

**LEXINGTON COUNTY
SCHOOL DISTRICT ONE
Lexington, South Carolina**

Annual Comprehensive Financial Report

Fiscal Year ended June 30, 2023



Annual Comprehensive Financial Report

of

Lexington County School District One

Lexington, South Carolina

For the Year Ended

June 30, 2023

Prepared By:

The Office of Finance

Lexington County School District One

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA

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LEXINGTON, SOUTH CAROLINA

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Introductory





November 30, 2023

To the Board of Trustees and Citizens of Lexington County School District One:

State law requires that all school districts publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the annual comprehensive financial report of Lexington County School District One (the District) for the fiscal year ended June 30, 2023.

This report consists of management's representations concerning the finances of the District. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of Lexington County School District One has established a comprehensive internal control framework that is designed both to protect the District's assets from loss, theft or misuse, and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, Lexington County School District One's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The annual comprehensive financial report is presented here in four sections: introductory, financial, statistical and compliance. The introductory section includes the transmittal letter, the list of principal officials and the organizational chart. The financial section includes the basic financial statements, the combining and individual fund financial statements and schedules, as well as required supplementary information. Also included in the financial section is the independent auditor's report on these financial statements. The statistical section reflects social and economic data, financial trends and the fiscal capacity of the District. The final section is the compliance section.

Lexington County School District One's financial statements have been audited by Burkett Burkett & Burkett, CPAs, PA, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2023, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that Lexington County School District One's financial statements for the fiscal year ended June 30, 2023, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of Lexington County School District One was part of a broader, federally mandated “Single Audit” designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government’s internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the compliance section of this annual comprehensive financial report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. Lexington County School District One’s MD&A can be found immediately following the report of the independent auditors.

Profile of Lexington County School District One

Lexington County School District One is widely recognized as a leader in education. The District was established in 1952 by the consolidation of 23 existing school districts. The District is located in the central part of Lexington County, South Carolina (the County), that is located in the north central section of the State. The District is bound on the north by Lake Murray and the Saluda River, on the east by Lexington County School Districts Nos. 2 and 4 of the County, on the south by the North Edisto River and on the west by Lexington County School District No. 3 of the County. The District encompasses a land area of approximately 360 square miles. The District lies within the Metropolitan Statistical Area (“MSA”) of the City of Columbia, capital of the state of South Carolina.

Lexington County School District One is governed by a seven-member Board of Trustees elected by the voters of the District. Board members are elected to four-year terms. Regular board meetings are generally held on the third Tuesday of each month and are open to the public. Guided by the policies of the Board of Trustees, the District provides a broad spectrum of elementary and secondary programs to meet the needs of its diverse student population. These programs complement each other to provide a total program that is comprehensive, highly cost-effective and meets the mission statement of the District. The mission, stated as follows from the strategic plan, was developed by a committee of citizens and school district personnel, and was adopted by the Lexington County School District One Board of Trustees.

<p style="text-align: center;">The Vision Empower each child to design the future.</p> <p style="text-align: center;">The Mission Our mission is to cultivate a caring community where ALL learners are extraordinary communicators, collaborators, creators and critical thinkers.</p>

In fiscal year 2022-2023 Lexington One served 27,304 students, kindergarten through grade 12. The district is working closely with the County to monitor growth projections and is in the process of conducting a demographic study to assist with accurate growth projections. Academic programs are offered in seventeen elementary schools, eight middle schools, five high schools, a technology center and an early college. In addition, the district has an alternative education services program designed to help students at risk of expulsion.

A robust adult education program supports community members wishing to attain a high school diploma, GED, English and a Second Language Support, or additional certifications. The Family Center serves parents of children at various age levels, from prenatal through age 5. From athletics, archery teams and performing arts programs to dual enrollment coursework, career and technology certifications, and work-based learning opportunities, the district strives to help students experience and participate in a variety of studies and programs. The district has a 1:1 technology model to make resources and content available to students both synchronously and asynchronously. The academic programs offered include but are not limited to: academically gifted and talented classes for students in grades three through 12 a variety of accelerated, honors level, Advanced Placement, and dual enrollment courses for qualifying students; 3-year-old preschool classes for children with developmental delays; child development classes that provide interventions for 4-year-old children to better prepare them for school; a full day 5-year-old kindergarten program; early intervention services for students who need more instruction or re-teaching of basic skills in the areas of English language arts and mathematics; special education programs for all students who meet the criteria for the 13 recognized areas of disability; programs for targeted students to reduce the potential for dropping out of school; and career and technology courses for high school students at their home school and through the Lexington Technology Center. World language instruction in Spanish, French, German, Latin and Chinese is offered in schools across the district. The world language partial immersion program serves seven elementary schools in French, Spanish, Chinese, and German. In addition, Lexington One offers extensive professional learning opportunities to grow educators and staff members. Innovative professional learning practices include model classroom visits, lab site experiences, synchronous and asynchronous virtual professional learning, graduate coursework and instructional coaching by content specialists or digital learning coaches. A competency-based leadership development system supports the recruitment, selection, assessment and evaluation, development and support, and advancement of leaders.

The annual budget for the general fund serves as the foundation for the District's financial planning and control. All schools and departments of Lexington One are required to submit requests for appropriation to the district's management by the last day of February each year. The District's management uses these requests as the starting point for developing a proposed budget. The District's management then prioritizes these requests and presents a proposed budget to the Lexington One Board of Trustees for study and review between April and June. The Board of Trustees is required to hold a public hearing on the proposed budget and to adopt a final budget by no later than June 30, the close of the District's fiscal year. The appropriated budget is prepared by function (e.g., student instruction), object (e.g., supplies), school and department (e.g., Lexington High School). School principals may request transfers of appropriations within their school. Transfers of appropriations, however, require the special approval of the District's superintendent and must be reported to the District's Board of Trustees for their review and acceptance. Budget-to-actual comparisons are provided in this report for the general fund as noted in the table of contents as required supplementary information.

All funds of Lexington One and its component units that are controlled by this governing body and are considered to be the “reporting entity,” are included in this report. The Lexington County School District One Educational Foundation and Lexington One School Facilities, Corp. are blended component units of the District’s operations. Since these are major funds, data from these units are shown in separate columns in the financial statement of the District. The District does not have any component units that are discretely presented. The Lexington County School District One Educational Foundation and Lexington One School Facilities, Corp. are discussed further in the school district’s Management’s Discussion and Analysis.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which Lexington One operates.

Local Economy

Local housing market sales during this time continue to indicate sustained growth in the district. Lexington One’s location within the Columbia Metropolitan Statistical Area (the “Columbia MSA”), which consists of Lexington, Richland, Calhoun, Fairfield, Kershaw and Saluda counties with a 2022 population of 847,686 is economically significant. As a suburban school district near the state’s capital city of Columbia, Lexington One serves as a key residential community on and around the shores of Lake Murray that continues to attract upscale residential housing and associated commercial development.

Based on the U.S. Census Bureau, Lexington One had a population in calendar year 2022 of 154,457, a 19 percent increase over the 2014 population of 129,883. The estimated population for fiscal year 2023 for Lexington County is 304,797. As the population continues to increase, the economy of the community continues to change from one traditionally based on agriculture and manufacturing to an economy based upon retail business, service businesses, manufacturing and, to a lesser extent, agriculture.

Located within the county are a number of major corporate enterprises that help to provide a stable economy for Lexington One. The larger enterprises include Dominion Energy, Amazon, Michelin North America, Inc., Nephron Pharmaceuticals Corporation, United Parcel Services, Spectrum Southeast, LLC, HireRight, Walter P. Rawl & Sons Inc., Harsco Rails, Southeastern Freight Lines and others.

In 2022, the last year for which information was available, Lexington County’s per capita personal income was \$57,076. The state per capita income for this same period was \$53,618. The unemployment rate for Lexington County for June 2023 was 3.0 percent. For fiscal year 2023, according to the South Carolina Department of Employment and Workforce, the average unemployment rate in the county was 2.64 percent. The state and national unemployment rates for the same period were 3.19 and 3.57 percent, respectively. Lexington County’s labor force increased from 151,018 in June 2022 to 154,555 in June 2023. The number of people employed increased from 146,697 in June 2022 to 149,955 in June 2023.

Lexington One experienced an enrollment increase of 222 students for 2023 from 2022. We are expecting an enrollment decrease of approximately 900 students for fiscal year 2023-2024. The decrease is partially the result of a public charter school opening in the District’s attendance zone. The estimated actual value of all property in the District increased to \$14,646,348,742 as of June 2023 from \$13,434,706,199 as of June 2022, an increase of 9 percent.

In conjunction with approving the year ended June 30, 2024 (“FY 2024”) General Fund budget, the Board of Trustees approved an increase of 17.0 mills to 325.86 mills for the property tax rates applicable for general operations for calendar year 2023 (FY 2024 for the District). There was no change to the debt service millage for calendar year 2023 (FY 2024 for the District).

The age of the school buildings is detailed in the Capital Asset Statistics by School table in the statistical section as referenced in the table of contents. The average age of our school buildings is 26 years.

The notes to the financial statements include GASB 77 required disclosure in Note XVI for the amount property tax revenues were reduced under tax abatement agreements. Tax abatement agreements are a popular incentive used by community and state economic development officials. In such agreements, all or part of the property that a company invests in the community is not included in the tax rolls for a period of time. Tax abatement is viewed as “seed money” that lowers the cost of investment temporarily but eventually adds to the community’s tax base.

Long-Term Financial Planning

The District has seen continuous growth over the past decade and longer. As such, capital projects are an important aspect of the District’s long-term financial planning. The district continues to expand capacity, repair and renovate aging facilities and address technology needs in an ever-changing environment. The District is proceeding with undertaking a comprehensive facility and demographic study. These studies involve evaluating the condition, capacity, and functionality of the district's existing facilities. This baseline information is crucial for identifying gaps and areas in need of improvement. By studying the demographics of the district, including population trends, age distribution, and growth patterns, the study can forecast future demand for services. This is particularly important for schools, as it helps predict student enrollment.

The District has funded these capital projects by the issuance of various types of debt since the early 2000s. The district has been able to keep its borrowing costs as low as possible by maintaining high credit ratings from both Standard and Poor’s and Moody’s.

Both rating agencies reaffirmed the credit ratings below in August 2023 for the Series 2023B General Obligation Bonds with a stable outlook.

<u>Rating Agency</u>	<u>Long Term Rating (Enhanced)</u>	<u>Underlying Rating</u>
Moody’s	Aa1	Aa2
Standard and Poor’s Global	AA	AA

Despite the challenges posed by the COVID pandemic and a decrease in enrollment due to the establishment of a new public charter school, the District successfully sustained its ratings. This accomplishment can be attributed to the district's robust financial position, substantial fund balance reserves and liquidity, as well as the consistent economic strength and growth observed in Lexington and the surrounding counties.

On November 6, 2018, the District's voters passed a \$365 million referendum to fund a five-year building plan. This building plan was developed by a Facilities Study Committee made up of 115 business leaders, community members, parents, staff and students. The plan considered a long-range growth analysis as well as the overall needs of the district. The District issued the first bonds under the 2018 referendum in April 2019 and began work on the building plan shortly thereafter. During fiscal year 2019-20, land purchases and construction were undertaken to begin work on three new school facilities. Other improvements and additions were also started and/or completed. During fiscal year 2020-21, one elementary and one middle school facility were completed. In August 2020, a second middle school facility was completed. During 2022-23 construction was completed on the new transportation facility. Construction on a second elementary school began in 2022-23.

The Board of Trustees has voted not to proceed with the construction of the third elementary school at this juncture, considering the current enrollment levels across the District. Instead, they have opted to initiate a demographic study to ensure that future construction projects align with the evolving needs and appropriate locations within the District.

Relevant Financial Policies

In the fiscal year 2023, the Board of Trustees revised Policy DB Annual Budget, specifying that the District is required to uphold a minimum fund balance of 16.67 percent of the total general fund budget from one fiscal year to the next. Notably, the District has successfully maintained this balance throughout the 2023 fiscal year, ending the year with a rate of 21.87 percent.

Major Initiatives

The District employed an adaptive strategic planning process during fiscal year 2018 to design a new vision, mission and goals for the next five years. The District's new vision "Empower each student to design the future" gets to the heart of the District's work and is reinforced by the new mission, "Our mission is to cultivate a caring community where ALL learners are extraordinary communicators, collaborators, creators and critical thinkers."

In the spring of 2023, the South Carolina Department of Education granted Lexington One a year extension of our current strategic plan. During the next year, Lexington One staff will work with the Board of Trustees, community partners, staff, and students to draft a new strategic plan, including Lexington One Graduate Profile and the Instructional Elements Framework.

The District is finalizing the implementation of the five-year building plan, which was endorsed as part of the \$365 million referendum approved by the District's voters on November 6, 2018. Notably, safety and security enhancements have been successfully executed, and various renovations and upgrades were initiated and concluded within the fiscal year.

Awards and Acknowledgments

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Lexington County School District One for its annual comprehensive financial report (ACFR) for the fiscal year ended June 30, 2022. This was the twenty-eighth consecutive year that the District has received this prestigious award. In order to be awarded a Certificate of Achievement, the District published an easily readable and efficiently organized ACFR. This report satisfied both GAAP and applicable legal requirements.

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

In addition, the District was also awarded the Association of School Business Officials International Certificate of Excellence in Financial Reporting for the annual comprehensive financial report for the fiscal year ended June 30, 2022. This was the twenty-ninth consecutive year the District has received this award. This award is the highest form of recognition in school financial reporting issued by the Association of School Business Officials International (ASBO).

We believe our current ACFR continues to meet the Certificate of Excellence in Financial Reporting program's requirements, and we are submitting it to ASBO to determine its eligibility for the award.

The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance Department. We would like to express our appreciation to all members of the department who assisted in the timely closing of the District's financial records and the preparation of this report. We also acknowledge and thank the other District departments for their assistance in the presentation and preparation of data for this report.

Respectfully submitted,



Jennifer L. Miller, CPA
Chief Financial Officer
Lexington County School District One



Gerrita Postlewait, Ed. D.
Superintendent
Lexington County School District One

Lexington County School District One

Board of Trustees



Anne Marie Green
Chair



Kathryn W. Henson
Vice Chair



Elizabeth C. Shealy
Secretary



Michael E. Anderson



Kathryn E. McCown



Dr. Brent M. Powers



R. Christopher Rice

**Lexington County School District One
List of Principal Officials
For the Year Ended June 30, 2023**

Lexington County School District One Board of Trustees

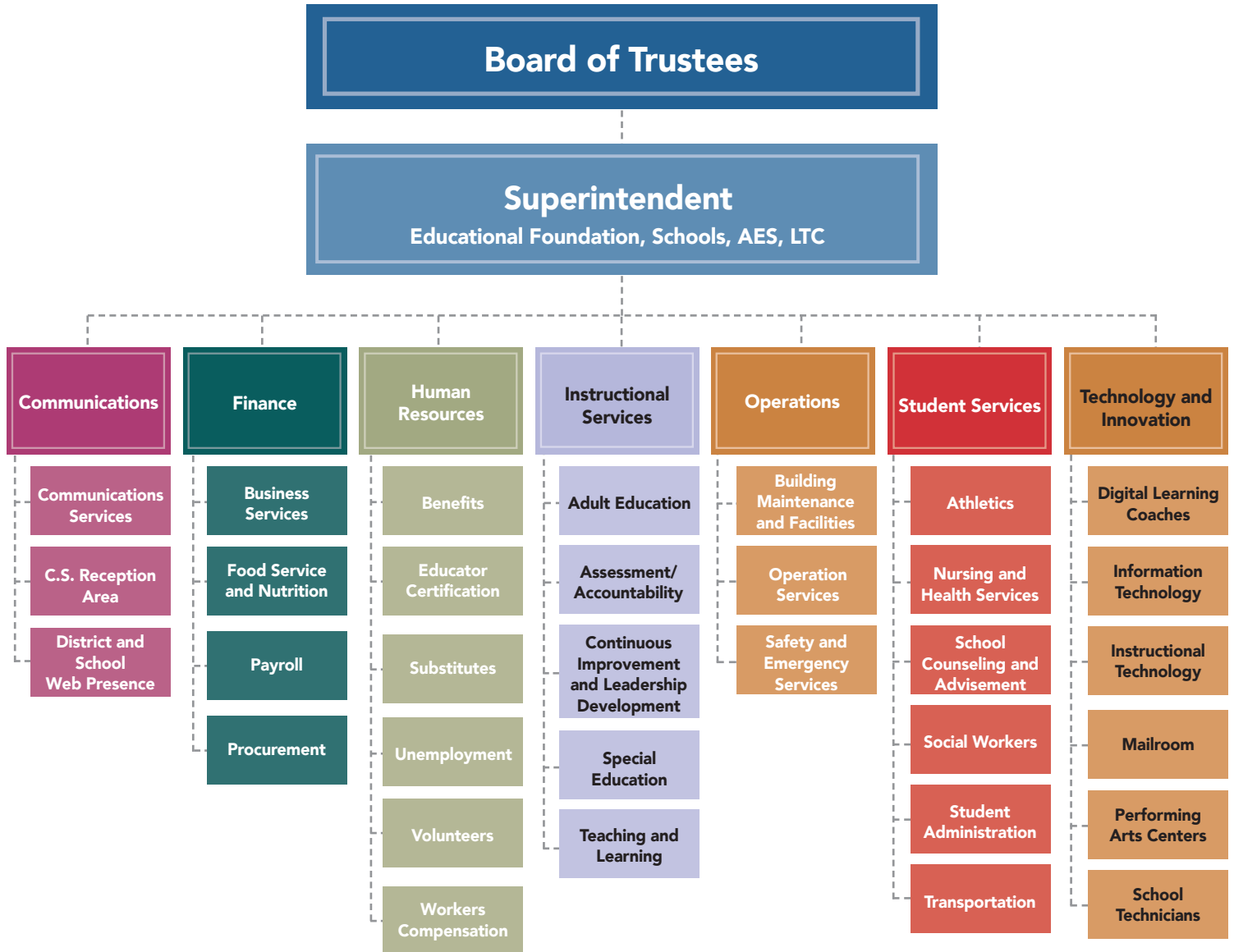
Anne Marie Green, Chair
Kathryn W. Henson, Vice Chair
Elizabeth C. Shealy, Secretary
Michael E. Anderson, Member
Kathryn E. McCown, Member
Dr. Brent M. Powers, Member
R. Christopher Rice, Member

Lexington County School District One Senior Leadership Team

Gerrita Postlewait, Ed.D., Superintendent
Libby Roof, Chief Communications Officer
Jennifer Miller, Chief Financial Officer
Devona Price, Chief Human Resources Officer
Mary Gaskins, Chief Academic Officer

Organizational Chart

Lexington County School District One





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Lexington County School District One
South Carolina**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morill

Executive Director/CEO



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

The Certificate of Excellence in Financial Reporting
is presented to

Lexington County School District 1

for its Annual Comprehensive Financial Report
for the Fiscal Year Ended June 30, 2022.

The district report meets the criteria established for
ASBO International's Certificate of Excellence in Financial Reporting.



A handwritten signature in black ink, reading 'John W. Hutchison'. The signature is written in a cursive style and is positioned above a horizontal line.

John W. Hutchison
President

A handwritten signature in black ink, reading 'Siobhán McMahon'. The signature is written in a cursive style and is positioned above a horizontal line.

Siobhán McMahon, CAE
Chief Operations Officer/
Interim Executive Director

Financial



INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Lexington County School District One
Lexington, South Carolina

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Lexington County School District One (“the School District”), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the School District’s basic financial statements as listed in the table of contents.

In our opinion, the 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 Lexington County School District One, as of June 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

(Continued next page)

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

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

We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2023, on our consideration of the School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control over financial reporting and compliance.



BURKETT BURKETT & BURKETT
Certified Public Accountants, P.A.
West Columbia, South Carolina
November 30, 2023

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA**

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED JUNE 30, 2023

INTRODUCTION

The management of Lexington County School District One presents to the readers of these financial statements this discussion and analysis of the District's financial activities for the fiscal year ended June 30, 2023. We encourage the reader to consider the information presented in this analysis in conjunction with additional information we have furnished in our letter of transmittal, in the financial statements and in the basic notes to these statements to enhance their understanding of the District's financial performance.

FINANCIAL HIGHLIGHTS

- The liabilities and deferred inflows of resources of the Lexington County School District One exceeded its assets and deferred outflows of resources by \$328,529,850 at June 30, 2023. The government's net position increased by \$22,948,703.
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$194,592,529, a decrease of \$19,845,083. Of this amount \$70,850,158 is considered unassigned and available for spending.
- At the end of the current fiscal year, the general fund unassigned fund balance was \$70,850,158 or 22.35 percent of total fiscal year 2023 actual general fund expenditures.
- The District's governmental funds reported total revenues of \$461,568,397 and total expenditures of \$485,709,898. Of these amounts the District's general fund reported revenues of \$308,808,610 and expenditures of \$322,047,823. The District also reported transfers to and from other funds. For the general fund, \$23,217,927 was transferred in from other funds and \$1,797,595 was transferred out to other funds.
- The District's total capital assets, net of depreciation, increased by \$21,013,144. This increase is predominantly due to the completion of projects approved as part of the five year \$365,000,000 bond referendum and building plan approved by Lexington County School District One voters on November 6, 2018 offset by depreciation. A full discussion of these projects can be found in the Capital Assets section of this analysis.
- The District issued short-term General Obligation Bonds for \$24,323,100. In November 2022, the District issued \$23,535,000 Series 2022B short-term general obligation bonds. In May 2023, the district issued \$788,100 Series 2023A short-term general obligation bonds.
- The District adopted GASB Statement No. 87 "Leases" ("Statement" or "GASB 87") for the year ended June 30, 2022. The objective of GASB 87 is to better meet the information needs of financial users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring 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. It 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 this Statement, 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 adoption of GASB 87 had no impact as the District did not have any significant long-term leases as of June 30, 2022. During fiscal year 2023, the District entered into a new lease and there was a \$3,215,533 financial impact with the recording of a right-to-use lease asset as of June 30, 2023. The capital outlay for fiscal year 2023 includes the \$3,215,533 for acquisition of right-to-use assets that were offset by lease proceeds of the same amount in accordance with GASB 87. Additional information on the District's lease can be found in Note X of this report.

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA**

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED JUNE 30, 2023

FINANCIAL HIGHLIGHTS (Continued)

- The District adopted GASB Statement No. 96 “Subscription-Based Information Technology Arrangements” (“SBITAs”) for the year ended June 30, 2023 (“GASB 96” or “Statement”). The objective of GASB 96 is to better meet the information needs of financial statement users by (a) establishing uniform accounting and financial reporting requirements for SBITAs; (b) improving the comparability of financial statements among governments that have entered into SBITAs; and (c) enhancing the understandability, reliability, relevance, and consistency of information about SBITAs. Under this Statement, a government should generally recognize a right-to-use subscription asset (an intangible asset) and a corresponding subscription liability. A right-to-use asset in the amount of \$1,091,180 was recorded during fiscal year 2023 with a remaining net balance of \$575,738 at June 30, 2023, as presented on the Statement of Net Position. On the Statement of Revenues, Expenditures and Changes in Fund Balance, the capital outlay for fiscal year 2023 includes the \$1,091,180 acquisition of right-to-use subscription assets that were offset by other financing sources of the same amount in accordance with GASB 96. Additional information on the District’s SBITA’s can be found in Note X of this report.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to Lexington County School District One’s basic financial statements, which consist of three parts -- *government-wide financial statements, fund financial statements, and basic notes to the financial statements*. This report also contains supplementary and other information in addition to the basic financial statements.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the District’s overall financial status, in a manner similar to a private-sector business. This includes two kinds of statements, the Statement of Net Position and the Statement of Activities, which are described below.

The *Statement of Net Position* presents information on all the District’s assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference 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, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused compensated absences).

The government-wide financial statements distinguish functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the District include instruction, support services, community services and intergovernmental activities. The District does not have any business-type activities.

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA**

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED JUNE 30, 2023

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

The government-wide financial statements include not only the District itself (known as the primary government), but also component units. The component units include Lexington County School District One Educational Foundation and Lexington One School Facilities, Corp. (LOSF, Corp). Both are not-for-profit corporations for which the District is financially accountable. Both are considered "blended" component units and are reported as governmental activities of the district.

The government-wide financial statements can be found as listed in the table of contents of this report.

Fund financial statements. The remaining basic financial statements are fund financial statements that focus on individual parts of the District, reporting the District's operations in more detail than the government-wide 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 are governmental funds.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains eight individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, special revenue fund, EIA fund, food service fund, debt service fund - District, debt service fund – LOSF, Corp., and capital projects fund all of which are considered to be major funds. The District accounts for the Lexington County School District One Educational Foundation. This is considered a permanent fund and is a major fund. The individual fund data for it are provided in a separate column. The basic governmental fund financial statements can be found as referenced in the table of contents of this report.

The District adopts an annual appropriated budget for its general fund. A budgetary comparison schedule has been provided for the general fund to demonstrate compliance with this budget. This schedule can be found as referenced in the table of contents of this report.

Basic 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 basic notes to the financial statements can be found as referenced in the table of contents.

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA**

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED JUNE 30, 2023

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplemental information that further supports the financial statements with a comparison of the District's budget for the year and other supplementary information schedules required either by the State Department of Education, the certificate of achievement program of the Government Finance Officer's Association, or the certificate of excellence program of the Association of School Business Officials.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, liabilities and deferred inflows of resources of the Lexington County School District One exceeded its assets and deferred outflows of resources by \$328,529,850 at June 30, 2023. The District's net position increased from the previous year by \$22,948,703. The District's largest portion of net position is reflected in the net investment in capital assets. This equates to \$249,175,194, and represents the land, buildings, improvements and equipment used by the District for the instruction and support of instruction of the District's students. Therefore, these assets are not available for future spending. In addition, \$28,073,129, of the District's net position represents resources that are subject to external restrictions in the special revenue funds, the permanent fund and the debt service fund. At June 30, 2023, the District has a negative unrestricted net position of \$605,778,173. This is a direct result of the adoption in Fiscal Year 2015 of GASB Statement No. 68 and No. 71 and the adoption of GASB Statement No. 75 in Fiscal Year 2018. GASB Statement No.68 and No. 71 requires governmental entities who participate in a cost-sharing multiple employer pension plan to recognize a liability. Each governmental entity must recognize its proportionate share of the net pension liability of that plan. Therefore, the District must recognize a net pension liability, deferred outflows of resources and deferred inflows of resources for its participation in the South Carolina Retirement System and the South Carolina Police Officers Retirement System. GASB Statement No. 75 requires each governmental entity that participates in a cost-sharing multiple employer plan to recognize a liability for its proportionate share of the net other postemployment benefits (OPEB) liability of that plan. The District must recognize a net OPEB liability and related deferred outflows and inflows of resources for its participation in the State Health Plan.

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA**

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED JUNE 30, 2023

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

As follows, Table I provides a summary of the District's net position for fiscal years 2023 and 2022 and Table II shows the changes in net position for fiscal years 2023 and 2022.

**Table I
Condensed Statement of Net Position**

	Governmental Activities	
	Fiscal Year 2023	Fiscal Year 2022
Assets		
Current and other assets	\$ 278,370,307	\$ 284,698,640
Capital Assets	850,106,628	825,302,213
Total assets	1,128,476,935	1,110,000,853
Deferred Outflows of Resources	226,693,345	176,793,453
Liabilities		
Long-term liabilities	659,204,938	689,036,854
Net Pension Liability	397,582,452	352,365,766
Net OPEB Liability	315,973,717	417,430,587
Other liabilities	119,788,147	104,864,831
Total liabilities	1,492,549,254	1,563,698,038
Deferred Inflows of Resources	191,150,876	74,574,821
Net Position		
Net investment in capital assets	249,175,194	230,103,763
Restricted	28,073,129	30,791,248
Unrestricted	(605,778,173)	(612,373,564)
Total net position	\$ (328,529,850)	\$ (351,478,553)

Current and other assets decreased due to a decrease in cash and cash equivalents in capital projects. Liabilities decreased due to a decrease in outstanding debt and net OPEB liability offset by an increase in the net pension liability and other liabilities.

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA**

MANAGEMENT’S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED JUNE 30, 2023

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

**Table II
Change in Net Position**

	Governmental Activities	
	Fiscal Year 2023	Fiscal Year 2022 As Restated
Revenues		
Program Revenues:		
Charges for services	\$ 12,715,499	\$ 8,538,199
Operating grants & contributions	203,065,051	198,138,489
General Revenues:		
Property taxes	172,331,497	166,256,058
State Revenue in Lieu of Taxes	62,762,545	58,563,787
Other	9,876,631	1,742,521
Total Revenues	<u>460,751,223</u>	<u>433,239,054</u>
 Expenses		
Instruction	242,664,177	237,089,848
Support Services	175,045,659	162,433,885
Community Services	33,604	60,282
Interest & other charges	20,059,080	19,861,715
Total Expenses	<u>437,802,520</u>	<u>419,445,730</u>
 Increase/(Decrease) in net position	22,948,703	13,793,324
Net Position, July 1	<u>(351,478,553)</u>	<u>(365,271,877)</u>
Net Position, June 30	<u>\$ (328,529,850)</u>	<u>\$ (351,478,553)</u>

Property tax revenues increased 3.65% during the fiscal year. Operating and Debt service millage did not change, therefore the increase is attributable to growth. Also, operating grants and contributions grew slightly by 2.49% due to remaining fiscal impact of CARES Act funding, Corona Virus Relief Funds and additional reimbursements from the United States Department of Agriculture related to COVID-19 pandemic offset by the decrease in IDEA, CATE and Adult Education funding. The Additional COVID-19 funding expires September 30, 2024. The District’s expenses are primarily for instruction and support services that account for 55 percent and 40 percent of total governmental activities expenses, respectively. The instructional expenses predominantly account for salaries and benefits for teachers and instructional assistants. Support services expenses are mainly building renovations and additions, instructional support, maintenance, utilities, pupil transportation and food service salaries and benefits, contractual services and supplies. Instructional and Support Services expenses increased primarily due to salary and related fringe benefit increases.

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA**

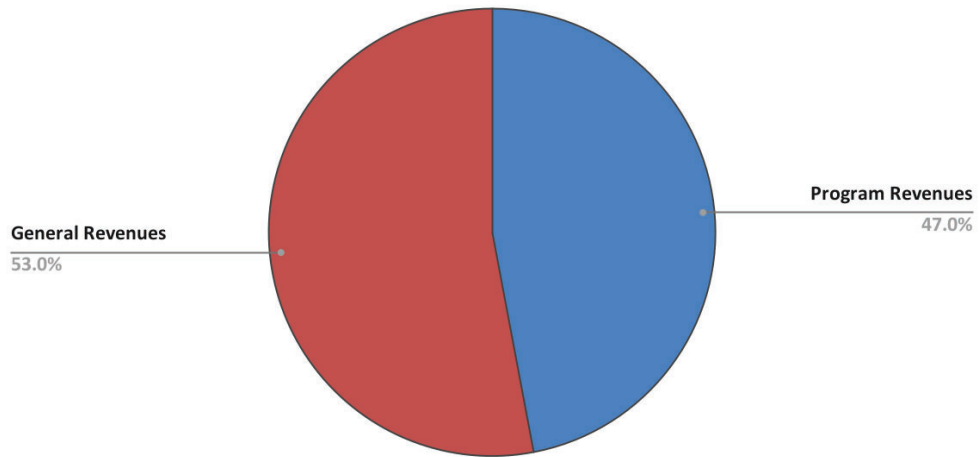
MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED JUNE 30, 2023

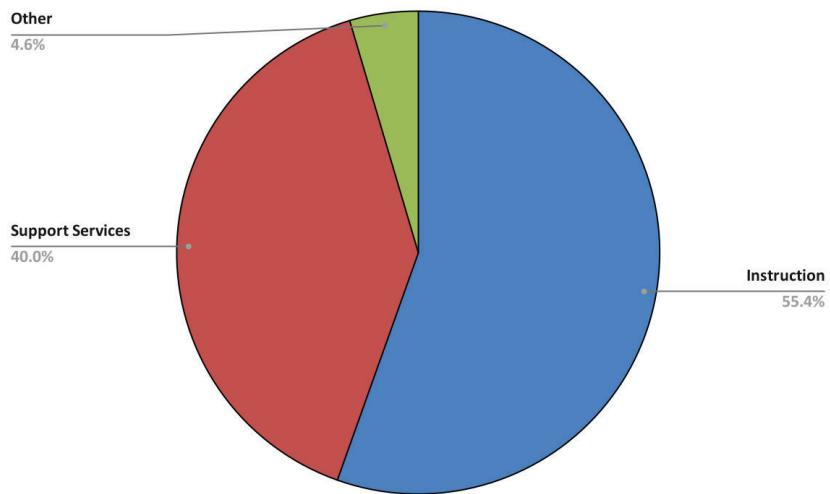
GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Tables III and IV that follow illustrate the District's Revenues by Source and Expenses by Function for fiscal year 2023.

**Table III
Revenues by Source
Governmental Activities**



**Table IV
Program Expenses by Function
Governmental Activities**



**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA**

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED JUNE 30, 2023

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

Governmental Funds. The analysis of governmental funds serves the purpose of looking at what resources came into the funds, how they were spent and what is available for future expenditures. Such information is useful in assessing the District's financing requirements. Therefore, the presentation of fund balance focuses on the extent to which the District is bound to honor constraints on specific purposes for which amounts in the fund can be spent. The fund balance categories are nonspendable, restricted, committed, assigned and unassigned. Nonspendable fund balance is the portion of net resources that cannot be spent because of their form or because they must remain intact (i.e. prepaid expenditures and inventories). Restricted fund balance is classified due to externally enforceable limitations on use as imposed by creditors, grantors, contributors, or laws (i.e. special revenues, debt service, and capital projects). Committed fund balance represents limitations set in place prior to the end of a fiscal year by the Board of Trustees in formal action. The assigned fund balance represents a limitation resulting from intended use. In this case, the District appropriated a portion of fund balance for capital projects, strategic initiatives and in the next year's general fund budget. Unassigned fund balance may serve as a useful measure of a government's residual net resources available.

As of June 30, 2023, the District's governmental funds reported a combined ending fund balance of \$194,592,529. Approximately 36.41 percent, or \$70,850,158 represents unassigned fund balance. The nonspendable portion was \$1,588,434, or .82 percent; the restricted portion was \$88,702,009 or 45.58 percent; and the assigned portion was \$33,451,928 or 17.19 percent. The general fund is the chief operating fund of the District. The general fund unassigned fund balance represents 22.35 percent of the general fund actual expenditures. The District has a formally approved fund balance policy that sets a minimum of 16.67 percent of the District's general fund budget to be held in fund balance. For fiscal year 2023, this equates to a total of \$53,994,363.

The District's general fund balance increased \$12,033,206 from fiscal year 2022. The District's general fund revenues increased \$9.8 million. Local property tax revenues accounted for \$4.5 million of this increase. The increase in local property tax revenues is due to normal growth in property assessments. The general fund state revenue remained flat as a result of the new funding formula. The general fund expenditures were approximately \$22 million greater than the prior year. This was primarily the result of experience salary increases.

The special revenue fund had a fund balance of \$4,907,607 on June 30, 2023. There was a prior period adjustment of an increase of \$323,121, offset by the current year decrease in fund balance of \$1,143,577. While there was an increase in the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) funding of \$1,986,958 that amount was offset by a decrease in IDEA, CATE and Adult Education Funding. Additionally, expenditures increased at a higher percentage than revenue.

The EIA special revenue fund had a fund balance of \$0 at June 30, 2023 and at June 30, 2022. It is used to account for the 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. There was an increase in revenue of approximately \$11 million as a result of the new funding formula reporting requirements. There was a decrease in expenditures of approximately \$773,000 along with an increase in the transfer to the General Fund of approximately \$12 million. For fiscal year 2023, the district received \$29 million of revenues, had expenditures of \$8.5 million and the transfer to the general fund was \$20.8 million. The transfer to the general fund is to move the revenue received for teacher salary and fringe increases to the general fund where the expenditures for salaries and fringes are paid. This transfer is allowed by law.

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA**

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED JUNE 30, 2023

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS (Continued)

The food service special revenue fund had a fund balance of \$6,353,872 at June 30, 2023. The district's fund balance increased slightly by \$167,926. The aftermath of COVID 19, we have seen a decrease in federal reimbursements as students are now required to pay for meals. The District did still receive additional funding of \$824,990 for supply chain issues, however reimbursements for breakfast, lunches and after school snacks decreased by \$6.6 million.

The debt service fund-District had a total fund balance of \$20,322,382 all of which is restricted for the payment of debt service. The debt service tax revenues grew by approximately \$2.9 million or 4.7 percent from the previous fiscal year. This increase is due to normal growth. The issuance of debt related to this fund is discussed later in the Capital Assets and Debt Administration section of this management's discussion and analysis.

The debt service fund-LOSF, Corp. had a total fund balance of \$0. The bonds have been refunded and therefore there are no longer reserve accounts to generate interest. All principal and interest payments are generated by the issuance of short-term debt annually.

The capital projects fund had a total fund balance of \$56,616,098 at June 30, 2023, all of which is restricted for capital projects. There was a prior period adjustment of a decrease of \$6,340,497 along with the district's capital projects fund balance decreasing by \$29,199,326 from June 30, 2022. A discussion follows in the Capital Assets and Debt Administration section of this management's discussion and analysis.

The permanent fund, Lexington County School District One Educational Foundation, had a fund balance of \$1,580,990 on June 30, 2023. This was an increase of \$200,384. The permanent fund is required to be reported in the Lexington County School District One's annual comprehensive financial report as a blended component unit. Revenues increased \$390,480 due to an increase in investment earnings of \$616,475 netted against a \$225,995 decrease in contributions and other local funding. Expenditures decreased \$62,788.

GENERAL FUND BUDGETARY HIGHLIGHTS

The District's general fund budget is prepared according to South Carolina law. The District amended the general fund budget prior to the start of the fiscal year. The original fiscal year 2023 budget was approved on June 14, 2022 and the amended budget was approved on June 28, 2022. Actual local revenue was approximately \$9.4 million more than budgeted. The variance is a result of actual revenues for taxes and interest on investments being more than budget by approximately \$4.1 million and \$5 million, respectively. The final amended budgeted expenditures of the District had a positive variance from the actual expenditures of \$2.4 million. The District experienced higher than normal vacancies during the year offset by the financial impact of the implementation of GASB 87 and GASB 96.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets. The District's investment in capital assets at June 30, 2023 was \$846,315,357, net of accumulated depreciation. This investment in assets includes land, buildings and improvements, improvements other than buildings, construction in progress, and equipment, furniture and vehicles. The total increase from the prior year was \$21,013,144 mostly due to continued costs and completion of construction in progress. This decrease in construction in progress is attributed to the completion of the new Lakeside Middle School (replaces current Lexington Middle school), construction of additions at several schools and other improvement projects approved in the new five year building plan with a projected cost of \$365,000,000. District voters approved a bond referendum on November 6, 2018 to fund this plan.

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA**

MANAGEMENT’S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED JUNE 30, 2023

CAPITAL ASSET AND DEBT ADMINISTRATION (Continued)

The District also issued non-referendum short-term bonds for certain capital needs during the current year to fund renovations and repairs, the acquisition of school buses and acquisition of information technology and school safety equipment.

Projects underway from Series 2018 consist of information and technology and school safety equipment at various locations across the district nearing completion. Projects underway from Series 2019C include school safety equipment and technology upgrades and are nearing completion. The Series 2020C encompasses security enhancements, technological upgrades, furniture updates, and deferred maintenance across multiple locations, including deferred maintenance at Lake Murray Elementary. Notably, the ongoing construction and development of the new South Lake Elementary School and the Transportation Facility are integral components of Series 2020C. Series 2021B includes building improvements and HVAC and roof replacements at various locations.

Table V shows the District’s capital assets, net of accumulated depreciation, as of June 30, 2023 and 2022:

**Table V
Capital Assets, net of accumulated depreciation**

	Governmental Activities	
	FY 2023	FY 2022
Land	\$ 29,363,307	\$ 29,363,307
Buildings and Improvements	727,875,718	599,938,441
Improvements other than Buildings	41,994,536	36,466,676
Equipment, Furniture and Vehicles	13,672,288	12,346,935
Construction in Process	33,409,508	147,186,854
Total	\$ 846,315,357	\$ 825,302,213

Additional information on the District’s capital assets can be found in Note VI of this report. Information on the District’s commitments for capital expenditures can be found in Note XV of this report.

Long-term debt. At June 30, 2023, the District had total general obligation debt outstanding of \$581,530,000. This is a decrease of \$26,715,000 or 4.4 percent from the prior fiscal year due to the general obligation debt payments. The general obligation bonds of the District’s debt are backed by the full faith and credit of the District as well as the State of South Carolina. The District also shows outstanding debt of \$42,220,000 for the Installment Purchase Revenue Bonds. This is a decrease of 9.5 percent from the prior fiscal year due to scheduled principal payments. The District will annually sell general obligation bonds to make the installment payments on the LOSF, Corp. debt.

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA**

MANAGEMENT’S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED JUNE 30, 2023

CAPITAL ASSET AND DEBT ADMINISTRATION (Continued)

Table VI outlines the District’s General Obligation Debt and Installment Purchase Revenue Bonds as of June 30, 2023 and 2022:

**Table VI
Outstanding Debt**

	Governmental Activities		Increase (Decrease)	
	2023	2022	Total	Percent
General Obligation Bonds	\$ 581,530,000	\$ 608,245,000	\$ (26,715,000)	-4.4%
Installment Purchase Bonds	42,220,000	46,660,000	(4,440,000)	-9.5%
Total	\$ 623,750,000	\$ 654,905,000	\$ (31,155,000)	-4.8%

State law limits the amount of general obligation debt a school district may issue to 8 percent of its assessed value excluding assessment for fee in lieu of taxes plus assessed value of merchant’s inventory plus a percentage of the fee in lieu of taxes assessment based on the most recently received annual payment of fee in lieu of taxes. However, the District is allowed by the law to exceed the legal debt limit of 8 percent if the citizens of the District approve such additional debt through a district-wide referendum.

The 8 percent debt limit for the District at June 30, 2023 was \$58,858,458 There is \$788,100 that is considered 8 percent debt outstanding and therefore the legal debt margin was \$58,070,358 as of the end of fiscal year 2023.

The 8 percent debt outstanding at year end represents the general obligation debt outstanding of the Series 2023A bonds. The remaining general obligation debt outstanding represents debt from a \$336,000,000 bond referendum approved by voters on November 4, 2008 and a \$365,000,000 bond referendum approved by voters on November 6, 2018.

Under the provisions of the American Recovery and Reinvestment Act of 2009, the District issued Taxable Qualified School Construction Bonds in fiscal year 2011 as allowed under the provisions of the State of South Carolina Federal Education Tax-Credit Bond Implementation Act of 2009. The United States Government will pay directly to the District, after application, a 35 percent subsidy on each interest payment due in that fiscal year for the life of the bonds. The United States Government sequestered portions of the credit over the years to balance the budget. For the federal fiscal year ended 9/30/21 and the federal fiscal year beginning 10/1/22, the sequestration rate was 5.7%. A refundable tax credit must be applied for each time an interest payment is due for these bonds. The District has reported interest at the gross amount on the financial statements. The interest subsidy received from the United States Government is reported as intergovernmental revenue in the financial statements.

Additional information on the District’s long-term debt can be found in Note X of the basic notes to the financial statements.

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA**

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED JUNE 30, 2023

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

The average unemployment rate for Lexington County was 2.64 percent for the fiscal year ended June 30, 2023. The average unemployment rate for the state was 3.19 percent and for the nation was 3.57 percent for the fiscal year ended June 30, 2023. The county unemployment rate for June 2023 was 3.00 percent which was higher than the June 2022 rate of 2.90 percent. The unemployment rate for June 2023 was 3.10 percent for the state and 3.60 percent for the nation. Lexington County consistently has one of the lowest unemployment rates in the state of South Carolina.

The Board of Trustees initially approved the District's general fund budget for fiscal year 2024 in June 2023. Subsequently, on August 15, 2023, the Board approved an amendment to the budget, maintaining the total approved amount at \$363,350,299. This amendment addressed anticipated decreases in enrollment, resulting in an adjustment of approximately \$8.5 million in the state revenue budget. To counterbalance this reduction, there was a corresponding increase of approximately \$3 million in local revenue. The remaining gap to balance the budget, an additional sum of approximately \$5 million, was allocated from the fund balance, bringing the total amount budgeted from the general fund balance to \$22,677,511. Simultaneously, the Board of Trustees approved a 17.0 mills increase, bringing the property tax rates applicable for general operations to 325.86 mills for the calendar year 2023 (FY 2024 for the District).

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, and other interested parties with a general overview of the District's finances and to demonstrate the District's accountability for the resources it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of Finance, Lexington County School District One, P.O. Box 1869, Lexington, South Carolina 29071. In addition, this financial report may be found on the District's website at <https://www.lexington1.net>.



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BASIC FINANCIAL STATEMENTS

LEXINGTON COUNTY SCHOOL DISTRICT ONE
 LEXINGTON, SOUTH CAROLINA

STATEMENT OF NET POSITION

JUNE 30, 2023

	<u>PRIMARY GOVERNMENT</u>
	<u>Governmental</u>
	<u>Activities</u>
ASSETS	
Cash and Cash Equivalents	\$ 165,963,372
Cash and Cash Equivalents, Restricted	60,440,677
Cash and Investments Held By County Treasurer	20,674,014
Investments	3,134,458
Investments, Restricted	1,330,267
Property Taxes Receivable, Net	12,725,945
Accounts Receivable, Net	267,898
Due from Other Governments	12,385,242
Prepaid Items	1,218,911
Inventories	229,523
Capital Assets:	
Non-Depreciable	62,772,815
Depreciable, Net	783,542,542
Right-of-Use Lease Asset, Net	3,215,533
Right-of-Use Subscription Asset, Net	575,738
TOTAL ASSETS	<u>1,128,476,935</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Loss on Refunding	4,584,574
Deferred Pension Charges	113,342,265
Deferred OPEB Charges	108,766,506
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>226,693,345</u>
LIABILITIES	
Accounts Payable and Accrued Expenses	67,363,777
Accrued Interest Payable	7,697,897
Due to Other Governments	294,987
Short Term Bonds Payable	788,100
Unearned Revenue	3,587,914
Noncurrent Liabilities:	
Due within One Year	40,055,472
Due in more than One Year	659,204,938
Net Pension Liability	397,582,452
Net OPEB Liability	315,973,717
TOTAL LIABILITIES	<u>1,492,549,254</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred Pension Credits	59,814,996
Deferred OPEB Credits	131,335,880
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>191,150,876</u>
NET POSITION	
Net Investment in Capital Assets	249,175,194
Restricted for:	
Special Revenue - Student Activities	4,198,190
Special Revenue - Food Service	6,353,872
Debt Service	15,940,077
Permanent Fund - Nonexpendable	140,000
Permanent Fund - Expendable	1,440,990
Unrestricted	(605,778,173)
TOTAL NET POSITION	<u>\$ (328,529,850)</u>

The notes to the basic financial statements are an integral part of this statement.
 See accompanying independent auditor's report.

LEXINGTON COUNTY SCHOOL DISTRICT ONE
 LEXINGTON, SOUTH CAROLINA

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2023

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		NET (EXPENSE) REVENUE AND CHANGE IN NET POSITION
		Charges for Services	Operating Grants and Contributions	Primary Government Governmental Activities
PRIMARY GOVERNMENT:				
Governmental activities:				
Instruction	\$ 242,664,177	187,276	187,151,368	\$ (55,325,533)
Support Services	175,045,659	12,528,223	14,318,405	(148,199,031)
Community Services	33,604	-	-	(33,604)
Interest and Other Charges	20,059,080	-	1,595,278	(18,463,802)
Total Governmental Activities	<u>437,802,520</u>	<u>12,715,499</u>	<u>203,065,051</u>	<u>(222,021,970)</u>
TOTAL PRIMARY GOVERNMENT	\$ 437,802,520	12,715,499	203,065,051	\$ (222,021,970)
GENERAL REVENUES:				
				109,234,055
				63,097,442
				59,366,346
				3,396,199
				9,087,449
				789,182
				<u>244,970,673</u>
CHANGE IN NET POSITION				22,948,703
NET POSITION, Beginning of Year				<u>(351,478,553)</u>
NET POSITION, End of Year				\$ (328,529,850)

The notes to the basic financial statements are an integral part of this statement.
 See accompanying independent auditor's report.

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA

BALANCE SHEET

GOVERNMENTAL FUNDS

JUNE 30, 2023

	GENERAL	SPECIAL REVENUE FUNDS		
		SPECIAL REVENUE	SPECIAL REVENUE - EIA	SPECIAL REVENUE - FOOD SERVICE
ASSETS				
Cash and cash equivalents	\$ 164,851,555	1,061,781	-	50,036
Cash and cash equivalents, Restricted	-	-	-	-
Cash and Investments Held by County Treasurer	-	-	-	-
Investments	3,134,458	-	-	-
Investments, Restricted	-	-	-	-
Receivables, Net				
Taxes	9,667,917	-	-	-
Accounts Receivable	173,917	369	-	93,612
Due From:				
County Treasurer	3,308,119	1,685	-	-
State Dept of Education	19,435	16,077	27,000	-
Other State Agencies	60	146,292	-	-
Federal Agencies	-	8,056,995	-	102,442
Other Funds	-	-	4,027,364	7,214,591
Prepaid Items	1,218,911	-	-	-
Inventories	-	-	-	229,523
TOTAL ASSETS	\$ 182,374,372	9,283,199	4,054,364	7,690,204
LIABILITIES				
Accounts Payable & Accrued Expenditures	8,078,146	458,433	74,497	22,884
Accrued Salaries & Benefits	42,310,649	2,385,932	775,985	1,069,802
Due To:				
State Dept of Education	-	-	294,987	-
Other Funds	18,746,589	1,095,854	-	-
Short-term Bonds Payable	-	-	-	-
Unearned Revenue	-	435,373	2,908,895	243,646
TOTAL LIABILITIES	69,135,384	4,375,592	4,054,364	1,336,332
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue - Property Taxes	8,427,408	-	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	8,427,408	-	-	-
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	77,562,792	4,375,592	4,054,364	1,336,332
FUND BALANCES				
Fund Balances				
Nonspendable:				
Prepaid Items	1,218,911	-	-	-
Inventories	-	-	-	229,523
Permanent Fund Principal	-	-	-	-
Restricted:				
Special Revenue - Student Activities	-	4,198,190	-	-
Special Revenue - Food Service	-	-	-	6,124,349
Debt Service	-	-	-	-
Capital Projects	-	-	-	-
Educational Foundation	-	-	-	-
Assigned:				
Special Revenue	-	709,417	-	-
Capital Projects	9,665,000	-	-	-
Strategic Initiatives	400,000	-	-	-
FY 2024 Budget Appropriation	22,677,511	-	-	-
Unassigned	70,850,158	-	-	-
TOTAL FUND BALANCES	104,811,580	4,907,607	-	6,353,872
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 182,374,372	9,283,199	4,054,364	7,690,204

The accompanying notes to the basic financial statements are an integral part of this statement.
See accompanying independent auditor's report.

<u>DEBT SERVICE - DISTRICT</u>	<u>DEBT SERVICE - LOSF, CORP.</u>	<u>CAPITAL PROJECTS</u>	<u>PERMANENT FUND</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
-	-	-	-	\$ 165,963,372
-	-	60,189,954	250,723	60,440,677
20,674,014	-	-	-	20,674,014
-	-	-	-	3,134,458
-	-	-	1,330,267	1,330,267
3,058,028	-	-	-	12,725,945
-	-	-	-	267,898
-	-	-	-	3,309,804
-	-	-	-	62,512
-	-	-	-	146,352
-	-	-	-	8,159,437
-	-	8,601,997	-	19,843,952
-	-	-	-	1,218,911
-	-	-	-	229,523
<u>23,732,042</u>	<u>-</u>	<u>68,791,951</u>	<u>1,580,990</u>	<u>\$ 297,507,122</u>
11,596	-	12,175,853	-	20,821,409
-	-	-	-	46,542,368
-	-	-	-	294,987
1,509	-	-	-	19,843,952
788,100	-	-	-	788,100
-	-	-	-	3,587,914
<u>801,205</u>	<u>-</u>	<u>12,175,853</u>	<u>-</u>	<u>91,878,730</u>
2,608,455	-	-	-	11,035,863
2,608,455	-	-	-	11,035,863
3,409,660	-	12,175,853	-	102,914,593
-	-	-	-	1,218,911
-	-	-	-	229,523
-	-	-	140,000	140,000
-	-	-	-	4,198,190
-	-	-	-	6,124,349
20,322,382	-	-	-	20,322,382
-	-	56,616,098	-	56,616,098
-	-	-	1,440,990	1,440,990
-	-	-	-	709,417
-	-	-	-	9,665,000
-	-	-	-	400,000
-	-	-	-	22,677,511
-	-	-	-	70,850,158
<u>20,322,382</u>	<u>-</u>	<u>56,616,098</u>	<u>1,580,990</u>	<u>194,592,529</u>
<u>23,732,042</u>	<u>-</u>	<u>68,791,951</u>	<u>1,580,990</u>	<u>\$ 297,507,122</u>



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LEXINGTON COUNTY SCHOOL DISTRICT ONE
 LEXINGTON, SOUTH CAROLINA

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION

JUNE 30, 2023

TOTAL FUND BALANCES - GOVERNMENTAL FUNDS	\$	194,592,529
Amounts reported for governmental activities in the statement of Net Position are different because:		
Property Taxes Receivable will be collected in the future but are not available soon enough to pay for the current period's expenditures and therefore are unavailable in the funds.		11,035,863
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of assets was \$1,081,160,244 and the accumulated depreciation was \$234,844,887.		850,106,628
Deferred losses on refunding are amortized over the lives of the bonds; however, in governmental accounting, deferred losses on refunding are expenditures in the year they are incurred. The deferred losses on refunding have been shown net of accumulated amortization expense.		4,584,574
The District's proportionate share of the net pension liability, deferred outflows of resources, and deferred inflows of resources related to its participation in the State pension plans are not recorded in the governmental funds but are recorded in the Statement of Net Position.		(344,055,183)
The District's proportionate share of the net OPEB liability, deferred outflows of resources, and deferred inflows of resources related to its participation in the State insurance plans are not recorded in the governmental funds but are recorded in the Statement of Net Position.		(338,543,091)
Accrued interest on the outstanding bonds in governmental accounting is not due and payable therefore, not reported as a liability in the funds.		(7,697,897)
Rebatable interest receivable is not a current financial resource and therefore is not reported as an asset in the governmental funds.		707,137
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 liabilities at year-end consist of:		
Long-Term Debt	(623,750,000)	
Long-Term Debt Premiums	(34,645,959)	
Lease Liability	(3,215,533)	
Subscription Liability	(520,614)	
Compensated Absences	(37,128,304)	(699,260,410)
TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES	\$	<u>(328,529,850)</u>

LEXINGTON COUNTY SCHOOL DISTRICT ONE
 LEXINGTON, SOUTH CAROLINA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2023

	SPECIAL REVENUE FUNDS			
	GENERAL	SPECIAL REVENUE	SPECIAL REVENUE - EIA	SPECIAL REVENUE- FOOD SERVICE
REVENUES				
Local Sources:				
Local Property Taxes	\$ 109,839,601	-	-	-
Investment Earnings	5,147,843	-	-	-
Other Local Sources	1,043,782	10,493,388	-	3,985,561
State Sources	192,777,384	3,531,000	29,266,303	-
Federal Sources	-	22,711,146	-	9,984,517
Intergovernmental Revenue	-	151,056	-	-
TOTAL REVENUE ALL SOURCES	308,808,610	36,886,590	29,266,303	13,970,078
EXPENDITURES				
Current:				
Instruction	194,087,740	18,169,471	6,534,720	-
Support Services	122,953,732	17,926,959	1,539,903	14,406,860
Community Services	-	33,604	-	-
Intergovernmental	-	180,369	-	-
Capital outlay	4,583,470	442,337	430,592	316,202
Debt service:				
Principal Retirement	422,881	-	21,518	64,008
Interest and Fiscal Charges	-	-	-	-
TOTAL EXPENDITURES	322,047,823	36,752,740	8,526,733	14,787,070
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(13,239,213)	133,850	20,739,570	(816,992)
OTHER FINANCING SOURCES (USES)				
Lease Proceeds	3,215,533	-	-	-
Other Financing Sources	636,554	-	100,167	292,300
Transfers:				
Transfers In	23,217,927	-	-	1,793,381
Transfers Out	(1,797,595)	(1,277,427)	(20,839,737)	(1,100,763)
TOTAL OTHER FINANCING SOURCES (USES)	25,272,419	(1,277,427)	(20,739,570)	984,918
NET CHANGE IN FUND BALANCE	12,033,206	(1,143,577)	-	167,926
FUND BALANCE - BEGINNING OF YEAR	86,760,998	5,728,063	-	6,185,946
FUND BALANCE - PRIOR PERIOD ADJUSTMENT	6,017,376	323,121		
FUND BALANCE - BEGINNING OF YEAR RESTATED	92,778,374	6,051,184	-	6,185,946
FUND BALANCE - END OF YEAR	\$ 104,811,580	4,907,607	-	6,353,872

The accompanying notes to the basic financial statements are an integral part of this statement.
 See accompanying independent auditor's report.

<u>DEBT SERVICE - DISTRICT</u>	<u>DEBT SERVICE - LOSF, CORP.</u>	<u>CAPITAL PROJECTS</u>	<u>PERMANENT FUND</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
63,309,070	-	-	-	\$ 173,148,671
829,921	-	2,957,882	151,803	9,087,449
-	-	13,487	383,176	15,919,394
3,396,199	-	-	-	228,970,886
-	-	-	-	32,695,663
1,595,278	-	-	-	1,746,334
<u>69,130,468</u>	<u>-</u>	<u>2,971,369</u>	<u>534,979</u>	<u>461,568,397</u>
-	-	-	-	218,791,931
-	-	11,945,181	334,595	169,107,230
-	-	-	-	33,604
-	-	-	-	180,369
-	-	38,366,352	-	44,138,953
26,715,000	4,440,000	51,864	-	31,715,271
20,117,462	1,625,078	-	-	21,742,540
<u>46,832,462</u>	<u>6,065,078</u>	<u>50,363,397</u>	<u>334,595</u>	<u>485,709,898</u>
<u>22,298,006</u>	<u>(6,065,078)</u>	<u>(47,392,028)</u>	<u>200,384</u>	<u>(24,141,501)</u>
-	-	-	-	3,215,533
-	-	51,864	-	1,080,885
-	6,065,078	18,140,838	-	49,217,224
(24,201,702)	-	-	-	(49,217,224)
<u>(24,201,702)</u>	<u>6,065,078</u>	<u>18,192,702</u>	<u>-</u>	<u>4,296,418</u>
<u>(1,903,696)</u>	<u>-</u>	<u>(29,199,326)</u>	<u>200,384</u>	<u>(19,845,083)</u>
22,226,078	-	92,155,921	1,380,606	214,437,612
		(6,340,497)		-
22,226,078	-	85,815,424	1,380,606	214,437,612
<u>20,322,382</u>	<u>-</u>	<u>56,616,098</u>	<u>1,580,990</u>	<u>194,592,529</u>

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2023

TOTAL NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS **\$ (19,845,083)**

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

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. This amount represents the change in unavailable property taxes for the year.	(817,174)
Repayment of bond principal is an expenditure in the governmental funds, but it reduces long-term liabilities in the Statement of Net Position.	31,155,000
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 is the net change in accrued interest this year.	(133,960)
Deferred losses on refunding are expenditures in 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 amortization of deferred losses for the year.	(517,678)
Bond premiums are revenues the year they are received in governmental funds but are amortized over the lives of the bonds in the Statement of Activities. This amount represents the difference between the premiums received during the current year and the amortization of premiums.	2,905,664
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.	(205,418)
Changes in the District's proportionate share of the net OPEB 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.	(9,712,883)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.	(948,033)
Governmental funds report capital asset additions as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which current year capital additions of \$40,402,806 exceeded net capital asset disposals of \$88,513 and amortization and depreciation expense of \$19,246,025.	21,068,268

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES **\$ 22,948,703**

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA**

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2023

I. Summary of Significant Accounting Policies

Lexington County School District One operates thirty public schools, one alternative learning center, one technology center and an on-line learning academy in a portion of Lexington County, South Carolina and encompasses the towns of Lexington, Gilbert and Pelion. The District provides a broad range of general and specialized elementary and secondary educational services and derives its local revenue from the tax base in these areas. In addition, the District receives funding from the State of South Carolina and the United States Federal Government and must comply with the related requirements of these funding source entities. The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Reporting Entity

These financial statements present the District and its component units, entities for which the District is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the District's operations and so data from these units are combined with data of the primary government.

Blended Component Units:

1. Lexington One School Facilities, Corp. (LOSF, Corp.) is a not-for-profit 501(c)(3) organization incorporated for the specific charitable purpose of serving as a "support organization" for capital projects of the District. LOSF, Corp. Board members are appointed by the Lexington County School District One Board of Trustees. Because LOSF, Corp. exclusively benefits the District, there is a financial burden on the District and the District has operational responsibility for the component unit. Its financial information is blended with that of the District in individual columns throughout the financial statements. Separate financial statements for LOSF, Corp. are not issued.

In prior years, LOSF, Corp. issued installment purchase revenue bonds to finance various capital projects of the District. The installment purchase revenue bonds are secured by lease agreements with the District and will be retired through lease payments from the District. The lease agreements constitute the imposition of a financial burden on the District and provide services entirely to the District. The substance of the leases is that of a lease agreement. The assets and debt are accounted for as though they are assets and debt of the lessee (the District).

2. Lexington County School District One Educational Foundation is a not-for-profit 501(c)(3) organization incorporated for the specific charitable purpose of supporting the educational and charitable endeavors of Lexington County School District One. Three members of the Lexington County School District One Board of Trustees are members of the Foundation board, which is the governing authority for the Foundation. In addition, the District's Superintendent and Chief Financial Officer are ex-officio members of the Foundation board. The Chief Financial Officer approves all Foundation expenditures. Therefore, the District has the ability to influence the operations of the Foundation. Additionally, upon dissolution of the Foundation, all assets and property will revert to the District. Its financial information is blended with that of the District in individual columns throughout the financial statements. Financial statements may be obtained by writing to the Executive Director of the Foundation at P.O. Box 1869, Lexington, SC, 29071.

Basis of Presentation

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities report information on all of the nonfiduciary activities of the District and its component units. For the most part, the effect of interfund activity has been removed from these statements. However, the interfund services provided and used are not eliminated in the consolidation process. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The District does not have any business-type activities.

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2023

Summary of Significant Accounting Policies (Continued)

Basis of Presentation (Continued)

Government-Wide Financial Statements (Continued)

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 with a specific function or segment. Program revenues include; 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the District. Certain indirect costs are included in the program expense reported for individual functions and activities.

The *government-wide financial statements* are reported using the economic resources measurement focus and the accrual basis of accounting. 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. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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.

For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. 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.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

Fund financial statements report detailed information about the District. The focus of governmental financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The accounts of the District are organized on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The District has the following major funds and fund types:

Governmental Fund Types

Governmental funds are those through which most governmental functions of the District are financed. The acquisition, use and balances of the District's expendable financial resources and the related liabilities (except those accounted for in agency funds) are accounted for through governmental funds. The District has the following major and nonmajor governmental fund types:

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2023

Summary of Significant Accounting Policies (Continued)

Basis of Presentation (Continued)

Governmental Fund Types (Continued)

General Fund, a major fund - The General Fund is the primary operating fund of the District. It accounts for and reports all financial resources of the District not accounted for and reported in another fund. All general tax revenues and other receipts that are not allocated by law or contractual agreement to other funds are accounted for in the General Fund. General operating expenditures and the capital improvement costs that are not paid through other funds are paid from the General Fund. This is a budgeted fund, and any fund balance is considered a resource available for use.

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 expenditures for specific purposes other than debt service or capital projects. The District has three Special Revenue Funds:

1. The Special Revenues, a major fund, is used to account for financial resources provided by federal, state, and local projects and grants that are restricted, committed, or assigned for specific educational programs. In accordance with GASB 84, the student (pupil) activity fund has been reported in the Special Revenue Fund rather than classified as an agency fund. 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. Budgets are not prepared for student activity funds.
2. The Education Improvement Act (EIA) Fund, a major fund, is used to account for the 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.
3. The Food Service Fund, a major fund and an unbudgeted fund, is used to account for and report the financial resources received that are restricted for the cafeteria operations at school locations. These resources primarily consist of revenues received (a) from breakfast, lunch, and other food sales and (b) from the United States Department of Agriculture's ("USDA") approved school breakfast and lunch programs. A budget is prepared annually but is not a part of the formal budget process approved by the board of trustees.

Debt Service Fund – District, a major fund, is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for principal and interest for the District.

Debt Service Fund – LOSF, Corp., a major fund, is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for principal and interest for Lexington One School Facilities, Corp.

Capital Projects Fund, a major fund, is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Permanent Fund – Lexington County School District One Educational Foundation, a major fund, is used to account for and report financial resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the District's programs, that is, for the benefit of the District.

Cash and Cash Equivalents

The District considers all highly liquid investments (including restricted assets) with original maturities of three months or less and investments of the cash management pool to be cash equivalents.

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2023

Summary of Significant Accounting Policies (Continued)
Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Fund Equity

Investments

The District's cash deposits and investment policy is designed to operate within existing statutes that authorize the District to invest in the following:

1. Obligations of the United States and agencies thereof;
2. General obligations of the State of South Carolina or any of its political units;
3. Savings and loan associations to the extent that the same are insured by an agency of the federal government;
4. Certificates of deposit and funds in deposit accounts with banking institutions provided that such certificates and funds in deposit accounts are collaterally secured by securities of the type described in 1 and 2 above, held by a third party as escrow agent, or custodian of a market value, not less than the amount of the certificates of funds in deposit accounts so secured, including interest; provided, however, such collateral shall not be required to the extent the same are insured by an agency of the federal government;
5. Collateralized repurchase agreements when collateralized by securities as set forth in 1 and 2 above and held by the District or a third party as escrow agent or custodian; and,
6. South Carolina Pooled Investment Fund established and maintained by the State Treasurer.
7. Cash and Investments held by the County Treasurer represent property taxes collected by the District's fiscal agent that have not been remitted to the District. The County Treasurer invests these funds in investments authorized by state statute.

All investments are reported at their fair values (which are normally determined by quoted market prices), with the exception of amounts invested in the South Carolina Pooled Investment Fund.

South Carolina Pooled Investment Fund ("Pool" or "LGIP") investments are invested with the South Carolina State Treasurer's Office, which established the South Carolina Pool pursuant to Section 6-6-10 of the South Carolina Code of Laws. The Pool is an investment trust fund, in which public monies in excess of current needs, which are under the custody of any city treasurer or any governing body or a political subdivision of the State, may be deposited. The Pool is a 2a 7-like pool which is not registered with the Securities and Exchange Commission ("SEC") as an investment company, but has a policy that it will operate in a manner consistent with the SEC's Rule 2a 7 of the Investment Company Act of 1940.

In accordance with GASB Statement No. 31 "*Accounting and Financial Reporting for Certain Investments for External Investment Pools*", investments are carried at fair value determined annually based upon quoted market prices. Accordingly, the Pool qualifies as a 2a 7-like pool and is reported at the net asset value per share (which approximates fair value).

The Permanent Fund - The Lexington County School District One Educational Foundation handles and is responsible for the investment of voluntary contributions and financial gifts given to it by private individuals or companies to benefit the District. The Foundation does not handle any public funds received by the District. The Foundation has developed its own investment guidelines that are broader in scope than the state mandated guidelines above. Investments in the Foundation's portfolio are reviewed regularly by its board of directors. Investments of the Foundation are recorded at fair value.

The Foundation investments are allocated to exchange-traded funds (ETF) and closed-end mutual funds, with cash and cash equivalents minimized. At June 30, 2023, the percentage of investments in mutual funds was 98% and in cash and cash equivalents was 2%.

Restricted Assets

The District establishes certain accounts for assets restricted for specific purposes, typically by outside parties or legal agreements.

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2023

Summary of Significant Accounting Policies (Continued)
Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Fund Equity (Continued)

Restricted Assets (Continued)

Certain bond indentures require the establishment of (i) maximum annual principal and interest payments, unless a surety bond was provided; (ii) the next succeeding principal and accrued interest payment; and (iii) bond proceeds to be used for construction purposes as required in the bond agreement. Also, assets of the Permanent Fund are classified as restricted assets because their use is restricted by donors and by the purpose for which they are collected.

Receivables and Payables

Transactions between funds that represent reimbursement arrangements outstanding at the end of the year are referred to as “due from other funds” or “due to other funds” on the fund financial statements. These amounts are eliminated in the governmental activities column of the Statement of Net Position.

All trade and property tax receivables are shown net of an allowance for uncollectible amounts.

Inventories and Prepaid Items

Materials and 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. Inventories consist of purchased food, supplies, and commodities received from the United States Department of Agriculture as of June 30, but not consumed. The value of commodities on hand at year-end is recorded at fair value as provided by the United States Department of Agriculture. Inventories are reported only in the Special Revenue Fund - Food Service.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure is reported in the year in which the services are consumed.

Capital Assets

General capital assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide Statement of Net Position but are not reported in the fund financial statements.

All capital assets are capitalized at cost and updated for additions and retirements during the year. Donated capital assets are recorded at estimated acquisition value (as estimated by the District) at the date of donation. The District maintains a capitalization threshold of \$5,000 for furniture, equipment, vehicles, and textbooks, and \$50,000 for land, buildings and improvements thereto. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend the life of the assets are not capitalized.

All reported capital assets except land and construction in progress are depreciated. Construction projects will begin being depreciated once they are complete, at which time the complete costs of the project are transferred to the appropriate capital asset category. Improvements are depreciated over the remaining useful lives of the related capital assets.

Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>
Improvements other than Buildings	30 years
Buildings and Improvements	20-50 years
Equipment, Furniture and Vehicles	5-20 years

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2023

Summary of Significant Accounting Policies (Continued)
Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Fund Equity (Continued)

Leases

The District recognizes a lease liability and an intangible right-of-use lease asset in the government-wide financial statements for leases that have a term exceeding one year. At the commencement of a lease, the District initially measures the lease liability at the present value of payments expected to be made during the lease term. The District uses a discount rate that is explicitly stated or implicit in the contract. When a readily determinable discount rate is not available, the discount rate is determined using the District's incremental borrowing rate at the start of the lease for a similar asset type and term length to the contract. The lease liability is reduced by the principal portion of lease payments made. Intangible right-of-use lease assets are amortized on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset. The lease term includes the noncancellable period of the lease. Right-of-use lease assets are reported with other capital assets and lease liabilities are reported with long-term liabilities in the statement of net position. Short-term lease payments are expensed when incurred.

Subscription-Based Information Technology Arrangements

The District recognizes a subscription liability and an intangible right-of-use subscription asset in the government-wide financial statements for subscription-based information technology arrangements ("SBITA") that have a term exceeding one year. At the commencement of a SBITA, the District initially measures the subscription liability at the present value of payments expected to be made during the SBITA term. The District uses a discount rate that is explicitly stated or implicit in the contract. When a readily determinable discount rate is not available, the discount rate is determined using the District's incremental borrowing rate at the start of the SBITA for a similar asset type and term length to the contract. The subscription liability is reduced by the principal portion of SBITA payments made. Intangible right-of-use subscription assets are amortized on a straight-line basis over the shorter of the SBITA term or the useful life of the underlying asset. The SBITA term includes the noncancellable period of the SBITA. Right-of-use subscription assets are reported with other capital assets and subscription liabilities are reported with long-term liabilities in the statement of net position. Short-term SBITA payments are expensed when incurred.

Compensated Absences

It is the District's policy to permit certain qualified employees to accumulate earned but unused annual leave. A maximum accrual of 135 days is allowed. Employees are paid for their accumulated days over the maximum amount at their rate of pay. All full-time employees who separate from employment or retire from the District may receive payment for accumulated but unused annual leave which has been earned while employed in the District up to 66 2/3 percent of 135 day maximum, i.e., 90 days in the following manner.

A person with up to a maximum of 135 days of annual leave earned while employed in the District may receive payment for 66 2/3 percent of those days, i.e., payment for no more than 90 days, upon separation from employment. Once an employee elects to receive his/her leave payment, he/she will not be able to transfer any annual leave days for which payment is received to another school district or eligible state agency. In his/her lifetime, no employee will receive payment for more than 66 2/3 percent of 135 days of annual leave, i.e., 90 days, which has been earned and accumulated while in the employment of the District. If an employee receives payment for days of annual leave earned and accumulated while in the employment of the District in an amount less than the maximum of 90 days, the employee may receive additional payments for leave accumulated to the extent that the payment does not exceed the lifetime aggregate maximum total of 90 days.

The District computes its compensated absences liability based on employees employed by the District at year end. The District takes the employee's accumulated leave days and multiplies two-thirds of those days by the employee's daily rate of compensation. The entire compensated absences liability is reported on the government-wide financial statements. No liability has been recorded in the governmental fund financial statements, since compensated absences would only be reported in the governmental funds if they were still outstanding following an employee's resignation or retirement. The District intends to fund the liability from future operations with assets that do not represent expendable available financial resources.

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2023

Summary of Significant Accounting Policies (Continued)
Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Fund Equity (Continued)

Accrued Liabilities and Long-term Obligation

All payables, accrued liabilities and long-term obligations are reported on the government-wide financial statements regardless of whether they will be liquidated with current resources. However, claims and judgments, the non-current portion of leases, contractually required pension contributions and special termination benefits, and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they will be paid with current expendable, available, financial resources. In general, payments made within sixty days after year-end are considered to have been made with current available financial resources. Bonds and other long-term obligations that will be paid from governmental funds are not recognized as a liability in the fund financial statements until due.

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

Fund Balances

The District reports fund balance in accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement defines five classifications of governmental fund balances: nonspendable, restricted, committed, assigned and unassigned. Where applicable, these classifications are presented on the face of the governmental fund balance sheet. The District's highest level of decision-making authority is the Board of Trustees.

The District classifies fund balances as follows:

Nonspendable – This includes amounts that inherently cannot be spent either because it is not in spendable form (i.e. prepaid items, inventories, etc.) or because of legal or contractual requirements (i.e. principal amount of resources that are required to remain intact.)

Restricted – This includes amounts that have constraints placed on the use of resources externally imposed by creditors, grantors, or contributors.

Committed – This includes amounts that have constraints for specific purposes by the District itself, using its highest level of decision-making authority, which as noted above is the Board of Trustees. Constraints must remain in place unless removed in the same manner as imposed and must take place no later than the close of the fiscal year. In order for an amount to constitute a committed fund balance, the Board of Trustees during open session of a Board of Trustee meeting must approve an ordinance. In order for the fund balance commitment to be modified or rescinded, the Board of Trustees would have to change that in formal action, such as an ordinance, prior to the end of a fiscal year.

Assigned – This includes amounts that the District intends to use for specific purposes that are neither considered restricted nor committed and these assignments are made before the report issuance date. The intent to assign these balances can be expressed by the Board of Trustees or by an official or body to which the Board of Trustees delegates the authority. The District reports assigned fund balance when it appropriates a portion of fund balance in the next fiscal year's General Fund budget. The General Fund budget is approved each year in formal action taken by the Board of Trustees.

Unassigned – This includes amounts that do not qualify to be accounted for or reported in any of the other fund balance categories. These amounts are available for any purpose and the General Fund should be the only fund that reports a positive unassigned fund balance.

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2023

Summary of Significant Accounting Policies (Continued)
Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Fund Equity (Continued)

Fund Balances (Continued)

The District applies restricted resources when an expenditure is incurred for the purposes for which both restricted and unrestricted net position are available. The District applies assigned, then unassigned fund balance. Committed resources can only be applied if the Board of Trustees takes formal action to release resources for incurring expenditures.

The Board of Trustees formally adopted a minimum fund balance policy of 16.67 percent of the General Fund budget. General Fund budgeted expenditures for fiscal year 2023 was \$323,901,395 of which 16.67 percent equals \$53,994,363. This amount is included in the unassigned fund balance.

Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position and the Balance Sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District currently has three types of deferred outflows of resources: (1) The District reports *deferred loss on refunding* in its government-wide Statement of Net Position. *Deferred loss on refunding*, which is the difference between the reacquisition prices and the net carrying amounts of the defeased debt, is deferred and amortized over the life of the refunding bonds. Amortization of *deferred loss on refunding* is included in interest expense in the Statement of Activities. (2) The District reports *deferred pension charges* in its Statement of Net Position in connection with its participation in the South Carolina Retirement System and the South Carolina Police Officers Retirement System. These *deferred pension charges* are either (a) recognized in the subsequent period as a reduction of the net pension liability (which includes pension contributions made after the measurement date) or (b) amortized in a systematic and rational method as pension expense in future periods in accordance with GAAP. (3) The District reports *deferred OPEB charges* in its Statement of Net Position in connection with its participation in the South Carolina Retiree Health Insurance Trust Fund and the South Carolina Long-term Disability Insurance Trust Fund (“OPEB Trusts”). These *deferred OPEB charges* are either (a) recognized in the subsequent period as a reduction of the net OPEB liability (which includes OPEB contributions made after the measurement date) or (b) amortized in a systematic and rational method as OPEB expense in future periods in accordance with GAAP.

In addition to liabilities, the Statement of Net Position and the Balance Sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District currently has three types of deferred inflows of resources: (1) The District reports *unavailable revenue – property taxes* only in the governmental funds Balance Sheet; it is deferred and recognized as an inflow of resources (property tax revenues) in the period the amounts become available. (2) The District reports *deferred pension credits* in its Statement of Net Position in connection with its participation in the South Carolina Retirement System and the South Carolina Police Officers Retirement System. These *deferred pension credits* are amortized in a systematic and rational method and recognized as a reduction of pension expense in future periods in accordance with GAAP. (3) The District reports *deferred OPEB credits* in its Statement of Net Position in connection with its participation in the OPEB Trusts. These *deferred OPEB credits* are amortized in a systematic and rational method and recognized as a reduction of OPEB expense in future periods in accordance with GAAP.

Net Position

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources in the Statement of Net Position. Net position is classified as net investment in capital assets; restricted; and unrestricted.

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2023

Summary of Significant Accounting Policies (Continued)
Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Fund Equity (Continued)

Net Position (Continued)

Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Outstanding debt which has not been spent is included in the same net position component as the unspent proceeds.

Net position is reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, contributors, or laws or regulations of other governments.

Pensions

In government-wide financial statements, pensions are required to be recognized and disclosed using the accrual basis of accounting (see Note XI and the required supplementary information immediately following the notes to the basic financial statements for more information), regardless of the amount recognized as pension expenditures on the modified accrual basis of accounting. The District recognizes a net pension liability for each qualified pension plan in which it participates, which represents the excess of the total pension liability over the fiduciary net position of the qualified pension plan, or the District's proportionate share thereof in the case of a cost-sharing multiple-employer plan, measured as of the District's fiscal year-end. Changes in the net pension liability during the period are recorded as pension expense, or as deferred outflows or inflows of resources depending on the nature of the change, in the period incurred. Those changes in net pension liability that are recorded as deferred outflows or inflows of resources that arise from changes in actuarial assumptions or other inputs and differences between expected or actual experience are amortized over the weighted average remaining service life of all participants in the respective qualified pension plan and recorded as a component of pension expense beginning with the period in which they are incurred. Projected earnings on qualified pension plan investments are recognized as a component of pension expense. Differences between projected and actual investment earnings are reported as deferred outflows or inflows of resources and amortized as a component of pension expense on a closed basis over a five-year period beginning with the period in which the difference occurred.

Other Postemployment Benefits

In government-wide financial statements, other postemployment benefits are required to be recognized and disclosed using the accrual basis of accounting (see Note XII and the required supplementary information immediately following the notes to the basic financial statements for more information), regardless of the amount recognized as OPEB expenditures on the modified accrual basis of accounting. The District recognizes a net OPEB liability for each of the OPEB Trusts in which it participates, which represents the excess of the total OPEB liability over the fiduciary net position of the OPEB Trust, or the District's proportionate share thereof in the case of a cost-sharing multiple-employer plan, measured as of the District's fiscal year-end. Changes in the net OPEB liability during the period are recorded as OPEB expense, or as deferred outflows or inflows of resources depending on the nature of the change, in the period incurred. Those changes in net OPEB liability that are recorded as deferred outflows or inflows of resources that arise from changes in actuarial assumptions or other inputs and differences between expected or actual experience are amortized over the weighted average remaining service life of all participants in the respective OPEB Trust and recorded as a component of OPEB expense beginning with the period in which they are incurred. Projected earnings on OPEB Trust investments are recognized as a component of OPEB expense. Differences between projected and actual investment earnings are reported as deferred outflows or inflows of resources and amortized as a component of OPEB expense on a closed basis over a five-year period beginning with the period in which the difference occurred.

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2023

Summary of Significant Accounting Policies (Continued)
Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Fund Equity (Continued)

Accounting Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires the District's management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and deferred outflows and liabilities and deferred inflows and disclosure of these balances at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period.

Actual results could differ from those estimates.

Fair Value

The fair value measurement and disclosure framework provides for a three-tier fair value hierarchy that gives highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

- Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the District can access at the measurement date.
- Level 2 – Inputs to the valuation methodology, other than quoted prices included in Level 1, that are observable for an asset or liability either directly or indirectly and include:
 - Quoted prices for similar assets and liabilities in active markets.
 - Quoted prices for identical or similar assets or liabilities in inactive markets.
 - Inputs other than quoted market prices that are observable for the asset or liability.
 - Inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- Level 3 – Inputs to the valuation methodology that are unobservable for an asset or liability and include:
 - Fair value is often based on developed models in which there are few, if any, observable inputs.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used should maximize the use of observable inputs and minimize the use of unobservable inputs.

The valuation methodologies described above may produce a fair value calculation that may not be indicative of future net realizable values or reflective of future fair values. The District believes that the valuation methods used are appropriate and consistent with GAAP. The use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. There have been no significant changes from the prior year in the methodologies used to measure fair value.

Budgetary Information

The Board of Trustees adopts a legal annual appropriated budget for the General Fund revenues and expenditures on the modified accrual basis of accounting which is consistent with GAAP each fiscal year. The budget is prepared, controlled, and amended at the revenue and expenditure object level. The District's superintendent may authorize line item transfers in the General Fund budget that are subject to final review by the Board. Revisions to the budget were made throughout the year at the legal level of budgetary control. Unexpended appropriations lapse at fiscal year-end. Special Revenue Fund budgets are developed and controlled in conformance with the specific requirements of each grant or funding agency. These budgets are not legally adopted by the Board of Trustees. Both General and Special Revenue Fund budgets are used as a management control device during the year.

LEXINGTON COUNTY SCHOOL DISTRICT ONE
 LEXINGTON, SOUTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2023

Summary of Significant Accounting Policies (Continued)
Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Fund Equity (Continued)

Budgetary Information (Continued)

The following procedures are followed in establishing the budgetary data reflected in the financial statements:

1. In the fall of the preceding year, the District begins its budget process for the next succeeding fiscal year beginning on July 1.
2. After the District’s budget committee reviews all requests and allocation requirements and related revenue, it presents a tentative proposed budget to the Superintendent for review and adjustment.
3. The Superintendent then presents a proposed budget to the Board of Trustees which reviews it in a series of workshops and makes any additions or deletions it deems necessary.
4. Prior to July 1, the budget is legally enacted through passage of a resolution by the Board.

Encumbrances

The appropriations of the General Fund of the District lapse at June 30 each year and the outstanding purchase orders, contracts, and other commitments must be renewed. Therefore, there are no commitments or assignments of the fund balances at year-end for encumbrances.

II. Cash and Investments

Custodial Credit Risk for Deposits: Custodial credit risk for deposits is the risk that, in the event of a bank failure, the District’s deposits might not be recovered. The District does not have a deposit policy for custodial credit risk but follows the investment policy statutes of the State of South Carolina. The State’s policy, by law, requires all banks or savings and loan associations that receive public funds to secure the deposits by deposit insurance, surety bonds, collateral securities, or letters of credit to protect the State against any loss. As of June 30, 2023, none of the District’s bank balances of \$26,097,189 (book balance of \$24,899,769) were exposed to custodial credit risk.

Custodial Credit Risk for Investments: Custodial credit risk for investments is the risk that, in the event of a failure, the government will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. The District does not have an investment policy for custodial credit risk but follows the investment policy statutes of the State of South Carolina, as described above. As of June 30, 2023, none of the District’s investments were exposed to custodial credit risk.

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

<u>Investment Type</u>	<u>Fair Value Level</u>	<u>Maturities</u>	<u>Credit Rating</u>	<u>Fair Value</u>
SC Local Government Investment Pool	N/A	Various	Unrated	\$ 204,638,738
Open Ended Mutual Funds	Level 1	Various	Unrated	1,095,267
Certificate of Deposit	Level 1	Various	Unrated	235,000
Cash/Investments Held by County Treasurer	N/A	Various	Unrated	20,674,014
Total Investments				<u>\$ 226,643,019</u>

Credit Risk for Investments: Credit risk for investments is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The District does not have an investment policy for credit risk but follows the investment policy statutes of the State of South Carolina.

The Local Government Investment Pool (LGIP) is not rated. Further information may be obtained from the LGIP’s complete financial statements.

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA**

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2023

Cash and Investments (Continued)

These financial statements may be obtained by writing to the following address:

Office of the State Treasurer
Local Government Investment Pool
Post Office Box 11778
Columbia, SC 29211

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

Concentration of Credit Risk for Investments: The District places no limit on the amount it may invest in any one issuer. Investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds and external investment pools are excluded from this disclosure requirement.

The following table reconciles deposits and investments within the footnotes to the amounts in the Statement of Net Position:

Financial Statements	
Statement of Net Position:	
Unrestricted Assets:	
Cash and Cash Equivalents	\$ 165,963,372
Investments	3,134,458
Cash and Investments Held by County Treasurer	20,674,014
Restricted Assets:	
Cash and Cash Equivalents, Restricted	60,440,677
Investments	1,330,267
Total	\$ 251,542,788

Notes to Financial Statements	
Deposits	24,899,769
Investments	226,643,019
	\$ 251,542,788

III. Property Taxes and Other Receivables

The County of Lexington, South Carolina is responsible for collecting and distributing property taxes in accordance with enabling state legislation. Property taxes attach as an enforceable lien on property as of March 15. Property taxes are levied and billed on November 1 based on an assessed value of approximately \$712.2 million at tax rates of 308.86 mills for the General Fund and 90.0 mills for the debt service fund.

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA**

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2023

Property Taxes and Other Receivables (Continued)

These taxes are due and payable without penalty through January 15 of the next year. Penalties are added to taxes when paid after January 15 depending on the period of time the tax is delinquent.

Taxes receivable include an allowance for uncollectibles of \$3,815,789 at June 30, 2023. Allowances for uncollectibles were not necessary for the other receivable accounts.

Governmental funds report unavailable revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At June 30, 2023, the various components of unavailable revenue and unearned revenue reported in the governmental funds were as follows:

	General Fund	Special Revenue Funds	Debt Service Fund	Total
Unavailable Property Taxes	\$ 8,427,408	\$ -	\$ 2,608,455	\$ 11,035,863
Unearned Revenue	-	3,587,914	-	3,587,914
Total	<u>\$ 8,427,408</u>	<u>\$ 3,587,914</u>	<u>\$ 2,608,455</u>	<u>\$ 14,623,777</u>

IV. Due from County Government

This represents the amount due from the Lexington County Treasurer for the amounts of property taxes and property tax relief distributions that had been collected at June 30 but had not been remitted to the District.

V. Due from State Department of Education, Other State Agencies and Federal Government

This represents amounts due for state and federal revenues that had been earned as of June 30, 2023 but had not yet been received.

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2023

VI. Capital Assets

A summary of changes in capital assets for the District is as follows:

	Balance July 1, 2022	Additions	Disposals	Transfers	Balance June 30, 2023
Non-depreciable Assets:					
Land	\$ 29,363,307	-	-	-	\$ 29,363,307
Construction in Process	147,186,854	36,167,150	-	(149,944,496)	33,409,508
Total Non-depreciable	176,550,161	36,167,150	-	(149,944,496)	62,772,815
Depreciable Assets:					
Buildings and Improvements	783,118,689	-	-	142,561,262	925,679,951
Improvements other than Buildings	53,084,054	-	-	7,383,234	60,467,288
Equipment, Furniture and Vehicles	29,031,627	3,665,090	(456,527)	-	32,240,190
Total Depreciable	865,234,370	3,665,090	(456,527)	149,944,496	1,018,387,429
Less Accumulated Depreciation for:					
Buildings and Improvements	(183,180,248)	(14,623,985)	-	-	(197,804,233)
Improvements other than Buildings	(16,617,378)	(1,855,374)	-	-	(18,472,752)
Equipment, Furniture and Vehicles	(16,684,692)	(2,251,224)	368,014	-	(18,567,902)
Total Accumulated Depreciation	(216,482,318)	(18,730,583)	368,014	-	(234,844,887)
Net Depreciable Capital Assets	648,752,052	(15,065,493)	(88,513)	149,944,496	783,542,542
Governmental Activities Capital Assets, Net	\$ 825,302,213	21,101,657	(88,513)	-	\$ 846,315,357

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

Governmental Activities:

Instruction	\$ 14,941,641
Support Services	3,788,942
Total Depreciation Expense – governmental activities	<u>\$ 18,730,583</u>

Intangible Right-of-Use Lease Assets

During fiscal year 2023, the District entered into a 5-year copier lease, with no options to extend and no option to purchase. The lease requires fixed monthly payments of \$49,400 as well as overage costs based on the quantity of copies made, which the District estimates to be \$10,913 per month. The first payment under the lease was in July 2023. An initial intangible right-of-use lease asset and lease liability of \$3,215,533 have been recognized as of June 30, 2023. There was no amortization expense on this lease during fiscal year 2023.

Intangible Right-of-Use Subscription Assets

During fiscal year 2023, the District implemented GASBS No. 96, *Subscription-Based Information Technology Arrangements*. The District has entered into subscription-based information technology arrangements (SBITAs) involving:

• Technology firewall software	• Menu and nutritional planning software	• Data backup software
• Network management software	• Career and college exploration software	• Workplace management software
• Student progress software	• Virtualization and cloud computing software	• Data center networking software

LEXINGTON COUNTY SCHOOL DISTRICT ONE
 LEXINGTON, SOUTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2023

Capital Assets (Continued)

Intangible Right-of-Use Subscription Assets (continued)

Initial intangible right-of-use subscription assets of \$1,091,180 and subscription liabilities of \$1,080,461 were recognized during fiscal year 2023. Amortization expense of \$515,442 was recognized during fiscal year 2023.

Intangible right-of-use subscription asset	\$ 1,091,180
Less: accumulated amortization	(515,442)
Intangible right-of-use subscription asset, net	<u>\$ 575,738</u>

VII. Interfund Receivables and Payables

Interfund balances at June 30, 2023 (all of which are expected to be paid or received within one year), consisted of the following individual fund receivables and payables:

<u>Fund</u>	<u>Receivables</u>	<u>Payables</u>
General Fund:		
Due from Special Revenue – Special Revenue	\$ 1,095,854	
Due to Special Revenue – EIA		\$ 4,027,364
Due to Special Revenue – Food Service		7,214,591
Due to Capital Projects		8,601,997
Due from Debt Service – District	1,509	
Total – General Fund	<u>1,097,363</u>	<u>19,843,952</u>
Special Revenue – Special Revenue		
Due to General Fund		1,095,854
Special Revenue – EIA		
Due from General Fund	4,027,364	
Special Revenue – Food Service		
Due from General Fund	7,214,591	
Capital Projects		
Due from General Fund	8,601,997	
Debt Service – District		
Due to General Fund		1,509
Totals	<u>\$ 20,941,315</u>	<u>\$ 20,941,315</u>

The General Fund receivable from Special Revenue – Special Projects is a result of cash for these funds being held in the General Fund. At year-end, amounts had been expended but cash had not yet been received. The General Fund receivable from Debt Service is a result of cash being used to pay costs of issuance to be reimbursed by the Debt Service – District Fund. The General Fund payable to Special Revenue – EIA is a result of revenues received and unearned but recorded as cash in the General Fund. These funds will be expended in the subsequent fiscal year. The amounts payable to Special Revenue – Food Service and Capital Projects are a result of cash for these funds being held in the General Fund.

The Special Revenue – Special Revenue payable to the General Fund is a result of cash for these funds being held in the General Fund. At year-end, amounts had been paid from the General Fund for which cash had not yet been received.

The Special Revenue – EIA receivable from the General Fund is a result of revenues received and unearned but recorded as cash in the General Fund.

The Special Revenue – Food Service receivable from the General Fund is a result of cash for this fund being held in the General Fund.

LEXINGTON COUNTY SCHOOL DISTRICT ONE
 LEXINGTON, SOUTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2023

Interfund Receivables and Payables (Continued)

The Capital Projects receivable from the General Fund is a result of cash for this fund being held in the General Fund.

The Debt Service – District payable to the General Fund is a result of cash being used by the General Fund to pay costs of issuance to be reimbursed by the Debt Service – District Fund.

VIII. Transfers To and From

Transfers from and to other funds for the year ended June 30, 2023, consisted of the following:

General Fund			
Transfers To:	Amount	Transfers From:	Amount
Special Revenue - Food Service	\$ 1,793,381	Special Revenue - Special Projects	\$ 1,277,427
Debt Service - LOSF, Corp	4,214	Special Revenue - EIA	20,839,737
	<u>1,797,595</u>	Special Revenue - Food Service	<u>1,100,763</u>
			23,217,927
Special Revenue- Special Projects			
Transfers To:	Amount	Transfers From:	Amount
General Fund	1,277,427		
Special Revenue- EIA			
Transfers To:	Amount	Transfers From:	Amount
General Fund	20,839,737		
Special Revenue - Food Service			
Transfers To:	Amount	Transfers From:	Amount
General Fund	1,100,763	General Fund	1,793,381
Debt Service - District			
Transfers To:	Amount	Transfers From:	Amount
Debt Service - LOSF, Corp	6,060,864		
Capital Projects	<u>18,140,838</u>		
	24,201,702		
Debt Service - LOSF, Corp			
Transfers To:	Amount	Transfers From:	Amount
		General Fund	4,214
		Debt Service - District	<u>6,060,864</u>
			6,065,078
Capital Projects			
Transfers To:	Amount	Transfers From:	Amount
		Debt Service - District	18,140,838
Total	<u>\$ 49,217,224</u>		<u>\$ 49,217,224</u>

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA**

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2023

Transfers To and From (Continued)

Interfund transfers include funding allowed for indirect costs, required matches, and supplemental funding. No transfers were made as reimbursements to other funds. The transfers for the year ended June 30, 2023, consisted of the following:

General Fund:

Transfers to:

The transfer to Special Revenue– Food Service represents an annual transfer made to fund benefits for food service employees as required by the South Carolina State Department of Education. Funds are transferred to the Debt Service – LOSF, Corp. in order to pay trustee fees.

Transfers from:

Funds transferred from Special Revenue – Special Revenue and Special Revenue – Food Service were transferred to the General Fund for indirect costs for federal programs. Funds transferred from Special Revenue – EIA were transferred to cover the EIA teacher salary supplement paid by the General Fund and for the State of South Carolina’s Funding Flexibility provision.

Special Revenue – Special Revenue:

Transfers to:

Funds transferred to the General Fund represent allowable indirect costs for federal programs.

Special Revenue – EIA:

Transfers to:

Funds were transferred to the General Fund to cover the cost of the EIA teacher salary and fringe benefits supplement that was paid by the General Fund and for funds transferred under the State of South Carolina’s Funding Flexibility provision to offset state funding reductions. The District’s Board of Trustees approved the transfer under the Funding Flexibility as required by law.

Special Revenue – Food Service:

Transfers to:

Funds transferred to the General Fund represent allowable indirect costs for the federal food nutrition program.

Transfers from:

Funds were transferred from the General Fund to fund benefits for food service employees as required by the South Carolina State Department of Education.

Debt Service – District:

Transfers to:

Funds were transferred to the Debt Service – LOSF, Corp. to account for the General Obligation Bonds issued by the District to satisfy the annual installment purchase revenue bonds principal and interest payment. Funds were transferred to Capital Projects for the portion of short-term bonds issued to finance certain capital improvements as approved by the Board of Trustees.

Debt Service – LOSF, Corp.:

Transfers from:

Funds were transferred from the General Fund for the payment of trustee fees due in the current year. Funds were transferred from Debt Service – District to satisfy the annual principal and interest payment due on the installment purchase revenue bonds.

Capital Projects:

Transfers from:

Funds were transferred from Debt Service – District for short-term bonds issued to finance certain capital improvements as approved by the Board of Trustees.

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA**

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2023

IX. Short-Term Obligations

Summary of Changes in Short-Term Debt Obligations:

	Balance July 1, 2022	Additions	Deletions	Balance June 30, 2023
General Obligation Bond, Series 2022A	\$ 877,000	\$ -	\$ 877,000	\$ -
General Obligation Bond, Series 2022B	-	23,535,000	23,535,000	-
General Obligation Bond, Series 2023A	-	788,100	-	788,100
Total	\$ 877,000	\$ 24,323,100	\$ 24,412,000	\$ 788,100

Bonds Issued

In May 2022, the District issued \$877,000 in Series 2022A General Obligation Bonds for the purpose of providing funds to pay the acquisition price payments in fiscal year 2022 (Installment Purchase Bonds) of LOSF, Corp., and to pay the costs of issuance of the Bond.

In November 2022, the District issued \$23,535,000 in General Obligation Bonds, Series 2022B for the purpose of providing funds to pay the acquisition price payments in fiscal year 2023 (Installment Purchase Bonds) of LOSF, Corp., to provide funding for capital improvements as approved by the Board and to pay the costs of issuance of the Bonds.

In May 2023, the District issued \$788,100 in Series 2023A General Obligation Bonds for the purpose of providing funds to pay the acquisition price payments in fiscal year 2023 (Installment Purchase Bonds) of LOSF, Corp., and to pay the costs of issuance of the Bond.

X. Long-Term Obligations

Summary of Changes in Long-Term Debt Obligations:

	Balance July 1, 2022	Additions	Deletions	Balance June 30, 2023
General Obligations:				
General Obligation Bonds	\$ 608,245,000	\$ -	\$ 26,715,000	\$ 581,530,000
Installment Purchase Revenue Bonds	46,660,000	-	4,440,000	42,220,000
Subtotal	654,905,000	-	31,155,000	623,750,000
Bond Premiums	37,551,623	-	2,905,664	34,645,959
Net Bonded Indebtedness	692,456,623	-	34,060,664	658,395,959
Lease Liability	-	3,215,533	-	3,215,533
Subscription Liability	-	1,080,884	560,270	520,614
Compensated Absences	36,180,271	4,508,113	3,560,080	37,128,304
Total	\$ 728,636,894	\$ 8,804,530	\$ 38,181,014	\$ 699,260,410

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA**

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2023

Long-Term Obligations (Continued)

<u>Current Portion of Long-Term Debt Obligations:</u>	<u>June 30, 2023</u>
<u>General Obligations:</u>	
General Obligation Bonds	\$ 28,385,000
Installment Purchase Revenue Bonds	4,615,000
Subtotal	<u>33,000,000</u>
Bond Premiums	2,763,615
Lease Liability	531,257
Subscription Liability	200,520
Compensated Absences	3,560,080
Total	<u>\$ 40,055,472</u>

In prior years, the District has used General Fund resources to liquidate Compensated Absences.

General Obligations

General obligations at June 30, 2023 consist of installment purchase revenue bonds and general obligation bonds payable. Of the General Obligation Bonds payable, the Series 2011 bonds were issued as Taxable Qualified School Construction Bonds.

The Taxable Qualified School Construction Bonds were issued under the provisions of the State of South Carolina Federal Education Tax-Credit Bond Implementation Act of 2009. A refundable tax credit must be applied for each time an interest payment is due for these bonds. The District has reported interest expenditures at the gross amount. The interest subsidy and refundable tax credit received from the United States Government are reported as intergovernmental revenue.

Lexington One School Facilities, Corp. issued various Installment Purchase Revenue Bonds to finance various capital projects that were completed by the District between 2005 and 2011. The District is not a party to these bonds. The obligation to make installment payments does not represent or constitute a debt of, or a pledge of the faith and credit of the taxing power of the District; however, chances of non-appropriation are remote.

Assets Subject to Loss of Use

The District could lose the right to use portions of certain Instructional Facilities built using proceeds of Installment Purchase Revenue Bonds issued by the Lexington One School Facilities, Corp. to the extent of any missed lease payments.

Lease Liabilities

As stated in Note VI, Capital Assets, during fiscal year 2023, the District entered into a 5-year copier lease, with no options to extend and no option to purchase. The lease requires fixed monthly payments of \$49,400 as well as overage costs based on the quantity of copies made, which the District estimates to be \$10,913 per month. The first payment under the lease was in July 2023. An initial intangible right-of-use lease asset and lease liability of \$3,215,533 have been recognized as of June 30, 2023. As an implicit borrowing rate was not readily determinable under the lease, the District used its incremental borrowing rate of 4.75% to determine the value of the lease liability. There was no amortization expense on this lease during fiscal year 2023.

The District's future lease payments are as follows:

<u>Fiscal Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 531,257	\$ 129,579	\$ 660,836
2025	606,499	114,413	720,912
2026	635,943	84,969	720,912
2027	666,818	54,094	720,912
2028	775,016	21,722	796,738
Total	<u>\$ 3,215,533</u>	<u>\$ 404,777</u>	<u>\$ 3,620,310</u>

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2023

Long-Term Obligations (Continued)

Subscription Liabilities

As stated in Note VI, Capital Assets, during fiscal year 2023, the District implemented GASBS No. 96, *Subscription-Based Information Technology Arrangements*. Initial intangible right-of-use subscription assets of \$1,091,180 and subscription liabilities of \$1,080,461 were recognized during fiscal year 2023. As an implicit borrowing rate was not readily determinable under the lease, the District used its incremental borrowing rate of 4.75% to determine the value of the lease liability.

The District's future subscription payments under SBITAs are as follows:

<u>Fiscal Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 200,520	\$ 22,308	\$ 222,828
2025	200,654	15,204	215,858
2026	58,335	5,673	64,008
2027	61,105	2,903	64,008
Total	<u>\$ 520,614</u>	<u>\$ 46,088</u>	<u>\$ 566,702</u>

The following table outlines the debt outstanding at June 30, 2023:

<u>Debt</u>	<u>Issue Date</u>	<u>Date of Final Maturity</u>	<u>Interest Rates</u>	<u>Amount Issued</u>	<u>Outstanding as of June 30, 2023</u>	<u>Due Within One Year</u>
General Obligation Bonds						
Series 2011	3/31/2011	2/1/2026	3.5%-5.0%	\$ 35,710,000	\$ 35,685,000	\$ 5,685,000
Series 2013A	4/9/2013	3/1/2024	4.0%-5.0%	18,720,000	420,000	420,000
Series 2015A	3/4/2015	2/1/2030	3.5%-5.0%	60,850,000	42,240,000	1,325,000
Series 2016	2/2/2016	2/1/2032	3.25%-5.0%	18,200,000	13,290,000	1,130,000
Series 2017B	10/31/2017	2/1/2036	2.0%-5.0%	82,910,000	70,730,000	9,750,000
Series 2019A	2/1/2019	2/1/2034	3.0%-5.0%	54,525,000	45,965,000	2,715,000
Series 2019B	10/29/2019	2/1/2044	2.25%-5.0%	165,000,000	159,285,000	1,080,000
Series 2020B	6/29/2020	2/1/2038	1.1%-3.0%	88,420,000	84,010,000	2,625,000
Series 2020C	9/15/2020	2/1/2044	1.88%-4.0%	150,000,000	129,905,000	3,655,000
Installment Purchase Revenue Bonds						
Series 2013	7/2/2013	12/1/2030	4.0%-5.25%	35,350,000	18,765,000	2,120,000
Series 2015A	4/16/2015	12/1/2030	2.0%-5.0%	39,320,000	23,455,000	2,495,000
TOTAL				<u>\$ 749,005,000</u>	<u>\$ 623,750,000</u>	<u>\$ 33,000,000</u>

The annual requirements to amortize the General Obligation Bonds outstanding at June 30, 2023, including interest payments of \$163,655,000 are as follows:

<u>Fiscal Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 28,385,000	\$ 18,399,995	\$ 46,784,995
2025	29,775,000	17,170,136	46,945,136
2026	30,965,000	15,841,985	46,806,985
2027	32,055,000	14,481,861	46,536,861
2028	33,205,000	13,305,860	46,510,860
2029-2033	166,865,000	48,913,983	215,778,983
2034-2038	149,135,000	25,244,518	174,379,518
2039-2043	91,400,000	9,781,356	101,181,356
2044	19,745,000	515,306	20,260,306
Total	<u>\$ 581,530,000</u>	<u>\$ 163,655,000</u>	<u>\$ 745,185,000</u>

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA**

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2023

Long-Term Obligations (Continued)

The annual requirements to amortize the Installment Purchase Revenue Bonds at June 30, 2023, including interest payments of \$6,200,432 are as follows:

<u>Fiscal Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 4,615,000	\$ 1,439,424	\$ 6,054,424
2025	4,800,000	1,250,274	6,050,274
2026	4,995,000	1,052,968	6,047,968
2027	5,195,000	847,130	6,042,130
2028	5,405,000	662,740	6,067,740
2029-2031	17,210,000	947,896	18,157,896
Total	<u>\$ 42,220,000</u>	<u>\$ 6,200,432</u>	<u>\$ 48,420,432</u>

The District has satisfied all sinking fund requirements. There is an annual debt service tax millage, currently 90.0 mills, to repay the General Obligation debt. Details on the Installment Purchase Revenue Bonds and General Obligation Bonds are presented as schedules.

Compensated Absences

The District estimates that the compensated absences amount to be considered as the current portion due within one year to be \$3,560,080.

XI. Retirement Plans

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

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

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

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2023

Retirement Plans (Continued)

Plan Descriptions

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

The State Optional Retirement Program (State ORP) is a defined contribution plan that is offered as an alternative to SCRS to certain newly hired state, public higher education institution and public school district employees, as well as first-term individuals elected to the South Carolina General Assembly. State ORP participants direct the investment of their funds into an account administered by one of four third-party service providers. For this reason, State ORP assets are not part of the retirement systems' trust funds for financial statement purposes.

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

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

Plan Membership

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

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

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

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

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2023

Retirement Plans (Continued)

Plan Membership (Continued)

PORS (Continued) – 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.

Plan Benefits

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

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

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

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

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

Plan Contributions

Actuarial valuations are performed annually by an external consulting actuary to ensure applicable contribution rates satisfy the funding parameters specified in Title 9 of the South Carolina Code of Laws. Under these provisions, SCRS and PORS contribution requirements must be sufficient to maintain an amortization period for the financing of the unfunded actuarial accrued liability (UAAL) over a period that does not exceed the number of years scheduled in state statute. The Retirement Funding and Administration Act of 2017 increased, but also established a ceiling for SCRS and PORS employee contribution rates. Effective July 1, 2017, employee rates were increased to a capped rate of 9.00 percent for SCRS and 9.75 percent for PORS.

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA**

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2023

Retirement Plans (Continued)

Plan Contributions (Continued)

The legislation also increased employer contribution rates beginning July 1, 2017 for both SCRS and PORS by two percentage points and further scheduled employer contribution rates to increase by a minimum of one percentage point each year in accordance with state statute. The General Assembly postponed the one percent increase in the SCRS and PORS employer contribution rates that was scheduled to go into effect beginning July 1, 2020. In accordance with the legislative funding schedule, employer contribution rates will continue to increase by 1 percentage point each year until reaching 18.56 percent for SCRS and 21.24 percent for PORS but may be increased further, if the scheduled contributions are not sufficient to meet the funding periods set for the applicable year. The board shall increase the employer contribution rates as necessary to meet the amortization period set in statute.

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

Required employee contribution rates¹ are as follows:

	<u>7/1/22 to 6/30/23</u>	<u>7/1/21 to 6/30/22</u>
<u>SCRS</u>		
Employee Class Two	9.00%	9.00%
Employee Class Three	9.00%	9.00%
<u>State ORP</u>		
Employee Class Three	9.00%	9.00%
<u>PORS</u>		
Employee Class Two	9.75%	9.75%
Employee Class Three	9.75%	9.75%

¹ Calculated on earnable compensation as defined in Title 9 of the South Carolina Code of Laws.

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA**

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2023

Retirement Plans (Continued)

Plan Contributions (Continued)

Required employer contribution rates¹ are as follows (based on retirement plan's fiscal year):

	<u>7/1/22 to 6/30/23</u>	<u>7/1/21 to 6/30/22</u>
<u>SCRS</u>		
Employer Class Two	17.41%	16.41%
Employer Class Three	17.41%	16.41%
Employer Incidental Death Benefit	0.15%	0.15%
 <u>State ORP</u>		
Employer Contribution ²	17.41%	16.41%
Employer Incidental Death Benefit	0.15%	0.15%
 <u>PORS</u>		
Employer Class Two	19.84%	18.84%
Employer Class Three	19.84%	18.84%
Employer Incidental Death Benefit	0.20%	0.20%
Employer Accidental Death Program	0.20%	0.20%

¹ Calculated on earnable compensation as defined in Title 9 of the South Carolina Code of Laws.

² Of this employer contribution, 5% of earnable compensation must be remitted by the employer directly to the ORP service provider to be allocated to the member's account with the remainder of the employer contribution remitted to the SCRS.

The required contributions and percentages of amounts contributed by the District to the Plans for the past five years were as follows:

Year Ended June 30,	<u>SCRS Contributions</u>		<u>State ORP Contributions</u>		<u>PORS Contributions</u>	
	<u>Required</u>	<u>% Contributed</u>	<u>Required</u>	<u>% Contributed</u>	<u>Required</u>	<u>% Contributed</u>
2023	\$ 33,895,628	100%	\$ 1,985,319	100%	\$ 42,699	100%
2022	30,849,249	100%	1,807,012	100%	39,004	100%
2021	26,554,474	100%	1,502,250	100%	31,501	100%
2020	26,441,702	100%	1,461,266	100%	33,753	100%
2019	\$ 23,552,327	100%	\$ 1,182,478	100%	\$ 35,685	100%

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA**

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2023

Retirement Plans (Continued)

Plan Contributions (Continued)

Eligible payrolls of the District covered under the Plans for the past five years were as follows:

Year Ended June 30,	SCRS Payroll	State ORP Payroll	PORS Payroll	Total Payroll
2023	\$ 194,690,571	\$ 15,997,737	\$ 215,215	\$ 210,903,523
2022	187,990,546	15,837,090	207,027	204,034,663
2021	172,317,805	14,430,832	176,574	186,925,211
2020	171,587,945	14,037,134	189,201	185,814,280
2019	\$ 163,444,327	\$ 12,566,184	\$ 211,907	\$ 176,222,418

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

The net pension liability (“NPL”) is calculated separately for each system and represents that particular system’s total pension liability (“TPL”) determined in accordance with GASB No. 67 less that System’s fiduciary net position. NPL totals, as of the June 30, 2022 measurement date, for SCRS and PORS are presented in the following table.

System	Total Pension Liability	Plan Fiduciary Net Position	Employers’ Net Pension Liability (Asset)	Plan Fiduciary Net Position as a Percentage Of the Total Pension Liability
SCRS	\$ 56,454,779,872	\$ 32,212,626,932	\$ 24,242,152,940	57.1%
PORS	8,937,686,946	5,938,707,767	2,998,979,179	66.4%

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

At June 30, 2023, the District reported liabilities of approximately \$397,197,000 and \$385,000 for its proportionate share of the net pension liabilities for the SCRS and PORS (“Plans”), respectively. The total net pension liability was approximately \$397,582,000. The net pension liabilities were determined based on the most recent actuarial valuation as of July 1, 2021, using membership as of that date projected forward to the end of the retirement plan’s fiscal year, and financial information of the pension trust funds as of June 30, 2022.

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA**

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2023

Retirement Plans (Continued)

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

The District's proportion of the net pension liabilities was based on a projection of the District's long-term share of contributions to the Plans relative to the projected contributions of all participating governmental units, actuarially determined. At the June 30, 2022 measurement date, the District's SCRS proportion was 1.638459 percent, which was an increase of 0.011657 percent from its proportion measured as of June 30, 2021. At the June 30, 2022 measurement date, the District's PORS proportion was 0.012829 percent, which was an increase of .000975 percent from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the District recognized pension expense of approximately \$36,435,000 and \$11,000 for the SCRS and PORS, respectively, for a total pension expense of approximately \$36,446,000.

At June 30, 2023, 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>
<u>SCRS</u>		
Differences between expected and actual experience	\$ 3,450,907	\$ 1,730,974
Assumption changes	12,739,064	-
Net difference between projected and actual earnings on pension plan investments	58,433,339	57,820,781
Deferred amounts from changes in proportionate share and differences between District contributions and proportionate share of contributions	2,351,669	144,637
District contributions subsequent to the measurement date	<u>36,196,980</u>	<u>-</u>
Total SCRS	<u>\$ 113,171,959</u>	<u>\$ 59,696,392</u>
<u>PORS</u>		
Differences between expected and actual experience	\$ 6,455	\$ 7,605
Assumption changes	16,021	-
Net difference between projected and actual earnings on pension plan investments	83,484	82,322
Deferred amounts from changes in proportionate share and differences between District contributions and proportionate share of contributions	20,786	28,677
District contributions subsequent to the measurement date	<u>43,560</u>	<u>-</u>
Total PORS	<u>\$ 170,306</u>	<u>\$ 118,604</u>
Total SCRS and PORS	<u>\$ 113,342,265</u>	<u>\$ 59,814,996</u>

Approximately \$36,197,000 and \$44,000 that were reported as deferred outflows of resources related to the District's contributions subsequent to the measurement date to the SCRS and PORS, respectively, will be recognized as a reduction of the net pension liabilities in the year ended June 30, 2024.

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA**

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2023

Retirement Plans (Continued)

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

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the SCRS and PORS will increase (decrease) pension expense as follows:

<u>Year Ended June 30,</u>	<u>SCRS</u>	<u>PORS</u>	<u>Total</u>
2023	\$ 9,612,362	\$ (4,783)	\$ 9,607,579
2024	6,150,630	5,832	6,156,462
2025	(8,843,067)	(7,863)	(8,850,930)
2026	10,358,662	14,955	10,373,617
Total	\$ 17,278,587	\$ 8,141	\$ 17,286,728

Actuarial Assumptions and Methods

Actuarial valuations of the ongoing plan involve estimates of the reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and future salary increases. Amounts determined regarding the net pension liability are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. South Carolina state statute requires that an actuarial experience study be completed at least once in each five-year period. An experience report on the Systems was most recently issued for the period ending June 30, 2019.

The June 30, 2022, total pension liability (TPL), net pension liability (NPL), and sensitivity information shown in this report were determined by the Systems' consulting actuary, Gabriel Roeder Smith and Company (GRS) and are based on an actuarial valuation performed as of July 1, 2021. The total pension liability was rolled-forward from the valuation date to the plans' fiscal year end, June 30, 2022, using generally accepted actuarial principles. The following table provides a summary of the actuarial assumptions and methods used to calculate the TPL as of June 30, 2022.

	SCRS	PORS
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Investment rate of return ¹	7%	7%
Projected salary increases	3.0% to 11.0% (varies by service) ¹	3.5% to 10.5% (varies by service) ¹
Benefit adjustments ¹ Includes inflation at 2.25%	Lesser of 1% or \$500 annually	Lesser of 1% or \$500 annually

The post-retiree mortality assumption is dependent upon the member's job category and gender. The base mortality assumptions, the 2020 Public Retirees of South Carolina Mortality table (2020 PRSC), was developed using the Systems' mortality experience. These base rates are adjusted for future improvement in mortality using 80% of Scale UMP projected from the year 2020. Assumptions used in the determination of the June 30, 2022, TPL are as follows:

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

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA**

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2023

Retirement Plans (Continued)

Long-term Expected Rate of Return

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

The expected returns, along with the expected inflation rate, form the basis for the target asset allocation adopted at the beginning of the 2022 fiscal year. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and adding expected inflation and is summarized in the table below. For actuarial purposes, the 7 percent assumed annual investment rate of return used in the calculation of the TPL includes a 4.75 percent real rate of return and a 2.25 percent inflation component.

Allocation/Exposure	Policy Target	Expected Arithmetic Real Rate of Return	Long Term Expected Portfolio Real Rate of Return
Public Equity	46.0%	6.79%	3.12%
Bonds	26.0%	(0.35)%	(0.09)%
Private Equity¹	9.0%	8.75%	0.79%
Private Debt¹	7.0%	6.00%	0.42%
Real Assets	12.0%		
Real Estate ¹	9.0%	4.12%	0.37%
Infrastructure ¹	3.0%	5.88%	0.18%
Total Expected Real Return ²	100.0%		4.79%
Inflation for Actuarial Purposes			2.25%
			<u>7.04%</u>

¹ RSIC staff and consultant will notify the Commission if Private Equity, Private Debt and Private Real Assets exceeds 30 percent of total plan assets.

² Portable Alpha Strategies, which are not included in the Policy Target, will be capped at 12% of total assets; hedge funds (including all hedge funds used in portable alpha implementation) are capped at 15% of total assets.

Discount Rate

The discount rate used to measure the TPL was 7 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers in SCRS and PORS will be made based on the actuarially determined rates based on provisions in the South Carolina Code of Laws. Based on those assumptions, the System's fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL.

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA**

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2023

Retirement Plans (Continued)

Sensitivity Analysis

The following table presents the District’s proportionate share of the collective NPL calculated using the discount rate of 7 percent, as well as what the District’s proportionate share of the employers’ NPL would look like were calculated using a discount rate that is 1.00 percent lower (6 percent) or 1.00 percent higher (8 percent) than the current rate:

Sensitivity of the Net Pension Liability to Changes in the Discount Rate			
System	1.00% Decrease (6%)	Current Discount Rate (7%)	1.00% Increase (8%)
SCRS	\$ 509,256,486	\$ 397,197,721	\$ 304,035,412
PORS	\$ 536,484	\$ 384,731	\$ 260,507

Additional Financial and Actuarial Information

Detailed information regarding the fiduciary net position of the Plans administered by the PEBA is available in the separately issued ACFR containing financial statements and required supplementary information. The ACFR is publicly available on PEBA’s website at www.peba.sc.gov, or a copy may be obtained by submitting a request to PEBA, 202 Arbor Lake Drive, Columbia, SC 29223.

Payable to Plans

The District reported payables of approximately \$5,414,000 and \$6,300 to the PEBA as of June 30, 2023, representing required employer and employee contributions for the month of June 2023 for the SCRS and PORS, respectively. These amounts are included in Accrued Salaries and Benefits on the financial statements and were paid in July 2023.

The District has no plans to utilize funds for the liquidation of pension/OPEB liabilities, as it is diligently fulfilling its legally required contributions to the respective plans.

XII. Other Postemployment Benefits

As previously discussed, PEBA is a state agency responsible for the administration and management of the State of South Carolina’s employee insurance programs, other post-employment benefit trusts and retirement systems and is part of the State of South Carolina primary government. By law, the State Fiscal Accountability Authority (“SFAA”), which consists of five elected officials, also reviews certain PEBA Board decisions in administering the State Health Plan and OPEB.

PEBA issues audited financial statements and required supplementary information for the other post-employment benefits trusts (“OPEB Trusts”). This information is publicly available through PEBA’s website at www.peba.sc.gov or a copy may be obtained by submitting a request to PEBA – 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, the financial information of the Trust is also included in the annual comprehensive financial report of the State.

Plan Descriptions

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

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

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2023

Other Postemployment Benefits (Continued)

Plan Descriptions (Continued)

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.

Plan Benefits

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

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

Plan Contributions and Funding Policies

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

The SCRHITF is funded through participating employers that are mandated by State statute to contribute at a rate assessed each year by the Department of Administration Executive Budget Office on active employee covered payroll. The School District's covered payroll surcharge for the year ended June 30, 2022 was 6.25 percent. The South Carolina Retirement System collects the monthly covered payroll surcharge for all participating employers and remits it directly to the SCRHITF. Other sources of funding for the SCRHITF also include the implicit subsidy, or age-related subsidy inherent in the healthcare premiums structure. The implicit subsidy represents a portion of the health care expenditures paid on behalf of the employer's active employees. For purposes of GASB Statement No. 75, this expenditure on behalf of the active employee is reclassified as a retiree health care expenditure so that the employer's contributions towards the plan reflect the underlying age-adjusted, retiree benefit costs. Non-employer contributions consist of an annual appropriation by the General Assembly and the statutorily required transfer from PEBA – Insurance Benefits reserves. However, due to the COVID-19 pandemic and the impact it has had on the PEBA – Insurance Benefits reserves, the General Assembly has indefinitely suspended the statutorily required transfer until further notice. It is also funded through investment income.

The SCLTDITF is funded through employer contributions for active employees that elect health insurance coverage. For this group of active employees, PEBA – Insurance Benefits bills and collects premiums charged to State agencies, public school districts and other participating local governments. The monthly premium per active employee was \$3.22 for the fiscal year ended June 30, 2022. The SCLTDITF premium is billed monthly by PEBA – Insurance Benefits and transferred monthly to the SCLTDITF. It is also funded through investment income.

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.

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2023

Other Postemployment Benefits (Continued)

Actuarial Assumptions and Methods (Continued)

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. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

Additional information as of the latest actuarial valuation for SCRHITF:

Valuation Date:	June 30, 2021
Actuarial Cost Method:	Individual Entry – Age Normal
Inflation:	2.25%
Investment Rate of Return:	2.75%, net of OPEB Plan investment expense; including inflation.
Single Discount Rate:	3.69% as of June 30, 2022
Demographic Assumptions:	Based on the experience study performed for the South Carolina Retirement Systems for the 5-year period ending June 30, 2019.
Mortality:	For healthy retirees, the gender-distinct South Carolina Retirees 2020 Mortality Tables are used with multipliers based on plan experience; the rates are projected on a fully generational basis using 80% of the ultimate rates of Scale MP-2019 to account for future mortality improvements.
Health Care Trend Rate:	Initial trend starting at 6.00% and gradually decreasing to an ultimate trend of 4.00% over a period of 15 years.
Aging Factors:	Based on plan specific experience.
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 eligible for Non-Funded Premiums
Notes:	The discount rate changed from 1.92% as of June 30, 2021 to 3.69% as of June 30, 2022.

Additional information as of the latest actuarial valuation for SCLTDITF:

Valuation Date:	June 30, 2021
Actuarial Cost Method:	Individual Entry – Age Normal
Inflation:	2.25%
Investment Rate of Return:	3.00%, net of Plan investment expense; including inflation.
Single Discount Rate:	3.41% as of June 30, 2022
Salary, Termination and Retirement Rates:	Based on the experience study performed for the South Carolina Retirement Systems for the 5-year period ending June 30, 2019.
Disability Incidence:	The disability incidence rates used in the valuation are 165% of the rates developed for the South Carolina Retirement Systems pension plans
Disability Recovery:	For participants in payment, 1987 CGDT Group Disability; for active employees, 60% were assumed to recover after the first year and 93% were assumed to recover after the first two years.
Offsets:	45% are assumed to be eligible for Social Security benefits; assumed percentage who will be eligible for a pension plan offset varies based on employee group.
Expenses:	Third party administrative expenses were included in the benefit projections.
Notes:	The discount rate changed from 2.48% as of June 30, 2021 to 3.41% as of June 30, 2022.

LEXINGTON COUNTY SCHOOL DISTRICT ONE
 LEXINGTON, SOUTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2023

Other Postemployment Benefits (Continued)

Long-Term Expected Rate of Return

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

SOUTH CAROLINA RETIREE HEALTH INSURANCE TRUST FUND

	Target Asset Allocation	Expected Arithmetic Real Rate of Return	Allocation- Weighted Long- Term Expected Real Rate of Return
Asset Class			
U.S. Domestic Fixed Income	80.00%	0.95%	0.76%
Cash equivalents	<u>20.00%</u>	0.35%	<u>0.07%</u>
Total	100.00%		0.83%
Expected Inflation			<u>2.25%</u>
Total Return			<u>3.08%</u>
Investment Return Assumption			<u>2.75%</u>

SOUTH CAROLINA LONG-TERM DISABILITY INSURANCE TRUST FUND

	Target Asset Allocation	Expected Arithmetic Real Rate of Return	Allocation- Weighted Long- Term Expected Real Rate of Return
Asset Class			
U.S. Domestic Fixed Income	80.00%	0.95%	0.76%
Cash equivalents	<u>20.00%</u>	0.35%	<u>0.07%</u>
Total	100.00%		0.83%
Expected Inflation			<u>2.25%</u>
Total Return			<u>3.08%</u>
Investment Return Assumption			<u>3.00%</u>

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA**

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2023

Other Postemployment Benefits (Continued)

Single Discount Rate

A Single Discount Rate of 3.69% was used to measure the total OPEB liability for the SCRHITF. The accounting policy for this plan is to set the Single Discount Rate equal to the prevailing municipal bond rate. Due to the plan’s investment and funding policies, the difference between a blended discount rate and the municipal bond rate would be less than several basis points (several hundredths of one percent).

A Single Discount Rate of 3.41% was used to measure the total OPEB liability for the SCLTDITF. This Single Discount Rate was based on an expected rate of return on plan investments of 3.00% and a municipal bond rate of 3.69%. 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 2034. As a result, the long-term expected rate of return on plan investments was applied to project benefit payments through the year 2034, and the municipal bond rate was applied to all benefit payments after that date.

Net OPEB Liability, OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

The Net OPEB Liability (NOL) is calculated separately for each OPEB Trust Fund and represents that particular Trust’s total OPEB liability (TOL) determined in accordance with GASB No. 74 less that Trust’s fiduciary net position. The allocation of each employer’s proportionate share of the collective Net OPEB Liability and collective OPEB Expense was determined using the employer’s payroll-related contributions over the measurement period. This method is expected to be reflective of the employer’s long-term contribution effort as well as be transparent to individual employers and their external auditors. The following table represents the components of the net OPEB liability as of June 30, 2022:

OPEB Trust	Total OPEB Liability	Plan Fiduciary Net Position	Employer’s Net OPEB Liability (Asset)	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
SCRHITF	\$ 16,835,502,593	\$ 1,623,661,403	\$ 15,211,841,190	9.64%
SCLTDITF	\$ 46,410,320	\$ 34,824,847	\$ 11,585,473	75.04%

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

At June 30, 2023, the School District reported liabilities of approximately \$315,775,000 and \$199,000 for its proportionate share of the net OPEB liabilities for SCRHITF and SCLTDITF, respectively. The total net OPEB liability was approximately \$315,974,000. The net OPEB liabilities were measured as of June 30, 2022 and the total OPEB liabilities used to calculate the net OPEB liabilities were determined by an actuarial valuation as of that date. The School District’s proportion of the net OPEB liabilities was based on a projection of the School District’s long-term share of contributions to the OPEB plan relative to the projected contributions of all participating entities, actuarially determined. At the June 30, 2022 measurement date, the School District’s SCRHITF proportion was 2.075848 percent, which was an increase of .071459 percent from its proportion measured as of June 30, 2021. At the June 30, 2022 measurement date, the School District’s SCLTDITF proportion was 1.717794 percent, which was an increase of .048707 percent from its proportion measured as of June 30, 2021.

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA**

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2023

Other Postemployment Benefits (Continued)

Net OPEB Liability, OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB (Continued)

In accordance with part (b) of paragraph 69 of GASB Statement No. 75, participating employers should recognize revenue in an amount equal to the 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. For the year ended June 30, 2023, the School District recognized \$49,308 of revenues from state sources and intergovernmental expenditures in the School District's special revenue funds.

For the year ended June 30, 2022, the School District recognized OPEB expense of approximately \$23,027,000, including \$22,862,000 for SCRHITE and \$165,000 for SCLTDITF, respectively. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>SCRHITE</u>	
	<u>Deferred Outflows Of Resources</u>	<u>Deferred Inflows Of Resources</u>
Differences between expected and actual experience	\$ 6,777,720	\$ 27,765,477
Changes in assumptions	71,199,055	101,504,422
Net difference between projected and actual investment experience	3,115,633	632,725
Changes in proportionate share and differences between District contributions and proportionate share of contributions	14,174,459	1,340,065
District contributions subsequent to the measurement date	13,181,470	-
Total SCRHITE	\$ 108,448,337	\$ 131,242,689
	<u>SCLTDITF</u>	
	<u>Deferred Outflows Of Resources</u>	<u>Deferred Inflows Of Resources</u>
Differences between expected and actual experience	\$ 52,744	\$ 35,403
Changes in assumptions	39,806	28,302
Net difference between projected and actual investment experience	91,511	25,772
Changes in proportionate share and differences between District contributions and proportionate share of contributions	1,837	3,714
District contributions subsequent to the measurement date	132,271	-
Total SCLTDITF	\$ 318,169	\$ 93,191
Total SCRHITE and SCLTDITF	\$ 108,766,506	\$ 131,335,880

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA**

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2023

Other Postemployment Benefits (Continued)

Net OPEB Liability, OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB (Continued)

Approximately \$13,181,000 (SCRHITF) and \$132,000 (SCLTDITF) that were reported as deferred outflows of resources related to OPEB resulting from School District contributions subsequent to the measurement date will be recognized as reductions of the net OPEB liability in the year ended June 30, 2024.

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

<u>Year Ended June 30,</u>	<u>SCRHITF</u>	<u>SCLTDITF</u>	<u>Total</u>
2023	\$ (4,446,624)	\$ 11,000	\$ (4,435,624)
2024	(1,125,502)	16,266	(1,109,236)
2025	(333,517)	26,519	(306,998)
2026	(3,017,292)	21,604	(2,995,688)
2027	(10,937,370)	2,805	(10,934,565)
Thereafter	(16,115,517)	14,513	(16,101,004)
Totals	\$ (35,975,822)	\$ 92,707	\$ (35,883,115)

Sensitivity Analysis

The following table presents the District's SCRHITF net OPEB liability calculated using a Single Discount Rate of 3.69% as well as what the District's SCRHITF net OPEB liability would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

	1% Decrease	Current Discount Rate	1% Increase
	2.69%	3.69%	4.69%
SCRHITF Net OPEB Liability	\$ 373,331,094	\$ 315,774,701	\$ 269,520,308

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

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
SCRHITF Net OPEB Liability	\$ 259,693,825	\$ 315,774,701	\$ 381,252,177

The following table represents the District's SCLTDITF net OPEB liability calculated using a Single Discount Rate of 3.41%, as well as what the District's SCLTDITF net OPEB liability would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

	1% Decrease	Current Discount Rate	1% Increase
	2.41%	3.41%	4.41%
SCLTDITF Net OPEB Liability	\$ 230,631	\$ 199,015	\$ 168,436

The District's SCLTDITF 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.

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2023

Other Postemployment Benefits (Continued)

Additional Financial and Actuarial Information

Information in this note was compiled from the OPEB Trusts Funds audited financial statement for the fiscal year ended June 30, 2023, and the accounting and financial reporting actuarial valuation as of June 30, 2022. Additional financial information supporting the preparation of the Schedules (including the unmodified audit opinion on the financial statements and required supplementary information) is available in the OPEB Trusts Funds' audited financial statements.

XIII. 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 participates with other school districts in the South Carolina School Boards Insurance Trust/Workers' Compensation Trust Fund and Property & Casualty Trust Funds (SCSBIT/WCTF-PCTF).

The SCSBIT/WCTF-PCTF is a public entity risk pool currently operating as a common risk management and insurance program for 57 member school districts for worker's compensation and 50 member school districts for property and casualty. The District pays an annual premium for worker's compensation insurance coverage and for property and casualty coverage based upon the total payroll and other exposure factors of the District each plan year. The SCSBIT/WCTF-PCTF is self-sustaining through member premium and deficiencies can be charged back to the member districts should a fund deficit arise.

The District's insurance coverage for all types of risk has not been significantly reduced from coverage in the prior year. The amounts of any District settlement have not exceeded the insurance coverage for the previous three fiscal years.

XIV. Contingent Liabilities

Litigation

Various claims and lawsuits are pending against the District. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the District's counsel that resolution of these matters will not have a material adverse effect on the financial condition of the District.

Grants

The District participates in a number of federally assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The amount of program expenditures which may be disallowed by the granting agencies cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

XV. Commitments

The District had twenty-four construction and renovation projects ongoing at the end of fiscal year 2023. The District has entered into various contracts for these projects totaling \$81 million of which \$43 million had not been expended as of June 30, 2023.

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA**

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2023

XVI. Tax Abatements

The District's property tax revenues were reduced by \$13,620,613 under agreements entered into by the County as of June 30, 2023. The State of South Carolina reimbursed the County \$1,131,620 of these property tax revenues, which the County disbursed back to the District. See the chart below for further details:

<u>Tax Abatement Program</u>	<u>Amount of Taxes Abated during the Fiscal Year</u>	<u>State of South Carolina Revenue Reimbursement Amount</u>
Fee-in-Lieu of Taxes Program (FILOT)	\$ 567,303	\$ 32,396
Fee-in-Lieu of Tax and Special Source Revenue Credit Program (FILOT + SSRC)	1,134,894	126,709
Fee-in-Lieu of Tax and Infrastructure Program (FILOT + IP)	117,813	(3,233)
Fee-in-Lieu of Tax, Special Source Revenue Credit and Infrastructure Program (FILOT + SSRC + IP)	11,800,603	975,748
	<u>\$ 13,620,613</u>	<u>\$ 1,131,620</u>

XVII. Net Position Classification

Net investment in capital assets for Governmental Activities as presented in the Statement of Net Position as of June 30, 2023, is determined as follows:

Capital assets, net	\$ 846,315,357
Right-to-use asset, net	3,215,533
Right-to-use subscription, net	<u>575,738</u>
	850,106,628
Less outstanding principal on capital asset related debt	
General obligation bonds	(581,530,000)
Installment repurchase revenue bonds	(42,220,000)
Lease liability	(3,215,533)
Subscription liability	(520,614)
Less: Unamortized premium	(34,645,959)
Add: Unspent proceeds	56,616,098
Add: Deferred outflows of bond refunding	<u>4,584,574</u>
	(600,931,434)
Net Investment in Capital Assets	<u>\$ 249,175,194</u>

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA**

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2023

XVIII. Prior Period Adjustment

During fiscal year 2023, district administrators identified a coding error in interfund transactions across different fund categories. It's important to note that this discovery had no financial impact on the District. To address this, a restatement was applied to the beginning fund balances as outlined below:

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Capital Project Funds</u>
Fund balances, as previously reported	\$86,760,998	\$5,728,063	\$92,155,921
Prior period adjustment	<u>6,017,376</u>	<u>323,121</u>	<u>(6,340,497)</u>
Fund balances, as restated	\$92,778,374	\$6,051,184	\$85,815,424

XIX. Subsequent Events

On August 22, 2023, the District issued \$16,500,000 in General Obligation Bonds, Series 2023B. The bonds were issued as long-term obligations for the purpose of defraying the costs of capital improvements and paying costs of issuance of the bonds.

On September 14, 2023, the District issued \$23,125,000 in General Obligation Bonds, Series 2023C. The bonds were issued as short-term obligations for the purpose of paying the Installment Revenue Bonds and certain capital needs.

On October 31, 2023, the District (Landlord) finalized a 20-year lease agreement with a state governmental agency (Tenant) for the former Gilbert Elementary School at 314 Main Street, Gilbert, South Carolina. The lease includes the option to extend for up to two (2) consecutive terms of five (5) years each. As part of the agreement, the Tenant will remit two hundred thousand dollars (\$200,000) to the Landlord, earmarked for the expansion of preschool classes. In lieu of traditional rent payments, the Tenant will directly cover the building services operating costs to maintain the property, specifically expenditures made in the operation, management, insuring, securing and protecting, cleaning, repairing and maintaining of the Land and Building. The financial reporting impact of this transaction is yet to be determined, and if deemed material, it will be appropriately disclosed in the fiscal year 2024 annual comprehensive financial report.



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***REQUIRED SUPPLEMENTARY
INFORMATION***

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION - BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -

BUDGET TO ACTUAL

YEAR ENDED JUNE 30, 2023

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
REVENUES				
Local Sources:				
Taxes	\$ 105,741,000	105,741,000	109,839,601	\$ 4,098,601
Investment Earnings	80,000	80,000	5,147,843	5,067,843
Other Local Sources	835,500	835,500	1,043,782	208,282
State Sources	200,655,667	187,917,710	192,777,384	4,859,674
TOTAL REVENUE ALL SOURCES	307,312,167	294,574,210	308,808,610	14,234,400
EXPENDITURES				
Current:				
Instruction	194,131,642	194,028,822	194,087,740	(58,918)
Supporting Services	129,845,571	129,872,573	122,953,732	6,918,841
Debt service:				
Principal Retirement	-	-	422,881	(422,881)
Capital Outlay	324,000	530,934	4,583,470	(4,052,536)
TOTAL EXPENDITURES	324,301,213	324,432,329	322,047,823	2,384,506
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(16,989,046)	(29,858,119)	(13,239,213)	16,618,906
OTHER FINANCING SOURCES (USES)				
Lease Proceeds	-	-	3,215,533	3,215,533
Other Financing Sources	-	-	636,554	636,554
Transfer (to) from Other Funds				
Transfers In	15,100,415	21,168,872	23,217,927	2,049,055
Transfers Out	(1,507,000)	(1,507,000)	(1,797,595)	(290,595)
TOTAL OTHER FINANCING SOURCES (USES)	13,593,415	19,661,872	25,272,419	5,610,547
NET CHANGE IN FUND BALANCE	(3,395,631)	(10,196,247)	12,033,206	22,229,453
FUND BALANCE - BEGINNING OF YEAR, AS PREVIOUSLY REPORTED	86,760,998	86,760,998	86,760,998	-
FUND BALANCE, PRIOR PERIOD ADJUSTMENT	-	-	6,017,376	6,017,376
FUND BALANCE, BEGINNING OF YEAR - AS RESTATED	86,760,998	86,760,998	92,778,374	6,017,376
FUND BALANCE - END OF YEAR	\$ 83,365,367	76,564,751	104,811,580	\$ 28,246,829

Note: The budgets are presented on the modified accrual basis of accounting, which is consistent with accounting principles generally accepted in the United States of America.

Note: The School District's original budget reflected the use of appropriated fund balance of \$3,395,631 and the final budget reflected to use of appropriated fund balance of \$10,196,247.

Note: Capital outlay includes the \$3,215,533 acquisition of right-to-use lease assets that were offset by lease proceeds of the same amount in accordance with GASB 87.

Note: Capital outlay includes the \$636,554 acquisition of right-to-use subscription assets that were offset by other financing sources of the same amount in accordance with GASB 96.

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF LEXINGTON COUNTY SCHOOL DISTRICT ONE'S PROPORTIONATE SHARE OF THE NET
PENSION LIABILITY - SOUTH CAROLINA RETIREMENT SYSTEM

LAST TEN FISCAL YEARS

	Year Ended June 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Lexington County School District One's Proportion of the Net Pension Liability	1.638459%	1.626802%	1.623720%	1.626305%	1.594191%	1.588940%	1.579012%	1.580883%	1.555256%	1.555256%
Lexington County School District One's Proportionate Share of the Net Pension Liability	\$ 397,197,721	\$ 352,060,768	\$ 414,889,256	\$ 371,352,855	\$ 357,207,405	\$ 357,695,948	\$ 337,274,633	\$ 299,822,083	\$ 267,763,523	\$ 278,957,446
Lexington County School District One's Covered Payroll	\$ 187,990,546	\$ 172,317,805	\$ 171,587,945	\$ 163,444,327	\$ 169,432,419	\$ 164,744,033	\$ 156,925,611	\$ 152,136,549	\$ 144,947,436	\$ 139,746,760
Lexington County School District One's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	211.29%	204.31%	241.79%	227.20%	210.83%	217.12%	214.93%	197.07%	184.73%	199.62%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	57.06%	60.75%	50.71%	54.40%	54.10%	53.34%	52.91%	56.99%	59.92%	56.39%

Notes to Schedule:

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

LEXINGTON COUNTY SCHOOL DISTRICT ONE
 LEXINGTON, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF LEXINGTON COUNTY SCHOOL DISTRICT ONE'S CONTRIBUTIONS
 SOUTH CAROLINA RETIREMENT SYSTEM

LAST TEN FISCAL YEARS

	Year Ended June 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually Required Contribution	\$ 33,895,628	\$ 30,849,249	\$ 26,554,474	\$ 26,441,702	\$ 23,552,327	\$ 22,409,398	\$ 18,518,828	\$ 16,901,316	\$ 16,158,971	\$ 14,966,882
Contributions in Relation to the Contractually Required Contributions	33,895,628	30,849,249	26,554,474	26,441,702	23,552,327	22,409,398	18,518,828	16,901,316	16,158,971	14,966,882
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lexington County School District One's Covered Payroll	\$ 194,690,571	\$ 187,990,546	\$ 172,317,805	\$ 171,587,945	\$ 163,444,327	\$ 169,432,419	\$ 154,232,391	\$ 147,832,482	\$ 152,136,549	\$ 144,947,436
Contributions as a Percentage of Covered Payroll	17.41%	16.41%	15.41%	15.41%	14.41%	13.23%	12.01%	11.43%	10.62%	10.33%

LEXINGTON COUNTY SCHOOL DISTRICT ONE
 LEXINGTON, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF LEXINGTON COUNTY SCHOOL DISTRICT ONE'S PROPORTIONATE SHARE OF THE NET
 PENSION LIABILITY - POLICE OFFICERS RETIREMENT SYSTEM

	Year Ended June 30,									
	2013	2022	2021	2020	2019	2018	2017	2016	2015	2014
Lexington County School District One's Proportion of the Net Pension Liability	0.01283%	0.01185%	0.01252%	0.01486%	0.01567%	0.02044%	0.02358%	0.02372%	0.02418%	0.02418%
Lexington County School District One's Proportionate Share of the Net Pension Liability	\$ 384,731	\$ 304,998	\$ 415,339	\$ 425,906	\$ 444,127	\$ 559,994	\$ 598,101	\$ 516,998	\$ 462,928	\$ 501,265
Lexington County School District One's Covered Payroll	\$ 207,027	\$ 176,574	\$ 189,201	\$ 211,907	\$ 216,691	\$ 271,932	\$ 300,545	\$ 293,873	\$ 291,643	\$ 215,649
Lexington County School District One's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	185.84%	172.73%	219.52%	200.99%	204.96%	205.93%	199.01%	175.93%	158.73%	232.44%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.45%	70.37%	58.79%	62.69%	61.73%	60.94%	60.44%	64.57%	67.55%	62.98%

Notes to Schedule:

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

LEXINGTON COUNTY SCHOOL DISTRICT ONE
 LEXINGTON, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF LEXINGTON COUNTY SCHOOL DISTRICT ONE'S CONTRIBUTIONS
 POLICE OFFICERS RETIREMENT SYSTEM

LAST TEN FISCAL YEARS

	Year Ended June 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually Required Contribution	\$ 42,699	\$ 39,004	\$ 31,501	\$ 33,753	\$ 35,685	\$ 34,325	\$ 38,723	\$ 41,295	\$ 39,408	\$ 37,343
Contributions in Relation to the Contractually Required Contributions	42,699	39,004	31,501	33,753	35,685	34,325	38,723	41,295	39,408	37,343
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lexington County School District One's Covered Payroll	\$ 215,215	\$ 207,027	\$ 176,574	\$ 189,201	\$ 211,907	\$ 216,691	\$ 271,932	\$ 300,545	\$ 293,873	\$ 291,643
Contributions as a Percentage of Covered Payroll	19.84%	18.84%	17.84%	17.84%	16.84%	15.84%	14.24%	13.74%	13.41%	12.80%

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF LEXINGTON COUNTY SCHOOL DISTRICT ONE'S PROPORTIONATE SHARE OF THE NET
OPEB LIABILITY - SOUTH CAROLINA RETIREE HEALTH INSURANCE TRUST FUND (SCRHITF)
AND SOUTH CAROLINA LONG-TERM DISABILITY INSURANCE TRUST FUND (SCLTDITF)

LAST SEVEN FISCAL YEARS

	SCRHITF						
	2023	2022	2021	Year Ended June 30, 2020	2019	2018	2017
Lexington County School District One's Proportion of the Net OPEB Liability	2.075848%	2.004389%	2.015813%	2.014930%	1.967239%	1.956825%	1.956825%
Lexington County School District One's Proportionate Share of the Net OPEB Liability	\$ 315,774,701	\$ 417,377,549	\$ 363,883,405	\$ 304,688,135	\$ 278,769,274	\$ 265,048,741	\$ 283,125,787
Lexington County School District One's Covered Payroll	\$ 204,034,663	\$ 186,925,211	\$ 185,814,280	\$ 176,222,417	\$ 169,649,110	\$ 165,015,965	\$ 156,925,611
Lexington County School District One's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	154.77%	223.29%	195.83%	172.90%	164.32%	160.62%	180.42%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	9.64%	7.48%	8.39%	8.44%	7.91%	7.60%	7.60%
	SCLTDITF						
	2023	2022	2021	Year Ended June 30, 2020	2019	2018	2017
Lexington County School District One's Proportion of the Net OPEB Liability	1.717794%	1.669087%	1.685331%	1.654508%	1.654508%	1.632471%	1.632471%
Lexington County School District One's Proportionate Share of the Net OPEB Liability	\$ 199,015	\$ 53,038	\$ 5,110	\$ 33,076	\$ 50,648	\$ 29,596	\$ 11,332
Lexington County School District One's Covered Payroll ¹	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Lexington County School District One's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	75.040%	92.840%	99.291%	95.169%	92.203%	95.292%	95.292%

Notes to Schedule:

¹ Because contributions to the plan are not based on a measure of pay, covered payroll for the measurement period is not presented.

The amounts presented for each fiscal year were determined as of June 30th of the preceding year. Only seven years of data were available; thus, only seven years were presented.

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF LEXINGTON COUNTY SCHOOL DISTRICT ONE'S CONTRIBUTIONS
SOUTH CAROLINA RETIRE HEALTH INSURANCE TRUST FUND (SCRHITF) AND
SOUTH CAROLINA LONG-TERM DISABILITY INSURANCE TRUST FUND (SCLTDITF)

LAST SEVEN FISCAL YEARS

	SCRHITF						
	2023	2022	2021	2020	2019	2018	2017
Contractually Required Contribution	\$ 13,181,470	\$ 12,752,166	\$ 11,682,826	\$ 11,613,392	\$ 10,661,456	\$ 9,330,701	\$ 8,795,351
Contributions in Relation to the Contractually Required Contributions	13,181,470	12,752,166	11,682,826	11,613,392	10,661,456	9,330,701	8,795,351
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lexington County School District One's Covered Payroll	\$ 210,903,523	\$ 204,034,663	\$ 186,925,211	\$ 185,814,280	\$ 176,222,417	\$ 169,649,110	\$ 165,015,965
Contributions as a Percentage of Covered Payroll	6.25%	6.25%	6.25%	6.25%	6.05%	5.50%	5.33%
	SCLTDITF						
	2023	2022	2021	2020	2019	2018	2017
Contractually Required Contribution	\$ 132,271	\$ 130,059	\$ 126,446	\$ 127,377	\$ 123,065	\$ 120,476	\$ 118,168
Contributions in Relation to the Contractually Required Contributions	132,271	130,059	126,446	127,377	123,065	120,476	118,168
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lexington County School District One's Covered Payroll ¹	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Contributions as a Percentage of Covered Payroll ¹	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Notes to Schedule:

¹ Because contributions to the plan are not based on a measure of pay, covered payroll for the measurement period is not presented.

Only seven years of data were available; thus, only seven years were presented.

SUPPLEMENTARY INFORMATION



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General Fund

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

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

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
REVISED BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2023

	REVISED BUDGET	ACTUAL	VARIANCE
REVENUES			
1000 Revenue from Local Sources:			
1100 Taxes Levied/Assessed by the LEA:			
1110 Ad Valorem Taxes - Including Delinquent (Independent)	\$ 96,621,000	100,794,657	\$ 4,173,657
1140 Penalties and Interest on Taxes (Independent)	3,100,000	2,969,487	(130,513)
1190 Other Taxes (Independent)	20,000	19,015	(985)
1200 Revenue from Local Governmental Units Other Than LEAs:			
1280 Revenue in Lieu of Taxes (Independent and Dependent)	6,000,000	6,056,442	56,442
1300 Tuition:			
1310 Tuition From Patrons for Regular Day School	56,000	150,062	94,062
1320 Tuition From Other LEAs for Regular Day School	40,000	37,214	(2,786)
1500 Earnings on Investments:			
1510 Interest on Investments	80,000	5,147,843	5,067,843
1900 Other Revenue from Local Sources:			
1910 Rentals	260,000	477,496	217,496
1950 Refund of Prior Year's Expenditures	3,500	185,338	181,838
1990 Miscellaneous Local Revenue:			
1993 Receipt of Insurance Proceeds	26,000	95,327	69,327
1999 Revenue from Other Local Sources	450,000	98,345	(351,655)
Total Revenue from Local Sources	<u>106,656,500</u>	<u>116,031,226</u>	<u>9,374,726</u>
3000 Revenue from State Sources:			
3100 Restricted State Funding:			
3103 State Aid to Classrooms	120,057,943	120,415,942	357,999
3130 Special Programs:			
3131 Handicapped Transportation	-	4,728	4,728
3132 Home Schooling (No Carryover Provision)	-	6,290	6,290
3160 School Bus Driver Salary and Fringe	2,330,000	2,643,766	313,766
3161 EAA Bus Driver Salary and Fringe	-	4,101	4,101
3162 Transportation Workers' Compensation	101,010	101,764	754
3181 Retiree Insurance (No Carryover Provision)	9,444,151	9,773,972	329,821
3300 State Aid to Classrooms-Education Finance Act (EFA):			
3330 Miscellaneous EFA Programs:			
3392 NBC Excess EFA Formula	-	460,475	460,475
3800 State Revenue in Lieu of Taxes:			
3810 Reimbursement for Local Residential Property Tax Relief (Tier 1)	8,055,568	8,055,568	-
3820 Homestead Exemption (Tier 2)	2,110,131	2,110,131	-
3825 Reimbursement for Property Tax Relief (Tier 3)	42,550,637	43,126,912	576,275
3830 Merchant's Inventory Tax	243,386	243,386	-
3840 Manufacturer's Depreciation Reimbursement	1,000,000	3,402,692	2,402,692
3890 Other State Property Tax Revenues (Includes Motor Carrier Vehicle Tax)	\$ 420,000	822,773	\$ 402,773

(Continued)

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
REVISED BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2023

	REVISED BUDGET	ACTUAL	VARIANCE
REVENUES (continued):			
3000 Revenue from State Sources (continued):			
3900 Other State Revenue:			
3993 PEBA on-Behalf	\$ 1,604,884	1,604,884	\$ -
Total Revenue from State Sources	<u>187,917,710</u>	<u>192,777,384</u>	<u>4,859,674</u>
TOTAL REVENUE ALL SOURCES	<u>294,574,210</u>	<u>308,808,610</u>	<u>14,234,400</u>
EXPENDITURES			
100 Instruction:			
110 General Instruction:			
111 Kindergarten Programs:			
100 Salaries	8,102,912	7,236,189	866,723
140 Terminal Leave	-	120,030	(120,030)
200 Employee Benefits	4,139,980	3,654,030	485,950
300 Purchased Services	7,175	5,930	1,245
400 Supplies and Materials	298,331	297,118	1,213
112 Primary Programs:			
100 Salaries	21,917,256	21,600,426	316,830
140 Terminal Leave	-	172,252	(172,252)
200 Employee Benefits	9,958,588	9,809,782	148,806
300 Purchased Services	14,425	13,973	452
400 Supplies and Materials	159,497	151,714	7,783
113 Elementary Programs:			
100 Salaries	36,720,290	36,631,432	88,858
140 Terminal Leave	-	445,247	(445,247)
200 Employee Benefits	16,732,931	16,491,707	241,224
300 Purchased Services	1,266,803	856,151	410,652
400 Supplies and Materials	957,894	1,095,280	(137,386)
500 Capital Outlay	-	7,724	(7,724)
600 Other Objects	2,282	872	1,410
114 High School Programs:			
100 Salaries	25,540,643	28,502,814	(2,962,171)
140 Terminal Leave	-	307,719	(307,719)
200 Employee Benefits	11,670,597	12,507,242	(836,645)
300 Purchased Services	716,653	584,467	132,186
400 Supplies and Materials	552,746	507,870	44,876
600 Other Objects	1,100,958	1,093,821	7,137
115 Career and Technology Education Programs:			
100 Salaries	5,174,251	4,815,472	358,779
140 Terminal Leave	-	124,184	(124,184)
200 Employee Benefits	2,344,932	2,235,951	108,981
300 Purchased Services - other than tuition	104,230	95,388	8,842
400 Supplies and Materials	135,528	126,073	9,455
116 Career and Tech. Education (Vocational) Programs - Middle School:			
100 Salaries	565,436	602,491	(37,055)
140 Terminal Leave	-	20,404	(20,404)
200 Employee Benefits	268,623	333,079	(64,456)
400 Supplies and Materials	\$ 4,600	4,239	\$ 361

(Continued)

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
REVISED BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2023

	REVISED BUDGET	ACTUAL	VARIANCE
EXPENDITURES (continued):			
100 Instruction (continued):			
120 Exceptional Programs:			
121 Educable Mentally Handicapped:			
100 Salaries	\$ 1,077,301	1,027,563	\$ 49,738
140 Terminal Leave	-	24,648	(24,648)
200 Employee Benefits	563,122	521,025	42,097
122 Trainable Mentally Handicapped:			
100 Salaries	1,682,549	1,587,404	95,145
140 Terminal Leave	-	76,155	(76,155)
200 Employee Benefits	887,968	845,616	42,352
123 Orthopedically Handicapped:			
100 Salaries	20,698	20,702	(4)
140 Terminal Leave	-	177	(177)
200 Employee Benefits	12,256	11,906	350
124 Visually Handicapped:			
100 Salaries	162,442	88,981	73,461
140 Terminal Leave	-	15,785	(15,785)
200 Employee Benefits	70,131	38,580	31,551
300 Purchased Services	467	512	(45)
125 Hearing Handicapped:			
100 Salaries	360,733	312,203	48,530
140 Terminal Leave	-	17,424	(17,424)
200 Employee Benefits	168,279	150,656	17,623
126 Speech Handicapped:			
100 Salaries	3,093,256	2,430,989	662,267
140 Terminal Leave	-	3,622	(3,622)
200 Employee Benefits	1,406,157	1,088,007	318,150
300 Purchased Services	-	567,807	(567,807)
400 Supplies and Materials	-	2,597	(2,597)
127 Learning Disabilities:			
100 Salaries	8,478,993	7,435,017	1,043,976
140 Terminal Leave	-	140,232	(140,232)
200 Employee Benefits	3,979,487	3,430,667	548,820
128 Emotionally Handicapped:			
100 Salaries	885,204	652,197	233,007
140 Terminal Leave	-	22,613	(22,613)
200 Employee Benefits	373,290	301,372	71,918
300 Purchased Services	100,000	87,625	12,375
129 Coordinated Early Intervening Services (CEIS):			
100 Salaries	4,270,155	4,090,217	179,938
140 Terminal Leave	-	59,884	(59,884)
200 Employee Benefits	1,987,296	1,916,611	70,685
300 Purchased Services	4,553	4,553	-
400 Supplies and Materials	56,256	48,276	7,980
130 Preschool Programs:			
132 Preschool Handicapped Itinerant (5-Yr. Olds):			
100 Salaries	185,912	184,300	1,612
200 Employee Benefits	\$ 90,365	88,430	\$ 1,935

(Continued)

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
REVISED BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2023

	REVISED BUDGET	ACTUAL	VARIANCE
EXPENDITURES (continued):			
100 Instruction (continued):			
133 Preschool Handicapped Self-contained (5-Yr. Olds):			
100 Salaries	\$ 390,460	601,673	\$ (211,213)
140 Terminal Leave	-	816	(816)
200 Employee Benefits	222,600	323,128	(100,528)
135 Preschool Handicapped Speech (3 & 4-Yr. Olds):			
100 Salaries	32,759	18,807	13,952
200 Employee Benefits	16,057	11,131	4,926
136 Preschool Handicapped Itinerant (3 & 4-Yr. Olds):			
100 Salaries	398,017	349,288	48,729
140 Terminal Leave	-	2,047	(2,047)
200 Employee Benefits	216,718	173,209	43,509
137 Preschool Handicapped Self-contained (3 & 4-Yr. Olds):			
100 Salaries	744,562	810,134	(65,572)
140 Terminal Leave	-	6,281	(6,281)
200 Employee Benefits	378,401	413,097	(34,696)
139 Early Childhood Programs:			
100 Salaries	623,189	792,898	(169,709)
140 Terminal Leave	-	103,795	(103,795)
200 Employee Benefits	308,594	408,259	(99,665)
140 Special Programs:			
141 Gifted and Talented - Academic:			
100 Salaries	1,350,579	1,454,403	(103,824)
140 Terminal Leave	-	8,128	(8,128)
200 Employee Benefits	626,405	687,325	(60,920)
300 Purchased Services	101,765	89,169	12,596
400 Supplies and Materials	179,412	162,650	16,762
500 Capital Outlay	7,700	7,627	73
600 Other Objects	123,366	96,928	26,438
143 Advanced Placement:			
400 Supplies and Materials	7,800	7,793	7
144 International Baccalaureate:			
100 Salaries	264,323	223,186	41,137
140 Terminal Leave	-	7,098	(7,098)
200 Employee Benefits	113,121	93,692	19,429
300 Purchased Services	81,383	62,307	19,076
400 Supplies and Materials	62,879	57,452	5,427
600 Other Objects	49,826	46,651	3,175
145 Homebound:			
100 Salaries	503,969	416,331	87,638
140 Terminal Leave	-	18,015	(18,015)
200 Employee Benefits	198,459	163,435	35,024
300 Purchased Services	74,650	42,787	31,863
148 Gifted and Talented - Artistic:			
100 Salaries	72,524	52,385	20,139
200 Employee Benefits	15,285	16,437	(1,152)
300 Purchased Services	74,513	51,028	23,485
400 Supplies and Materials	18,900	8,518	10,382
600 Other Objects	\$ 1,662	79,899	\$ (78,237)

(Continued)

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
REVISED BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2023

	REVISED BUDGET	ACTUAL	VARIANCE
EXPENDITURES (continued):			
100 Instruction (continued):			
149 Other Special Programs:			
100 Salaries	\$ 1,659,353	1,502,197	\$ 157,156
200 Employee Benefits	646,180	418,033	228,147
300 Purchased Services	-	1,014,927	(1,014,927)
160 Other Exceptional Programs:			
161 Autism:			
100 Salaries	1,757,587	1,459,926	297,661
140 Terminal Leave	-	51,513	(51,513)
200 Employee Benefits	884,182	702,228	181,954
162 Limited English Proficiency:			
100 Salaries	2,094,665	2,035,636	59,029
140 Terminal Leave	-	33,846	(33,846)
200 Employee Benefits	928,822	862,687	66,135
300 Purchased Services	720	706	14
400 Supplies and Materials	27,351	27,346	5
170 Summer School Programs:			
175 Instructional Programs Beyond Regular School Day:			
100 Salaries	157,025	43,698	113,327
200 Employee Benefits	49,789	17,460	32,329
300 Purchased Services	22,200	24,075	(1,875)
180 Adult/Continuing Educational Programs:			
181 Adult Basic Education Programs:			
100 Salaries	73,380	65,689	7,691
200 Employee Benefits	28,962	34,736	(5,774)
300 Purchased Services	-	8,790	(8,790)
182 Adult Secondary Education Programs:			
100 Salaries	4,500	-	4,500
200 Employee Benefits	1,427	-	1,427
188 Parenting/Family Literacy:			
100 Salaries	41,205	101,811	(60,606)
140 Terminal Leave	-	21,402	(21,402)
200 Employee Benefits	18,735	49,563	(30,828)
300 Purchased Services	3,979	3,979	-
400 Supplies and Materials	2,151	1,985	166
TOTAL INSTRUCTION	<u>194,036,522</u>	<u>194,095,464</u>	<u>(58,942)</u>
200 Support Services:			
210 Pupil Services:			
211 Attendance and Social Work Services:			
100 Salaries	2,183,454	2,183,097	357
140 Terminal Leave	-	3,953	(3,953)
200 Employee Benefits	994,883	1,005,894	(11,011)
300 Purchased Services	87,750	76,646	11,104
400 Supplies and Materials	5,000	2,911	2,089
600 Other Objects	\$ 3,875	2,787	\$ 1,088

(Continued)

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
REVISED BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2023

	REVISED BUDGET	ACTUAL	VARIANCE
EXPENDITURES (continued):			
200 Support Services (continued):			
210 Pupil Services (continued):			
212 Guidance Services:			
100 Salaries	\$ 6,717,278	6,545,634	\$ 171,644
140 Terminal Leave	-	105,311	(105,311)
200 Employee Benefits	3,116,441	2,990,629	125,812
300 Purchased Services	31,931	24,849	7,082
400 Supplies and Materials	37,409	29,919	7,490
600 Other Objects	2,198	2,065	133
213 Health Services:			
100 Salaries	2,273,754	1,927,259	346,495
140 Terminal Leave	-	12,891	(12,891)
200 Employee Benefits	1,186,550	1,029,633	156,917
300 Purchased Services	111,784	99,740	12,044
400 Supplies and Materials	151,924	63,198	88,726
600 Other Objects	1,080	180	900
214 Psychological Services:			
100 Salaries	2,031,997	1,898,579	133,418
140 Terminal Leave	-	42,816	(42,816)
200 Employee Benefits	873,841	808,849	64,992
300 Purchased Services	220,000	477,309	(257,309)
400 Supplies and Materials	-	2,882	(2,882)
215 Exceptional Program Services:			
100 Salaries	1,321,834	1,265,476	56,358
200 Employee Benefits	580,160	556,669	23,491
217 Career Specialist Service:			
100 Salaries	136,602	172,440	(35,838)
140 Terminal Leave	-	1,640	(1,640)
200 Employee Benefits	62,405	83,683	(21,278)
220 Instructional Staff Services:			
221 Improvement of Instruction - Curriculum Development:			
100 Salaries	7,677,878	7,243,644	434,234
140 Terminal Leave	-	103,514	(103,514)
200 Employee Benefits	3,575,271	3,322,391	252,880
300 Purchased Services	-	97	(97)
222 Library and Media Services:			
100 Salaries	2,825,859	2,708,710	117,149
140 Terminal Leave	-	13,003	(13,003)
200 Employee Benefits	1,419,848	1,365,473	54,375
300 Purchased Services	42,147	39,558	2,589
400 Supplies and Materials	240,678	220,437	20,241
600 Other Objects	526	526	-
223 Supervision of Special Programs:			
100 Salaries	89,204	91,493	(2,289)
140 Terminal Leave	-	39,018	(39,018)
200 Employee Benefits	41,470	49,837	(8,367)
300 Purchased Services	\$ -	171	\$ (171)

(Continued)

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
REVISED BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2023

	REVISED BUDGET	ACTUAL	VARIANCE
EXPENDITURES (continued):			
200 Support Services (continued):			
220 Instructional Staff Services (continued):			
224 Improvement of Instruction - In-service and Staff Training:			
100 Salaries	\$ 695,774	671,899	\$ 23,875
200 Employee Benefits	269,921	260,384	9,537
300 Purchased Services	722,974	280,081	442,893
400 Supplies and Materials	115,342	54,444	60,898
600 Other Objects	153,514	120,519	32,995
230 General Administration Services:			
231 Board of Education:			
200 Employee Benefits	370,000	-	370,000
300 Purchased Services	296,664	374,520	(77,856)
318 Audit Services	-	40,945	(40,945)
400 Supplies and Materials	14,985	10,322	4,663
600 Other Objects	66,000	60,777	5,223
232 Office of the Superintendent:			
100 Salaries	446,796	363,798	82,998
200 Employee Benefits	215,339	156,341	58,998
300 Purchased Services	10,500	1,274	9,226
400 Supplies and Materials	6,000	2,269	3,731
600 Other Objects	22,000	17,366	4,634
233 School Administration:			
100 Salaries	13,030,475	12,771,182	259,293
140 Terminal Leave	-	348,172	(348,172)
200 Employee Benefits	5,653,459	5,433,990	219,469
300 Purchased Services	82,415	88,277	(5,862)
400 Supplies and Materials	52,827	48,059	4,768
600 Other Objects	38,541	36,140	2,401
250 Finance and Operations Services:			
251 Student Transportation (Federal/District Mandated):			
300 Purchased Services	-	3,341	(3,341)
252 Fiscal Services:			
100 Salaries	3,029,100	2,619,670	409,430
140 Terminal Leave	-	22,139	(22,139)
180 Head of Organizational Unit Salaries	-	149,433	(149,433)
200 Employee Benefits	1,351,077	1,127,227	223,850
280 Head of Organizational Unit Employee Benefits	-	55,316	(55,316)
300 Purchased Services	42,521	20,074	22,447
400 Supplies and Materials	33,779	33,720	59
500 Capital Outlay	-	-	-
600 Other Objects	\$ 13,900	13,066	\$ 834

(Continued)

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
REVISED BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2023

	REVISED BUDGET	ACTUAL	VARIANCE
EXPENDITURES (continued):			
200 Support Services (continued):			
250 Finance and Operations Services (continued)			
254 Operation and Maintenance of Plant:			
100 Salaries	\$ 11,529,666	10,773,199	\$ 756,467
140 Terminal Leave	-	130,702	(130,702)
200 Employee Benefits	5,726,408	5,231,457	494,951
300 Purchased Services (Excludes Energy Costs)	9,650,518	3,473,038	6,177,480
321 Public Utilities (Excludes gas, oil, elec. & other heating fuels)	-	2,639,448	(2,639,448)
400 Supplies and Materials (Includes Energy Costs)	2,013,064	2,027,555	(14,491)
470 Energy (Includes gas, oil, elec. & other heating fuels)	41,829	5,353,932	(5,312,103)
500 Capital Outlay	251,485	450,345	(198,860)
600 Other Objects	3,996	3,726	270
255 Student Transportation (State Mandated):			
100 Salaries	6,370,280	6,426,376	(56,096)
140 Terminal Leave	-	120,380	(120,380)
200 Employee Benefits	3,716,660	3,165,906	550,754
300 Purchased Services	637,660	560,996	76,664
400 Supplies and Materials	120,365	163,880	(43,515)
500 Capital Outlay	5,000	-	5,000
600 Other Objects	301,005	327,864	(26,859)
258 Security:			
100 Salaries	645,534	626,226	19,308
140 Terminal Leave	-	34	(34)
200 Employee Benefits	328,548	309,196	19,352
300 Purchased Services	3,065,689	2,498,335	567,354
400 Supplies and Materials	40,200	47,466	(7,266)
600 Other Objects	1,875	9,441	(7,566)
260 Central Support Services:			
262 Planning:			
100 Salaries	334,731	336,377	(1,646)
200 Employee Benefits	123,778	122,008	1,770
263 Information Services:			
100 Salaries	607,749	522,788	84,961
140 Terminal Leave	-	17,058	(17,058)
180 Head of Organizational Unit Salaries	-	86,423	(86,423)
200 Employee Benefits	241,362	210,835	30,527
280 Head of Organizational Unit Employee Benefits	-	32,258	(32,258)
300 Purchased Services	252,452	231,927	20,525
380 Head of Organizational Unit Travel	-	343	(343)
400 Supplies and Materials	35,150	18,366	16,784
600 Other Objects	\$ 52,890	41,578	\$ 11,312

(Continued)

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
REVISED BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2023

	REVISED BUDGET	ACTUAL	VARIANCE
EXPENDITURES (continued):			
200 Support Services (continued):			
260 Central Support Services (continued):			
264 Staff Services:			
100 Salaries	\$ 1,904,335	1,556,139	\$ 348,196
140 Terminal Leave	2,000,000	81,119	1,918,881
180 Head of Organizational Unit Salaries	-	147,239	(147,239)
200 Employee Benefits	1,466,941	634,412	832,529
280 Head of Organizational Unit Employee Benefits	-	59,481	(59,481)
300 Purchased Services	671,200	723,593	(52,393)
380 Head of Organizational Unit Travel	-	258	(258)
400 Supplies and Materials	28,667	20,682	7,985
600 Other Objects	1,161,885	1,287,793	(125,908)
266 Technology and Data Processing Services:			
100 Salaries	3,997,032	3,825,181	171,851
140 Terminal Leave	-	64,481	(64,481)
200 Employee Benefits	1,731,222	1,630,669	100,553
300 Purchased Services	5,250,886	4,821,462	429,424
400 Supplies and Materials	1,023,445	784,532	238,913
500 Capital Outlay	266,749	4,117,774	(3,851,025)
600 Other Objects	16,617	15,644	973
TOTAL SUPPORT SERVICES	<u>130,395,807</u>	<u>127,529,478</u>	<u>2,866,329</u>
500 Debt Service:			
610 Redemption of Principal	-	422,881	(422,881)
TOTAL DEBT SERVICE	<u>-</u>	<u>422,881</u>	<u>(422,881)</u>
TOTAL EXPENDITURES	<u>324,432,329</u>	<u>322,047,823</u>	<u>2,384,506</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (29,858,119)	(13,239,213)	\$ 16,618,906
OTHER FINANCING SOURCES (USES)			
5500 Lease Proceeds	\$ -	\$ 3,215,533	\$ 3,215,533
5900 Miscellaneous Sources:			
5999 Other Financing Sources	-	636,554	636,554
Interfund Transfers, From (To) Other Funds:			
5230 Transfer from Special Revenue EIA Fund	20,768,872	20,839,737	70,865
5280 Transfer from Other Funds Indirect Costs	400,000	2,378,190	1,978,190
Interfund Transfers, From (To) Other Funds (Continued):			
423-710 Transfer to Debt Service Fund	(7,000)	(4,214)	2,786
425-710 Transfer to Food Service Fund	(1,500,000)	(1,793,381)	(293,381)
TOTAL OTHER FINANCING SOURCES (USES)	<u>19,661,872</u>	<u>25,272,419</u>	<u>5,610,547</u>
Excess/(Deficiency) of Revenues and Other Financing			
NET CHANGE IN FUND BALANCE	(10,196,247)	12,033,206	22,229,453
FUND BALANCE, Beginning of Year, As Previously Reported	86,760,998	86,760,998	-
Prior Period Adjustment	-	6,017,376	6,017,376
FUND BALANCE, Beginning of Year - Restated	<u>86,760,998</u>	<u>92,778,374</u>	<u>6,017,376</u>
FUND BALANCE, End of Year	\$ 76,564,751	\$ 104,811,580	\$ 28,246,829

Special Revenue Funds

To account for the operations of federal and state projects that are required to be accounted for in separate funds by the South Carolina State Department of Education.

Special Revenue – used to account for legally restricted federal, state, and local revenues with specific educational mandates.

Education Improvement Act – used to account for legally restricted state revenues appropriated by the State of South Carolina under the SC Education Improvement Act of 1984.

Food Service – used to account for all activities necessary to provide food services to the students of the district.

LEXINGTON COUNTY SCHOOL DISTRICT ONE
 LEXINGTON, SOUTH CAROLINA

SPECIAL REVENUE FUNDS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

FOR THE YEAR ENDED JUNE 30, 2023

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)
REVENUES		
1000 Revenue from Local Sources:		
1700 Pupil Activities:		
1710 Admissions	\$ -	-
1730 Pupil Organization Membership Dues and Fees	-	-
1740 Student Fees	-	-
1790 Other Pupil Activity Income	-	-
1900 Other Revenue from Local Sources:		
1930 Special Needs Transportation-Medicaid	-	-
1990 Miscellaneous Local Revenue:		
1999 Revenue from Other Local Sources	-	-
Total Revenue from Local Sources	<u>-</u>	<u>-</u>
2000 Intergovernmental Revenue:		
2300 Payments from Nonprofit Entities (for First Steps)	-	-
Total Intergovernmental Revenue	<u>-</u>	<u>-</u>
3000 Revenue from State Sources:		
3110 Occupational Education:		
3113 12-Month Agriculture Program	-	-
3118 EEDA Career Specialists	-	-
3120 General Education:		
3127 Student Health and Fitness-PE Teachers	-	-
3130 Special Programs:		
3134 Child Early Reading Development and Education Program (CERDEP - Full Day 4K)	-	-
3135 Reading Coaches	-	-
3136 Student Health and Fitness-Nurses	-	-
3156 Adult Education	-	-
3190 Miscellaneous Restricted State Grants:		
3193 Education License Plates	-	-
3199 Other Restricted State Grants	-	-
3600 Education Lottery Act Revenue:		
3699 Other State Lottery Programs	-	-
3900 Other State Revenue:		
3999 Revenue from Other State Sources	-	-
Total Revenue from State Sources	<u>\$ -</u>	<u>-</u>

SCHEDULE B-1

Preschool Handicapped (CG Projects) (205/206)	CATE (VA Projects) (207/208)	Adult Education* (EA/ED Projects) (243)	Other Designated Restricted State Grants* (900s)	Other Special Revenue Programs* (200s/800s)	Student Activity Funds (700s)	Totals
-	-	-	-	-	2,826,667	\$ 2,826,667
-	-	-	-	-	4,891,880	4,891,880
-	-	-	-	-	728,004	728,004
-	-	-	-	-	15,300	15,300
-	-	-	-	1,196,353	-	1,196,353
-	-	-	-	835,184	-	835,184
-	-	-	-	2,031,537	8,461,851	10,493,388
-	-	-	151,056	-	-	151,056
-	-	-	151,056	-	-	151,056
-	-	-	-	108,785	-	108,785
-	-	-	1,178,845	-	-	1,178,845
-	-	-	391,977	-	-	391,977
-	-	-	55,345	-	-	55,345
-	-	-	925,792	-	-	925,792
-	-	-	700,797	-	-	700,797
-	-	-	1,760	-	-	1,760
-	-	-	3,294	-	-	3,294
-	-	-	-	502	-	502
-	-	-	270	-	-	270
-	-	-	-	163,633	-	163,633
-	-	-	3,258,080	272,920	-	\$ 3,531,000

(Continued)

LEXINGTON COUNTY SCHOOL DISTRICT ONE
 LEXINGTON, SOUTH CAROLINA

SPECIAL REVENUE FUNDS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

FOR THE YEAR ENDED JUNE 30, 2023

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)
REVENUES (continued)		
4000 Revenue from Federal Sources:		
4200 Occupational Education:		
4210 Perkins Aid, Title I- Career and Technical Education- Basic Grants to States	\$ -	-
4300 Elementary and Secondary Education Act of 1965 (ESEA):		
4310 Title I, Basic State Grant Programs (Carryover Provision)	3,646,978	-
4341 Language Instruction for Limited English Proficient and Immigrant Students, Title III	-	-
4343 McKinney-Vento Education for Homeless Children and Youth Program	-	-
4351 Supporting Effective Instruction	-	-
4400 Adult Education:		
4410 Basic Adult Education	-	-
4500 Programs for Children with Disabilities:		
4510 Individuals with Disabilities Education Act (IDEA)	-	5,170,285
4520 Preschool Grants for Children with Disabilities (IDEA)	-	-
4900 Other Federal Sources:		
4924 Nita M. Lowey 21st Century Community Learning Centers, Program (Title IV, 21st Century Scho	-	-
4931 ARP IDEA	-	-
4933 ARP IDEA Preschool	-	-
4937 ARP Homeless Children & Youth	-	-
4975 Coronavirus Aid, Relief, and Economic Security Act (CARES Act)	-	-
4990 Other Federal Revenue:		
4997 Title IV - SSAE	-	-
4999 Revenue from Other Federal Sources	-	-
 Total Revenue from Federal Sources	 <u>3,646,978</u>	 <u>5,170,285</u>
 TOTAL REVENUE ALL SOURCES	 <u>3,646,978</u>	 <u>5,170,285</u>

EXPENDITURES

100 Instruction:		
110 General Instruction:		
111 Kindergarten Programs:		
100 Salaries	68,989	-
200 Employee Benefits	30,781	-
300 Purchased Services	-	-
400 Supplies and Materials	-	-
112 Primary Programs:		
100 Salaries	-	-
140 Terminal Leave	-	-
200 Employee Benefits	-	-
300 Purchased Services	13,959	-
400 Supplies and Materials	423,015	-
600 Other Objects	\$ -	-

SCHEDULE B-1

Preschool Handicapped (CG Projects) (205/206)	CATE (VA Projects) (207/208)	Adult Education* (EA/ED Projects) (243)	Other Designated Restricted State Grants* (900s)	Other Special Revenue Programs* (200s/800s)	Student Activity Funds (700s)	Totals
-	326,404	-	-	-	-	\$ 326,404
-	-	-	-	409,412	-	4,056,390
-	-	-	-	134,778	-	134,778
-	-	-	-	57,798	-	57,798
-	-	-	-	660,229	-	660,229
-	-	88,970	-	-	-	88,970
-	-	-	-	-	-	5,170,285
266,577	-	-	-	-	-	266,577
-	-	-	-	202,476	-	202,476
-	-	-	-	744,328	-	744,328
-	-	-	-	104,656	-	104,656
-	-	-	-	83,675	-	83,675
-	-	-	-	10,237,268	-	10,237,268
-	-	-	-	281,102	-	281,102
-	-	-	-	296,210	-	296,210
266,577	326,404	88,970	-	13,211,932	-	22,711,146
266,577	326,404	88,970	3,409,136	15,516,389	8,461,851	36,886,590
-	-	-	-	-	-	68,989
-	-	-	-	-	-	30,781
-	-	-	1,895	-	-	1,895
-	-	-	1,405	-	-	1,405
-	-	-	151,845	368,691	-	520,536
-	-	-	38,847	-	-	38,847
-	-	-	77,802	208,923	-	286,725
-	-	-	-	-	-	13,959
-	-	-	-	40,737	-	463,752
-	-	-	-	6,902	-	\$ 6,902

(Continued)

LEXINGTON COUNTY SCHOOL DISTRICT ONE
 LEXINGTON, SOUTH CAROLINA

SPECIAL REVENUE FUNDS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

FOR THE YEAR ENDED JUNE 30, 2023

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)
EXPENDITURES (continued)		
100 Instruction (continued)		
110 General Instruction (continued):		
113 Elementary Programs:		
100 Salaries	\$ 3,000	-
200 Employee Benefits	936	-
300 Purchased Services	1,604	-
400 Supplies and Materials	21,394	-
600 Other Objects	-	-
114 High School Programs:		
100 Salaries	-	-
200 Employee Benefits	-	-
300 Purchased Services	-	-
400 Supplies and Materials	46,316	-
600 Other Objects	-	-
115 Career and Technology Education Program:		
100 Salaries	-	-
200 Employee Benefits	-	-
300 Purchased Services - Other than Tuition	-	-
400 Supplies and Materials	-	-
116 CATE (Vocational) Programs - Middle Schools:		
100 Salaries	-	-
300 Purchased Services	-	-
400 Supplies and Materials	-	-
120 Exceptional Programs:		
121 Educable Mentally Handicapped:		
100 Salaries	-	253,629
200 Employee Benefits	-	133,678
122 Trainable Mentally Handicapped:		
100 Salaries	-	389,871
200 Employee Benefits	-	206,328
123 Orthopedically Handicapped		
100 Salaries	-	22,964
200 Employee Benefits	-	8,093
124 Visually Handicapped:		
100 Salaries	-	461
200 Employee Benefits	-	145
300 Purchased Services	-	4,551
400 Supplies and Materials	-	1,479
125 Hearing Handicapped:		
100 Salaries	-	369
200 Employee Benefits	-	115
300 Purchased Services	-	18,462
400 Supplies and Materials	\$ -	13,510

SCHEDULE B-1

Preschool Handicapped (CG Projects) (205/206)	CATE (VA Projects) (207/208)	Adult Education* (EA/ED Projects) (243)	Other Designated Restricted State Grants* (900s)	Other Special Revenue Programs* (200s/800s)	Student Activity Funds (700s)	Totals
-	-	-	89,583	564,413	-	\$ 656,996
-	-	-	33,900	236,390	-	271,226
-	-	-	-	1,099,227	-	1,100,831
-	-	-	-	47,667	-	69,061
-	-	-	-	8,986	-	8,986
-	-	-	-	199,303	-	199,303
-	-	-	-	67,874	-	67,874
-	-	-	-	112,680	-	112,680
-	-	-	3,294	357,187	-	406,797
-	-	-	-	17,972	-	17,972
-	94,335	-	-	66,640	-	160,975
-	39,688	-	-	-	-	39,688
-	97,147	-	-	-	-	97,147
-	16,598	-	-	6,444	-	23,042
-	-	-	-	42,145	-	42,145
-	13,165	-	-	-	-	13,165
-	14,004	-	-	-	-	14,004
-	-	-	-	28,945	-	282,574
-	-	-	-	16,255	-	149,933
-	-	-	-	130,550	-	520,421
-	-	-	-	74,766	-	281,094
-	-	-	-	-	-	22,964
-	-	-	-	-	-	8,093
-	-	-	-	40,030	-	40,491
-	-	-	-	16,948	-	17,093
-	-	-	-	-	-	4,551
-	-	-	-	-	-	1,479
-	-	-	-	40,268	-	40,637
-	-	-	-	22,557	-	22,672
-	-	-	-	10,176	-	28,638
-	-	-	-	-	-	\$ 13,510

(Continued)

LEXINGTON COUNTY SCHOOL DISTRICT ONE
 LEXINGTON, SOUTH CAROLINA

SPECIAL REVENUE FUNDS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

FOR THE YEAR ENDED JUNE 30, 2023

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)
EXPENDITURES (continued)		
100 Instruction (continued)		
120 Exceptional Programs (continued):		
126 Speech Handicapped:		
100 Salaries	\$ -	12,433
200 Employee Benefits	-	3,905
300 Purchased Services	-	108,247
400 Supplies and Materials	-	11,892
600 Other Objects	-	4,610
127 Learning Disabilities:		
100 Salaries	-	968,010
200 Employee Benefits	-	535,877
300 Purchased Services	-	74,135
400 Supplies and Materials	-	102,530
600 Other Objects	-	70
128 Emotionally Handicapped:		
100 Salaries	-	77,399
200 Employee Benefits	-	36,646
300 Purchased Services	-	19,435
129 Coordinated Early Intervening Services (CEIS):		
100 Salaries	756,195	-
200 Employee Benefits	357,538	-
300 Purchased Services	-	-
400 Supplies and Materials	-	-
130 Preschool Programs:		
132 Preschool Handicapped Itinerant(5 Yr. olds):		
100 Salaries	-	-
200 Employee Benefits	-	-
133 Preschool Handicapped Self/Contained (5-Yr. Olds):		
100 Salaries	-	39,086
200 Employee Benefits	-	17,844
136 Preschool Handicapped Itinerant (3 & 4-Yr. Olds):		
100 Salaries	-	-
200 Employee Benefits	-	-
137 Preschool Handicapped Self-Contained (3 & 4-Yr. Olds):		
100 Salaries	-	127,638
200 Employee Benefits	-	72,474
300 Purchased Services	-	-
400 Supplies and Materials	-	657
139 Early Childhood Programs:		
100 Salaries	-	-
200 Employee Benefits	-	-
300 Purchased Services	-	-
400 Supplies and Materials	\$ -	-

SCHEDULE B-1

Preschool Handicapped (CG Projects) (205/206)	CATE (VA Projects) (207/208)	Adult Education* (EA/ED Projects) (243)	Other Designated Restricted State Grants* (900s)	Other Special Revenue Programs* (200s/800s)	Student Activity Funds (700s)	Totals
145	-	-	-	208,071	-	\$ 220,649
45	-	-	-	98,235	-	102,185
-	-	-	-	101,295	-	209,542
-	-	-	-	-	-	11,892
-	-	-	-	-	-	4,610
-	-	-	-	333,367	-	1,301,377
-	-	-	-	111,927	-	647,804
-	-	-	-	307,257	-	381,392
-	-	-	-	52,693	-	155,223
-	-	-	-	-	-	70
-	-	-	-	106,490	-	183,889
-	-	-	-	46,701	-	83,347
-	-	-	-	-	-	19,435
-	-	-	-	267,967	-	1,024,162
-	-	-	-	122,617	-	480,155
-	-	-	-	26,162	-	26,162
-	-	-	-	154,041	-	154,041
-	-	-	-	29,845	-	29,845
-	-	-	-	11,932	-	11,932
-	-	-	-	-	-	39,086
-	-	-	-	-	-	17,844
29,353	-	-	-	61,530	-	90,883
23,271	-	-	-	20,137	-	43,408
9,040	-	-	-	5,731	-	142,409
2,832	-	-	-	1,170	-	76,476
1,278	-	-	-	6,700	-	7,978
59,143	-	-	-	2,701	-	62,501
-	-	-	-	92,843	-	92,843
-	-	-	-	29,046	-	29,046
-	-	-	-	4,799	-	4,799
-	-	-	55,345	126,165	-	\$ 181,510

(Continued)

LEXINGTON COUNTY SCHOOL DISTRICT ONE
 LEXINGTON, SOUTH CAROLINA

SPECIAL REVENUE FUNDS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

FOR THE YEAR ENDED JUNE 30, 2023

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)
EXPENDITURES (continued)		
100 Instruction (continued)		
140 Special Programs:		
149 Other Special Programs:		
100 Salaries	\$ -	19,791
200 Employee Benefits	-	6,298
400 Supplies and Materials	-	-
160 Other Exceptional Programs:		
161 Autism:		
100 Salaries	-	185,898
200 Employee Benefits	-	109,689
300 Purchased Services	-	40,402
400 Supplies and Materials	-	4,048
162 Limited English Proficiency:		
100 Salaries	11,851	-
200 Employee Benefits	4,462	-
300 Purchased Services	-	-
400 Supplies and Materials	-	-
170 Summer School Programs:		
171 Primary Summer School:		
100 Salaries	14,415	-
200 Employee Benefits	3,903	-
400 Supplies and Materials	-	-
172 Elementary Summer School		
100 Salaries	-	-
200 Employee Benefits	-	-
400 Supplies and Materials	-	-
175 Instructional Programs Beyond Regular School Day:		
100 Salaries	45,061	-
200 Employee Benefits	14,010	-
300 Purchased Services	-	-
400 Supplies and Materials	551	-
180 Adult/Continuing Educational Programs:		
181 Adult Education Basic Program:		
300 Purchased Services	-	-
182 Adult Secondary Education Programs:		
100 Salaries	-	-
200 Employee Benefits	-	-
400 Supplies and Materials	-	-
183 Adult English Literacy (ESL):		
100 Salaries	-	-
200 Employee Benefits	\$ -	-

SCHEDULE B-1

Preschool Handicapped (CG Projects) (205/206)	CATE (VA Projects) (207/208)	Adult Education* (EA/ED Projects) (243)	Other Designated Restricted State Grants* (900s)	Other Special Revenue Programs* (200s/800s)	Student Activity Funds (700s)	Totals
-	-	-	-	7,968	-	\$ 27,759
-	-	-	-	2,533	-	8,831
5,624	-	-	-	-	-	5,624
-	-	-	-	169,007	-	354,905
-	-	-	-	79,788	-	189,477
-	-	-	-	234,519	-	274,921
-	-	-	-	-	-	4,048
-	-	-	-	143,427	-	155,278
-	-	-	-	61,600	-	66,062
-	-	-	-	34,980	-	34,980
-	-	-	-	53,813	-	53,813
-	-	-	-	796,524	-	810,939
-	-	-	-	246,881	-	250,784
-	-	-	-	138,132	-	138,132
-	-	-	-	48,609	-	48,609
-	-	-	-	15,343	-	15,343
-	-	-	-	68,305	-	68,305
-	-	-	-	478,733	-	523,794
-	-	-	-	142,877	-	156,887
-	-	-	-	10,536	-	10,536
-	-	-	-	93,533	-	94,084
-	-	-	-	129,710	-	129,710
-	-	15,550	-	-	-	15,550
-	-	4,927	-	-	-	4,927
-	-	-	2,030	-	-	2,030
-	-	52,000	-	-	-	52,000
-	-	16,493	-	-	-	\$ 16,493

(Continued)

LEXINGTON COUNTY SCHOOL DISTRICT ONE
 LEXINGTON, SOUTH CAROLINA

SPECIAL REVENUE FUNDS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

FOR THE YEAR ENDED JUNE 30, 2023

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)
EXPENDITURES (continued)		
100 Instruction (continued)		
188 Parenting/Family Literacy:		
100 Salaries	\$ 404,566	-
200 Employee Benefits	201,699	-
300 Purchased Services	60,508	-
400 Supplies and Materials	187,389	-
600 Other Objects	1,621	-
190 Instruction Pupil Activity:		
100 Salaries	-	-
200 Employee Benefits	-	-
300 Purchased Services	-	-
400 Supplies and Materials	-	-
500 Capital Outlay	-	-
600 Other Objects	-	-
660 Pupil Activity	-	-
	<hr/>	<hr/>
Total Instruction	2,673,763	3,632,669
	<hr/>	<hr/>
200 Support Services:		
210 Pupil Services:		
212 Guidance Services:		
100 Salaries	102,013	-
200 Employee Benefits	41,293	-
300 Purchased Services	-	-
213 Health Services:		
100 Salaries	-	1,138
200 Employee Benefits	-	358
300 Purchased Services	-	-
400 Supplies and Materials	-	20,543
214 Psychological Services:		
100 Salaries	-	13,022
200 Employee Benefits	-	4,102
300 Purchased Services	-	81,614
400 Supplies and Materials	-	44,585
600 Other Objects	-	4,307
215 Exceptional Program Services:		
100 Salaries	-	159,489
200 Employee Benefits	-	61,805
300 Purchased Services	-	16,874
400 Supplies and Materials	-	33,101
600 Other Objects	\$ -	2,410

SCHEDULE B-1

Preschool Handicapped (CG Projects) (205/206)	CATE (VA Projects) (207/208)	Adult Education* (EA/ED Projects) (243)	Other Designated Restricted State Grants* (900s)	Other Special Revenue Programs* (200s/800s)	Student Activity Funds (700s)	Totals
-	-	-	77,631	1,646	-	\$ 483,843
-	-	-	45,128	186	-	247,013
-	-	-	1,686	9,686	-	71,880
-	-	-	21,893	74,945	-	284,227
-	-	-	138	3,665	-	5,424
-	-	-	-	-	1,944	1,944
-	-	-	-	-	435	435
-	-	-	-	-	741,799	741,799
-	-	-	-	-	737,641	737,641
-	-	-	-	-	489	489
-	-	-	-	-	33,342	33,342
-	-	-	-	-	41,774	41,774
130,731	274,937	88,970	602,422	9,209,044	1,557,424	18,169,960
-	-	-	294,919	67,313	-	464,245
-	-	-	125,729	31,695	-	198,717
-	-	-	-	63,122	-	63,122
-	-	-	468,415	596,302	-	1,065,855
-	-	-	232,382	271,320	-	504,060
-	-	-	-	135,148	-	135,148
-	-	-	-	-	-	20,543
-	-	-	-	93,158	-	106,180
-	-	-	-	38,678	-	42,780
-	-	-	-	194,920	-	276,534
-	-	-	-	-	-	44,585
-	-	-	-	-	-	4,307
-	-	-	-	68,273	-	227,762
-	-	-	-	29,710	-	91,515
-	-	-	-	-	-	16,874
-	-	-	-	-	-	33,101
-	-	-	-	-	-	\$ 2,410

(Continued)

LEXINGTON COUNTY SCHOOL DISTRICT ONE
 LEXINGTON, SOUTH CAROLINA

SPECIAL REVENUE FUNDS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

FOR THE YEAR ENDED JUNE 30, 2023

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)
EXPENDITURES (continued)		
200 Support Services (continued):		
210 Pupil Services (continued):		
217 Career Specialist Service:		
100 Salaries	\$ -	-
200 Employee Benefits	-	-
220 Instructional Staff Services:		
221 Improvement of Instruction Curriculum Development:		
100 Salaries	202,388	-
200 Employee Benefits	84,948	-
300 Purchased Services	-	-
222 Library & Media Services:		
400 Supplies and Materials	-	-
223 Supervision of Special Programs:		
100 Salaries	121,865	515,508
200 Employee Benefits	57,391	214,337
300 Purchased Services	4,991	9,824
400 Supplies and Materials	325	29,095
600 Other Objects	-	3,514
224 Improvement of Instruction Inservice and Staff Training:		
100 Salaries	1,260	-
200 Employee Benefits	410	-
300 Purchased Services	104,279	22,666
400 Supplies and Materials	23,887	3,498
230 General Administrative Services		
233 School Administration:		
100 Salaries	-	-
200 Employee Benefits	-	-
300 Purchased Services	-	-
400 Supplies and Materials	-	-
250 Finance and Operations Services:		
251 Student Transportation (Federal/District Mandated):		
100 Salaries	8,055	18,452
200 Employee Benefits	2,761	5,794
300 Purchased Services	-	29
252 Fiscal Services:		
100 Salaries	-	-
200 Employee Benefits	\$ -	-

SCHEDULE B-1

Preschool Handicapped (CG Projects) (205/206)	CATE (VA Projects) (207/208)	Adult Education* (EA/ED Projects) (243)	Other Designated Restricted State Grants* (900s)	Other Special Revenue Programs* (200s/800s)	Student Activity Funds (700s)	Totals
-	-	-	502,378	50,877	-	\$ 553,255
-	-	-	255,818	15,992	-	271,810
-	-	-	631,249	2,670	-	836,307
-	-	-	294,544	838	-	380,330
-	-	-	-	54,250	-	54,250
-	-	-	-	21	-	21
86,113	-	-	-	26,438	-	749,924
35,468	-	-	-	9,509	-	316,705
-	-	-	-	5,605	-	20,420
-	-	-	-	-	-	29,420
-	-	-	-	15,364	-	18,878
-	-	-	-	240,201	-	241,461
-	-	-	-	112,807	-	113,217
-	35,482	-	280	548,206	-	710,913
-	-	-	-	32,024	-	59,409
-	-	-	-	531	-	531
-	-	-	-	165	-	165
-	-	-	-	145	-	145
-	-	-	-	319	-	319
-	-	-	-	187,038	-	213,545
-	-	-	-	57,162	-	65,717
-	-	-	-	27,787	-	27,816
-	-	-	-	1,847	-	1,847
-	-	-	-	565	-	\$ 565

(Continued)

LEXINGTON COUNTY SCHOOL DISTRICT ONE
 LEXINGTON, SOUTH CAROLINA

SPECIAL REVENUE FUNDS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

FOR THE YEAR ENDED JUNE 30, 2023

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)
EXPENDITURES (continued)		
200 Support Services (continued):		
250 Finance and Operations Services (continued):		
254 Operations and Maintenance of Plant:		
100 Salaries	\$ -	-
200 Employee Benefits	-	-
300 Purchased Services	-	-
400 Supplies and Materials	-	-
500 Capital Outlay	-	-
258 Security:		
400 Supplies and Materials	-	-
260 Central Support Services:		
263 Information Services:		
300 Purchased Services	-	-
264 Staff Services:		
300 Purchased Services	-	-
266 Technology and Data Processing Services:		
100 Salaries	-	-
200 Employee Benefits	-	-
400 Supplies and Materials	-	-
500 Capital Outlay	-	-
270 Support Services - Pupil Activity:		
271 Pupil Services Activities:		
100 Salaries	1,069	-
200 Employee Benefits	333	-
300 Purchased Services	15,995	-
400 Supplies and Materials	-	-
500 Capital Outlay	-	-
600 Other Objects	-	-
660 Pupil Activity	2,032	-
Total Support Services	<u>775,295</u>	<u>1,266,065</u>
300 Community Services:		
370 Non Public School Services:		
300 Purchased Services	-	-
400 Supplies and Materials	-	-
390 Other Community Services:		
100 Salaries	-	-
200 Employee Benefits	-	-
400 Supplies and Materials	-	-
600 Other Objects	-	-
Total Community Services	<u>\$ -</u>	<u>-</u>

SCHEDULE B-1

Preschool Handicapped (CG Projects) (205/206)	CATE (VA Projects) (207/208)	Adult Education* (EA/ED Projects) (243)	Other Designated Restricted State Grants* (900s)	Other Special Revenue Programs* (200s/800s)	Student Activity Funds (700s)	Totals
-	-	-	-	361,497	-	\$ 361,497
-	-	-	-	194,309	-	194,309
-	-	-	-	242,673	-	242,673
-	-	-	-	50,790	-	50,790
-	-	-	-	35,320	-	35,320
-	-	-	-	3,248	-	3,248
-	-	-	-	8,700	-	8,700
-	-	-	-	51,740	-	51,740
-	-	-	-	470,619	-	470,619
-	-	-	-	191,248	-	191,248
-	-	-	-	296,601	-	296,601
-	-	-	-	378,342	-	378,342
-	-	-	-	636	859,447	861,152
-	-	-	-	204	289,059	289,596
-	-	-	-	42,118	1,356,770	1,414,883
-	-	-	-	11,821	3,459,725	3,471,546
-	-	-	-	-	28,186	28,186
-	-	-	-	3,009	1,109,761	1,112,770
-	-	-	1,000	-	937,847	940,879
121,581	35,482	-	2,806,714	5,322,875	8,040,795	18,368,807
-	-	-	-	9,908	-	9,908
-	-	-	-	1,811	-	1,811
-	-	-	-	12,385	-	12,385
-	-	-	-	3,297	-	3,297
-	-	-	-	3,131	-	3,131
-	-	-	-	3,072	-	3,072
-	-	-	-	33,604	-	\$ 33,604

(Continued)

LEXINGTON COUNTY SCHOOL DISTRICT ONE
 LEXINGTON, SOUTH CAROLINA

SPECIAL REVENUE FUNDS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

FOR THE YEAR ENDED JUNE 30, 2023

	<u>Title I (BA Projects) (201/202)</u>	<u>IDEA (CA Projects) (203/204)</u>
EXPENDITURES (continued)		
410 Intergovernmental Expenditures:		
411 Payments to State Department of Education:		
720 Transits	\$ -	-
Total Intergovernmental Expenditures	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u>3,449,058</u>	<u>4,898,734</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	197,920	271,551
OTHER FINANCING SOURCES (USES)		
Interfund Transfers, From (To) Other Funds:		
431-791 Special Revenue Fund Indirect Costs (Use only for transfer of indirect costs to General Fund)	<u>(197,920)</u>	<u>(271,551)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(197,920)</u>	<u>(271,551)</u>
NET CHANGE IN FUND BALANCE	-	-
FUND BALANCE, Beginning of Year, As Previously Reported	-	-
Prior Period Adjustment	<u>-</u>	<u>-</u>
FUND BALANCE, Beginning of Year - Restated	-	-
FUND BALANCE, End of Year	<u>\$ -</u>	<u>-</u>

SCHEDULE B-1

Preschool Handicapped (CG Projects) (205/206)	CATE (VA Projects) (207/208)	Adult Education* (EA/ED Projects) (243)	Other Designated Restricted State Grants* (900s)	Other Special Revenue Programs* (200s/800s)	Student Activity Funds (700s)	Totals
-	-	-	-	180,369	-	\$ 180,369
-	-	-	-	180,369	-	180,369
252,312	310,419	88,970	3,409,136	14,745,892	9,598,219	36,752,740
14,265	15,985	-	-	770,497	(1,136,368)	133,850
(14,265)	(15,985)	-	-	(775,274)	(2,432)	(1,277,427)
(14,265)	(15,985)	-	-	(775,274)	(2,432)	(1,277,427)
-	-	-	-	(4,777)	(1,138,800)	(1,143,577)
-	-	-	-	692,728	5,035,335	5,728,063
-	-	-	-	21,466	301,655	323,121
-	-	-	-	714,194	5,336,990	6,051,184
-	-	-	-	709,417	4,198,190	\$ 4,907,607

SPECIAL REVENUE FUND

SUPPLEMENTAL LISTING OF LEA SUBFUND CODES AND TITLES

YEAR ENDED JUNE 30, 2023

OTHER DESIGNATED RESTRICTED STATE GRANTS

91900	Education License Plates
92400	Child Early Reading Development and Education Program (CERDEP - Full Day 4K)
92800	EEDA Career Specialists
93500	Reading Coaches
93600	Student Health and Fitness - Nurses
93700	Student Health and Fitness - PE Teachers
95600	Adult Education
96900	Miscellaneous Lottery
96920	HSED Adult Education
99000	Payments from Non-Profit Entities

OTHER SPECIAL REVENUE PROGRAMS

21010/21020/21030	Title IV - SSAE
21800	ESSER III
22000	CARES Act ESSER I
22100/22110	Title I - Neglected and Delinquent
22400/22401/22410	21st Century - PES
22430/22431	21st Century - FPE
22500	ESSER II
23010	IDEA ARP
23200/23210/23230	McKinney-Vento Homeless
23300	IDEA/Preschool ARP
23700/23720/23722	Title I - Additional Targeted Support and Improvement
26300	ARP Homeless
26310	ARP Homeless II
26400/26410/26422	Title III - English Language Acquisition
26700/26710/26720	Title II - Supporting Effective Instruction
27100	Medicaid
27210	ROTC - Army - PHS
27220/27222	ROTC - Air Force - LHS
27230/27231/27232	ROTC - Navy - WKHS
80010/80030	MCEC Bright Ideas Grant
81450	Lex Co Community Block Grant
81460	Lex Soil & Conservation Grant
81500	SC Arts Commission Grant
81700	SCSBIT Risk Control Grant
81751	Childrens Trust of SC Grant
81900	Parenting - Rotary
81910	Rotary Club of Lexington
82020	SC Council on Holocaust
82030	HOLOC Selden Smith Fdn
82200	Reading Recovery Grant
82250	Carolina TESOL Grant
82350	Parents As Teachers Grant
82400	Clemson Univ Fd Grant
82450	Clemson Ext Grant
82600	DHEC Recycling Grants
82620	Champions of the Environment
82640	DHEC Nurse Retention Bonus
83000	Dollar General Grant
83300	L&L Education
83310	SC Council of Competitiveness
83320	Digital Promise
83900	PMD State Supplement
84310	Francis Marion University Outreach
86700	Youth Risk Behavior Survey
86710	Mental Health Profile Survey
87000	12 Month Agriculture
87400	Project Unify Special Olympics
87550	Mechanical Contractor's Association of SC Fund
87900	Lex One Education Foundation Grant
89100	E-Rate FCC

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA

SPECIAL REVENUE FUND

SUMMARY SCHEDULE FOR OTHER DESIGNATED RESTRICTED STATE GRANTS

FOR THE YEAR ENDED JUNE 30, 2023

Subfund	Revenue	Programs	Revenues	Expenditures	Special Revenue		Special Revenue Fund Unearned Revenue
					Interfund Transfers In(Out)	Other Fund Transfers In(out)	
91900	3193	Education License Plates	\$ 3,294	3,294	-	-	\$ -
92400	3134	Child Early Reading Development and Education Program (CERDEP - Full Day 4K)	55,345	55,345	-	-	23,760
92800	3118	EEDA Career Specialists	1,178,845	1,178,845	-	-	-
93500	3135	Reading Coaches	925,792	925,792	-	-	-
93600	3136	Student Health and Fitness - Nurses	700,797	700,797	-	-	-
93700	3127	Student Health and Fitness - PE Teachers	391,977	391,977	-	-	-
95600	3156	Adult Education	1,760	1,760	-	-	-
96900	3699	Miscellaneous Lottery	-	-	-	-	446
96920	3699	HSED Adult Education	270	270	-	-	-
99000	2300	Payments from Non-Profit Entities	151,056	151,056	-	-	5,034
Totals			\$ 3,409,136	3,409,136	-	-	\$ 29,240

EDUCATION IMPROVEMENT ACT

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
ALL PROGRAMS

YEAR ENDED JUNE 30, 2023

	<u>ACTUAL</u>
REVENUES	
3000 Revenue from State Sources:	
3500 Education Improvement Act:	
3502 ADEPT	\$ 32,318
3503 State Aid to Classrooms	20,839,737
3518 Adoption List of Formative Assessment	110,678
3519 Grade 10 Assessments	61,689
3526 Refurbishment of Science Kits	164,682
3528 Industry Certifications/Credentials	128,167
3529 Career and Technology Education	927,192
3532 National Board Salary Supplement	2,188,920
3533 Teacher of the Year Awards (No Carryover Provision)	1,077
3536 Student Health & Fitness	142,081
3538 Students at Risk of School Failure	1,712,011
3541 Child Early Reading Development and Education Program (CERDEP) - Full Day 4k	600,194
3556 Adult Education	355,494
3557 Summer Reading Program	202,990
3571 CSI and State Priority Schools	57,339
3577 Teacher Supplies (No Carryover Provision)	667,500
3595 EEDA - Supplies and Materials	100,479
3597 Aid to Districts	772,478
3599 Other EIA	201,277
	<hr/>
Total Revenue from State Sources	29,266,303
	<hr/>
TOTAL REVENUE ALL SOURCES	29,266,303
	<hr/>
EXPENDITURES	
100 Instruction:	
110 General Instruction:	
111 Kindergarten Programs:	
100 Salaries	75,000
200 Employee Benefits	23,435
112 Primary Programs:	
100 Salaries	228,750
200 Employee Benefits	71,653
400 Supplies and Materials	13,254
113 Elementary Programs:	
100 Salaries	450,478
200 Employee Benefits	140,911
300 Purchased Services	116,678
400 Supplies and Materials	\$ 930,575

(Continued)

EDUCATION IMPROVEMENT ACT

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
ALL PROGRAMS

YEAR ENDED JUNE 30, 2023

	<u>ACTUAL</u>
EXPENDITURES (continued)	
100 Instruction (continued)	
114 High School Programs:	
100 Salaries	\$ 731,908
200 Employee Benefits	185,295
300 Purchased Services	61,689
400 Supplies and Materials	3,400
115 Career and Technology Education Program:	
100 Salaries	60,498
200 Employee Benefits	18,890
300 Purchased Services - Other Than Tuition	205,246
400 Supplies and Materials	438,975
500 Capital Outlay	186,723
600 Other Objects	609
116 CATE (Vocational) Middle School Programs:	
400 Supplies and Materials	100,827
500 Capital Outlay	22,288
120 Exceptional Programs:	
121 Educable Mentally Handicapped:	
100 Salaries	5,000
200 Employee Benefits	1,568
122 Trainable Mentally Handicapped:	
100 Salaries	7,500
200 Employee Benefits	2,328
125 Hearing Handicapped:	
100 Salaries	17,250
200 Employee Benefits	5,386
126 Speech Handicapped:	
100 Salaries	5,000
200 Employee Benefits	1,571
127 Learning Disabilities:	
100 Salaries	60,395
200 Employee Benefits	18,902
128 Emotionally Handicapped:	
100 Salaries	7,500
200 Employee Benefits	2,315
129 Coordinated Early Intervening Services (CEIS):	
100 Salaries	605,527
200 Employee Benefits	\$ 276,292

(Continued)

EDUCATION IMPROVEMENT ACT

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
 ALL PROGRAMS

YEAR ENDED JUNE 30, 2023

	<u>ACTUAL</u>
EXPENDITURES (continued)	
100 Instruction (continued)	
130 Preschool Programs:	
133 Preschool Handicapped Self-Contained (5-Yr. Olds):	
100 Salaries	\$ 12,377
200 Employee Benefits	3,855
139 Early Childhood Programs:	
100 Salaries	704,630
200 Employee Benefits	354,247
300 Purchased Services	7,952
400 Supplies and Materials	137,653
600 Other Objects	75
140 Special Programs:	
141 Gifted and Talented Academic:	
100 Salaries	10,000
200 Employee Benefits	3,125
145 Homebound:	
100 Salaries	15,000
200 Employee Benefits	4,690
160 Other Exceptional Programs:	
161 Autism:	
100 Salaries	15,000
200 Employee Benefits	4,696
162 Limited English Proficiency:	
100 Salaries	32,500
200 Employee Benefits	10,209
170 Summer School Programs:	
171 Primary Summer School:	
400 Supplies and Materials	197,464
600 Other Objects	5,561
175 Instructional Programs Beyond Regular School Day:	
400 Supplies and Materials	106
180 Adult/Continuing Education Programs:	
181 Adult Basic Educational Programs:	
100 Salaries	22,406
200 Employee Benefits	\$ 7,026
	(Continued)

EDUCATION IMPROVEMENT ACT

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
 ALL PROGRAMS

YEAR ENDED JUNE 30, 2023

	<u>ACTUAL</u>
EXPENDITURES (continued)	
100 Instruction (continued)	
180 Adult/Continuing Education Programs (continued)	
182 Adult Secondary Education Programs:	
100 Salaries	\$ 49,938
200 Employee Benefits	12,832
300 Purchased Services	683
400 Supplies and Materials	225
183 Adult English Literacy (ESL):	
100 Salaries	40,563
200 Employee Benefits	5,319
400 Supplies and Materials	60
188 Parenting/Family Literacy:	
400 Supplies and Materials	1,923
Total Instruction	<u>6,743,731</u>
200 Support Services:	
210 Pupil Services:	
212 Guidance Services:	
100 Salaries	68,106
200 Employee Benefits	21,023
300 Purchased Services	77,885
400 Supplies and Materials	3,652
500 Capital Outlay	90,167
213 Health Services:	
100 Salaries	105,122
200 Employee Benefits	36,959
220 Instructional Staff Services:	
221 Improvement of Instruction-Curriculum Development:	
100 Salaries	266,554
200 Employee Benefits	104,244
300 Purchased Services	23,647
400 Supplies and Materials	4,388
500 Capital Outlay	10,000
222 Library and Media Services:	
100 Salaries	22,387
200 Employee Benefits	7,043
223 Supervision of Special Programs:	
100 Salaries	155,239
200 Employee Benefits	65,220
300 Purchased Services	\$ 2,532

(Continued)

EDUCATION IMPROVEMENT ACT

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
 ALL PROGRAMS

YEAR ENDED JUNE 30, 2023

	<u>ACTUAL</u>
EXPENDITURES (continued)	
200 Support (continued)	
220 Instructional Staff Services (continued)	
224 Improvement of Instruction- Inservice and Staff Training:	
100 Salaries	\$ 136,398
200 Employee Benefits	52,008
300 Purchased Services	217,629
400 Supplies and Materials	77,208
250 Finance and Operations Services:	
251 Student Transportation (Federal/District Mandated):	
100 Salaries	269
200 Employee Benefits	84
300 Purchased Services	113
255 Student Transportation (State Mandated):	
100 Salaries	7,149
200 Employee Benefits	1,988
300 Purchased Services	3,193
260 Central Support Services:	
266 Technology and Data Processing Services:	
400 Supplies and Materials	79,863
500 Capital Outlay	121,414
Total Support Services	<u>1,761,484</u>
500 Debt Service:	
610 Redemption of Principal	21,518
Total Debt Service	<u>21,518</u>
TOTAL EXPENDITURES	<u>8,526,733</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	20,739,570
OTHER FINANCING SOURCES (USES)	
5900 Miscellaneous Sources:	
5999 Other Financing Sources	100,167
Interfund Transfers, From (To) Other Funds:	
420-710 Transfer to General Fund (Exclude Indirect Costs)	<u>(20,839,737)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>\$ (20,739,570)</u>
NET CHANGE IN FUND BALANCES	\$ -
FUND BALANCES, Beginning of the Year	<u>-</u>
FUND BALANCES, End of Year	<u><u>\$ -</u></u>

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA

EDUCATION IMPROVEMENT ACT

SUMMARY SCHEDULE BY PROGRAM

YEAR ENDED JUNE 30, 2023

Program	Revenues and Other Financing Sources	Expenditures	EIA Interfund Transfers In/(Out)	Other Fund Transfers In/(Out)	EIA Fund Unearned Revenue
3500 Education Improvement Act:					
3502 ADEPT	\$ 32,318	\$ 32,318	-	-	\$ 31,812
3503 State Aid to Classrooms	20,839,737	-	-	(20,839,737)	-
3518 Adoption List of Formative Assessment	110,678	110,678	-	-	106,210
3519 Grade 10 Assessments	61,689	61,689	-	-	102,315
3526 Refurbishment of Science Kits	164,682	164,682	-	-	592,076
3528 Industry Certifications/Credentials	128,167	128,167	-	-	84,031
3529 Career and Technical Education	937,192	937,192	-	-	166,063
3532 National Board Salary Supplement	2,188,920	2,188,920	-	-	-
3533 Teacher of the Year Awards (No Carryover Provision)	1,077	1,077	-	-	-
3536 Student Health & Fitness	142,081	142,081	-	-	-
3538 Students at Risk of School Failure	1,712,011	1,712,011	-	-	-
3541 Child Early Reading Development and Education Program (CERDEP) - Full Day 4k	600,194	600,194	-	-	1,167,859
3556 Adult Education	355,494	355,494	-	-	148,006
3557 Summer Reading Program	202,990	202,990	-	-	212,462
3571 CSI and State Priority Schools	57,339	57,339	-	-	269,661
3577 Teacher Supplies (No Carryover Provision)	667,500	667,500	-	-	-
3595 EEDA - Supplies and Materials	190,646	190,646	-	-	16,900
3597 Aid to Districts	772,478	772,478	-	-	10,000
3599 Other EIA	201,277	201,277	-	-	1,500
Totals	\$ 29,366,470	8,526,733	-	(20,839,737)	\$ 2,908,895

LEXINGTON COUNTY SCHOOL DISTRICT ONE
 LEXINGTON, SOUTH CAROLINA

DETAILED SCHEDULE OF DUE TO STATE DEPARTMENT OF EDUCATION/FEDERAL GOVERNMENT

YEAR ENDED JUNE 30, 2023

<u>Program</u>	<u>Project/Grant Number</u>	<u>Revenue & Subfund Code</u>	<u>Description</u>	<u>Amount Due to State Department of Education or Federal Government</u>	<u>Status of Amount Due to Grantors</u>
Grade 10 Assessments	EIA	31900	Overpayment to the District by the SDE	\$ 33,847.00	Paid check #00667726 check amount \$33,847.00
National Board Certification	EIA	33200	Overpayment to the District by the SDE	31,239.62	Paid check #00667725 check amount \$31,239.62
Teacher Supplies	EIA	37700	Overpayment to the District by the SDE	9,900.00	Paid check #00667727 check amount \$9,900.00
Priority Schools	EIA	37100	SDE Error in Distribution	220,000.00	Paid check #00667627 check amount \$220,000.00
				<u>\$ 294,986.62</u>	

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA**

FOOD SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2023

	ACTUAL
REVENUES	
1000 Revenue from Local Sources:	
1600 Food Services:	
1610 Lunch Sales to Pupils	\$ 2,284,636
1620 Breakfast Sales to Pupils	200,144
1630 Special Sales to Pupils	810,590
1640 Lunch Sales to Adults	161,689
1650 Breakfast Sales to Adults	16,760
1660 Special Sales to Adults	115,057
1900 Other Revenue from Local Sources:	
1990 Miscellaneous Local Revenue:	
1999 Revenue from Other Local Sources	396,685
Total Revenue From Local Sources	<u>3,985,561</u>
4000 Revenue from Federal Sources:	
4800 USDA Reimbursement:	
4810 School Lunch and After School Snacks Program, and Special Milk Program	6,238,903
4820 Supply Chain Assistance Funding	824,990
4830 School Breakfast Program (Carryover Provision)	2,061,696
4880 Summer Feeding Programs (SFSP)	55,220
4900 Other Federal Sources:	
4991 USDA Commodities (Food Distribution Program) (Carryover Provision)	712,674
4999 Revenue from Other Federal Sources	91,034
Total Revenue from Federal Sources	<u>9,984,517</u>
TOTAL REVENUE ALL SOURCES	<u>13,970,078</u>
EXPENDITURES	
250 Finance and Operations Services:	
256 Food Service:	
100 Salaries	4,532,044
200 Employee Benefits	2,554,312
300 Purchased Services	120,653
400 Supplies and Materials	7,142,374
500 Capital Outlay	316,202
600 Other Objects	57,477
Total Support Services	<u>14,723,062</u>
500 Debt Service:	
610 Redemption of Principal	64,008
Total Debt Service	<u>64,008</u>
TOTAL EXPENDITURES	\$ 14,787,070

(Continued)

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA**

FOOD SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2023

EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (816,992)
OTHER FINANCING SOURCES (USES)	
5900 Miscellaneous Sources:	
5999 Other Financing Sources	292,300
Interfund Transfers, From (To) Other Funds:	
5210 Transfer from General Fund (Exclude Indirect Costs)	1,793,381
432-791 Food Service Fund Indirect Costs	<u>(1,100,763)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>984,918</u>
NET CHANGE IN FUND BALANCE	167,926
FUND BALANCE, Beginning of Year	<u>6,185,946</u>
FUND BALANCE, End of Year	<u>\$ 6,353,872</u>

Debt Service Funds

The Debt Service Funds account for resources that will be used to service General Long-term Debt. The following schedule has been prepared in the format mandated by the South Carolina Department of Education. The account numbers shown on the schedule are also mandated by the South Carolina Department of Education.



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LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA

DEBT SERVICE FUNDS

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 2023

	<u>District</u>	<u>LOSF, Corp.</u>
REVENUES		
1000 Revenue from Local Sources:		
1100 Taxes Levied/Assessed by the LEA:		
1110 Ad Valorem Taxes-Including Delinquent (Independent)	\$ 28,760,555	\$ -
1140 Penalties & Interest on Taxes (Independent)	694,589	-
1190 Other Taxes (Independent)	32,447,234	-
1200 Revenue from Local Governmental Units Other than LEAs:		
1280 Revenue in Lieu of Taxes (Independent and Dependent)	1,406,692	-
1500 Earnings on Investments:		
1510 Interest on Investments	829,921	-
Total Revenue from Local Sources	<u>64,138,991</u>	<u>-</u>
2000 Intergovernmental Revenue:		
2100 Payments from Other Governmental Units	1,595,278	-
Total Intergovernmental Revenue	<u>1,595,278</u>	<u>-</u>
3000 Revenue from State Sources:		
3800 State Revenue in Lieu of Taxes:		
3820 Homestead Exemption (Tier 2)	2,081,660	-
3830 Merchant's Inventory Tax	83,263	-
3840 Manufacturer's Depreciation Reimbursement	991,525	-
3890 Other State Property Tax Revenues (Includes Motor Carrier Vehicle Tax)	239,751	-
Total Revenue from State Sources	<u>3,396,199</u>	<u>-</u>
TOTAL REVENUE ALL SOURCES	<u>69,130,468</u>	<u>-</u>
EXPENDITURES:		
500 Debt Service:		
610 Redemption of Principal	26,715,000	4,440,000
620 Interest	19,976,700	1,620,864
690 Other Objects (Includes Fees For Servicing Bonds)	140,762	4,214
Total Debt Service	<u>46,832,462</u>	<u>6,065,078</u>
TOTAL EXPENDITURES	<u>46,832,462</u>	<u>6,065,078</u>
OTHER FINANCING SOURCES (USES):		
Interfund Transfers, From (To) Other Funds:		
5210 Transfer from General Fund	-	4,214
5240 Transfer from Debt Service Fund	-	6,060,864
423-710 Transfer to Debt Service Fund	(6,060,864)	-
424-710 Transfer to Capital Projects Fund	(18,140,838)	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(24,201,702)</u>	<u>6,065,078</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,903,696)	-
FUND BALANCE, Beginning of Year	<u>22,226,078</u>	<u>-</u>
FUND BALANCE, End of Year	<u>\$ 20,322,382</u>	<u>\$ -</u>



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Capital Projects Fund

The Capital Projects Fund accounts for financial resources to be used for the acquisition and construction of major capital facilities. The following schedule has been prepared in the format mandated by the South Carolina Department of Education. The account numbers shown on the schedule are also mandated by the South Carolina Department of Education.



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**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA**

CAPITAL PROJECTS FUNDS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2023

	ACTUAL
REVENUES	
1000 Revenue from Local Sources	
1500 Earnings on Investments:	
1510 Interest on Investments	\$ 2,957,882
1900 Other Revenue from Local Sources:	
1990 Miscellaneous Local Revenue:	
1999 Revenue from Other Local Sources	13,487
Total Revenue from Local Sources	<u>2,971,369</u>
TOTAL REVENUE ALL SOURCES	<u>2,971,369</u>
EXPENDITURES	
200 Support Services:	
250 Finance and Operations Services:	
253 Facilities Acquisition and Construction:	
100 Salaries	113,708
200 Employee Benefits	48,011
300 Purchased Services	180,194
400 Supplies and Materials	11,603,268
500 Capital Outlay	
520 Construction Services	34,601,235
530 Improvements other than Buildings	1,665,080
540 Equipment	936,193
545 Technology Equipment and Software	752,468
550 Vehicles	411,376
Total Support Services	<u>50,311,533</u>
500 Debt Service:	
610 Redemption of Principal	51,864
Total Debt Service	<u>51,864</u>
TOTAL EXPENDITURES	<u>50,363,397</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(47,392,028)
OTHER FINANCING SOURCES (USES)	
5900 Miscellaneous Sources:	
5999 Other Financing Sources	51,864
Interfund Transfers From (To) Other Funds:	
5240 Transfer from Debt Service - District	18,140,838
TOTAL OTHER FINANCING SOURCES (USES)	<u>18,192,702</u>
NET CHANGE IN FUND BALANCE	(29,199,326)
FUND BALANCE, Beginning of Year, As Previously Reported	92,155,921
FUND BALANCE, Prior Period Adjustment	<u>(6,340,497)</u>
FUND BALANCE, Beginning of Year - Restated	<u>85,815,424</u>
FUND BALANCE, End of Year	<u>\$ 56,616,098</u>

LEXINGTON COUNTY SCHOOL DISTRICT ONE
 LEXINGTON, SOUTH CAROLINA

LOCATION RECONCILIATION SCHEDULE (REQUIRED)
 (FOR COGNIZANT AGENCY USE ONLY)

FOR THE YEAR ENDED JUNE 30, 2023

Location I.D.	Location	Ed Level	Cost Type	Total Expenditures
001	Board of Education	Other	Central	\$ 486,564
002	Superintendent's Office	Other	Central	541,049
003	Instruction	Other	Central	24,784,479
004	Finance	Other	Central	3,171,325
005	Human Resources	Other	Central	4,990,190
006	Communications	Other	Central	1,063,761
007	Student Services	Other	Central	10,485,092
008	Operations	Other	Central	10,168,910
009	Leadership Development	Other	Central	172,848
010	Central Services-General	Other	Central	68,665,734
011	Lexington High School	High School	School	22,223,803
012	Lexington Elementary School	Elementary School	School	7,721,119
013	Gilbert High School	High School	School	17,488,522
014	Gilbert Elementary School	Elementary School	School	9,256,010
015	Pelion High School	High School	School	9,815,456
016	Pelion Elem. School	Elementary School	School	8,055,721
018	Lexington Intermediate	Other	Central	2,046
019	Alternative Education Services	Other	Central	2,699,356
020	Lakeside Middle School	Middle School	School	10,948,063
021	Lexington Technology Center	Other	Central	7,729,366
022	Oak Grove Elementary School	Elementary School	School	7,799,854
023	Saxe Gotha Elementary School	Elementary School	School	8,489,804
024	Red Bank Elementary School	Elementary School	School	7,093,014
025	White Knoll Elementary School	Elementary School	School	7,965,478
026	White Knoll Middle School	Middle School	School	8,619,379
027	White Knoll High School	High School	School	22,199,054
028	Midway Elementary School	Elementary School	School	9,206,259
029	Gilbert Middle School	Middle School	School	12,172,722
030	Pelion Middle School	Middle School	School	6,825,548
031	Lake Murray Elementary School	Elementary School	School	10,230,472
032	Gilbert Primary School	Elementary School	School	666
033	LOOLA Middle/High School	Other	Central	1,547,744
034	Pleasant Hill Mid. School	Middle School	School	8,692,528
035	Pleasant Hill Elementary School	Elementary School	School	8,801,367
037	Carolina Springs Middle School	Middle School	School	9,469,055
038	Carolina Springs Elementary School	Elementary School	School	8,043,392
039	Forts Pond Elementary School	Elementary School	School	7,664,993
040	New Providence Elementary School	Elementary School	School	8,007,443
041	Rocky Creek Elementary School	Elementary School	School	8,146,077
042	Meadow Glen Elementary School	Elementary School	School	8,417,643
043	Meadow Glen Middle School	Middle School	School	10,192,951
044	River Bluff High School	High School	School	22,905,272
045	Deerfield Elementary School	Elementary School	School	8,318,927
046	Beechwood Middle School	Middle School	School	9,504,917
047	Centerville Elementary School	Elementary School	School	8,440,943
049	New Lex Area Elementary	Elementary School	School	59,652
051	South Lake Elementary School	Elementary School	School	14,630,161
052	Old GES	Other	Central	114,671
053	Old PMS	Other	Central	127,308
054	North Lake Community Learning Center	Other	Central	1,763,007
055	LOOLA Elementary	Other	Central	99,207
056	The College Center	Other	Central	680,274
057	Rosenwald Community Learning Center	Other	Central	1,543,951
093	Technology & Innovation	Other	Central	17,463,933
094	Special Services	Other	Central	2,818

Total Expenditures/Expenses for all Funds \$ 485,709,898

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

General Fund	\$ 322,047,823
Special Revenue Fund	36,752,740
Special Revenue - EIA	8,526,733
Special Revenue - Food Service	14,787,070
Debt Service Fund - District	46,832,462
Debt Service Fund - LOSF, Corp.	6,065,078
Capital Projects Fund	50,363,397
Permanent Fund	334,595

Total Expenditures/Expenses for all Funds \$ 485,709,898

OTHER SCHEDULES

LEXINGTON COUNTY SCHOOL DISTRICT ONE
 LEXINGTON, SOUTH CAROLINA

SCHEDULE OF GENERAL OBLIGATION BONDS OUTSTANDING

JUNE 30, 2023

Bond Issue	Fiscal Year Maturity		Principal			Outstanding, June 30, 2023
			Outstanding, July 1, 2022	Issued	Paid	
2011 Issue	2023					
	2024	\$ 5,685,000				
	2025	14,500,000				
	2026	<u>15,500,000</u>	35,685,000	-	-	\$ 35,685,000
2013A Issue	2023	4,445,000				
	2024	<u>420,000</u>	4,865,000	-	4,445,000	420,000
2013B Issue	2023	<u>1,525,000</u>	1,525,000	-	1,525,000	-
2015A Series	2023	1,730,000				
	2024	1,325,000				
	2025	830,000				
	2026	250,000				
	2027	9,650,000				
	2028	9,840,000				
	2029	10,060,000				
	2030	<u>10,285,000</u>	43,970,000	-	1,730,000	42,240,000
2016 Series	2023	1,085,000				
	2024	1,130,000				
	2025	1,165,000				
	2026	1,270,000				
	2027	1,475,000				
	2028	1,545,000				
	2029	1,590,000				
	2030	1,650,000				
	2031	1,705,000				
	2032	<u>1,760,000</u>	14,375,000	-	1,085,000	\$ 13,290,000

(Continued)

LEXINGTON COUNTY SCHOOL DISTRICT ONE
 LEXINGTON, SOUTH CAROLINA

SCHEDULE OF GENERAL OBLIGATION BONDS OUTSTANDING

JUNE 30, 2023

Bond Issue	Fiscal Year Maturity		Principal			Outstanding, June 30, 2023	
			Outstanding, July 1, 2022	Issued	Paid		
2017B Series	2023	\$	9,360,000				
	2024		9,750,000				
	2025		2,370,000				
	2026		1,875,000				
	2027		4,930,000				
	2028		5,120,000				
	2029		5,250,000				
	2030		5,390,000				
	2031		5,555,000				
	2032		5,725,000				
	2033		5,900,000				
	2034		6,085,000				
	2035		6,285,000				
	2036		<u>6,495,000</u>	80,090,000	-	9,360,000	\$ 70,730,000
2019A Series	2023		2,425,000				
	2024		2,715,000				
	2025		2,955,000				
	2026		3,215,000				
	2027		3,500,000				
	2028		3,795,000				
	2029		4,120,000				
	2030		4,460,000				
	2031		4,815,000				
	2032		5,145,000				
	2033		5,450,000				
	2034		<u>5,795,000</u>	48,390,000	-	2,425,000	45,965,000
	2019B Series	2023		985,000			
		2024		1,080,000			
2025			2,195,000				
2026			3,530,000				
2027			4,965,000				
2028			5,220,000				
2029			5,495,000				
2030			5,775,000				
2031			6,060,000				
2032			6,135,000				
2033			8,020,000				
2034			8,055,000				
2035			9,200,000				
2036			9,470,000				
2037			11,385,000				
2038			11,735,000				
2039			9,410,000				
2040		9,700,000					
2041		10,000,000					
2042		10,300,000					
2043		10,615,000					
2044		<u>\$ 10,940,000</u>	160,270,000	-	985,000	\$ 159,285,000	

(Continued)

LEXINGTON COUNTY SCHOOL DISTRICT ONE
 LEXINGTON, SOUTH CAROLINA

SCHEDULE OF GENERAL OBLIGATION BONDS OUTSTANDING

JUNE 30, 2023

Bond Issue	Fiscal Year Maturity		Principal			Outstanding, June 30, 2023
			Outstanding, July 1, 2022	Issued	Paid	
2020B Series	2023	\$	1,075,000			
	2024		2,625,000			
	2025		2,560,000			
	2026		2,625,000			
	2027		5,760,000			
	2028		5,845,000			
	2029		5,930,000			
	2030		6,025,000			
	2031		6,135,000			
	2032		6,245,000			
	2033		6,365,000			
	2034		6,495,000			
	2035		6,625,000			
	2036		6,770,000			
	2037		6,920,000			
	2038		<u>7,085,000</u>	85,085,000	-	1,075,000
2020C Series	2023		4,085,000			
	2024		3,655,000			
	2025		3,200,000			
	2026		2,700,000			
	2027		1,775,000			
	2028		1,840,000			
	2029		1,915,000			
	2030		1,995,000			
	2031		7,535,000			
	2032		7,080,000			
	2033		7,295,000			
	2034		7,440,000			
	2035		7,590,000			
	2036		7,740,000			
	2037		8,900,000			
	2038		9,065,000			
2039		7,945,000				
2040		8,105,000				
2041		8,265,000				
2042		8,440,000				
2043		8,620,000				
2044		<u>8,805,000</u>	133,990,000	-	4,085,000	129,905,000
			<u>\$ 608,245,000</u>	<u>-</u>	<u>26,715,000</u>	<u>\$ 581,530,000</u>

LEXINGTON COUNTY SCHOOL DISTRICT ONE
 LEXINGTON, SOUTH CAROLINA

SCHEDULE OF LEXINGTON ONE SCHOOL FACILITIES, CORP.
 INSTALLMENT PURCHASE REVENUE BONDS OUTSTANDING

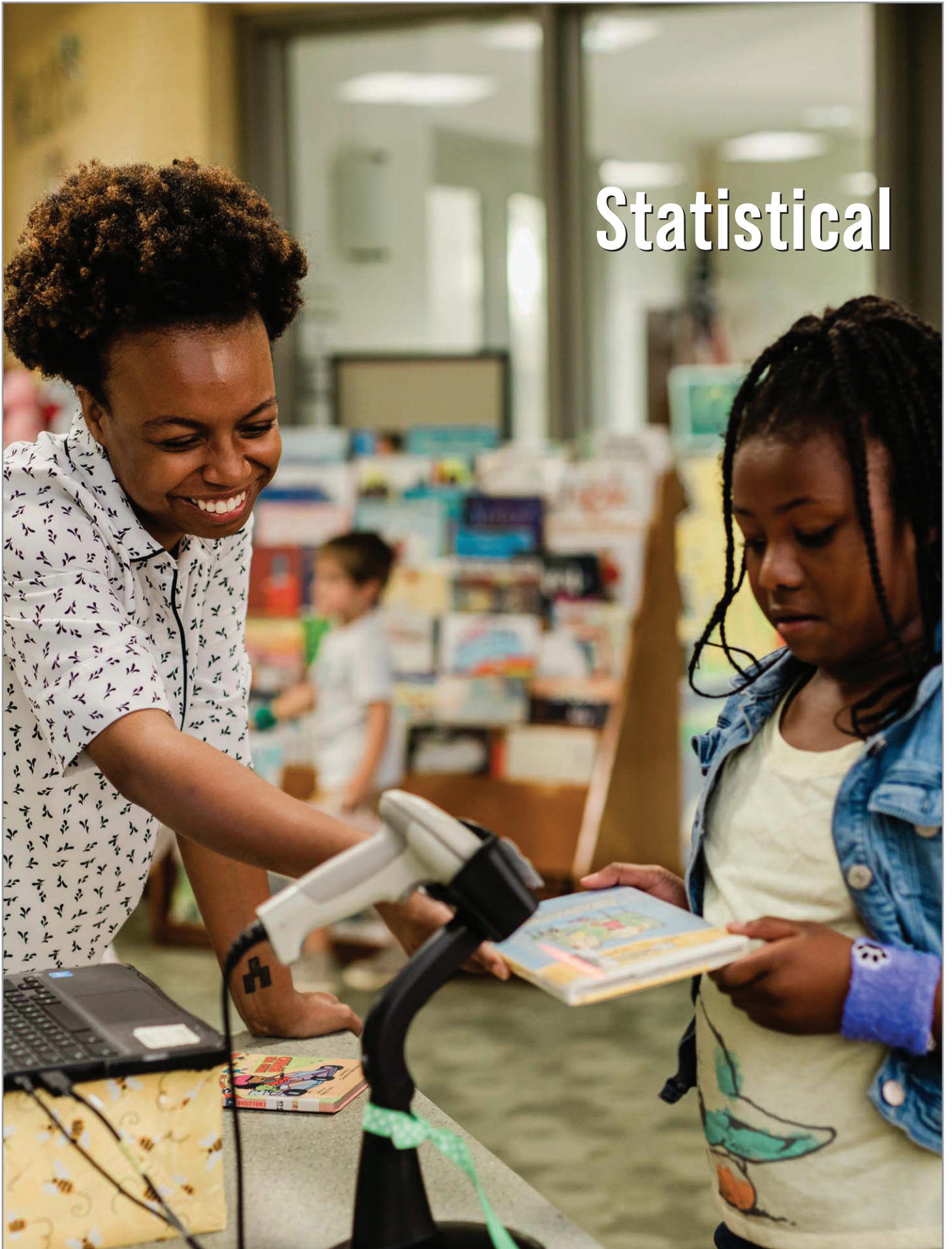
JUNE 30, 2023

<u>Bond Issue</u>	<u>Fiscal Year Maturity</u>	<u>Principal</u>			<u>Outstanding, June 30, 2023</u>	
		<u>Outstanding, July 1, 2022</u>	<u>Issued</u>	<u>Paid</u>		
2013 Issue	2023	\$ 2,060,000				
	2024	2,120,000				
	2025	2,180,000				
	2026	2,245,000				
	2027	2,305,000				
	2028	2,375,000				
	2029	2,440,000				
	2030	2,515,000				
	2031	<u>2,585,000</u>	\$ 20,825,000		\$ 2,060,000	\$ 18,765,000
	2015 Issue	2023	2,380,000			
2024		2,495,000				
2025		2,620,000				
2026		2,750,000				
2027		2,890,000				
2028		3,030,000				
2029		3,125,000				
2030		3,220,000				
2031		<u>3,325,000</u>	<u>25,835,000</u>		<u>2,380,000</u>	<u>23,455,000</u>
			<u>\$ 46,660,000</u>	<u>\$ -</u>	<u>\$ 4,440,000</u>	<u>\$ 42,220,000</u>



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Statistical



STATISTICAL SECTION

This section of the Lexington County School District One Comprehensive Annual Financial Report presents detailed trend and other information as a context for understanding what the information in the basic financial statements, notes to the financial statements, required supplementary information and other supplementary information says about Lexington County School District One's overall financial health.

	<u>Page</u>
Financial Trends	144
These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	
Revenue Capacity	148
These schedules contain information to help the reader access Lexington County School District One's most significant local revenue source, the property tax.	
Debt Capacity	153
These schedules present information to help the reader assess the affordability of Lexington County School District One's current level of outstanding debt and the District's ability to issue additional debt in the future.	
Demographic and Economic Information	157
These schedules offer demographic and economic indicators to help the reader understand the environment within which Lexington County School District One's financial activities take place.	
Operating Information	160
These schedules contain service and infrastructure data to help the reader understand how the information in Lexington County School District One's financial report relates to the services the District provides and the activities it performs.	

Lexington County School District One
Lexington, South Carolina

Table 1

Net Position by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Years									
	2014	2015 ^{1,2}	2016	2017	2018 ³	2019	2020	2021	2022	2023
Governmental Activities										
Net investment in capital assets	\$ 142,714,423	\$ 137,869,432	\$ 145,379,211	\$ 159,318,035	\$ 192,330,571	\$ 198,169,631	\$ 198,334,703	\$ 212,276,715	\$ 230,103,763	\$ 249,175,194
Restricted	18,655,213	10,262,344	13,281,759	17,202,605	8,374,119	11,961,352	17,007,483	23,334,481	30,791,248	28,073,129
Unrestricted	14,467,485	(254,119,522)	(258,420,112)	(265,638,225)	(552,961,129)	(563,339,321)	(580,265,366)	(600,883,073)	(612,373,564)	(605,778,173)
Total governmental activities net position	\$ 175,837,121	\$ (105,987,746)	\$ (99,759,142)	\$ (89,117,585)	\$ (352,256,439)	\$ (353,208,338)	\$ (364,923,180)	\$ (365,271,877)	\$ (351,478,553)	\$ (328,529,850)
Business-type activities										
Net investment in capital assets	\$ 2,392,682	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	(1,487,189)	-	-	-	-	-	-	-	-	-
Total business-type activities net position	\$ 905,493	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Primary Government										
Net investment in capital assets	\$ 145,107,105	\$ 137,869,432	\$ 145,379,211	\$ 159,318,035	\$ 192,330,571	\$ 198,169,631	\$ 198,334,703	\$ 212,276,715	\$ 230,103,763	\$ 249,175,194
Restricted	18,655,213	10,262,344	13,281,759	17,202,605	8,374,119	11,961,352	17,007,483	23,334,481	30,791,248	28,073,129
Unrestricted	12,980,296	(254,119,522)	(258,420,112)	(265,638,225)	(552,961,129)	(563,339,321)	(580,265,366)	(600,883,073)	(612,373,564)	(605,778,173)
Total primary government net position	\$ 176,742,614	\$ (105,987,746)	\$ (99,759,142)	\$ (89,117,585)	\$ (352,256,439)	\$ (353,208,338)	\$ (364,923,180)	\$ (365,271,877)	\$ (351,478,553)	\$ (328,529,850)

Source: District Annual Comprehensive Financial Reports

Note: With the Implementation of GASB Statement No. 63 for Fiscal Year 2013, the terminology of Net Position is used instead of Net Assets.

1 - At the beginning of Fiscal Year 2015, the District converted Food Service from a Proprietary Fund to a Special Revenue Fund.

2 - In Fiscal Year 2015, the District implemented GASB Statements Nos. 68 and 71.

3 - At the beginning of Fiscal Year 2018, the District implemented GASB Statement No. 75.

Lexington County School District One
Lexington, South Carolina

Table 2

Changes in Net Position

Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Years									
	2014	2015 ^{1,2}	2016	2017	2018 ³	2019	2020	2021	2022	2023
Expenses										
Governmental activities:										
Instruction	\$ 148,587,188	\$ 153,018,708	\$ 160,940,456	\$ 172,381,107	\$ 185,261,218	\$ 197,575,813	\$ 215,070,208	\$ 239,403,675	\$ 237,089,848	\$ 242,664,177
Support services	92,269,336	137,525,474	116,444,588	124,543,929	138,426,399	155,511,378	152,779,021	160,410,957	162,433,885	175,045,659
Community services	309,425	315,574	251,849	224,795	318,768	367,339	60,254	92,865	60,282	33,604
Intergovernmental	3,347	-	-	-	-	-	-	-	-	-
Interest and other charges	24,214,695	22,457,096	20,953,913	20,287,202	21,741,049	16,165,502	28,007,085	20,953,535	19,861,715	20,059,080
Total governmental activities expenses	265,383,991	313,316,852	298,590,806	317,437,033	345,747,434	369,620,032	395,916,568	420,861,032	419,445,730	437,802,520
Business-type activities										
Food service	14,177,548	-	-	-	-	-	-	-	-	-
Total business-type activities expenses	14,177,548	-	-	-	-	-	-	-	-	-
Total primary government expenses	\$ 279,561,539	\$ 313,316,852	\$ 298,590,806	\$ 317,437,033	\$ 345,747,434	\$ 369,620,032	\$ 395,916,568	\$ 420,861,032	\$ 419,445,730	\$ 437,802,520
Program Revenues										
Governmental activities:										
Charges for services:										
Instruction	\$ 178,162	\$ 204,163	\$ 181,571	\$ 160,619	\$ 184,355	\$ 211,863	\$ 58,191	\$ 100,094	\$ 223,229	\$ 187,276
Support services	381,429	6,187,497	5,551,467	5,070,160	5,132,330	5,178,193	3,790,135	5,862,474	8,314,970	12,528,223
Community services	454,544	-	-	-	302,307	275,824	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-	-
Operating grants and contributions	109,437,574	127,982,056	129,345,077	140,605,033	153,024,677	157,338,630	167,973,141	184,645,712	198,138,489	203,065,051
Total governmental activities program revenues	110,451,709	134,373,716	135,078,115	145,835,812	158,643,669	163,004,510	171,821,467	190,608,280	206,676,688	215,780,550
Business-type activities:										
Charges for services:										
Food service	5,588,455	-	-	-	-	-	-	-	-	-
Operating grants and contributions	5,555,693	-	-	-	-	-	-	-	-	-
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total business-type activities program revenues	11,144,148	-	-	-	-	-	-	-	-	-
Total primary government program revenues	\$ 121,595,857	\$ 134,373,716	\$ 135,078,115	\$ 145,835,812	\$ 158,643,669	\$ 163,004,510	\$ 171,821,467	\$ 190,608,280	\$ 206,676,688	\$ 215,780,550

(Continued)

Lexington County School District One
Lexington, South Carolina

Table 2

Changes in Net Position	Fiscal Years									
	2014	2015 ^{1,2}	2016	2017	2018 ³	2019	2020	2021	2022	2023
Net (expense)/revenue										
Governmental activities	\$ (154,932,282)	\$ (178,943,136)	\$ (163,512,691)	\$ (171,601,221)	\$ (187,103,765)	\$ (206,615,522)	\$ (224,095,101)	\$ (230,252,752)	\$ (212,769,042)	\$ (222,021,970)
Business-type activities	(3,033,400)	-	-	-	-	-	-	-	-	-
Total primary government program net expense	\$ (157,965,682)	\$ (178,943,136)	\$ (163,512,691)	\$ (171,601,221)	\$ (187,103,765)	\$ (206,615,522)	\$ (224,095,101)	\$ (230,252,752)	\$ (212,769,042)	\$ (222,021,970)
General Revenues and Other Changes in Net Position										
Governmental activities										
Property taxes levied for:										
General Purposes	\$ 71,265,267	\$ 75,886,246	\$ 83,164,899	\$ 89,458,692	\$ 95,784,721	\$ 97,432,019	\$ 98,338,080	107,400,952	105,634,923	109,234,055
Debt Service	34,466,380	35,783,922	36,593,521	41,687,070	47,122,677	48,556,316	52,496,815	59,509,424	60,621,135	63,097,442
Federal and state aid not restricted for specific purposes	47,104,241	47,810,568	48,703,846	49,264,837	51,777,087	55,267,173	55,274,406	56,967,859	58,563,787	62,762,545
Unrestricted investment earnings	347,694	654,190	479,503	1,043,216	2,267,087	3,574,996	3,876,095	759,748	490,069	9,087,449
Miscellaneous revenue	349,636	532,336	799,526	788,963	1,236,939	833,119	2,394,863	979,678	1,252,452	789,182
Transfers	(1,089,951)	-	-	-	-	-	-	-	-	-
Total governmental activities	152,443,267	160,667,262	169,741,295	182,242,778	198,188,511	205,663,623	212,380,259	225,617,661	226,562,366	244,970,673
Business-type activities	1,373	-	-	-	-	-	-	-	-	-
Unrestricted investment earnings	1,089,951	-	-	-	-	-	-	-	-	-
Transfers	1,091,324	-	-	-	-	-	-	-	-	-
Total business-type activities	\$ 153,534,591	\$ 160,667,262	\$ 169,741,295	\$ 182,242,778	\$ 198,188,511	\$ 205,663,623	\$ 212,380,259	\$ 225,617,661	\$ 226,562,366	\$ 244,970,673
Total primary government										
Change in Net Position	\$ (2,489,015)	\$ (18,275,874)	\$ 6,228,604	\$ 10,641,557	\$ 11,084,746	\$ (951,899)	\$ (11,714,842)	\$ (4,635,091)	\$ 13,793,324	\$ 22,948,703
Governmental activities	(1,942,076)	-	-	-	-	-	-	-	-	-
Business-type activities	(4,431,091)	(18,275,874)	6,228,604	10,641,557	11,084,746	(951,899)	(11,714,842)	(4,635,091)	13,793,324	22,948,703
Total primary government										

Source: District Annual Comprehensive Financial Reports
 Note: With the implementation of GASB Statement No. 63 as for Fiscal Year 2013, the terminology of Net Position is used instead of Net Assets.
 1 - At the beginning of Fiscal Year 2015, the District converted Food Service from a Proprietary Fund to a Special Revenue Fund.
 2 - In Fiscal Year 2015, the District Implemented GASB Statement Nos. 68 and 71.
 3 - At the beginning of Fiscal Year 2018, the District implemented GASB Statement No. 75.

Lexington County School District One
Lexington, South Carolina

Fund Balances of Governmental Funds

Last Ten Fiscal Years

(Modified Accrual Basis of Accounting)

	Fiscal Years									
	2014	2015 ¹	2016	2017	2018	2019	2020	2021	2022	2023
General Fund										
Nonspendable	\$ 1,076,328	\$ 1,072,558	\$ 5,278,199	\$ 1,086,508	\$ 1,162,629	\$ 1,266,650	\$ 1,370,399	\$ 1,000,324	\$ 1,111,279	\$ 1,218,911
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	9,000,000	7,000,000	7,256,709	7,777,148	9,000,000	8,255,559	3,698,221	7,459,778	10,196,241	32,742,511
Unassigned	26,331,731	28,332,967	27,144,821	36,217,855	41,767,859	48,019,991	60,864,694	70,051,689	75,453,478	70,850,158
Total General Fund	\$ 36,408,059	\$ 36,405,525	\$ 39,679,729	\$ 45,081,511	\$ 51,930,488	\$ 57,542,200	\$ 65,933,314	\$ 78,511,791	\$ 86,760,998	\$ 104,811,580
All other governmental funds										
Nonspendable	\$ 130,000	\$ 313,245	\$ 458,716	\$ 346,585	\$ 110,000	\$ 110,000	\$ 110,000	\$ 485,860	\$ 398,835	\$ 369,523
Restricted	84,045,793	63,202,731	61,240,803	101,182,246	83,895,011	125,519,602	126,617,639	185,561,735	126,585,051	88,702,009
Assigned	-	100,000	104,325	210,985	607,475	616,431	1,047,605	1,226,094	692,728	709,417
Unassigned	-	(1,853,299)	(1,089,225)	(41,363)	-	-	-	-	-	-
Total all other governmental funds	\$ 84,175,793	\$ 61,762,677	\$ 60,714,619	\$ 101,698,453	\$ 84,612,486	\$ 126,246,033	\$ 127,775,244	\$ 187,273,689	\$ 127,676,614	\$ 89,780,949

Source: District Annual Comprehensive Financial Reports

1 - At the beginning of Fiscal Year 2015, the District converted Food Service from a Proprietary Fund to a Special Revenue Fund.

Lexington County School District One
Lexington, South Carolina

Changes in Fund Balances of Governmental Funds

Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	2014	2015 ¹	2016	2017	2018	2019	2020	2021	2022	2023
Revenues										
Local Sources	\$ 107,594,750	\$ 123,764,554	\$ 129,139,062	\$ 138,806,923	\$ 152,970,127	\$ 156,336,070	\$ 162,014,209	\$ 172,085,750	\$ 177,473,814	\$ 198,155,514
Intergovernmental	3,512,652	3,521,940	3,549,727	3,504,494	3,491,381	3,216,114	2,000,007	1,722,312	1,968,383	1,746,334
State Sources	144,773,108	152,478,528	156,507,389	169,757,288	183,532,184	192,078,936	202,363,205	211,296,372	216,880,782	228,970,886
Federal Sources	7,534,251	14,853,030	16,450,896	15,301,925	16,371,627	16,118,748	17,014,871	27,258,711	36,443,077	32,695,663
Total Revenues	\$ 263,414,761	\$ 294,618,052	\$ 305,647,074	\$ 327,370,630	\$ 356,365,319	\$ 367,749,868	\$ 383,392,292	\$ 412,363,145	\$ 432,766,056	\$ 461,568,397
Expenditures										
Current:										
Instruction	132,173,834	140,974,046	145,704,224	152,103,711	161,569,176	169,887,616	181,162,098	195,066,997	208,249,657	218,791,931
Support Services	87,618,519	124,780,547	110,628,792	116,239,074	125,387,247	145,555,955	142,766,223	147,558,205	155,890,542	169,107,230
Community Services	309,425	315,574	250,414	221,795	318,768	367,339	60,254	92,865	60,282	33,604
Intergovernmental	3,347	206,378	223,395	172,637	1,763,118	2,393,951	2,326,007	2,829,927	76,210	180,369
Debt Service										
Principal	13,790,000	12,220,000	14,125,000	15,310,000	30,725,000	26,135,000	114,110,000	36,705,000	29,210,000	31,715,271
Interest	21,481,131	23,480,293	21,999,459	21,707,539	20,899,263	20,184,835	20,330,950	22,331,449	22,748,407	21,742,540
Payment to Refunded Debt Escrow Agent	-	4,266,306	-	-	-	-	-	-	-	-
Other Objects	520,706	-	291,680	80,945	483,765	535,151	1,891,052	-	-	-
Capital Outlay	39,761,151	10,052,491	10,402,342	6,465,236	25,836,123	41,475,953	92,528,485	97,384,470	67,878,826	44,138,953
Total Expenditures	\$ 295,658,113	\$ 316,295,635	\$ 303,625,306	\$ 312,300,937	\$ 366,982,460	\$ 406,535,800	\$ 555,175,069	\$ 501,868,913	\$ 484,113,924	\$ 485,709,898
Excess of Revenues over (under) expenditures	\$ (32,243,352)	\$ (21,677,583)	\$ 2,021,768	\$ 15,069,693	\$ (10,617,141)	\$ (38,785,932)	\$ (171,782,777)	\$ (89,505,768)	\$ (51,347,868)	\$ (24,141,501)
Other Financing Sources (Uses)										
Premium on Bonds Issued	129,088	8,774,424	2,361,524	1,915,923	6,256,062	7,701,191	16,438,686	7,296,296	-	-
Issuance of General Obligation Bonds	85,180,000	-	-	29,400,000	-	85,000,000	165,000,000	150,000,000	-	-
Issuance of Refunding Bonds	35,350,000	100,170,000	18,200,000	-	82,910,000	54,525,000	88,420,000	-	-	-
Lease Proceeds	-	-	-	-	-	-	-	-	-	3,215,533
Other Financing Sources	-	-	-	-	-	-	-	-	-	1,080,885
Payment to Refunded Debt Escrow Agent	(38,418,109)	(108,195,302)	(20,357,146)	-	(88,785,911)	(61,195,000)	(88,155,584)	-	-	-
Transfers In	15,515,520	22,225,076	20,477,483	27,889,536	31,027,684	33,030,820	34,553,533	28,510,615	28,643,954	49,217,224
Transfers Out	(16,605,471)	(22,225,076)	(20,477,483)	(27,889,536)	(31,027,684)	(33,030,820)	(34,553,533)	(28,510,615)	(28,643,954)	(49,217,224)
Total Other Financing Sources (Uses)	\$ 81,151,028	\$ 749,122	\$ 204,378	\$ 31,315,923	\$ 380,151	\$ 86,031,191	\$ 181,703,102	\$ 157,296,296	\$ -	\$ 4,296,418
Net Change in Fund Balances	\$ 48,907,676	\$ (20,928,461)	\$ 2,226,146	\$ 46,385,616	\$ (10,236,990)	\$ 47,245,259	\$ 9,920,325	\$ 67,790,528	\$ (51,347,868)	\$ (19,845,083)
Debt Service as a Percentage of Noncapital Expenditures	14.9%	12.5%	12.3%	12.1%	15.1%	12.5%	29.0%	14.5%	12.5%	12.0%

Source: District Annual Comprehensive Financial Reports

1 - At the beginning of Fiscal Year 2015, the District converted Food Service from a Proprietary Fund to a Special Revenue Fund.

Lexington County School District One
Lexington, South Carolina

Assessed Value and Estimated Actual Value of All Taxable Property

Last Ten Fiscal Years

Fiscal Year	Tax Year	Real Property		Personal Property			Total Assessed Value	Total Estimated Actual Value	Total Direct Tax Rate (Millage)	Assessed Value as a Percentage of Actual Value
		Residential Property	Commercial Property ¹	Motor Vehicles	Other	Other				
2014	2013	354,259,000	26,884,380	61,060,330	62,816,100	505,019,810	9,861,863,861	342.76	5.12%	
2015	2014	363,888,240	34,020,860	65,937,280	60,520,310	524,366,690	10,298,143,984	349.51	5.09%	
2016	2015	371,638,220	39,000,790	72,720,530	67,061,210	550,420,750	10,683,984,950	369.37	5.15%	
2017	2016	382,996,800	40,533,210	73,876,450	71,407,080	568,813,540	11,060,393,996	384.29	5.14%	
2018	2017	398,387,520	40,703,560	75,291,360	75,606,730	589,989,170	11,463,643,404	403.25	5.15%	
2019	2018	414,772,980	42,337,780	72,716,550	81,786,900	611,614,210	11,907,331,739	407.70	5.14%	
2020	2019	431,690,720	46,278,230	73,426,250	79,827,800	631,223,000	12,370,220,127	412.40	5.10%	
2021	2020	483,996,090	41,469,570	75,241,040	86,267,450	686,974,150	13,521,179,957	398.86	5.08%	
2022	2021	503,276,770	49,099,620	81,600,030	68,484,121	702,460,541	13,434,706,199	398.86	5.23%	
2023	2022	530,549,070	33,711,930	87,457,130	87,989,262	739,707,392	14,646,348,742	398.86	5.05%	

Note: 1 Includes fee in lieu of taxes. Property values were re-assessed in Fiscal Year 2016 and 2021.

Source: Lexington County Auditor's Office - Unaudited.

Lexington County School District One
Lexington, South Carolina

Property Tax Rates - Direct and Overlapping Governments

Last Ten Fiscal Years

Fiscal Year	Tax Year	Lexington County School District One			Overlapping Rates				Total Direct and Overlapping Rates	Additional Millages - Municipalities					
		Operating Millage ¹	Debt Service Millage	Total Millage	Lexington County	Recreation District	Midlands Technical College	Riverbanks Zoo		Springdale	City of Cayce	Town of Gilbert	Town of Lexington	Town of Pelion	Town of Summit
2014	2013	271.460	71.300	342.760	94.296	15.735	4.374	1.893	459.058	57.700	44.170	5.000	35.140	18.000	6.100
2015	2014	278.210	71.300	349.510	94.746	16.735	4.374	2.393	467.758	57.700	44.170	5.000	35.140	18.000	6.100
2016	2015	298.070	71.300	369.370	94.441	16.002	4.353	2.088	486.254	57.700	45.360	5.000	35.140	18.000	6.100
2017	2016	305.990	78.300	384.290	94.973	16.222	4.353	2.088	501.926	57.700	45.360	5.000	34.290	18.000	6.100
2018	2017	317.950	85.300	403.250	94.689	16.102	4.353	2.088	520.482	57.700	47.690	5.000	34.290	18.000	6.100
2019	2018	322.400	85.300	407.700	97.160	15.902	4.353	2.088	527.203	57.700	49.690	5.000	34.290	18.300	6.100
2020	2019	322.400	90.000	412.400	98.348	15.802	4.353	1.000	531.903	57.700	53.730	5.000	34.290	18.300	6.100
2021	2020	308.860	90.000	398.860	96.661	14.928	4.172	1.000	515.621	57.700	53.730	5.000	26.056	17.000	6.100
2022	2021	308.860	90.000	398.860	96.217	15.058	4.172	0.800	515.107	57.700	53.730	5.000	26.056	17.000	6.100
2023	2022	308.860	90.000	398.860	96.217	15.058	4.172	0.800	515.107	57.700	58.100	5.000	26.056	18.300	6.100

Notes: 1 - Operating millage includes the Lease Purchase millage since it is levied in the general fund instead of the debt service fund.

Source: Lexington County Auditor's Office - Unaudited.

Lexington County School District One
Lexington, South Carolina

Table 7

Principal Property Taxpayers

Current Year and Nine Years Ago

Taxpayer	Fiscal Year 2023				Fiscal Year 2014			
	Assessed Value	Taxes Paid	Rank	Percent of Assessed Value to Total Assessed Value	Assessed Value	Taxes Paid	Rank	Percent of Assessed Value to Total Assessed Value
Dominion Energy SC F/K/A SCANA *	\$ 31,075,950	\$ 15,368,097	1	4.20%	\$ 22,023,410	\$ 7,611,965	2	4.36%
Michelin North America, Inc.*	20,550,050	7,029,745	2	2.78%	4,760,060	2,094,847	3	0.94%
Mid Carolina Electric Coop, Inc.	4,955,130	2,445,427	3	0.67%	1,678,970	739,730	5	0.33%
Spectrum Southeast, LLC ¹	3,783,920	1,868,792	4	0.51%				
Windstream	2,493,440	1,243,530	5	0.34%				
Apex Tool Group LLC* ²	2,161,400	1,064,004	6	0.29%	1,304,880	534,743	7	0.26%
Prysmian Communications Cables*	2,112,660	927,405	7	0.29%	1,526,750	521,206	8	0.30%
Lull Water Holdings	1,599,600	804,486	8	0.22%				
SFG IAA Lexington LLC	1,684,900	803,485	9	0.23%				
Owen Industrial Products*	1,710,530	710,255	10	0.23%				
South Carolina Electric & Gas					26,067,410	11,536,289	1	5.16%
Akebono Brake Corporation					2,194,380	1,038,304	4	0.43%
Lowe's Home Centers Inc.					1,536,850	685,705	6	0.30%
Carolina Water Service					1,170,520	517,031	9	0.23%
Flextronics America LLC* ³					1,660,410	499,701	10	0.33%
	\$ 72,127,580	\$ 32,265,226		9.75%	\$ 63,923,640	\$ 25,779,521		12.66%

* Includes Fee in Lieu of Taxes

Source: Lexington County Auditor's Office - Unaudited.

1 Formerly - Time Warner ENT

2 Formerly - Cooper Tools

3 Formerly - Solectron

Table 8

Lexington County School District One
Lexington, South Carolina

Property Tax Levies and Collections

Last Ten Fiscal Years		Taxes Levied for the Fiscal Year		Collected within the Fiscal Year of the Levy		Collections in Subsequent Years		Total Collections to Date	
Fiscal Year	Fiscal Year	Amount	Percentage of Levy	Amount	Percentage of Levy	Years	Amount	Percentage of Levy	
2014	233,271,116	225,796,712	96.80%	6,939,169	232,735,881	99.77%			
2015	245,917,702	239,646,488	97.45%	5,586,414	245,232,902	99.72%			
2016	266,853,184	259,212,766	97.14%	6,833,282	266,046,048	99.70%			
2017	281,697,796	274,946,530	97.60%	5,808,250	280,754,780	99.67%			
2018	304,936,702	297,571,546	97.58%	6,233,395	303,804,941	99.63%			
2019	319,800,335	312,158,059	97.61%	6,364,130	318,522,189	99.60%			
2020	330,439,039	321,526,290	97.30%	7,420,850	328,947,140	99.55%			
2021	353,884,182	346,670,122	97.96%	4,529,919	351,200,041	99.24%			
2022	367,352,246	356,069,177	96.93%	7,772,679	363,841,856	99.04%			
2023	387,778,154	374,757,714	96.64%	NA	374,757,714	96.64%			

Note: Includes taxes levied and collected on behalf of all taxing entities within the district.

Source: Lexington County Treasurer's Office - Unaudited.

Lexington County School District One
Lexington, South Carolina

Legal Debt Margin Information

Last Ten Fiscal Years

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Debt Limit	\$ 40,031,809	\$ 41,394,765	\$ 41,452,783	\$ 44,991,308	\$ 46,583,801	\$ 48,247,095	\$ 49,366,472	\$ 53,938,123	\$ 55,780,118	\$ 58,858,458
Total Net Debt Applicable to Debt Limit	-	-	-	29,400,000	16,850,000	8,710,000	1,043,000	962,000	877,000	788,100
Legal Debt Margin	\$ 40,031,809	\$ 41,394,765	\$ 41,452,783	\$ 15,591,308	\$ 29,733,801	\$ 39,537,095	\$ 48,323,472	\$ 52,976,123	\$ 54,903,118	\$ 58,070,358
Total Net Debt Applicable to Debt Limit as a Percentage of Debt Limit	0.0%	0.0%	0.0%	65.3%	36.2%	18.1%	2.1%	1.8%	1.6%	1.3%

Legal Debt Margin Calculation for Fiscal Year 2023

Assessed Value	\$ 739,707,392
Less: Assessment for Fee in Lieu of Taxes	(23,102,900)
Merchant's Inventory	1,960,970
Fee in Lieu of Tax Property Applicable to Debt Limit Calculation (Note 2)	17,165,265
Total Assessed Value Allowable for Computation of Debt Limit	\$ 735,730,727
Constitutional Debt Limit (8% of total assessed value)	\$ 58,858,458
Debt Applicable to Debt Limit:	
General Obligation Bonds Outstanding	\$ 582,318,100
Less: General Obligation Bonds Outstanding Not Subject to Debt Limit	(581,530,000)
Total Net Debt Applicable to Debt Limit	788,100
Legal Debt Margin	\$ 58,070,358

Note 1: Article X, Section 15 of the Constitution of the State of South Carolina, 1895, as amended (the "Constitution"), empowers each school district of the State to incur general obligation debt in such terms and conditions as the General Assembly shall prescribe by law. After November 30, 1982, each school district may incur general obligation debt, without an election and upon such terms and conditions as the General Assembly may prescribe, in an amount not exceeding 8% of the assessed value of all taxable property of such school district. Bonded indebtedness existing on November 30, 1982, and the bonded indebtedness authorized by a majority vote of the qualified electors of the school district voting in a referendum will not be considered in the computation of the 8% limitation.

Note 2: Statutes authorizing the payment of fees in lieu of taxes provide that property from which such fees are derived may be included in the calculation of debt limit. These statutes provide formulae whereby the assessed value for debt limit purposes of property subject to a fee in lieu of taxes is determined, based upon the most recently received annual payments in lieu of taxes received by a particular taxing entity. Based upon information received from the Lexington County Auditor, in 2021 property subject to fees in lieu of taxes provides the District with approximately \$1,421,459 in debt limit capacity.

Source: Assessed Values are obtained from the Lexington County Auditor's Office.
(Unaudited)

Lexington County School District One
Lexington, South Carolina

Ratios of Outstanding Debt By Type

Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Governmental Activities ¹				Total Primary Government	Percentage of Personal Income ²	Per Capita ²
		Certificates of Participation	Installment Purchase Revenue Bonds	Bond Premiums				
2014	422,555,000	-	80,630,000	16,010,560	519,195,560	4678%	3,997	
2015	412,210,000	-	73,030,000	22,017,731	507,257,731	4310%	3,819	
2016	400,315,000	-	69,970,000	22,584,495	492,869,495	4020%	3,630	
2017	417,935,000	-	66,440,000	22,660,975	507,035,975	3921%	3,655	
2018	395,035,000	-	62,785,000	20,194,960	478,014,960	3483%	3,374	
2019	451,030,000	-	58,985,000	24,555,592	534,570,592	3728%	3,645	
2020	515,785,000	-	55,035,000	36,444,944	607,264,944	3981%	4,068	
2021	633,185,000	-	50,930,000	40,627,409	724,742,409	4366%	4,772	
2022	608,245,000	-	46,660,000	37,551,623	692,456,623	3980%	4,483	
2023	581,530,000	-	42,220,000	34,645,959	658,395,959	Unavailable	4,220	

Note: 1 Details regarding the District's outstanding debt can be found in the basic notes to the financial statements. Information is compiled from District Annual Comprehensive Financial Reports

Note: 2 Personal Income and Estimated Population can be found on the table for Demographic and Economic Statistics.

Lexington County School District One
Lexington, South Carolina

Table 11

Ratios of General Bonded Debt Outstanding

Last Ten Fiscal Years	Fiscal Year	General Obligation Bonds ¹	Less: Amounts Available in Debt Service Fund ⁴	Total	Percent of Estimated Actual Taxable Value of Property ²	Per Capita ³
	2014	438,565,560	17,791,026	420,774,534	4.27%	3,240
	2015	434,227,731	9,238,761	424,988,970	4.13%	3,199
	2016	422,899,495	12,077,919	410,821,576	3.85%	3,026
	2017	440,595,975	15,681,455	424,914,520	3.84%	3,063
	2018	415,229,960	6,083,700	409,146,260	3.57%	2,888
	2019	475,585,592	9,600,089	465,985,503	3.91%	3,177
	2020	552,229,944	14,791,216	537,438,728	4.34%	3,600
	2021	673,812,409	14,452,030	659,360,379	4.88%	4,342
	2022	645,796,623	18,189,361	627,607,262	4.67%	4,063
	2023	616,175,959	15,940,077	600,235,882	4.10%	3,848

Notes: 1 Details regarding the district's outstanding debt and related premiums can be found in the basic notes to the financial statements.

2 See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property.

3 Population data can be found on the Schedule of Demographic and Economic Statistics.

4 The amount shown reflects the fund balance in the District Debt Service Fund and the amount restricted for payment of principal used in the calculation of net bonded debt due to the amount on the government-wide statement including the LOSSF, Corp. Debt Service fund balance, unavailable revenues related to District Debt Service property taxes, accrued interest, and interest subsidies receivable.

Lexington County School District One
Lexington, South Carolina

Table 12

Direct and Overlapping Governmental Activities Debt

As of June 30, 2023

Governmental Unit	Governmental Activities Debt Outstanding	Percent Applicable to District ²	Estimated Share of Overlapping Debt
Debt Repaid with Property Taxes:			
Lexington County	\$ 13,800,000	45.12%	\$ 6,226,560
Lexington County Recreation Commission	16,460,000	59.41%	9,778,886
Town of Lexington	7,700,000	100.00%	7,700,000
Riverbanks Zoo ¹	25,225,000	20.54%	5,182,365
Total Overlapping	\$ 63,185,000		\$ 28,887,811
Lexington County School District One and its blended component units direct debt			\$ 658,395,959
Total Direct & Overlapping Debt			\$ 687,283,770

Notes:

- 1 Percentage for Riverbanks Zoo is computed by combining total assessed values of Lexington and Richland Counties.
- 2 The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were computed by dividing the district's assessed value by the assessed value of the applicable governmental unit.

Sources:

Lexington County Auditor's Office, Lexington County Treasurer's Office, Richland County Auditor's Office, Riverbanks Zoo, and Town of Lexington.

*** Lexington County Auditor - Includes Assessment for FILOT Payments

Lexington County School District One
Lexington, South Carolina

Table 13

Demographic Statistics - Lexington County

Last Ten Fiscal Years		School District	County	Per Capita	School	Unemployment
Fiscal Year	Estimated Population ¹	Estimated Population ¹	Personal Income ²	Personal Income ²	Enrollment ³	Rate ⁴
2014	129,883	273,752	11,097,582	39,935	53,315	5.05%
2015	132,834	277,888	11,770,438	41,764	54,053	5.30%
2016	135,795	281,833	12,261,518	42,843	54,713	4.61%
2017	138,736	286,196	12,932,758	44,497	55,551	3.68%
2018	141,687	290,642	13,722,876	46,513	55,969	3.41%
2019	146,675	299,421	14,337,467	47,992	56,594	3.35%
2020	149,269	303,946	15,254,322	52,224	57,224	4.10%
2021	151,863	307,550	16,598,785	55,915	57,805	3.77%
2022	154,457	300,137	17,396,614	57,076	58,861	2.73%
2023	156,002	304,797	Unavailable	Unavailable	57,615	2.64%

Data Sources: 1 U.S. Census Bureau, Years 2013-2021 from 2010 Census, Year 2022 and 2023 from 2020 Census.

2 U.S. Department of Commerce, Bureau of Economic Analysis, Lexington County.

3 SC Department of Education - 135-Day Average Daily Membership Report. The County of Lexington has 5 school districts.

4 SC Department of Employment and Workforce. Averages are on a fiscal year basis, computed from the monthly press releases.

Unaudited

Lexington County School District One
Lexington, South Carolina

Table 14

Principal Employers - Lexington County

Employer	2023 ¹			2014		
	Number of Employees	Rank	Percentage of Total County Employment ²	Number of Employees	Rank	Percentage of Total County Employment ²
Dominion Energy SC F/K/A SCANA	3,066	1	2.04%			
Amazon.com	2,684	2	1.79%	1,200	4	0.93%
Michelin North America, Inc.	2,240	3	1.49%	1,930	2	1.49%
Nephron Pharmaceuticals Corporation	2,014	4	1.34%			
United Parcel Service	1,329	5	0.89%			
Spectrum Southeast, LLC	1,100	6	0.73%			
HireRight ³	700	7	0.47%	583	7	0.45%
Walter P. Rawl & Sons Inc.	650	8	0.43%			
Harsco Rail Technologies	567	9	0.38%	431	10	0.33%
Southeastern Freight Lines	540	10	0.36%	587	6	0.45%
Walmart Stores East LP				2,160	1	1.67%
SCANA				1,900	3	1.47%
Columbia Farms/House of Raeford				857	5	0.66%
Republic National Distribution Co				527	8	0.41%
DHL Global Forwarding North America				500	9	0.39%
Total	14,890		9.94%	10,675		8.23%

Note: (A) Excludes School District and County Employees

Data Sources:

1 Central South Carolina Alliance

2 SC Department of Employment and Workforce

3 Formerly - General Information Services (GIS)

Lexington County School District One
Lexington, South Carolina

Table 15

Employees by Function

Last Ten Fiscal Years

Function	Fiscal Years									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Instruction										
Teachers	1,619.00	1,680.00	1,692.00	1,745.00	1,760.00	1,805.00	1,865.00	1,951.00	2,080.00	2,123.00
Other	430.00	444.00	444.00	451.00	475.00	505.00	410.00	441.00	438.00	479.00
Support Services										
Teachers ¹	184.00	204.00	203.00	205.00	192.00	190.00	297.00	292.00	205.00	206.00
Other	1,329.00	1,368.00	1,323.00	1,313.00	1,320.00	1,336.00	1,338.00	1,350.00	1,447.00	1,488.00
Total	3,562.00	3,696.00	3,662.00	3,714.00	3,747.00	3,836.00	3,910.00	4,034.00	4,170.00	4,296.00

1 Teachers for support services include Media Specialists, School Counselors, Technology Integration Specialists, and School Psychologists.

Source: District Records

Lexington County School District One
Lexington, South Carolina

Table 16

Operating Statistics

Last Ten Fiscal Years

Fiscal Year	Pupil Enrollment 135-Day /ADM ¹	Modified Accrual Basis of Accounting			Accrual Basis of Accounting			Teaching Staff ³	Pupil/Teacher Ratio	Percentage of Students Receiving Free or Reduced Lunch
		Operating Expenditures ²	Cost per Pupil	Percentage Change	Expenses	Cost per Pupil	Percentage Change			
2014	23,363	220,105,125	9,421	3.27%	241,169,296	10,323	3.38%	1,619	14.4	39%
2015 ⁴	23,953	266,276,545	11,117	18.00%	290,859,758	12,143	17.63%	1,680	14.3	39%
2016	24,418	256,806,825	10,517	-5.39%	277,636,893	11,370	-6.36%	1,692	14.4	38%
2017	24,896	268,737,217	10,794	2.64%	297,149,831	11,936	4.97%	1,745	14.3	37%
2018	25,511	289,038,309	11,330	4.96%	324,006,385	12,700	6.41%	1,760	14.5	36%
2019	25,999	318,204,864	12,239	8.03%	353,454,530	13,595	7.04%	1,805	14.4	34%
2020 ⁵	26,507	326,314,582	12,311	0.58%	367,909,493	13,880	2.09%	1,865	14.2	35%
2021 ⁵	26,355	345,547,994	13,111	6.50%	399,907,497	15,174	9.32%	1,951	13.5	33%
2022 ⁵	27,082	364,276,691	13,451	2.59%	399,584,015	14,755	-2.76%	2,080	13.0	36%
2023	27,304	388,113,134	14,214	5.68%	417,743,440	15,300	3.69%	2,123	12.9	53%

Notes:

- 1 Average Daily Membership. Includes Kindergarten through Grade 12.
- 2 Operating Expenditures are total expenditures in the governmental fund less capital outlay and all debt service expenditures.
- 3 Does not include Media Specialist, Guidance Counselors, Technology Integration Specialists, or School Psychologists.
- 4 The District converted Food Service from a Proprietary Fund to a Special Revenue Fund on July 1, 2014
- 5 As of March 16, 2020, the USDA approved eligibility for all students to receive free breakfast and lunch until the end of the 2021-2022 school year.

Source: Financial data is extracted from the District Annual Comprehensive Financial Reports. Other data has been gathered from various departments within the district.
Unaudited

Table 17

Lexington County School District One
Lexington, South Carolina

Teacher Salaries

Last Ten Fiscal Years						
Fiscal Year	Minimum Salary ¹	Maximum Salary ^{1,4}	District Average Salary ^{1,2}	State Average Salary ^{2,3}	Southeastern Average Salary ^{2,3}	
2014	31,372	73,511	47,363	48,340	48,892	
2015	31,686	72,246	47,821	48,892	49,223	
2016	32,161	74,988	48,846	49,796	50,239	
2017	32,804	76,488	50,143	51,495	50,127	
2018	33,132	77,253	51,080	51,966	50,756	
2019	33,795	78,798	51,321	52,152	51,854	
2020	35,991	81,950	51,807	52,830	53,207	
2021	35,991	81,950	53,315	54,165	53,367	
2022	37,844	91,524	54,264	53,426	54,695	
2023	41,410	93,497	56,323	55,898	56,488	

Sources: 1 District Records

2 SC Department of Education

3 SC Revenue and Fiscal Affairs Office

4 Salary schedules through 2021 reflected 30 years. Beginning in 2022, salary schedules reflected 40 years.

Unaudited

Lexington County School District One
Lexington, South Carolina

Table 18

Capital Asset Statistics By School

Last Ten Fiscal Years		2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
School	Elementary Schools										
Lexington Elementary ^{1,6}	Built 1985	109,783	109,783	109,783	109,783	109,783	109,783	109,783	109,783	109,783	93,432
	Square Feet	902	902	902	902	900	900	900	900	900	750
	Capacity	670	658	641	652	609	603	592	578	621	652
	Enrollment	74%	73%	71%	72%	68%	67%	66%	64%	69%	87%
	% of Capacity Used										
Gilbert Elementary ^{1,4}	Built 1980	116,320	116,320	116,320	116,320	116,320	116,320	116,320	116,320	116,320	116,320
	Square Feet	860	860	860	860	890	890	890	890	890	890
	Capacity	682	690	675	647	633	672	699	731	724	718
	Enrollment	79%	80%	78%	75%	71%	76%	79%	82%	81%	81%
	% of Capacity Used										
Pelion Elementary ¹	Built 1980	123,859	123,859	123,859	123,859	123,859	123,859	123,859	123,859	123,859	123,859
	Square Feet	909	909	909	909	890	890	890	890	890	890
	Capacity	536	570	563	573	566	564	550	512	524	537
	Enrollment	59%	63%	62%	63%	64%	63%	62%	58%	59%	60%
	% of Capacity Used										
Oak Grove Elementary ^{1,2}	Built 1974	85,606	85,606	85,606	85,606	85,606	85,606	85,606	98,321	98,321	98,321
	Square Feet	608	608	608	608	560	560	560	640	640	640
	Capacity	615	645	652	648	628	657	641	613	660	686
	Enrollment	101%	106%	107%	107%	112%	117%	114%	96%	103%	107%
	% of Capacity Used										
Pleasant Hill Elementary ¹	Built 2006	86,008	86,008	86,008	86,008	86,008	86,008	86,008	86,008	86,008	86,008
	Square Feet	800	800	800	800	680	680	680	680	680	680
	Capacity	945	834	823	856	916	937	937	906	900	881
	Enrollment	118%	104%	103%	107%	135%	138%	138%	133%	132%	130%
	% of Capacity Used										

(Continued)

Lexington County School District One
Lexington, South Carolina

Capital Asset Statistics By School

Last Ten Fiscal Years		2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
School	Elementary Schools (continued)										
Saxe Gotha Elementary ¹											
	Built 1992										
	Square Feet	102,428	102,428	102,428	102,428	102,428	102,428	102,428	102,428	102,428	102,428
	Capacity	871	871	871	871	860	860	860	860	860	860
	Enrollment	624	638	628	670	676	684	677	627	644	626
	% of Capacity Used	72%	73%	72%	77%	79%	80%	79%	73%	75%	73%
Red Bank Elementary ¹											
	Built 1980										
	Square Feet	98,877	98,877	98,877	98,877	98,877	98,877	98,877	98,877	98,877	98,877
	Capacity	792	792	792	792	770	770	770	770	770	770
	Enrollment	621	559	545	535	547	537	523	481	529	544
	% of Capacity Used	78%	71%	69%	68%	71%	70%	68%	62%	69%	71%
White Knoll Elementary ^{1,2}											
	Built 1990										
	Square Feet	99,654	99,654	99,654	99,654	99,654	99,654	99,654	108,265	109,029	109,029
	Capacity	894	894	894	894	820	820	820	890	890	890
	Enrollment	698	703	719	751	712	677	664	632	619	609
	% of Capacity Used	78%	79%	80%	84%	87%	83%	81%	71%	70%	68%
Midway Elementary ¹											
	Built 1994										
	Square Feet	105,666	105,666	105,666	105,666	105,666	105,666	105,666	105,666	105,666	105,666
	Capacity	948	948	948	948	900	900	900	900	900	900
	Enrollment	762	759	767	797	876	932	907	877	891	865
	% of Capacity Used	80%	80%	81%	84%	97%	104%	101%	97%	99%	96%
Lake Murray Elementary ¹											
	Built 1999										
	Square Feet	114,613	114,613	114,613	114,613	114,613	114,613	114,613	114,613	114,613	114,613
	Capacity	988	988	988	988	990	990	990	990	990	990
	Enrollment	591	570	606	654	694	695	765	737	767	834
	% of Capacity Used	60%	58%	61%	66%	70%	70%	77%	74%	77%	84%

(Continued)

Lexington County School District One
Lexington, South Carolina

Table 18

Capital Asset Statistics By School

Last Ten Fiscal Years	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
School										
Elementary Schools (continued)										
Carolina Springs Elementary ¹										
Built 2007										
Square Feet	88,187	88,187	88,187	88,187	88,187	88,187	88,187	88,187	88,187	88,187
Capacity	800	800	800	800	680	680	680	680	680	680
Enrollment	932	697	734	731	771	764	781	793	807	826
% of Capacity Used	117%	87%	92%	91%	113%	112%	115%	117%	119%	121%
Forts Pond Elementary ^{1,2}										
Built 2008										
Square Feet	81,343	81,343	81,343	81,343	81,343	81,343	81,343	81,343	81,343	84,651
Capacity	600	600	600	600	570	570	570	570	570	630
Enrollment	527	546	566	556	513	550	547	526	463	461
% of Capacity Used	88%	91%	94%	93%	90%	96%	96%	92%	81%	73%
New Providence Elementary ¹										
Built 2008										
Square Feet	88,766	88,766	88,766	88,766	88,766	88,766	88,766	88,766	88,766	88,766
Capacity	800	800	800	800	680	680	680	680	680	680
Enrollment	575	590	549	553	644	673	683	692	764	801
% of Capacity Used	72%	74%	69%	69%	95%	99%	100%	102%	112%	118%
Rocky Creek Elementary										
Built 2010										
Square Feet	116,905	116,905	116,905	116,905	116,905	116,905	116,905	116,905	116,905	116,905
Capacity	800	800	800	800	800	800	800	800	800	800
Enrollment	592	646	664	645	712	699	805	815	763	843
% of Capacity Used	74%	81%	83%	81%	89%	87%	101%	102%	95%	105%
Meadow Glen Elementary ¹										
Built 2012										
Square Feet	124,829	124,829	124,829	124,829	124,829	124,829	124,829	124,829	124,829	124,829
Capacity	600	600	600	600	800	800	800	800	800	800
Enrollment	843	913	979	1,034	930	905	901	839	823	810
% of Capacity Used	141%	152%	163%	172%	116%	113%	113%	105%	103%	101%

(Continued)

Lexington County School District One
Lexington, South Carolina

Table 18

Capital Asset Statistics By School

Last Ten Fiscal Years		2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
School											
Elementary Schools (continued)											
Deerfield Elementary											
Built 2014			132,611	132,611	132,611	132,611	132,611	132,611	132,611	132,611	132,611
Square Feet	-	800	800	800	800	800	800	800	800	800	800
Capacity	-	473	553	621	690	650	764	700	700	763	787
Enrollment	N/A	59%	69%	78%	86%	81%	86%	96%	88%	95%	98%
% of Capacity Used											
Centerville Elementary ^{2,3}											
Built 2020									127,771	127,771	127,771
Square Feet	-	-	-	-	-	-	-	-	1,000	1,000	1,000
Capacity	-	-	-	-	-	-	-	-	677	722	777
Enrollment	-	-	-	-	-	-	-	-	68%	72%	78%
% of Capacity Used	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
Middle Schools											
Beechwood Middle ²											
Built 2019									196,000	196,000	196,000
Square Feet	-	-	-	-	-	-	-	-	1,200	1,200	1,200
Capacity	-	-	-	-	-	-	-	-	1,003	1,036	1,014
Enrollment	-	-	-	-	-	-	-	-	84%	86%	85%
% of Capacity Used	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
Lakeside Middle ²											
Built 2022											214,000
Square Feet	-	-	-	-	-	-	-	-	-	-	1,500
Capacity	-	-	-	-	-	-	-	-	-	-	833
Enrollment	-	-	-	-	-	-	-	-	-	-	56%
% of Capacity Used	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
White Knoll Middle ¹											
Built 1991											159,190
Square Feet	159,190	159,190	159,190	159,190	159,190	159,190	159,190	159,190	159,190	159,190	159,190
Capacity	1,040	1,040	1,040	1,040	1,010	1,010	1,010	1,010	1,010	1,010	1,010
Enrollment	750	746	764	779	793	772	793	820	813	832	811
% of Capacity Used	72%	72%	73%	75%	79%	76%	79%	81%	80%	82%	80%

(Continued)

Lexington County School District One
Lexington, South Carolina

Table 18

Capital Asset Statistics By School

Last Ten Fiscal Years		2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
School											
Middle Schools (continued)											
Gilbert Middle ¹											
Built 1993											
Square Feet		121,653	121,653	121,653	121,653	121,653	121,653	121,653	121,653	126,118	126,118
Capacity		795	795	795	795	800	800	800	800	900	900
Enrollment		737	726	763	739	769	768	824	848	854	825
% of Capacity Used		93%	91%	96%	93%	96%	96%	103%	106%	95%	92%
Pelion Middle ²											
Built 2020											
Square Feet		-	-	-	-	-	-	-	209,612	209,612	209,612
Capacity		-	-	-	-	-	-	-	1,200	1,200	1,200
Enrollment		-	-	-	-	-	-	-	520	597	564
% of Capacity Used		N/A	N/A	N/A	N/A	N/A	N/A	N/A	43%	50%	47%
Pleasant Hill Middle ¹											
Built 2006											
Square Feet		147,629	147,629	147,629	147,629	147,629	147,629	147,629	147,629	147,629	147,629
Capacity		1,000	1,000	1,000	1,000	870	870	870	870	870	870
Enrollment		1,014	1,055	1,104	1,128	1,196	1,206	740	758	725	748
% of Capacity Used		101%	106%	110%	113%	137%	139%	85%	87%	83%	86%
Carolina Springs Middle ¹											
Built 2007											
Square Feet		142,363	142,363	142,363	142,363	142,363	142,363	142,363	142,363	150,763	150,763
Capacity		1,000	1,000	1,000	1,000	780	780	780	780	930	930
Enrollment		786	807	816	816	872	934	938	878	902	907
% of Capacity Used		79%	81%	82%	82%	112%	120%	120%	113%	97%	97%
Meadow Glen Middle ¹											
Built 2012											
Square Feet		185,957	185,957	185,957	185,957	185,957	185,957	185,957	185,957	185,957	185,957
Capacity		800	800	800	800	1,000	1,000	1,000	1,000	1,000	1,000
Enrollment		922	1,055	1,092	1,180	1,081	1,034	1,057	1,014	1,026	809
% of Capacity Used		115%	132%	137%	148%	108%	103%	106%	101%	103%	81%

(Continued)

Lexington County School District One
Lexington, South Carolina

Table 18

Capital Asset Statistics By School

Last Ten Fiscal Years		2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
School											
High Schools											
Lexington High ¹											
Built 1978											
Square Feet		469,839	469,839	472,733	472,733	472,733	472,733	472,733	472,733	472,733	472,733
Capacity		2,456	2,456	2,456	2,456	2,120	2,120	2,120	2,120	2,120	2,120
Enrollment		1,870	1,716	1,781	1,840	1,925	2,081	2,147	2,179	2,331	2,389
% of Capacity Used		76%	70%	73%	75%	91%	98%	101%	103%	110%	113%
Gilbert High ¹											
Built 2002											
Square Feet		262,374	262,374	258,886	258,886	258,886	258,886	258,886	258,886	292,976	292,976
Capacity		1,107	1,107	1,107	1,107	1,110	1,110	1,110	1,110	1,110	1,110
Enrollment		916	913	894	941	950	1,007	1,020	1,049	1,088	1,099
% of Capacity Used		83%	82%	81%	85%	86%	91%	92%	95%	98%	99%
Pelion High ^{1,2}											
Built 2001											
Square Feet		240,567	240,567	244,368	244,368	244,368	244,368	244,368	254,664	254,664	271,680
Capacity		1,140	1,140	1,140	1,140	990	990	990	990	990	990
Enrollment		745	743	724	688	670	681	651	705	693	710
% of Capacity Used		65%	65%	64%	60%	68%	69%	66%	71%	70%	72%
White Knoll High ^{1,2}											
Built 2000											
Square Feet		426,978	426,978	426,978	426,978	426,978	426,978	426,978	480,978	522,096	522,096
Capacity		1,827	1,827	1,827	1,827	1,830	1,830	1,830	2,350	2,350	2,350
Enrollment		1,922	1,917	1,893	1,854	1,896	1,921	1,952	2,088	2,131	2,155
% of Capacity Used		105%	105%	104%	101%	104%	105%	107%	89%	91%	92%
River Bluff High											
Built 2014											
Square Feet		545,179	560,041	560,041	560,041	560,041	560,041	560,041	560,041	560,041	560,041
Capacity		2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Enrollment		1,466	1,757	1,862	1,934	2,042	2,033	2,070	2,166	2,160	2,184
% of Capacity Used		73%	88%	93%	97%	102%	102%	104%	108%	108%	109%

(Continued)

Lexington County School District One
Lexington, South Carolina

Table 18

Capital Asset Statistics By School

Last Ten Fiscal Years		2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
School											
Other											
Former Gilbert Elem School ⁵											
Built 1932											
Square Feet	120,831	120,831	120,831	120,831	120,831	120,831	120,831	120,831	120,831	120,831	120,831
Capacity	740	740	740	740	740	740	740	740	740	740	740
Enrollment	685	681	676	698	745	745	736	-	-	-	-
% of Capacity Used	93%	92%	91%	94%	101%	101%	99%	0%	0%	0%	0%
Former Lexington Middle ¹											
Built 1957											
Square Feet	189,668	189,668	189,668	189,668	189,668	189,668	189,668	189,668	189,668	189,668	189,668
Capacity	1,284	1,284	1,284	1,284	1,280	1,280	1,280	1,280	1,280	1,280	1,280
Enrollment	797	818	833	844	949	995	642	601	623	623	-
% of Capacity Used	62%	64%	65%	66%	74%	78%	50%	47%	49%	49%	0%
Former Pelion Middle School ^{1,5}											
Built 1952											
Square Feet	146,196	146,196	146,196	146,196	146,196	146,196	146,196	146,196	146,196	146,196	146,196
Capacity	748	748	748	748	730	730	730	730	730	730	730
Enrollment	539	543	553	530	580	576	565	-	-	-	-
% of Capacity Used	72%	73%	74%	71%	79%	79%	77%	0%	0%	0%	0%
Lexington Technology Center											
Built 1974											
Square Feet	153,976	153,976	153,976	153,976	153,976	153,976	153,976	153,976	153,976	153,976	153,976
Capacity	762	762	762	762	762	762	762	762	762	762	762
Enrollment	620	620	620	620	620	620	620	620	620	620	620
% of Capacity Used	81%	81%	81%	81%	81%	81%	81%	81%	81%	81%	81%
North Lake Community Learning Center ⁷											
Built 1957											
Square Feet	-	-	-	-	-	-	-	-	-	-	189,668
Capacity	-	-	-	-	-	-	-	-	-	-	1,280
Enrollment	-	-	-	-	-	-	-	-	-	-	591
% of Capacity Used	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	46%

(Continued)

Lexington County School District One
Lexington, South Carolina

Capital Asset Statistics By School

Last Ten Fiscal Years	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Other (continued)										
Rosenwald Community Learning Center ⁸										
Built 1953										
Square Feet	48,056	48,056	48,056	48,056	48,056	48,056	48,056	48,056	48,056	48,056
Capacity	200	200	200	200	200	200	200	200	200	200
Enrollment	140	140	140	140	140	140	140	140	140	-
% of Capacity Used	70%	70%	70%	70%	70%	70%	70%	70%	70%	0%

NOTES:

- 1 - In Fiscal Year 2018, the District adjusted certain building capacities based on the results of a long-range growth analysis study consulting firm and a long-range facilities improvement plan conducted by a construction management firm.
- 2 - A Bond Referendum was passed in November 2018. This resulted in voter approval for 5 new schools and additions and renovations to 36 existing schools and facilities.
- 3 - At the beginning of Fiscal Year 2020, the opening of Centerville Elementary School resulted in rezoning.
- 4 - Gilbert Primary's building is now the current Gilbert Elementary School.
- 5 - The former Gilbert Elementary School and Pelion Middle School buildings are currently vacant with plans for repurposing.
- 6 - Demolished old structures on Lexington Elementary School.
- 7 - Former Lexington Middle School; renamed to North Lake Community Learning Center, includes Adult Educational Services, Alternative Education Services, and The College
- 8 - Rosenwald Community Learning Center is currently being repurposed for other usages.

Source: Data has been gathered from various departments within the district. Unaudited.



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Compliance



LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

YEAR ENDED JUNE 30, 2023

2022 - 001: Special Revenue Funds

Condition: This finding was a material weakness stating that ROTC and Coronavirus Relief Funds had negative and positive fund balances, respectively, due to the classification of expenditures in the general ledger.

Recommendation: The auditor recommended that the School District take steps to ensure that its processes and controls included reviewing special revenue funds' revenues and expenditures, as well as revenues collected in advance, to ensure proper recording of these items in accordance with generally accepted accounting principles. The District concurred with the recommendation and indicated that the procedures would be implemented.

Current Status: The recommendation was adopted during fiscal year 2023. No similar findings were noted in the fiscal year 2023 audit.

2022 - 002: CDL Compliance Testing

Condition: This finding was a material weakness stating that the School District did not document and/or perform the required review of motor vehicle records for each driver it employs at least once every 12 months, in accordance with 49 CFR §391.25.

Recommendation: The auditor recommended that the School District take steps to ensure that supervisors perform the required review of driving records on a timely basis, and document the name of the individual and the date of their review, maintaining a copy of the driver's qualification file. The District concurred with the recommendation and indicated that the procedures would be implemented.

Current Status: The recommendation was adopted during fiscal year 2023. No similar findings were noted in the fiscal year 2023 audit.

LEXINGTON COUNTY SCHOOL DISTRICT ONE
 LEXINGTON, SOUTH CAROLINA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2023

Section I - Summary of the Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified?	_____ Yes	X	_____ No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	_____ Yes	X	_____ None Reported
Noncompliance material to financial statements noted?	_____ Yes	X	_____ None Reported

Federal Awards

Internal control over major programs:

Material weakness(es) identified?	_____ Yes	X	_____ No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	_____ Yes	X	_____ None Reported

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 200.516(a)?	_____ Yes	X	_____ No
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Identification of major programs:

<u>Federal Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.010	Title I Cluster
84.425	COVID-19 Education Stabilization Fund

Dollar threshold used to distinguish between type A and type B programs:	\$ 980,870
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Auditee qualified as low-risk auditee?	_____ Yes	X	_____ No
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LEXINGTON COUNTY SCHOOL DISTRICT ONE
 LEXINGTON, SOUTH CAROLINA
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 YEAR ENDED JUNE 30, 2023

LEA Subfund Number	Federal Grantor/Pass Through Grantor/Program Title	Federal Assistance Number	Pass-Through Grantor's Number	Expenditures
U.S. DEPARTMENT OF EDUCATION				
Passed-Through S.C. Department of Education:				
24300	Adult Education	84.002	23 Adult Education Federal	\$ 88,970
	Total Adult Education			88,970
Title I Part A Cluster:				
20100	Title I Grants to Local Educational Agencies	84.010A	20 Title I - Regular	24,629 *
20200	Title I Grants to Local Educational Agencies	84.010A	23 Title I - Regular	2,844,808 *
20210	Title I Grants to Local Educational Agencies	84.010A	21 Title I - Regular	67,490 *
20220	Title I Grants to Local Educational Agencies	84.010A	22 Title I - Regular	710,052 *
22110	Title I Grants to Local Educational Agencies	84.010A	21 Title I N&D	2,687 *
22100	Title I Grants to Local Educational Agencies	84.010A	22 Title I N&D	6,350 *
23700	Title I Grants to Local Educational Agencies	84.010A	22 Title I - School Improvement	314,995 *
23720	Title I Grants to Local Educational Agencies	84.010A	20 Title I - School Improvement	7,253 *
23722	Title I Grants to Local Educational Agencies	84.010A	21 Title I - School Improvement	78,126 *
	Total Title I Part A Cluster			4,056,390
Special Education Cluster (IDEA):				
20330	Special Education - Grants to States	84.027A	IDEA Extended School Year	92,266
20340	Special Education - Grants to States	84.027A	IDEA Extended School Year	3,908
20350	Special Education - Grants to States	84.027A	IDEA Extended School Year	48,791
20400	Special Education - Grants to States	84.027A	23 IDEA	4,181,997
20421	Special Education - Grants to States	84.027A	21 IDEA	87
20422	Special Education - Grants to States	84.027A	22 IDEA	823,800
20450	Special Education - Grants to States	84.027A	Private Placement	19,435
23010	COVID-19 Special Education - Grants to States	84.027X	22 ARP - IDEA	744,328
20500	Special Education - Preschool Grants	84.173A	21 IDEA Preschool	70,113
20510	Special Education - Preschool Grants	84.173A	23 IDEA Preschool	142,091
20522	Special Education - Preschool Grants	84.173A	22 IDEA Preschool	54,374
23300	COVID-19 Special Education - Preschool Grants	84.173X	22 ARP - IDEA Preschool	104,656
	Total Special Education Cluster (IDEA)			6,285,846
20710	Career and Technical Education	84.048	23 CATE	15,041
20790	Career and Technical Education	84.048	23 CATE	35,482
20800	Career and Technical Education	84.048	23 CATE	247,353
20810	Career and Technical Education	84.048	23 CATE	5,706
20891	Career and Technical Education	84.048	22 CATE	19,822
20892	Career and Technical Education	84.048	22CLNA	3,000
	Total Career and Technical Education			326,404
21010	Student Support and Academic Enrichment Grants	84.424A	21 Title IV	22,207
21020	Student Support and Academic Enrichment Grants	84.424A	22 Title IV	132,337
21030	Student Support and Academic Enrichment Grants	84.424A	23 Title IV	126,558
	Total Student Support and Academic Enrichment Grants			281,102
22400	Twenty-First Century Community Learning Centers	84.287C	22-23 21st Cent CLC Subprogram 25 - PES	103,979
22401	Twenty-First Century Community Learning Centers	84.287C	21-22 21st Cent CLC Subprogram 25 - PES	217
22430	Twenty-First Century Community Learning Centers	84.287C	21-22 21st Cent CLC Subprogram 20 - FPE	76
22431	Twenty-First Century Community Learning Centers	84.287C	22-23 21st Cent CLC Subprogram 20 - FPE	98,204
	Total Twenty-First Century Community Learning Centers			202,476
23210	Education for Homeless Children and Youth	84.196A	21 McKinney-Vento Homeless	10,177
23200	Education for Homeless Children and Youth	84.196A	23 McKinney-Vento Homeless	47,621
	Total Education for Homeless Children and Youth			141,473
26400	English Language Acquisition Grants	84.365A	21 English Language Acquisition - Title III	6,671
26410	English Language Acquisition Grants	84.365A	23 English Language Acquisition - Title III	43,567
26422	English Language Acquisition Grants	84.365A	22 English Language Acquisition - Title III	84,540
	Total English Language Acquisition Grants			134,778
26700	Supporting Effective Instruction	84.367	23 Title II Supporting Effective Instruction	365,484
26710	Supporting Effective Instruction	84.367	22 Title II Supporting Effective Instruction	286,164
26720	Supporting Effective Instruction	84.367	21 Title II Supporting Effective Instruction	8,580
	Total Supporting Effective Instruction			660,228
21800	COVID-19 Education Stabilization Fund	84.425U	ESSER III	4,406,453 *
22000	COVID-19 Education Stabilization Fund	84.425D	20 SC CARES ESSER	105,181 *
22500	COVID-19 Education Stabilization Fund	84.425D	21 ESSER II	5,725,634 *
26300	COVID-19 Education for Homeless Children and Youth	84.425W	22 ARP Homeless	21,955 *
26310	COVID-19 Education for Homeless Children and Youth	84.425W	22 ARP Homeless II	61,720 *
	Total COVID-19 Education Stabilization Fund			10,320,943
	Total U.S. Department of Education			\$ 22,414,935

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2023

LEA Subfund Number	Federal Grantor/Pass Through Grantor/Program Title	Federal Assistance Number	Pass-Through Grantor's Number	Expenditures
<u>U.S. DEPARTMENT OF AGRICULTURE</u>				
Passed-Through South Carolina Department of Education:				
Child Nutrition Cluster:				
Non-Cash Assistance (Commodities):				
60000	National School Lunch Program	10.555	N/A	\$ 712,674
Cash Assistance:				
60000	School Breakfast Program	10.553	N/A	2,061,696
60000	National School Lunch Program	10.555	N/A	6,238,903
60000	National School Lunch Program	10.555	N/A	824,990
60000	Summer Food Service Program for Children	10.559	N/A	55,220
Cash Assistance Subtotal				<u>9,180,809</u>
Total Child Nutrition Cluster				9,893,483
60000	Child and Adult Care Food Program	10.558	N/A	<u>91,034</u>
Total U.S. Department of Agriculture				<u>9,984,517</u>
<u>U.S. DEPARTMENT OF DEFENSE</u>				
Direct Assistance:				
27210-27230	ROTC	12.000	N/A	<u>293,497</u>
Total U.S. Department of Defense				<u>293,497</u>
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>				
Passed-Through South Carolina Department of Education:				
86700	Cooperative Agreements to Promote Adolescent Health	93.079	Youth Risk Behavior Survey	1,814
86710	Cooperative Agreements to Promote Adolescent Health	93.079	Mental Health Profile Survey	<u>900</u>
Total U.S. Department of Defense				<u>2,714</u>
Total Federal Expenditures				<u>\$ 32,695,663</u>

* Denotes Major Programs

Note: There were no federal awards disbursed to subrecipients in the year ended June 30, 2023.

See accompanying notes to the schedule of expenditures of federal awards

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA**

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2023

A. - General

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") presents the activity of all federal award programs of Lexington County School District One, South Carolina (the "District") for the year ended June 30, 2023. All federal awards received directly from the federal agencies, as well as those passed through other government agencies, are included on the schedule.

B. - Basis of Accounting

The accompanying Schedule is presented using the modified accrual basis of accounting, which is described in Note I to the District's financial statements.

C. - Relationship to Financial Statements

Federal award expenditures are reported in the District's financial statements as expenditures in the Special Revenue Funds.

D. - Relationship to Federal Financial Reports

Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports except for timing differences relating to expenditures made subsequent to the filing of federal financial reports.

E. - Indirect Costs

The District elected not to use the de minimis indirect cost rate of 10%.

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

To the Board of Trustees
Lexington County School District One
Lexington, South Carolina

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Lexington County School District One (“the School District”), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the School District’s basic financial statements, and have issued our report thereon dated November 30, 2023.

Report on Internal Control over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or 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 or significant deficiencies may exist that were not identified.

(Continued next page)

Report on Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

Burkett Burkett & Burkett

BURKETT BURKETT & BURKETT
Certified Public Accountants, P.A.
West Columbia, South Carolina
November 30, 2023



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

To the Board of Trustees
Lexington County School District One
Lexington, South Carolina

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

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

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

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

(Continued next page)

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

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

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

Report on Internal Control over Compliance

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

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

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

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



BURKETT BURKETT & BURKETT
Certified Public Accountants, P.A.
West Columbia, South Carolina
November 30, 2023