	177,781,840
Depreciable, net	145,227,215
Total Assets	521,381,284
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Outflows Related to Pensions	23,060,899
Deferred Outflows Related to OPEB	37,828,455
Total Deferred Outflows of Resources	60,889,354
LIABILITIES	
Accounts Payable	19,717,530
Retainage Payable	5,065,008
Due to State Department of Education	35,943
Accrued Salaries, Health & Fringe	3,862,439
Unearned Revenue	1,337,401
Accrued Interest Payable	3,029,055
Noncurrent Liabilities	
Due Within One Year	13,140,000
Due in More Than One Year	213,250,964
Net Pension Liability - Due in More Than One Year	123,098,511
Net OPEB Liability - Due in More Than One Year	99,157,322
Total Liabilities	481,694,173
DEFERRED INFLOWS OF RESOURCES	
Deferred Inflows Related to Pensions	549,742
Deferred Inflows Related to OPEB	40,592,630
Total Deferred Inflows of Resources	41,142,372
NET POSITION	
Net Investment in Capital Assets	193,880,435
Restricted for:	
Pupil Activities	1,324,518
Food Service	975,705
Debt Service	17,235,904
Unrestricted	(153,982,469)
Total Net Position	\$ 59,434,093

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, 2023**

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION
PRIMARY GOVERNMENT:	Expenses	Charges for Services	Operating Grants and Contributions	Primary Government Governmental Activities
Governmental Activities:				
Instruction	\$ 84,760,942	\$ 42,858	\$ 54,884,320	\$ (29,833,764)
Support Services	52,433,740	3,801,307	11,616,398	(37,016,035)
Community Services	378,634	-	233,911	(144,723)
Interest and Other Charges	5,934,052	-	-	(5,934,052)
TOTAL PRIMARY GOVERNMENT	143,507,368	3,844,165	66,734,629	(72,928,574)
 GENERAL REVENUES:				
Property Taxes Levied for:				
General Purpose				63,552,855
Debt Service				15,886,827
Unrestricted State Grants				19,954,687
Unrestricted Investment Earnings				4,386,358
Contributions				13,131
Miscellaneous				641,327
Gain on Sale of Fixed Assets				27,930
Total General Revenues				104,463,115
CHANGE IN NET POSITION				31,534,541
NET POSITION - JULY 1, 2022				27,899,552
NET POSITION - JUNE 30, 2023				\$ 59,434,093

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

SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023

	Special Revenue Fund -						Total Governmental Funds
	General Fund	Special Projects	Educational Improvement Act	Food Service	Debt Service Fund	Capital Projects Fund	
ASSETS							
Cash and Cash Equivalents	\$ 2,752,784	\$ 1,116,680	\$ -	\$ 52	\$ -	\$ 2,537	\$ 3,872,053
Investments	-	-	-	-	-	82,898,634	82,898,634
Cash Held by County Treasurer	68,736,678	-	-	-	10,250,390	17,392,765	96,379,833
Taxes Receivable	11,136,358	-	-	-	899,609	-	12,035,967
Less Allowance for Uncollectibles	(2,556,526)	-	-	-	(406,944)	-	(2,963,470)
Accounts Receivable	847,630	38,174	-	37,815	-	4,320	927,939
Due from State Department of Education	-	19,475	-	-	-	-	19,475
Due from Federal Government	-	2,938,857	-	83,070	-	-	3,021,927
Due from Other State Agencies	1,207,071	-	-	-	-	-	1,207,071
Due from Other Funds	3,669,230	260,670	457,989	854,768	6,492,849	48,352,740	60,088,246
Prepays	1,984	-	-	-	-	-	1,984
Inventory - Commodities	-	-	-	56,748	-	-	56,748
Total Assets	\$ 85,795,209	\$ 4,373,856	\$ 457,989	\$ 1,032,453	\$ 17,235,904	\$ 148,650,996	\$ 257,546,407

LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES

Liabilities:							
Accounts Payable	\$ 19,717,530	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,717,530
Retainage Payable	-	-	-	-	-	5,065,008	5,065,008
Due to Other Funds	34,005,691	2,190,731	-	-	-	22,977,756	59,174,178
Due to State Department of Education	-	-	35,943	-	-	-	35,943
Accrued Salaries, Health & Fringe	3,862,439	-	-	-	-	-	3,862,439
Unearned Revenue	-	858,607	422,046	56,748	-	-	1,337,401
Total Liabilities	\$ 57,585,660	\$ 3,049,338	\$ 457,989	\$ 56,748	\$ -	\$ 28,042,764	\$ 89,192,499
Deferred Inflows of Resources:							
Unavailable Revenues - Property Taxes	1,095,655	-	-	-	174,404	-	1,270,059
Fund Balances:							
Nonspendable	-	-	-	-	-	-	-
Prepays	1,984	-	-	-	-	-	1,984
Restricted	-	-	-	-	-	-	-
Pupil Activities	-	1,324,518	-	-	-	-	1,324,518
Food Service	-	-	-	975,705	-	-	975,705
Debt Service	-	-	-	-	17,061,500	-	17,061,500
Capital Projects	-	-	-	-	-	100,291,399	100,291,399
Assigned	-	-	-	-	-	-	-
Capital Projects	-	-	-	-	-	20,316,833	20,316,833
Unassigned	27,111,910	-	-	-	-	-	27,111,910
Total Fund Balances	\$ 27,113,894	\$ 1,324,518	\$ -	\$ 975,705	\$ 17,061,500	\$ 120,608,232	\$ 167,083,849
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 85,795,209	\$ 4,373,856	\$ 457,989	\$ 1,032,453	\$ 17,235,904	\$ 148,650,996	\$ 257,546,407

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, 2023**

Total Governmental Fund Balances		\$ 167,083,849
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.		323,009,055
Taxes Receivable are not available to pay for current period expenditures and, therefore, are deferred in the funds.		1,270,059
Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds:		
Accrued interest payable	(3,029,055)	
Bond premium, net of amortization	(19,650,964)	
Bonds payable	(206,740,000)	
Net pension liability	(123,098,511)	
Net OPEB liability	<u>(99,157,322)</u>	(451,675,852)
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 outflows related to pensions	23,060,899	
Deferred outflows related to OPEB	37,828,455	
Deferred inflows related to pensions	(549,742)	
Deferred outflows related to OPEB	<u>(40,592,630)</u>	<u>19,746,982</u>
Net Position of Governmental Activities		<u><u>\$ 59,434,093</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, 2023**

	Special Revenue Fund -							Total Governmental Funds
	General Fund	Special Projects	Educational Improvement Act	Food Service	Debt Service Fund	Capital Projects Fund		
REVENUES								
Local Property Taxes	\$ 63,661,910	\$ -	\$ -	\$ -	\$ 15,712,423	\$ -	\$ -	\$ 79,374,333
Other Local	937,858	3,366,812	-	797,048	138,304	-	3,644,957	8,884,979
Total Local	64,599,768	3,366,812	-	797,048	15,850,727	-	3,644,957	88,259,312
Intergovernmental	383,504	-	-	-	-	-	-	383,504
State Sources	61,181,796	995,050	9,730,636	-	932,980	-	-	72,840,462
Federal Sources	300	8,620,301	-	4,844,751	-	-	-	13,465,352
Total Revenues	126,165,368	12,982,163	9,730,636	5,641,799	16,783,707	3,644,957		174,948,630
EXPENDITURES								
Current								
Instruction	66,692,422	6,213,797	2,541,579	-	-	-	-	75,447,798
Support Services	36,453,119	5,534,292	412,478	4,548,715	-	7,852,260	-	54,800,864
Community Services	55,089	306,740	-	-	-	-	-	361,829
Intergovernmental	424,423	75,853	-	-	-	-	-	500,276
Debt Service	-	-	-	-	10,619,000	-	-	10,619,000
Principal	-	-	-	-	4,523,533	-	-	4,523,533
Interest	-	-	-	-	6,563	-	-	6,563
Other Objects	-	-	-	-	-	907,942	-	914,505
Capital Outlay	1,787,713	478,422	68,292	334,427	-	124,156,978	-	126,825,832
Total Expenditures	105,412,766	12,609,104	3,022,349	4,883,142	15,149,096	132,917,180		273,993,637
Excess (Deficiency) of Revenues Over Expenditures	20,752,602	373,059	6,708,287	758,657	1,634,611	(129,272,223)		(99,045,007)
OTHER FINANCING SOURCES (USES)								
Premium on Bonds Sold	-	-	-	-	-	10,481,619	-	10,481,619
Proceeds of Debt Obligations	-	-	-	-	-	100,000,000	-	100,000,000
Sale of Capital Assets	27,930	-	-	-	-	-	-	27,930
Transfers In	7,886,933	279,055	-	-	-	25,040,596	-	33,206,584
Transfers Out	(25,040,596)	(814,766)	(6,708,287)	(642,935)	-	-	-	(33,206,584)
Total Other Financing Sources (Uses)	(17,125,733)	(535,711)	(6,708,287)	(642,935)	-	135,522,215		110,509,549
Net Change in Fund Balances	3,626,869	(162,652)	-	115,722	1,634,611	6,249,992		11,464,542
FUND BALANCE - JULY 1, 2022	23,487,025	1,487,170	-	859,983	15,426,889	114,358,240		155,619,307
FUND BALANCE - JUNE 30, 2023	\$ 27,113,894	\$ 1,324,518	\$ -	\$ 975,705	\$ 17,061,500	\$ 120,608,232		\$ 167,083,849

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, 2023**

TOTAL NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS \$ 11,464,542

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. (1,427,843)

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	10,619,000	
Bond premium	(10,481,619)	
Amortization of bond premium	931,828	1,069,209

Long-term debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. (100,000,000)

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	132,670,142	
Depreciation expense	(6,067,686)	
Loss on disposal	(17,273)	126,585,183

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. (2,915,849)

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. (3,783,483)

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	65,350	
Non-employer contributions related to Pensions	461,949	
Non-employer contributions related to OPEB	15,483	542,782

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES **\$ 31,534,541**

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

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2023**

	CUSTODIAL FUNDS
LIABILITIES	
Due to General Fund	\$ 914,068
Total Liabilities	<u>914,068</u>
NET POSITION	
Unrestricted	<u>(914,068)</u>
Total Net Position	<u>\$ (914,068)</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, 2023**

	CUSTODIAL FUNDS
ADDITIONS	
Payments from Nonprofit Entities	\$ 3,924,132
Total Additions	3,924,132
 DEDUCTIONS	
Salaries	2,734,684
Employee Benefits	1,222,136
Purchased Services	4,023
Supplies and Materials	1,910
Total Deductions	3,962,753
Net increase (decrease) in fiduciary net position	(38,621)
NET POSITION - JULY 1, 2022	(875,447)
NET POSITION - JUNE 30, 2023	\$ (914,068)

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

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

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.

The District’s financial statements are prepared in accordance with U.S. generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established by GAAP and used by the District are discussed below.

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.

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.

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED
JUNE 30, 2023**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

C. Basic Financial Statements - Fund Financial Statements - Continued

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.

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).

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.

SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

C. 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 non-exchange 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 are 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.

D. 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.

SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

E. 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.

F. 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 the cost of the investments. These monies are remitted to the District once a claim has been presented to the Spartanburg County Treasurer.

G. 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 on the Statement of Financial Position represents \$7,250,709 of current taxes receivable and \$4,785,258 of delinquent taxes receivable.

H. 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 on 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 2022 was \$365,772,316. In addition, the District billed fees in lieu of taxes on assessed values of \$132,436,644. The District's operating tax rate is currently 179.1 mills with an additional 32.6 mills for debt retirement.

I. Inventory and Prepays

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 is recorded as expenditures/expenses when consumed rather than when purchased.

J. 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.

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED
JUNE 30, 2023**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

J. Capital Assets and Depreciation - Continued

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

K. 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.

L. Vacation and Sick Pay

The District allows teachers to accumulate a maximum of ninety days of 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.

M. 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 currently 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.

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED
JUNE 30, 2023**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

M. Accrued Liabilities and Long-term Debt - Continued

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

N. 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.

O. 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.

P. Other Postemployment 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.

Q. 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.

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED
JUNE 30, 2023**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Q. Governmental Fund Balance Classifications - Continued

Committed: This classification includes amounts that can only be used for specific purposes pursuant to constraints determined by 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% 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. However, when unexpected obligations occur and the reserve falls below the desired minimum, the District will implement budget strategies to replenish the fund through the reduction of recurring expenditures or pursue increases in revenue or funding sources.

R. 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.

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED
JUNE 30, 2023**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

S. 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.

T. 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.

U. 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 the 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 the 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.

V. Excess of Expenditures over Appropriations

The District's General Fund had excess expenditures over appropriations in intergovernmental for \$9,423 for the fiscal year ended June 30, 2023.

NOTE 2 - CASH AND INVESTMENTS

Cash

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, 2023, the District's cash deposits were as follows:

	Carrying Amount	Bank Balance
Demand Deposits	\$ 3,872,053	\$ 11,863,560

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED
JUNE 30, 2023**

NOTE 2 - CASH AND INVESTMENTS - CONTINUED

Of the District's bank balance, \$744,254 was covered by FDIC insurance; \$11,119,306 was collateralized by securities held by the pledging bank's trust department or agent, but not in the District's name.

Investments

Investments measured and reported at fair value are classified within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs, and Level 3 inputs are significant unobservable inputs.

As of June 30, 2023, the District had the following Level 1 investments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturity</u>	<u>Rating</u>
State Treasurer's Investment Pool	\$ 82,898,634	<60 days	Not Rated

South Carolina Pooled Investment Fund ("SC Pool") investments are invested with the South Carolina State Treasurer's Office, which established the South Carolina Pool pursuant to Section 6-6-10 of the South Carolina Code. The SC Pool is an investment trust fund, in which public monies in excess of current needs, which are under the custody of any city treasurer or any governing body of a political subdivision of the State, may be deposited. The SC Pool is a 2a7-like pool, which is not registered with the Securities and Exchange Commission ("SEC") as an investment company but has a policy that it will operate in a manner consistent with the SEC's Rule 2a 7 of the Investment Company Act of 1940. Investments are carried at fair value and determined annually based upon quoted market prices in active markets for identical assets. The total fair value of the Pool is apportioned to the entities with funds invested on an equal basis for each share owned, which is acquired at a cost of \$1. Funds may be deposited by Pool participants at any time and may be withdrawn upon 24 hours' notice.

Interest rate risk is the risk that the market value of securities in the portfolio will fall due to changes in the market interest rates. The District's policy is to minimize interest rate risk by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities in the open market, and investing operating funds primarily in shorter-term securities, liquid asset funds, money market funds, or similar investment pools and limiting the average maturity in accordance with the District's cash requirements.

Custodial credit risk is the risk that, in the event of a failure of the counterparty, the District may not be able to recover the value of investments, or collateral securities that are in the possession of an outside party. The District's policy is to minimize custodial credit risk by limiting investments to the types of securities allowed by law; and pre-qualifying the financial institutions, broker/dealer, intermediaries, and advisors with which the District will do business.

Concentration of credit risk is the risk of loss attributable to the magnitude of the District's investment single issuer. This risk is mitigated by diversifying the investment portfolio so that the impact of potential losses from any one type of security or issuer will be minimized. The District's policy is to minimize the concentration of credit risk by diversifying the investment portfolio so that the impact of potential losses from any one type of security or issuer will be minimized.

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED
JUNE 30, 2023**

NOTE 3 - CAPITAL ASSETS

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

	Balance at June 30, 2022	Additions	Deductions	Balance at June 30, 2023
Governmental Activities				
Capital Assets, not Being Depreciated				
Land	\$ 24,123,033	\$ 19,500	\$ -	\$ 24,142,533
Construction in progress	22,329,694	131,309,613	-	153,639,307
Total Capital Assets, not Being Depreciated	<u>46,452,727</u>	<u>131,329,113</u>	<u>-</u>	<u>177,781,840</u>
Capital Assets, Being Depreciated				
Buildings and improvements	233,227,198	28,822	-	233,256,020
Furniture and equipment	7,820,468	1,312,207	50,709	9,081,966
Total Capital Assets, Being Depreciated	<u>241,047,666</u>	<u>1,341,029</u>	<u>50,709</u>	<u>242,337,986</u>
Less Accumulated Depreciation				
Buildings and improvements	85,378,498	5,491,394	-	90,869,892
Furniture and equipment	5,698,023	576,292	33,436	6,240,879
Total Accumulated Depreciation	<u>91,076,521</u>	<u>6,067,686</u>	<u>33,436</u>	<u>97,110,771</u>
Capital Assets, Being Depreciated, Net	<u>149,971,145</u>	<u>(4,726,657)</u>	<u>17,273</u>	<u>145,227,215</u>
Governmental Activities Capital Assets, Net	<u>\$196,423,872</u>	<u>\$126,602,456</u>	<u>\$ 17,273</u>	<u>\$323,009,055</u>

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

Instruction	\$ 3,504,349
Support services	2,546,531
Community services	16,806
Total Depreciation Expense	<u>\$ 6,067,686</u>

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED
JUNE 30, 2023**

NOTE 4 - LONG-TERM OBLIGATIONS

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

	Amount Outstanding June 30, 2022	Additions	Deductions	Amount Outstanding June 30, 2023	Amounts Due in One Year
General Obligation Bonds	\$113,314,000	\$100,000,000	\$ 9,904,000	\$203,410,000	\$12,390,000
Special Obligation Bonds	4,045,000	-	715,000	3,330,000	750,000
	<u>117,359,000</u>	<u>100,000,000</u>	<u>10,619,000</u>	<u>206,740,000</u>	<u>13,140,000</u>
Plus: unamortized bond premium	10,101,173	10,481,619	931,828	19,650,964	-
	<u>\$127,460,173</u>	<u>\$ 110,481,619</u>	<u>\$ 11,550,828</u>	<u>\$ 226,390,964</u>	<u>\$ 13,140,000</u>

Long-term obligations at June 30, 2023, are comprised of the following individual issues:

	General Obligation 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%.	\$ 7,740,000	\$ -	\$ 7,740,000
\$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%	-	3,330,000	3,330,000
\$4,375,000 2018 General Obligation Bond due in annual installments of \$570,000 to \$1,015,000 through March 2024; interest rates from 2.00% to 4.00%	625,000	-	625,000
\$100,000,000 2022 General Obligation Bond due in annual installments of \$625,000 to \$5,805,000 through March 2046; interest rates from 2.50% to 5.00%	95,045,000	-	95,045,000
\$100,000,000 2023 General Obligation Bond due in annual installments of \$1,660,000 to \$6,600,000 through March 2046; interest rates from 3.75% to 5.00%	100,000,000	-	100,000,000
	<u>\$ 203,410,000</u>	<u>\$ 3,330,000</u>	<u>\$ 206,740,000</u>

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED
JUNE 30, 2023**

NOTE 4 - LONG-TERM OBLIGATIONS – CONTINUED

The annual requirements to amortize all long-term obligations outstanding as of June 30, 2023, including interest payments are as follows:

Fiscal Year Ending June 30	General Obligation Bonds		Special Obligation Bonds		Total
	Principal	Interest	Principal	Interest	
2024	\$ 12,390,000	\$ 8,557,265	\$ 750,000	\$ 140,700	\$ 21,837,965
2025	6,250,000	7,662,181	785,000	103,200	14,800,381
2026	5,480,000	7,349,681	575,000	71,800	13,476,481
2027	5,755,000	7,075,681	600,000	48,800	13,479,481
2028	6,045,000	6,787,931	620,000	24,800	13,477,731
2029-2033	35,055,000	29,093,656	-	-	64,148,656
2034-2038	43,785,000	20,361,906	-	-	64,146,906
2039-2043	52,635,000	11,510,213	-	-	64,145,213
2044-2046	36,015,000	2,478,494	-	-	38,493,494
	<u>\$203,410,000</u>	<u>\$100,877,008</u>	<u>\$3,330,000</u>	<u>\$ 389,300</u>	<u>\$308,006,308</u>

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.

Bonds in the governmental funds will be retired by future property tax levies accumulated by the Debt Service Fund. As of June 30, 2023, \$17,061,500 was available in the Debt Service Fund to service these long-term obligations.

NOTE 5 - 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 an Annual Comprehensive Financial Report (ACFR) containing financial statements and required supplementary information for the Systems' Pension Trust Funds. The ACFR 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. Membership and 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, 2023

NOTE 5 - RETIREMENT PLANS - CONTINUED

A. South Carolina Retirement System - Continued

This plan covers general employees, teachers, and first-term individuals elected to the South Carolina General Assembly beginning with the November 2012 general election. An employee member of the system with an effective date of membership prior to July 1, 2012, is a Class Two member. 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. The Retirement Funding and Administrative Act of 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 by two percentage points and further scheduled employer contribution rates to increase by a minimum of one percentage point each year in accordance with state statute. The General Assembly postponed the one percent increase in the SCRS employer contribution rate that was scheduled to go into effect beginning July 1, 2020. In accordance with the legislative funding schedule, employer contribution rates will continue to increase by one percentage point each year until reaching 18.56% for SCRS but may be increased further, if the scheduled contributions are not sufficient to meet the funding periods set for the applicable year. The board shall increase the employer contribution rates as necessary to meet the amortization period set by state statute.

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED
JUNE 30, 2023**

NOTE 5 - RETIREMENT PLANS - CONTINUED

A. South Carolina Retirement System – Continued

Pension reform legislation modified state statute such that the employer contribution rates for SCRS to be further increased, not to exceed one-half of a percent in any one year if necessary, in order to improve the funding of the plans. The statute sets rates intended to reduce the unfunded liability of SCRS to the maximum amortization period of 20 years from 30 years over a 10-year schedule, as determined by the annual actuarial valuations of the plan. Finally, under the revised statute, the contribution rates for SCRS may not be decreased until the plan is at least 85% funded.

Required employee (both Class II and III) contribution rates for the year ended June 30, 2023, were 9.00%. Required employer contribution rates for the year ended June 30, 2023, were 17.41%. 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 \$10,908,976, for the year ended June 30, 2023. For the State's year-end June 30, 2023, 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, 2023, \$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 (12.41%) 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, 2023, the District reported a net pension liability of \$122,644,900 for its proportionate share of the collective net pension liability. The net pension liability was measured as of June 30, 2022. The total pension liability, net pension liability, and sensitivity information are based on an actuarial valuation performed as of July 1, 2021. The total pension liability was rolled forward from the valuation date to the plan's fiscal year-end June 30, 2022, using generally accepted actuarial principles. The allocation of the District's proportionate share of the collective net pension liability and pension expense was calculated on the basis of the District's contributions 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, 2022. Based upon this information, the District's proportion of the collective net pension liability at June 30, 2023, is 0.505916%, an increase of 0.026874% since the prior measurement date.

For the year ended June 30, 2023, the District recognized pension expense of \$13,897,301. At June 30, 2023, 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, 2023**

NOTE 5 - RETIREMENT PLANS - CONTINUED

A. South Carolina Retirement System - Continued

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,065,555	\$ 534,482
Changes in assumptions	3,933,510	-
Net difference between projected and actual earnings on pension plan investments	189,143	-
Changes in proportion and differences between District contributions and proportionate share of contributions	6,880,497	-
District contributions subsequent to the measurement date	10,908,976	-
Total	\$ 22,977,681	\$ 534,482

Deferred outflows of resources of \$10,908,976 related to pensions in 2023, 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, 2024. 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,	
2024	\$ 6,000,532
2025	3,963,375
2026	(1,628,184)
2027	3,198,500
	\$ 11,534,223

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.

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED
JUNE 30, 2023**

NOTE 5 - RETIREMENT PLANS - CONTINUED

A. South Carolina Retirement System - Continued

The June 30, 2022, total pension liability, net pension liability, and sensitivity information is determined by and based on an actuarial valuation performed as of July 1, 2021, using the following actuarial assumptions and methods:

Actuarial cost method	Entry age normal
Inflation	2.25%
Salary increases	3.0% to 11.0% (varies by service and includes 2.25% inflation)
Benefit adjustments	lesser of 1% or \$500 annually
Investment rate of return	7.00% (includes 2.25% inflation)

There was no legislation enacted during the 2022 legislative session that had a material change in the benefit provisions.

The post-retiree mortality assumption is dependent upon the member's job category and gender. The base mortality assumptions, the 2020 Public Retirees of South Carolina mortality table (2020 PRSC), was developed using the Systems' mortality experience. The base rates are adjusted for future improvement in mortality using 80% of Scale UMP projected from the year 2020.

The long-term expected rate of return on pension plan investments is based upon the 20-year capital market assumptions. The long-term expected rates of return represent assumptions developed using an arithmetic building-block approach primarily based on consensus expectations and market-based inputs. Expected returns are net of investment fees. The expected returns, along with the expected inflation rate, form the basis for the target asset allocation adopted at the beginning of the 2022 fiscal year. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and adding expected inflation and is summarized in the following table. For actuarial purposes, the 7.00% assumed annual investment rate of return used in the calculation of the total pension liability includes a 4.75% real rate of return and a 2.25% inflation component.

<u>Allocation/Exposure</u>	<u>Policy Target</u>	<u>Expected Arithmetic Real Rate of Return</u>	<u>Long-Term Expected Portfolio Real Rate of Return</u>
Public Equity	46%	6.79%	3.12%
Bonds	26%	-0.35%	-0.09%
Private Equity	9%	8.75%	0.79%
Private Debt	7%	6.00%	0.42%
Real Assets			
Real Estate	9%	4.12%	0.37%
Infrastructure	3%	5.88%	0.18%
Total Expected Return	100%		4.79%
Inflation for Actuarial Purposes			2.25%
			<u>7.04%</u>

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED
JUNE 30, 2023**

NOTE 5 - RETIREMENT PLANS - CONTINUED

A. South Carolina Retirement System - Continued

Discount Rate - The discount rate used to measure the total pension liability was 7.00%. 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.

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 7.00%, as well as what the District's net pension liability would be if it were calculated using a discount rate that is 1% lower (6.00%) or 1% higher (8.00%) than the current rate:

	1% Decrease (6.0%)	Discount Rate (7.0%)	1% Increase (8.0%)
District's proportionate share of the collective net pension liability	\$ 157,245,894	\$ 122,644,900	\$ 93,878,667

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, 2022 (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 has 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, 2022. 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 an Annual Comprehensive Financial Report (ACFR) containing financial statements and required supplementary information for the Systems' Pension Trust Funds. The ACFR is publicly available through PEBA's website at www.peba.sc.gov, or a copy may be obtained by submitting a request to PEBA, 202 Arbor Lake Drive, Columbia, SC 29223.

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. Membership and 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, 2023**

NOTE 5 - RETIREMENT PLANS - CONTINUED

B. South Carolina Police Officers Retirement System - Continued

To be eligible for PORS membership, an employee must be required by the terms of his employment, by election or appointment, to preserve public order, protect life and property, and detect crimes in the state; to prevent and control property destruction by fire; or to serve as a peace officer employed by the Department of Corrections, the Department of Juvenile Justice, or the Department of Mental Health. Probate judges and coroners may elect membership in PORS. Magistrates are required to participate in PORS for service as a magistrate. PORS members, other than magistrates and probate judges, must also earn at least \$2,000 per year and devote at least 1,600 hours per year to this work, unless exempted by statute.

An employee member of the system with an effective date of membership prior to July 1, 2012, is a Class Two member. 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. The Retirement Funding and Administrative Act of 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 by two percentage points and further scheduled employer contribution rates to increase by a minimum of one percentage point each year in accordance with state statute. The General Assembly postponed the one percent increase in the PORS employer contribution rate that was scheduled to go into effect beginning July 1, 2020. In accordance with the legislative funding schedule, employer contribution rates will continue to increase by one percentage point each year until reaching 21.24% for PORS but may be increased further, if the scheduled contributions are not sufficient to meet the funding periods set for the applicable year. The board shall increase the employer contribution rates as necessary to meet the amortization period set by state statute.

Pension reform legislation modified state statute such that the employer contribution rates for PORS to be further increased, not to exceed one-half of a percent in any one year if necessary, in order to improve the funding of the plans. The statute sets rates intended to reduce the unfunded liability of PORS to the maximum amortization period of 20 years from 30 years over a 10-year schedule, as determined by the annual actuarial valuations of the plan. Finally, under the revised statute, the contribution rates for PORS may not be decreased until the plan is at least 85% funded.

Required employee (both Class II and III) contribution rates for the year ended June 30, 2023, were 9.75%. Required employer contribution rates for the year ended June 30, 2023, were 19.84%. 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.

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED
JUNE 30, 2023**

NOTE 5 - RETIREMENT PLANS - CONTINUED

B. South Carolina Police Officers Retirement System - Continued

Contributions to the Plan from the District were \$36,373, for the year ended June 30, 2023. For the State's year-end June 30, 2022, 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, 2023, \$1,838 of contributions paid on behalf of the District by the General Assembly for PORS was recognized as other operating revenues.

Pension Liabilities, Pension Expense, and Deferred Outflows (Inflows) of Resources Related to Pensions - At June 30, 2023, the District reported a net pension liability of \$453,611 for its proportionate share of the collective net pension liability. The net pension liability was measured as of June 30, 2022. The total pension liability, net pension liability and sensitivity information are based on an actuarial valuation performed as of July 1, 2021. The total pension liability was rolled forward from the valuation date to the plan's fiscal year-end June 30, 2022, using generally accepted actuarial principles. The allocation of the District's proportional share of the collective net pension liability and pension expense was 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, 2022. Based upon this information, the District's proportion of the collective net pension liability at June 30, 2023, is 0.015126%, a decrease of 0.000839% since the prior measurement date.

For the year ended June 30, 2023, the District recognized pension expense of \$53,095. At June 30, 2023, 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	\$ 7,611	\$ 8,967
Changes in assumptions	18,889	-
Net difference between projected and actual earnings on pension plan investments	1,370	-
Changes in proportion and differences between District contributions and proportionate share of contributions	18,975	6,293
District contributions subsequent to the measurement date	36,373	-
Total	\$ 83,218	\$ 15,260

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED
JUNE 30, 2023**

NOTE 5 - RETIREMENT PLANS - CONTINUED

B. South Carolina Police Officers Retirement System - Continued

Deferred outflows of resources of \$36,373 related to pensions in 2023, 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, 2024. 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:

<u>Year Ended June 30,</u>		
2024	\$	14,576
2025		10,285
2026		(10,909)
2027		17,633
	<u>\$</u>	<u>31,585</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.

The June 30, 2022, total pension liability, net pension liability, and sensitivity information is determined by and based on an actuarial valuation performed as of July 1, 2021, using the following actuarial assumptions and methods:

Actuarial cost method	Entry age normal
Inflation	2.25%
Salary increases	3.5% to 10.5% (varies by service and includes 2.25% inflation)
Benefit adjustments	lesser of 1% or \$500 annually
Investment rate of return	7.00% (includes 2.25% inflation)

There was no legislation enacted during the 2022 legislative session that had a material change in the benefit provisions.

The post-retiree mortality assumption is dependent upon the member's job category and gender. The base mortality assumptions, the 2020 Public Retirees of South Carolina mortality table (2020 PRSC), were developed using the Systems' mortality experience. The base rates are adjusted for future improvement in mortality using 80% of Scale UMP projected from the year 2020.

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.

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED
JUNE 30, 2023**

NOTE 5 - RETIREMENT PLANS - CONTINUED

B. South Carolina Police Officers Retirement System - Continued

The expected returns, along with the expected inflation rate, form the basis for the target asset allocation adopted at the beginning of the 2022 fiscal year. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and adding expected inflation and is summarized in the following table. For actuarial purposes, the 7.00% assumed annual investment rate of return used in the calculation of the total pension liability includes a 4.75% real rate of return and a 2.25% inflation component.

Allocation/Exposure	Policy Target	Expected Arithmetic Real Rate of Return	Long-Term Expected Portfolio Real Rate of Return
Public Equity	46%	6.79%	3.12%
Bonds	26%	-0.35%	-0.09%
Private Equity	9%	8.75%	0.79%
Private Debt	7%	6.00%	0.42%
Real Assets			
Real Estate	9%	4.12%	0.37%
Infrastructure	3%	5.88%	0.18%
Total Expected Return	100%		4.79%
Inflation for Actuarial Purposes			2.25%
			<u>7.04%</u>

Discount Rate - The discount rate used to measure the total pension liability was 7.00%. 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 7.00%, as well as what the District's net pension liability would be if it were calculated using a discount rate that is 1% lower (6.00%) or 1% higher (8.00%) than the current rate:

	1% Decrease (6.0%)	Discount Rate (7.0%)	1% Increase (8.0%)
District's proportionate share of the collective net pension liability	\$ 632,533	\$ 453,611	\$ 307,146

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, 2022 (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, 2022. 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, 2023**

NOTE 5 - RETIREMENT PLANS - CONTINUED

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:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Pension Liability
South Carolina Retirement System	\$ 22,977,681	\$ 534,482	\$ 122,644,900
Police Officers Retirement System	83,218	15,260	453,611
Totals as Reported on Statement of Net Position	\$ 23,060,899	\$ 549,742	\$ 123,098,511

NOTE 6 - OTHER POSTEMPLOYMENT 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 postemployment 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. PEBA issues an Annual Comprehensive Financial Report (ACFR) containing financial statements and required supplementary information for the OPEB Trust Funds. The ACFR is publicly available through PEBA's website at www.peba.sc.gov, or a copy may be obtained by submitting a request to PEBA, 202 Arbor Lake Drive, Columbia, SC 29223.

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 on 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 postemployment benefits to be funded through non-employer and employer contributions for active employees and retirees to the PEBA-Insurance Benefits. The SCRHITF is funded through participating employers that are mandated by State statute to contribute at a rate assessed each year by the Department of Administration Executive Budget Office on active employee covered payroll. The covered payroll surcharge for the year ended June 30, 2023, was 6.25%. 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.

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED
JUNE 30, 2023**

NOTE 6 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLAN - CONTINUED

For purposes of GASB Statement No. 75, this expenditure on behalf of the active employee is reclassified as a retiree health care expenditure so that the employer’s contributions towards the plan reflect the underlying age-adjusted, retiree benefit costs. Non-employer contributions consist of an annual appropriation by the General Assembly and the statutorily required transfer from PEBA-Insurance Benefits reserves. However, due to the COVID-19 pandemic and the impact it has on the PEBA – Insurance Benefits reserves, the General Assembly has indefinitely suspended the statutorily required transfer until further notice. It is also funded through investment income.

In accordance with part (b) of paragraph 69 of GASB Statement No. 75, participating employers should recognize revenue in an amount equal to the 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 \$15,483.

Contributions to the OPEB plan from the District during the current fiscal year were \$4,334,842, which includes an implicit subsidy of \$(24,634).

OPEB Liabilities, OPEB Expense, and Deferred Outflows (Inflows) of Resources Related to OPEB - At June 30, 2023, the District reported a net OPEB liability of \$99,157,322 for its proportionate share of the collective net OPEB liability. The net OPEB liability was measured as of June 30, 2022. The total OPEB liability, net OPEB liability, and sensitivity information are based on an actuarial valuation performed as of June 30, 2021. The total OPEB liability was rolled forward from the valuation date to the plan’s fiscal year-end June 30, 2022, 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 at June 30, 2023, is 0.651843%, an increase of 0.01848% since June 30, 2021, the prior measurement date.

For the year ended June 30, 2023, the District recognized OPEB expense of \$7,727,706. At June 30, 2023, 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	\$ 2,128,291	\$ 8,718,717
Changes in assumptions	22,357,420	31,873,695
Net difference between projected and actual earnings on OPEB plan investments	779,665	-
Changes in proportion and differences between District contributions and proportionate share of contributions	8,228,237	218
District contributions subsequent to the measurement date	4,334,842	-
Total	\$ 37,828,455	\$ 40,592,630

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED
JUNE 30, 2023**

NOTE 6 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLAN - CONTINUED

Deferred outflows of resources of \$4,334,842 related to OPEB in 2023, 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, 2024. Any other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ended June 30,</u>		
2024	\$	(492,714)
2025		550,157
2026		767,954
2027		58,508
2028		(2,832,291)
Thereafter		(5,150,631)
	<u>\$</u>	<u>(7,099,017)</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 June 30, 2019. Demographic and salary increase assumptions were updated to reflect the most recent experience study and the healthcare trend rates were reset to better reflect the plan's anticipated experience.

The June 30, 2022, total OPEB liability, net OPEB liability, and sensitivity information are determined by and based on an actuarial valuation performed as of June 30, 2021, using the following actuarial assumptions and methods:

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 6.00% and gradually decreasing to an ultimate trend rate of 4.00% over a period of 15 years

For healthy retirees, the gender-distinct South Carolina Retirees 2020 Mortality Tables were used with fully generational mortality projections based on a fully generational basis by the 80% of Scale UMP to account for future mortality improvements and adjusted with multipliers based on plan experience.

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 asset allocation adopted at the beginning of the 2018 fiscal year. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and adding expected inflation. This information is summarized in the following table:

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED
JUNE 30, 2023**

NOTE 6 - OTHER POSTEMPLOYMENT 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%	0.95%	0.76%
Cash equivalents	20%	0.35%	0.07%
Total	100%		0.83%
Expected Inflation			2.25%
Total Return			3.08%
Investment Return Assumption			2.75%

Discount Rate - The discount rate used to measure the total OPEB liability at June 30, 2023, was 3.69%, which is an increase from the previous year by 1.77%. The accounting policy for this plan is to set the Single Discount Rate equal to the prevailing municipal bond rate. Due to the plan's investment and funding policies, the difference between a blended discount rate and the municipal bond rate would be less than several basis points (several hundredths of one percent).

Sensitivity 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 3.69%, as well as what the District's net OPEB liability would be if it were calculated using a discount rate that is 1% lower (2.69%) or 1% higher (4.69%) than the current rate:

	1% Decrease 2.69%	Current Discount Rate 3.69%	1% Increase 4.69%
District's proportionate share of the collective net OPEB liability	\$ 117,230,771	\$ 99,157,322	\$ 84,632,847

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 6.0%, 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 (5.0% decreasing to 3.00%) or 1% higher (7.0% 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	\$ 81,547,205	\$ 99,157,322	\$ 119,718,093

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, 2022 (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, 2021. 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, 2023**

NOTE 7 - 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 8 - INTERFUND TRANSACTIONS

Interfund Receivables and Payables

Interfund balances for the year ended June 30, 2023, consisted of the following:

	Interfund Receivables	Interfund Payables
General Fund	\$ 3,669,230	\$ 34,005,691
Special Revenue Fund - Special Projects	260,670	2,190,731
Special Revenue Fund - EIA	457,989	-
Special Revenue Fund - Food Service	854,768	-
Debt Service Fund	6,492,849	-
Capital Projects Fund	48,352,740	22,977,756
Custodial Funds	-	914,068
	\$ 60,088,246	\$ 60,088,246

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 the consolidation of available cash to optimize return.

Interfund Transfers

Interfund transfers for the year ended June 30, 2023, consisted of the following:

Transfer from	Transfer to	Amount
General Fund	Capital Projects Fund	\$ 25,040,596
Special Revenue Fund - Special Projects	General Fund	535,711
Special Revenue Fund - Special Projects	Special Revenue Funds - Special Projects	279,055
Special Revenue Fund - EIA	General Fund	6,708,287
Special Revenue Fund - Food Service	General Fund	642,935
		\$ 33,206,584

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, 2023**

NOTE 9 - TAX ABATEMENTS

Spartanburg County

Beginning July 1, 2016, Spartanburg County changed the allocation of FILOT revenues amongst the seven 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 \$2,165,743 of FILOT revenue. Because these agreements are written across seven taxing districts, the District is unable to determine the amount by which 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 \$113,657,761 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 \$19,246,707 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 \$100,409,689. 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 \$13,248,072.

Under agreements written prior to June 30, 2016, the District's debt service fund property tax revenues were reduced by \$19,644,788 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 \$4,279,484 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 \$17,259,989. 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 \$2,384,799.

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 \$50,675 in FILOT revenue from Cherokee County.

NOTE 10 - 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 from 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, 2023**

NOTE 10 - SUMMARY DISCLOSURE OF SIGNIFICANT CONTINGENCIES AND COMMITMENTS - CONTINUED

Total contractual commitments of the Capital Projects Fund at June 30, 2023, are as follows:

Projects	Contract Amount	Job to Date Expenditures	Outstanding Commitments
Byrnes High School Additions	\$ 49,277,223	\$ 21,373,189	\$ 27,904,034
Berry Shoals Intermediate Addition	11,866,632	9,257,173	2,609,459
Beech Springs Intermediate Addition	29,763,652	17,113,590	12,650,062
Reidville Elementary Addition	11,332,117	9,554,226	1,777,891
Abner Creek Middle School	56,947,121	48,937,361	8,009,760
Tyger River Elementary School	50,267,048	28,590,714	21,676,334
Wellford Elementary School	51,839,771	16,147,295	35,692,476
Football Stadium	770,000	695,062	74,938
	<u>\$ 262,063,564</u>	<u>\$ 151,668,610</u>	<u>\$ 110,394,954</u>

NOTE 11 - 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, 2023, these amounts were \$491,448 and \$294,047, respectively, and were recorded as General Fund expenditures.

NOTE 12 - SUBSEQUENT EVENT

Management has evaluated subsequent events through November 14, 2023, 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*

	2023	2022	2021	2020	2019
District's Proportion of the Collective Net Pension Liability	0.505916%	0.479042%	0.466601%	0.450855%	0.445212%
District's Proportionate Share of the Collective Net Pension Liability	\$ 122,644,900	\$ 103,670,737	\$ 119,224,828	\$ 102,948,843	\$ 99,757,769
District's Covered-Employee Payroll	\$ 63,832,503	\$ 58,848,827	\$ 55,743,907	\$ 51,086,033	\$ 49,761,349
District's Proportionate Share of the Collective Net Pension Liability as a Percentage of its Covered-Employee Payroll	192.14%	176.16%	213.88%	201.52%	200.47%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	57.10%	60.70%	50.70%	54.40%	54.10%
	2018	2017	2016	2015	
District's Proportion of the Collective Net Pension Liability	0.438291%	0.430060%	0.430512%	0.431989%	
District's Proportionate Share of the Collective Net Pension Liability	\$ 98,666,353	\$ 91,860,181	\$ 81,648,676	\$ 74,374,184	
District's Covered-Employee Payroll	\$ 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	204.54%	199.55%	185.75%	173.97%	
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	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***

	2023	2022	2021	2020	2019
Statutorily Required Contributions	\$ 10,908,976	\$ 9,427,336	\$ 8,053,690	\$ 7,638,724	\$ 6,472,281
Contributions in Relation to the Statutorily Required Contributions	10,908,976	9,427,336	8,053,690	7,638,724	6,472,281
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered-Employee Payroll	\$ 68,774,535	\$ 63,832,503	\$ 58,848,827	\$ 55,743,907	\$ 51,086,033
Contributions as a Percentage of Covered-Employee Payroll	15.86%	14.77%	13.69%	13.70%	12.67%
	2018	2017	2016	2015	
Statutorily Required Contributions	\$ 5,795,988	\$ 5,112,079	\$ 4,663,080	\$ 4,399,863	
Contributions in Relation to the Statutorily Required Contributions	5,795,988	5,112,079	4,663,080	4,399,863	
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
District's Covered-Employee Payroll	\$ 49,761,349	\$ 48,238,262	\$ 46,032,903	\$ 43,955,092	
Contributions as a Percentage of Covered-Employee Payroll	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*

	2023	2022	2021	2020	2019
District's Proportion of the Collective Net Pension Liability	0.015126%	0.014287%	0.014707%	0.014663%	0.014058%
District's Proportionate Share of the Collective Net Pension Liability	\$ 453,611	\$ 367,602	\$ 487,722	\$ 420,224	\$ 398,338
District's Covered-Employee Payroll	\$ 237,028	\$ 217,314	\$ 222,888	\$ 212,676	\$ 194,583
District's Proportionate Share of the Collective Net Pension Liability as a Percentage of its Covered-Employee Payroll	191.37%	169.16%	218.82%	197.59%	204.71%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.40%	70.40%	58.80%	62.70%	61.70%
	2018	2017	2016	2015	
District's Proportion of the Collective Net Pension Liability	0.013140%	0.014020%	0.012840%	0.006830%	
District's Proportionate Share of the Collective Net Pension Liability	\$ 360,088	\$ 355,639	\$ 279,869	\$ 130,736	
District's Covered-Employee Payroll	\$ 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	203.43%	198.96%	175.93%	159.16%	
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	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*

	2023	2022	2021	2020	2019
Statutorily Required Contributions	\$ 36,373	\$ 43,766	\$ 37,800	\$ 38,817	\$ 34,827
Contributions in Relation to the Statutorily Required Contributions	36,373	43,766	37,800	38,817	34,827
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
District's Covered-Employee Payroll	\$ 188,790	\$ 237,028	\$ 217,314	\$ 222,888	\$ 212,676
Contributions as a Percentage of Covered-Employee Payroll	19.27%	18.46%	17.39%	17.42%	16.38%
	2018	2017	2016	2015	
Statutorily Required Contributions	\$ 29,762	\$ 25,205	\$ 24,561	\$ 21,333	
Contributions in Relation to the Statutorily Required Contributions	29,762	25,205	24,561	21,333	
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	
District's Covered-Employee Payroll	\$ 194,583	\$ 177,005	\$ 178,753	\$ 159,084	
Contributions as a Percentage of Covered-Employee Payroll	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*

	2023	2022	2021
District's Proportion of the Collective Net OPEB Liability	0.651843%	0.633363%	0.607158%
District's Proportionate Share of the Collective Net OPEB Liability	\$ 99,157,322	\$ 131,886,324	\$ 109,600,801
District's Covered-Employee Payroll	\$ 64,069,531	\$ 59,066,140	\$ 55,966,796
District's Proportionate Share of the Collective Net OPEB Liability as a Percentage of its Covered-Employee Payroll	154.77%	223.29%	195.83%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	9.64%	7.48%	8.39%
	2020	2019	2018
District's Proportion of the Collective Net OPEB Liability	0.586650%	0.579285%	0.574128%
District's Proportionate Share of the Collective Net OPEB Liability	\$ 88,695,302	\$ 82,088,073	\$ 77,764,697
District's Covered-Employee Payroll	\$ 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	172.90%	164.32%	160.62%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	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*

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Statutorily Required Contributions	\$ 4,334,842	\$ 4,024,873	\$ 3,630,601
Contributions in Relation to the Statutorily Required Contributions	<u>4,334,842</u>	<u>4,024,873</u>	<u>3,630,601</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered-Employee Payroll	\$ 68,963,326	\$ 64,069,531	\$ 59,066,140
Contributions as a Percentage of Covered-Employee Payroll	6.286%	6.282%	6.147%
	<u>2020</u>	<u>2019</u>	<u>2018</u>
Statutorily Required Contributions	\$ 3,266,718	\$ 3,094,481	\$ 2,685,758
Contributions in Relation to the Statutorily Required Contributions	<u>3,266,718</u>	<u>3,094,481</u>	<u>2,685,758</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered-Employee Payroll	\$ 55,966,796	\$ 51,298,709	\$ 49,955,932
Contributions as a Percentage of Covered-Employee Payroll	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, 2023**

	<u>Budgeted Amounts</u>		<u>Actual (Budgetary Basis)</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUE				
Local	\$ 56,167,831	\$ 56,167,831	\$ 64,599,768	\$ 8,431,937
Intergovernmental	261,585	261,585	383,504	121,919
State	53,052,129	53,052,129	61,181,796	8,129,667
Federal	-	-	300	300
Total Revenue	<u>109,481,545</u>	<u>109,481,545</u>	<u>126,165,368</u>	<u>16,683,823</u>
EXPENDITURES				
Current:				
Instruction	71,661,676	70,850,734	67,571,880	3,278,854
Support Services	37,876,737	38,687,579	37,361,374	1,326,205
Community Services	55,039	55,139	55,089	50
Intergovernmental	415,000	415,000	424,423	(9,423)
Total Expenditures	<u>110,008,452</u>	<u>110,008,452</u>	<u>105,412,766</u>	<u>4,595,686</u>
Excess / (Deficiency) of Revenues Over Expenditures	<u>(526,907)</u>	<u>(526,907)</u>	<u>20,752,602</u>	<u>21,279,509</u>
OTHER FINANCING SOURCES (USES)				
Sale of Fixed Assets	-	-	27,930	27,930
Operating Transfers In	6,018,207	6,018,207	7,886,933	1,868,726
Operating Transfers Out	(5,491,300)	(5,491,300)	(25,040,596)	(19,549,296)
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>3,626,869</u>	<u>\$ 3,626,869</u>
FUND BALANCE - JULY 1, 2022			<u>23,487,025</u>	
FUND BALANCE - JUNE 30, 2023			<u>\$ 27,113,894</u>	

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, 2023**

REVENUES	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
1000 Revenue From Local Sources			
1100 Taxes Levied/Assessed by the LEA			
1110 Ad Valorem Taxes - Including Delinquent (Independent)	\$ 39,314,519	\$ 39,268,334	\$ (46,185)
1190 Other Taxes (Independent)	1,976,780	2,930,451	953,671
1200 Revenue from Local Government Units Other than LEAs			
1280 Revenue In Lieu of Taxes (Independent and Dependent)	14,851,532	21,463,125	6,611,593
1300 Tuition			
1310 Tuition from Patrons for Regular Day School	-	42,858	42,858
1500 Earnings on Investments			
1510 Interest on Investments	25,000	674,099	649,099
1900 Other Revenue from Local Sources			
1910 Rentals	-	493	493
1920 Contributions and Donations Private Sources	-	11,830	11,830
1950 Refund of Prior Year's Expenditures	-	17,153	17,153
1990 Miscellaneous Local Revenue			
1993 Receipt of Insurance Proceeds	-	140,714	140,714
1999 Revenue from Other Local Sources	-	50,711	50,711
Total Local Sources	56,167,831	64,599,768	8,431,937
2000 Intergovernmental Revenue			
2100 Payments for Other Governmental Units	261,585	383,504	121,919
Total Intergovernmental Revenue	261,585	383,504	121,919
3000 Revenue from State Sources			
3100 Restricted State Funding			
3103 State Aid to Classrooms	35,667,630	38,761,754	3,094,124
3130 Special Programs			
3131 Handicapped Transportation	-	675	675
3160 School Bus Driver Salary (Includes Hazardous Condition Transportation)	405,180	595,883	190,703
3161 EAA Bus Driver Salary and Fringe	-	18,698	18,698
3162 Transportation Worker's Compensation	22,514	23,394	880
3181 Retiree Insurance (No Carryover Provision)	2,529,725	2,617,777	88,052
3330 Miscellaneous EFA Programs			
3392 NBC Excess EFA Formula	-	141,909	141,909
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)	10,696,467	11,793,442	1,096,975
3830 Merchant's Inventory Tax	78,607	78,608	1
3840 Manufacturers Depreciation Reimbursement	440,000	3,594,550	3,154,550
3890 Other State Property Tax Revenues (Includes Motor Carrier Vehicle Tax)	100,000	443,100	343,100
3990 Other State Revenue			
3993 PEBA On-Behalf	461,949	461,949	-
Total State Sources	53,052,129	61,181,796	8,129,667

**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, 2023**

	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
4000 Revenue from Federal Sources			
4900 Other Federal Sources			
4990 Other Federal Revenue			
4999 Revenue from Other Federal Sources	-	300	300
Total Federal Sources	-	300	300
TOTAL REVENUE ALL SOURCES	<u>109,481,545</u>	<u>126,165,368</u>	<u>16,683,823</u>
EXPENDITURES			
100 INSTRUCTION			
110 General Instruction			
111 Kindergarten Programs			
100 Salaries	3,219,299	3,218,373	926
200 Employee Benefits	1,721,590	1,546,402	175,188
400 Supplies and Materials	57,738	57,702	36
500 Capital Outlay	1,700	-	1,700
112 Primary Programs			
100 Salaries	10,089,002	10,088,101	901
200 Employee Benefits	4,855,369	4,431,215	424,154
300 Purchased Services	110,786	99,942	10,844
400 Supplies and Materials	189,796	188,420	1,376
500 Capital Outlay	1,700	-	1,700
600 Other Objects	7,200	7,200	-
113 Elementary Programs			
100 Salaries	13,934,259	13,812,539	121,720
200 Employee Benefits	6,657,646	6,395,399	262,247
300 Purchased Services	528,195	507,788	20,407
400 Supplies and Materials	1,050,129	1,049,801	328
500 Capital Outlay	1,586,206	720,732	865,474
600 Other Objects	2,600	2,400	200
114 High School Programs			
100 Salaries	7,861,897	7,777,038	84,859
200 Employee Benefits	3,606,136	3,275,827	330,309
300 Purchased Services	830,043	829,833	210
400 Supplies and Materials	228,547	228,196	351
500 Capital Outlay	300,025	150,370	149,655
600 Other Objects	7,300	6,000	1,300
115 Career and Technical Education Programs			
100 Salaries	813,608	797,687	15,921
200 Employee Benefits	389,667	356,939	32,728
300 Purchased Services (Other than Tuition)	2,488	-	2,488
370 Tuition (Purchased Services)	783,020	785,495	(2,475)
400 Supplies and Materials	25,989	25,618	371
500 Capital Outlay	7,310	4,530	2,780
120 Exceptional Programs			
121 Educable Mentally Handicapped			
100 Salaries	238,081	212,611	25,470
200 Employee Benefits	142,433	102,935	39,498
300 Purchased Services	117,260	117,115	145
400 Supplies and Materials	462	422	40

**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, 2023**

	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
122 Trainable Mentally Handicapped			
100 Salaries	286,565	247,940	38,625
200 Employee Benefits	148,808	126,588	22,220
300 Purchased Services	86,040	85,798	242
400 Supplies and Materials	622	490	132
123 Orthopedically Handicapped			
100 Salaries	3,081	3,081	-
200 Employee Benefits	1,508	1,464	44
300 Purchased Services	10,741	10,054	687
400 Supplies and Materials	218	103	115
124 Visually Handicapped			
300 Purchased Services	30,930	30,163	767
400 Supplies and Materials	373	169	204
500 Capital Outlay	5,000	-	5,000
125 Hearing Handicapped			
400 Supplies and Materials	623	118	505
500 Capital Outlay	5,000	3,826	1,174
126 Speech Handicapped			
100 Salaries	525,122	473,449	51,673
200 Employee Benefits	254,809	209,679	45,130
300 Purchased Services	372,316	372,036	280
400 Supplies and Materials	11,772	11,363	409
127 Learning Disabilities			
100 Salaries	3,096,341	3,095,689	652
200 Employee Benefits	1,546,383	1,426,585	119,798
300 Purchased Services	85,910	85,882	28
400 Supplies and Materials	20,035	19,577	458
128 Emotionally Handicapped			
100 Salaries	553,246	504,365	48,881
200 Employee Benefits	296,932	246,063	50,869
300 Purchased Services	20,250	19,934	316
400 Supplies and Materials	863	560	303
130 Preschool Programs			
137 Preschool Handicapped Self-Contained (3- and 4- Yr. -Olds)			
100 Salaries	549,832	478,272	71,560
200 Employee Benefits	310,575	247,559	63,016
300 Purchased Services	3,000	2,625	375
400 Supplies and Materials	1,492	1,324	168
139 Early Childhood Programs			
100 Salaries	382,450	382,373	77
200 Employee Benefits	217,137	189,053	28,084
140 Special Programs			
141 Gifted and Talented Academic			
100 Salaries	303,715	303,463	252
200 Employee Benefits	143,165	141,441	1,724
400 Supplies and Materials	3,048	2,548	500
142 Disadvantaged			
300 Purchased Services	545	-	545
143 Advanced Placement			
300 Purchased Services	1,500	218	1,282
400 Supplies and Materials	5,825	5,383	442

**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, 2023**

	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
145 Homebound			
100 Salaries	132,000	131,275	725
200 Employee Benefits	42,064	41,111	953
300 Purchased Services	8,500	8,059	441
148 Gifted and Talented Artistic			
100 Salaries	7,000	4,600	2,400
200 Employee Benefits	2,254	1,473	781
300 Purchased Services	1,000	1,000	-
400 Supplies and Materials	2,711	2,525	186
160 Other Exceptional Programs			
161 Autism			
100 Salaries	238,087	237,943	144
200 Employee Benefits	159,558	108,417	51,141
300 Purchased Services	192,755	191,928	827
400 Supplies and Materials	3,594	3,013	581
162 Limited English Proficiency			
100 Salaries	851,734	815,870	35,864
200 Employee Benefits	397,165	367,028	30,137
300 Purchased Services	1,525	-	1,525
170 Summer School Programs			
172 Elementary Summer School			
100 Salaries	14,000	-	14,000
200 Employee Benefits	4,508	-	4,508
180 Adult/Continuing Education Programs			
188 Parenting/Family Literacy			
100 Salaries	90,859	90,459	400
200 Employee Benefits	46,367	41,271	5,096
300 Purchased Services	1,800	43	1,757
Total Instruction	<u>70,850,734</u>	<u>67,571,880</u>	<u>3,278,854</u>
200 SUPPORT SERVICES			
210 Pupil Service			
211 Attendance and Social Work Services			
100 Salaries	94,281	93,481	800
200 Employee Benefits	35,510	35,235	275
300 Purchased Services	2,308	2,309	(1)
400 Supplies and Materials	1,200	1,197	3
212 Guidance Services			
100 Salaries	1,608,106	1,607,540	566
200 Employee Benefits	706,807	701,182	5,625
300 Purchased Services	29,400	28,684	716
400 Supplies and Materials	39,267	39,056	211
213 Health Service			
100 Salaries	736,272	735,565	707
200 Employee Benefits	391,114	313,138	77,976
300 Purchased Services	52,310	52,254	56
400 Supplies and Materials	22,224	21,393	831
500 Capital Outlay	6,200	6,119	81

**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, 2023**

	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
214 Psychological Services			
100 Salaries	465,107	453,673	11,434
200 Employee Benefits	229,093	206,612	22,481
300 Purchased Services	86,200	86,067	133
400 Supplies and Materials	850	-	850
217 Career Specialist Services			
100 Salaries	2,000	1,560	440
200 Employee Benefits	500	128	372
220 Instructional Staff Services			
221 Improvement of Instruction Curriculum Development			
100 Salaries	850,093	851,224	(1,131)
200 Employee Benefits	352,629	345,013	7,616
300 Purchased Services	52,000	49,451	2,549
400 Supplies and Materials	4,250	3,293	957
600 Other Objects	16,500	16,256	244
222 Library and Media Services			
100 Salaries	1,093,325	1,050,503	42,822
200 Employee Benefits	553,714	478,661	75,053
400 Supplies and Materials	181,413	181,399	14
223 Supervision of Special Programs			
100 Salaries	231,650	223,571	8,079
200 Employee Benefits	96,707	91,315	5,392
300 Purchased Services	4,064	3,209	855
224 Improvement of Instruction Inservice and Staff Training			
100 Salaries	686,282	686,197	85
200 Employee Benefits	412,127	304,905	107,222
300 Purchased Services	129,551	128,624	927
400 Supplies and Materials	11,276	10,743	533
230 General Administrative Service			
231 Board of Education			
300 Purchased Services	108,000	107,380	620
318 Audit Services	40,000	40,550	(550)
400 Supplies and Materials	550	384	166
500 Capital Outlay	34,720	33,020	1,700
600 Other Objects	105,653	80,750	24,903
232 Office of the Superintendent			
100 Salaries	369,126	368,277	849
200 Employee Benefits	120,824	120,113	711
300 Purchased Services	5,165	4,619	546
400 Supplies and Materials	3,800	3,037	763
500 Capital Outlay	2,125	-	2,125
600 Other Objects	4,000	4,500	(500)
233 School Administration			
100 Salaries	5,222,465	5,175,841	46,624
200 Employee Benefits	2,365,369	2,248,909	116,460
300 Purchased Services	50,326	47,840	2,486
400 Supplies and Materials	53,860	53,209	651
500 Capital Outlay	15,818	13,703	2,115
600 Other Objects	600	4,567	(3,967)

**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, 2023**

	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
250 Finance and Operations Services			
251 Student Transportation (Federal/District Mandated)			
100 Salaries	1,000	528	472
200 Employee Benefits	500	169	331
252 Fiscal Services			
100 Salaries	425,611	430,714	(5,103)
180 Head of Organizational Unit Salaries	149,571	143,897	5,674
200 Employee Benefits	239,313	196,937	42,376
280 Head of Organizational Unit Employee Benefits	4,000	45,557	(41,557)
300 Purchased Services	22,000	19,893	2,107
380 Head of Organizational Unit Purchased Services	243	1,864	(1,621)
400 Supplies and Materials	35,000	34,766	234
500 Capital Outlay	1,400	-	1,400
600 Other Objects	150,400	150,303	97
253 Facilities Acquisition and Construction			
500 Capital Outlay			
520 Construction Services	25,000	-	25,000
254 Operations and Maintenance of Plant			
100 Salaries	3,245,409	3,153,197	92,212
200 Employee Benefits	1,654,436	1,351,382	303,054
300 Purchased Services (Excludes Energy Costs)	2,150,858	2,223,772	(72,914)
321 Public Utility Services (Exclude Gas, Oil, Electric & Other Heating Fuels)	360,450	287,368	73,082
400 Supplies and Materials (Included Energy Costs)	617,430	908,625	(291,195)
470 Energy (Includes Gas, Oil, Electric & Other Heating Fuels)	1,899,200	1,607,550	291,650
500 Capital Outlay	496,293	228,775	267,518
600 Other Objects	19,000	-	19,000
255 Student Transportation (State Mandated)			
100 Salaries	1,792,578	1,791,689	889
200 Employee Benefits	569,871	569,372	499
300 Purchased Services	156,830	156,172	658
400 Supplies and Materials	141,000	140,861	139
500 Capital Outlay	346,500	346,267	233
258 Security			
100 Salaries	320,247	317,157	3,090
200 Employee Benefits	124,897	123,224	1,673
300 Purchased Services	1,748,610	1,748,463	147
400 Supplies and Materials	142,292	142,095	197
500 Capital Outlay	198,804	197,366	1,438
259 Internal Auditing Services			
400 Supplies and Materials	500	-	500
260 Central Support Services			
263 Information Services			
100 Salaries	46,330	45,531	799
180 Head of Organizational Unit Salaries	85,697	85,897	(200)
200 Employee Benefits	55,621	19,933	35,688
280 Head of Organizational Unit Employee Benefits	1,000	35,978	(34,978)
300 Purchased Services	80,923	80,310	613
380 Head of Organizational Unit Purchased Services	5,000	5,178	(178)
400 Supplies and Materials	72,697	72,458	239
500 Capital Outlay	2,700	476	2,224

**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, 2023**

	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
264 Staff Services			
100 Salaries	221,450	220,599	851
200 Employee Benefits	129,868	127,881	1,987
300 Purchased Services	57,500	56,864	636
400 Supplies and Materials	10,000	9,463	537
266 Technology and Data Processing Services			
100 Salaries	816,883	816,147	736
180 Head of Organizational Unit Salaries	125,719	125,983	(264)
200 Employee Benefits	403,742	353,484	50,258
280 Head of Organizational Unit Employee Benefits	-	45,641	(45,641)
300 Purchased Services	500	2,102	(1,602)
380 Head of Organizational Unit Purchased Services	2,500	-	2,500
400 Supplies and Materials	20,000	19,765	235
270 Support Services - Pupil Activity			
271 Pupil Service Activities			
100 Salaries (Optional)	996,577	996,307	270
200 Employee Benefits (Optional)	364,158	363,330	828
300 Purchased Services (Optional)	237,150	236,342	808
400 Supplies and Materials (Optional)	49,300	49,106	194
500 Capital Outlay (Optional)	92,290	82,529	9,761
600 Other Objects (Optional)	84,000	75,851	8,149
Total Support Services	38,687,579	37,361,374	1,326,205
300 COMMUNITY SERVICES			
360 Welfare Services			
400 Supplies and Materials	100	50	50
390 Other Community Services			
300 Purchased Services	55,039	55,039	-
Total Community Services	55,139	55,089	50
400 OTHER CHARGES			
410 Intergovernmental Expenditures			
412 Payments to other governmental units			
720 Transits	415,000	424,423	(9,423)
Total Intergovernmental Expenditures	415,000	424,423	(9,423)
TOTAL EXPENDITURES	110,008,452	105,412,766	4,595,686

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, 2023

	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
OTHER FINANCING SOURCES (USES)			
5300 Sales of Fixed Assets	-	27,930	27,930
Interfund Transfers, from (to) Other Funds			
5230 Transfer from Special Revenue EIA Fund	5,668,207	6,708,287	1,040,080
5280 Transfer from Other Funds Indirect Cost	350,000	1,178,646	828,646
424-710 Transfer to Capital Projects Fund	<u>(5,491,300)</u>	<u>(25,040,596)</u>	<u>(19,549,296)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>526,907</u>	<u>(17,125,733)</u>	<u>(17,652,640)</u>
Excess/(Deficiency) of Revenues over Expenditures	<u>\$ -</u>	<u>3,626,869</u>	<u>\$ 3,626,869</u>
FUND BALANCE - JULY 1, 2022		<u>23,487,025</u>	
FUND BALANCE - JUNE 30, 2023		<u>\$ 27,113,894</u>	

SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
 SPECIAL REVENUE FUND - SPECIAL PROJECTS
 COMBINING BALANCE SHEET
 JUNE 30, 2023

TITLE I	IDEA	PRE-SCHOOL HANDICAPPED	CATE	OTHER DESIGNATED RESTRICTED STATE GRANTS	OTHER SPECIAL REVENUE PROGRAMS	STUDENT ACTIVITY FUNDS	TOTAL
ASSETS							
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	1,116,680	\$ 1,116,680
Accounts Receivable	-	-	-	-	38,174	-	38,174
Due from State Department of Education	-	-	-	12,862	6,613	-	19,475
Due from Federal Government	502,212	1,965	43,988	-	1,909,422	-	2,938,857
Due from Other Funds	-	-	-	52,832	-	207,838	260,670
Total Assets	\$ 502,212	\$ 1,965	\$ 43,988	\$ 65,694	\$ 1,954,209	\$ 1,324,518	\$ 4,373,856
LIABILITIES AND FUND BALANCE							
Liabilities							
Due to Other Funds	\$ 502,212	\$ 1,965	\$ 43,988	\$ -	\$ 1,161,296	\$ -	\$ 2,190,731
Unearned Revenues	-	-	-	65,694	792,913	-	858,607
Total Liabilities	\$ 502,212	\$ 1,965	\$ 43,988	\$ 65,694	\$ 1,954,209	\$ -	\$ 3,049,338
Fund Balance							
Restricted	-	-	-	-	-	1,324,518	1,324,518
Pupil Activities	-	-	-	-	-	1,324,518	1,324,518
Total Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,324,518	\$ 1,324,518
Total Liabilities and Fund Balance	\$ 502,212	\$ 1,965	\$ 43,988	\$ 65,694	\$ 1,954,209	\$ 1,324,518	\$ 4,373,856

**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, 2023**

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								
1700 Pupil Activities	-	-	-	-	-	-	196,579	196,579
1710 Admissions	-	-	-	-	-	-	37,083	37,083
1720 Bookstore Sales	-	-	-	-	-	-	26,970	26,970
1730 Pupil Organization Membership Dues and Fees	-	-	-	-	-	-	500,656	500,656
1740 Student Fees	-	-	-	-	-	-	1,905,716	1,905,716
1790 Other Pupil Activity Income	-	-	-	-	-	-	-	-
1900 Other Revenue from Local Sources	-	-	-	-	-	-	-	-
1910 Rentals	-	-	-	-	-	10,085	-	10,085
1920 Contributions and Donations From Private Sources	-	-	-	-	-	4,368	35,873	40,241
1930 Special Needs Transportation - Medicaid	-	-	-	-	-	311,032	-	311,032
1999 Revenue from Other Local Sources	-	-	-	-	-	338,450	-	338,450
Total Local Revenue	-	-	-	-	-	663,935	2,702,877	3,366,812
3000 Revenue from State Sources								
3100 Restricted State Funding	-	-	-	-	-	-	-	-
3110 Occupational Education	-	-	-	-	369,562	-	-	369,562
3118 EEDA Career Specialists	-	-	-	-	-	-	-	-
3120 General Education	-	-	-	-	72,277	-	-	72,277
3127 Student Health and Fitness - PE Teachers	-	-	-	-	-	-	-	-
3130 Special Programs	-	-	-	-	-	-	-	-
3134 Child Early Reading Development & Education Program	-	-	-	-	19,101	-	-	19,101
3135 Reading Coaches	-	-	-	-	474,084	-	-	474,084
3187 Teacher Supplies (No Carryover Provision)	-	-	-	-	33,900	-	-	33,900
3190 Miscellaneous Restricted State Grants	-	-	-	-	-	-	-	-
3193 Education License Plates	-	-	-	-	602	-	-	602
3900 Other State Revenue	-	-	-	-	-	-	-	-
3994 PEBA Nonemployer Contributions	-	-	-	-	15,483	-	-	15,483
3999 Revenue from Other State Sources	-	-	-	-	-	10,041	-	10,041
Total State Sources	-	-	-	-	985,009	10,041	-	995,050
4000 Revenue from Federal Sources								
4200 Occupational Education	-	-	-	-	-	-	-	-
4210 Perkins Aid, Title I - Career and Technology Education - Basic Grants to States	-	-	-	149,947	-	-	-	149,947
4300 Elementary and Secondary Education Act of 1965 (ESEA)	-	-	-	-	-	-	-	-
4310 Title I, Basic State Grant Programs (Carryover Provision)	1,541,304	-	-	-	-	234,635	-	1,775,939
4341 Language Instruction for Limited English Proficient and Immigrant Students, Title III	-	-	-	-	-	88,005	-	88,005
4351 Supporting Effective Instruction	-	-	-	-	-	239,803	-	239,803

**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, 2023**

	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	-	1,561,704	-	-	-	11,046	-	1,572,750
4510 Individuals with Disabilities Education Act (IDEA)	-	-	64,192	-	-	-	-	64,192
4520 Preschool Grants for Children with Disabilities (IDEA)	-	-	-	-	-	-	-	-
4900 Other Federal Sources	-	-	-	-	-	322,610	-	322,610
4931 ARP IDEA	-	-	-	-	-	40,022	-	40,022
4933 ARP IDEA Preschool	-	-	-	-	-	27,259	-	27,259
4937 ARP Homeless Children and Youth	-	-	-	-	-	3,604,422	-	3,604,422
4974 ESSER III	-	-	-	-	-	447,843	-	447,843
4977 ESSER II	-	-	-	-	-	-	-	-
4990 Other Federal Revenue	-	-	-	-	-	107,162	-	107,162
4997 Title IV - SSAE	-	-	-	-	-	180,347	-	180,347
4999 Revenue from Other Federal Sources	-	-	-	-	-	-	-	-
Total Federal Sources	1,541,304	1,561,704	64,192	149,947	-	5,303,154	-	8,620,301
TOTAL REVENUE ALL SOURCES	1,541,304	1,561,704	64,192	149,947	985,009	5,977,130	2,702,877	12,982,163

EXPENDITURES

100 INSTRUCTION

110 General Instruction								
111 Kindergarten Programs								
100 Salaries	87,711	-	-	-	-	51,821	-	139,532
200 Employee Benefits	44,993	-	-	-	-	26,388	-	71,381
400 Supplies and Materials	-	-	-	-	-	10,395	-	10,395
112 Primary Programs								
100 Salaries	492,136	-	-	-	50,295	529,393	-	1,071,824
200 Employee Benefits	224,612	-	-	-	21,982	236,568	-	482,162
300 Purchased Services	-	-	-	-	-	49,731	-	49,731
400 Supplies and Materials	1,085	-	-	-	602	96,894	-	98,581
113 Elementary Programs								
100 Salaries	348,847	-	-	-	-	248,957	-	597,804
200 Employee Benefits	143,544	-	-	-	-	105,393	-	248,937
300 Purchased Services	-	-	-	-	-	44,300	-	44,300
400 Supplies and Materials	-	-	-	-	-	23,558	-	23,558
114 High School Programs								
100 Salaries	-	-	-	-	-	174,504	-	174,504
200 Employee Benefits	-	-	-	-	-	55,105	-	55,105
300 Purchased Services	-	-	-	-	-	28,692	-	28,692
400 Supplies and Materials	-	-	-	-	33,900	24,999	-	58,899
115 Career and Technical Education Programs								
300 Purchased Services (Other than Tuition)	-	-	-	7,300	-	-	-	7,300
400 Supplies and Materials	-	-	-	14,650	-	-	-	14,650
500 Capital Outlay	-	-	-	22,000	-	-	-	22,000
116 Career and Technical Education Programs - Middle School								
400 Supplies and Materials	-	-	-	30,882	-	-	-	30,882
500 Capital Outlay	-	-	-	16,774	-	-	-	16,774

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, 2023

TITLE I	IDEA	PRE-SCHOOL HANDICAPPED	CATE	OTHER DESIGNATED RESTRICTED STATE GRANTS	OTHER SPECIAL REVENUE PROGRAMS	STUDENT ACTIVITY FUNDS	TOTAL
120 Exceptional Programs							
121 Educable Mentally Handicapped							
100 Salaries	20,965	-	-	-	-	-	20,965
200 Employee Benefits	7,700	-	-	-	-	-	7,700
124 Visually Handicapped							
300 Purchased Services	16,633	-	-	-	-	-	16,633
126 Speech Handicapped							
100 Salaries	63,974	-	-	-	59,287	-	123,261
200 Employee Benefits	33,083	-	-	-	31,573	-	64,656
300 Purchased Services	365,180	-	-	-	98,453	-	463,633
600 Other Objects	-	-	-	-	5,172	-	5,172
127 Learning Disabilities							
100 Salaries	433,904	-	-	-	3,211	-	437,115
200 Employee Benefits	208,943	-	-	-	1,028	-	209,971
300 Purchased Services	-	-	-	-	99,801	-	99,801
400 Supplies and Materials	10,800	-	-	-	15,769	-	26,569
128 Emotionally Handicapped							
100 Salaries	81,987	-	-	-	-	-	81,987
200 Employee Benefits	32,945	-	-	-	-	-	32,945
130 Pre-School Programs							
137 Preschool Handicapped Self-Contained (3- and 4- Yr. -Olds)							
100 Salaries	24,137	44,080	-	-	66,810	-	135,027
200 Employee Benefits	12,682	20,112	-	-	33,813	-	66,607
139 Early Childhood Programs							
100 Salaries	-	-	-	-	-	-	43
200 Employee Benefits	-	-	-	-	-	-	3
140 Special Programs							
141 Gifted and Talented Academic							
100 Salaries	-	-	-	-	24,589	-	24,589
200 Employee Benefits	-	-	-	-	7,865	-	7,865
145 Homebound							
100 Salaries	-	-	-	-	2,573	-	2,573
200 Employee Benefits	-	-	-	-	823	-	823
147 CERDEP							
400 Supplies and Materials	-	-	-	19,033	-	-	19,033
149 Other Special Programs							
100 Salaries	10,184	-	-	-	-	-	10,184
200 Employee Benefits	3,260	-	-	-	-	-	3,260
300 Purchased Services	2,500	-	-	-	-	-	2,500
160 Other Exceptional Programs							
161 Autism							
100 Salaries	7,957	-	-	-	35	-	7,992
200 Employee Benefits	5,911	-	-	-	11	-	5,922

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, 2023

TITLE I	IDEA	PRESCHOOL HANDICAPPED	CATE	OTHER DESIGNATED RESTRICTED STATE GRANTS	OTHER SPECIAL REVENUE PROGRAMS	STUDENT ACTIVITY FUNDS	TOTAL
170 Summer School Programs							
171 Primary Summer School	-	-	-	-	309,857	-	309,857
100 Salaries	-	-	-	-	96,991	-	96,991
200 Employee Benefits	-	-	-	-	527	-	527
400 Supplies and Materials	-	-	-	-	-	-	-
172 Elementary Summer School	-	-	-	-	89,084	-	89,084
100 Salaries	-	-	-	-	27,091	-	27,091
200 Employee Benefits	-	-	-	-	3,720	-	3,720
400 Supplies and Materials	-	-	-	-	-	-	-
173 High School Summer School	-	-	-	-	48,256	-	48,256
100 Salaries	-	-	-	-	15,083	-	15,083
200 Employee Benefits	-	-	-	-	755	-	755
174 Gifted and Talented Summer School	-	-	-	-	114,180	-	114,180
400 Supplies and Materials	-	-	-	-	36,474	-	36,474
175 Instructional Programs Beyond Regular School Day	-	-	-	-	446	-	446
100 Salaries	-	-	-	-	-	-	-
200 Employee Benefits	-	-	-	-	-	-	-
400 Supplies and Materials	-	-	-	-	-	-	-
180 Adult/Continuing Education Programs							
188 Parenting/Family Literacy	44,225	-	-	-	-	-	44,225
100 Salaries	16,632	-	-	-	-	-	16,632
200 Employee Benefits	-	-	-	-	1,383	-	1,383
300 Purchased Services	-	-	-	-	-	-	-
400 Supplies and Materials	11,098	-	-	-	-	-	11,098
190 Instructional Pupil Activity	-	-	-	-	-	312,929	312,929
660 Pupil Activity	-	-	-	-	-	-	-
Total Instruction	1,414,929	1,342,745	64,192	91,606	2,900,358	312,929	6,252,571
200 SUPPORT SERVICES							
210 Pupil Service							
212 Guidance Services							
100 Salaries	-	-	-	-	218,156	-	218,156
200 Employee Benefits	-	-	-	-	102,617	-	102,617
300 Purchased Services	-	-	-	-	25,980	-	25,980
213 Health Service							
100 Salaries	-	-	-	-	177,452	-	177,452
200 Employee Benefits	-	-	-	-	53,788	-	53,788
300 Purchased Services	-	-	-	-	11,025	-	11,025
400 Supplies and Materials	-	-	-	-	1,993	-	1,993
214 Psychological Services							
300 Purchased Services	-	90,036	-	-	75,000	-	165,036
215 Exceptional Program Services							
400 Supplies and Materials	-	41,196	-	-	-	-	41,196

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, 2023

TITLE I	IDEA	PRESCHOOL HANDICAPPED	CATE	OTHER DESIGNATED RESTRICTED STATE GRANTS	OTHER SPECIAL REVENUE PROGRAMS	STUDENT ACTIVITY FUNDS	TOTAL
217 Career Specialist Services	-	-	-	251,151	-	-	251,151
100 Salaries	-	-	-	118,411	-	-	118,411
200 Employee Benefits	-	-	-	-	-	-	-
220 Instructional Staff Services	-	-	-	-	-	-	-
221 Improvement of Instruction Curriculum Development	71,853	-	-	-	140,994	-	212,847
100 Salaries	27,961	-	-	-	62,869	-	90,830
200 Employee Benefits	-	-	-	-	19,879	-	19,879
300 Purchased Services	-	-	-	-	40,323	-	40,323
400 Supplies and Materials	-	-	-	-	-	-	-
223 Supervision of Special Programs	10,813	-	-	-	228,646	-	291,527
100 Salaries	5,331	52,068	-	-	95,826	-	128,691
200 Employee Benefits	1,651	27,534	-	-	2,204	-	7,355
300 Purchased Services	300	3,550	-	-	-	-	3,850
400 Supplies and Materials	-	-	-	-	-	-	-
224 Improvement of Instruction Inservice and Staff Training	-	-	-	324,389	42,035	-	366,424
100 Salaries	-	-	-	149,695	13,173	-	162,868
200 Employee Benefits	-	-	-	68	386,746	-	395,785
300 Purchased Services	-	1,075	7,896	-	7,433	-	7,433
400 Supplies and Materials	-	-	-	-	-	-	-
250 Finance and Operations Services	-	-	-	-	-	-	-
251 Student Transportation (Federal/District Mandated)	1,100	-	-	-	3,000	-	4,100
300 Purchased Services	-	-	-	-	-	-	-
254 Operations and Maintenance of Plant	-	-	-	-	53,038	-	53,038
300 Purchased Services	-	-	-	-	39,770	-	39,770
400 Supplies and Materials	-	-	-	-	230,993	-	230,993
500 Capital Outlay	-	-	-	-	-	-	-
255 Student Transportation (State Mandated)	-	-	-	-	54,647	-	54,647
100 Salaries	-	-	-	-	17,487	-	17,487
200 Employee Benefits	-	-	-	-	5,068	-	5,068
300 Purchased Services	-	-	-	-	-	-	-
260 Central Support Services	-	-	-	-	-	-	-
264 Staff Services	-	-	-	-	19,498	-	19,498
300 Purchased Services	-	-	-	-	-	-	-
266 Technology and Data Processing Services	-	-	-	-	10,325	-	10,325
100 Salaries	-	-	-	-	3,199	-	3,199
200 Employee Benefits	-	-	-	-	34,415	-	34,415
300 Purchased Services	-	-	-	-	83,532	-	83,532
400 Supplies and Materials	-	-	-	-	199,261	-	199,261
500 Capital Outlay	-	-	-	-	-	-	-

**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, 2023**

	TITLE I	IDEA	PRESCHOOL HANDICAPPED	CATE	OTHER DESIGNATED RESTRICTED STATE GRANTS	OTHER SPECIAL REVENUE PROGRAMS	STUDENT ACTIVITY FUNDS	TOTAL
270 Support Services - Pupil Activity								
271 Pupil Service Activities							42,581	42,581
100 Salaries (Optional)	-	-	-	-	-	-	13,348	13,348
200 Employee Benefits (Optional)	-	-	-	22,339	-	-	-	22,339
300 Purchased Services (Optional)	-	-	-	18,713	-	-	-	18,713
400 Supplies and Materials (Optional)	-	-	-	9,393	-	-	-	9,393
500 Capital Outlay (Optional)	-	-	-	-	-	-	2,217,616	2,217,616
660 Pupil Activity	-	-	-	-	-	-	-	-
Total Support Services	119,009	218,959	-	58,341	843,714	2,460,372	2,273,545	5,973,940
300 COMMUNITY SERVICES								
350 Custody and Care of Children								
100 Salaries	-	-	-	-	-	230,298	-	230,298
200 Employee Benefits	-	-	-	-	-	48,757	-	48,757
360 Welfare Services								
300 Purchased Services	-	-	-	-	-	12,956	-	12,956
400 Supplies and Materials	1,924	-	-	-	-	11,305	-	13,229
390 Other Community Services	-	-	-	-	-	-	-	-
300 Purchased Services	-	-	-	-	-	1,500	-	1,500
Total Community Services	1,924	-	-	-	-	304,816	-	306,740
410 INTERGOVERNMENTAL EXPENDITURES								
414 Medicaid Payments to SCDE								
720 Transits	-	-	-	-	-	60,370	-	60,370
419 Payments to PEBA Non-employer Contributions								
720 Transits	-	-	-	-	15,483	-	-	15,483
Total Intergovernmental Expenditures	-	-	-	-	15,483	60,370	-	75,853
TOTAL EXPENDITURES	1,535,862	1,561,704	64,192	149,947	985,009	5,725,916	2,586,474	12,609,104
OTHER FINANCING SOURCES (USES)								
Interfund Transfers, from (to) Other Funds								
5220 Transfer from Special Revenue Fund (Exclude Indirect Costs)	-	-	-	-	-	279,055	-	279,055
421-710 Transfer to Special Revenue Fund	-	-	-	-	-	-	(279,055)	(279,055)
431-791 Special Revenue Fund Indirect Costs	(5,442)	-	-	-	-	(530,269)	-	(535,711)
TOTAL OTHER FINANCING SOURCES (USES)	(5,442)	-	-	-	-	(251,214)	(279,055)	(535,711)
Excess/(Deficiency) of Revenues over Expenditures	-	-	-	-	-	-	(162,652)	(162,652)
FUND BALANCE - JULY 1, 2022	-	-	-	-	-	-	1,487,170	1,487,170
FUND BALANCE - JUNE 30, 2023	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,324,518	\$ 1,324,518

**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, 2023**

District Subfund Code	Other Designated Restricted State Grants	District Subfund Code	Special Revenue Programs	Other Special Revenue Programs
917	Teacher Supplies	210	Student Support and Academic Enrichment, Title IV	
919	Education License Plates	218	ESSER III	
924	Child Early Reading Development and Education Program (CERDEP)	221	Title I, Neglected & Delinquent	
		225	ESSER II	
928	EEDA Career Specialists	230	ARP IDEA	
935	Reaching Coaches	233	ARP IDEA Preschool	
937	Student Health and Fitness - PE Teachers	237	Title I, Focus	
994	PEBA Nonemployer Contributions	263	Title II, Supporting Effective Instruction	
		264	Language Instruction for Limited English Proficient and Immigrant Students, Title III	
		267	Title II, Supporting Effective Instruction	
		274	Federal Aviation Administration Grant	
		277	Air Force JROTC	
		291	DHEC Nurse Retention Bonus	
		293	Medicaid	
		803	Risk Control Grant	
		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, 2023

Sub Fund	Revenue	Description	Revenues	Expenditures	Special Revenue		Unearned Revenue
					Interfund Transfers In(Out)	Other fund Transfers In(Out)	
917	3187	Teacher Supplies	\$ 33,900	\$ 33,900	\$ -	\$ -	-
919	3193	Education License Plates	602	602	-	-	-
924	3134	CERDEP	19,101	19,101	-	-	10,872
928	3118	EEDA Career Specialists	369,562	369,562	-	-	54,822
935	3135	Reaching Coaches	474,084	474,084	-	-	-
937	3127	Student Health and Fitness - PE Teachers	72,277	72,277	-	-	-
994	3994	PEBA Nonemployer Contributions	15,483	15,483	-	-	-
			\$ 985,009	\$ 985,009	\$ -	\$ -	65,694

**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, 2023**

REVENUES**3000 Revenue from State Sources**

3500 Education Improvement Act		
3502 ADEPT	\$	2,584
3503 State Aid to Classrooms		6,708,287
3509 Arts in Education		8,255
3518 Adoption List of Formative Assessment		41,640
3519 Grade 10 Assessments		2,610
3526 Refurbishment of Science Kits		33,392
3528 Industry Certifications/Credentials		8,727
3529 Career and Technical Education		143,546
3532 National Board Salary Supplement (No Carryover Provision)		617,862
3533 Teacher of the Year Award (No Carryover Provision)		1,077
3536 Student Health & Fitness		270,592
3538 Students At Risk of School Failure		837,698
3541 Child Early Reading Development and Education Program (CERDEP) - Full Day 4K		394,854
3557 Summer Reading Program		61,185
3577 Teacher Supplies (No Carryover Provision)		191,700
3595 EEDA - Supplies and Materials		11,980
3597 Aid to Districts		394,647
		<hr/>
Total State Sources		9,730,636
		<hr/>
TOTAL REVENUE ALL SOURCES		9,730,636
		<hr/>

EXPENDITURES**100 INSTRUCTION**

110 General Instruction		
111 Kindergarten Programs		
100 Salaries		15,000
200 Employee Benefits		4,758
112 Primary Programs		
100 Salaries		205,170
200 Employee Benefits		64,826
300 Purchased Services		2,057
400 Supplies and Materials		120,972
113 Elementary Programs		
100 Salaries		130,840
200 Employee Benefits		41,350
400 Supplies and Materials		1,133,116
114 High School Programs		
100 Salaries		89,418
200 Employee Benefits		28,273
400 Supplies and Materials		44,979

**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, 2023**

115 Career and Technical Education Programs	
100 Salaries	1,000
200 Employee Benefits	77
300 Purchased Services (Other than Tuition)	9,327
400 Supplies and Materials	32,145
500 Capital Outlay	66,704
120 Exceptional Programs	
127 Learning Disabilities	
100 Salaries	15,000
200 Employee Benefits	4,739
130 Preschool Programs	
139 Early Childhood Programs	
400 Supplies and Materials	31,641
140 Special Programs	
147 CERDEP	
100 Salaries	345,869
200 Employee Benefits	153,745
400 Supplies and Materials	7,680
170 Summer School Programs	
171 Primary Summer School	
100 Salaries	31,680
200 Employee Benefits	10,141
400 Supplies and Materials	19,364
Total Instruction	2,609,871
200 SUPPORT SERVICES	
210 Pupil Service	
212 Guidance Services	
100 Salaries	38,599
200 Employee Benefits	12,064
300 Purchased Services	1,697
400 Supplies and Materials	54,533
213 Health Service	
100 Salaries	188,436
200 Employee Benefits	82,156

**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, 2023**

220 Instructional Staff Services	
222 Library and Media Services	
400 Supplies and Materials	14,336
224 Improvement of Instruction Inservice and Staff Training	
300 Purchased Services	5,042
400 Supplies and Materials	3,751
250 Finance and Operations Services	
251 Student Transportation (Federal/District Mandated)	
300 Purchased Services	11,864
Total Support Services	412,478
TOTAL EXPENDITURES	3,022,349
OTHER FINANCING SOURCES (USES)	
Interfund Transfers, from (to) Other Funds	
420-710 Transfer to General Fund (Excludes Indirect Costs)	(6,708,287)
TOTAL OTHER FINANCING SOURCES (USES)	(6,708,287)
Excess/(Deficiency) of Revenues over Expenditures	-
FUND BALANCE - JULY 1, 2022	-
FUND BALANCE - JUNE 30, 2023	\$ -

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT
SUMMARY SCHEDULE BY PROGRAM
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

<u>Program</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Other Fund Transfers In/(Out)</u>	<u>Unearned Revenue</u>
3500 Education Improvement Act				
3502 ADEPT	\$ 2,584	\$ 2,584	\$ -	\$ 8,458
3503 State Aid to Classrooms	6,708,287	-	(6,708,287)	-
3509 Arts in Education	8,255	8,255	-	-
3518 Adoption List of Formative Assessment	41,640	41,640	-	-
3519 Grade 10 Assessments	2,610	2,610	-	16,362
3526 Refurbishment of Science Kits	33,392	33,392	-	257,622
3528 Industry Certifications/Credentials	8,727	8,727	-	10,121
3529 Career and Technology Education	143,546	143,546	-	43,512
3532 National Board Salary Supplement	617,862	617,862	-	-
3533 Teacher of the Year Award	1,077	1,077	-	-
3536 EAA Curriculum Specialist	270,592	270,592	-	-
3538 Students At Risk of School Failure	837,698	837,698	-	-
3541 CERDEP	394,854	394,854	-	7,518
3557 Summer Reading Program	61,185	61,185	-	56,924
3577 Teacher Supplies	191,700	191,700	-	-
3595 EEDA - Supplies and Materials	11,980	11,980	-	20,029
3597 Aid to Districts	394,647	394,647	-	-
3599 Other EIA	-	-	-	1,500
Totals	<u>\$ 9,730,636</u>	<u>\$ 3,022,349</u>	<u>\$ (6,708,287)</u>	<u>\$ 422,046</u>

**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, 2023**

REVENUES**1000 Revenue From Local Sources**

1600 Food Service		
1610 Lunch Sales to Pupils	\$	492,369
1620 Breakfast Sales to Pupils		144,316
1630 Special Sales to Pupils		85,860
1640 Lunch Sales to Adults		19,481
1650 Breakfast Sales to Adults		33,244
1660 Special Sales to Adults		12,129
1900 Other Revenue from Local Sources		
1990 Miscellaneous Local Revenue		
1999 Revenue from Other Local Sources		9,649

Total Local Revenue

797,048

4000 Revenue from Federal Sources

4800 USDA Reimbursement		
4810 School Lunch and After School Snack Program, and Special Milk Program		3,216,677
4820 Supply Chain Assistance Funding		278,771
4830 School Breakfast Program (Carryover Provision)		904,947
4899 Miscellaneous Food Service		9,644
4900 Other Federal Sources		
4991 USDA Commodities (Food Distribution Program) (Carryover Provision)		331,086
4999 Revenue from Other Federal Sources		103,626

Total Federal Sources

4,844,751

TOTAL REVENUE ALL SOURCES

5,641,799

EXPENDITURES**200 SUPPORT SERVICES**

250 Finance and Operations Services		
256 Food Services		
300 Purchased Services (Excludes Energy Costs)		4,071,792
400 Supplies and Materials (Included Energy Costs)		472,685
500 Capital Outlay		334,427
600 Other Objects		4,238

Total Support Services

4,883,142

TOTAL EXPENDITURES

4,883,142

**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, 2023**

OTHER FINANCING SOURCES (USES)

Interfund Transfers, from (to) Other Funds	
432-791 Food Service Fund Indirect Costs	<u>(642,935)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(642,935)</u>
Excess/(Deficiency) of Revenues over Expenditures	115,722
FUND BALANCE - JULY 1, 2022	<u>859,983</u>
FUND BALANCE - JUNE 30, 2023	<u><u>\$ 975,705</u></u>

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

REVENUES**1000 Revenue From Local Sources**

1100 Taxes Levied/Assessed by the LEA	
1110 Ad Valorem Taxes - Including Delinquent (Independent)	\$ 11,432,939
1200 Revenue from Local Government Units Other than LEAs	
1280 Revenue In Lieu of Taxes (Independent and Dependent)	4,279,484
1500 Earnings on Investments	
1510 Interest on Investments	138,304

Total Local Revenue

15,850,727
3000 Revenue from State Sources

3800 State Revenue in Lieu of Taxes	
3820 Homestead Exemption (Tier 2)	274,705
3830 Merchant's Inventory Tax	10,569
3840 Manufacturers Depreciation Reimbursement	552,660
3890 Other State Property Tax Revenues (includes Motor Carrier Vehicle Tax)	95,046

Total State Sources

932,980
TOTAL REVENUE ALL SOURCES

16,783,707
EXPENDITURES**500 DEBT SERVICE**

610 Redemption of Principal	10,619,000
620 Interest	4,523,533
690 Other Objects (Includes Fees for Servicing Bonds)	6,563

Total Debt Service Expenditures

15,149,096
TOTAL EXPENDITURES

15,149,096
Excess/(Deficiency) of Revenues over Expenditures

1,634,611

FUND BALANCE - JULY 1, 2022

15,426,889
FUND BALANCE - JUNE 30, 2023

\$ 17,061,500

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

REVENUES**1000 Revenue From Local Sources**

1500 Earnings on Investments					
1510 Interest on Investments			\$	3,573,956	

1900 Other Revenue from Local Sources					
1950 Refund of Prior Year's Expenditures				71,001	

Total Local Revenue				3,644,957	
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TOTAL REVENUE ALL SOURCES				3,644,957	
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EXPENDITURES**200 SUPPORT SERVICES**

250 Finance and Operations Services					
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253 Facilities Acquisition and Construction					
300 Purchased Services				7,847,122	
400 Supplies and Materials				3,434	
500 Capital Outlay					
510 Land				19,500	
520 Construction Services				124,052,887	
530 Improvements Other Than Buildings				20,391	

254 Operations and Maintenance of Plant					
321 Public Utility Services (Exclude Gas, Oil, Electric & Other Heating Fuels)				1,704	

260 Central Support Services					
266 Technology and Data Processing Services					
500 Capital Outlay				64,200	

Total Support Services				132,009,238	
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500 DEBT SERVICE

690 Other Objects (Includes Fees for Servicing Bonds)				907,942	
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Total Debt Service Expenditures				907,942	
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TOTAL EXPENDITURES				132,917,180	
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**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

OTHER FINANCING SOURCES (USES)

5100 Sale of Bonds	
5110 Premium on Bonds Sold	10,481,619
5120 Proceeds of General Obligation Bonds	100,000,000
Interfund Transfers, from (to) Other Funds	
5210 Transfer from General Fund (Excludes Indirect Costs)	25,040,596
TOTAL OTHER FINANCING SOURCES (USES)	135,522,215
Excess/(Deficiency) of Revenues over Expenditures	6,249,992
FUND BALANCE - JULY 1, 2022	114,358,240
FUND BALANCE - JUNE 30, 2023	\$ 120,608,232

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
 DETAILED SCHEDULE OF DUE TO S.C. DEPARTMENT OF EDUCATION/FEDERAL GOVERNMENT
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

<u>Program</u>	<u>Project Grant Number</u>	<u>Revenue & Subfund Codes</u>	<u>Description</u>	<u>Amount Due to SCDE/ Federal</u>	<u>Status of Amounts Due To Grantors</u>
<u>Due to State Department of Education</u>					
Grade 10 Assessments	EIA	3519/319	Unspent funds	\$ 24,507.00	Unpaid
Refurbishment of Science Kits	EIA	3526/326	Unspent funds	3,174.16	Unpaid
Teacher Supplies	EIA	3577/377	Unspent funds	1,200.00	Unpaid
EEDA - Supplies and Materials	EIA	3595/395	Unspent funds	7,061.55	Unpaid
				<u>35,942.71</u>	
<u>Due to Federal Government</u>					
None				<u>-</u>	
Total Due to State Department of Education or Federal Government				<u>\$ 35,942.71</u>	

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
LOCATION RECONCILIATION SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

<u>Location ID</u>	<u>Location Description</u>	<u>Education Level</u>	<u>Cost Type</u>	<u>Total Expenditures</u>
000	Districtwide	Non-School	Central	\$ 105,737,190
043	J.F. Byrnes High School	High School	School	36,944,646
045	D.R. Hill Middle School	Middle School	School	7,168,835
046	Duncan Elementary	Elementary School	School	7,365,833
049	Reidville Elementary	Elementary School	School	16,186,877
052	Wellford Academy	Elementary School	School	22,316,082
089	Beech Springs Intermediate	Elementary School	School	24,014,397
090	River Ridge Elementary	Elementary School	School	8,253,461
091	Berry Shoals Intermediate School	Elementary School	School	15,891,718
092	Florence Chapel Middle School	Middle School	School	8,107,017
093	Freshman Academy	High School	School	6,581,916
094	Abner Creek Academy	Elementary School	School	7,610,516
095	Lyman Elementary	Elementary School	School	7,815,149
Total Expenditures/Disbursements for All Funds				\$ 273,993,637

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

<u>Fund</u>	<u>Amount</u>
General Fund	\$ 105,412,766
Special Revenue Fund - Special Projects	12,609,104
Special Revenue Fund - Education Improvement Act	3,022,349
Special Revenue Fund - Food Service	4,883,142
Debt Service Fund	15,149,096
Capital Projects Fund	132,917,180
Total Expenditures/Disbursements for All Funds	\$ 273,993,637

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 (*Government Auditing Standards*), 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, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 14, 2023.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

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 14, 2023

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

Opinion on Each Major Federal Program

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

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

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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

Halliday, Schwartz & Co.

Spartanburg, South Carolina
November 14, 2023

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

LEA Subfund Code	Federal Grantor/Pass Through Grantor/Program Title	Federal ALN	Pass-through Grantor's Number	Expenditures
U.S. Department of Agriculture				
	Pass-through S.C. Department of Education State Administrative Expenses for Child Nutrition	10.560	N/A	\$ 9,644
	Child Nutrition Cluster			
	<i>Non-Cash Assistance:</i>			
600	Pass-through S.C. Department of Agriculture National School Lunch Program	10.555	Local Food for Schools	\$ 9,836
600	Pass-through S.C. Department of Education National School Lunch Program	10.555	N/A	311,717
	<i>Total Non-Cash Assistance:</i>			321,553
	<i>Cash Assistance:</i>			
600	School Breakfast Program	10.553	N/A	904,947
600	National School Lunch Program	10.555	N/A	3,495,448
	<i>Total Cash Assistance:</i>			4,400,395
	Total Child Nutrition Cluster			4,721,948
	<i>Non-Cash Assistance:</i>			
600	Child and Adult Care Food Program	10.558	N/A	9,533
	Pass-through S.C. Department of Social Services			
	<i>Cash Assistance:</i>			
600	Child and Adult Care Food Program	10.558	205SC329N2020	103,626
				113,159
	Total U.S. Department of Agriculture			4,844,751
U.S. Department of Education				
	Pass-through S.C. Department of Education			
201	Title I, Regular	84.010	23 Title I, Regular	1,180,829
202	Title I, Regular	84.010	22 Title I, Regular	356,920
202	Title I, Regular	84.010	21 Title I, Regular	3,555
221	Title I, Neglected and Delinquent	84.010	23 Title I, N&D	3,308
221	Title I, Neglected and Delinquent	84.010	22 Title I, N&D	15,491
221	Title I, Neglected and Delinquent	84.010	21 Title I, N&D	358
237	Title I, Targeted School Improvement	84.010	22 Targ. School Impr.	186,308
237	Title I, Targeted School Improvement	84.010	21 Targ. School Impr.	29,170
				1,775,939
	Special Education Cluster			
203	Individuals With Disabilities Education Act (IDEA)	84.027	23 IDEA	1,256,752
204	Individuals With Disabilities Education Act (IDEA)	84.027	22 IDEA	304,952
204	COVID 19: IDEA	84.027X	22 ARP - IDEA	322,610
807	Extended School Year	84.027	ESY	11,046
205	IDEA Preschool Grants	84.173	23 IDEA Preschool	64,192
205	COVID 19: IDEA Preschool	84.173X	22 ARP-IDEA Preschool	40,022
	Total Special Education Cluster			1,999,574
207	CATE (Subprogram 1)	84.048	23 CTE Federal	50,300
207	CATE (Subprogram 4)	84.048	23 CTE Federal	4,297
207	CATE (Subprogram 6)	84.048	23 CTE Federal	69,130
207	CATE (Subprogram 1)	84.048	22 CTE Federal	145
208	CATE (Subprogram 4)	84.048	22 CTE Federal	3,600
208	CATE (Subprogram 6)	84.048	22 CTE Federal	1,544
208	CATE (Subprogram 11)	84.048	22 CTE Federal	20,931
				149,947
210	Student Support and Academic Enrichment, Title IV	84.424	23 Title IV	102,708
210	Student Support and Academic Enrichment, Title IV	84.424	22 Title IV	4,440
210	Student Support and Academic Enrichment, Title IV	84.424	20 Title IV	14
				107,162

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

LEA Subfund Code	Federal Grantor/Pass Through Grantor/Program Title	Federal ALN	Pass-through Grantor's Number	Expenditures
U.S. Department of Education - Continued				
Pass-through S.C. Department of Education - Continued				
264	Language Instruction for Limited English Proficient and Immigrant Students, Title III	84.365	23 Title III	77,961
264	Language Instruction for Limited English Proficient and Immigrant Students, Title III	84.365	22 Title III	8,661
264	Language Instruction for Limited English Proficient and Immigrant Students, Title III	84.365	22 Title III-Immigrant	<u>1,383</u>
				88,005
267	Supporting Effective Instruction, Title II	84.367	23 Title II	224,044
267	Supporting Effective Instruction, Title II	84.367	22 Title II	<u>15,759</u>
				239,803
225	COVID 19: Elementary and Secondary School Emergency Relief Fund (ESSER)	84.425D	21 ESSER II	447,843
218	COVID 19: Elementary and Secondary School Emergency Relief Fund (ESSER)	84.425U	21 ESSER III - ARP	3,604,422
263	COVID 19: Elementary and Secondary School Emergency Relief Fund (ESSER)	84.425U	22 ARP - Homeless II	<u>27,259</u>
				4,079,524
100	Safe and Supportive Schools: SC Youth Risk Behaviors Survey	84.184Y	YRBS Admin	<u>300</u>
Total U.S. Department of Education				<u>8,440,254</u>
U.S. Department of Defense				
Direct Program				
277	ROTC	12.000	N/A	<u>95,766</u>
Total U.S. Department of Defense				<u>95,766</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	34,146
Pass-through S.C. Department of Health & Environmental Control				
291	COVID-19: Public Health Emergency Responses: Cooperative Agreement for Emergency Response	93.354	ER-3-414	<u>39,674</u>
Total U.S. Department of Health and Human Services				<u>73,820</u>
Federal Aviation Administration				
Direct Program				
274	Aviation Workforce Development Grant (Aircraft Pilots)	20.111	N/A	<u>10,761</u>
Total U.S. Department of Defense				<u>10,761</u>
Total Federal Financial Assistance Expended				<u>\$ 13,465,352</u>

See Notes to the Schedule of Expenditures of Federal Awards

**SPARTANBURG COUNTY SCHOOL DISTRICT FIVE
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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, 2023. 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, 2023**

Fiscal Year Ended June 30, 2022:

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, 2023**

Fiscal Year Ended June 30, 2023:

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>
Child Nutrition Cluster Elementary & Secondary School Emergency Relief Fund (ESSER)	10.553 & 10.555 84.425D & 84.425U

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