

**COLLETON COUNTY SCHOOL DISTRICT
FINANCIAL AND COMPLIANCE REPORT
JUNE 30, 2024**

COLLETON COUNTY SCHOOL DISTRICT

FINANCIAL AND COMPLIANCE REPORT FOR THE YEAR ENDED JUNE 30, 2024

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FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

**To the Members of the Board of Trustees
Colleton County School District
Walterboro, South Carolina**

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and each major fund of the **Colleton County School District** (the "School District") as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the School District, as of June 30, 2024, and the respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the School District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (MD&A) on pages 5 - 12, Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund on page 67, Schedule of the School District's Proportionate Share of the Net Pension Liability on page 68, Schedule of the School District's Pension Contributions on page 68, Schedule of the School District's Proportionate Share of the Net OPEB Liability on page 69, and Schedule of the School District's OPEB Contributions on page 70 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District's basic financial statements. The accompanying combining, summary and individual schedules and the Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining, summary and individual schedules and the Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 28, 2024, on our consideration of the School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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 the School District's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Columbia, South Carolina
October 28, 2024

COLLETON COUNTY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

Introduction:

This management discussion and analysis report gives an overview analysis of the financial activities of the Colleton County School District (the "School District") for the fiscal year ended June 30, 2024. Our purpose is to inform our citizens of the effect of our School District's operations and to present our financial position. The readers should also review the detailed statements and the notes to the financial statements to enhance their understanding of the School District's financial performance.

South Carolina State law S.C.4 requires that all school districts publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby submit to you the annual Financial report of Colleton County School District.

Financial Highlights:

Net Position – The School District's total net position as of June 30, 2024, was (\$48,295,710), an increase of \$13,543,588 from the prior year. Of the School District's total net position of \$30,247,985 is invested in capital assets, net of related debt, \$4,777,111 is invested in capital projects, \$2,842,249 for debt service, \$383,251 is restricted for school food service organizations, \$1,537,266, is restricted for Special projects and (\$88,074,659) is unrestricted.

Revenues and Expenditures – Revenues and other financing sources totaled \$93,935,509 and expenditures totaled \$88,900,171 for all governmental funds at the fund level. Accordingly, revenues and other financing sources exceeded expenditures by \$5,035,338. Total local property tax revenue for fiscal year 2024 increased by \$1,375,072 when compared to fiscal year 2023. The amount of Federal revenue received during fiscal year 2024 was \$654,897 less than the amount of Federal revenue received during fiscal year 2023 primarily due to the ending of ESSER II funds received under the Elementary and Secondary School Emergency Relief (ESSER) Funds. The amount of State revenue received during fiscal year 2024 was \$578,747 more than the amount of State revenue received during fiscal year 2023. The changes in State revenue by category are as follows:

General Fund – \$1,540,916 increase, Education Improvement Act (EIA) – \$456,874 decrease, Special Projects – \$493,118 decrease, Debt Service – \$106,289 increase and School Food Service – \$6,936 decrease. The amount of total capital asset additions decreased by \$566,691 in fiscal year 2024.

General Fund/Fund Balance – The School District's principal operating fund, the General Fund, had \$57,438,723 in fiscal year 2024 revenues and other financing sources, which primarily consisted of State aid and property taxes, and \$51,164,542 in expenditures leaving a surplus for the year of \$6,274,181. This resulted in the General Fund's fund balance increasing from \$18,009,096 as of June 30, 2023, to \$24,283,277 as of June 30, 2024.

Debt – The South Carolina Association of Governmental Organizations (SCAGO) Education Facilities Corporation (EFC) for Colleton County School District issued \$76,985,000 in Installment Purchase Revenue Bonds (IPRB) in fiscal year 2015; the proceeds of the bonds were used to refund the remaining balance of \$44,340 of the 2007 IPRB. The School District issued \$10,349,000 in short-term general obligation bonds, the proceeds of which were used to make principal and interest payments to EFC. The Debt Service School District fund balance increased by \$505,161 to a total of \$2,797,650.

COLLETON COUNTY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

Budget – The General Fund budget was not amended during fiscal year 2024. The original budget provided budgeted revenues and other financing sources of \$55,294,028 and expenditures of \$55,294,028. During 2024, revenues and other financing sources were \$2,144,695 more than budgeted revenue and other financing sources. Expenditures were \$4,129,486 less than budgeted.

Overview of the Financial Statements:

This Management's Discussion and Analysis (MD&A) is intended to serve as an introduction to the School District's basic financial statements. The School District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements (General, Special Revenue, EIA, Debt Service, Capital Projects, and Fiduciary (Pupil Activity)), and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves. A description of these statements and some related definitions follow:

Government-wide Financial Statements – The government-wide financial statements are designed to provide readers with a broad overview of the School District's finances, in a manner similar to a private-sector business. These statements outline functions of the School District that are principally supported by property taxes and intergovernmental revenues (governmental activities). The governmental activities of the School District include instruction, support services, and intergovernmental expenditures.

Statement of Net Position – The Statement of Net Position presents information on all of the School District's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the School District is improving or deteriorating.

Statement of Activities – The Statement of Activities presents information showing how the School District's net position changed during the most recent fiscal year. All changes in the net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and unpaid accrued interest on long-term debt).

Fund Financial Statements – A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The School District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the School District can be divided into two categories: governmental and fiduciary.

Governmental Funds – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the School District's near-term financing requirements.

COLLETON COUNTY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the School District's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds Statement of Revenues, Expenditures and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The School District maintains its accounting records in conformity with the South Carolina Department of Education's Financial Accounting Handbook. Information is presented separately in the governmental funds balance sheet and in the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances for the General, Special Revenue, EIA, Debt Service and Capital Projects Funds, all of which are considered to be major funds.

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the district-wide and fund financial statements. The notes to the financial statements can be found on pages 22 – 69.

Other Supplemental Information – In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the School District's budget process. A budgetary comparison schedule has been provided for the General Fund as required supplementary information.

Government-wide Financial Analysis:

Net position may serve over time as a useful indicator of a government's financial position. In the case of the School District, liabilities and deferred inflows exceeded assets and deferred outflows by \$48,295,710 as of June 30, 2024, largely due to the School District implementing GASB 68 and GASB 75 which requires the School District to record its portion of the State of South Carolina pension and other post-employment benefits liabilities.

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

\$30,247,985 represents the School District's investment in capital assets (e.g., land, buildings and improvements, vehicles, furniture and equipment, and construction in progress); less any related debt used to acquire those assets that are still outstanding. The School District uses these capital assets to provide services to its students; consequently, these assets are not available for future spending.

Although the School District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The restricted debt service portion of net position totaled \$2,842,249, of which \$1,052,265 is delinquent property taxes and property taxes for which there is an enforceable legal claim, but which have not met the revenue recognition criteria, and have been recorded as unavailable revenue.

COLLETON COUNTY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following table presents a summary of assets, deferred outflows, liabilities, deferred inflows, and net position as of June 30, 2024:

Condensed Statement of Net Position

	Governmental Activities		Total Percent Change
	2023	2024	2023-2024
REVENUES			
Program revenues			
Charges for sales and services	\$ 116,407	\$ 138,896	19.3%
Operating grants and contributions	53,107,838	52,315,139	1.5%
General revenues			
Property taxes	29,044,850	32,755,704	12.80%
Federal and state formula aid	7,836,785	8,329,959	6.30%
Other	235,150	597,228	154%
Total revenues	90,341,030	94,136,926	4.20%
EXPENSES			
Instruction	35,132,100	31,222,057	11.2%
Support services	39,799,690	42,311,613	6.3%
Intergovernmental	-	-	-
Interest and other charges	2,851,922	2,915,625	2.2%
Depreciation - unallocated	4,149,244	4,144,043	0.1%
Total expenses	81,932,956	80,593,338	1.6%
Change in net position	8,410,354	13,543,588	61.0%
Net position, beginning of year	(70,249,652)	(61,839,298)	12.0%
Restatement for GASB 84	-	-	0.00%
Net position, beginning of year, as restated	(70,249,652)	(61,839,298)	12.0%
Net position, end of year	\$ (61,839,298)	\$ (48,295,710)	12.0%

COLLETON COUNTY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

Changes in Net Position – The following table presents a summary of the activity that resulted in changes in net position for the fiscal year ended June 30, 2024:

	Changes in Net Position		
	Condensed Statement of Net Position		Total Percent Change 2023-2024
	Governmental Activities		
2023	2024		
Current and other assets	\$ 40,587,413	\$ 45,570,572	12.3%
Capital assets	94,163,640	91,012,533	3.3%
Total assets	134,751,053	136,583,105	1.4%
Deferred outflows of resources	23,040,128	19,994,268	13.2%
Current liabilities	8,382,720	7,851,264	6.3%
Long-term liabilities	181,488,756	164,080,078	9.6%
Total liabilities	189,871,476	171,931,342	9.4%
Deferred inflows of resources	29,759,003	32,941,741	10.7
Net position			
Net investment in capital assets	30,735,329	30,185,274	1.80%
Restricted	9,336,460	9,539,877	2.80%
Unrestricted	(101,911,087)	(88,020,861)	
Total net position	\$ (61,839,298)	\$ (48,295,710)	21.9%

Revenues – Property taxes and operating grants and contributions account for most of the School District's revenue, with property taxes comprising 34% and operating grants contributing 55% of total revenues. The remaining 11% of revenues are generated by fees charged for services, non-restricted Federal and State aid, interest on investments, and miscellaneous revenue. Total revenues increased by 4.20% in fiscal year 2024 primarily due to increase in property taxes and operating grants and State aid.

Expenses – Instruction expenses include: a) salaries for teachers, teaching assistants and substitutes, b) pupil-use technology and software, and c) classroom materials and supplies. Instruction expenses accounted for 38.7% of total School District expenses. Salaries and fringe benefits of instructional staff constitute the largest cost area. Support services include support services, operations and school leadership. These categories include: a) guidance and counseling, b) library and media, c) student health and psychological services, d) curriculum and staff development, e) pupil transportation, f) school security, g) building upkeep, utilities and maintenance, h) technology support, and i) business operations and administration. Support services accounted for 52.5% of the total School District expenses.

Governmental Activities – The following table presents the cost of the five major functional activities: instruction, support services, intergovernmental, debt service and depreciation. The table also shows each function's net cost (total cost less charges for services generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden that was placed on the State and the School District's taxpayers by each of these functions.

COLLETON COUNTY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

Net Cost of Governmental activities

	Total Cost of Services		Total Percentage Change
	2023	2024	2023-2024
Instruction	\$ 35,132,100	\$ 31,222,057	11.8%
Support Services	39,799,690	42,311,613	6.1%
Intergovernmental	-	-	
Interest and Other charges	2,851,922	2,915,625	2.2%
Depreciation-unallocated	4,149,244	4,144,043	0.0%
Total	\$ 81,932,956	\$ 80,593,338	1.6%

	Net Cost of Services		2023-2024
	2023	2024	
Instruction	\$ (17,096,862)	\$ (17,123,714)	0.0%
Support Services	(4,610,683)	(3,955,921)	-15.3%
Intergovernmental	-	-	
Interest	(2,851,922)	(2,915,625)	-2.2%
Depreciation	(4,149,244)	(4,144,043)	0.0%
Total	\$ (28,708,711)	\$ (28,139,303)	-2.0%

Financial Analysis of the School District's Funds:

As noted earlier, the School District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds – The focus of the School 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 School District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the School District's net resources available for spending at the end of the fiscal year.

The financial performance of the School District as a whole is reflected in its governmental funds. As the School District completed the year, its governmental funds reported a combined fund balance of \$33,769,642, an increase of \$5,035,338.

The General Fund is the principal operating fund of the School District. The increase in fund balance in the General Fund for the fiscal year 2024 is \$6,274,181. The Debt Service Fund showed an increase of \$505,162 from the prior year. The Capital Projects Fund showed a fund balance decrease of \$1,746,199.

Budgetary Highlights:

The School District's budget is prepared according to South Carolina law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The legally adopted budgeted fund is the General Fund. A schedule showing the original and final budget amounts compared to the School District's actual financial activity for the General Fund is provided in this report as required supplementary information.

COLLETON COUNTY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

Capital Assets and Debt Administration:

Capital Assets – As of June 30, 2024, the School District had invested \$161,985,120 in capital assets, including school buildings, athletic facilities, buses and other vehicles, computers, and other equipment. Total depreciation expense for the year was \$4,573,988, and accumulated depreciation at June 30, 2024, was \$73,485,947. The School District's capital assets increased by \$1,422,881 during fiscal year 2024. Detailed information on capital assets is provided in the accompanying notes to the financial statements.

Debt Administration – The School District began the year with \$181,488,756 in long-term debt. During the year, the School District retired \$1,250,000 of general obligation bonds, \$4,440,000 of installment revenue bonds, paid off the Qualified Zone Academy Bonds (QZAB), and \$641,362 of equipment, acquisition and use bonds. The School District issued \$10,349,000 in short-term general obligation bonds, the proceeds of which were used to make principal and interest payments on the Installment Purchase Revenue Bond and special obligation bond. The short-term bonds were paid in 2024 from the School District's debt service fund. At year-end, the School District had \$11,635,000 in general obligation bonds outstanding and \$45,997,502 in other long-term debt outstanding, of which \$5,162,971 is due within one year. More detailed information on long-term debt is available in the accompanying notes to the financial statements.

General obligation bonds issued by the School District are rated "A2" from Moody's Investors Service. General obligation bonds provide for additional security through the South Carolina School District Credit Enhancement Program which is rated "Aa1" from Moody's Investors Service. Installment Purchase Revenue Bonds issued by the SCAGO Educational Facilities for Colleton County School District are rated "A3" by Moody's Investors Service and "A-" by Standard and Poor's.

State statutes currently limit the amount of general obligation debt a school district may issue to 8% of its total assessed valuation. As of June 30, 2024, and the remaining debt margin available to the School District was approximately \$11,882,497.

Economic Factors and Next Year's Budget:

Economic development in the County is equally important to the School District, impacting growth in the School District's tax base and stabilization of the School District's student enrollment. The steady declines of enrollment have continued over the last several years.

In fiscal year 2024, The Lowcountry Oyster Company is expanding its operation with the construction of a \$6.4 million seafood processing and cross-dock facility in Green Pond, SC. The facility is projected to create 30 new jobs.

Colleton County offers many reasons to locate a business within the County including the SC Ports Authority/GA Ports Authority located one hour away; multiple airports located close by, including both international and regional airports as well as lower operating costs relative to the surrounding area. The construction of high-quality river and ocean-front property is also expected to contribute to the growth of the School District's tax base. Tourism is playing a greater role in the County's economy, with the ongoing development of family vacation destinations along the coast.

COLLETON COUNTY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

In 2023, the State outlined a new funding plan for school districts that took effect in fiscal year 2024. A proviso written into the state budget suspends South Carolina's former funding formula and replaces it with a new one but only on a temporary basis for as long as the budget is in effect. The old funding formula was established in 1977 based on a student base cost formula thru the Education Improvement Act. The new plan distributed the funds that were in the Education Improvement Act and allocated to the State's Education Funding Act called State Aid to District. The plan would allocate a greater share of funding to low-income students by increasing the state's poverty weight and give school districts more flexibility as where to spend the funds.

The School District's millage rate for operations is set at 116.43 for fiscal year 2023-2024 and 54.5 mills for Debt Service.

The Board adopted a balanced budget for fiscal year 2024 that reflected total resources and annual appropriations of \$55.2 million. Actual general operating fund revenues/transfers in for fiscal year 2024 were \$51.6 million and actual general operating fund expenditures/transfers out were \$51.1 million. Actual revenues were higher than budgeted revenues primarily due to increased local tax collections and indirect cost. Actual expenditures came in lower than budgeted expenditures due to additional funding received for COVID-19 relief that allowed for general operating expenditures to be paid from federal funds.

In June 2024, the Board adopted a balanced general fund budget for fiscal year 2024-2025 that reflected total resources of \$60.2 million of which 4.2 million came from fund balance.

Contacting the School District's Financial Management:

Many thanks to the Finance Department who was instrumental in providing the information for the preparation of this report and to our independent auditors, Maudlin & Jenkins, the Board of Directors and Administration staff. If you have questions about this report or need additional financial information, contact:

Office of Finance
Colleton County School District
500 Forest Circle
Walterboro, SC 29488
Telephone 843-782-4510

COLLETON COUNTY SCHOOL DISTRICT

STATEMENT OF NET POSITION JUNE 30, 2024

	Primary Government Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 24,296,734
Deposits with Colleton County Treasurer	9,506,674
Taxes receivable, net	3,072,338
Due from other governmental units	8,326,228
Due from others	345,786
Inventories	22,812
Capital assets:	
Non-depreciable	2,513,360
Depreciable, net of depreciation	88,499,173
Total assets	136,583,105
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to pensions	7,870,176
Deferred outflows related to OPEB	12,124,092
Total deferred outflows of resources	19,994,268
LIABILITIES	
Accounts payable	1,934,897
Retainage payable	62,710
Accrued salaries and benefits	3,707,750
Short-term obligations	1,987,000
Due to State Department of Education	1,913
Accrued interest payable	156,994
Long-term liabilities, due in one year	6,986,358
Long-term liabilities, due in more than one year	51,665,223
Net pension liability	63,308,342
Net OPEB liability	42,120,155
Total liabilities	171,931,342
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to pensions	3,445,505
Deferred inflows related to OPEB	28,274,660
Deferred revenue	1,221,576
Total deferred inflows of resources	32,941,741
NET POSITION	
Net investment in capital assets	30,247,985
Restricted for:	
Capital projects	4,777,111
Debt service	2,842,249
School food service organizations	374,338
Special projects	1,537,266
Unrestricted	(88,074,659)
Total net position	\$ (48,295,710)

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

COLLETON COUNTY SCHOOL DISTRICT

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

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Primary Governmental Activities
Governmental Activities:				
Instruction	\$ 31,222,057	\$ -	\$ 14,098,343	\$ (17,123,714)
Support services	42,311,613	138,896	38,216,796	(3,955,921)
Interest & other charges	2,915,625	-	-	(2,915,625)
Unallocated depreciation	4,144,043	-	-	(4,144,043)
Total governmental activities	<u>\$ 80,593,338</u>	<u>\$ 138,896</u>	<u>\$ 52,315,139</u>	<u>(28,139,303)</u>
General revenues:				
Property taxes levied for:				
General purposes				19,838,237
Debt services				12,917,467
Federal and state aid not restricted for specific purpose				8,329,959
Miscellaneous revenues				110,932
Unrestricted investment earnings				486,296
Total general revenues				<u>41,682,891</u>
Change in net position				13,543,588
Net position, beginning of year				(61,839,298)
Net position, end of year				<u>\$ (48,295,710)</u>

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

COLLETON COUNTY SCHOOL DISTRICT

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

	<u>General</u>	<u>Special Projects</u>	<u>Education Improvement Act</u>	<u>Food Service</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total Governmental Funds</u>
ASSETS							
Cash and cash equivalents	\$ 24,296,370	\$ -	\$ -	\$ -	\$ -	\$ 364	\$ 24,296,734
Deposits with Colleton County Treasurer	32,630	-	-	-	4,644,336	4,829,708	9,506,674
Property taxes receivable, net	1,948,148	-	-	-	1,124,190	-	3,072,338
Due from other funds	4,946,113	-	807,227	309,033	30,024	-	6,092,397
Due from other governmental units	267,386	6,379,564	153,500	42,493	-	1,483,285	8,326,228
Due from others	268,219	39,202	-	-	38,365	-	345,786
Inventory	-	-	-	22,812	-	-	22,812
Total assets	<u>31,758,866</u>	<u>6,418,766</u>	<u>960,727</u>	<u>374,338</u>	<u>5,836,915</u>	<u>6,313,357</u>	<u>51,662,969</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
LIABILITIES							
Accounts payable	1,934,897	-	-	-	-	-	1,934,897
Short-term bonds payable	-	-	-	-	1,987,000	-	1,987,000
Retainage payable	123	62,587	-	-	-	-	62,710
Accrued salaries and benefits	3,707,750	-	-	-	-	-	3,707,750
Due to State Department of Education	-	1,728	185	-	-	-	1,913
Due to other funds	-	4,556,151	-	-	-	1,536,246	6,092,397
Total liabilities	<u>5,642,770</u>	<u>4,620,466</u>	<u>185</u>	<u>-</u>	<u>1,987,000</u>	<u>1,536,246</u>	<u>13,786,667</u>
DEFERRED INFLOWS OF RESOURCES							
Deferred revenue	-	261,034	960,542	-	-	-	1,221,576
Unavailable revenue - property taxes	1,832,819	-	-	-	1,052,265	-	2,885,084
Total deferred inflows of resources	<u>1,832,819</u>	<u>261,034</u>	<u>960,542</u>	<u>-</u>	<u>1,052,265</u>	<u>-</u>	<u>4,106,660</u>
FUND BALANCES							
Nonspendable	-	-	-	22,812	-	-	22,812
Restricted	-	1,537,266	-	351,526	2,797,650	4,777,111	9,463,553
Unassigned	24,283,277	-	-	-	-	-	24,283,277
Total fund balances	<u>24,283,277</u>	<u>1,537,266</u>	<u>-</u>	<u>374,338</u>	<u>2,797,650</u>	<u>4,777,111</u>	<u>33,769,642</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 31,758,866</u>	<u>\$ 6,418,766</u>	<u>\$ 960,727</u>	<u>\$ 374,338</u>	<u>\$ 5,836,915</u>	<u>\$ 6,313,357</u>	<u>\$ 51,662,969</u>

COLLETON COUNTY SCHOOL DISTRICT

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION JUNE 30, 2024

Total governmental fund balances		\$ 33,769,642
Amounts reported for governmental activities in the Statement of Net Position are different because of the following:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in governmental funds. The cost of capital assets is \$164,498,480 and the accumulated depreciation is \$73,485,947.		91,012,533
Property taxes receivable are not available to pay for current period expenditures and are, therefore, deferred in the funds.		2,885,084
Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds:		
Net pension liability		(63,308,342)
Net OPEB liability		(42,120,155)
Deferred outflows and inflows of resources related to pensions and OPEB are applicable to future periods and, therefore, are not reported in the funds.		
Deferred outflows of resources related to pensions		7,870,176
Deferred outflows of resources related to OPEB		12,124,092
Deferred inflows of resources related to pensions		(3,445,505)
Deferred inflows of resources related to OPEB		(28,274,660)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the funds:		
Bonds payable	\$ (57,632,502)	
Bond premiums, net of accumulated amortization	(52,128)	
Lease liabilities	(710,148)	
Subscription liabilities	(256,803)	
Accrued interest payable	(156,994)	
		(58,808,575)
Total net position - governmental activities		\$ (48,295,710)

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

COLLETON COUNTY SCHOOL DISTRICT

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

	<u>General</u>	<u>Special Projects</u>	<u>Education Improvement Act</u>	<u>Food Service</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total Governmental Funds</u>
REVENUES							
Local	\$ 19,859,453	\$ 2,112,882	\$ -	\$ 138,896	\$ 12,059,418	\$ 129,402	\$ 34,300,051
State	31,787,806	644,327	6,281,513	-	823,455	-	39,537,101
Federal	-	15,649,916	-	4,260,575	-	-	19,910,491
Total revenues	51,647,259	18,407,125	6,281,513	4,399,471	12,882,873	129,402	93,747,643
EXPENDITURES							
Current:							
Instruction	24,568,246	7,807,309	1,652,716	-	-	-	34,028,271
Support services	26,421,278	8,412,921	381,284	4,529,344	-	4,156,028	43,900,855
Intergovernmental	-	132,998	185	-	-	-	133,183
Debt service:							
Principal	49,517	79,647	-	-	6,331,362	147,245	6,607,771
Interest and fiscal charges	476	12,274	-	-	2,955,104	118,876	3,086,730
Capital outlay	125,025	365,027	45,355	-	-	607,954	1,143,361
Total expenditures	51,164,542	16,810,176	2,079,540	4,529,344	9,286,466	5,030,103	88,900,171
Excess (deficiency) of revenues over (under) expenditures	482,717	1,596,949	4,201,973	(129,873)	3,596,407	(4,900,701)	4,847,472
OTHER FINANCING SOURCES (USES)							
Issuance of long-term debt	124,609	-	-	-	-	-	124,609
Transfers in	5,666,855	-	-	-	7,425,755	10,580,257	23,672,867
Transfers out	-	(1,464,882)	(4,201,973)	-	(10,580,257)	(7,425,755)	(23,672,867)
Premium on bonds sold	-	-	-	-	63,257	-	63,257
Total other financing sources (uses)	5,791,464	(1,464,882)	(4,201,973)	-	(3,091,245)	3,154,502	187,866
Net change in fund balance	6,274,181	132,067	-	(129,873)	505,162	(1,746,199)	5,035,338
Fund balance, July 1, 2023	18,009,096	1,405,199	-	504,211	2,292,488	6,523,310	28,734,304
Fund balance, June 30, 2024	\$ 24,283,277	\$ 1,537,266	\$ -	\$ 374,338	\$ 2,797,650	\$ 4,777,111	\$ 33,769,642

COLLETON COUNTY SCHOOL DISTRICT

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

Net change in fund balances - total governmental funds	\$ 5,035,338
<p>Amounts reported for the governmental activities in the Statement of Activities are different because:</p>	
<p>Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense (\$4,573,988) exceeded capital outlay (\$1,422,881).</p>	(3,151,107)
<p>The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. This is the difference in lease and subscription liabilities issued during the year (\$124,609) and bond, lease, and subscription liability payments made during the year (\$6,607,711).</p>	6,483,162
<p>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 net amortization of bond premiums in the current year.</p>	78,191
<p>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.</p>	29,657
<p>Certain property tax revenues that are reported in the government-wide Statement of Activities do not provide current financial resources and, therefore, are not reported as revenues in the governmental funds' operating statement.</p>	389,283
<p>Governmental funds report pension and OPEB contributions as expenditures. However, in the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as a pension expense.</p>	
Pension related	1,807,794
OPEB related	2,871,270
	13,543,588
Change in Net Position - governmental activities	\$ 13,543,588

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

NOTES TO FINANCIAL STATEMENTS

COLLETON COUNTY SCHOOL DISTRICT

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Colleton County School District, (the "School District") is governed by a seven-member elected Board of Education (the "Board"). The School District provides regular and exceptional education for students in preschool through grade twelve.

The financial statements of the 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 following is a summary of the more significant policies:

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

The School District has determined that there is one support entity that meets the requirements for inclusion as a blended component unit.

Blended Component Unit

The South Carolina Association of Governmental Organizations (SCAGO) Educational Facilities Corporation (EFC) for Colleton County School District was incorporated on November 21, 2006, for educational and charitable purposes, specifically to undertake certain obligations with respect to the acquisition or sale of real and/or personal property in connection with the design, construction, operation, financing, and refinancing of education facilities to be used by the School District and such other projects located in and for the benefit of the School District as may be permitted by applicable law. The EFC is organized and shall be operated exclusively for the charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code. The EFC has five Board members, three are appointed by the Board of Directors of the SCAGO and two consist of the Superintendent and the Director of Finance (or their equivalents) of the School District. The Board of Directors of the EFC may increase from a minimum of five to a maximum of 10; however, in all events, less than 50% of the members of the Board of Directors shall be representatives of or controlled by the School District. The EFC meets the criteria of a blended component unit and, therefore, the operations of the EFC are blended with the operations of the School District as required by GAAP.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation

The statements of the School District are presented as follows:

Government-wide Statements. The Statement of Net Position and the Statement of Activities display information about the School District. These statements include the financial activities of the overall government, except for fiduciary activities. The effect of interfund activity has been removed from these statements except for interfund services provided and used. These statements distinguish between the governmental and business-type activities of the School District. Governmental activities generally are financed through intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties. The School District does not have any business-type activities.

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

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

Fund Financial Statements. Fund financial statements report detailed information about the School District. The focus of the governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column, and all nonmajor funds are aggregated into one column, when applicable.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

Fund Financial Statements (Continued). The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of *current financial resources measurement focus* and the *modified accrual basis of accounting*. The financial statements for governmental funds are a balance sheet, which generally includes only current assets and current liabilities, and a Statement of Revenues, Expenditures and Changes in Fund Balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

The School District uses funds to maintain its financial records during the fiscal year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain School District functions or activities. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The various funds of the School District are grouped into governmental fund types.

Measurement Focus and Basis of Accounting

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

The School District reports the following major governmental funds:

General Fund. The General Fund is the general operating fund of the School District. The General Fund accounts for all financial resources except those that are required to be accounted for in another fund. All property taxes, intergovernmental revenues, charges for services, education finance act revenues, and miscellaneous revenues are recorded in this fund except amounts which are specifically collected to service debt. Operational expenditures for general instruction, support services, general administration and other departments of the School District are paid through the General Fund.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus and Basis of Accounting (Continued)

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

- 1) *Special Projects Fund* accounts for financial resources provided by federal, state, and local projects and grants that are restricted, committed or assigned for specific educational programs and student activities.
- 2) *The Education Improvement Act ("EIA") Fund*, a fund used to account for the revenue from the Education Improvement Act of 1984 and legally required to be accounted for as a specific revenue source.
- 3) *School Food Service Fund* accounts for its food service program as a Special Revenue Fund.

Capital Projects Fund. The Capital Projects Fund accounts for financial resources that are restricted, committed or assigned to expenditures for capital outlays.

Debt Service Fund. The Debt Service Fund accounts for financial resources that are restricted, committed or assigned to expenditures for principal and interest.

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

Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, are recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the School District, available means expected to be received within 60 days after fiscal year-end.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus and Basis of Accounting (Continued)

Nonexchange 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 (see Note 4). Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the School District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized. Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: property taxes, interest, tuition, grants, student fees and rentals.

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Delinquent property taxes and property taxes for which there is an enforceable legal claim as of June 30, 2024, but which have not met the revenue recognition criteria, have been recorded as unearned revenue. On governmental fund financial statements, receivables that will not be collected within the available period have been reported as unavailable revenue.

The fair value of donated commodities used during the year is reported in the fund operating statement as an expense with a like amount reported as donated commodities revenue.

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

Assets, Deferred Outflows and Inflows of Resources, Liabilities and Net Position/Fund Balance

Cash and Investments

South Carolina statutes authorize investments in certificates of deposit, savings accounts, repurchase agreements, the State Treasurer's Local Government Investment Pool (invested in government guaranteed securities), obligations of the U.S. Government, and government agencies unconditionally guaranteed by the U.S. Government. Investments are recorded at fair value.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows and Inflows of Resources, Liabilities and Net Position/Fund Balance (Continued)

Cash and Investments (Continued)

The Colleton County Treasurer invests in authorized instruments on behalf of the School District. The Colleton County Treasurer invests School District funds in certificates of deposit, insured savings accounts, repurchase agreements, obligations of the United States government and government agencies guaranteed by the United States government.

Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. On fund financial statements, these receivables and payables, if containing a balance at the end of the fiscal year, are classified as "due from other funds" or "due to other funds" on the balance sheet. These amounts are eliminated in the governmental activities column of the Statement of Net Position.

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 as an expenditure when consumed. Inventories include food, supplies, and commodities. An amount for commodities received from the United States Department of Agriculture (USDA), but not consumed as of June 30, has been recorded at fair value as provided by the USDA.

Capital Assets

Capital assets include property, plant, equipment and right-to-use lease and subscription assets. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide Statement of Net Position but are not reported in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The cost and accumulated depreciation of property sold or retired are removed from the accounts, and gains or losses, if any, are reflected in revenue or expenditures/expenses for the year. Donated fixed assets are recorded at their acquisition value as of the date received. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows and Inflows of Resources, Liabilities and Net Position/Fund Balance (Continued)

Capital Assets (Continued)

Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed.

All reported capital assets other than land and construction-in-progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation and amortization are computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>
Improvements	15 years
Buildings	40 years
Equipment	10 – 20 years
Technology equipment	5 years
Vehicles	10 years
Mobile classrooms	20 years
Lease assets	5 years
Subscription assets	5 years

Leases – Lessee

The School District is a lessee for noncancellable leases of equipment. The School District recognizes a lease liability and right-to-use lease assets in the government-wide financial statements. The School District recognizes lease liabilities and right-to-use lease assets in accordance with its capitalization policy of \$5,000.

At the commencement of a lease, the School District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the lease term.

Key estimates and judgments related to leases include how the School District determines: 1) the discount rate it uses to discount the expected lease payments to present value, 2) lease term, and 3) lease payments.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows and Inflows of Resources, Liabilities and Net Position/Fund Balance (Continued)

Leases – Lessee (Continued)

- The School District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the School District generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option prices that the School District is reasonably certain to exercise.

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

In the Statement of Net Position, lease assets are reported with other capital assets and lease liabilities are reported with other long-term liabilities as amounts due within one year and amounts due in more than one year.

Subscription-Based Information Technology Arrangements

The School District has executed contracts that qualify as noncancellable subscription-based information technology arrangements (SBITAs). The School District recognizes a subscription liability and an intangible right-to-use subscription asset in the government-wide financial statements. The School District recognizes subscription assets resulting from SBITAs with an initial, individual value of \$5,000 or more. At the commencement of a SBITA, the School District initially measures the subscription liability at the present value of payments expected to be made during the SBITA term. Subsequently, the subscription liability is reduced by the principal portion of payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for payments made at or before the SBITA commencement date, plus certain implementation and other costs. Subsequently, the subscription asset is amortized on a straight-line basis over its useful life – which is the shorter of the SBITA term or the useful life of the underlying asset.

Key estimates and judgments related to SBITA include how the School District determines: 1) the discount rate it uses to discount the expected SBITA payments to present value, 2) SBITA term, and 3) SBITA payments.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows and Inflows of Resources, Liabilities and Net Position/Fund Balance (Continued)

Subscription-Based Information Technology Arrangements (Continued)

- The School District uses the interest rate charged by the SBITA vendor as the discount rate. When the interest rate charged by the SBITA vendor is not provided, the School District generally uses its estimated incremental borrowing rate as the discount rate for SBITAs.
- The SBITA term includes the noncancellable period of the SBITA. SBITA payments included in the measurement of the SBITA liability are composed of fixed payments and purchase option prices that the School District is reasonably certain to exercise.

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

SBITA assets are reported with other capital assets and SBITA liabilities are reported with long-term debt on the Statement of Net Position.

Compensated Absences

Employees may accumulate vacation leave up to a maximum of ten days. However, employees forfeit any unused annual leave awarded or accrued at June 30th of each year; therefore, no accrual is recorded for compensated absences. No liability is recorded for nonvesting, accumulating rights to receive sick pay benefits.

Accrued Salaries and Benefits

Salaries and employee benefits of teachers and certain other instructional employees are, based on elections by those employees, paid over a twelve-month period from September 1 to August 31, but are earned by those employees over the school year of September through May. Salaries and related employee benefits earned but not paid because of such employee elections have been accrued and recorded in the financial statements.

Accrued Liabilities and Long-term Obligations

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows and Inflows of Resources, Liabilities and Net Position/Fund Balance (Continued)

Accrued Liabilities and Long-term Obligations (Continued)

In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources. However, claims and judgments that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they will be paid with current, expendable, available financial resources. In general, payments made within 60 days after year-end are considered to have been made with current available financial resources. Bonds and other long-term obligations that will be paid from governmental funds are not recognized as a liability in the fund financial statements until due.

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

Short-term Obligations

Any debt obligations that are expected to be repaid within the next fiscal period are classified as short-term obligations.

Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position reports a separate section for *deferred outflows of resources*. This separate financial statement element represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The School District did not have any items that qualify for reporting in this category for the year ended June 30, 2024, with the exception of the pension and Other Post-employment Benefits (OPEB) items discussed on the following page.

In addition to liabilities, the Statement of Net Position and the Balance Sheet for governmental funds reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The School District has two items that qualify for reporting in this category in addition to the pension and OPEB items below. The first item arises only under the modified accrual basis of accounting. Accordingly, the item, unavailable revenue, is reported only by the governmental funds balance sheet and includes amounts from property taxes and special assessments that are deferred and will be recognized as an inflow of resources in the period in which the amounts become available.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows and Inflows of Resources, Liabilities and Net Position/Fund Balance (Continued)

Deferred Outflows/Inflows of Resources (Continued)

The second item, deferred revenue, is reported in both the governmental funds balance sheet and the Statement of Net Position and arises from voluntary non-exchange transactions in which the School District has received resources before time requirements are met but after all other eligibility requirements have been met.

The School District also has deferred inflows and outflows related to the recording of changes in its net pension liability and net OPEB liability. Certain changes in these liabilities are recognized as expense over time instead of all being recognized in the year of occurrence. Experience gains or losses result from periodic studies by the School District's actuaries which adjust the net pension liability or net OPEB liability for actual experience for certain trend information that was previously assumed, for example, the assumed dates of retirement of plan members. These experience gains or losses are recorded as deferred outflows of resources or deferred inflows of resources and are amortized into expense over the expected remaining service lives of plan members. Changes in actuarial assumptions which adjust the net pension liability or net OPEB liability are also recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension or OPEB expense over the expected remaining service lives of plan members. Changes in proportion arise from the difference between the School District's actual contributions to its pension and OPEB plans and the School District's proportionate share of contributions. These items will be amortized into pension or OPEB expense over the expected remaining service lives of plan members. The difference between projected investment return on pension or OPEB investments and actual return on those investments is also deferred and amortized against pension or OPEB expense over a five-year period. Additionally, any contributions made by the School District to the pension or OPEB plans before year-end but subsequent to the measurement date of the School District's net pension liability or net OPEB liability are reported as deferred outflows of resources. These contributions will reduce the net pension liability or net OPEB liability in the subsequent fiscal period.

Pensions

In government-wide financial statements, pensions are required to be recognized and disclosed using the accrual basis of accounting (see Note 12 and the required supplementary information immediately following the notes to the financial statements for more information), regardless of the amount recognized as pension expenditures on the modified accrual basis of accounting. The School District recognizes a net pension liability for each qualified pension plan in which it participates, which represents the excess of the total pension liability over the fiduciary net position of the qualified pension plan, or the School District's proportionate share thereof in the case of a cost-sharing multiple-employer plan, measured as of the School District's fiscal year-end.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows and Inflows of Resources, Liabilities and Net Position/Fund Balance (Continued)

Post-employment Benefits Other Than Pensions (OPEB)

For purposes of measuring the School District's OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the South Carolina Retiree Health Insurance Trust Fund (SCRHITF) and the South Carolina Long-Term Disability Insurance Trust Fund (SCLTDITF), collectively referred to as the Other Post-Employment Benefits Trust Funds (the "OPEB Trusts"), and additions to/deductions from the OPEB Trusts fiduciary net position have been determined on the same basis as they are reported by the OPEB Trusts. For this purpose, the OPEB Trusts recognize benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

Interfund Activity

Transfers between governmental activities on the government-wide statements are reported in the same manner as general revenues.

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

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows and Inflows of Resources, Liabilities and Net Position/Fund Balance (Continued)

Fund Balances

In accordance with GASB Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54), the School District's governmental fund balances are classified as follows:

Nonspendable. Includes amounts that cannot be spent because they are either: (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts.

Restricted. Represents amounts that are: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other school districts, or (b) are imposed by law through constitutional provisions or enabling legislation.

Committed. Represents amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the School District's highest level of decision-making authority (the "Board") before the end of the reporting period. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. Committed amounts for the School District would consist of amounts approved by resolution by the Board of the School District.

Assigned. Amounts are constrained by the School District's intent to be used for specific purposes but are neither restricted nor committed; such assignments are made before the report issuance date. Assigned fund balance for the School District consists of: (a) motions approved by the Board that are for a specific purpose, or (b) appropriations of current fund balance (made in the annual budget process) for the succeeding budget year.

Unassigned. Represents the fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund.

When expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, the School District's general practice is to first reduce committed resources, followed by assigned resources, and then unassigned resources.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows and Inflows of Resources, Liabilities and Net Position/Fund Balance (Continued)

Net Position

The School District's net position in the government-wide financial statements and proprietary fund financial statements are classified as follows:

Net Investment in Capital Assets. This represents the School District's total investment in capital assets, net of accumulated depreciation and reduced by outstanding liabilities that are attributable to the acquisition, construction or improvement of those assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of investment in capital assets but rather as a restricted net position.

Restricted. This represents amounts restricted for debt service on the School District's bonds in which the School District is legally or contractually obligated by external parties such as lenders, grantors or contributors or by laws or regulations to spend in accordance with the restrictions imposed.

Unrestricted. This represents the remainder of the School District's net position not included in the above categories.

The School District's policy for applying expenses that can use both restricted and unrestricted resources is designated to the program administrative level. General practice is to first apply the expense to the restricted resource then to unrestricted resources.

Income Taxes

The School District, as a political subdivision of the State of South Carolina, is excluded from Federal income taxes under Section 115(1) of the Internal Revenue Code.

NOTES TO FINANCIAL STATEMENTS

NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Accounting – The budgetary data reflected in the financial statements is prepared and adopted on a basis consistent with GAAP.

State statutes require a budget for operations be approved before any expenditures are made. The Board will usually approve the operating budget in June for the fiscal year beginning July 1. A budget is adopted by July 1 of each fiscal year for the General Fund on the same modified accrual basis used to reflect actual revenues and expenditures in the fund financial statements. Budget and actual comparisons are presented in the accompanying fund financial statements for the General Fund. The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts adopted in the original appropriations. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts in the final amended budget issued during the year ended June 30, 2024. Each budget is prepared by function and object as dictated by the State-adopted Program Oriented Budgeting and Accounting System and for management control purposes. The School District's policies allow funds to be transferred between functions with administrative approval. The total budget cannot be increased beyond that level approved by the Colleton County School Board of Education originally and in supplementary action. The legal level of control is at the fund level.

All General Fund and special revenue appropriations lapse at the fiscal year-end. The School District's Special Revenue Funds are budgeted on an annual project basis. If the project year-end is different from the fiscal year-end, appropriations that lapsed at the fiscal year-end are reappropriated in the ensuing year's budget. The following procedures are followed in establishing the budgetary data reflected in the financial statements:

1. In the spring, the School District begins its budget process for the next succeeding fiscal year.
2. After the School District's finance department reviews all requests, allocation requirements and related revenue, it presents a tentative budget to the Superintendent for review and adjustment.
3. The Superintendent then presents the proposed budget to the Board which reviews the budget in a series of work sessions. Any additions or deletions deemed necessary are made during the review process.
4. The Board adopts the proposed budget and presents the budget to the Colleton County Council for review. The Colleton County Council will approve the local tax levy required for the budget not to exceed the limitations imposed by Act 388, after three readings, including a public hearing.

Encumbrances – The appropriations of the General Fund and Special Revenue Funds of the School District lapse at June 30 each year and the outstanding purchase orders, contracts and other commitments must be renewed. Therefore, there are no commitments of the fund balances at year-end for encumbrances. Lapsed appropriations of the Special Revenue Funds are reappropriated in the next budget year.

NOTES TO FINANCIAL STATEMENTS

NOTE 3. DEPOSITS AND INVESTMENTS

Total deposits and investments as of June 30, 2024, on the entity-wide Statement of Net Position are summarized as follows:

Statement of Net Position:	
Cash and Cash Equivalents	\$ 24,296,734
	<u>\$ 24,296,734</u>
Deposits with Financial Institutions	\$ 6,212,198
South Carolina Local Government Investment Pool	18,084,536
	<u>\$ 24,296,734</u>

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

1. Obligations of the United States and agencies thereof.
2. General obligations of the State of South Carolina or any of its political units.
3. Banks and savings and loan associations to the extent they are guaranteed by the Federal Deposit Insurance Corporation.
4. Deposits in certificates of deposit where the certificates are collaterally secured by securities of the type described in 1. and 2. above held by a third-party as escrow agent or custodian, of a market value not less than the amount of the certificate of deposit so secured, including interest.
5. The State Treasurer's Local Government Investment Pool (monitored by the State Treasurer for investments invested in government guaranteed securities in accordance with South Carolina State laws).
6. Repurchase agreements.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the School District will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. As of June 30, 2024, all of the School District's deposits were insured and/or collateralized as required by State statutes.

Credit Risk

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

NOTES TO FINANCIAL STATEMENTS

NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)

Interest Rate Risk

The School District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the School District's investment in a single issuer. The School District places no limit on the amount that may be invested in any one issuer.

NOTE 4. PROPERTY TAXES

The School District's property tax is levied each October on the assessed value listed as of the prior January 1 for all real and business personal property located in the School District. The assessed value on the roll at January 1, 2023, upon which the levy for the 2023-2024 fiscal year was based, was \$232,337,485. Taxes are delinquent on March 15, the collection date, following the October 1 levy date. Property taxes become a lien against the property as of March 15 of the calendar year following the levy date. Total tax collections, which include delinquent tax collections and penalties, equaled approximately 100% of the current tax levy for the year ended June 30, 2024.

Property taxes levied but uncollected are recorded as receivables reduced by an allowance for uncollectible amounts. Taxes receivable not collected within 60 days after year-end are recorded as unavailable revenue in the governmental fund financial statements since they are not available to meet current obligations at the end of the year. On the government-wide financial statements, taxes receivable not collected within 60 days after year-end are not deferred.

NOTES TO FINANCIAL STATEMENTS

NOTE 5. RECEIVABLES

Receivables at June 30, 2024, consisted of taxes, intergovernmental grants, and reimbursements. All intergovernmental receivables are considered collectible in full due to the stable condition of State programs and the current year guarantee of federal funds. Receivables as of year-end, including the applicable allowances for uncollectible accounts, are as follows:

	General	Special Projects	Education Improvement Act	School Food Service	Debt Service	Capital Projects
Receivables						
Property taxes	\$ 1,972,500	\$ -	\$ -	\$ -	\$ 1,138,242	\$ -
Due from other governments	267,386	6,379,564	153,500	42,493	-	1,483,285
Other	268,219	39,202	-	-	38,365	-
Gross receivables	2,508,105	6,418,766	153,500	42,493	1,176,607	1,483,285
Less allowance for uncollectible						
property taxes	(24,352)	-	-	-	(14,052)	-
Net receivables	\$ 2,483,753	\$ 6,418,766	\$ 153,500	\$ 42,493	\$ 1,162,555	\$ 1,483,285

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NOTES TO FINANCIAL STATEMENTS

NOTE 6. CAPITAL ASSETS

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balance</u>
Governmental Activities:					
Capital assets, not being depreciated/ amortized:					
Land	\$ 2,233,029	\$ -	\$ -	\$ -	\$ 2,233,029
Construction in progress	-	280,331	-	-	280,331
Total	<u>2,233,029</u>	<u>280,331</u>	<u>-</u>	<u>-</u>	<u>2,513,360</u>
Capital assets, being depreciated/ amortized:					
Improvements	10,844,493	-	-	-	10,844,493
Buildings	139,957,612	-	-	-	139,957,612
Equipment	5,007,168	841,648	-	-	5,848,816
Technology equipment	2,053,769	102,757	-	-	2,156,526
Vehicles	1,594,403	73,536	-	-	1,667,939
Mobile classrooms	7,809	-	-	-	7,809
Right-to-use lease asset - equipment	846,668	124,609	-	-	971,277
Right-to-use subscription asset	530,648	-	-	-	530,648
Total	<u>160,842,570</u>	<u>1,142,550</u>	<u>-</u>	<u>-</u>	<u>161,985,120</u>
Less accumulated depreciation/ amortization for:					
Improvements	7,722,896	574,936	-	-	8,297,832
Buildings	54,321,503	3,262,381	-	-	57,583,884
Equipment	3,869,540	236,591	-	-	4,106,131
Technology equipment	1,924,333	66,681	-	-	1,991,014
Vehicles	845,511	126,673	-	-	972,184
Mobile classrooms	7,809	-	-	-	7,809
Right-to-use lease asset - equipment	106,304	192,663	-	-	298,967
Right-to-use subscription asset	114,063	114,063	-	-	228,126
Total	<u>68,911,959</u>	<u>4,573,988</u>	<u>-</u>	<u>-</u>	<u>73,485,947</u>
Total capital assets, being depreciated/amortized, net	<u>91,930,611</u>	<u>(3,431,438)</u>	<u>-</u>	<u>-</u>	<u>88,499,173</u>
Total capital assets, net	<u>\$ 94,163,640</u>	<u>\$ (3,151,107)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 91,012,533</u>

Depreciation and amortization expense was charged to governmental functions as follows:

Governmental Activities:	
Support services	\$ 429,945
Unallocated	4,144,043
Total depreciation and amortization expense - governmental activities	<u>\$ 4,573,988</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 7. SHORT-TERM BORROWINGS

The following is a summary of changes in the School District's short-term borrowings for the year ended June 30, 2024:

	Beginning Balance	Additions	Reductions	Ending Balance
General obligation bonds				
Series 2023A	\$ 3,189,000	\$ -	\$ (3,189,000)	\$ -
Series 2023B	-	8,362,000	(8,362,000)	-
Series 2024A	-	1,987,000	-	1,987,000
Unamortized bond premiums	43,434	63,257	(43,434)	63,257
Total short-term obligations	\$ 3,232,434	\$ 10,412,257	\$ (11,594,434)	\$ 2,050,257

In May 2023, the School District issued \$3,189,000 of general obligation bonds with an annual interest rate of 5.0%, maturing March 2024, to fund School District payments on the installment purchase revenue bond and special obligation bond. These bonds were repaid in full during the year ended June 30, 2024.

In September 2023, the School District issued \$8,362,000 of general obligation bonds with an annual interest rate of 5.0%, maturing March 2024, to fund School District payments on the installment purchase revenue bond, special obligation bond, and equipment, acquisition and use agreement bond. These bonds were repaid in full during the year ended June 30, 2024.

In May 2024, the School District issued \$1,987,000 of general obligation bonds with an annual interest rate of 4.5%, maturing February 2025, to fund School District payments on the installment purchase revenue bond and special obligation bond.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM DEBT

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due within One Year</u>
Governmental Activities:					
Installment revenue bond, Series 2015	\$ 48,780,000	\$ -	\$ (4,440,000)	\$ 44,340,000	\$ 4,660,000
ACQ bonds	2,298,864	-	(641,362)	1,657,502	502,971
Total direct borrowing/direct placement	<u>51,078,864</u>	<u>-</u>	<u>(5,081,362)</u>	<u>45,997,502</u>	<u>5,162,971</u>
General Obligation Bonds, Series 2015A	8,980,000	-	(405,000)	8,575,000	505,000
General Obligation Bonds, Series 2016	2,000,000	-	-	2,000,000	-
General Obligation Bonds, Series 2018C	1,905,000	-	(845,000)	1,060,000	1,060,000
Premium, Series 2018C	130,319	-	(78,191)	52,128	-
Total general obligation bonds payable	<u>13,015,319</u>	<u>-</u>	<u>(1,328,191)</u>	<u>11,687,128</u>	<u>1,565,000</u>
Lease liabilities	769,255	124,609	(183,716)	710,148	175,834
Subscription liabilities	349,496	-	(92,693)	256,803	82,553
Net pension liability	65,539,160	4,945,365	(7,176,183)	63,308,342	-
Net OPEB liability	50,736,662	24,071	(8,640,578)	42,120,155	-
Total other long-term debt	<u>117,394,573</u>	<u>5,094,045</u>	<u>(16,093,170)</u>	<u>106,395,448</u>	<u>258,387</u>
Governmental activities:					
Long-term liabilities	<u>\$ 181,488,756</u>	<u>\$ 5,094,045</u>	<u>\$ (22,502,723)</u>	<u>\$ 164,080,078</u>	<u>\$ 6,986,358</u>

The direct borrowing and general obligation bonds are generally liquidated by the Debt Service Fund. The net pension liability and net OPEB liability are substantially liquidated by the General Fund.

General Obligation Bonds

The School District issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities and to fund the installment payments due under the agreements entered into with EFC. General obligation bonds have been issued for general government activities and their repayment is reported in the Debt Service Fund. General obligation bonds are direct obligations and pledge the full faith and credit of the School District. These bonds generally are issued as 10-to-25-year serial bonds with principal maturing each year.

General obligation bonds consist of the following as of June 30, 2024:

<u>Series</u>	<u>Interest Rates</u>	<u>Payment Dates</u>	<u>Maturity</u>	<u>Original Issue</u>	<u>Outstanding at June 30, 2024</u>
2015A	2.0 - 5.0%	March	2035	\$ 10,000,000	\$ 8,575,000
2016	3.0%	June/Dec.	2032	2,000,000	2,000,000
2018C	5.0%	March/Sept.	2025	5,500,000	1,060,000
				<u>\$ 17,500,000</u>	<u>\$ 11,635,000</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM DEBT (CONTINUED)

General Obligation Bonds (Continued)

The annual requirements to amortize the general obligation bonds outstanding at June 30, 2024, including interest payments over the life of the debt, are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 1,565,000	\$ 411,625	\$ 1,976,625
2026	605,000	338,425	943,425
2027	715,000	308,175	1,023,175
2028	760,000	272,425	1,032,425
2029	780,000	189,625	969,625
2030 – 2034	6,270,000	781,744	7,051,744
2035	940,000	30,550	970,550
Total	<u>\$ 11,635,000</u>	<u>\$ 2,332,569</u>	<u>\$ 13,967,569</u>

Direct Borrowing and Placement Debt

Installment Revenue Bond – EFC issues installment revenue bonds to finance the cost of acquiring, constructing, and renovating educational facilities to be sold by EFC to the School District. On an annual basis, the School District will issue general obligation bond debt and the County will levy taxes in amounts sufficient to pay the installments due on the EFC installment revenue bonds. The bonds are collateralized with the assets acquired with the proceeds.

Installment revenue bond payable at June 30, 2024, includes the Series 2015 issue of \$76,988,000 with interest rates of 3% to 5%. The bond matures in December 2032, and the balance as of June 30, 2024, was \$44,340,000.

The annual requirements for debt service on the installment revenue bond outstanding at June 30, 2024, are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 4,660,000	\$ 1,873,475	\$ 6,533,475
2026	4,895,000	1,634,600	6,529,600
2027	5,140,000	1,383,725	6,523,725
2028	5,395,000	1,120,250	6,515,250
2029	5,665,000	843,850	6,508,850
2030 – 2032	18,585,000	1,018,243	19,603,243
Total	<u>\$ 44,340,000</u>	<u>\$ 7,874,143</u>	<u>\$ 52,214,143</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM DEBT (CONTINUED)

Direct Borrowing and Placement Debt (Continued)

Equipment, Acquisition and Use Agreement, Series 2018 – During the year ended June 30, 2019, the School District entered into an Equipment, Acquisition and Use Agreement, Series 2018 for technology equipment. The debt was directly placed with a bank with a total issuance of \$727,049 at an interest rate of 3.22% and a final maturity in December 2023. The collateral of the debt is the related equipment acquired with the proceeds. The principal balance was repaid during the year ended June 30, 2024.

During the year ended June 30, 2022, the School District entered into an Equipment, Acquisition and Use Agreement, Series 2021 for vehicles. The debt was directly placed with a bank with a total issuance of \$550,000 at an interest rate of 0.95% and a final maturity in December 2024. The collateral of the debt is the related equipment acquired with the proceeds. The principal balance as of June 30, 2024, was \$138,541.

During the year ended June 30, 2022, the School District entered into an Equipment, Acquisition and Use Agreement, Series 2022 for technology equipment. The debt was directly placed with a bank with a total issuance of \$2,245,700 at an interest rate of 2.75% and a final maturity in December 2027. The collateral of the debt is the related equipment acquired with the proceeds. The principal balance as of June 30, 2024, was \$1,518,961.

The annual requirements for debt service on the outstanding issuances at June 30, 2024, are as follows:

Year Ending June 30,	Principal	Interest	Total
2025	\$ 502,971	\$ 43,088	\$ 546,059
2026	374,452	31,750	406,202
2027	384,749	21,452	406,201
2028	395,330	10,872	406,202
Total	\$ 1,657,502	\$ 107,162	\$ 1,764,664

NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM DEBT (CONTINUED)

Leases

In August 2022, the School District entered into a 60-month lease as lessee for the right to use equipment. An initial lease liability was recorded in the amount of \$757,032. As of year-end, the value of the lease liability is \$558,482. The School District is required to make monthly fixed payments of \$14,270. The lease has an interest rate of 8.47%. The value of the right-to-use asset (equipment) as of year-end is \$757,032 with accumulated amortization of \$246,456.

In August 2022, the School District entered into a 60-month lease as lessee for the right to use office equipment. An initial lease liability was recorded in the amount of \$89,636. As of year-end, the value of the lease liability is \$63,528. The School District is required to make monthly fixed payments of \$1,702. The lease has an interest rate of 8.47%. The value of the right-to-use asset (equipment) as of year-end is \$89,636 with accumulated amortization of \$29,181.

In August 2023, the School District entered into a 60-month lease as lessee for the right to use office equipment. An initial lease liability was recorded in the amount of \$124,609. As of year-end, the value of the lease liability is \$88,138. The School District is required to make annual fixed payments of \$36,471. The lease has an interest rate of 23.72%. The value of the right-to-use asset (equipment) as of year-end is \$124,609 with accumulated amortization of \$23,330.

Future payments to maturity on the School District's outstanding lease liabilities are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 175,834	\$ 67,634	\$ 243,468
2026	193,697	49,771	243,468
2027	213,691	29,778	243,469
2028	126,926	9,366	136,292
Total	<u>\$ 710,148</u>	<u>\$ 156,549</u>	<u>\$ 866,697</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM DEBT (CONTINUED)

Subscription-Based Information Technology Arrangements

For the year ended June 30, 2024, the School District's subscription assets are reported within the governmental capital asset roll-forwards in Note 6. A summary of the outstanding SBITAs and the payments required to maturity are summarized below.

<u>SBITA Term</u>	<u>Payment Terms</u>	<u>Interest Rate</u>	<u>Asset Amount</u>	<u>Accumulated Amortization</u>
24 months	\$13,522 / annually	3.6484%	\$ 26,567	\$ 26,537
60 months	\$91,922 / annually	3.6484%	504,081	201,589
			<u>\$ 530,648</u>	<u>\$ 228,126</u>

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 82,553	\$ 9,368	\$ 91,921
2026	85,564	6,357	91,921
2027	88,686	3,235	91,921
Total	<u>\$ 256,803</u>	<u>\$ 18,960</u>	<u>\$ 275,763</u>

Legal Debt Margin

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

Bonded indebtedness existing on November 30, 1982, and bonded indebtedness authorized by a majority vote of the qualified electors of the School District voting in a referendum will not be considered in the computation of the 8% limitation. As of June 30, 2024, the remaining debt margin available to the School District was \$11,882,497. The installment revenue bond and referendum debt obligations of \$44,340,000 and \$8,575,000, respectively, are not subject to the 8% limitation.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. INTERFUND TRANSFERS

The School District reports interfund transfers between many of its funds. During the course of normal operations, the School District has transactions between funds to provide services, construct assets, service debt, etc. These transactions are generally reflected as transfers.

Total interfund transfers during the year ended June 30, 2024, consisted of the following:

Fund	Transfers In	Transfers Out
General Fund	\$ 5,666,855	\$ -
Special Project Fund	-	1,464,882
EIA Fund	-	4,201,973
Debt Service Fund	7,425,755	10,580,257
Capital Projects Fund	10,580,257	7,425,755
Total	\$ 23,672,867	\$ 23,672,867

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

NOTE 10. INTERFUND RECEIVABLES AND PAYABLES

The School District reports interfund balances between many of its funds. A pooled cash account is maintained in the General Fund for a majority of the funds of the School District. Interfund balances are a result of the cash activity related to the pooled cash account.

Interfund balances at June 30, 2024, (which are expected to be received or paid within one year), consisted of the following individual fund receivables and payables:

Fund	Receivables	Payables
General Fund	\$ 4,946,113	\$ -
Special Project Fund	-	4,556,151
EIA Fund	807,227	-
Food Service Fund	309,033	-
Debt Service Fund	30,024	-
Capital Projects Fund	-	1,536,246
Total	\$ 6,092,397	\$ 6,092,397

NOTES TO FINANCIAL STATEMENTS

NOTE 11. FUND BALANCES AND NET POSITION

Fund balances for all funds as of June 30, 2024, were recorded as follows:

	<u>General Fund</u>	<u>Special Projects Fund</u>	<u>Food Service Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>
Nonspendable:					
Inventory	\$ -	\$ -	\$ 22,812	\$ -	\$ -
Restricted for:					
Special projects	-	1,537,266	-	-	-
School food service operations	-	-	351,526	-	-
Capital projects	-	-	-	-	4,777,111
Debt service	-	-	-	2,797,650	-
Unassigned	<u>24,283,277</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 24,283,277</u>	<u>\$ 1,537,266</u>	<u>\$ 374,338</u>	<u>\$ 2,797,650</u>	<u>\$ 4,777,111</u>

Net investment in capital assets – This represents the School District’s net investment in capital assets, reduced by the 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. Details of net investment in capital assets are:

	<u>Governmental Activities</u>
Capital assets, net of depreciation	\$ 91,012,533
Capital-related debt:	
Less: bonds, notes, loans, leases and SBITAs	(60,586,453)
Less: premiums and discounts	(115,385)
Less: retainage payable	(62,710)
Net investment in capital assets	<u>\$ 30,247,985</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 12. RETIREMENT PLANS

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 South Carolina 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 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 plans. Investments are reported at fair value.

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

NOTES TO FINANCIAL STATEMENTS

NOTE 12. RETIREMENT PLANS (CONTINUED)

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 and participating charter schools, public higher education institutions, other participating local subdivisions of government and first-term individuals elected to the South Carolina General Assembly at or after the general election in November 2012.

The State Optional Retirement Program (State ORP) is a defined contribution plan that is offered as an alternative to SCRS to newly hired state, public higher education institution and public school district employees, as well as first-term individuals elected to the South Carolina General Assembly. 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.

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

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 first-term individuals elected to the South Carolina General. An employee member of the System with an effective date of membership prior to July 1, 2012, is a Class Two member. An employee member of the System with an effective date of membership on or after July 1, 2012, is a Class Three member.

NOTES TO FINANCIAL STATEMENTS

NOTE 12. RETIREMENT PLANS (CONTINUED)

Membership (Continued)

ORP. As an alternative to membership in SCRS, newly hired state, public higher education institution and public school district employees, as well as first-term individuals elected to the South Carolina General Assembly 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%). A direct remittance is also required to SCRS for the remaining portion of the employer contribution and an incidental death benefit contribution, if applicable, which is retained by SCRS.

PORS. To be eligible for PORS membership, an employee must be required by the terms of his/her 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 state 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 legislative change in the code of laws. Key elements of the benefit calculation include the benefit multiplier, years of service, and average final compensation/current year salary. A brief summary of benefit terms for each System is presented below.

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

NOTES TO FINANCIAL STATEMENTS

NOTE 12. RETIREMENT PLANS (CONTINUED)

Benefits (Continued)

SCRS (Continued). The annual retirement allowance of eligible retirees or their surviving annuitants is increased by the lesser of 1% or \$500 every July 1. Only those annuitants in receipt of a benefit on July 1 of the preceding year are eligible to receive the increase. Members who retire under the early retirement provisions at age 55 with 25 years of service are not eligible for the benefit adjustment until the second July 1 after reaching age 60, or the second July 1 after the date they would have had 28 years of service credit had they not retired.

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 1% or \$500 every July 1. Only those annuitants in receipt of a benefit on July 1 of the preceding year are eligible to receive the increase.

Contributions

Actuarial valuations are performed annually by an external consulting actuary to ensure applicable contribution rates satisfy the funding parameters specified in Title 9 of the South Carolina Code of Laws. Under these provisions, SCRS and PORS contribution requirements must be sufficient to maintain an amortization period for the financing of the unfunded actuarial accrued liability (UAAL) over a period that does not exceed the number of years scheduled in state statute. The Retirement Funding and Administration Act of 2017 increased, but also established a ceiling, for SCRS and PORS employee contribution rates. Effective July 1, 2017, employee rates were increased to a capped rate of 9.00 percent for SCRS and 9.75% for PORS. The legislation also increased employer contribution rates beginning July 1, 2017, for both SCRS and PORS until reaching 18.56 percent for SCRS and 21.24 percent for PORS. The legislation included a further provision that if the scheduled contributions are not sufficient to meet the funding periods set in state statute, the PEBA board would increase the employer contribution rates as necessary to meet the funding periods set for the applicable year.

NOTES TO FINANCIAL STATEMENTS

NOTE 12. RETIREMENT PLANS (CONTINUED)

Contributions (Continued)

Pension reform legislation modified statute such that the employer contribution rates for SCRS and PORS to be further increased, not to exceed one-half of 1% in any one year, if necessary, in order to improve the funding of the plans. The statute set rates intended to reduce the unfunded liability of SCRS and PORS to the maximum amortization period of 20 years from 30 years over a ten-year schedule, as determined by the annual actuarial valuations of the plan. Finally, under the revised statute, the contribution rates for SCRS and PORS may not be decreased until the plans are at least 85% funded.

Required employee contribution rates are as follows:

	<u>Fiscal year ended June 30, 2024</u>	<u>Fiscal year ended June 30, 2023</u>
SCRS:		
Employee Class Two	9.00%	9.00%
Employee Class Three	9.00%	9.00%
PORS:		
Employee Class Two	9.75%	9.75%
Employee Class Three	9.75%	9.75%

Required employer contribution rates are as follows:

	<u>Fiscal year ended June 30, 2024</u>	<u>Fiscal year ended June 30, 2023</u>
SCRS:		
Employer Class Two	18.41%	17.41%
Employer Class Three	18.41%	17.41%
Employer Incidental Death Benefit	0.15%	0.15%
PORS:		
Employer Class Two	20.84%	19.84%
Employer Class Three	20.84%	19.84%
Employer Incidental Death Benefit	0.20%	0.20%
Employer Accidental Death Program	0.20%	0.20%

NOTES TO FINANCIAL STATEMENTS

NOTE 12. RETIREMENT PLANS (CONTINUED)

Actuarial Assumptions and Methods

Actuarial valuations of the ongoing 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 ended June 30, 2019.

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

The following table provides a summary of the actuarial assumptions and methods used to calculate the TPL as of June 30, 2023.

	SCRS	PORS
Actuarial assumptions:		
Investment rate of return	7.00%	7.00%
Projected salary increases	3.0% to 11%	3.5% to 10.5%
	(varies by service)	(varies by service)
Includes inflation at	2.25%	2.25%
Benefit adjustments	lesser of 1% or \$500	lesser of 1% or \$500

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

NOTES TO FINANCIAL STATEMENTS

NOTE 12. RETIREMENT PLANS (CONTINUED)

Actuarial Assumptions and Methods (Continued)

Assumptions used in the determination of the June 30, 2023 TPL are as follows:

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

Net Pension Liability

The NPL is calculated separately for each System and represents that particular System's TPL determined in accordance with GASB 67 less that System's fiduciary net position. NPL totals, as of June 30, 2023, for SCRS and PORS are presented below.

	SCRS	PORS
Total pension liability	\$ 58,464,402,454	\$ 9,450,021,576
Plan fiduciary net position	34,286,961,942	6,405,925,370
Employer's net pension liability	\$ 24,177,440,512	\$ 3,044,096,206
Plan fiduciary net position as a percentage of the total pension liability	58.6%	67.8%

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 67 and 68 are not applicable for other purposes, such as determining the plans' funding requirements.

NOTES TO FINANCIAL STATEMENTS

NOTE 12. RETIREMENT PLANS (CONTINUED)

Net Pension Liability (Continued)

The School District's proportion of the net pension liability was based on contributions to SCRS and PORS, respectively, during the fiscal year ended June 30, 2023. At June 30, 2023, the School District's proportion for SCRS was 0.261600%, which was a decrease of 0.008450% from its proportion measured at June 30, 2022. At June 30, 2023, the School District's proportion for PORS was 0.001979%, which was a decrease of 0.000466% from its proportion measured at June 30, 2022.

Long-term Expected Rate of Return

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

The expected returns, along with the expected inflation rate, form the basis for the target asset allocation adopted at the beginning of the 2023 fiscal year. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and adding expected inflation and is summarized in the table below. For actuarial purposes, the 7.00% assumed annual investment rate of return used in the calculation of the TPL includes a 5.31% real rate of return and a 2.25% inflation component.

Asset Class	Policy Target	Expected Arithmetic Real Rate of Return	Long-term Expected Portfolio Real Rate of Return
Public Entity	46.0%	6.62%	3.04%
Bonds	26.0%	0.36%	0.08%
Private Equity	9.0%	10.91%	0.98%
Private Debt	7.0%	6.16%	0.43%
Real assets	12.0%		
Real estate	9.0%	6.41%	0.58%
Infrastructure	3.0%	6.62%	0.20%
	100%		
		Total expected real rate of return	5.31%
		Inflation for actuarial purposes	2.25%
		Total expected nominal return	7.56%

NOTES TO FINANCIAL STATEMENTS

NOTE 12. RETIREMENT PLANS (CONTINUED)

Discount Rate

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

Sensitivity Analysis

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

<u>South Carolina Retirement System</u>		
<u>Sensitivity of the Net Position Liability to Changes in the Discount Rate</u>		
1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
\$ 81,722,575	\$ 63,248,099	\$ 47,892,752

<u>Police Officers Retirement System</u>		
<u>Sensitivity of the Net Position Liability to Changes in the Discount Rate</u>		
1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
\$ 84,982	\$ 60,243	\$ 39,979

NOTES TO FINANCIAL STATEMENTS

NOTE 12. RETIREMENT PLANS (CONTINUED)

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

For the year ended June 30, 2024, the School District's pension expense was \$4,305,244. At June 30, 2024, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

South Carolina Retirement System	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,098,097	\$ 175,396
Changes of assumptions	969,052	-
Net difference between projected and actual earnings on pension plan investments	-	86,573
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	3,167,934
Employer contributions subsequent to the measurement date	5,794,658	-
Total	\$ 7,861,807	\$ 3,429,903
Police Officers Retirement System	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,834	\$ 743
Changes of assumptions	1,311	-
Net difference between projected and actual earnings on pension plan investments	-	103
Changes in proportion and differences between employer contributions and proportionate share of contributions	2,239	14,756
Employer contributions subsequent to the measurement date	1,985	-
Total	\$ 8,369	\$ 15,602

School District contributions subsequent of the measurement date of \$5,794,658 and \$1,985 reported as deferred outflows of resources for the SCRS and PORS, respectively, will be recognized as a reduction of the net pension liability in the year ending June 30, 2025.

NOTES TO FINANCIAL STATEMENTS

NOTE 12. RETIREMENT PLANS (CONTINUED)

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

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ending June 30,</u>	<u>SCRS</u>	<u>PORS</u>
2025	\$ (620,351)	\$ (5,035)
2026	(2,199,926)	(4,280)
2027	1,494,619	161
2028	(37,096)	(64)
Total	\$ (1,362,754)	\$ (9,218)

Optional Retirement Program

As an alternative to membership in SCRS, certain State, public school, and higher education employees and individuals newly elected to the South Carolina General Assembly beginning with the November 2012 general election have the option to participate in the State ORP. Participants in the State ORP direct the investment of their funds into a plan administered by one of four investment providers and are governed by the terms of the contracts that those providers issue. The School District contributed \$316,553 to the plan during the year ended June 30, 2024.

NOTE 13. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS

Overview

The South Carolina Public Employee Benefit Authority (PEBA) was created by the South Carolina General Assembly as part of Act No. 278 effective July 1, 2012. PEBA - 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.

NOTES TO FINANCIAL STATEMENTS

NOTE 13. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Overview (Continued)

The governing board of PEBA is a board of 11 members. The membership composition is three members appointed by the Governor, two members appointed by the President Pro Tempore of the Senate, two members appointed by the Chairman of the Senate Finance Committee, two members appointed by the Speaker of the House of Representatives and two members appointed by the Chairman of the House Ways and Means Committee. Individuals appointed to the PEBA Board must possess certain qualifications. Members of the PEBA Board serve for terms of two years and until their successors are appointed and qualify. Terms commence on July 1 of even numbered years. The PEBA board appoints the Executive Director. The laws of the State and the policies and procedures specified by the State for State agencies are applicable to all activities of PEBA. By law, the State Fiscal Accountability Authority (SFAA), which consists of five elected officials, also reviews certain PEBA Board decisions in administering the State Health Plan and other post-employment benefits (OPEB).

Plan Description

The Other Post-employment Benefits Trust Funds (the "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 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.

NOTES TO FINANCIAL STATEMENTS

NOTE 13. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

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. Since the employer contribution/premium paid and the proportionate share of the net OPEB liability and deferred outflows and inflows of resources related to the SCLTDITF are not material to the School District, no SCLTDITF OPEB amounts have been recorded in these financial statements and only limited note disclosures have been provided related to these benefits.

Contributions and Funding Policies

Section 1-11-710 of the South Carolina Code of Laws of 1976, as amended, requires the post-employment and long-term disability benefits to be funded through non-employer and employer contributions for active employees and retirees to the PEBA - Insurance Benefits.

The SCRHITF is funded through participating employers that are mandated by State statute to contribute at a rate assessed each year by the Department of Administration Executive Budget Office on active employee covered payroll. The covered payroll surcharge for the year ended June 30, 2023, was 6.25%. The South Carolina Retirement System collects the monthly covered payroll surcharge for all participating employers and remits it directly to the SCRHITF. Other sources of funding for the SCRHITF also include the implicit subsidy, or age-related subsidy, inherent in the healthcare premiums structure. The implicit subsidy represents a portion of the healthcare expenditures paid on behalf of the employer's active employees. For purposes of GASB Statement No. 75, this expenditure on behalf of the active employee is reclassified as a retiree healthcare expenditure so that the employer's contributions towards the plan reflect the underlying age-adjusted, retiree benefit costs. Non-employer contributions consist of an annual appropriation by the General Assembly and the statutorily required transfer from PEBA - Insurance Benefits reserves. However, due to the COVID-19 pandemic and the impact it has had on the PEBA - Insurance Benefits reserves, the General Assembly has indefinitely suspended the statutorily required transfer until further notice. The SCRHITF is also funded through investment income.

NOTES TO FINANCIAL STATEMENTS

NOTE 13. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (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.

In accordance with part (b) of paragraph 69 of GASB Statement No. 75, participating employers should recognize revenue in an amount equal to the employer's proportionate share of the change in the collective net OPEB liability arising from contributions to the OPEB plan during the measurement period from non-employer contributing entities for purposes other than the separate financing of specific liabilities to the OPEB plan. Therefore, employers should classify this revenue in the same manner as it classifies grants from other entities. For the year ended June 30, 2024, the School District recognized \$7,642 as revenue from a contribution made by a non-employer contributing entity.

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. The information is publicly available through the PEBA - Insurance Benefits' link on PEBA's website at www.peba.sc.gov or a copy may be obtained by submitting a request to PEBA - Insurance Benefits, 202 Arbor Lake Drive, Columbia, South Carolina 29223. PEBA is considered a division of the primary government of the state of South Carolina and, therefore, OPEB Trust fund financial information is also included in the ACFR of the State.

Actuarial Assumptions and Methods

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

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.

NOTES TO FINANCIAL STATEMENTS

NOTE 13. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Actuarial Assumptions and Methods (Continued)

Additional information as of the latest actuarial valuation for SCRHITF:

Valuation Date:	June 30, 2022
Actuarial Cost Method:	Individual Entry Age Normal
Inflation:	2.25%
Investment Rate of Return:	2.75%, net of OPEB Plan investment expense; including inflation.
Single Discount Rate:	3.86% as of June 30, 2023.
Demographic Assumptions:	Based on the experience study performed for the South Carolina Retirement Systems for the five-year period ended June 30, 2019.
Mortality:	For healthy retirees, the gender-distinct South Carolina Retirees 2020 Mortality Tables are used with multipliers based on plan experience; the rates are projected on a fully generational basis using 80% of Scale UMP to account for future mortality improvements and adjusted with multipliers based on plan experience.
Healthcare Trend Rate:	Initial trend starting at 6.00% and gradually decreasing to an ultimate trend rate of 4.00% over a period of 13 years.
Aging Factors:	Based on plan specific experience.
Retiree Participation:	79% for retirees who are eligible for funded premiums; 59% for retirees who are eligible for partial funded premiums; and 20% for retirees who are eligible for non-funded premium.
Notes:	The discount rate changed from 3.69% as of June 30, 2022 to 3.86% as of June 30, 2023.

Roll Forward Disclosure

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

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.

NOTES TO FINANCIAL STATEMENTS

NOTE 13. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Net OPEB Liability (Continued)

At June 30, 2024, the School District reported a liability for its proportionate share of the net OPEB liability of \$42,120,155 for the SCRHITF. The net OPEB liability was measured as of June 30, 2023. The School District's proportion of the net OPEB liability was based on contributions to SCRHITF during the fiscal year ended June 30, 2023. At June 30, 2023, the School District's proportion of the total net OPEB liability was 0.321737%, which was a decrease of 0.011797% from its proportion measured as of June 30, 2022. The plan's fiduciary net position as a percentage of total OPEB liability was 11.24% as of June 30, 2023.

Single Discount Rate

The single discount Rate of 3.86% was used to measure the total OPEB liability for the SCRHITF. 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 1%).

Long-term Expected Rate of Return

The long-term expected rate of returns 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:

<u>South Carolina Retiree Health Insurance Trust Fund</u>			
<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Expected Arithmetic Real Rate of Return</u>	<u>Weighted Long-Term Expected Real Rate of Return</u>
U.S. Domestic Fixed Income	80.00%	0.95%	0.76%
Cash	20.00%	0.35%	0.07%
Total	100.00%		0.83%
		Total expected weighted real rate of return	0.83%
		Inflation for actuarial purposes	2.25%
		Total expected nominal return	<u>3.08%</u>
		Investment return assumption	<u>2.75%</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 13. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Sensitivity Analysis

The following table presents the SCRHITF's net OPEB liability calculated using a single discount rate of 3.86%, as well as what the plan's net OPEB liability would be if it were calculated using a single discount rate that is 1% lower or 1% higher:

<u>South Carolina Retiree Health Insurance Trust Fund</u>		
<u>Sensitivity of the Net OPEB Liability to Changes in the Discount Rate</u>		
1% Decrease	Current	1% Increase
(2.86%)	Discount Rate	(4.86%)
(3.86%)	(3.86%)	(4.86%)
\$ 49,721,137	\$ 42,120,155	\$ 35,989,902

Regarding the sensitivity of the SCRHITF's net OPEB liability to changes in the healthcare cost trend rates, the following table presents the plan's net OPEB liability, calculated using the assumed trend rates as well as what the plan's net OPEB liability would be if were calculated using a trend rate that is 1% lower or 1% higher:

<u>South Carolina Retiree Health Insurance Trust Fund</u>		
<u>Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate</u>		
1% Decrease	Current	1% Increase
(2.86%)	Healthcare	(4.86%)
(3.86%)	Cost Trend Rates	(4.86%)
\$ 34,974,074	\$ 42,120,155	\$ 61,301,323

NOTES TO FINANCIAL STATEMENTS

NOTE 13. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

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

For the year ended June 30, 2024, the School District recognized OPEB expense of (\$257,769). On June 30, 2024, the School District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

South Carolina Retiree Health Insurance Trust Fund	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 745,180	\$ 9,598,225
Changes of assumptions	8,449,793	13,532,693
Net difference between projected and actual earnings on pension plan investments	423,009	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	5,143,742
Employer contributions subsequent to the measurement date	2,506,110	-
Total	\$ 12,124,092	\$ 28,274,660

School District contributions subsequent to the measurement date of \$2,506,110 will be recognized as a reduction of the net OPEB liability in the next fiscal year.

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

SCRHITF	
Year ending June 30,	
2025	\$ (3,121,900)
2026	(2,716,475)
2027	(2,916,237)
2028	(4,060,469)
2029	(4,552,071)
Thereafter	(1,289,526)
	\$ (18,656,678)

NOTES TO FINANCIAL STATEMENTS

NOTE 14. DEFERRED COMPENSATION PLAN

School District employees may participate in the 457 and/or 401(k) deferred compensation plans available to state and local governmental employees through the State Public Employee Retirement System. These programs are administered by a state approved nongovernmental third-party. Contributions by School District employees under the 457 and 401(k) programs totaled \$147,562 for the year ended June 30, 2024.

Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, disability, death, or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, are held in trust for the contributing employee and are not subject to the claims of the School District's general creditors. The plan is administered by the State of South Carolina.

NOTE 15. SCAGO EDUCATION FACILITIES CORPORATION FOR COLLETON COUNTY SCHOOL DISTRICT

The principal activity of SCAGO EFC for the School District is to acquire, sell, design, construct, operate, finance and refinance educational facilities to be used for the benefit of the School District. These facilities are to be used by the School District for essential governmental functions in connection with tax exempt lease purchase financing of such facilities.

EFC has issued installment purchase revenue refunding bonds, Series 2015 for \$76,985,000. In addition to issuing the bonds, EFC entered into trust agreements with the School District and the Trustee (Wells Fargo), by which EFC has or will acquire, construct, finance, pledge, improve, maintain, operate, and manage school buildings. Annual requirements of the refunding bonds include certain annual costs for Trustee fees and fees to cover a portion of the insurance on the collateral.

At the beginning of the agreement, assets have been pledged as collateral totaling \$83,869,056. These assets include an existing high school and an existing elementary school, the installment purchase revenue bond proceeds and assets constructed with those proceeds, which includes a new elementary school and new high school. Each year, upon the receipt of payment of the bonds, a portion of the collateral ownership is relieved back to the School District. The percentage relieved ranges annually and will be depleted upon the last payment in November 2031.

NOTES TO FINANCIAL STATEMENTS

NOTE 16. RISK MANAGEMENT

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions injuries to employees; and natural disasters for which the School District carries commercial insurance. The School District is a participant in the South Carolina Insurance Reserve Fund, a public entity risk pool operating as a common risk management and insurance program for local governments. The School District pays annual premiums to the State Insurance Reserve Fund for certain general insurance coverage. The State Insurance Reserve Fund is self-sustaining through member premiums and reinsures through commercial companies for certain claims. The vehicle insurance under the State Insurance Reserve Fund is retrospectively rated based on the average number of vehicles covered for the participant during the year.

In addition, the School District insures the risk of job-related injury or illness to its employees through participation in the South Carolina School Boards Insurance Trust, a public entity risk pool operating for the benefit of the school districts. The School District pays an annual premium to the risk pool for its insurance coverage. Additional premium assessments may be required for workers' compensation claims based on the School District's claims experience.

For the above risk management programs, the School District has not significantly reduced insurance coverages from the previous year, and settled claims in excess of insurance coverage for the last three years were immaterial. For each of the public entity risk pools in which it participates, the School District has effectively transferred all risk with no liability for unfunded claims.

Prior to July 1, 1978, school districts in South Carolina were exempt from unemployment taxes. Effective July 1, 1978, school districts were no longer exempted from these taxes. As a result, the School District established a limited risk management program for unemployment compensation. The School District reimburses the South Carolina Employment Security Commission for actual claims paid attributable to service in the employ of the School District.

NOTE 17. COMMITMENTS AND CONTINGENCIES

Litigation. The School District is party to various lawsuits arising out of the normal conduct of its operations. In the opinion of the School District's management, the ultimate effect of these legal matters will not have a material adverse effect on the School District's financial position.

Grant Contingencies. The School District participates in certain federal and state grant programs. These programs are subject to financial and compliance audits by the grantor or its representative. Such audits could lead to requests for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. Management believes disallowances, if any, will not be material.

Contractual Commitments. The School District had outstanding contractual commitments of approximately \$219,000 on uncompleted projects at June 30, 2024.

NOTES TO FINANCIAL STATEMENTS

NOTE 18. TAX ABATEMENTS

The School District does not negotiate or enter into any agreement for tax abatements. The School District is subject to any tax abatement agreements entered into by Colleton County (the "County"). The County provides tax abatement incentives through a program to encourage economic development, attract new businesses, and retain existing businesses - Fee in Lieu of Tax.

A Fee in Lieu of Tax (FILOT) is authorized under South Carolina Code Title 12, Chapter 44, Title 4, Chapter 29, or Title 4, Chapter 12. The FILOT is used to encourage investment and provides a reduction of property tax when a business invests a minimum of \$2,500,000 within a five-to-six-year investment period (beginning with date property is placed in service, ending five years after the last day of the property tax year in which the property is initially placed in service). The reduction in property taxes is accomplished by a reduction of assessed value, reduction in millage rate and elimination of (or reduction in) number of times millage rates are changed. In addition, an agreement may allow the possible use of net present value method over term of FILOT to equalize payments. Repayment of incentive is required by state law if taxpayer fails to meet statutory minimum investment requirement. Other recapture provisions may be negotiated (such as a pro rata clawback for failure to meet and/or maintain jobs/investment).

For the fiscal year ended June 30, 2024, School District tax revenues were reduced by \$110,852 as a result of agreements entered into by the County. The School District has not made any commitments as part of the agreements other than to reduce property taxes.

NOTE 19. SUBSEQUENT EVENTS

In September 2024, the School District issued \$10,372,000 in short-term general obligation bonds with an annual interest rate of 5%, to fund School District payments on the installment purchase revenue bond, special obligation bond, and equipment, acquisition and use agreement bond.

REQUIRED SUPPLEMENTARY INFORMATION

COLLETON COUNTY SCHOOL DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - GENERAL FUND FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Budget (Original and Final)	Actual	Variance with Final Budget
Revenues			
Local	\$ 17,622,078	\$ 19,859,453	\$ 2,237,375
State	32,264,935	31,787,806	(477,129)
Federal	75,000	-	(75,000)
Total revenues	49,962,013	51,647,259	1,685,246
Expenditures			
Current:			
Instruction	28,147,564	24,568,246	3,579,318
Support services	27,142,964	26,421,278	721,686
Debt service:			
Principal	-	49,517	(49,517)
Interest	-	476	(476)
Capital outlay	3,500	125,025	(121,525)
Total expenditures	55,294,028	51,164,542	4,129,486
Excess (deficiency) of revenues over (under) expenditures	(5,332,015)	482,717	5,814,732
Other Financing Sources			
Issuance of long-term debt	-	124,609	124,609
Transfers in	5,332,015	5,666,855	334,840
Total other financing sources	5,332,015	5,791,464	459,449
Net change in fund balance	\$ -	6,274,181	\$ 6,274,181
Fund balance, July 1, 2023		18,009,096	
Fund balance, June 30, 2024		\$ 24,283,277	

COLLETON COUNTY SCHOOL DISTRICT

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE SCHOOL DISTRICT'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY
FOR THE YEAR ENDED JUNE 30, 2024**

SOUTH CAROLINA RETIREMENT SYSTEM	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
School District's proportion of the net pension liability	0.261600%	0.270050%	0.280239%	0.294190%	0.293200%	0.295060%	0.309580%	0.314950%	0.328110%	0.353060%
School District's proportionate share of the net pension liability	\$ 63,248,099	\$ 65,465,850	\$ 60,647,245	\$ 74,481,363	\$ 66,950,691	\$ 66,112,889	\$ 69,692,112	\$ 67,273,282	\$ 62,228,207	\$ 60,784,883
School District's covered payroll	\$ 31,557,595	\$ 30,785,322	\$ 32,380,394	\$ 33,181,026	\$ 31,653,426	\$ 31,260,239	\$ 31,987,679	\$ 31,134,934	\$ 31,375,884	\$ 32,649,136
School District's proportionate share of the net pension liability as a percentage of its covered payroll	200.42%	212.65%	187.30%	224.47%	211.51%	211.49%	217.87%	216.07%	198.33%	186.18%
Plan fiduciary net position as a percentage of the total pension liability	58.60%	57.10%	60.70%	50.70%	54.40%	54.10%	53.30%	52.91%	56.99%	59.92%
POLICE OFFICERS RETIREMENT SYSTEM										
School District's proportion of the net pension liability	0.001979%	0.002445%	0.002283%	0.002830%	0.003350%	0.002580%	0.003650%	0.006520%	0.006800%	0.059800%
School District's proportionate share of the net pension liability	\$ 60,243	\$ 73,310	\$ 58,729	\$ 93,878	\$ 96,064	\$ 73,059	\$ 99,967	\$ 165,251	\$ 148,140	\$ 114,444
School District's covered payroll	\$ 36,324	\$ 38,687	\$ 34,323	\$ 42,764	\$ 43,194	\$ 35,601	\$ 49,135	\$ 83,054	\$ 84,204	\$ 71,896
School District's proportionate share of the net pension liability as a percentage of its covered payroll	165.85%	189.50%	171.11%	219.53%	222.40%	205.22%	203.45%	198.97%	175.93%	159.18%
Plan fiduciary net position as a percentage of the total pension liability	67.80%	66.40%	70.40%	58.80%	62.70%	61.70%	60.90%	60.44%	64.57%	67.55%

COLLETON COUNTY SCHOOL DISTRICT

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE SCHOOL DISTRICT'S PENSION CONTRIBUTIONS
FOR THE YEAR ENDED JUNE 30, 2024**

SOUTH CAROLINA RETIREMENT SYSTEM	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 5,794,658	\$ 5,494,178	\$ 5,051,871	\$ 4,605,160	\$ 4,742,927	\$ 4,193,765	\$ 3,987,112	\$ 3,619,448	\$ 3,373,174	\$ 3,353,332
Contributions in relation to the contractually required contribuion	(5,794,658)	(5,494,178)	(5,051,871)	(4,605,160)	(4,742,927)	(4,193,765)	(3,987,112)	(3,619,448)	(3,373,174)	(3,353,332)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School District's covered payroll	\$ 31,475,601	\$ 31,557,595	\$ 30,785,322	\$ 32,380,394	\$ 33,181,026	\$ 31,653,426	\$ 31,260,239	\$ 31,987,679	\$ 31,134,934	\$ 31,375,884
Contributions as a percentage of covered payroll	18.41%	17.41%	16.41%	14.22%	14.29%	13.25%	12.75%	11.32%	10.83%	10.69%
POLICE OFFICERS RETIREMENT SYSTEM										
Contractually required contribution	\$ 1,985	\$ 7,207	\$ 7,288	\$ 5,407	\$ 7,800	\$ 7,447	\$ 5,710	\$ 6,997	\$ 11,412	\$ 11,292
Contributions in relation to the contractually required contribuion	(1,985)	(7,207)	(7,288)	(5,407)	(7,800)	(7,447)	(5,710)	(6,997)	(11,412)	(11,292)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School District's covered payroll	\$ 9,527	\$ 36,324	\$ 38,687	\$ 34,323	\$ 42,764	\$ 43,194	\$ 35,601	\$ 49,135	\$ 83,054	\$ 84,204
Contributions as a percentage of covered payroll	20.84%	19.84%	18.84%	15.75%	18.24%	17.24%	16.04%	14.24%	13.74%	13.41%

COLLETON COUNTY SCHOOL DISTRICT

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE SCHOOL DISTRICT'S PROPORTIONATE
SHARE OF THE NET OPEB LIABILITY
FOR THE YEAR ENDED JUNE 30, 2024**

SCRHITF	2024	2023	2022	2021	2020	2019	2018	2017
School District's proportion of the net OPEB liability	0.321737%	0.333534%	0.345497%	0.360430%	0.362420%	0.362900%	0.378550%	0.378550%
School District's proportionate share of the net OPEB liability	\$ 42,120,155	\$ 50,736,662	\$ 71,943,466	\$ 65,062,648	\$ 54,803,429	\$ 51,425,620	\$ 51,274,113	\$ 54,771,147
School District's covered payroll	\$ 31,593,919	\$ 30,824,009	\$ 32,414,717	\$ 33,223,790	\$ 31,696,620	\$ 31,295,840	\$ 32,036,814	\$ 31,217,988
School District's proportionate share of the net OPEB liability as a percentage of its covered payroll	133.32%	164.60%	221.95%	195.83%	172.90%	164.32%	160.05%	175.45%
Plan fiduciary net position as a percentage of the total OPEB liability	11.24%	9.64%	7.48%	8.39%	8.44%	7.91%	7.60%	6.62%

Note:

This Schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the School District will present information for those years for which information is available.

COLLETON COUNTY SCHOOL DISTRICT

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE SCHOOL DISTRICT'S OPEB CONTRIBUTIONS
FOR THE YEAR ENDED JUNE 30, 2024**

SCRHITF	2024	2023	2022	2021	2020	2019	2018	2017
Contractually required contribution	\$ 2,506,110	\$ 1,832,660	\$ 1,959,170	\$ 1,989,628	\$ 1,933,628	\$ 1,911,950	\$ 1,680,512	\$ 1,558,021
contribution	<u>(2,506,110)</u>	<u>(1,832,660)</u>	<u>(1,959,170)</u>	<u>(1,989,628)</u>	<u>(1,933,628)</u>	<u>(1,911,950)</u>	<u>(1,680,512)</u>	<u>(1,558,021)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District's covered payroll	\$ 31,485,128	\$ 31,593,919	\$ 30,824,009	\$ 32,414,717	\$ 33,223,790	\$ 31,696,620	\$ 31,295,840	\$ 32,036,814
Contributions as a percentage of covered payroll	7.96%	5.80%	6.36%	6.14%	5.82%	6.03%	5.37%	4.86%

Note:

This Schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the School District will present information for those years for which information is available.

OTHER SUPPLEMENTARY INFORMATION

GENERAL FUND

The General Fund, also referred to as the “operating fund”, is the basic budgetary fund of the School District. It is used to record all operating revenues and expenditures for the educational and support programs of the School District and for limited capital outlays. The appropriations and the anticipated revenue sources originate in the School District’s operating budget. Any unassigned fund balance may be appropriated to support operating expenditures in subsequent years.

COLLETON COUNTY SCHOOL DISTRICT

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

	Budget	Actual	Variance With Final Budget
Revenues			
1000 Revenue from Local Sources			
1200 Revenues from Local Governmental Units Other than LEAs:			
1210 Ad Valorem Taxes - Including Delinquent	\$ 17,492,078	\$ 19,549,899	\$ 2,057,821
1280 Revenue in Lieu of Taxes	113,000	100,648	(12,352)
1500 Earnings on Investments:			
1510 Interest on Investments	15,000	97,974	82,974
1900 Other Revenues from Local Sources:			
1930 Reimbursement of Medicaid	-	104,364	104,364
1999 Revenue from Other Local Sources	2,000	6,568	4,568
Total Local Sources	17,622,078	19,859,453	2,237,375
3000 Revenue from State Sources			
3100 Restricted State Funding:			
3103 State Aid to Classrooms	21,585,448	20,493,290	(1,092,158)
3130 Special Programs			
3131 Handicapped Transportation	-	1,361	1,361
3160 School Bus Driver's Salary	661,853	1,064,166	402,313
3162 Transportation Workers' Compensation	52,449	36,367	(16,082)
3181 Retiree Insurance (No Carryover Provision)	1,830,740	1,791,345	(39,395)
3300 Education Finance Act:			
3330 Miscellaneous EFA Programs			
3392 NBC Excess EFA Formula	-	71,318	71,318
3800 State Revenue In Lieu of Taxes:			
3810 Reimbursement for Local Residential Property Tax Relief (Tier 1)	2,098,075	2,098,075	-
3820 Homestead Exemption (Tier 2)	583,180	583,181	1
3825 Reimbursement for Property Tax Relief (Tier 3)	4,621,498	4,604,499	(16,999)
3830 Merchant's Inventory Tax	130,000	97,871	(32,129)
3840 Manufacturers Depreciation Reimbursement	80,000	231,895	151,895
3890 Other State Property Tax Revenues	300,000	392,820	92,820
3900 Other State Revenue:			
3993 PEBA on-Behalf	321,692	321,618	(74)
Total State Sources	32,264,935	31,787,806	(477,129)
4000 Revenue from Federal Sources			
4900 Federally Impacted Area:			
4999 Revenues from Other Federal Sources	75,000	-	(75,000)
Total Federal Sources	75,000	-	(75,000)
Total Revenue All Sources	49,962,013	51,647,259	1,685,246
Expenditures			
100 Instruction			
110 General Instruction:			
111 Kindergarten Programs:			
100 Salaries	950,513	1,096,992	(146,479)
200 Employee Benefits	508,263	520,295	(12,032)
300 Purchased Services	1,304	158,146	(156,842)
400 Supplies and Materials	17,444	13,855	3,589
112 Primary Programs:			
100 Salaries	3,444,979	2,830,913	614,066
200 Employee Benefits	1,620,004	1,142,616	477,388
300 Purchased Services	4,700	334,496	(329,796)
400 Supplies and Materials	24,327	18,992	5,335
600 Other Objects	700	-	700

(Continued)

COLLETON COUNTY SCHOOL DISTRICT

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

Expenditures (Continued)	Budget	Actual	Variance With Final Budget
100 Instruction (Continued)			
110 General Instruction (Continued):			
113 Elementary Programs:			
100 Salaries	\$ 4,965,946	\$ 4,258,421	\$ 707,525
200 Employee Benefits	2,206,199	1,790,923	415,276
300 Purchased Services	832,900	597,512	235,388
400 Supplies and Materials	66,646	65,515	1,131
500 Capital Outlay	3,500	-	3,500
600 Other Objects	850	-	850
114 High School Programs:			
100 Salaries	3,783,978	2,570,152	1,213,826
200 Employee Benefits	1,566,758	880,307	686,451
300 Purchased Services	3,439	351,271	(347,832)
400 Supplies and Materials	42,833	41,223	1,610
115 Career and Technology Education (Vocational) Programs:			
100 Salaries	1,091,433	889,662	201,771
200 Employee Benefits	470,840	395,617	75,223
300 Purchased Services	2,500	18,363	(15,863)
400 Supplies and Materials	48,077	38,114	9,963
120 Exceptional Programs:			
121 Educable Mentally Handicapped:			
100 Salaries	484,142	414,270	69,872
200 Employee Benefits	272,354	193,362	78,992
300 Purchased Services	288,564	353,319	(64,755)
400 Supplies and Materials	792	-	792
122 Trainable Mentally Handicapped:			
100 Salaries	403,147	317,901	85,246
200 Employee Benefits	172,546	157,729	14,817
300 Purchased Services	-	31,033	(31,033)
400 Supplies and Materials	1,292	-	1,292
123 Orthopedically Handicapped:			
100 Salaries	133,352	129,914	3,438
200 Employee Benefits	58,497	55,317	3,180
300 Purchased Services	3,500	79,789	(76,289)
400 Supplies and Materials	2,000	-	2,000
124 Visually Handicapped:			
100 Salaries	32,922	-	32,922
200 Employee Benefits	26,368	-	26,368
300 Purchased Services	26,163	24,963	1,200
400 Supplies and Materials	800	-	800
125 Hearing Handicapped:			
100 Salaries	128,565	-	128,565
200 Employee Benefits	64,467	-	64,467
300 Purchased Services	5,300	-	5,300
400 Supplies and Materials	200	-	200
126 Speech Handicapped:			
100 Salaries	424,867	293,352	131,515
200 Employee Benefits	128,488	114,821	13,667
300 Purchased Services	65,974	234,894	(168,920)
400 Supplies and Materials	1,000	918	82
127 Learning Disabilities:			
100 Salaries	1,274,051	1,170,630	103,421
200 Employee Benefits	508,468	495,680	12,788
300 Purchased Services	946,166	1,195,671	(249,505)
400 Supplies and Materials	292	40	252

(Continued)

COLLETON COUNTY SCHOOL DISTRICT

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

	<u>Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Expenditures (Continued)			
100 Instruction (Continued)			
120 Exceptional Programs (Continued):			
128 Emotionally Handicapped:			
100 Salaries	\$ 44,649	\$ 61,979	\$ (17,330)
200 Employee Benefits	29,542	34,220	(4,678)
300 Purchased Services	-	465	(465)
400 Supplies and Materials	292	-	292
130 Preschool Programs:			
131 Preschool Handicapped Itinerant (3- & 4-year olds):			
100 Salaries	-	36,750	(36,750)
200 Employee Benefits	-	19,542	(19,542)
136 Preschool Handicapped Itinerant (3- & 4-year olds):			
100 Salaries	121,668	117,286	4,382
200 Employee Benefits	59,768	62,469	(2,701)
300 Purchased Services	-	30,430	(30,430)
137 Preschool Handicapped Self-Contained (3- & 4-year olds):			
100 Salaries	24,311	39,118	(14,807)
200 Employee Benefits	13,654	18,070	(4,416)
300 Purchased Services	-	19,557	(19,557)
139 Early Childhood Programs:			
100 Salaries	16,462	26,082	(9,620)
200 Employee Benefits	11,106	16,267	(5,161)
300 Purchased Services	-	47,140	(47,140)
140 Special Programs:			
141 Gifted and Talented Academic:			
100 Salaries	63,398	62,497	901
200 Employee Benefits	26,341	25,615	726
145 Homebound:			
100 Salaries	35,000	14,356	20,644
200 Employee Benefits	11,361	3,017	8,344
147 CDEP:			
100 Salaries	-	170,654	(170,654)
200 Employee Benefits	-	13,738	(13,738)
149 Other Special Programs:			
100 Salaries	235,017	235,017	-
200 Employee Benefits	121,084	117,574	3,510
160 Other Exceptional Programs:			
161 Autism:			
100 Salaries	149,994	70,006	79,988
200 Employee Benefits	73,715	42,114	31,601
300 Purchased Services	-	7,295	(7,295)
400 Supplies and Materials	1,292	-	1,292
Total Expenditures, Excluding Capital Outlay	<u>28,147,564</u>	<u>24,568,246</u>	<u>3,579,318</u>
Total Capital Outlay	3,500	-	3,500
Total Instruction	<u>28,151,064</u>	<u>24,568,246</u>	<u>3,582,818</u>
200 Support Services			
210 Pupil Services:			
211 Attendance and Social Work Services:			
100 Salaries	399,417	389,257	10,160
200 Employee Benefits	207,229	195,278	11,951
300 Purchased Services	51,500	50,000	1,500

(Continued)

COLLETON COUNTY SCHOOL DISTRICT

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

Expenditures (Continued)	Budget	Actual	Variance With Final Budget
200 Support Services (Continued)			
212 Guidance Services:			
100 Salaries	\$ 960,670	\$ 943,331	\$ 17,339
200 Employee Benefits	440,712	415,547	25,165
300 Purchased Services	6,050	1,575	4,475
400 Supplies and Materials	8,550	7,133	1,417
600 Other Objects	100	-	100
213 Health Services:			
100 Salaries	665,935	576,660	89,275
200 Employee Benefits	322,873	278,051	44,822
300 Purchased Services	2,500	1,123	1,377
400 Supplies and Materials	2,000	244	1,756
214 Psychological Services:			
100 Salaries	255,819	287,321	(31,502)
200 Employee Benefits	107,483	135,402	(27,919)
300 Purchased Services	4,000	141,650	(137,650)
400 Supplies and Materials	1,117	500	617
217 Career Specialist Services:			
100 Salaries	326,468	350,191	(23,723)
200 Employee Benefits	160,285	161,453	(1,168)
220 Instructional Staff Services:			
221 Improvement of Instruction Curriculum Development:			
100 Salaries	562,105	438,726	123,379
200 Employee Benefits	242,589	180,822	61,767
300 Purchased Services	67,476	62,475	5,001
400 Supplies and Materials	24,500	19,813	4,687
600 Other Objects	3,000	2,439	561
222 Library and Media Services:			
100 Salaries	511,259	451,877	59,382
200 Employee Benefits	248,617	205,682	42,935
300 Purchased Services	4,450	50,026	(45,576)
400 Supplies and Materials	27,504	23,883	3,621
600 Other Objects	900	-	900
223 Supervision of Special Programs:			
100 Salaries	503,844	551,334	(47,490)
200 Employee Benefits	214,547	228,551	(14,004)
300 Purchased Services	14,235	11,547	2,688
400 Supplies and Materials	3,037	3,037	-
224 Improvement of Instruction Inservice and Staff Training:			
300 Purchased Services	54,800	95,003	(40,203)
400 Supplies and Materials	1,000	-	1,000
230 General Administration Services:			
231 Board of Education:			
100 Salaries	35,474	35,437	37
200 Employee Benefits	9,860	7,644	2,216
300 Purchased Services	132,000	367,513	(235,513)
400 Supplies and Materials	1,500	510	990
600 Other Objects	35,525	31,245	4,280
232 Office of Superintendent:			
100 Salaries	687,259	542,481	144,778
200 Employee Benefits	273,564	222,037	51,527
300 Purchased Services	32,500	33,582	(1,082)
400 Supplies and Materials	27,000	16,861	10,139
600 Other Objects	6,500	4,887	1,613

(Continued)

COLLETON COUNTY SCHOOL DISTRICT

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

Expenditures (Continued)	Budget	Actual	Variance With Final Budget
200 Support Services (Continued)			
233 School Administration:			
100 Salaries	\$ 2,590,337	\$ 2,591,834	\$ (1,497)
200 Employee Benefits	1,152,498	1,182,205	(29,707)
300 Purchased Services	46,221	92,814	(46,593)
400 Supplies and Materials	93,920	84,852	9,068
600 Other Objects	7,525	5,037	2,488
250 Finance and Operations Services:			
251 Student Transportation (Federal/District Mandated):			
300 Purchased Services	2,000	130	1,870
252 Fiscal Services:			
100 Salaries	357,642	361,574	(3,932)
200 Employee Benefits	151,344	152,440	(1,096)
300 Purchased Services	136,000	134,985	1,015
400 Supplies and Materials	10,500	7,612	2,888
600 Other Objects	4,500	2,080	2,420
253 Facilities Acquisition and Construction:			
500 Capital Outlay			
545 Software	348	348	-
254 Operation and Maintenance of Plant:			
100 Salaries	2,427,544	1,844,624	582,920
200 Employee Benefits	1,656,134	1,368,971	287,163
300 Purchased Services	1,042,093	1,309,362	(267,269)
400 Supplies and Materials	2,128,360	2,391,659	(263,299)
500 Capital Outlay	-	416	(416)
600 Other Objects	165,445	157,769	7,676
255 Student Transportation (State Mandated):			
100 Salaries	2,255,499	2,148,082	107,417
200 Employee Benefits	1,211,741	961,144	250,597
300 Purchased Services	141,850	69,868	71,982
400 Supplies and Materials	25,550	20,872	4,678
256 Food Services:			
200 Employee Benefits	269,125	243,674	25,451
258 Security:			
100 Salaries	567,281	607,846	(40,565)
200 Employee Benefits	272,574	291,345	(18,771)
300 Purchased Services	275,944	271,097	4,847
260 Central Support Services:			
264 Staff Services:			
100 Salaries	348,594	339,735	8,859
200 Employee Benefits	152,701	145,605	7,096
300 Purchased Services	70,600	149,798	(79,198)
400 Supplies and Materials	8,000	7,987	13
600 Other Objects	800	400	400
266 Technology and Data Processing Services:			
100 Salaries	711,560	650,724	60,836
200 Employee Benefits	300,243	289,908	10,335
300 Purchased Services	270,000	242,183	27,817
400 Supplies and Materials	29,825	29,482	343
500 Capital Outlay	-	124,609	(124,609)
600 Other Objects	176	200	(24)

(Continued)

COLLETON COUNTY SCHOOL DISTRICT

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

	<u>Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Expenditures (Continued)			
200 Support Services (Continued)			
270 Support Services Pupil Activity:			
271 Pupil Services Activities:			
100 Salaries	\$ 352,048	\$ 421,818	\$ (69,770)
200 Employee Benefits	123,562	130,748	(7,186)
300 Purchased Services	4,500	28,297	(23,797)
400 Supplies and Materials	2,000	1,974	26
600 Other Objects	128,627	158,067	(29,440)
Total Expenditures, Excluding Capital Outlay	<u>27,142,964</u>	<u>26,421,278</u>	<u>721,686</u>
Total Capital Outlay	-	125,025	(125,025)
Total Support Services	<u>27,142,964</u>	<u>26,546,303</u>	<u>596,661</u>
500 Debt Services			
610 Redemption	-	49,517	(49,517)
620 Interest	-	476	(476)
Total Debt Services	<u>-</u>	<u>49,993</u>	<u>(49,993)</u>
Total Expenditures	<u>55,294,028</u>	<u>51,164,542</u>	<u>4,129,486</u>
Other Financing Sources:			
5600 Lease Purchase	-	124,609	124,609
Interfund Transfers, From Other Funds:			
5230 Transfer from Special Revenue EIA Fund	4,320,150	4,201,973	(118,177)
5280 Transfer from Other Funds Indirect Cost	1,011,865	1,464,882	453,017
Total Other Financing Sources	<u>5,332,015</u>	<u>5,791,464</u>	<u>459,449</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>6,274,181</u>	<u>\$ 6,274,181</u>
Fund Balance, July 1, 2023		<u>18,009,096</u>	
Fund Balance, June 30, 2024		<u>\$ 24,283,277</u>	

SPECIAL REVENUE FUND – SPECIAL PROJECTS

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

The Special Projects Fund is used to account for all federal, state and local projects except for those subject to the Education Improvement Act. The South Carolina Department of Education requires that the Special Revenue Funds include the Food Service Program if designated as special revenue type.

Purpose of Special Revenue Subfunds:

Title I. Title I funds are used for programs to benefit the educationally disadvantaged. Guidelines are set by the Federal Government.

IDEA and Preschool Handicapped. IDEA and Preschool Handicapped funds are provided for the purpose of educating students with disabilities. Guidelines are set by the Federal Government.

Occupational Education. The purpose of these funds is to provide vocational education. Guidelines are set by the Federal Government.

Elementary and Secondary School Emergency Relief (“ESSER”). ESSER monies are funded through various COVID-19 appropriations. Guidelines are set by the federal government.

Adult Education. The purpose of these funds varies. Guidelines are set by the South Carolina General Assembly.

Other State Restricted Grants. Adult education monies are provided by federal sources to provide adult education. Guidelines are set by the federal government.

Other Special Revenue Programs. The purpose of these funds varies. Guidelines are set by the grantor/donors.

COLLETON COUNTY SCHOOL DISTRICT

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

	<u>Title I</u>	<u>IDEA</u>	<u>Preschool Handicapped</u>	<u>Occupational Education</u>	<u>ESSER</u>	<u>Adult Education</u>	<u>*Other Restricted State Grants</u>	<u>*Other Special Revenue Programs</u>	<u>Student Activity</u>	<u>Total</u>
Revenues										
1700 Pupil Activities:										
1710 Admissions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 134,454	\$ 134,454
1720 Bookstore Sales	-	-	-	-	-	-	-	-	4,780	4,780
1740 Student Fees	-	-	-	-	-	-	-	-	13,546	13,546
1790 Other Pupil Activity Income	-	-	-	-	-	-	-	-	625,618	625,618
1900 Other Revenue from Local Sources:										
1930 Medicaid	-	-	-	-	-	-	-	511,030	-	511,030
1999 Revenue from Other Local Sources	-	-	-	-	-	-	-	823,454	-	823,454
Total Local Sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,334,484</u>	<u>778,398</u>	<u>2,112,882</u>
3000 Revenue from State Sources										
3100 Restricted State Funding (Carryover Only):										
3130 Special Programs:										
3134 Child Development Education Pilot	-	-	-	-	-	-	73,968	-	-	73,968
3135 Reading Coaches	-	-	-	-	-	-	286,891	-	-	286,891
3150 Adult Education:										
3156 Adult Education	-	-	-	-	-	-	48,455	-	-	48,455
3190 Miscellaneous Restricted State Grants:										
3193 Education License Plates	-	-	-	-	-	-	1,112	-	-	1,112
3199 Other State Restricted Grants	-	-	-	-	-	-	-	94,140	-	94,140
3699 Other State Lottery Programs	-	-	-	-	-	-	4,980	-	-	4,980
3900 Other State Revenue:										
3999 Revenue from Other State Sources	-	-	-	-	-	-	-	134,781	-	134,781
Total State Sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>415,406</u>	<u>228,921</u>	<u>-</u>	<u>644,327</u>
4000 Revenue from Federal Sources										
4200 Occupational Education:										
4210 Perkins Aid, Title I - Career and Technology Education - Basic Grants to States	-	-	-	72,957	-	-	-	-	-	72,957
4300 Elementary and Secondary Education Act of 1965 (ESEA):										
4310 Title I, Basic State Grant Programs (Carryover Provision)	3,107,082	-	-	-	-	-	-	249,206	-	3,356,288
4312 Rural and Low-Income School Program, Title V	-	-	-	-	-	-	-	174,202	-	174,202
4341 Language Instruction for Limited English Proficient and Immigrant Students, Title III	-	-	-	-	-	-	-	55,099	-	55,099
4343 McKinney-Vento Education for Homeless Children and Youth Program	-	-	-	-	-	-	-	112,100	-	112,100
4351 Supporting Effective Instruction	-	-	-	-	-	-	-	388,261	-	388,261
4400 Adult Education:										
4410 Basic Adult Education	-	-	-	-	-	71,570	-	-	-	71,570
4000 Revenue from Federal Sources (Continued)										
4500 Programs for Children with Disabilities:										
4510 Individuals with Disabilities Education Act (IDEA)	-	1,569,762	-	-	-	-	-	-	-	1,569,762
4520 Preschool Grants for Children with Disabilities (IDEA)	-	-	62,466	-	-	-	-	-	-	62,466
4900 Other Federal Sources:										
4924 21st Century Community Learning Centers (Title IV, 21st Century Schools)	-	-	-	-	-	-	-	182,313	-	182,313
4931 ARP IDEA	-	-	-	-	-	-	-	103,016	-	103,016
4933 ARP IDEA Preschool	-	-	-	-	-	-	-	4,227	-	4,227
4937 ARP Homeless Children & Youth	-	-	-	-	-	-	-	60,328	-	60,328
4974 ESSR III	-	-	-	-	8,904,759	-	-	-	-	8,904,759
4977 ESSER II	-	-	-	-	-	-	-	166,408	-	166,408
4990 Other Federal Revenue:										
4997 Title IV - SSAE - Student Support & Academic Enrichment	-	-	-	-	-	-	-	256,945	-	256,945
4999 Revenue from Other Federal Sources	-	-	-	-	-	-	-	109,215	-	109,215
Total Federal Sources	<u>3,107,082</u>	<u>1,569,762</u>	<u>62,466</u>	<u>72,957</u>	<u>8,904,759</u>	<u>71,570</u>	<u>-</u>	<u>1,861,320</u>	<u>-</u>	<u>15,649,916</u>
Total Revenue All Sources	<u>3,107,082</u>	<u>1,569,762</u>	<u>62,466</u>	<u>72,957</u>	<u>8,904,759</u>	<u>71,570</u>	<u>415,406</u>	<u>3,424,725</u>	<u>778,398</u>	<u>18,407,125</u>

(Continued)

COLLETON COUNTY SCHOOL DISTRICT

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

	<u>Title I</u>	<u>IDEA</u>	<u>Preschool Handicapped</u>	<u>Occupational Education</u>	<u>ESSER</u>	<u>Adult Education</u>	<u>*Other Restricted State Grants</u>	<u>*Other Special Revenue Programs</u>	<u>Student Activity</u>	<u>Total</u>
Expenditures										
100 Instruction										
110 General Instruction:										
111 Kindergarten Programs:										
100 Salaries	\$ 148,185	\$ -	\$ -	\$ -	\$ 1,469,663	\$ -	\$ -	\$ -	\$ -	\$ 1,617,848
200 Employee Benefits	70,642	-	-	-	203,133	-	-	-	-	273,775
300 Purchased Services	32,586	-	-	-	-	-	-	-	-	32,586
400 Supplies and Materials	9,672	-	-	-	-	-	9,473	-	-	19,145
112 Primary Programs:										
100 Salaries	694,794	-	-	-	868,552	-	-	52,689	-	1,616,035
200 Employee Benefits	293,880	-	-	-	237,205	-	-	17,211	-	548,296
300 Purchased Services	150,173	-	-	-	1,735	-	-	-	-	151,908
400 Supplies and Materials	23,702	-	-	-	5,826	-	-	-	-	29,528
113 Elementary Programs:										
100 Salaries	-	-	-	-	-	-	-	275,319	-	275,319
200 Employee Benefits	-	-	-	-	-	-	-	96,055	-	96,055
300 Purchased Services	256,308	-	-	-	-	-	-	30,700	-	287,008
400 Supplies and Materials	23,978	-	-	-	-	-	-	18,680	-	42,658
114 High School Programs:										
100 Salaries	-	-	-	-	-	-	-	91,767	-	91,767
200 Employee Benefits	-	-	-	-	-	-	-	40,308	-	40,308
300 Purchased Services	-	-	-	-	-	-	-	60,117	-	60,117
400 Supplies and Materials	-	-	-	-	-	-	1,112	30,277	-	31,389
115 Vocational Programs:										
100 Salaries	-	-	-	936	-	-	-	-	-	936
200 Employee Benefits	-	-	-	178	-	-	-	-	-	178
300 Purchased Services	-	-	-	25,506	-	-	-	-	-	25,506
120 Exceptional Programs:										
121 Educable Mentally Handicapped:										
100 Salaries	-	-	-	-	28,506	-	-	-	-	28,506
200 Employee Benefits	-	-	-	-	12,116	-	-	-	-	12,116
400 Supplies and Materials	-	2,000	-	-	-	-	-	-	-	2,000
122 Trainable Mentally Handicapped:										
100 Salaries	-	13,164	-	-	-	-	-	-	-	13,164
200 Employee Benefits	-	8,675	-	-	-	-	-	-	-	8,675
400 Supplies and Materials	-	1,994	-	-	-	-	-	-	-	1,994
123 Orthopedically Handicapped:										
100 Salaries	-	242,973	-	-	-	-	-	5,296	-	248,269
200 Employee Benefits	-	103,243	-	-	-	-	-	1,716	-	104,959
300 Purchased Services	-	2,221	-	-	-	-	-	-	-	2,221
400 Supplies and Materials	-	2,000	-	-	-	-	-	-	-	2,000
124 Visually Handicapped:										
400 Supplies and Materials	-	2,000	-	-	-	-	-	-	-	2,000
125 Hearing Handicapped:										
300 Purchased Services	-	2,000	-	-	-	-	-	-	-	2,000
400 Supplies and Materials	-	2,000	-	-	-	-	-	-	-	2,000
126 Speech Handicapped:										
100 Salaries	-	90,232	-	-	-	-	-	37,229	-	127,461
200 Employee Benefits	-	35,660	-	-	-	-	-	12,023	-	47,683
300 Purchased Services	-	52	-	-	-	-	-	6,528	-	6,580
400 Supplies and Materials	-	966	-	-	-	-	-	-	-	966

(Continued)

COLLETON COUNTY SCHOOL DISTRICT

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

	<u>Title I</u>	<u>IDEA</u>	<u>Preschool Handicapped</u>	<u>Occupational Education</u>	<u>ESSER</u>	<u>Adult Education</u>	<u>*Other Restricted State Grants</u>	<u>*Other Special Revenue Programs</u>	<u>Student Activity</u>	<u>Total</u>
Expenditures (Continued)										
100 Instruction (Continued)										
120 Exceptional Programs (Continued):										
127 Learning Disabilities:										
100 Salaries	\$ -	\$ 141,246	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 141,246
200 Employee Benefits	-	49,631	-	-	-	-	-	-	-	49,631
300 Purchased Services	-	8,284	-	-	-	-	-	-	-	8,284
400 Supplies and Materials	-	1,456	-	-	-	-	-	61,490	-	62,946
128 Emotionally Handicap										
400 Supplies and Materials	-	2,617	-	-	-	-	-	-	-	2,617
130 Preschool Programs:										
136 Preschool Handicapped Itinerant (3 & 4 Year Olds):										
100 Salaries	-	48,283	-	-	-	-	-	-	-	48,283
200 Employee Benefits	-	26,728	-	-	-	-	-	-	-	26,728
300 Purchased Services	-	95,291	-	-	-	-	-	12,716	-	108,007
400 Supplies and Materials	-	-	-	-	-	-	-	4,227	-	4,227
137 Preschool Handicapped Self-Contained (3 & 4 Year Olds):										
100 Salaries	-	-	37,900	-	-	-	-	-	-	37,900
200 Employee Benefits	-	-	13,244	-	-	-	-	-	-	13,244
300 Purchased Services	-	-	562	-	-	-	-	-	-	562
400 Supplies and Materials	-	-	2,790	-	-	-	-	-	-	2,790
140 Special Programs:										
147 Full day 4K:										
100 Salaries	-	-	-	-	-	-	49,610	-	-	49,610
200 Employee Benefits	-	-	-	-	-	-	14,885	-	-	14,885
149 Other Special Programs:										
100 Salaries	31,216	10,088	-	-	-	-	-	144,249	-	185,553
200 Employee Benefits	10,016	7,487	-	-	-	-	-	45,308	-	62,811
300 Purchased Services	-	31,503	7,970	-	-	-	-	-	-	39,473
400 Supplies and Materials	13,562	11,962	-	-	-	-	-	60,342	-	85,866
160 Other Exceptional Programs:										
161 Autism:										
400 Supplies and Materials	-	2,520	-	-	-	-	-	-	-	2,520
170 Summer School Programs:										
171 Primary Summer School:										
100 Salaries	60,070	-	-	-	67,010	-	-	-	-	127,080
200 Employee Benefits	17,852	-	-	-	24,264	-	-	-	-	42,116
400 Supplies and Materials	5,278	-	-	-	-	-	-	-	-	5,278
175 Instructional Programs Beyond Regular School Day:										
100 Salaries	-	10,173	-	-	-	-	-	115,780	-	125,953
200 Employee Benefits	-	2,938	-	-	-	-	-	28,780	-	31,718
300 Purchased Services	-	-	-	-	-	-	-	240,231	-	240,231
400 Supplies and Materials	-	-	-	-	-	-	-	22,542	-	22,542
180 Adult/Continuing Educational Programs:										
181 Adult Basic Education Programs:										
100 Salaries	-	-	-	-	-	35,291	-	-	-	35,291
200 Employee Benefits	-	-	-	-	-	10,950	-	-	-	10,950
400 Supplies and Materials	-	-	-	-	-	21,818	18,670	165	-	40,653
182 Adult Secondary Education Programs:										
100 Salaries	-	-	-	-	64,902	2,743	-	-	-	67,645
200 Employee Benefits	-	-	-	-	25,602	768	-	-	-	26,370
183 Adult English Literacy (ESL):										
400 Supplies and Materials	-	-	-	-	-	-	-	12,520	-	12,520

(Continued)

COLLETON COUNTY SCHOOL DISTRICT

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

	<u>Title I</u>	<u>IDEA</u>	<u>Preschool Handicapped</u>	<u>Occupational Education</u>	<u>ESSER</u>	<u>Adult Education</u>	<u>*Other Restricted State Grants</u>	<u>*Other Special Revenue Programs</u>	<u>Student Activity</u>	<u>Total</u>
Expenditures (Continued)										
100 Instruction (Continued)										
180 Adult/Continuing Educational Programs (Continued):										
188 Parenting/Family Literacy:										
100 Salaries	\$ 58,174	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 58,174
200 Employee Benefits	28,076	-	-	-	-	-	-	-	-	28,076
300 Purchased Services	16,416	-	-	-	-	-	-	-	-	16,416
400 Supplies and Materials	66,275	-	-	-	-	-	-	3,216	-	69,491
190 Instructional Pupil Activity:										
660 Pupil Activity	-	-	-	-	-	-	-	-	46,666	46,666
Total Expenditures, Excluding Capital Outlay	<u>2,010,855</u>	<u>959,387</u>	<u>62,466</u>	<u>26,620</u>	<u>3,008,514</u>	<u>71,570</u>	<u>93,750</u>	<u>1,527,481</u>	<u>46,666</u>	<u>7,807,309</u>
Total Capital Outlay	-	-	-	-	-	-	-	-	-	-
Total Instruction	<u>2,010,855</u>	<u>959,387</u>	<u>62,466</u>	<u>26,620</u>	<u>3,008,514</u>	<u>71,570</u>	<u>93,750</u>	<u>1,527,481</u>	<u>46,666</u>	<u>7,807,309</u>
200 Support Services										
210 Pupil Services:										
212 Guidance Services:										
100 Salaries	-	-	-	17,190	-	-	-	-	-	17,190
200 Employee Benefits	-	-	-	6,333	-	-	-	-	-	6,333
213 Health Services:										
100 Salaries	1,920	-	-	-	-	-	-	72,405	-	74,325
200 Employee Benefits	608	-	-	-	-	-	-	5,166	-	5,774
300 Purchased Services	-	6,043	-	-	-	-	-	-	-	6,043
400 Supplies and Materials	-	1,631	-	-	-	-	-	-	-	1,631
214 Psychological Services:										
100 Salaries	-	209,094	-	-	85,438	-	-	-	-	294,532
200 Employee Benefits	-	93,255	-	-	17,948	-	-	-	-	111,203
300 Purchased Services	-	3,584	-	-	-	-	-	267	-	3,851
400 Supplies and Materials	-	2,376	-	-	-	-	-	-	-	2,376
215 Exceptional Program Services:										
300 Purchased Services	-	-	-	-	-	-	-	288	-	288
217 Career Specialist Services:										
100 Salaries	-	-	-	-	-	-	-	53,125	-	53,125
200 Employee Benefits	-	-	-	-	-	-	-	20,963	-	20,963
300 Purchased Services	-	-	-	-	-	-	-	18,443	-	18,443
400 Supplies and Materials	-	-	-	-	-	-	-	1,609	-	1,609
220 Instructional Staff Services:										
221 Improvement of Instruction Curriculum Development:										
100 Salaries	395,848	110,377	-	-	-	-	197,746	-	-	703,971
200 Employee Benefits	191,151	51,523	-	-	-	-	89,144	-	-	331,818
300 Purchased Services	2,905	2,903	-	-	713,454	-	-	-	-	719,262
400 Supplies and Materials	6,814	1,378	-	-	1,720	-	1,353	15,683	-	26,948
223 Supervision of Special Programs:										
100 Salaries	192,453	52,070	-	-	-	-	3,475	20,532	-	268,530
200 Employee Benefits	91,274	22,666	-	-	-	-	1,093	4,454	-	119,487
300 Purchased Services	33,990	7,425	-	-	-	-	-	120,023	-	161,438
400 Supplies and Materials	11,213	3,183	-	-	-	-	-	143,561	-	157,957
600 Other Objects	1,509	-	-	-	-	-	-	(5)	-	1,504
224 Improvement of Instruction-In-Service and Staff Training:										
100 Salaries	-	-	-	-	-	-	-	230	-	230
300 Purchased Services	-	25,138	-	10,000	-	-	28,845	269,961	-	333,944
400 Supplies and Materials	-	-	-	-	51,237	-	-	-	-	51,237

(Continued)

COLLETON COUNTY SCHOOL DISTRICT

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

	<u>Title I</u>	<u>IDEA</u>	<u>Preschool Handicapped</u>	<u>Occupational Education</u>	<u>ESSER</u>	<u>Adult Education</u>	<u>*Other Restricted State Grants</u>	<u>*Other Special Revenue Programs</u>	<u>Student Activity</u>	<u>Total</u>
Expenditures (Continued)										
200 Support Services										
230 General Administrative Services:										
232 Office of the Superintendent:										
300 Purchased Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23,267	\$ -	\$ 23,267
400 Supplies and Materials	-	-	-	-	-	-	-	14,820	-	14,820
500 Capital Outlay	-	-	-	-	-	-	-	279,172	-	279,172
600 Other Objects	-	-	-	-	-	-	-	8,879	-	8,879
233 School Administration:										
100 Salaries	-	-	-	-	116,261	-	-	23,252	-	139,513
200 Employee Benefits	-	-	-	-	50,400	-	-	10,466	-	60,866
300 Purchased Services	-	-	-	-	-	-	-	28,873	-	28,873
250 Finance and Operations Services:										
251 Student Transportation:										
300 Purchased Services	-	-	-	-	-	-	-	33,040	-	33,040
254 Operation and Maintenance of Plant:										
100 Salaries	777	-	-	-	-	-	-	2,010	-	2,787
200 Employee Benefits	-	-	-	-	-	-	-	945	-	945
300 Purchased Services	6,444	-	-	-	248,372	-	-	2,825	-	257,641
400 Supplies and Materials	-	-	-	-	-	-	-	70,002	-	70,002
500 Capital Outlay	-	-	-	-	356,963	-	-	-	-	356,963
255 Student Transportation (State Mandated):										
100 Salaries	-	-	-	-	-	-	-	43,323	-	43,323
200 Employee Benefits	-	-	-	-	-	-	-	13,487	-	13,487
300 Purchased Services	-	-	-	-	-	-	-	37,191	-	37,191
400 Supplies and Materials	-	-	-	-	-	-	-	15,346	-	15,346
256 Food Services:										
100 Salaries	-	-	-	-	-	-	-	2,995	-	2,995
200 Employee Benefits	-	-	-	-	-	-	-	975	-	975
400 Supplies and Materials	-	-	-	-	-	-	-	10,451	-	10,451
258 Security:										
100 Salaries	-	-	-	-	12,613	-	-	-	-	12,613
200 Employee Benefits	-	-	-	-	6,698	-	-	-	-	6,698
264 Staff Services:										
100 Salaries	-	-	-	-	133,245	-	-	62,500	-	195,745
200 Employee Benefits	-	-	-	-	43,294	-	-	18,960	-	62,254
300 Purchased Services	-	-	-	-	2,778,671	-	-	24,583	-	2,803,254
400 Supplies and Materials	-	-	-	-	-	-	-	20,857	-	20,857
266 Technology and Data Processing Services:										
400 Supplies and Materials	-	-	-	-	-	-	-	4,275	-	4,275
500 Capital Outlay	-	-	-	-	-	-	-	8,064	-	8,064
270 Support Services - Pupil Activity:										
271 Pupil Service Activities:										
100 Salaries	-	-	-	-	-	-	-	30,055	40,429	70,484
200 Employee Benefits	-	-	-	-	-	-	-	9,703	11,791	21,494
300 Purchased Services	-	500	-	12,814	-	-	-	-	5,294	18,608
400 Supplies and Materials	-	17,229	-	-	-	-	-	-	37,914	55,143
600 Other Objects	-	-	-	-	-	-	-	-	603,911	603,911
Total Expenditures, Excluding Capital Outlay	<u>936,906</u>	<u>610,375</u>	<u>-</u>	<u>46,337</u>	<u>4,259,351</u>	<u>-</u>	<u>321,656</u>	<u>1,538,957</u>	<u>699,339</u>	<u>8,412,921</u>
Total Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>356,963</u>	<u>-</u>	<u>-</u>	<u>8,064</u>	<u>-</u>	<u>365,027</u>
Total Support Services	<u>936,906</u>	<u>610,375</u>	<u>-</u>	<u>46,337</u>	<u>4,616,314</u>	<u>-</u>	<u>321,656</u>	<u>1,547,021</u>	<u>699,339</u>	<u>8,777,948</u>

(Continued)

COLLETON COUNTY SCHOOL DISTRICT

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

	<u>Title I</u>	<u>IDEA</u>	<u>Preschool Handicapped</u>	<u>Occupational Education</u>	<u>ESSER</u>	<u>Adult Education</u>	<u>*Other Restricted State Grants</u>	<u>*Other Special Revenue Programs</u>	<u>Student Activity</u>	<u>Total</u>
Expenditures (Continued)										
410 Intergovernmental Expenditures										
411-720 Payments to State Department of Education	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 132,998	\$ -	\$ 132,998
Total Intergovernmental Expenditures	-	-	-	-	-	-	-	132,998	-	132,998
500 Debt Service										
610 Redemption of Principal	-	-	-	-	-	-	-	79,647	-	79,647
620 Interest	-	-	-	-	-	-	-	12,274	-	12,274
Total Debt Service	-	-	-	-	-	-	-	91,921	-	91,921
Total Expenditures	2,947,761	1,569,762	62,466	72,957	7,624,828	71,570	415,406	3,299,421	746,005	16,810,176
Other Financing Sources (Uses)										
Interfund Transfers, To Other Funds:										
431-791 Special Revenue Indirect Cost Transfer	(159,321)	-	-	-	(1,279,931)	-	-	(25,630)	-	(1,464,882)
Total Other Financing Uses	(159,321)	-	-	-	(1,279,931)	-	-	(25,630)	-	(1,464,882)
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-	-	-	99,674	32,393	132,067
Fund Balance, July 1, 2023	-	-	-	-	-	-	-	984,415	420,784	1,405,199
Fund Balance, June 30, 2024	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,084,089	\$ 453,177	\$ 1,537,266

COLLETON COUNTY SCHOOL DISTRICT

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

<u>Subfund</u>	<u>Revenue Code</u>	<u>Program</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Transfers</u>	<u>Deferred Revenue</u>
919	3193	Education License Plates	\$ 1,112	\$ 1,112	\$ -	\$ 127
924	3134	CDEP Expansion	73,968	73,968	-	2,326
928	3118	EEDA Career Specialist	-	-	-	-
935	3135	Reading Coaches	286,891	286,891	-	117,324
936	3136	Student Health & Fitness - Nurses	-	-	-	-
937	3127	Student Health & Fitness - PE Teachers	-	-	-	8,307
956	3156	Adult Education	48,455	48,455	-	22,135
969	3699	Other State Lottery Programs	4,980	4,980	-	10,672
		Totals	<u>\$ 415,406</u>	<u>\$ 415,406</u>	<u>\$ -</u>	<u>\$ 160,891</u>

COLLETON COUNTY SCHOOL DISTRICT

SUMMARY SCHEDULE FOR OTHER RESTRICTED STATE GRANTS AND OTHER SPECIAL REVENUE PROGRAMS – SPECIAL PROJECTS FUND FOR THE FISCAL YEAR ENDED JUNE 30, 2024

***Other Restricted State Grants**

919 Education License Plates
 924 GEER CERDEP Summer
 935 Reading Coaches
 937 Student Health and Fitness - PE Teachers
 955 DSS SNAP & E&T Program
 956 Adult Education
 969 Other State Lottery Programs
 970 Upgrades
 994 PEBA Nonemployer Contributions

***Other Special Revenue Programs**

210	Title IV - SSAE - Student Support and Academic Enrichment	827	Summer School Student Activity
224	21st Century Community Learning Centers	830	N'Side - Tap N2 H2O
225	ESSER II	833	Boeing/USC Project Lead The Way
230	ARP IDEA	834	CCMS Community Garden
232	McKinney-Vento Education for Homeless Children and Youth Program	836	Mission Serve
233	ARP IDEA Preschool	837	Gene Haas Foundation Grant
235	Title I, Part C, Education of Migratory Children	838	SCSBIT Risk Control Grant
251	Rural and Low-Income School Program, Title VI	839	District Office Car Expense
252	NJ ROTC	841	Boeing Center for Child Wellness
263	22 ARP Homeless	842	Robotics Team
264	Language Instruction for Limited English Proficient and Immigrant Students, Title III	846	Summer Reading - Local
265	ESOL, Title III	847	Dollar General Technology Grant
266	20 Title III	850	JAG-SC Grant
267	Improving Teacher Quality	853	Special Olympics
800	Food Reimbursement from Colleton County	858	Transportation - Field Trip Drivers
802	Dress Down Day	862	Insurance Proceeds
804	Original Six Foundation	864	New Tech High School - Local
806	Beautification Grant	867	National Writing Project
810	ERATE	868	Share Our Strength
811	Lowcountry/Walmart Grant	870	EdVenture Grant
814	Special Needs Transportation	872	Cerra Reimbursement
815	Grow Healthy Mini-grant	874	MCASC Grant
817	Helping Kids Mini-grant Program	875	Facility Rentals
818	Bank of America P Card Rebate	878	After School Care
821	Medicaid	890	Pearson Vue
806	Beautification Grant	891	Lowcountry WIOA Grant
809	SCADA - Industry Recert Grant	892	Equity Diversity Inclusion Grant
810	ERATE	896	Adult Education - Local
811	Lowcountry/Walmart Grant	874	MCASC Grant
814	Special Needs Transportation	875	Facility Rentals
815	Grow Healthy Mini-grant	878	After School Care
817	Helping Kids Mini-grant Program	890	Pearson Vue
		891	Lowcountry WIOA Grant
		892	Equity Diversity Inclusion Grant
		896	Adult Education - Local

SPECIAL REVENUE FUND – EDUCATION IMPROVEMENT ACT (EIA)

Education Improvement Act. During 1984, the state legislature passed the Education Improvement Act (EIA) to upgrade the quality of education in South Carolina. Because of the categorical nature of the revenues, the state requires that revenues and expenditures be accounted for in a separate fund. Accordingly, the EIA Fund is reported as a Special Revenue Fund.

COLLETON COUNTY SCHOOL DISTRICT

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

	Total
Revenues	
3000 Revenue from State Sources	
3500 Education Improvement Act:	
3502 ADEPT	\$ 3,812
3503 State Aid to Classrooms	4,201,973
3526 Refurbishment of Science Kits	36,670
3528 Industry Certificates/Credentials	9,917
3529 Career and Technology Education	165,283
3532 National Board Salary Supplement	16,570
3536 Student Health & Fitness	20,478
3541 Child Early Reading Development Education Program (CERDEP)	972,627
3556 Adult Education	368,102
3557 Summer Reading Program	56,026
3571 State Priority Schools - Technical Assistance	308,384
3577 Teacher Supplies	105,000
3595 EEDA - Supplies & Materials	1,098
3597 Aid to Districts	15,573
Total State Sources	6,281,513
Total Revenue All Sources	6,281,513
Expenditures	
100 Instruction	
110 General Instruction:	
111 Kindergarten Programs:	
100 Salaries	7,500
200 Employee Benefits	2,380
400 Supplies and Materials	3,157
112 Primary Programs:	
100 Salaries	5,000
200 Employee Benefits	1,505
300 Purchased Services	261,778
400 Supplies and Materials	14,738
113 Elementary Programs:	
400 Supplies and Materials	138,513
114 High School Programs:	
100 Salaries	26,775
200 Employee Benefits	5,093
300 Purchased Services	486
115 Career and Technology Education Programs:	
300 Purchased Services	9,917
400 Supplies and Materials	107,932
500 Capital Outlay	45,355
140 Special Programs:	
147 Full day 4K:	
100 Salaries	582,688
200 Employee Benefits	358,298
300 Purchased Services	31,640
170 Summer School Programs:	
171 Primary Summer School:	
100 Salaries	23,400
200 Employee Benefits	7,619
400 Supplies and Materials	3,750

(Continued)

COLLETON COUNTY SCHOOL DISTRICT

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

	Total
Expenditures (Continued)	
100 Instruction (Continued)	
180 Adult/Continuing Educational Programs:	
181 Adult Basic Education Programs:	
100 Salaries	\$ 21,421
200 Employee Benefits	6,802
300 Purchased Services	3,079
400 Supplies and Materials	11,917
182 Adult Secondary Education Programs:	
100 Salaries	(290)
200 Employee Benefits	18
Total Expenditures, Excluding Capital Outlay	1,652,716
Total Capital Outlay	45,355
Total Instruction	1,698,071
200 Support Services	
210 Pupil Services:	
212 Guidance Services:	
400 Supplies and Materials	1,098
213 Health Services:	
100 Salaries	12,921
200 Employee Benefits	1,913
300 Purchased Services	-
400 Supplies and Materials	5,645
220 Instructional Staff Services:	
221 Improvement of Instruction Curriculum Development:	
100 Salaries	6,590
200 Employee Benefits	3,049
300 Purchased Services	53,050
400 Supplies and Materials	717
223 Supervision of Special Programs:	
100 Salaries	185,628
200 Employee Benefits	74,378
300 Purchased Services	5,661
600 Other Objects	195
224 Improvement of Instruction In-service and Staff Training:	
300 Purchased Services	22,503
400 Supplies and Materials	3,812
250 Finance and Operations Services:	
254 Operation and Maintenance of Plant:	
300 Purchased Services	468
270 Support Services - Pupil Activity:	
271 Pupil Activities:	
300 Purchased Services	3,656
Total Expenditures, Excluding Capital Outlay	381,284
Total Capital Outlay	-
Total Support Services	381,284
Total Expenditures	2,079,355

(Continued)

COLLETON COUNTY SCHOOL DISTRICT

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

	<u>Total</u>
Expenditures (Continued)	
400 Other Charges	
410 Intergovernmental Expenditures:	
411-720 Payments to State Department of Education	\$ 185
Total Intergovernmental Expenditures	<u>185</u>
Other Financing Uses	
Interfund Transfers To Funds:	
420 - 710 Transfer to General Fund (Exclude Indirect Costs)	<u>(4,201,973)</u>
Total Other Financing Uses	<u>(4,201,973)</u>
Net Change in Fund Balance	-
Fund Balance, July 1, 2023	<u>-</u>
Fund Balance, June 30, 2024	<u>\$ -</u>

COLLETON COUNTY SCHOOL DISTRICT

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

Program	Revenues	Expenditures	Transfers In/(Out)	Deferred Revenue
3500 Education Improvement Act:				
3502 ADEPT	\$ 3,812	\$ 3,812	\$ -	\$ 13,419
3503 State Aid to Classrooms	4,201,973	-	(4,201,973)	-
3518 Adoption List of Formative Assessment	-	-	-	101,501
3519 Grade 10 Assessments	-	-	-	9,961
3525 Career and Technology Education Equipment	-	-	-	4,000
3526 Refurbishment of Science Kits	36,670	36,670	-	1,296
3528 Industry Certificates/Credentials	9,917	9,917	-	62,480
3529 Career and Technology Education	165,283	165,283	-	157,266
3532 National Board Salary Supplement	16,570	16,385	-	-
3533 Teacher of the Year Awards	-	-	-	1,077
3536 Student Health & Fitness	20,478	20,478	-	16,094
3541 Child Early Reading Development Education Program	972,627	972,627	-	-
3556 Adult Education	368,102	368,102	-	55,384
3557 Summer Reading Camp	56,026	56,026	-	78,832
3571 State Priority Schools - Technical Assistance	308,384	308,384	-	424,116
3577 Teacher Supplies (No Carryover Provision)	105,000	105,000	-	-
3595 EEDA - Supplies and Materials	1,098	1,098	-	32,832
3597 Aid to Districts	15,573	15,573	-	-
3599 Other EIA	-	-	-	2,284
TOTALS	\$ 6,281,513	\$ 2,079,355	\$ (4,201,973)	\$ 960,542

SPECIAL REVENUE FUND – FOOD SERVICE

The Food Service Fund records the financing, operation and maintenance of the Student Nutrition Services Fund. The fund's purpose is to provide balanced nutritional meals to School District students, some of which are free and reduced meals under the United States Department of Agriculture school breakfast and lunch programs.

COLLETON COUNTY SCHOOL DISTRICT

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

Revenues	
1000 Revenue from Local Sources	
1600 Food Services:	
1630 Special Sales to Pupils	\$ 91,551
1640 Lunch Sales to Adults	32,011
1650 Breakfast Sales to Adults	1,613
1660 Special Sales to Adults	7,245
1900 Other Revenue from Local Sources:	
1999 Revenue from Other Local Sources	6,476
Total Revenue from Local Sources	<u>138,896</u>
4000 Revenue from Federal Sources	
4800 USDA Reimbursement:	
Special Milk Program	2,704,714
4820 Supply Chain Assistance Funding	128,816
4830 School Breakfast Program	1,067,482
4860 Fresh Fruit & Vegetable Program	109,494
4899 Miscellaneous Food Service	6,396
4900 Other Federal Sources:	
4991 USDA Commodities (Food Distribution Program)	243,673
Total Revenue from Federal Sources	<u>4,260,575</u>
Total Revenue All Sources	<u>4,399,471</u>
Expenses	
200 Support Services	
250 Finance and Operations Services:	
256 Food Services:	
100 Salaries	1,462,633
200 Employee Benefits	553,621
300 Purchased Services	293,666
400 Supplies and Materials	2,086,509
600 Other Objects	132,915
Total Expenditures, Excluding Capital Outlay	<u>4,529,344</u>
Total Capital Outlay	-
Total Support Services	<u>4,529,344</u>
Total Expenditures	<u>4,529,344</u>
Deficiency of Revenues Under Expenditures	(129,873)
Fund Balance, July 1, 2023	<u>504,211</u>
Fund Balance, June 30, 2024	<u>\$ 374,338</u>

DEBT SERVICE FUND

The Debt Service Fund is used to record payments of interest and principal on long-term general obligation debt from tax proceeds and earnings on temporary investments. Included with the School District's Debt Service Fund is the Debt Service Fund of SCAGO Education Facilities Corporation (EFC) for Colleton County School District, a blended component unit of the School District.

COLLETON COUNTY SCHOOL DISTRICT

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

Revenues

1000 Revenue from Local Sources	
1100 Taxes Levied/Assessed by the LEA:	
1110 Ad Valorem Taxes - Including Delinquent Taxes	\$ 11,730,104
1200 Revenue from Local Governmental Units Other Than LEA's:	
1280 Revenue in Lieu of Taxes (Dependent and Independent)	70,394
1500 Earnings on Investments:	
1510 Interest on Investments	258,920
Total Local Sources	<u>12,059,418</u>
3000 Revenue from State Sources	
3800 State Revenue in Lieu of Taxes:	
3820 Homestead Exemption (Tier 2)	502,410
3830 Merchant's Inventory Tax	23,747
3840 Manufacturer's Depreciation Reimbursement	108,558
3890 Other State Property Tax Revenues (Includes Motor Carrier Vehicle Tax)	188,740
Total State Sources	<u>823,455</u>
Total Revenues All Sources	<u><u>12,882,873</u></u>

Expenditures

500 Debt Service	
610 Redemption of Principal	6,331,362
620 Interest	2,938,455
690 Other Objects	16,649
Total Expenditures	<u><u>9,286,466</u></u>

Other Financing Sources (Uses)

5110 Premium on Bonds Sold	63,257
Interfund Transfers, From (To) Other Funds:	
5250 Transfer from School Building Fund	7,425,755
424-710 Transfer to School Building Fund	<u>(10,580,257)</u>
Total Other Financing (Uses)	<u><u>(3,091,245)</u></u>

Net Change in Fund Balance	505,162
Fund Balance, July 1, 2023	<u>2,292,488</u>
Fund Balance, June 30, 2024	<u><u>\$ 2,797,650</u></u>

CAPITAL PROJECTS FUND

The Capital Projects Fund, also referred to as the “Building Fund,” is used to record the proceeds from the sale of long-term general obligation bonds and other revenues used for facilities acquisition and construction. The fund balance is restricted for the completion of specific projects. Included with the School District’s Capital Projects Fund is the Capital Projects Fund of SCAGO Education Facilities Corporation (EFC) for Colleton County School District, a blended component unit of the School District.

COLLETON COUNTY SCHOOL DISTRICT

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

Revenues	
1000 Revenue from Local Sources	
1500 Earnings on Investments:	
1510 Interest on Investments	\$ 129,402
Total Local Sources	<u>129,402</u>
Total Revenue All Sources	<u>129,402</u>
Expenditures	
200 Support Services	
250 Finance and Operations Services	
253 Facilities Acquisition and Construction:	
300 Purchased Services	1,614,909
400 Supplies and Materials	2,534,877
500 Capital Outlay:	
530 Improvements Other than Buildings	607,954
600 Other Objects	3,929
260 Central Support Services	
266 Technology and Data Processing Services:	
400 Supplies and Materials	2,313
Total Expenditures, Excluding Capital Outlay	<u>4,156,028</u>
Total Capital Outlay	<u>607,954</u>
Total Support Services	<u>4,763,982</u>
500 Debt Service	
500 Debt Service:	
610 Redemption of Principal	147,245
620 Interest	59,752
690 Other Objects	59,124
Total Debt Service	<u>266,121</u>
Total Expenditures	<u>5,030,103</u>
Other Financing Sources (Uses)	
Interfund Transfers, From (To) Other Funds:	
5240 Transfers from Debt Service Fund	10,580,257
423-710 Transfers to Debt Service Fund	<u>(7,425,755)</u>
Total Other Financing Sources	<u>3,154,502</u>
Net Change in Fund Balance	(1,746,199)
Fund Balance, July 1, 2023	<u>6,523,310</u>
Fund Balance, June 30, 2024	<u>\$ 4,777,111</u>

COLLETON COUNTY SCHOOL DISTRICT

**SCHOOL DISTRICT LOCATION RECONCILIATION SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

<u>Location</u>	<u>Location Description</u>	<u>Education Level</u>	<u>Cost Type</u>	<u>Total Expenditures</u>
00	District-wide	Non-Schools	Central	\$ 8,673,199
02	Asst Supt Curriculum	Non-Schools	Central	165,906
03	District Office	Non-Schools	Central	23,675,352
04	Transportation	Non-Schools	Central	794,554
05	Housekeeping/Ground Care	Non-Schools	Central	232,834
06	Special Services	Non-Schools	Central	1,551,629
08	District Contracts	Non-Schools	Central	275,966
09	Maintenance	Non-Schools	Central	521,692
10	Technology Center	Non-Schools	Central	3,991,063
12	Bells Elementary	Elementary Schools	School	3,260,705
15	Black Street Early Childhood	Other Schools	School	3,893,341
17	Northside Elementary	Elementary Schools	School	4,398,109
19	Hendersonville Elementary	Elementary Schools	School	3,555,556
24	Cottageville Elementary	Elementary Schools	School	4,187,800
27	Forest Hills Elementary	Elementary Schools	School	4,840,536
45	Alternative School	Other Schools	School	446,531
51	Colleton County Middle	Middle Schools	School	9,348,128
57	Colleton County High	High Schools	School	10,968,657
60	Thunderbolt Career & Technology	Other Schools	School	1,606,323
75	Transportation - Bus Drivers	Non-Schools	Central	2,512,290
Total Expenditures/Disbursement for All Funds				<u>\$ 88,900,171</u>

RECONCILIATION OF PRIMARY GOVERNMENT EXPENDITURES TO THE FINANCIAL STATEMENTS

General Fund	\$ 51,164,542
Special Revenue Fund	16,810,176
Special Revenue EIA Fund	2,079,540
Special Revenue Food Service Fund	4,529,344
Debt Service Fund	9,286,466
Capital Projects Fund	5,030,103
Total Expenditures/Disbursements for All Funds	<u>\$ 88,900,171</u>

COLLETON COUNTY SCHOOL DISTRICT
DETAILED SCHEDULE OF DUE TO STATE DEPARTMENT OF
EDUCATION/FEDERAL GOVERNMENT
JUNE 30, 2024

The District did not owe any funds to the South Carolina Department of Education or the Federal Government as of June 30, 2024.

COMPLIANCE SECTION

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

**To the Members of the Board of Trustees
Colleton County School District
Walterboro, 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 and each major fund of the **Colleton County School District** (the "School District") as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated October 28, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School District's internal control over financial reporting ("internal control") as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 School District's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School District'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 School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Columbia, South Carolina
October 28, 2024

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

**To the Members of the Board of Trustees
Colleton County School District
Walterboro, South Carolina**

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the **Colleton County School District’s** (the “School District”) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the School District’s major federal programs for the year ended June 30, 2024. The 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.

In our opinion, the 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, 2024.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control over Compliance

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

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

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

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

Columbia, South Carolina
October 28, 2024



COLLETON COUNTY SCHOOL DISTRICT

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

LEA Subfund Code	Federal Grantor/ Pass-through Grantor Program Title	Federal AL Number	Pass-through Grantor's Number	Total Expenditures
U.S. Department of Education:				
Direct Aid:				
100	Impact Aid	84.041	S041B-2020-4601	
Passed through SC Department of Education:				
201	Title I	84.010A	H63010100124	\$ 2,327,306
202	Title I	84.010A	H63010100123	750,295
202	Title I	84.010A	H63010100122	29,481
237	Title I	84.010A	H63010100123	187,879
237	Title I	84.010A	H63010100124	1,395
	Total for Title I Part A			<u>3,296,356</u>
203	IDEA	84.027A	H63010100924	1,280,029
204	IDEA	84.027A	H63010100923	233,984
204	IDEA	84.027A	H63010100922	55,749
205	IDEA Preschool Grants Handicapped Capacity Year	84.173A	H6301010823	21,783
205	IDEA Preschool Grants Handicapped Capacity Year	84.173A	H63010100824	40,683
230	COVID-19 IDEA - ARP	84.027X	H63010ARP922	103,016
233	COVID-19 IDEA Preschool - ARP	84.173X	H63010ARP822	4,227
	Total for Special Education Cluster ("IDEA")			<u>1,739,471</u>
218	COVID-19: Elementary and Secondary School Emergency Relief (ESSER III) Fund - ARPA	84.425U	H63010497523	40,622
	Emergency Relief (ESSER III) Fund - ARPA	84.425U	H63010497523	97,824
	Emergency Relief (ESSER III) Fund - ARPA	84.425U	H63010497523	8,766,313
225	COVID-19: Elementary and Secondary School Emergency Relief (ESSER II) Fund - CRRSSA	84.425D	H63010497522	166,408
263	COVID-19: Elementary and Secondary School Emergency Relief - ARPA	84.425W	H63010HCY721	7,028
	Emergency Relief - ARPA	84.425W	H63010HCY721	53,300
	Total for Education Stabilization Fund			<u>9,131,495</u>
Other Programs:				
207	Career & Technical Education	84.048A	H63010107120	23,929
207	Career & Technical Education	84.048A	H63010107120	49,028
210	SSAE Title IV - Prior Year	84.424A	H63010100321	17,159
210	SSAE Title IV - Prior Year	84.424A	H63010100322	12,386
210	SSAE Title IV - Current Year	84.424A	H63010100323	227,400
271	Student Support and Academic Enrichment Program	84.424F	H63010152023	54,066
224	21st Century Community Learning	84.287C	H63010006923	15,015
224	21st Century Community Learning	84.287C	H63010006923	165,785
224	21st Century Community Learning	84.287C	H63010006923	1,513
232	Education of Homeless Children and Youth	84.196A	H63010108921	44,184
232	Education of Homeless Children and Youth	84.196A	H63010108922	67,916
235	Title I, Part C, Migrant Education	84.011A	H63010100220	1,067
235	Title I, Part C, Migrant Education	84.011A	H63010100222	34,187
235	Title I, Part C, Migrant Education	84.011A	H63010100223	24,678
243	Adult Education Reverted	84.002A	H63010101022	2,272
243	Adult Education	84.002A	H63010101023	2,175
243	Adult Education	84.002A	H63010101024	67,123
251	Rural and Low-Income – Title V	84.358B	H63010007022	5,897
251	Rural and Low-Income – Title V	84.358B	H63010007023	79,369
251	Rural and Low-Income – Title V	84.358B	H63010007024	88,936
264	English Language Acquisition - Title III	84.365A	H63010006722	7,090
264	English Language Acquisition - Title III	84.365A	H63010006723	7,737
264	English Language Acquisition - Title III	84.365A	H63010006724	23,740

(Continued)

COLLETON COUNTY SCHOOL DISTRICT

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

LEA Subfund Code	Federal Grantor/ Pass-through Grantor Program Title	Federal AL Number	Pass-through Grantor's Number	Total Expenditures
U.S. Department of Education (Continued):				
Passed through SC Department of Education (Continued):				
Other Programs (Continued):				
265	English Language Acquisition - Title III	84.365A	H63010006722	\$ 909
265	English Language Acquisition - Title III	84.365A	H63010006723	15,623
267	Supporting Effective Instruction - State Grants	84.367A	H63010006822	12,995
267	Supporting Effective Instruction - State Grants	84.367A	H63010006823	106,519
267	Supporting Effective Instruction - State Grants	84.367A	H63010006824	268,747
	Total Other Programs			<u>1,427,445</u>
	Total Passed through SC Department of Education			<u>15,594,767</u>
	Total U.S. Department of Education			<u>15,594,767</u>
U.S. Department of Agriculture:				
Passed through SC Department of Education:				
Child Nutrition Cluster:				
Cash Assistance:				
600	School Breakfast Program	10.553	N/A	1,067,482
600	National School Lunch Program	10.555	N/A	2,704,714
600	COVID-19 Supply Chain Assistance Funding	10.555	N/A	135,212
600	National School Lunch Program	10.555	N/A	243,673
600	Fresh Fruits and Vegetables	10.582	N/A	109,494
	Total for Child Nutrition Cluster			<u>4,260,575</u>
	Total U.S. Department of Agriculture			<u>4,260,575</u>
U.S. Department of Defense:				
252	Army ROTC	12.000	N/A	<u>55,149</u>
	Total U.S. Department of Defense			<u>55,149</u>
	Total Expenditures of Federal Awards			<u>\$ 19,910,491</u>

COLLETON COUNTY SCHOOL DISTRICT

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

NOTE 1. BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal grant activity of Colleton County School District (the "School District") under programs of the federal government for the year ended June 30, 2024. The information in this Schedule is presented in accordance with the 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). Because the Schedule presents only a selected portion of the operations of the School District, it is not intended to and does not present the financial position, change in net position, or cash flows of the School District.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

NOTE 3. DE MINIMIS INDIRECT COST RATE

The School District has elected not to use the 10% de Minimis indirect cost rate for the year ended June 30, 2024.

COLLETON COUNTY SCHOOL DISTRICT

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

**SECTION I
SUMMARY OF AUDIT RESULTS**

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP. Unmodified

Internal control over financial reporting:
Material weaknesses identified? Yes No

Significant deficiencies identified? Yes None Reported

Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal control over major federal programs:
Material weaknesses identified? Yes No

Significant deficiencies identified? Yes None Reported

Type of auditor's report issued on compliance for major federal programs Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? Yes No

Identification of major programs:

<u>AL Number</u>	<u>Name of Federal Program or Cluster</u>
84.425D/84.425U/84.425W	COVID-19 - Education Stabilization Fund
84.027A/84.173A	Special Education Cluster ("IDEA")

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee? Yes No

**SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES**

None reported.

COLLETON COUNTY SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2024

SECTION III
FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None reported.

SECTION IV
SCHEDULE OF PRIOR YEAR FINDINGS

None reported.