

# LANCASTER COUNTY SCHOOL DISTRICT

Lancaster, South Carolina

## COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR FISCAL YEAR ENDED JUNE 30, 2020

Issued By:  
Jonathan Phipps, PhD.  
Superintendent  
Lancaster County School District

Prepared By:  
Finance Department  
Lancaster County School District

**LANCASTER COUNTY SCHOOL DISTRICT  
LANCASTER, SOUTH CAROLINA  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR FISCAL YEAR ENDED JUNE 30, 2020**

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## INTRODUCTORY SECTION



November 16, 2020

**To the Citizens of Lancaster County**  
Lancaster, South Carolina

We are pleased to present the Comprehensive Annual Financial Report (CAFR) of Lancaster County School District for the fiscal year ended June 30, 2020. We believe the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds of the school district. In addition, we believe we have included all disclosures necessary for the reader to understand the school district's financial activity.

### **The Report**

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the school district management. To provide a reasonable basis for making these representations, management has established a comprehensive internal control framework for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Section 59-17-100 of the South Carolina Code of Laws requires an annual single audit report due by December 1 following the close of the fiscal year. Due to complications caused by the COVID-19 pandemic, this year's deadline has been extended to January 15, 2021. The firm of DarverKelly LLP was selected by the Board of Trustees to perform the audit. The auditor's report on the basic financial statements is included in the Financial Section of the report. The auditor's reports related specifically to the single audit are included in the Single Audit Section.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, an overview and analysis of the basic financial statements. MD&A complement this letter of transmittal and should be read in conjunction with it.

The financial reporting entity includes all the funds of the primary government (Lancaster County School District) to include a blended component unit, Lancaster Educational Assistance Program, Inc. (LEAP). LEAP is a not-for-profit 501 (c) (3) corporation. Additionally, the Discovery School (Charter School) is considered a public school and is a part of the district for purpose of state law and state constitution and is included in the basic financial statements of the district as a discretely presented component unit. Component units are legally separate entities for which the primary government is financially accountable. Our school district is not included in any other "reporting entity" as defined by the Governmental Accounting Standards Board Statement 14, "The Financial Reporting Entity."

## **Profile of the School District**

The school district is under the management and control of the Board of Trustees. The Board of Trustees consists of seven members, elected from single member districts for a four-year term. The Board of Trustees has decision-making authority, including the power to hire management, the ability to significantly influence operations and the accountability for fiscal matters. The Board of Trustees appoints the superintendent who is responsible for implementing board policies. The school district provides educational services which include child development, kindergarten, primary, secondary and adult education to those students residing within the district's jurisdiction. The school district operates twelve elementary schools, five middle schools, four high schools, a vocational career center, a child development center and an alternative school. Average daily membership for the 2019-2020 year totaled 13,936 students.

Our district is located along the north central Piedmont section of South Carolina, approximately 21 miles south of Charlotte, North Carolina, and benefits from its close proximity to Charlotte. The county is 549 square miles and includes the cities/communities of Lancaster (county seat), Indian Land, Heath Springs, Kershaw, Van Wyck and Elgin. The county's tax base is considered stable and is currently experiencing rapid growth of both residential and commercial property along its northern border. It is uncertain at this time as to how the tax base will be affected by the COVID-19 pandemic.

Lancaster is also home to USC-Lancaster, one of the four regional campuses of the University of South Carolina. Since its inception in 1959, USC Lancaster has become a comprehensive learning center, offering high-quality university programs and services to approximately 1,900 full and part-time students from a service area of six counties (Lancaster, Chester, Chesterfield, Kershaw, Fairfield and York).

## **Local Economy**

Lancaster County's close proximity to Charlotte, NC, provides access to transportation such as Charlotte-Douglas International Airport and highway corridors including I-485, I-77 and U.S. 521. Lancaster County has a diverse tax base with the top ten taxpayer's only accounting for 8.17% of the county's assessed value. The county's assessed value has grown by 34% over the last ten years and its growth is expected to continue. Residential property, exempt from school operating millage, makes up about 48% of the counties assessed value. Growth in residential property has grown by 45% over the last ten years and its growth is expected to continue as well.

Lancaster County's manufacturing and retail tax base continues to expand and diversify. The County is home to a variety of industries such as Red Ventures (the county's largest employer), Movement Mortgage, MUSC Health Lancaster Med, Continental Tire, Nutramax Laboratories, Cardinal Health and Keer America. International companies in Lancaster County include Oceana Gold of Australia, which has invested approximately \$353 million with an estimated \$2 billion in gold to be mined.

The 88 acre Lancaster County Air-Rail Business Park is located on Highway 9 near the Lancaster County Airport. The park has dual-rail access through the L&C Railway and is less than an hour drive to the Charlotte-Douglas International Airport and downtown Charlotte, NC.

Lancaster County's not seasonally adjusted unemployment rate for September 2020 was 5.60%, up from 2.5% one year ago. The state seasonally adjusted unemployment rate for September 2020 was 5.10%.

## **Long-Term Financing**

The district's major financial challenges include keeping up with technology and construction of facilities to meet enrollment growth. The district prepares an updated five-year capital improvement plan and a technology needs schedule annually during the budget process. These schedules are the basis for budgeting to meet capital needs and for addressing future debt issuance as needed.

The district issues general obligation bonds annually to meet the needs identified in the capital improvement plan above and to cover the annual payments due on the district's installment debt. Debt Service millage remained unchanged in fiscal year 2020.

In March 2016, the voters of Lancaster County approved a \$199 million bond referendum to fund two new schools and upgrade existing schools in the district, along with other major capital projects across the district including safety, athletics, playgrounds, cafeterias, paving and technology. Presently the District has completed construction on a new elementary school and three new multi-purpose buildings. The District is in the process of constructing a new high school that is scheduled to open in August 2021.

## Major Initiatives and Accomplishments

Our school district believes that the primary responsibility of all school personnel is to the educational development of students. The budget is designed to support the efforts of students, classrooms, teachers, administrators and staff to achieve their full potential. Federal, state and local grants are actively sought to provide additional funding for the education of our students. Recent district, program, teacher, and student accomplishments include:

- 2019 National Sons of the American Revolution Brochure Contest Winner - Brooke Bachini, Indian Land Middle
- National Wrestling Coaches Association's 2019 High School Boys Coach of the Year - Leon Boulware, Indian Land Middle
- 2019 South Carolina Junior Civitan Campus Project of the Year - Lancaster High Junior Civinettes
- 2019 South Carolina Junior Civitan Largest Overall Contribution to CIRC - Lancaster High Junior Civinettes
- 2019 South Carolina Junior Civitan Advisor of the Year - Lauren Knight and Alessandra Young, Lancaster High
- 2019 SCHSL 4A Girls 100-yard Butterfly State Championship - Makenzy Mills, Buford High
- 2019 SCHSL 4A Girls 100-yard Backstroke State Championship - Makenzy Mills, Buford High
- 2017-18 SCDE Palmetto Silver Award - Buford Elementary Indian Land Middle
- 2018-19 SCDE Palmetto Silver Award - Heath Springs Elementary Indian Land High Indian Land Middle
- 2018-19 SCDE Palmetto Gold Award - Buford Elementary, Harrisburg Elementary and Indian Land Elementary
- Ranked in top 10 SC Programs for high school diplomas earned for 2018-19 - Lancaster County Adult Education Department
- 2020 S.C. Junior Scholars, Indian Land Middle:

Samantha Angle  
Vansh Bhatt  
Amina Green  
Lucy Holben  
Drake Jones  
Jordan McCarver  
Clara Neese  
Haley Reavis  
Cade Voorhees

Ariana Bachini  
Samuel Bowers  
Scott Hansen  
Chukwunoyeni Idehen  
Aleksanadra Korotkova  
Camryn Mekal  
Reyah Patel  
Estefany Suvillaga-Urbina

Kaylyn Bauder  
Patrick Campbell  
Robin Hetterly  
Savannah Idle  
Tyler McCallen  
Koren Mescher  
Arielle Puckett  
Ana Varas-Garcia

## School District Focus

The district's focus over past years has been towards addressing the rapid enrollment growth in the northern area of the county. A \$199 million bond referendum was approved by the voters in FY 15-16 to help fund major capital needs across the school district. The District issued \$125 million of these bonds during FY 16-17 and issued the remaining \$74 million in FY 18-19. Many projects have been completed and a new high school is under construction and scheduled to be opened in August 2021.

In order to continue to serve our students, a \$6.58M use of General Fund fund balance was budgeted in FY 19-20. Due to conservative budgeting and control of expenditures the District was able to limit use of fund balance to \$0.80M. The District recognizes the need to continue to have a healthy fund balance to help support the growth in enrollment and continue to meet the needs of schools. Growth, technology and expanding new and innovative instructional programs for students will be the District's priority over the next few years.



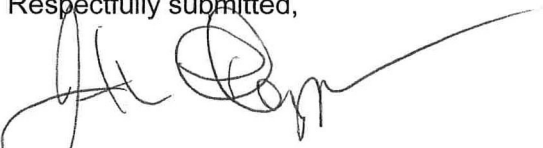
## Awards and Acknowledgments

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Lancaster County School District for its comprehensive annual financial report for the fiscal year ended June 30, 2019. This was the sixteenth consecutive year that the district has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both accounting principles generally accepted in the United States and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The successful completion of this comprehensive annual financial report is the result of the commitment and hard work of staff members from several departments. We would like to thank the entire Finance staff for their hard work along with the Superintendent and the Department of Public Information for their assistance. We are especially grateful to our Board of Trustees for its continued support.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Jonathan Phipps', with a long, sweeping horizontal line extending to the right.

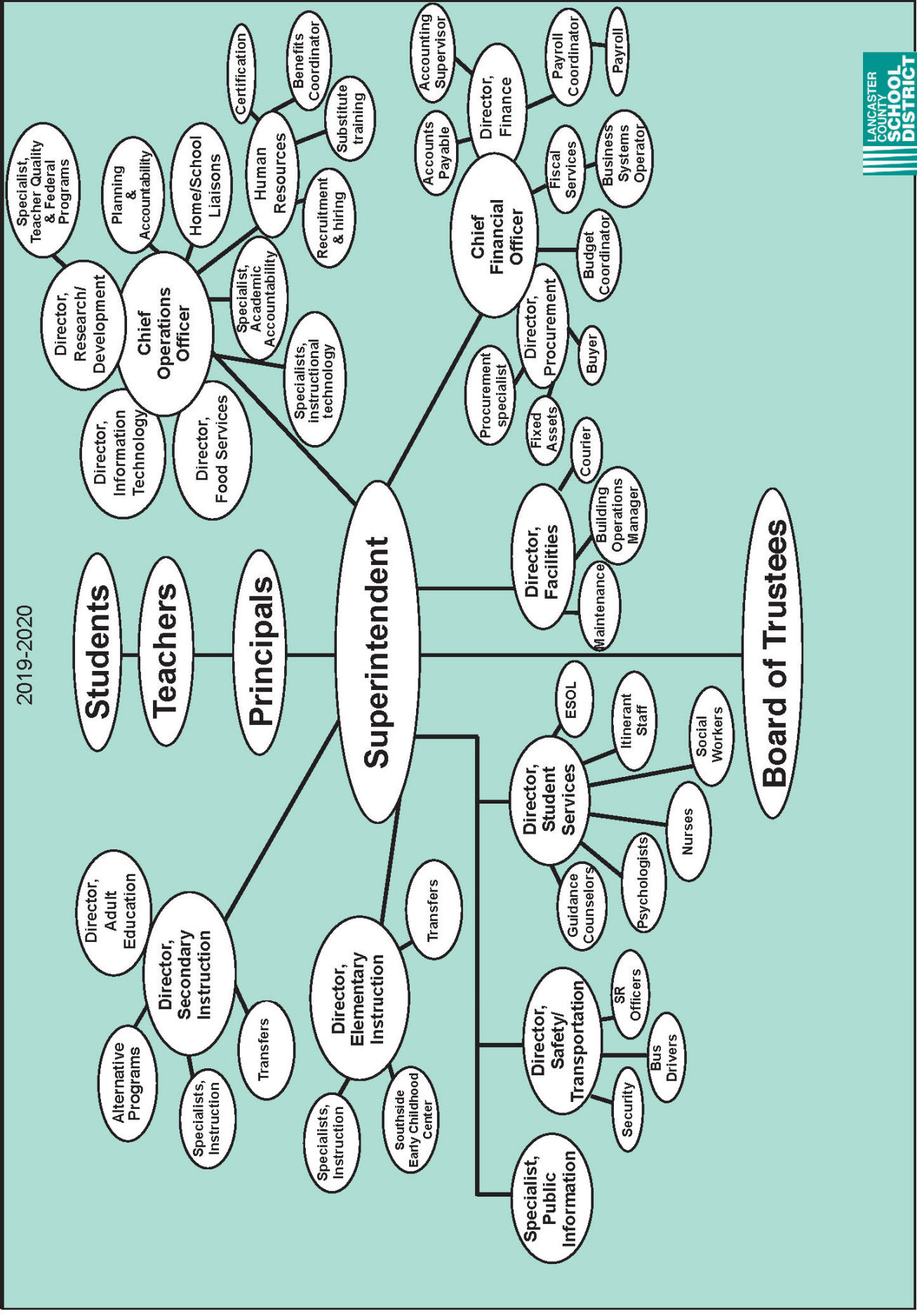
Jonathan Phipps, Ph.D.  
Superintendent

A handwritten signature in blue ink, appearing to read 'Jennifer White', with a stylized, cursive script.

Jennifer White, CPA  
Chief Financial Officer

# Organizational Chart

2019-2020



**LANCASTER COUNTY SCHOOL DISTRICT  
LANCASTER, SOUTH CAROLINA  
SCHOOL DISTRICT OFFICIALS  
JUNE 30, 2020**

**Board of Trustees**

Robert W. "Bobby" Parker, Chair

Tyrom Faulkner, Vice-Chair

Janice C. Dabney, Secretary

Melvin M. Stroble

Margaret E. Gamble

Ken Buck

Brad Small

**Administrative Staff**

Jonathan Phipps, Ph.D, Superintendent

Jennifer White, CPA, Chief Financial Officer



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Lancaster County School District  
South Carolina**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

June 30, 2019

*Christopher P. Morill*

Executive Director/CEO

## **FINANCIAL SECTION**



## INDEPENDENT AUDITORS' REPORT

Honorable Chairman and Members of  
the Board of Trustees of  
Lancaster County School District  
Lancaster, South Carolina

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Lancaster County School District, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Lancaster County School District's basic financial statements as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

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

### *Auditor's Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.



### *Opinions*

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Lancaster County School District, as of June 30, 2020 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### *Other Matters*

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedule, schedule of District's proportionate share of the net pension liability – SCRS and PORS, schedule of District contributions – SCRS and PORS, schedule of District's proportionate share of the net OPEB liability – SCRHITF and the schedule of District contributions – SCRHITF on pages 11 through 19 and 63 through 67 be presented to supplement the basic financial statements. Such information, 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.

#### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Lancaster County School District's basic financial statements. The combining and individual nonmajor fund financial statements and the Schedule of Expenditures of Federal Awards, as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements 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.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

#### Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 16, 2020 on our consideration of Lancaster County School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Lancaster County School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Lancaster County School District's internal control over financial reporting and compliance.



Greenville, South Carolina  
November 16, 2020



**Lancaster County School District  
Management's Discussion and Analysis  
Year Ended June 30, 2020**

This section of Lancaster County School District's annual financial report presents management's discussion and analysis of the District's financial performance during the fiscal year ending June 30, 2020. We encourage readers to consider the information presented here in conjunction with the District's transmittal letter, basic financial statements and notes to the basic financial statements to enhance their understanding of the District's financial performance.

### **Financial Highlights**

Key financial highlights for FY 2019-2020 are as follows:

- In the Statement of Net Position, the liabilities and deferred inflows of resources of the District exceeded its assets and deferred outflows of resources at the close of the fiscal year ended June 30, 2020, yielding a negative net position of approximately \$(127.86) million. The primary factor for the net position deficit was the mandatory implementation of GASB 68, *Accounting and Financial Reporting on Pensions (Employers)* and GASB 75, *Other Postemployment Benefits*. The total net pension liability reported this year for the primary government was \$162.01 million and the total net OPEB liability was \$133.93 million. The net pension liability was required to be allocated proportionately among the District's governmental and business-type activities in the amounts of \$158.12 million and \$3.89 million, respectively, at June 30, 2020. The net OPEB liability was also required to be allocated proportionately among the District's governmental and business-type activities in the amounts of \$130.72 million and \$3.21 million, respectively, at June 30, 2020.
- The District implemented Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions* in 2015 to improve on accounting and reporting of pensions that governments provide to their employees. This was a mandatory requirement for years beginning after June 15, 2014, and required the District to recognize a net pension liability on its statement of net position (deficit) and pension expense on its Statement of Activities for the year ending June 30, 2020, based on the actuarial calculation of future retirement benefits performed by the SC Public Employee Benefit Authority (PEBA). Additional information on the District's pension plan and GASB 68 implementation can be found in Note 9 of the financial statements.
- The District implemented Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions* in 2018 to improve on accounting and reporting of other post-employment benefits that governments provide to their employees. This was a mandatory requirement for years beginning after June 15, 2017. GASB 75 required the District to recognize a net Other Post-Employment Benefits (OPEB) liability for its participation in the South Carolina Retiree Health Care Plan, a cost-sharing multiple-employer defined benefit OPEB plan ("OPEB Plan"), on the Statement of Net Position, and OPEB expense on its Statement of Activities for the year ending June 30, 2020. These amounts are based on the actuarial calculation of future OPEB benefits performed by the SC Public Employee Benefit Authority (PEBA). See Note 10 in the notes to the financial statements for more information regarding the District's OPEB Plan.
- The District's total net position decreased during the year by approximately \$4.39 million. Changes to total assets included a decrease of \$4.35 million. This includes a \$53.65 million decrease in due from county due to the continuing expenditure of bond funds for construction projects, a \$20.87 million increase in buildings and improvements due to completion of several building improvements and an increase of \$34.64 million in construction in progress due to other ongoing capital improvements, including construction of the new Indian Land High School building.
- Changes to total liabilities increased by \$12.26 million. This includes a \$4.87 million decrease in accounts payable, accrued salaries and payroll related liabilities. Retainage payable increased by \$.67 million, primarily due to continuing construction of the new Indian Land High School building. The District's pension and OPEB liabilities increased by \$25.16 million.

- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of approximately \$78.19 million, a decrease of approximately \$54.30 million as general and capital project funds decreased and debt service reserve increased during the year. Approximately 21.39% of this total amount, \$16.72 million is unassigned.
- The unassigned fund balance for the general fund was \$16,722,485 or 68.25% of the general fund total fund balance. This represents a \$3,015,097 decrease from the prior year.

## **Overview of Financial Statements**

This annual report consists of three parts: management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include three components: (1) government-wide financial statements, (2) fund financial statements, including general, special revenue, debt service, capital projects, fiduciary, proprietary and (3) notes to the financial statements.

**The government-wide financial statements** report information about the District as a whole, using accounting methods similar to those used by private-sector companies.

**The statement of net position** includes all of the District's assets and deferred outflows of resources (if any) and liabilities and deferred inflows of resources (if any), with the difference between these items reported as net position. Over time, increases or decreases in the District's net position may serve as an indicator of whether the District's financial position is improving or deteriorating, respectively.

**The statement of activities** accounts for all of the current year's revenues and expenses regardless of when cash is received or paid. This statement includes some items such as uncollected taxes and unused compensated absences, reported as revenues and expenses that will only result in cash flows in future fiscal periods.

The government-wide financial statements include not only the school district itself (known as the primary government), but also component units. The component units include one legally separated charter school (Discovery School of Lancaster County) and a not-for-profit corporation (Lancaster Educational Assistance Program, Inc. or LEAP) for which the school district is financially accountable. Financial information for the Discovery School is reported separately from the financial information presented for the primary government itself. Additional information on the District's component units can be found on page 30.

The not-for-profit corporation (LEAP) is a "blended" component unit, and as such, is included in the governmental activities of the school district. The government-wide financial statements can be found on pages 20-21 of this report.

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

- Some funds are required by state law and by bond covenants.
- The District establishes other funds to control and manage money for particular purposes (such as repaying long-term debt) or to show that it is properly using certain revenues (such as local, state and federal grants.)

All of the District's funds can be divided into three categories: governmental, proprietary and fiduciary.

**Governmental funds** include the District's basic services, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, additional information is provided on the "Reconciliation of Balance Sheet of Government Funds to the Statement of Net Position" and the "Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds with the District-wide Statement of Activities" to help explain the relationship (or differences) between them. The governmental fund basic financial statements can be found beginning on page 22 of this report.

**Proprietary funds (enterprise funds)** are used to account for operations that are financed and operated in a manner similar to private business enterprises. Food service is the District's only proprietary fund.

**Fiduciary funds (pupil activity funds)** are funds for which the District is the trustee, or fiduciary, for assets that belong to others, such as the scholarship fund and the student activities funds. It is the District's responsibility to ensure that all assets reported in these funds are being used for their intended purpose and by those to whom the assets belong. The District excludes these activities from the government-wide financial statements because it cannot use these assets to finance its operations.

**The notes to the financial statements** provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 30-62 of this report.

**Required supplementary information** is included concerning the District's budget and pension plan information. The District adopts an annual appropriated budget for its General Fund. A budgetary comparison schedule has been provided for the general fund on page 63 of this report. In addition, the schedules on pages 64-67 of this report are included to provide additional information related to the District's proportionate share of the net pension and OPEB liabilities.

## **Government-Wide Financial Analysis**

As noted earlier, net position (deficit) may serve over time as a useful indicator of a government's financial position. With the reporting of the District's net pension liability as required under GASB 68 and GASB 75 this year, the District's net position was a deficit. The District's net deficit was more on June 30, 2020, than it was the year before, increasing to \$(127,856,198) (See figure A-1). The increase in the District's financial deficit came from both its governmental and business-type activities. The net position of the District's governmental activities decreased by \$3,557,412 to \$(123,701,402). The net position of the District's business-type activities decreased \$833,073 to \$(4,154,796).

**Figure A-1**

### **Condensed Statement of Net Position (Deficit)**

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total Activities</b>	
	<b>FY 19</b>	<b>FY 20</b>	<b>FY 19</b>	<b>FY 20</b>	<b>FY 19</b>	<b>FY 20</b>
<b>Current Assets</b>	\$161,096,701	\$102,084,970	\$934,348	\$407,435	\$162,031,049	\$102,492,405
<b>Capital Assets</b>	256,340,351	311,691,249	1,934,423	1,769,771	258,274,774	313,461,020
<b>Total Assets</b>	<b>417,437,052</b>	<b>413,776,219</b>	<b>2,868,771</b>	<b>2,177,206</b>	<b>420,305,823</b>	<b>415,953,425</b>
<b>Deferred Outflows</b>	33,668,220	48,693,659	779,732	1,134,544	34,447,952	49,828,203
<b>Total Current Liabilities</b>	27,531,580	23,974,165	18,288	31,888	27,549,868	24,006,053
<b>Total Noncurrent Liabilities</b>	533,301,416	548,690,509	6,688,141	7,102,529	539,989,557	555,793,038
<b>Total Liabilities</b>	<b>560,832,996</b>	<b>572,664,674</b>	<b>6,706,429</b>	<b>7,134,417</b>	<b>567,539,425</b>	<b>579,799,091</b>
<b>Deferred Inflows</b>	10,416,266	13,506,606	263,797	332,129	10,680,063	13,838,735
<b>Net Position (Deficit)</b>						
<b>Net Investment in Capital Assets</b>	89,251,079	99,458,366	1,934,423	1,769,771	91,185,502	101,228,137
<b>Restricted</b>	107,191,697	53,686,988	-	-	107,191,697	53,686,988
<b>Unrestricted</b>	(316,586,766)	(276,846,756)	(5,256,146)	(5,924,567)	(321,842,912)	(282,771,323)
<b>Total Net Position (Deficit)</b>	<b>(120,143,990)</b>	<b>(123,701,402)</b>	<b>(3,321,723)</b>	<b>(4,154,796)</b>	<b>(123,465,713)</b>	<b>(127,856,198)</b>

The District's financial position is the product of many factors. Cash/Cash Equivalents and Investments decreased by \$6,146,669 due to expenditures necessary to meet District priorities; however, investments increased by \$1,935,089 as the District tried to maximize any interest earnings. Due from County Government decreased by \$53,644,986 to \$62,118,926 due to the use of funds for capital projects expenditures, particularly the new Indian Land High School project. There was a net increase of \$55,186,246 in Capital Assets due to the completion of several building improvement projects. Current liabilities decreased by \$3,543,815, mainly due to a high volume of Accounts Payable being processed prior to June 30, 2020. Noncurrent Liabilities increased by \$15,803,481, primarily due to an increase in Net Pension Liability of \$10,380,483 and an increase in Net OPEB liability of \$14,783,315.

### Changes in Net Position:

The District's total revenues for the fiscal year ended June 30, 2020, were \$169,197,289 (see figure A-2). Property taxes accounted for 36.18% of the District's revenue. Operating and Capital Grants accounted for 51.79%, with the remaining 12.03% coming from charges for services, investment earnings, unrestricted grants, and miscellaneous sources.

The District's total cost of all programs and services for the year ended June 30, 2020, was \$173,587,774 (see figure A-2). Instructional expenses accounted for 51.96% of the District's total expenses. The District's support services accounted for 38.60% and business activities accounted for 3.24% of total cost. Community services, pupil activities, intergovernmental and interest on long-term debt made up the remaining 6.20%.

<b>Figure A-2 Condensed Changes in Net Position from Operating Results</b>						
	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total Activities</b>	
	<b>FY 19</b>	<b>FY 20</b>	<b>FY 19</b>	<b>FY 20</b>	<b>FY 19</b>	<b>FY 20</b>
<b>Program Revenues</b>						
Charges for Services	\$ 26,367	\$ 21,201	\$ 1,649,607	\$ 1,284,586	\$ 1,675,974	\$ 1,305,787
Operating Grants	78,430,902	83,849,272	4,225,243	3,732,407	82,656,145	87,581,679
Capital Grants	-	-	659,667	51,370	659,667	51,370
<b>General Revenues</b>						
Property Taxes	58,260,523	61,213,925	-	-	58,260,523	61,213,925
Unrestricted Grants	16,732,516	17,013,860	-	-	16,732,516	17,013,860
Other	3,730,614	2,030,668	(6,844)	-	3,723,770	2,030,668
<b>Total Revenues</b>	<b>157,180,922</b>	<b>164,128,926</b>	<b>6,527,673</b>	<b>5,068,363</b>	<b>163,708,595</b>	<b>169,197,289</b>
<b>Program Expenses</b>						
Instructional	83,715,504	90,204,042	-	-	83,715,504	90,204,042
Support Services	64,083,925	67,013,523	-	-	64,083,925	67,013,523
Food Service	-	-	5,968,558	5,616,708	5,968,558	5,616,708
Other	8,872,879	10,753,501	-	-	8,872,879	10,753,501
<b>Total Expenses</b>	<b>156,672,308</b>	<b>167,971,066</b>	<b>5,968,558</b>	<b>5,616,708</b>	<b>162,640,866</b>	<b>173,587,774</b>
<b>Excess (Deficiency)</b>						
Before Transfers	508,614	(3,842,140)	559,115	(548,345)	1,067,229	(4,390,485)
Transfers In/(Out)	373,411	284,728	(373,411)	(284,728)	-	-
<b>Changes in Net Position</b>	<b>882,025</b>	<b>(3,557,412)</b>	<b>185,704</b>	<b>(833,073)</b>	<b>1,067,229</b>	<b>(4,390,485)</b>

## Governmental Activities:

Governmental activities revenue as of June 30, 2020, increased over the prior year by \$6,948,004, primarily due to an increase in operating grants of \$5,418,370 and property taxes of \$2,953,402 (see figure A-2). However, total governmental expenses increased over the prior year by \$11,298,758. Instructional expenses made up the largest portion of this increase at 57.43%, while support services made up 25.93% and other expenses made up 16.64%. Governmental activities were affected by the closure of our schools after March 13, 2020, as permanent employees continued to be paid and their usual benefits provided for the remainder of the year.

Figure A-3 below presents the cost of five major functional activities: instruction, support services, community services, pupil activities and interest on long-term debt. The table also shows each activity's net cost (total cost less fees generated by the activities and intergovernmental aid provided for specific programs). The net (expense) revenue shows the financial burden placed on the District's taxpayers by each of these functions. The cost of all governmental activities this year was \$167,971,066.

Figure A-3	Cost of the Five Major Functional Activities for Governmental Activities			
	Total Expense		Net (Expense) Revenue	
	FY 19	FY 20	FY 19	FY 20
Instruction	\$ 83,715,504	\$ 90,204,042	(\$ 53,125,357)	(\$ 55,965,169)
Support Services	64,083,925	67,013,523	(16,782,729)	(17,994,696)
Community Services	1,562,678	1,626,385	(996,752)	(1,013,612)
Pupil Activities	239,777	166,458	(239,777)	(166,458)
Interest & Other Charges	7,070,424	8,960,658	(7,070,424)	(8,960,658)
Total	156,672,308	167,971,066	(78,215,039)	(84,100,593)

## Business-Type Activities:

Business-type activities revenue decreased by \$1,459,310 as of June 30, 2020 (see figure A-2). Total business-type activities expenses surpassed revenue, decreasing net position by \$833,073. Business-type activities were greatly affected by the closure of our schools after March 13, 2020, as non-reimbursable food services sales were eliminated and permanent employees continued to be paid and their usual benefits provided for the remainder of the year.

## Financial Analysis of the District's Funds

### Governmental Funds:

The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The financial performance of the District as a whole is reflected in its governmental funds as well. The focus of the District's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As the District completed the year, its governmental funds reported combined fund balances of \$78,187,653. This was a decrease of \$54,300,377 from last year's ending fund balances of \$132,488,030. The primary reason for this large decrease was due to payments for ongoing construction projects, which resulted in a decrease of the Capital Projects fund balance of \$54,923,715.

Approximately \$16,722,485 or 21.39% constitutes the unassigned portion of the District's fund balance. This balance is maintained as an operating balance for the District to meet cash flow obligations throughout the year. The remaining fund balance is classified as assigned or restricted for the following spending constraints:

- \$ 133,428 assigned for encumbrances
- 7,624,836 assigned for subsequent year's expenses
- 19,916 non-spendable prepaid items
- 14,193,782 restricted for debt service
- 39,493,206 restricted for capital projects

The general fund is the principal operating fund of the District. The general fund balance showed a decrease of \$795,668 due to expenditures outpacing revenues for the year. The debt service-district fund balance showed an increase of \$1,419,006. The capital projects-district showed a decrease of \$54,923,715 due to ongoing District construction projects.

#### **Proprietary Funds:**

Proprietary funds are used to account for operations similar to private business enterprises. The food service fund is the District's only proprietary fund. The year-end food service fund balance was \$(4,154,796). This was a decrease of \$833,073 from last year's ending net position of \$(3,321,723). The primary factor for this decrease is the cessation of usual Food Service operations in March 2020 due to COVID-19.

#### **General Fund Budgetary Highlights:**

In building the District's original budget for FY 2019-2020, it was the District's goal to maintain programs and staffing levels while managing student growth in the District's northern boundaries. The General Fund mill value was estimated to grow by 3.00% for an operating mill value of \$177,353 up \$5,165 from the prior year mill value of \$172,188. Budgeted payroll expenses included a State-mandated step increase for all eligible employees. School budget allocations were fully funded according to the District's funding formula. The use of \$5.46 million in equity was included in the budget to ensure budgeted expenditures would be met. Local revenues and tax reimbursements were estimated to increase by 6.91% and state revenues were estimated to increase by 6.35% over prior year. The state increase included additional estimated funding based on student growth. Overall budgeted revenues and transfers were \$115.97 million and budgeted expenditures and transfers were \$121.43 million with a \$5.46 million use of equity to balance.

It has been the practice of the District to review and revise its general fund budget at mid-year for any variations from the originally approved budget or unanticipated changes in revenues and expenses. Mid-year budget revisions were approved by the Board of Trustees in February 2020. These revisions included an increase of \$1.07 million in revenue for a revised amount of \$117.04 million and an increase of \$1.45 million in expenditures for a revised amount of \$122.88 million. A \$1.12 million increase in the use of fund balance to \$6.58 million was also included in the mid-year budget revision.

## Capital Assets and Debt Administration

### Capital Assets:

By the end of fiscal year 2020, the District had invested \$313,461,020 in capital assets, including school buildings and facilities, vehicles, furniture, furnishings and equipment. Total depreciation expense for the year was \$7,941,383. The following schedule (figure A-4), presents capital asset balances net of depreciation for the fiscal year ended June 30, 2020.

	Capital Assets (Net of Depreciation)					
	Governmental Activities		Business-Type Activities		Total Activities	
	FY 19	FY 20	FY 19	FY 20	FY 19	FY 20
Land	\$10,319,853	\$10,319,853	\$ -	\$ -	\$10,319,853	\$10,319,853
Buildings & Improvements	167,800,373	188,668,092	-	-	167,800,373	188,668,092
Furniture & Equipment	7,155,441	6,997,495	1,934,423	1,769,771	9,089,864	8,767,266
Construction in Progress	71,064,684	105,705,809	-	-	71,064,684	105,705,809
<b>Total Cost</b>	<b>256,340,351</b>	<b>311,691,249</b>	<b>1,934,423</b>	<b>1,769,771</b>	<b>258,274,774</b>	<b>313,461,020</b>

Additional information on the District's capital assets can be found in Note 4 to the financial statements.

### Long-Term Debt:

At year end, the District had \$195,300,000 in general obligation bonds debt outstanding (see figure A-5), of which \$2,125,000 is due within one year.

State statutes currently limit the amount of general obligation debt a District may issue to 8% of its total assessed valuation. The current debt limitation for the District is \$33,413,397 of which \$800,000 was outstanding at June 30, 2020, leaving an available balance of \$32,613,397. More detailed information about the District's long-term debt is presented in Note 8 to the financial statements.

	Outstanding Long-Term Debt			
	July 1, 2019 Balance	Additions to (Reductions in) Principal	June 30, 2020 Balance	Amount Due Within One Year
General Obligation Bonds	\$197,895,000	\$(2,595,000)	\$195,300,000	\$2,125,000
LEAP Installment Bonds	47,840,000	(5,215,000)	42,625,000	6,080,000

## Economic Factors, Next Year's Budget, Subsequent Events and Other Matters

In the FY 2020-2021 operating budget, the District balanced revenues with the use of \$7,624,836 in general fund equity to cover budgeted expenses for the year. The Board of Trustees and District management have a clear understanding of the importance of maintaining a healthy fund balance. Board Policy was approved in 2005 to maintain a general fund balance of no less than 8% of the current year's budgeted general fund expenses. Total general fund equity at July 1, 2020, was \$24,500,665 or 19.44% of the \$126,009,399 budgeted expenses for FY 2020-2021. Unassigned general fund equity, available after the budget for FY 2021 was balanced, totaled \$16,722,485 or 13.27% of budgeted expenses.

The budget included a local tax millage increase of five mills for a total operating millage of 163.5 mills. This millage increase generated an estimated \$709,412 in additional tax revenues. No growth in the mill value was calculated due to the economic uncertainty that to the COVID-19 pandemic has created. The mill value remained at \$177,353 for the current budget year due to the same economic uncertainty. Since the State of South Carolina was unable to pass a budget for FY 2020-2021, state tax reimbursements and state revenues are estimated to remain the same as the previous year for FY 2020-2021.

The state base student cost used for the FY 2019-2020 budget was \$2,489 and the estimated base student cost for FY 2020-2021 was budgeted to remain at \$2,489.

Overall general fund budgeted expenses for FY 2020-2021 increased by \$3,133,228, which was a 2.55% increase over the previous year's budget. For salaries and fringe benefits, the FY 2020-2021 budget increased by \$1,337,155, or 1.28%. This increase was due to the need for ten additional teaching positions necessary for growth in our district. Operations increased by \$1,207,724 or 10.80%. This increase was primarily due to an increase in the District's cleaning contract due to COVID-19 cleaning protocols, as well as the decision to handle lawn maintenance in-house rather than contracting those services. Budgets for school allocations increased by 11.68%, which was mainly due to additional technology site licenses necessary for distance learning. District Office and Board of Trustees budgets were decreased by 6.30%, as these areas pared back all but essential spending. Planning for future budgets will include funding to meet growth as it continues in Lancaster County.

In March 2016, the voters of Lancaster County approved a \$199 million bond resolution for the purpose of constructing a new high school, a new elementary school, three new multipurpose buildings and improvements to existing school buildings, along with security, athletic and technology upgrades throughout the District. Bonds were issued during FY 16-17 year in the amount of \$125 million. The remaining \$74 million in bonds were issued during FY 18-19. Many bond construction projects have been completed in previous years. Construction on the new high school began in March 2018 and is scheduled to be completed in March 2021. Technology upgrades have been completed, along with most of the athletic and security upgrades.

The Board of Trustees will revise the District's budget at mid-year, as they have in past years, based on the current economic conditions and revised estimated revenues and expenses for the year.

In March 2020 the World Health Organization declared the outbreak of the novel coronavirus COVID-19, a global pandemic. This was followed by the President of the United States declaring the outbreak a national emergency on March 13, 2020. The nature of the pandemic resulted in a mandatory school property closure affecting Lancaster County School District from March 2020 and continuing into the 2020-2021 school year.

Since the state of emergency has been declared, the State of South Carolina has issued several executive orders regarding the pandemic. In addition to these state actions, the District's economically sensitive revenues (i.e. sales tax distributions, interest earnings and charges for services) are being negatively impacted. Meanwhile, the District's expenditures on health and safety measures (personal protective equipment, sanitizing supplies, custodial overtime, technology acquisitions to support remote work and remote learning and additional bus runs to lower capacity) will increase significantly.

The outbreak of COVID-19 and the dramatic steps taken by the Federal government and the State of South Carolina to address it will continue to negatively affect the State of South Carolina and its local economies. The degree of the impact on the District's future operations and finances as a result of the coronavirus is extremely difficult to predict due to uncertainties relating to the duration and severity of COVID-19. The District will also be impacted by actions taken to mitigate the pandemic's effects by governmental and other health care authorities, including the State of South Carolina. The spread of the outbreak or reemergence later in the year could have a material adverse financial effect on the State of South Carolina and local municipalities, including Lancaster County School District. The District is continuously monitoring the situation and will take such proactive measures as may be required to maintain operations and meet its obligations.

Given this level of uncertainty, management cannot reasonably estimate the actual impact on the District's future financial position at this time.



## **Contacting the District's Financial Management**

This financial report is designed to provide the District's citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for all funding received. If you have questions about this report or need additional financial information, contact Lancaster County School District, Finance Department, 300 South Catawba, Lancaster, South Carolina, 29720.

## **BASIC FINANCIAL STATEMENTS**

**LANCASTER COUNTY SCHOOL DISTRICT**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2020**

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>	<b>Component Unit</b>
<b>Assets</b>				
Cash & Cash Equivalents	\$ 3,680,890	\$ 1,334,265	\$ 5,015,155	\$ -
Investments	29,441,302	-	29,441,302	-
Property Tax Receivable	3,075,870	-	3,075,870	-
Internal Balances	1,212,003	(1,212,003)	-	-
Due from Pupil Activities	123,667	-	123,667	-
Due From County Government	62,118,926	-	62,118,926	-
Due From State Government	529,144	-	529,144	-
Due From Federal Government	1,435,646	43,084	1,478,730	-
Due From Other Governmental Units	2,696	-	2,696	76,117
Prepaid Expenses	19,916	-	19,916	-
Inventories - Supplies & Materials	-	238,156	238,156	-
Other Receivables	444,910	3,933	448,843	-
Capital Assets, Not Being Depreciated:				
Land	10,319,853	-	10,319,853	-
Capital Assets, Net of Accumulated Depreciation:				
Buildings & Improvements	188,668,092	-	188,668,092	-
Equipment	6,997,495	1,769,771	8,767,266	-
Construction in Progress	105,705,809	-	105,705,809	-
<b>Total Assets</b>	<b>\$ 413,776,219</b>	<b>\$ 2,177,206</b>	<b>\$ 415,953,425</b>	<b>\$ 76,117</b>
<b>Deferred Outflows of Resources</b>				
Net Pension Deferred Outflows	11,769,441	289,413	12,058,854	-
Net OPEB Deferred Outflows	17,229,967	423,687	17,653,654	-
Unamortized Loss on Refunding - Debt Defeasance	2,555,544	-	2,555,544	-
Employer Contributions Subsequent to Measurement Date	17,138,707	421,444	17,560,151	-
<b>Total Deferred Outflows of Resources</b>	<b>\$ 48,693,659</b>	<b>\$ 1,134,544</b>	<b>\$ 49,828,203</b>	<b>\$ -</b>
<b>Liabilities</b>				
Accounts Payable	\$ 5,164,108	\$ -	\$ 5,164,108	\$ 55,014
Accrued Salaries	5,526,973	-	5,526,973	-
Accrued Payroll Related Liabilities	4,372,064	-	4,372,064	-
Due To State Government	49,889	-	49,889	-
Due to Federal Government	5,519	-	5,519	-
Bonds Payable	951,000	-	951,000	-
Retainage Payable	3,184,350	-	3,184,350	-
Unearned Revenue	1,891,834	31,888	1,923,722	21,103
Accrued Interest Payable	2,828,428	-	2,828,428	-
Noncurrent Liabilities:				
Due in More Than One Year	249,502,976	-	249,502,976	-
Net Pension Liability	158,117,468	3,888,134	162,005,602	-
Net OPEB Liability	130,718,745	3,214,395	133,933,140	-
Due Within One Year	10,351,320	-	10,351,320	-
<b>Total Liabilities</b>	<b>\$ 572,664,674</b>	<b>\$ 7,134,417</b>	<b>\$ 579,799,091</b>	<b>\$ 76,117</b>
<b>Deferred Inflows of Resources</b>				
Net Pension Deferred Inflows	1,149,476	28,265	1,177,741	-
Net OPEB Deferred Inflows	12,357,130	303,864	12,660,994	-
<b>Total Deferred Inflows of Resources</b>	<b>\$ 13,506,606</b>	<b>\$ 332,129</b>	<b>\$ 13,838,735</b>	<b>\$ -</b>
<b>Net Position</b>				
Net Investment in Capital Assets	99,458,366	1,769,771	101,228,137	-
Restricted For:				
Debt Service Program	14,193,782	-	14,193,782	-
Capital Projects	39,493,206	-	39,493,206	-
Net Position - Unrestricted	(276,846,756)	(5,924,567)	(282,771,323)	-
<b>Total Net Position</b>	<b>\$ (123,701,402)</b>	<b>\$ (4,154,796)</b>	<b>\$ (127,856,198)</b>	<b>\$ -</b>

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

**LANCASTER COUNTY SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2020**

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Component Unit
					Governmental Activities	Business-Type Activities	
<b>Governmental Activities:</b>							
Instruction	\$ 90,204,042	\$ -	\$ 34,238,873	\$ -	\$ (55,965,169)	\$ -	\$ (55,965,169)
Support Services	67,013,523	21,201	48,997,626	-	(17,994,696)	-	(17,994,696)
Community Service	1,626,385	-	612,773	-	(1,013,612)	-	(1,013,612)
Pupil Activity	166,458	-	-	-	(166,458)	-	(166,458)
Interest & Other Charges	8,960,658	-	-	-	(8,960,658)	-	(8,960,658)
<b>Total Governmental Activities</b>	<b>167,971,066</b>	<b>21,201</b>	<b>83,849,272</b>	<b>-</b>	<b>(84,100,593)</b>	<b>-</b>	<b>(84,100,593)</b>
<b>Business-Type Activities:</b>							
Food Service	5,616,708	1,284,586	3,732,407	51,370	-	(548,345)	(548,345)
<b>Total Business-Type Activities</b>	<b>5,616,708</b>	<b>1,284,586</b>	<b>3,732,407</b>	<b>51,370</b>	<b>-</b>	<b>(548,345)</b>	<b>(548,345)</b>
<b>Total Primary Government</b>	<b>\$ 173,587,774</b>	<b>\$ 1,305,787</b>	<b>\$ 87,581,679</b>	<b>\$ 51,370</b>	<b>\$ (84,100,593)</b>	<b>\$ (548,345)</b>	<b>\$ (84,648,938)</b>
<b>Component Units:</b>							
Charter School	\$ 935,804	\$ -	\$ 935,804	\$ -			\$ -
<b>General Revenues:</b>							
Property Taxes Levied For:							
General Purposes					34,189,744	-	34,189,744
Debt Service					27,024,181	-	27,024,181
State Aid Not Restricted For Specific Purpose					17,013,860	-	17,013,860
Unrestricted Investment Earnings					1,685,274	-	1,685,274
Miscellaneous					345,394	-	345,394
<b>Transfers</b>					<b>284,728</b>	<b>(284,728)</b>	<b>-</b>
<b>Total General Revenues and Transfers</b>					<b>80,543,181</b>	<b>(284,728)</b>	<b>-</b>
<b>Change in Net Position</b>					<b>\$ (3,557,412)</b>	<b>\$ (833,073)</b>	<b>\$ (4,390,485)</b>
<b>Net Position, Beginning of Year</b>					<b>(120,143,990)</b>	<b>(3,321,723)</b>	<b>-</b>
<b>Net Position, Ending of Year</b>					<b>\$ (123,701,402)</b>	<b>\$ (4,154,796)</b>	<b>\$ (127,856,198)</b>

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

LANCASTER COUNTY SCHOOL DISTRICT  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
JUNE 30, 2020

	Special Revenue Funds					Total Governmental Funds
	General	Special Projects	Education Improvement Act	Debt Service	Capital Projects	
Cash & Cash Equivalents	\$ 3,680,890	\$ -	\$ -	\$ -	\$ -	\$ 3,680,890
Investments	29,441,302	-	-	-	-	29,441,302
Property Tax Receivable, Net	2,203,582	-	-	872,288	-	3,075,870
Due From Other Funds	2,891,980	-	992,585	-	-	3,884,565
Due From County Government	3,085,366	-	-	14,071,815	44,961,745	62,118,926
Due From State Government	229,168	32,754	267,222	-	-	529,144
Due From Federal Government	-	1,435,646	-	-	-	1,435,646
Due From Other Governmental Units	-	2,696	-	-	-	2,696
Prepaid Items	19,916	-	-	-	-	19,916
Other Receivables	12,865	431,753	-	-	292	444,910
<b>Total Assets</b>	<b>\$ 41,565,069</b>	<b>\$ 1,902,849</b>	<b>\$ 1,259,807</b>	<b>\$ 14,944,103</b>	<b>\$ 44,962,037</b>	<b>\$ 104,633,865</b>

**Liabilities, Deferred Inflows of Resources  
and Fund Balances**

**Liabilities**

Accounts Payable	5,164,108	-	-	-	-	5,164,108
Accrued Salaries	5,526,973	-	-	-	-	5,526,973
Accrued Payroll Related Liabilities	4,372,064	-	-	-	-	4,372,064
Due To Other Funds	-	1,234,047	-	-	1,314,848	2,548,895
Due To State Government	-	-	49,889	-	-	49,889
Due to Federal Government	-	5,519	-	-	-	5,519
Bonds Payable	-	-	-	-	951,000	951,000
Retainage Payable	-	-	-	-	3,184,350	3,184,350
Unearned Revenue	-	663,283	1,209,918	-	18,633	1,891,834
<b>Total Liabilities</b>	<b>15,063,145</b>	<b>1,902,849</b>	<b>1,259,807</b>	<b>-</b>	<b>5,468,831</b>	<b>23,694,632</b>

**Deferred Inflows of Resources**

Unavailable Tax Revenues	2,001,259	-	-	750,321	-	2,751,580
<b>Total Deferred Inflows of Resources</b>	<b>2,001,259</b>	<b>-</b>	<b>-</b>	<b>750,321</b>	<b>-</b>	<b>2,751,580</b>

**Fund Balances**

Non-Spendable	19,916	-	-	-	-	19,916
Restricted	-	-	-	14,193,782	39,493,206	53,686,988
Assigned	7,758,264	-	-	-	-	7,758,264
Unassigned	16,722,485	-	-	-	-	16,722,485
<b>Total Fund Balances</b>	<b>24,500,665</b>	<b>-</b>	<b>-</b>	<b>14,193,782</b>	<b>39,493,206</b>	<b>78,187,653</b>

**Total Liabilities, Deferred Inflows of Resources  
and Fund Balances**

<b>\$ 41,565,069</b>	<b>\$ 1,902,849</b>	<b>\$ 1,259,807</b>	<b>\$ 14,944,103</b>	<b>\$ 44,962,037</b>	<b>\$ 104,633,865</b>
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The notes to the basic financial statements are an integral part of this statement.

**LANCASTER COUNTY SCHOOL DISTRICT  
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION  
JUNE 30, 2020**

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

**Total Governmental Fund Balances** **\$ 78,187,653**

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. *This is the amount that the cost of the assets exceeds the accumulated depreciation.*

Cost of Assets	\$ 406,327,709	
Accumulated Depreciation	<u>(94,636,460)</u>	311,691,249

Deferred Outflows (Inflows) resulting from the recognition of the employer's share of the state's net pension and OPEB liability are not current financial resources and, therefore, are not reported in the funds.		32,631,509
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Deferred Outflows resulting from the loss on debt defeasance are not current financial resources and, therefore, are not reported in the funds.		2,555,544
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Certain unearned revenues reported in the governmental funds are recognized subject to a reserve for uncollectible amounts in the statement of activities. <i>This is the additional amount of taxes receivable recognized under the accrual basis.</i>		2,751,580
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Certain liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

Long Term Debt	(237,925,000)	
Net OPEB Liability	(130,718,745)	
Net Pension Liability	(158,117,468)	
Bond Premiums, Net of Amortization	(20,510,616)	
Compensated Absences	(1,418,680)	
Accrued Interest Payable	<u>(2,828,428)</u>	<u>(551,518,937)</u>

<b>Net Position of Governmental Activities:</b>		<b><u><u>\$ (123,701,402)</u></u></b>
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*The notes to the basic financial statements are an integral part of this statement.*

**LANCASTER COUNTY SCHOOL DISTRICT  
GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
FOR THE YEAR ENDED JUNE 30, 2020**

	Special Revenue					Debt Service LEAP	Capital Projects	Total Governmental Funds
	General	Special Projects	Education Improvement Act	Debt Service				
<b>Revenues</b>								
Taxes Levied/Assessed by the LEA	\$ 31,399,499	\$ -	\$ -	\$ 25,562,675	\$ -	\$ -	\$ -	\$ 56,962,174
Revenue From Local Governmental Units Other Than LEAs	3,583,681	-	-	1,461,506	-	-	-	5,045,187
Tuition	21,201	-	-	-	-	-	-	21,201
Earnings on Investments	368,955	-	-	15,241	-	-	1,301,078	1,685,274
Other Revenue from Local Sources	504,897	1,120,381	-	-	-	-	4,818	1,630,096
<b>Total Local</b>	35,878,233	1,120,381	-	27,039,422	-	-	1,305,896	65,343,932
Intergovernmental	-	81,782	-	-	-	-	-	81,782
State Sources	77,666,953	2,082,125	7,894,222	1,485,090	-	-	-	89,128,390
Federal Sources	-	10,368,260	-	-	-	-	-	10,368,260
<b>Total Revenues</b>	<b>\$ 113,545,186</b>	<b>\$ 13,652,548</b>	<b>\$ 7,894,222</b>	<b>\$ 28,524,512</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,305,896</b>	<b>\$ 164,922,364</b>
<b>Expenditures</b>								
<b>Current:</b>								
Instruction	71,065,235	7,624,922	2,842,131	-	-	-	-	81,532,288
Support Services	46,373,469	4,210,915	1,190,286	-	-	-	2,224,201	53,998,871
Community Services	-	1,472,115	-	-	-	-	-	1,472,115
Intergovernmental	818,249	1,500	-	-	-	-	-	819,749
<b>Debt Service:</b>								
Legal Services	-	-	-	-	-	-	48,457	48,457
Other Professional and Technical Services	-	-	-	-	-	-	45,505	45,505
Redemption of Principal	-	-	-	2,595,000	5,215,000	-	-	7,810,000
Interest	-	-	-	7,907,506	1,928,185	-	10,142	9,845,833
<b>Capital Outlay</b>	200,651	52,263	154,157	-	-	-	63,361,121	63,768,192
<b>Total Expenditures</b>	<b>\$ 118,457,604</b>	<b>\$ 13,361,715</b>	<b>\$ 4,186,574</b>	<b>\$ 10,502,506</b>	<b>\$ 7,143,185</b>	<b>\$ 65,689,426</b>	<b>\$ 219,341,010</b>	
Excess of Revenues Over (Under) Expenditures	(4,912,418)	290,833	3,707,648	18,022,006	(7,143,185)	(64,383,530)	(54,418,646)	
<b>Other Financing Sources (Uses)</b>								
Transfers In	4,283,208	177,382	-	-	7,143,185	-	10,394,758	21,998,533
Transfers Out	(166,458)	(468,215)	(3,707,648)	(16,603,000)	-	-	(934,943)	(21,880,264)
<b>Total Other Financing Sources (Uses)</b>	4,116,750	(290,833)	(3,707,648)	(16,603,000)	7,143,185	-	9,459,815	118,269
<b>Net Change in Fund Balances</b>	<b>\$ (795,668)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,419,006</b>	<b>\$ -</b>	<b>\$ (54,923,715)</b>	<b>\$ (54,300,377)</b>	
<b>Fund Balance, Beginning of Year</b>	25,296,333	-	-	12,774,776	-	-	94,416,921	132,488,030
<b>Fund Balance, Ending of Year</b>	<b>\$ 24,500,665</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 14,193,782</b>	<b>\$ -</b>	<b>\$ 39,493,206</b>	<b>\$ 78,187,653</b>	

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

**LANCASTER COUNTY SCHOOL DISTRICT**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2020**

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

Net Change in Fund Balances - Total Governmental Funds	\$ (54,300,377)
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Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. *This is the amount by which depreciation expense exceeded capital outlays in the current period.*

Depreciation Expense	\$ (7,737,782)	
Capital Outlay	63,164,539	55,426,757

The issuance of long-term debt (e.g. bonds) 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. *This is the amount that principal repaid during the year exceeds the amount of debt issued during the year.*

Redemption of Principal	7,810,000	
Proceeds from Long-Term Debt	-	7,810,000

Governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. *This is the change in bond premium amortization, and change in loss on defeasance amortization.*

Change in Amortization of Bond Premiums	1,663,969	
Change in Amortization of Loss on Defeasance of Debt	(324,331)	1,339,638

In the statement of activities, the gain/(loss) on the sale or disposal of capital assets is reported, whereas in the governmental funds, the proceeds from the sale increases financial resources. Thus the change in net position differs from the change in fund balance by the cost of capital assets disposed or sold.

(75,859)

Certain unavailable tax revenues reported in the governmental funds are recognized in the statement of activities, net of a reserve for uncollectible amounts. This is the change in the amount of taxes receivable recognized under the accrual basis.

(793,436)

The change in compensated absences reported in the statement of activities does not require the use of current financial resources, and therefore, is not reported as an expenditure/revenue in the governmental funds. *This is the amount that compensated absences at the end of the prior year exceeded the compensated absences at the end of the current year.*

Compensated Absences - End of Current Year	(1,418,680)	
Compensated Absences - End of Prior Year	1,305,028	(113,652)

Retirement and pension expense in the statement of activities is measured by the District's proportionate share of the SCRS pension and SCRHITF and SCLTDITF OPEB total expense. In the governmental funds, however, the expenditure is measured by the current contributions to the retirement and pension system. *This is the amount Current Contributions exceed the District's proportionate share.*

District's Proportionate Shares of Total Pension and OPEB Expense	(29,628,689)	
Current Contributions to Retirement and OPEB Systems	17,138,707	(12,489,982)

Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. *This is the amount that accrued interest on bonds at the end of the prior year exceeded the accrued interest on bonds at the end of the current year.*

Accrued Interest - End of Current Year	(2,828,428)	
Accrued Interest - End of Prior Year	2,467,927	(360,501)

<b>Change in Net Position of Governmental Activities</b>	<b>\$ (3,557,412)</b>
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*The notes to the basic financial statements are an integral part of this statement.*



**LANCASTER COUNTY SCHOOL DISTRICT  
PROPRIETARY FUND - FOOD SERVICE  
STATEMENT OF NET POSITION  
JUNE 30, 2020**

**Assets**

**Current Assets**

Cash & Cash Equivalents	\$ 1,334,265
Due From Federal Government	43,084
Inventories - Supplies & Materials	238,156
Other Receivables	<u>3,933</u>

<b>Total Current Assets</b>	<u>1,619,438</u>
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Property, Plant and Equipment, Net	<u>1,769,771</u>
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<b>Total Assets</b>	<u><u>\$ 3,389,209</u></u>
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**Deferred Outflows of Resources**

Net Pension Deferred Outflows	289,413
Net OPEB Deferred Outflows	423,687
Employer Contributions Subsequent to Measurement Date	<u>421,444</u>

<b>Total Deferred Outflows of Resources</b>	<u><u>\$ 1,134,544</u></u>
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**Liabilities**

**Current Liabilities**

Due To Other Funds	1,212,003
Unearned Revenue	<u>31,888</u>

<b>Total Current Liabilities</b>	<u>1,243,891</u>
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**Long Term Liabilities**

Net Pension Liability	3,888,134
Net OPEB Liability	<u>3,214,395</u>

<b>Total Long Term Liabilities</b>	<u>7,102,529</u>
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<b>Total Liabilities</b>	<u><u>\$ 8,346,420</u></u>
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**Deferred Inflows of Resources**

Net Pension Deferred Inflows	28,265
Net OPEB Deferred Inflows	<u>303,864</u>

<b>Total Deferred Inflows of Resources</b>	<u><u>\$ 332,129</u></u>
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**Net Position**

Investment in Capital Assets	1,769,771
Unrestricted	<u>(5,924,567)</u>

<b>Total Net Position</b>	<u><u>\$ (4,154,796)</u></u>
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*The notes to the basic financial statements are an integral part of this statement.*

**LANCASTER COUNTY SCHOOL DISTRICT  
PROPRIETARY FUND - FOOD SERVICE  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION  
FOR THE YEAR ENDED JUNE 30, 2020**

	<b>Business-Type Activities Enterprise Fund - Food Service</b>
<b>Operating Revenues</b>	
Proceeds from Sales of Meals	\$ 1,284,586
<b>Total Operating Revenues</b>	<u>1,284,586</u>
<b>Operating Expenses</b>	
Food Costs	2,448,269
Salaries & Employee Benefits	2,848,978
Supplies & Materials	47,321
Depreciation	203,601
Other Operating Costs	74,441
<b>Total Operating Expenses</b>	<u>5,622,610</u>
<b>Operating Income (Loss)</b>	<u>(4,338,024)</u>
<b>Non-Operating Revenues (Expenses)</b>	
USDA Reimbursements	3,199,848
Commodities Received from USDA	509,451
Interest Income	842
Other Local Revenues	22,266
Loss on Disposal of Capital Assets	5,902
<b>Total Non-Operating Revenues</b>	<u>3,738,309</u>
<b>Net Income Before Transfers</b>	(599,715)
Capital Contributions	51,370
Transfers In (Out)	<u>(284,728)</u>
<b>Change in Net Position</b>	(833,073)
<b>Net Position, Beginning of Year</b>	<u>(3,321,723)</u>
<b>Net Position, Ending of Year</b>	<u><u>\$ (4,154,796)</u></u>

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

**LANCASTER COUNTY SCHOOL DISTRICT  
PROPRIETARY FUND - FOOD SERVICE  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2020**

	<b>Enterprise Fund - Food Service</b>
<b>Cash Flows from Operating Activities</b>	
Cash Received from Patrons	\$ 1,280,653
Cash Payments to Suppliers for Goods and Services	(2,728,380)
Cash Payments to Employees for Services	<u>(2,721,070)</u>
<b>Net Cash Used in Operating Activities</b>	<u>(4,168,797)</u>
<b>Cash Flows from Noncapital Financing Activities</b>	
Operating Grants Received	3,722,391
Other Local Revenues Received	22,266
Transfers From (To) Other Funds	<u>23,931</u>
<b>Net Cash Provided by Noncapital Financing Activities</b>	<u>3,768,588</u>
<b>Cash Flows from Capital and Related Financing Activities</b>	
Capital Contributions	51,370
Net Proceeds from the Disposition of Capital Assets	10,199
Acquisitions of Capital Assets	<u>(43,245)</u>
<b>Net Cash Used in Capital and Related Financing Activities</b>	<u>18,324</u>
<b>Cash Flows from Investing Activities</b>	
Interest Received	<u>842</u>
<b>Net Cash Provided by Investing Activities</b>	<u>842</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	(381,043)
<b>Cash and Cash Equivalents at Beginning of Year</b>	<u>1,715,308</u>
<b>Cash and Cash Equivalents at End of Year</b>	<u><u>\$ 1,334,265</u></u>
<b>Operating Income (Loss)</b>	(4,338,024)
Adjustments to Reconcile Operating Income (Loss) To	
Net Cash (Used) by Operating Activities:	
Depreciation	203,601
Change in Assets and Liabilities:	
Decrease in Accounts Receivable	(3,933)
Decrease in Inventory	(158,349)
Decrease in Net OPEB Liability	(4,553)
Increase in Net Pension Liability	<u>132,461</u>
<b>Net Cash Used in Operating Activities</b>	<u><u>\$ (4,168,797)</u></u>
<b>Supplemental Information:</b>	
Non-Cash Commodities Received	\$ 509,451

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

**LANCASTER COUNTY SCHOOL DISTRICT  
FIDUCIARY FUND - PUPIL ACTIVITY FUND  
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
JUNE 30, 2020**

	<b><u>Agency Fund Pupil Activity</u></b>
<b>Assets</b>	
Cash & Cash Equivalents	\$ 1,144,062
Investments	1,083,408
Other Receivables	<u>4,506</u>
<b>Total Assets</b>	<b><u><u>\$ 2,231,976</u></u></b>
<b>Liabilities</b>	
Due to School District	123,667
Due to Pupil Activities	<u>2,108,309</u>
<b>Total Liabilities</b>	<b><u><u>\$ 2,231,976</u></u></b>

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

**LANCASTER COUNTY SCHOOL DISTRICT  
LANCASTER, SOUTH CAROLINA  
NOTES TO FINANCIAL STATEMENTS**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The basic financial statements of Lancaster County School District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies of the District are described below.

*Reporting Entity*

Lancaster County School District (the "District") operates under the direction of an elected Board of Trustees, with a superintendent serving as the chief administrative officer, and provides education services to approximately 13,000 students in the County of Lancaster, South Carolina. The District does not exercise control over any other governmental agencies or authorities.

Effective July 1, 1997, the District became fiscally independent and is no longer considered a component unit of Lancaster County. As such, the Lancaster County School District is the basic level of government which has financial accountability and control over all activities related to the public school education in the County of Lancaster, South Carolina. The District receives funding from local, state and federal government sources and must comply with the concomitant requirements of these funding source entities. However, the District is not included in any other governmental "reporting entity" as defined by the GASB pronouncement, since District Board of Trustees members are elected by the public and have decision making authority, the power to designate management, the ability to significantly influence operations and primary accountability for fiscal matters.

*Discretely Presented Component Unit*

The component unit column in the basic financial statements includes the financial data of the District's component unit, The Discovery Charter School (the "Charter School"). A charter school is considered a public school and is part of Lancaster County School District for the purposes of state law and state constitution. Because the charter school is fiscally dependent on the District and exclusion of the charter school would cause the District's financial statements to be incomplete, the financial statements of the charter school are included in those of the District. The charter school is presented as a governmental fund type. It is administered and governed by its governing body as agreed to by the charter applicant and the District. The South Carolina State Department of Education regulations require that charter schools be discretely presented in the financial statements but blended with the School District balances in the supplementary schedules. All accounting policies and reporting requirements applicable to the District were equally adopted at the Charter School reporting level. The separately issued financial statements of The Discovery School may be obtained from its administrative office at 302 W. Dunlap St., Lancaster, SC 29720.

*Blended Component Units*

Lancaster Education Assistance Program, Inc. ("LEAP") is a not-for-profit 501(c)(3) organization incorporated for the specific charitable purpose of serving as a "support organization" for capital projects of the District. LEAP board members are appointed by the Board of the District. Because LEAP exclusively benefits the District, the LEAP financial information is blended with that of the District in these basic financial statements. Separate LEAP financial information is included in individual columns throughout the financial statements. Lancaster Education Assistance Program, Inc. does not issue separate audited financial statements.

In accordance with GAAP, the District evaluated its current and potential component units and made the determination that The Discovery School and LEAP are the only two component units required to be included in its financial statements at June 30, 2020.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### *Measurement Focus, Basis of Accounting and Basis of Presentation*

The government-wide basic financial statements (i.e. the statement of net position and the statement of activities) report information on all the non-fiduciary activities of the District (the primary government) and its component units. Generally, the effect of interfund activity has been eliminated from these statements.

Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely, to a significant extent, on fees and charges for support. Likewise, the primary government, the District, is reported separately from certain legally separate component units for which the District is financially accountable.

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

Non-exchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On the 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 for 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.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting as is the proprietary fund. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Investment earnings and intergovernmental revenues received from Lancaster County are accrued because they are measurable at year-end and are collected within 60 days after year-end. Most other intergovernmental revenues are not susceptible to accrual because they generally are not measurable until received in cash. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been satisfied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Net position (total assets plus deferred outflows less total liabilities and deferred inflows) is used as a practical measure of economic resources and the operating statement includes all transactions and events that increased or decreased net position. Depreciation is charged as expense against current operations and accumulated depreciation is reported on the statement of net position.

The governmental fund basic financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Property taxes are considered "Measurable" when transferred to the District's account by the County Treasurer and are recognized at that time. Revenue from federal, state and other grants designated for payment of specific school district expenditures is recognized when the related expenditures are incurred; accordingly, when such funds are received, they are recorded as deferred revenues until earned. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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

Fund basic financial statements report detailed information about the District. The focus of governmental and enterprise fund basic financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Fiduciary funds are reported by fund type.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

### *Governmental Fund Types*

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

*The General Fund, a major fund*, is the general operating fund of the District. It is used to account for all financial resources not accounted for and reported in another fund.

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes that are received on the basis of projects approved by various authorizing agencies which are not budgeted in General Fund operations. The majority of the monies for approved projects are received pursuant to federal legislation and the Education Improvement Act. The allowable expenditures of the projects are specified in the enabling legislation and related regulation and may not be used to supplant District expenditures which would otherwise have been made.

*The Special Projects Fund, a major fund*, is used to account for financial resources provided by federal, state and local projects and grants.

*The Education Improvement Act (EIA) Fund, a major fund*, is used to account for the revenues from the South Carolina Education Improvement Act of 1984, which is legally required by the State to be accounted for as a specific revenue source.

*The Debt Service Fund – District, a major fund*, is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

*The Debt Service Fund – LEAP, a major fund*, is used to account for the accumulation of resources for, and the payment of, all long-term debt principal, interest and related costs for LEAP.

*The Capital Projects Fund – District, a major fund*, is used to account for all financial resources that are restricted, committed, or assigned to expenditure for capital outlays except for those financed in the Enterprise Fund and the LEAP Capital Projects Fund.

### *Proprietary Fund Type*

Proprietary fund type funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary fund's principal ongoing operations. The principal operating revenues of the District's Enterprise Fund are food service charges. Operating expenses for the District's Enterprise Fund include food production costs, supplies, administrative costs, and depreciation on capital assets. All revenues or expenses not meeting this definition are reported as non-operating revenues and expenses. Proprietary fund types include the following fund:

*The Food Service Fund* is an enterprise fund and is used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### *Fiduciary Fund Types*

Fiduciary fund types are used to account for expendable assets held by the District in a trustee capacity or as an agent for individuals, private organizations or governmental units and/or other funds to include Agency funds. Fiduciary fund types include the following fund:

*Agency Fund* - The District's Pupil Activity Funds are established as agency funds of the schools to account for the receipt and disbursement of monies to and from student activity organizations. These funds have no equity (assets are equal to liabilities) and do not include revenues and expenditures for general operation of the District. This accounting reflects the agency relationship of the District to the student activity organizations.

Fund financial statements are also provided in the report for all the governmental funds, proprietary funds, and the fiduciary funds of the School District. Fiduciary funds are reported by fund type.

### *Budgets and Budgetary Accounting*

Annual budgets and formal budgetary integration are employed as management control devices during the year for the General Fund, Special Revenue Fund, and Debt Service Fund. The General Fund is the only fund with a legally adopted budget. Capital projects are budgeted on a long-term project basis, rather than annual appropriations. The District follows these procedures in establishing the budgetary data reflected in the basic financial statements:

1. The School District presents a formal General Fund budget to the school board prior to year-end and the final budget is approved prior to July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Any General Fund budget revision between major allocations throughout the year must be approved by the Board of Trustees.
3. Budgets are adopted for Special Revenue Fund projects through the submission of a project application and the subsequent approval of the application by the appropriate authorizing agency.
4. Budgets are adopted on the modified accrual basis of accounting for the General and Special Revenue Fund and are consistent with U.S. generally accepted accounting principles.

General Fund expenditures may not legally exceed budgeted appropriations at the major component level unless in a supplementary action, the Board then can approve an increase or decrease to the major component within the legal level of control. The General Fund budget as presented herein has been amended from that originally adopted.

The Board of Trustees of Lancaster County School District delegates to management the authority, within the General Fund, to transfer funds within individual components. Budgetary control is on the component level. Budget transfers are approved as follows:

1. Initial approval by the respective department head or principal.
2. Final approval by the Chief Financial Officer.

The budgets are prepared on a basis consistent with actual financial statement presentation to provide meaningful comparisons. Appropriations lapse at the end of the fiscal year.

The District maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbrance accounting is used for the General Fund, Special Revenue Fund and Capital Projects Fund. Encumbrances are recorded when purchase orders are issued but are not considered expenditures until liabilities for payments are incurred. Encumbrances lapse at year end, except for the General Fund, which is carried forward as assigned fund balance until liquidated.



## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### *Cash Equivalents and Investments*

The District's cash and cash equivalents include cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

In accordance with GASB No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, the District records its investments at fair value. The State Treasurer's Investment Pool operates in accordance with the appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

### *Accounts Receivable*

Accounts receivable consists of property taxes levied against Lancaster County taxpayers. Accounts receivable also include amounts due from the Federal government, State and Local governments or private sources, in connection with reimbursement of allowable expenditures made pursuant to the District's grants and contracts. Accounts receivable are recorded net of estimated uncollectible amounts.

### *Allowance for Doubtful Accounts*

All receivables that historically experience uncollectible amounts are shown net of an allowance for doubtful accounts. This amount is determined by analyzing the percentage of receivables that were not collected in prior years.

### *Inventories*

Under the system of accounting for inventories, materials and supplies are carried in an inventory account at cost, using the first-in, first-out method of accounting and are subsequently charged to expense when consumed. Inventories include food, supplies and commodities. An amount for commodities received from the USDA, but not consumed as of June 30, 2020, has been recorded at fair market value as provided by the United States Department of Agriculture.

### *Capital Assets*

Capital assets, which include property and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the School District as assets with an initial, individual cost equal to or more than \$5,000 and an estimated useful life in excess of one year. Management has elected to include certain homogeneous asset categories with individual assets less than \$5,000 as composite groups for financial reporting purposes. In addition, capital assets purchased with long-term debt may be capitalized regardless of the thresholds established. Donated capital assets are recorded at acquisition cost.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### *Capital Assets (Continued)*

All reported capital assets are depreciated using the straight-line method over the following estimated useful lives:

<b>Assets</b>	<b>Years</b>
Buildings	50
Building and Site Improvements	20
Furnishings	20
Furniture and Equipment	10
Vehicles	10
Technology Equipment	7
Library Book Collections	5

Proprietary Fund equipment purchases are capitalized in the Proprietary Fund at cost and depreciated on a straight-line basis over 12 years at the rate of 8.33% per year.

### *Unearned Revenue*

Unearned revenues in the governmental funds include amounts received from grant and contract sponsors that have not yet been earned. These unearned revenues from grants are considered to be a liability to the District rather than deferred inflows of resources since the eligibility requirements of the grants have not been met.

### *Compensated Absences*

Compensated absences are absences for which employees will be paid. A liability for compensated absences is accrued as employees earn the rights to the benefits.

District employees can accumulate sick leave up to ninety days for payment at a specified rate upon retirement, provided they have accumulated at least sixty days. Vested sick leave pay is recorded as an expenditure in the current year to the extent it is paid during the year.

The District has established a "sick leave bank" governed by an elected board for the purpose of extending additional sick leave to employees that have exhausted all available leave during catastrophic times. Membership is optional and requires an employee giving one day of their sick leave to join. Days given are approved by the Board and maximum leave an employee can take in any year is 90 days. Due to the uncertainty of the timing and value of the days to be granted, the liability to the District is considered to be immeasurable.

### *Long-Term Obligations*

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

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

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### *Pensions*

The Governmental Accounting Standards Board (GASB) issued Statement No. 68 entitled *Accounting and Financial Reporting for Pension Plans* in June 2012. The disclosure requirements applicable to employers participating in the South Carolina Retirement System or the Police Officers Retirement System are prescribed in paragraphs 48 through 82 of GASB 68. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the South Carolina Retirement System and additions to/deductions from the South Carolina Retirement System's fiduciary net position have been determined on the same basis as they are reported by the South Carolina Retirement System. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

### *Other Post Employment Benefits*

The Governmental Accounting Standards Board (GASB) issued Statement No. 75 entitled *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* in June 2015. The disclosure requirements applicable to employers participating in the South Carolina Retiree Health Care Plan or the South Carolina Basic Long-Term Disability Plan are prescribed in paragraphs 89 through 98 of GASB 75. For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEBs, and OPEB expense, information about the fiduciary net position of the OPEB Trusts and additions to/deductions from the OPEB Trust's fiduciary net position have been determined on the same basis as they are reported by the OPEB Trust of PEBA. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

### *Net Position (Deficit)*

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

*Net Investment in Capital Assets:* This represents the District's total investments in capital assets, net of outstanding debt obligations related to those capital assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of invested in capital assets, net of related debt.

*Restricted Net Position - Expendable:* Restricted expendable net position includes resources in which the District is legally or contractually obligated to spend resources in accordance with restrictions imposed by third parties.

*Restricted Net Position - Non-Expendable:* Non-expendable restricted net position consists of funds in which donors or other outside sources have stipulated, as a condition of the gift instrument, that the principal is to be maintained inviolate and in perpetuity, and invested for the purpose of producing present and future income, which may either be expended or added to principal.

*Unrestricted Net Position (Deficit):* Unrestricted net position (deficit) represents resources derived from ad valorem taxes, earnings on investments, various local and state unrestricted grants, contracts and revenues net of the District's proportionate share of the outstanding net pension obligation from its retirement systems.

### *Classification of Fund Balances*

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

Nonspendable fund balance - amounts that are not in a spendable form or are required to be maintained in tact;

Restricted fund balance - amounts constrained to specific purposes by their providers (such as grants, bondholders and higher levels of government) through constitutional provisions or enabling legislation;

Committed fund balance - amounts constrained to specific purposes by the District itself, using its highest level of decision-making authority, which is the Board of Trustees; to be reported as committed, amounts cannot be used for any other purpose unless the Board takes the same highest level action to remove or change the constraint;

## **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

### *Classification of Fund Balances (Continued)*

Assigned fund balance - amounts the District intends to use for a specific purpose; The District's policy states that the Board of Trustees or an official to which the Board of Trustees delegate authority to, must approve the assignments of any fund balance;

Unassigned fund balance - amounts that are available for any purpose; positive amounts are reported only in the general fund.

It is the District's policy to apply restricted resources first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available. For the unrestricted fund balances when committed, assigned or unassigned resources are available for use, it is the District's policy to use committed, assigned, and unassigned resources, in this order.

At June 30, 2020, the District's assigned fund balance in the General Fund consists of subsequent year expenditures and encumbered operating school expenditures in the amounts of \$5,460,939 and \$89,108, respectively. These assigned balances were approved by the District's Board of Trustees.

### *Risk Management*

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District along with other school districts within the state are insured under the State of South Carolina Insurance Reserve Fund, a public entity risk pool currently operating as a common risk management and insurance fund. The District pays annual premiums to the Insurance Reserve Fund for its general insurance coverage. The Insurance Reserve Fund is self-sustaining through member premiums and by purchases of commercial insurance coverage on a portion of its liabilities. There have been no significant reductions in insurance coverage from the prior year. The District has not incurred any material claims during the past three fiscal years.

The District continues to carry insurance for other risks of loss including employee health, dental, group life, and accident insurance through the State of South Carolina. The State accumulates assets to cover risks that its members incur in their normal operations. Specifically, the State assumes substantially all the risk for the above.

### *Tax Abatements*

Generally Accepted Accounting Principles requires disclosure of tax abatement information about a reporting government's own tax abatement agreements and about tax abatement agreements entered into by other governments that reduce the reporting government's tax revenues. See Note 17 for detailed information regarding the District's tax abatement agreements.

## **2. STEWARDSHIP, COMPLIANCE AND RESPONSIBILITY**

### *Estimates*

The preparation of financial statements in conformity with U. S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Accordingly, actual results could differ from those estimates.

### *Excess of Expenditures Over Appropriations*

The legal level of budgetary control is at the function level. This is the level at which expenditures should not exceed appropriations. For the fiscal year ended June 30, 2020, the District had no function levels with expenditures over appropriations.

### 3. DEPOSITS AND INVESTMENTS

All of the District's deposits are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits exceeding the federal depository insurance coverage level are collateralized with securities held by the District's agent in the District's name. Under the Pooling Method, uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the District, these deposits are considered to be held by the District's agent in the District's name. The amount of the pledged collateral is based on an approval averaging method for non-interest bearing deposits and the actual current balance for interest-bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the District or the escrow agent. Because of the inability to measure the exact amount of collateral pledged on behalf of the District under the Pooling Method, the potential exists for under-collateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer of South Carolina enforces strict standards of financial accountability for each depository electing the Pooling Method.

#### *Investments*

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

1. Obligations of the United States and agencies thereof;
2. General obligations of the State of South Carolina or any of its political units;
3. Savings and loan associations to the extent they are secured by the Federal Deposit Insurance Corporation;
4. Certificates of Deposit where the certificates are collaterally secured by securities of the type described in (1) and (2) above held by a third party as escrow agent or custodian;
5. Repurchase agreements if properly collateralized.

As of June 30, 2020, the District had the following investments, which meet the above requirements:

<b>Investment Type</b>	<b>Credit Rating</b>	<b>Fair Market Value</b>	<b>Weighted Average Maturity (Years)</b>
SC Treasurer's Investment Pool	Unrated	\$ 30,524,710	Less than 1 year

The total above includes investments in the General Fund and Pupil Activity Fund in the amounts of \$29,441,302 and \$1,083,408, respectively.

*Custodial Credit Risk* - In the case of deposits, this is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District has a policy to have all amounts over FDIC coverage collateralized with U.S. Treasuries by the District's Agent, in the District's name. Custodial credit risk for investments is the risk that, in the event of a failure, the government will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. The District does not have an investment policy for custodial credit risk but follows the investment policy statutes of the State of South Carolina. As of June 30, 2020, the District had no exposure to custodial credit risk.

*Interest Rate Risk* – The District does not have a formal policy limiting investment maturities that would manage its exposure to fair value losses from increasing interest rates.

*Concentration of Credit Risk* – The District places no limit on the amount it may invest in any one issuer.

#### 4. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2020, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets Not Being Depreciated:				
Land	\$ 10,319,853	\$ -	\$ -	\$ 10,319,853
Construction in Progress	71,064,684	60,901,740	(26,260,615)	105,705,809
Total Capital Assets Not Being Depreciated	81,384,537	60,901,740	(26,260,615)	116,025,662
Capital Assets Being Depreciated:				
Buildings and Improvements	247,371,260	27,323,053	(55,489)	274,638,824
Furniture and Equipment	14,588,414	1,200,361	(125,552)	15,663,223
Total Capital Assets Being Depreciated	261,959,674	28,523,414	(181,041)	290,302,047
Less: Accumulated Depreciation For:				
Buildings and Improvements	(79,570,887)	(6,434,301)	34,456	(85,970,732)
Furniture and Equipment	(7,432,973)	(1,303,481)	70,726	(8,665,728)
Total Accumulated Depreciation	(87,003,860)	(7,737,782)	105,182	(94,636,460)
Total Capital Assets Being Depreciated, Net	174,955,814	20,785,632	(75,859)	195,665,587
Governmental Activities Capital Assets, Net	<u>\$ 256,340,351</u>	<u>\$ 81,687,372</u>	<u>\$ (26,336,474)</u>	<u>\$ 311,691,249</u>
Business-Type Activities:				
Capital Assets Being Depreciated				
Property and Equipment	\$ 3,986,614	\$ 43,245	\$ (52,012)	\$ 3,977,847
Total Capital Assets Being Depreciated	3,986,614	43,245	(52,012)	3,977,847
Less: Accumulated Depreciation For:				
Property and Equipment	(2,052,191)	(203,601)	47,716	(2,208,076)
Total Accumulated Depreciation	(2,052,191)	(203,601)	47,716	(2,208,076)
Business-Type Activities Capital Assets, Net	<u>\$ 1,934,423</u>	<u>\$ (160,356)</u>	<u>\$ (4,296)</u>	<u>\$ 1,769,771</u>

Depreciation expense was charged to governmental functions as follows:

Governmental Activities:	
Instruction	\$ 3,159,630
Support Services	4,521,604
Community Services	<u>56,548</u>
Total Depreciation - Governmental Activities	<u>\$ 7,737,782</u>
Business-Type Activities:	
Food Service	<u>\$ 203,601</u>
Total Depreciation - Business-Type Activities	<u>\$ 203,601</u>

#### **4. CAPITAL ASSETS (CONTINUED)**

##### *Construction Commitments*

The District has several ongoing construction projects as of June 30, 2020, consisting primarily of capital projects. The projects include renovations at existing schools. Total outstanding construction commitments at June 30, 2020, are approximately \$22,282,142.

#### **5. PROPERTY TAXES**

Property taxes are levied by Lancaster County (the County) on real and personal properties owned on the preceding January 1 of each fiscal year ended June 30. Liens are attached to the property at the time the taxes are levied, which usually occurs in November of each year. These taxes are due without penalty through January 15. Penalties are added to taxes depending on the date paid as follows:

January 16 through February 16 - 3% of Tax  
February 16 through March 15 - 8% of Tax  
After March 15 - 13% of Tax plus Collection Cost

Current year real and personal property taxes become delinquent on April 1. The levy date for motor vehicle taxes is the first day of the month in which the motor vehicle license expires. These taxes are due by the last day of the same month.

The revised assessed value of the certified roll, upon which the levy for the 2020 fiscal year was based, was \$325,248,500. The millage rate charged for the District was 159.5 mills for current operations and 65.0 mills for Debt Service.

In June of 2006, Act 388 created a new Homestead Exemption Fund (the "Homestead Exemption Fund") which is funded from the additional one cent sales tax imposed by Act 388 and the amounts previously designated for the Property Tax Relief Exemption will be applied to such Homestead Exemption Fund. Act 388 provides a third exemption for one hundred percent of the fair market value of owner-occupied residential property, to the extent not already covered by the Property Tax Relief Exemption, from all property taxes imposed for school operating purposes but not including millage imposed for the repayment of general obligation debt for property tax years beginning after January 1, 2007.

#### **6. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES**

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has items that qualify for reporting in this category. One is the unamortized loss on refunding – debt defeasance in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. For the other items in relation to the District's proportionate share of the SCRS and OPEB Trust's net pension liability, see Notes 9 and 10, respectively for Pension and OPEB Plans.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category. For the items in relation to the District's proportionate share of the SCRS and OPEB Trust's net pension liability, see Notes 9 and 10, respectively for Pension OPEB Plans.

## 7. SHORT-TERM OBLIGATIONS

Short-Term Obligations	June 30, 2019	Additions	Reductions	June 30, 2020
Governmental Activities:				
Bond Anticipation Note	<u>\$ 1,010,000</u>	<u>\$ 17,554,000</u>	<u>\$ 17,613,000</u>	<u>\$ 951,000</u>
Total Governmental Activities	<u>\$ 1,010,000</u>	<u>\$ 17,554,000</u>	<u>\$ 17,613,000</u>	<u>\$ 951,000</u>

The District issued a Bond Anticipation Note on May 16, 2019, for the amount of \$1,010,000. The note was due and paid in full on October 16, 2019, at an interest rate of 2.41%. This issuance was used to cover the upcoming installment loan debt payment.

The District issued a Bond Anticipation Note on October 21, 2019, for the amount of \$16,603,000. The note was due and paid in full on March 1, 2020, at an interest rate of 1.91. This issuance was to fund the District's annual capital needs and to make the installment loan debt payments due during the year.

The District issued a Bond Anticipation Note on April 15, 2020, for the amount of \$951,000. The note is due and payable on October 16, 2020, at an interest rate of 1.03%. This issuance is to be used to cover the upcoming installment loan debt payment.

## 8. LONG-TERM OBLIGATIONS

Bonds payable consisted of the following at June 30, 2020:

	Interest Rates	Maturity	Original Issue	Outstanding June 30, 2020
District:				
General Obligation Bonds				
September 27, 2012	2.00% - 5.00%	2021	\$ 21,720,000	\$ 800,000
March 9, 2017	3.25% - 5.00%	2036	125,000,000	120,600,000
April 17, 2019	3.00% - 4.00%	2036	<u>74,000,000</u>	<u>73,900,000</u>
Total District			<u>220,720,000</u>	<u>195,300,000</u>
LEAP:				
Installment Purchase Revenue Bonds				
May 17, 2013	0.60% - 2.46%	2021	23,810,000	6,080,000
May 17, 2013	3.00% - 5.00%	2029	<u>36,545,000</u>	<u>36,545,000</u>
Total LEAP			<u>60,355,000</u>	<u>42,625,000</u>
Total Governmental Activities			<u>\$ 281,075,000</u>	<u>\$ 237,925,000</u>



## 8. LONG-TERM OBLIGATIONS (CONTINUED)

The District has continuous authority to issue general obligation bonds each calendar year, subject to a constitutional debt limit equal to 8% of the assessed valuation of property subject to levy by the District, applicable to debt issued subsequent to November 30, 1982. At June 30, 2020, the District is within its debt limit.

On September 27, 2012, the District issued \$21,720,000 in General Obligation Bonds with an interest rate ranging from 2.00% to 5.00% payable on March 1, 2021. Bond proceeds were used to fund capital projects of the District.

On March 9, 2017, the District issued \$125,000,000 in General Obligation Bonds with an interest rate ranging from 3.25%-5.00% payable on March 1, 2036. This issuance is part of the March 22, 2016 bond referendum approved by Lancaster County voters authorizing the Board to issue general obligation bonds in a principal amount not to exceed \$199,000,000. The bond proceeds will be used to fund renovations and/or additions at schools and support facilities.

As part of the same referendum mentioned above, on April 17, 2019, the District issued \$74,000,000 in General Obligation Bonds with an interest rate ranging from 3.00%-4.00% payable on March 1, 2036. As with the other referendum bonds, the proceeds will be used to fund renovations and/or additions at schools and support facilities.

The LEAP Series 2004 Bonds that were refunded in 2013 were originally issued to finance the cost of acquiring, constructing, renovating and installing educational facilities (the "Capital Projects") sold by LEAP to the District pursuant to a school Facilities Purchase and Occupancy Agreement, dated November 1, 2004. This agreement between the District and LEAP is still in effect at June 30, 2020. The LEAP bonds are not a debt of the District; however, as LEAP is blended with the operations of the District, the debt of LEAP is included with the District's other obligations as required by GAAP.

The following is a summary of changes in the District's long-term obligations for the year ended June 30, 2020:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
District:					
General Obligation Bonds:					
September 27, 2012 - Series 2012	\$ 2,340,000	\$ -	\$ 1,540,000	\$ 800,000	\$ 800,000
March 9, 2017 - Series 2017	121,555,000	-	955,000	120,600,000	1,225,000
April 17, 2019 - Series 2019	74,000,000	-	100,000	73,900,000	100,000
Total Bonds Payable	197,895,000	-	2,595,000	195,300,000	2,125,000
Plus Deferred Amounts:					
For Premiums	18,338,573	-	1,231,959	17,106,614	1,231,959
Total District Bond Related Payable	216,233,573	-	3,826,959	212,406,614	3,356,959
LEAP:					
Installment Purchase Revenue Bonds:					
May 17, 2013 - Series 2013A (Taxable)	11,295,000	-	5,215,000	6,080,000	6,080,000
May 17, 2013 - Series 2013B	36,545,000	-	-	36,545,000	-
Total Bonds Payable	47,840,000	-	5,215,000	42,625,000	6,080,000
Plus Deferred Amounts:					
For Premiums	3,836,012	-	432,010	3,404,002	432,010
Total LEAP Bond Related Payable	51,676,012	-	5,647,010	46,029,002	6,512,010
Total Bond Related Payable - Governmental Activities	\$ 267,909,585	\$ -	\$ 9,473,969	\$ 258,435,616	\$ 9,868,969
Compensated Absences	1,305,028	555,027	441,375	1,418,680	482,351
Total Long-Term Liabilities - Governmental Activities	\$ 269,214,613	\$ 555,027	\$ 9,915,344	\$ 259,854,296	\$ 10,351,320

## 8. LONG-TERM OBLIGATIONS (CONTINUED)

General Fund resources typically have been used in prior years to liquidate compensated absences payable and the debt service funds have been used to liquidate all other debt related long-term obligations.

Interest paid on the debt issued by the District is normally exempt from federal income tax. The District sometimes temporarily reinvests the proceeds of such tax-exempt debt in materially higher-yielding taxable securities, primarily during construction projects. The federal tax code refers to this practice as arbitrage. Excess earnings resulting from arbitrage must be rebated to the federal government on the fifth anniversary of the issuance of the tax-exempt debt and every five years thereafter until the debt has been repaid, in accordance with the arbitrage regulations. The District has no arbitrage liability outstanding at June 30, 2020.

The annual requirements for debt service on bonds outstanding at June 30, 2020, are summarized as follows:

Year Ended June 30,	Principal	Interest	Total
2021	\$ 8,205,000	\$ 9,895,919	\$ 18,100,919
2022	9,745,000	9,599,294	19,344,294
2023	10,035,000	9,105,169	19,140,169
2024	12,255,000	8,596,044	20,851,044
2025	13,105,000	7,975,544	21,080,544
2026-2030	76,925,000	30,329,147	107,254,147
2031-2035	88,655,000	13,680,150	102,335,150
2036-2040	19,000,000	695,550	19,695,550
	<u>\$ 237,925,000</u>	<u>\$ 89,876,817</u>	<u>\$ 327,801,817</u>

## 9. RETIREMENT PLAN

### *Description of the Entity*

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

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

## 9. RETIREMENT PLAN (CONTINUED)

### *Description of the Entity (Continued)*

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

### *Plan Descriptions*

The South Carolina Retirement System (SCRS), a cost-sharing multiple-employer defined benefit pension plan, was established July 1, 1945, pursuant to the provisions of Section 9-1-20 of the South Carolina Code of Laws for the purpose of providing retirement and other benefits for teachers and employees of the state and its political subdivisions. SCRS covers employees of state agencies, public school districts, higher education institutions, other participating local subdivisions of government and individuals newly elected to the South Carolina General Assembly at or after the 2012 general election.

The State Optional Retirement Program (State ORP) is a defined contribution plan that is offered as an alternative to SCRS to certain newly hired employees of state agencies, institutions of higher education, public school districts and individuals first elected to the S.C. General Assembly at or after the general election in November 2012. State ORP participants direct the investment of their funds into an account administered by one of four third party service providers. PEBA assumes no liability for State ORP benefits. Rather, the benefits are the liability of the four third party service providers. For this reason, State ORP assets are not part of the retirement systems' trust funds for financial statement purposes.

The South Carolina Police Officers Retirement System (PORS), a cost-sharing multiple-employer defined benefit pension plan, was established July 1, 1962, pursuant to the provisions of Section 9-11-20 of the South Carolina Code of Laws for the purpose of providing retirement and other benefits to police officers and firefighters. PORS also covers peace officers, coroners, probate judges and magistrates.

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

### *Membership*

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

#### **SCRS**

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

#### **State ORP**

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

## 9. RETIREMENT PLAN (CONTINUED)

### *Membership (Continued)*

#### *PORS*

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

#### *Benefits*

Benefit terms are prescribed in Title 9 of the South Carolina Code of Laws. PEBA does not have the authority to establish or amend benefit terms without a legislative change in the code of laws. Key elements of the benefit calculation include the benefit multiplier, years of service, and average final compensation/current annual salary. A brief summary of the benefit terms for each system is presented below.

#### *SCRS*

A Class Two member who has separated from service with at least five or more years of earned service is eligible for a monthly pension at age 65 or with 28 years credited service regardless of age. A member may elect early retirement with reduced pension benefits payable at age 55 with 25 years of service credit. A Class Three member who has separated from service with at least eight or more years of earned service is eligible for a monthly pension upon satisfying the Rule of 90 requirement that the total of the member's age and the member's creditable service equals at least 90 years. Both Class Two and Class Three members are eligible to receive a reduced deferred annuity at age 60 if they satisfy the five- or eight-year earned service requirement, respectively. An incidental death benefit is also available to beneficiaries of active and retired members of employers who participate in the death benefit program.

The annual retirement allowance of eligible retirees or their surviving annuitants is increased by the lesser of one percent or five hundred dollars every July 1. Only those annuitants in receipt of a benefit on July 1 of the preceding year are eligible to receive the increase. Members who retire under the early retirement provisions at age 55 with 25 years of service are not eligible for the benefit adjustment until the second July 1 after reaching age 60 or the second July 1 after the date they would have had 28 years of service credit had they not retired.

#### *PORS*

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

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

## 9. RETIREMENT PLAN (CONTINUED)

### *Contributions*

Actuarial valuations are performed annually by an external consulting actuary to ensure applicable contribution rates satisfy the funding parameters specified in Title 9 of the South Carolina Code of Laws. Under these provisions, SCRS and PORS contribution requirements must be sufficient to maintain an amortization period for the financing of the unfunded actuarial accrued liability (UAAL) over a period that does not exceed the number of years scheduled in state statute. Legislation in 2017 increased, but also established a ceiling for SCRS and PORS employee contribution rates. Effective July 1, 2017, employee rates were increased to a capped rate of 9.00 percent for SCRS and 9.75 percent for PORS. The legislation also increased employer contribution rates beginning July 1, 2017 for both SCRS and PORS by two percentage points and further scheduled employer contribution rates to increase by a minimum of one percentage point each year through July 1, 2022. If the scheduled contributions are not sufficient to meet the funding periods set in state statute, the board shall increase the employer contribution rates as necessary to meet the funding periods set for the applicable year. The maximum funding period of SCRS and PORS is scheduled to be reduced over a ten-year schedule from 30 years beginning fiscal year 2018 to 20 years by fiscal year 2028.

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

Required employee contribution rates are as follows:

SCRS	
Employee Class Two	9.00% of earnable compensation
Employee Class Three	9.00% of earnable compensation
State ORP Employee	9.00% of earnable compensation
PORS	
Employee Class Two	9.75% of earnable compensation
Employee Class Three	9.75% of earnable compensation

Required employer contribution rates are as follows:

SCRS	
Employer Class Two	15.41% of earnable compensation
Employer Class Three	15.41% of earnable compensation
Employer Incidental Death Benefit	0.15% of earnable compensation
State ORP	
Employer Contribution	15.41% of earnable compensation
Employer Incidental Death Benefit	0.15% of earnable compensation
PORS	
Employer Class Two	17.84% of earnable compensation
Employer Class Three	17.84% of earnable compensation
Employer Incidental Death Benefit	0.20% of earnable compensation
Employer Accidental Death Program	0.20% of earnable compensation

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

## 9. RETIREMENT PLAN (CONTINUED)

### *Actuarial Assumptions and Methods*

Actuarial valuations of the plan involve estimates of the reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and future salary increases. Amounts determined regarding the net pension liability are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. South Carolina state statute requires that an actuarial experience study be completed at least once in each five-year period. An experience report on the Systems was most recently issued for the period ending June 30, 2015.

The June 30, 2019, total pension liability (TPL), net pension liability (NPL), and sensitivity information shown in this report were determined by our consulting actuary, Gabriel, Roeder, Smith and Company (GRS) and are based on an actuarial valuation performed as of July 1, 2018. The total pension liability was rolled-forward from the valuation date to the plans' fiscal year end, June 30, 2019, using generally accepted actuarial principles.

The following table provides a summary of the actuarial assumptions and methods used to calculate the TPL as of June 30, 2019.

	SCRS	PORS
Actuarial Cost Method	Entry Age	Entry Age
Actuarial Assumptions:		
Investment Rate of Return	7.25%	7.25%
Projected Salary Increases	3.0% - 12.5%	3.5% - 9.5%
Includes Inflation at	2.25%	2.25%
Benefits Adjustments	lesser of 1% or \$500 annually	lesser of 1% or \$500 annually

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

Assumptions used in the determination of the June 30, 2019, TPL are as follows.

Former Job Class	Males	Females
Educators	2016 PRSC Males multiplies by 92%	2016 PRSC Females multiplies by 98%
General Employees and Members of the General Assembly	2016 PRSC Males multiplies by 100%	2016 PRSC Females multiplies by 111%
Public Safety and Firefighters	2016 PRSC Males multiplies by 125%	2016 PRSC Females multiplies by 111%

## 9. RETIREMENT PLAN (CONTINUED)

### *Net Pension Liability*

The NPL is calculated separately for each system and represents that particular system's TPL determined in accordance with GASB No. 67 less that System's fiduciary net position. NPL totals, as of June 30, 2019, for SCRS and PORS are presented below.

System	Total Pension Liability	Plan Fiduciary Net Position	Employers' Net Pension Liability (Asset)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
SCRS	\$ 50,073,060,256	\$ 27,238,916,138	\$ 22,834,144,118	54.4%
PORS	7,681,749,768	4,815,808,554	2,865,941,214	62.7%

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

### *Long-term Expected Rate of Return*

The long-term expected rate of return on pension plan investments is based upon 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 2019 fiscal year. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and adding expected inflation and is summarized in the table on the following page. For actuarial purposes, the 7.25 percent assumed annual investment rate of return used in the calculation of the TPL includes a 5.00 percent real rate of return and a 2.25 percent inflation component.

## 9. RETIREMENT PLAN (CONTINUED)

### *Long-term Expected Rate of Return (Continued)*

Asset Class	Target Asset Allocation	Expected Arithmetic Real Rate of Return	Long Term Expected Portfolio Real Rate of Return
Global Equity	<b>51.0%</b>		
Global Public Entity	35.0%	7.29%	2.55%
Private Equity	9.0%	7.67%	0.69%
Equity Options Strategies	7.0%	5.23%	0.37%
Real Assets	<b>12.0%</b>		
Real Estate (Private)	8.0%	5.59%	0.45%
Real Estate (REITs)	1.0%	8.16%	0.08%
Infrastructure (Private)	2.0%	5.03%	0.10%
Infrastructure (Public)	1.0%	6.12%	0.06%
Opportunistic	<b>8.0%</b>		
GTAA/Risk Parity	7.0%	3.09%	0.22%
Other Opportunistic Strategies	1.0%	3.82%	0.04%
Credit	<b>15.0%</b>		
High Yields Bonds/ Bank Loans	4.0%	3.14%	0.13%
Emerging Markets Debt	4.0%	3.31%	0.13%
Private Debt	7.0%	5.49%	0.38%
Rate Sensitive	<b>14.0%</b>		
Core Fixed Income	13.0%	1.62%	0.21%
Cash and Short Duration (Net)	1.0%	0.31%	0.00%
Total Expected Real Return	<u>100.0%</u>		<u>5.41%</u>
Inflation for Actuarial Purposes			<u>2.25%</u>
Total Expected Nominal Return			<u>7.66%</u>

### *Discount Rate*

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



## 9. RETIREMENT PLAN (CONTINUED)

### *Sensitivity Analysis*

The following table presents the collective NPL of the participating employers calculated using the discount rate of 7.25 percent, as well as what the employers' NPL would be if it were calculated using a discount rate that is 1.00 percent lower (6.25 percent) or 1.00 percent higher (8.25 percent) than the current rate.

#### Sensitivity of the Net Pension Liability to Changes in the Discount Rate

System	1.00% Decrease (6.25%)	Current Discount Rate (7.25%)	1.00% Decrease (8.25%)
SCRS	\$ 203,902,036	\$ 161,853,942	\$ 126,762,282
PORS	205,543	151,660	107,527

### *Pension Expense*

Components of collective pension expense reported in the Schedules of Pension Amounts by Employer for the fiscal year ended June 30, 2019, are presented below.

Description	SCRS	PORS
Service Cost	\$ 6,860,684	\$ 10,022
Interest on the Total Pension Liability	24,547,097	27,979
Plan Administrative Costs	110,126	137
Plan Member Contributions	(6,242,361)	(7,660)
Expected Return on Plan Assets	(13,401,016)	(17,499)
Recognition of Current Year Amortization - Difference Between Expected and Actual Experience & Assumption Changes	2,724,822	5,026
Recognition of Current Year Amortization - Difference Between Projected and Actual Investment Earnings	3,862,957	4,587
Other	<u>8,815</u>	<u>(61)</u>
Total Aggregate Pension Expense	<u>\$ 18,471,124</u>	<u>\$ 22,531</u>

Additional items included in Total Employer Pension Expense in the Schedules of Pension Amounts by Employer are the current period amortized portions of deferred outflows and/or inflows of resources related to changes in employers' proportionate share of the collective NPL and differences between actual employer contributions and proportionate share of total plan employer contributions. These two deferrals are specific to cost-sharing multiple-employer defined benefit pension plans as discussed in paragraphs 54 and 55 of GASB 68.

## 9. RETIREMENT PLAN (CONTINUED)

### *Deferred Outflows of Resources and Deferred Inflows of Resources*

At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to the pension from the following sources:

	SCRS		PORS		Total Net Deferred Outflows/ (Inflows) of Resources
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	
Difference Between Expected and Actual Experience	\$ 111,259	\$ 1,162,730	\$ 3,118	\$ 1,121	\$ (1,049,474)
Net Difference Between Projected and Actual Investment Earnings	1,432,948	-	1,923	-	1,434,871
Assumption Changes	3,261,591	-	6,014	-	3,267,605
Deferred Amounts from Changes in Proportionate Share and Differences Between Employer Contributions and Proportionate Share of Employer Contributions	7,220,563	-	21,438	13,890	7,228,111
	<u>\$ 12,026,361</u>	<u>\$ 1,162,730</u>	<u>\$ 32,493</u>	<u>\$ 15,011</u>	<u>\$ 10,881,113</u>

Deferred outflows of resources of \$12,372,524 related to pensions 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, 2020. 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,	SCRS	PORS	Aggregate Totals
2021	\$ (7,418,858)	\$ (5,365)	\$ (7,424,223)
2022	(968,295)	(3,657)	(971,952)
2023	(1,881,767)	(6,389)	(1,888,156)
2024	<u>(594,711)</u>	<u>(2,071)</u>	<u>(596,782)</u>
	<u>\$ (10,863,631)</u>	<u>\$ (17,482)</u>	<u>\$ (10,881,113)</u>

As discussed in paragraph 71b of GASB 68, collective deferred outflows of resources and deferred inflows of resources arising from differences between projected and actual pension plan investment earnings in different measurement periods should be aggregated and included as a net collective deferred outflow of resources related to pensions or a net collective deferred inflow of resources related to pensions. Accordingly, the Outstanding Balance of Deferred Outflows of Resources in the Schedules of Pension Amounts by Employer reflects the current net difference between projected and actual pension plan investment earnings.

Additional items reported within the Outstanding Balance of Deferred Outflows and Inflows of Resources in the Schedules of Pension Amounts by Employer result from the two cost-sharing multiple-employer defined benefit pension plan-specific deferrals previously discussed.

### *Employer Contributions*

Employers' proportionate shares were calculated on the basis of employer and nonemployer contributions remitted to the plan. In an effort to help offset a portion of the increased contribution requirements for employers, the General Assembly again provided nonemployer contributions to PEBA. Based on the criteria provided in the South Carolina 2018-2019 Appropriations Act, Section 117.139, PEBA issued credit invoices to certain SCRS and PORS employers for fiscal year 2019 who then applied the credit invoices towards contributions otherwise due to the Systems. The amount of credit invoices issued in fiscal year 2019 totaled \$88.7 million and \$12.5 million for SCRS and PORS respectively.

## 9. RETIREMENT PLAN (CONTINUED)

### *Employer Contributions (Continued)*

Employer contributions recognized by the Systems that are not representative of future contribution effort are excluded in the determination of employers' proportionate shares. Examples of employer contributions not representative of future contribution effort are contributions towards the purchase of employee service purchases and employer contributions paid by employees.

The District's contributions to the SCRS and PORS for the last three fiscal years were as follows:

	2020	2019	2018
SCRS			
Employee Contributions	\$ 6,655,411	\$ 6,302,486	\$ 5,927,524
Employer Contributions	12,230,857	10,782,981	9,393,112
Employer Group Life Contributions	<u>122,960</u>	<u>116,072</u>	<u>108,658</u>
Total	<u>\$ 19,009,228</u>	<u>\$ 17,201,539</u>	<u>\$ 15,429,294</u>
PORS			
Employee Contributions	\$ 9,856	\$ 7,084	\$ 5,626
Employer Contributions	18,033	12,236	9,139
Employer Group Life Contributions	<u>404</u>	<u>291</u>	<u>231</u>
Total	<u>\$ 28,293</u>	<u>\$ 19,611</u>	<u>\$ 14,996</u>

Note that the amounts listed above exclude non-employer contributions.

### *Additional Financial and Actuarial Information*

Information contained in these Notes to the Schedules of Employer and Nonemployer Allocations and Schedules of Pension Amounts by Employer (Schedules) was compiled from the Systems' audited financial statements for the fiscal year ended June 30, 2019, and the accounting valuation report as of June 30, 2019. Additional financial information supporting the preparation of the Schedules (including the unmodified audit opinion on the financial statements and required supplementary information) is available in the Systems' CAFR.

## 10. OTHER POST EMPLOYMENT BENEFITS

### *Description of the Entity and Summary of Significant Accounting Policies*

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

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

## 10. OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

### *Description of the Entity and Summary of Significant Accounting Policies (Continued)*

#### *Plan Descriptions*

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

In accordance with Act 195, the OPEB Trusts are administered by the PEBA – Insurance Benefits and the State Treasurer is the custodian of the funds held in trust. The Board of Directors of PEBA has been designated as the Trustee.

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

#### *Benefits*

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

The SCLTDITF is a long-term disability plan that covers employees of the State of South Carolina, including all agencies and public school districts and all participating local governmental entities. The SCLTDITF provides disability payments to eligible employees that have been approved for disability.

#### *Contributions and Funding Policies*

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

The SCRHITF is funded through participating employers that are mandated by State statute to contribute at a rate assessed each year by the Department of Administration Executive Budget Office on active employee covered payroll. The covered payroll surcharge for the year ended June 30, 2019 was 6.05 percent. The South Carolina Retirement System collects the monthly covered payroll surcharge for all participating employers and remits it directly to the SCRHITF. Other sources of funding for the SCRHITF also include the implicit subsidy, or age-related subsidy inherent in the healthcare premiums structure. The implicit subsidy represents a portion of the health care expenditures paid on behalf of the employer's active employees. For purposes of GASB Statement No. 75, this expenditure on behalf of the active employee is reclassified as a retiree health care expenditure so that the employer's contributions towards the plan reflect the underlying age-adjusted, retiree benefit costs. Non-employer contributions include the mandatory transfer of accumulated PEBA – Insurance Benefits' reserves and the annual appropriation budgeted by the General Assembly. It is also funded through investment income.

The SCLTDITF is funded through employer contributions for active employees that elect health insurance coverage. For this group of active employees, PEBA – Insurance Benefits bills and collects premiums charged to State agencies, public school districts and other participating local governments. The monthly premium per active employee was \$3.22 for the fiscal year ended June 30, 2019. The SCLTDITF premium is billed monthly by PEBA – Insurance Benefits and transferred monthly to the SCLTDITF. It is also funded through investment income.

## 10. OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

### *Contributions and Funding Policies (Continued)*

The allocation percentage of the OPEB amounts are calculated differently for each OPEB Trust. For the SCRHITF, the allocation percentage is based on the covered payroll surcharge contribution for each employer. Please note that actual covered payroll contributions received from SCRS for the fiscal year 2019 totaled \$529,122,849. However, the covered payroll contributions total includes prior year covered payroll contribution adjustments and true-ups that net to a total of \$190,548.

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

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

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

### *Actuarial Assumptions and Methods*

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

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

## 10. OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

### *Actuarial Assumptions and Methods (Continued)*

Additional information as of the latest actuarial valuation for SCRHITF:

Valuation Date:	June 30, 2018
Actuarial Cost Method:	Entry Age Normal
Inflation:	2.25%
Investment Rate of Return:	2.75%, net of OPEB Plan investment expense; including inflation
Single Discount Rate:	3.13% as of June 30, 2019
Demographic Assumptions:	Based on the experience study performed for the South Carolina Retirement Systems for the 5-year period ending June 30, 2015
Mortality:	For healthy retirees, the 2016 Public Retirees of South Carolina Mortality Table for Males and the 2016 Public Retirees of South Carolina Mortality Table for Females are used with fully generational mortality projections based on Scale AA from the year 2016. Multipliers are applied to the base tables based on gender and employment type.
Health Care Trend Rate:	Initial trend starting at 6.40% and gradually decreasing to an ultimate trend rate of 4.15% over a period of 14 years
Retiree Participation:	79% for retirees who are eligible for funded premiums 59% participation for retirees who are eligible for Partial-Funded Premiums
Notes:	20% participation for retirees who are eligible for Non-Funded Premiums There were no benefit changes during the year; the discount rate changed from 3.62% as of June 30, 2018 to 3.13% as of June 30, 2019; minor updates were made to the healthcare trend rate assumption.

Additional information as of the latest actuarial valuation for SCLTDITF:

Valuation Date:	June 30, 2018
Actuarial Cost Method:	Entry Age Normal
Inflation:	2.25%
Investment Rate of Return:	3.00%, net of OPEB Plan investment expense; including inflation
Single Discount Rate:	3.04% as of June 30, 2019
Salary, Termination, and Retirement Rates:	Based on the experience study performed for the South Carolina Retirement Systems for the 5-year period ending June 30, 2015
Disability Incidence:	The rates used in the valuation are based on the rates developed for the South Carolina Retirement Systems pension plans
Disability Recovery:	For participants in payment, 1987 CGDT Group Disability; for active employees, 60% were assumed to recover after the first year and 92% were assumed to recover after the first two years
Offsets:	40% are assumed to be eligible for Social Security benefits; assumed percentage who will be eligible for a pension plan offset varies based on employee group
Expenses:	Third party administrative expenses were included in the benefit projections
Notes:	The discount rate changed from 3.91% as of June 30, 2018 to 3.04% as of June 30, 2019.

## 10. OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

### *Roll Forward Disclosure*

The actuarial valuation were performed as of June 30, 2018. Update procedures were used to roll forward the total OPEB liability to June 30, 2019.

### *Net OPEB Liability*

The Net OPEB Liability (NOL) is calculated separately for each OPEB Trust Fund and represents that particular Trust's Total OPEB Liability (TOL) determined in accordance with GASB No. 74 less that Trust's fiduciary net position. The allocation of each employer's proportionate share of the collective Net OPEB Liability and collective OPEB Expense was determined using the employer's payroll-related contributions over the measurement period. This method is expected to be reflective of the employer's long-term contribution effort as well as be transparent to individual employers and their external auditors.

The following table represents the components of the net OPEB liability as of June 30, 2019:

OPEB Trust	Total OPEB Liability	Plan Fiduciary Net Position	Employers' Net OPEB Liability (Asset)	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
SCRHITF	\$ 16,516,264,617	\$ 1,394,740,049	\$ 15,121,524,568	8.44%
SCLTDITF	40,743,755	38,775,500	1,968,255	95.17%

The TOL is calculated by the Trusts' actuary, and each Trust's fiduciary net position is reported in the Trust's financial statements. The NOL is disclosed in accordance with the requirements of GASB No. 74 in the Trusts' notes to the financial statements and required supplementary information. Liability calculations performed by the Trusts' actuary for the purpose of satisfying the requirements of GASB Nos. 74 and 75 and are not applicable for other purposes, such as determining the Trusts' funding requirements.

### *Single Discount Rate*

The Single Discount Rate of 3.13% was used to measure the total OPEB liability for the SCRHITF. The accounting policy for this plan is to set the Single Discount Rate equal to the prevailing municipal bond rate. Due to the plan's investment and funding policies, the difference between a blended discount rate and the municipal bond rate would be less than several basis points (several hundredths of one percent).

A Single Discount Rate of 3.04% was used to measure the total OPEB liability for the SCLTDITF. This Single Discount Rate was based on an expected rate of return on plan investments of 3.00% and a municipal bond rate of 3.13%. The projection of cash flows to determine this Single Discount Rate assumed that employer contributions will remain at \$38.64 per year for each covered active employee. Based on these assumptions, the plan's Fiduciary Net Position and future contributions were sufficient to finance the benefit payments through the year 2039. As a result, the long-term expected rate of return on plan investments was applied to project benefit payments through the year 2039, and the municipal bond rate was applied to all benefit payments after that date.

## 10. OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

### *Long-term Expected Rate of Return*

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

SCRHITF			
Asset Class	Target Asset Allocation	Expected Arithmetic Real Rate of Return	Allocation-Weighted Long-Term Expected Real Rate of Return
U.S. Domestic Fixed Income	80.00%	0.60%	0.48%
Cash Equivalents	20.00%	0.10%	0.02%
Total	100.00%		0.50%
Expected Inflation			2.25%
Total Return			2.75%
Investment Return Assumption			2.75%
SCLTDITF			
Asset Class	Target Asset Allocation	Expected Arithmetic Real Rate of Return	Allocation-Weighted Long-Term Expected Real Rate of Return
U.S. Domestic Fixed Income	80.00%	0.95%	0.76%
Cash Equivalents	20.00%	0.51%	0.10%
Total	100.00%		0.86%
Expected Inflation			2.25%
Total Return			3.11%
Investment Return Assumption			3.00%



## 10. OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

### *Sensitivity Analysis*

The following table presents the SCRHITF's net OPEB liability calculated using a Single Discount Rate of 3.13%, as well as what the plan's net OPEB liability would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

	1.00% Decrease (2.13%)	Current Discount Rate (3.13%)	1.00% Decrease (4.13%)
SCRHITF Net OPEB Liability	\$ 158,758,192	\$ 133,918,036	\$ 113,982,780

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

	1.00% Decrease	Current Healthcare Cost Trend Rate	1.00% Decrease
SCRHITF Net OPEB Liability	\$ 109,291,424	\$ 133,918,036	\$ 165,989,160

The following table presents the SCLTDITF's net OPEB liability calculated using a Single Discount Rate of 3.04%, as well as what the plan's net OPEB liability would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

	1.00% Decrease (2.04%)	Current Discount Rate (3.04%)	1.00% Decrease (4.04%)
SCLTDITF Net OPEB Liability	\$ 25,981	\$ 15,104	\$ 4,315

The SCLTDITF's net OPEB liability is not affected by changes in the healthcare cost trend rates due to the method used to calculate benefit payments. Therefore, the sensitivity to changes in the healthcare cost trend rates have not been calculated.

## 10. OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

### *OPEB Expense*

Components of collective OPEB expense reported in the Schedule of OPEB Amounts by Employer for the fiscal year ended June 30, 2019 are presented below.

Description	SCRHITF	SCLTDITF
Service Cost	\$ 4,524,951	\$ 60,939
Interest on the Total OPEB Liability	4,929,107	11,788
Projected Earnings on Plan Investments	(448,755)	(11,051)
OPEB Plan Administrative Expense	7,839	312
Recognition of Outflow (Inflow) of Resources due to Liabilities	(890,640)	(415)
Recognition of Outflow (Inflow) of Resources due to Assets	<u>85,341</u>	<u>1,478</u>
Total Aggregate OPEB Expense	<u>\$ 8,207,843</u>	<u>\$ 63,051</u>

Additional items included in Total Employer OPEB Expense are the current period amortized portions of deferred outflows and/or inflows of resources related to changes in employers' proportionate share of the collective NOL and differences between actual employer contributions and proportionate share of total plan employer contributions.

### *Deferred Outflows and Inflows of Resources*

As discussed in paragraph 86 of GASB Statement No. 75, differences between expected and actual experience and changes in assumptions are recognized in OPEB expense using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided OPEB through the OPEB plan (active and inactive members) determined as of the beginning of the measurement period.

Additionally, differences between projected and actual earnings on OPEB plan investments should be recognized in OPEB expense using a systematic and rational method over a closed fiveyear period. For this purpose, the deferred outflows and inflows of resources are recognized in the OPEB expense as a level dollar amount over the closed period identified above.

At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources.

	SCRHITF		SCLTDITF		Total Net Deferred Outflows/ (Inflows) of Resources
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	
Net Difference Between Expected and Actual Experience	\$ 1,576,915	\$ 4,353,057	\$ -	\$ -	\$ (2,776,142)
Net Difference Between Projected and Actual Investment Experience	156,651	-	405	10,511	146,545
Assumption Changes	8,861,468	8,292,933	8,496	1,346	575,685
Deferred Amounts from Changes in Proportionate Share and Differences Between Employer Contributions and Proportionate Share of Employer Contributions	<u>7,049,719</u>	<u>1,089</u>	<u>-</u>	<u>2,058</u>	<u>7,046,572</u>
	<u>\$ 17,644,753</u>	<u>\$ 12,647,079</u>	<u>\$ 8,901</u>	<u>\$ 13,915</u>	<u>\$ 4,992,660</u>

## 10. OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

### *Deferred Outflows and Inflows of Resources (Continued)*

Deferred outflows of resources of \$5,187,897 related to OPEB resulted from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2021. Any other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in pension expense as follows.

Year Ended June 30,	SCRHITF	SCLTDITF	Aggregate Totals
2021	\$ (379,762)	\$ (822)	\$ (380,584)
2022	(379,762)	(822)	(380,584)
2023	(328,233)	854	(327,379)
2024	(246,579)	3,008	(243,571)
2025	(1,663,263)	656	(1,662,607)
Thereafter	<u>(2,000,075)</u>	<u>2,140</u>	<u>(1,997,935)</u>
	<u>\$ (4,997,674)</u>	<u>\$ 5,014</u>	<u>\$ (4,992,660)</u>

### *Additional Financial and Actuarial Information*

Information contained in these Notes to the Schedules of OPEB Amounts by Employer (the Schedules) were compiled from the OPEB Trust Funds audited financial statements for the fiscal year ended June 30, 2019, and the accounting and financial reporting actuarial valuations as of June 30, 2019. Additional financial information supporting the preparation of the Schedules (including the unmodified audit opinion on the financial statements and required supplementary information) is available in the OPEB Trust Funds audited financial statements. Employers are encouraged to review Illustration II in Appendix C of GASB Statement No. 75, which provides a sample footnote disclosure and required supplementary information for a cost-sharing multipleemployer defined benefit OPEB plan.

## 11. INTERFUND TRANSFERS, RECEIVABLES, AND PAYABLES

During the course of normal operations, the District has numerous transactions between funds to provide services, construct assets, service debts, etc. These transactions are generally reflected as transfers. Total transfers during the year ended June 30, 2020, consisted of the following individual fund amounts:

Transfer From	Transfer To					Total
	General	Special Projects	Debt Service LEAP	Capital Projects	Pupil Activity	
General Fund	\$ -	\$ -	\$ -	\$ -	\$ 166,458	\$ 166,458
Special Projects	290,833	177,382	-	-	-	468,215
Special Revenue - EIA	3,707,648	-	-	-	-	3,707,648
Debt Service	-	-	6,208,242	10,394,758	-	16,603,000
Capital Projects	-	-	934,943	-	-	934,943
Food Service	284,728	-	-	-	-	284,728
Pupil Activity	-	-	-	-	716,206	716,206
Totals	<u>\$ 4,283,209</u>	<u>\$ 177,382</u>	<u>\$ 7,143,185</u>	<u>\$ 10,394,758</u>	<u>\$ 882,664</u>	<u>\$ 22,881,198</u>

## 11. INTERFUND TRANSFERS, RECEIVABLES, AND PAYABLES (CONTINUED)

As of June 30, 2020, amounts due from (to) other funds related to the District's pooled cash are as follows:

	Interfund Receivables	Interfund Payables
General Fund	\$ 2,768,313	\$ -
Special Revenue Fund - Special Projects	-	1,234,047
EIA Fund	992,585	-
Capital Projects Fund	-	1,314,848
Food Service Fund	-	1,212,003
	<hr/>	<hr/>
Total for Primary Government	<u>\$ 3,760,898</u>	<u>\$ 3,760,898</u>

## 12. RECEIVABLES/ALLOWANCE FOR DOUBTFUL ACCOUNTS

The amount presented in the statement of net position for property taxes is net of the following allowance for doubtful accounts:

Delinquent Taxes Receivable	\$ 4,732,107
Less: Allowance for Uncollectible	<u>(1,656,237)</u>
Taxes Receivable	<u>\$ 3,075,870</u>

## 13. COMMITMENTS AND CONTINGENCIES

The District participates in several state and federally assisted programs which are subject to program compliance audits by the State or Federal Government and their representatives. The amount of program expenditures which may be disallowed by the granting agencies cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

In the ordinary course of business, the District may become party to lawsuits. In order to protect the District against potential losses that may arise in connection with a lawsuit, management has procured various insurance policies and coverages. The District has not incurred any significant claims or uninsured losses in the three years ending June 30, 2020.

## 14. CONCENTRATIONS OF CREDIT RISK AND OTHER CONCENTRATIONS

Financial instruments which potentially subject the District to concentrations of credit risk consist principally of cash and cash equivalents and accounts receivable.

The District's cash and cash equivalents are placed with various financial institutions and the State of South Carolina. The deposits with financial institutions are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per insured financial institution (See Note 3). Consistent with the District's mission to provide accessible educational services, credit is granted in the normal course of business. Collections of these receivable amounts are directly affected by certain economic conditions.

The District provides educational and instructional services to the residents of Lancaster County. In fulfilling its mission, the District relies significantly on Federal and State grants as well as local tax revenues. Any material reductions in these revenue sources could adversely impact the District's future financial condition.

## **15. LEGAL COMPLIANCE**

All schedules and exhibits are presented in the level of detail as required by the South Carolina State Department of Education.

## **16. FUNDING FLEXIBILITY**

The State of South Carolina passed a Joint Resolution to provide funding flexibility for the fiscal year ended June 30, 2020. Under the resolution, school districts may transfer revenue between programs to any instructional program with the same funding source and may make expenditures for instructional programs and essential operating costs from any state source without regard to fund type except school building bond funds. Certain funds and other exceptions apply. The District did not utilize this flexibility for the current fiscal year as allowed under the Joint Resolution. As a result, there was no impact of applying funding flexibility to the District's General Fund.

## **17. TAX ABATEMENTS**

The District's property tax revenues were reduced by \$13,646,487 for the fiscal year ended June 30, 2020 under agreements entered into by Lancaster County. These agreements are considered fee-in-lieu of tax and special source revenue credit programs related to economic development programs.

## **18. COVID-19 IMPACT AND CONSIDERATIONS**

In March 2020 the World Health Organization declared the outbreak of the novel coronavirus COVID-19, a global pandemic. This was followed by the President of the United States declaring the outbreak a national emergency on March 13, 2020. The nature of the pandemic resulted in a mandatory school property closure affecting Lancaster County School District from March 2020 and continuing into the Fall of 2020-21 school year.

Since the state of emergency has been declared, the State of South Carolina has issued several executive orders regarding the pandemic. In addition to these state actions, the District's economically sensitive revenues (i.e. sales tax distributions, interest earnings, and charges for services) are being negatively impacted. Meanwhile, the District's expenditures on health and safety measures (personal protective equipment, sanitizing supplies, custodial overtime, technology acquisitions to support remote work and remote learning, additional bus runs to lower capacity) will increase significantly.

The outbreak of COVID-19 and the dramatic steps taken by the Federal government and the State of South Carolina to address it, will continue to negatively affect the State of South Carolina and its local economies. The degree of the impact on the District's future operations and finances as a result of the coronavirus is extremely difficult to predict due to uncertainties relating to the duration and severity, as well as with regard to what actions may be taken by governmental and other health care authorities, including the State of South Carolina to mitigate its effects. The spread of the outbreak or reemergence later in the year could have a material adverse financial effect on the State of South Carolina and local municipalities, including Lancaster County School District. The District is continuously monitoring the situation and will take such proactive measures as may be required to maintain operations and meet its obligations.

Given this level of uncertainty, management cannot reasonably estimate the actual impact on the District's future financial position at this time.

## **19. SUBSEQUENT EVENTS**

The District issued a Bond Anticipation Note on October 15, 2020 of \$17,926,000. The note is due to be paid in full on March 1, 2020 at an interest rate of 0.75%. This issuance was to fund the District's annual capital needs and to make the installment loan debt payments during the year.

As previously disclosed in Note 18 above, the outbreak of COVID-19 continues to have an economic impact on the District. An estimate of any financial effects to the District cannot be determined at this time.

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

## **REQUIRED SUPPLEMENTARY INFORMATION**

**LANCASTER COUNTY SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2020**

	General Fund			
	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Local	\$ 37,036,107	\$ 36,661,107	\$ 35,878,233	\$ (782,874)
State	74,633,937	76,135,232	77,666,953	1,531,721
<b>Total Revenues</b>	<u>\$ 111,670,044</u>	<u>\$ 112,796,339</u>	<u>\$ 113,545,186</u>	<u>\$ 748,847</u>
<b>Expenditures</b>				
Current:				
Instruction	70,646,111	71,282,824	71,065,235	217,589
Support Services	49,784,517	50,546,910	46,574,121	3,972,789
Intergovernmental	995,426	876,583	818,249	58,334
<b>Total Expenditures</b>	<u>\$ 121,426,054</u>	<u>\$ 122,706,317</u>	<u>\$ 118,457,605</u>	<u>\$ 4,248,712</u>
<b>Excess Revenues Over (Under) Expenditures</b>	<u>(9,756,010)</u>	<u>(9,909,978)</u>	<u>(4,912,419)</u>	<u>4,997,559</u>
<b>Other Financing Sources (Uses)</b>				
Transfers from Other Funds	4,295,071	4,070,154	4,116,751	46,597
<b>Total Other Financing Sources (Uses)</b>	<u>4,295,071</u>	<u>4,070,154</u>	<u>4,116,751</u>	<u>46,597</u>
<b>Excess Revenues and Other Sources Over (Under) Expenditures and Other Uses</b>	<u>\$ (5,460,939)</u>	<u>\$ (5,839,824)</u>	<u>\$ (795,668)</u>	<u>\$ 5,044,156</u>
<b>Fund Balance, Beginning of Year</b>			<u>25,296,333</u>	
<b>Fund Balance, End of Year</b>			<u>\$ 24,500,665</u>	

**LANCASTER COUNTY SCHOOL DISTRICT**  
**SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - SCRS AND PORS**  
**LAST TEN FISCAL YEARS**

	2010*	2011*	2012*	2013*	2015	2016	2017	2018	2019	2020
<b>SCRS</b>										
District's Proportion of Net Pension Liability	N/A	N/A	N/A	N/A	\$ 111,602,338	\$ 122,469,411	\$ 138,688,454	\$ 149,568,026	\$ 151,507,004	\$ 161,853,942
District's Proportionate Share of Net Pension Liability	N/A	N/A	N/A	N/A	0.64822200%	0.64574900%	0.64929500%	0.66440400%	0.67616488%	0.70882421%
District's Covered Payroll	N/A	N/A	N/A	N/A	63,057,436	65,608,945	69,862,303	72,438,808	77,381,504	81,973,167
District's Proportionate Share of Net Pension Liability as a Percentage of Its' Covered Payroll	N/A	N/A	N/A	N/A	176.99%	186.67%	198.52%	206.47%	195.79%	197.45%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	N/A	N/A	N/A	N/A	59.90%	57.00%	52.90%	53.30%	54.10%	54.40%
<b>PORS</b>										
District's Proportion of Net Pension Liability	N/A	N/A	N/A	N/A	\$ 54,006	\$ 131,271	\$ 139,531	\$ 126,129	\$ 118,115	\$ 151,660
District's Proportionate Share of Net Pension Liability	N/A	N/A	N/A	N/A	0.0028200%	0.0060230%	0.0055004%	0.0046040%	0.0041685%	0.0052918%
District's Covered Payroll	N/A	N/A	N/A	N/A	74,638	70,132	62,000	57,698	72,660	101,084
District's Proportionate Share of Net Pension Liability as a Percentage of Its' Covered Payroll	N/A	N/A	N/A	N/A	72.36%	187.18%	225.05%	218.60%	162.56%	150.03%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	N/A	N/A	N/A	N/A	67.50%	64.60%	60.40%	60.90%	61.70%	62.70%

**\* Note:**

This schedule is presented to illustrate the requirement to show information for ten (10) years. However, until a full ten year trend is compiled, information is presented for those years for which information is available.

The amounts presented for each fiscal year were determined as of June 30th of the preceding year (measurement date)



**LANCASTER COUNTY SCHOOL DISTRICT**  
**SCHEDULE OF DISTRICT CONTRIBUTIONS - SCRS AND PORS**  
**LAST TEN FISCAL YEARS**

	<b>2010*</b>	<b>2011*</b>	<b>2012*</b>	<b>2013*</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
<b>SCRS</b>										
Contractually Required Contribution Contributions in Relation to the	N/A	N/A	N/A	N/A	\$ 6,600,468	\$ 6,954,203	\$ 7,749,316	\$ 9,501,771	\$ 10,899,053	\$ 12,353,817
Contractually Required Contribution	N/A	N/A	N/A	N/A	(6,600,468)	(6,954,203)	(7,749,316)	(9,501,771)	(10,899,053)	(12,353,817)
Contribution Deficiency (Excess)	N/A	N/A	N/A	N/A	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's Covered Payroll Contributions as a Percentage of Covered Payroll	N/A	N/A	N/A	N/A	63,057,436	65,608,945	69,862,303	72,438,808	77,381,504	81,973,167
	N/A	N/A	N/A	N/A	10.47%	10.60%	11.09%	13.12%	14.08%	15.07%
<b>PORS</b>										
Contractually Required Contribution Contributions in Relation to the	N/A	N/A	N/A	N/A	\$ 10,009	\$ 9,636	\$ 8,705	\$ 9,370	\$ 12,527	\$ 18,438
Contractually Required Contribution	N/A	N/A	N/A	N/A	(10,009)	(9,636)	(8,705)	(9,370)	(12,527)	(18,438)
Contribution Deficiency (Excess)	N/A	N/A	N/A	N/A	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's Covered Payroll Contributions as a Percentage of Covered Payroll	N/A	N/A	N/A	N/A	74,638	70,132	62,000	57,698	72,660	101,084
	N/A	N/A	N/A	N/A	13.41%	13.74%	14.04%	16.24%	17.24%	18.24%

**\* Note:**

This schedule is presented to illustrate the requirement to show information for ten (10) years. However, until a full ten year trend is compiled, information is presented for those years for which information is available.

**LANCASTER COUNTY SCHOOL DISTRICT**  
**SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY - SCRHIIF**  
**LAST TEN FISCAL YEARS**

	2010*	2011*	2012*	2013*	2014*	2015*	2017	2018	2019	2019
<b>SCRHIIF</b>										
District's Proportion of Net OPEB Liability	N/A	N/A	N/A	N/A	N/A	N/A	\$ 119,972,441	\$ 112,312,427	\$ 119,127,006	\$ 133,918,036
District's Proportionate Share of Net OPEB Liability	N/A	N/A	N/A	N/A	N/A	N/A	0.82919000%	0.82919000%	0.84066400%	0.88561200%
District's Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A	69,862,303	72,438,808	77,381,504	81,973,167
District's Proportionate Share of Net Pension Liability as a Percentage of Its' Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A	171.73%	155.04%	153.95%	163.37%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	N/A	N/A	N/A	N/A	N/A	N/A	6.60%	7.60%	7.91%	8.41%

**\* Note:**

This schedule is presented to illustrate the requirement to show information for ten (10) years. However, until a full ten year trend is compiled, information is presented for those years for which information is available.

The amounts presented for each fiscal year were determined as of June 30th of the preceding year (measurement date)

**LANCASTER COUNTY SCHOOL DISTRICT  
SCHEDULE OF DISTRICT CONTRIBUTIONS - SCRHIIF  
LAST TEN FISCAL YEARS**

	2010*	2011*	2012*	2013*	2014*	2015*	2017	2018	2019	2020
<b>SCRHIIF</b>										
Contractually Required Contribution Contributions in Relation to the	N/A	N/A	N/A	N/A	N/A	N/A	\$ 3,726,965	\$ 3,987,308	\$ 4,685,977	\$ 5,129,641
Contractually Required Contribution	N/A	N/A	N/A	N/A	N/A	N/A	(3,726,965)	(3,987,308)	(4,685,977)	(5,129,641)
Contribution Deficiency (Excess)	N/A	N/A	N/A	N/A	N/A	N/A	\$ -	\$ -	\$ -	\$ -
District's Covered Payroll Contributions as a Percentage of	N/A	N/A	N/A	N/A	N/A	N/A	69,862,303	72,438,808	77,381,504	81,973,167
Covered-Employee Payroll	N/A	N/A	N/A	N/A	N/A	N/A	5.33%	5.50%	6.06%	6.26%

**\* Note:**

This schedule is presented to illustrate the requirement to show information for ten (10) years. However, until a full ten year trend is compiled, information is presented for those years for which information is available.

**COMBINING AND INDIVIDUAL  
FUND SCHEDULES**

## **GENERAL FUND**

Accounts for all financial resources except those required to be accounted for in another fund. All property taxes, intergovernmental revenues, and miscellaneous revenues are recorded in this fund except amounts which are specifically collected to service debt or for which the District collects other funds in a fiduciary capacity. Operational expenditures for general education, support services and other departments of the District are paid through the General Fund.

The following Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual for the General Fund has been prepared in the format mandated by the South Carolina State Department of Education. The account numbers shown on the statement are also mandated by the South Carolina Department of Education.

**LANCASTER COUNTY SCHOOL DISTRICT  
GENERAL FUND  
BALANCE SHEET  
JUNE 30, 2020**

**Assets**

Cash & Cash Equivalents	\$ 3,680,890
Investments	29,441,302
Property Tax Receivable, Net	2,203,582
Due From Other Funds	2,891,980
Due From County Government	3,085,366
Due From State Government	229,168
Prepaid Items	19,916
Other Receivables	12,865
	<hr/>

<b>Total Assets</b>	<b><u><u>\$ 41,565,069</u></u></b>
---------------------	------------------------------------

**Liabilities, Deferred Inflows of Resources & Fund Balances**

**Liabilities**

Accounts Payable	5,164,108
Accrued Salaries	5,526,973
Accrued Payroll Related Liabilities	4,372,064
	<hr/>

<b>Total Liabilities</b>	<b><u>15,063,145</u></b>
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**Deferred Inflows of Resources**

Unavailable Revenue - Property Taxes	<u>2,001,259</u>
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<b>Total Deferred Inflows of Resources</b>	<b><u>2,001,259</u></b>
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**Fund Balances**

Non-Spendable	19,916
Assigned	7,758,264
Unassigned	16,722,485
	<hr/>

<b>Total Fund Balances</b>	<b><u>24,500,665</u></b>
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<b>Total Liabilities, Deferred Inflows of Resources &amp; Fund Balances</b>	<b><u><u>\$ 41,565,069</u></u></b>
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**LANCASTER COUNTY SCHOOL DISTRICT  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2020**

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Favorable (Unfavorable)</b>
<b>Revenues</b>			
<b>1000 Revenue from Local Sources</b>			
1100 Taxes Levied/Assessed by the LEA:			
1110 Ad Valorem Taxes-Including Delinquent (Independent)	\$ 31,817,331	\$ 31,157,725	\$ (659,606)
1140 Penalties & Interest on Taxes (Independent)	200,000	241,774	41,774
1200 Revenue From Local Governmental Units Other Than LEAs			
1280 Revenue in Lieu of Taxes (Independent and Dependent)	3,656,276	3,583,681	(72,595)
1300 Tuition			
1310 From Patrons for Regular Day School	15,000	10,920	(4,080)
1320 From Other LEAs for Regular Day School	-	10,281	10,281
1500 Earnings on Investments:			
1510 Interest on Investments	402,500	368,955	(33,545)
1900 Other Revenue from Local Sources:			
1910 Rentals	20,000	30,155	10,155
1930 Special Needs Transportation - Medicaid	500,000	423,572	(76,428)
1990 Miscellaneous Local Revenue:			
1999 Revenue from Other Local Sources	50,000	51,170	1,170
<b>Total Local Sources</b>	<b>36,661,107</b>	<b>35,878,233</b>	<b>(782,874)</b>
<b>3000 Revenue from State Sources</b>			
3100 Restricted State Funding:			
3130 Special Programs:			
3131 Handicapped Transportation	-	12,726	12,726
3160 School Bus Driver Salary (Includes Hazardous Condition Transportation)	776,845	986,625	209,780
3161 EAA Bus Driver Salary and Fringe	-	2,474	2,474
3162 Transportation Workers' Compensation	43,572	43,572	-
3180 Fringe Benefits Employer Contributions (No Carryover Provision)	17,170,379	17,170,379	-
3181 Retiree Insurance (No Carryover Provision)	3,537,342	3,537,342	-
3186 State Aid to Classrooms - Teacher Salary	2,463,085	2,674,610	211,525
3199 Other Restricted State Grants	-	2,015	2,015
3300 Education Finance Act:			
3310 Full-Time Programs:			
3311 Kindergarten	1,931,096	2,134,858	203,762
3312 Primary	5,758,916	5,723,224	(35,692)
3313 Elementary	9,415,267	9,269,903	(145,364)
3314 High School	2,528,107	2,806,900	278,793
3315 Trainable Mentally Handicapped	143,155	128,078	(15,077)
3316 Speech Handicapped (Part-Time Program)	1,249,823	1,209,479	(40,344)
3317 Homebound	15,995	24,433	8,438
3320 Part-Time Programs:			
3321 Emotionally Handicapped	133,940	148,271	14,331
3322 Educable Mentally Handicapped	183,250	219,735	36,485
3323 Learning Disabilities	4,248,739	4,830,481	581,742
3324 Hearing Handicapped	119,660	135,473	15,813
3325 Visually Handicapped	62,577	65,883	3,306
3326 Orthopedically Handicapped	34,250	36,974	2,724
3327 Vocational	4,492,480	4,456,717	(35,763)
3330 Miscellaneous EFA Programs:			
3331 Autism	637,224	760,248	123,024
3332 High Achieving Students	492,783	517,934	25,151
3334 Limited English Proficiency	262,796	274,082	11,286
3351 Academic Assistance	1,276,241	1,283,703	7,462
3352 Pupils in Poverty	2,839,045	2,918,316	79,271
3353 Dual Credit Enrollment	36,646	47,741	11,095

**LANCASTER COUNTY SCHOOL DISTRICT  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2020**

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Favorable (Unfavorable)</b>
3800 State Revenue in Lieu of Taxes:			
3810 Reimbursement for Local Residential Property Tax Relief (Tier 1)	3,724,743	3,724,743	-
3820 Homestead Exemption (Tier 2)	1,189,965	1,189,965	-
3825 Reimbursement for Property Tax Relief (Tier 3)	10,091,476	10,111,657	20,181
3830 Merchant's Inventory Tax	185,886	185,886	-
3840 Manufacturers Depreciation Reimbursement	125,000	177,298	52,298
3890 Other State Property Tax Revenues (Includes Motor Carrier Vehicle Tax)	275,000	139,221	(135,779)
3900 Other State Revenue:			
3993 PEBA On-Behalf	669,949	669,228	(721)
3999 Revenue From Other State Sources	20,000	46,779	26,779
<b>Total State Sources</b>	<b>76,135,232</b>	<b>77,666,953</b>	<b>1,531,721</b>
<b>Total Revenues All Sources</b>	<b>\$ 112,796,339</b>	<b>\$ 113,545,186</b>	<b>\$ 748,847</b>
<b>Expenditures</b>			
<b>100 Instruction</b>			
110 General Instruction			
111 Kindergarten Programs:			
100 Salaries	3,442,863	3,442,863	-
200 Employee Benefits	1,707,690	1,698,072	9,618
300 Purchased Services	906	906	-
400 Supplies and Materials	39,009	35,347	3,662
112 Primary Programs:			
100 Salaries	8,424,288	8,424,288	-
200 Employee Benefits	3,570,414	3,553,444	16,970
300 Purchased Services	4,913	4,908	5
400 Supplies and Materials	84,924	78,496	6,428
113 Elementary Programs:			
100 Salaries	15,277,817	15,273,361	4,456
200 Employee Benefits	6,492,963	6,463,368	29,595
300 Purchased Services	271,331	255,679	15,652
400 Supplies and Materials	204,940	181,988	22,952
600 Other Objects	2,813	2,813	-
114 High School Programs:			
100 Salaries	10,308,242	10,308,241	1
200 Employee Benefits	4,401,209	4,401,209	-
300 Purchased Services	136,251	95,491	40,760
400 Supplies and Materials	100,282	72,038	28,244
115 Career and Technology Education Programs:			
100 Salaries	2,431,375	2,431,375	-
200 Employee Benefits	1,081,147	1,072,605	8,542
300 Purchased Services - Other Than Tuition	5,129	5,129	-
400 Supplies and Materials	132,312	111,180	21,132
500 Capital Outlay	4,407	-	4,407
120 Exceptional Programs			
121 Educable Mentally Handicapped:			
100 Salaries	649,229	649,229	-
200 Employee Benefits	331,156	330,576	580
400 Supplies and Materials	900	900	-
122 Trainable Mentally Handicapped:			
100 Salaries	831,918	831,918	-
200 Employee Benefits	384,845	384,845	-
400 Supplies and Materials	481	481	-
123 Orthopedically Handicapped:			
100 Salaries	63,837	63,837	-
200 Employee Benefits	35,390	34,805	585
124 Visually Handicapped:			
100 Salaries	39,281	39,281	-
200 Employee Benefits	32,814	32,630	184
300 Purchased Services	41,789	23,658	18,131



**LANCASTER COUNTY SCHOOL DISTRICT  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2020**

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Favorable (Unfavorable)</b>
125 Hearing Handicapped:			
100 Salaries	79,224	79,224	-
200 Employee Benefits	30,881	30,881	-
300 Purchased Services	23,658	23,658	-
400 Supplies and Materials	1,169	1,169	-
126 Speech Handicapped:			
100 Salaries	768,167	828,301	(60,134)
200 Employee Benefits	289,765	334,535	(44,770)
300 Purchased Services	170,825	143,954	26,871
400 Supplies and Materials	479	479	-
127 Learning Disabilities:			
100 Salaries	3,925,467	3,925,467	-
200 Employee Benefits	1,775,111	1,766,568	8,543
400 Supplies and Materials	891	891	-
128 Emotionally Handicapped:			
100 Salaries	576,520	576,520	-
200 Employee Benefits	236,327	236,327	-
400 Supplies and Materials	180	129	51
130 Pre-School Programs			
137 Pre-School Handicapped-Self-Contained (3 & 4 year olds):			
100 Salaries	209,135	209,135	-
200 Employee Benefits	85,963	85,963	-
139 Early Childhood Programs:			
100 Salaries	114,485	114,485	-
200 Employee Benefits	42,947	42,947	-
140 Special Programs			
141 Gifted and Talented - Academic:			
100 Salaries	496,033	496,033	-
200 Employee Benefits	201,022	201,022	-
300 Purchased Services	1,708	1,458	250
400 Supplies and Materials	16,742	5,345	11,397
600 Other Objects	158	150	8
143 Advanced Placement:			
400 Supplies and Materials	5,400	1,861	3,539
145 Homebound:			
100 Salaries	105,844	106,843	(999)
200 Employee Benefits	31,882	31,192	690
300 Purchased Services	16,300	8,754	7,546
147 CDEP:			
100 Salaries	166,120	166,120	-
200 Employee Benefits	64,680	64,336	344
148 Gifted and Talented - Artistic:			
100 Salaries	252	252	-
200 Employee Benefits	74	74	-
300 Purchased Services	41,300	-	41,300
400 Supplies and Materials	190	187	3
160 Other Exceptional Programs			
161 Autism:			
100 Salaries	535,329	535,329	-
200 Employee Benefits	162,281	160,829	1,452
300 Purchased Services	-	11,749	(11,749)
162 Limited English Proficiency:			
100 Salaries	345,850	345,850	-
200 Employee Benefits	135,775	134,892	883
170 Summer School Program			
175 Instructional Programs Beyond Regular School Day:			
200 Employee Benefits	80	80	-
400 Supplies and Materials	312	-	312

**LANCASTER COUNTY SCHOOL DISTRICT  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2020**

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Favorable (Unfavorable)</b>
180 Adult/Continuing Educational Programs			
188 Parenting/Family Literacy:			
100 Salaries	50,306	50,306	-
200 Employee Benefits	29,762	29,614	148
190 Instructional Pupil Activity:			
100 Salaries (optional)	5,704	5,704	-
200 Employee Benefits (optional)	1,661	1,661	-
<b>Total Instruction</b>	<b>71,282,824</b>	<b>71,065,235</b>	<b>217,589</b>
<b>200 Support Services</b>			
210 Pupil Services			
211 Attendance and Social Work Services:			
100 Salaries	113,693	113,693	-
200 Employee Benefits	40,757	38,973	1,784
300 Purchased Services	4,410	3,314	1,096
400 Supplies and Materials	1,215	156	1,059
212 Guidance Services:			
100 Salaries	2,633,075	2,633,075	-
200 Employee Benefits	1,072,134	1,067,159	4,975
300 Purchased Services	10,532	4,155	6,377
400 Supplies and Materials	15,156	10,821	4,335
600 Other Objects	2,573	2,325	248
213 Health Services:			
100 Salaries	646,380	646,380	-
200 Employee Benefits	332,811	330,571	2,240
300 Purchased Services	389,000	474,072	(85,072)
400 Supplies and Materials	14,834	13,273	1,561
214 Psychological Services:			
100 Salaries	319,820	319,820	-
200 Employee Benefits	108,220	108,220	-
300 Purchased Services	-	46,394	(46,394)
217 Career Specialist Services:			
100 Salaries	42,367	42,367	-
200 Employee Benefits	17,508	17,508	-
220 Instructional Staff Services			
221 Improvement of Instruction Curriculum Development:			
100 Salaries	526,757	526,757	-
200 Employee Benefits	203,345	203,019	326
300 Purchased Services	12,893	5,164	7,729
400 Supplies and Materials	11,370	6,963	4,407
600 Other Objects	1,530	1,318	212
222 Library and Media Services:			
100 Salaries	1,780,164	1,780,164	-
200 Employee Benefits	837,031	828,636	8,395
300 Purchased Services	900	336	564
400 Supplies and Materials	265,429	213,054	52,375
500 Capital Outlay	280	-	280
223 Supervision of Special Programs:			
100 Salaries	1,670,479	1,527,059	143,420
200 Employee Benefits	583,560	593,751	(10,191)
300 Purchased Services	32,400	35,217	(2,817)
400 Supplies and Materials	5,000	808	4,192
224 Improvement of Instruction Inservice and Staff Training:			
100 Salaries	184,409	184,409	-
200 Employee Benefits	77,566	77,566	-
300 Purchased Services	422,881	318,512	104,369
400 Supplies and Materials	37,066	7,309	29,757

**LANCASTER COUNTY SCHOOL DISTRICT  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2020**

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Favorable (Unfavorable)</b>
230 General Administration Services			
231 Board of Education:			
100 Salaries	35,790	35,790	-
200 Employee Benefits	879,056	833,801	45,255
300 Purchased Services	205,000	205,937	(937)
318 Audit Services	40,260	39,260	1,000
400 Supplies and Materials	8,100	4,553	3,547
600 Other Objects	34,000	33,180	820
232 Office of the Superintendent:			
100 Salaries	309,934	309,934	-
140 Terminal Leave	14,293	14,293	-
200 Employee Benefits	126,049	121,447	4,602
300 Purchased Services	124,790	76,968	47,822
400 Supplies and Materials	41,563	40,318	1,245
600 Other Objects	7,583	3,539	4,044
233 School Administration:			
100 Salaries	7,084,114	7,084,114	-
200 Employee Benefits	3,013,981	2,989,646	24,335
300 Purchased Services	65,182	30,902	34,280
400 Supplies and Materials	66,614	57,108	9,506
500 Capital Outlay	208	-	208
600 Other Objects	19,719	15,701	4,018
250 Finance and Operations Services			
252 Fiscal Services:			
100 Salaries	718,096	718,095	1
200 Employee Benefits	450,738	315,668	135,070
300 Purchased Services	34,583	27,678	6,905
400 Supplies and Materials	11,155	6,247	4,908
600 Other Objects	5,488	4,636	852
254 Operation and Maintenance of Plant:			
100 Salaries	1,689,772	1,667,143	22,629
200 Employee Benefits	556,426	730,152	(173,726)
300 Purchased Services	6,433,479	5,839,126	594,353
321 Public Utilities (Excludes gas, oil, elec. & other heating fuels)	616,279	501,708	114,571
400 Supplies and Materials	680,606	583,974	96,632
470 Energy (Include gas, oil, elec. & other heating fuels)	3,402,086	2,811,336	590,750
500 Capital Outlay	148,807	189,415	(40,608)
255 Student Transportation (State Mandated):			
100 Salaries	2,415,900	2,355,844	60,056
200 Employee Benefits	881,913	849,566	32,347
300 Purchased Services	42,040	34,660	7,380
400 Supplies and Materials	13,639	6,682	6,957
500 Capital Outlay	2,250	1,547	703
600 Other Objects	2,700	(152)	2,852
256 Food Service:			
200 Employee Benefits	662,683	433,171	229,512
257 Internal Services:			
100 Salaries	255,948	255,948	-
200 Employee Benefits	109,416	108,807	609
300 Purchased Services	18,095	10,431	7,664
400 Supplies and Materials	3,475	326	3,149
600 Other Objects	700	490	210
258 Security:			
100 Salaries	161,901	161,901	-
200 Employee Benefits	56,066	54,741	1,325
300 Purchased Services	903,709	692,941	210,768
400 Supplies and Materials	6,800	4,537	2,263
600 Other Objects	19,645	13,938	5,707

**LANCASTER COUNTY SCHOOL DISTRICT  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2020**

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Favorable (Unfavorable)</b>
260 Central Support Services			
262 Planning:			
100 Salaries	161,815	161,815	-
200 Employee Benefits	62,575	59,784	2,791
300 Purchased Services	161,230	96,486	64,744
400 Supplies and Materials	33,945	17,230	16,715
600 Other Objects	32,263	30,353	1,910
263 Information Services:			
100 Salaries	58,295	58,295	-
200 Employee Benefits	22,211	22,183	28
300 Purchased Services	43,488	24,578	18,910
400 Supplies and Materials	4,979	4,004	975
600 Other Objects	1,299	1,299	-
264 Staff Services:			
100 Salaries	304,697	304,697	-
200 Employee Benefits	150,857	150,857	-
300 Purchased Services	42,135	35,531	6,604
400 Supplies and Materials	16,215	14,631	1,584
600 Other Objects	19,184	9,818	9,366
266 Technology and Data Processing Services:			
100 Salaries	715,768	715,768	-
200 Employee Benefits	288,925	287,347	1,578
300 Purchased Services	853,923	687,995	165,928
400 Supplies and Materials	159,832	63,631	96,201
500 Capital Outlay	9,689	9,689	-
270 Support Services Pupil Activity			
271 Pupil Services Activities:			
100 Salaries (optional)	2,031,120	1,038,775	992,345
200 Employee Benefits (optional)	485,596	249,478	236,118
300 Purchased Services (optional)	2,500	-	2,500
660 Pupil Activity	86,193	70,512	15,681
<b>Total Support Services</b>	<b>50,546,910</b>	<b>46,574,121</b>	<b>3,972,789</b>
<b>400 Other Charges:</b>			
<b>410 Intergovernmental Expenditures</b>			
411 Payments to the South Carolina Department of Education			
720 Transits	169,800	115,564	54,236
412 Payments to Other Governmental Units			
720 Transits	20,000	20,902	(902)
416 LEA Payments to Public Charter Schools			
720 Transits	686,783	681,783	5,000
<b>Total Intergovernmental Expenditures</b>	<b>876,583</b>	<b>818,249</b>	<b>58,334</b>
<b>Total Expenditures</b>	<b>\$ 122,706,317</b>	<b>\$ 118,457,605</b>	<b>\$ 4,248,712</b>
<b>Other Financing Sources (Uses)</b>			
Interfund Transfers, From (To) Other Funds:			
5230 Transfer from Special Revenue EIA Fund	3,645,009	3,707,648	62,639
5280 Transfer from Other Funds Indirect Costs	595,000	575,561	(19,439)
426-710 Transfer to Pupil Activity Fund	(168,208)	(166,458)	1,750
431-791 Special Revenue Fund Indirect Costs	(1,647)	-	1,647
<b>Total Other Financing Sources (Uses)</b>	<b>4,070,154</b>	<b>4,116,751</b>	<b>46,597</b>
<b>Excess/(Deficiency) of Revenues over Expenditures</b>	<b>\$ (5,839,824)</b>	<b>\$ (795,668)</b>	<b>\$ 5,044,156</b>
<b>Fund Balance, Beginning of Year</b>		<b>25,296,333</b>	
<b>Fund Balance, End of Year</b>		<b>\$ 24,500,665</b>	

## **SPECIAL REVENUE FUND**

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

Special Revenue Fund - Special Projects Fund (excluding Education Improvement Act) - These funds are used to account for all federal and state projects except for those subject to Education Improvement Act requirements.

Education Improvement Act - These funds are used to account for the District's expenditures as a result of receiving funds subject to the guidelines set by the State of South Carolina.

The following Schedule of Revenues, Expenditures and Changes in Fund Balance, Non-Education Improvement Act Funds, Summary Schedule for Designated State Restricted Grants, the Education Improvement Act Schedule of Revenues, Expenditures and Changes in Fund Balance and the Education Improvement Act Summary Schedule by Program, have been prepared in the format mandated by the South Carolina State Department of Education. The account numbers are also mandated by the South Carolina State Department of Education.

**LANCASTER COUNTY SCHOOL DISTRICT  
SPECIAL REVENUE FUND - SPECIAL PROJECTS  
BALANCE SHEET  
JUNE 30, 2020**

**Assets**

Due From State Government	\$ 32,754
Due From Federal Government	1,435,646
Due From Other Governmental Units	2,696
Other Receivables	<u>431,753</u>

<b>Total Assets</b>	<b><u>\$ 1,902,849</u></b>
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**Liabilities & Fund Balances**

**Liabilities**

Due To Other Funds	1,234,047
Due to Federal Government	5,519
Unearned Revenue	<u>663,283</u>

<b>Total Liabilities</b>	<b><u>1,902,849</u></b>
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**Fund Balances**

Restricted	<u>-</u>
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<b>Total Fund Balances</b>	<b><u>-</u></b>
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<b>Total Liabilities &amp; Fund Balances</b>	<b><u>\$ 1,902,849</u></b>
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LANCASTER COUNTY SCHOOL DISTRICT  
SPECIAL REVENUE - SPECIAL PROJECTS (INCLUDES PUBLIC CHARTER SCHOOL)  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
FOR THE YEAR ENDED JUNE 30, 2020

	TITLE I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	PRESCHOOL HANDICAPPED (CG Projects) (205/206)	CATE (VA Projects) (207/208)	ADULT EDUCATION (EA Projects)	OTHER DESIGNATED RESTRICTED STATE GRANTS (900s)	OTHER SPECIAL REVENUE PROGRAMS (200s/800s)	TOTAL
<b>Revenues</b>								
<b>1000 Revenue from Local Sources</b>								
1900 Other Revenue from Local Sources:								
1910 Rentals	-	-	-	-	-	-	10,228	10,228
1920 Contributions & Donations Private Sources	-	-	-	-	-	-	861,132	861,132
1990 Miscellaneous Local Revenue:								
1999 Revenue from Other Local Sources	-	-	-	-	-	-	249,021	249,021
<b>Total Local Sources</b>	-	-	-	-	-	-	1,120,381	1,120,381
<b>2000 Intergovernmental Revenue:</b>								
2100 Payments from Other Governmental Units	-	-	-	-	-	-	666,440	666,440
2310 Payments from Nonprofit Entities (other than for First Steps)	-	-	-	-	-	-	81,782	81,782
<b>Total Intergovernmental Revenues</b>	-	-	-	-	-	-	748,222	748,222
<b>3000 Revenue from State Sources</b>								
3100 Restricted State Funding:								
3118 EEDA Career Specialists	-	-	-	-	-	518,683	-	518,683
3127 Student Health and Fitness - PE Teachers	-	-	-	-	-	90,025	-	90,025
3130 Special Programs:								
3135 Reading Coaches	-	-	-	-	-	705,928	-	705,928
3136 Student Health and Fitness - Nurses	-	-	-	-	-	347,699	-	347,699
3156 Adult Education	-	-	-	-	-	4,066	-	4,066
3193 Education License Plates	-	-	-	-	-	2,051	-	2,051
3600 Education Lottery								
3660 Mobile Device Access & Management	-	-	-	-	-	62,845	-	62,845
3670 School Safety - Facility & Infrastructure Safety Upgrades	-	-	-	-	-	52,737	-	52,737
3900 Other State Revenue:	-	-	-	-	-	-	298,091	298,091
3999 Revenue From Other State Sources								
<b>Total State Sources</b>	-	-	-	-	-	1,784,034	298,091	2,082,125
<b>4000 Revenue from Federal Sources</b>								
4200 Occupational Education:								
4210 Career & Technical Education	-	-	-	188,939	-	-	-	188,939
4300 Elementary and Secondary Education Act of 1965 (ESEA):								
4310 Title I, Basic State Grant Programs (Carryover Provision)	3,157,139	-	-	-	-	-	384,104	3,541,243
4314 School Improvement Grant	-	-	-	-	-	-	308,422	308,422
4341 Language Instruction for Limited English Proficient and Immigrant Students, Title III	-	-	-	-	-	-	49,502	49,502
4351 Improving Teacher Quality (Carryover Provision)	-	-	-	-	-	-	131,943	131,943
4400 Adult Education:								

**LANCASTER COUNTY SCHOOL DISTRICT**  
**SPECIAL REVENUE - SPECIAL PROJECTS (INCLUDES PUBLIC CHARTER SCHOOL)**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**FOR THE YEAR ENDED JUNE 30, 2020**

4410 Basic, Adult Education  
4500 Programs for Children with Disabilities  
4510 Individuals With Disabilities Education Act (IDEA) (Carryover Provision)  
4520 Preschool Grants (Carryover Provision)  
4900 Other Federal Sources:  
4924 21st Century Community Learning Centers Program,  
(Title IV, 21st Century Schools)  
4990 Other Federal Revenue:  
4997 Title IV - SSAE  
4999 Revenue from Other Federal Sources

**Total Federal Sources**

**Total Revenues All Sources**

**Expenditures**

**100 Instruction**

110 General Instruction

111 Kindergarten Programs:

100 Salaries  
200 Employee Benefits  
300 Purchased Services  
400 Supplies and Materials

112 Primary Programs:

100 Salaries  
200 Employee Benefits  
300 Purchased Services  
400 Supplies and Materials

113 Elementary Programs:

100 Salaries  
200 Employee Benefits  
300 Purchased Services  
400 Supplies and Materials

114 High School Programs:

100 Salaries  
200 Employee Benefits  
300 Purchased Services  
400 Supplies and Materials  
500 Capital Outlay

115 Career and Technology Education Programs:

100 Salaries  
300 Purchased Services - Other Than Tuition  
400 Supplies and Materials  
500 Capital Outlay

TITLE I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	PRESCHOOL HANDICAPPED (CG Projects) (205/206)	CATE (VA Projects) (207/208)	ADULT EDUCATION (EA Projects)	OTHER DESIGNATED RESTRICTED STATE GRANTS (900s)	OTHER SPECIAL REVENUE PROGRAMS (200s/800s)	TOTAL
-	-	-	-	110,929	-	-	110,929
-	2,592,604	-	-	-	-	16,543	2,609,147
-	-	129,954	-	-	-	-	129,954
-	-	-	-	-	-	317,486	317,486
-	-	-	-	-	-	205,282	205,282
-	-	-	-	-	-	2,775,413	2,775,413
3,157,139	2,592,604	129,954	188,939	110,929	-	4,188,695	10,368,260
<b>\$ 3,157,139</b>	<b>\$ 2,592,604</b>	<b>\$ 129,954</b>	<b>\$ 188,939</b>	<b>\$ 110,929</b>	<b>\$ 1,784,034</b>	<b>\$ 6,355,389</b>	<b>\$ 14,318,988</b>

-	-	-	-	-	-	70,676	70,676
-	-	-	-	-	-	41,305	41,305
-	-	-	-	-	-	11,430	11,430
-	-	-	-	-	-	4,710	4,710
1,197,345	-	-	-	-	32,100	265,575	1,495,020
543,799	-	-	-	-	12,966	91,059	647,824
31,968	-	-	-	-	-	31,940	63,908
30,215	-	-	-	-	-	208,574	238,789
413,183	-	-	-	-	32,000	171,392	616,575
204,097	-	-	-	-	12,958	52,304	269,359
64,850	-	-	-	-	-	92,257	157,107
62,271	-	-	-	-	2,051	88,231	152,553
-	-	-	-	-	-	301,449	301,449
-	-	-	-	-	-	968	968
-	-	-	-	-	-	32,316	32,316
-	-	-	-	-	-	19,842	19,842
-	-	-	-	-	-	5,304	5,304
-	-	-	-	-	-	40,183	40,183
-	-	-	17,276	-	-	-	17,276
-	-	-	13,007	-	-	-	13,007
-	-	-	41,266	-	-	-	41,266



**LANCASTER COUNTY SCHOOL DISTRICT**  
**SPECIAL REVENUE - SPECIAL PROJECTS (INCLUDES PUBLIC CHARTER SCHOOL)**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**FOR THE YEAR ENDED JUNE 30, 2020**

	TITLE I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	PRESCHOOL HANDICAPPED (CG Projects) (205/206)	CATE (VA Projects) (207/208)	ADULT EDUCATION (EA Projects)	OTHER DESIGNATED RESTRICTED STATE GRANTS (900s)	OTHER SPECIAL REVENUE PROGRAMS (200s/800s)	TOTAL
120 Exceptional Programs								
121 Educable Mentally Handicapped:								
100 Salaries	-	359,224	-	-	-	-	347	359,571
200 Employee Benefits	-	169,521	-	-	-	-	102	169,623
300 Purchased Services	-	1,495	-	-	-	-	-	1,495
400 Supplies and Materials	-	739	-	-	-	-	-	739
122 Trainable Mentally Handicapped:								
100 Salaries	-	71,828	-	-	-	-	-	71,828
200 Employee Benefits	-	41,984	-	-	-	-	-	41,984
400 Supplies and Materials	-	2,121	-	-	-	-	-	2,121
123 Orthopedically Handicapped:								
100 Salaries	-	2,352	-	-	-	-	-	2,352
200 Employee Benefits	-	693	-	-	-	-	-	693
400 Supplies and Materials	-	296	-	-	-	-	-	296
124 Visually Handicapped:								
400 Supplies and Materials	-	82	-	-	-	-	-	82
125 Hearing Handicapped:								
100 Salaries	-	-	-	-	-	-	84	84
200 Employee Benefits	-	-	-	-	-	-	25	25
400 Supplies and Materials	-	70	-	-	-	-	-	70
126 Speech Handicapped:								
100 Salaries	-	159,266	-	-	-	-	-	159,266
200 Employee Benefits	-	68,905	-	-	-	-	-	68,905
300 Purchased Services	-	4,702	-	-	-	-	-	4,702
400 Supplies and Materials	-	9,846	-	-	-	-	-	9,846
600 Other Objects	-	2,530	-	-	-	-	-	2,530
127 Learning Disabilities:								
100 Salaries	-	381,772	-	-	-	-	798	382,570
200 Employee Benefits	-	146,700	-	-	-	-	235	146,935
300 Purchased Services	-	600	-	-	-	-	-	600
400 Supplies and Materials	-	1,844	-	-	-	-	-	1,844
128 Emotionally Handicapped:								
100 Salaries	-	76,887	-	-	-	-	2,016	78,903
200 Employee Benefits	-	31,617	-	-	-	-	594	32,211
300 Purchased Services	-	79,915	-	-	-	-	60	79,975
400 Supplies and Materials	-	1,768	-	-	-	-	-	1,768
130 Pre-School Prgrams								
133 Pre-School Handicapped-Self-Contained (5 year olds):								
100 Salaries	-	116	36,407	-	-	-	-	36,523
200 Employee Benefits	-	34	15,614	-	-	-	-	15,648
137 Pre-School Handicapped-Self-Contained (3 & 4 year olds):								
100 Salaries	-	1,024	46,578	-	-	-	-	47,602
200 Employee Benefits	-	302	18,303	-	-	-	-	18,605
400 Supplies and Materials	-	1,472	9,045	-	-	-	-	10,517

**LANCASTER COUNTY SCHOOL DISTRICT**  
**SPECIAL REVENUE - SPECIAL PROJECTS (INCLUDES PUBLIC CHARTER SCHOOL)**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**FOR THE YEAR ENDED JUNE 30, 2020**

	TITLE I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	PRESCHOOL HANDICAPPED (CG Projects) (205/206)	CATE (VA Projects) (207/208)	ADULT EDUCATION (EA Projects)	OTHER DESIGNATED RESTRICTED STATE GRANTS (900s)	OTHER SPECIAL REVENUE PROGRAMS (200s/800s)	TOTAL
139 Early Childhood Programs:								
100 Salaries	-	-	-	-	-	-	610,098	610,098
200 Employee Benefits	-	-	-	-	-	-	300,031	300,031
300 Purchased Services	-	-	-	-	-	-	131,827	131,827
400 Supplies and Materials	-	-	-	-	-	-	23,208	23,208
140 Special Programs								
145 Homebound:								
300 Purchased Services	-	9,604	-	-	-	-	-	9,604
147 CDEP:								
100 Salaries	-	-	-	-	-	-	139,153	139,153
200 Employee Benefits	-	-	-	-	-	-	62,315	62,315
400 Supplies and Materials	-	-	-	-	-	-	5,650	5,650
149 Other Special Programs:								
300 Purchased Services	397	-	-	-	-	-	-	397
160 Other Exceptional Programs								
161 Autism:								
100 Salaries	-	16,930	-	-	-	-	3,031	19,961
200 Employee Benefits	-	3,149	-	-	-	-	893	4,042
300 Purchased Services	-	103,759	-	-	-	-	2,259	106,018
400 Supplies and Materials	-	1,184	-	-	-	-	-	1,184
162 Limited English Proficiency:								
300 Purchased Services	-	-	-	-	-	-	7,964	7,964
400 Supplies and Materials	-	-	-	-	-	-	3,776	3,776
170 Summer School Program								
175 Instructional Programs Beyond Regular School Day:								
100 Salaries	-	-	-	-	-	-	198,385	198,385
200 Employee Benefits	-	-	-	-	-	-	58,421	58,421
300 Purchased Services	-	-	-	-	-	-	2,970	2,970
400 Supplies and Materials	-	-	-	-	-	-	23,065	23,065
180 Adult/Continuing Educational Programs								
181 Adult Basic Education Programs:								
100 Salaries	-	-	-	-	29,975	2,351	-	32,326
200 Employee Benefits	-	-	-	-	9,547	715	-	10,262
400 Supplies and Materials	-	-	-	-	722	500	445	1,667
182 Adult Secondary Education Programs:								
100 Salaries	-	-	-	-	47,471	-	3,300	50,771
200 Employee Benefits	-	-	-	-	15,270	-	972	16,242
300 Purchased Services	-	-	-	-	2,700	-	80	2,780
400 Supplies and Materials	-	-	-	-	1,033	500	4,853	6,386

**LANCASTER COUNTY SCHOOL DISTRICT**  
**SPECIAL REVENUE - SPECIAL PROJECTS (INCLUDES PUBLIC CHARTER SCHOOL)**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**FOR THE YEAR ENDED JUNE 30, 2020**

	TITLE I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	PRESCHOOL HANDICAPPED (CG Projects) (205/206)	CATE (VA Projects) (207/208)	ADULT EDUCATION (EA Projects)	OTHER DESIGNATED RESTRICTED STATE GRANTS (900s)	OTHER SPECIAL REVENUE PROGRAMS (200s/800s)	TOTAL
188 Parenting/Family Literacy:								
100 Salaries	147,518	-	-	-	-	-	87,766	235,284
200 Employee Benefits	81,441	-	-	-	-	-	43,080	124,521
400 Supplies and Materials	16,906	-	-	-	-	-	7,298	24,204
<b>Total Instruction</b>	<b>2,793,990</b>	<b>1,754,331</b>	<b>125,947</b>	<b>71,549</b>	<b>106,718</b>	<b>96,141</b>	<b>3,254,616</b>	<b>8,203,292</b>
<b>200 Support Services</b>								
210 Pupil Services								
212 Guidance Services:								
100 Salaries	-	-	-	25,824	-	-	11,130	36,954
200 Employee Benefits	-	-	-	11,328	-	-	851	12,179
213 Health Services:								
100 Salaries	-	-	-	-	-	242,296	-	242,296
200 Employee Benefits	-	-	-	-	-	105,404	-	105,404
300 Purchased Services	-	22,478	-	-	-	-	6,100	28,578
400 Supplies and Materials	-	8,490	-	-	-	-	-	8,490
214 Psychological Services:								
100 Salaries	-	412,376	-	-	-	-	-	412,376
200 Employee Benefits	-	162,107	-	-	-	-	-	162,107
300 Purchased Services	-	30,565	-	-	-	-	-	30,565
400 Supplies and Materials	-	20,772	-	-	-	-	-	20,772
600 Other Objects	-	780	-	-	-	-	-	780
216 Vocational Placement Services:								
100 Salaries	-	-	-	25,738	-	-	-	25,738
200 Employee Benefits	-	-	-	12,296	-	-	-	12,296
217 Career Specialist Services:								
100 Salaries	-	-	-	-	-	367,733	-	367,733
200 Employee Benefits	-	-	-	-	-	150,950	-	150,950
600 Other Objects	-	85	-	-	-	-	-	85
220 Instructional Staff Services								
221 Improvement of Instruction Curriculum Development:								
100 Salaries	-	-	-	-	-	500,547	-	500,547
200 Employee Benefits	-	-	-	-	-	205,381	-	205,381
300 Purchased Services	-	-	-	-	-	-	7,646	7,646
222 Library and Media Services:								
400 Supplies and Materials	-	-	-	-	-	-	775	775
223 Supervision of Special Programs:								
100 Salaries	97,818	2,079	-	28,558	-	-	373,782	502,237
200 Employee Benefits	37,371	613	-	9,639	-	-	160,940	208,563
300 Purchased Services	703	5,796	-	17	677	-	144,739	151,932
400 Supplies and Materials	260	18,130	-	-	-	-	16,374	34,764
500 Capital Outlay	-	2,514	-	-	-	-	-	2,514
600 Other Objects	-	1,270	-	-	-	-	386	1,656

LANCASTER COUNTY SCHOOL DISTRICT  
SPECIAL REVENUE - SPECIAL PROJECTS (INCLUDES PUBLIC CHARTER SCHOOL)  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
FOR THE YEAR ENDED JUNE 30, 2020

	TITLE I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	PRESCHOOL HANDICAPPED (CG Projects) (205/206)	CATE (VA Projects) (207/208)	ADULT EDUCATION (EA Projects)	OTHER DESIGNATED RESTRICTED STATE GRANTS (900s)	OTHER SPECIAL REVENUE PROGRAMS (200s/800s)	TOTAL
224 Improvement of Instruction Inservice and Staff Training:								
100 Salaries	62,794	-	-	-	-	-	60,705	123,499
200 Employee Benefits	25,328	-	-	-	-	-	22,759	48,087
300 Purchased Services	38,429	73	-	2,010	-	-	393,579	434,091
400 Supplies and Materials	106	-	-	-	-	-	9,284	9,390
230 General Administration Services								
233 School Administration:								
100 Salaries	-	-	-	-	-	-	20,086	20,086
200 Employee Benefits	-	-	-	-	-	-	10,834	10,834
300 Purchased Services	-	-	-	-	-	-	6,197	6,197
400 Supplies and Materials	-	-	-	-	-	-	5,019	5,019
600 Other Objects	-	-	-	-	-	-	1,853	1,853
250 Finance and Operations Services								
251 Student Transportation (Federal/District Mandated):								
100 Salaries	-	48,737	-	-	-	-	45,206	93,943
200 Employee Benefits	-	14,886	-	-	-	-	8,214	23,100
300 Purchased Services	-	1,544	-	-	-	-	35,022	36,566
254 Operation and Maintenance of Plant:								
100 Salaries	-	-	-	-	-	-	1,531	1,531
200 Employee Benefits	-	-	-	-	-	-	451	451
300 Purchased Services	-	-	-	-	-	-	37,764	37,764
400 Supplies and Materials	-	-	-	-	-	-	5,781	5,781
255 Student Transportation (State Mandated):								
100 Salaries	-	-	-	-	-	-	106,256	106,256
200 Employee Benefits	-	-	-	-	-	-	15,722	15,722
300 Purchased Services	-	-	-	-	-	-	19,379	19,379
258 Security:								
400 Supplies and Materials	-	-	-	-	-	49,558	-	49,558
500 Capital Outlay	-	-	-	-	-	3,179	-	3,179
260 Central Support Services								
264 Staff Services:								
600 Other Objects	-	-	-	-	-	-	819	819
266 Technology and Data Processing Services:								
300 Purchased Services	-	-	-	-	-	62,845	-	62,845
270 Support Services Pupil Activity								
271 Pupil Services Activities:								
300 Purchased Services (optional)	-	-	-	1,980	-	-	-	1,980
<b>Total Support Services</b>	<b>262,809</b>	<b>753,295</b>	<b>-</b>	<b>117,390</b>	<b>677</b>	<b>1,687,893</b>	<b>1,529,184</b>	<b>4,351,248</b>

LANCASTER COUNTY SCHOOL DISTRICT  
SPECIAL REVENUE - SPECIAL PROJECTS (INCLUDES PUBLIC CHARTER SCHOOL)  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
FOR THE YEAR ENDED JUNE 30, 2020

	TITLE I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	PRESCHOOL HANDICAPPED (CG Projects) (205/206)	CATE (VA Projects) (207/208)	ADULT EDUCATION (EA Projects)	OTHER DESIGNATED RESTRICTED STATE GRANTS (900s)	OTHER SPECIAL REVENUE PROGRAMS (200s/800s)	TOTAL
<b>300 Community Services</b>								
350 Custody and Care of Children Services:								
100 Salaries	-	-	-	-	-	-	393,456	393,456
200 Employee Benefits	-	-	-	-	-	-	195,100	195,100
300 Purchased Services	-	-	-	-	-	-	57,983	57,983
400 Supplies and Materials	-	-	-	-	-	-	28,040	28,040
390 Other Community Services:								
100 Salaries	-	-	-	-	-	-	574,269	574,269
200 Employee Benefits	-	-	-	-	-	-	222,394	222,394
400 Supplies and Materials	-	-	-	-	-	-	873	873
<b>Total Community Services</b>	-	-	-	-	-	-	1,472,115	1,472,115
<b>400 Other Charges:</b>								
<b>410 Intergovernmental Expenditures</b>								
416 LEA Payments to Public Charter Schools	-	1,500	-	-	-	-	-	1,500
720 Transits	-	1,500	-	-	-	-	-	1,500
<b>Total Intergovernmental Expenditures</b>	-	1,500	-	-	-	-	-	1,500
<b>Total Expenditures</b>	\$ 3,056,799	\$ 2,509,126	\$ 125,947	\$ 188,939	\$ 107,395	\$ 1,784,034	\$ 6,255,915	\$ 14,028,155
<b>Other Financing Sources (Uses)</b>								
Interfund Transfers, From (To) Other Funds:								
5220 Transfer from Special Revenue Fund (Excludes Indirect Cost)	-	-	-	-	-	-	177,382	177,382
421-710 Transfer to Special Revenue Fund	-	-	-	-	-	-	(177,382)	(177,382)
431-791 Special Revenue Fund Indirect Costs	(100,340)	(83,478)	(4,007)	-	(3,534)	-	(99,474)	(290,833)
<b>Total Other Financing Sources (Uses)</b>	(100,340)	(83,478)	(4,007)	-	(3,534)	-	(99,474)	(290,833)
<b>Excess/Deficiency of Revenues over Expenditures</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Fund Balance, Beginning of Year</b>	-	-	-	-	-	-	-	-
<b>Fund Balance, End of Year</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

LANCASTER COUNTY SCHOOL DISTRICT  
SPECIAL REVENUE - SPECIAL PROJECTS  
SUMMARY SCHEDULE OF OTHER DESIGNATED STATE RESTRICTED GRANTS  
FOR THE YEAR ENDED JUNE 30, 2020

District Subfund Code	District Revenue Code	Program	Revenues		Expenditures	Interfund Transfers		Other Fund Transfers		Unearned Revenue
						In/(Out)		In/(Out)		
928	3118	EEDA Career Specialists	\$	518,683	\$	518,683	\$	-	\$	-
937	3127	Student Health and Fitness - PE Teachers		90,025		90,025	-	-		15,404
935	3135	Reading Coaches		705,928		705,928	-	-		-
936	3136	Student Health and Fitness - Nurses		347,699		347,699	-	-		-
955	3155	DSS SNAP & E&T Program		-		-	-	-		15,087
956	3156	Adult Education		4,066		4,066	-	-		7,976
919	3193	Education License Plates		2,051		2,051	-	-		552
966	3660	Mobile Device Access and Management		62,845		62,845	-	-		-
970	3670	School Safety - Facility & Infrastructure Safety Upgrades		52,737		52,737	-	-		18,305
969	3699	High School Equivalency Expansion		-		-	-	-		5,000
			\$	1,784,034	\$	1,784,034	\$	-	\$	62,324

**LANCASTER COUNTY SCHOOL DISTRICT  
SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT  
BALANCE SHEET  
JUNE 30, 2020**

**Assets**

Due From Other Funds	\$ 992,585
Due From State Government	<u>267,222</u>

<b>Total Assets</b>	<b><u>\$ 1,259,807</u></b>
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**Liabilities & Fund Balances**

**Liabilities**

Due To State Government	49,889
Unearned Revenue	<u>1,209,918</u>

<b>Total Liabilities</b>	<b><u>1,259,807</u></b>
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**Fund Balances**

Restricted	<u>-</u>
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<b>Total Fund Balances</b>	<b><u>-</u></b>
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<b>Total Liabilities &amp; Fund Balances</b>	<b><u>\$ 1,259,807</u></b>
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**LANCASTER COUNTY SCHOOL DISTRICT  
SPECIAL REVENUE - EDUCATION IMPROVEMENT ACT  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
FOR THE YEAR ENDED JUNE 30, 2020**

**Revenues**

**3000 Revenue from State Sources**

3500 Education Improvement Act:	
3502 ADEPT	\$ 13,263
3507 Aid to District Technology	9,959
3509 Arts in Education	32,155
3518 Adoption List of Formative Assessment	82,802
3519 Grade 10 Assessments	16,602
3526 Refurbishment of K-8 Science Kits	22,732
3528 Industry Certificates	26,967
3529 Career & Technology Education	351,764
3532 National Board Certification (NBC) Salary Supplement (No Carryover Provision)	779,950
3533 Teacher of the Year Awards	1,077
3538 Students At Risk of School Failure	1,201,943
3540 Early Childhood Program (4K Programs Serving Four-Year-Old Children)	507,057
3550 Teacher Salary Increase (No Carryover Provision)	2,954,025
3555 Teacher Salary Fringe (No Carryover Provision)	753,623
3556 Adult Education	191,619
3557 Summer Reading Program	9,727
3577 Teacher Supplies (No Carryover Provision)	259,875
3594 EEDA Supplemental Programs	137,466
3595 EEDA - Supplies and Materials - Career Awareness	20,573
3597 Aid to Districts	521,043
	<hr/>
<b>Total State Sources</b>	<b>7,894,222</b>
	<hr/>
<b>Total Revenues All Sources</b>	<b>\$ 7,894,222</b>
	<hr/>

**Expenditures**

**100 Instruction**

110 General Instruction	
111 Kindergarten Programs:	
100 Salaries	15,000
200 Employee Benefits	4,363
112 Primary Programs:	
100 Salaries	108,750
200 Employee Benefits	31,540
300 Purchased Services	4,061
400 Supplies and Materials	8,014
113 Elementary Programs:	
100 Salaries	295,394
200 Employee Benefits	118,177
300 Purchased Services	37,462
400 Supplies and Materials	290,899
600 Other Objects	3,500



**LANCASTER COUNTY SCHOOL DISTRICT  
SPECIAL REVENUE - EDUCATION IMPROVEMENT ACT  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
FOR THE YEAR ENDED JUNE 30, 2020**

114 High School Programs:	
100 Salaries	313,607
200 Employee Benefits	119,843
300 Purchased Services	60,166
400 Supplies and Materials	17,731
600 Other objects	2,000
115 Career and Technology Education Programs:	
100 Salaries	14,980
200 Employee Benefits	4,350
300 Purchased Services - Other Than Tuition	55,406
400 Supplies and Materials	79,834
500 Capital Outlay	144,167
600 Other Objects	1,500
120 Exceptional Programs	
122 Trainable Mentally Handicapped:	
100 Salaries	7,500
200 Employee Benefits	2,192
127 Learning Disabilities:	
100 Salaries	45,000
200 Employee Benefits	13,112
128 Emotionally Handicapped:	
100 Salaries	7,500
200 Employee Benefits	2,180
130 Pre-School Prgrams	
137 Pre-School Handicapped-Self-Contained (3 & 4 year olds):	
100 Salaries	7,500
200 Employee Benefits	2,190
139 Early Childhood Programs:	
100 Salaries	326,216
200 Employee Benefits	173,963
300 Purchased Services	251
400 Supplies and Materials	6,627
140 Special Programs	
141 Gifted and Talented - Academic:	
100 Salaries	15,000
200 Employee Benefits	4,340
147 CDEP:	
100 Salaries	7,500
200 Employee Benefits	2,177
160 Other Exceptional Programs	
162 Limited English Proficiency:	
100 Salaries	329,168
200 Employee Benefits	133,700

**LANCASTER COUNTY SCHOOL DISTRICT  
SPECIAL REVENUE - EDUCATION IMPROVEMENT ACT  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
FOR THE YEAR ENDED JUNE 30, 2020**

170 Summer School Program

172 Elementary Summer School:

100 Salaries	7,068
200 Employee Benefits	2,082
400 Supplies and Materials	1,020

175 Instructional Programs Beyond Regular School Day:

100 Salaries	63,071
200 Employee Benefits	14,197
400 Supplies and Materials	2,784

180 Adult/Continuing Educational Programs

181 Adult Basic Education Programs:

100 Salaries	8,907
200 Employee Benefits	2,471
300 Purchased Services	150

182 Adult Secondary Education Programs:

100 Salaries	17,024
200 Employee Benefits	11,389
300 Purchased Services	171
400 Supplies and Materials	750

188 Parenting/Family Literacy:

100 Salaries	29,639
200 Employee Benefits	8,715

**Total Instruction**

2,986,298

**200 Support Services**

210 Pupil Services

212 Guidance Services:

100 Salaries	35,220
200 Employee Benefits	10,232
400 Supplies and Materials	20,573

217 Career Specialist Services:

100 Salaries	4,575
200 Employee Benefits	1,330

220 Instructional Staff Services

221 Improvement of Instruction Curriculum Development:

100 Salaries	126,017
200 Employee Benefits	42,066

222 Library and Media Services:

100 Salaries	22,500
200 Employee Benefits	6,555

223 Supervision of Special Programs:

100 Salaries	385,955
200 Employee Benefits	163,193
300 Purchased Services	1,901

**LANCASTER COUNTY SCHOOL DISTRICT  
SPECIAL REVENUE - EDUCATION IMPROVEMENT ACT  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
FOR THE YEAR ENDED JUNE 30, 2020**

224 Improvement of Instruction Inservice and Staff Training:	
100 Salaries	9,000
200 Employee Benefits	2,620
300 Purchased Services	101,863
400 Supplies and Materials	62,974
600 Other Objects	11,718
230 General Administration Services	
233 School Administration:	
400 Supplies and Materials	5,827
250 Finance and Operations Services	
251 Student Transportation (Federal/District Mandated)::	
100 Salaries	17,524
200 Employee Benefits	3,236
300 Purchased Services	9,371
254 Operation and Maintenance of Plant:	
500 Capital Outlay	9,990
255 Student Transportation (State Mandated):	
100 Salaries	862
200 Employee Benefits	241
300 Purchased Services	24
260 Central Support Services	
262 Planning, Research, Development & Evaluation:	
400 Supplies and Materials	16,602
263 Information Services:	
300 Purchased Services	7,279
266 Technology and Data Processing Services:	
300 Purchased Services	82,802
400 Supplies and Materials	9,959
270 Support Services Pupil Activity	
271 Pupil Services Activities:	
100 Salaries (optional)	3,128
200 Employee Benefits (optional)	650
300 Purchased Services (optional)	24,489
<b>Total Support Services</b>	<u>1,200,276</u>
<b>Total Expenditures</b>	<u><u>\$ 4,186,574</u></u>

**LANCASTER COUNTY SCHOOL DISTRICT  
SPECIAL REVENUE - EDUCATION IMPROVEMENT ACT  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
FOR THE YEAR ENDED JUNE 30, 2020**

**Other Financing Sources (Uses)**

Interfund Transfers, From (To) Other Funds:

420-710 Transfer to General Fund (Exclude Indirect Costs)	(3,707,648)
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<b>Total Other Financing Sources (Uses)</b>	(3,707,648)
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<b>Excess/Deficiency of Revenues over Expenditures</b>	\$ -
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<b>Fund Balance, Beginning of Year</b>	-
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<b>Fund Balance, End of Year</b>	\$ -
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**LANCASTER COUNTY SCHOOL DISTRICT**  
**SPECIAL REVENUE - EDUCATION IMPROVEMENT ACT**  
**SUMMARY SCHEDULE BY PROGRAM**  
**FOR THE YEAR ENDED JUNE 30, 2020**

Program	Revenues	Expenditures	Interfund Transfers In/(Out)	Other Fund Transfers In/(Out)	Unearned Revenue
3500 Education Improvement Act:					
3502 ADEPT	\$ 13,263	\$ 13,263	\$ -	\$ -	12,609
3507 Aid to District Technology	9,959	9,959	-	-	2,573
3509 Arts in Education	32,155	32,155	-	-	5,223
3518 Formative Assessment	82,802	82,802	-	-	-
3519 Grade 10 Assessments	16,602	16,602	-	-	-
3526 Refurbishment of K-8 Science Kits	22,732	22,732	-	-	30,626
3528 Industry Certificates	26,967	26,967	-	-	44,536
3529 Career & Technology Education	351,764	351,764	-	-	123,484
3532 National Board Certification (NBC) Salary Supplement	779,950	779,950	-	-	-
3533 Teacher of the Year Awards	1,077	1,077	-	-	-
3538 Students At Risk of School Failure	1,201,943	1,201,943	-	-	293,995
3540 Early Childhood Program (4K Programs Serving 4 Year-Old Children)	507,057	507,057	-	-	98,491
3550 Teacher Salary Increase (No Carryover Provision)	2,954,025	-	-	(2,954,025)	-
3555 School Employer Contributions (No Carryover Provision)	753,623	-	-	(753,623)	-
3556 Adult Education	191,619	191,619	-	-	81,712
3557 Summer Reading Program	9,727	9,727	-	-	240,938
3577 Teacher Supplies (No Carryover Provision)	259,875	259,875	-	-	-
3594 EEDA Supplemental Programs	137,466	137,466	-	-	-
3595 EEDA - Supplies and Material - Career Awareness	20,573	20,573	-	-	6,381
3597 Aid to Districts	521,043	521,043	-	-	241,553
3599 Other EIA	-	-	-	-	27,797
<b>Total</b>	<b>\$ 7,894,222</b>	<b>\$ 4,186,574</b>	<b>\$ -</b>	<b>\$ (3,707,648)</b>	<b>\$ 1,209,918</b>

## **DEBT SERVICE FUND**

The Debt Service Fund accumulates monies for payment of the District's general obligation bonds which are serial bonds due in annual installments.

The Debt Service Fund - LEAP fund accounts for the activity of the Lancaster Education Assistance Program, Inc., a blended component unit of the District.

The following schedule has been prepared in the format mandated by the South Carolina State Department of Education. The account numbers shown are also mandated by the South Carolina State Department of Education.

**LANCASTER COUNTY SCHOOL DISTRICT  
DEBT SERVICE FUND - DISTRICT  
BALANCE SHEET  
JUNE 30, 2020**

**Assets**

Property Tax Receivable	\$ 872,288
Due From County Government	<u>14,071,815</u>

<b>Total Assets</b>	<b><u>\$ 14,944,103</u></b>
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**Liabilities, Deferred Inflows of Resources & Fund Balances**

**Deferred Inflows of Resources**

Unavailable Revenue - Property Taxes	<u>750,321</u>
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<b>Total Deferred Inflows of Resources</b>	<b><u>750,321</u></b>
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**Fund Balances**

Restricted For Debt Service	<u>14,193,782</u>
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<b>Total Fund Balances</b>	<b><u>14,193,782</u></b>
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<b>Total Liabilities &amp; Fund Balances</b>	<b><u>\$ 14,944,103</u></b>
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**LANCASTER COUNTY SCHOOL DISTRICT  
DEBT SERVICE FUND - DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
FOR THE YEAR ENDED JUNE 30, 2020**

**Revenues**

**1000 Revenue from Local Sources**

1100 Taxes Levied/Assessed by the LEA:	
1110 Ad Valorem Taxes-Including Delinquent (Independent)	\$ 25,406,506
1140 Penalties & Interest on Taxes (Independent)	156,169
1200 Revenue From Local Governmental Units Other Than LEAs	
1280 Revenue in Lieu of Taxes (Independent and Dependent)	1,461,506
1500 Earnings on Investments:	
1510 Interest on Investments	<u>15,241</u>

<b>Total Local Sources</b>	<u><u>27,039,422</u></u>
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**3000 Revenue from State Sources**

3800 State Revenue in Lieu of Taxes:	
3820 Homestead Exemption (Tier 2)	1,359,372
3830 Merchant's Inventory Tax	12,497
3840 Manufacturers Depreciation Reimbursement	72,262
3890 Other State Property Tax Revenues (Includes Motor Carrier Vehicle Tax)	<u>40,959</u>

<b>Total State Sources</b>	<u><u>1,485,090</u></u>
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<b>Total Revenues All Sources</b>	<u><u><u>\$ 28,524,512</u></u></u>
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**Expenditures**

**500 Debt Service**

610 Redemption of Principal	2,595,000
620 Interest	<u>7,907,506</u>

<b>Total Debt Service</b>	<u><u>10,502,506</u></u>
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<b>Total Expenditures</b>	<u><u><u>\$ 10,502,506</u></u></u>
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**LANCASTER COUNTY SCHOOL DISTRICT  
DEBT SERVICE FUND - DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
FOR THE YEAR ENDED JUNE 30, 2020**

**Other Financing Sources (Uses)**

Interfund Transfers, From (To) Other Funds:

423-710 Transfer to Debt Service Fund	(6,208,242)
424-710 Transfer to School Building Fund Capital Projects Fund	<u>(10,394,758)</u>

<b>Total Other Financing Sources (Uses)</b>	<b><u>(16,603,000)</u></b>
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<b>Excess/Deficiency of Revenues over Expenditures</b>	<b><u>\$ 1,419,006</u></b>
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<b>Fund Balance, Beginning of Year</b>	<b><u>12,774,776</u></b>
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<b>Fund Balance, End of Year</b>	<b><u>\$ 14,193,782</u></b>
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**LANCASTER COUNTY SCHOOL DISTRICT  
DEBT SERVICE FUND - LEAP  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
FOR THE YEAR ENDED JUNE 30, 2020**

**Revenues**

<b>Total Revenues All Sources</b>	\$ -
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**Expenditures**

**500 Debt Service**

610 Redemption of Principal	\$ 5,215,000
620 Interest	1,928,185

<b>Total Debt Service</b>	7,143,185
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<b>Total Expenditures</b>	\$ 7,143,185
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**Other Financing Sources (Uses)**

Interfund Transfers, From (To) Other Funds:

5240 Transfer from Debt Service Fund	6,208,242
5250 Transfer from School Building Fund Capital Projects Fund	934,943

<b>Total Other Financing Sources (Uses)</b>	7,143,185
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<b>Excess/Deficiency of Revenues over Expenditures</b>	\$ -
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<b>Fund Balance, Beginning of Year</b>	-
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<b>Fund Balance, End of Year</b>	\$ -
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## **CAPITAL PROJECTS FUND - SCHOOL BUILDING**

Accounts for financial resources to be used for the acquisition and construction of major capital facilities.

The following schedule has been prepared in the format mandated by the South Carolina State Department of Education. The account numbers shown are also mandated by the South Carolina State Department of Education.

**LANCASTER COUNTY SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
BALANCE SHEET  
JUNE 30, 2020**

**Assets**

Due From County Government	\$ 44,961,745
Other Receivables	<u>292</u>

<b>Total Assets</b>	<b><u>\$ 44,962,037</u></b>
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**Liabilities & Fund Balances**

**Liabilities**

Due To Other Funds	1,314,848
Bonds Payable	951,000
Retainage Payable	3,184,350
Unearned Revenue	<u>18,633</u>

<b>Total Liabilities</b>	<b><u>5,468,831</u></b>
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**Fund Balances**

Restricted For Capital Projects	<u>39,493,206</u>
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<b>Total Fund Balances</b>	<b><u>39,493,206</u></b>
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<b>Total Liabilities &amp; Fund Balances</b>	<b><u>\$ 44,962,037</u></b>
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**LANCASTER COUNTY SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
FOR THE YEAR ENDED JUNE 30, 2020**

**Revenues**

**1000 Revenue from Local Sources**

1500 Earnings on Investments:	
1510 Interest on Investments	\$ 1,301,078
1900 Other Revenue from Local Sources:	
1990 Miscellaneous Local Revenue:	
1993 Receipt of Insurance Proceeds	<u>4,818</u>

<b>Total Local Sources</b>	<u>1,305,896</u>
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<b>Total Revenues All Sources</b>	<u><u>\$ 1,305,896</u></u>
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**Expenditures**

**200 Support Services**

250 Finance and Operations Services	
253 Facilities Acquisition and Construction:	
300 Purchased Services	161,891
400 Supplies and Materials	2,062,310
500 Capital Outlay	
520 Construction Services	56,398,224
530 Improvements Other Than Buildings	3,096,265
540 Equipment	513,783
545 Technology Equipment and Software	1,341,541
550 Vehicles	27,410
560 Library Books and Materials	26,747
590 Other Capital Outlay	<u>1,957,151</u>

<b>Total Support Services</b>	<u>65,585,322</u>
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**500 Debt Service**

319 Legal Services	48,457
395 Other Professional and Technical Services	45,505
620 Interest	<u>10,142</u>

<b>Total Debt Service</b>	<u>104,104</u>
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<b>Total Expenditures</b>	<u><u>\$ 65,689,426</u></u>
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**LANCASTER COUNTY SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
FOR THE YEAR ENDED JUNE 30, 2020**

**Other Financing Sources (Uses)**

Interfund Transfers, From (To) Other Funds:

5240 Transfer from Debt Service Fund	10,394,758
423-710 Transfer to Debt Service Fund	<u>(934,943)</u>

<b>Total Other Financing Sources (Uses)</b>	<u>9,459,815</u>
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<b>Excess/Deficiency of Revenues over Expenditures</b>	<u><u>\$(54,923,715)</u></u>
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<b>Fund Balance, Beginning of Year</b>	<u>94,416,921</u>
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<b>Fund Balance, End of Year</b>	<u><u>\$ 39,493,206</u></u>
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## **PROPRIETARY FUND - FOOD SERVICE FUND**

Accounts for the provision of food services to the students of the District. All activities necessary to provide such service are accounted for in this fund.

The accompanying Statement of Revenues, Expenses and Changes in Retained Earnings has been prepared in the format mandated by the South Carolina State Department of Education. The account numbers shown are also mandated by the South Carolina State Department of Education.

**LANCASTER COUNTY SCHOOL DISTRICT  
PROPRIETARY FUND - FOOD SERVICE  
BALANCE SHEET  
JUNE 30, 2020**

**Assets**

Cash & Cash Equivalents	\$ 1,334,265
Due From Federal Government	43,084
Inventories - Supplies & Materials	238,156
Other Receivables	3,933
Property, Plant and Equipment, Net	<u>1,769,771</u>

<b>Total Assets</b>	<b><u>\$ 3,389,209</u></b>
---------------------	----------------------------

**Deferred Outflows of Resources**

Net Pension Deferred Outflows	289,413
Net OPEB Deferred Outflows	423,687
Employer Contributions Subsequent to Measurement Date	<u>421,444</u>

<b>Total Deferred Outflows of Resources</b>	<b><u>\$ 1,134,544</u></b>
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**Liabilities**

Due To Other Funds	1,212,003
Unearned Revenue	31,888
Net OPEB Liability	3,214,395
Net Pension Liability	<u>3,888,134</u>

<b>Total Liabilities</b>	<b><u>\$ 8,346,420</u></b>
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**Deferred Inflows of Resources**

Net Pension Deferred Inflows	28,265
Net OPEB Deferred Inflows	<u>303,864</u>

<b>Total Deferred Inflows of Resources</b>	<b><u>\$ 332,129</u></b>
--	--------------------------

**Fund Balances**

Net Investment in Capital Assets	1,769,771
Unrestricted	<u>(5,924,567)</u>

<b>Total Fund Balances</b>	<b><u>\$ (4,154,796)</u></b>
----------------------------	------------------------------



**LANCASTER COUNTY SCHOOL DISTRICT  
 PROPRIETARY FUND - FOOD SERVICE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 FOR THE YEAR ENDED JUNE 30, 2020**

**Revenues**

**1000 Revenue from Local Sources**

1500 Earnings on Investments:	
1510 Interest on Investments	\$ 842
1600 Food Service:	
1610 Lunch Sales to Pupils	861,887
1620 Breakfast Sales to Pupils	98,072
1630 Special Sales to Pupils	213,582
1640 Lunch Sales to Adults	63,829
1650 Breakfast Sales to Adults	11,604
1660 Special Sales to Adults	35,612
1900 Other Revenue from Local Sources:	
1990 Miscellaneous Local Revenue:	
1999 Revenue from Other Local Sources	<u>22,266</u>
<b>Total Local Sources</b>	<u><u>1,307,694</u></u>

**4000 Revenue from Federal Sources**

4800 USDA Reimbursement:	
4810 School Lunch and After School Snacks Program	2,457,802
4830 School Breakfast Program	727,706
4870 School Food Service (Equipment)	14,340
4900 Other Federal Sources:	
4990 Other Federal Revenue:	
4991 USDA Commodities (Food Distribution Program) (Carryover Provision)	<u>509,451</u>
<b>Total Federal Sources</b>	<u><u>3,709,299</u></u>

<b>Total Revenues All Sources</b>	<u><u>\$ 5,016,993</u></u>
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**LANCASTER COUNTY SCHOOL DISTRICT  
PROPRIETARY FUND - FOOD SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
FOR THE YEAR ENDED JUNE 30, 2020**

**Expenditures**

**200 Support Services**

250 Finance and Operations Services

256 Food Service:

100 Salaries	2,033,245
200 Employee Benefits	815,733
300 Purchased Services (Excludes gas, oil, electricity, and other heating fuels.)	29,682
400 Supplies and Materials (Includes gas, oil, electricity, and other heating fuels.)	2,495,590
500 Capital Outlay	237,976
600 Other Objects	10,384
	<u>5,622,610</u>

**Total Support Services**

5,622,610

**Total Expenditures**

\$ 5,622,610

**Other Financing Sources (Uses)**

5300 Sale of Capital Assets	5,902
5900 Miscellaneous Sources:	
5999 Other Financing Sources	51,370

Interfund Transfers, From (To) Other Funds:

432-791 Food Service Fund Indirect Costs	<u>(284,728)</u>
--	------------------

**Total Other Financing Sources (Uses)**

(227,456)

**Excess/Deficiency of Revenues over Expenditures**

\$ (833,073)

**Fund Balance, Beginning of Year**

(3,321,723)

**Fund Balance, End of Year**

\$ (4,154,796)

## **FIDUCIARY FUND - PUPIL ACTIVITY FUND**

Agency Fund - Accounts for the collection and payment of pupil activity receipts and disbursements from and on behalf of the District's students.

The following individual fund statements have been prepared in the format mandated by the South Carolina State Department of Education. The account numbers shown on the various statements are also mandated by the South Carolina State Department of Education.

**LANCASTER COUNTY SCHOOL DISTRICT  
FIDUCIARY FUND - PUPIL ACTIVITY AGENCY FUND  
SCHEDULE OF FIDUCIARY ASSETS AND LIABILITIES  
JUNE 30, 2020**

**PUPIL  
ACTIVITY**

**Assets**

Cash & Cash Equivalents	\$ 1,144,062
Investments	1,083,408
Other Receivables	<u>4,506</u>

<b>Total Assets</b>	<b><u><u>\$ 2,231,976</u></u></b>
---------------------	-----------------------------------

**Liabilities**

Due To School District	123,667
Due to Pupil Activities	<u>2,108,309</u>

<b>Total Liabilities</b>	<b><u><u>\$ 2,231,976</u></u></b>
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**LANCASTER COUNTY SCHOOL DISTRICT  
FIDUCIARY FUND - PUPIL ACTIVITY AGENCY FUND  
SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN AMOUNTS DUE TO PUPIL ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2020**

**Receipts**

**1000 Receipts from Local Sources**

1300 Tuition	
1350 From Patrons for Summer School	\$ 926
1500 Earnings on Investments:	
1510 Interest on Investments	18,862
1700 Pupil Activities:	
1710 Admissions	336,587
1720 Bookstore Sales	1,402,659
1730 Pupil Organization Membership Dues and Fees	1,299,727
1740 Student Fees	16,122
1900 Other Receipts from Local Sources:	
1910 Rentals	60
1920 Contributions & Donations Private Sources	383,297
1990 Miscellaneous Local Receipts:	
1999 Receipts from Other Local Sources	411
<b>Total Local Sources</b>	<u>3,458,651</u>
<b>Total Receipts All Sources</b>	<u><u>\$ 3,458,651</u></u>

**Disbursements**

**100 Instruction**

190 Instructional Pupil Activity:	
100 Salaries (optional)	106,017
200 Employee Benefits (optional)	30,037
400 Supplies and Materials (optional)	775
500 Capital Outlay (optional)	11,122
600 Other Objects	
660 Instructional Pupil Activity	739,414
<b>Total Instruction</b>	<u>887,365</u>

**LANCASTER COUNTY SCHOOL DISTRICT  
FIDUCIARY FUND - PUPIL ACTIVITY AGENCY FUND  
SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN AMOUNTS DUE TO PUPIL ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2020**

**200 Support Services**

250 Finance and Operations Services

255 Student Transportation (State Mandated):

100 Salaries 127,125

200 Employee Benefits 23,177

300 Purchased Services 6,966

258 Security:

100 Salaries 43

200 Employee Benefits 13

270 Support Services Pupil Activity

271 Pupil Services Activities:

100 Salaries (optional) 456,378

200 Employee Benefits (optional) 134,365

500 Capital Outlay (optional) 2,649

600 Other Objects (optional)

660 Pupil Activity 1,469,293

272 Enterprise Activities

600 Other Objects (optional)

660 Pupil Activity 177,379

**Total Support Services**

2,397,388

**Total Disbursements**

\$ 3,284,753

**Other Financing Sources (Uses)**

Interfund Transfers, From (To) Other Funds:

5210 Transfer from General Fund (Exclude Indirect Costs) 166,458

5270 Transfer from Pupil Activity Fund 716,206

426-710 Transfer to Pupil Activity Fund (716,206)

**Total Other Financing Sources (Uses)**

166,458

**Excess/Deficiency of Receipts over Disbursements**

\$ 340,356

**Fund Balance, Beginning of Year**

1,767,953

**Fund Balance, End of Year**

\$ 2,108,309

**LANCASTER COUNTY SCHOOL DISTRICT  
FIDUCIARY FUND - PUPIL ACTIVITY FUND  
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
JUNE 30, 2020**

	<b>Balance June 30, 2019</b>	<b>Additions</b>	<b>Reductions</b>	<b>Balance June 30, 2020</b>
<b>Assets</b>				
Cash & Cash Equivalents	\$ 1,196,115	\$ 3,604,536	\$ 3,656,589	\$ 1,144,062
Investments	1,064,546	18,862	-	1,083,408
Other Receivables	<u>2,795</u>	<u>4,506</u>	<u>2,795</u>	<u>4,506</u>
<b>Total Assets</b>	<u><u>\$ 2,263,456</u></u>	<u><u>\$ 3,627,904</u></u>	<u><u>\$ 3,659,384</u></u>	<u><u>\$ 2,231,976</u></u>
<b>Liabilities</b>				
Due To School District	495,503	3,408,420	3,780,256	123,667
Due to Pupil Activities	<u>1,767,953</u>	<u>3,625,109</u>	<u>3,284,753</u>	<u>2,108,309</u>
<b>Total Liabilities</b>	<u><u>\$ 2,263,456</u></u>	<u><u>\$ 7,033,529</u></u>	<u><u>\$ 7,065,009</u></u>	<u><u>\$ 2,231,976</u></u>

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



**LANCASTER COUNTY SCHOOL DISTRICT**  
**DETAILED SCHEDULE OF DUE TO STATE DEPARTMENT OF EDUCATION/ FEDERAL GOVERNMENT**  
**JUNE 30, 2020**

<b>Program</b>	<b>Project/Grant Number</b>	<b>Revenue &amp; Subfund Code</b>	<b>Description</b>	<b>Amount Due to SDE or Federal Government</b>	<b>Status of Amounts Due To Grantors</b>
Supporting Effective Instruction	H63010006820	267/4351	Refund after Claim Submitted	\$ 1,324.32	Paid Check # 199743 - 8/27/20
National Board Salary Supplement	N/A	332/3532	Refund after Claim Submitted	49,888.56	Paid Check # 199742 - 8/27/20
Title I	H63010100120	201/4310	Refund after Claim Submitted	1,344.78	Paid Check # 198692 - 8/13/20
Targeted School Improvement	H63010100120	237/4310	Refund after Claim Submitted	599.76	Paid Check # 198692 - 8/13/20
Title III - English Language Acquisition	H63010006720	264/4341	Overclaim of Expenditures	774.00	Paid Check # 199703 - 8/20/20
Title I	H63010100120	201/4310	Refund after Claim Submitted	765.65	Paid Check # 199703 - 8/20/20
Supporting Effective Instruction	H63010006820	267/4351	Refund after Claim Submitted	422.93	Paid Check # 199703 - 8/20/20
IDEA - Preschool	H63010100820	205/4520	Overclaim of Expenditures	287.80	Paid Check # 199703 - 8/20/20
				<u>\$ 55,407.80</u>	

**LANCASTER COUNTY SCHOOL DISTRICT  
LOCATION RECONCILIATION SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2020**

<b>Location ID</b>	<b>Location Description</b>	<b>Education Level</b>	<b>Cost Type</b>	<b>Total Expenditures</b>
2901011	Brooklyn Springs Elementary	Elementary Schools	School	\$ 5,193,832
2901611	Discovery School	Other Schools	School	957,260
2901015	Clinton Elementary	Elementary Schools	School	4,726,772
2901017	Erwin Elementary	Elementary Schools	School	4,109,689
2901008	Lancaster High School	High Schools	School	12,645,864
2901996	LCSD Career Center	High Schools	School	2,406,568
2901024	McDonald Green Elementary	Elementary Schools	School	3,907,278
2901014	North Elementary	Elementary Schools	School	6,196,463
2901010	South Middle	Middle Schools	School	5,198,861
2901003	A.R. Rucker	Middle Schools	School	4,961,975
2901007	Andrew Jackson High	High Schools	School	8,949,423
2901019	Heath Springs Elementary	Elementary Schools	School	8,556,971
2901023	Kershaw Elementary	Elementary Schools	School	8,202,438
2901027	Andrew Jackson Middle	Middle Schools	School	4,219,640
2901028	Buford Middle	Middle Schools	School	3,948,576
2901012	Buford Elementary	Elementary Schools	School	5,749,215
2901002	Buford High	High Schools	School	9,550,729
2901006	Indian Land High	High Schools	School	9,969,351
2901021	Indian Land Elementary	Elementary Schools	School	7,451,397
2901029	Indian Land Middle	Middle Schools	School	7,945,692
2901030	Harrisburg Elementary School	Elementary Schools	School	6,511,107
2901031	Van Wyck Elementary School	Elementary Schools	School	5,533,913
2901000	District Wide	Non-School	Central	91,355,359

**Total Expenditures/Disbursements for All Funds**

**\$ 228,248,373**

Above expenditures are reconciled to the District's Audit statements as follows:

General Fund (Subfund 100s)	\$ 118,457,604
Special Revenue Fund - Special Projects (Subfund 200s, 800s, 900s)	13,361,715
Special Revenue Fund - EIA Fund (Subfund 300s)	4,186,574
Debt Service Fund (Subfund 400s)	17,645,691
Capital Projects Fund (Subfund 500s)	65,689,426
Enterprise Fund - Food Service (Subfund 600s)	5,622,610
Agency Fund - Pupil Activity (Subfund 700s)	3,284,753

**Total Expenditures/Disbursements for All Funds**

**\$ 228,248,373**

**LANCASTER COUNTY SCHOOL DISTRICT  
SPECIAL REVENUE - SPECIAL PROJECTS  
SUBFUND CODE LIST  
FOR THE YEAR ENDED JUNE 30, 2020**

<b>District Subfund Code</b>	<b>Other Special Revenue Programs Program Name</b>	<b>District Subfund Code</b>	<b>Other Special Revenue Programs Program Name</b>
210	Title IV - SSAE	842	SC Arts Commission - McDonald Green Elementary
221	Title I, N&D	843	SC Arts Commission - Harrisburg
224	21st Century Community Learning Centers	844	SC Arts Commission - ABC Grant - Andrew Jackson Middle
234	Early Learning Model - School Improvement	845	SC Arts Commission - ABC Grant - Clinton Elementary
237	Title I, School Improvement	846	Christian Services - Adult Ed
238	Title I Support	847	SC Arts Commission - Heath Springs Elementary
264	Language Instruction for Limited English Proficient and Immigrant Students Title III	848	SC Arts Commission
267	Title II Improving Teacher Quality	849	SC Arts Commission
270	JROTC	850	SC Arts Commission
275	Adult Education Local Contributions	851	Jobs for South Carolina's Graduates
296	Facility Rental Fund	852	SC Arts Commission
299	12-Month Ag.	857	Professional Development
801	Discovery School	858	Read Across Lancaster
802	SIMS: Swimming and Water Safety	859	SIMS: Reading for Workplace Success
803	Communities in Schools	862	SAM Art Grant - Clinton
804	First Steps	863	SAM Art Grant - Heath Springs
805	Workforce Investment Act	864	TSI Art Grant - Lancaster High
807	First Steps - Early Head Start Partnership Grant	865	SAM Art Grant - McDonald Green
809	Partners for Youth-Clinton Community Grant		
810	Leader in Me		
811	Learn TV Advertising		
812	Education Oversight Committee		
813	Head Start	243	Adult Education
814	Children's Council - Teen Pregnancy Prevention		
817	DJJ - Teen After School Centers		
820	Lancaster County Project Prevent		
821	Little Free Libraries		
822	Workers Compensation Risk Control Grant		
827	Early Head Start		
828	Learn TV - Children's Council		
830	AmeriCorp		
831	Strategic Prevention Frame Work - Children's Council		
833	Barr Street Auditorium	919	Education License Plates
835	Stop School Violence - Partners for Youth	928	EEDA Career Specialist
836	COVID PPE Donations	935	Reading Coaches
839	EXT School Year	936	Student Health and Fitness - Nurses
840	SC Arts Commission - Heath Springs	937	Student Health and Fitness - PE Teachers
841	SC Arts Commission - AJ Middle	955	DSS SNAP and E&T Program
		956	Adult Education
		966	Mobile Device Access & Management
		969	High School Equivalency Expansion
		970	School Safety - Facility & Infrastructure Safety Upgrades

## STATISTICAL SECTION

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

<b>Contents</b>	<b>Page</b>
<b>Financial Trends</b>	
These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	108-112
<b>Revenue Capacity</b>	
These schedules contain information to help the reader assess the factors affecting the District's ability to generate its property taxes.	113-116
<b>Debt Capacity</b>	
These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	117-120
<b>Demographic and Economic Information</b>	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place and to help make comparisons over time and with other Districts.	121-123
<b>Operating Information</b>	
These schedules contain information about the District's operations and resources to help the reader understand how the District's financial information relates to the services the District provides and the activities it performs.	123-129

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

LANCASTER COUNTY SCHOOL DISTRICT  
NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Primary Government										
Governmental Activities										
Net Investment in Capital Assets	\$ 25,498,685	\$ 27,972,214	\$ 22,739,357	\$ 38,615,430	\$ 47,270,919	\$ 51,196,331	\$ 69,831,369	\$ 80,352,310	\$ 89,251,079	\$ 99,458,366
Restricted	15,952,388	16,610,712	23,821,437	13,619,093	8,706,914	13,218,539	134,134,045	81,041,454	107,191,697	53,686,988
Unrestricted**	12,679,479	15,305,628	18,968,579	(89,625,785)	(88,073,156)	(86,453,482)	(216,898,104)	(282,419,779)	(316,586,766)	(276,846,756)
Total Governmental Activities -										
Net Position (Deficit)	54,130,552	59,888,554	65,529,373	(37,391,262)	(32,095,323)	(22,038,612)	(12,932,690)	(121,026,015)	(120,143,990)	(123,701,402)
Business-Type Activities										
Investment in Capital Assets	570,429	470,369	455,985	531,604	1,109,933	1,092,312	1,400,893	1,431,336	1,934,423	1,769,771
Unrestricted	564,534	1,022,090	1,085,707	(910,488)	(1,077,253)	(1,877,390)	(1,971,806)	(4,938,763)	(5,256,146)	(5,924,567)
Total Business-Type Activities -										
Net Position	1,134,963	1,492,459	1,541,692	(378,884)	32,680	(785,078)	(570,913)	(3,507,427)	(3,321,723)	(4,154,796)
Total Primary Government										
Net Investment in Capital Assets	26,069,114	28,442,583	23,195,342	39,147,034	48,380,852	52,288,643	71,232,262	81,783,646	91,185,502	101,228,137
Restricted	15,952,388	16,610,712	23,821,437	13,619,093	8,706,914	13,218,539	134,134,045	81,041,454	107,191,697	53,686,988
Unrestricted**	13,244,013	16,327,718	20,054,286	(90,536,273)	(89,150,409)	(88,330,872)	(218,869,910)	(287,358,542)	(321,842,912)	(282,771,323)
Total Primary Government -										
Net Position (Deficit)	\$ 55,265,515	\$ 61,381,013	\$ 67,071,065	\$ (37,770,146)	\$ (32,062,643)	\$ (22,823,690)	\$ (13,503,603)	\$ (124,533,442)	\$ (123,465,713)	\$ (127,856,198)

**Note:** Accrual basis of accounting.

\*\* During fiscal year 2014-15, the District adopted GASB 68, resulting in the reporting of its proportionate share of the net pension liability in the amount of \$110,080,922 from its cost-sharing retirement systems. The District's unrestricted net position (deficit) was restated by the amount noted above for the adjustment of the net pension liability, effective July 1, 2014.

\*\* During fiscal year 2017-18, the District adopted GASB 75, resulting in the reporting of its proportionate share of the net OPEB liability in the amount of \$116,198,076 from its cost-sharing OPEB trusts. The District's unrestricted net position (deficit) was restated by the amount noted above for the adjustment of the net pension liability, effective July 1, 2017.

**Source:** Comprehensive Annual Financial Report

Unaudited

LANCASTER COUNTY SCHOOL DISTRICT  
EXPENSES, PROGRAM REVENUES, AND NET (EXPENSES) REVENUES  
LAST TEN FISCAL YEARS

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Expenses</b>										
Governmental Activities:										
Instruction	\$ 54,761,743	\$ 55,826,663	\$ 58,954,051	\$ 60,978,687	\$ 64,637,304	\$ 67,435,882	\$ 73,935,990	\$ 78,696,180	\$ 83,715,504	\$ 90,204,042
Support Services	36,224,608	36,413,973	39,781,575	39,484,162	42,449,478	45,338,801	53,924,679	60,238,631	64,083,925	67,013,523
Community Services	1,139,831	1,176,010	1,305,910	1,147,511	987,968	1,274,727	1,346,041	1,590,894	1,562,678	1,626,385
Interest and Other Charges	4,270,217	4,255,936	3,908,150	3,804,650	2,694,139	2,740,524	3,818,539	6,657,766	7,070,424	8,960,658
Pupil Activities	119,900	344,787	168,300	195,706	226,209	247,537	194,481	244,546	239,777	166,458
Loss on Sale of Capital Assets	-	-	-	-	-	112,569	-	-	-	-
Total Governmental Activities Expenses	<u>96,516,299</u>	<u>98,017,369</u>	<u>104,117,986</u>	<u>105,610,716</u>	<u>110,995,098</u>	<u>117,150,040</u>	<u>133,219,730</u>	<u>147,428,017</u>	<u>156,672,308</u>	<u>167,971,066</u>
Business-Type Activities:										
Food Service	4,808,028	4,919,588	5,152,584	4,913,072	5,457,733	6,449,582	5,794,527	5,647,730	5,968,558	5,616,708
Total Business-Type Activities Expenses	<u>4,808,028</u>	<u>4,919,588</u>	<u>5,152,584</u>	<u>4,913,072</u>	<u>5,457,733</u>	<u>6,449,582</u>	<u>5,794,527</u>	<u>5,647,730</u>	<u>5,968,558</u>	<u>5,616,708</u>
Total Primary Government Expenses	<u>\$ 101,324,327</u>	<u>\$ 102,936,957</u>	<u>\$ 109,270,570</u>	<u>\$ 110,523,788</u>	<u>\$ 116,452,831</u>	<u>\$ 123,599,622</u>	<u>\$ 139,014,257</u>	<u>\$ 153,075,747</u>	<u>\$ 162,640,866</u>	<u>\$ 173,587,774</u>
<b>Program Revenues</b>										
Governmental Activities:										
Charges for Services:										
Instruction	61,994	86,903	30,054	16,572	21,617	-	-	-	-	-
Support Services	-	-	19,822	10,494	13,812	46,455	33,506	30,645	26,367	21,201
Community Services	-	-	696	327	351	-	-	-	-	-
Operating Grants and Contributions	54,411,245	54,664,412	58,591,726	59,014,988	62,730,886	65,247,998	71,452,498	75,724,387	78,430,902	83,849,272
Capital Grants and Contributions	4,034	3,119	-	-	-	-	-	-	-	-
Total Governmental Activities Program Revenues	<u>54,477,273</u>	<u>54,754,434</u>	<u>58,642,298</u>	<u>59,042,381</u>	<u>62,766,666</u>	<u>65,294,453</u>	<u>71,486,004</u>	<u>75,755,032</u>	<u>78,457,269</u>	<u>83,870,473</u>
Business-Type Activities:										
Charges for Services	1,572,107	1,611,509	1,550,131	1,453,478	1,429,613	1,599,461	1,512,016	1,650,510	1,649,607	1,284,586
Operating Grants and Contributions	3,625,926	3,899,979	3,939,279	3,919,468	4,105,555	4,238,696	4,382,605	4,274,170	4,225,243	3,732,407
Capital Grants and Contributions	-	-	-	-	-	113,677	446,524	190,290	659,667	51,370
Total Business-Type Activities Program Revenues	<u>5,198,033</u>	<u>5,511,488</u>	<u>5,489,410</u>	<u>5,372,946</u>	<u>5,535,168</u>	<u>5,951,834</u>	<u>6,341,145</u>	<u>6,114,970</u>	<u>6,534,517</u>	<u>5,068,363</u>
Total Primary Government Program Revenues	<u>59,675,306</u>	<u>60,265,922</u>	<u>64,131,708</u>	<u>64,415,327</u>	<u>68,301,834</u>	<u>71,246,287</u>	<u>77,827,149</u>	<u>81,870,002</u>	<u>84,991,786</u>	<u>88,938,836</u>
<b>Net (Expense) Revenue</b>										
Governmental Activities	(42,039,026)	(43,262,935)	(45,475,688)	(46,568,335)	(48,228,432)	(51,855,587)	(61,733,726)	(71,672,985)	(78,215,039)	(84,100,593)
Business-Type Activities	390,005	591,900	336,826	459,874	77,435	(497,748)	546,618	467,240	565,959	(548,345)
Total Primary Governmental Net (Expense) Revenue	<u>\$ (41,649,021)</u>	<u>\$ (42,671,035)</u>	<u>\$ (45,138,862)</u>	<u>\$ (46,108,461)</u>	<u>\$ (48,150,997)</u>	<u>\$ (52,353,335)</u>	<u>\$ (61,187,108)</u>	<u>\$ (71,205,745)</u>	<u>\$ (77,649,080)</u>	<u>\$ (84,648,938)</u>

**Note:** Accrual basis of accounting.

**Source:** Comprehensive Annual Financial Report

Unaudited

LANCASTER COUNTY SCHOOL DISTRICT  
GENERAL REVENUES AND TOTAL CHANGE IN NET POSITION  
LAST TEN FISCAL YEARS

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>General Revenues and Other Changes in Net Position</b>										
Governmental Activities:										
Property Taxes, Levied for General Purposes	\$ 21,797,653	\$ 23,793,704	\$ 24,169,532	\$ 25,105,438	\$ 26,823,264	\$ 28,417,807	\$ 29,633,307	\$ 29,935,497	\$ 32,700,151	\$ 34,189,744
Property Taxes, Levied for Debt Service	10,077,072	12,013,049	13,292,168	12,592,622	13,178,410	17,280,918	23,795,565	25,063,701	25,560,372	27,024,181
Unrestricted Grants, Aide and Contributions	12,656,324	12,894,313	13,229,236	13,564,970	13,779,684	15,296,090	15,637,287	16,223,057	16,732,516	17,013,860
Unrestricted Investment Earnings	115,775	57,831	73,410	57,831	54,965	166,405	617,302	1,757,972	1,986,023	1,685,274
Gain on Sale of Capital Assets	-	-	-	-	-	-	-	-	-	-
Insurance Proceeds	4,894,906	-	-	-	-	-	-	-	-	-
Miscellaneous	26,771	26,871	64,569	27,311	22,177	431,068	823,734	3,393,755	1,744,591	345,394
Transfers	219,935	235,169	287,592	259,326	(334,129)	320,010	332,453	347,745	373,411	284,728
Total Governmental Activities	49,788,436	49,020,937	51,116,507	51,607,498	53,524,371	61,912,298	70,839,648	76,721,727	79,097,064	80,543,181
Business-Type Activities:										
Unrestricted Investment Earnings	2,069	765	-	-	-	-	-	-	-	-
Loss on Sale of Capital Assets	-	-	-	-	-	-	-	-	(6,844)	-
Transfers	(219,935)	(235,169)	(287,592)	(259,326)	334,129	(320,010)	(332,453)	(347,745)	(373,411)	(284,728)
Total Business-Type Activities	(217,866)	(234,404)	(287,592)	(259,326)	334,129	(320,010)	(332,453)	(347,745)	(380,255)	(284,728)
Total Primary Government	49,570,570	48,786,533	50,828,915	51,348,172	53,858,500	61,592,288	70,507,195	76,373,982	78,716,809	80,258,453
<b>Change in Net Position</b>										
Governmental Activities	7,749,410	5,758,002	5,640,819	5,039,163	5,295,939	10,056,711	9,105,922	5,048,742	882,025	(3,557,412)
Business-Type Activities	172,139	357,496	49,234	200,548	411,564	(817,758)	214,165	119,495	185,704	(833,073)
Total Change in Net Position-Primary Government	\$ 7,921,549	\$ 6,115,498	\$ 5,690,053	\$ 5,239,711	\$ 5,707,503	\$ 9,238,953	\$ 9,320,087	\$ 5,168,237	\$ 1,067,729	\$ (4,390,485)

**Note:** Accrual basis of accounting.

**Source:** Comprehensive Annual Financial Report

Unaudited

LANCASTER COUNTY SCHOOL DISTRICT  
FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Fund										
Reserved*	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Unreserved										
Designated for Subsequent Years	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Undesignated	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total General Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
General Fund**										
Nonspendable:										
Prepaid Expenditures	\$ 69,943	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,854,362	\$ 2,982	\$ 8,704	\$ 19,916
Assigned:										
Subsequent Year Expenditures	831,936	954,973	2,423,778	2,772,134	3,058,770	3,686,139	2,719,152	3,370,647	5,460,939	7,624,836
Encumbered Operating Expenditures	71,971	36,355	53,515	32,952	39,411	26,567	10,042	29,174	89,108	133,428
Unassigned	11,425,838	14,567,464	15,269,599	15,848,013	17,664,234	18,686,693	20,673,180	24,223,142	19,737,582	16,722,485
Total General Fund	\$ 12,399,688	\$ 15,558,792	\$ 17,746,892	\$ 18,653,099	\$ 20,762,415	\$ 22,399,399	\$ 25,256,736	\$ 27,625,945	\$ 25,296,333	\$ 24,500,665
All Other Governmental Funds										
Reserved for:										
Debt Service	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Debt Service LEAP	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Capital Projects	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Capital Projects LEAP	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Unreserved, Reported in:										
Special Revenue Funds	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total All Other Governmental Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
All Other Governmental Funds**										
Restricted:										
Debt Service	1,502,646	3,406,898	4,985,399	3,876,497	2,429,626	4,183,421	7,982,561	10,185,302	12,774,776	14,193,782
Debt Service LEAP	6,585,886	6,586,124	-	-	-	-	-	-	-	-
Capital Projects	7,116,888	6,143,482	18,836,038	9,164,307	5,649,217	9,035,118	126,151,484	70,856,152	94,416,921	39,493,206
Capital Projects LEAP	123,888	4	-	-	-	-	-	-	-	-
Total All Other Governmental Funds	\$ 15,329,308	\$ 16,136,508	\$ 23,821,437	\$ 13,040,804	\$ 8,078,843	\$ 13,218,539	\$ 134,134,045	\$ 81,041,454	\$ 107,191,697	\$ 53,686,988

Notes: Modified accrual basis of accounting.

\*Includes encumbrances, inventory and prepaid items

\*\* The 2011-2015 funds balances for the General Fund and all other Governmental Funds are reported based on the requirements under GASB 54. The fund balances for years ended 2006-2010 are not reported under GASB 54.

Source: Comprehensive Annual Financial Report

Unaudited



LANCASTER COUNTY SCHOOL DISTRICT  
GOVERNMENTAL FUNDS REVENUES, EXPENDITURES, DEBT SERVICE RATIO, OTHER FINANCING SOURCES AND USES AND CHANGE IN FUND BALANCES  
LAST TEN FISCAL YEARS

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Revenues</b>										
Local Sources:										
Intergovernmental	\$ 38,681,391	\$ 38,108,648	\$ 38,658,902	\$ 38,707,044	\$ 41,077,473	\$ 47,944,141	\$ 56,461,368	\$ 61,589,029	\$ 63,170,188	\$ 65,343,932
State Sources	51,274,749	56,666,075	60,801,115	61,014,242	64,873,342	68,379,359	74,995,286	79,717,645	82,882,831	89,128,390
Federal Sources	13,646,168	9,457,423	9,759,753	10,453,133	10,354,226	9,701,406	10,372,647	10,661,944	10,759,024	10,368,260
Total Revenues	103,602,308	104,232,146	109,219,770	110,174,419	116,305,041	126,685,765	141,829,301	151,968,618	156,812,043	164,922,364
<b>Expenditures</b>										
Instruction	52,547,193	53,634,111	56,699,790	58,591,844	61,275,287	63,426,278	68,328,640	72,446,063	77,706,366	81,532,288
Support Services	34,217,717	35,330,570	37,395,242	37,146,008	39,150,676	42,094,131	53,885,951	49,579,315	53,305,560	53,998,871
Community Services	1,139,831	1,176,010	1,305,910	1,147,511	987,968	1,199,282	1,243,243	1,465,341	1,451,713	1,472,115
Pupil Activities	119,900	344,787	168,300	195,706	226,209	-	-	-	-	-
Intergovernmental	778,140	792,327	809,899	830,697	925,366	904,002	814,304	856,425	874,075	819,749
Debt Service:										
Legal Services	-	-	-	-	-	55,657	-	-	-	48,457
Principal	2,890,000	3,100,000	12,490,000	5,310,000	7,200,000	17,750,000	8,825,000	10,700,000	7,395,000	7,810,000
Interest and Fiscal Charges	4,358,333	4,240,673	5,001,203	3,300,470	3,039,166	3,102,686	3,104,107	7,620,241	7,397,922	9,845,833
Other Objects	-	-	-	1,290	-	-	-	-	-	-
Capital Outlay	2,064,968	1,882,533	2,806,411	13,786,645	6,686,801	7,510,699	17,506,734	60,127,814	68,022,754	63,768,192
Total Expenditures	98,116,082	100,501,011	116,676,755	120,310,171	119,491,473	136,042,735	153,707,979	202,795,199	216,153,390	219,295,505
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	5,486,226	3,731,135	(7,456,985)	(10,135,752)	(3,186,432)	(9,356,970)	(11,878,678)	(50,826,581)	(59,341,347)	(54,373,141)
<b>Other Financing Sources (Uses)</b>										
Sale of Capital Assets	-	-	-	2,000	-	-	-	-	60,000	-
Premium on Bonds Sold	-	-	7,747,382	-	-	516,176	10,513,549	-	8,968,344	-
Proceeds of General Obligation Bonds	-	-	21,720,000	-	-	15,545,000	125,000,000	-	74,000,000	-
Proceeds of Refund Debt	-	-	60,355,000	-	-	-	-	-	-	-
Payment to Refunded Debt Escrow Agent	-	-	(72,779,959)	-	-	-	-	-	-	-
Operating Transfers In	11,594,034	11,277,483	7,121,305	11,914,802	12,189,683	8,898,582	43,908,163	15,237,495	19,600,753	21,998,533
Operating Transfers (Out)	(11,374,099)	(11,042,314)	(6,833,713)	(11,655,476)	(11,855,896)	(8,826,108)	(43,770,191)	(15,134,296)	(19,467,119)	(21,880,264)
Total Other Financing Sources (Uses)	219,935	235,169	17,330,015	261,326	333,787	16,133,650	135,651,521	103,199	83,161,978	118,269
<b>Net Change in Fund Balances</b>	\$ 5,706,161	\$ 3,966,304	\$ 9,873,030	\$ (9,874,426)	\$ (2,852,645)	\$ 6,776,680	\$ 123,772,843	\$ (50,723,382)	\$ 23,820,631	\$ (54,254,872)
<b>Debt Service as a Percentage of Noncapital Expenditures</b>	246.55%	203.47%	403.26%	59.71%	166.03%	287.91%	52.81%	31.13%	22.23%	28.03%

**Note:** Modified accrual basis of accounting.  
**Source:** Comprehensive Annual Financial Report

Unaudited

**LANCASTER COUNTY SCHOOL DISTRICT  
 ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
 LAST TEN YEARS**

Fiscal Year	Real Property		Personal Property		Total		Total Direct Rate	Ratio of Total Assessed to Total Estimated Actual Value
	Taxable Assessed Value	Estimated Actual Value	Taxable Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
2011	215,604,040	4,591,062,583	59,733,425	739,712,513	275,337,465	5,330,775,096	175.3	5.17%
2012	221,005,620	4,742,031,500	60,511,398	765,238,561	281,517,018	5,507,270,061	183.5	5.11%
2013	223,980,320	4,831,654,250	63,738,973	814,133,088	287,719,293	5,645,787,338	187.0	5.10%
2014	231,213,120	4,997,842,833	67,047,533	886,988,462	298,260,653	5,884,831,295	188.0	5.07%
2015	241,517,630	5,255,368,533	70,595,396	929,769,467	312,113,026	6,185,138,000	192.5	5.05%
2016	255,663,400	5,590,108,917	76,422,037	1,003,959,601	332,085,437	6,594,068,518	202.5	5.04%
2017	272,287,050	6,011,497,833	80,657,786	1,084,262,920	352,944,836	7,095,760,753	217.5	4.97%
2018	288,360,810	6,383,566,917	82,480,297	1,096,330,273	370,841,107	7,479,897,190	217.5	4.96%
2019	302,285,440	6,714,974,417	86,398,881	1,150,671,543	388,684,321	7,865,645,960	217.5	4.94%
2020	325,248,500	7,219,924,333	92,418,957	1,216,530,737	417,667,457	8,436,455,070	224.5	4.95%

**Source:** Lancaster County Auditor

Unaudited

**LANCASTER COUNTY SCHOOL DISTRICT  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN TAX YEARS  
(rate per \$1 of assessed value)**

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Fiscal Year	School Direct Rates			Overlapping Rates				Total
	School Operating Rate	School Debt Service	Total Direct	Lancaster County	University of South Carolina(A)	City of Lancaster	City of Kershaw	
2011	136.75	38.50	175.25	83.60	3.40	143.50	70.90	476.65
2012	140.00	43.50	183.50	83.00	3.60	143.50	69.90	483.50
2013	140.00	47.00	187.00	85.10	3.80	149.70	72.10	497.70
2014	145.00	43.00	188.00	90.41	3.95	154.70	75.00	512.06
2015	149.50	43.00	192.50	92.80	4.10	156.90	75.00	521.30
2016	149.50	53.00	202.50	94.30	4.30	164.40	75.00	540.50
2017	149.50	68.00	217.50	91.20	4.30	176.40	77.00	566.40
2018	149.50	68.00	217.50	95.60	4.50	178.50	82.00	578.10
2019	154.50	65.00	219.50	101.20	4.70	172.90	85.00	583.30
2020	159.50	65.00	224.50	108.75	4.90	172.90	85.00	596.05

Note: (A) Local levy for University of South Carolina at Lancaster.

The school district may increase millage annually by the lesser of five mills as authorized by Act 179 or the Act 388 limitations.

Source: Lancaster County Auditor

Unaudited

**LANCASTER COUNTY SCHOOL DISTRICT  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO**

<b>Taxpayer</b>	<b>December 31, 2019</b>		<b>December 31, 2010</b>	
	<b>Taxable Assessed Value</b>	<b>Percent of District's Total Taxable Value</b>	<b>Taxable Assessed Value</b>	<b>Percent of District's Total Taxable Value</b>
Duke Energy Corporation	\$ 8,409,330	2.16%	\$ 7,291,790	2.55%
Hailes Gold Mine	5,605,095	1.44%		
Red Ventures, LLC	5,230,149	1.35%		
Keer America Corporation	2,196,834	0.57%		
Hutton Indian Land LLC	1,924,190	0.50%		
Crossridge Center LLC	1,840,660	0.47%		
Lennar Carolinas LLC	1,550,120	0.40%		
IMF 13 LLC	1,371,200	0.35%		
Springland Associates, LLC	1,215,280	0.31%	2,167,900	0.76%
Duracell Manufacturers LLC	955,350	0.25%		
The Gillette Company			4,338,057	1.52%
Lancaster Hospital Corp.**			4,235,400	1.48%
Springs Global (A)			2,981,728	1.04%
Pulte Home Corporation			2,939,280	1.03%
Craft Development LLC			1,970,830	0.69%
Lawson Bend LLC			1,809,750	0.63%
Lancaster Telephone Co.			1,227,770	0.43%
Wells Real Estate			1,360,454	0.48%
	<u>\$ 30,298,208</u>	<u>7.80%</u>	<u>\$ 30,322,959</u>	<u>10.61%</u>

**Note:**

\* Taxpayers are assessed on January 1, 2019 for the 2020 fiscal year.

\* Taxpayers are assessed on January 1, 2010 for the 2011 fiscal year.

\*\* Lancaster Hospital Corp. was purchased in 2019 by MUSC, a nonprofit hospital.

Source: Lancaster County Treasurer

Unaudited

**LANCASTER COUNTY SCHOOL DISTRICT  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30,	Tax Year	Total Tax Levy for the Fiscal Year	Net Tax Collections		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2011	2010	32,778,823	30,239,000	92.25%	2,206,289	32,445,289	98.98%
2012	2011	35,337,343	33,436,170	94.62%	1,575,750	35,011,920	99.08%
2013	2012	36,375,440	34,630,857	95.20%	1,462,142	36,092,999	99.22%
2014	2013	37,371,998	35,548,973	95.12%	1,732,326	37,281,299	99.76%
2015	2014	39,621,616	37,589,271	94.87%	1,443,419	39,032,690	98.51%
2016	2015	44,283,583	42,101,938	95.07%	1,614,850	43,716,788	98.72%
2017	2016	52,910,940	50,730,576	95.88%	1,543,733	52,274,309	98.80%
2018	2017	53,256,816	51,168,651	96.08%	1,534,834	52,703,485	98.96%
2019	2018	58,453,961	55,746,876	95.37%	1,506,877	57,253,753	97.95%
2020	2019	60,693,858	58,218,366	95.92%	-	58,218,366	95.92%

Source: Lancaster County Finance Department

Unaudited

**LANCASTER COUNTY SCHOOL DISTRICT  
RATIOS OF OUTSTANDING DEBT  
LAST TEN FISCAL YEARS**

<b>Fiscal Year Ended June 30,</b>	<b>General Obligation Bonds</b>	<b>LEAP Bonds</b>	<b>Note Payable</b>	<b>Total Primary Government</b>	<b>Percentage of Personal Income</b>	<b>Per Capita</b>
2011	20,586,381	69,626,697	\$73,625	90,286,703	4.69%	1,149
2012	17,934,263	69,151,944	55,219	87,141,426	4.23%	1,119
2013	29,287,120	61,957,211	36,813	91,281,144	3.94%	1,154
2014	25,149,199	65,026,062	18,406	90,193,667	Not Available	1,121
2015	20,041,278	62,349,052		82,390,330	Not Available	991
2016	20,254,340	59,702,042		79,956,382	Not Available	931
2017	148,479,790	57,050,032		205,529,822	Not Available	2,294
2018	139,183,210	54,373,022		193,556,232	Not Available	2,091
2019	216,233,573	51,676,012		267,909,585	Not Available	2,809
2020	212,406,614	46,029,002		258,435,616	Not Available	2,637

Notes: Details regarding the School District's outstanding debt can be found in the notes to the financial statements. Debt reflected includes debt incurred by Lancaster Education Assistance Program (LEAP).

Unaudited

**LANCASTER COUNTY SCHOOL DISTRICT  
RATIOS OF GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS**

<b>Fiscal Year Ended June 30,</b>	<b>General Obligation Bonds</b>	<b>LEAP Bonds</b>	<b>Total</b>	<b>Less Debt Service</b>	<b>Net General Bonded Debt</b>	<b>Percentage of Estimated Actual Taxable Value of Property (A)</b>	<b>Per Capita (B)</b>
2011	20,586,381	69,626,697	90,213,078	8,088,532	82,124,546	1.54%	1,045
2012	17,934,263	69,151,944	87,086,207	9,993,022	77,093,185	1.40%	990
2013	29,287,120	61,957,211	91,244,331	4,985,399	86,258,932	1.53%	1,091
2014	25,149,199	65,026,062	90,175,261	3,876,497	86,298,764	1.47%	1,073
2015	20,041,278	62,349,052	82,390,330	2,429,626	79,960,704	1.29%	962
2016	20,254,340	59,702,042	79,956,382	4,183,421	75,772,961	1.15%	883
2017	148,479,790	57,050,032	205,529,822	7,982,561	197,547,261	2.78%	2,205
2018	139,183,210	54,373,022	193,556,232	10,185,302	183,370,930	2.45%	1,981
2019	216,233,573	51,676,012	267,909,585	12,774,776	255,134,809	3.24%	2,675
2020	212,406,614	46,029,002	258,435,616	14,193,782	244,241,834	2.90%	2,492

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

(A) See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.

(B) Population data can be found in the Schedule of Demographic Economic Statistics.

Unaudited

**LANCASTER COUNTY SCHOOL DISTRICT  
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF JUNE 30, 2020**

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	<b>Debt Outstanding</b>	<b>Estimated Percentage Applicable</b>	<b>Estimated Share of Direct and Overlapping Debt</b>
Lancaster County	\$ 43,777,673	100.0%	\$ 43,777,673
City of Lancaster	73,205	100.0%	<u>\$ 73,205</u>
Subtotal, Overlapping Debt			43,850,878
District Direct Debt			<u>258,435,616</u>
Total Direct and Overlapping Debt			<u><u>\$ 302,286,494</u></u>

Source:

Debt outstanding data provided by each governmental unit.

Unaudited



**LANCASTER COUNTY SCHOOL DISTRICT  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS**

Total Assessed Value at June 30, 2020	<u>\$ 417,667,457</u>
Debt limit - 8% of assessed value	33,413,397
Total amount of debt applicable to debt limit	<u>800,000</u>
Legal debt margin	<u>\$ 32,613,397</u>

	Fiscal Year									
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Debt Limit	\$ 22,026,997	\$ 22,521,361	\$ 23,017,543	\$ 23,860,852	\$ 24,969,042	\$ 26,566,835	\$ 28,235,587	\$ 29,667,289	\$ 31,094,746	\$ 33,413,397
Total net debt applicable to limit	-	-	12,660,000	11,105,000	8,560,000	11,040,000	7,005,000	3,975,000	2,340,000	800,000
Legal debt margin	<u>\$ 22,026,997</u>	<u>\$ 22,521,361</u>	<u>\$ 10,357,543</u>	<u>\$ 12,755,852</u>	<u>\$ 16,409,042</u>	<u>\$ 15,526,835</u>	<u>\$ 21,230,587</u>	<u>\$ 25,692,289</u>	<u>\$ 28,754,746</u>	<u>\$ 32,613,397</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	55.00%	46.54%	34.28%	41.56%	24.81%	13.40%	7.53%	2.39%

**Notes:**

Pursuant to the provisions of Section 15 of Article X of the Constitution of the State of South Carolina, the District may borrow that sum of money which is equal to 8% of the last completed assessment of all taxable property located in the District without the necessity of conducting a referendum.

Debt reflected is for the School District and does not include debt incurred by Lancaster Education Assistance Program (LEAP).

Source: Finance Department of Lancaster County School District

Unaudited

**LANCASTER COUNTY SCHOOL DISTRICT  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS**

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<b>Year Ended June 30,</b>	<b>Tax Year Dec. 31,</b>	<b>Lancaster County Estimated Population (1)</b>	<b>Lancaster County Total Personal Income (1)</b>	<b>Lancaster County Per Capita Income (1)</b>	<b>Lancaster County Unemployment Rate (1)</b>	<b>School Enrollment (2)</b>
2011	2010	78,582	1,450,946	25,030	15.8%	11,378
2012	2011	77,908	1,504,248	26,302	12.7%	11,554
2013	2012	79,089	1,588,503	33,439	11.6%	11,581
2014	2013	80,458	1,681,492	34,829	7.7%	11,760
2015	2014	83,160	1,746,609	36,332	6.5%	12,094
2016	2015	85,842	1,883,631	40,067	5.6%	12,420
2017	2016	89,594	2,020,076	40,941	4.5%	12,758
2018	2017	92,550	2,270,066	47,505	4.7%	13,017
2019	2018	95,380	Not Available	Not Available	3.6%	13,258
2020	2019	98,012	Not Available	Not Available	3.3%	13,936

**Sources:**

(1) The information includes totals for Lancaster County and was obtained from South Carolina Division of Research and Statistical Services, South Carolina Employment Security Commission and U.S. Bureau of the Census.

(2) Based on Lancaster County School District 135-day report.

**LANCASTER COUNTY SCHOOL DISTRICT  
PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO**

<b>Employer</b>	<b>JUNE 30, 2020</b>		<b>JUNE 30, 2011</b>	
	<b>Approximate Numbers of Employees</b>	<b>Percent of District's Total Estimated Employment</b>	<b>Approximate Numbers of Employees</b>	<b>Percent of District's Total Estimated Employment</b>
Red Ventures	1,925	5.05%	813	2.64%
Lancaster County School District	1,800	4.72%	1,521	4.95%
Movement Mortgage	725	1.90%		
MUSC Health Lancaster Med*	642	1.68%	584	1.90%
Continental Tire	609	1.60%	400	1.30%
Lancaster County	535	1.40%	767	2.49%
Nutramax Laboratories	483	1.27%		
Cardinal Health	440	1.15%	600	1.95%
Keer America	401	1.05%		
Oceana Gold	396	1.04%		
Duracell, U.S.A.			405	1.32%
Inspiration Ministries				
Founders Federal Credit Union			275	0.89%
Walmart - Lancaster			348	1.13%
Walmart - Indian Land			322	1.05%
Totals	<u>7,956</u>	<u>20.86%</u>	<u>6,035</u>	<u>19.62%</u>

Source: Lancaster County Economic Development Corporation.

\* MUSC Health Lancaster Med previously Springs Memorial Hospital

Unaudited

**LANCASTER COUNTY SCHOOL DISTRICT  
FULL-TIME EQUIVALENTS (FTE) EMPLOYEES BY TYPE  
LAST TEN FISCAL YEARS**

Function/Program	Full-Time-Equivalent District Employees as of June 30										Percentage Change 2011 - 2020
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	
<b>Instruction</b>											
Teachers	739	729	761	763	777	806	846	886	926	942	27.47%
Aides	164	160	163	165	175	180	189	199	232	215	31.10%
<b>Total Instruction</b>	<u>903</u>	<u>889</u>	<u>924</u>	<u>928</u>	<u>952</u>	<u>986</u>	<u>1,035</u>	<u>1,085</u>	<u>1,158</u>	<u>1,157</u>	<u>28.13%</u>
<b>Support Services</b>											
Guidance Counselors	33	33	33	33	35	36	37	41	42	46	39.39%
Psychologist and Social Workers	11	11	11	11	12	12	12	13	14	12	9.09%
Media Specialists	20	20	20	20	21	22	22	21	23	23	15.00%
Nurses	23	23	23	24	25	25	25	25	27	26	13.04%
Instructional Staff Services	60	62	59	58	61	63	63	65	66	63	5.00%
Principals	18	18	18	18	19	19	19	19	20	21	16.67%
Assistant Principals	30	28	32	32	35	36	36	37	41	41	36.67%
Instructional Specialists	3	3	3	3	3	4	5	8	9	9	200.00%
Noninstructional Administrators	27	26	25	26	27	28	30	30	30	38	40.74%
General and Finance Administrative Assistants	87	87	88	88	94	96	101	104	108	108	24.14%
Bus Drivers, Bus Aids and Maintenance	97	98	101	102	108	116	126	126	133	116	19.59%
<b>Total Support Services</b>	<u>409</u>	<u>409</u>	<u>413</u>	<u>415</u>	<u>440</u>	<u>457</u>	<u>476</u>	<u>489</u>	<u>513</u>	<u>503</u>	<u>22.98%</u>
<b>Community Services</b>	<u>38</u>	<u>38</u>	<u>42</u>	<u>20</u>	<u>19</u>	<u>22</u>	<u>21</u>	<u>22</u>	<u>27</u>	<u>23</u>	<u>-39.47%</u>
<b>Pupil Activity</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Food Service</b>											
Managers and Clerical	23	23	23	23	23	24	24	24	25	20	-13.04%
Cafeteria Staff	100	100	103	102	101	104	107	107	110	99	-1.00%
<b>Total Food Service</b>	<u>123</u>	<u>123</u>	<u>126</u>	<u>125</u>	<u>124</u>	<u>128</u>	<u>131</u>	<u>131</u>	<u>135</u>	<u>119</u>	<u>-3.25%</u>
<b>Total</b>	<u>1,473</u>	<u>1,459</u>	<u>1,505</u>	<u>1,488</u>	<u>1,535</u>	<u>1,593</u>	<u>1,663</u>	<u>1,727</u>	<u>1,833</u>	<u>1,802</u>	<u>22.34%</u>

Source: Lancaster County School District Accounting Department

Unaudited

LANCASTER COUNTY SCHOOL DISTRICT  
OPERATING STATISTICS  
LAST TEN FISCAL YEARS

Fiscal Year	School Enrollment	Operating Expenditures	Cost per Pupil	Percentage Change	Expenses	Cost per Pupil	Percentage Change	Teaching Staff	Pupil Teacher Ratio	Percentage of Students Receiving Free or Reduced-Price Meals
2011	11,378	86,687,084	7,619	-8.95%	101,324,327	8,905	-7.34%	739	15.40	55%
2012	11,554	88,182,407	7,632	0.18%	102,936,957	8,909	0.04%	729	15.85	57%
2013	11,581	92,786,835	8,012	4.98%	109,270,570	9,435	5.91%	761	15.22	56%
2014	11,760	95,870,618	8,152	1.75%	110,523,788	9,398	-0.39%	763	15.41	56%
2015	12,094	99,477,073	8,225	0.89%	116,452,831	9,629	2.45%	777	15.56	56%
2016	12,094	105,414,809	8,488	3.20%	123,599,622	10,220	6.14%	806	15.41	55%
2017	12,758	112,312,915	8,803	3.71%	139,014,257	10,896	6.62%	846	15.08	52%
2018	13,017	118,366,421	9,093	3.29%	153,075,747	11,760	7.92%	886	14.69	50%
2019	13,258	129,176,160	9,743	7.15%	162,640,866	12,267	4.32%	926	14.32	47%
2020	13,936	135,597,322	9,730	-0.14%	173,587,774	12,456	1.54%	942	14.79	47%

Notes: Operating expenditures are total expenditures less debt service and capital outlays.

Source: Nonfinancial information from district records.

**LANCASTER COUNTY SCHOOL DISTRICT  
TEACHERS BASE SALARIES  
LAST TEN FISCAL YEARS**

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<b>Fiscal Year</b>	<b>Minimum Salary</b>	<b>Maximum Salary</b>	<b>County Average Salary (A)</b>	<b>Statewide Average Salary (B)</b>
2011	32,706	69,607	47,741	47,642
2012	32,706	69,607	47,140	47,050
2013	33,361	71,002	48,481	47,050
2014	33,361	71,002	49,252	48,375
2015	33,361	71,002	49,451	48,930
2016	33,361	71,002	48,763	48,769
2017	34,028	73,146	49,733	49,363
2018	34,028	73,146	49,653	50,182
2019	36,160	73,877	49,887	50,882
2020	39,550	76,832	52,916	Not Available

Source: (A) District records  
(B) SC Department of Education

Unaudited

**LANCASTER COUNTY SCHOOL DISTRICT  
CAPITAL ASSET INFORMATION - DETAIL  
LAST TEN FISCAL YEARS**

<u>School</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>
<b>Elementary School</b>										
<b>Brooklyn Springs(1962)</b>										
Square feet	72,682	72,682	72,682	72,682	72,682	72,682	72,682	72,682	72,682	72,682
Capacity	908	908	908	908	908	908	908	908	908	908
Enrollment	419	425	446	470	486	496	505	471	443	434
<b>Buford(2002)</b>										
Square feet	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Capacity	965	965	965	965	965	965	965	965	965	965
Enrollment	800	771	745	764	741	719	715	710	704	726
<b>Central(1957)</b>										
Square feet	24,004	24,004	24,004	24,004	24,004	24,004	24,004	24,004	24,004	24,004
Capacity	238	238	238	238	238	238	238	238	238	238
Enrollment	108	108	107	106	107	107	108	108	106	109
<b>Clinton(1948)</b>										
Square feet	63,460	63,460	63,460	63,460	63,460	63,460	63,460	63,460	63,460	63,460
Capacity	671	671	671	671	671	671	671	671	671	671
Enrollment	372	380	324	347	375	397	403	418	433	455
<b>Erwin(1975)</b>										
Square feet	74,450	74,450	74,450	74,450	74,450	74,450	74,450	74,450	74,450	74,450
Capacity	629	629	629	629	629	629	629	629	629	629
Enrollment	451	463	458	446	465	472	453	418	398	398
<b>Harrisburg (2014)</b>										
Square feet	-	-	-	-	92,995	92,995	92,995	92,995	92,995	92,995
Capacity	-	-	-	-	980	980	980	980	980	980
Enrollment	-	-	-	-	863	1,010	1,128	1,269	886	979
<b>Heath Springs(1954)</b>										
Square feet	69,456	69,456	69,456	69,456	69,456	69,456	69,456	69,456	69,456	74,243
Capacity	378	378	378	378	378	378	378	378	378	378
Enrollment	391	411	404	401	388	375	395	380	400	378
<b>Indian Land Elem/Mid(1998)</b>										
Square feet	116,000	116,000	116,000	116,000	116,000	116,000	116,000	116,000	116,000	116,000
Capacity	1,006	1,006	1,006	1,006	1,006	1,006	1,006	1,006	1,006	1,006
Enrollment	1,200	1,309	1,383	1,521	856	906	968	1,103	1,036	1,097

**LANCASTER COUNTY SCHOOL DISTRICT  
CAPITAL ASSET INFORMATION - DETAIL  
LAST TEN FISCAL YEARS**

	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
<b>Kershaw(1952)</b>										
Square feet	59,909	59,909	59,909	59,909	59,909	59,909	59,909	59,909	59,909	63,098
Capacity	646	646	646	646	646	646	646	646	646	646
Enrollment	466	432	450	450	438	420	400	427	436	489
<b>McDonald Green(1949)</b>										
Square feet	56,914	56,914	56,914	56,914	56,914	56,914	56,914	56,914	56,914	56,914
Capacity	524	524	524	524	524	524	524	524	524	524
Enrollment	490	481	471	480	513	519	484	459	420	398
<b>North(1966)</b>										
Square feet	90,763	90,763	90,763	90,763	90,763	90,763	90,763	90,763	90,763	90,763
Capacity	855	855	855	855	855	855	855	855	855	855
Enrollment	689	698	706	696	666	698	720	701	678	656
<b>Southside(1954)</b>										
Square feet	23,466	23,466	23,466	23,466	23,466	23,466	23,466	23,466	23,466	23,466
Capacity	315	315	315	315	315	315	315	315	315	315
Enrollment	-	-	3	-	-	-	-	-	-	-
<b>Van Wyck(2019)</b>										
Square feet	-	-	-	-	-	-	-	-	96,685	96,685
Capacity	-	-	-	-	-	-	-	-	1,170	1,170
Enrollment	-	-	-	-	-	-	-	-	640	711
<b>Middle School</b>										
<b>A.R. Rucker(2002)</b>										
Square feet	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000
Capacity	916	916	916	916	916	916	916	916	916	916
Enrollment	528	543	523	553	538	532	516	547	562	557
<b>Andrew Jackson(1984)</b>										
Square feet	82,939	82,939	82,939	82,939	82,939	82,939	82,939	82,939	82,939	82,939
Capacity	653	653	653	653	653	653	653	653	653	653
Enrollment	495	526	513	466	476	461	488	477	498	492



**LANCASTER COUNTY SCHOOL DISTRICT  
CAPITAL ASSET INFORMATION - DETAIL  
LAST TEN FISCAL YEARS**

	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Buford(1956)										
Square feet	72,041	72,041	72,041	72,041	72,041	72,041	72,041	72,041	72,041	72,041
Capacity	859	859	859	859	859	859	859	859	859	859
Enrollment	488	494	478	455	431	417	398	412	431	439
Indian Land(1981)										
Square feet	100,948	100,948	100,948	100,948	100,948	100,948	121,108	121,108	121,108	121,108
Capacity	750	750	750	750	750	750	1,050	1,050	1,050	1,050
Enrollment	535	573	608	662	726	844	947	994	1,042	1,194
South(1962)										
Square feet	108,509	108,509	108,509	108,509	108,509	108,509	108,509	108,509	108,509	108,509
Capacity	1,151	1,151	1,151	1,151	1,151	1,151	1,151	1,151	1,151	1,151
Enrollment	598	591	605	576	529	491	529	557	592	651
<b>High School</b>										
Andrew Jackson(1969)										
Square feet	123,515	123,515	123,515	123,515	123,515	123,515	123,515	123,515	123,515	123,515
Capacity	788	788	788	788	788	788	788	788	788	788
Enrollment	615	593	597	605	654	654	633	631	610	625
Buford(1993)										
Square feet	133,503	133,503	133,503	133,503	133,503	133,503	133,503	133,503	133,503	133,503
Capacity	599	599	599	599	599	599	599	599	599	599
Enrollment	567	600	609	617	643	636	624	600	572	563
Indian Land(2008)										
Square feet	142,657	142,657	142,657	142,657	142,657	142,657	142,657	142,657	142,657	142,657
Capacity	800	800	800	800	800	800	800	800	800	800
Enrollment	655	708	759	789	843	881	975	1,049	1,166	1,292
Lancaster(1993)										
Square feet	319,755	319,755	319,755	319,755	319,755	319,755	319,755	319,755	335,069	335,069
Capacity	1,749	1,749	1,749	1,749	1,749	1,749	1,749	1,749	1,899	1,899
Enrollment	1,511	1,448	1,392	1,356	1,356	1,385	1,369	1,286	1,205	1,292

**LANCASTER COUNTY SCHOOL DISTRICT  
CAPITAL ASSET INFORMATION - DETAIL  
LAST TEN FISCAL YEARS**

	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
<b>Other</b>										
Lancaster										
Vocational(1964)	79,233	79,233	79,233	79,233	79,233	79,233	79,233	79,233	79,233	79,233
Rice Building(1956)	16,556	16,556	16,556	16,556	16,556	16,556	16,556	16,556	16,556	16,556
Barr Street(1956)	48,849	48,849	48,849	48,849	48,849	48,849	48,849	48,849	48,849	48,849
Learn TV(1993)	4,448	4,448	4,448	4,448	4,448	4,448	4,448	4,448	4,448	4,448
Bus Office Buford(2001)	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Catawba St. Administrative	5,863	5,863	5,863	5,863	5,863	5,863	5,863	5,863	5,863	5,863
Springdale Rd. Maintenance	-	40,949	40,949	40,949	40,949	40,949	40,949	40,949	40,949	40,949
Buford High Multipurpose Bld	-	-	-	-	-	-	-	-	43,907	43,907
Lancaster High Multipurpose Bld	-	-	-	-	-	-	-	-	46,113	46,113
Andrew Jackson High Multipurpose Bld.	-	-	-	-	-	-	-	-	-	61,018

**Notes:**

Andrew Jackson High Multipurpose Building completed in FY 2020  
 Van Wyck Completed in FY 2019. Buford High and Lancaster High Multipurpose Buildings completed in FY 2019  
 Harrisburg Elementary Completed in FY 2015.  
 Springdale Road Maintenance buildings purchased in 2012.

Source: District records.

## **SINGLE AUDIT SECTION**



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

Honorable Chairman and Members of  
the Board of Trustees of  
Lancaster County School District  
Lancaster, South Carolina

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Lancaster County School District as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Lancaster County School District's basic financial statements, and have issued our report thereon dated November 16, 2020.

***Internal Control over Financial Reporting***

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2020-001 that we consider to be a material weakness.



### ***Compliance and Other Matters***

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

### **Lancaster County School District's Response to Findings**

Lancaster County School District's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. Lancaster County School District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### **Purpose of this Report**

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



Greenville, South Carolina  
November 16, 2020

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

Honorable Chairman and Members of  
the Board of Trustees of  
Lancaster County School District  
Lancaster, South Carolina

### Report on Compliance for Each Major Federal Program

We have audited Lancaster County School District's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Lancaster County School District's major federal programs for the year ended June 30, 2020. Lancaster County School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

#### *Management's Responsibility*

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

#### *Auditor's Responsibility*

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

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



### *Opinion on Each Major Federal Program*

In our opinion, Lancaster County School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

### **Report on Internal Control over Compliance**

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

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

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

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



Greenville, South Carolina  
November 16, 2020

**LANCASTER COUNTY SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2020**

LEA Subfund Code	Federal Grantor Pass-Through Grantor Program Title	Federal CFDA Number	Pass- Through Grantor's Number	Total Expenditures
<b>U.S. Department of Education</b>				
	Pass-Through S.C. Department of Education			
	Special Education Cluster (IDEA)			
203	* Special Education—Grants to States (IDEA, Part B)	84.027	FY 19 IDEA - C/O	\$ 27,746
203	* Special Education—Grants to States (IDEA, Part B)	84.027	FY 20 IDEA	2,470,849
203	* Special Education—Grants to States (IDEA, Part B)	84.027	IDEA - FY 18-19 Supplemental - C/O	12,100
203	* Special Education—Grants to States (IDEA, Part B)	84.027	IDEA - Supplemental	81,909
839	* Special Education—Grants to States (IDEA, Part B)	84.027	Extended School Year	16,543
205	* Special Education—Preschool Grants (IDEA Preschool)	84.173A	20 IDEA Preschool	89,546
205	* Special Education—Preschool Grants (IDEA Preschool)	84.173A	FY 19 Preschool - FY 18-19 C/O	35,383
205	* Special Education—Preschool Grants (IDEA Preschool)	84.173A	IDEA - Preschool - Supplemental	5,026
	Total Special Education Cluster (IDEA)			<u>2,739,102</u>
243	Adult Education-Basic Grants to States	84.002	20-Adult Education	100,320
243	Adult Education-Basic Grants to States	84.002	20-Adult Education Reverted	3,600
243	Adult Education-Basic Grants to States	84.002	Federal Adult Education Supplemental Funds	7,009
	Total CFDA # 84.002			<u>110,929</u>
201	Title I Grants to Local Educational Agencies	84.010	19 Title I - C/O	54,636
201	Title I Grants to Local Educational Agencies	84.010	20 Title I	3,102,503
238	Title I Grants to Local Educational Agencies	84.010	19 Title I School Improvement Mini Grant	116,852
221	Title I Grants to Local Educational Agencies	84.010	19 Title I N & D (LEA)	12,120
237	Title I Grants to Local Educational Agencies	84.010	19 Title I - TSI - C/O	81,822
237	Title I Grants to Local Educational Agencies	84.010	20 Title I TSI	173,311
	Total CFDA # 84.010			<u>3,541,244</u>
207	Career and Tech Education – Basic Grants to States (Perkins IV)	84.048	CATE Federal - FY 19-20	157,692
207	Career and Tech Education – Basic Grants to States (Perkins IV)	84.048	Perkins - C/O from FY 18-19	31,247
	Total CFDA # 84.048			<u>188,939</u>
224	Twenty-First Century Community Learning Centers	84.287C	19-20 21st CCLC	82,239
224	Twenty-First Century Community Learning Centers	84.287C	19-20 21st CCLC	64,828
224	Twenty-First Century Community Learning Centers	84.287C	19-20 21st CCLC	38,860
224	Twenty-First Century Community Learning Centers	84.287C	19-20 21st CCLC	131,559
	Total CFDA # 84.287			<u>317,486</u>
264	English Language AcquisitionState Grants	84.365A	19 Title III - English Language Acquisition	22,440
264	English Language AcquisitionState Grants	84.365A	20 Title III - English Language Acquisition	15,458
264	English Language AcquisitionState Grants	84.365A	20 Title III English Language Acquisition-Immigrant Grant	4,813
264	English Language AcquisitionState Grants	84.365A	20 Title III English Language Acquisition - Immigrant Grant	6,791
	Total CFDA # 84.365			<u>49,502</u>
267	Supporting Effective Instruction State Grant	84.367A	19 Title II - Supporting Effective Instruction	39,693
267	Supporting Effective Instruction State Grant	84.367A	20 Title II Supporting Effective Instruction	92,249
	Total CFDA # 84.367			<u>131,942</u>
234	School Improvement Grants	84.377A	19 School Improvement Grant	75,798
234	School Improvement Grants	84.377A	20 School Improvement	232,625
	Total CFDA # 84.377			<u>308,423</u>
210	Student Support and Academic Enrichment Program	84.424A	Title IV SSAE - FY 18-19 C/O	205,282
	Total CFDA # 84.424			<u>205,282</u>
	Total Pass-Through S.C. Department of Education			<u>7,592,849</u>
	Pass-Through Lancaster County Partners for Youth			
809	Fund for the Improvement of Education	84.215	Clinton Community Grant	49,529
	Total Pass-Through Lancaster County Partners for Youth			<u>49,529</u>
	Direct Program			
820	Safe and Drug Free Schools and Communities - National Programs	84.184M	S184M140019	332,522
	<b>Total U.S. Department of Education</b>			<u>7,974,900</u>



**LANCASTER COUNTY SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2020**

<b>LEA Subfund Code</b>	<b>Federal Grantor Pass-Through Grantor Program Title</b>	<b>Federal CFDA Number</b>	<b>Pass- Through Grantor's Number</b>	<b>Total Expenditures</b>
<b>U.S. Department of Agriculture - Food and Nutrition Services</b>				
	Pass-Through S.C. Department of Education			
	Child Nutrition Cluster:			
	Non-Cash Assistance (Commodities):			
600	* Commodity Supplemental Food Program	10.555	N/A	509,451
	Cash Assistance:			
600	* School Breakfast Program	10.553	N/A	727,706
600	* National School Lunch Program	10.555	N/A	2,457,802
	Total Child Nutrition Cluster			3,694,959
601	School Food Equipment	10.579	20 - NSLE	14,340
	Total Pass-Through S.C. Department of Education			3,709,299
	<b>Total U.S. Department of Agriculture - Food and Nutrition Services</b>			3,709,299
<b>U.S. Department of Health and Human Services</b>				
	Passed Through South Carolina Developmental Disabilities Council			
813/827	Head Start	93.600	Head Start	1,156,763
813/827	Head Start	93.600	Early Head Start	753,841
813/827	Head Start	93.600	Early Head Start	82,180
	Total CFDA # 93.600			1,992,784
	<b>Total U.S. Department of Health and Human Services</b>			1,992,784
<b>U.S. Department of Defense</b>				
	Direct Program			
270	* JROTC	12.000	N/A	292,057
	<b>Total U.S. Department of Defense</b>			292,057
<b>Corporation for National and Community Service</b>				
	Passed Through United Way Association of South Carolina			
830	AmeriCorps	94.006	19AC214214	101,982
830	AmeriCorps	94.006	18AC205813	6,537
	Total CFDA # 94.006			108,519
	<b>Total Corporation for National and Community Service</b>			108,519
	<b>Total Federal Awards Expended</b>			\$ 14,077,559

\*Denotes Major Program

**LANCASTER COUNTY SCHOOL DISTRICT  
LANCASTER, SOUTH CAROLINA  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Lancaster County School District and is presented on the modified accrual basis of accounting. 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 Requirement, 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. The District has elected not to use the de minimis indirect cost rate of ten percent.

**LANCASTER COUNTY SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2020**

**Part I Summary of Auditors' Results:**

**Financial Statements**

Type of Auditors' Report Issued: Unmodified

Internal Control Over Financial Reporting:

Material Weakness(es) Identified?   X   Yes        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 Federal 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 Auditors' Report Issued on Compliance for Major  
Federal Programs: Unmodified

Programs Tested as Major Programs:

<u>Program:</u>	<u>CFDA #:</u>
Special Education Cluster (IDEA)	
Special Education—Grants to States (IDEA, Part B)	84.027
Special Education—Preschool Grants (IDEA Preschool)	84.173
Child Nutrition Cluster (Food Service)	
Commodity Supplemental Food Program	10.555
School Breakfast Program	10.553
National School Lunch Program	10.555
JROTC	12.000
Dollar Threshold used to Distinguish Between Type A and Type B Programs:	\$750,000
Auditee Qualify as Low-Risk Auditee?	<u>      </u> Yes <u>  X  </u> No
Any Audit Findings Disclosed That are Required To Be Reported in Accordance With Government Auditing Standards 2 CFR 200.516(a)	<u>      </u> Yes <u>  X  </u> No

**LANCASTER COUNTY SCHOOL DISTRICT  
LANCASTER, SOUTH CAROLINA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR FISCAL YEAR ENDED JUNE 30, 2020**

**Part II Findings Related to Financial Statements**

*Internal Control*

**Finding 2020-001**

- *Criteria*
  - o Generally Accepted Accounting Principles state that capital assets should be reported when the asset is used in operations and has an initial useful life in excess of one year. The cost to acquire, construct, or improve a capital asset is not recognized immediately as an expense when incurred, but instead is deferred (capitalized) and allocated over the estimated useful life of the capital asset in the form of depreciation expense. Upon their disposition, the assets and their accumulated depreciation are to be removed from the financial statements with any underlying gain or loss recorded.
- *Condition/Effect*
  - o The District did not properly reconcile, capitalize and depreciate or dispose of certain assets as required by Generally Accepted Accounting Principles and the District's asset capitalization policy which resulted in material audit adjustments.
- *Cause*
  - o The District failed to monitor the process of reconciling and recording capital asset activity to ensure assets that meet the criteria to be capitalized are recorded with additions and disposals reconciled.
- *Recommendation*
  - o The District should monitor the process of recording capital assets to ensure all assets that meet the District's asset capitalization policy are properly reconciled, recorded and depreciated in the proper periods and disposed of accordingly in the financial records.

*Compliance and Other Matters*

None Reported

**Part III Findings Related to Federal Awards**

None Reported

**LANCASTER COUNTY SCHOOL DISTRICT  
LANCASTER, SOUTH CAROLINA  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR FISCAL YEAR ENDED JUNE 30, 2020**

**Summary of Prior Year Findings**

**Finding 2019-001**

- *Condition/Effect*
  - The District did not properly reconcile, capitalize and depreciate or dispose of certain capital assets as required by Generally Accepted Accounting Principles and the District's asset capitalization policy.
- *Current Year Status*
  - Repeated in Current Year



**LANCASTER COUNTY SCHOOL DISTRICT  
LANCASTER, SOUTH CAROLINA  
CORRECTIVE ACTION PLAN  
FOR FISCAL YEAR ENDED JUNE 30, 2020**

**Finding 2020-001**

- *Condition/Effect*
  - The District did not properly reconcile, capitalize and depreciate or dispose of certain capital assets as required by the District's asset capitalization policy.
- *Corrective Action*
  - The District will monitor the process of recording capital assets to ensure all assets that meet the District's asset capitalization policy are properly reconciled, recorded and depreciated in the proper periods and disposed of accordingly in the financial records.
- *Responsible Official*
  - Jennifer White, Chief Financial Officer (803) 416-8818
- *Anticipated Completion Date*
  - Immediately