

**HORRY COUNTY SCHOOLS
CONWAY, SOUTH CAROLINA
FOR THE FISCAL YEAR ENDED
JUNE 30, 2020**

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT**

Prepared By:

Fiscal Services

**John K. Gardner
Chief Financial Officer**

This page is intentionally blank.

INTRODUCTORY SECTION

This page is intentionally blank.

Horry County Schools

Contents

	<u>Reference</u>	<u>Page No.</u>
<u>Introductory Section</u>		
Table of Contents		1-5
Letter of Transmittal		6-21
Board of Education and Administration		22-27
Organizational Chart		28
Association of School Business Officials (ASBO)		
International Certificate of Excellence in Financial Reporting		29
Government Finance Officers Association (GFOA)		30
<u>Financial Section</u>		
Independent Auditor's Report		31-33
Management's Discussion and Analysis		34-47
Basic Financial Statements		
Government-wide Financial Statements		
Statement of Net Position	Exhibit A	48
Statement of Activities	Exhibit B	49
Fund Financial Statements		
Balance Sheet - Governmental Funds	Exhibit C	50
Reconciliation of Balance Sheet of Governmental Funds to the Statement of Net Position	Exhibit D	51
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	Exhibit E	52
Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	Exhibit F	53
Statement of Net Position - Fiduciary Funds	Exhibit G	54
Statement of Changes in Net Position - Fiduciary Fund	Exhibit H	55
Notes to Basic Financial Statements		56-96

Horry County Schools

Contents

<u>Financial Section, Continued</u>	<u>Reference</u>	<u>Page No.</u>
Required Supplementary Information:		
Budgetary Comparison Schedule - General Fund	RSI Schedule 1	97
Budgetary Comparison Schedule - Special Revenue Fund - Special Projects Fund	RSI Schedule 2	98
Budgetary Comparison Schedule - Special Revenue Fund - Education Improvement Act Fund	RSI Schedule 3	99
Budgetary Comparison Schedule - Special Revenue Fund - School Food Service Fund	RSI Schedule 4	100
District's Proportionate Share of the Net Pension Liability	RSI Schedule 5	101
District Contributions - SCRS and PORS	RSI Schedule 6	102
District's Proportionate Share of the Net OPEB Liability	RSI Schedule 7	103
District Contributions - OPEB	RSI Schedule 8	104
Other Supplementary Schedules:		
General Fund:		
Comparative Balance Sheets	Schedule A-1	105
Comparative Schedule of Revenues, Expenditures, and Changes in Fund Balance	Schedule A-2	106
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	Schedule A-3	107-117
Special Revenue Fund - Special Projects Fund:		
Comparative Balance Sheets	Schedule B-1	118
Comparative Schedule of Revenues, Expenditures, and Changes in Fund Balances	Schedule B-2	119
Schedule of Revenues, Expenditures, and Changes in Fund Balances	Schedule B-3	120-126
Summary Schedule for Designated State Restricted Grants	Schedule B-4	127
Summary Schedule of Other Special Revenue Programs	Schedule B-5	128
Special Revenue Fund - Education Improvement Act Fund:		
Comparative Balance Sheets	Schedule B-6	129
Comparative Schedule of Revenues, Expenditures, and Changes in Fund Balance	Schedule B-7	130
Schedule of Revenues, Expenditures and Changes in Fund Balance	Schedule B-8	131-137
Summary Schedule by Program	Schedule B-9	138
Special Revenue Fund - School Food Service Fund:		
Balance Sheet	Schedule B-10	139
Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance	Schedule B-11	140
Schedule of Revenues, Expenditures, and Changes in Fund Balance	Schedule B-12	141

Horry County Schools

Contents

<u>Financial Section, Continued</u>	<u>Reference</u>	<u>Page No.</u>
Other Supplementary Schedules, Continued		
Debt Service Fund:		
Comparative Balance Sheets	Schedule C-1	142
Comparative Schedule of Revenues, Expenditures, and Changes in Fund Balance	Schedule C-2	143
Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	Schedule C-3	144
Schedule of Revenues, Expenditures, and Changes in Fund Balance	Schedule C-4	145
Capital Projects Fund:		
Comparative Balance Sheets	Schedule D-1	146
Comparative Schedule of Revenues, Expenditures, and Changes in Fund Balance	Schedule D-2	147
Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	Schedule D-3	148
Schedule of Revenues, Expenditures, and Changes in Fund Balance	Schedule D-4	149-150
Private Purpose Trust Funds:		
Combining Statements of Fiduciary Assets, Liabilities and Net Position	Schedule F-1	151
Combining Statements of Changes in Fiduciary Net Position	Schedule F-2	152
Schedule of Changes in Fiduciary Assets, Liabilities and Net Position	Schedule F-3	153
Education Endowment Fund:		
Comparative Schedule of Fiduciary Net Position	Schedule F-4	154
Comparative Schedule of Additions, Deductions and Changes in Fiduciary Net Position	Schedule F-5	155
Scholarship Endowment Fund:		
Comparative Schedule of Fiduciary Net Position	Schedule F-6	156
Comparative Schedule of Additions, Deductions and Changes in Fiduciary Net Position	Schedule F-7	157
Agency Funds:		
Combining Statements of Fiduciary Assets and Liabilities	Schedule G-1	158
Combined Statement of Changes in Assets and Liabilities	Schedule G-2	159
Pupil Activity Fund:		
Comparative Balance Sheets	Schedule G-3	160
Schedule of Changes in Assets and Liabilities	Schedule G-4	161
Schedule of Receipts, Disbursements and Changes in Amounts Due to Student Organizations	Schedule G-5	162
Federal Program Fund:		
Comparative Balance Sheets	Schedule G-6	163
Schedule of Changes in Assets and Liabilities	Schedule G-7	164

Horry County Schools

Contents

<u>Financial Section, Continued</u>	<u>Reference</u>	<u>Page No.</u>
Other Supplementary Schedules, Continued		
Component Units - Charter Schools:		
Combining Schedule of Net Position	Schedule H-1	165
Combining Statement of Activities	Schedule H-2	166
Combining Balance Sheets - Governmental Funds	Schedule H-3	167-168
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds	Schedule H-4	169
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance - General Fund	Schedule H-5	170-174
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance - Special Projects Fund	Schedule H-6	175-177
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance - Education Improvement Act	Schedule H-7	178-180
Additional Schedules Required by the South Carolina Department of Education:		
Detailed Schedule of Due to State Department of Education/Federal Government		181
Location Reconciliation Schedule		182-183
 <u>Statistical Section</u>	 <u>Reference</u>	 <u>Page No.</u>
Net Position By Component, Last Ten Fiscal Years	Table 1	184
Changes in Net Position, Last Ten Fiscal Years	Table 2	185-186
Fund Balances, Governmental Funds, Last Ten Fiscal Years	Table 3	187
Changes in Fund Balances, Governmental Funds, Last Ten Fiscal Years	Table 4	188
Assessed Value and Estimated Actual Value of Taxable Property, Last Ten Fiscal Years	Table 5	189
Direct and Overlapping Property Tax Rates, Last Ten Fiscal Years	Table 6	190
Principal Property Taxpayers, Current Year and Nine Years Ago	Table 7	191
Property Tax Levies and Collections, Last Ten Fiscal Years	Table 8	192
Ratios of General Bonded Debt Outstanding, Last Ten Fiscal Years	Table 9	193
Ratios of Outstanding Debt by Type, Last Ten Fiscal Years	Table 9	194
Ratio of Annual Debt Service Expenditures for General Bonded Debt to Total General Governmental Expenditures, Last Ten Fiscal Years	Table 9	195
Computation of Direct and Overlapping Debt	Table 10	196
Legal Debt Margin Information, Last Ten Fiscal Years	Table 11	197
Demographic and Economic Statistics, Last Ten Calendar Years	Table 12	198
Principal Employers, Current Year and Nine Years Ago	Table 13	199
Employee Staffing Levels and Staffing Ratios for Regular Teachers, Last Ten Fiscal Years	Table 14	200
Operating Statistics, Last Ten Fiscal Years	Table 15	201
Capital Asset Information, Last Ten Fiscal Years	Table 16	202
Student Enrollment, Last Ten Fiscal Years	Table 17	203
Teacher Base Salaries, Last Ten Fiscal Years	Table 18	204

Horry County Schools

Contents

<u>Single Audit Section</u>	<u>Page No.</u>
Schedule of Expenditures of Federal Awards	205
Notes to Schedule of Expenditures of Federal Awards	206
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 <i>Government Auditing Standards</i>	207-208
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance	209-210
Schedule of Findings and Questioned Costs	211

This page is intentionally blank.



November 20, 2020

**THE CITIZENS OF HORRY COUNTY,
HORRY COUNTY BOARD OF EDUCATION, AND
DR. RICK MAXEY SUPERINTENDENT OF SCHOOLS**

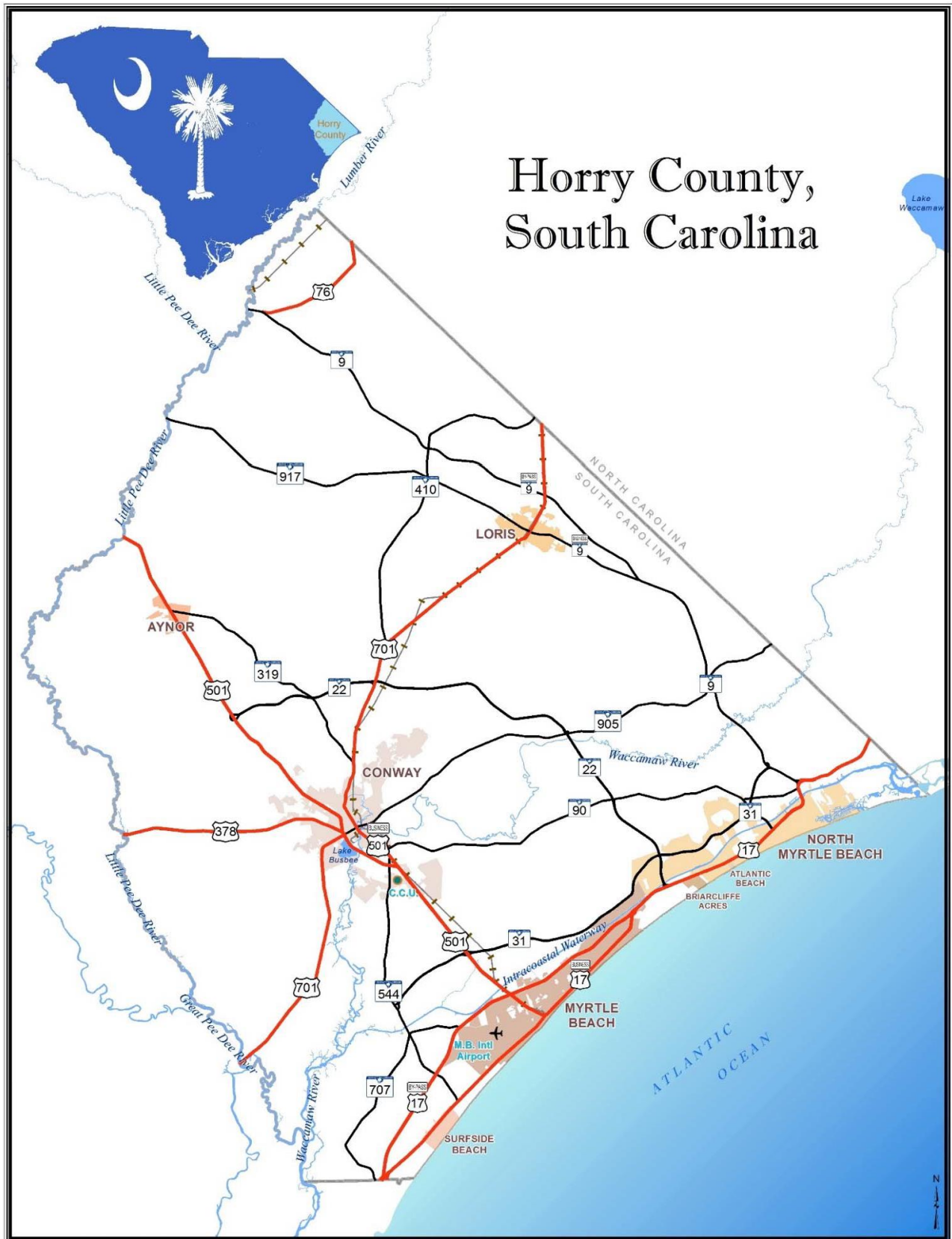
The Comprehensive Annual Financial Report (CAFR) of the Horry County Schools (the District) for the fiscal year ended June 30, 2020, is hereby submitted. Responsibility for both the accuracy of the information and the completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, the enclosed information is accurate in all material respects and reported in a manner designed to present fairly the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The District's Board of Education is financially accountable for the funds included in this report. The District is not included in any other "reporting entity" as defined by the Government Accounting Standards Board Statement 61, "The Financial Reporting Entity." The Board of Education has decision-making authority including the power to hire management, the ability to significantly influence operations and the accountability for fiscal matters. The District accounts for its financial activity using fund accounting procedures. Note 1 of the financial statements fully describes the various funds used by the District.

The accounting principles generally accepted in the United States require 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. The Horry County Schools' MD&A can be found immediately following the report of the independent auditors.

THE REPORTING ENTITY

Horry County, South Carolina, is located on the east coast of the United States, bounded on the north by the North Carolina state line and the east by the Atlantic Ocean. It encompasses 1,134 square miles of area, creating the largest county in landmass east of the Mississippi River and is slightly larger geographically than the state of Rhode Island. The District serves a county of approximately 354,081 people.



The District is governed by a twelve-member Board of Education (the Board); eleven members elected from single-member districts for four-year staggered terms and a chairperson elected at large for a four-year term. The Board has legal authority for the operation of all public schools in Horry County. It has complete and final control over County school matters within the framework set by the State Legislature and the South Carolina Department of Education. The Board acts to interpret the educational needs of the County and then meets those needs with policies and facilities that stimulate the student and the learning process.

The Board is also responsible for hiring the Superintendent, who is a professional educator employed to advise the Board on all matters concerning management of the schools, as well as administering laws, regulations and policies adopted by the Board. As the leader for teaching and learning for the District, the Superintendent is responsible for guiding the development of the curriculum and educational programs that address the needs of students as well as providing leadership and advocacy for education.

The District has nine attendance areas: Myrtle Beach, Conway, Socastee, North Myrtle Beach, Loris, Aynor, Green Sea-Floyds, St. James, and Carolina Forest. Each area consists of a high school and the middle and elementary schools that feed into it. The District operates a total of 58 school facilities. All schools in the District are fully accredited by the South Carolina Department of Education and the Southern Association of Colleges and Schools. The District is the third largest of the State's eighty-five school districts and ranks second in the State in student enrollment growth during the past ten years. According to the 135-day average daily membership, the District has a student population of 44,665.



The District provides a full range of programs and services for its students. These include elementary and secondary course offerings at the general, vocational, college preparatory, and international baccalaureate levels. A broad range of co-curricular and extra-curricular activities to complement the students' curricular programs is also offered.

In addition, Waccamaw Park Public Charter Schools (also known as Bridgewater Academy), Palmetto Academy of Learning and Success (also known as PALS), the Academy of Hope, Inc., and Palmetto Academy for Learning Motor Sports (also known as PALM) are charter schools under legislation enacted on June 18, 1996. A charter school is considered a public school and is part of Horry County Schools for the purposes of state law and state constitution. Because these charter schools are fiscally dependent on the District and exclusion of their financial information would cause the District's financial statements to be incomplete, the financial statements of the charter schools are included in those of the District as discretely presented component units.

FINANCIAL INFORMATION

Internal Controls

The administration of the District is responsible for establishing and maintaining an internal control structure designed to protect the assets of the District from loss, theft, or misuse and to compile sufficient reliable information for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived and (2) the evaluation of costs and benefits requires estimates and judgments by management. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Independent Audit

State statutes require an annual audit by an independent Certified Public Accountant. The accounting firm of Elliott Davis LLC, Certified Public Accountants, was selected to perform this audit. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the year ended June 30, 2020, 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 the District's financial statements for the year ended June 30, 2020, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the Financial Section of this report.

Single Audit

As a recipient of federal revenues, the District is required to undergo an annual single audit in conformity with the provisions of all applicable laws and/or regulations. Information related to this single audit, including the schedule of expenditures of federal awards, findings and recommendations, and auditors' reports on the internal control and compliance with applicable laws and regulations, is included in the single audit section of this report.

The District is also responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by the administration of the District. As a part of the single audit process, tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine that the District has complied with applicable laws and regulations.

Budgetary Control

The District approves an annual budget which acts as the financial operating plan for the entire fiscal year and provides budgetary controls for all components of the District. The objective of these budgetary controls is to ensure compliance with the annual appropriated budget approved by the Board of Education. Activities of the General Fund, Special Revenue Funds, Debt Service Fund and Capital Projects Fund are included in the annual appropriated budget. The legal level of budgetary control is the fund level. To ensure compliance, the budgetary controls are established by function and activity within each individual fund. All annual appropriations lapse at year-end with the exception of those indicated as an assignment of fund balance. The District also maintains an encumbrance

accounting system as one technique of accomplishing budgetary control. With the exception of capital improvement projects, all encumbered amounts lapse at year-end.

Financial Policies

There have not been any significant changes in financial policies that have a material impact on the financial statements.

ECONOMIC CONDITION AND OUTLOOK

The County's predominantly tourist-based economy continues to expand. Most of the County's sixty (60) miles of coastline, stretching from Little River to Garden City, have been developed. WalletHub named North Myrtle Beach as one of the "2019 Best Beach Towns in America". At the TripAdvisor 2019 Traveler's Choice Awards, Myrtle Beach ranked number twenty-one (21) on the list of most popular destinations in the United States.

The County's population of sixty-five (65) and over grew by 42 percent between 2010 and 2015. The Myrtle Beach area was cited by TopRetirements.com as one of the "20 Most Popular Places to Retire in the Southeast" for 2018. As of May 2019, the Myrtle Beach-Conway-North Myrtle Beach area was listed as the second-fastest growing metro area in the nation. According to the U.S. Census Bureau, the population grew by 74,856 residents, or 27.9 percent, to 344,147 people in 2018 from 269,291 in 2010. Current estimates for 2020 show the population to be 354,081. Population projections indicate that the County will grow by nearly 65 percent to 584,500 people in 2040.

The largest planned development in Horry County, Carolina Forest, was opened by International Paper. The Carolina Forest Development Agreement area, although no longer an active agreement, covers approximately seventeen (17) square miles or 10,850 acres. The Carolina Forest area, however, encompasses an area much larger than the boundaries of the Development Agreement. The area has become a center for surrounding developments to live and shop. There are currently 61 major residential subdivisions within the Carolina Forest area. The population increased 420 percent between 2000 and 2010 and now totals nearly 33,000 as of the last population estimates. Commercial development has continued to expand since 2010 Census numbers became available. With the extension of International Drive, the Towne Center area has begun to develop into a regional shopping destination. Currently, there are approximately 555,000 square feet of commercial under construction within the Carolina Forest Area with over 1.35 million additional square footage estimated over the next decade. A large increase in medical offices and a large Seacoast McLeod Medical campus are contributing to commercial growth in the Towne Center area. On the opposite end of Carolina Forest, near Highway 501, commercial construction is also expanding to meet the needs of the growing population. By 2030, 50,000 to 60,000 people could live in Carolina Forest, twice the current population of the City of Myrtle Beach in an area nearly the same size. As the population of the Carolina Forest area continues to expand, so will the demand for infrastructure and public service upgrades, such as the widening of Carolina Forest Boulevard and the expansion of schools, recreation, and public safety facilities.

Another area of unincorporated Horry experiencing tremendous growth over the past twenty (20) years is the Burgess community. Unlike Carolina Forest, Burgess has grown without a Development Agreement. Burgess is located on the southern end of the County, abutting Georgetown County. The community is approximately 28 square miles in area and is flanked on the west by the Waccamaw River and the east by US Highway 17 Bypass. The northern boundary is an amalgamation of properties with no clear delineation, south of neighboring Socastee, another area of growth in the County. Burgess has transitioned from a rural community to a predominantly suburban community in recent decades, growing from 3,396 residents in 1990 to approximately 30,000 residents today. Since 1990, the majority of development has been residential in nature; however, there has been commercial growth in the area

to provide retail and food services to the new residents. Parts of the community still retain some of the rural characteristics that preceded the rapid growth. The community has significant transportation infrastructure projects that are being finalized, including the completion of the widening of SC 707, extension of SC 31 from its current terminus at 544 to end at SC 707, and the completion of the Highway 17 Bypass overpass at Holmestown Road. Upcoming road improvement projects are planned for to the McDowell Shortcut Rd and Tournament Boulevard intersection and the Tournament Boulevard and Hwy 17 Bypass intersection.

Development is beginning to occur more rapidly along the Highway 90 corridor, as the opening of International Drive has improved quick access to the beach. Additionally, new residential growth is occurring in Longs, along the Highway 9 corridor between Loris and the Waccamaw River. As land for new development begins to wain closer to the beach, the agricultural areas that are just a short distance away are anticipated to transition to new suburban development. The more established communities in unincorporated Horry, including Socastee, Forestbrook, Garden City, and Little River, continue to experience population growth, but at a slower rate than that of Burgess and Carolina Forest.

Horry County's population is expected to reach 584,500 people by 2040, which is nearly 230,000 more permanent residents than today. Due to the amount of growth in Horry County, construction, both residential and commercial, has continued to boom over the past several years. From FY 2005 to FY 2006, Horry County received the largest increase in building permit revenue since we started permitting construction in the mid-1970s. From FY 2004 to FY 2006, permit revenue increased from \$4.5 million to a peak of \$9.2 million. After the peak in 2006, permit revenue returned to the 2004 level by the end of FY 2008. Construction has continued to rise since FY 2014. In FY 2019, permit revenue increased 1 percent to \$6.36 million from FY 2018 at \$6.31 million. New Single-Family Residential structure permits decreased 10 percent in FY 2019 (SFRs 2,967) from FY 2018 (SFRs 3,304). The construction value has increased 12 percent from FY 2018 (\$711 million) to FY 2019 (\$798 million).

Tourism continues to be the largest industry on the Grand Strand. Myrtle Beach is considered one of the nation's top vacation destinations and hosts an estimated 19.6 million visitors annually. The sixty (60) plus miles of beach, golf, shopping, and entertainment theaters are all major attractions for the region. Group market sales, as well as sports tourism, are also an increasing part of the visitor industry for the Grand Strand. The region now has more than 1,700 full service restaurants, more than 157,000 rooms available for overnight guests, seven (7) live entertainment theaters with approximately 7,500 seats and approximately 90 golf courses. According to Tourism Works for Us, throughout the Grand Strand, tourism accounts for 83,000 jobs. Tourism creates 60,679 jobs directly, and 22,362 jobs are indirectly related to tourism.





The Myrtle Beach area of South Carolina proves that it is worthy of the moniker “The Grand Strand” year after year by garnering prestigious awards and designations ranging from “America’s Most Awesome Boardwalks” by Budget Travel and seven Grand Strand golf course layouts earned spots on “America’s 100 Greatest Public Golf Course” by Golf Digest. Samantha Brown, well known for her travel programs on The Travel Channel, has ranked Myrtle Beach #1 on her Best Travel Spots list on her show’s website. Flipkey, the vacation rental company of leading travel website TripAdvisor.com, has listed Myrtle Beach as one of the best family vacation spots and one of “The Top East Coast Beaches.”

There are many amusement attractions spanning the Grand Strand, and the 90 plus golf courses located in the area constitute one of the largest concentrations of like facilities in the nation. Golfers are able to tee-off on any of 1,700 golf holes in the area. Vacationing golfers play approximately 3.2 million rounds of golf annually. Golf Week listed Dunes Golf and Beach Club among their “Best Classic Courses” in the United States.

Some of the best-known names in golf, including Jack Nicklaus, Arnold Palmer, Robert Trent Jones, Tom Fazio, Davis Love III, Greg Norman, Gary Player, and Pete and P.B. Dye, have designed area golf courses. Many of the local courses host major professional and amateur golf tournaments including The Myrtle Beach World Amateur Handicap Championship, Hootie and the Blowfish Monday after the Masters, Palmetto High School Golf Championship, the Veterans Golf Classic and the Never Forget Memorial Golf Outing. The Horry County area contributes a large portion of South Carolina’s golf revenue. This industry has been instrumental in the expansion of the tourist season, including early spring and late fall in our regular May through October season.



Retail sales, employment, and construction are all intimately tied to the tourism industry. Retail sales tend to show a seasonal pattern with the first quarter of each year noticeably below the other quarters. However, all signs indicate that the Myrtle Beach area is becoming more of a year-round tourism destination.

The combined total of state and local accommodations tax and the hospitality fees have steadily increased each year to peak at \$54.5 million in FY 2019 and then declined in FY 2020 to \$22.8 million. The collection of the Countywide 1.5% Hospitality Fee was temporarily suspended, effective July 1, 2019, for businesses within the City of Myrtle Beach pursuant to South Carolina Circuit Court Order dated June 21, 2019. A second South Carolina Court Order dated July 10, 2019, made effective August 10, 2019, suspended collections of the fee from all municipalities in Horry County, and is not comparable to the prior years. The FY 2020 decline was also due to impacts from COVID-19. On March 13, 2020, the President of the US declared a national emergency declaration, and, on the same day, the Governor of SC declared a State of Emergency. Additional SC Executive Orders initiating “social distancing” practices and temporarily prohibiting on-premises consumption at restaurants and food-service establishments were declared mid-March and were modified mid-May.

AIRPORT

Horry County owns and operates the largest airport system in South Carolina with one commercial service airport serving the greater Myrtle Beach Region and three general aviation airports - Grand Strand, Conway, and Loris Twin Cities. The Grand Strand Airport (CRE), located in the City of North Myrtle Beach, serves private and corporate aircraft. The Conway-Horry County Airport (HYW), located 5 miles west of the county seat of Conway, provides operations and services for the growing general aviation community in the western part of Horry County. The Loris Twin Cities Airport (5J9) is an unattended airport for public use.

Myrtle Beach International Airport (MYR) is a county facility located on approximately 2,000 acres within the City of Myrtle Beach and provides air service for the Grand Strand and surrounding counties. The airport consists of a passenger terminal complex, a 9,500-foot lighted runway and related taxiways, a general aviation apron and supporting buildings and hangars. The facilities are located on or adjacent to property formerly utilized as the Myrtle Beach Air Force Base.

The following direct and indirect carriers presently serve the airport: American Airlines, Allegiant Air, Delta Air Lines, Frontier, Porter Airlines, Spirit, Sun Country, United, and WestJet. These carriers collectively offer non-stop air service to 48 markets. The airport is also served by a number of charter services.

Passenger enplanements for the fiscal year ending June 30, 2020, were on track, as of February 2020, to outpace the previous year by an estimated six (6) percent. Unfortunately, with the COVID outbreak, the fiscal year ended with fewer enplanements than expected and a difference of (28.7%) from fiscal year 2019. Considering that April and May 2020 enplanements totaled 12,524, the negative percentage was expected.

In fiscal year 2020, Frontier added service to Newark and Philadelphia, which were new markets for the airline. In addition, new nonstop air service was announced by Allegiant to Elmira, NY, Providence and Knoxville; however, none of these markets served by Allegiant began due to the pandemic.

TRANSPORTATION

In order to improve Horry County's transportation system, a major federal interstate is under consideration. I-73/I-74 would begin in Michigan and continue through Ohio, West Virginia, Virginia, North Carolina, and end in Charleston, South Carolina, after passing through the Grand Strand. The Federal Government has allocated \$400,000 for South Carolina to do a feasibility study regarding the project.

In addition, former Governor Beasley approved the most aggressive road construction program in the history of Horry County, RIDE – Road Improvement and Development Effort in September 1996. Horry County's RIDE Project represents a comprehensive solution for transportation problems which pairs significant funding from the local level with funding provided by the State of South Carolina. Horry County enacted an ordinance in the fall of 1996 that implemented a 1.5 percent hospitality fee (accommodations, restaurants, amusements, golf and theaters) effective January 1, 1997. The purpose of this fee is to provide the financial ability for Horry County to partner with the State of South Carolina to meet the infrastructure needs of the County. The participating parties of the RIDE project are Horry County, the South Carolina Transportation Infrastructure Bank, and the South Carolina Department of Transportation. The total cost of the RIDE I program was \$774 million (\$698 million in 1997 dollars, escalated at 4.5 percent per year over the seven year construction period). The total debt service over the life of the proposed bonds for the RIDE project is \$1.2 billion. Horry County's contribution to retire the debt is \$368 million; the South Carolina Transportation Infrastructure Bank is expected to fund the balance of the debt service, \$859 million. The RIDE Project included a series of interconnected highway construction and road enhancements that improved the overall transportation network in Horry County.

The RIDE II program, submitted to Horry County Council in May 2004, outlined an additional list of priorities for roadway improvements. To fund these projects, a local option sales tax was passed by Horry County voters in November of 2006.

The RIDE III initiative was approved by voters in the November 2016 general election. This initiative includes more than twenty projects, which will cost close to \$592 million dollars. RIDE III calls for a one-penny sales tax to be collected for no more than eight years, beginning in May of 2017. The sales tax would remain in effect for eight years through April 30, 2025.

LONG-TERM PLANNING

Sustained unprecedented growth places many demands on the District. Determining future facility needs and their locations; performing enrollment forecasting and monitoring; performing redistricting analysis and making long-term recommendations; and assisting with developing long-range comprehensive facility plans present staff with challenges to meet the District's needs caused by this growth.

The District's strategic planning process represents a collaborative effort of engaging educators and citizens in the decision-making process for their schools. Each of the District's schools has developed a strategic plan, following the same process of involving stakeholders as used by the District's planning process. More than 5,000 teachers, parents, community members, and students have served as planning or action team members at the District or school level. The District has recently updated the Strategic Plan in the spring of 2016. Through this planning process, the needs and challenges facing the District through 2021 will be met. On May 4, 2016, the District earned the distinction of accreditation by AdvancED.

The District promotes the philosophy of site-based management, employing intense involvement by school principals, staff, and community members studying the needs of schools, instructional programs, administrative management, and fiscal authority. Extensive staff development plans continue for teachers and staff at every level of the organization.

The Horry County Board of Education is governed by policies designed to focus the District's attention on "Student Achievement Results," clearly delineating what students should know, understand, and be able to do upon exiting Horry County Schools. Goals are stated in terms of increased student achievement. A literacy program, which offers a structured delivery of reading and writing instruction, has already been implemented in grades K-12 and is only the beginning of the District's planned improvements in education.

In the last ten years, Horry County Schools' enrollment has grown over 6,738 students. Of the District's 58 school facilities, 8 of them are operating over capacity with another 17 schools within 95 – 99% of capacity. To temporarily cope with growth, more than 100 modular classrooms are in use and attendance lines have been redrawn to deal with the swelling population. Looking to the future, the District anticipates the enrollment to increase from 44,665 students in fiscal year 2019-20 to over 48,233 students by fiscal year 2024-25.



As Horry County grows, so grows the need for new schools and classrooms. Although the ages of the facilities range up to 52 years, all buildings have been renovated and/or retrofitted to provide similar accommodations across the District.

In February 2012, Horry County Schools initiated a Long-Term Facility Plan. The purpose of the plan is to evaluate the adequacy of existing educational facilities, plan for future capital facilities spending, and address how the student population will be housed over the next 10 years. This document also provides for facility improvements or adjustments to the programmatic needs of the District. This report contains data and analysis that will provide the basis for decisions regarding when and where to build new capacity, renovate existing facilities, replace facilities, and when and how to provide sustainment activities to maintain our facilities to the highest quality.

Additionally, this report provided a comprehensive analysis of athletic facilities, playgrounds, and grounds along with recommendations for improvements to these areas. The District also produced a set of Educational Specifications. That document provides the guidance necessary to ensure that school facilities are planned and designed to support the mission and vision of Horry County Schools. The total projected cost of the Long-Term Facility Plan was over \$633.9 million.

Construction Document Scanning and archiving will complete the digitization of over 200,000 construction documents stored in the warehouse. Capacity & Higher Utilization Planning will assist with developing capacity analysis and higher utilization modifications needed to handle growth and program additions in the future.

The Long-Term Facility Plan focused on a comprehensive approach to all facilities including custodial, maintenance, and capital improvements. The **revised** plan focuses on establishing a capital plan within forecasted revenue from 2013-14 to 2023-24 and Board priorities established on June 15, 2013. The Capital Plan was approved on September 30, 2013, revised on June 9, 2014, revised June 30, 2014, revised July 28, 2014, revised May 26, 2015, revised July 29, 2015, revised on November 2, 2015, revised on June 6, 2016, revised on December 11, 2017, revised on June 3, 2019, and revised on February 17, 2020, to the current Board Approved Short-term Capital Plan as indicated below.

Short-term Capital Plan

Current Board Approved Project List	Total	Proposed Completion Date
Addition & Renovation - NMB Middle	9,676,646	Operational August 2017
Addition & Renovation - Midland Elementary	15,952,052	January 2018
Replace HCEC (New SOAR Academy)	17,468,792	August 2021
New Intermediate (St. James)	51,092,249	Opened August 2017
New Middle (Carolina Forest)	50,607,560	Opened August 2017
Replace Socastee Elementary	40,152,949	Opened August 2017
New Middle (Myrtle Beach)	49,091,607	Opened January 2018
Addition & Renovation - Aynor Middle	-	Project Delayed
New Middle (Socastee)	47,988,843	Opened August 2018
Renovation - NMBH	21,083,945	Completed March 2018
Support Space & Building Modifications	57,301,036	Annual \$5,181,818 (End: June 2024)
Sustainment Projects	72,000,000	Annual \$6,545,455 (End: June 2024)
Unplanned Projects or Maintenance Repair	10,000,000	Annual \$909,091 (End: June 2024)
Property Acquisitions	3,989,799	September 2016
Capital Administration	20,000,000	Annual \$1,818,182 (End: June 2024)
Renovation - Old Myrtle Beach Middle School	20,560,631	February 2019
Misc. Equipment	5,000,000	Annual \$454,545 (End: June 2024)
Technology	86,000,000	Annual \$9,100,000 (End: June 2024)
Total	577,966,109	

HONORS AND DISTINCTIONS

Our Performance

[Horry County Schools](#) is fully-accredited by AdvancED, a non-profit, non-partisan organization that conducts rigorous, on-site external reviews of Pre-K-12 schools and school systems to ensure that all learners realize their full potential. Combining the knowledge and expertise of a research institute, the skills of a management consulting firm and the passion of a grassroots movement for educational change, AdvancED is a trusted partner to 34,000 schools and school systems across the United States and 70 other nations.

In a concurrent evaluation, the [Academy for the Arts, Science, and Technology](#) was awarded the new AdvancED STEM Certification as an accredited whole school STEM site, distinguishing the Academy as a highly-effective school that prioritizes education in science, technology, engineering and math.

In the second release of State report cards under new criteria for accountability, 73 percent of [Horry County Schools'](#) received overall ratings of Excellent and Good a one-year increase of 10 percentage points compared to 2018. As a result of high ratings, Palmetto Gold and Silver Awards were presented to 38 schools for two consecutive academic years. School ratings are influenced by multiple factors, the largest being student results on required assessments.

[Horry County Schools](#) performed higher than the State on both SC Palmetto Assessment of State Standards (SCPASS) and SC College-and-Career Ready Assessments (SC READY). Administered each spring, these standardized assessments measure achievement in English language arts, mathematics, science, and social studies for grades 3-8.

[Horry County Schools](#) continues to outpace the national average on the SAT. The District's composite for Evidence-Based Reading and Writing (ERW) and Mathematics is 1044, 5 points above the national composite of 1039 and 23 points higher than the State composite of 1021. On the two subtests, the district was 8 points higher than the nation and 11 points higher than the State in ERW; 3 points lower than the nation and 12 points higher than the State in mathematics.

[Horry County Schools'](#) students maintained a pass rate of 66 percent on Advanced Placement (AP) exams in 2019, outpacing state and national averages of 58 percent. During the 2018-2019 academic year, 2,213 students took 3,415 AP exams, increases of 3 and 7 percent, respectively.

[Horry County Schools'](#) juniors improved seven-tenths of one point for a composite of 19.0, up from 18.3 in 2018. District performance is higher than the State's 2019 composite of 18.6. HCS students scored higher than their peers statewide on all four subtests of the ACT.

[Horry County Schools'](#) students scored significantly higher than the State on all End-of-Course tests.

[Horry County Schools](#) on-time graduation rate increased one percentage point in 2019, up to 83.4 compared to 82.4 in 2018. By comparison, the state's on-time graduation rate rose one-tenth of one percent, up to 81.1 percent in 2019, compared to 81.0 percent the previous year.

School and Team Awards

The Class of 2019 set new records for [Horry County Schools](#). The District's graduating class was awarded \$75 million in scholarships. The District's college-bound students earned the highest number of dual-credit courses in history, providing academic and financial advantages for students and their families.

The Class of 2019 totaled 2,715 graduates from the District's 10 high schools. Among the graduates, 78 percent plan to attend either a two-year or four-year college or university and a record-high 92 percent met eligibility requirements for S.C. Education Lottery scholarships

[Horry County Schools'](#) Honors Diplomas were awarded to 15 percent of graduates, an increase from 13 percent in 2017. Eighty percent of our college-bound graduates met eligibility requirements for scholarships supported by the South Carolina Education Lottery.

Three HCS high schools are among the Top 25 in South Carolina, as ranked in US News & World Report's annual list of Best High Schools. [Carolina Forest High School](#) (#18), [St. James High School](#) (#23), and [Socastee High School](#) (#24) each earned Silver designations. [North Myrtle Beach High School](#), [Aynor High School](#), and [HCS Early College High School](#) earned Bronze designations.

[Ocean Bay Elementary](#) was one of four schools in the state to receive the National Blue-Ribbon Schools designation in 2019, the highest honor a school can receive from the U.S. Department of Education. Earned for Exemplary High Performance, the school's student achievement results were in the top 15 percent on state assessments.

HCS was one of six districts in the state to receive the prestigious Best Communities for Music Education designation from the National Association of Music Merchants Foundation.

In a historic first, [Myrtle Beach High's Navy JROTC](#) outperformed corps in North Carolina and South Carolina to compete among only 24 units in the NJROTC Nationals - Academic, Athletic, and Drill Championships.

Two schools earned awards from the National Energy Education Development Project for their participation in EduCon Energy's "EnergyWise" Program. [St. James Intermediate](#) was named the National Elementary Rookie of the Year and the South Carolina Elementary School of the year. [Myrtle Beach Middle](#) was named the South Carolina Junior School of the Year.

[The Academy for the Arts, Science & Technology](#) won the We the People: The Citizen and the Constitution state championship, a competitive event that enhances understanding of the American Constitution and Bill of Rights.

[Aynor Middle](#) and [Ocean Bay Middle schools](#) received Outstanding Performance Awards from the South Carolina Band Directors Association for high ratings earned during state-sponsored events.

In 2019, [HCS](#) had 40 students chosen for All-State Chorus, 11 chosen for All-State Orchestra, six chosen for All-State Band, and 34 chosen for the South Carolina Elementary Honor Choir.

2019 State Champions: [Myrtle Beach High School](#), AAAA Boys' Tennis; [Green Sea Floyds High School](#), A Football; and [North Myrtle Beach High School](#), AAAA Volleyball.

Student Awards

[Dashiell Stevanovich of the Scholars Academy and Socastee High](#) was one of three students in the state to be named a 2019 U.S. Presidential Scholar.

Twelve HCS students were named National Merit Semifinalists. They are: [Thomas Young and Lexington Whalen, St. James High \(SJH\)](#); [Marcos Mann and Aaron Spears, Scholars Academy \(SA\) and SJH](#); [Ryan Bao, Gianna Dippolito, Henry Hein, Kainen Leer, Eoin Mahood, and Kaitlyn Rielly, SA and Carolina Forest High](#); and [Conner Edwards and William Truluck, SA and Myrtle Beach High](#).

[Henry Hein of the Scholars Academy and Carolina Forest High](#) placed third in the 2019 Richard E. Lomax National Trig-Star Awards sponsored by the National Society of Professional Surveyors. His teacher, [Jennifer Zhang](#), was honored with a Richard E. Lomax National Teaching Excellence Award.

[Cadet Jasmine Koepcke of Conway High's Navy JROTC Unit](#) was awarded the Legion of Valor Bronze Cross for Achievement by the Legion of Valor of the United States of America, one of only two students among 67 Navy JROTC units in the Carolinas to earn this prestigious award.

[Tanner Buck of St. James Middle](#) was the Southeast Arts Region-at-Large 2019 Gold Key winner of Scholastic's Arts and Writing Award. Using his technical skills along with his talent for music, he created a video that incorporated the scientific theories of the giant impact hypothesis formation of the Earth and the formation of the solar system, called the nebular hypothesis.

District winners in the 2019 South Carolina State Fair Student Arts Competition are: [Katellynn Marie Basile, the Academy for the Arts, Science & Technology \(AAST\) and Socastee High \(SH\)](#), Best in Show in the High School Division; [Kyrach Cox, AAST and SH](#), first place in 12th grade 2D design; and [Graysann Compton, AAST and Myrtle Beach High](#), first place in 12th grade 3D design.

[John Sumter of Ocean Bay Middle](#) was the state winner of the American History Essay Contest sponsored by the National Society of the Daughters of the American Revolution.

[Madeline Neese of the Academy for Technology & Academics and Conway High](#) won first place in Bridal Hair Styling at the South Carolina Association of Cosmetology Schools Competition.

[Aynor High's Leah Cox and Skylar Stewart](#) won first place in the Young Adult Book Division for their original video trailer for Julie Buxbaum's book, "Tell Me Three Things." The competition is sponsored by the South Carolina Association of School Librarians.

The South Carolina High School League and High School Sports Report presented the following awards to students: [Luke Doty, Myrtle Beach High](#), Career Mr. Football; [JaQuan Dixon](#), Class A Player of the Year for football and [A.J. Campbell](#), Class A Defensive Player of the Year for football, both of [Green Sea Floyds High](#).

[Reagan Matney of North Myrtle Beach High](#) was named the AAAA Volleyball Player of the Year by the South Carolina Coaches Association of Women's Sports.

[Socastee High's Ward Wilson and Iliriana Lekani](#) received bronze medals in the 2019 Prudential Spirit of Community Awards for South Carolina.

[Garrett Parnell of Carolina Forest High](#) was named the South Carolina Entrepreneurship Student of the Year. [Brynne Hardman of the Academy for the Arts, Science, & Technology and North Myrtle Beach High](#) won the South Carolina Poetry Out Loud Competition.

[Zachary Ford of Myrtle Beach High](#) was recognized by State Superintendent Molly Spearman for 12 years of perfect attendance.

[Drake Carroll, Aynor High](#): State Champion Class AAA Wrestling, 170-pound weight class.

[Ian Morgan, Myrtle Beach High](#): State Champion Class AAAA Boys' Swimming, 500-Yard Freestyle, 200-Yard Individual Medley.

Staff Awards

[Monica Brisbon from Carolina Forest High](#) was named the 2019 South Carolina Entrepreneurship Teacher of the Year.

[Lou Layton from the Academy for the Arts, Science & Technology](#) was named the Outstanding Theatre Educator of the Year by the South Carolina Theatre Association. The award is presented to the educator or teaching artist judged to have done the most for theatre education.

[Rebekah Ceron from the Academy for the Arts, Science & Technology](#) received the Teacher of Promise award from the South Carolina Foreign Language Teacher Association.

The South Carolina Council for the Social Studies presented [Samantha House from St. James Middle](#) with the Tom Buckland Teacher of Excellence Award and recognized [Stephanie Shirley from St. James Middle](#) for award-winning lesson plans. [Shirley](#) was also the state nominee for the national Hannah E. (Liz) MacGregor Teacher of the Year History Teacher Award.

The South Carolina Athletic Administrators Association (SCAAA) presented awards to the following: [Dr. Andrea Pridgen from Green Sea Floyds High](#), SCAAA Principal of the Year for Class A; [Trevor Strawderman, formerly of North Myrtle Beach High](#), SCAAA Principal of the Year for Class AAAA; [Paula Lee, former athletic director at St. James High](#), SCAAA Distinguished Service Award; [Marion Shaw, formerly of Conway High](#), SCAAA Athletic Director of the Year for Region 6, Class AAAAA; [HCS Athletic Director Roger Dixon](#), SCAAA nominee for the National Interscholastic Athletic Administrators Association (NIAAA) Hall of Fame; and [Joe Quigley, athletic director at North Myrtle Beach High](#), SCAAA nominee for the NIAAA Distinguished Service Award.

The South Carolina Athletic Coaches Association (SCACA) presented awards to the following: [John Cahill, Myrtle Beach High](#), SCACA Athletic Director of the Year; [Jason Keese, Socastee High](#), SCACA Athletic Trainer of the Year; [Donnie Kiefer, Green Sea Floyds High](#), SCACA Strength Coach of the Year; [Tim Renfrow, Socastee High](#), Charles Stuart Athletic Administrator Award; and [Rivers Lynch, formerly of Myrtle Beach High](#), SCACA Men's Tennis Coach of the Year, awarded posthumously.

[Donnie Kiefer from Green Sea Floyds High](#) was named the Class A Coach of the Year for Football by the South Carolina High School League and the High School Sports Report.

For a second consecutive year, [the Horry County Adult Education \(HCAE\) program](#) was named the Family Literacy Program of the Year by the South Carolina Department of Education. [HCAE](#) received a third High School Equivalency Diploma Award for high percentages of students earning high school equivalency diplomas.

[HCS awarded Budget Award](#)

The District received the Meritorious Budget Award from the Association of School Business Officials International for excellence in the preparation and issuance of its budget for the Fiscal Year 2019-2020.

[HCS awarded Certificate of Achievement for Excellence in Financial Reporting](#)

The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to Horry County School District for its comprehensive annual financial report for the past eighteen fiscal years. A Certificate of Excellence is valid for a period of one year only. We believe our current comprehensive annual financial report continues to meet the Certificate of Excellence Program's requirements, and we are submitting it to the ASBO to determine its eligibility for another certificate.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Horry County School District for its comprehensive annual financial report for the past eighteen fiscal years. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The District's [Office of Communications](#) swept nine awards from the South Carolina Chapter of the National School Public Relations Association, including five Golden Achievement awards, four awards for individual publications and electronic media, and one Best in Show.

ACKNOWLEDGMENTS

The completion of this Comprehensive Annual Financial Report could not have been accomplished without the professionalism and dedication of the entire Fiscal Services staff. Each staff member has our sincere appreciation for their contributions in the timely closing of financial records. We also acknowledge and thank the other District departments for assistance in the presentation of information for this report.

In closing, without the leadership and support of the Superintendent and the Horry County Schools' Board of Education, the outstanding results described in the Fiscal Year 2020 Comprehensive Annual Financial Report would not have been possible.

Respectfully Submitted,



John K. Gardner
Chief Financial Officer

BOARD OF EDUCATION

Chairperson Ken Richardson
District 1 Board Member W. Russell Freeman
District 2 Board Member Sherrie Todd
District 3 Board Member Ray Winters
District 4 Board Member, David Cox
District 5 Board Member Janice Morreale
District 6 Board Member Helen Smith
District 7 Board Member Janet Graham
District 8 Vice Chairperson..... John Poston
District 9 Board MemberChris Hardwick
District 10, Board Member Neil James
District 11 Board Member Shanda Allen

ADMINISTRATIVE OFFICIALS

Superintendent..... Dr. Rick Maxey
Chief Academic Officer Boone Myrick
Chief Support Services OfficerDaryl Brown
Chief Financial OfficerJohn K. Gardner
Chief Human Resources Officer Mary J. Anderson
Chief Student Services Officer Velna Allen



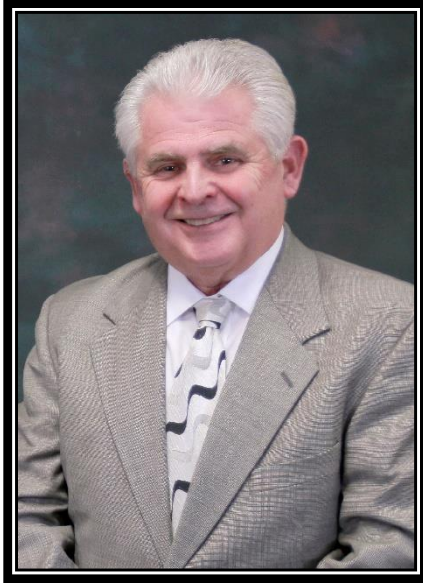
Dr. Rick Maxey, Superintendent of Schools: With 34 years of experience in teaching and educational leadership, Dr. Rick Maxey was appointed the Acting Superintendent of Horry County Schools on January 1, 2015 and then was named Superintendent on June 15, 2015. Dr. Maxey has been the Deputy Superintendent for HCS for more than three years, where he supervised District Operations in the areas of facilities, food services, student affairs, and transportation.

Dr. Maxey has a foundation of educational leadership experiences having been HCS' executive director for both middle and secondary schools. At the district-level, he also served as a principal specialist for support services where he supervised the Department of Special Education.

Before he began working as a District administrator, Dr. Maxey was the principal at Conway High School for five years (2000-2005) and at Carolina Forest High School for two years (1998-2000). He was an assistant principal and technology coordinator at Loris High School after six years of teaching English at the school. Prior to beginning his career in secondary education, Dr. Maxey was an English instructor at both Presbyterian College and Clemson University.

Dr. Maxey earned master's and doctoral degrees in Educational Leadership from the University of South Carolina. He also holds master's and bachelor's degrees in English from Clemson University.

Dr. Maxey and his wife, Vencie, are career educators. They are the parents of two adult sons.



Ken Richardson, Chairperson – Ken Richardson was elected Chair of the Horry County Board of Education in a county-wide election in November 2018. After two decades serving on the Board of Directors for Horry Georgetown Technical College, most of that time as the Chair, Richardson resigned his state appointment after being elected to be the Chair of the Board of Education. He will continue to expand his passionate commitment to public education, while focusing now on the foundational importance of K-12 teaching and learning. His four-year term ends in 2022.

A native of Horry County, Richardson attended Conway schools and became the owner of a successful automobile dealership. He hopes to bring his business experience and understanding of higher education to his new leadership role as the Chair of the Board of Education, the governing body for Horry County Schools.

Richardson and his wife, Donna, are both longtime Conway residents. They have two adult children and two grandchildren.

W. Russell Freeman, District 1 – Rev. Freeman is the Senior Pastor of Little River United Methodist Church. A native of Hilton Head, he has lived in Horry County for 10 years, the last four in the Little River community. He and his wife, Lia, have three children, a senior and freshmen twins, who attend North Myrtle Beach High School and the Academy for Arts, Science & Technology. Rev. Freeman is actively involved in Scouts BSA, promoting community engagement and leadership development for youth 11-17 years of age. He is a graduate of Wofford College, where he earned a Bachelor of Arts degree in major religions and government. He earned a Master of Divinity degree from Emory University in Atlanta, Georgia.

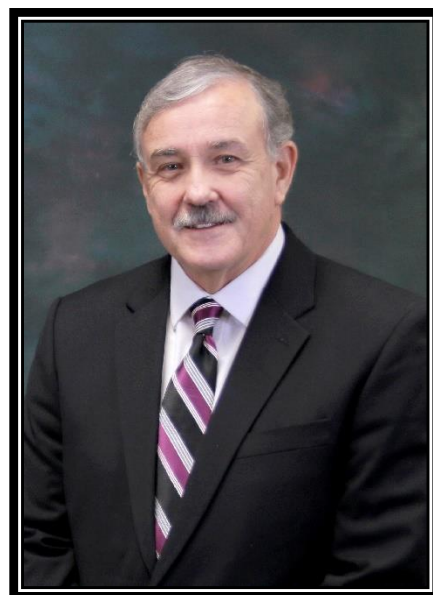


Sherrie Todd, District 2 – “I was elected to the Horry County Board of Education in November 2014. I was re-elected for another 4-year term in 2018. I am a life-long resident of Myrtle Beach. My husband, Ting, and I have two adult daughters, one adult son, and six grandchildren.”



Ray H. Winters, District 3 – “I was elected as a member of the Horry County Board of Education in November 2014. I obtained my undergraduate degrees in History and Political Science from the University of South Alabama, where I also earned a Master’s degree in Public Administration in 1994. I received my Juris Doctorate from Loyola University (New Orleans) in 1998. I am a licensed attorney in the states of South Carolina and Alabama, as well as the U. S. Tax Court. I am the managing attorney of my own law practice that focuses on real estate, corporate and business transactions, and other basic transactional matters. My wife, Tracy, and I have one daughter, Alyssa.”

David Cox, District 4– “I was first elected to the Horry County Board of Education in November 2008. I represent District 4, which includes parts of St. James and Socastee within the Burgess Community. My wife, Karen, and I live in the Market Common area on the south end of Myrtle Beach. Together we have eight children and 16 grandchildren. I graduated from the University of South Carolina with a degree in Journalism and am presently employed by Elliott Realty as a content writer for websites, and a realtor with Better Homes and Gardens Elliot Coastal Living.”



Janice Morreale, District 5 – “I was elected to the Horry County Board of Education in November 2012. I am on the Board of Directors with the South Carolina School Board Association. I am a graduate of Horry Georgetown Technical College with an Associate’s Degree in Public Service Technology. I am a paralegal at Nelson Mullins Riley and Scarborough. My husband, John, and I have two children, Anthony and Gabriel.”

Helen Smith, District 6 – Helen Smith returns to the Horry County Board of Education after 16 years to represent District 6, serving communities in Socastee, St. James, and Carolina Forest for a four-year term ending in 2022. Smith was the former Chair of the Board of Education from 1996 through 2002 and represented District 6 from 1982 until a successful, mid-term run for Chair in 1996.

Smith is a native of Socastee and a graduate of Socastee High School. She opened her own business at age 22 and after 32 years, she turned her salon over to her daughter-in-law and began a new career as a project manager for S. E. Smith Construction Company, Inc., overseeing commercial and residential construction projects, including the Socastee Branch Library and multiple fire stations throughout Horry County. Smith “retired,” again, after 12 years of managing building projects.

Smith and her husband, Randy, have been married for 50 years and have three adult children and seven grandchildren.

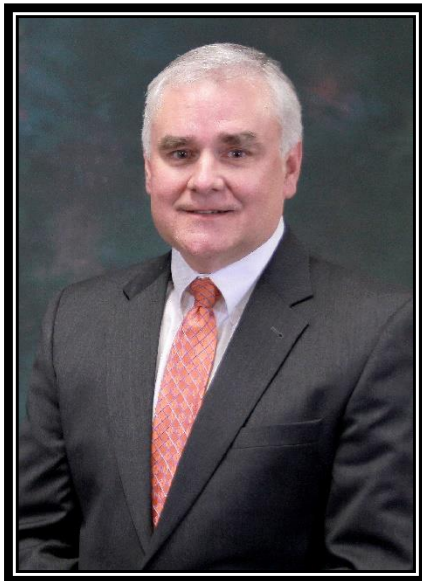


Janet P. Graham, District 7 – “I was appointed to the Horry County Board of Education in September 2012 and was elected in November 2014. I am an Area Manager for the Myrtle Beach Area Small Business Development Center at Coastal Carolina University. I received a Bachelor’s Degree in Finance from Coastal Carolina University in 2000 and a Master of Business Administration from Winthrop University in 2004. My husband, Gregory, and I have three children and nine grandchildren.”



John R. Poston, District 8, Vice Chairperson, – “I was first elected to the Horry County Board of Education in November 2008. I am a practicing Civil Engineer and Land Surveyor. I am a graduate of Francis Marion College and Clemson University. My wife, Robin, and I have three children.”

Chris Hardwick, District 9 – “I was elected to the Horry County Board of Education in 2016. I am the owner and president of Hardwick Funeral Home in Loris. I graduated from the University of South Carolina with degrees in English and Business Management and from Gupton-Jones College with a degree in Mortuary Science. I am a former president of the Loris Area Chamber of Commerce and attend the Loris Presbyterian Church. My wife, Cindy, and I have two daughters.”

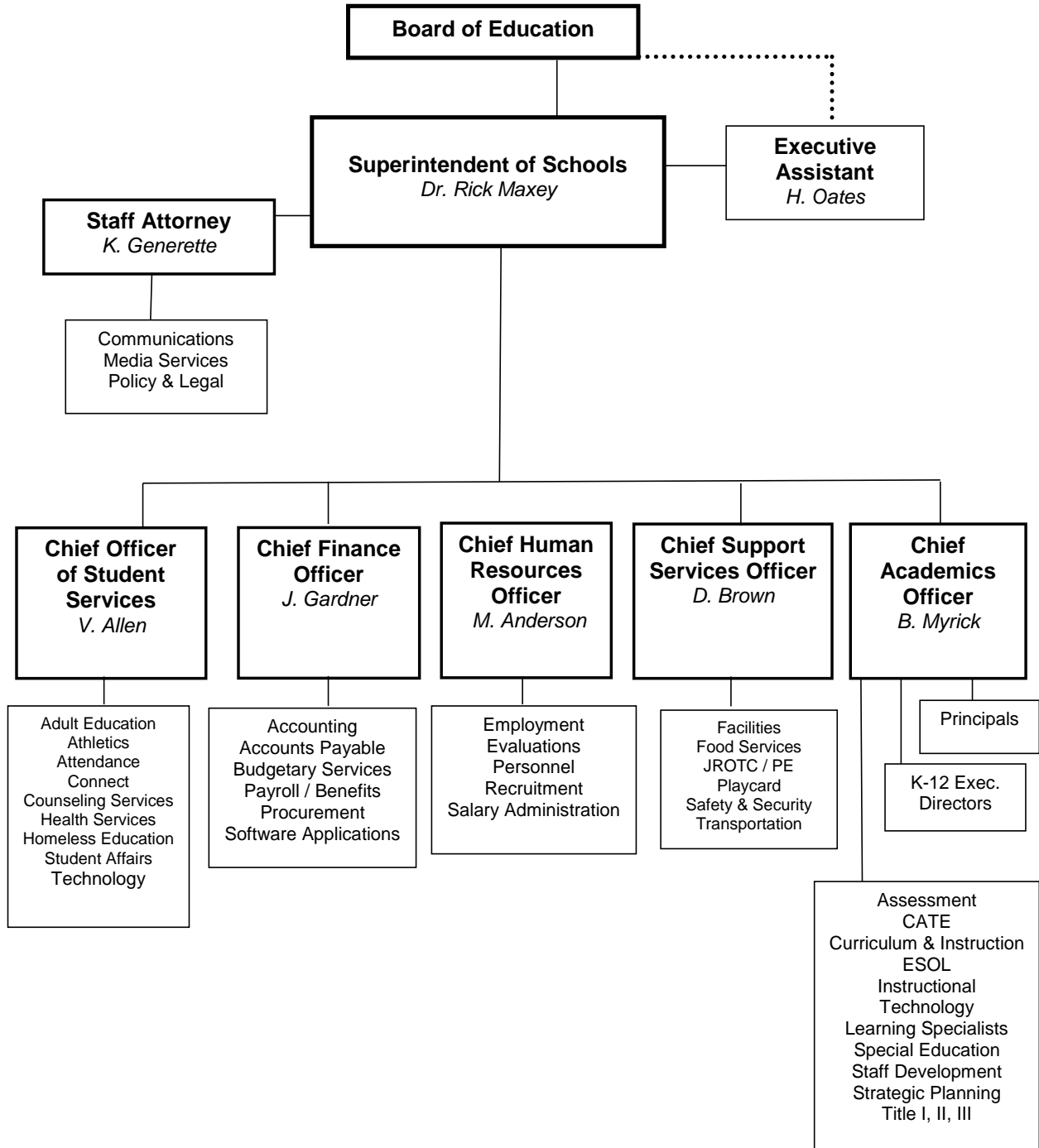


Neil James, District 10 – “I was appointed to the Horry County Board of Education in November 2009 and elected to office in 2010, 2014, and 2018. I served as Interim Chair from May 2018 through January 2019. I am a professional engineer and hold Bachelor of Science degrees in Agricultural Engineering and Electrical Engineering from Clemson University, and a Master’s degree in Business Administration from Webster University. I am employed by Santee Cooper. My wife, Felicia, and I have two daughters.”

Shanda Allen, District 11 – “I was elected to the Horry County Board of Education in 2016. I am the owner and operator of Allen Aviation, Inc., and have served on the Higher Education Commission at Coastal Carolina University. I am a native of Horry County. My husband, Al, and I have two children, and two grandchildren.”



Horry County Schools





ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

**The Certificate of Excellence in Financial Reporting
is presented to**

Horry County Schools

**for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2019.**

The CAFR meets the criteria established for
ASBO International's Certificate of Excellence.



A handwritten signature in black ink, reading 'Claire Hertz'.

Claire Hertz, SFO
President

A handwritten signature in black ink, reading 'David J. Lewis'.

David J. Lewis
Executive Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Horry County Schools
South Carolina**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

Christopher P. Morill

Executive Director/CEO

This page is intentionally blank.

FINANCIAL SECTION

This page is intentionally blank.

Independent Auditor's Report

To the Board of Education
Horry County Schools
Conway, South Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of Horry County Schools (the "School District") as of and for the year ended June 30, 2020, 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.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Waccamaw Park Public Charter School, Inc., d/b/a Bridgewater Academy ("Bridgewater"), a discretely presented component unit, whose financial statements represent 14.35% of the assets, 23.15% of the net position and 20.04% of the revenues of the total discretely presented component units. Those financial statements were audited by another auditor whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for Bridgewater, is based solely on the reports of the other auditor. 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 of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial positions of the governmental activities, the discretely presented component units, each major fund and the aggregate remaining fund information of the School District as of June 30, 2020, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with U.S. GAAP.

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District's basic financial statements. The introductory section, the statistical section, and the other supplementary schedules, as presented in the Table of Contents, and the accompanying schedule of expenditures of federal awards as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are not a required part of the basic financial statements.

The other supplementary schedules and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information and the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 20, 2020, 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 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 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.

A handwritten signature in black ink that reads "Elliott Davis, LLC". The signature is written in a cursive, flowing style.

Charleston, South Carolina
November 20, 2020

This page is intentionally blank.

**HORRY COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2020**

The discussion and analysis of Horry County School District's financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2020. We encourage readers to consider this information in conjunction with the additional information in the District's financial statements, and the accompanying notes to those financial statements.

FINANCIAL HIGHLIGHTS

- Beginning June 30, 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 68, *Accounting and Financial Reporting for Pensions*, which established new financial reporting requirements for most governments that provide pension benefits through a multiple-employer, cost-sharing defined-benefit pension plan. District employees, including the charter schools' employees, are in a program administered by the South Carolina Public Benefit Authority (PEBA). Statement No. 68 requires the district and its charter schools to record a proportionate share of PEBA's unfunded pension liability. The District and its charter schools have no legal obligation to fund any shortfall, nor do they have any liability to affect funding, benefits, or annual required contribution decisions made by PEBA.
- Beginning June 30, 2017, the GASB issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB)*, which revised and established new financial reporting requirements for most governments that provide OPEB benefits through a multiple-employer, cost-sharing defined-benefit plan. District employees, including the charter schools' employees, are in a program administered by PEBA. Statement No. 75 requires the district and its charter schools to record a proportionate share of PEBA's unfunded OPEB liability. The District and its charter schools have no legal obligation to fund any shortfall, nor do they have any liability to affect funding, benefits, or annual required contribution decisions made by PEBA.
- Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, is effective for reporting periods beginning after December 15, 2019. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of the construction period. The District adopted this Statement during the year ended June 30, 2020.
- The liabilities and deferred inflows of resources of the District exceeded assets and deferred outflows of resources at June 30, 2020, by \$232.5 million, primarily due to the net OPEB and pension liabilities, noted above, of \$1,060 million.
- The District's total net position for 2019-20 increased by \$35.3 million.
- Our principal operating fund, the General Fund, had \$433.6 million in fiscal year 2020 revenues, which primarily consisted of state aid and property taxes. In addition, the General Fund had \$13.3 million in other financing sources, which consisted primarily of transfers from the Special Revenue Funds in the form of indirect cost and teacher salary supplement transfers. The General Fund incurred \$424.1 million in expenditures, as well as \$2.8 million in other financing uses.
- The General Fund's fund balance increased from \$107.7 million as of June 30, 2019, to \$127.7 million as of June 30, 2020. In the original 2019-20 funding plan, the District planned to utilize \$18.6 from fund balance. This significant change in fund balance was the result of several events. The District received \$17 million more in total revenues than was budgeted. This was most notably the

result of a \$7.8 million increase in local property tax revenues, a \$3.7 million increase for revenue in lieu of property taxes, a \$1.4 million increase in Education Finance Act revenues, a \$1.6 million increase for bus driver and teacher salary increases, and a \$2.5 million increase for employee fringe benefits and retiree insurance.

- Analysis of the positive budget variances related to expenditures indicate \$20.3 million in salaries and employee benefits and \$13.1 million in operating expenditures contributed to the surplus. As it is the District's position to budget all vacant positions at the full complement, it is not uncommon for the District to have unspent funds in salaries and employee benefits at the fiscal year end. In addition, it is the policy of the District to assign fund balance in the subsequent year for certain items not received prior to the fiscal year end and to assign reserve funds for workers' compensation claims. Included in the \$13.1 million operating expenditure surplus was \$6.3 million assigned from fiscal year 2019.
- The District's total general and special obligation debt decreased by \$45.1 million during fiscal year 2020 to \$338.8 million. This was attributed to scheduled principal payments.
- The District currently has a Standard & Poor's underlying rating of AA and a Moody's Investor Services underlying rating of Aa2.

OVERVIEW OF FINANCIAL STATEMENTS

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

Government-wide Financial Statements: The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private sector business. These statements outline functions of the District that are principally supported by property taxes and intergovernmental revenues (governmental activities). The governmental activities of the District include instruction, support services, community services, and intergovernmental activities. Short-term and long-term information about the District's overall financial status is provided in these statements. These statements are prepared utilizing the accrual basis of accounting which takes into account all current year revenues and expenses regardless of when cash is received or paid.

The government-wide financial statements include not only the District itself (known as the primary government), but also the component units of Waccamaw Park Public Charter Schools, Inc. (also known as Bridgewater Academy), Palmetto Academy of Learning and Success (also known as PALS), Academy of Hope, and Palmetto Academy of Learning Motor Sports (also known as PALM). Bridgewater Academy, PALS, Academy of Hope, and PALM are charter schools sponsored by the District. Financial information for the charter schools is reported separately from the financial information presented for the primary government itself. Additional information on the District's component units can be found on pages 165-180.

The government-wide financial statements are included on pages 48 and 49 of this report.

Statement of Net Position: The statement of net position presents information on all of the District's assets plus deferred outflows and liabilities plus deferred inflows except for those related to fiduciary funds, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

Statement of Activities: 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).

Fund Financial Statements: A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into two categories: governmental funds and fiduciary 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 of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the District's near-term financing requirements. The modified accrual basis of accounting is used for governmental funds.

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 District'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. These reconciliations are on pages 51 and 53.

Fiduciary Funds: Fiduciary (Pupil Activity) funds are used to account for resources held for the benefit of students and are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. The accrual basis of accounting is used for fiduciary funds.

The District maintains its accounting records in conformity with the South Carolina Department of Education's Financial Accounting Handbook. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General, Special Projects, Education Improvement Act (EIA), School Food Service, Debt Service, and Capital Projects, all of which are considered to be major funds.

Notes to the Financial Statements: The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 56-96.

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 Governmental Finance Officer's Association, or the Certificate of Excellence Program of the Association of School Business Officials.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position. 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 exceeded assets and deferred outflows of resources by \$232.5 million as of June 30, 2020.

The following table presents a comparative analysis of the District's net position for the fiscal years ended June 30, 2020, and June 30, 2019.

Net Position (Amounts expressed in thousands)

	2020	2019
Current and other assets	\$ 322,682	\$ 292,529
Capital assets, net	885,142	898,797
Total assets	1,207,824	1,191,326
Deferred outflows of resources	129,038	111,501
Current liabilities	128,888	126,975
Long-term liabilities	1,389,578	1,401,021
Total liabilities	1,518,466	1,527,996
Deferred inflows of resources	50,912	42,673
Net position		
Net investment in capital assets	507,020	467,134
Restricted	111,663	106,893
Unrestricted	(851,199)	(841,869)
Total Net position	\$ (232,516)	\$ (267,842)

The following are significant current year transactions that have had an impact on the Statement of Net Position.

- The \$24.5 million increase in cash and cash equivalents in governmental activities was primarily due to unanticipated increases in property tax and State revenues coupled with the reduced operational costs as a consequence of the school closures mandated by the COVID-19 pandemic.
- Total receivables increased by \$2.7 million primarily due to current year federal revenues that were received after June 30, 2020 and an increase in uncollected property taxes.
- Total prepayments increased by \$2.2 million primarily due to multi-year technology service agreements, the increase in annual property insurance premiums, and the July PEBA payment that was paid in fiscal year 2020.
- Total inventories increased by \$0.8 million primarily due to cafeteria food and supplies that were on hand at June 30, 2020, from school closures mandated by the COVID-19 pandemic.

- The \$13.7 million decrease in capital assets is due to a \$29.6 million net reduction in construction in progress, a \$42.2 million net increase in capital assets, and net depreciation expense of \$26.3 million.
- Total deferred outflows of resources increased \$17.5 million primarily due to a \$1.5 million decrease in deferred charges on refunding transactions, a \$12.1 million decrease in deferred outflows related to pensions, and a \$31.1 million increase in deferred outflows related to OPEB.
- Total liabilities decreased \$9.5 million primarily due to a net \$52.7 million reduction in long-term obligations due to principal payments on outstanding debt and amortization of deferred bond premiums offset by a slight increase in compensated absences outstanding. The decrease in liabilities is also due to a \$0.7 million decrease in accrued interest payable and a \$1.8 million decrease in unearned revenue. These decreases were offset by a \$11.1 million increase in the net pension liability, a \$32.4 million increase in the net OPEB liability, and a \$2.2 million increase in accounts payable and other accrued liabilities.
- Total deferred inflows of resources increased \$8.2 million primarily due to a \$8.8 million increase in deferred inflows related to OPEB offset by a \$0.6 million decrease in deferred inflows related to pensions.

The District's financial position is the product of several financial transactions including the net results of activities, the restructuring and payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets. The most notable impact on the District's net position was the impacts of GASB 68 and GASB 75.

The following table presents a six-year comparative analysis of the District's net position for the fiscal years ended 2015 through 2020.

Net Position By Component
(Amounts expressed in thousands)

	2015	2016	2017	2018	2019	2020
Governmental Activities	\$ 61,337	\$ 114,796	\$ 151,861	\$(266,886)	\$(267,842)	\$(232,516)
Business - Type Activities	153	118	(305)	(21,119)	-	-
Total Primary Government	<u>\$ 61,490</u>	<u>\$ 114,914</u>	<u>\$ 151,556</u>	<u>\$(288,005)</u>	<u>\$(267,842)</u>	<u>\$(232,516)</u>

Prior to the implementation of GASB Statements 68 and 75, the largest portion of the District's positive net position reflected its net investment in capital assets (e.g., land and improvements, buildings and improvements, vehicles, furniture and equipment, and construction in progress), less any related debt used to acquire those assets that is still outstanding.

The District uses these capital assets to provide services to its students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities. The restriction for Capital Projects represents residual funding for building construction scheduled in fiscal year 2021 and beyond.

An additional portion of the District's net position represents resources subject to external restrictions on how they may be used. The amount identified as restricted for Debt Service is earmarked for principal and interest payments. The remaining balance of unrestricted net position may be used to meet the District's ongoing activities.

The following table presents a six-year comparative analysis of the District's net position for the fiscal years ended 2015 through 2020.

Net Position By Classification

(Amounts expressed in thousands)

	2015	2016	2017	2018	2019	2020
Net Investment in Capital Assets	\$ 311,053	\$ 142,238	\$ 317,208	\$ 409,563	\$ 467,134	\$ 507,020
Restricted for Debt Service	26,431	36,832	34,069	56,185	53,913	46,720
Restricted for Capital Projects	61,496	265,227	141,037	57,224	44,968	59,713
Restricted for Special Projects	-	677	1,385	1,682	1,455	997
Restricted for School Food Service	-	-	-	-	6,557	4,233
Unrestricted	(337,490)	(330,060)	(342,143)	(812,659)	(841,869)	(851,199)
Total Primary Government	<u>\$ 61,490</u>	<u>\$ 114,914</u>	<u>\$ 151,556</u>	<u>\$(288,005)</u>	<u>\$(267,842)</u>	<u>\$(232,516)</u>

As mentioned previously, the implementation of GASB Statement 68 continues to have a significant impact on the District's ending net position. The following table presents a six-year comparative analysis of the District's net pension liability for the fiscal years ended 2015 through 2020.

Net Pension Liability By Component

(Amounts expressed in thousands)

	2015	2016	2017	2018	2019	2020
Governmental Activities	\$ 434,410	\$ 469,632	\$ 529,681	\$ 543,601	\$ 566,398	\$ 577,527
Business - Type Activities	6,868	7,912	9,598	19,827	-	-
Total Primary Government	<u>\$ 441,278</u>	<u>\$ 477,544</u>	<u>\$ 539,279</u>	<u>\$ 563,428</u>	<u>\$ 566,398</u>	<u>\$ 577,527</u>

As previously mentioned, the implementation of GASB Statement 75 continues to have a significant impact on the District's ending net position. The following table presents a six-year comparative analysis of the District's net OPEB liability for the fiscal years ended 2015 through 2020.

Net OPEB Liability By Component

(Amounts expressed in thousands)

	2015	2016	2017	2018	2019	2020
Governmental Activities	\$ -	\$ -	\$ -	\$ 411,773	\$ 449,948	\$ 482,358
Business - Type Activities	-	-	-	14,489	-	-
Total Primary Government	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 426,262</u>	<u>\$ 449,948</u>	<u>\$ 482,358</u>

Changes in net position. The District's total revenues for the fiscal year ended June 30, 2020, were \$613.3 million. The total cost of all programs and services was \$578 million.

The following table presents a comparative analysis of changes in net position for the fiscal years ended June 30, 2020, and June 30, 2019.

Changes in Net Position
(Amounts expressed in thousands)

Revenues	2020	2019
Program revenues		
Charges for services	\$ 3,688	\$ 4,724
Operating grants and contributions	239,544	223,198
General revenues		
Property taxes	307,601	290,329
State aid	57,211	55,957
Other	5,264	6,301
Total revenues	613,308	580,509
Expenses		
Instruction	351,528	333,064
Support services	213,957	212,453
Community services	1,775	2,020
Interest on long-term debt	10,722	12,809
Total expenses	577,982	560,346
Increase (decrease) in net position	35,326	20,163
Net position July 1	(267,842)	(266,886)
Change in accounting principle - see Note 14	-	(21,119)
Net position July 1, as restated	(267,842)	(288,005)
Net position June 30	\$ (232,516)	\$ (267,842)

The following are significant current year transactions that have had an impact on the Statement of Activities.

- Total charges for services decreased \$0.6 million in the School Food Service Fund for student lunch, breakfast, and special sales to students due the school closures mandated by the COVID-19 pandemic. In addition, the District experienced a \$0.4 million decrease in the collection of student fees.
- Total operating grants and contributions increased by \$16.3 million due to a combination of factors. In the General Fund, the District received \$2.9 million more in Education Finance Act (EFA) revenues due to an increase in students and an increase in the per student allocation. EFA is the State of South Carolina's primary vehicle for financing public education. The District also received an additional \$4.2 million to help offset the increases in employee insurance and

retirement, and a \$9.1 million increase in State aid for teacher salary increases. The District did experience several reductions in Medicaid reimbursement, other local revenue, and E-rate reimbursements in the amount of \$1.5 million. In the Special Projects Fund, the District experienced an increase in federal receipts in the amount of \$3.5 million. Initiatives funded from the Education Improvement Act (EIA) fund decreased by \$0.5 million. The School Food Service Fund experienced a \$1.4 million reduction in federal reimbursements and commodities.

- Ad valorem tax revenue had a net increase of \$17.3 million in fiscal year 2020. This was the net result of a \$15.3 million increase in actual collections coupled with a \$2 million increase in deferred tax revenues. Included in property taxes is the collection of the Education Capital Improvements Sales tax (additional penny sales tax) for debt service and the funding of capital improvement projects. Under the accrual approach, a receivable for property taxes (current taxes billed but not paid) is recognized as revenue less an allowance. Under the modified accrual basis, the receivable for property taxes is based on actual collections for July and August of the subsequent year.
- State Aid increased primarily due to ACT 388. The ACT provides a 100 percent exemption from school operating tax for residential owner-occupied property. In fiscal year 2008, the State fully reimbursed districts the foregone amount. The District received \$24.8 million in fiscal year 2008; however, future payments will be “frozen” at the 2008 actual reimbursement with a proportionate share of the growth in the State entitlement. The District received an additional \$1.6 million as its proportionate share of the fiscal year 2020 entitlement. Other State property tax revenues decreased by \$0.3 million due to motor carrier taxes.
- Other revenue decreased due to a \$1 million decrease in interest earnings and the receipt of insurance proceeds.
- Included in the expenses for 2020 was a 4% cost of living adjustment (COLA) plus a longevity increase for all certified teachers. All other employees received a longevity increase.
- The District did incur additional operating expenses for the 2020 fiscal year. These include property insurance, employee benefits, utilities, and maintenance of facilities.

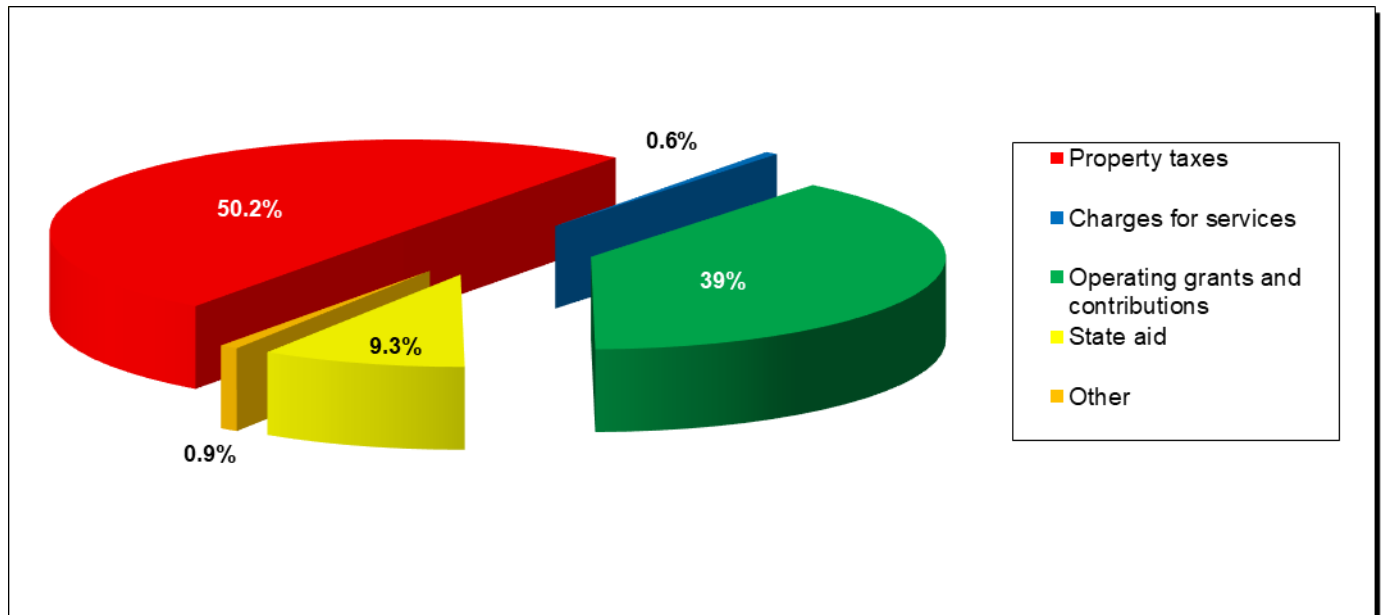
Governmental activities. The following table presents the cost of the four major District functional activities: instruction, support services, community services, and interest on long-term debt for the fiscal years ended June 30, 2020, and June 30, 2019. The table also shows each function's net cost (total cost less charges for services generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden that was placed on the State and District taxpayers by each of these functions.

Governmental Activities
(Amounts expressed in thousands)

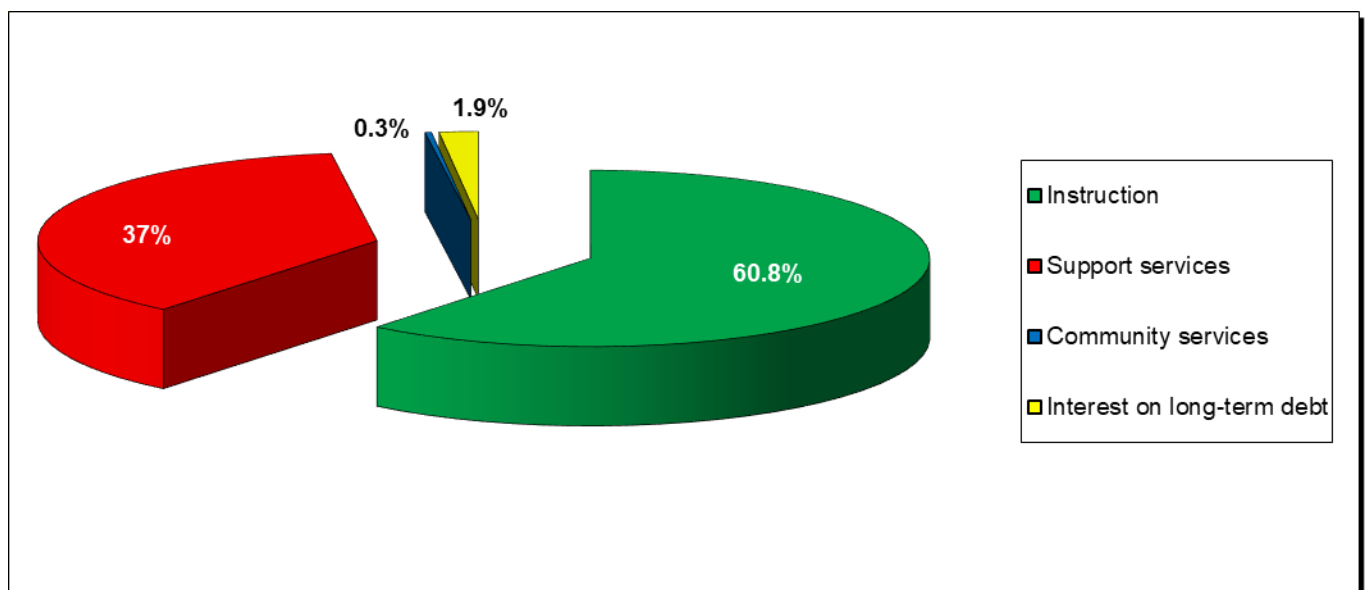
	2020		2019	
	Total Expenses	Net (Expense) Revenue	Total Expenses	Net (Expense) Revenue
Instruction	\$ 351,528	\$ (204,025)	\$ 333,064	\$ (189,733)
Support services	213,957	(118,278)	212,453	(127,915)
Community services	1,775	(1,725)	2,020	(1,967)
Interest on long-term debt	10,722	(10,722)	12,809	(12,809)
Total expenses	<u>\$ 577,982</u>	<u>\$ (334,750)</u>	<u>\$ 560,346</u>	<u>\$ (332,424)</u>

- The cost of all governmental activities this fiscal year was \$578 million.
- Operating grants and charges for services subsidized certain programs in the amount of \$243.2 million.
- Net cost of governmental activities, \$334.8 million was financed by general revenues, which are made up primarily of property taxes in the amount of \$307.6 million and state aid of \$57.2 million. Unrestricted grants/other contributions and other revenue accounted for \$5.3 million.

As the graph below illustrates, the largest portion of revenues supporting governmental activities is the collection of property taxes.



The following graph below illustrates, the largest portion of governmental activity expenses are for instruction.



FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

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

Governmental funds. The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

The General Fund is the principal operating fund of the District. As mentioned previously, the increase in fund balance in the General Fund for the fiscal year was \$20 million. Incorporating *nonspendable categories* that include inventories and prepaid expenditures; *assigned categories* that include encumbrances and subsequent years' expenditures; the remaining *unassigned* fund balance is \$102.6 million. It is the policy of the Board of Education to designate 15 percent of the prior year's General Fund expenditures as a minimum fund balance designation as advised by the District's bond counsel and financial advisors. Therefore, \$63.6 million of the *unassigned* fund balance is utilized to address cash flow requirements pending the receipt of local property tax revenues. The remaining \$39 million of *unassigned* fund balance is available for future Board initiatives.

The Special Revenue Funds: Special Projects Fund, Education Improvement Act (EIA) Fund, and School Food Service Fund are primarily used to account for revenues derived from the state of South Carolina and the federal government. The Special Revenue Funds - Special Projects Fund's fund balance decreased by \$0.5 to \$1 million. This decrease is due to the school closures that impacted the afterschool childcare programs at the elementary schools. The Special Revenue - EIA Fund does not have a fund balance as revenues should be expended, deferred (unearned), or returned to the grantor. The Special Revenue Fund – School Food Service Fund's fund balance decreased by \$1.6 million to \$5.3 million. This decrease is due to the impacts from school closures due to the COVID-19 pandemic.

The Debt Service fund balance showed a decrease of \$7.3 million from the prior year. Incorporating the negative budgeted variance of \$1.7 million decrease is a net result of a \$7.6 million increase in the transfer of funds to the Capital Projects Fund offset by \$1.4 million in additional property tax revenue, \$0.2 million in additional receipts from Educational Capital Improvements tax, a \$0.2 million increase in interest earnings, and a \$0.2 million increase from revenue in lieu of property taxes. The additional penny sales tax enacted in March 2009 allows all consumers, including more than 14 million people who visit our area each year, to help support the needs of educational facilities. Penny revenues allowed the school district to reduce the debt service millage from 28 to 10 mills over fiscal years' 2009 - 2012. In addition to rolling-back property taxes and broadening the tax base, the penny sales tax will enable Horry County Schools, Coastal Carolina University, and Horry Georgetown Technical College to collaborate on more shared initiatives to increase access and services to students of all ages. The penny sales tax does not apply to groceries, gasoline, or prescription drugs.

The District maintains sufficient fund balance in the Debt Service Fund to pay the ensuing six-month principal and interest payments on general obligation debt. By statute, only funds received and certified as of June 30 could be considered in the establishment of millage for 2020-21 principal and interest payments.

In 2012, the District completed a comprehensive Long-Term Facility Plan. The Plan was initiated to evaluate the adequacy of existing educational facilities, plan for future capital facilities spending and address how the student population will be housed over the next 10 years. After several revisions to the facility plan during 2015-16, the District awarded contracts to build 3 new middle schools, 1 new intermediate school, and one new elementary school in November 2015. Three of these schools were operational when school began in August 2017, and the remaining two opened in 2017-18.

The funding for existing as well as future projects will be provided from the utilization of the Capital Projects fund balance and from the Education Capital Improvements tax. In 2020, \$36.2 million was transferred from the Debt Service fund to the Capital Projects fund. The Capital Projects fund balance increased from \$39.3 million to \$56.5 million due to timing of construction projects and the additional transfer of \$7.6 million from the Debt Service fund noted above. As capital projects may span fiscal years, the Capital Projects fund balance is restricted for these commitments.

GENERAL FUND BUDGETARY HIGHLIGHTS

The net change between the General Fund's expenditure and other financing uses' original budget and final budget (\$11.2 million) is primarily due to the prior year assignments of fund balance, insurance claims, and contributions and donations. The table below indicates the changes:

Reserve for workers compensation	\$ 3,250,000
School carryover budgets and enrollment adjustments	688,191
Subsequent years expenditures	266,260
Funding for SOAR Academy	2,200,021
Purchase property for new middle school	546,400
Additional modular classrooms for FY 2020-21	2,050,000
Board of Education funds	90,000
Modular classrooms for FY 2019-20	1,845,676
Insurance claims	234,954
Donations	1,000
	<u>\$ 11,172,502</u>

The net change between the General Fund's revenue and other financing sources' original budget and final budget is \$235,954 which is due to reimbursement from insurance claims and donations.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. As of June 30, 2020, the District had invested \$1,242.2 million in capital assets, which includes land, school buildings, construction in progress, athletic facilities, buses and other vehicles, computers, and other equipment. Accumulated depreciation was \$357.1 million including current depreciation expense of \$27 million for the year.

The following schedule presents capital asset balances net of depreciation for the fiscal years ended June 30, 2020, and June 30, 2019.

**Capital Asset Balances
Net of Depreciation**
(Amounts expressed in thousands)

	2020	2019
Land	\$ 29,999	\$ 29,999
Buildings and improvements	801,960	785,320
Improvements other than buildings	28,315	28,204
Autos and trucks	4,210	5,043
Machinery and equipment	11,792	11,767
Construction in progress	8,866	38,464
Total	<u>\$ 885,142</u>	<u>\$ 898,797</u>

Additional information on the District's capital assets can be found in Note 5 of this report.

Debt Administration: At year-end, the District had \$284.3 million in general obligation bonds and \$54.5 million in special obligation bonds outstanding, of which \$63 million in principal and interest payments are due within one year. The following table presents a summary of the District's outstanding long-term debt for the fiscal years ended June 30, 2020, and June 30, 2019.

Outstanding Debt
(Amounts expressed in thousands)

	2020	2019
8% General obligation debt	\$ 93,630	\$ 109,705
Special obligation debt	54,515	63,875
Referendum general obligation debt	190,635	210,270
Total	<u>\$ 338,780</u>	<u>\$ 383,850</u>

State statutes currently limit the amount of general obligation debt a District may issue to 8 percent of its total assessed valuation. Additional information on the District's long-term debt can be found in Note 6 of this report.

NEXT YEAR'S BUDGET

The 2020-21 comprehensive budget as proposed by the administration represents months of involvement by various stakeholders. This budget incorporates the parameters established by the Board of Education for the 2020-21 fiscal year:

1. The District will comply with all applicable State and/or Federal laws and regulations.
2. Resources will support the District's vision to be a premier world-class school system in which every student acquires an excellent education.
3. The District will provide the curriculum programs and instructional support which have been proven to be effective for students.

4. The District must provide the instructional support essential to meet the State and Local accountability goals.
5. The District must provide resources for unfunded mandates.
6. The support services and operational aspects of the District will be maintained such that the essential services provided to students and staff will be continued.
7. The District will identify funding sources for new programs and/or initiatives.
8. The District will identify initiatives that may be postponed or reduced to lessen the impact of future potential State budget reductions.

The District expects to serve approximately 841 new students when school begins in August. Funding is included in the budget to accommodate the instructional needs of these students as well as to provide services to newly identified special needs, gifted, and non-English speaking students.

The District will incur additional operating expenses for the 2020-21 fiscal year. These include increases in group health insurance and other fixed costs.

Although there is always a great deal of uncertainty regarding State funding, the impact of the COVID-19 pandemic delayed the passage of the 2020-21 State budget until the fall of 2020. Included in the continuing resolution (H.3411) that passed on May 12, 2020, was language that froze the teacher salary schedule, suspended STEP increases until the 2020-21 State budget was enacted and suspended the 1% increase in the employer contribution rate for retirement.

In addition, there was much discussion regarding education reform within the two legislative bodies. The “South Carolina Career Opportunity and Access for All Act” addresses a variety of topics that include college and career readiness, school district consolidation, teacher pay and retention, state testing, and increased accountability. The bill is currently residing in the House Committee on Education and Public Works and is expected to be readdressed during the 2020-21 legislative session.

Due to the non-passage of the 2020-21 State budget, all State revenue projections incorporated in this document are based on the current 2019-20 allocations. Property tax revenues have seen a modest increase for the past several years. In conversation with the county, they are anticipating a 3.25% growth rate for real property in 2020-21 but are also factoring a 2.31% delay in collections. The estimates for ad valorem taxes in this document also incorporate these variables.

ACT 388 limits millage increases to the percent of growth in CPI and the population growth of the County. Based on information received from the South Carolina Revenue and Fiscal Affairs Office, the CPI increased 1.81% and the population increase for the County is 2.90%. Under this statute, the District cannot exceed a 4.71% or 5.5 mill increase for operations.

The proposed 2020-21 General Fund budget indicates the utilization of \$11 million of the unassigned fund balance. The projected fund balance at June 30, 2020, for the General Fund is expected to be \$118 million. This amount maintains the Board established minimum of 15% and provides adequate reserves for 2020-21.

The following table presents a summary of the original budgets for the District's Governmental Funds for the years 2020-21 and 2019-20.

	2020-21	2019-20	Change
Governmental Funds Budget (total)	\$704,675,233	\$675,984,934	\$ 28,690,299
General Fund	460,596,649	449,169,361	11,427,288
Special Projects Fund	38,690,468	36,011,779	2,678,689
Food Service Fund	22,431,672	22,684,795	(253,123)
Education Improvement Act Fund (EIA)	30,275,610	30,535,281	(259,671)
Debt Service Fund	93,199,871	91,543,321	1,656,550
Capital Projects Fund	59,480,963	46,040,397	13,440,566
Millage required for General Fund	118.1 mills	118.1 mills	no change
Millage required for Debt Service	10.0 mills	10.0 mills	no change
Total millage required	128.1 mills	128.1 mills	no change

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the District's finances and to demonstrate accountability for the resources it receives. If you have questions about this report or need additional information, contact the Office of Fiscal Services, Horry County School District, P.O. Box 260005, 335 Four Mile Road, Conway, South Carolina 29528-6005.

BASIC FINANCIAL STATEMENTS

This page is intentionally blank.

Horry County Schools**Statement of Net Position****June 30, 2020**

	Governmental Activities	Component Units
Assets		
Cash and cash equivalents	\$ 275,435,294	\$ 2,168,715
Receivables:		
Property taxes receivable, net	22,170,595	-
Due from federal government, net	8,162,513	-
Due from state government, net	1,123,841	-
Due from other governmental units, net	8,363,010	357,148
Other receivables	131,310	156,269
Prepaid and other	5,462,669	146,639
Inventories	1,832,966	-
Non-current assets:		
Non-depreciable capital assets	38,865,282	-
Depreciable capital assets, net	846,276,655	11,777,302
Total assets	<u>1,207,824,135</u>	<u>14,606,073</u>
Deferred outflows of resources		
Deferred charge on refunding	7,875,271	-
Deferred outflows related to pensions	60,896,891	1,275,837
Deferred outflows related to OPEB	60,265,672	542,823
Total deferred outflows of resources	<u>129,037,834</u>	<u>1,818,660</u>
Liabilities		
Accounts payable and accrued liabilities	59,905,924	394,427
Unearned revenue	6,780,256	868,063
Accrued interest	5,134,444	-
Non-current liabilities:		
Due in one year	57,067,161	476,616
Due in more than one year	329,692,205	13,781,249
Net pension liability	577,527,157	5,131,628
Net OPEB liability	482,358,357	4,282,265
Total liabilities	<u>1,518,465,504</u>	<u>24,934,248</u>
Deferred inflows of resources		
Deferred inflows related to pensions	5,311,692	1,120,643
Deferred inflows related to OPEB	45,600,558	1,010,596
Total deferred inflows of resources	<u>50,912,250</u>	<u>2,131,239</u>
Net position (deficit)		
Net investment in capital assets	507,020,284	(1,167,556)
Restricted for:		
Debt service	46,719,751	-
Capital projects	59,713,104	-
Special projects	996,416	2,085
School food service	4,233,418	-
Net position - unrestricted	(851,198,758)	(9,475,283)
Total net position	<u>\$ (232,515,785)</u>	<u>\$ (10,640,754)</u>

See Notes to Basic Financial Statements

Horry County Schools

Statement of Activities

For the year ended June 30, 2020

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Primary Government Governmental Activities	Component Units
Primary government:					
Governmental activities:					
Instruction	\$ 351,527,491	\$ 3,637,768	\$ 143,865,518	\$ (204,024,205)	
Support Services	213,957,338	753	95,678,507	(118,278,078)	
Community Service	1,774,948	49,762	-	(1,725,186)	
Interest & Other Charges	10,722,070	-	-	(10,722,070)	
Total governmental activities	577,981,847	3,688,283	239,544,025	(334,749,539)	
Total primary government	577,981,847	3,688,283	239,544,025	(334,749,539)	
Component units:					
Charter Schools	\$ 9,550,224	\$ 2,475	\$ 8,278,122		\$ (1,269,627)
General revenues:					
Property taxes levied for:					
General purposes				217,623,198	-
Debt service				89,977,913	-
State aid not restricted for specific purpose				57,210,475	-
Unrestricted investment earnings				4,513,373	-
Miscellaneous				750,878	477,361
Total general revenues				370,075,837	477,361
Change in net position				35,326,298	(792,266)
Net position - beginning of year				(267,842,083)	(9,848,488)
Net position - end of year				\$ (232,515,785)	\$ (10,640,754)

See Notes to Basic Financial Statements

Horry County Schools**Balance Sheet - Governmental Funds****June 30, 2020**

	Special Revenue Funds						Total Governmental Funds
	General	Special Projects	Education Improvement Act	School Food Service	Debt Service	Capital Projects	
Assets							
Cash and cash equivalents	\$ 162,077,321	\$ -	\$ 7,034,773	\$ 5,306,454	\$ 41,328,290	\$ 59,688,456	\$ 275,435,294
Property taxes receivable, net	20,313,293	-	-	-	1,857,302	-	22,170,595
Due from federal government, net	102,548	7,590,165	-	469,800	-	-	8,162,513
Due from state government, net	559,813	-	784,731	-	-	-	1,344,544
Due from other governmental units, net	4,725,410	3,799	-	-	3,602,969	30,832	8,363,010
Other receivables	38,507	25,429	7,630	59,744	-	-	131,310
Prepaid and other	4,913,672	26,137	10,173	79	-	512,608	5,462,669
Inventories	786,420	-	-	1,046,546	-	-	1,832,966
Total assets	<u>\$ 193,516,984</u>	<u>\$ 7,645,530</u>	<u>\$ 7,837,307</u>	<u>\$ 6,882,623</u>	<u>\$ 46,788,561</u>	<u>\$ 60,231,896</u>	<u>\$ 322,902,901</u>
Liabilities							
Accounts payable	\$ 4,216,282	\$ 3,035,827	\$ 748,114	\$ 75,513	\$ 68,810	\$ 3,493,776	\$ 11,638,322
Accrued salaries and payroll related liabilities	42,847,661	2,339,169	1,616,820	1,246,462	-	6,184	48,056,296
Due to state government, net	-	220,703	-	-	-	-	220,703
Retainage payable	-	-	-	-	-	211,306	211,306
Unearned revenue	-	1,027,278	5,472,373	280,605	-	-	6,780,256
Total liabilities	<u>47,063,943</u>	<u>6,622,977</u>	<u>7,837,307</u>	<u>1,602,580</u>	<u>68,810</u>	<u>3,711,266</u>	<u>66,906,883</u>
Deferred inflows of resources							
Unavailable revenue - property taxes	18,783,825	-	-	-	1,686,540	-	20,470,365
Total deferred inflows of resources	<u>18,783,825</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,686,540</u>	<u>-</u>	<u>20,470,365</u>
Fund balances							
Non-spendable	5,700,092	26,137	10,173	1,046,625	-	512,608	7,295,635
Restricted	-	996,416	-	4,233,418	45,033,211	56,008,022	106,271,067
Assigned	19,333,909	-	-	-	-	-	19,333,909
Unassigned	102,635,215	-	(10,173)	-	-	-	102,625,042
Total fund balances	<u>127,669,216</u>	<u>1,022,553</u>	<u>-</u>	<u>5,280,043</u>	<u>45,033,211</u>	<u>56,520,630</u>	<u>235,525,653</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 193,516,984</u>	<u>\$ 7,645,530</u>	<u>\$ 7,837,307</u>	<u>\$ 6,882,623</u>	<u>\$ 46,788,561</u>	<u>\$ 60,231,896</u>	<u>\$ 322,902,901</u>

See Notes to Basic Financial Statements

Horry County Schools***Reconciliation of Balance Sheet of Governmental Funds to the Statement of Net Position******June 30, 2020***

Total governmental fund balances	\$ 235,525,653
---	----------------

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in governmental funds. The cost of capital assets was \$1,242,223,160 and the accumulated depreciation was \$357,081,223.	885,141,937
---	-------------

Property taxes receivable are not available to pay for current period expenditures and, therefore are deferred in the funds.	20,470,365
--	------------

Bond premiums are amortized in the Statement of Net Position. The premiums of \$87,779,296 have been amortized by \$44,267,454.	(43,511,842)
---	--------------

Some assets (liabilities), including bonds payable, are not due and payable in the current period and therefore are not reported in the funds:

Compensated absences	(4,467,524)
Deferred refunding	7,875,271
Bonds payable	(338,780,000)
Accrued interest	(5,134,444)

Pension related deferrals	14,712,197
---------------------------	------------

OPEB related deferrals	(2,486,649)
------------------------	-------------

Contributions to the pension plan in the current fiscal year	40,873,002
--	------------

Contributions to the OPEB plan in the current fiscal year	17,151,763
---	------------

Pension obligation	(577,527,157)
--------------------	---------------

OPEB obligation	(482,358,357)
-----------------	---------------

Net position of governmental activities	\$ (232,515,785)
--	-------------------------

See Notes to Basic Financial Statements

Horry County Schools**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds****For the year ended June 30, 2020**

	Special Revenue Funds						Total Governmental Funds
	General	Special Projects	Education Improvement Act	School Food Service	Debt Service	Capital Projects	
Revenues							
Local:							
Property taxes	\$ 205,935,767	\$ -	\$ -	\$ -	\$ 88,999,683	\$ -	\$ 294,935,450
Revenue from local governmental units	9,859,706	-	-	-	832,711	-	10,692,417
Tuition	49,675	375	-	-	-	-	50,050
Earnings on investments	2,644,373	-	-	112,804	1,188,153	568,043	4,513,373
Food services	-	-	-	3,323,654	-	-	3,323,654
Other revenue from local sources	4,363,098	3,382,907	-	70,485	-	-	7,816,490
Intergovernmental	120,167	2,040	-	-	-	895,812	1,018,019
State sources	210,037,349	7,235,847	29,876,287	-	852,834	-	248,002,317
Federal sources	604,791	31,903,732	-	15,351,982	-	-	47,860,505
Total revenues	<u>433,614,926</u>	<u>42,524,901</u>	<u>29,876,287</u>	<u>18,858,925</u>	<u>91,873,381</u>	<u>1,463,855</u>	<u>618,212,275</u>
Expenditures							
Current:							
Instruction	262,733,872	24,874,447	13,235,100	-	-	13,897	300,857,316
Support services	150,477,494	9,401,363	3,582,386	20,002,099	-	3,859,390	187,322,732
Community services	42,651	1,465,446	-	-	-	-	1,508,097
Intergovernmental	7,735,123	4,779,610	919,668	121,029	-	-	13,555,430
Debt Service:							
Principal	-	-	-	-	45,070,000	-	45,070,000
Interest	-	-	-	-	17,863,950	-	17,863,950
Other objects	-	-	-	-	78,339	-	78,339
Capital outlay	3,102,044	1,125,288	542,849	193,266	-	19,204,544	24,167,991
Total expenditures	<u>424,091,184</u>	<u>41,646,154</u>	<u>18,280,003</u>	<u>20,316,394</u>	<u>63,012,289</u>	<u>23,077,831</u>	<u>590,423,855</u>
Excess (deficiency) of revenues over (under) expenditures	<u>9,523,742</u>	<u>878,747</u>	<u>11,596,284</u>	<u>(1,457,469)</u>	<u>28,861,092</u>	<u>(21,613,976)</u>	<u>27,788,420</u>
Other financing sources (uses)							
Transfers in	13,252,784	4,910	-	656,592	-	38,900,021	52,814,307
Transfers out	(2,823,723)	(1,343,632)	(11,596,284)	(812,868)	(36,200,000)	(37,800)	(52,814,307)
Total other financing sources (uses)	<u>10,429,061</u>	<u>(1,338,722)</u>	<u>(11,596,284)</u>	<u>(156,276)</u>	<u>(36,200,000)</u>	<u>38,862,221</u>	<u>-</u>
Net change in fund balances	19,952,803	(459,975)	-	(1,613,745)	(7,338,908)	17,248,245	27,788,420
Fund balance, beginning of year	<u>107,716,413</u>	<u>1,482,528</u>	<u>-</u>	<u>6,893,788</u>	<u>52,372,119</u>	<u>39,272,385</u>	<u>207,737,233</u>
Fund balance, ending of year	<u>\$ 127,669,216</u>	<u>\$ 1,022,553</u>	<u>\$ -</u>	<u>\$ 5,280,043</u>	<u>\$ 45,033,211</u>	<u>\$ 56,520,630</u>	<u>\$ 235,525,653</u>

See Notes to Basic Financial Statements

Horry County Schools
***Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balances of
Governmental Funds to the Statement of Activities
For the year ended June 30, 2020***

Net change in fund balance - total governmental funds	\$ 27,788,420
--	---------------

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

Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those capital assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which net depreciation expense (\$26,946,865) exceeded capitalized items acquired (\$13,291,635).	(13,655,230)
---	--------------

Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. In the current year, these amounts consisted of bond principal retirements.	45,070,000
--	------------

Because some property taxes will not be collected for several months after the School District's fiscal year ends, they are not considered "available" revenues and are deferred in the governmental funds. Unearned tax revenues increased by this amount in the current year.	1,973,244
---	-----------

Governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This is the amount that the net amortization of bond premiums (\$8,028,425) exceed the amortization of the deferred refunding (\$1,547,506) in the current year.	6,480,919
--	-----------

In the Statement of Activities, compensated absences (sick pay and vacation) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially the amount actually paid). This year vacation and sick leave earned (\$2,286,257) exceeds vacation and sick leave used (\$1,909,655). This amount is adjusted by the decrease in compensated absences that has already been included in the governmental funds.	(376,602)
---	-----------

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 required the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as it accrues, regardless of when it is due. Accrued interest decreased by this amount during the year.	739,300
--	---------

Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities.	40,873,002
---	------------

A 1% contribution made by the State on employers' behalves directly to PEBA starting in fiscal year 2018 is not included on the Statement of Activities as the measurement date for fiscal year 2020 is a year in arrears. Revenues and expenditures of \$2,623,805 are excluded from the Statement of Activities.	-
--	---

A 1% contribution made by the State on employers' behalves directly to PEBA in the prior fiscal year is not reported as revenue in the governmental funds but is included on the Statement of Activities as the measurement date for fiscal year 2020 is a year in arrears.	2,623,804
---	-----------

Contributions to the OPEB plan in the current fiscal year are not included on the Statement of Activities.	17,151,763
--	------------

Non-employer contributions related to OPEB made by PEBA on behalf of the School District in fiscal year 2018 are not included on the Statement of Activities as the measurement date for fiscal year 2020 is a year in arrears. Revenues and expenditures of \$4,253,569 are excluded from the Statement of Activities.	-
---	---

Non-employer contributions related to OPEB made by PEBA on behalf of the School District in the prior fiscal year are not reported as revenue in the governmental funds but are included on the Statement of Activities as the measurement date for fiscal year 2020 is a year in arrears.	3,290,900
--	-----------

Some expenses 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. These activities consist of:	
School District's portion of pension expense	(66,136,699)
School District's portion of OPEB expense	(30,496,523)
	<hr/>

Change in net position of governmental activities	\$ 35,326,298
--	----------------------

See Notes to Basic Financial Statements

Horry County Schools

Statement of Net Position - Fiduciary Funds

As of June 30, 2020

	Private-Purpose Trusts	Agency Funds
Assets		
Cash and cash equivalents	\$ 120,871	\$ 6,766,236
Investments	98,581	-
Other assets	-	147,015
Total assets	<u>\$ 219,452</u>	<u>\$ 6,913,251</u>
Liabilities		
Accounts payable	\$ 1,000	\$ 180,258
Accrued liabilities	-	2,035
Due to other governments	-	1,030,952
Due to student organizations	-	5,700,006
Total liabilities	<u>1,000</u>	<u>6,913,251</u>
Restricted net position	<u>\$ 218,452</u>	<u>\$ -</u>

See Notes to Basic Financial Statements

Horry County Schools

Statement of Changes in Net Position - Fiduciary Fund

For the year ended June 30, 2020

	Private-Purpose Trusts
Additions	
Other income	\$ 43,453
Interest	21,405
Total additions	<u>64,858</u>
Deductions	
Scholarships awarded	39,883
Total deductions	<u>39,883</u>
Change in net position	24,975
Total net position/due to others, beginning of year	<u>193,477</u>
Total net position/due to others, end of year	<u><u>\$ 218,452</u></u>

See Notes to Basic Financial Statements

Horry County Schools

Notes to Basic Financial Statements

For the fiscal year ended June 30, 2020

Note 1. Summary of Significant Accounting Policies

The accounting policies of Horry County Schools (the "School District") conform to accounting principles generally accepted in the United States of America ("U.S. GAAP") as applicable to governments. The following is a summary of the more significant accounting policies:

A. Reporting Entity

The School District is a Local Education Agency empowered by State law with the responsibility to oversee and control all activities related to public school education in Horry County, South Carolina. The School District receives State, Local and Federal government funding and must adhere to the legal requirements of each funding entity. Educational services are provided to approximately 42,000 students residing in Horry County, South Carolina. The School District operates under the direction of an elected Board of Education. A Superintendent, hired by the Board, serves as the chief administrative officer of the School District.

The financial reporting entity consists of the primary government, organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion could cause the financial statements to be misleading or incomplete. The primary entity is financially accountable if it appoints a voting majority of the organization's governing body including situations in which the voting majority consists of the primary entity's officials serving as required by law and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary entity. The primary entity also may be financially accountable if an organization is fiscally dependent on it even if it does not appoint a voting majority of the Board. An organization is fiscally dependent on the primary entity that holds one or more of the following powers: determine its budget without another government having the authority to approve and modify that budget, levy taxes or set rates or charges without approval by another government, and issue bonded debt without approval by another government.

As required by U.S. GAAP, these financial statements present the School District and its component units, entities for which the School District is considered to be financially accountable or for which exclusion of a component unit would render the financial statements incomplete or misleading. The discretely presented component units are reported in a separate column in the basic financial statements to emphasize they are legally separate from the School District.

Discretely Presented Component Units: Waccamaw Park Public Charter Schools, Inc., d/b/a Bridgewater Academy, Palmetto Academy of Learning and Success, Academy of Hope, Inc. and Palmetto Academy for Learning Motorsports, are charter schools chartered under legislation enacted on June 18, 1996. Educational services are provided to approximately 700 students residing in Horry County, South Carolina. As these charter schools are fiscally dependent on the School District and exclusion of the charter schools would cause the School District's financial statements to be incomplete, the financial statements of the charter schools are included in those of the School District.

Horry County Schools

Notes to Basic Financial Statements

For the fiscal year ended June 30, 2020

Note 1. Summary of Significant Accounting Policies, Continued

A. Reporting Entity, Continued

Complete separately issued financial statements may be obtained for each of the charter schools from the administrative offices of Bridgewater Academy, 161 River Landing Blvd, Myrtle Beach, SC 29579, Palmetto Academy of Learning and Success, 3021 Fred Nash Road, Myrtle Beach, SC 29577, Academy of Hope, 3521 Juniper Bay Road, Conway, SC 29527 and Palmetto Academy for Learning Motorsports, 136 Rodeo Drive, Myrtle Beach, SC 29579.

The School District evaluated its current and potential component units and made the determination that the charter schools noted above are the only component units required to be included in its financial statements at June 30, 2020.

B. Basis of Presentation

The financial statement presentation provides a comprehensive, entity-wide perspective of the School District's net position, revenue, expenses and changes in net position and, as applicable, cash flows that replace the fund-group perspective previously required. The statements of the School District are presented as follows:

Government-wide Financial Statements: The Statement of Net Position and the Statement of Activities display information about the School District as a whole. These statements include the financial activities of the School District, except for fiduciary activities. The effect of interfund activity has been eliminated from these statements except for interfund services provided and used. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the School District's governmental activities. Direct expenses are those that are specifically associated with a program or function, and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been eliminated for the Statement of Activities. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not program revenues are presented as general revenues.

The government-wide financial statements are prepared using the economic resources measurement focus. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide financial statements and the financial statements for governmental funds.

Horry County Schools

Notes to Basic Financial Statements

For the fiscal year ended June 30, 2020

Note 1. Summary of Significant Accounting Policies, Continued

B. Basis of Presentation, Continued

Fund Financial Statements: Fund financial statements report detailed information about the School District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets and current liabilities, and a statement of revenues, expenditures and changes in fund balances, which reports on the sources (i.e. revenues and other financing sources) and uses (i.e. expenditures and other financing uses) of current financial resources.

Fund Accounting

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

Governmental Funds

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

General Fund (major fund) - to account for all financial transactions not properly accounted for in another fund. The School District uses this fund to account for expenditures principally for administration, instruction, pupil services, operation and maintenance of plant and related fixed charges.

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

- 1) Special Projects Fund (major fund), a fund used to account for financial resources provided by federal, state, and local projects and grants.
- 2) The Education Improvement Act ("EIA") Fund (major fund), a fund used to account for the revenue from the Education Improvement Act of 1984 and legally required to be accounted for as a specific revenue source.
- 3) School Food Service Fund (major fund), a fund used to account for the United States Department of Agriculture ("USDA") approved school breakfast and lunch programs.

Horry County Schools

Notes to Basic Financial Statements

For the fiscal year ended June 30, 2020

Note 1. Summary of Significant Accounting Policies, Continued

B. Basis of Presentation, Continued

Governmental Funds, continued

Debt Service Fund (major fund) - to account for and report the accumulation of resources that are restricted, committed, or assigned to expenditures for the payment of general long-term debt, principal and interest.

Capital Projects Fund (major fund) - to account for and report all financial resources that are restricted to expenditures for capital outlays, other than those financed by trust funds. Capital projects are funded by proceeds of bonds issued for public school construction and from certain State assistance and grants.

Fiduciary Funds

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. The School District's fiduciary funds consist of agency funds and private purpose trust funds. The agency funds are custodial in nature and do not involve measurement of results of operation. The agency funds and private purpose trust funds are used to account for amounts held for student and faculty activity organizations. Fiduciary funds are not included in the government-wide financial statements. The following are the School District's fiduciary funds:

Agency Fund - Pupil Activity Fund - to report resources held by the School District in a custodial capacity for students and student organizations.

Agency Fund - Federal Program Fund - to report resources held by the School District in a custodial capacity to pay unemployment benefits of federal program personnel.

Private Purpose Trust Fund - Education Endowment Fund - to account for scholarship money under the control of the School District for the benefit of the students within the School District.

Private Purpose Trust Fund - Scholarship Endowment Fund - to account for scholarship money under the control of the School District for the benefit of the students within the School District.

Horry County Schools

Notes to Basic Financial Statements

For the fiscal year ended June 30, 2020

Note 1. Summary of Significant Accounting Policies, Continued

C. Measurement Focus and Basis of Accounting

Government-wide and Fiduciary Fund Financial Statements: The government-wide and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the School District gives (or receives) value without directly receiving (or giving) equal value in exchange, include grants and donations. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

The Agency fund and Private Purpose Trust fund account for the receipt and disbursement of monies to and from student activity organizations or for the benefit of the Federal program fund. These funds have no equity and do not include revenues and expenditures for general operation of the School District. This accounting reflects the agency relationship of the School District with the student activity organizations and the accumulation of funds to pay Federal programs unemployment benefits.

Government Fund Financial Statements: Governmental funds are reported using the current financial resources measurement focus and modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The School District considers all revenues reported in governmental funds to be available if the revenues are collected within sixty days after year-end. These include federal and state grants, some charges for services, and ad-valorem property taxes. Expenditures are recorded when the related fund liability is incurred, except for claims and judgments and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Under the terms of grant agreements, the School District funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there is both restricted and unrestricted net position available to finance the program. It is the School District's policy to first apply cost-reimbursement grant resources to such programs and then general revenues.

Use of Resources: When both restricted and unrestricted resources are available for use, it is the School District's policy to use restricted resources first, and then unrestricted resources as they are needed.

Horry County Schools

Notes to Basic Financial Statements

For the fiscal year ended June 30, 2020

Note 1. Summary of Significant Accounting Policies, Continued

C. Measurement Focus and Basis of Accounting, Continued

Budgetary Data: The School District adopts an annual operating budget, which can be amended by the Board throughout the year. During the year ended June 30, 2020, there were several budget amendments.

Formal budgetary accounting is employed as a management control for all funds of the School District; however, legal budgets are adopted only for the General Fund, Special Revenue Funds, Debt Service Fund and Capital Projects Fund. For each of the funds for which a formal budget is adopted, the basis of accounting used to reflect budget and actual revenues and expenditures is U.S. GAAP. Budgeted appropriations lapse at year-end for all funds.

When the Board of Education adopts a budget, it is done at the fund level of budgetary control. Because expenditures may not legally exceed budgeted appropriations, supplemental budget appropriations are made by the Board of Education, when additional revenue is identified, or for expenditures exceeding total appropriations within the legal level of control.

The School District maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbrance accounting is used for the General Fund, Special Revenue Fund and Capital Project Fund. Encumbrances are recorded when purchase orders are issued but are not considered expenditures until liabilities for payments are incurred. Encumbrances lapse at year end, except for the General Fund, which is carried forward as assigned fund balance until liquidated. There were no significant encumbrances for the District as of June 30, 2020. See Note 13 regarding future commitments for the Capital Projects Fund.

Cash and Cash Equivalents: The School District considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

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

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

Prepaid and Other: Payments made to vendors for services benefiting future periods are recorded as prepaid items in both government-wide and fund financial statements using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expense/expenditure is reported in the year in which services are consumed.

Horry County Schools

Notes to Basic Financial Statements

For the fiscal year ended June 30, 2020

Note 1. Summary of Significant Accounting Policies, Continued

C. Measurement Focus and Basis of Accounting, Continued

Inventories: The inventories of the School District's General Fund consist of expendable materials and supplies, which are recorded as expenditures when purchased. These inventories are reported at cost using the first in first out ("FIFO") method. The General Fund inventories do not reflect current appropriable resources and, thus, an equivalent portion of fund balance is designated as non-spendable. Food Service Fund inventories consist of food and supplies and are recorded as inventory when received and expenditures when consumed. Included within Food Service Fund inventories are USDA commodities which were received, but not consumed as of June 30, 2020. Commodities received from the USDA have been recorded at fair market value as provided by the USDA.

Capital Assets: Capital assets are recorded at cost at the date of acquisition or acquisition value at the date of donation in the case of gifts. All land is capitalized, regardless of cost. Qualifying improvements that rest in or on the land itself are recorded as depreciable land improvements. Qualifying improvements which are capitalized include major additions and renovations; improvements that add to the usable space; or improvements that extend the useful life of an existing building. The School District capitalizes moveable personal property with a unit value in excess of \$5,000 and a useful life in excess of one year. Routine repairs and maintenance are charged to expenses in the year in which the expense is incurred.

Depreciation is computed using the straight-line method over the estimated lives of the assets, generally 15 to 50 years for buildings and improvements and 5 to 15 years for machinery, equipment and vehicles. Depreciation is prorated six months the year the asset is placed in service and in the year of disposition. The School District does not allocate any depreciation expense directly to any program. Land and construction in progress are not depreciated.

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

Unavailable Revenues: Unavailable revenues arise when assets are recognized before revenue recognition criteria have been satisfied. Delinquent property taxes and property taxes for which there is an enforceable legal claim as of June 30, 2020, but which have not met the revenue recognition criteria, have been recorded as unavailable revenue. On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as unavailable revenue.

Long-Term Obligations: In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expense in the period incurred.

Horry County Schools

Notes to Basic Financial Statements

For the fiscal year ended June 30, 2020

Note 1. Summary of Significant Accounting Policies, Continued

C. Measurement Focus and Basis of Accounting, Continued

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

Compensated Absences: Employee vacation pay and salary-related expenses are accrued at year end for financial statement purposes. The liability and expense incurred are recorded at year end as compensated absences payable in the government-wide Statement of Net Position on a FIFO basis and as a component of the appropriate functional category in the Statement of Activities. Employees can earn up to 45 days for subsequent use or payment upon termination, death or retirement. Sick leave benefits are accrued as a liability using the termination payment method. An accrual for earned sick leave is made to the extent that it is probable that the benefits will result in termination payments. The liability is based on the School District's past experience of making termination payments. The portion of time that is estimated to be used in the next fiscal year has been designated as a current liability in the government-wide financial statements. In prior years, the General Fund has been used to liquidate the liability for compensated absences.

Deferred Outflows/Inflows of Resources: In addition to assets, the Statement of Financial Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the Statement of Financial Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

Changes in net pension liability not included in pension expense and net OPEB liability not included in OPEB expense are reported as deferred outflows of resources or deferred inflows of resources. Employer contributions subsequent to the measurement date of the net pension liability and net OPEB liability are reported as deferred outflows of resources.

Horry County Schools

Notes to Basic Financial Statements

For the fiscal year ended June 30, 2020

Note 1. Summary of Significant Accounting Policies, Continued

C. Measurement Focus and Basis of Accounting, Continued

Pensions: In government-wide financial statements, pensions are required to be recognized and disclosed using the accrual basis of accounting (see Note 9 and the required supplementary information immediately following the notes to the financial statements for more information), regardless of the amount recognized as pension expenditures on the modified accrual basis of accounting. The School District recognizes a net pension liability for each qualified pension plan in which it participates, which represents the excess of the total pension liability over the fiduciary net position of the qualified pension plan, or the School District's proportionate share thereof in the case of a cost-sharing multiple-employer plan, measured as of the School District's fiscal year-end. 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.

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

Fund Balances and Net Position: The School District has five classifications of governmental fund balances: nonspendable, restricted, committed, assigned and unassigned. Where applicable, these classifications are presented on the face of the governmental funds balance sheet.

For the government-wide financial statements the School District applies restricted resources when an expense is incurred for the purposes for which both restricted and unrestricted net position are available. The School District generally requires restricted amounts to be spent first when both restricted and unrestricted (committed, assigned, and unassigned) fund balance is available unless there are legal documents, contracts, or agreements that prohibit doing such. Additionally, the School District generally would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

Horry County Schools

Notes to Basic Financial Statements

For the fiscal year ended June 30, 2020

Note 1. Summary of Significant Accounting Policies, Continued

C. Measurement Focus and Basis of Accounting, Continued

Fund Balances and Net Position, continued: The School District's Board of Education passed a resolution whereby a 15% reserve equal to 15% of the current year General Fund expenditures is to remain in Fund Balance at all times to meet cash flow needs based upon the seasonal receipt of local property tax revenues. The amount of approximately \$64 million for this policy is included in the unassigned fund balance at June 30, 2020.

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources in the Statements of Net Position. Net investment in capital assets consists of capital assets reduced by accumulated depreciation and the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Outstanding debt which has not been spent is included in the same net position component as the unspent proceeds. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Classification of Revenues: The School District has classified its revenues as either operating or non-operating revenues according to the following criteria:

Non-Operating Revenues: Non-operating revenues include activities that have the characteristics of non-exchange transactions. These revenues include gifts and contributions, investment income, and any grants or contracts that are not classified as operating revenue or restricted by the grantor to be used exclusively for other purposes.

Operating Revenues: Operating revenues generally result from exchange transactions related to the School District's principal ongoing operations. These revenues include (1) student tuition and fees received in exchange for providing educational services or (2) grants and contracts that are essentially the same as contracts for services that finance programs the School District would not otherwise undertake.

Use of Estimates: The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the School District's financial position and results of operations and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Horry County Schools

Notes to Basic Financial Statements

For the fiscal year ended June 30, 2020

Note 1. Summary of Significant Accounting Policies, Continued

D. New Accounting Standards

GASB issued Statement No. 84, *Fiduciary Activities* in January 2017. This Statement establishes standards of accounting and financial reporting for fiduciary activities. The requirements of this Statement are effective for periods beginning after December 15, 2019. The District is currently in the process of evaluating the impact of adoption of this guidance on the financial statements.

In June 2018, the GASB issued Statement No. 87, *Leases*, which provides guidance for lease contracts for nonfinancial assets, including vehicles, heavy equipment, and buildings but excludes nonexchange transactions, including donated assets, and leases of intangible assets (such as patents and software licenses). Under the new standard, a lessee entity is required to recognize a lease liability and an intangible asset representing the lessee's right to use the leased asset. A lessor entity is required to recognize a lease receivable and a deferred inflow of resources. A lessor will continue to report the leased asset in its financial statements. The provisions of Statement No. 87 are effective for reporting periods beginning after June 15, 2021. Earlier application is encouraged. The District is currently in the process of evaluating the impact of adoption of this guidance on the financial statements.

Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period* was effective for reporting periods beginning after December 15, 2019 and should be applied prospectively. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. The District adopted this Statement during the year ended June 30, 2020.

In May 2019, the GASB issued Statement No. 91, *Conduit Debt Obligations*, which provides a single method of reporting conduit debt obligations by issuers and eliminates diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The provisions of Statement No. 91 are effective for reporting periods beginning after December 15, 2021. Earlier application is encouraged. The District is currently in the process of evaluating the impact of adoption of this guidance on the financial statements.

In May 2020, GASB issued Statement No. 95, *Postponement of the Effective Date of Certain Authoritative Guidance*. The primary objective of this Statement is to provide temporary relief to governments in light of the COVID-19 pandemic, effective immediately by postponing the effective dates of certain provisions in Statements and Implementation Guides for the following pronouncements:

- Statement No. 83, *Certain Asset Retirement Obligations*
- Statement No 84, *Fiduciary Activities*
- Statement No. 87, *Leases*
- Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*
- Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*
- Statement No. 90, *Majority Equity Interests*
- Statement No. 91, *Conduit Debt Obligations*
- Statement No. 92, *Omnibus 2020*
- Statement No. 93, *Replacement of Interbank Offered Rates*

Horry County Schools

Notes to Basic Financial Statements

For the fiscal year ended June 30, 2020

Note 1. Summary of Significant Accounting Policies, Continued

D. New Accounting Standards, Continued

The District adopted Statement No. 88 during the year ended June 30, 2019 and Statement No. 89 during the year ended June 30, 2020. The effective dates for the standards mentioned above have been updated to reflect the effects of Statement No. 95.

Other accounting standards that have been issued or proposed by the GASB or other standards-setting bodies are not expected to have a material impact on the District's financial position, changes in net position, or cash flows.

E. Subsequent Events

In preparing these financial statements, the School District's management has evaluated events and transactions for potential recognition or disclosure through November 20, 2020, the date the financial statements were available for issuance.

Note 2. Cash and Cash Equivalents, Other Deposits and Investments

The School District follows GASB Statement No. 40, *Deposit and Investment Risk Disclosures*. The Horry County Treasurer is authorized to invest funds held for the School District, which are not needed for immediate disbursement by the School District, in interest bearing accounts or certificates of deposit issued by banking institutions or savings and loan associations licensed to do business in this state or in securities issued by the United States Government.

Custodial Credit Risk for Deposits: This is the risk that in the event of a bank failure, the School District's deposits may not be returned to it. Deposits of the School District are subject to South Carolina state statutes for custodial credit risk. The statutes provide that banks accepting deposits of funds from local government units must furnish an indemnity bond or pledge as collateral obligations of the United States, South Carolina, political subdivisions of South Carolina, the Federal National Mortgage Association, the Federal Home Loan Bank, the Federal Farm Credit Bank, or the Federal Home Loan Mortgage Corporation. In accordance with the aforementioned statute, the School District's policy requires deposits to be secured by collateral valued at market or par, whichever is lower, less the amount of the Federal Deposit Insurance Corporation ("FDIC") insurance. Deposited funds may be invested in demand or time deposits, continuously and fully secured with direct obligations of or obligations guaranteed by the United States of America having a market value not less than the amount of such monies. At June 30, 2020, the carrying amount of the School District's deposits was \$282,322,401 and the bank balance was \$276,579,125. All of these deposits were fully collateralized with securities held by the pledging financial institution's trust department in the School District's name or insured by the Federal Deposit Insurance Corporation.

Interest Rate Risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The School District contracts with a banking institution for a guaranteed interest rate. The School District does not have a formal investment policy that limits investment maturities to reduce its exposure to fair value losses arising from increasing interest rates, but follows the investment policy strategy of the State of South Carolina. Information pertaining to the reported amounts, fair values, maturities, credit risk, interest rate risk and concentration risk is disclosed in the CAFR of the State of South Carolina.

Horry County Schools

Notes to Basic Financial Statements

For the fiscal year ended June 30, 2020

Note 2. Cash and Cash Equivalents, Other Deposits and Investments, Continued

Credit Risk: Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The School District has adopted an investment policy in accordance with state statutes, which authorizes the School 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 association deposits to the extent insured by the FDIC;
4. Certificates of deposit and repurchase agreements collateralized 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 certificates of deposit and repurchase agreements so secured, including interest; and
5. No-load open and closed-end management type investment companies or investment trusts registered under the Investment Company Act of 1940, as amended, where the investment is made by a bank or trust company or savings and loan association or other financial institution when acting as trustee or agent for a bond or other debt issue of that local government unit.

In addition, South Carolina state statutes authorize the School District to invest in the South Carolina Local Government Investment Pool ("SCLGIP"). The SCLGIP is an investment trust fund created by state legislation, in which public monies under the custody of any political subdivision in excess of current needs may be deposited. The SCLGIP is permitted to purchase obligations of the United States, its agencies and instrumentalities, and any corporation within the United States if such obligations bear any of the three highest ratings of at least two nationally recognized rating services. The SCLGIP is a 2a7-like pool, which is not registered with the Securities and Exchange Commission ("SEC") as an investment company, but has a policy that it will operate in a manner consistent with the SEC's rule 2a7 of the Investment Company Act of 1940. The fair value of the School District's position in the SCLGIP approximates the same value of the School District's LGIP shares. The SCLGIP is not rated. The SCLGIP's complete financial statements may be obtained by writing the Office of the State Treasurer, Local Government Investment Pool, Post Office Box 11778, Columbia, South Carolina 29211.

Fair Value of Financial Instruments: The School District categorizes its fair value measurements within the fair value hierarchy established by U.S. GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Amounts on deposit with the Horry County Treasurer are not categorized since they cannot be identified by securities that exist in physical or book entry form. These amounts are subject to the same investment authorizations as the District under state law. The carrying values of these investments approximate fair values. The Horry County Treasurer is responsible for maintaining these investments in accordance with state laws.

Horry County Schools

Notes to Basic Financial Statements

For the fiscal year ended June 30, 2020

Note 3. Tax Abatement (GASB 77)

The School District does not negotiate or enter into an agreement for tax abatements. The School District is subject to any tax abatement agreements entered by Horry County (the "County"). The County provides tax abatement incentives through three programs to encourage economic development, attract new businesses, and retain existing businesses - Fee in Lieu of Tax, Special Source Revenue Credits, and Multi-County Business Parks. There were no tax abatement incentives related to the Multi-County Business Parks program during the year ended June 30, 2020:

- A Fee in Lieu of Tax ("FILOT") is authorized under South Carolina Code Title 12, Chapter 44, Title 4, Chapter 29, or Title 4, Chapter 12. The FILOT is used to encourage investment and provides a reduction of property tax when a business invests a minimum of \$2,500,000 within a 5-6 year investment period (beginning with date property is placed in service, ending five years after the last day of the property tax year in which the property is initially placed in service). The reduction in property taxes is accomplished by a reduction of assessed value, reduction in millage rate and elimination of (or reduction in) number of times millage rates are changed. In addition, an agreement may allow the possible use of net present value method over the term of FILOT to equalize payments. Repayment of incentive is required by state law if taxpayer fails to meet statutory minimum investment requirement. Other recapture provisions may be negotiated (such as a pro rata clawback for failure to meet and/or maintain jobs/investment).
- A Special Source Revenue Credit ("SSRC") is authorized under South Carolina Code Sections 4-29-68, 4-1-170, and 12-44-70. The SSRC is used to encourage investment and provides a credit against property taxes in the form of a percentage reduction or a dollar amount reduction. The County manually applies SSRC to reduce the applicable property tax bill. To receive the credit, a business must incur costs of designing, acquiring, constructing, improving, or expanding improved or unimproved real estate or personal property used in the operation of a manufacturing or commercial enterprise, infrastructure servicing the project, or certain aircraft.

For the fiscal year ended June 30, 2020, the County abated School District property tax revenues of \$415,947 under agreements entered into by the County. The table below summarizes the tax abatements by program:

<u>Tax Abatement Program</u>	<u>Abatement</u>
Fee in lieu of tax ("FILOT")	\$ 386,342
Special Source Revenue Credit ("SSRC")	29,605
Total	<u>\$ 415,947</u>

Horry County Schools

Notes to Basic Financial Statements

For the fiscal year ended June 30, 2020

Note 3. Tax Abatement (GASB 77), Continued

The School District has chosen to disclose information about some of its tax abatement agreements individually. It established a quantitative threshold of 10 percent of the total dollar amount of taxes abated during the year.

- A FILOT agreement with a manufacturer for expansion of their existing facility located in the City of Myrtle Beach. This agreement was completed in 1999. The abatement amounted to \$168,542 during the fiscal year ended June 30, 2020.
- A FILOT agreement with a manufacturer for expansion of their existing facility located in the Atlantic Center Industrial Park. This agreement was completed in 2009. The abatement amounted to \$76,451 during the fiscal year ended June 30, 2020.
- A FILOT agreement with a forest product manufacturer for expansion of their existing facility located in unincorporated area of Horry County. This agreement was completed in 2003. The abatement amounted to \$37,381 during the fiscal year ended June 30, 2020.
- A FILOT agreement with manufacturer for relocation of their existing facility located in unincorporated area of Horry County. This agreement was completed in 2013. The abatement amounted to \$53,433 during the fiscal year ended June 30, 2020.

The School District has not made any commitments as part of the agreements other than to reduce property taxes.

Note 4. Property Taxes

The Horry County Treasurer collects Horry County property taxes for the School District. Taxes are levied on October 1st of each year. They are due and payable without penalty until January 15th. If unpaid on March 16th of the following year, they attach as an enforceable lien on the property at that time. Vehicle taxes are levied on a monthly basis in accordance with guidelines established by the State of South Carolina. Vehicle taxes must be paid prior to the time the vehicle license is renewed.

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

A summary of property taxes receivable as of June 30, 2020, is as follows:

Total property taxes uncollected	\$ 36,950,994
Less allowance for doubtful accounts	<u>(14,780,399)</u>
Net property taxes receivable in the Statement of Net Position	22,170,595
Less collections made within 60 days of year end	<u>(1,700,230)</u>
Total deferred inflows of resources included in the Governmental Funds Balance Sheet	<u>\$ 20,470,365</u>

Horry County Schools

Notes to Basic Financial Statements

For the fiscal year ended June 30, 2020

Note 5. Capital Assets

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

	<u>Balance, July 1, 2019</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance, June 30, 2020</u>
Governmental activities				
Capital assets, not being depreciated:				
Land	\$ 29,999,496	\$ -	\$ -	\$ 29,999,496
Construction in progress	<u>38,463,719</u>	<u>8,442,710</u>	<u>(38,040,643)</u>	<u>8,865,786</u>
Total capital assets, not being depreciated	<u>68,463,215</u>	<u>8,442,710</u>	<u>(38,040,643)</u>	<u>38,865,282</u>
Capital assets, being depreciated:				
Buildings and improvements	1,041,740,540	37,716,611	(432,378)	1,079,024,773
Land improvements	55,104,571	2,424,171	-	57,528,742
Vehicles	12,776,435	277,068	(204,511)	12,848,992
Machinery and equipment	<u>51,551,006</u>	<u>2,471,718</u>	<u>(67,353)</u>	<u>53,955,371</u>
Total capital assets, being depreciated	<u>1,161,172,552</u>	<u>42,889,568</u>	<u>(704,242)</u>	<u>1,203,357,878</u>
Accumulated depreciation:				
Buildings and improvements	(256,420,251)	(21,076,923)	432,378	(277,064,796)
Land improvements	(26,900,982)	(2,312,927)	-	(29,213,909)
Vehicles	(7,733,185)	(1,110,566)	204,511	(8,639,240)
Machinery and equipment	<u>(39,784,182)</u>	<u>(2,446,449)</u>	<u>67,353</u>	<u>(42,163,278)</u>
Total accumulated depreciation	<u>(330,838,600)</u>	<u>(26,946,865)</u>	<u>704,242</u>	<u>(357,081,223)</u>
Governmental activities capital assets, net	<u>\$ 898,797,167</u>	<u>\$ 24,385,413</u>	<u>\$ (38,040,643)</u>	<u>\$ 885,141,937</u>

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

Instruction	\$ 17,106,268
Support services	9,750,508
Community services	<u>90,089</u>
Total depreciation expense - governmental activities	<u>\$ 26,946,865</u>

Horry County Schools

Notes to Basic Financial Statements

For the fiscal year ended June 30, 2020

Note 6. Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2020, is as follows:

	Balance, July 1, 2019	Additions	Reductions	Balance, June 30, 2020	Due Within One Year
Governmental activities					
Bonds payable					
General obligation bonds	\$ 319,975,000	\$ -	\$ (35,710,000)	\$ 284,265,000	\$ 37,535,000
Special obligation bonds	63,875,000	-	(9,360,000)	54,515,000	9,840,000
Plus deferred amounts for issuance premiums	51,540,267	-	(8,028,425)	43,511,842	7,782,506
Total bonds payable	435,390,267	-	(53,098,425)	382,291,842	55,157,506
Compensated absences	4,090,922	2,286,257	(1,909,655)	4,467,524	1,909,655
Governmental activities long-term liabilities	<u>\$ 439,481,189</u>	<u>\$ 2,286,257</u>	<u>\$ (55,008,080)</u>	<u>\$ 386,759,366</u>	<u>\$ 57,067,161</u>

The Debt Service Fund has been used to service all long-term obligations. The General Fund and School Food Service Fund have been used in prior years to liquidate compensated absences.

General and special obligation bonds:

The School District issues bonds to provide funds for the acquisition and construction of major capital facilities for its governmental activities. General obligation bonds of the School District are backed by the full faith, credit, and taxing power of the School District and special obligation bonds are collateralized by the assets acquired with their proceeds. No unusual events of default or termination exist for these debt issuances. Bonds payable consisted of the following at June 30, 2020:

	Original bond issue	Interest rates	Maturity dates	Balance June 30, 2020
Series 2010A	\$ 43,330,000	2.00 - 5.00%	March 1, 2021	\$ 5,710,000
Series 2011A	54,965,000	3.00 - 5.00%	March 1, 2022	14,855,000
Series 2012A	59,455,000	2.00 - 5.00%	March 1, 2030	39,860,000
Series 2015A	110,810,000	3.50 - 5.00%	March 1, 2031	108,535,000
Series 2015B	32,970,000	3.00 - 5.00%	March 1, 2027	21,675,000
Series 2016A	125,000,000	5.00%	March 1, 2025	93,630,000
Series 2016B*	72,780,000	5.00%	March 1, 2025	54,515,000
				<u>\$ 338,780,000</u>

* Special obligation bonds

In June 2020, the Series 2012A general obligation bonds were refinanced through the Series 2022 General Obligation Refunding Bonds. These bonds were issued via a forward delivery agreement where a fixed tax-exempt rate of interest was locked in on the closing date but funds are not delivered until a future date. These bonds were closed in June 2020 but will not be delivered until March 1, 2022. The par amount of these bonds is \$33,235,000 and will be used to pay costs of issuance as well as the remaining principal balance on the existing Series 2012A bonds at the date of delivery. The Series 2022 bonds mature on March 1, 2030 and have a fixed tax-exempt interest rate of 1.79%.

Horry County Schools

Notes to Basic Financial Statements

For the fiscal year ended June 30, 2020

Note 6. Long-Term Liabilities, Continued

The annual requirements to amortize all bonds outstanding at June 30, 2020, including interest payments over the life of the debt are summarized as follows:

	<u>Principal</u>	<u>Premiums</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 47,375,000	\$ 7,782,506	\$ 15,615,500	\$ 70,773,006
2022	46,130,000	7,369,682	13,257,350	66,757,032
2023	48,440,000	6,541,162	11,007,075	65,988,237
2024	50,875,000	6,541,162	8,638,775	66,054,937
2025	53,300,000	6,160,481	6,132,125	65,592,606
2026-2030	77,305,000	8,376,272	11,582,100	97,263,372
2031	<u>15,355,000</u>	<u>740,577</u>	<u>537,425</u>	<u>16,633,002</u>
	<u>\$ 338,780,000</u>	<u>\$ 43,511,842</u>	<u>\$ 66,770,350</u>	<u>\$ 449,062,192</u>

Direct borrowing and placement debt:

None of the School District's debt issuances were direct issuances of the School District.

Legal debt margin:

Constitutionally, the School District is limited in the amount of debt it can hold to 8% of the assessed value of all taxable property within the School District. This constitutional debt limit does not include any debt existing prior to November 30, 1982, or any special obligation debt or debt approved by referendum. At June 30, 2020, the only debt applicable to the debt limitation is related to the Series 2016A issue of \$93,630,000. Based on Horry County's assessed property tax values, the School District is within its debt limit of approximately \$207,554,000 at June 30, 2020.

Note 7. Inter-Fund Balances and Activity

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

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

Horry County Schools

Notes to Basic Financial Statements

For the fiscal year ended June 30, 2020

Note 7. Inter-Fund Balances and Activity, Continued

The District uses a common payroll account in the General fund to pay the salaries of employees for all funds, including the Special Projects and Education Improvement Act funds. Transfers out of the School Food Service fund to the General fund are to cover indirect costs. Transfers out of the Debt Service and General funds to the Capital Projects fund are to fund various approved capital improvement projects at the School District. Inter-fund transfers for the year ended June 30, 2020, consist of the following:

	<u>Transfers In</u>	<u>Transfers Out</u>
General	\$ 13,252,784	\$ 2,823,723
Special Projects	4,910	1,343,632
Education Improvement Act	-	11,596,284
School Food Service	656,592	812,868
Debt Service	-	36,200,000
Capital Projects	<u>38,900,021</u>	<u>37,800</u>
	<u>\$ 52,814,307</u>	<u>\$ 52,814,307</u>

Note 8. Fund Balances and Net Position

The fund balances/net position have been classified to reflect the limitations and restrictions placed on the respective funds as follows:

Governmental fund financial statements

Fund balance - Non-spendable - includes amounts that inherently cannot be spent either because it is not in spendable form (i.e., prepaids, inventories, etc.) or because of legal or contractual requirements (i.e., principal on an endowment, etc.).

Fund balances - Restricted - includes amounts that are constrained by specific purposes which are externally imposed by (a) other governments through laws and regulations, (b) grantors or contributions through agreements, (c) creditors through debt covenants or other contracts, or (d) imposed by law through constitutional provisions or enabling legislation.

Fund balances - Committed - includes amounts that are constrained by specific purposes that are internally imposed by the School District through formal action made by the highest level of decision-making authority (the Board of Education) before the end of the reporting period. The committed amounts cannot be used for any other purpose unless the School District removes or changes the specified use by taking the same type of action it employed to previously commit the amounts.

Fund balances - Assigned - includes amounts that are intended to be used for specific purposes that are neither considered restricted or committed and that such assignments are made before the report issuance date. The Board of Education allows the School District's Chief Financial Officer the right to make assignments of fund balance for the School District.

Fund balances - Unassigned - includes amounts that do not qualify to be accounted for and reported in any of the other fund balance categories. This classification represents the amount of fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. The General Fund should be the only fund that reports a positive unassigned fund balance amount.

Horry County Schools

Notes to Basic Financial Statements

For the fiscal year ended June 30, 2020

Note 8. Fund Balances and Net Position, Continued

Government-wide financial statements, continued

Net investment in capital assets - This represents the School District's net investment in capital assets, reduced by the outstanding debt obligations related to those capital assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of invested in capital assets, net of related debt. Details of net investment in capital assets are:

	Governmental Activities
Capital assets, net of depreciation	\$ 885,141,937
Capital-related debt:	
Less: bonds, notes and loans	(338,780,000)
Less: premiums and discounts	(43,511,842)
Add: deferred charges on bond refundings	7,875,271
Less: accounts and retainages payable	(3,705,082)
Add: unspent debt proceeds*	-
Net investment in capital assets	<u>\$ 507,020,284</u>

**All cash in the capital projects fund at 6/30/20 is related to the 1% sales tax and, thus, is appropriately excluded from the calculation of net investment in capital assets above.*

Restricted net position (expendable) - represents resources in which the School District is legally or contractually obligated to spend in accordance with restrictions imposed by third parties.

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

Unrestricted net position - represents resources derived from ad valorem taxes, earnings on investments, and various local and state unrestricted grants, contracts and revenues.

Horry County Schools

Notes to Basic Financial Statements

For the fiscal year ended June 30, 2020

Note 8. Fund Balances and Net Position, Continued

Government-wide financial statements, continued

	General Fund	Special Revenue Funds	Debt Service Fund	Capital Projects Fund	Total
Nonspendable:					
Inventories	\$ 786,420	\$ 1,046,546	\$ -	\$ -	\$ 1,832,966
Prepaid items	4,913,672	36,389	-	512,608	5,462,669
	<u>5,700,092</u>	<u>1,082,935</u>	<u>-</u>	<u>512,608</u>	<u>7,295,635</u>
Restricted for:					
Afterschool childcare	-	996,416	-	-	996,416
School food service	-	4,233,418	-	-	4,233,418
Debt service	-	-	45,033,211	-	45,033,211
Capital projects	-	-	-	56,008,022	56,008,022
	<u>-</u>	<u>5,229,834</u>	<u>45,033,211</u>	<u>56,008,022</u>	<u>106,271,067</u>
Assigned to:					
Subsequent year expenditures	18,569,035	-	-	-	18,569,035
Carryover school budgets	764,874	-	-	-	764,874
	<u>19,333,909</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,333,909</u>
Unassigned	102,635,215	(10,173)	-	-	102,625,042
	<u>\$ 127,669,216</u>	<u>\$ 6,302,596</u>	<u>\$ 45,033,211</u>	<u>\$ 56,520,630</u>	<u>\$ 235,525,653</u>

Note 9. Pension Plans

Description of the entity:

The South Carolina Public Employee Benefit Authority ("PEBA"), created July 1, 2012, is the state agency responsible for the administration and management of the various Retirement Systems and retirement programs of the state of South Carolina, including the State Optional Retirement Program and the S.C. Deferred Compensation Program, as well as the state's employee insurance programs. As such, PEBA is responsible for administering the South Carolina Retirement Systems' five defined benefit pension plans.

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

Horry County Schools

Notes to Basic Financial Statements

For the fiscal year ended June 30, 2020

Note 9. Pension 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, higher education institutions, other participating local subdivisions of government and individuals newly elected to the South Carolina General Assembly at or after the 2012 general election.

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

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

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

Membership:

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

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

Horry County Schools

Notes to Basic Financial Statements

For the fiscal year ended June 30, 2020

Note 9. Pension Plans, Continued

Membership, continued:

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

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

Benefits:

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

Horry County Schools

Notes to Basic Financial Statements

For the fiscal year ended June 30, 2020

Note 9. Pension Plans, Continued

Benefits, continued:

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.

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. Employee contribution rates are capped at 9.00 percent for SCRS and 9.75 percent for PORS. Employer contribution rates are scheduled to increase by a minimum of one percentage point each year through July 1, 2022. If the scheduled contributions are not sufficient to meet the funding periods set in state statute, the board shall increase the employer contribution rates as necessary to meet the funding periods set for the applicable year. The maximum funding period of SCRS and PORS is scheduled to be reduced over a ten-year schedule from 30 years beginning fiscal year 2018 to 20 years by fiscal year 2028.

Additionally, the Board is prohibited from decreasing the SCRS and PORS contribution rates until the funded ratio is at least 85 percent.

Required **employee** contribution rates¹ are as follows:

	<u>Fiscal Year 2020¹</u>	<u>Fiscal Year 2019¹</u>
SCRS		
Employee Class Two	9.00%	9.00%
Employee Class Three	9.00%	9.00%
State ORP		
Employee	9.00%	9.00%
PORS		
Employee Class Two	9.75%	9.75%
Employee Class Three	9.75%	9.75%

Horry County Schools

Notes to Basic Financial Statements

For the fiscal year ended June 30, 2020

Note 9. Pension Plans, Continued

Contributions, continued:

Required **employer** contribution rates¹ are as follows:

	<u>Fiscal Year 2020¹</u>	<u>Fiscal Year 2019¹</u>
SCRS		
Employer Class Two	15.41%	14.41%
Employer Class Three	15.41%	14.41%
Employer Incidental Death Benefit	0.15%	0.15%
State ORP		
Employer Contribution ²	15.41%	14.41%
Employer Incidental Death Benefit	0.15%	0.15%
PORS		
Employer Class Two	17.84%	16.84%
Employer Class Three	17.84%	16.84%
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.

Contributions to the SCRS, ORP, and PORS pension plans from the District were \$40,873,002 for the year ended June 30, 2020.

Non-employer contributions:

Employer's proportionate shares were calculated on the basis of employer contributions remitted to the plan by employers and non-employer contributions appropriated in the State's budget. In an effort to offset a portion of the burden of the increased contribution requirement for employers, the General Assembly provided funding in fiscal years 2018, 2019 and 2020 for credit towards employer contributions for most employers participating in SCRS. For the year ended June 30, 2019 measurement period, PEBA provided non-employer contributions to the District in the amount of \$2,623,804 which is shown as a reduction of net pension liability and other grant revenue in the year ended June 30, 2020 which are presented on the economic resources measurement focus and accrual basis of accounting.

Pension expense:

For the year ended June 30, 2020, the District recognized pension expense for the SCRS and PORS plans of \$66,084,452 and \$52,247, respectively. The District recognized pension expense in the aggregate of \$66,136,699 for the year ended June 30, 2020.

Horry County Schools

Notes to Basic Financial Statements

For the fiscal year ended June 30, 2020

Note 9. Pension Plans, Continued

Actuarial assumptions and methods:

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

The June 30, 2019, total pension liability ("TPL"), 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, 2018. The TPL was rolled-forward from the valuation date to the plans' fiscal year end, June 30, 2019, using generally accepted actuarial principles.

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

	SCRS	PORS
Actuarial cost method	Entry age normal	Entry age normal
Investment rate of return ¹	7.25%	7.25%
Projected salary increases	3.0% to 12.5% (varies by service) ¹	3.5% to 9.5% (varies by service) ¹
Benefit adjustments	lesser of 1% or \$500 annually	Lessor of 1% or \$500 annually

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

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

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

Horry County Schools

Notes to Basic Financial Statements

For the fiscal year ended June 30, 2020

Note 9. Pension Plans, Continued

Net pension liability:

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

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

The TPL is calculated by the System's actuary, and each plan's fiduciary net position is reported in the System's 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, 2020, the District reported a liability of \$577,054,025 and \$473,132 for its proportionate share of the SCRS and PORS NPL, respectively. The District's proportionate share of the NPL was based on a projection of the District's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined.

At June 30, 2019, the District's proportionate share of the SCRS and PORS plans' net pension liabilities were 2.53 percent and 0.02 percent, respectively, which was consistent with its proportionate share measured as of June 30, 2018.

Deferred inflows of resources and deferred outflows of resources:

At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	SCRS	
	Deferred outflows of resources	Deferred inflows of resources
Differences between expected and actual experience	\$ 396,669	\$ 4,145,453
Changes of assumptions	11,628,473	-
Net difference between projected and actual earnings on pension plan investments	5,108,854	-
Changes in proportion and differences between District contributions and proportionate share of contributions	2,855,167	1,126,730
District contributions subsequent to the measurement date	40,830,063	-
Total	<u>\$ 60,819,226</u>	<u>\$ 5,272,183</u>

Horry County Schools

Notes to Basic Financial Statements

For the fiscal year ended June 30, 2020

Note 9. Pension Plans, Continued

Deferred inflows of resources and deferred outflows of resources, continued:

	PORS	
	Deferred outflows of resources	Deferred inflows of resources
Differences between expected and actual experience	\$ 9,729	\$ 3,497
Changes of assumptions	18,762	-
Net difference between projected and actual earnings on pension plan investments	5,999	-
Changes in proportion and differences between District contributions and proportionate share of contributions	236	36,012
District contributions subsequent to the measurement date	42,939	-
Total	<u>\$ 77,665</u>	<u>\$ 39,509</u>

The District reported \$40,830,063 and \$42,939 as of June 30, 2020 as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date for the SCRS and PORS plans, respectively, will be recognized as a reduction of the net pension liability in the year ending June 30, 2021.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows for the SCRS and PORS plans, respectively:

	SCRS
2021	\$ 15,905,262
2022	(3,727,400)
2023	576,481
2024	1,962,637
	<u>\$ 14,716,980</u>
	PORS
2021	\$ 6,105
2022	(6,987)
2023	(4,681)
2024	780
	<u>\$ (4,783)</u>

Long-term expected rate of return:

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

Horry County Schools

Notes to Basic Financial Statements

For the fiscal year ended June 30, 2020

Note 9. Pension Plans, Continued

Long-term expected rate of return, continued:

The expected returns, along with the expected inflation rate, form the basis for the target asset allocation adopted at the beginning of the 2019 fiscal year. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and adding expected inflation and is summarized in the table below. For actuarial purposes, the 7.25 percent assumed annual investment rate of return used in the calculation of the TPL includes a 5 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
Global Equity:	51.0%		
Global Public Equity	35.0%	7.29%	2.55%
Private Equity	9.0%	7.67%	0.69%
Equity Options Strategies	7.0%	5.26%	0.37%
Real Assets:	12.0%		
Real Estate (Private)	8.0%	5.59%	0.45%
Real Estate (REITs)	1.0%	8.16%	0.08%
Infrastructure (Private)	2.0%	5.03%	0.10%
Infrastructure (Public)	1.0%	6.12%	0.06%
Opportunistic:	8.0%		
Global Tactical Asset Allocation	7.0%	3.09%	0.22%
Other Opportunistic Strategies	1.0%	3.82%	0.04%
Credit:	15.0%		
High Yield Bonds/Bank Loans	4.0%	3.14%	0.13%
Emerging Markets Debt	4.0%	3.31%	0.13%
Private Debt	7.0%	5.49%	0.38%
Rate Sensitive:	14.0%		
Core Fixed Income	13.0%	1.62%	0.21%
Cash and Short Duration (Net)	1.0%	0.31%	0.00%
Total expected return	100.0%		5.41%
Inflation for actuarial purposes			2.25%
			7.66%

Discount rate:

The discount rate used to measure the TPL was 7.25 percent. The long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL.

Horry County Schools

Notes to Basic Financial Statements

For the fiscal year ended June 30, 2020

Note 9. Pension Plans, Continued

Sensitivity analysis:

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

Sensitivity of the Net Pension Liability to Changes in the Discount Rate			
System	1.00% Decrease (6.25%)	Discount Rate (7.25%)	1.00% Increase (8.25%)
SCRS	\$ 726,967,316	\$ 577,054,025	\$ 451,942,697
PORS	\$ 641,206	\$ 473,132	\$ 335,437

Additional financial and actuarial information

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

Note 10. Post-Employment Benefits Other Than Pensions (OPEB)

General information:

The District also participates in the State of South Carolina's employee insurance programs. As previously discussed, PEBA – Insurance Benefits is a state agency responsible for the administration and management of the state's employee insurance programs, other post-employment benefits trusts and retirement systems and is considered a division of the State of South Carolina primary government (the "State"), and therefore, the financial information of the South Carolina Retiree Health Insurance Trust Fund ("SCRHITF") and the South Carolina Long-Term Disability Insurance Trust Fund ("SCLTDITF") is also included in the CAFR of the State.

Plan descriptions:

The Other Post-Employment Benefits Trust Funds ("OPEB Trusts"), collectively refers to the SCRHITF and the 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.

Horry County Schools

Notes to Basic Financial Statements

For the fiscal year ended June 30, 2020

Note 10. Post-Employment Benefits Other Than Pensions (OPEB), Continued

Plan descriptions, continued:

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

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

Benefits:

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

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

Contributions and funding policies:

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

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

Horry County Schools

Notes to Basic Financial Statements

For the fiscal year ended June 30, 2020

Note 10. Post-Employment Benefits Other Than Pensions (OPEB), Continued

Contributions and funding policies, continued:

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

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

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

Contributions to the SCRHITF and SCLTDITF plans from the District were \$16,945,786 and \$205,977 for the year ended June 30, 2020, respectively.

Net OPEB liability and OPEB expense:

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

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

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

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.

Horry County Schools

Notes to Basic Financial Statements

For the fiscal year ended June 30, 2020

Note 10. Post-Employment Benefits Other Than Pensions (OPEB), Continued

Net OPEB liability and OPEB expense, continued:

At June 30, 2020, the District reported a liability of \$482,304,202 and \$54,155 for its proportionate share of the SCRHITF and SCLTDITF net OPEB liabilities, respectively, measured at June 30, 2019.

At June 30, 2019, the District's proportionate share of the SCRHITF and SCLTDITF plans' net OPEB liabilities were 3.19 percent and 2.75 percent, respectively, which was an increase of 0.01 percent and decrease of 0.01 percent, respectively, from its proportionate share measured as of June 30, 2018.

For the year ended June 30, 2020, the District recognized OPEB expense of \$30,271,556 and \$224,967 for the SCRHITF and SCLTDITF plans, respectively. The District recognized OPEB expense in the aggregate of \$30,496,523 for the year ended June 30, 2020.

Actuarial assumptions and methods:

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

Projections of benefits for financial reporting purposes are based on the substantive plans (as understood by the employer and plan participants) and include the type 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.

Horry County Schools

Notes to Basic Financial Statements

For the fiscal year ended June 30, 2020

Note 10. Post-Employment Benefits Other Than Pensions (OPEB), Continued

Actuarial assumptions and methods, continued:

Additional information as of the latest actuarial valuation for SCRHITF:

SCRHITF:

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

Horry County Schools

Notes to Basic Financial Statements

For the fiscal year ended June 30, 2020

Note 10. Post-Employment Benefits Other Than Pensions (OPEB), Continued

Actuarial assumptions and methods, continued:

Additional information as of the latest actuarial valuation for SCLTDITF:

SCLTDITF:

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

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

Single discount rate:

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

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

Horry County Schools

Notes to Basic Financial Statements

For the fiscal year ended June 30, 2020

Note 10. Post-Employment Benefits Other Than Pensions (OPEB), Continued

Long-term expected rate of return:

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

SCRHITF

Asset Class	Target Asset Allocation	Expected Arithmetic Real Rate of Return	Allocation-Weighted Long-Term Expected Real Rate of Return
U.S. Domestic Fixed Income	80.00%	0.60%	0.48%
Cash equivalents	20.00%	0.10%	0.02%
Total	100.00%		0.50%
Expected Inflation			2.25%
Total Return			2.75%
Investment Return Assumption			2.75%

SCLTDITF

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

Horry County Schools

Notes to Basic Financial Statements

For the fiscal year ended June 30, 2020

Note 10. Post-Employment Benefits Other Than Pensions (OPEB), Continued

Sensitivity analysis:

The following tables present the SCRHITF's net OPEB liability calculated using a Single Discount Rate of 3.13%, as well as what the plan's net OPEB liability would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher. In addition, regarding the sensitivity of the SCRHITF's net OPEB liability to changes in the healthcare cost trend rates, the following table presents the plan's net OPEB liability, calculated using the assumed trend rates as well as what the plan's net OPEB liability would be if were calculated using a trend rate that is one percent lower or one percent higher.

	1% Decrease 2.13%	Current Discount Rate 3.13%	1% Increase 4.13%
SCRHITF Net OPEB Liability	\$ 571,765,727	\$ 482,304,202	\$ 410,507,617
	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
SCRHITF Net OPEB Liability	\$ 393,611,753	\$ 482,304,202	\$ 597,807,971

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

	1% Decrease 2.04%	Current Discount Rate 3.04%	1% Increase 4.04%
SCLTDITF Net OPEB Liability	\$ 93,153	\$ 54,155	\$ 15,470

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

Horry County Schools

Notes to Basic Financial Statements

For the fiscal year ended June 30, 2020

Note 10. Post-Employment Benefits Other Than Pensions (OPEB), Continued

Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB:

At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	SCRHITF	
	Deferred outflows of resources	Deferred inflows of resources
Differences between expected and actual experience	\$ 5,679,240	\$ 15,677,483
Changes of assumptions	31,914,471	29,866,897
Net difference between projected and actual earnings on OPEB plan investments	564,177	-
Changes in proportion and differences between District contributions and proportionate share of contributions	4,924,105	4,144
District contributions subsequent to the measurement date	16,945,786	-
Total	<u>\$ 60,027,779</u>	<u>\$ 45,548,524</u>

	SCLTDITF	
	Deferred outflows of resources	Deferred inflows of resources
Differences between expected and actual experience	\$ -	\$ 37,685
Changes of assumptions	30,463	4,826
Net difference between projected and actual earnings on OPEB plan investments	1,453	-
Changes in proportion and differences between District contributions and proportionate share of contributions	-	9,523
District contributions subsequent to the measurement date	205,977	-
Total	<u>\$ 237,893</u>	<u>\$ 52,034</u>

Of the total amount reported as deferred outflows of resources related to OPEB, \$17,151,763 resulting from District contributions subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the collective net OPEB liability in the year ended June 30, 2021.

Horry County Schools

Notes to Basic Financial Statements

For the fiscal year ended June 30, 2020

Note 10. Post-Employment Benefits Other Than Pensions (OPEB), Continued

Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB, continued:

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

	<u>SCRHITF</u>
2021	\$ (2,010,908)
2022	(2,010,908)
2023	(2,196,488)
2024	(2,490,563)
2025	2,611,607
Thereafter	<u>3,630,729</u>
	<u>\$ (2,466,531)</u>
	<u>SCLTDITF</u>
2021	\$ 2,709
2022	2,709
2023	(3,300)
2024	(11,025)
2025	(2,590)
Thereafter	<u>(8,621)</u>
	<u>\$ (20,118)</u>

Additional financial and actuarial information:

Information contained in these notes were compiled from the OPEB Trust Funds audited financial statements for the fiscal year ended June 30, 2019, and the accounting and financial reporting actuarial valuations as of June 30, 2019. Additional financial is available in the OPEB Trust Funds audited financial statements.

Note 11. Funding Flexibility

The State of South Carolina passed a Joint Resolution to provide funding flexibility for the fiscal year ended June 30, 2020. Under the resolution, school districts may transfer revenue between programs to any instructional program with the same funding source and may make expenditures for instructional programs and essential operating costs from any state source without regard to fund type except school building bond funds. Certain funds and other exceptions apply. The School District used this flexibility for the current fiscal year by making certain transfers allowed under the Joint Resolution. The impact of applying funding flexibility to the School District's General Fund was not measured.

Horry County Schools

Notes to Basic Financial Statements

For the fiscal year ended June 30, 2020

Note 12. Risk Management

The School District is exposed to various risks of loss and maintains State and other insurance coverage for each of these risks. Management believes such coverage is sufficient to preclude any significant uninsured losses for the covered risks. Settlement claims have not exceeded this coverage in any of the past three years.

The School District believes it is more economical to manage its workers' compensation claims through the South Carolina School Boards Insurance Trust/Workers Compensation Trust Fund ("SCSBIT/WCTF"), a public entity risk pool comprised of member school districts in the State of South Carolina. This entity is operating as a common risk management and insurance program. The School District pays an annual premium to SCSBIT/WCTF for its workers' compensation insurance coverage based upon the total payroll of the School District for each plan year. The Agreement for Formation of the SCSBIT/WCTF provides that the SCSBIT/WCTF will be self-sustaining through member premiums and deficiencies can be charged back to the member districts in the event a fund deficit arises. Insurance settlements have not exceeded insurance coverage for the past three years.

The School District obtains coverage for its property and casualty insurance through the South Carolina Insurance Reserve Fund. There have been no significant reductions in insurance coverage over the prior years.

Note 13. Commitments and Contingencies

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount of expenditures, which may be disallowed by the grantor cannot be determined at this time although the School District expects such amounts, if any, to be immaterial.

The School District is a defendant in several routine tort and personnel dismissal claims. All of the claims are covered by insurance. Management believes that none of the claims will result in any material loss to the School District.

The School District is also a co-plaintiff in an action against the City of Myrtle Beach related to tax increment financing ("TIF") funds the School District believes were misspent. Management expects a complete disposition of the case by June 30, 2021.

In addition, there is an open investigation regarding the District's selection of First Floor Energy Positive as the builder of the five high performance, energy-positive schools. The inquiry was assigned to the South Carolina Law Enforcement Division ("SLED") by the South Carolina Attorney General's Office based upon a citizen's complaint the Attorney General's Office had received regarding the five new schools. The Horry County Board of Education and the District Administration have and will continue to work cooperatively with SLED as it investigates matters concerning the construction of the five new schools. The investigation is ongoing and at this point the School District is unable to estimate any potential outcome of the investigation.

The School District has entered into leases for office equipment for several schools which are generally cancelable within one year that the School District has elected to treat as operating leases.

Horry County Schools

Notes to Basic Financial Statements

For the fiscal year ended June 30, 2020

Note 13. Commitments and Contingencies, Continued

The School District has entered into contracts and agreements with contractors and builders for various capital projects throughout the School District including, but not limited to the following: flooring and painting improvements, HVAC enhancements, and the construction/renovation of facilities. The outstanding contract balance is included in restricted fund balance for contracts in the capital projects fund.

Several capital projects are in process at June 30, 2020. A summary of the contracts in process by location is as follows:

	<u>Contract Amount</u>	<u>Expended as of June 30, 2020</u>	<u>Remaining Commitment</u>
Ten Oaks Middle	\$ 46,820,731	\$ 46,812,727	\$ 8,004
Myrtle Beach Middle	45,688,383	45,641,329	47,054
Socastee Middle	43,654,620	43,644,620	10,000
Socastee Elementary	37,703,015	37,681,361	21,654
All others < \$15,000,000 per location	8,032,634	4,082,095	3,950,539
	<u>\$ 181,899,383</u>	<u>\$ 177,862,132</u>	<u>\$ 4,037,251</u>

Note 14. Uncertainty Due to COVID-19

The 2019 novel coronavirus (or "COVID-19") has adversely affected, and may continue to adversely affect economic activity globally, nationally and locally. It is unknown the extent to which COVID-19 may spread, may have a destabilizing effect on financial and economic activity and may increasingly have the potential to negatively impact the School District's funding, demand for the School District's services, and the U.S. economy. These conditions could adversely affect the School District's business, financial condition, and results of operations. Further, COVID-19 may result in health or other government authorities requiring the closure of the School District's operations or other businesses of the School District's suppliers and funding agencies, which could significantly disrupt the School District's operations and the operations of the School District's funding agencies. The extent of the adverse impact of the COVID-19 outbreak on the School District cannot be predicted at this time.

This page is intentionally blank.

REQUIRED SUPPLEMENTARY INFORMATION

This page is intentionally blank.

Horry County Schools**Budgetary Comparison Schedule - General Fund****For the year ended June 30, 2020**

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Local sources	\$ 211,301,148	\$ 211,536,692	\$ 222,852,619	\$ 11,315,927
Intergovernmental	115,969	115,969	120,167	4,198
State sources	204,209,041	204,209,379	210,037,349	5,827,970
Federal sources	775,053	775,053	604,791	(170,262)
Total revenues	416,401,211	416,637,093	433,614,926	16,977,833
Expenditures				
Instruction	276,924,619	279,199,506	262,733,872	16,465,634
Support services	160,538,815	163,162,669	150,477,494	12,685,175
Community services	32,774	42,750	42,651	99
Intergovernmental	8,016,795	8,016,795	7,735,123	281,672
Capital outlay	2,841,099	6,904,863	3,102,044	3,802,819
Total expenditures	448,354,102	457,326,583	424,091,184	33,235,399
Excess (deficiency) of revenues over (under) expenditures	(31,952,891)	(40,689,490)	9,523,742	50,213,232
Other financing sources (uses)				
Transfers in	14,207,841	14,207,913	13,252,784	(955,129)
Transfers out	(815,259)	(3,015,280)	(2,823,723)	191,557
Total other financing sources (uses)	13,392,582	11,192,633	10,429,061	(763,572)
Net change in fund balances	\$ (18,560,309)	\$ (29,496,857)	19,952,803	\$ 49,449,660
Fund balance, beginning of year			107,716,413	
Fund balance, end of year			\$ 127,669,216	

Footnote: Accounting principles generally accepted in the United States of America serve as the budgetary basis of accounting.

Horry County Schools**Budgetary Comparison Schedule - Special Revenue Fund - Special Projects Fund****For the year ended June 30, 2020**

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Local sources	\$ 2,350,851	\$ 6,232,884	\$ 3,383,282	\$ (2,849,602)
Intergovernmental	-	-	2,040	2,040
State sources	3,007,955	3,453,188	7,235,847	3,782,659
Federal sources	30,652,973	38,249,875	31,903,732	(6,346,143)
Total revenues	36,011,779	47,935,947	42,524,901	(5,411,046)
Expenditures				
Instruction	24,788,360	28,633,814	24,874,447	3,759,367
Support services	7,722,794	12,111,450	9,401,363	2,710,087
Community services	2,357,515	2,426,439	1,465,446	960,993
Intergovernmental	323,830	821,512	4,779,610	(3,958,098)
Capital outlay	84,077	2,033,200	1,125,288	907,912
Total expenditures	35,276,576	46,026,415	41,646,154	4,380,261
Excess of revenues over expenditures	735,203	1,909,532	878,747	(1,030,785)
Other financing sources (uses)				
Transfers in	-	-	4,910	4,910
Transfers out	(735,203)	(1,909,532)	(1,343,632)	565,900
Total other financing sources (uses)	(735,203)	(1,909,532)	(1,338,722)	570,810
Net change in fund balances	\$ -	\$ -	(459,975)	\$ (459,975)
Fund balance, beginning of year			1,482,528	
Fund balance, end of year			\$ 1,022,553	

Footnote: Accounting principles generally accepted in the United States of America serve as the budgetary basis of accounting.

Horry County Schools**Budgetary Comparison Schedule - Special Revenue Fund - Education Improvement Act Fund****For the year ended June 30, 2020**

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
State sources	\$ 30,535,281	\$ 35,412,845	\$ 29,876,287	\$ (5,536,558)
Total revenues	30,535,281	35,412,845	29,876,287	(5,536,558)
Expenditures				
Instruction	14,752,837	16,657,666	13,235,100	3,422,566
Support services	3,004,418	5,140,935	3,582,386	1,558,549
Intergovernmental	348,896	874,559	919,668	(45,109)
Capital outlay	231,500	455,120	542,849	(87,729)
Total expenditures	18,337,651	23,128,280	18,280,003	4,848,277
Excess of revenues over expenditures	12,197,630	12,284,565	11,596,284	(688,281)
Other financing uses				
Transfers out	(12,197,630)	(12,284,565)	(11,596,284)	688,281
Total other financing uses	(12,197,630)	(12,284,565)	(11,596,284)	688,281
Net change in fund balances	\$ -	\$ -	-	\$ -
Fund balance, beginning of year			-	
Fund balance, end of year			\$ -	

Footnote: Accounting principles generally accepted in the United States of America serve as the budgetary basis of accounting.

Horry County Schools**Budgetary Comparison Schedule - Special Revenue Fund - School Food Service Fund****For the year ended June 30, 2020**

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Local sources	\$ 5,027,763	\$ 5,072,263	\$ 3,506,943	\$ (1,565,320)
State sources	15,500	15,500	-	(15,500)
Federal sources	16,956,947	17,089,950	15,351,982	(1,737,968)
Total revenues	22,000,210	22,177,713	18,858,925	(3,318,788)
Expenditures				
Support services	20,797,767	21,330,936	20,002,099	1,328,837
Intergovernmental	-	-	121,029	(121,029)
Capital outlay	611,948	256,282	193,266	63,016
Total expenditures	21,409,715	21,587,218	20,316,394	1,270,824
Excess (deficiency) of revenues over (under) expenditures	590,495	590,495	(1,457,469)	(2,047,964)
Other financing sources (uses)				
Transfers in	687,009	687,009	656,592	(30,417)
Transfers out	(1,275,080)	(1,275,080)	(812,868)	462,212
Total other financing sources (uses)	(588,071)	(588,071)	(156,276)	431,795
Net change in fund balances	\$ 2,424	\$ 2,424	(1,613,745)	\$ (1,616,169)
Fund balance, beginning of year			6,893,788	
Fund balance, end of year			\$ 5,280,043	

Footnote: Accounting principles generally accepted in the United States of America serve as the budgetary basis of accounting.

Horry County Schools***Schedule of the District's Proportionate Share of the Net Pension Liability******For the year ended June 30, 2020***

	SCRS									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
District's proportion of the net pension liability	2.52715%	2.52559%	2.50065%	2.52242%	2.51573%	2.56084%	2.56084%	N/A	N/A	N/A
District's proportionate share of the net pension liability	<u>\$ 577,054,025</u>	<u>\$ 565,904,368</u>	<u>\$ 562,936,306</u>	<u>\$ 538,784,122</u>	<u>\$ 477,120,324</u>	<u>\$ 440,892,267</u>	<u>\$ 459,323,882</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
District's covered payroll during the measurement period	<u>\$ 278,710,739</u>	<u>\$ 273,530,206</u>	<u>\$ 265,112,547</u>	<u>\$ 256,766,931</u>	<u>\$ 220,703,321</u>	<u>\$ 217,871,216</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
District's proportionate share of the net pension liability as a percentage of its covered payroll	207.04406%	206.88917%	212.33861%	209.83392%	216.18176%	202.36371%	N/A	N/A	N/A	N/A
Plan fiduciary net position as a percentage of the total pension liability	54.40%	54.10%	53.30%	52.91%	56.99%	59.92%	56.39%	N/A	N/A	N/A

	PORS									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
District's proportion of the net pension liability	0.01651%	0.01742%	0.01794%	0.01953%	0.01945%	0.02015%	0.02015%	N/A	N/A	N/A
District's proportionate share of the net pension liability	<u>\$ 473,132</u>	<u>\$ 493,581</u>	<u>\$ 491,340</u>	<u>\$ 495,298</u>	<u>\$ 423,868</u>	<u>\$ 385,757</u>	<u>\$ 417,704</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
District's covered payroll during the measurement period	<u>\$ 239,453</u>	<u>\$ 240,854</u>	<u>\$ 241,521</u>	<u>\$ 248,943</u>	<u>\$ 240,929</u>	<u>\$ 238,010</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
District's proportionate share of the net pension liability as a percentage of its covered payroll	197.58839%	204.92954%	203.43573%	198.96040%	175.93067%	162.07596%	N/A	N/A	N/A	N/A
Plan fiduciary net position as a percentage of the total pension liability	62.70%	61.70%	60.90%	60.44%	64.57%	67.55%	62.98%	N/A	N/A	N/A

Footnote: This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten year trend is compiled, the School District will present information for which information is available.

Horry County Schools***Schedule of District Contributions - SCRS and PORS******For the year ended June 30, 2020***

	SCRS									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Contractually required contribution	\$ 40,830,063	\$ 36,222,790	\$ 32,706,666	\$ 29,136,600	\$ 27,015,407	\$ 25,710,929	\$ 24,644,067	N/A	N/A	N/A
Contributions in relation to the contractually required contribution	40,830,063	36,222,790	32,706,666	29,136,600	27,015,407	25,710,929	24,644,067	N/A	N/A	N/A
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N/A	N/A	N/A
Entity's covered payroll	\$ 290,999,153	\$ 278,710,739	\$ 273,530,206	\$ 265,112,547	\$ 256,766,931	\$ 220,703,321	\$ 217,871,216	N/A	N/A	N/A
Contributions as a percentage of covered payroll	14.03099%	12.99655%	11.95724%	10.99028%	10.52137%	11.64954%	11.31130%	N/A	N/A	N/A
	PORS									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Contractually required contribution	\$ 42,939	\$ 38,722	\$ 39,117	\$ 34,393	\$ 34,205	\$ 32,309	\$ 31,117	N/A	N/A	N/A
Contributions in relation to the contractually required contribution	42,939	38,722	39,117	34,393	34,205	32,309	31,117	N/A	N/A	N/A
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N/A	N/A	N/A
Entity's covered payroll	\$ 249,443	\$ 239,453	\$ 240,854	\$ 241,521	\$ 248,943	\$ 240,929	\$ 238,010	N/A	N/A	N/A
Contributions as a percentage of covered payroll	17.93209%	16.17100%	16.24096%	14.24017%	13.74009%	13.41017%	13.07382%	N/A	N/A	N/A

Footnote: This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten year trend is compiled, the School District will present information for which information is available.

Horry County Schools*Schedule of the District's Proportionate Share of the Net OPEB Liability**For the year ended June 30, 2020*

	SCRHITF									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
District's proportion of the net OPEB liability	3.18952%	3.17463%	3.14667%	3.14667%	N/A	N/A	N/A	N/A	N/A	N/A
District's proportionate share of the net OPEB liability	<u>\$ 482,304,202</u>	<u>\$ 449,863,641</u>	<u>\$ 426,211,839</u>	<u>\$ 455,280,647</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
District's covered payroll during the measurement period	<u>\$ 278,950,193</u>	<u>\$ 273,771,060</u>	<u>\$ 265,354,068</u>	<u>\$ 257,015,874</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
District's proportionate share of the net OPEB liability as a percentage of its covered payroll	172.89976%	164.32111%	160.62005%	177.14106%	N/A	N/A	N/A	N/A	N/A	N/A
Plan fiduciary net position as a percentage of the total OPEB liability	8.44%	7.91%	7.60%	6.62%	N/A	N/A	N/A	N/A	N/A	N/A

	SCLTDITF									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
District's proportion of the net OPEB liability	2.75143%	2.76329%	2.75169%	2.75169%	N/A	N/A	N/A	N/A	N/A	N/A
District's proportionate share of the net OPEB liability	<u>\$ 54,155</u>	<u>\$ 84,591</u>	<u>\$ 49,887</u>	<u>\$ 19,101</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
District's covered payroll during the measurement period	<u>\$ 247,911,749</u>	<u>\$ 244,281,446</u>	<u>\$ 237,755,561</u>	<u>\$ 230,616,724</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
District's proportionate share of the net OPEB liability as a percentage of its covered payroll	0.02184%	0.03463%	0.02098%	0.00828%	N/A	N/A	N/A	N/A	N/A	N/A
Plan fiduciary net position as a percentage of the total OPEB liability	95.17%	92.20%	95.29%	98.15%	N/A	N/A	N/A	N/A	N/A	N/A

Footnote: This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten year trend is compiled, the School District will present information for which information is available.

Horry County Schools***Schedule of District Contributions - OPEB******For the year ended June 30, 2020***

	SCRHITF									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Contractually required contribution	\$ 16,945,786	\$ 16,826,667	\$ 14,718,600	\$ 12,950,903	N/A	N/A	N/A	N/A	N/A	N/A
Contributions in relation to the contractually required contribution	16,945,786	16,826,667	14,718,600	12,950,903	N/A	N/A	N/A	N/A	N/A	N/A
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	N/A	N/A	N/A	N/A	N/A	N/A
Entity's covered payroll	\$ 291,248,596	\$ 278,950,193	\$ 273,771,060	\$ 265,354,068	N/A	N/A	N/A	N/A	N/A	N/A
Contributions as a percentage of covered payroll	5.81832%	6.03214%	5.37624%	4.88061%	N/A	N/A	N/A	N/A	N/A	N/A

	SCLTDITF									
	2020	2019	2018	2016	2015	2014	2013	2012	2011	2010
Contractually required contribution	\$ 205,977	\$ 202,364	\$ 200,553	\$ 199,183	N/A	N/A	N/A	N/A	N/A	N/A
Contributions in relation to the contractually required contribution	205,977	202,364	200,553	199,183	N/A	N/A	N/A	N/A	N/A	N/A
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	N/A	N/A	N/A	N/A	N/A	N/A
Entity's covered payroll	\$ 256,400,781	\$ 247,911,749	\$ 244,281,446	\$ 237,755,561	N/A	N/A	N/A	N/A	N/A	N/A
Contributions as a percentage of covered payroll	0.08033%	0.08163%	0.08210%	0.08378%	N/A	N/A	N/A	N/A	N/A	N/A

Footnote: This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten year trend is compiled, the School District will present information for which information is available.

SCRHITF:

Changes of assumptions: The discount rate changed from 3.62% as of June 30, 2018 to 3.13% as of June 30, 2019.

SCLTDITF:

Changes of assumptions: The single discount rate changed from 3.91% as of June 30, 2018 to 3.04% as of June 30, 2019.

GENERAL FUND

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

This page is intentionally blank.

Horry County Schools**Comparative Balance Sheets - General Fund****As of June 30, 2020 and 2019**

	2020	2019
Assets		
Cash and cash equivalents	\$ 162,077,321	\$ 142,560,228
Property tax receivable, net	20,313,293	18,180,140
Due from state government, net	559,813	-
Due from federal government	102,548	87,484
Due from other governmental units, net	4,725,410	4,153,617
Prepaid and other	4,913,672	3,219,428
Inventories - supply and materials	786,420	725,312
Other receivables	38,507	878,616
Total assets	<u>\$ 193,516,984</u>	<u>\$ 169,804,825</u>
Liabilities		
Accounts payable	\$ 4,216,282	\$ 4,517,184
Accrued salaries	24,788,422	23,477,827
Accrued payroll related liabilities	18,059,239	17,137,301
Total liabilities	<u>47,063,943</u>	<u>45,132,312</u>
Deferred inflows of resources		
Unavailable revenue - property taxes	18,783,825	16,956,100
Total deferred inflows of resources	<u>18,783,825</u>	<u>16,956,100</u>
Fund balances		
Non-spendable	5,700,092	3,944,740
Assigned	19,333,909	24,870,989
Unassigned	102,635,215	78,900,684
Total fund balances	<u>127,669,216</u>	<u>107,716,413</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 193,516,984</u>	<u>\$ 169,804,825</u>

Horry County Schools***Comparative Schedule of Revenues, Expenditures, and Changes in Fund Balances - General Fund***
For the years ended June 30, 2020 and 2019

	2020	2019
Revenues		
Local sources	\$ 222,852,619	\$ 211,275,142
Intergovernmental	120,167	115,239
State sources	210,037,349	192,463,933
Federal sources	604,791	786,488
Total revenues	<u>433,614,926</u>	<u>404,640,802</u>
Expenditures		
Instruction	262,733,872	248,983,198
Support services	150,477,494	147,761,395
Community services	42,651	44,605
Intergovernmental	7,735,123	7,304,145
Capital outlay	3,102,044	6,813,360
Total expenditures	<u>424,091,184</u>	<u>410,906,703</u>
Excess (deficiency) of revenues over expenditures	<u>9,523,742</u>	<u>(6,265,901)</u>
Other financing sources (uses)		
Transfers in	13,252,784	13,101,408
Transfers out	(2,823,723)	(9,607,611)
Total other financing sources (uses)	<u>10,429,061</u>	<u>3,493,797</u>
Change in fund balance	19,952,803	(2,772,104)
Fund balance, beginning of year	<u>107,716,413</u>	<u>110,488,517</u>
Fund balance, end of year	<u><u>\$ 127,669,216</u></u>	<u><u>\$ 107,716,413</u></u>

Horry County Schools

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund
For the year ended June 30, 2020

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
1000 Revenue from local sources			
1100 Taxes levied/assessed by the LEA			
1110 Ad valorem taxes-including delinquent	\$ 196,275,827	\$ 204,073,208	\$ 7,797,381
1140 Penalties & interest on taxes	1,744,324	1,862,559	118,235
1200 Revenue from local governmental units other than LEAs			
1280 Revenue in lieu of taxes	6,180,609	9,859,706	3,679,097
1300 Tuition			
1310 Tuition from patrons for regular day school	78,886	49,675	(29,211)
1500 Earnings on investments			
1510 Interest on investments	2,219,883	2,644,373	424,490
1900 Other revenue from local sources			
1910 Rentals	55,681	34,383	(21,298)
1920 Contributions and donations from private sources	1,000	1,000	-
1930 Special needs transportation	4,198,418	3,280,304	(918,114)
1950 Refund of prior year's expenditures	254,571	207,297	(47,274)
1990 Miscellaneous local revenue			
1993 Receipt of insurance proceeds	336,801	680,085	343,284
1999 Revenue from other local sources	190,692	160,029	(30,663)
Total revenue from local sources	<u>211,536,692</u>	<u>222,852,619</u>	<u>11,315,927</u>
2000 Intergovernmental revenue			
2100 Payments from other governmental units	115,969	120,167	4,198
Total intergovernmental revenue	<u>115,969</u>	<u>120,167</u>	<u>4,198</u>
3000 Revenue from state sources			
3100 Restricted state funding			
3130 Special programs			
3131 Handicapped transportation	15,013	30,841	15,828
3132 Home schooling	1,213	622	(591)
3160 School bus driver salary	2,792,044	3,683,317	891,273
3161 EAA bus driver salary and fringe	9,278	9,332	54
3162 Transportation workers' compensation	190,436	191,234	798
3180 Fringe benefits employer contributions	38,412,549	39,725,607	1,313,058
3181 Retiree insurance	11,192,214	12,433,681	1,241,467
3186 State aid to classrooms - teacher salary increase	8,373,428	9,115,792	742,364
3199 Other restricted state grants	165	165	-
3300 Education finance act			
3310 Full-time programs			
3311 Kindergarten	3,876,471	4,025,409	148,938
3312 Primary	11,931,329	12,028,021	96,692
3313 Elementary	21,518,385	21,772,199	253,814
3314 High school	10,086,263	9,326,126	(760,137)
3315 Trainable mentally handicapped	332,982	368,206	35,224
3316 Speech handicapped (part-time program)	3,766,348	3,589,147	(177,201)
3317 Homebound	49,354	48,672	(682)
3320 Part-time programs			
3321 Emotionally handicapped	393,962	485,457	91,495
3322 Educable mentally handicapped	323,325	323,666	341
3323 Learning disabilities	8,877,853	9,195,349	317,496
3324 Hearing handicapped	214,524	228,063	13,539
3325 Visually handicapped	109,785	115,227	5,442
3326 Orthopedically handicapped	130,674	166,573	35,899
3327 Vocational	7,378,041	8,540,745	1,162,704

Horry County Schools

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund
For the year ended June 30, 2020

	Final Budget	Actual	Variance
Revenues, Continued			
3000 Revenue from state sources, continued			
3330 Miscellaneous EFA programs			
3331 Autism	1,752,093	2,037,514	285,421
3332 High achieving students	1,825,625	1,890,636	65,011
3334 Limited English proficiency	950,197	893,789	(56,408)
3351 Academic assistance	2,616,106	2,569,124	(46,982)
3352 Pupils in poverty	8,086,261	8,008,343	(77,918)
3353 Dual credit enrollment	197,796	227,299	29,503
3800 State revenue in lieu of taxes			
3810 Reimbursement for local residential property tax relief	11,700,436	11,700,436	-
3820 Homestead exemption	3,952,008	3,952,008	-
3825 Reimbursement for property tax relief	38,988,527	39,013,446	24,919
3830 Merchant's inventory tax	701,824	820,620	118,796
3840 Manufacturers depreciation reimbursement	249,475	286,608	37,133
3890 Other state property tax revenues	516,883	584,523	67,640
3900 Other state revenue			
3993 PEBA on-behalf	2,623,805	2,623,805	-
3999 Revenue from other state sources	72,707	25,747	(46,960)
Total revenue from state sources	<u>204,209,379</u>	<u>210,037,349</u>	<u>5,827,970</u>
4000 Revenue from federal sources			
4900 Other federal sources			
4990 Other federal revenue			
4999 Revenue from other federal sources	775,053	604,791	(170,262)
Total revenue from federal sources	<u>775,053</u>	<u>604,791</u>	<u>(170,262)</u>
Total revenues from all sources	<u>416,637,093</u>	<u>433,614,926</u>	<u>16,977,833</u>
Expenditures			
100 Instruction			
110 General instruction			
111 Kindergarten programs			
100 Salaries	9,817,310	9,464,069	353,241
200 Employee benefits	4,705,447	4,540,373	165,074
300 Purchased services	20,095	17,033	3,062
400 Supplies and materials	120,868	87,607	33,261
	<u>14,663,720</u>	<u>14,109,082</u>	<u>554,638</u>
112 Primary programs			
100 Salaries	32,365,155	30,874,919	1,490,236
140 Terminal leave	-	1,290	(1,290)
200 Employee benefits	14,278,290	13,475,660	802,630
300 Purchased services	949,921	561,230	388,691
400 Supplies and materials	921,207	678,651	242,556
500 Capital outlay	9,979	9,345	634
600 Other objects	1,865	1,848	17
	<u>48,526,417</u>	<u>45,602,943</u>	<u>2,923,474</u>
113 Elementary programs			
100 Salaries	47,897,196	45,923,835	1,973,361
140 Terminal leave	-	2,090	(2,090)
200 Employee benefits	20,697,789	19,529,393	1,168,396
300 Purchased services	503,274	495,648	7,626
400 Supplies and materials	2,193,430	1,444,508	748,922
500 Capital outlay	21,552	8,662	12,890
600 Other objects	18,218	18,013	205
	<u>71,331,459</u>	<u>67,422,149</u>	<u>3,909,310</u>

Horry County Schools

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund
For the year ended June 30, 2020

	Final Budget	Actual	Variance
Expenditures, Continued			
100 Instruction, continued			
110 General instruction, continued			
114 High school programs			
100 Salaries	39,333,199	38,030,751	1,302,448
140 Terminal leave	-	43,983	(43,983)
200 Employee benefits	16,769,845	15,962,916	806,929
300 Purchased services	2,176,040	1,848,283	327,757
400 Supplies and materials	2,253,383	1,802,761	450,622
500 Capital outlay	35,258	35,145	113
600 Other objects	57,305	57,278	27
	<u>60,625,030</u>	<u>57,781,117</u>	<u>2,843,913</u>
115 Career and technology education programs			
100 Salaries	3,342,713	3,304,954	37,759
200 Employee benefits	1,374,705	1,370,493	4,212
300 Purchased services - other than tuition	41,991	39,137	2,854
400 Supplies and materials	217,036	215,197	1,839
500 Capital outlay	14,803	14,717	86
600 Other objects	1,000	-	1,000
	<u>4,992,248</u>	<u>4,944,498</u>	<u>47,750</u>
117 Driver education program			
400 Supplies and materials	9,500	1,020	8,480
	<u>9,500</u>	<u>1,020</u>	<u>8,480</u>
Total general instruction	<u>200,148,374</u>	<u>189,860,809</u>	<u>10,287,565</u>
120 Exceptional programs			
121 Educable mentally handicapped			
400 Supplies and materials	4,662	2,456	2,206
	<u>4,662</u>	<u>2,456</u>	<u>2,206</u>
122 Trainable mentally handicapped			
100 Salaries	2,866,559	2,674,863	191,696
200 Employee benefits	1,312,385	1,161,915	150,470
400 Supplies and materials	42,474	41,870	604
	<u>4,221,418</u>	<u>3,878,648</u>	<u>342,770</u>
123 Orthopedically handicapped			
100 Salaries	865,224	861,156	4,068
200 Employee benefits	399,507	399,234	273
300 Purchased services	227,035	223,125	3,910
400 Supplies and materials	30,553	30,420	133
	<u>1,522,319</u>	<u>1,513,935</u>	<u>8,384</u>
124 Visually handicapped			
100 Salaries	98,142	68,504	29,638
200 Employee benefits	50,234	36,308	13,926
300 Purchased services	7,900	1,996	5,904
400 Supplies and materials	5,874	5,872	2
	<u>162,150</u>	<u>112,680</u>	<u>49,470</u>
125 Hearing handicapped			
100 Salaries	399,701	357,413	42,288
200 Employee benefits	224,240	184,290	39,950
300 Purchased services	120,314	81,438	38,876
400 Supplies and materials	17,310	16,562	748
	<u>761,565</u>	<u>639,703</u>	<u>121,862</u>

Horry County Schools

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund
For the year ended June 30, 2020

	Final Budget	Actual	Variance
Expenditures, Continued			
100 Instruction, continued			
120 Exceptional programs, continued			
126 Speech handicapped			
100 Salaries	2,896,284	2,816,308	79,976
200 Employee benefits	1,242,817	1,191,468	51,349
300 Purchased services	165,575	132,984	32,591
400 Supplies and materials	10,193	4,680	5,513
500 Capital outlay	1,000	731	269
	<u>4,315,869</u>	<u>4,146,171</u>	<u>169,698</u>
127 Learning disabilities			
100 Salaries	20,199,727	19,399,501	800,226
140 Terminal leave	-	80	(80)
200 Employee benefits	9,283,210	8,851,004	432,206
300 Purchased services	357,551	13,463	344,088
400 Supplies and materials	693,362	301,884	391,478
500 Capital outlay	9,500	9,260	240
600 Other objects	600	551	49
	<u>30,543,950</u>	<u>28,575,743</u>	<u>1,968,207</u>
128 Emotionally handicapped			
100 Salaries	1,510,563	1,446,085	64,478
200 Employee benefits	708,116	659,907	48,209
400 Supplies and materials	10,860	9,171	1,689
	<u>2,229,539</u>	<u>2,115,163</u>	<u>114,376</u>
129 Coordinated early intervening services (CEIS)			
100 Salaries	3,877,959	3,622,344	255,615
140 Terminal leave	-	720	(720)
200 Employee benefits	1,642,795	1,517,003	125,792
400 Supplies and materials	500	329	171
	<u>5,521,254</u>	<u>5,140,396</u>	<u>380,858</u>
Total exceptional programs	<u>49,282,726</u>	<u>46,124,895</u>	<u>3,157,831</u>
130 Preschool programs			
137 Preschool handicapped-self-contained (3 & 4 year olds)			
100 Salaries	1,572,574	1,480,919	91,655
200 Employee benefits	707,169	673,447	33,722
300 Purchased services	15,000	13,451	1,549
400 Supplies and materials	4,073	3,977	96
	<u>2,298,816</u>	<u>2,171,794</u>	<u>127,022</u>
139 Early childhood programs			
100 Salaries	104,690	93,533	11,157
140 Terminal leave	-	425	(425)
200 Employee benefits	71,420	71,412	8
300 Purchased services	6,502	5,783	719
400 Supplies and materials	101,525	45,936	55,589
500 Capital outlay	1,259	-	1,259
600 Other objects	900	804	96
	<u>286,296</u>	<u>217,893</u>	<u>68,403</u>
Total preschool programs	<u>2,585,112</u>	<u>2,389,687</u>	<u>195,425</u>
140 Special programs			
141 Gifted and talented - academic			
100 Salaries	7,037,015	6,667,705	369,310
200 Employee benefits	3,129,301	2,897,862	231,439
300 Purchased services	362,790	299,680	63,110
400 Supplies and materials	276,768	233,691	43,077
500 Capital outlay	4,000	-	4,000
600 Other objects	450	426	24
	<u>10,810,324</u>	<u>10,099,364</u>	<u>710,960</u>

Horry County Schools

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund
For the year ended June 30, 2020

	Final Budget	Actual	Variance
Expenditures, Continued			
100 Instruction, continued			
140 Special programs, continued			
143 Advanced placement			
100 Salaries	106,387	103,473	2,914
200 Employee benefits	34,950	31,441	3,509
300 Purchased services	376,679	65,123	311,556
400 Supplies and materials	48,161	48,137	24
	<u>566,177</u>	<u>248,174</u>	<u>318,003</u>
145 Homebound			
100 Salaries	733,378	334,513	398,865
200 Employee benefits	222,243	96,593	125,650
300 Purchased services	150,000	39,244	110,756
	<u>1,105,621</u>	<u>470,350</u>	<u>635,271</u>
148 Gifted and talented artistic			
400 Supplies and materials	4,079	2,263	1,816
	<u>4,079</u>	<u>2,263</u>	<u>1,816</u>
149 Other special programs			
100 Salaries	7,648,281	7,306,540	341,741
200 Employee benefits	3,370,682	3,163,743	206,939
300 Purchased services	198,338	177,092	21,246
400 Supplies and materials	60,673	38,622	22,051
500 Capital outlay	2,500	2,388	112
600 Other objects	500	176	324
	<u>11,280,974</u>	<u>10,688,561</u>	<u>592,413</u>
Total special programs	<u>23,767,175</u>	<u>21,508,712</u>	<u>2,258,463</u>
160 Other exceptional programs			
161 Autism			
100 Salaries	1,521,008	1,213,002	308,006
200 Employee benefits	766,887	645,069	121,818
300 Purchased services	34,517	17,120	17,397
400 Supplies and materials	29,975	14,930	15,045
500 Capital outlay	3,041	-	3,041
Total other exceptional programs	<u>2,355,428</u>	<u>1,890,121</u>	<u>465,307</u>
170 Summer school program			
171 Primary summer school			
200 Employee benefits	58	57	1
	<u>58</u>	<u>57</u>	<u>1</u>
172 Elementary summer school			
200 Employee benefits	2,048	2,048	-
	<u>2,048</u>	<u>2,048</u>	<u>-</u>
173 High school summer school			
100 Salaries	2,000	1,830	170
200 Employee benefits	803	788	15
	<u>2,803</u>	<u>2,618</u>	<u>185</u>
174 Gifted and talented summer school			
100 Salaries	50,000	48,380	1,620
200 Employee benefits	15,525	14,676	849
300 Purchased services	33,907	7,938	25,969
400 Supplies and materials	47,860	23,409	24,451
500 Capital outlay	15,000	13,824	1,176
	<u>162,292</u>	<u>108,227</u>	<u>54,065</u>
175 Instructional programs beyond regular school day			
100 Salaries	77,550	43,690	33,860
200 Employee benefits	27,444	17,082	10,362
400 Supplies and materials	600	593	7
	<u>105,594</u>	<u>61,365</u>	<u>44,229</u>
Total summer school program	<u>272,795</u>	<u>174,315</u>	<u>98,480</u>
180 Adult/continuing educational programs			
181 Adult basic education programs			
100 Salaries	335,276	335,264	12
200 Employee benefits	138,668	138,754	(86)
300 Purchased services	9,350	9,319	31
400 Supplies and materials	8,650	7,936	714
	<u>491,944</u>	<u>491,273</u>	<u>671</u>

Horry County Schools

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund
For the year ended June 30, 2020

	Final Budget	Actual	Variance
Expenditures, Continued			
100 Instruction, continued			
180 Adult/continuing educational programs, continued			
182 Adult secondary education programs			
100 Salaries	178,023	177,745	278
200 Employee benefits	72,225	70,606	1,619
300 Purchased services	9,700	9,677	23
400 Supplies and materials	7,000	6,584	416
	<u>266,948</u>	<u>264,612</u>	<u>2,336</u>
183 Adult English literacy (ESL)			
200 Employee benefits	2,278	2,276	2
400 Supplies and materials	4,088	2,113	1,975
	<u>6,366</u>	<u>4,389</u>	<u>1,977</u>
188 Parenting/family literacy			
100 Salaries	703	561	142
200 Employee benefits	6,793	6,516	277
	<u>7,496</u>	<u>7,077</u>	<u>419</u>
Total adult/continuing educational programs	<u>772,754</u>	<u>767,351</u>	<u>5,403</u>
190 Instructional pupil activity			
100 Salaries (optional)	51,823	50,954	869
200 Employee benefits (optional)	15,521	15,424	97
300 Purchased services (optional)	20,000	20,000	-
400 Supplies and materials (optional)	45,690	25,676	20,014
Total instructional pupil activity	<u>133,034</u>	<u>112,054</u>	<u>20,980</u>
Total instruction	<u>279,317,398</u>	<u>262,827,944</u>	<u>16,489,454</u>
200 Support services			
210 Pupil services			
211 Attendance and social work services			
100 Salaries	2,818,223	2,732,522	85,701
140 Terminal leave	-	20,561	(20,561)
200 Employee benefits	1,283,487	1,251,995	31,492
300 Purchased services	28,350	17,948	10,402
400 Supplies and materials	22,930	17,054	5,876
500 Capital outlay	11,700	9,618	2,082
	<u>4,164,690</u>	<u>4,049,698</u>	<u>114,992</u>
212 Guidance services			
100 Salaries	7,478,511	7,349,070	129,441
140 Terminal leave	-	435	(435)
200 Employee benefits	3,308,420	3,146,906	161,514
300 Purchased services	69,560	64,713	4,847
400 Supplies and materials	37,634	31,691	5,943
600 Other objects	300	226	74
	<u>10,894,425</u>	<u>10,593,041</u>	<u>301,384</u>

Horry County Schools

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund
For the year ended June 30, 2020

	Final Budget	Actual	Variance
Expenditures, Continued			
200 Support services, continued			
210 Pupil services, continued			
213 Health services			
100 Salaries	2,707,034	2,613,578	93,456
200 Employee benefits	1,444,129	1,230,833	213,296
300 Purchased services	224,982	157,738	67,244
400 Supplies and materials	169,428	133,620	35,808
500 Capital outlay	3,000	-	3,000
600 Other objects	241	-	241
	<u>4,548,814</u>	<u>4,135,769</u>	<u>413,045</u>
214 Psychological services			
100 Salaries	1,979,073	1,978,870	203
200 Employee benefits	843,044	837,672	5,372
300 Purchased services	38,000	37,446	554
400 Supplies and materials	55,300	53,472	1,828
	<u>2,915,417</u>	<u>2,907,460</u>	<u>7,957</u>
215 Exceptional program services			
100 Salaries	79,080	78,374	706
140 Terminal leave	-	581	(581)
200 Employee benefits	29,312	29,262	50
300 Purchased services	20,148	1,428	18,720
400 Supplies and materials	3,850	3,816	34
600 Other objects	11,000	10,335	665
	<u>143,390</u>	<u>123,796</u>	<u>19,594</u>
216 Career and technical education placement services			
200 Employee benefits	6	6	-
	<u>6</u>	<u>6</u>	<u>-</u>
217 Career specialist services			
100 Salaries	5,240	307	4,933
200 Employee benefits	19,185	726	18,459
	<u>24,425</u>	<u>1,033</u>	<u>23,392</u>
Total pupil services	<u>22,691,167</u>	<u>21,810,803</u>	<u>880,364</u>
220 Instructional staff services			
221 Improvement of instruction curriculum development			
100 Salaries	3,954,255	3,902,056	52,199
140 Terminal leave	-	4,996	(4,996)
200 Employee benefits	1,649,471	1,570,057	79,414
300 Purchased services	243,263	223,899	19,364
400 Supplies and materials	191,852	83,049	108,803
500 Capital outlay	14,200	7,627	6,573
600 Other objects	950	702	248
	<u>6,053,991</u>	<u>5,792,386</u>	<u>261,605</u>
222 Library and media services			
100 Salaries	4,425,343	4,400,301	25,042
140 Terminal leave	-	2,400	(2,400)
200 Employee benefits	2,152,261	2,069,929	82,332
300 Purchased services	87,655	83,706	3,949
400 Supplies and materials	743,925	562,467	181,458
600 Other objects	500	440	60
	<u>7,409,684</u>	<u>7,119,243</u>	<u>290,441</u>
223 Supervision of special programs			
100 Salaries	1,031,022	974,121	56,901
140 Terminal leave	-	7,980	(7,980)
200 Employee benefits	442,173	390,599	51,574
300 Purchased services	35,800	30,753	5,047
400 Supplies and materials	43,391	42,228	1,163
600 Other objects	3,552	3,481	71
	<u>1,555,938</u>	<u>1,449,162</u>	<u>106,776</u>

Horry County Schools

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund
For the year ended June 30, 2020

	Final Budget	Actual	Variance
Expenditures, Continued			
200 Support services, continued			
220 Instructional staff services, continued			
224 Improvement of instruction inservice and staff training			
100 Salaries	1,568,691	1,522,666	46,025
200 Employee benefits	549,906	530,287	19,619
300 Purchased services	1,576,631	1,531,704	44,927
400 Supplies and materials	871,011	442,326	428,685
500 Capital outlay	8,000	7,053	947
600 Other objects	18,994	18,826	168
	<u>4,593,233</u>	<u>4,052,862</u>	<u>540,371</u>
Total instructional staff services	<u>19,612,846</u>	<u>18,413,653</u>	<u>1,199,193</u>
230 General administration services			
231 Board of education			
100 Salaries	243,984	237,356	6,628
200 Employee benefits	75,309	72,454	2,855
300 Purchased services	230,400	543,463	(313,063)
318 Audit services	-	94,891	(94,891)
400 Supplies and materials	34,410	12,872	21,538
600 Other objects	48,500	48,450	50
	<u>632,603</u>	<u>1,009,486</u>	<u>(376,883)</u>
232 Office of the superintendent			
100 Salaries	540,130	539,446	684
200 Employee benefits	199,226	198,435	791
300 Purchased services	26,550	15,959	10,591
400 Supplies and materials	32,168	7,727	24,441
500 Capital outlay	3,000	1,295	1,705
600 Other objects	18,734	12,545	6,189
	<u>819,808</u>	<u>775,407</u>	<u>44,401</u>
233 School administration			
100 Salaries	19,116,013	18,866,388	249,625
140 Terminal leave	-	52,153	(52,153)
200 Employee benefits	8,111,685	7,953,869	157,816
300 Purchased services	104,311	91,644	12,667
400 Supplies and materials	225,918	225,003	915
500 Capital outlay	4,551	3,116	1,435
600 Other objects	28,169	27,847	322
	<u>27,590,647</u>	<u>27,220,020</u>	<u>370,627</u>
Total general administrative services	<u>29,043,058</u>	<u>29,004,913</u>	<u>38,145</u>
250 Finance and operations services			
251 Student transportation (federal/district mandated)			
100 Salaries	2,000	1,910	90
200 Employee benefits	856	810	46
300 Purchased services	4,150	1,100	3,050
400 Supplies and materials	50	29	21
	<u>7,056</u>	<u>3,849</u>	<u>3,207</u>
252 Fiscal services			
100 Salaries	1,601,781	1,381,935	219,846
140 Terminal leave	-	2,141	(2,141)
180 Head of organizational unit salaries	-	134,588	(134,588)
200 Employee benefits	698,163	601,916	96,247
280 Head of organizational unit employee benefits	-	51,440	(51,440)
300 Purchased services	161,651	158,343	3,308
380 Head of organizational unit travel	-	3,115	(3,115)
400 Supplies and materials	23,350	22,732	618
480 Head of organizational unit supplies	-	539	(539)
500 Capital outlay	1,800	1,702	98
600 Other objects	7,250	6,300	950
680 Head of organizational unit other objects	-	796	(796)
	<u>2,493,995</u>	<u>2,365,547</u>	<u>128,448</u>

Horry County Schools

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund
For the year ended June 30, 2020

	Final Budget	Actual	Variance
Expenditures, Continued			
200 Support services, continued			
250 Finance and operations services, continued			
253 Facilities acquisition and construction			
200 Employee benefits	13,381	13,380	1
300 Purchased services	4,500	4,463	37
400 Supplies and materials	500	275	225
500 Capital outlay			
510 Land	54,059	20,000	34,059
525 Buildings	3,813,119	1,410,737	2,402,382
	<u>3,885,559</u>	<u>1,448,855</u>	<u>2,436,704</u>
254 Operation and maintenance of plant			
100 Salaries	13,021,038	13,000,217	20,821
140 Terminal leave	37,194	37,194	-
200 Employee benefits	6,309,539	6,295,234	14,305
300 Purchased services	6,893,918	6,484,060	409,858
321 Public utilities (excludes gas, oil, elec. & other heating fuels)	1,461,539	1,461,539	-
400 Supplies and materials	6,382,378	4,001,692	2,380,686
470 Energy (include gas, oil, elec. & other heating fuels)	9,266,460	9,266,460	-
500 Capital outlay	1,170,469	237,357	933,112
600 Other objects	683,258	682,925	333
	<u>45,225,793</u>	<u>41,466,678</u>	<u>3,759,115</u>
255 Student transportation (state mandated)			
100 Salaries	12,564,028	11,696,927	867,101
140 Terminal leave	-	25,465	(25,465)
200 Employee benefits	6,685,901	5,913,620	772,281
300 Purchased services	688,015	386,099	301,916
400 Supplies and materials	305,280	211,864	93,416
500 Capital outlay	369,400	223,526	145,874
600 Other objects	200	150	50
	<u>20,612,824</u>	<u>18,457,651</u>	<u>2,155,173</u>
256 Food service			
100 Salaries	22,545	8,148	14,397
200 Employee benefits	94,911	82,184	12,727
300 Purchased services	6,000	5,975	25
	<u>123,456</u>	<u>96,307</u>	<u>27,149</u>
257 Internal services			
100 Salaries	471,314	469,749	1,565
140 Terminal leave	-	1,324	(1,324)
200 Employee benefits	184,017	181,185	2,832
300 Purchased services	60,300	40,498	19,802
400 Supplies and materials	83,200	41,626	41,574
500 Capital outlay	32,661	1,821	30,840
600 Other objects	2,100	1,312	788
	<u>833,592</u>	<u>737,515</u>	<u>96,077</u>
258 Security			
100 Salaries	107,656	104,405	3,251
200 Employee benefits	35,083	35,015	68
300 Purchased services	3,247,119	2,499,810	747,309
400 Supplies and materials	133,612	78,367	55,245
500 Capital outlay	32,112	1,382	30,730
	<u>3,555,582</u>	<u>2,718,979</u>	<u>836,603</u>
Total finance and operations services	<u>76,737,857</u>	<u>67,295,381</u>	<u>9,442,476</u>
260 Central support services			
262 Planning			
100 Salaries	365,015	365,015	-
200 Employee benefits	148,756	146,460	2,296
300 Purchased services	264,941	200,260	64,681
400 Supplies and materials	24,526	12,754	11,772
500 Capital outlay	2,500	-	2,500
600 Other objects	63,600	63,600	-
	<u>869,338</u>	<u>788,089</u>	<u>81,249</u>

Horry County Schools

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund
For the year ended June 30, 2020

	Final Budget	Actual	Variance
Expenditures, Continued			
200 Support services, continued			
260 Central support services, continued			
263 Information services			
100 Salaries	582,365	582,353	12
200 Employee benefits	239,261	235,849	3,412
300 Purchased services	57,200	55,372	1,828
400 Supplies and materials	198,200	197,721	479
600 Other objects	6,000	1,833	4,167
	<u>1,083,026</u>	<u>1,073,128</u>	<u>9,898</u>
264 Staff services			
100 Salaries	1,846,649	1,511,269	335,380
180 Head of organizational unit salaries	-	134,588	(134,588)
200 Employee benefits	3,735,740	718,591	3,017,149
280 Head of organizational unit employee benefits	-	47,050	(47,050)
300 Purchased services	488,877	322,824	166,053
380 Head of organizational unit travel	-	2,203	(2,203)
400 Supplies and materials	140,657	82,770	57,887
500 Capital outlay	27,500	4,759	22,741
600 Other objects	10,564	1,239	9,325
680 Head of organizational unit other objects	-	176	(176)
	<u>6,249,987</u>	<u>2,825,469</u>	<u>3,424,518</u>
266 Technology and data processing services			
100 Salaries	3,327,783	2,710,785	616,998
140 Terminal leave	-	2,626	(2,626)
200 Employee benefits	1,491,441	1,219,487	271,954
300 Purchased services	714,743	713,671	1,072
400 Supplies and materials	241,700	238,287	3,413
500 Capital outlay	1,160,000	1,000,687	159,313
	<u>6,935,667</u>	<u>5,885,543</u>	<u>1,050,124</u>
Total central support services	<u>15,138,018</u>	<u>10,572,229</u>	<u>4,565,789</u>
270 Support services pupil activity			
271 Pupil services activities			
100 Salaries	3,799,847	3,665,804	134,043
140 Terminal leave	-	1,200	(1,200)
200 Employee benefits	1,353,045	1,243,098	109,947
300 Purchased services	1,054,285	895,460	158,825
400 Supplies and materials	95,239	72,658	22,581
500 Capital outlay	78,900	77,292	1,608
600 Other objects			
660 Pupil activity	345,378	432,975	(87,597)
Total support services pupil activity	<u>6,726,694</u>	<u>6,388,487</u>	<u>338,207</u>
Total support services	<u>169,949,640</u>	<u>153,485,466</u>	<u>16,464,174</u>
300 Community services			
350 Custody and care of children services			
100 Salaries	21,437	21,433	4
200 Employee benefits	21,313	21,218	95
	<u>42,750</u>	<u>42,651</u>	<u>99</u>
Total community services	<u>42,750</u>	<u>42,651</u>	<u>99</u>

Horry County Schools

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund
For the year ended June 30, 2020

	Final Budget	Actual	Variance
Expenditures, Continued			
400 Other charges			
410 Intergovernmental expenditures			
412 Payments to other governmental units			
720 Transits	129,000	171,236	(42,236)
414 Medicaid payments to SCDE			
720 Transits	1,173,656	612,453	561,203
416 Lea payments to public charter schools			
720 Transits	6,714,139	6,951,434	(237,295)
Total intergovernmental expenditures	8,016,795	7,735,123	281,672
Total expenditures	457,326,583	424,091,184	33,235,399
Other financing sources (uses)			
Interfund transfers, from (to) other funds			
5230 Transfer from special revenue EIA fund	12,197,630	11,596,284	(601,346)
5280 Transfer from other funds indirect costs	2,010,283	1,656,500	(353,783)
421-710 Transfer to special revenue fund	(128,250)	(4,910)	123,340
424-710 Transfer to capital projects fund	(2,200,021)	(2,200,021)	-
425-710 Transfer to food service fund	(687,009)	(618,792)	68,217
Total other financing sources (uses)	11,192,633	10,429,061	(763,572)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (29,496,857)	19,952,803	\$ 49,449,660
Fund balance, beginning of year		107,716,413	
Fund balance, end of year		\$ 127,669,216	

This page is intentionally blank.

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for revenues and expenditures derived from the State of South Carolina and the Federal Government, certain of which require matching funds from local sources, required to finance particular activities.

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

The Food Service Fund is used to account for the USDA's approved school breakfast and lunch programs.

This page is intentionally blank.

Horry County Schools**Comparative Balance Sheets - Special Projects****As of June 30, 2020 and 2019**

	2020	2019
Assets		
Due from federal government, net	\$ 7,590,165	\$ 5,972,703
Due from other governmental units, net	3,799	18,314
Other receivables	25,429	74,513
Prepaid expenses	26,137	27,919
Total assets	<u>\$ 7,645,530</u>	<u>\$ 6,093,449</u>
Liabilities		
Accounts payable	\$ 3,035,827	\$ 382,518
Accrued salaries	1,601,888	1,624,289
Accrued payroll related liabilities	737,281	738,818
Due to state government, net	220,703	158,789
Unearned revenue	1,027,278	1,706,507
Total liabilities	<u>6,622,977</u>	<u>4,610,921</u>
Fund balances		
Non-spendable	26,137	27,919
Restricted	996,416	1,454,609
Total fund balances	<u>1,022,553</u>	<u>1,482,528</u>
Total liabilities and fund balances	<u>\$ 7,645,530</u>	<u>\$ 6,093,449</u>

Horry County Schools**Comparative Schedule of Revenues, Expenditures, and Changes in Fund Balances - Special Projects Fund**
For the years ended June 30, 2020 and 2019

	2020	2019
Revenues		
Local sources	\$ 3,383,282	\$ 4,117,149
Intergovernmental	2,040	-
State sources	7,235,847	6,102,602
Federal sources	31,903,732	28,403,653
Total revenues	<u>42,524,901</u>	<u>38,623,404</u>
Expenditures		
Instruction	24,874,447	22,340,300
Support services	9,401,363	9,060,495
Community services	1,465,446	1,723,484
Intergovernmental	4,779,610	3,735,026
Capital outlay	1,125,288	1,337,234
Total expenditures	<u>41,646,154</u>	<u>38,196,539</u>
Excess of revenues over expenditures	<u>878,747</u>	<u>426,865</u>
Other financing sources (uses)		
Transfers in	4,910	-
Transfers out	(1,343,632)	(646,686)
Total other financing sources (uses)	<u>(1,338,722)</u>	<u>(646,686)</u>
Net change in fund balance	(459,975)	(219,821)
Fund balance, beginning of year	<u>1,482,528</u>	<u>1,702,349</u>
Fund balance, end of year	<u>\$ 1,022,553</u>	<u>\$ 1,482,528</u>

Horry County Schools*Schedule of Revenues, Expenditures and Changes in Fund Balances - Special Projects Fund**For the year ended June 30, 2020*

	Title I (201/202)	IDEA (203/204)	Preschool Handicapped (205/206)	CATE (207/208)	Adult Education (243)	Other Designated Restricted State Grants (900's)	Other Special Revenue Programs (200's, 400's, 500's, 600's)	Total
Revenues								
1000 Revenue from local sources								
1300 Tuition								
1350 Tuition from patrons for summer school	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 375	\$ 375
1700 Pupil activities								
1740 Student fees	-	-	-	-	-	-	263,311	263,311
1790 Other pupil activity income	-	-	-	-	-	-	753	753
1900 Other revenue from local sources								
1910 Rentals	-	-	-	-	-	-	15,379	15,379
1920 Contributions and donations from private sources	-	-	-	-	-	-	84,647	84,647
1990 Miscellaneous local revenue								
1994 Receipt of legal settlements	-	-	-	-	-	-	308	308
1999 Revenue from other local sources	-	-	-	-	-	-	3,018,509	3,018,509
Total local sources	-	-	-	-	-	-	3,383,282	3,383,282
2000 Intergovernmental revenue								
2100 Payments from other governmental units	-	-	-	-	-	-	2,040	2,040
Total intergovernmental revenue	-	-	-	-	-	-	2,040	2,040
3000 Revenue from state sources								
3100 Restricted state funding								
3110 Occupational education								
3113 12-month agriculture program	-	-	-	-	-	-	78,833	78,833
3118 EEDA career specialists	-	-	-	-	-	1,208,483	-	1,208,483
3120 General education								
3127 Student health and fitness - PE teachers	-	-	-	-	-	319,795	-	319,795
3130 Special programs								
3136 Student health and fitness - nurses	-	-	-	-	-	840,273	-	840,273
3156 Adult education	-	-	-	-	-	17,691	-	17,691
3190 Miscellaneous restricted state grants								
3193 Education license plates	-	-	-	-	-	34	-	34
3199 Other restricted state grants	-	-	-	-	-	-	2,686	2,686
3600 Education Lottery Act revenue								
3670 School safety - facility and infrastructure safety upgrades	-	-	-	-	-	105,800	-	105,800
3900 Other state revenue								
3994 PEBA nonemployer contributions	-	-	-	-	-	4,253,569	-	4,253,569
3999 Revenue from other state sources	-	-	-	-	-	406,749	1,934	408,683
Total state sources	-	-	-	-	-	7,152,394	83,453	7,235,847

Horry County Schools***Schedule of Revenues, Expenditures and Changes in Fund Balances - Special Projects Fund******For the year ended June 30, 2020***

	Title I (201/202)	IDEA (203/204)	Preschool Handicapped (205/206)	CATE (207/208)	Adult Education (243)	Other Designated Restricted State Grants (900's)	Other Special Revenue Programs (200's, 400's, 500's, 600's)	Total
<i>Revenues, continued</i>								
4000 Revenue from federal sources								
4200 Occupational education								
4210 Perkins aid, Title I - career and technical education - basic grants to states	-	-	-	586,389	-	-	-	586,389
4300 Elementary and secondary education act of 1965 (ESEA)								
4310 Title I, basic state grant programs	17,804,047	-	-	-	-	-	710,529	18,514,576
4341 Language instruction for limited English proficient and immigrant students, Title III	-	-	-	-	-	-	360,644	360,644
4351 Improving teacher quality	-	-	-	-	-	-	1,932,832	1,932,832
4400 Adult education								
4410 Basic, adult education	-	-	-	-	410,059	-	-	410,059
4430 State literacy resource	-	-	-	-	22,284	-	-	22,284
4500 Programs for children with disabilities								
4510 Individuals with disabilities education act (IDEA)	-	8,512,399	-	-	-	-	195,335	8,707,734
4520 Preschool grants for children with disabilities (IDEA)	-	-	381,424	-	-	-	-	381,424
4990 Other federal revenue								
4997 Title IV - SSAE	-	-	-	-	-	-	987,790	987,790
Total federal sources	17,804,047	8,512,399	381,424	586,389	432,343	-	4,187,130	31,903,732
Total revenues all sources	\$ 17,804,047	\$ 8,512,399	\$ 381,424	\$ 586,389	\$ 432,343	\$ 7,152,394	\$ 7,655,905	\$ 42,524,901
<i>Expenditures</i>								
100 Instruction								
110 General instruction								
111 Kindergarten programs								
100 Salaries	\$ 179,068	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,348	\$ 187,416
200 Employee benefits	70,917	-	-	-	-	-	1,823	72,740
400 Supplies and materials	54,257	-	-	-	-	-	19,182	73,439
112 Primary programs								
100 Salaries	1,642,489	-	-	-	-	215,746	110,586	1,968,821
200 Employee benefits	645,297	-	-	-	-	64,314	33,705	743,316
300 Purchased services	9,810	-	-	-	-	-	-	9,810
400 Supplies and materials	1,147,501	-	-	-	-	-	164,718	1,312,219
500 Capital outlay	103,757	-	-	-	-	-	1,258	105,015
600 Other objects	-	-	-	-	-	-	150	150
113 Elementary programs								
100 Salaries	1,462,123	-	-	-	-	25,889	154,498	1,642,510
200 Employee benefits	629,689	-	-	-	-	7,718	54,266	691,673
300 Purchased services	3,871	-	-	-	-	-	63,265	67,136
400 Supplies and materials	525,829	-	-	-	-	-	702,656	1,228,485
500 Capital outlay	25,360	-	-	-	-	-	4,849	30,209
600 Other objects	-	-	-	-	-	-	1,334	1,334
114 High school programs								
100 Salaries	93,294	-	-	-	-	-	24,418	117,712
200 Employee benefits	30,101	-	-	-	-	-	4,768	34,869
300 Purchased services	-	-	-	-	-	-	8,754	8,754
400 Supplies and materials	93,600	-	-	-	-	-	472,619	566,219
500 Capital outlay	11,239	-	-	-	-	-	9,877	21,116
600 Other objects	-	-	-	-	-	-	372	372

Horry County Schools*Schedule of Revenues, Expenditures and Changes in Fund Balances - Special Projects Fund**For the year ended June 30, 2020*

	Title I (201/202)	IDEA (203/204)	Preschool Handicapped (205/206)	CATE (207/208)	Adult Education (243)	Other Designated Restricted State Grants (900's)	Other Special Revenue Programs (200's, 400's, 500's, 600's)	Total
Expenditures, continued								
100 Instruction, continued								
110 General instruction, continued								
115 Career and technology education programs								
100 Salaries	-	-	-	-	-	-	60,729	60,729
200 Employee benefits	-	-	-	-	-	-	18,103	18,103
300 Purchased services	-	-	-	4,047	-	-	3,299	7,346
400 Supplies and materials	-	-	-	246,197	-	-	43,362	289,559
500 Capital outlay	-	-	-	41,886	-	-	-	41,886
600 Other objects	-	-	-	-	-	-	9,575	9,575
120 Exceptional programs								
122 Trainable mentally handicapped								
100 Salaries	-	645,415	-	-	-	-	-	645,415
200 Employee benefits	-	267,303	-	-	-	-	-	267,303
400 Supplies and materials	-	28,473	-	-	-	-	2,686	31,159
124 Visually handicapped								
100 Salaries	-	213,718	-	-	-	-	-	213,718
200 Employee benefits	-	78,931	-	-	-	-	-	78,931
125 Hearing handicapped								
100 Salaries	-	379,299	-	-	-	-	-	379,299
200 Employee benefits	-	167,654	-	-	-	-	-	167,654
126 Speech handicapped								
100 Salaries	-	362,774	-	-	-	-	-	362,774
200 Employee benefits	-	147,502	-	-	-	-	-	147,502
300 Purchased services	-	-	-	-	-	-	422	422
400 Supplies and materials	-	7,843	-	-	-	-	-	7,843
500 Capital outlay	-	10,997	-	-	-	-	-	10,997
600 Other objects	-	-	-	-	-	-	100	100
127 Learning disabilities								
100 Salaries	68,771	1,839,195	-	-	-	-	58,714	1,966,680
200 Employee benefits	33,788	930,775	-	-	-	-	19,415	983,978
300 Purchased services	-	-	-	-	-	-	142,501	142,501
400 Supplies and materials	-	70,251	-	-	-	-	143,835	214,086
600 Other objects	-	-	-	-	-	-	97	97
128 Emotionally handicapped								
100 Salaries	-	80,444	-	-	-	-	80	80,524
200 Employee benefits	-	39,455	-	-	-	-	24	39,479
129 Coordinated early interveing services (CEIS)								
400 Supplies and materials	-	-	-	-	-	-	89	89

Horry County Schools*Schedule of Revenues, Expenditures and Changes in Fund Balances - Special Projects Fund**For the year ended June 30, 2020*

	Title I (201/202)	IDEA (203/204)	Preschool Handicapped (205/206)	CATE (207/208)	Adult Education (243)	Other Designated Restricted State Grants (900's)	Other Special Revenue Programs (200's, 400's, 500's, 600's)	Total
Expenditures, continued								
100 Instruction, continued								
130 Preschool programs								
137 Preschool handicapped-self-contained (3 & 4 year olds)								
100 Salaries	-	238,362	235,976	-	-	-	-	474,338
200 Employee benefits	-	101,646	105,832	-	-	-	-	207,478
300 Purchased services	-	-	4,908	-	-	-	-	4,908
400 Supplies and materials	-	-	22,901	-	-	-	-	22,901
139 Early childhood programs								
100 Salaries	3,559,764	-	-	-	-	-	432	3,560,196
200 Employee benefits	1,709,114	-	-	-	-	-	72	1,709,186
400 Supplies and materials	-	-	-	-	-	-	124	124
500 Capital outlay	722,894	-	-	-	-	-	-	722,894
140 Special programs								
149 Other special programs								
100 Salaries	1,399,899	107,537	-	-	-	-	-	1,507,436
200 Employee benefits	599,090	67,761	-	-	-	-	-	666,851
300 Purchased services	-	-	-	-	-	-	19,487	19,487
400 Supplies and materials	-	454	-	-	-	-	91,470	91,924
160 Other exceptional programs								
161 Autism								
100 Salaries	-	117,253	-	-	-	-	-	117,253
200 Employee benefits	-	57,624	-	-	-	-	-	57,624
300 Purchased services	-	-	-	-	-	-	1,943	1,943
170 Summer school program								
171 Primary summer school								
100 Salaries	-	-	-	-	-	-	5,265	5,265
200 Employee benefits	-	-	-	-	-	-	1,185	1,185
400 Supplies and materials	-	-	-	-	-	-	876	876
172 Elementary summer school								
100 Salaries	-	-	-	-	-	-	290	290
200 Employee benefits	-	-	-	-	-	-	85	85
175 Instructional programs beyond regular school day								
100 Salaries	139,129	-	-	-	-	-	31,342	170,471
200 Employee benefits	40,529	-	-	-	-	-	9,126	49,655
400 Supplies and materials	-	-	-	-	-	-	12,604	12,604
180 Adult/continuing educational programs								
181 Adult basic education programs								
100 Salaries	-	-	-	-	89,129	-	-	89,129
200 Employee benefits	-	-	-	-	25,634	-	-	25,634
300 Purchased services	-	-	-	-	2,520	-	-	2,520
400 Supplies and materials	-	-	-	-	26,968	-	-	26,968
182 Adult secondary education programs								
400 Supplies and materials	-	-	-	-	5,806	7,422	-	13,228
183 Adult English literacy (esl)								
100 Salaries	-	-	-	-	210,232	-	-	210,232
200 Employee benefits	-	-	-	-	46,469	-	-	46,469
400 Supplies and materials	-	-	-	-	13,358	-	-	13,358

Horry County Schools**Schedule of Revenues, Expenditures and Changes in Fund Balances - Special Projects Fund****For the year ended June 30, 2020**

	Title I (201/202)	IDEA (203/204)	Preschool Handicapped (205/206)	CATE (207/208)	Adult Education (243)	Other Designated Restricted State Grants (900's)	Other Special Revenue Programs (200's, 400's, 500's, 600's)	Total
Expenditures, continued								
100 Instruction, continued								
180 Adult/continuing educational programs, continued								
188 Parenting/family literacy								
100 Salaries	505,089	-	-	-	-	-	-	505,089
200 Employee benefits	270,862	-	-	-	-	-	-	270,862
300 Purchased services	25,471	-	-	-	-	-	-	25,471
400 Supplies and materials	111,311	-	-	-	-	-	9,892	121,203
500 Capital outlay	11,037	-	-	-	-	-	-	11,037
600 Other objects	363	-	-	-	-	-	-	363
Total instruction	15,925,313	5,960,666	369,617	292,130	420,116	321,089	2,528,670	25,817,601
200 Support services								
210 Pupil services								
211 Attendance and Social Work Services								
100 Salaries	-	-	-	-	-	-	139	139
200 Employee benefits	-	-	-	-	-	-	41	41
212 Guidance services								
100 Salaries	25,131	-	-	-	-	865,905	-	891,036
200 Employee benefits	9,838	-	-	-	-	342,579	-	352,417
400 Supplies and materials	-	-	-	-	-	-	750	750
213 Health services								
100 Salaries	-	-	-	-	-	554,202	-	554,202
200 Employee benefits	-	-	-	-	-	257,096	-	257,096
400 Supplies and materials	-	-	-	-	-	-	1,072	1,072
214 Psychological services								
100 Salaries	-	153,311	-	-	-	-	-	153,311
200 Employee benefits	-	67,282	-	-	-	-	-	67,282
215 Exceptional program services								
100 Salaries	-	61,289	-	-	-	-	-	61,289
200 Employee benefits	-	34,171	-	-	-	-	-	34,171
600 Other objects	-	-	-	-	-	-	-	-
217 Career specialist services								
100 Salaries	58,400	-	-	-	-	-	-	58,400
200 Employee benefits	22,129	-	-	-	-	-	-	22,129
220 Instructional staff services								
221 Improvement of instruction curriculum development								
100 Salaries	-	1,022,209	-	-	-	-	126,624	1,148,833
200 Employee benefits	-	387,433	-	-	-	-	49,651	437,084
222 Library and media services								
100 Salaries	-	-	-	-	-	-	710	710
200 Employee benefits	-	-	-	-	-	-	152	152
400 Supplies and materials	-	-	-	-	-	-	674	674
223 Supervision of special programs								
100 Salaries	340,363	268,776	-	70,847	-	266,948	-	946,934
200 Employee benefits	128,767	124,799	-	25,788	-	127,135	-	406,489
300 Purchased services	8,706	-	-	1,936	-	10,269	-	20,911
400 Supplies and materials	17,782	-	913	-	-	-	-	18,695
500 Capital outlay	2,445	-	-	-	-	-	-	2,445

Horry County Schools*Schedule of Revenues, Expenditures and Changes in Fund Balances - Special Projects Fund**For the year ended June 30, 2020*

	Title I (201/202)	IDEA (203/204)	Preschool Handicapped (205/206)	CATE (207/208)	Adult Education (243)	Other Designated Restricted State Grants (900's)	Other Special Revenue Programs (200's, 400's, 500's, 600's)	Total
Expenditures, continued								
200 Support services, continued								
220 Instructional staff services, continued								
224 Improvement of instruction inservice and staff training								
100 Salaries	85,319	19,262	-	-	-	-	400,005	504,586
200 Employee benefits	24,886	5,786	-	-	-	-	143,112	173,784
300 Purchased services	213,958	-	-	16,613	-	-	1,493,445	1,724,016
400 Supplies and materials	9,980	-	-	-	-	-	34,954	44,934
600 Other objects	280	-	-	-	-	-	332	612
230 General administration services								
233 School administration								
100 Salaries	-	-	-	-	-	-	26,570	26,570
200 Employee benefits	-	-	-	-	-	-	5,283	5,283
300 Purchased services	-	-	-	-	-	-	2,600	2,600
400 Supplies and materials	-	-	-	-	-	-	4,916	4,916
250 Finance and operations services								
251 Student transportation (federal/district mandated)								
100 Salaries	15,223	-	-	-	-	-	6,391	21,614
200 Employee benefits	4,412	-	-	-	-	-	1,848	6,260
300 Purchased services	4,260	-	-	-	-	-	3,127	7,387
254 Operation and maintenance of plant								
100 Salaries	-	-	-	-	-	-	11,171	11,171
200 Employee benefits	-	-	-	-	-	-	3,267	3,267
300 Purchased services	-	-	-	-	-	-	48,338	48,338
400 Supplies and materials	-	-	-	-	-	-	16,878	16,878
255 Student transportation (state mandated)								
500 Capital outlay	-	-	-	-	-	-	26,580	26,580
256 Food services								
400 Supplies and materials	-	-	-	-	-	-	3,653	3,653
258 Security								
300 Purchased services	-	-	-	-	-	-	1,253	1,253
500 Capital outlay	-	-	-	-	-	105,800	-	105,800
260 Central support services								
264 Staff Services								
400 Supplies and materials	-	-	-	-	-	-	480	480
266 Technology and data processing services								
100 Salaries	68,534	-	-	-	-	-	1,786	70,320
200 Employee benefits	31,992	-	-	-	-	-	730	32,722
270 Support services pupil activity								
271 Pupil services activities								
100 Salaries (optional)	-	-	-	-	-	-	164,859	164,859
200 Employee benefits (optional)	-	-	-	-	-	-	46,756	46,756
300 Purchased services (optional)	-	-	-	-	-	-	62,141	62,141
400 Supplies and materials (optional)	-	-	-	-	-	-	687,240	687,240
500 Capital outlay	-	-	-	-	-	-	47,309	47,309
660 Pupil activity	4,115	2,482	-	153,018	-	-	136,291	295,906
Total support services	1,076,520	2,146,800	913	268,202	-	2,529,934	3,561,128	9,583,497

Horry County Schools***Schedule of Revenues, Expenditures and Changes in Fund Balances - Special Projects Fund******For the year ended June 30, 2020***

	Title I (201/202)	IDEA (203/204)	Preschool Handicapped (205/206)	CATE (207/208)	Adult Education (243)	Other Designated Restricted State Grants (900's)	Other Special Revenue Programs (200's, 400's, 500's, 600's)	Total
<i>Expenditures, continued</i>								
300 Community services								
350 Custody and care of children services								
100 Salaries	-	-	-	-	-	-	899,793	899,793
200 Employee benefits	-	-	-	-	-	-	268,744	268,744
300 Purchased services	-	-	-	-	-	-	16,574	16,574
400 Supplies and materials	-	-	-	-	-	-	82,831	82,831
600 Other objects	-	-	-	-	-	-	2,077	2,077
360 Welfare services								
400 Supplies and materials	2,378	-	-	-	-	-	-	2,378
370 Non-public school services								
300 Purchased services	176,648	-	-	-	-	-	10,383	187,031
400 Supplies and materials	1,719	-	-	-	-	-	4,299	6,018
Total community services	<u>180,745</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,284,701</u>	<u>1,465,446</u>
400 Other charges								
410 Intergovernmental expenditures								
416 LEA payments to public charter schools								
720 Transits	153,591	162,130	-	10,506	-	35,137	164,677	526,041
419 Payments from nonemployer contributions								
720 Transits	-	-	-	-	-	4,253,569	-	4,253,569
Total intergovernmental expenditures	<u>153,591</u>	<u>162,130</u>	<u>-</u>	<u>10,506</u>	<u>-</u>	<u>4,288,706</u>	<u>164,677</u>	<u>4,779,610</u>
Total expenditures	<u>17,336,169</u>	<u>8,269,596</u>	<u>370,530</u>	<u>570,838</u>	<u>420,116</u>	<u>7,139,729</u>	<u>7,539,176</u>	<u>41,646,154</u>
Other financing sources (uses)								
Interfund transfers, from (to) other funds								
5210 Transfer from general fund	-	-	-	-	-	-	4,910	4,910
424-710 Transfer to capital projects fund	-	-	-	-	-	-	(500,000)	(500,000)
431-791 Special revenue fund indirect costs	(467,878)	(242,803)	(10,894)	(15,551)	(12,227)	(12,665)	(81,614)	(843,632)
Total other financing sources (uses)	<u>(467,878)</u>	<u>(242,803)</u>	<u>(10,894)</u>	<u>(15,551)</u>	<u>(12,227)</u>	<u>(12,665)</u>	<u>(576,704)</u>	<u>(1,338,722)</u>
Deficiency of revenues under expenditures and other financing uses	-	-	-	-	-	-	(459,975)	(459,975)
Fund balance - July 1, 2019	-	-	-	-	-	-	1,482,528	1,482,528
Fund balance - June 30, 2020	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,022,553</u>	<u>\$ 1,022,553</u>

Horry County Schools

Summary Schedule for Designated State Restricted Grants - Special Projects Fund
For the year ended June 30, 2020

Subfund	Revenue Code	Programs	Revenues	Expenditures	Special Revenue		Special Revenue Fund Unearned
					Interfund Transfers In (Out)	Other Fund Transfers In (Out)	
919	3193	Education License Plates	\$ 34	\$ 34	\$ -	\$ -	\$ 5,643
928	3118	EEDA - Career Specialists	1,208,483	1,208,483	-	-	188,612
936	3136	Student Health and Fitness - Nurses	840,273	840,273	-	-	-
937	3127	Student and Health Fitness - PE Teachers	319,795	319,795	-	-	-
956	3156	Adult Education	17,691	17,691	-	-	28,462
969	3699	Miscellaneous Lottery	-	-	-	-	5,000
970	3670	School Safety Upgrades	105,800	105,800	-	-	185,104
982	3999	First Steps - Director Salary	406,749	406,749	-	-	410
994	3994	PEBA Nonemployer contributions	4,253,569	4,253,569	-	-	-
			<u>\$ 7,152,394</u>	<u>\$ 7,152,394</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 413,231</u>

Horry County Schools*Summary Schedule of Other Special Revenue Programs - Special Projects Fund**For the year ended June 30, 2020*

Subfund	Revenue Code	Program	Revenues				Total	Expenditures	Transfers In (Out)	Unearned Revenue
			Local	Intergovernmental	State	Federal				
210	4997	Title IV - SSAE	\$ -	\$ -	\$ -	\$ 987,790	\$ 987,790	\$ 964,868	\$ (22,922)	\$ -
212	4510	Extended School Year Handicapped Services	-	-	-	33,343	33,343	33,343	-	92,023
221	4310	Title I, (Neglected and Delinquent)	-	-	-	113,232	113,232	109,998	(3,234)	-
222	4310	Title I, (Neglected and Delinquent) Carryover	-	-	-	10,468	10,468	10,225	(243)	-
237	4310	Title I, (School Improvement) Carryover	-	-	-	244,476	244,476	244,476	-	-
238	4310	Title I School Improvement Mini Grant	-	-	-	226,137	226,137	226,137	-	-
239	4310	Title I, (Comprehensive Support and Improvement)	-	-	-	116,216	116,216	116,216	-	-
264	4341	ESOL Title III	-	-	-	93,299	93,299	91,470	(1,829)	-
265	4341	ESOL Title III Carryover	-	-	-	267,345	267,345	262,103	(5,242)	-
266	4351	Title II Supporting Effective Instruction Carryover	-	-	-	1,316,794	1,316,794	1,286,183	(30,611)	-
267	4351	Title II Supporting Effective Instruction	-	-	-	616,038	616,038	598,505	(17,533)	-
401	1999	ESOL Afterschool Program	12,489	-	-	-	12,489	12,489	-	2,752
410	1740/1790/1999	PDL Device Repair Fund	396,968	-	-	-	396,968	396,968	-	269,777
412	1999	Walmart Grant	505	-	-	-	505	505	-	500
413	1999	United Way	7,326	-	-	-	7,326	7,326	-	-
416	1999	Nursing Program	1,036	-	-	-	1,036	1,036	-	7,202
432	1790/1999	After School Childcare	1,691,271	-	-	-	1,691,271	1,691,271	-	-
433	1999	After School Childcare Summer	13,409	-	-	-	13,409	13,409	-	-
434	1994	After School Childcare Carryover	308	-	-	-	308	460,283	-	-
445	1999	FuelUp to Play60	3,653	-	-	-	3,653	3,653	-	4,347
451	1999	Champions Grant	45	-	-	-	45	45	-	2,857
453	1999	Exxon Mobile Grant	4,759	-	-	-	4,759	4,759	-	720
457	1999	Bright Ideas Grant	10,000	-	-	-	10,000	10,000	-	-
469	1999	Toomey's Kids	15,007	-	-	-	15,007	15,007	-	5,293
470	1920/1999/3999	Miscellaneous Grants	33,280	-	511	-	33,791	33,791	-	30,774
471	1999	Knights of Columbus	8,881	-	-	-	8,881	8,881	-	10,181
472	1920	Santee Cooper	84,586	-	-	-	84,586	84,586	-	119,575
480	1999	Waves of the Future Grant	9,284	-	-	-	9,284	9,284	-	7,311
483	1999	Tanger Grant	5,887	-	-	-	5,887	5,887	-	7,121
490	1999	HCS Activity Bus	1,039,977	-	-	-	1,039,977	539,977	(500,000)	44,073
495	1999	FFA Grant for Growing	2,641	-	-	-	2,641	2,641	-	5,657
497	1910/1999	Myrtle Beach Auditorium	41,595	-	-	-	41,595	46,505	4,910	-
498	1350	Middle School Summer Program	375	-	-	-	375	375	-	-
528	3113	12 Month Agriculture Program	-	-	78,833	-	78,833	78,833	-	-
551	3999	Recycling Grants - DHEC	-	-	135	-	135	135	-	1,500
561	3199	Profound Mentally Disabled	-	-	2,686	-	2,686	2,686	-	-
571	3999	Winthrop Pro Team Grant	-	-	1,288	-	1,288	1,288	-	1,384
603	4510	IDEA Private Placement	-	-	-	161,992	161,992	161,992	-	-
604	2100	Youth Risk Behav/Tobacco Surv	-	2,040	-	-	2,040	2,040	-	-
			<u>\$ 3,383,282</u>	<u>\$ 2,040</u>	<u>\$ 83,453</u>	<u>\$ 4,187,130</u>	<u>\$ 7,655,905</u>	<u>\$ 7,539,176</u>	<u>\$ (576,704)</u>	<u>\$ 613,047</u>

Horry County Schools**Comparative Balance Sheets - Special Revenue Fund - Education Improvement Act Fund****As of June 30, 2020 and 2019**

	2020	2019
Assets		
Cash and cash equivalents	\$ 7,034,773	\$ 9,260,484
Due from state government, net	784,731	140,906
Other receivables	7,630	1,732
Other assets	10,173	18,554
Total assets	<u>\$ 7,837,307</u>	<u>\$ 9,421,676</u>
Liabilities		
Accounts payable	\$ 748,114	\$ 852,130
Accrued salaries	1,169,324	1,347,382
Accrued payroll related liabilities	447,496	484,408
Unearned revenue	5,472,373	6,737,756
Total liabilities	<u>7,837,307</u>	<u>9,421,676</u>
Fund balances		
Restricted	<u>-</u>	<u>-</u>
Total fund balances	<u>-</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 7,837,307</u>	<u>\$ 9,421,676</u>

Horry County Schools***Comparative Schedule of Revenues, Expenditures, and Changes in Fund Balance******- Education Improvement Act Fund******For the years ended June 30, 2020 and 2019***

	2020	2019
<i>Revenues</i>		
State sources	\$ 29,876,287	\$ 30,400,428
Total revenues	<u>29,876,287</u>	<u>30,400,428</u>
<i>Expenditures</i>		
Instruction	13,235,100	13,774,428
Support services	3,582,386	3,816,474
Payment to public charter schools	919,668	669,773
Capital outlay	542,849	475,940
Total expenditures	<u>18,280,003</u>	<u>18,736,615</u>
<i>Excess of revenues over expenditures</i>	<u>11,596,284</u>	<u>11,663,813</u>
<i>Other financing uses</i>		
Transfers out	<u>(11,596,284)</u>	<u>(11,663,813)</u>
Total other financing uses	<u>(11,596,284)</u>	<u>(11,663,813)</u>
<i>Net change in fund balance</i>	-	-
<i>Fund balance, beginning of year</i>	-	-
<i>Fund balance, end of year</i>	<u>\$ -</u>	<u>\$ -</u>

Horry County Schools***Schedule of Revenues, Expenditures and Changes in Fund Balance - All Programs - Education Improvement Act Fund
For the year ended June 30, 2020*****Revenues**

3000	Revenue from state sources		
3500	Education improvement act		
3502	ADEPT	\$	47,124
3509	Arts in education		84,701
3518	Formative assessment		149,929
3519	Grade 10 assessments		100,347
3526	Refurbishment of K-8 science kits		107,961
3528	Industry certificates		41,028
3529	Career and technology education		900,408
3532	National board salary supplement		2,494,912
3533	Teacher of the year awards		1,077
3535	Reading coaches		1,554,540
3538	Students at risk of school failure		5,139,264
3540	Early childhood programs (4k programs serving four-year-old children)		2,432,867
3541	Child early reading development and education program (CERDEP)		69,409
3550	Teacher salary increase		10,068,113
3555	Teacher salary fringe		2,568,548
3556	Adult education		514,172
3557	Summer reading program		4,776
3571	State priority schools		428,000
3577	Teacher supplies		878,900
3595	EEDA - supplies and materials		86,875
3597	Aid to districts		2,049,520
3599	Other EIA		153,816
	Total revenues		<u>29,876,287</u>

Horry County Schools***Schedule of Revenues, Expenditures and Changes in Fund Balance - All Programs - Education Improvement Act Fund
For the year ended June 30, 2020*****Expenditures**

100	Instruction		
110	General instruction		
111	Kindergarten programs		
100	Salaries	50,000	
200	Employee benefits	14,730	
400	Supplies and materials	40,960	
		<u>105,690</u>	
112	Primary programs		
100	Salaries	680,874	
200	Employee benefits	232,116	
300	Purchased services	463,939	
400	Supplies and materials	826,337	
		<u>2,203,266</u>	
113	Elementary programs		
100	Salaries	352,920	
200	Employee benefits	103,748	
300	Purchased services	564,058	
400	Supplies and materials	571,488	
		<u>1,592,214</u>	
114	High school programs		
100	Salaries	625,754	
200	Employee benefits	184,297	
300	Purchased services	101,849	
400	Supplies and materials	254,338	
600	Other objects	1,000	
		<u>1,167,238</u>	
115	Career and technology education programs		
100	Salaries	50,000	
200	Employee benefits	14,717	
300	Purchased services	5,197	
400	Supplies and materials	449,103	
500	Capital outlay	395,217	
		<u>914,234</u>	
	Total general instruction	<u>5,982,642</u>	
120	Exceptional programs		
122	Trainable mentally handicapped		
100	Salaries	37,500	
200	Employee benefits	11,048	
400	Supplies and materials	12,925	
		<u>61,473</u>	

Horry County Schools***Schedule of Revenues, Expenditures and Changes in Fund Balance - All Programs - Education Improvement Act Fund
For the year ended June 30, 2020******Expenditures, Continued***

100	Instruction, continued		
124	Visually handicapped		
100	Salaries		35,861
200	Employee benefits		15,475
400	Supplies and materials		825
			<u>52,161</u>
125	Hearing handicapped		
400	Supplies and materials		1,925
			<u>1,925</u>
126	Speech handicapped		
100	Salaries		175,149
200	Employee benefits		61,424
400	Supplies and materials		14,300
			<u>250,873</u>
127	Learning disabilities		
100	Salaries		437,862
200	Employee benefits		226,961
400	Supplies and materials		76,863
			<u>741,686</u>
128	Emotionally handicapped		
400	Supplies and materials		6,325
			<u>6,325</u>
129	Coordinated early intervening services (CEIS)		
100	Salaries		79,153
200	Employee benefits		26,295
400	Supplies and materials		16,706
			<u>122,154</u>
	Total exceptional programs		<u>1,236,597</u>
130	Preschool programs		
137	Pre-school handicapped-self-contained (3 & 4 year olds)		
100	Salaries		3,474
200	Employee benefits		1,023
400	Supplies and materials		7,150
			<u>11,647</u>
139	Early childhood programs		
100	Salaries		1,012,924
200	Employee benefits		454,586
300	Purchased services		37,127
400	Supplies and materials		287,148
			<u>1,791,785</u>
	Total preschool programs		<u>1,803,432</u>

Horry County Schools***Schedule of Revenues, Expenditures and Changes in Fund Balance - All Programs - Education Improvement Act Fund
For the year ended June 30, 2020******Expenditures, Continued***

100	Instruction, continued		
140	Special programs		
141	Gifted and talented academic		
100	Salaries		49,693
200	Employee benefits		14,640
400	Supplies and materials		30,388
			<u>94,721</u>
149	Other special programs		
100	Salaries		2,498,742
200	Employee benefits		1,072,723
400	Supplies and materials		26,950
			<u>3,598,415</u>
	Total specific programs		<u>3,693,136</u>
170	Summer school programs		
172	Elementary summer school		
100	Salaries		189,621
200	Employee benefits		54,479
400	Supplies and materials		269
			<u>244,369</u>
173	High school summer school		
100	Salaries		27,736
200	Employee benefits		8,140
			<u>35,876</u>
175	Instructional programs beyond regular school day		
100	Salaries		187,094
200	Employee benefits		54,575
300	Purchased services		3,000
400	Supplies and materials		71
			<u>244,740</u>
	Total summer school programs		<u>524,985</u>
180	Adult/continuing education programs		
181	Adult basic education programs		
100	Salaries		92,423
200	Employee benefits		22,618
400	Supplies and materials		5,689
			<u>120,730</u>

Horry County Schools***Schedule of Revenues, Expenditures and Changes in Fund Balance - All Programs - Education Improvement Act Fund
For the year ended June 30, 2020******Expenditures, Continued***

100	Instruction, continued		
182	Adult secondary education programs		
100	Salaries	66,489	
200	Employee benefits	25,368	
400	Supplies and materials	4,771	
		<u>96,628</u>	
188	Parenting/family literacy		
100	Salaries	111,508	
200	Employee benefits	40,550	
300	Purchased services	5,587	
400	Supplies and materials	14,247	
		<u>171,892</u>	
190	Instructional pupil activity		
400	Supplies and materials	275	
		<u>275</u>	
	Total adult/continuing education programs	<u>389,525</u>	
	Total instruction	<u>13,630,317</u>	
200	Support services		
210	Pupil services		
212	Guidance services		
100	Salaries	166,025	
200	Employee benefits	48,911	
300	Purchased services	9,105	
400	Supplies and materials	112,145	
		<u>336,186</u>	
213	Health services		
100	Salaries	64,194	
200	Employee benefits	18,911	
		<u>83,105</u>	
216	Career and technical education placement services		
100	Salaries	510	
200	Employee benefits	150	
300	Purchased services	40,368	
		<u>41,028</u>	
	Total pupil services	<u>460,319</u>	

Horry County Schools***Schedule of Revenues, Expenditures and Changes in Fund Balance - All Programs - Education Improvement Act Fund
For the year ended June 30, 2020******Expenditures, Continued***

200	Support services, continued		
220	Instructional staff services		
221	Improvement of instruction curriculum development		
100	Salaries	1,565,930	
200	Employee benefits	661,769	
300	Purchased services	411	
		<u>2,228,110</u>	
222	Library and media services		
100	Salaries	58,171	
200	Employee benefits	17,137	
400	Supplies and materials	13,750	
		<u>89,058</u>	
223	Supervision of special programs		
100	Salaries	317,352	
200	Employee benefits	115,595	
300	Purchased services	50,668	
		<u>483,615</u>	
224	Improvement of instruction inservice and staff training		
100	Salaries	45,755	
200	Employee benefits	13,351	
300	Purchased services	107,844	
400	Supplies and materials	3,634	
		<u>170,584</u>	
	Total instructional staff services	<u>2,971,367</u>	
230	General administrative services		
233	School administration		
100	Salaries	48,533	
200	Employee benefits	14,238	
		<u>62,771</u>	
	Total general administrative services	<u>62,771</u>	

Horry County Schools***Schedule of Revenues, Expenditures and Changes in Fund Balance - All Programs - Education Improvement Act Fund
For the year ended June 30, 2020******Expenditures, Continued***

200	Support services, continued	
250	Finance and operations services	
254	Operation and maintenance of plant	
300	Purchased services	585
		<u>585</u>
255	Student transportation (state mandated)	
100	Salaries	26,728
200	Employee benefits	7,746
300	Purchased services	13,729
		<u>48,203</u>
	Total finance and operations services	<u>48,788</u>
260	Central support services	
266	Technology and data processing services	
500	Capital outlay	147,632
		<u>147,632</u>
	Total central support services	<u>147,632</u>
270	Support services - pupil activity	
271	Pupil service activities	
100	Salaries	24
200	Employee benefits	7
300	Purchased services	2,025
600	Other objects	37,085
		<u>39,141</u>
	Total support services - pupil activity	<u>39,141</u>
	Total support services	<u>3,730,018</u>
400	Other charges	
410	Intergovernmental expenditures	
416	LEA payments to public charter schools	
720	Transits	919,668
	Total intergovernmental expenditures	<u>919,668</u>
	Total expenditures	<u>18,280,003</u>
	<i>Excess of revenues over expenditures</i>	<u>11,596,284</u>
	<i>Other financing uses</i>	
420-710	Transfer to general fund	(11,596,284)
	Total other financing uses	<u>(11,596,284)</u>
	<i>Excess of revenues and other financing sources over expenditures and other financing uses</i>	-
	<i>Fund balance, beginning of year</i>	-
	<i>Fund balance, end of year</i>	<u>\$ -</u>

Horry County Schools**Summary Schedule by Program - Education Improvement Act Fund****For the year ended June 30, 2020**

	Program	Revenues	Expenditures	Other Fund Transfers In/(Out)	EIA Fund Unearned Revenue
3500	Education improvement act				
3502	ADEPT	\$ 47,124	\$ 47,124	\$ -	\$ 42,258
3509	Arts in education	84,701	84,701	-	28,958
3518	Formative assessment	149,929	149,929	-	209,064
3519	Grade 10 assessments	100,347	100,347	-	54,288
3526	Refurbishment of K-8 science kits	107,961	107,961	-	35,837
3528	Industry certificates	41,028	41,028	-	73,452
3529	Career and technology education	900,408	900,408	-	371,801
3532	National board salary supplement	2,494,912	2,494,912	-	-
3533	Teacher of the year awards	1,077	1,077	-	-
3535	Reading coaches	1,554,540	1,554,540	-	-
3538	Students at risk of school failure	5,139,264	5,139,264	-	2,227,374
3540	Early childhood programs (4k programs serving four-year-old children)	2,432,867	2,432,867	-	273,713
3541	Child early reading development and education program (CERDEP)	69,409	69,409	-	-
3550	Teacher salary increase	10,068,113	805,271	9,262,842	-
3555	Teacher salary fringe	2,568,548	235,106	2,333,442	-
3556	Adult education	514,172	514,172	-	231,912
3557	Summer reading program	4,776	4,776	-	365,212
3571	State priority schools	428,000	428,000	-	-
3577	Teacher supplies	878,900	878,900	-	-
3595	EEDA - supplies and materials	86,875	86,875	-	49,240
3597	Aid to Districts	2,049,520	2,049,520	-	1,494,264
3599	Other EIA	153,816	153,816	-	15,000
		<u>\$ 29,876,287</u>	<u>\$ 18,280,003</u>	<u>\$ 11,596,284</u>	<u>\$ 5,472,373</u>

Horry County Schools**Balance Sheet - School Food Service Fund****As of June 30, 2020****Assets**

Cash and cash equivalents	\$	5,306,454
Due from federal government		469,800
Inventories		1,046,546
Prepaid expenses		79
Other receivables		59,744
Total assets	\$	<u>6,882,623</u>

Liabilities

Accounts payable	\$	75,513
Accrued salaries		794,631
Accrued payroll related liabilities		451,831
Unearned revenue		280,605
Total liabilities		<u>1,602,580</u>

Fund balances

Non-spendable		1,046,625
Restricted		4,233,418
Total fund balances		<u>5,280,043</u>
Total liabilities and fund balances	\$	<u>6,882,623</u>

Horry County Schools**Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance - School Food Service Fund**
For the year ended June 30, 2020**Revenues**

Local sources	\$ 3,506,943
Federal sources	15,351,982
Total revenues	<u>18,858,925</u>

Expenditures

Support services	20,002,099
Intergovernmental	121,029
Capital outlay	193,266
Total expenditures	<u>20,316,394</u>

Deficiency of revenues under expenditures	<u>(1,457,469)</u>
--	--------------------

Other financing sources (uses)

Interfund transfers from (to) other funds:	
Transfers in	656,592
Transfers out	(812,868)
Total other financial sources (uses)	<u>(156,276)</u>

Net change in fund balance	(1,613,745)
-----------------------------------	-------------

Fund balance, beginning of year	<u>6,893,788</u>
--	------------------

Fund balance, end of year	<u><u>\$ 5,280,043</u></u>
----------------------------------	----------------------------

Horry County Schools**Schedule of Revenues, Expenditures and Changes in Fund Balance - School Food Service Fund****For the year ended June 30, 2020**

		Budget	Actual	Variance Favorable (Unfavorable)
Revenues				
1000	Revenue from local sources			
1500	Earnings on investments			
1510	Interest on investments	\$ 10,000	\$ 112,804	\$ 102,804
1600	Food services			
1610	Lunch sales to pupils	3,483,983	2,600,935	(883,048)
1620	Breakfast sales to pupils	5,955	3,800	(2,155)
1630	Special sales to pupils	883,675	329,151	(554,524)
1640	Lunch sales to adults	530,200	358,269	(171,931)
1650	Breakfast sales to adults	1,350	2,542	1,192
1660	Special sales to adults	47,300	28,957	(18,343)
1900	Other revenue from local sources			
1950	Refund of Prior Year's Expenditures	-	239	239
1990	Miscellaneous local revenue			
1999	Revenue from other local sources	109,800	70,246	(39,554)
	Total revenue from local sources	5,072,263	3,506,943	(1,565,320)
3000	Revenue from state sources			
3140	School lunch			
3142	School lunch program aid	15,500	-	(15,500)
	Total revenue from state sources	15,500	-	(15,500)
4000	Revenue from federal sources			
4800	USDA reimbursement			
4810	School lunch and after school snacks program	11,896,175	8,795,499	(3,100,676)
4830	School breakfast program	5,060,772	3,554,938	(1,505,834)
4870	School food service (equipment)	43,003	36,957	(6,046)
4880	Summer feeding programs (SFSP)	90,000	1,194,372	1,104,372
4900	Other federal sources			
4971	CARES Additional cost per meal	-	280,597	280,597
4991	USDA commodities (food distribution program)	-	1,489,619	1,489,619
	Total revenue from federal sources	17,089,950	15,351,982	(1,737,968)
	Total revenues	22,177,713	18,858,925	(3,318,788)
Expenditures				
250	Finance and operations services			
256	Food Services			
100	Salaries	7,647,108	7,361,756	285,352
200	Employee benefits	4,326,484	3,998,757	327,727
300	Purchased services	478,500	290,718	187,782
400	Supplies and materials	8,462,996	8,332,558	130,438
500	Capital outlay	256,282	193,266	63,016
600	Other objects	415,848	18,310	397,538
	Total support services	21,587,218	20,195,365	1,391,853
400	Other Charges			
410	Intergovernmental expenditures			
416	LEA payments to public charter schools			
720	Transits	-	121,029	(121,029)
	Total intergovernmental expenditures	-	121,029	(121,029)
	Total expenditures	21,587,218	20,316,394	1,270,824
Other financing sources (uses)				
Interfund transfers, from (to) other funds				
5210	Transfer from general fund	687,009	618,792	(68,217)
5250	Transfer from capital projects fund	-	37,800	37,800
432-791	Food service fund indirect costs	(1,275,080)	(812,868)	462,212
	Total other financing sources (uses)	(588,071)	(156,276)	431,795
	Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ 2,424	(1,613,745)	\$ (1,616,169)
	Fund balance, beginning of year		6,893,788	
	Fund balance, end of year		\$ 5,280,043	

DEBT SERVICE FUND

The Debt Service Fund is used to account for the accumulation of resources for and payment of interest and principal on long-term general obligation debt. Sources of funds used for payments include tax proceeds and earnings on temporary investments.

This page is intentionally blank.

Horry County Schools**Comparative Balance Sheets - Debt Service Fund****As of June 30, 2020 and 2019**

	2020	2019
Assets		
Cash and cash equivalents	\$ 41,328,290	\$ 46,195,256
Property tax receivable, net	1,857,302	1,665,804
Due from other governmental units	3,602,969	6,052,080
Total assets	<u>\$ 46,788,561</u>	<u>\$ 53,913,140</u>
Liabilities		
Accounts payable	\$ 68,810	\$ -
Total liabilities	<u>68,810</u>	<u>-</u>
Deferred inflows of resources		
Unavailable revenue - property taxes	1,686,540	1,541,021
Total deferred inflows of resources	<u>1,686,540</u>	<u>1,541,021</u>
Fund balances		
Restricted for debt service	45,033,211	52,372,119
Total fund balances	<u>45,033,211</u>	<u>52,372,119</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 46,788,561</u>	<u>\$ 53,913,140</u>

Horry County Schools**Comparative Schedule of Revenues, Expenditures, and Changes in Fund Balance - Debt Service Fund**
For the years ended June 30, 2020 and 2019

	2020	2019
Revenues		
Local sources	\$ 91,020,547	\$ 88,599,143
State sources	852,834	899,480
Total revenues	<u>91,873,381</u>	<u>89,498,623</u>
Expenditures		
Debt service	63,012,289	62,878,319
Total expenditures	<u>63,012,289</u>	<u>62,878,319</u>
Excess of revenues over expenditures	<u>28,861,092</u>	<u>26,620,304</u>
Other financing uses		
Interfund transfers to other funds:		
Transfers out	(36,200,000)	(28,800,000)
Total other financial uses	<u>(36,200,000)</u>	<u>(28,800,000)</u>
Net change in fund balance	(7,338,908)	(2,179,696)
Fund balance, beginning of year	<u>52,372,119</u>	<u>54,551,815</u>
Fund balance, end of year	<u><u>\$ 45,033,211</u></u>	<u><u>\$ 52,372,119</u></u>

Horry County Schools**Summary Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Debt Service Fund**
For the year ended June 30, 2020

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable)
Revenues				
Local sources	\$ 88,950,441	\$ 88,950,441	\$ 91,020,547	\$ 2,070,106
State sources	933,463	933,463	852,834	(80,629)
Total revenues	89,883,904	89,883,904	91,873,381	1,989,477
Expenditures				
Debt service	62,943,321	62,943,321	63,012,289	(68,968)
Total expenditures	62,943,321	62,943,321	63,012,289	(68,968)
Excess of revenues over expenditures	26,940,583	26,940,583	28,861,092	1,920,509
Other financing uses				
Interfund transfers to other funds:				
Transfers out	(28,600,000)	(28,600,000)	(36,200,000)	(7,600,000)
Total other financial uses	(28,600,000)	(28,600,000)	(36,200,000)	(7,600,000)
Net change in fund balance	\$ (1,659,417)	\$ (1,659,417)	(7,338,908)	\$ (5,679,491)
Fund balance, beginning of year			52,372,119	
Fund balance, end of year			\$ 45,033,211	

Horry County Schools**Schedule of Revenues, Expenditures and Changes in Fund Balance - Debt Service Fund****For the year ended June 30, 2020**

		Budget	Actual	Variance Favorable (Unfavorable)
Revenues				
1000	Revenue from local sources			
1100	Taxes levied/assessed by the LEA			
1110	Ad valorem taxes - including delinquent	\$ 22,759,494	\$ 24,190,451	\$ 1,430,957
1140	Penalties & interest on taxes	195,332	199,699	4,367
1190	Other taxes (independent)	64,450,532	64,609,533	159,001
1200	Revenue from local governmental units other than LEAs			
1280	Revenue in lieu of taxes	586,488	832,711	246,223
1500	Earnings on investments			
1510	Interest on investments	958,595	1,188,153	229,558
	Total local sources	<u>88,950,441</u>	<u>91,020,547</u>	<u>2,070,106</u>
3000	Revenue from state sources			
3800	State revenue in lieu of taxes			
3820	Homestead exemption	633,049	713,742	80,693
3830	Merchant's inventory tax	201,985	66,663	(135,322)
3840	Manufacturers depreciation reimbursement	20,266	23,932	3,666
3890	Other state property tax revenues	78,163	48,497	(29,666)
	Total state sources	<u>933,463</u>	<u>852,834</u>	<u>(80,629)</u>
	Total revenue all sources	<u>89,883,904</u>	<u>91,873,381</u>	<u>1,989,477</u>
Expenditures				
500	Debt services			
610	Redemption of principal	45,070,000	45,070,000	-
620	Interest	17,863,952	17,863,950	2
690	Other objects	9,369	78,339	(68,970)
	Total debt services	<u>62,943,321</u>	<u>63,012,289</u>	<u>(68,968)</u>
	Total expenditures	<u>62,943,321</u>	<u>63,012,289</u>	<u>(68,968)</u>
Other financing uses				
	Interfund transfers to other funds			
424-710	Transfer to capital projects fund	(28,600,000)	(36,200,000)	(7,600,000)
	Total other financing uses	<u>(28,600,000)</u>	<u>(36,200,000)</u>	<u>(7,600,000)</u>
Deficiency of revenues under expenditures and other financing uses		<u>\$ (1,659,417)</u>	<u>(7,338,908)</u>	<u>\$ (5,679,491)</u>
Fund balance, beginning of year			<u>52,372,119</u>	
Fund balance, end of year			<u>\$ 45,033,211</u>	

CAPITAL PROJECTS FUND

The Capital Projects Fund accounts for the receipt of proceeds from the sale of long-term general obligation bonds and other revenues for facilities acquisitions, construction and other capital outlay.

This page is intentionally blank.

Horry County Schools
Comparative Balance Sheets - Capital Projects Fund
As of June 30, 2020 and 2019

	2020	2019
Assets		
Cash and cash equivalents	\$ 59,688,456	\$ 44,906,267
Accounts receivable	30,832	67,502
Prepaid and other	512,608	-
Total assets	<u>\$ 60,231,896</u>	<u>\$ 44,973,769</u>
Liabilities		
Accounts payable	\$ 3,493,776	\$ 4,984,536
Accrued salaries and payroll liabilities	6,184	5,244
Retainage payable	211,306	711,604
Total liabilities	<u>3,711,266</u>	<u>5,701,384</u>
Fund balances		
Non-spendable	512,608	-
Restricted for capital projects	56,008,022	39,272,385
Total fund balances	<u>56,520,630</u>	<u>39,272,385</u>
Total liabilities and fund balances	<u>\$ 60,231,896</u>	<u>\$ 44,973,769</u>

Horry County Schools**Comparative Schedule of Revenues, Expenditures, and Changes in Fund Balance - Capital Projects Fund**
For the years ended June 30, 2020 and 2019

	2020	2019
Revenues		
Local sources	\$ 568,043	\$ 521,763
Intergovernmental revenue	895,812	1,055,872
Total revenues	<u>1,463,855</u>	<u>1,577,635</u>
Expenditures		
Instruction	13,897	56,223
Support services	3,859,390	6,524,698
Capital outlay	19,204,544	36,211,415
Total expenditures	<u>23,077,831</u>	<u>42,792,336</u>
Deficiency of revenues under expenditures	<u>(21,613,976)</u>	<u>(41,214,701)</u>
Other financing sources (uses)		
Sale of capital assets	-	57,000
Interfund transfers from (to) other funds:		
Transfers in	38,900,021	37,800,000
Transfers out	(37,800)	(64,472)
Total other financial sources (uses)	<u>38,862,221</u>	<u>37,792,528</u>
Net change in fund balance	17,248,245	(3,422,173)
Fund balance, beginning of year	<u>39,272,385</u>	<u>42,694,558</u>
Fund balance, end of year	<u>\$ 56,520,630</u>	<u>\$ 39,272,385</u>

Horry County Schools**Summary Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Capital Projects Fund**
For the year ended June 30, 2020

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)
	Original	Final		
Revenues				
Local sources	\$ 365,888	\$ 365,888	\$ 568,043	\$ 202,155
Intergovernmental revenue	631,553	2,034,376	895,812	(1,138,564)
Total revenues	997,441	2,400,264	1,463,855	(936,409)
Expenditures				
Instruction	551,696	551,696	13,897	537,799
Support services	8,335,242	12,322,697	3,859,390	8,463,307
Capital outlay	37,153,459	36,966,789	19,204,544	17,762,245
Total expenditures	46,040,397	49,841,182	23,077,831	26,763,351
Deficiency of revenues under expenditures	(45,042,956)	(47,440,918)	(21,613,976)	25,826,942
Other financing sources (uses)				
Transfer from general fund	-	2,200,021	2,200,021	-
Transfer from special revenue fund	-	500,000	500,000	-
Transfer from debt service fund	28,600,000	28,600,000	36,200,000	7,600,000
Transfer to food service fund	-	(37,800)	(37,800)	-
Total other financial sources (uses)	28,600,000	31,262,221	38,862,221	7,600,000
Net change in fund balance	<u>\$ (16,442,956)</u>	<u>\$ (16,178,697)</u>	17,248,245	<u>\$ 33,426,942</u>
Fund balance, beginning of year			39,272,385	
Fund balance, end of year			<u>\$ 56,520,630</u>	

Horry County Schools**Schedule of Revenues, Expenditures and Changes in Fund Balance - Capital Projects Fund****For the year ended June 30, 2020**

		Budget	Actual	Variance Favorable (Unfavorable)
Revenues				
1000	Revenue from local sources			
1500	Earnings on investments			
1510	Interest on investments	\$ 365,888	\$ 568,043	\$ 202,155
	Total local sources	365,888	568,043	202,155
2000	Intergovernmental revenue			
2100	Payments from other governmental units	2,034,376	895,812	(1,138,564)
	Total intergovernmental revenue	2,034,376	895,812	(1,138,564)
	Total revenue all sources	2,400,264	1,463,855	(936,409)
Expenditures				
100	Instruction			
110	General instruction			
111	Kindergarten programs			
500	Capital outlay	52,186	52,186	-
112	Primary programs			
400	Supplies and materials	62,827	-	62,827
500	Capital outlay	159,904	-	159,904
113	Elementary programs			
400	Supplies and materials	305,851	13,897	291,954
500	Capital outlay	6,100,000	3,724,547	2,375,453
114	High school programs			
400	Supplies and materials	183,018	-	183,018
500	Capital outlay	4,157,494	1,114,169	3,043,325
	Total instruction	11,021,280	4,904,799	6,116,481
200	Support services			
220	Instructional staff services			
222	Library and media services			
100	Salaries	4,516	4,516	-
200	Employee benefits	1,318	1,318	-
400	Supplies and materials	34,762	34,762	-
230	General administrative services			
233	School administration			
400	Supplies and materials	45	45	-
250	Finance and operations services			
252	Fiscal services			
300	Purchased services	264,728	264,728	-
400	Supplies and materials	9,247	9,247	-
500	Capital outlay	7,594	7,594	-
253	Facilities acquisition and construction			
100	Salaries	1,506,043	1,235,732	270,311
200	Employee benefits	576,987	445,363	131,624
300	Purchased services	263,665	222,251	41,414
400	Supplies and materials	224,531	136,345	88,186
500	Capital outlay			
520	Construction services	16,015,933	5,159,318	10,856,615
530	Improvements other than buildings	900,000	854,174	45,826
540	Equipment	25,000	20,630	4,370
545	Technology, equipment and software	20,000	26,880	(6,880)
600	Other objects	7,273,763	1,363	7,272,400

Horry County Schools**Schedule of Revenues, Expenditures and Changes in Fund Balance - Capital Projects Fund****For the year ended June 30, 2020**

		Budget	Actual	Variance Favorable (Unfavorable)
Expenditures, continued				
200	Support services, continued			
250	Finance and operations services, continued			
254	Operation and maintenance of plant			
100	Salaries	781	781	-
200	Employee benefits	226	226	-
300	Purchased services	456,531	296,326	160,205
400	Supplies and materials	304,782	219,443	85,339
500	Capital outlay	7,426,557	7,198,444	228,113
257	Internal services			
100	Salaries	68,594	25,839	42,755
200	Employee benefits	20,610	7,721	12,889
258	Security			
400	Supplies and materials	15,392	-	15,392
500	Capital outlay	198,506	27,334	171,172
260	Central support services			
262	Planning			
100	Salaries	99,059	99,059	-
200	Employee benefits	37,150	36,463	687
266	Technology and data processing services			
300	Purchased services	575,000	544,855	30,145
400	Supplies and materials	575,000	263,040	311,960
500	Capital outlay	1,842,752	958,405	884,347
270	Support services pupil activity			
271	Pupil services activities			
400	Supplies and materials	9,967	9,967	-
500	Capital outlay	60,863	60,863	-
	Total support services	38,819,902	18,173,032	20,646,870
	Total expenditures	49,841,182	23,077,831	26,763,351
Other financing sources (uses)				
	Interfund transfers, from (to) other funds			
5210	Transfer from general fund	2,200,021	2,200,021	-
5220	Transfer from special revenue fund	500,000	500,000	-
5240	Transfer from debt service fund	28,600,000	36,200,000	7,600,000
425-710	Transfer to food service fund	(37,800)	(37,800)	-
	Total other financing sources (uses)	31,262,221	38,862,221	7,600,000
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses		\$ (16,178,697)	17,248,245	\$ 33,426,942
Fund balance, beginning of year			39,272,385	
Fund balance, end of year			\$ 56,520,630	

This page is intentionally blank.

FIDUCIARY FUND TYPES

Agency Funds

The Pupil Activity Fund is used to account for receipts and disbursements of monies from various student activity organizations. These organizations exist at the explicit approval, subject to revocation, of the School District's governing body. Since the Agency Fund is custodial, no fund balance exists.

The Federal Program Fund is used to account for unemployment benefits to claimants. To be a claimant, an individual must have been employed in the School District by a federal program, involved in this reserve fund.

Private Purpose Trust Funds

The Green Sea-Floyd's Endowment Principal Fund is used to account for monies provided by a private donor. The fund was established in 1994. The expendable portion of the fund is used for college scholarships.

The Scholarship Endowment Trust Fund is used to account for contributions from local businesses for the purpose of providing scholarships for the winning participants in the annual District Academic Olympics competition.

This page is intentionally blank.

Horry County Schools***Combining Statements of Fiduciary Assets, Liabilities and Net Position - Private Purpose Trust Funds
As of June 30, 2020***

	Education Endowment Fund	Scholarship Endowment Fund	Total
Assets			
Cash and cash equivalents	\$ 1,563	\$ 119,308	\$ 120,871
Investments	98,581	-	98,581
Total assets	<u>\$ 100,144</u>	<u>\$ 119,308</u>	<u>\$ 219,452</u>
Liabilities			
Accounts payable	\$ -	\$ 1,000	\$ 1,000
Total liabilities	<u>-</u>	<u>1,000</u>	<u>1,000</u>
Net position			
Restricted net position	100,144	118,308	218,452
Total net position	<u>\$ 100,144</u>	<u>\$ 118,308</u>	<u>\$ 218,452</u>

Horry County Schools***Combining Statements of Changes in Fiduciary Net Position - Private Purpose Trust Funds******For the year ended June 30, 2020***

	Education Endowment Fund	Scholarship Endowment Fund	Total
Additions			
Revenue from local sources			
Earnings on investments	\$ 1,625	\$ 19,780	\$ 21,405
Other pupil activity income	-	9,025	9,025
Contributions and donations from private sources	-	34,428	34,428
Total additions	<u>1,625</u>	<u>63,233</u>	<u>64,858</u>
Deductions			
Scholarships Awarded	<u>1,800</u>	<u>38,083</u>	<u>39,883</u>
Total deductions	<u>1,800</u>	<u>38,083</u>	<u>39,883</u>
Change in net position	<u>(175)</u>	<u>25,150</u>	<u>24,975</u>
Total net position, beginning of year	<u>100,319</u>	<u>93,158</u>	<u>193,477</u>
Total net position, end of year	<u>\$ 100,144</u>	<u>\$ 118,308</u>	<u>\$ 218,452</u>

Horry County Schools***Schedule of Changes in Fiduciary Assets, Liabilities, and Net Position - Private Purpose Trust Funds
For the year ended June 30, 2020***

	Balance July 1, 2019	Additions	Deductions	Balance June 30, 2020
Assets				
Cash and cash equivalents	\$ 95,043	\$ 64,858	\$ 39,030	\$ 120,871
Investments	98,581	-	-	98,581
Total assets	<u>\$ 193,624</u>	<u>\$ 64,858</u>	<u>\$ 39,030</u>	<u>\$ 219,452</u>
Liabilities				
Accounts payable	\$ 147	\$ 39,883	\$ 39,030	\$ 1,000
Total liabilities	<u>147</u>	<u>39,883</u>	<u>39,030</u>	<u>1,000</u>
Net position				
Restricted net position	193,477	64,858	39,883	218,452
Total net position	<u>\$ 193,477</u>	<u>\$ 64,858</u>	<u>\$ 39,883</u>	<u>\$ 218,452</u>

Horry County Schools***Comparative Schedule of Fiduciary Net Position - Education Endowment Fund - Private Purpose Trust Funds
As of June 30, 2020 and 2019***

	2020	2019
Assets		
Cash and cash equivalents	\$ 1,563	\$ 1,738
Investments	98,581	98,581
Total assets	<u>\$ 100,144</u>	<u>\$ 100,319</u>
Restricted net position		
Held in trust for individuals and organizations	<u>\$ 100,144</u>	<u>\$ 100,319</u>

Horry County Schools

Comparative Schedule of Additions, Deductions and Changes in Fiduciary Net Position

- Education Endowment Fund - Private Purpose Trust Funds

For the years ended June 30, 2020 and 2019

		<u>2020</u>	<u>2019</u>
Additions			
1000	Revenue from local sources		
1500	Earnings on investments		
1510	Interest on investments	\$ 1,625	\$ 2,000
	Total additions	<u>1,625</u>	<u>2,000</u>
Deductions			
200	Support Services		
270	Support services - pupil activity		
273	Trust and agency activities		
600	Other objects	1,800	2,000
	Total deductions	<u>1,800</u>	<u>2,000</u>
	Change in net position	<u>(175)</u>	<u>-</u>
	Total net position, beginning of year	<u>100,319</u>	<u>100,319</u>
	Total net position, end of year	<u>\$ 100,144</u>	<u>\$ 100,319</u>

Horry County Schools***Comparative Schedule of Fiduciary Net Position - Scholarship Endowment Fund - Private Purpose Trust Funds
As of June 30, 2020 and 2019***

	2020	2019
Assets		
Cash and cash equivalents	\$ 119,308	\$ 93,305
Total assets	<u>\$ 119,308</u>	<u>\$ 93,305</u>
Liabilities		
Accounts payable	\$ 1,000	\$ 147
Total liabilities	<u>1,000</u>	<u>147</u>
Restricted net position		
Held in trust for individuals and organizations	<u>\$ 118,308</u>	<u>\$ 93,158</u>

Horry County Schools**Comparative Schedule of Additions, Deductions and Changes in Fiduciary Net Position****- Scholarship Endowment Fund - Private Purpose Trust Funds****For the years ended June 30, 2020 and 2019**

		<u>2020</u>	<u>2019</u>
Additions			
1000	Revenue from local sources		
1500	Earnings on investments		
1510	Interest on investments	\$ 19,780	\$ 21,465
1700	Pupil activities		
1790	Other pupil activity income	9,025	6,475
1900	Other revenue from local sources		
1920	Contributions and donations from private sources	34,428	50,710
	Total additions	<u>63,233</u>	<u>78,650</u>
Deductions			
200	Support Services		
270	Support services - pupil activity		
271	Pupil service activities		
400	Supplies and materials	-	147
600	Other objects	38,083	56,707
	Total deductions	<u>38,083</u>	<u>56,854</u>
	Change in net position	<u>25,150</u>	<u>21,796</u>
	Total net position, beginning of year	<u>93,158</u>	<u>71,362</u>
	Total net position, end of year	<u><u>\$ 118,308</u></u>	<u><u>\$ 93,158</u></u>

Horry County Schools***Combining Statements of Fiduciary Assets and Liabilities - Agency Funds******As of June 30, 2020***

	Pupil Activity	Federal Program	Total
Assets			
Cash and cash equivalents	\$ 5,735,284	\$ 1,030,952	\$ 6,766,236
Other assets	147,015	-	147,015
Total assets	<u>\$ 5,882,299</u>	<u>\$ 1,030,952</u>	<u>\$ 6,913,251</u>
Liabilities			
Accounts payable	\$ 180,258	\$ -	\$ 180,258
Accrued liabilities	2,035	-	2,035
Due to other governments	-	1,030,952	1,030,952
Due to student organizations	5,700,006	-	5,700,006
Total liabilities	<u>\$ 5,882,299</u>	<u>\$ 1,030,952</u>	<u>\$ 6,913,251</u>

Horry County Schools***Combined Statement of Changes in Assets and Liabilities - Agency Funds******For the year ended June 30, 2020***

	Balance July 1, 2019	Additions	Deductions	Balance June 30, 2020
<i>Assets</i>				
Cash and cash equivalents	\$ 6,255,345	\$ 6,503,935	\$ 5,993,044	\$ 6,766,236
Other assets	184,052	147,015	184,052	147,015
Total assets	<u>\$ 6,439,397</u>	<u>\$ 6,650,950</u>	<u>\$ 6,177,096</u>	<u>\$ 6,913,251</u>
<i>Liabilities</i>				
Accounts payable	\$ 463,950	\$ 5,685,337	\$ 5,969,029	\$ 180,258
Accrued liabilities	63,087	2,035	63,087	2,035
Due to other governments	1,030,719	233	-	1,030,952
Due to student organizations	4,881,641	6,503,702	5,685,337	5,700,006
Total liabilities	<u>\$ 6,439,397</u>	<u>\$ 12,191,307</u>	<u>\$ 11,717,453</u>	<u>\$ 6,913,251</u>

Horry County Schools***Comparative Balance Sheets - Pupil Activity Fund - Agency Fund******As of June 30, 2020 and 2019***

	2020	2019
<i>Assets</i>		
Cash and cash equivalents	\$ 5,735,284	\$ 5,224,626
Other assets	147,015	184,052
Total assets	<u>\$ 5,882,299</u>	<u>\$ 5,408,678</u>
<i>Liabilities</i>		
Accounts payable	\$ 180,258	\$ 463,950
Accrued liabilities	2,035	63,087
Due to student organizations	5,700,006	4,881,641
Total liabilities	<u>\$ 5,882,299</u>	<u>\$ 5,408,678</u>

Horry County Schools***Schedule of Changes in Assets and Liabilities - Pupil Activity Fund - Agency Fund******For the year ended June 30, 2020***

	Balance July 1, 2019	Additions	Deductions	Balance June 30, 2020
Assets				
Cash and cash equivalents	\$ 5,224,626	\$ 6,503,702	\$ 5,993,044	\$ 5,735,284
Other assets	184,052	147,015	184,052	147,015
Total assets	<u>\$ 5,408,678</u>	<u>\$ 6,650,717</u>	<u>\$ 6,177,096</u>	<u>\$ 5,882,299</u>
Liabilities				
Accounts payable	\$ 463,950	\$ 5,685,337	\$ 5,969,029	\$ 180,258
Accrued liabilities	63,087	2,035	63,087	2,035
Due to student organizations	4,881,641	6,503,702	5,685,337	5,700,006
Total liabilities	<u>\$ 5,408,678</u>	<u>\$ 12,191,074</u>	<u>\$ 11,717,453</u>	<u>\$ 5,882,299</u>

Horry County Schools**Schedule of Receipts, Disbursements and Changes in Amounts Due to Student Organizations - Pupil Activity Fund - Agency Fund****For the year ended June 30, 2020**

		Budget	Actual	Variance
Receipts				
1000	Revenue from local sources			
1500	Earnings on investments			
1510	Interest on investments	\$ 74,643	\$ 101,758	\$ 27,115
1700	Pupil activities			
1710	Admissions	799,247	940,233	140,986
1720	Bookstore sales	90,132	30,508	(59,624)
1730	Pupil organization membership dues and fees	42,000	33,739	(8,261)
1740	Student fees	3,934	3,840	(94)
1790	Other pupil activity income	6,820,077	4,356,352	(2,463,725)
1900	Other revenue from local sources			
1910	Rentals	26,574	47,346	20,772
1920	Contributions and donations from private sources	265,140	237,636	(27,504)
1950	Refund of prior year's expenditures	-	280	280
1990	Miscellaneous local revenue			
1999	Reveue from other local sources	387,734	752,010	364,276
	Total receipts	8,509,481	6,503,702	(2,005,779)
Disbursements				
100	Instruction			
190	Instructional pupil activity			
100	Salaries	27,809	27,809	-
200	Employee benefitis	4,984	4,984	-
400	Supplies and materials	1,500	1,500	-
600	Other objects	8,628	-	8,628
	Total instruction	42,921	34,293	8,628
200	Support services			
258	Security			
100	Salaries	-	39,684	(39,684)
200	Employee benefitis	-	11,165	(11,165)
300	Purchased services	-	69,951	(69,951)
400	Supplies and materials	-	1,197	(1,197)
270	Support services - pupil activity			
271	Pupil service activities			
100	Salaries	185,196	128,944	56,252
200	Employee benefitis	69,258	39,664	29,594
300	Purchased services	618,253	515,242	103,011
400	Supplies and materials	2,818,793	2,521,602	297,191
500	Capital outlay	214,534	174,010	40,524
600	Other objects	4,560,526	2,149,585	2,410,941
	Total support services	8,466,560	5,651,044	2,815,516
	Total disbursements	8,509,481	5,685,337	2,824,144
Excess of receipts over disbursements		\$ -	818,365	\$ (4,829,923)
Due to Student Organizations, beginning of year			4,881,641	
Due to Student Organizations, end of year			\$ 5,700,006	

Horry County Schools***Comparative Balance Sheets - Federal Program - Agency Fund******As of June 30, 2020 and 2019***

	2020	2019
Assets		
Cash and cash equivalents	\$ 1,030,952	\$ 1,030,719
Total assets	<u>\$ 1,030,952</u>	<u>\$ 1,030,719</u>
Liabilities		
Due to other governments	\$ 1,030,952	\$ 1,030,719
Total liabilities	<u>\$ 1,030,952</u>	<u>\$ 1,030,719</u>

Horry County Schools***Schedule of Changes in Assets and Liabilities - Federal Program - Agency Fund
For the year ended June 30, 2020***

	Balance July 1, 2019	Additions	Deductions	Balance June 30, 2020
Assets				
Cash and cash equivalents	\$ 1,030,719	\$ 233	\$ -	\$ 1,030,952
Total assets	<u>\$ 1,030,719</u>	<u>\$ 233</u>	<u>\$ -</u>	<u>\$ 1,030,952</u>
Liabilities				
Due to other governments	\$ 1,030,719	\$ 233	\$ -	\$ 1,030,952
Total liabilities	<u>\$ 1,030,719</u>	<u>\$ 233</u>	<u>\$ -</u>	<u>\$ 1,030,952</u>

COMPONENT UNITS:

WACCAMAW PARK PUBLIC CHARTER SCHOOL, INC.

PALMETTO ACADEMY OF LEARNING AND SUCCESS

ACADEMY OF HOPE, INC.

PALMETTO ACADEMY FOR LEARNING MOTORSPORTS

This page is intentionally blank.

Horry County Schools*Combining Schedule of Net Position - Charter Schools**As of June 30, 2020*

	Waccamaw Park Public Charter School, Inc.	Palmetto Academy of Learning and Success	Academy of Hope, Inc.	Palmetto Academy for Learning Motorsports	Component Units Totals
Assets					
Cash and cash equivalents	\$ 593,705	\$ 908,006	\$ 272,442	\$ 392,477	\$ 2,166,630
Restricted cash	-	-	2,085	-	2,085
Other receivables	-	154,292	-	1,977	156,269
Prepaid and other	7,762	68,041	13,336	57,500	146,639
Due from other governmental units, net	75,589	-	167,210	114,349	357,148
Non-current assets, net	1,419,640	5,652,977	126,873	4,577,812	11,777,302
Total assets	<u>2,096,696</u>	<u>6,783,316</u>	<u>581,946</u>	<u>5,144,115</u>	<u>14,606,073</u>
Deferred outflows of resources					
Deferred outflows related to pensions	252,836	799,871	223,130	-	1,275,837
Deferred outflows related to OPEB	118,251	278,044	146,528	-	542,823
Total deferred outflows of resources	<u>371,087</u>	<u>1,077,915</u>	<u>369,658</u>	<u>-</u>	<u>1,818,660</u>
Liabilities					
Accounts payable and other liabilities	131,906	126,070	111,679	24,772	394,427
Revenue received in advance	173,175	247,020	148,094	299,774	868,063
Non-current liabilities:					
Due within one year	115,272	115,710	100,117	145,517	476,616
Due in more than one year	1,521,507	7,042,745	198,641	5,018,356	13,781,249
Net pension liability	1,187,421	2,420,807	1,523,400	-	5,131,628
Net OPEB liability	1,009,211	2,033,543	1,239,511	-	4,282,265
Total liabilities	<u>4,138,492</u>	<u>11,985,895</u>	<u>3,321,442</u>	<u>5,488,419</u>	<u>24,934,248</u>
Deferred inflows of resources					
Deferred inflows related to pensions	374,254	563,735	182,654	-	1,120,643
Deferred inflows related to OPEB	418,771	318,182	273,643	-	1,010,596
Total deferred inflows of resources	<u>793,025</u>	<u>881,917</u>	<u>456,297</u>	<u>-</u>	<u>2,131,239</u>
Net position					
Net investment in capital assets	118,630	(1,160,478)	46,480	(172,188)	(1,167,556)
Restricted	-	-	2,085	-	2,085
Unrestricted	(2,582,364)	(3,846,103)	(2,874,700)	(172,116)	(9,475,283)
Total net position	<u>\$ (2,463,734)</u>	<u>\$ (5,006,581)</u>	<u>\$ (2,826,135)</u>	<u>\$ (344,304)</u>	<u>\$ (10,640,754)</u>

Horry County Schools**Combining Statement of Activities - Charter Schools****For the year ended June 30, 2020**

	<u>Waccamaw Park Public Charter School, Inc.</u>	<u>Palmetto Academy of Learning and Success</u>	<u>Academy of Hope, Inc.</u>	<u>Palmetto Academy for Learning Motorsports</u>	<u>Component Units Totals</u>
FUNCTIONS/PROGRAMS					
Governmental activities:					
Instruction:					
Expenses	\$ (915,544)	\$ (1,593,313)	\$ (747,190)	\$ (1,045,554)	\$ (4,301,601)
Revenues:					
Operating grants and contributions	1,642,389	2,763,479	1,635,149	2,237,105	8,278,122
Charges for services and sales	2,475	-	-	-	2,475
Support services:					
Expenses	(751,731)	(1,361,828)	(953,860)	(1,046,525)	(4,113,944)
Community services expenses	-	-	(933)	-	(933)
Interest and other charges	(87,590)	(649,626)	(4,619)	(391,911)	(1,133,746)
Total government activities	<u>(110,001)</u>	<u>(841,288)</u>	<u>(71,453)</u>	<u>(246,885)</u>	<u>(1,269,627)</u>
General revenues					
Miscellaneous revenues	<u>110,272</u>	<u>284,327</u>	<u>16,298</u>	<u>66,464</u>	<u>477,361</u>
Total general revenues	<u>110,272</u>	<u>284,327</u>	<u>16,298</u>	<u>66,464</u>	<u>477,361</u>
Change in Net Position	271	(556,961)	(55,155)	(180,421)	(792,266)
Net Position - Beginning of Year	<u>(2,464,005)</u>	<u>(4,449,620)</u>	<u>(2,770,980)</u>	<u>(163,883)</u>	<u>(9,848,488)</u>
Net Position - End of Year	<u>\$ (2,463,734)</u>	<u>\$ (5,006,581)</u>	<u>\$ (2,826,135)</u>	<u>\$ (344,304)</u>	<u>\$ (10,640,754)</u>

Horry County Schools**Combining Balance Sheets - Charter Schools - Governmental Funds****As of June 30, 2020**

	Waccamaw Park Public Charter School, Inc.	Palmetto Academy of Learning and Success	Academy of Hope, Inc.	Palmetto Academy for Learning Motorsports	Component Units Totals
Assets					
Cash and cash equivalents	\$ 593,705	\$ 908,006	\$ 272,442	\$ 392,477	\$ 2,166,630
Restricted cash	-	-	2,085	-	2,085
Other receivables	-	154,292	-	1,977	156,269
Prepaid and other	7,762	68,041	13,336	57,500	146,639
Due from other funds	174,034	11,129	212,390	172,874	570,427
Due from other governmental units	76,449	-	171,364	114,349	362,162
Total assets	<u>\$ 851,950</u>	<u>\$ 1,141,468</u>	<u>\$ 671,617</u>	<u>\$ 739,177</u>	<u>\$ 3,404,212</u>
Liabilities and Fund Balances					
Liabilities					
Accounts payable and accrued liabilities	\$ 131,907	\$ 69,108	\$ 6,052	\$ 16,584	\$ 223,651
Accrued payroll related liabilities	-	56,962	105,627	8,188	170,777
Due to other funds	174,034	11,129	212,390	172,874	570,427
Due to other governmental units	859	-	4,154	-	5,013
Unearned revenue	173,175	247,020	148,094	299,774	868,063
Total liabilities	<u>479,975</u>	<u>384,219</u>	<u>476,317</u>	<u>497,420</u>	<u>1,837,931</u>
Fund balances					
Nonspendable	7,762	68,041	13,336	57,500	146,639
Restricted	-	-	2,085	-	2,085
Unassigned	364,213	689,208	179,879	184,257	1,417,557
Total fund balances	<u>371,975</u>	<u>757,249</u>	<u>195,300</u>	<u>241,757</u>	<u>1,566,281</u>
Total liabilities and fund balances	<u>\$ 851,950</u>	<u>\$ 1,141,468</u>	<u>\$ 671,617</u>	<u>\$ 739,177</u>	<u>\$ 3,404,212</u>

Horry County Schools**Combining Balance Sheets - Charter Schools - Governmental Funds****As of June 30, 2020**

	Waccamaw Park Public Charter School, Inc.	Palmetto Academy of Learning and Success	Academy of Hope, Inc.	Palmetto Academy for Learning Motorsports	Component Units Totals
Total governmental fund balances	\$ 371,975	\$ 757,249	\$ 195,300	\$ 241,757	\$ 1,566,281
Amounts reported for governmental activities in the Statement of Net Position are different because of the following:					
Capital assets used in governmental activities are not financial resources and therefore are not reported in governmental funds. The cost of assets net of accumulated depreciation.	1,419,640	5,652,977	126,873	4,577,812	11,777,302
Some liabilities are not due and payable in the current period and are therefore not reported in the funds.					
Long-Term Debt	-	-	-	(143,990)	(143,990)
Notes Payable	(1,636,779)	-	(298,758)	-	(1,935,537)
Capital Leases	-	(6,813,455)	-	(4,750,000)	(11,563,455)
Paycheck Protection Program Loan	-	(345,000)	-	(241,730)	(586,730)
Accrued Interest	-	-	-	(28,153)	(28,153)
Net pension asset (liability)	(121,418)	62,313	(81,986)	-	(141,091)
Net OPEB liability	(300,520)	(112,841)	(173,805)	-	(587,166)
Contributions to the pension plan in the current fiscal year	-	173,823	122,462	-	296,285
Contributions to the OPEB plan in the current fiscal year	-	72,703	46,690	-	119,393
Pension Obligation	(1,187,421)	(2,420,807)	(1,523,400)	-	(5,131,628)
OPEB Obligation	(1,009,211)	(2,033,543)	(1,239,511)	-	(4,282,265)
Net Position (Deficit) - Governmental Activities	\$ (2,463,734)	\$ (5,006,581)	\$ (2,826,135)	\$ (344,304)	\$ (10,640,754)

Horry County Schools

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance - Charter Schools - Governmental Funds
For the year ended June 30, 2020

	Waccamaw Park Public Charter School, Inc.	Palmetto Academy of Learning and Success	Academy of Hope, Inc.	Palmetto Academy for Learning Motorsports	Component Units Totals
Revenues					
Local Sources	\$ 114,550	\$ 284,327	\$ 16,298	\$ 66,464	\$ 481,639
Intergovernmental	-	2,763,479	1,610,526	2,237,105	6,611,110
State	1,554,977	-	24,623	-	1,579,600
Federal	78,723	-	-	-	78,723
Total Revenues	1,748,250	3,047,806	1,651,447	2,303,569	8,751,072
Expenditures					
Instruction	816,666	1,515,777	745,388	985,306	4,063,137
Support Services	794,544	951,489	920,243	889,331	3,555,607
Community Services	-	-	933	-	933
Intergovernmental	6,886	-	-	-	6,886
Capital Outlay	14,337	4,477	54,940	69,412	143,166
Debt Service	178,864	649,626	32,922	428,356	1,289,768
Total Expenditures	1,811,297	3,121,369	1,754,426	2,372,405	9,059,497
Excess (Deficiency) of Revenues Over (Under) Expenditures	(63,047)	(73,563)	(102,979)	(68,836)	(308,425)
Other financing sources (uses)	353,553	345,000	273,305	241,730	1,213,588
Net Change in Fund Balance	290,506	271,437	170,326	172,894	905,163
Fund Balance - Beginning of Year	81,469	485,812	24,974	68,863	661,118
Fund Balance - End of Year	\$ 371,975	\$ 757,249	\$ 195,300	\$ 241,757	\$ 1,566,281
Net Change in Fund Balance - Governmental Funds	\$ 290,506	\$ 271,437	\$ 170,326	\$ 172,894	\$ 905,163
Amounts reported for governmental activities in the Statement of Activities are different because of the following:					
Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeds depreciation expense in the period.					
	(43,171)	(310,165)	14,368	(148,030)	(486,998)
Proceeds from issuance of notes payable are treated as revenue in the governmental funds but the proceeds increase long-term liabilities in the Statement of Activities.					
	(353,553)	(345,000)	(273,305)	(241,730)	(1,213,588)
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 it accrues, regardless of when it is due. Accrued interest increased by this amount during the year.					
	-	-	-	(1,594)	(1,594)
Payments on debt is treated as an expenditure in the governmental funds but the proceeds increase long-term liabilities in the Statement of Activities.					
	98,160	-	28,303	38,039	164,502
Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities					
	-	173,823	122,462	-	296,285
A 1% contribution made by the State on employers' behalves directly to PEBA in the prior fiscal year is not reported as revenue in the governmental fund but is included on the Statement of Activities as the measurement date for the fiscal year 2020 is a year in arrears.					
	-	11,271	-	-	11,271
Contributions to the OPEB plan in the current fiscal year are not included on the Statement of Activities					
	-	72,703	46,690	-	119,393
Non-employer contributions related to OPEB made by PEBA on behalf of the School in the prior fiscal year are not reported as revenue in the governmental funds but are included in the Statement of Activities as the measurement date for fiscal year 2020 is a year in arrears.					
	-	13,875	-	-	13,875
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.					
School's portion of pension expense	6,886	(302,931)	(126,618)	-	(422,663)
School's portion of OPEB expense	1,443	(141,974)	(37,381)	-	(177,912)
Change in Net Position of Governmental Activities	\$ 271	\$ (556,961)	\$ (55,155)	\$ (180,421)	\$ (792,266)

Horry County Schools*Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance - Charter Schools - General Fund**For the year ended June 30, 2020*

	Waccamaw Park Public Charter School, Inc.	Palmetto Academy of Learning and Success	Academy of Hope, Inc.	Palmetto Academy for Learning Motorsports	Component Units Totals
Revenues:					
Revenue from Local Sources:					
1500 Earnings from Investments:					
1510 Interest on Investments	\$ 1,210	\$ 215	\$ -	\$ -	\$ 1,425
1520 Dividends on investments	-	-	-	282	282
1600 Food Services:					
1610 Lunch Sales to Students	-	-	-	3,206	3,206
1700 Student Activities:					
1730 Pupil Organization Membership Dues and Fees	-	7,240	904	-	8,144
1740 Student Fees	2,475	18,859	30	-	21,364
1790 Other	19,333	39,613	4,009	16,473	79,428
1900 Other Revenue from Local Sources:					
1910 Rentals	1,750	86,470	2,300	13,620	104,140
1920 Contributions & Donations from Private Sources	1,605	26,695	7,629	4,107	40,036
1999 Revenue from Other Local Sources	81,093	1,722	1,045	2,459	86,319
Total Revenue from Local Sources	107,466	180,814	15,917	40,147	344,344
Revenues from State Sources:					
3300 Education Finance Act:					
3310 Full-Time Programs					
3311 Kindergarten	121,595	232,037	80,659	-	434,291
3312 Primary	311,051	648,664	237,918	-	1,197,633
3313 Elementary	356,471	1,083,269	335,450	-	1,775,190
3314 High School	-	-	-	676	676
3315 Trainable Mentally Handicapped	13,788	-	-	-	13,788
3316 Speech Handicapped (Part-time)	80,649	165,278	91,950	-	337,877
3320 Part-Time Programs					
3321 Emotionally Handicapped	-	-	-	35,298	35,298
3322 Educable Mentally Handicapped	-	-	-	28,108	28,108
3323 Learning Disabilities	164,767	122,782	183,349	545,461	1,016,359
3324 Hearing Handicapped	-	17,371	-	-	17,371
3327 Vocational	-	-	-	1,016,492	1,016,492
3330 Miscellaneous EFA Programs					
3331 Autism	17,371	-	23,103	45,859	86,333
3332 High Achieving	9,033	73,271	3,995	852	87,151
3334 Limited English Proficiency	8,908	12,599	1,352	2,704	25,563
3351 Academic Assistance	52,204	71,122	55,194	68,658	247,178
3352 Pupils in Poverty	155,498	165,515	148,617	161,757	631,387
3900 Other State Revenue					
3993 PEBA On-Behalf	7,018	11,241	7,444	-	25,703
Total Revenue from State Sources	1,298,353	2,603,149	1,169,031	1,905,865	6,976,398
Total Revenue from All Sources	1,405,819	2,783,963	1,184,948	1,946,012	7,320,742

Horry County Schools*Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance - Charter Schools - General Fund**For the year ended June 30, 2020*

	Waccamaw Park Public Charter School, Inc.	Palmetto Academy of Learning and Success	Academy of Hope, Inc.	Palmetto Academy for Learning Motorsports	Component Units Totals
Expenditures					
100 Instruction:					
110 General Instruction:					
111 Kindergarten Programs:					
100 Salaries	26,530	79,272	58,213	-	164,015
200 Employee Benefits	17,831	21,434	35,557	-	74,822
400 Supplies and Materials	-	-	318	-	318
112 Primary Programs:					
100 Salaries	86,000	247,022	65,533	-	398,555
200 Employee Benefits	43,556	71,935	42,708	-	158,199
400 Supplies and Materials	-	516	-	-	516
113 Elementary Programs:					
100 Salaries	133,021	492,367	145,918	-	771,306
200 Employee Benefits	57,189	313,430	91,506	25	462,150
300 Purchased Services	100	-	-	-	100
400 Supplies and Materials	23,663	4,908	5,149	3,077	36,797
500 Capital Outlay	6,084	-	-	-	6,084
114 High School Programs:					
100 Salaries	-	-	14,446	466,157	480,603
200 Employee Benefits	-	-	5,100	125,289	130,389
300 Purchased Services	4,600	-	-	9,061	13,661
400 Supplies and Materials	-	-	-	20,500	20,500
500 Capital Outlay	-	-	-	11,922	11,922
115 Career and Technology Education Programs:					
400 Supplies and Materials	-	-	-	38,102	38,102
500 Capital Outlay	-	-	-	4,344	4,344
120 Exceptional Programs:					
126 Speech Handicapped:					
300 Purchased Services	-	18,354	7,703	-	26,057
127 Learning Disabilities:					
100 Salaries	27,945	58,816	23,809	58,003	168,573
200 Employee Benefits	21,934	25,804	13,955	44,615	106,308
300 Purchased Services	4,652	1,200	-	-	5,852
400 Supplies and Materials	-	-	-	237	237
130 Preschool Programs:					
139 Early Childhood Programs:					
200 Employee Benefits	-	-	5,575	-	5,575
140 Special Programs:					
147 CERDEP:					
100 Salaries	-	-	2,833	-	2,833
200 Employee Benefits	-	-	2,404	-	2,404

Horry County Schools*Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance - Charter Schools - General Fund**For the year ended June 30, 2020*

	Waccamaw Park Public Charter School, Inc.	Palmetto Academy of Learning and Success	Academy of Hope, Inc.	Palmetto Academy for Learning Motorsports	Component Units Totals
Expenditures, continued					
100 Instruction, continued:					
170 Summer School Programs:					
175 Instructional Programs Beyond Regular School Day:					
100 Salaries	7,236	-	272	465	7,973
200 Employee Benefits	785	-	-	153	938
190 Instructional Pupil Activity					
100 Salaries	-	-	1,200	-	1,200
300 Purchased Services	-	300	-	-	300
400 Supplies and Materials	-	9,989	57	-	10,046
600 Pupil Activity	-	10,451	-	-	10,451
Total Instruction	461,126	1,355,798	522,256	781,950	3,121,130
200 Support Services:					
210 Pupil Services:					
212 Guidance Services:					
100 Salaries	-	-	49,552	61,666	111,218
200 Employee Benefits	-	-	16,609	11,019	27,628
400 Supplies and Materials	-	-	-	129	129
213 Health Services:					
100 Salaries	-	-	237	50,323	50,560
200 Employee Benefits	-	-	19	14,137	14,156
300 Purchased Services	-	360	-	-	360
400 Supplies and Materials	-	6	650	1,034	1,690
214 Psychological Services:					
100 Salaries	-	-	-	30,241	30,241
200 Employee Benefits	-	-	-	6,810	6,810
300 Purchased Services	1,500	-	-	-	1,500
215 Exceptional Program Services:					
100 Salaries	-	-	-	833	833
200 Employee Benefits	-	-	-	8,728	8,728
220 Instructional Staff Services:					
221 Improvement of Instruction Curriculum Development					
100 Salaries	-	-	548	4,924	5,472
200 Employee Benefits	1,069	-	18,654	981	20,704
300 Purchased Services	-	-	709	-	709
224 Improvement of Instruction - In-Service and Staff Training:					
300 Purchased Services	6,299	2,041	1,452	17,230	27,022

Horry County Schools*Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance - Charter Schools - General Fund**For the year ended June 30, 2020*

	Waccamaw Park Public Charter School, Inc.	Palmetto Academy of Learning and Success	Academy of Hope, Inc.	Palmetto Academy for Learning Motorsports	Component Units Totals
Expenditures, continued					
200 Support Services, continued:					
230 General Administrative Services:					
231 Board of Education:					
300 Purchased Services	7,511	1,500	-	12,417	21,428
318 Audit Services	11,000	21,350	12,900	22,175	67,425
400 Supplies and Materials	-	340	-	-	340
600 Other Objects	94,861	32,171	9,027	39,469	175,528
233 School Administration:					
100 Salaries	114,470	232,017	115,784	223,526	685,797
200 Employee Benefits	53,184	112,361	66,043	52,686	284,274
300 Purchased Services	-	31,705	8,514	1,090	41,309
400 Supplies and Materials	12,834	33,780	5,107	17,130	68,851
500 Capital Outlay	1,020	-	-	-	1,020
600 Other Objects	-	-	-	599	599
250 Finance and Operations Services:					
252 Fiscal Services:					
300 Purchased Services	26,332	58,730	43,053	23,303	151,418
600 Other Objects	1,386	146	1,139	11,967	14,638
253 Facilities Acquisition and Construction:					
500 Capital Outlay	-	4,477	-	-	4,477
254 Operation and Maintenance of Plant:					
100 Salaries	-	18,548	2,705	25,000	46,253
200 Employee Benefits	-	4,759	327	10,423	15,509
300 Purchased Services	202,172	105,274	145,463	32,325	485,234
321 Public Utilities	4,110	-	1,810	9,673	15,593
400 Supplies and Materials	13,330	44,176	14,212	8,193	79,911
470 Energy	32,739	78,170	26,376	41,051	178,336
600 Other Objects	7,292	-	-	-	7,292
255 Student Transportation (State Mandated):					
100 Salaries	-	225	51,486	-	51,711
200 Employee Benefits	-	127	7,417	-	7,544
300 Purchased Services	-	63	9,855	2,174	12,092
400 Supplies and Materials	-	673	8,119	-	8,792
500 Capital Outlay	-	-	54,940	-	54,940
600 Other Objects	-	-	525	-	525

Horry County Schools*Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance - Charter Schools - General Fund**For the year ended June 30, 2020*

	Waccamaw Park Public Charter School, Inc.	Palmetto Academy of Learning and Success	Academy of Hope, Inc.	Palmetto Academy for Learning Motorsports	Component Units Totals
Expenditures, continued					
200 Support Services, continued:					
256 Food Services:					
100 Salaries	20,466	-	-	-	20,466
200 Employee Benefits	7,775	-	-	-	7,775
400 Supplies and Materials	260	-	-	400	660
258 Security:					
100 Salaries	-	-	-	1,939	1,939
200 Employee Benefits	-	-	-	6,389	6,389
300 Purchased Services	5,464	1,788	-	-	7,252
260 Central Support Services:					
263 Information Services:					
300 Purchased Services	1,147	-	6,319	5,526	12,992
264 Staff Services:					
300 Purchased Services	-	-	610	-	610
266 Technology and Data Processing Services:					
300 Purchased Services	(1,182)	1,795	2,000	40,471	43,084
400 Supplies and Materials	-	62	-	-	62
270 Support Services Pupil Activity:					
271 Pupil Services Activities:					
300 Purchased Services	-	4,278	1,549	-	5,827
400 Supplies and Materials	-	12,865	556	-	13,421
600 Other Objects	1,753	2,681	1,502	3,917	9,853
Total Support Services	626,792	806,468	685,768	799,898	2,918,926
500 Debt Service:					
610 Redemption of Principal	98,160	-	28,303	38,039	164,502
620 Interest	80,704	649,626	4,619	390,317	1,125,266
Total Debt Service	178,864	649,626	32,922	428,356	1,289,768
Total Expenditures	1,266,782	2,811,892	1,240,946	2,010,204	7,329,824
Other Financing Sources (Uses)					
5220 Transfer from Special Revenue Fund	1,469	-	-	-	1,469
5400 Proceeds from Long-Term Notes	353,553	345,000	273,305	241,730	1,213,588
421-710 Transfer to Special Revenue Fund	(203,553)	(45,634)	(46,981)	(4,644)	(300,812)
Total Other Financing Sources (Uses)	151,469	299,366	226,324	237,086	914,245
Changes in Fund Balance	290,506	271,437	170,326	172,894	905,163
Fund Balance - July 1, 2019	81,469	485,812	24,974	68,863	661,118
Fund Balance - June 30, 2020	\$ 371,975	\$ 757,249	\$ 195,300	\$ 241,757	\$ 1,566,281

Horry County Schools*Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance - Charter Schools - Special Projects Fund**For the year ended June 30, 2020*

	Waccamaw Park Public Charter School, Inc.	Palmetto Academy of Learning and Success	Academy of Hope, Inc.	Palmetto Academy for Learning Motorsports	Component Units Totals
Revenues:					
Revenue from Local Sources:					
1600 Food Services:					
1610 Lunch Sales to Pupils	\$ 7,084	\$ 103,513	\$ 381	\$ 26,317	\$ 137,295
Total Local Sources	<u>7,084</u>	<u>103,513</u>	<u>381</u>	<u>26,317</u>	<u>137,295</u>
Revenues from State Sources:					
3100 Restricted State Funding:					
3120 General Education					
3127 Student Health and Fitness - PE Teachers	1,502	3,379	1,247	-	6,128
3130 Special Programs					
3136 Student Health and Fitness - Nurses	-	-	15,932	-	15,932
3187 Teacher Supplies	3,025	-	-	3,025	6,050
3190 Miscellaneous Restricted State Grants					
3199 Other Restricted State Grants	-	34	-	-	34
3900 Other State Revenue:					
3994 PEBA Nonemployer Contributions	6,886	-	-	-	6,886
Total State Sources	<u>11,413</u>	<u>3,413</u>	<u>17,179</u>	<u>3,025</u>	<u>35,030</u>
Revenues from Federal Sources:					
4200 Occupational Education:					
4210 Perkins Aid, Title I - Career and Technical Education					
Basic Grants to State	-	-	-	10,506	10,506
4300 Elementary & Secondary Education Act of 1965 (ESEA):					
4310 Title 1, Basic State Grant Programs	-	-	100,164	-	100,164
4317 Title I, Improve Mini Grant	-	-	30,087	-	30,087
4351 Improving Teacher Quality	-	-	-	51,824	51,824
4500 Programs for Children with Disabilities:					
4510 Individuals with Disabilities Act (IDEA)	28,504	32,688	28,151	72,789	162,132
4800 USDA Reimbursement:					
4810 School Lunch and After School Snacks Program	-	-	48,142	-	48,142
4830 School Breakfast Program	-	-	22,667	-	22,667
4900 Other Federal Sources:					
4999 Revenue from Other Federal Sources	50,219	-	-	-	50,219
Total Federal Sources	<u>78,723</u>	<u>32,688</u>	<u>229,211</u>	<u>135,119</u>	<u>475,741</u>
Total Revenue - All Sources	<u>97,220</u>	<u>139,614</u>	<u>246,771</u>	<u>164,461</u>	<u>648,066</u>

Horry County Schools*Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance - Charter Schools - Special Projects Fund**For the year ended June 30, 2020*

	Waccamaw Park Public Charter School, Inc.	Palmetto Academy of Learning and Success	Academy of Hope, Inc.	Palmetto Academy for Learning Motorsports	Component Units Totals
Expenditures					
100 Instruction:					
110 General Instruction:					
111 Kindergarten Programs:					
100 Salaries	10,317	-	-	-	10,317
200 Employee Benefits	5,080	-	-	-	5,080
112 Primary Programs:					
100 Salaries	29,978	-	1,247	-	31,225
200 Employee Benefits	12,087	-	-	-	12,087
113 Elementary Programs:					
100 Salaries	55,105	-	-	-	55,105
200 Employee Benefits	11,639	-	-	-	11,639
400 Supplies and Materials	3,025	3,413	38,621	-	45,059
114 High School Programs:					
100 Salaries	-	-	-	17,532	17,532
400 Supplies and Materials	-	-	-	3,025	3,025
115 Career and Technology Education Programs:					
400 Supplies and Materials	-	-	-	305	305
500 Capital Outlay	-	-	-	10,201	10,201
120 Exceptional Programs:					
127 Learning Disabilities:					
100 Salaries	47,821	32,688	28,151	56,144	164,804
200 Employee Benefits	4,291	-	-	-	4,291
400 Supplies and Materials	-	-	-	29,664	29,664
Total - Instruction	179,343	36,101	68,019	116,871	400,334

Horry County Schools*Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance - Charter Schools - Special Projects Fund**For the year ended June 30, 2020*

	Waccamaw Park Public Charter School, Inc.	Palmetto Academy of Learning and Success	Academy of Hope, Inc.	Palmetto Academy for Learning Motorsports	Component Units Totals
Expenditures, continued					
200 Support Services:					
210 Pupil Services:					
213 Health Services:					
100 Salaries	-	-	14,763	17,616	32,379
200 Employee Benefits	-	-	1,169	-	1,169
214 Psychological Services:					
100 Salaries	-	-	-	3,657	3,657
220 Instructional Staff Services:					
221 Improvement of Instruction Curriculum Development:					
100 Salaries	-	-	76,539	-	76,539
200 Employee Benefits	39	-	12,891	-	12,930
224 Improvement of Instruction - In-Service and Staff Training:					
300 Purchased Services	-	-	1,267	-	1,267
230 General Administrative Services:					
233 School Administration:					
100 Salaries	37,972	-	-	-	37,972
200 Employee Benefits	10,683	-	-	-	10,683
250 Finance and Operations Services:					
256 Food Service:					
100 Salaries	27,421	31,768	48,160	-	107,349
200 Employee Benefits	8,171	6,949	20,692	-	35,812
400 Supplies and Materials	28,789	110,430	49,319	30,961	219,499
Total - Support Services	113,075	149,147	224,800	52,234	539,256
300 Community Services:					
600 Other Objects	-	-	933	-	933
Total - Community Services	-	-	933	-	933
410 Intergovernmental Expenditures:					
412 Payments to Other Governmental Units:					
720 Transits	6,886	-	-	-	6,886
Total - Intergovernmental Expenditures	6,886	-	-	-	6,886
Total Expenditures	299,304	185,248	293,752	169,105	947,409
Other Financing Sources (Uses)					
5210 Transfer from General Fund	203,553	45,634	46,981	4,644	300,812
420-710 Transfer to General Fund	(1,469)	-	-	-	(1,469)
Total Other Financing Sources (Uses)	202,084	45,634	46,981	4,644	299,343
Excess/(Deficiency) of Revenues Over Expenditures and Other Financing Sources (Uses)	-	-	-	-	-
Fund Balance, July 1, 2019	-	-	-	-	-
Fund Balance, June 30, 2020	\$ -	\$ -	\$ -	\$ -	\$ -

Horry County Schools*Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance - Charter Schools - Education Improvement Act**For the year ended June 30, 2020*

	Waccamaw Park Public Charter School, Inc.	Palmetto Academy of Learning and Success	Academy of Hope, Inc.	Palmetto Academy for Learning Motorsports	Component Units Totals
Revenues:					
Revenues from State Sources:					
3500 Education Improvement Act:					
3507 Aid to Districts - Technology	\$ -	\$ 685	\$ -	\$ 5,465	\$ 6,150
3518 Formative Assessment	690	-	-	-	690
3526 Refurbishment of Science Kits	607	136	-	-	743
3529 Career and Technology Education	-	-	6,300	-	6,300
3535 Reading Coaches	-	-	54,444	-	54,444
3538 Students at Risk of School Failure	19,719	26,864	20,848	25,934	93,365
3541 Child Development Education Program	-	-	61,767	-	61,767
3550 Teacher Salary Increase	28,433	62,692	54,100	25,465	170,690
3555 School Employer Contributions	8,035	17,717	15,098	7,308	48,158
3571 CSI and State Priority Schools	183,274	-	-	128,486	311,760
3577 Teacher Supplies	-	6,050	3,300	-	9,350
3595 EEDA - Supplies and Materials - Career Awareness	-	-	-	438	438
3597 Aid to Districts	4,453	10,085	3,871	-	18,409
Total State Sources	245,211	124,229	219,728	193,096	782,264
Total Revenue - All Sources	245,211	124,229	219,728	193,096	782,264

Horry County Schools

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance - Charter Schools - Education Improvement Act
For the year ended June 30, 2020

	Waccamaw Park Public Charter School, Inc.	Palmetto Academy of Learning and Success	Academy of Hope, Inc.	Palmetto Academy for Learning Motorsports	Component Units Totals
Expenditures:					
100 Instruction:					
110 General Instruction:					
112 Primary Programs:					
100 Salaries	-	26,864	20,848	-	47,712
200 Employee Benefits	-	-	15,098	-	15,098
113 Elementary Programs:					
100 Salaries	67,610	62,693	54,100	-	184,403
200 Employee Benefits	8,967	17,717	-	-	26,684
400 Supplies and Materials	101,251	16,604	3,300	12,884	134,039
500 Capital Outlay	4,533	-	-	-	4,533
114 High School Programs:					
100 Salaries	-	-	-	51,399	51,399
200 Employee Benefits	-	-	-	7,308	7,308
300 Purchased Services	-	-	-	4,543	4,543
400 Supplies and Materials	-	-	-	31,113	31,113
500 Capital Outlay	-	-	-	28,808	28,808
115 Career and Technology Education Programs:					
400 Supplies and Materials	-	-	-	1,715	1,715
500 Capital Outlay	-	-	-	14,137	14,137
120 Exceptional Programs:					
127 Learning Disabilities:					
300 Purchased Services	4,453	-	-	-	4,453
400 Supplies and Materials	-	-	-	3,990	3,990
140 Special Programs:					
147 CERDEP:					
100 Salaries	-	-	52,553	-	52,553
200 Employee Benefits	-	-	9,214	-	9,214
Total - Instruction	186,814	123,878	155,113	155,897	621,702

Horry County Schools

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance - Charter Schools - Education Improvement Act
For the year ended June 30, 2020

	Waccamaw Park Public Charter School, Inc.	Palmetto Academy of Learning and Success	Academy of Hope, Inc.	Palmetto Academy for Learning Motorsports	Component Units Totals
Expenditures, continued:					
200 Support Services:					
210 Pupil Services:					
212 Guidance Services:					
100 Salaries	-	-	2,300	-	2,300
400 Supplies and Materials	-	-	-	438	438
214 Psychological Services:					
100 Salaries	-	-	-	5,464	5,464
220 Instructional Staff Services:					
221 Improvement of Instruction Curriculum and Development:					
100 Salaries	41,000	-	50,092	-	91,092
200 Employee Benefits	2,614	-	4,352	-	6,966
500 Capital Outlay	2,700	-	-	-	2,700
224 Improvement of Instruction - In-Service and Staff Training:					
300 Purchased Services	12,083	-	4,000	29,096	45,179
233 School Administration:					
400 Supplies and Materials	-	351	3,871	944	5,166
260 Central Support Services:					
266 Technology and Data Processing Services:					
300 Purchased Services	-	-	-	1,257	1,257
Total - Support Services	58,397	351	64,615	37,199	160,562
Total Expenditures	245,211	124,229	219,728	193,096	782,264
Excess/(Deficiency) of Revenues Over Expenditures and Other Financing Sources (Uses)	-	-	-	-	-
Fund Balance, July 1, 2019	-	-	-	-	-
Fund Balance, June 30, 2020	\$ -	\$ -	\$ -	\$ -	\$ -

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

This page is intentionally blank.

Horry County Schools

Detailed Schedule of Due to State Department of Education/Federal Government

As of June 30, 2020

Program	Revenue/ Subfund Code	Description	Total Due	Status of Amount Due to Grantors
Aid to Districts - Technology	3507 / 2307	Charter schools' return of prior year funds	\$ 6,964	Repaid 8/19/2020 and 9/18/2020
Refurbishment of K-8 Science Kits	3526 / 2326	Charter school's return of prior year funds	539	Repaid 8/19/2020
National Board Salary Supplement	3532 / 2332	Unspent allocation	36,225	Repaid 8/21/2020
EEDA - Supplies and Materials	3595 / 2395	Charter school's return of prior year funds	127	Repaid 8/19/2020
CDEPP Expansion	3134 / 2924	Charter school's return of prior year funds	1,042	Repaid 8/19/2020
Summer Reading	3177 / 2926	Charter schools' return of prior year funds	2,758	Repaid 8/19/2020 and 9/18/2020
EEDA Career Specialists	3118 / 2928	Unspent allocation	158,954	Repaid 9/11/2020
Student Health and Fitness - Nurses	3136 / 2936	Unspent allocation	57,950	Repaid 9/18/2020
			<u>\$ 264,559</u>	

Horry County Schools**Location Reconciliation Schedule****For the year ended June 30, 2020**

Location ID	Location Description	Education Level	Cost Type	Total Expenditures
0001	Aynor High	High School	School	\$ 11,528,808
0002	North Myrtle Beach High	High School	School	13,460,207
0004	Conway High	High School	School	16,611,116
0006	Green Sea Floyds High	Middle-High School	School	10,187,131
0008	Loris High	High School	School	10,385,937
0010	Myrtle Beach High	High School	School	14,058,279
0011	Socastee High	High School	School	16,621,589
0013	Whittemore Park Middle	Middle School	School	9,031,009
0014	Aynor Elementary	Elementary School	School	9,234,930
0016	Myrtle Beach Middle	Middle School	School	10,546,032
0017	Conway Middle	Middle School	School	6,374,686
0021	Daisy Elementary	Elementary School	School	7,712,367
0023	Green Sea Floyds Elementary	Elementary School	School	6,668,472
0025	Homewood Elementary	Elementary School	School	7,184,223
0027	Loris Middle	Middle School	School	9,359,800
0028	Kingston Elementary	Elementary School	School	5,716,947
0029	Lakewood Elementary	Elementary School	School	9,824,429
0030	St. James Elementary	Elementary School	School	8,622,520
0032	Loris Elementary	Elementary School	School	8,743,184
0033	Midland Elementary	Elementary School	School	6,059,939
0036	Conway Elementary	Elementary School	School	6,992,321
0037	North Myrtle Beach Middle	Middle School	School	11,336,152
0039	Pee Dee Elementary	Elementary School	School	9,351,097
0042	Waccamaw Elementary	Elementary School	School	9,633,892
0045	South Conway Elementary	Elementary School	School	7,488,760
0046	Forestbrook Elementary	Elementary School	School	9,707,877
0047	St James Middle	Middle School	School	8,465,698
0049	Carolina Forest Elementary	Elementary School	School	10,868,930
0050	Seaside Elementary School	Elementary School	School	5,922,599
0051	Forestbrook Middle	Middle School	School	8,300,451
0052	Carolina Forest High	High School	School	21,893,392
0054	Socastee Elementary	Elementary School	School	9,087,075
0056	Palmetto Bays Elementary	Elementary School	School	6,868,309
0057	Aynor Middle School	Middle School	School	7,090,032
0058	St. James High School	High School	School	16,845,010
0060	Ocean Bay Elementary School	Elementary School	School	9,418,848
0061	Ocean Bay Middle School	Middle School	School	6,096,331
0062	Black Water Middle School	Middle School	School	7,960,550
0063	Burgess Elementary School	Elementary School	School	6,973,329
0064	Early College High School	High School	School	4,037,978
0065	River Oaks Elementary School	Elementary School	School	10,441,021
0066	Ocean Drive Elementary	Elementary School	School	8,182,959
0067	Waterway Elementary	Elementary School	School	7,568,136
0068	Riverside Elementary	Elementary School	School	7,023,251
0069	Socastee Middle	Elementary School	School	5,099,602
0070	Ten Oaks Middle	Middle School	School	9,242,903

Horry County Schools

Location Reconciliation Schedule

For the year ended June 30, 2020

Location ID	Location Description	Education Level	Cost Type	Total Expenditures
0071	St. James Intermediate	Middle School	School	7,938,258
0072	Myrtle Beach Early Childhood Center	Elementary School	School	6,157,819
0073	Myrtle Beach Primary	Middle School	School	7,044,866
0074	Myrtle Beach Elementary	Elementary School	School	10,033,083
0169	St. Elizabeth Ann Seton Catholic School	Various	School	1,560
0172	Conway Education Center	Various	School	370,192
0173	Myrtle Beach Education Center	Various	School	132,124
0174	Saint Andrews	Various	School	78,747
0175	Chabad Academy	Various	Central	17,865
0176	SOAR Academy	Various	School	6,251,895
0178	CCU Scholars Academy	High School	School	2,303,618
0179	Bridgewater Academy	Charter School	Central	1,788,072
0180	Playcard Environmental	Various	School	131,008
0181	PALS	Charter School	Central	2,755,971
0182	Therapeutic Learning Center	Various	School	1,285,636
0183	Palmetto Acad for Learning MS	Charter School	Central	2,323,382
0184	Academy of Hope	Charter School	Central	1,650,748
0185	Saint Micheals	Various	School	10,843
0186	Holy Trinity Catholic School	Various	School	42,338
0188	Risen Christ Lutheran Church	Various	School	14,443
0189	Seacoast Youth Academy	Various	School	99,587
0190	Waccamaw Youth Center	Various	Central	8,754
0192	Sea Haven, Inc.	Various	Central	12,085
0195	North Myrtle Beach Christian School	Various	Central	28,002
0196	Academy of Arts Science & Technology	Various	Central	6,640,286
0198	Academy of Technology & Academics	Various	Central	7,899,323
1100	Office Of Superintendent	Various	Central	438,004
1200	Board Of Education	Various	Central	1,088,232
1300	Policy & Legal	Various	Central	497,182
2000	Academics	Various	Central	6,088,745
3000	Support Services	Various	Central	6,639,992
4000	Fiscal Services	Various	Central	3,267,766
4600	Human Resources	Various	Central	2,979,438
4900	Debt Service	Various	Central	63,012,289
5100	Facilities Management	Various	Central	8,555,623
8000	Communications	Various	Central	1,242,028
9100	Instructional Support Services	Various	Central	7,491,163
Total expenditures for all funds				\$ 596,149,075

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

General Fund	\$ 424,091,184
Special Projects Fund	41,646,154
Education Improvement Act Fund	18,280,003
School Food Service Fund	20,316,394
Debt Service	63,012,289
Capital Projects Fund	23,077,831
Agency Funds	5,685,337
Trust and Other Private Purpose Funds	39,883
Total expenditures for all funds	\$ 596,149,075

This page is intentionally blank.

STATISTICAL SECTION

(Unaudited)

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

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the School District's financial performance and well-being have changed over time.	184-188
Revenue Capacity These schedules contain information to help the reader assess the factors affecting the School District's ability to generate its property taxes.	189-192
Debt Capacity These schedules present information to help the reader assess the affordability of the School District's current levels of understanding debt and the School District's ability to issue additional debt in the future.	193-197
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the School District's financial activities take place and to help make comparisons over time and with other Districts.	198-200
Operating Information These schedules contain information about the School District's operations and resources to help the reader understand how the School District's financial information relates to the services the School District provides and the activities it performs.	201-204

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

This page is intentionally blank.

Table 1

Horry County Schools

Net Position by Component

Last Ten Years - Accrual Basis (Dollars in thousands)

	Fiscal Year Ended June 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Governmental activities										
Net investment in capital assets	\$ 195,460	\$ 233,111	\$ 268,586	\$ 286,007	\$ 308,891	\$ 140,200	\$ 315,403	\$ 404,743	\$ 467,134	\$ 507,020
Restricted	102,769	89,869	82,185	83,606	87,927	302,736	176,491	115,091	106,893	111,663
Unrestricted	72,512	82,353	86,608	90,920	(335,482) *	(328,140) *	(340,033) *	(786,720)	(841,869)	(851,199)
Total governmental activities net position	<u>\$ 370,741</u>	<u>\$ 405,333</u>	<u>\$ 437,379</u>	<u>\$ 460,533</u>	<u>\$ 61,336</u>	<u>\$ 114,796</u>	<u>\$ 151,861 **</u>	<u>\$ (266,886)</u>	<u>\$ (267,842)</u>	<u>\$ (232,516)</u>
Business-type activities										
Net investment in capital assets	\$ 2,341	\$ 2,347	\$ 2,286	\$ 2,310	\$ 2,162	\$ 2,038	\$ 1,806	\$ 4,820 ***	\$ -	\$ -
Unrestricted	3,684	4,162	4,302	4,251	(2,009) *	(1,920) *	(2,111) *	(25,939) ***	-	-
Total business-type activities net position	<u>\$ 6,025</u>	<u>\$ 6,509</u>	<u>\$ 6,588</u>	<u>\$ 6,561</u>	<u>\$ 153</u>	<u>\$ 118</u>	<u>\$ (305) **</u>	<u>\$ (21,119) ***</u>	<u>\$ -</u>	<u>\$ -</u>
Total primary government net position	<u>\$ 376,766</u>	<u>\$ 411,842</u>	<u>\$ 443,967</u>	<u>\$ 467,094</u>	<u>\$ 61,489</u>	<u>\$ 114,914</u>	<u>\$ 151,556 **</u>	<u>\$ (288,005)</u>	<u>\$ (267,842)</u>	<u>\$ (232,516)</u>
Component units										
Net investment in capital assets	\$ 413	\$ 505	\$ 411	\$ 465	\$ 604	\$ 507	\$ 97	\$ (258)	\$ (734)	\$ (1,168)
Restricted	-	-	-	8	9	7	5	3	2	2
Unrestricted	268	552	641	533	(2,391) *	(2,858) *	(3,228) *	(8,585)	(9,116)	(9,475)
Total component units net position (deficit)	<u>\$ 681</u>	<u>\$ 1,057</u>	<u>\$ 1,052</u>	<u>\$ 1,006</u>	<u>\$ (1,778)</u>	<u>\$ (2,344)</u>	<u>\$ (3,126)</u>	<u>\$ (8,840)</u>	<u>\$ (9,848)</u>	<u>\$ (10,641)</u>

* The change in unrestricted net position beginning in 2015 is due to the implementation of GASB Statement No. 68.

** The change in unrestricted net position in 2018 is due to the implementation of GASB Statement No. 75.

*** The School District converted its food service program operations, its only enterprise fund, from an enterprise fund to a special revenue fund effective July 1, 2018.

Table 2

Horry County Schools

*Changes in Net Position**Last Ten Fiscal Years - Accrual Basis (Dollars in thousands)*

	Fiscal year Ended June 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Expenses:										
Governmental activities										
Instructional services	\$ 236,524	\$ 251,284	\$ 256,028	\$ 267,754	\$ 273,224	\$ 276,465	\$ 299,279	\$ 321,479	\$ 333,064	\$ 351,528
Supporting services	128,715	133,424	140,253	152,291	155,900	157,822	168,860	185,218	212,453	213,957
Community services	961	943	956	1,000	1,285	1,344	1,491	1,963	2,020	1,775
Interest and other charges	17,516	14,182	13,646	15,908	13,707	9,406	14,272	17,446	12,809	10,722
Pupil activities	457	529	656	646	716	-	242	-	-	-
Total governmental activities expenses	384,173	400,362	411,539	437,599	444,832	445,037	484,144	526,106	560,346	577,982
Business-type activities:										
Food service	20,088	20,857	21,315	21,189	21,376	21,026	20,761	30,405 *	-	-
Total business-type activities expenses	20,088	20,857	21,315	21,189	21,376	21,026	20,761	30,405 *	-	-
Total primary government expenses	\$ 404,261	\$ 421,219	\$ 432,854	\$ 458,788	\$ 466,208	\$ 466,063	\$ 504,905	\$ 556,511	\$ 560,346	\$ 577,982
Program revenues:										
Governmental activities										
Charges for services:										
Instruction	\$ 117	\$ 114	\$ 116	\$ 43	\$ 36	\$ 611	\$ 827	\$ 562	\$ 4,670	\$ 3,638
Supporting services	3,567	3,627	3,547	3,862	3,389	-	-	-	-	-
Community services	-	-	-	-	-	151	75	73	54	50
Operating grants and contributions	121,586	132,408	137,520	147,407	156,393	171,374	186,359	202,062	223,199	239,544
Total governmental activities program revenues	125,270	136,149	141,183	151,312	159,818	172,136	187,261	202,697	227,923	243,232
Business-type activities										
Charges for services	5,259	5,272	5,068	5,033	4,824	4,381	4,568	4,101 *	-	-
Operating grants and contributions	15,056	15,726	16,044	15,559	16,422	16,455	16,136	17,263 *	-	-
Total business-type activities program revenues	20,315	20,998	21,112	20,592	21,246	20,836	20,704	21,364 *	-	-
Total primary government program revenues	\$ 145,585	\$ 157,147	\$ 162,295	\$ 171,904	\$ 181,064	\$ 192,972	\$ 207,965	\$ 224,061	\$ 227,923	\$ 243,232

Table 2

Horry County Schools

Changes in Net Position**Last Ten Fiscal Years - Accrual Basis (Dollars in thousands)**

	Fiscal year Ended June 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Net (expense) revenue										
Governmental activities net (expense) revenue	\$ (258,903)	\$ (264,213)	\$ (270,356)	\$ (286,287)	\$ (285,014)	\$ (272,901)	\$ (296,883)	\$ (323,409)	\$ (332,423)	\$ (334,750)
Business-type activities net (expense) revenue	227	141	(203)	(597)	(130)	(190)	(57)	(9,041) *	-	-
Total primary government (net expense)	(258,676)	(264,072)	(270,559)	(286,884)	(285,144)	(273,091)	(296,940)	(332,450)	(332,423)	(334,750)
General revenues and other:										
Governmental activities:										
Property taxes	\$ 254,328	\$ 251,240	\$ 253,568	\$ 259,884	\$ 262,613	\$ 272,056	\$ 278,248	\$ 277,205	\$ 290,328	\$ 307,601
State aid	46,367	47,045	48,496	49,642	51,292	52,369	52,829	54,063	55,957	57,211
Other	941	860	614	481	680	1,122	2,312	3,625	6,301	5,264
Transfers	(41)	(340)	(276)	(566)	(485)	813	559	(3,110)	-	-
Total general revenues and other	301,595	298,805	302,402	309,441	314,100	326,360	333,948	331,783	352,586	370,076
Change in net position, governmental activities	\$ 42,692	\$ 34,592	\$ 32,046	\$ 23,154	\$ 29,086	\$ 53,459	\$ 37,065	\$ 8,374	\$ 20,163	\$ 35,326
Business-type activities:										
Other	\$ 3	\$ 3	\$ 6	\$ 3	\$ 9	\$ 235	\$ 193	\$ 145 *	\$ -	\$ -
Transfers	41	340	276	566	485	(79)	(559)	3,110 *	-	-
Total general revenues and other	44	343	282	569	494	156	(366)	3,255 *	-	-
Change in net position, business-type activities	\$ 271	\$ 484	\$ 79	\$ (28)	\$ 364	\$ (34)	\$ (423)	\$ (5,786) *	\$ -	\$ -
Primary government:										
Property taxes	\$ 254,328	\$ 251,240	\$ 253,568	\$ 259,884	\$ 262,613	\$ 272,056	\$ 278,248	\$ 277,205	\$ 290,328	\$ 307,601
State aid	46,367	47,045	48,496	49,642	51,292	52,369	52,829	54,063	55,957	57,211
Other	944	863	620	484	689	1,357	2,505	3,770	6,301	5,264
Transfers	-	-	-	-	-	734	-	-	-	-
Total general revenues and other	301,639	299,148	302,684	310,010	314,594	326,516	333,582	335,038	352,586	370,076
Change in net position, primary government	\$ 42,963	\$ 35,076	\$ 32,125	\$ 23,126	\$ 29,450	\$ 53,425	\$ 36,642	\$ 2,588	\$ 20,163	\$ 35,326
Total Component Units										
Total Expenses	\$ 2,620	\$ 4,068	\$ 5,194	\$ 6,912	\$ 7,076	\$ 8,054	\$ 8,673	\$ 8,888	\$ 9,143	\$ 9,550
Program Revenues:										
Charges for Services	55	54	58	-	-	-	-	-	10	3
Operating Grants and Contributions	2,548	4,067	5,126	6,473	7,015	6,987	7,466	7,310	7,659	8,278
Total program revenues	2,603	4,121	5,184	6,473	7,015	6,987	7,466	7,310	7,669	8,281
Net (expense) revenue	(17)	53	(10)	(439)	(61)	(1,067)	(1,207)	(1,578)	(1,474)	(1,269)
General revenues - state aid/grants (unrestricted)	77	294	126	394	442	501	425	489	466	477
Change in net position - component units	\$ 60	\$ 347	\$ 116	\$ (45)	\$ 381	\$ (566)	\$ (782)	\$ (1,089)	\$ (1,008)	\$ (792)

Source: Horry County Schools' Audit Reports

* The School District converted its food service program operations, its only enterprise fund, from an enterprise fund to a special revenue fund effective July 1, 2018.

Table 3

Horry County Schools

*Fund Balances, Governmental Funds**Last Ten Years - Modified Accrual Basis (Dollars in thousands)*

	Fiscal Year Ended June 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General fund										
Non-spendable:										
Inventories	\$ 475	\$ 614	\$ 534	\$ 580	\$ 570	\$ 518	\$ 641	\$ 696	\$ 725	\$ 786
Prepaid Expenditures	1,941	2,154	5,491	1,946	1,896	1,987	2,454	2,877	3,220	4,914
Assigned:										
Carryover School Budgets	433	502	420	552	495	497	525	567	688	765
Subsequent Year Expenditures	2,473	2,726	2,925	4,698	14,134	11,345	17,683	21,236	24,183	18,569
Encumbered Operating Expenditures	54	59	59	-	-	-	-	-	-	-
Unassigned	56,676	64,112	65,377	75,919	71,806	77,600	80,511	85,113	78,901	102,635
Total general fund	<u>\$ 62,052</u>	<u>\$ 70,167</u>	<u>\$ 74,806</u>	<u>\$ 83,695</u>	<u>\$ 88,901</u>	<u>\$ 91,947</u>	<u>\$ 101,814</u>	<u>\$ 110,489</u>	<u>\$ 107,717</u>	<u>\$ 127,669</u>
All other governmental funds										
Non-spendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 761,532	\$ 404	\$ 20	\$ 383	\$ 1,596
Restricted:										
Special Projects	1,496	-	-	-	-	677	1,385	1,682 *	8,012	5,230
Debt Service	48,212	32,355	27,229	25,080	24,318	34,590	31,926	54,552	52,372	45,033
Capital Projects	53,060	57,514	54,957	56,408	61,496	265,227	116,783	42,695	39,272	56,008
Unassigned	-	-	-	-	-	-	-	-	(19)	(10)
Total all other governmental funds	<u>\$ 102,768</u>	<u>\$ 89,869</u>	<u>\$ 82,186</u>	<u>\$ 81,488</u>	<u>\$ 85,814</u>	<u>\$ 1,062,026</u>	<u>\$ 150,498</u>	<u>\$ 98,949</u>	<u>\$ 100,020</u>	<u>\$ 107,857</u>

Notes: Modified accrual basis of accounting.

* The School District converted its food service program operations, its only enterprise fund, from an enterprise fund to a special revenue fund effective July 1, 2018.

Table 4

Horry County Schools
Changes in Fund Balances, Governmental Funds
Last Ten Years - Modified Accrual Basis

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenues:										
Local sources	\$ 260,378,440	\$ 257,295,873	\$ 261,628,826	\$ 269,272,250	\$ 268,240,809	\$ 279,013,531	\$ 288,560,731	\$ 294,870,019	\$ 308,743,136	\$ 321,331,434
Intergovernmental	101,110.00	284,647	225,530	98,407.00	36,536	1,651,625	1,688,098	737,500	1,171,111	1,018,019
State sources	126,255,717	146,966,230	158,030,653	169,692,055	178,626,061	187,206,318	200,571,651	225,123,941	229,866,443	248,002,317
Federal sources	39,757,221	29,463,176	24,212,242	23,696,383	25,912,165	26,800,598	29,830,964	28,208,037	45,896,297	47,860,505
Total revenue	426,492,488	434,009,926	444,097,251	462,759,095	472,815,571	494,672,072	520,651,444	548,939,497	585,676,987	618,212,275
Expenditures:										
Current:										
Instructional services	219,841,958	232,174,633	236,650,368	240,683,778	245,518,875	252,922,172	265,897,095	280,526,941	285,154,149	300,857,316
Support services	119,687,739	123,756,733	130,039,982	136,916,619	139,944,831	144,215,511	150,309,788	164,457,225	187,294,426	187,322,732
Community services	891,076	871,428	883,415	885,554	1,138,889	1,219,662	1,315,048	1,747,261	1,768,089	1,508,097
Pupil activities	456,962	528,974	656,605	646,784	715,943	-	242,068	-	-	-
Intergovernmental	3,365,840	4,659,258	5,625,885	7,137,197	7,874,729	8,221,998	7,924,685	11,422,585	11,859,411	13,555,430
Capital outlay	28,923,022	40,660,605	37,343,051	31,972,154	31,870,449	73,318,123	193,778,519	91,899,156	44,959,827	24,167,991
Debt Service:										
Principal	22,210,000	18,250,000	19,390,000	19,935,000	20,845,000	21,860,000	22,945,000	17,815,000	42,895,000	45,070,000
Interest and Legal Fees	19,976,914	17,768,555	16,419,252	16,064,806	15,708,756	14,162,896	19,689,855	20,840,969	19,983,319	17,942,289
Total expenditures	415,353,511	438,670,186	447,008,558	454,241,892	463,617,472	515,920,362	662,102,058	588,709,137	593,914,221	590,423,855
Excess (deficiency) of revenues over expenditures	11,138,977	(4,660,260)	(2,911,307)	8,517,203	9,198,099	(21,248,290)	(141,450,614)	(39,769,640)	(8,237,234)	27,788,420
Other financing sources (uses):										
Premium on bonds sold	9,867,454	7,559,556	1,399,317	-	23,080,290	41,113,039	-	-	-	-
General obligation bonds issued	-	-	-	-	-	197,780,000	-	-	-	-
Proceeds of refunding debt	54,965,000	59,455,000	14,745,000	-	143,780,000	-	-	-	-	-
Payment to refunded debt escrow agent	(64,662,177)	(66,817,219)	(16,026,573)	-	(166,352,383)	-	-	-	-	-
Sale of capital assets	269,318	18,874	25,376	240,239	150,850	29,883	-	5,000	57,000	-
Other financing sources	-	-	-	-	160,926	-	-	-	-	-
Transfers in	63,987,288	54,215,836	46,983,030	47,761,342	48,187,711	44,351,867	54,986,957	35,834,349	51,573,491	52,814,307
Transfers out	(64,028,004)	(54,555,763)	(47,258,901)	(48,327,433)	(48,672,830)	(43,538,901)	(54,427,925)	(38,944,519)	(51,573,491)	(52,814,307)
Total other financing sources (uses)	398,879	(123,716)	(132,751)	(325,852)	334,564	239,735,888	559,032	(3,105,170)	57,000	-
Change in fund balances	\$ 11,537,856	\$ (4,783,976)	\$ (3,044,058)	\$ 8,191,351	\$ 9,532,663	\$ 218,487,598	\$ (140,891,582)	\$ (42,874,810)	\$ (8,180,234)	\$ 27,788,420
Debt service as a percentage of non capital expenditures	10.9%	9.0%	8.7%	8.5%	8.5%	7.8%	8.9%	7.6%	11.1%	10.9%

Source: Horry County Schools' Audit Reports

Horry County Schools*Assessed Value and Actual Value of Taxable Property**Last Ten Fiscal Years - (Dollars in thousands)*

Fiscal Year Ended June 30,	Real Property		Personal Property		Total		Total Direct Rate **	Ratio of Total Assessed to Total Estimated Actual Value
	Assessed	Estimated	Assessed	Estimated	Assessed	Estimated		
	Value	Value	Value	Value	Value	Value		
2011	1,753,786	31,504,581	275,204	4,943,697	2,028,990	36,448,278	132.2	5.57%
2012	1,766,947	31,844,873	277,771	5,006,139	2,044,718	36,851,012	130.2	5.55%
2013	1,764,836	31,878,821	289,034	5,220,918	2,053,870	37,099,739	130.2	5.54%
2014	1,780,231	32,189,061	304,251	5,501,283	2,084,482	37,690,344	130.2	5.53%
2015	1,710,319	30,622,912	386,683	6,923,480	2,097,002	37,546,392	133.1	5.59%
2016	1,746,474	31,610,130	361,462	6,542,245	2,107,936	38,152,375	133.1	5.53%
2017	1,794,535	32,602,762	381,119	6,924,096	2,175,654	39,526,858	133.1	5.50%
2018	1,854,839	33,961,085	374,627	6,859,215	2,229,466	40,820,300	133.1	5.46%
2019	1,936,313	35,575,980	383,311	7,042,593	2,319,624	42,618,573	133.1	5.44%
2020	2,206,670	40,906,489	387,759	7,188,143	2,594,429	48,094,632	128.1	5.39%

Source(s): Horry County Government

** Per \$1,000 of assessed value.

Horry County Schools***Direct and Overlapping Property Tax Rates******Last Ten Fiscal Years***

Jurisdiction	Fiscal Year Ended June 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<i>Direct Rates:</i>										
Horry County Schools										
General Fund	118.2	120.2	120.2	120.2	123.1	123.1	123.1	123.1	123.1	118.1
Debt Service	14.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
Total	132.2	130.2	130.2	130.2	133.1	133.1	133.1	133.1	133.1	128.1
<i>Overlapping Rates:</i>										
Horry County	44.9	45.2	45.2	45.2	45.2	52.4	52.4	52.4	52.4	50.7
Town of Atlantic Beach	94.5	84.5	84.5	84.5	84.5	84.5	84.5	84.5	84.5	84.5
Town of Aynor	60.8	60.8	60.8	60.8	60.8	60.8	60.8	60.8	60.8	60.8
Town of Briarcliffe Acres	50.8	50.8	50.8	50.8	50.8	50.8	50.8	50.8	50.8	45.0
City of Conway	79.3	79.3	79.3	79.3	82.4	82.4	82.4	82.4	82.4	76.0
City of Loris	103.7	103.7	103.7	103.2	111.7	115.0	115.0	118.5	118.5	118.5
City of Myrtle Beach	66.1	66.1	66.1	66.1	74.5	74.5	77.5	77.5	80.5	78.9
City of North Myrtle Beach	32.0	38.0	38.0	38.0	39.3	39.3	41.3	41.3	43.3	37.1
Town of Surfside Beach	40.0	40.0	40.0	40.0	46.2	46.2	46.2	46.2	46.2	43.0

Source: Horry County Auditor

Table 7

Horry County Schools
Principal Property Taxpayers
Current Year and Nine Years Prior

Taxpayer	Fiscal Year Ended June 30, 2020 (b)			Fiscal Year Ended June 30, 2011 (a)		
	Taxable Assessed Value	Rank	Percent of Assessed Value to Total Assessed Value	Taxable Assessed Value	Rank	Percent of Assessed Value to Total Assessed Value
Horry Electric Coop. Inc.	\$ 20,538,630	1	0.83%	\$ 18,200,387	2	0.89%
Burroughs & Chapin Company, Inc.	18,456,160	2	0.75%	28,344,287	1	1.39%
Lawyers Title Insurance Corp.	5,661,700	3	0.23%	5,713,926	7	0.28%
Bluegreen Vacations Unlimited, Inc.	5,651,950	4	0.23%	5,929,401	6	0.29%
South Carolina Electric & Gas	4,860,990	5	0.20%			
Time Warner Cable Southeast LI	4,734,830	6	0.19%			
Wal-Mart Real Estate Business Trust	4,687,410	7	0.19%	3,281,946	10	0.16%
Marriott Ownership Resorts Inc.	4,677,650	8	0.19%	3,984,234	9	0.20%
Ocean Lakes Family Campground	4,142,180	9	0.17%			
Coastal Grand CMBS, LLC	3,769,790	10	0.15%			
Winchester North Beach Towers, LLC				8,611,756	4	0.42%
Verizon South, Inc.				6,422,490	5	0.32%
HTC Communications				9,413,680	3	0.46%
Tim Warner Ent. - Advance/Newhouse				4,010,690	8	0.20%
Totals	<u>\$ 77,181,290</u>		<u>3.12%</u>	<u>\$ 93,912,797</u>		<u>4.61%</u>

Source: (a) 2011 Horry County Schools' CAFR
(b) Horry County Finance

Horry County Schools***Property Tax Levies and Collections******Last Ten Fiscal Years - (Dollars in thousands)***

Fiscal Year Ended June 30,	Taxes Levied For the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2011	210,897	201,815	95.69%	3,376	205,191	97.29%
2012	203,283	197,292	97.05%	4,537	201,829	99.28%
2013	205,857	198,715	96.53%	4,567	203,282	98.75%
2014	210,364	207,083	98.44%	2,646	209,729	99.70%
2015	209,106	205,538	98.29%	509	206,047	98.54%
2016	211,371	207,122	97.99%	2,163	209,285	99.01%
2017	217,694	213,523	98.08%	1,823	215,346	98.92%
2018	220,535	216,613	98.22%	1,056	217,669	98.70%
2019	224,965	221,179	98.32%	1,653	222,832	99.05%
2020	239,088	235,237	98.39%	-	235,237	98.39%

Source(s): Horry County Schools' audited financial statements and Horry County Treasurer

Horry County Schools***Ratios of General Bonded Debt Outstanding******Last Ten Fiscal Years (Amounts expressed in thousands)***

Fiscal Year	Total Outstanding	Less Debt Service	Net General Bonded Debt	Estimated Actual Value	Population	Ratio Bonded Debt to Estimated Actual Value	Bonded Debt Per Capita in Actual Dollars
2011	401,208	44,130	357,078	36,448,278	269	1.10%	1,491
2012	379,873	27,574	352,299	36,851,012	276	1.03%	1,376
2013	357,575	27,036	330,539	37,099,739	282	0.96%	1,268
2014	346,986	20,466	326,520	37,690,344	290	0.92%	1,197
2015	330,620	19,612	311,008	37,546,392	299	0.88%	1,106
2016	543,301	34,462	508,839	38,152,375	309	1.42%	1,758
2017	512,157	34,068	478,089	39,526,858	322	1.30%	1,591
2018	486,314	56,185	430,129	40,835,795	333	1.19%	1,460
2019	435,390	53,913	381,477	42,618,573	344	1.02%	1,266
2020	382,292	46,720	335,572	48,094,632	354	0.79%	1,080

Source(s): Horry County Government
Population - US Census Bureau.

Horry County Schools***Ratios of Outstanding Debt by Type******Last Ten Fiscal Years (Amounts expressed in thousands)***

Fiscal Year	General Obligation Bonds	Personal Income	Population	Ratio of O/S Debt to Personal Income	Bonded Debt per Capita In Actual Dollars
2011	401,208	7,849,294	269	5.11%	1,491
2012	379,873	8,417,316	276	4.51%	1,376
2013	357,575	8,753,093	282	4.09%	1,268
2014	346,986	9,260,979	290	3.75%	1,197
2015	330,620	9,810,655	299	3.37%	1,106
2016	543,301	10,457,110	309	5.20%	1,758
2017	512,157	11,449,588	322	4.47%	1,591
2018	486,314	12,361,243	333	3.93%	1,460
2019	435,390	Unavailable	344	Unavailable	1,266
2020	382,292	Unavailable	354	Unavailable	1,080

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

Source(s): Personal Income - County Population x Per Capita Personal Income (in thousands)
 Population - US Census Bureau

Horry County Schools***Ratio of Annual Debt Service Expenditures for General Bonded Debt to Total Governmental Expenditures
Last Ten Fiscal Years***

Fiscal Year	Principal	Interest and Fiscal Charges	Total	Total Governmental Expenditures	Ratio of Debt Service to Total Expenditures
2011	22,210,000	19,769,181	41,979,181	415,353,511	10.11%
2012	18,250,000	17,541,361	35,791,361	438,670,186	8.16%
2013	19,390,000	16,269,040	35,659,040	447,008,558	7.98%
2014	19,935,000	16,064,806	35,999,806	454,241,892	7.93%
2015	20,845,000	15,708,756	36,553,756	463,617,472	7.88%
2016	21,860,000	14,162,896	36,022,896	515,920,362	6.98%
2017	22,945,000	19,689,855	42,634,855	662,102,058	6.44%
2018	17,815,000	20,840,969	38,655,969	588,709,137	6.57%
2019	42,895,000	19,983,319	62,878,319	593,914,221	10.59%
2020	45,070,000	17,942,289	63,012,289	590,423,855	10.67%

Note: Total governmental expenditures represent total expenditures, excluding other financing sources (uses), for all governmental fund types: General Fund, Special Revenue Fund, Debt Service Fund and Capital Projects Fund.

Source(s): Horry County Schools' Auditor Reports.

Horry County Schools
Computation of Direct and Overlapping Debt
June 30, 2020 (Dollars in thousands)

<u>Government</u>	<u>Total General Debt Outstanding</u>	<u>Percentage Applicable to School District*</u>	<u>School District's Share of Debt</u>
Entity:			
Horry County Schools	\$ 382,292	100%	\$ 382,292
Direct Debt	<u>382,292</u>		<u>382,292</u>
Horry County Government	73,206	100%	73,206
City of Myrtle Beach	173,532	100%	173,532
City of Conway	3,063	100%	3,063
City of Loris	1,131	100%	1,131
Town of Surfside Beach	<u>75</u>	100%	<u>75</u>
Total Overlapping Debt	<u>251,007</u>		<u>251,007</u>
Total Direct and Overlapping Debt	\$ <u>633,299</u>		\$ <u><u>633,299</u></u>

Note: Net Debt Outstanding is all general obligation long-term debt (excluding compensation for future absences, revenue bonds, and other "user fee" bonds).

Debt outstanding includes capital leases for all entities.

Debt outstanding includes the net of unamortized premiums, discounts, and bond issuance costs.

Source(s): Finance Department of each entity

*Overlapping governments are those that coincide with the geographic boundaries of the County. The overlapping portion is calculated to be 100% since Horry County Schools is the only school district located within the geographic boundaries. This percentage represents the portion of burden the outstanding debt of those overlapping governments place on residents and businesses in Horry County. This process recognizes that when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account.

Table 11

Horry County Schools
Computation of Legal Debt Margin
Last Ten Fiscal Years - (Dollars in thousands)

	Fiscal Year Ended June 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Debt Limit	\$ 164,213	\$ 166,459	\$ 166,313	\$ 164,364	\$ 167,760	\$ 168,635	\$ 168,615	\$ 178,357	\$ 185,570	\$ 207,554
Total net debt applicable to limit	13,435	9,160	5,620	4,355	3,035	125,000	125,000	125,000	109,705	93,630
Legal debt margin	<u>\$ 150,778</u>	<u>\$ 157,299</u>	<u>\$ 160,693</u>	<u>\$ 160,009</u>	<u>\$ 164,725</u>	<u>\$ 43,635</u>	<u>\$ 43,615</u>	<u>\$ 53,357</u>	<u>\$ 75,865</u>	<u>\$ 113,924</u>
Total net debt applicable to limit as a percentage of debt limit	8.18%	5.50%	3.38%	2.65%	1.81%	74.12%	74.13%	70.08%	59.12%	45.11%

Legal debt margin calculation for fiscal year 2020	
Assessed value	\$ 2,594,429
Debt limit (8% of assessed value)	207,554
Debt applicable to limit	(93,630)
Legal debt margin	<u>\$ 113,924</u>

Source(s): Horry County Schools' audit reports and Horry County Auditor and Assessor

Horry County Schools*Demographic and Economic Statistics**Last Ten Calendar Years*

Fiscal Year Ended June 30,	Population (1)	Per Capita Income County (2)	Personal Income (3)	County Unemployment Rate (4)	School Enrollment (5)
2011	269,291	29,148	7,849,294	10.5%	37,927
2012	276,340	30,460	8,417,316	10.1%	38,464
2013	282,285	31,008	8,753,093	8.3%	39,321
2014	289,650	31,973	9,260,979	6.6%	40,256
2015	298,832	32,830	9,810,655	6.7%	41,195
2016	309,199	33,820	10,457,110	5.6%	42,174
2017	322,342	35,520	11,449,588	4.3%	42,912
2018	333,268	37,091	12,361,243	3.8%	43,706
2019	344,147	N/A	N/A	3.8%	43,854
2020	354,081	N/A	N/A	11.4%	44,665

Source(s):

- (1) U.S. Census Bureau
- (2) Bureau of Economic Analysis
- (3) County Population x Per Capita Personal Income (in thousands)
- (4) South Carolina Department of Employment and Workforce
- (5) Horry County Schools' 135-Day Average Daily Membership (based on fiscal year)

Horry County Schools**Principal Employers****Current Year and Nine Years Prior**

Employer	Fiscal Year Ended June 30, 2020			Fiscal Year Ended June 30, 2011		
	Approximate Numbers of Employees	Rank	Percentage of Total Employment	Approximate Numbers of Employees	Rank	Percentage of Total Employment
Horry County School District	6,033	1	3.83%	4,870	1	3.69%
Wal-Mart	3,510	2	2.23%	2,061	2	1.56%
Horry County Government	2,310	3	1.47%	2,024	3	1.53%
Grand Strand Regional Medical Center	1,585	4	1.01%	1,200	4	0.91%
Coastal Carolina University	1,569	5	1.00%	1,057	6	0.80%
Food Lion	1,510	6	0.96%			
Conway Medical Center	1,431	7	0.91%	1,150	5	0.87%
City of Myrtle Beach	1,189	8	0.76%	902	8	0.68%
McLeod Health (Loris & Seacoast)	1,094	9	0.69%	900	9	0.68%
HTC, Inc.	679	10	0.43%			
Myrtle Beach National				980	7	0.74%
Blue Cross Blue Shield				827	10	0.63%
Totals	20,910		13.28%	15,971		12.09%

Note: The total employment is as of June of that year.

Source: Horry County Government

Horry County Schools**Employee Staffing Levels and Staffing Ratios for Regular Teachers****Last Ten Fiscal Years**

Budgeted Positions	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Teachers (1)	2,514	2,537	2,690	2,667	2,726	2,829	2,888	2,959	3,015	3,072
Classified Instructional Aides	730	733	730	774	769	783	793	811	814	813
Principals and Assistant Principals	130	133	137	137	137	144	146	153	156	156
Supervisors and Directors	32	32	33	33	39	40	39	42	43	44
Coordinators and Learning Specialists	99	101	114	114	115	116	115	112	113	115
Counselors and Guidance	87	87	88	89	99	108	112	118	127	130
Librarians and Media Specialists	47	47	48	48	48	49	49	52	52	52
Nurses	59	57	59	60	59	60	67	70	70	74
Psychologists	29	29	31	31	31	31	31	33	33	33
Special Education Therapists	66	66	66	66	65	65	65	65	65	67
Technology	24	23	23	23	25	20	25	25	24	19
Transportation	384	401	411	423	429	452	465	465	473	473
Cafeteria	349	351	355	355	341	331	330	325	317	317
Custodians	214	223	238	241	247	277	279	301	305	312
Clerical	266	268	270	271	270	281	282	289	292	294
Maintenance	72	74	75	72	77	48	48	53	58	60
Miscellaneous (2)	91	95	99	107	114	139	155	156	178	185
Totals	5,193	5,257	5,467	5,511	5,591	5,773	5,887	6,026	6,133	6,216

Budgeted Staffing Ratios										
Child Development	20 to 1	20 to 1	20 to 1	20 to 1	20 to 1	20 to 1	20 to 1	20 to 1	20 to 1	20 to 1
Kindergarten	25 to 1	25 to 1	25 to 1	25 to 1	25.5 to 1	25.5 to 1	25.5 to 1	25.5 to 1	25.5 to 1	25.5 to 1
Primary - Grade 1	21 to 1	21 to 1	21 to 1	21 to 1	21.5 to 1	21.5 to 1	21.5 to 1	21.5 to 1	21.5 to 1	21.5 to 1
Primary - Grades 2-3	21 to 1	21 to 1	21 to 1	21 to 1	21.5 to 1	21.5 to 1	21.5 to 1	21.5 to 1	21.5 to 1	21.5 to 1
Elementary - Grades 4-5	24 to 1	24 to 1	24 to 1	24 to 1	24.5 to 1	24.5 to 1	24.5 to 1	24.5 to 1	24.5 to 1	24.5 to 1
Middle - Grade 6	19 to 1	19 to 1	19.8 to 1	20 to 1	20.2 to 1	20.2 to 1	20.2 to 1	20.2 to 1	20.2 to 1	25.3 to 1
Middle - Grades 7-8	19 to 1	19 to 1	19.8 to 1	20 to 1	20.2 to 1	20.2 to 1	20.2 to 1	20.2 to 1	20.2 to 1	25.3 to 1
High - Grades 9-12 (Smallest Schools)	15 to 1	15 to 1	15.75 to 1	16 to 1	16.13 to 1	16.13 to 1	16.13 to 1	16.13 to 1	16.13 to 1	21.5 to 1
High - Grades 9-12 (Largest Schools)	18.75 to 1	18.75 to 1	19.5 to 1	19.88 to 1	19.88 to 1	19.88 to 1	19.88 to 1	19.88 to 1	19.88 to 1	26.5 to 1

Note: (1) The number of regular classroom teachers employed varies with student enrollment.

(2) Miscellaneous staff includes accountants, administrative assistants, athletic directors, trainers, auditorium managers, childcare and First Steps managers, interpreters, and interventionists.

Source(s): Horry County School District's budget document

Horry County Schools***Operating Statistics******Last Ten Fiscal Years***

Fiscal Year Ended June 30,	Enrollment	Expenses	Cost per Pupil	Percentage Change	Teaching Staff	Pupil- Teacher Ratio	Percentage of Students Receiving Free or Reduced - Price Meals
2011	37,927	384,173,601	10,129	-1.62%	2,514	15.09	63.91%
2012	38,464	400,361,510	10,409	2.76%	2,557	15.04	64.47%
2013	39,321	411,539,404	10,466	0.55%	2,690	14.62	64.11%
2014	40,256	437,599,506	10,870	3.86%	2,688	14.98	63.01%
2015	41,195	444,831,810	10,798	-0.66%	2,747	15.00	61.14%
2016	42,174	445,036,307	10,552	-2.28%	2,849	14.80	59.73%
2017	42,912	484,144,123	11,282	6.92%	2,918	14.71	58.84%
2018	43,706	526,106,284	12,037	6.69%	2,992	14.61	48.99%
2019	43,854	560,345,394	12,778	6.15%	3,052	14.37	57.16%
2020	44,665	581,020,373	13,008	1.81%	3,109	14.37	48.36%

Note: Enrollment reflects grades CD through 12.
 Percentage of Students Receiving Free or Reduced-Price Meals in 2019 & 2020 is for NON-CEP Schools only
 In 2019 & 2020, this is the District Wide Direct Certification Percentage.

Source(s): Financial records of Horry County, SC Dept of Education

Table 16

Horry County Schools
Capital Asset Information
Last Ten Fiscal Years

	Fiscal Year Ended June 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Buildings:										
Primary Schools										
Number	2	2	2	1	1	1	1	1	1	2
Square feet	224,185	224,185	224,185	113,650	113,650	113,650	113,650	113,650	113,650	214,758
Capacity	1,994	1,994	1,994	850	850	826	826	762	762	1,472
Enrollment	1,712	1,726	1,760	910	884	830	825	798	766	1,208
Elementary Schools										
Number	22	22	23	25	25	25	25	26	25	25
Square feet	2,220,648	2,220,707	2,323,790	2,563,829	2,563,829	2,563,829	2,563,829	2,709,672	2,709,672	2,667,454
Capacity	18,249	18,249	18,249	20,347	20,347	20,290	20,646	19,494	19,494	19,494
Enrollment	14,747	15,863	16,234	18,621	19,130	19,301	19,392	19,124	19,003	19,604
Intermediate Schools										
Number	2	2	2	1	1	1	1	2	2	1
Square feet	177,465	177,465	177,465	78,290	78,290	78,290	78,290	249,208	249,208	169,199
Capacity	1,968	1,968	1,968	735	735	735	735	1,947	1,947	1,200
Enrollment	1,812	1,375	1,327	648	692	720	726	1,620	1,630	919
Middle Schools										
Number	10	10	10	10	10	10	10	12	12	12
Square feet	1,382,274	1,393,714	1,393,714	1,393,714	1,393,714	1,393,714	1,393,714	1,618,112	1,766,086	1,766,086
Capacity	10,436	10,436	10,436	8,912	8,912	8,610	9,216	11,051	11,051	11,051
Enrollment	8,850	8,427	9,107	9,115	9,127	9,338	9,348	9,192	9,662	10,086
High Schools										
Number	9	9	9	9	9	10	10	10	10	10
Square feet	2,254,304	2,254,304	2,254,304	2,254,304	2,254,304	2,313,304	2,313,304	2,313,304	2,313,304	2,313,304
Capacity	14,702	14,702	14,702	14,457	14,457	15,075	15,075	13,862	13,862	13,862
Enrollment	10,806	11,274	10,893	12,196	12,632	12,999	12,803	12,972	12,989	13,152
Other										
Buildings	9	10	10	14	14	12	12	12	139	82
Square Feet	609,149	689,002	727,002	786,002	786,002	679,825	679,825	679,825	883,744	830,707
Capacity	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Source: Horry County School District's records

Horry County Schools*Student Enrollment**Last Ten Fiscal Years*

Fiscal Year Ended June 30,	Child Development	Kindergarten	Elementary Grades 1-8	High School Grades 9-12	Total
2011	1,217	2,964	22,940	10,806	37,927
2012	1,304	2,954	23,403	10,803	38,464
2013	1,120	3,349	23,959	10,893	39,321
2014	1,120	3,386	24,543	11,207	40,256
2015	1,100	3,135	25,233	11,727	41,195
2016	1,120	2,957	25,935	12,162	42,174
2017	1,114	3,072	26,234	12,492	42,912
2018	1,060	3,160	26,842	12,644	43,706
2019	1,060	2,970	27,139	12,685	43,854
2020	1,160	3,106	27,564	12,835	44,665

Source: Horry County Schools' 135-Day Average Daily Membership Summary

Horry County Schools*Teacher Base Salaries**Last Ten Fiscal Years*

Fiscal Year Ended June 30,	Minimum Salary (a)	Maximum Salary (a)	Average Contracted Salary (a)	Statewide Average Salary (b)
2011	34,270	75,181	51,044	47,642
2012	34,612	75,934	52,584	47,428
2013	35,306	77,452	52,584	48,375
2014	35,306	77,452	53,636	48,430
2015	35,306	77,452	53,636	48,561
2016	35,306	77,452	53,636	48,769
2017	36,011	79,000	54,709	50,050
2018	36,011	79,000	54,709	50,182
2019	36,371	79,790	55,256	50,882
2020	37,826	82,982	56,363	53,329

Source: (a) Horry County Schools' budget document and district records
(b) SC Revenue and Fiscal Affairs Office

This page is intentionally blank.

SINGLE AUDIT SECTION

This page is intentionally blank.

Horry County Schools

Schedule of Expenditures of Federal Awards

For the year ended June 30, 2020

LEA Subfund Fund Code	Fed. Grantor/Pass-Through Grantor/Program of Cluster Title	Federal CFDA Number	Pass - Through Grantor's Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Agriculture					
Passed through S.C. Department of Education					
<i>Child Nutrition Cluster</i>					
600	School Breakfast - cash assistance	10.553	N/A	\$ 37,792	\$ 3,554,938
600	School Lunch - cash assistance	10.555	N/A	83,237	8,795,499
600	School Lunch - non-cash assistance (commodities)	10.555	N/A	-	1,489,619
600	Summer Food Service Program for Children	10.559	N/A	-	1,194,372
	Total Child Nutrition Cluster			121,029	15,034,428
<i>Other Programs</i>					
600	CNP Schools Meals Equipment	10.579	H63010013518	-	36,957
	Total Other Programs			-	36,957
	Total U.S. Department of Agriculture			121,029	15,071,385
U.S. Department of Education					
Passed through S.C. Department of Education					
<i>Title I</i>					
201	Title I Grants to LEAs	84.010A	H63010100120	149,779	15,034,898
202	Title I Carryover from Prior Year	84.010A	H63010100119	3,812	2,769,149
221	Title I N&D	84.010A	H63010100120	-	113,232
222	Title I N&D - Prior Year	84.010A	H63010100119	-	10,468
237	Title I TSI - Prior Year	84.010A	H63010100119	-	244,476
238	Title I Mini Grant - Prior Year	84.010	H63010100118	48,461	226,137
239	Title I CSI	84.010A	H63010100120	15,016	15,016
239	Title I CSI - Prior Year	84.010A	H63010100119	101,200	101,200
	Total Title I			318,268	18,514,576
<i>IDEA Cluster</i>					
203	IDEA	84.027	H63010100918	162,130	7,330,539
204	IDEA - Prior Year Carryover	84.027A	H63010100917	-	1,181,860
205	Preschool Grants, IDEA	84.173	H63010100818	-	339,669
206	Preschool Grants, IDEA - Prior Year Carryover	84.173A	H63010100817	-	41,755
	Total IDEA Cluster			162,130	8,893,823
<i>Other Programs</i>					
207	CATE Federal Perkins	84.048	H63010107120	10,506	579,106
208	CATE Federal Carryover	84.048A	H63010107119	-	7,283
210	Title IV SSAE	84.424	H63010100319	-	987,790
212	Extended School Year	84.027A	H6304510E	-	33,343
243	Adult Education - Current Year	84.002	H63010101020	-	336,926
243	Adult Education - Institutionalized	84.002	H63010101020	-	20,000
243	Adult Education - Prior Year - Reverted	84.002	H63010101018	-	24,066
243	Generational Family Services	84.002A	H63010101020	-	29,067
243	Adult Education - Civics	84.002A	H63010101020	-	22,284
264	Title III - English Language Acquisition	84.365A	H63010006719	-	48,008
264	Title III - English Language Acquisition	84.365A	H63010006720	-	45,291
265	Title III - English Language Acquisition - Prior Year	84.365A	H63010006719	-	267,345
266	Title II Supporting Effective Instruction - Prior Year	84.367A	H63010006819	-	616,037
267	Title II Supporting Effective Instruction	84.367A	H63010006820	-	1,316,795
603	Private Placement	84.027A	H6304510D	-	161,992
	Total Other Programs			10,506	4,495,333
	Total of U.S. Department of Education			490,904	31,903,732
U.S. Department of the Treasury					
Passed through S.C. Department of Education					
601	Food Service CARES Act	21.019	N/A	-	280,597
	Total U.S. Department of the Treasury			-	280,597
U.S. Department of Defense					
Direct Program					
100	ROTC	12.357	N/A	-	604,791
	Total U.S. Department of Defense			-	604,791
	Total expenditures of federal awards			\$ 611,933	\$ 47,860,505

Horry County Schools

Notes to Schedule of Expenditures of Federal Awards

June 30, 2020

I. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of the School District under programs of the federal government for the year ended June 30, 2020. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the School District, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the School District.

II. Summary of Significant Accounting Policies

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

**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 Education
Horry County Schools
Conway, South Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of Horry County Schools (the "School District"), as of and for the year ended June 30, 2020, 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 20, 2020. Our report includes a reference to other auditors who audited the financial statements of Waccamaw Park Public Charter School, Inc., d/b/a Bridgewater Academy, as described in our report of the School District's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported on separately by their auditors.

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") to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the School District's internal control.

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

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

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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

A handwritten signature in black ink that reads "Elliott Davis, LLC". The signature is written in a cursive, flowing style.

Charleston, South Carolina
November 20, 2020



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 Education
Horry County Schools
Conway, South Carolina

Report on Compliance for Each Major Federal Program

We have audited Horry County Schools' (the "School District") compliance with the types of compliance requirements described 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, 2020. 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.

The School District's basic financial statements include the operations of Waccamaw Park Public Charter School, Inc., d/b/a Bridgewater Academy ("Bridgewater"), a discretely presented component unit, which received \$78,723 in federal awards that are not included in the School District's schedule of expenditures of federal awards for the year ended June 30, 2020. Our audit, described below, did not include the operations of Bridgewater as the discretely presented component unit engaged other auditors to perform an audit in accordance with Uniform Guidance.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

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, 2020.

Report on Internal Control Over Compliance

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

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

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

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

A handwritten signature in black ink that reads "Elliott Davis, LLC". The signature is written in a cursive, flowing style.

Charleston, South Carolina
November 20, 2020

Horry County Schools

Schedule of Findings and Questioned Costs June 30, 2020

I. Summary of Auditor's Results

Financial Statements

- (a.) Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified
- (b.) Internal control over financial reporting:
- 1) Material weakness(es) identified: No
 - 2) Significant deficiency(ies) identified: None reported
- (c.) Noncompliance material to financial statements noted: No

Federal Awards

- (a.) Internal control over major programs:
- 1) Material weakness(es) identified: No
 - 2) Significant deficiency(ies) identified: None reported
- (b.) Type of auditors' report issued on compliance for major federal programs: Unmodified
- (c.) Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)? No
- (d.) Identification of major program(s):
- | <u>CFDA Number(s)</u> | <u>Name of Federal Program or Cluster</u> |
|----------------------------------|---|
| 84.027, 84.027A, 84.173, 84.173A | IDEA Cluster |
| 84.367A | Supporting Effective Instruction |
- (e.) Dollar threshold used to distinguish between type A and type B Programs: \$1,435,815
- (f.) Auditee qualified as low risk auditee? Yes

II. Financial Statement Findings

None noted

III. Findings and Questioned Costs for Federal Awards

None noted

This page is intentionally blank.