

**CALHOUN COUNTY PUBLIC SCHOOLS
ST. MATTHEWS, SOUTH CAROLINA**

Annual Financial Report
Year Ended June 30, 2020
and
Independent Auditor's Reports



**CALHOUN COUNTY PUBLIC SCHOOLS
ST. MATTHEWS, SOUTH CAROLINA**

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J. W. Hunt and Company

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

The Board of Trustees
Calhoun County Public Schools
St. Matthews, South Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Calhoun County Public Schools, St. Matthews, South Carolina (District) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of June 30, 2020, 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.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis 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*, and is also not a required part of the basic financial statements.

The supplementary information and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional

procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information 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 December 10, 2020, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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 District's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "J. W. Hunt and Company". The signature is written in a cursive, flowing style.

December 10, 2020

CALHOUN COUNTY PUBLIC SCHOOLS
St. Matthews, South Carolina

Management's Discussion and Analysis
Year Ended June 30, 2020

As management of Calhoun County Public Schools (District), we offer readers of the District's financial statements a narrative overview and analysis of the financial activities for the year ended June 30, 2020. Please read the information presented here in conjunction with the District's financial statements, which immediately follow this section.

Financial Highlights

On the government-wide financial statements:

- The liabilities and deferred inflows of resources of the District exceeded its assets and deferred outflows of resources at the close of the most recent fiscal year yielding a net position of approximately \$-23 million. Of this amount, approximately \$26 million is a net pension liability that is due in more than one year.
- Governmental activities have an unrestricted net position of approximately -\$59 million largely due to the net pension liability and the added liability of other post-employment benefit obligations.
- The District's net position decreased by \$510,545. Program revenues accounted for \$10,780,181, or 43%, of total revenues and general revenues accounted for \$14,262,637, or 57%.
- Total expenses decreased \$735,362, from \$26,288,725 in fiscal year 2019 to \$25,553,363 in fiscal year 2020.

On the fund financial statements:

- The District's governmental fund revenues and other financing sources exceeded expenditures and other financing uses by \$260,507.
- The District's general fund revenues and other financing sources exceeded expenditures and other financing uses by \$268,858. The general fund total fund balance was reported as \$5,024,966, an increase of 5% from June 30, 2019.

Overview of the Financial Statements

This annual report consists of four parts: management's discussion and analysis (this section), the basic financial statements, required supplementary information, and other information. This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements consist of three parts: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements themselves.

Government-Wide Financial Statements. The government-wide financial statements (Statement of Net Position and Statement of Activities) are designed to provide readers with a broad overview of the District's finances in a manner similar to a private-sector business. Short-term and long-term information about the District's overall financial status are provided in these statements. These statements include all assets and liabilities using the accrual basis of accounting used by most private-sector businesses. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

The Statement of Net Position and Statement of Activities report the District's net position and changes in net position. The change in net position is important because it tells the reader that, for the District as a whole, the financial position of the District has either improved or diminished. The causes of this change may be a result of many factors, some financial, some not. Non-financial factors include the District's property tax base, current property tax laws, facility conditions, required educational programs and other factors.

In the Statement of Net Position and the Statement of Activities, the District is reporting as one kind of activity:

Governmental Activities - Most of the District's programs and services are reported here including instruction, support service, operation and maintenance of plant, pupil transportation, and extracurricular activities.

The Statement of Net Position presents information on all of the 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 District is improving or deteriorating.

The Statement of Activities presents information showing how the District's net position changed during the most recent fiscal year. All changes in 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, for some items, revenues and expenses are reported in this statement that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the District include general fund, special revenue funds, debt service funds, and capital projects funds.

The government-wide financial statements can be found on pages 9 through 15 of this report.

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 District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related requirements. All of the funds of the District can be divided into two categories: governmental funds and fiduciary funds.

Governmental Funds - Most of the District's basic services are included in the governmental funds, which generally focus on (1) how cash and other financial assets can readily be converted to cash flow in and out and (2) the balance left at year-end that is available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Fiduciary Funds - The District is the trustee, or fiduciary, for assets that belong to others. The District is responsible for ensuring that assets reported in these funds are used only for their intended purpose and by those to whom the asset belongs. The District excludes these activities from the government-wide financial statements because it cannot use these assets to finance operations. The student activities fund, an agency fund, is the only fiduciary fund.

Notes to the Financial Statements - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 16 through 44 of this report.

Other Supplemental Information - In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information that further supports the financial statements with a comparison of the District's budget for the year and other supplementary information required by the South Carolina Department of Education.

Financial Analysis of the District as a Whole

The table below provides a summary of the District's net assets for fiscal years 2020 and 2019:

	<u>2020</u>	<u>2019</u>	<u>Difference</u>
Assets:			
Current and other assets	\$ 11,245,389	\$ 10,941,268	\$ 304,121
Capital assets	32,897,569	34,245,663	(1,348,094)
Total assets	44,142,958	45,186,931	(1,043,973)
Deferred outflows of resources	6,514,902	5,472,163	1,042,739
Total assets and deferred outflows of resources	<u>\$ 50,657,860</u>	<u>\$ 50,659,094</u>	<u>\$ (1,234)</u>
Liabilities:			
Long-term liabilities			
outstanding	\$ 66,460,493	\$ 66,084,761	\$ 375,732
Other liabilities	4,083,925	3,983,073	100,852
Total liabilities	70,544,418	70,067,834	476,584
Deferred inflows of resources	3,098,232	3,065,505	32,727
Net position:			
Invested in capital assets, net of related debt	32,897,569	34,245,663	(1,348,094)
Restricted	3,411,664	3,444,638	(32,974)
Unrestricted	(59,294,023)	(60,164,546)	870,523
Total net position	(22,984,790)	(22,474,245)	(510,545)
Total liabilities, deferred inflows of resources, and net position	<u>\$ 50,657,860</u>	<u>\$ 50,659,094</u>	<u>\$ (1,234)</u>

The table below shows the changes in net position for fiscal year 2020. Fiscal year 2019 information is provided to have a comparison to current year revenue and expense.

	<u>2020</u>	<u>2019</u>	<u>Difference</u>
Revenue:			
Program revenue:			
Charges for sales and services	\$ 31,537	\$ 67,013	\$ (35,476)
Operating grants and contributions	10,748,644	11,225,779	(477,135)
General revenue:			
Property taxes	14,137,617	13,803,430	334,187
Investment earnings	25,740	24,094	1,646
Other	99,280	64,653	34,627
Total revenue	<u>25,042,818</u>	<u>25,184,969</u>	<u>(142,151)</u>
Expenses:			
Instruction	13,744,354	13,897,386	(153,032)
Support services	11,057,685	11,379,375	(321,690)
Intergovernmental	31,816	51,185	(19,369)
Interest and other charges	719,508	960,779	(241,271)
Total expenses	<u>25,553,363</u>	<u>26,288,725</u>	<u>(735,362)</u>
Change in net position	(510,545)	(1,103,756)	593,211
NET POSITION, BEGINNING OF YEAR	<u>(22,474,245)</u>	<u>(21,370,489)</u>	<u>(1,103,756)</u>
NET POSITION, END OF YEAR	<u>\$ (22,984,790)</u>	<u>\$ (22,474,245)</u>	<u>\$ (510,545)</u>

Financial Analysis of the District Funds

As of the close of the current fiscal year, the District's governmental funds combined ending fund balance was \$8,845,352, an increase of \$260,507. Of the fund balance, \$13,628 is the fund balance for Educational Facilities Corporation for Calhoun County Schools, Inc.

General Fund Budgetary Highlights

The District uses a site-based budget to provide flexibility for each school to allocate funds to identified needs. The District allocates dollars to the schools on an equitable basis for supplies in areas of instruction, media, guidance and administration.

The District budgeted \$17,331,789 of revenue to be received from local and state sources. Of this amount, we had a negative variance in revenue of \$279,529.

- Projected use of Fund Balance was \$578,029.
- Actual local revenues were \$100,584 higher than expected and state revenue was \$197,916 higher than expected.
- Operating transfers out were \$291,145 less than expected.
- In total, actual expenditures were less than budget spending plan by \$277,306. Of the \$17,125,345 budgeted, \$16,868,039 was spent.

Capital Asset and Debt Administration

Capital Assets - As of June 30, 2020, the District had invested \$53,841,323 in a broad range of depreciable capital assets, including school buildings, athletic facilities, technology equipment and various types of equipment to operate three schools and one administrative office. This amount represents a net increase of \$424,422 from last year. (More detailed information about capital assets can be found in Note 6 to the financial statements.) Total depreciation expense for the year was \$1,618,580. Capital assets, net of accumulated depreciation, as of June 30, 2020 and 2019, is summarized below:

	<u>2020</u>	<u>2019</u>	<u>% Change</u>
Land	\$ 1,330,883	\$ 1,073,687	23.95%
Buildings and improvements	30,784,918	31,680,801	-2.83%
Equipment	781,768	1,080,043	-27.62%
Construction in progress	-	411,132	-100.00%
Total	<u>\$ 32,897,569</u>	<u>\$ 34,245,663</u>	<u>-106.49%</u>

Long-Term Debt - As of June 30, 2020, the District had \$1,984,000 in General Obligation Bonds outstanding, \$295,000 in Acquisition Bonds outstanding, and \$18,400,000 in EFC Revenue Refunding Bonds outstanding. This represents a net decrease of \$1,756,000 in debt compared to the prior year. Note 7 in the financial statements contains detailed information about long-term debt.

There is a state statute limiting the amount of general obligation debt a governmental entity may issue. The limit is eight (8) percent of total assessed valuation. To exceed this limit an entity must go for a bond referendum.

The District received an "A1" rating from Moody's and an "A/A+" rating from Standard and Poor's for general obligation debt.

Economic Factor and Next Year's Budget and Rates - The County in which the District resides is predominantly a rural area. The District's economy depends heavily on manufacturing for both its employment and tax base. The outlook is for manufacturing to grow at a steady rate to add to the County's employment and tax base. Student enrollment decreased in the District for the school year 2020.

Request for Information - This financial report is designed to provide our citizens, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the resources it receives. If you have questions about this report or need additional information, contact the Office of Finance, Calhoun County Public Schools, 125 Herlong Avenue, Post Office Box 215, St. Matthews, South Carolina 29135.

**CALHOUN COUNTY PUBLIC SCHOOLS
ST. MATTHEWS, SOUTH CAROLINA**

STATEMENT OF NET POSITION
JUNE 30, 2020

	<u>Governmental Activities</u>
ASSETS:	
Current assets:	
Cash and cash equivalents	\$ 9,228,155
Restricted cash	13,628
Property taxes receivable (net of allowance for uncollectible property taxes of \$55,862)	911,659
Due from governmental units and other receivables	1,011,652
Inventories and prepaid expenses	<u>80,295</u>
Total current assets	<u>11,245,389</u>
Noncurrent assets:	
Capital assets not being depreciated	1,330,883
Capital assets, net of accumulated depreciation	<u>31,566,686</u>
Total noncurrent assets	<u>32,897,569</u>
Total assets	<u>44,142,958</u>
DEFERRED OUTFLOWS OF RESOURCES:	
Deferred pension charges	3,505,847
Deferred other post-employment benefit obligation charges	2,735,683
Advance refunding charges	<u>273,372</u>
Total deferred outflows of resources	<u>6,514,902</u>
LIABILITIES:	
Current liabilities:	
Accounts payable and other current liabilities	1,152,992
Unearned revenue	493,103
Accrued interest	76,256
Long-term obligations, due within one year	<u>2,361,574</u>
Total current liabilities	<u>4,083,925</u>
Noncurrent liabilities:	
Long-term obligations, due in more than one year	19,545,333
Net pension liability	25,999,145
Net other post-employment benefit obligation	<u>20,916,015</u>
Total noncurrent liabilities	<u>66,460,493</u>
Total liabilities	<u>70,544,418</u>
DEFERRED INFLOWS OF RESOURCES:	
Deferred pension credits	999,958
Deferred other post-employment benefit obligation credits	<u>2,098,274</u>
Total deferred inflows of resources	<u>3,098,232</u>
NET POSITION:	
Invested in capital assets, net of related debt	32,897,569
Restricted for:	
Capital projects	1,989,501
Debt service	1,422,163
Unrestricted	<u>(59,294,023)</u>
Total net position	<u>\$ (22,984,790)</u>

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

**CALHOUN COUNTY PUBLIC SCHOOLS
ST. MATTHEWS, SOUTH CAROLINA**

STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2020

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Change in Net Assets</u>
		<u>Charges for Services and Sales</u>	<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>
Primary government:				
Governmental activities:				
Instruction	\$ 13,744,354	\$ 8,400	\$ 7,539,603	\$ (6,196,351)
Support services	11,057,685	23,137	3,149,701	(7,884,847)
Intergovernmental	31,816	-	31,816	-
Interest and other charges	719,508	-	27,524	(691,984)
Total governmental activities	25,553,363	31,537	10,748,644	(14,773,182)
Total primary government	\$ 25,553,363	\$ 31,537	\$ 10,748,644	(14,773,182)
General revenues:				
Property taxes levied for:				
General purposes				11,292,476
Debt service				2,845,141
Medicaid				19,586
Local revenue				79,694
Investment income				25,740
Total general revenues				14,262,637
Change in net position				(510,545)
Net position, beginning of year				(22,474,245)
Net position, end of year				\$ (22,984,790)

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

**CALHOUN COUNTY PUBLIC SCHOOLS
ST. MATTHEWS, SOUTH CAROLINA**

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2020

	Special Revenue Funds								Total Governmental Funds
	General	Special Projects	EIA	Food Service	Debt Service Funds		Capital Projects Funds		
				Other	SCAGO	Other	SCAGO		
ASSETS:									
Cash and cash equivalents	\$ 5,966,784	\$ -	\$ -	\$ 23,165	\$ 1,097,978	\$ -	\$ 2,140,228	\$ -	\$ 9,228,155
Restricted cash equivalents	-	-	-	-	-	833	-	12,795	13,628
Property taxes receivable, net	847,279	-	-	-	64,380	-	-	-	911,659
Due from other funds	-	77,468	426,582	385,282	258,972	-	-	-	1,148,304
Other receivables	343,127	287,236	2,024	19,219	-	-	-	-	651,606
Prepaid expenses	-	-	-	15,312	-	-	-	-	15,312
Total assets	\$ 7,157,190	\$ 364,704	\$ 428,606	\$ 442,978	\$ 1,421,330	\$ 833	\$ 2,140,228	\$ 12,795	\$ 11,968,664
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES:									
Liabilities:									
Accounts payable and accrued liabilities	\$ 861,140	\$ 29,437	\$ 146	\$ 1,344	\$ -	\$ -	\$ -	\$ -	\$ 892,067
Due to other funds	582,125	268,926	1,312	32,912	-	-	163,522	-	1,048,797
Due to other governmental units	-	-	386	-	-	-	-	-	386
Total liabilities	1,443,265	298,363	1,844	34,256	-	-	163,522	-	1,941,250
Deferred inflows of resources:									
Unavailable property tax revenue	688,959	-	-	-	-	-	-	-	688,959
Unearned grant revenue	-	66,341	426,762	-	-	-	-	-	493,103
Total deferred inflows of resources	688,959	66,341	426,762	-	-	-	-	-	1,182,062
Fund balances:									
Nonspendable	-	-	-	15,312	-	-	-	-	15,312
Restricted	-	-	-	393,410	1,421,330	833	1,976,706	12,795	3,805,074
Unassigned	4,446,937	-	-	-	-	-	-	-	4,446,937
Assigned	578,029	-	-	-	-	-	-	-	578,029
Total fund balances	5,024,966	-	-	408,722	1,421,330	833	1,976,706	12,795	8,845,352
Total liabilities, deferred inflows of resources and fund balances	\$ 7,157,190	\$ 364,704	\$ 428,606	\$ 442,978	\$ 1,421,330	\$ 833	\$ 2,140,228	\$ 12,795	\$ 11,968,664

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

**CALHOUN COUNTY PUBLIC SCHOOLS
ST. MATTHEWS, SOUTH CAROLINA**

RECONCILIATION OF GOVERNMENTAL FUNDS
BALANCE SHEET TO STATEMENT OF NET POSITION
JUNE 30, 2020

Total fund balances - governmental funds		\$ 8,845,352
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Amounts reported for governmental activities in the statement of activities are different because of the following:

Capital assets used in governmental activities are not financial resources and therefore are not reported in governmental funds.

Historical cost	\$ 55,172,206	
Accumulated depreciation	<u>(22,274,637)</u>	32,897,569

Property taxes receivable will be collected but are not available soon enough to pay for the current period's expenditures and are considered unavailable revenues in the funds.

688,959

Prepaid insurance on bond costs are amortized over the lives of the bonds; however in governmental account, prepaid insurance costs are expenditures in the year they are incurred.

64,983

Advance refunding charges are amortized over the lives of the bonds; however in governmental accounting, advance refunding charges are expenditures or other financing uses the year they are incurred.

Refunding charges	513,270	
Accumulated amortization	<u>(239,898)</u>	273,372

The District's proportionate share of the net pension liability, deferred outflows of resources, and deferred inflows of resources are not recorded in the governmental funds but are recorded in the Statement of Net Position.

Net pension liability	(25,999,145)	
Deferred inflows of resources	(999,958)	
Deferred outflows of resources	<u>3,505,847</u>	(23,493,256)

The District's proportionate share of the net other post-employment benefit obligation, deferred outflows of resources, and deferred inflows of resources are not recorded in the governmental funds but are recorded in the Statement of Net Position.

Net other post-employment benefit obligation	(20,916,015)	
Deferred inflows of resources	(2,098,274)	
Deferred outflows of resources	<u>2,735,683</u>	(20,278,606)

Long-term obligations, including debt premiums and discounts, are not due and payable in the current period and therefore are not reported as liabilities in the funds.

Long-term obligations consisted of:

Refunding bond payable	(18,400,000)	
GO bonds payable	(2,279,000)	
Premiums, net of accumulated amortization	(954,840)	
Accrued compensated absences	(273,067)	
Accrued interest	<u>(76,256)</u>	(21,983,163)

Total net position - governmental activities		<u>\$ (22,984,790)</u>
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SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

**CALHOUN COUNTY PUBLIC SCHOOLS
ST. MATTHEWS, SOUTH CAROLINA**

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2020

	General Fund	Special Revenue Funds			Debt Service Funds		Capital Projects Funds		Total Governmental Funds
		Special Projects	EIA	Food Service	Other	SCAGO	Other	SCAGO	
REVENUES:									
Local property taxes	\$ 6,957,380	\$ -	\$ -	\$ -	\$ 2,721,172	\$ -	\$ -	\$ -	\$ 9,678,552
Other local	135,204	195,542	-	23,137	-	4,045	19,001	-	376,929
Total local	7,092,584	195,542	-	23,137	2,721,172	4,045	19,001	-	10,055,481
State	9,959,676	420,399	1,536,464	-	126,662	-	-	-	12,043,201
Federal	-	1,883,608	-	1,166,416	-	-	-	-	3,050,024
Total revenues	17,052,260	2,499,549	1,536,464	1,189,553	2,847,834	4,045	19,001	-	25,148,706
EXPENDITURES:									
Current:									
Instruction	9,128,726	1,494,518	1,000,975	-	-	-	-	-	11,624,219
Support services	7,719,313	1,109,541	49,725	1,265,271	-	-	31,091	8,847	10,183,788
Intergovernmental	-	216,259	-	-	-	-	-	-	216,259
Capital outlay	-	17	-	-	-	-	279,697	-	279,714
Debt service:									
Principal	-	-	-	-	3,073,000	1,140,000	-	-	4,213,000
Interest	-	-	-	-	83,471	749,125	-	-	832,596
Other charges	-	-	-	-	-	5,000	-	-	5,000
Total expenditures	16,848,039	2,820,335	1,050,700	1,265,271	3,156,471	1,894,125	310,788	8,847	27,354,576
Excess (deficiency) of revenues over expenditure	204,221	(320,786)	485,764	(75,718)	(308,637)	(1,890,080)	(291,787)	(8,847)	(2,205,870)
OTHER FINANCING SOURCES (USES):									
Premiums on bonds issued	-	-	-	-	-	-	9,377	-	9,377
Proceeds of general obligation bonds	-	-	-	-	-	-	2,457,000	-	2,457,000
Transfers in	503,232	322,853	15,401	100,341	300,386	1,890,524	-	-	3,132,737
Transfers out	(438,595)	(2,067)	(501,165)	-	-	-	(2,190,910)	-	(3,132,737)
Total other financing sources (uses)	64,637	320,786	(485,764)	100,341	300,386	1,890,524	275,467	-	2,466,377
Net change in fund balances	268,858	-	-	24,623	(8,251)	444	(16,320)	(8,847)	260,507
Fund Balances - July 1, 2019	4,756,108	-	-	384,099	1,429,581	389	1,993,026	21,642	8,584,845
Fund Balances - June 30, 2020	\$ 5,024,966	\$ -	\$ -	\$ 408,722	\$ 1,421,330	\$ 833	\$ 1,976,706	\$ 12,795	\$ 8,845,352

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

**CALHOUN COUNTY PUBLIC SCHOOLS
ST. MATTHEWS, SOUTH CAROLINA**

RECONCILIATION OF GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES TO STATEMENT OF
ACTIVITIES
YEAR ENDED JUNE 30, 2020

Total net change in fund balance - governmental funds	\$	260,507
Amounts reported for governmental activities in the Statement of Activities are different because of the following:		
<p>Capital outlays are reported in governmental funds as expenditures. Not all capital outlay is capitalized, only those items over \$5,000. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.</p>		
Depreciation	\$ (1,618,580)	
Capital outlay	279,714	
Disposal of capital assets	<u>(9,227)</u>	(1,348,093)
<p>Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets.</p>		
Bonds issued	(2,457,000)	
Bond premiums, net of accretion	169,542	
Amortization of bond insurance cost	(14,836)	
Bond principal retirement	<u>4,213,000</u>	1,910,706
<p>Advance refunding charges are expenditures or other financing uses the year they are incurred in governmental funds, but are amortized over the lives of the bonds in the Statement of Activities. This amount represents the current year amortization expense for advance refunding charges.</p>		
		(48,540)
<p>Because some property taxes will not be collected for several months after the District's fiscal year ends, they are not considered "available" revenues and are deferred in the governmental funds. Deferred tax revenues changed by this amount this year.</p>		
		78,557
<p>In the Statement of Activities, compensated absences (vacation pay) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid).</p>		
		(43,599)
<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. This amount represents the net change in accrued interest for the year.</p>		
		11,773
<p>Changes in the District's proportionate share of the net pension liability, deferred outflows of resources, and deferred inflows of resources for the current year are not reported in the governmental funds but are reported in the Statement of Activities.</p>		
		(954,133)
<p>Changes in the District's proportionate share of the net other post-employment benefit obligation, deferred outflows of resources, and deferred inflows of resources for the current year are not reported in the governmental funds but are reported in the Statement of Activities.</p>		
		<u>(377,723)</u>
Change in net position of governmental activities	\$	<u><u>(510,545)</u></u>

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

**CALHOUN COUNTY PUBLIC SCHOOLS
ST. MATTHEWS, SOUTH CAROLINA**

STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2020

	<u>Agency Funds</u>
ASSETS:	
Cash and cash equivalents	\$ 277,710
Due from other funds	260,539
Total assets	<u>538,249</u>
LIABILITIES:	
Accounts payable	3,157
Due to other funds	360,046
Due to student groups	175,046
Total liabilities	<u>538,249</u>
NET POSITION	<u><u>\$ -</u></u>

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

**CALHOUN COUNTY PUBLIC SCHOOLS
ST. MATTHEWS, SOUTH CAROLINA**

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The financial statements of Calhoun County Public Schools (District) have been prepared in conformity with generally accepted accounting principles (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 accompanying financial statements present the District and its component unit, an entity for which the District is considered to be financially accountable. The blended component unit, although legally a separate entity is, in substance, part of the District's operations. The more significant of the District's accounting policies are described below.

Reporting Entity:

The definition of a primary government is an entity that has a separately elected governing body, is legally separate from other entities and is fiscally independent of other state and local governmental entities. The management of the District believes that although Calhoun County Public Schools does not have the power to directly levy taxes, it meets the fiscally independent test since Calhoun County (County) is required by South Carolina (State) law to maintain local effort and therefore cannot materially affect the tax levy submitted by the District. The District has therefore been classified as a primary government and these financial statements include the accounts of the District and its component unit operations as well as the agency funds for which it is responsible.

Blended Component Unit - The SCAGO Educational Facilities Corporation (SCAGO) is a nonprofit entity formed in 2007 for the purpose of undertaking 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 educational facilities to be used by the District and such other projects located in and for the benefit of the District as permitted by applicable law. SCAGO does not issue separate financial statements.

The District entered into a lease purchase agreement with SCAGO that required a transfer of the District's governmental assets to SCAGO for the aforementioned purpose. Over a period of 25 years, beginning in 2007-2008, the District will issue general obligation bonds, the proceeds of which will be used to repurchase the improved and newly constructed assets.

Governmental Funds:

General Fund - The general operating fund of the District is used to account for all financial resources except those required to be accounted for in another fund. All general tax revenues and other receipts that are not allocated by law or contractual agreement to other funds are recorded in the general fund. General operating expenditures and capital improvement costs that are not paid through other funds are paid through the general fund. Since it is a budgeted fund, any fund balance is considered a resource available for use.

CALHOUN COUNTY PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS

Special Revenue Funds - Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The term "proceeds of specific revenue sources" establishes that one or more specific restricted or committed revenues should be the foundation for a special revenue fund. The District has two special revenue funds:

Special Projects Fund - used to account for financial resources provided by federal, state, and local projects and grants. Budgets are prepared on a per project basis, generally with approval of the funding source. These budgets are not a part of the formal budget process approved by the board of trustees.

Educational Improvement Act (EIA) Fund - used to account for revenue from the South Carolina Education Improvement Act of 1984, which is legally required by the State to be accounted for as a specific revenue source. Budgets are prepared on a per project basis. These budgets are not a part of the formal budget process approved by the board of trustees.

Food Service Fund – used to account for cafeteria operations at school locations. The fund is financed by user charges and subsidized by United States Department of Agriculture (USDA) school lunch and breakfast programs.

Debt Service Funds - These funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for debt principal and interest.

Capital Projects Funds - These funds are used to account for financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition and construction of capital facilities and other capital assets. Capital project funds exclude those types of capital related outflows financed by the proprietary funds.

Fiduciary Funds:

Agency Funds - These funds are used to account for assets held by the District in a trustee capacity as an agent for student organizations and schools. Agency funds are custodial in nature and do not involve measurement of results of operations.

Basis of Presentation:

Government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. As a general rule the effect of interfund activity has been eliminated from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable within a specific function or segment. Program revenues include amounts paid by the recipient of goods or services provided by a given function or segment. In addition, program revenues include grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

CALHOUN COUNTY PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS

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

The District reports the General Fund, Special Revenue Fund, EIA Fund, Capital Projects Fund, Debt Service Fund, SCAGO Debt Service Fund, and SCAGO Capital Projects Fund as major governmental funds.

Measurement Focus and Basis of Accounting:

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied by the County. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Net position (assets and deferred outflows less liabilities and deferred inflows) are used as a practical measure of economic resources and the operating statement includes all transactions and events that increased or decreased the District's net position. Depreciation is charged as expense against current operations and accumulated depreciation is reported on the statement of net position.

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

Budget:

The District adopts an annual budget for the general fund, and certain special revenue funds prior to the beginning of each fiscal year. The adopted budget specifies expenditure limits appropriated to each function. Changes between functions require approval of the Board of Trustees (Board).

The budget is prepared on a basis consistent with GAAP, which is consistent with actual financial statement results, including significant accruals, to provide meaningful comparisons. Encumbrances (excluded from actual expenditures in the budget comparison) are not utilized.

Cash and Investments:

State statutes authorize the District to invest in (1) obligations of the United States (U.S.) and its agencies, (2) general obligations of the State and its subdivisions, (3) savings and loan associations to the extent of federal insurance, (4) certificates of deposit collaterally secured, (5) repurchase agreements secured by the foregoing obligations, and (6) the State Treasurer's internal investment pool.

Cash and cash equivalents include cash on hand, demand deposits, short-term highly liquid investments that are readily convertible with original maturities of three months or less, and funds deposited with the State Treasurer as part of an internal investment pool. Funds invested through the State's internal cash management pool administered by the State Treasurer's Office are considered cash equivalents because the pool operates as a demand deposit account.

Cash, Cash Equivalents, and Investments with Fiscal Agent: The County Treasurer, fiscal agent for the District, receives funds from local, state, and federal sources on behalf of the District. Funds are remitted to the District once a claim has been presented to the County. Funds held by the County are invested in cash, money market funds, short-term certificates of deposit, and the State Treasurer's investment pool. These funds, except for investments with the State Treasurer, are collateralized with government investments held by the pledging institution's agent in the name of the County.

Investments with maturities less than one year at the time of purchase are recorded at amortized cost which approximates fair value.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation to the District. The investments held by the District are primarily U.S. Treasury Notes. U.S. Treasury Notes are issued by the federal government and are backed by the "full faith and credit" of the U.S government.

Custodial credit risk for investments is the risk that, in the event of a failure of the counterparty, the District will not be able to recover the value of the investments or collateral securities that are in the possession of an outside party.

Concentration of credit risk is the risk of loss attributed to the magnitude of the District's investments in a single issuer. The District has individual investments that represent 5% or more of total investments. The District has no investment policy that would limit its investment choices other than those that are mandated by state law. The District also places no limit on the amount it may invest in any one issuer.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investments. The District minimizes its interest rate risk by restricting its investment maturities to no more than one year.

Inventories:

Purchased food and food supplies are carried in an inventory account at cost on the first-in, first-out method of accounting and are subsequently charged to expense when used. USDA

CALHOUN COUNTY PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS

food commodities are priced at values assigned by the federal government, which approximate local wholesale prices.

Capital Assets:

Capital assets, which include property and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. In addition, capital assets purchased with long-term debt may be capitalized regardless of the thresholds established. Real property (land, land improvements and buildings) acquired or constructed prior to June 30, 2001 were recorded at cost or estimated historical cost. Acquisitions subsequent to June 30, 2001 have been recorded at historical cost. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

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

<u>Assets</u>	<u>Years</u>
Buildings	40
Building improvements	40
Improvements other than buildings	15
Furniture and equipment	10
Vehicles	10
Computers	5
Software	3

Fund Balances:

The governmental funds have the following types of fund balances:

Nonspendable - The nonspendable fund balance classification 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. It also includes the long-term amount of loans and notes receivable, as well as property acquired for resale.

Restricted - Fund balance should be reported as restricted when constraints placed on the use of resources are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

CALHOUN COUNTY PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS

Committed - Amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority should be reported as committed fund balance. 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 (for example, legislation, resolution, ordinance) it employed to previously commit those amounts.

Assigned - Amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed, should be reported as assigned fund balance, except for stabilization arrangements. Intent should be expressed by (a) the governing body itself or (b) a body (a budget or finance committee, for example) or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes.

Unassigned - Unassigned fund balance is the residual classification for the general fund. This classification represents 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.

The District reports assigned fund balance when it appropriates a portion of fund balance in the next fiscal year's general fund budget.

The District applies restricted resources when an expenditure is incurred for the purposes for which both restricted and unrestricted net assets are available. The District applies committed amounts, followed by assigned amounts, and then unassigned amounts when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Net Position:

Net position is composed of net assets invested in capital assets, net of related debt, and consists of capital assets reduced by accumulated depreciation and the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Outstanding debt that has not been spent is included in the same net assets component as the unspent proceeds. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Compensated Absences:

Compensated absences are absences for which employees will be paid. A liability for compensated absences, including all salary related payments, is accrued as employees earn the rights to the benefits. Amounts paid during the year from current resources are charged to the funds from which the employees are paid.

Annual vacation is earned by employees up to a maximum of thirty days.

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 and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Accordingly, actual results could differ from those estimates.

Subsequent Events:

The District has considered subsequent events through December 10, 2020, the date the financial statements were available to be issued.

Recent Accounting Pronouncements:

GASB Statement No. 84, *Fiduciary Activities* (GASB No. 84), was issued in January 2017 and establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements. Governments with activities meeting the criteria should present a statement of fiduciary net position and a statement of changes in fiduciary net position. An exception to that requirement is provided for a business-type activity that normally expects to hold custodial assets for three months or less. GASB No. 84 describes four fiduciary funds that should be reported, if applicable: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds. Custodial funds generally should report fiduciary activities that are not held in a trust or equivalent arrangement that meets specific criteria. GASB No. 84 is effective for reporting periods beginning after December 15, 2019. The District is currently evaluating the impact that GASB No. 84 will have on its financial statements.

GASB Statement No. 87, *Leases* (GASB No. 87), was issued in June 2017 and requires the recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. GASB No. 87 establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under GASB No. 87, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of GASB No. 87 are effective for reporting periods beginning after June 15, 2021. The District is currently evaluating the impact that GASB No. 87 will have on its financial statements.

GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period* (GASB No. 89), was issued in June 2018 and requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus.

CALHOUN COUNTY PUBLIC SCHOOLS
 NOTES TO FINANCIAL STATEMENTS

Thus, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. GASB No. 89 also reiterates that in financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles. The requirements of GASB No. 89 are effective for reporting periods beginning after December 15, 2020. The District is current evaluating the impact that GASB No. 89 will have on its financial statements.

NOTE 2 - CASH AND CASH EQUIVALENTS:

Deposits:

The District's bank balances at June 30, 2020, totaled \$1,895,895. Of this balance, \$500,000 was collateralized by Federal Deposit Insurance. The remaining balance was collateralized by obligations of the U.S. and its agencies (as required by state law) and is held at Bank of New York Mellon under the District's control via book entry. The District's cash and cash equivalents consist of the following:

Petty cash	\$ 6,000
Cash	820,213
Cash and cash equivalents held by county	<u>8,401,942</u>
 Total unrestricted cash and cash equivalents	 9,228,155
 Restricted cash and cash equivalents with trustee	 13,628
Cash held as fiduciary	<u>277,710</u>
 Total cash and cash equivalents	 <u><u>\$ 9,519,493</u></u>

Cash and cash equivalents held by the County are collateralized in the same manner as the District's own cash.

NOTE 3 - PROPERTY TAXES:

Property taxes are levied by the County on real and personal properties owned on the preceding December 31 of each fiscal year ended June 30. Liens attach to the property at the time taxes are levied which is usually in November. These taxes are due without penalty through January 15. Penalties are added to taxes depending on the date paid as follows:

January 15 through February 1	3% of tax
February 2 through March 16	10% of tax
March 17 through March 31	15% of tax plus collection cost

Current year real and personal taxes become delinquent on April 1. The levy date for motor vehicles is the first day of the month in which the motor vehicle license expires.

CALHOUN COUNTY PUBLIC SCHOOLS
 NOTES TO FINANCIAL STATEMENTS

The principal property tax incentive arrangements authorized by South Carolina law, and implemented at the county government level, are the fee-in-lieu of property tax (FILOT) incentive and the Special Source Revenue Credit (SSRC) incentive. The County uses these property tax incentive arrangements to encourage economic development. The District does not directly negotiate or enter into such arrangements, but is impacted by them in the form of reduced property tax revenue from the County. Property tax revenue received by the District from the County for 2019 was reduced by approximately \$3,152,000 due to the FILOT abatement and SSRC incentive. The County has not yet released this information for tax year 2020.

NOTE 4 - COMPLIANCE AND ACCOUNTABILITY:

No individual funds incurred expenditures in excess of budgeted appropriations for the year ended June 30, 2020.

NOTE 5 - INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS:

Due to/from Other Funds:

The outstanding balances between funds result mainly from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system, and payments between funds are made.

As of June 30, 2020, the composition of interfund balances is as follows:

	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
General Fund	\$ -	\$ 582,125
Special Revenue Funds:		
Special Projects	77,468	268,926
EIA	426,582	1,312
Food Service	385,282	32,912
Debt Service Fund	258,972	-
Capital Projects Fund	-	163,522
Pupil Activity Fund	260,539	360,046
	<hr/>	<hr/>
Total	<u>\$ 1,408,843</u>	<u>\$ 1,408,843</u>

CALHOUN COUNTY PUBLIC SCHOOLS
 NOTES TO FINANCIAL STATEMENTS

Interfund Transfers:

Transfers are used to move revenues to finance various programs that the government must account for in other funds in accordance with budgetary authorizations, including amounts provided as subsidies or matching funds for various grant programs.

During the year ended June 30, 2020, the following transfers were made:

	Transfers <u>To</u>	Transfers <u>From</u>
General Fund:		
Special Revenue Fund - Other Projects	\$ 322,853	\$ (2,067)
Special Revenue Fund - EIA	15,401	(501,165)
Special Revenue Fund - Food Service	100,341	-
Special Revenue Fund - Other Projects:		
General Fund	2,067	(322,853)
Special Revenue Fund - EIA:		
General Fund	501,165	(15,401)
Special Revenue Fund - Food Service:		
General Fund	-	(100,341)
Debt Service Fund - Other:		
Capital Projects Fund - Other	-	(300,386)
Debt Service Fund - SCAGO:		
Capital Projects Fund - Other	-	(1,890,524)
Capital Projects Fund - Other:		
Debt Service Fund - Other	300,386	-
Debt Service Fund - SCAGO	1,890,524	-
	<hr/>	<hr/>
Total	<u>\$ 3,132,737</u>	<u>\$ (3,132,737)</u>

CALHOUN COUNTY PUBLIC SCHOOLS
 NOTES TO FINANCIAL STATEMENTS

NOTE 6 - CAPITAL ASSETS:

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 1,073,687	\$ 257,196	\$ -	\$ 1,330,883
Construction in progress	411,132	17	(411,149)	-
Total capital assets not being depreciated	<u>1,484,819</u>	<u>257,213</u>	<u>(411,149)</u>	<u>1,330,883</u>
Capital assets being depreciated:				
Buildings and improvements	48,116,341	372,822	-	48,489,163
Machinery and equipment	5,300,560	51,600	-	5,352,160
Total capital assets being depreciated	<u>53,416,901</u>	<u>424,422</u>	<u>-</u>	<u>53,841,323</u>
Less accumulated depreciation:				
Buildings and improvements	(16,435,540)	(1,268,705)	-	(17,704,245)
Machinery and equipment	(4,220,517)	(349,875)	-	(4,570,392)
Total accumulated depreciation	<u>(20,656,057)</u>	<u>(1,618,580)</u>	<u>-</u>	<u>(22,274,637)</u>
Capital assets being depreciated, net	<u>32,760,844</u>	<u>(1,194,158)</u>	<u>-</u>	<u>31,566,686</u>
Governmental activities capital assets, net	<u>\$ 34,245,663</u>	<u>\$ (936,945)</u>	<u>\$ (411,149)</u>	<u>\$ 32,897,569</u>

Depreciation was charged to the District's activities on the statement of activities as follows:

Governmental activities:	
Instruction	\$ 1,294,864
Support services	323,716

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NOTE 7 - LONG-TERM OBLIGATIONS:

The following is a summary of the District's long-debt obligations:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
General obligation bonds:					
Series 2017B	\$ 1,926,000	\$ -	\$ (304,000)	\$ 1,622,000	\$ 310,000
Series 2019A	390,000	-	(390,000)	-	-
Series 2019B	-	2,095,000	(2,095,000)	-	-
Series 2020A	-	362,000	-	362,000	362,000
Installment purchase refunding revenue bonds:					
Series 2015	19,540,000	-	(1,140,000)	18,400,000	1,195,000
Acquisition bond:					
Series 2018ACQ	579,000	-	(284,000)	295,000	295,000
Subtotal	22,435,000	2,457,000	(4,213,000)	20,679,000	2,162,000
Bond premium	1,124,383	-	(169,542)	954,841	156,196
Net bond indebtedness	23,559,383	2,457,000	(4,382,542)	21,633,841	2,318,196
Compensated absences	229,468	87,337	(43,738)	273,067	43,378
Total	\$ 23,788,851	\$ 2,544,337	\$ (4,426,280)	\$ 21,906,908	\$ 2,361,574

Further information about bond indebtedness outstanding at June 30, 2020 is as follows:

	<u>Issue Date</u>	<u>Final Maturity Date</u>	<u>Interest Rates</u>	<u>Amount Issued</u>	<u>Amount Outstanding</u>
General Obligation Bonds:					
Series 2017B	6/1/17	3/1/25	2.19%	\$ 2,500,000	\$ 1,622,000
Series 2020A	5/14/20	3/1/21	1.50%	362,000	362,000
Acquisition bond:					
Series 2018ACQ	8/9/18	12/1/20	2.83%	850,000	295,000
Installment Purchase Refunding Revenue Bonds:					
Series 2015	12/29/15	12/1/31	2.75% - 5.00%	22,810,000	18,400,000
Total				\$ 26,522,000	\$ 20,679,000

The District received a premium of \$1,792,764 upon issuance of the Series 2015 Installment Purchase Refunding Revenue Bonds. These bonds were issued for the purpose of advance refunding the outstanding balance of the Series 2006 Installment Purchase Revenue Bonds. The reacquisition price exceeded the net carrying amount of the old debt by \$513,270. This amount, along with the premium received, are being amortized over the life of the new debt, which has the same life as the old debt.

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The District has also issued short-term general obligation bonds to provide funding for its annual debt service needs under the 2015 bond issue.

For payment of principal and interest on general obligation bonds, the full faith, credit and resources of the District are pledged. Further, Calhoun County will levy and collect annually taxes sufficient to pay such obligations.

The annual debt service requirements for the District's bond indebtedness subsequent to June 30, 2020 are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 2,162,000	\$ 738,869	\$ 2,900,869
2022	1,572,000	658,167	2,230,167
2023	1,644,000	586,866	2,230,866
2024	1,717,000	527,742	2,244,742
2025	1,764,000	465,820	2,229,820
2026-2030	8,165,000	1,276,313	9,441,313
2031-2032	3,655,000	118,557	3,773,557
Total	<u>\$ 20,679,000</u>	<u>\$ 4,372,334</u>	<u>\$ 25,051,334</u>

Under the provisions of Article X, Section 14 of the State Constitution, each county, incorporated municipality and special purpose district may, in such manner and upon such terms and conditions as the State General Assembly shall prescribe by general law, incur general obligation debt authorized by a majority vote of the qualified electors thereof voting in a referendum, without limitation as to amount, and incur, without an election, general obligation debt (in addition to bonded indebtedness existing on November 30, 1977, and bonded indebtedness authorized by a majority vote of qualified electors) in an amount not exceeding 8% of the assessed value of all taxable property therein. Existing judicial interpretations of the Constitution provide that debt issued to refund general obligation debt legitimately incurred are excluded from computations of "bonded indebtedness" for purposes of that issue. Also excluded from the debt limit is debt issued in anticipation of the collection of ad valorem taxes.

The District's debt limitation at June 30, 2020 is computed below:

2019 Assessed value (as provided by Calhoun County)	\$ 82,669,364
	X 8%
Constitutional debt limit	<u>6,613,549</u>
Debt subject to limit	<u>(2,279,000)</u>
Legal debt available without a referendum	<u>\$ 4,334,549</u>

NOTE 8 - DEFERRED COMPENSATION PLANS:

Several optional deferred compensation plans are available to State employees. Certain employees of the District have elected to participate. The multiple-employer plans, created under Internal Revenue Code (Code) Sections 457 and 401(k), are accounted for as agency funds of the State and included in its Comprehensive Annual Financial Report (CAFR). Employees may withdraw the current value of their contributions when they terminate State employment. Employees may also withdraw contributions prior to termination if they meet requirements specified by the applicable plan.

Compensation deferred under the Section 401(k) plan is placed in trust for the contributing employee. The State has no liability for losses under the plan. The Section 457 plan has been amended to comply with Code changes.

In addition to the Section 401(k) plan discussed above, employees may participate in additional plans available through sources other than the State. The District is not required to make contributions on behalf of employees participating in these plans.

NOTE 9 - RETIREMENT PLAN:

Description of the Entity:

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 (State ORP) 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' 5 defined benefit pension plans (Systems). PEBA has an 11-member board of directors, appointed by the Governor and General Assembly leadership, which serves as custodian, co-trustee and co-fiduciary of the Systems and the assets of the retirement trust funds. The Retirement System Investment Commission (Commission as the governing body, RSIC as the agency), created by the General Assembly in 2005, has exclusive authority to invest and manage the retirement trust funds' assets. The Commission, an 8-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 5 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 plan. Investments are reported at fair value.

PEBA issues a Comprehensive Annual Financial Report (CAFR) containing financial statements and required supplementary information for the Systems' Pension Trust Funds. The CAFR is publicly available through the Retirement Benefits' link on PEBA's website at www.peba.sc.gov,

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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 CAFR of the state.

Plan Description:

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

State ORP is a defined contribution plan that is offered as an alternative to SCRS to certain newly hired employees of state agencies, institutions of higher education, public school districts and individuals first elected to the General Assembly at or after the general election in November 2012. State ORP participants direct the investment of their funds into an account administered by 1 of 4 third party service providers. For this reason, State ORP assets are not part of the retirement systems' trust funds for financial statements purposes.

Membership:

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

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

- State ORP - As an alternative to membership in SCRS, newly hired 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 State ORP. Contributions to 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.

Benefits:

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

An SCRS Class Two member who has separated from service with at least 5 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 8 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 5 or 8 year earned service requirement, respectively. An incidental death benefit is also available to beneficiaries of active and retired members of employers who participate in the death benefit program.

The annual retirement allowance of eligible SCRS 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.

Contributions:

Actuarial valuations are performed annually by an external consulting actuary to ensure applicable contribution rates satisfy the funding parameters specified in Title 9 of the South Carolina Code of Laws. Under these provisions, SCRS contribution requirements must be sufficient to maintain an amortization period for the financing of the unfunded actuarial accrued liability (UAAL) over a period that does not exceed the number of years scheduled in state statute. Legislation in 2017 increased, but also established a ceiling for SCRS employee contribution rates. Effective July 1, 2017, employee rates were increased to a capped rate of 9%. The legislation also increased employer contribution rates beginning July 1, 2017 for SCRS by 2% and further scheduled employer contribution rates to increase by a minimum of 1% each year through July 1, 2022. If the scheduled contributions are not sufficient to meet the funding

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periods set in state statute, the board shall increase the employer contribution rates as necessary to meet the funding periods set for the applicable year. The maximum funding period of SCRS is scheduled to be reduced over a 10-year schedule from 30 years beginning fiscal year 2018 to 20 years by fiscal year 2028.

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

Required employee contribution rates for fiscal year 2020 are as follows:

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

Required employer contribution rates for fiscal year 2020 are as follows:

SCRS	
Employer Class Two	15.41% of earnable compensation
Employer Class Three	15.41% of earnable compensation
Employer Incidental Death Benefit	0.15% of earnable compensation
State ORP	
Employer Contribution ¹	15.41% of earnable compensation
Employer Incidental Death Benefit	0.15% of earnable compensation

¹Of this employer contribution, 5% of earnable compensation must be remitted by the employer directly to the ORP vendor to be allocated to the member's account with the remainder of the employer contribution remitted to the SCRS.

The District's contributions to the Plan for the year ended June 30, 2020 were \$1,931,171. Plan members' contributions to the Plan for the year ended June 30, 2020 were \$1,099,147.

For the year ended June 30, 2020, the District's total payroll for all employees was \$12,566,748. Total covered payroll was \$12,505,051. Covered payroll refers to all compensation paid by the District to active employees covered by the Plan.

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Actuarial Assumptions and Methods:

Actuarial valuations of the plan involve estimates of the reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and future salary increases. Amounts determined regarding the net pension liability are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. South Carolina state statute requires that an actuarial experience study be completed at least once in each 5-year period. An experience report on the Systems was most recently issued for the period ended June 30, 2015.

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

The following table provides a summary of the actuarial assumptions and methods used to calculate the total pension liability of SCRS as of June 30, 2019:

Actuarial cost method	Entry age normal
Investment rate of return	7.25%
Projected salary increases	3.0% to 12.5% (varies by service)
Includes inflation at	2.25%
Benefit adjustments	Lesser of 1% or \$500 annually

The post-retiree mortality assumption is dependent upon the member's job category and gender. The base mortality assumptions, the 2016 Public Retirees of South Carolina Mortality table (2016 PRSC), was developed using the Systems' mortality experience. These base rates are adjusted for future improvement in mortality using published Scale AA projected from the year 2016. Assumptions used in the determination of the June 30, 2019, total pension liability for SCRS are as follows:

Former Job Class	Males	Females
Educators	2016 PRSC Males multiplied by 92%	2016 PRSC Females multiplied by 98%
General Employees and Members of the General Assembly	2016 PRSC Males multiplied by 100%	2016 PRSC Females multiplied by 111%

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Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions:

Net pension liability is calculated separately for each system and represents that particular system's total pension liability determined in accordance with GASB No. 67 less that system's fiduciary net position. Net pension liability totals as of June 30, 2019 for SCRS are presented below.

<u>System</u>	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Employer's Net Pension Liability (Asset)</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
SCRS	\$ 50,073,060,256	\$ 27,238,916,138	\$ 22,834,144,118	54.4%

Total pension liability is calculated by the Systems' actuary, and each plan's fiduciary net position is reported in the Systems' financial statements. Liability calculations performed by the Systems' actuary for the purpose of satisfying the requirements of GAAP are not applicable for other purposes, such as determining the plan's funding requirements.

At June 30, 2020, the District reported a liability of \$25,999,145 for its proportionate share of SCRS's net pension liability, which was determined based on the July 1, 2018 actuarial valuation, using membership data as of July 1, 2018, projected forward to June 30, 2019, and financial information of the pension trust fund as of June 30, 2019, using generally accepted actuarial procedures. The District's portion of the net pension liability was based on the District's share of contributions to the pension plan relative to the contributions of all participating entities. At the June 30, 2019 measurement date, the District's proportion of SCRS was 0.113861%.

For the year ended June 30, 2020, the District recognized pension expense of \$954,133. At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual results	\$ 17,872	\$ (186,773)
Net difference between projected and actual earnings on Plan investments	814,954	(584,775)
Change in proportionate share	217,930	(228,410)
Change in assumptions	523,920	-
Contributions subsequent to the measurement date	1,931,171	-
Total	<u>\$ 3,505,847</u>	<u>\$ (999,958)</u>

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Contributions submitted subsequent to the measurement date resulted in a deferred outflow of resources and will be recognized as a reduction of the net pension liability in the next fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

<u>Year ending June 30,</u>	
2021	\$ 628,717
2022	(228,712)
2023	84,499
2024	<u>90,214</u>
Net balance of deferred outflows of resources	<u>\$ 574,718</u>

Long-term Expected Rate of Return:

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

The expected returns, along with the expected inflation rate, form the basis for the target asset allocation adopted at the beginning of the 2019 fiscal year. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and adding expected inflation and is summarized in the table below. For actuarial purposes, the 7.25% assumed annual investment rate of return used in the calculation of total pension liability includes a 5.00% real rate of return and a 2.25% inflation component.

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Asset Class	Target Asset Allocation	Expected Arithmetic Real Rate of Return	Long Term Expected Portfolio Real Rate of Return
Global Equity	51.0%		
Global Public Equity	35.0%	7.29%	2.55%
Private Equity	9.0%	7.67%	0.69%
Equity Options Strategies	7.0%	5.23%	0.37%
Real Assets	12.0%		
Real Estate (Private)	8.0%	5.59%	0.45%
Real Estate (REITs)	1.0%	8.16%	0.08%
Infrastructure (Private)	2.0%	5.03%	0.10%
Infrastructure (Public)	1.0%	6.12%	0.06%
Opportunistic	8.0%		
Global Tactical Asset Allocation	7.0%	3.09%	0.22%
Other Opportunistic Strategies	1.0%	3.82%	0.04%
Credit	15.0%		
High Yield Bonds/Bank Loans	4.0%	3.14%	0.13%
Emerging Markets Debt	4.0%	3.31%	0.13%
Private Debt	7.0%	5.49%	0.38%
Rate Sensitive	14.0%		
Core Fixed Income	13.0%	1.62%	0.21%
Cash and Short Duration (Net)	1.0%	31.00%	0.00%
Total Expected Real Return	100.0%		5.41%
Inflation for Actuarial Purposes			2.25%
Total Expected Nominal Return			7.66%

Discount Rate:

The discount rate used to measure total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on provisions in the South Carolina Code of Laws. Based on those assumptions, the System's fiduciary net position was projected to be available to make all 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 total pension liability.

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Sensitivity Analysis:

The following table presents the District's proportionate share of net pension liability calculated using the discount rate of 7.25% as well as what the District's proportionate share of net pension liability would be if it were calculated using a discount rate that is 1.00% lower (6.25%) or 1.00% higher (8.25%) than the current rate:

Sensitivity of the Net Pension Liability to Changes in the Discount Rate			
System	1.00% Decrease (6.25%)	Current Discount Rate (7.25%)	1.00% Increase (8.25%)
SCRS	\$ 32,753,532	\$ 25,999,145	\$ 20,362,291

NOTE 10 - OTHER POST-EMPLOYMENT BENEFITS (OPEB):

Plan Description:

PEBA – Insurance Benefits is the state agency responsible for the administration and management of the state's employee insurance programs and other post-employment benefit trusts. The Other Post-Employment Benefits Trust Funds (OPEB Trusts), collectively referring to the South Carolina Retiree Health Insurance Trust Fund (SCRHITF) and the South Carolina Long-Term Disability Insurance Trust Fund (SCLTDITF), were established by the State of South Carolina as Act 195, which became effective in May 2008. SCRHITF was created to fund and account for the employer costs of the state's retiree health and dental plans. SCLTDITF was created to fund an account for the employer costs of the state's Basic Long-Term Disability Income Benefit Plan.

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

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

Benefits:

SCRHITF is a healthcare plan that covers retired employees of the State of South Carolina, including all agencies, and public school districts. 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 10 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.

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. SCLTDITF provides disability payments to eligible employees that have been approved for disability.

Contributions and Funding Policy:

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 PEBA - Insurance Benefits. Non-employer contributions consist of an annual appropriation by the General Assembly and the statutorily required transfer from PEBA – Insurance Benefits reserves.

SCRHITF is funded through participating employers that are mandated by state statute to contribute at a rate assessed each year by the Department of Administration Executive Budget Office on active employee covered payroll. The covered payroll surcharge for the year ended June 30, 2019 was 6.05%. SCRS collects the monthly covered payroll surcharge for all participating employers and remits it directly to SCRHITF. Other sources of funding for SCRHITF include the implicit subsidy, or age-related subsidy inherent in the healthcare premiums structure. The implicit subsidy represents a portion of the health care expenditures paid on behalf of the employer's active employees. For purposes of GAAP, this expenditure on behalf of the active employee is reclassified as a retiree health care expenditure so that the employer's contributions towards the plan reflect the underlying age-adjusted, retiree benefit costs. Non-employer contributions include the mandatory transfer of accumulated PEBA – Insurance Benefits' reserves and the annual appropriation budgeted by the General Assembly. It is also funded through investment income.

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

The allocation percentage of the OPEB amounts are calculated differently for each OPEB trust. For SCRHITF, the allocation percentage is based on the covered payroll surcharge contribution for each employer.

In accordance with GAAP, participating employers should recognize revenue in an amount equal to the employer's proportionate share of the change in the collective net OPEB liability arising from contributions to the OPEB plan during the measurement period from non-employer contributing entities for purposes other than the separate financing of specific liabilities to the OPEB plan. Therefore, employers should classify this revenue in the same manner as it classifies grants from other entities.

For purposes of measuring the net OPEB liability, deferred outflows and inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the OPEB Trusts, and additions to and deductions from the OPEB Trusts fiduciary net position have been

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determined on the same basis as they were reported by the OPEB Trusts. For this purpose, revenues are recognized when earned and expenses are recognized when incurred. Therefore, benefit and administrative expenses are recognized when due and payable. Investments are reported at fair value.

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

Actuarial Assumptions and Methods:

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

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

Additional information as of the latest actuarial valuation for SCRHITF:

Valuation Date:	June 30, 2018
Actuarial Cost Method:	Entry Age Normal
Inflation:	2.25%
Investment Rate of Return:	2.75%, net of OPEB Plan investment expense; including inflation
Single Discount Rate:	3.13% as of June 30, 2019
Demographic Assumptions:	Based on the experience study performed for SCRS for the 5-year period ended June 30, 2015

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Mortality:	For healthy retirees, the 2016 Public Retirees of South Carolina Mortality Table for Males and the 2016 Public Retirees of South Carolina Mortality Table for Females are used with fully generational mortality projections based on Scale AA from the year 2016. Multipliers are applied to the base tables based on gender and employment type
Health Care Trend Rate:	Initial trend starting at 6.40% and gradually decreasing to an ultimate trend rate of 4.15% over a period of 14 years
Retiree Participation:	79% for retirees who are eligible for funded premiums 59% participation for retirees who are eligible for partial funded premiums 20% participation for retirees who are eligible for non-funded premiums
Notes:	There were no benefit changes during the year; the discount rate changed from 3.62% as of June 30, 2018 to 3.13% as of June 30, 2019; minor updates were made to the healthcare trend rate assumption

Additional information as of the latest actuarial valuation for SCLTDITF:

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

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

CALHOUN COUNTY PUBLIC SCHOOLS
 NOTES TO FINANCIAL STATEMENTS

OPEB Liabilities, OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB:

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 following table represents the components of the NOL as of June 30, 2019:

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

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

At June 30, 2020, the District reported a liability of \$20,916,015 for its proportionate share of NOL of the OPEB Trusts. NOL of the OPEB Trusts was determined based on the June 30, 2018 actuarial valuation, using membership data as of June 30, 2018, projected forward to June 30, 2019, and financial information of the OPEB Trusts as of June 30, 2019, using generally accepted actuarial procedures. The District's portion of NOL was based on the District's share of contributions to the OPEB Trusts relative to the contributions of all participating entities. At the June 30, 2019 measurement date, the District's proportion of SCRHITF and SCLTDITF was 0.138304% and 0.119023%, respectively. For the year ended June 30, 2020, the District recognized OPEB expense of \$377,723. At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual results	246,263	(681,436)
Net difference between projected and actual earnings on Plan investments	55,871	(31,345)
Change in proportionate share	258,019	(90,195)
Change in assumptions	1,385,193	(1,295,298)
Contributions subsequent to the measurement date	790,337	-
Total	\$ 2,735,683	\$ (2,098,274)

CALHOUN COUNTY PUBLIC SCHOOLS
 NOTES TO FINANCIAL STATEMENTS

Contributions submitted subsequent to the measurement date resulted in a deferred outflow of resources and will be recognized as a reduction of the NOL in the next fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year ending June 30,</u>	
2021	\$ (100,570)
2022	(100,570)
2023	(108,877)
2024	(121,963)
2025	99,643
Later years	<u>179,409</u>
Net balance of deferred inflows of resources	<u>\$ (152,928)</u>

Long-term Expected Rate of Return:

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

<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>Allocation-Weighted Long-Term Expected Real Rate of Return</u>
U.S. Domestic Fixed Income	80.00%	0.60%	0.48%
Cash equivalents	20.00%	0.10%	0.02%
Total	<u>100.00%</u>		0.50%
Expected inflation			<u>2.25%</u>
Total return			<u>2.75%</u>
Investment return assumption			<u>2.75%</u>

CALHOUN COUNTY PUBLIC SCHOOLS
 NOTES TO FINANCIAL STATEMENTS

South Carolina Long-Term Disability Insurance Trust Fund

Asset Class	Target Asset Allocation	Expected Arithmetic Real Rate of Return	Allocation-Weighted Long-Term Expected Real Rate of Return
U.S. Domestic Fixed Income	80.00%	0.95%	0.76%
Cash equivalents	20.00%	0.51%	0.10%
Total	100.00%		0.86%
Expected inflation			2.25%
Total return			3.11%
Investment return assumption			3.00%

Single Discount Rate:

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

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

Sensitivity Analysis:

The following table presents the District's proportionate share of SCRHITF's NOL calculated using a single discount rate of 3.13%, as well as what the District's proportionate share of SCRHITF's NOL would be if it were calculated using a single discount rate that is 1.00% lower or 1.00% higher:

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate			
System	1.00% Decrease (2.13%)	Current Discount Rate (3.13%)	1.00% Increase (4.13%)
SCRHITF	\$ 24,792,904	\$ 20,913,672	\$ 17,800,430

CALHOUN COUNTY PUBLIC SCHOOLS
 NOTES TO FINANCIAL STATEMENTS

Regarding the sensitivity of the District's proportionate share of SCRHITF's NOL to changes in the healthcare cost trend rates, the following table presents the District's proportionate share of SCRHITF's NOL calculated using the assumed trend rates as well as what the District's proportionate share of SCRHITF's NOL would be if it were calculated using a trend rate that is 1.00% lower or 1.00% higher:

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate			
System	1.00% Decrease	Current Healthcare Cost Trend Rate	1.00% Increase
SCRHITF	\$ 17,067,792	\$ 20,913,672	\$ 25,922,147

The following table present's the District's proportionate share of SCLTDITF's NOL calculated using a single discount rate of 3.04%, as well as what the District's proportionate share of SCLTDITF's NOL would be if it were calculated using a single discount rate that is 1.00% lower or 1.00% higher:

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate			
System	1.00% Decrease (2.04%)	Current Discount Rate (3.04%)	1.00% Increase (4.04%)
SCLTDITF	\$ 4,030	\$ 2,343	\$ 669

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

NOTE 11 - ECONOMIC DEPENDENCY:

The District receives over 50% of its property tax revenue from two industrial taxpayers each year.

NOTE 12 - RISK MANAGEMENT:

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District has purchased insurance from commercial insurers and feels the coverage provided is adequate.

NOTE 13 - CONTINGENCIES AND COMMITMENTS:

In the normal course of operations, the District receives grant funds from various federal and state agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as the result of these audits is not believed to be material.

NOTE 14 - SUBSEQUENT EVENTS:

On September 17, 2020, the District issued \$2,114,000 Series 2020B general obligation bonds for the purpose of funding the acquisition and installment purchase revenue bonds payments to SCAGO. The interest rate on the Series 2020B bond is 2.00%, with a maturity date of March 1, 2021.

REQUIRED SUPPLEMENTARY INFORMATION

**CALHOUN COUNTY PUBLIC SCHOOLS
ST. MATTHEWS, SOUTH CAROLINA**

REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED JUNE 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget -
	Original	Final	(Budgetary Basis)	Positive (Negative)
REVENUES:				
Local	\$ 7,570,029	\$ 7,570,029	\$ 7,092,584	\$ (477,445)
State	9,761,760	9,761,760	9,959,676	197,916
Total revenues	<u>17,331,789</u>	<u>17,331,789</u>	<u>17,052,260</u>	<u>(279,529)</u>
EXPENDITURES:				
Current:				
Instruction	9,313,431	9,323,813	9,128,726	195,087
Support services	7,822,705	7,801,532	7,719,313	82,219
Total expenditures	<u>17,136,136</u>	<u>17,125,345</u>	<u>16,848,039</u>	<u>277,306</u>
Excess of revenues over expenditures	195,653	206,444	204,221	(2,223)
OTHER FINANCING SOURCES (USES):				
Operating transfers in	523,296	523,296	503,232	(20,064)
Operating transfers out	(718,949)	(729,740)	(438,595)	291,145
Total other financing sources (uses)	<u>(195,653)</u>	<u>(206,444)</u>	<u>64,637</u>	<u>271,081</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>268,858</u>	<u>268,858</u>
Fund Balance - July 1, 2019			<u>4,756,108</u>	
Fund Balance - June 30, 2020			<u>\$ 5,024,966</u>	

**CALHOUN COUNTY PUBLIC SCHOOLS
ST. MATTHEWS, SOUTH CAROLINA**

REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2020

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget -
	Original	Final		Positive (Negative)
REVENUES:				
Local	\$ 124,111	\$ 289,926	\$ 195,542	\$ (94,384)
State	663,265	246,418	420,399	173,981
Federal	1,578,801	2,190,875	1,883,608	(307,267)
Intergovernmental			-	-
Total revenues	<u>2,366,177</u>	<u>2,727,219</u>	<u>2,499,549</u>	<u>(227,670)</u>
EXPENDITURES:				
Current:				
Instruction	1,825,673	1,737,137	1,494,518	242,619
Support services	865,738	1,195,576	1,109,541	86,035
Community services	-	1,388	-	1,388
Intergovernmental	-	51,000	216,259	(165,259)
Capital outlay	-	-	17	(17)
Total expenditures	<u>2,691,411</u>	<u>2,985,102</u>	<u>2,820,335</u>	<u>164,767</u>
Deficiency of revenue over expenditures	(325,234)	(257,883)	(320,786)	(62,903)
OTHER FINANCING SOURCES (USES):				
Operating transfers in	325,234	262,489	322,853	60,364
Operating transfers out	-	(4,606)	(2,067)	2,539
Total other financing sources (uses)	<u>325,234</u>	<u>257,883</u>	<u>320,786</u>	<u>62,903</u>
Net change in fund balances	-	-	-	-
Fund Balance - July 1, 2019			<u>-</u>	
Fund Balance - June 30, 2020			<u>\$ -</u>	

**CALHOUN COUNTY PUBLIC SCHOOLS
ST. MATTHEWS, SOUTH CAROLINA**

REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
EDUCATION IMPROVEMENT ACT
YEAR ENDED JUNE 30, 2020

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget - Positive
	Original	Final		(Negative)
REVENUES:				
State	\$ 319,171	\$ 1,573,543	\$ 1,536,464	\$ (37,079)
Total revenues	<u>319,171</u>	<u>1,573,543</u>	<u>1,536,464</u>	<u>(37,079)</u>
EXPENDITURES:				
Current:				
Instruction	498,955	1,014,208	1,000,975	13,233
Support services	10,361	66,801	49,725	17,076
Total expenditures	<u>509,316</u>	<u>1,081,010</u>	<u>1,050,700</u>	<u>30,310</u>
Excess of revenue over expenditures	(190,145)	492,533	485,764	6,769
OTHER FINANCING SOURCES (USES):				
Operating transfers in	190,145	8,632	15,401	(6,769)
Operating transfers out	-	(501,165)	(501,165)	-
Total other financing sources (uses)	<u>190,145</u>	<u>(492,533)</u>	<u>(485,764)</u>	<u>(6,769)</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - July 1, 2019			<u>-</u>	
Fund Balance - June 30, 2020			<u>\$ -</u>	

**CALHOUN COUNTY PUBLIC SCHOOLS
ST. MATTHEWS, SOUTH CAROLINA**

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
YEAR ENDED JUNE 30, 2020

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's proportion of the net pension liability	0.113861%	0.112488%	0.113906%	0.115450%	0.115586%	0.115847%	0.115847%
District's proportionate share of the net pension liability	\$ 25,999,145	\$ 25,205,075	\$ 25,642,072	\$ 24,659,950	\$ 21,921,442	\$ 19,945,013	\$ 20,778,819
District's covered payroll	\$ 12,505,051	\$ 12,095,832	\$ 11,754,990	\$ 11,565,801	\$ 11,240,224	\$ 10,903,456	\$ 10,591,385
District's proportionate share of the net pension liability as a percentage of its covered payroll	207.91%	208.38%	218.14%	213.21%	195.03%	182.92%	196.19%
Plan fiduciary net position as a percentage of total pension liability	54.40%	54.10%	53.30%	52.90%	57.00%	59.92%	56.39%

NOTES TO SCHEDULE:

The District implemented GASB Statement No. 68 during the year ended June 30, 2015. Thus, data is only available for the last 7 years. The above schedule will present 10 years of information once it is accumulated.

The amounts presented for each fiscal year were determined as of June 30th of the preceding year.

**CALHOUN COUNTY PUBLIC SCHOOLS
ST. MATTHEWS, SOUTH CAROLINA**

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PENSION PLAN CONTRIBUTIONS
YEAR ENDED JUNE 30, 2020

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contributions	\$ 1,931,171	\$ 1,750,605	\$ 1,580,758	\$ 1,328,561	\$ 1,235,632	\$ 1,182,419	\$ 1,114,846
Contributions in relation to the contractually required contribution	<u>1,931,171</u>	<u>1,750,605</u>	<u>1,580,758</u>	<u>1,328,561</u>	<u>1,235,632</u>	<u>1,182,419</u>	<u>1,114,846</u>
Contribution deficiency (excess)	<u>\$ -</u>						
District's covered payroll	\$ 12,505,051	\$ 12,095,832	\$ 11,754,990	\$ 11,565,801	\$ 11,240,224	\$ 10,903,456	\$ 10,591,385
Contributions as a percentage of covered payroll	15.4%	14.5%	13.4%	11.5%	11.0%	10.8%	10.5%

NOTE TO SCHEDULE:

The District implemented GASB Statement No. 68 during the year ended June 30, 2015. Thus, data is only available for the last 7 years. The above schedule will present 10 years of information once it is accumulated.

**CALHOUN COUNTY PUBLIC SCHOOLS
ST. MATTHEWS, SOUTH CAROLINA**

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
YEAR ENDED JUNE 30, 2020

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
District's proportion of the net OPEB liability:				
SCRHITF	0.138304%	0.136310%	0.137152%	0.137152%
SCLTDITF	0.119023%	0.122623%	0.125133%	0.125133%
District's proportionate share of the net OPEB liability:				
SCRHITF	\$ 20,913,672	\$ 19,315,924	\$ 18,577,014	\$ 19,844,017
SCLTDITF	\$ 2,343	\$ 3,754	\$ 2,269	\$ 869
District's covered payroll	\$ 12,505,051	\$ 12,095,832	\$ 11,754,990	\$ 11,565,801
District's proportionate share of the net OPEB liability as a percentage of its covered payroll:				
SCRHITF	167.24%	159.69%	158.04%	171.57%
SCLTDITF	0.02%	0.03%	0.02%	0.01%
Plan fiduciary net position as a percentage of total OPEB liability:				
SCRHITF	8.44%	7.91%	7.60%	6.62%
SCLTDITF	95.17%	92.20%	95.29%	98.15%

NOTE TO SCHEDULE:

The District implemented GASB Statement No. 75 during the year ended June 30, 2018. Thus, data is only available for the last 4 years. The above schedule will present 10 years of information once it is accumulated.

The amounts presented for each fiscal year were determined as of June 30th of the preceding year.

**CALHOUN COUNTY PUBLIC SCHOOLS
ST. MATTHEWS, SOUTH CAROLINA**

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S OPEB CONTRIBUTIONS
YEAR ENDED JUNE 30, 2020

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Contractually required contributions	\$ 781,566	\$ 731,798	\$ 646,524	\$ 616,457
Contributions in relation to the contractually required contributions	<u>781,566</u>	<u>731,798</u>	<u>646,524</u>	<u>616,457</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 12,505,051	\$ 12,095,832	\$ 11,754,990	\$ 11,565,801
Contributions as a percentage of covered payroll	6.3%	6.1%	5.5%	5.3%

NOTE TO SCHEDULE:

The District implemented GASB Statement No. 75 during the year ended June 30, 2018. Thus, data is only available for the last 4 years. The above schedule will present 10 years of information once it is accumulated.

SUPPLEMENTARY INFORMATION

**CALHOUN COUNTY PUBLIC SCHOOLS
ST. MATTHEWS, SOUTH CAROLINA**

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 2020

	<u>Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
REVENUES:			
1000 Local Sources:			
1200 Revenue from local government units other than LEAs:			
1210 Ad valorem taxes - including delinquent	\$ 5,500,000	\$ 5,485,041	\$ (14,959)
1240 Penalties and interest on taxes	400,000	512,499	112,499
1280 Revenue in lieu of taxes	1,000,000	959,840	(40,160)
1300 Tuition:			
1310 Student tuition out of district	7,000	8,400	1,400
1500 Earnings on investments:			
1510 Interest on investments	50,000	27,524	(22,476)
1900 Other revenue from local sources:			
1930 Medicaid	25,000	19,586	(5,414)
1990 Miscellaneous revenue	10,000	79,694	69,694
1999 Revenue from other local sources	578,029	-	(578,029)
Total local sources	<u>7,570,029</u>	<u>7,092,584</u>	<u>(477,445)</u>
3000 Revenue from State Sources:			
3100 Restricted state funding:			
3131 Handicapped transportation	15,000	23,773	8,773
3160 Transportation salaries	200,000	187,620	(12,380)
3161 EEA Bus Drivers	-	176	176
3162 Transportation workmen's comp	13,000	12,709	(291)
3180 Employee fringe benefits	1,340,333	1,388,660	48,327
3181 Retiree insurance	527,876	599,725	71,849
3186 State aid to classrooms - Teacher salary increase	327,339	361,529	34,190
3300 Education Finance Act:			
3310 Full time programs:			
3311 Kindergarten	138,139	143,086	4,947
3312 Primary	434,583	395,408	(39,175)
3313 Elementary	748,076	750,102	2,026
3314 High school	140,717	161,896	21,179
3315 Trainable mentally handicapped	2,684	2,718	34
3316 Speech handicapped	88,085	118,601	30,516
3317 Homebound	-	564	564
3320 Part-time programs:			
3321 Emotionally handicapped	21,469	11,762	(9,707)
3322 Educable mentally handicapped	37,833	41,723	3,890
3323 Learning disabilities	327,095	369,591	42,496
3324 Hearing handicapped	7,064	10,271	3,207
3325 Visually handicapped	3,381	10,271	6,890
3326 Orthopedically handicapped	2,684	5,981	3,297
3327 Vocational	431,728	412,512	(19,216)

CALHOUN COUNTY PUBLIC SCHOOLS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

	<u>Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
REVENUES (CONTINUED):			
3300 Education Finance Act (continued):			
3330 Other EFA programs:			
3331 Autism	\$ 47,331	\$ 66,181	\$ 18,850
3332 Gifted and Talented Education Pupils	21,363	27,535	6,172
3334 Limited English Proficiency	11,892	11,163	(729)
3351 Academic Assistance	119,367	118,628	(739)
3352 Pupils in Poverty	328,410	335,661	7,251
3353 Dual	17,443	20,635	3,192
3800 State revenue in lieu of taxes:			
3810 Reimbursement for local residential property tax relief	785,313	785,313	-
3820 Homestead exemption	268,093	268,093	-
3825 Reimbursement for property tax relief (tier 3)	2,500,000	2,500,000	-
3830 Merchant's inventory tax	22,805	22,805	-
3840 Manufacturers depreciation reimbursement	578,000	613,291	35,291
3890 Other state property tax revenues	140,000	67,036	(72,964)
3999 Revenue from other state agency	114,657	114,657	-
Total state sources	<u>9,761,760</u>	<u>9,959,676</u>	<u>197,916</u>
Total revenue all sources	<u>17,331,789</u>	<u>17,052,260</u>	<u>(279,529)</u>
EXPENDITURES:			
100 Instruction:			
110 General instruction:			
111 Kindergarten program:			
100 Salaries	456,926	444,287	12,639
200 Employee benefits	204,562	203,741	821
300 Purchased services - other than tuition	59	59	-
400 Supplies and materials	3,309	3,148	161
600 Other objects	90	90	-
112 Primary programs:			
100 Salaries	763,129	763,129	-
200 Employee benefits	330,282	331,297	(1,015)
400 Supplies and materials	7,974	7,724	250
600 Other objects	390	390	-
113 Elementary programs:			
100 Salaries	1,957,054	1,951,554	5,500
200 Employee benefits	827,831	826,674	1,157
370 Purchased services - tuition	4,224	5,258	(1,034)
400 Supplies and materials	16,190	12,984	3,206
600 Other objects	90	90	-
114 High school programs:			
100 Salaries	1,085,599	1,086,216	(617)
200 Employee benefits	449,267	451,920	(2,653)
300 Purchased services (other than tuition)	1,627	627	1,000
370 Tuition	55,731	2,671	53,060
400 Supplies and materials	33,271	31,864	1,407
115 Career and technology education programs:			
100 Salaries	182,094	181,094	1,000
200 Employee benefits	73,461	73,170	291
300 Purchased services - other than tuition	193,000	233,834	(40,834)
400 Supplies and materials	1,845	136	1,709

CALHOUN COUNTY PUBLIC SCHOOLS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
EXPENDITURES (CONTINUED):			
100 Instruction (Continued):			
118 Montessori Programs:			
100 Salaries	\$ 320,243	\$ 320,243	\$ -
200 Employee benefits	130,530	130,535	(5)
120 Exceptional programs:			
121 Educable mentally handicapped:			
100 Salaries	86,704	88,972	(2,268)
200 Employee benefits	39,432	40,569	(1,137)
122 Trainable mentally handicapped:			
100 Salaries	57,692	66,292	(8,600)
200 Employee benefits	25,425	27,498	(2,073)
123 Orthopedically handicapped:			
100 Salaries	45,334	47,063	(1,729)
200 Employee benefits	20,259	21,041	(782)
124 Visually handicapped:			
100 Salaries	12,393	14,383	(1,990)
200 Employee benefits	5,523	6,325	(802)
125 Hearing handicapped:			
100 Salaries	12,052	12,970	(918)
200 Employee benefits	5,177	5,979	(802)
126 Speech handicapped:			
100 Salaries	166,580	166,580	-
200 Employee benefits	77,811	77,831	(20)
600 Other objects	1,230	759	471
127 Learning disabilities:			
100 Salaries	545,117	544,641	476
200 Employee benefits	243,155	237,841	5,314
400 Supplies and materials	77	77	-
128 Emotionally handicapped:			
100 Salaries	10,590	11,324	(734)
200 Employee benefits	4,651	5,017	(366)
130 Preschool programs:			
132 Preschool handicapped speech (5-Yr Olds):			
100 Salaries	5,656	5,656	-
200 Employee benefits	3,175	3,175	-
133 Preschool handicapped self-contained:			
100 Salaries	54,934	54,925	9
200 Employee benefits	33,649	38,482	(4,833)
400 Supplies and materials	833	-	833
141 Gifted and talented - academic:			
100 Salaries	-	1,000	(1,000)
200 Employee benefits	-	293	(293)
300 Purchased services	11,741	4,404	7,337
400 Supplies and materials	1,667	697	970
600 Membership Dues and Fees	100	-	100
145 Homebound:			
100 Salaries	18,000	5,850	12,150
200 Employee benefits	5,312	1,714	3,598
300 Purchased services	10,180	749	9,431
147 Child Development Education Pilot Program:			
100 Salaries	39,218	39,218	-
200 Employee benefits	16,586	16,586	-

CALHOUN COUNTY PUBLIC SCHOOLS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
EXPENDITURES (CONTINUED):			
100 Instruction (Continued):			
149 Other special programs:			
100 Salaries	\$ 225,000	\$ 114,342	\$ 110,658
200 Employee benefits	66,398	33,132	33,266
300 Purchased services	2,493	322	2,171
400 Supplies and materials	169,747	166,746	3,001
160 Other exceptional programs:			
161 Autism:			
100 Salaries	111,155	112,758	(1,603)
200 Employee benefits	52,109	53,769	(1,660)
162 Limited english proficiency:			
300 Travel	1,000	520	480
170 Summer school program:			
175 Instructional programs beyond regular school day:			
100 Salaries	300	-	300
200 Employee benefits	89	-	89
180 Adult/continuing educational programs:			
181 Adult basic education programs:			
300 Purchased services	36,491	36,491	-
Total instruction	<u>9,323,813</u>	<u>9,128,726</u>	<u>195,087</u>
200 Supporting Services:			
210 Pupil services:			
211 Attendance and social work:			
100 Salaries	135,716	136,192	(476)
200 Employee benefits	58,996	59,040	(44)
300 Purchased services	60	58	2
400 Supplies and materials	2,521	1,792	729
212 Guidance:			
100 Salaries	326,205	326,206	(1)
200 Employee benefits	134,454	134,456	(2)
300 Purchased services	1,115	388	727
400 Supplies and materials	2,040	1,189	851
213 Health:			
100 Salaries	47,374	47,374	-
200 Employee benefits	25,665	25,681	(16)
300 Purchased services	25,000	59,587	(34,587)
400 Supplies and materials	-	1,095	(1,095)
214 Psychological services:			
100 Salaries	29,396	28,662	734
200 Employee benefits	11,193	11,316	(123)
215 Exceptional program services:			
100 Salaries	7,750	7,000	750
200 Employee benefits	2,290	2,044	246
220 Instructional staff services:			
221 Improvement of instruction - curriculum development:			
100 Salaries	172,451	218,659	(46,208)
200 Employee benefits	57,996	79,468	(21,472)
400 Supplies and materials	6,973	6,510	463

CALHOUN COUNTY PUBLIC SCHOOLS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

	<u>Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
EXPENDITURES (CONTINUED):			
200 Supporting Services (Continued):			
220 Instructional staff services (Continued):			
222 Library and media:			
100 Salaries	\$ 245,861	\$ 245,547	\$ 314
200 Employee benefits	103,754	103,584	170
300 Purchased services	3,671	3,466	205
400 Supplies and materials	26,380	16,555	9,825
223 Supervisor of special projects:			
100 Salaries	201,750	201,750	-
200 Employee benefits	77,235	77,246	(11)
300 Purchased services	8,523	1,992	6,531
400 Supplies and materials	1,627	1,531	96
224 Improvement of instruction inservice staff training:			
300 Purchased services	8,304	1,289	7,015
400 Supplies and materials	1,080	267	813
230 General and administrative services:			
231 Board of Education:			
100 Salaries	11,000	7,900	3,100
200 Employee benefits	173,710	164,648	9,062
300 Purchased services	48,700	19,201	29,499
318 Audit services	29,000	30,500	(1,500)
400 Supplies and materials	6,400	2,808	3,592
500 Capital outlay	25,045	25,045	-
600 Other objects	12,000	9,627	2,373
232 Office of Superintendent:			
100 Salaries	241,419	241,419	-
200 Employee benefits	89,249	89,251	(2)
300 Purchased services	15,930	10,115	5,815
400 Supplies and materials	8,082	10,662	(2,580)
600 Other objects	7,000	6,574	426
233 School administration:			
100 Salaries	800,907	800,907	-
200 Employee benefits	318,034	317,662	372
300 Purchased services	5,990	2,472	3,518
400 Supplies and materials	7,164	5,922	1,242
250 Finance and operations services:			
252 Fiscal services:			
100 Salaries	246,914	246,914	-
200 Employee benefits	92,258	92,258	-
300 Purchased services	54,810	61,497	(6,687)
400 Supplies and materials	12,643	8,346	4,297
500 Capital outlay	6,930	-	6,930
600 Other objects	15,785	12,999	2,786
254 Operation and maintenance of plant:			
100 Salaries & Terminal Leave	591,016	586,748	4,268
200 Employee benefits	293,622	294,319	(697)
300 Purchased services	378,011	374,858	3,153
321 Public utilities	32,400	23,114	9,286
400 Supplies and materials	152,561	136,905	15,656
470 Energy	440,000	376,851	63,149
500 Capital outlay	7,640	-	7,640
600 Other objects	640	-	640

CALHOUN COUNTY PUBLIC SCHOOLS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
EXPENDITURES (CONTINUED):			
200 Supporting Services (Continued):			
250 Finance and operations services (Continued):			
255 Pupil transportation:			
100 Salaries	\$ 500,271	\$ 624,224	\$ (123,953)
200 Employee benefits	168,950	182,729	(13,779)
300 Purchased services	78,051	28,039	50,012
400 Supplies and materials	9,000	5,822	3,178
500 Capital outlay	10,000	-	10,000
600 Other objects	900	-	900
257 Internal services:			
100 Salaries	34,015	34,015	-
200 Employee benefits	14,349	14,349	-
300 Purchased services	50,000	52,028	(2,028)
400 Supplies and materials	3,000	3,613	(613)
258 Security:			
300 Purchased services	146,000	96,057	49,943
400 Supplies and materials	-	367	(367)
260 Data and technology processing services:			
262 Planning:			
300 Purchased services	2,500	463	2,037
400 Supplies and materials	1,300	-	1,300
600 Other objects	4,800	4,800	-
263 Information services:			
300 Purchased services	10,000	-	10,000
264 Staff services:			
100 Salaries	94,383	94,383	-
200 Employee benefits	43,097	43,097	-
300 Purchased services	11,327	11,327	-
400 Supplies and materials	26,809	26,757	52
600 Other objects	30	30	-
266 Data processing services:			
100 Salaries	266,453	255,492	10,961
200 Employee benefits	104,319	100,254	4,065
300 Purchased services	42,757	46,090	(3,333)
400 Supplies and materials	51,247	51,323	(76)
270 Support services - pupil activity:			
271 Pupil services activity:			
100 Salaries	146,632	151,039	(4,407)
200 Employee benefits	44,643	40,437	4,206
300 Purchased services	62,255	63,028	(773)
400 Supplies and materials	275	275	-
600 Other objects	23,929	29,809	(5,880)
Total supporting services	7,801,532	7,719,313	82,219
Total expenditures	17,125,345	16,848,039	277,306
Excess of revenues over expenditures	206,444	204,221	(2,223)

CALHOUN COUNTY PUBLIC SCHOOLS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

	<u>Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
OTHER FINANCING SOURCES (USES):			
Interfund transfers, from (to) other funds:			
5230 Transfer from special revenue EIA fund	\$ 523,296	\$ 501,165	\$ (22,131)
5280 Transfer from other funds indirect costs	-	2,067	2,067
421-710 Transfer to special revenue funds	(717,240)	(322,853)	394,387
422-710 Transfer to special revenue EIA funds	(12,500)	(15,401)	(2,901)
425-710 Transfer to food service fund	-	(100,341)	(100,341)
Total other financing sources (uses)	<u>(206,444)</u>	<u>64,637</u>	<u>271,081</u>
Net change in fund balances	<u>-</u>	<u>268,858</u>	<u>268,858</u>
 FUND BALANCE, JULY 1, 2019		 <u>4,756,108</u>	
 FUND BALANCE, JUNE 30, 2020		 <u><u>\$ 5,024,966</u></u>	

**CALHOUN COUNTY PUBLIC SCHOOLS
ST. MATTHEWS, SOUTH CAROLINA**

SPECIAL REVENUE FUND – SPECIAL PROJECTS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2020

	TITLE I (201/202)	IDEA (203/204)	Preschool Handicapped (205/206)	Other Designated Restricted State Grants (900s)	Other Special Revenue Programs (200s/800s)	Total
REVENUES						
1000 Revenue from Local Sources:						
1900 Other revenue from local sources:						
1930 Medicaid	\$ -	\$ -	\$ -	\$ -	\$ 117,896	\$ 117,896
1999 Revenue from other local sources	-	-	-	-	77,646	77,646
Total local sources	-	-	-	-	195,542	195,542
3000 Revenue from State Sources:						
3100 Restricted State funding:						
3110 Occupational education:						
3118 EEDA career specialist	-	-	-	90,780	-	90,780
3120 General education:						
3127 Student health and fitness	-	-	-	5,750	-	5,750
3130 Special programs:						
3134 Child development education pilot program	-	-	-	20,925	-	20,925
3135 Reading Coaches	-	-	-	58,827	-	58,827
3136 Student health and fitness - nurses	-	-	-	57,950	-	57,950
3600 Education Lottery Act Revenue:						
3670 School Safety - Facility and Infrastructure Safety Upgrades	-	-	-	17	-	17
3699 Other State Lottery Programs	-	-	-	1,707	-	1,707
3990 Other State Revenue:						
3994 PEBA Nonemployer Contributions	-	-	-	184,443	-	184,443
Total state sources	-	-	-	420,399	-	420,399
4000 Revenue from Federal Sources:						
4200 Occupational education:						
4210 Vocational aid	-	-	-	-	31,972	31,972
4300 Elementary and Secondary Education Act of 1965:						
4310 Title I, Basic State Grant Programs	630,429	-	-	-	87,471	717,900
4312 Rural and low-income school program, Title II	-	-	-	-	44,491	44,491
4341 Title III - Limited English Proficiency	-	-	-	-	2,871	2,871
4351 Improving Teacher Quality	-	-	-	-	77,032	77,032
4500 Programs for children with disabilities:						
4510 IDEA	-	723,647	-	-	310	723,957
4520 Pre-school	-	-	28,801	-	-	28,801
4900 Other federal sources:						
4990 Other Federal Revenue	-	-	-	-	67,521	67,521
4997 Title IV - SSAE	-	-	-	-	32,695	32,695
4999 Revenue from other Federal Sources	-	-	-	-	156,368	156,368
Total federal sources	630,429	723,647	28,801	-	500,731	1,883,608
Total revenue all sources	630,429	723,647	28,801	420,399	696,273	2,499,549

CALHOUN COUNTY PUBLIC SCHOOLS
SPECIAL REVENUE FUND – SPECIAL PROJECTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

	TITLE I (201/202)	IDEA (203/204)	Preschool Handicapped (205/206)	Other Designated Restricted State Grants (900s)	Other Special Revenue Programs (200s/800s)	Total
EXPENDITURES						
100 Instruction:						
111 Kindergarten programs:						
100 Salaries	\$ -	\$ -	\$ -	\$ -	8,344	\$ 8,344
200 Employee benefits	-	-	-	-	3,930	3,930
400 Supplies and materials	-	-	-	746	7,381	8,127
112 Primary programs:						
100 Salaries	37,800	-	-	-	44,238	82,038
200 Employee benefits	15,753	-	-	-	20,519	36,272
400 Supplies and materials	12,475	-	-	1,936	17,355	31,766
113 Elementary programs:						
100 Salaries	294,281	-	-	-	-	294,281
200 Employee benefits	116,287	-	-	-	-	116,287
300 Purchased services	-	-	-	-	5,700	5,700
400 Supplies and materials	12,475	-	-	2,869	34,357	49,701
114 High school programs:						
100 Salaries	84,480	-	-	-	129,203	213,683
200 Employee benefits	39,173	-	-	-	50,371	89,544
300 Purchased services	-	-	-	-	8,683	8,683
400 Supplies and materials	3,888	-	-	-	8,741	12,629
115 Vocational programs:						
400 Supplies and materials	-	-	-	-	791	791
600 Other objects	-	-	-	-	3,000	3,000
116 Career and technology education (vocational) programs - middle school:						
400 Supplies and materials	-	-	-	-	1,010	1,010
600 Other objects	-	-	-	-	1,500	1,500
118 Montessori programs:						
400 Supplies and materials	-	-	-	-	510	510
120 Exceptional programs:						
121 Educable mentally handicapped:						
100 Salaries	-	40,905	-	-	-	40,905
200 Employee benefits	-	21,976	-	-	-	21,976
122 Trainable mentally handicapped:						
100 Salaries	-	24,733	-	-	-	24,733
200 Employee benefits	-	13,340	-	-	-	13,340
123 Orthopedically handicapped:						
100 Salaries	-	20,995	-	-	-	20,995
200 Employee Benefits	-	9,842	-	-	-	9,842
124 Visually handicapped:						
100 Salaries	-	4,565	-	-	-	4,565
200 Employee Benefits	-	2,037	-	-	-	2,037
125 Hearing Handicapped:						
100 Salaries	-	6,887	-	-	-	6,887
200 Employee benefits	-	2,676	-	-	-	2,676
126 Speech handicapped:						
400 Supplies and materials	-	-	-	-	512	512
127 Learning disabilities:						
100 Salaries	-	90,355	-	-	2,030	92,385
200 Employee benefits	-	49,205	-	-	598	49,803
300 Purchased services	-	-	-	-	4,613	4,613
400 Supplies and materials	-	2,455	-	-	11,970	14,425
128 Emotionally handicapped:						
100 Salaries	-	4,598	-	-	-	4,598
200 Employee benefits	-	2,832	-	-	-	2,832
130 Preschool handicapped programs:						
133 Preschool handicapped self-contained (5 yr. olds):						
100 Salaries	-	2,579	15,170	-	-	17,749
200 Employee benefits	-	1,374	5,234	-	-	6,608

CALHOUN COUNTY PUBLIC SCHOOLS
SPECIAL REVENUE FUND – SPECIAL PROJECTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

	TITLE I (201/202)	IDEA (203/204)	Preschool Handicapped (205/206)	Other Designated Restricted State Grants (900s)	Other Special Revenue Programs (200s/800s)	Total
EXPENDITURES (CONTINUED):						
100 Instruction (Continued):						
140 Special programs:						
147 Child development education pilot program:						
100 Salaries	\$ -	\$ -	\$ -	\$ 20,561	\$ -	\$ 20,561
149 Other special programs:						
100 Salaries	-	20,822	-	-	243	21,065
200 Employee benefits	-	5,740	-	-	57	5,797
400 Supplies and materials	-	-	-	-	104	104
160 Other exceptional programs:						
161 Autism:						
100 Salaries	-	51,265	5,057	-	-	56,322
200 Employee benefits	-	24,691	3,340	-	-	28,031
170 Summer school program:						
171 Primary summer school:						
100 Salaries	-	-	-	-	3,172	3,172
200 Employee benefits	-	-	-	-	934	934
400 Supplies and materials	-	-	-	1,707	-	1,707
172 Elementary summer school:						
100 Salaries	-	-	-	-	10,800	10,800
200 Employee benefits	-	-	-	-	3,182	3,182
175 Instructional programs beyond regular school day:						
100 Salaries	-	-	-	-	22,710	22,710
200 Employee benefits	-	-	-	-	6,632	6,632
188 Parenting/family literacy:						
400 Supplies and materials	1,762	-	-	-	2,462	4,224
Total instruction	618,374	403,872	28,801	27,819	415,652	1,494,518
200 Supporting services:						
210 Pupil services:						
211 Attendance and social work:						
100 Salaries	-	-	-	-	39,296	39,296
200 Employee benefits	-	-	-	-	15,488	15,488
212 Guidance:						
100 Salaries	-	-	-	66,346	79,711	146,057
200 Employee benefits	-	-	-	24,434	39,615	64,049
300 Purchased services	-	-	-	-	3,963	3,963
213 Health:						
100 Salaries	-	-	-	43,218	68,125	111,343
200 Employee benefits	-	-	-	17,643	24,926	42,569
300 Purchased services	-	151,193	-	-	14,820	166,013
400 Supplies and materials	-	-	-	-	8,268	8,268
500 Capital outlay	-	-	-	-	15,276	15,276
214 Psychological:						
100 Salaries	-	28,662	-	-	-	28,662
200 Employee benefits	-	10,905	-	-	-	10,905
300 Purchased services	-	11,700	-	-	581	12,281
400 Supplies and materials	-	616	-	-	529	1,145

CALHOUN COUNTY PUBLIC SCHOOLS
SPECIAL REVENUE FUND – SPECIAL PROJECTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

	TITLE I (201/202)	IDEA (203/204)	Preschool Handicapped (205/206)	Other Designated Restricted State Grants (900s)	Other Special Revenue Programs (200s/800s)	Total
EXPENDITURES (CONTINUED):						
200 Supporting services (Continued):						
221 Improvement of instruction - curriculum development:						
100 Salaries	\$ -	\$ -	\$ -	\$ 76,347	\$ 4,500	\$ 80,847
200 Employee benefits	-	-	-	33,950	7,099	41,049
400 Supplies and materials	-	-	-	-	6,340	6,340
222 Library and media:						
200 Employee benefits	-	-	-	-	500	500
400 Supplies and materials	-	-	-	-	500	500
223 Supervision of special programs:						
100 Salaries	8,811	81,653	-	-	83,239	173,703
200 Employee benefits	3,244	34,610	-	-	33,968	71,822
300 Purchased services	-	-	-	-	11,304	11,304
400 Supplies and materials	-	436	-	-	124	560
224 Improvement of instruction - inservice and staff training:						
200 Employee benefits	-	-	-	-	5,230	5,230
300 Purchased services	-	-	-	564	691	1,255
233 School administration:						
300 Purchased services	-	-	-	-	150	150
250 Finance and operations services:						
251 Student transportation (Federal mandated):						
300 Purchased services	-	-	-	-	310	310
254 Operation and Maintenance of Plant:						
400 Supplies and materials	-	-	-	-	9,361	9,361
255 Student transportation (State mandated):						
400 Supplies and materials	-	-	-	-	1,411	1,411
256 Food service:						
400 Supplies and materials	-	-	-	-	1,543	1,543
258 Security:						
500 Capital outlay	-	-	-	17	-	17
260 Data and technology processing services:						
263 Information services:						
300 Purchased services	-	-	-	-	30	30
264 Staff services:						
300 Purchased services	-	-	-	-	19,336	19,336
600 Other objects	-	-	-	-	4,888	4,888
266 Technology and data processing services:						
400 Supplies and materials	-	-	-	-	94	94
270 Support services - Pupil activity:						
271 Pupil Activity Services:						
100 Salaries	-	-	-	-	1,395	1,395
200 Employee benefits	-	-	-	-	247	247
660 Pupil activity	-	-	-	-	12,351	12,351
Total supporting services	12,055	319,775	-	262,519	515,209	1,109,558

CALHOUN COUNTY PUBLIC SCHOOLS
SPECIAL REVENUE FUND – SPECIAL PROJECTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

	TITLE I (201/202)	IDEA (203/204)	Preschool Handicapped (205/206)	Other Designated Restricted State Grants (900s)	Other Special Revenue Programs (200s/800s)	Total
EXPENDITURES (CONTINUED):						
400 Intergovernmental Expenditures:						
411 Payments to State Department of Education:						
720 Transits	\$ -	\$ -	\$ -	\$ -	\$ 31,816	\$ 31,816
419 Payments from Nonemployer Contributions:						
720 Transits	-	-	-	184,443	-	184,443
Total intergovernmental expenditures	-	-	-	184,443	31,816	216,259
Total expenditures	630,429	723,647	28,801	474,781	962,677	2,820,335
OTHER FINANCING SOURCES (USES):						
Transfers from (to) other funds:						
5210 Transfer from General Fund				54,382	268,471	322,853
431-791 Special Revenue Fund indirect costs					(2,067)	(2,067)
Total other financing sources (uses)	-	-	-	54,382	266,404	320,786
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-	-	-
FUND BALANCE JULY 1, 2019	-	-	-	-	-	-
FUND BALANCE JUNE 30, 2020	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**CALHOUN COUNTY PUBLIC SCHOOLS
ST. MATTHEWS, SOUTH CAROLINA**

SPECIAL REVENUE FUND

SUMMARY SCHEDULE FOR DESIGNATED STATE RESTRICTED GRANTS
YEAR ENDED JUNE 30, 2020

<u>Subfund</u>	<u>Revenue</u>	<u>Programs</u>	<u>Revenues</u>	<u>Expenditures</u>	Special Revenue Interfund Transfers <u>In/(Out)</u>	Other Fund Transfers <u>In/(Out)</u>	Special Revenue Fund <u>Unearned</u>
919	3193	Education License Plates	\$ -	\$ -	\$ (353)	\$ -	\$ 353
924	3134	Child Development Education Pilot Program	20,926	20,926	-	-	-
928	3118	EEDA Career Specialist	90,779	90,779	(22,623)	-	22,623
935	3135	Reading Coach	58,827	110,297	-	51,470	-
936	3136	Student health and fitness - Nurses	57,950	60,862	-	2,912	-
937	3127	Student health and fitness - PE Teachers	5,750	5,750	(7,365)	-	7,365
939	3393	Capital Improvement Plan	-	-	(1,842)	-	-
969	3699	Other State Lottery Programs	1,707	1,707	(8,330)	-	8,293
970	3670	School Safety - Facility and Infrastructure Safety Upgrades	17	17	(2,503)	-	-
994	3994	PEBA Nonemployer Contributions	184,443	184,443	-	-	-
Totals			<u>\$ 420,399</u>	<u>\$ 474,781</u>	<u>\$ (43,016)</u>	<u>\$ 54,382</u>	<u>\$ 38,634</u>

**CALHOUN COUNTY PUBLIC SCHOOLS
ST. MATTHEWS, SOUTH CAROLINA**

SPECIAL REVENUE FUND

SUPPLEMENTAL LISTING OF LEA SUBFUND CODES AND TITLES
YEAR ENDED JUNE 30, 2020

TITLE 1

201 Title I, Basic State Grant Programs

IDEA

203 Individuals with Disabilities Education Act (IDEA)

Preschool and Handicapped

205 Individuals with Disabilities Education Act (IDEA) Preschool

Other Designated Restricted State Grants

918 Technology Professional Development

919 Education License Plates

924 CDEP Program

926 Summer Reading Program

928 EEDA Career Specialists

935 Reading Coaches

936 Student Health and Fitness - Nurses

937 Student Health and Fitness - PE Teachers

963 Technology Initiative

967 6-8 Enhancement

Other Special Revenue Programs

227 Rural and Low Income (Title VI)

240 SC Campaign to Prevent Teen Pregnancy

264 Limited English Proficient and Immigrant Students (Title III)

267 Improving Teacher Quality (Title II)

271 Vocational Education - Student Organization (10)

272 Vocational Education - Work Based Learning (02)

273 Vocational Education - Guidance (9)

274 Vocational Education - Initiate/Improve Prog (6)

277 Vocational Education - Professional Development (4)

278 Vocational Education - Nontraditional (14)

290 Other Federal Revenue

299 SC Gear Up

CALHOUN COUNTY PUBLIC SCHOOLS
SPECIAL REVENUE FUND
SUPPLEMENTAL LISTING OF LEA SUBFUND CODES AND TITLES

Other Special Revenue Programs (continued)

- 801 Jobs for SC Graduates
- 803 JJ Miller Foundation
- 809 Homework Center
- 810 Dick Horne Foundation
- 811 Serving Mentally Disabled Students
- 814 Project Lead the Way Gateway to Technology
- 815 Laura Bush Foundation Grant
- 817 Vincent Mulford Foundation
- 818 Profoundly Mentally Disabled Grant
- 819 Palmetto Pride ED Grant (Elliott)
- 820 MUSC - Senior Physical Education
- 821 Moseley Architects Scholarship
- 850 Technology Services
- 851 SCSBIT Risk Contract
- 880 Medicaid
- 882 Medicaid
- 884 Special Needs Transportation
- 899 FEMA

**CALHOUN COUNTY PUBLIC SCHOOLS
ST. MATTHEWS, SOUTH CAROLINA**

SPECIAL REVENUE FUND – EDUCATION IMPROVEMENT ACT

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2020

	<u>Actual</u>
REVENUES:	
3000 State Sources:	
3500 Education Improvement Act:	
3502 ADEPT	\$ 1,059
3519 Grade 10 assessment	3,154
3528 Industry Certificates	3,621
3529 Career and technology education	25,147
3532 National Board Certification (NBC) salary supplement	48,437
3533 Teacher of the year awards	1,076
3538 Students at risk of school failure	270,582
3541 CDEPP	607,182
3550 Teacher salary increase	399,298
3555 School employer contributions	101,868
3557 Summer Reading Program	10,454
3577 Teacher supplies	35,475
3597 Aid to districts	29,111
Total state sources	1,536,464
Total revenue all sources	1,536,464
EXPENDITURES:	
100 Instruction:	
110 General instruction:	
112 Primary programs:	
100 Salaries	\$ 130,955
200 Employee benefits	61,410
113 Elementary programs:	
100 Salaries	30,000
200 Employee benefits	8,739
114 High school programs:	
100 Salaries	1,000
200 Employee benefits	77
300 Purchased services	1,500
400 Supplies and materials	5,555
115 Career and technology education programs:	
100 Salaries	7,500
200 Employee benefits	2,198
400 Supplies and materials	12,702
600 Other objects	200
116 Career and technology education (vocational) programs - middle school:	
400 Supplies and materials	13,541
600 Other objects	400
120 Exceptional programs:	
126 Speech handicapped:	
600 Other objects	267

CALHOUN COUNTY PUBLIC SCHOOLS
SPECIAL REVENUE FUND – EDUCATION IMPROVEMENT ACT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

EXPENDITURES (CONTINUED):

100	Instruction (Continued):		
140	Special programs:		
147	CERDEP:		
100	Salaries	\$	229,931
200	Employee benefits		133,416
400	Supplies and materials		240,036
600	Other objects		150
149	Other special programs:		
100	Salaries		50,319
200	Employee benefits		25,308
400	Supplies and materials		35,589
170	Summer school program:		
171	Primary summer school:		
100	Salaries		6,300
200	Employee benefits		1,856
400	Supplies and materials		2,026
	Total instruction		<u>1,000,975</u>
200	Support Services:		
210	Pupil services:		
212	Guidance services:		
300	Purchased services		1,241
400	Supplies and materials		1,650
214	Psychological services:		
300	Purchased services		55
220	Instructional staff services:		
221	Improvement of instruction-curriculum development:		
300	Purchased services		71
222	Library and media:		
300	Purchased services		150
400	Supplies and materials		825
223	Supervision of special programs:		
100	Salaries		10,125
200	Employee benefits		2,967
300	Purchased services		3,901
224	Improvement of instruction inservice and staff training:		
300	Purchased services		16,077
230	General Administration Services		
233	School administration		
300	Purchased services		3,686
250	Finance and operations services:		
255	Student transportation:		
100	Salaries		210
200	Employee benefits		62
256	Food services:		
300	Purchased services		8,625
260	Central support services:		
264	Staff Services:		
300	Purchased services		80
	Total supporting services		<u>49,725</u>
	Total expenditures		<u>1,050,700</u>

CALHOUN COUNTY PUBLIC SCHOOLS
 SPECIAL REVENUE FUND – EDUCATION IMPROVEMENT ACT
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

OTHER FINANCING SOURCES (USES):

Interfund transfers, from (to) other funds:

7200	Transfer from general fund (excludes indirect costs)	\$ 15,401
7100	Transfer to general fund (excludes indirect costs)	<u>(501,165)</u>
	Total other financing sources (uses)	<u>(485,764)</u>

Excess (deficiency) of revenues over (under) expenditures	-
--	---

FUND BALANCE JULY 1, 2019	<u>-</u>
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FUND BALANCE JUNE 30, 2020	<u><u>\$ -</u></u>
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**CALHOUN COUNTY PUBLIC SCHOOLS
ST. MATTHEWS, SOUTH CAROLINA**

SPECIAL REVENUE FUND – EDUCATION IMPROVEMENT ACT

SUMMARY SCHEDULE BY PROGRAM
YEAR ENDED JUNE 30, 2020

<u>Program</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>EIA Interfund Transfers In/(Out)</u>	<u>Other Fund Transfers In/(Out)</u>	<u>EIA Fund Unearned Revenue</u>
3500 Education Improvement Act:					
3502 ADEPT	\$ 1,059	\$ 13,698	\$ -	\$ 12,639	\$ -
3507 Aid to Districts - Technology	-	-	-	-	12,039
3519 Grade 10 assessment	3,154	3,154	-	-	-
3526 Refurbishment of K-8 Sciences	-	-	-	-	29,802
3528 Industry Certificates	3,621	3,621	-	-	10,102
3529 Career and technology education	25,147	25,147	-	-	24,853
3532 National Board Certification (NBC) - salary supplement	48,437	48,437	-	-	-
3533 Teacher of the year awards	1,076	1,076	-	-	-
3538 Students at risk of school failure	270,582	270,582	-	-	6,638
3541 CDEPP	607,182	609,945	-	2,763	240,000
3550 Teacher salary increase	399,298	-	-	(399,298)	-
3555 School employer contributions	101,868	-	-	(101,868)	-
3557 Summer Reading Program	10,454	10,454	-	-	7,400
3577 Teacher supplies	35,475	35,475	-	-	-
3595 EEDA Professional Development Funds	-	-	-	-	5,253
3597 Aid to districts	29,111	29,111	-	-	78,242
3599 Other EIA	-	-	-	-	12,433
Total	\$ 1,536,464	\$ 1,050,700	\$ -	\$ (485,764)	\$ 426,762

**CALHOUN COUNTY PUBLIC SCHOOLS
ST. MATTHEWS, SOUTH CAROLINA**

SPECIAL REVENUE FUND – FOOD SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 2020

REVENUES	
1000 Revenue from Local Sources:	
1600 Food service:	
1620 Breakfast sales to pupils	\$ 23
1630 Special sales to pupils	5,165
1640 Lunch sales to adults	8,867
1650 Breakfast sales to adults	1,313
1660 Special sales to adults	4,496
1900 Other revenue from local sources:	
1990 Miscellaneous local revenue:	
1999 Revenue from other local sources	3,273
Total revenue from local sources	<u>23,137</u>
4000 Revenue from Federal Sources:	
4800 USDA reimbursement:	
4810 School lunch and after school snacks program	733,805
4830 School breakfast program	298,762
4860 Fresh fruits and vegetables program	10,463
4900 Other federal sources:	
4971 CARES additional cost per meal	19,219
4991 USDA commodities	104,167
Total federal sources	<u>1,166,416</u>
Total revenue all sources	<u>1,189,553</u>
EXPENDITURES	
250 Finance and operations:	
256 Food Service:	
100 Salaries	395,102
200 Employee benefits	201,969
300 Purchased services	62,592
400 Supplies and materials	600,835
500 Capital outlay	1,615
600 Other objects	3,158
Total expenditures	<u>1,265,271</u>
OTHER FINANCING SOURCES (USES)	
Interfund transfers from (to) other funds:	
5210 Transfer from general fund	100,341
Total other financing sources	<u>100,341</u>
Excess of revenues over expenditures	24,623
FUND BALANCE JULY 1, 2019	<u>384,099</u>
FUND BALANCE JUNE 30, 2020	<u>\$ 408,722</u>

**CALHOUN COUNTY PUBLIC SCHOOLS
ST. MATTHEWS, SOUTH CAROLINA**

DEBT SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 2020

	<u>Other</u>	<u>SCAGO</u>	<u>Total</u>
REVENUES:			
1000 Revenue from Local Sources:			
1200 Revenue from local governmental units other than LEAs:			
1210 Ad valorem taxes-including delinquent taxes (fiscally dependent LEA)	\$ 845,407	\$ -	\$ 845,407
1240 Penalties and interest on taxes (dependent)	86,229	-	86,229
1280 Revenue in lieu of taxes (dependent and independent)	1,786,843	-	1,786,843
1500 Earnings on investments:			
1510 Interest on investments	2,693	4,045	6,738
Total local sources	2,721,172	4,045	2,725,217
3000 Revenue from State Sources:			
3800 State revenue in lieu of taxes:			
3820 Homestead exemption	43,380	-	43,380
3830 Merchant's inventory tax	4,456	-	4,456
3840 Manufacturers depreciation reimbursement	70,637	-	70,637
3890 Other state property tax revenues	8,189	-	8,189
Total state sources	126,662	-	126,662
Total revenue all sources	2,847,834	4,045	2,851,879
EXPENDITURES:			
500 Debt Service:			
395 Other professional and technical services	-	5,000	5,000
610 Redemption of principal	3,073,000	1,140,000	4,213,000
620 Interest	83,471	749,125	832,596
Total expenditures	3,156,471	1,894,125	5,050,596
OTHER FINANCING SOURCES (USES):			
5200 Interfund transfers, from (to) other funds			
5250 Transfer from Capital Projects Fund	300,386	1,890,524	2,190,910
Total other financing sources	300,386	1,890,524	2,190,910
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(8,251)	444	(7,807)
FUND BALANCE JULY 1, 2019	1,429,581	389	1,429,970
FUND BALANCE JUNE 30, 2020	\$ 1,421,330	\$ 833	\$ 1,422,163

**CALHOUN COUNTY PUBLIC SCHOOLS
ST. MATTHEWS, SOUTH CAROLINA**

CAPITAL PROJECTS FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Other</u>	<u>SCAGO</u>	<u>Total</u>
REVENUES:			
1000 Revenue from Local Sources:			
1500 Earnings on investments:			
1510 Interest on investments	\$ 19,001	\$ -	\$ 19,001
Total local sources	<u>19,001</u>	<u>-</u>	<u>19,001</u>
Total revenue all sources	<u>19,001</u>	<u>-</u>	<u>19,001</u>
EXPENDITURES:			
200 Support Services:			
252 Fiscal Services:			
300 Purchased services	-	8,847	8,847
253 Facilities Acquisitions and Construction:			
300 Purchased services	20,970	-	20,970
500 Capital outlay			
510 Land	257,197		257,197
530 Improvements other than building	22,500	-	22,500
254 Operation and Maintenance of School District:			
300 Purchased services	10,121		10,121
Total support services	<u>310,788</u>	<u>8,847</u>	<u>319,635</u>
Total expenditures	<u>310,788</u>	<u>8,847</u>	<u>319,635</u>
OTHER FINANCING SOURCES (USES):			
5100 Sale of Bonds:			
5110 Premiums on bonds sold	9,377	-	9,377
5120 Proceeds of general obligation bonds	2,457,000	-	2,457,000
5200 Interfund transfers, from (to) other funds			
423-710 Transfer to Debt Service Fund	<u>(2,190,910)</u>	<u>-</u>	<u>(2,190,910)</u>
Total other financing sources (uses)	<u>275,467</u>	<u>-</u>	<u>275,467</u>
Excess (deficiency) of revenues over expenditures	(16,320)	(8,847)	(25,167)
FUND BALANCE JULY 1, 2019	<u>1,993,026</u>	<u>21,642</u>	<u>2,014,668</u>
FUND BALANCE JUNE 30, 2020	<u>\$ 1,976,706</u>	<u>\$ 12,795</u>	<u>\$ 1,989,501</u>

**CALHOUN COUNTY PUBLIC SCHOOLS
ST. MATTHEWS, SOUTH CAROLINA**

PUPIL ACTIVITY FUND

SCHEDULE OF RECEIPTS AND DISBURSEMENTS
AND CHANGE IN AMOUNTS DUE TO PUPIL ACTIVITIES
YEAR ENDED JUNE 30, 2020

RECEIPTS:	
1000 Receipts from Local Sources:	
1700 Pupil activities:	
1790 Other	\$ 229,549
Total receipts	<u>229,549</u>
DISBURSEMENTS:	
100 Instruction:	
190 Instructional Pupil Activity:	
660 Pupil activity	15,598
200 Support services:	
270 Support Services Pupil Activity:	
271 Pupil service activities:	
660 Pupil activity	168,491
272 Enterprise activities:	
660 Pupil activity	4,027
273 Trust and agency activities:	
660 Pupil activity	15,414
Total disbursements	<u>203,530</u>
EXCESS OF REVENUES OVER EXPENDITURES	26,019
DUE TO STUDENT GROUPS, JULY 1, 2019	<u>149,027</u>
DUE TO STUDENT GROUPS, JUNE 30, 2020	<u>\$ 175,046</u>

**CALHOUN COUNTY PUBLIC SCHOOLS
ST. MATTHEWS, SOUTH CAROLINA**

DETAILED SCHEDULE OF DUE TO STATE DEPARTMENT OF EDUCATION/FEDERAL GOVERNMENT
JUNE 30, 2020

Program	Project/Grant Number and FY	Revenue & Subfund Code	Description	Amount Due to SCDE or Federal Government	Status of Amount Due to Grantors
Language Instruction for Limited English Proficient and Immigrant Students, (Title III)	SRF	264/043410	Unexpended funds	\$ 12	Paid after year-end
Career and Technology Education (subprogram 06)	SRF	274/042100	Unexpended funds	1,707	Paid after year-end
National Board Certification	EIA	332/035320	Unexpended funds	111	Paid after year-end
Teacher Supplies	EIA	377/035770	Unexpended funds	275	Paid after year-end
USDA Fresh Fruit and Vegetable Program	SRF	602/048600	Unexpended funds	<u>330</u>	Paid after year-end
Total				<u>\$ 2,435</u>	

**CALHOUN COUNTY PUBLIC SCHOOLS
ST. MATTHEWS, SOUTH CAROLINA**

SCHOOL DISTRICT LOCATION RECONCILIATION SCHEDULE
YEAR ENDED JUNE 30, 2020

<u>Location ID</u>	<u>Location Description</u>	<u>Education Level</u>	<u>Cost Type</u>	<u>Total Expenditures</u>
10	Districtwide	Non-school	Central	\$ 10,004,423
20	Calhoun County High	High School	School	5,501,303
45	Sandy Run Elementary	Elementary School	School	5,790,053
50	St. Matthews School	Elementary School	School	6,261,345
99	Orangeburg 4	Other School	School	982
Total expenditures/disbursements for all funds				<u><u>\$ 27,558,106</u></u>

The above expenditures are reconciled to the District's financial statements as follows:

General Fund	\$ 16,848,039
Special Revenue Fund - Special Projects	2,820,335
Special Revenue Fund - EIA	1,050,700
Special Revenue Fund - Food Service	1,265,271
Debt Service Fund	5,050,596
Capital Projects Fund	319,635
Pupil Activity Agency Fund	203,530
Total expenditures/disbursements for all funds	<u><u>\$ 27,558,106</u></u>

SINGLE AUDIT SECTION



J. W. Hunt and Company

Certified Public Accountants

**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***

The Board of Trustees
Calhoun County Public Schools
St. Matthews, South Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Calhoun County Public Schools, St. Matthews, South Carolina (District), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 10, 2020.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

A handwritten signature in black ink that reads "J. W. Hunt and Company". The signature is written in a cursive, flowing style.

December 10, 2020



J. W. Hunt and Company

Certified Public Accountants

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

The Board of Trustees
Calhoun County Public Schools
St. Matthews, South Carolina

Report on Compliance for Each Major Federal Program

We have audited Calhoun County Public Schools, St. Matthews, South Carolina's (District) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the District's major federal programs for the year ended June 30, 2020. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

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

Report on Internal Control over Compliance

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

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

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

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

J. W. Hunt and Company

December 10, 2020

**CALHOUN COUNTY PUBLIC SCHOOLS
ST. MATTHEWS, SOUTH CAROLINA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2020**

LEA Subfund <u>Code</u>	Federal Grantor/ Pass-through Grantor/ <u>Program Title</u>	Federal CFDA <u>Number</u>	Pass- Through Grantor's <u>Number</u>	<u>Expenditures</u>
<u>U. S. Department of Agriculture</u>				
Passed through S.C. Department of Education:				
Child Nutrition Cluster:				
60X	School breakfast program	10.553	N/A	\$ 298,762
60X	School lunch program	10.555	N/A	<u>733,805</u>
	Total Child Nutrition Cluster			1,032,567
Fresh fruits and vegetable program				
60X	Non-cash assistance:	10.582	20FFVP	10,463
60X	USDA Commodities (Food Distribution Program)	10.565	N/A	<u>104,167</u>
	Total U. S. Department of Agriculture			<u>1,147,197</u>
<u>U. S. Department of Education</u>				
Passed through S.C. Department of Education:				
201	Title I	84.010	20 Title I, Part A (Regular)	\$ 571,148
202	Title I	84.010	19 Title I, Part A (Regular)	59,281
237	Title I	84.010	19 Title I TSI	36,447
238	Title I	84.010	19 Title I Mini Grant	<u>51,024</u>
				717,900
203	IDEA - Special Education	84.027A	20 IDEA	722,550
204	IDEA - Special Education	84.027A	19 IDEA	1,096
212	IDEA - Special Education	84.027A	18 ESY Handicapped Services	<u>310</u>
				723,956
205	IDEA - Special Education Preschool	84.173	20 IDEA Preschool	28,801
251	Title VI - Rural and Low Income	84.358B	20 REAP	26,131
252	Title VI - Rural and Low Income	84.358B	19 REAP	<u>18,360</u>
				44,491
265	Title III - Limited English Proficiency and Immigrant Students	84.365	19 English Language Acquisition	2,871
267	Title II - Improving Teacher Quality	84.367A	20 Title II	66,591
268	Title II - Improving Teacher Quality	84.367A	19 Title II	<u>10,441</u>
				77,032

CALHOUN COUNTY PUBLIC SCHOOLS
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

LEA Subfund Code	Federal Grantor/ Pass-through Grantor/ Program Title	Federal CFDA Number	Pass- Through Grantor's Number	Expenditures	
<u>U. S. Department of Education (Continued)</u>					
Passed through S.C. Department of Education:					
271	Career and Technical Education (subprogram 01)	84.048	20VA016	\$ 3,472	
273	Career and Technical Education (subprogram 02)	84.048	20VA016	20,057	
274	Career and Technical Education (subprogram 04)	84.048	19VA016	1,693	
276	Career and Technical Education (subprogram 06)	84.048	20VA016	5,680	
277	Career and Technical Education (subprogram 04)	84.048	19VA016	269	
278	Career and Technical Education (subprogram 11)	84.048	20VA016	<u>800</u>	\$ 31,972
298	Gear Up	84.334A	P334A140210	58,695	
299	Gear Up	84.334A	P334A180036	<u>97,674</u>	156,369
210	Title IV - Student Support and Academic Enrichment	84.424A	20 Title IV, Part A	24,950	
211	Title IV - Student Support and Academic Enrichment	84.424A	19 Title IV, Part A	<u>7,745</u>	32,695
	Total U. S. Department of Education				<u>1,816,087</u>
<u>U. S. Department of Defense</u>					
Direct Program					
290	ROTC	12.357	N/A		<u>67,521</u>
	Total U. S. Department of Defense				<u>67,521</u>
<u>U.S. Department of Labor</u>					
280	Jobs for Americas Graduates - South Carolina	17.259	20JAG101		<u>60,996</u>
	Total U. S. Department of Labor				<u>60,996</u>
<u>U.S. Department of the Treasury</u>					
601	Coronavirus Relief Fund				<u>19,219</u>
	Total U.S. Department of the Treasury	21.019			<u>19,219</u>
	Total expenditures of federal awards				<u>\$ 3,111,020</u>

SEE ACCOMPANYING NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

**CALHOUN COUNTY PUBLIC SCHOOLS
ST. MATTHEWS, SOUTH CAROLINA**

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2020

NOTE 1 - BASIS OF PRESENTATION:

The accompanying schedule of expenditures of federal awards (Schedule) includes the federal grant activity of Calhoun County Public Schools (District), under programs of the federal government for the year ended June 30, 2020. 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 District, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the District.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the costs principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The District has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

**CALHOUN COUNTY PUBLIC SCHOOLS
ST. MATTHEWS, SOUTH CAROLINA**

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2020

SECTION I - SUMMARY OF AUDITOR'S RESULTS:

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weaknesses identified? No

Significant deficiencies identified that are not considered to be material weakness(es)? No

Noncompliance material to financial statements noted? No

Federal Awards

Internal control over major programs:

Material weaknesses identified? No

Significant deficiencies identified that are not considered to be material weakness(es)? No

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

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

Identification of major programs:

CFDA Numbers Name of Cluster

	Special Education Programs:
84.027A	IDEA – Special Education
84.173	IDEA – Special Education Preschool

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

Auditee qualified as low-risk auditee? Yes

SECTION II - FINANCIAL STATEMENT FINDINGS

There were no findings related to the financial statements.

SECTION III - MAJOR FEDERAL AWARD PROGRAMS AUDIT FINDINGS

There were no findings related to major federal award programs.

**CALHOUN COUNTY SCHOOL DISTRICT
ST. MATTHEWS, SOUTH CAROLINA**

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2020

Finding 2019-001 - Commercial Driver's License (CDL) Drug and Alcohol Testing Program:

Condition: This finding stated that a bus driver was not tested for alcohol after an accident where the driver received a citation arising from the accident and one or more vehicles had to be towed from the scene. The information provided to us indicated that only post-accident testing for controlled substances was performed. The program requires post-accident testing for alcohol and controlled substances in a number of situations. One such situation involves the bus driver receiving a citation for a moving traffic violation arising from the accident, if the accident involved one or more vehicles incurring disabling damage as a result of the accident that requires the motor vehicle to be transported away from the scene by a tow truck or other motor carrier vehicle.

Recommendation: The auditor recommended that the District review its policies and procedures related to post-accident testing to ensure that both alcohol and controlled substance testing is performed when required by the program.

Current Status: The recommendation was adopted during the current year. No similar finding was noted in the 2020 audit.