

**HORRY COUNTY SCHOOLS
CONWAY, SOUTH CAROLINA**

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

JUNE 30, 2021

**Prepared by:
Fiscal Services**

**John K. Gardner
Chief Financial Officer**

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INTRODUCTORY SECTION

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HORRY COUNTY SCHOOLS
FOR THE YEAR ENDED JUNE 30, 2021

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November 29, 2021

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

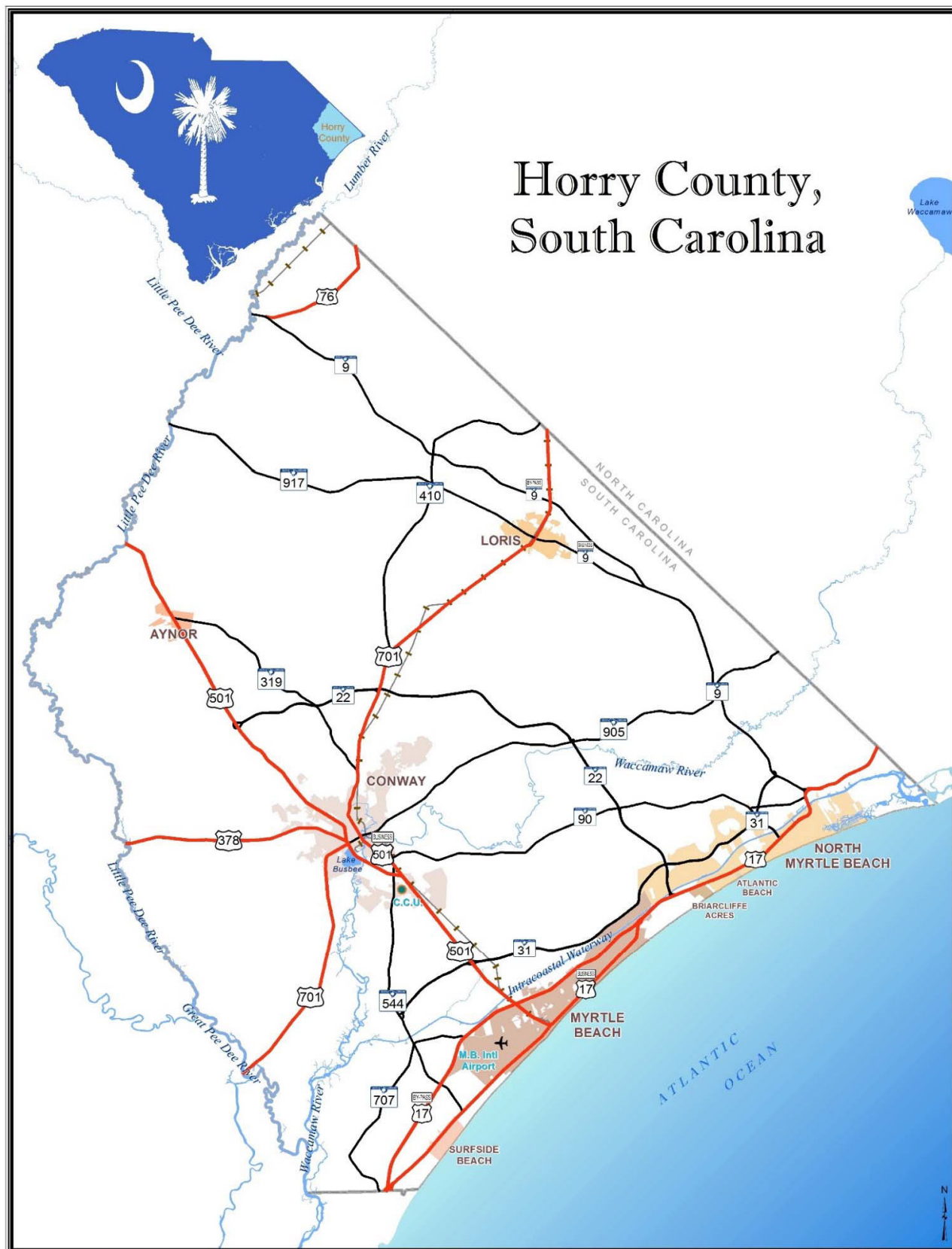
The Annual Comprehensive Financial Report (ACFR) of the Horry County Schools (the District) for the fiscal year ended June 30, 2021, is hereby submitted. Responsibility for both the accuracy of the information and the completeness and fairness of the presentation, including all disclosures, rests with 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 351,029 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 43,398.



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 Mauldin & Jenkins and Subsidiaries 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, 2021, 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, 2021, 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. According to the website Wallethub, North Myrtle Beach ranks number 5 on the list of U.S. Communities offering the best living conditions near the water. Myrtle Beach was not far behind in the rankings at number 11. A survey conducted by Trip Advisor revealed that Myrtle Beach was the third most popular destination for 2021 summer trips.

According to the U.S. Census Bureau, the population grew by 81,738 residents, or 30.4 percent, to 351,029 people in 2020 from 269,291 in 2010. Population projections indicate that the County will grow by nearly 72 percent to 603,675 people in 2035. This makes Horry County the 29th fastest growing county in the United States and the fastest in South Carolina.

Carolina Forest is the largest development in Horry County, covering approximately seventeen (17) square miles or 10,850 acres and including sixty-one (61) major residential subdivisions. This development was started by International Paper and included a comprehensive development agreement, which has recently expired. The area is centrally located between Conway and Myrtle Beach and has become one of the most desirable areas in the County in which to live and shop. Between 2000 and 2010, the population increased 420 percent and now has nearly 35,000 residents. Commercial development has continued to expand and areas like Towne Center and Tanger Outlets have become regional shopping destinations. Currently, there are approximately 555,000 square feet of commercial 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 and medical offices are 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 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 603,675 people by 2035, which is nearly 238,000 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 20.6 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



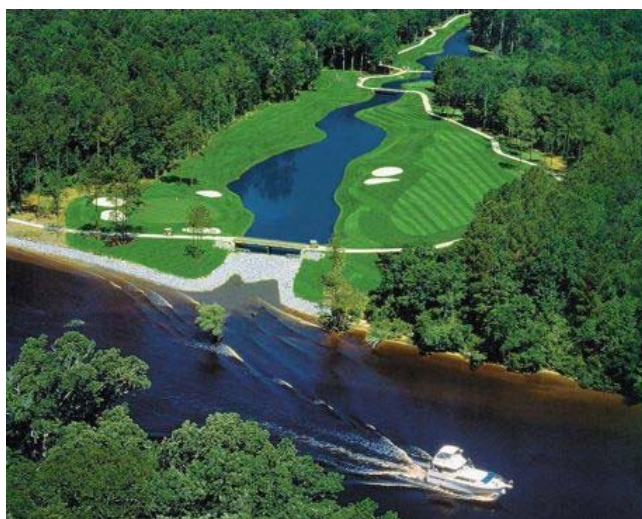
now has more than 1,800 full-service restaurants, more than 425 hotels for overnight guests, seven (7) live entertainment theaters with approximately 7,500 seats and approximately 80 golf courses. According to Tourism Works for Us, throughout the Grand Strand, tourism accounts for 83,000 jobs.



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 one of “America’s 100 Best Small Cities” by bestcities.org to “The Best Trips to Take With Your Girlfriends in 2021” by Southern Living, and Grand Strand golf course layouts earning spots on “America’s 100 Greatest Public Golf Courses” by Golf Digest. Campgrounds are also becoming increasingly popular with tourists and residents. Myrtle Beach was noted as one of the “Top 10 Destinations Campers Are Booking This Fall” in 2020 by Travel Pulse.

There are many amusement attractions spanning the Grand Strand, and the eighty (80) plus golf courses located in the area constitute one of the largest concentrations of like facilities in the nation. Vacationing golfers play approximately 2.7 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. Revenues in FY 2021 rebounded with 1% Hospitality and Local ATAX reaching record highs and State ATAX nearly at FY 2019 levels. As of August 1, 2021, the County resumed collecting the 1.5% hospitality fee from all municipalities.

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 signatory and non-signatory carriers served the airport as of June 30, 2021: American, Allegiant, Delta, Frontier, Porter, Spirit, Southwest, Sun Country, and United. These carriers collectively offer non-stop air service to over 50 markets. The airport is also served by a number of charter services.

Passenger enplanements for the fiscal year ending June 30, 2021, were 962,987. Despite more than six months of the pandemic in FY21, MYR rebounded very strongly, and was listed by Moody's Investors Service as a top 10 best recovering airport. For April-June 2021, enplanements outpaced April-June 2019 by 16.6 percent.

In fiscal year 2021, Southwest Airlines announced service to MYR commencing in May 2021. By June 2021, Southwest was serving 10 markets: Nashville, Baltimore, Dallas, Chicago Midway, Pittsburgh, Atlanta, Columbus, Indianapolis, Kansas City and St. Louis. In addition, United began service to Milwaukee, Cleveland, and St. Louis. Frontier added service to Miami, Providence, Buffalo and Portland, Maine. Spirit remains as MYR's primary carrier. As of June 30, 2020, MYR has non-stop service to fifty-three (53) markets by nine (9) carriers.

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.

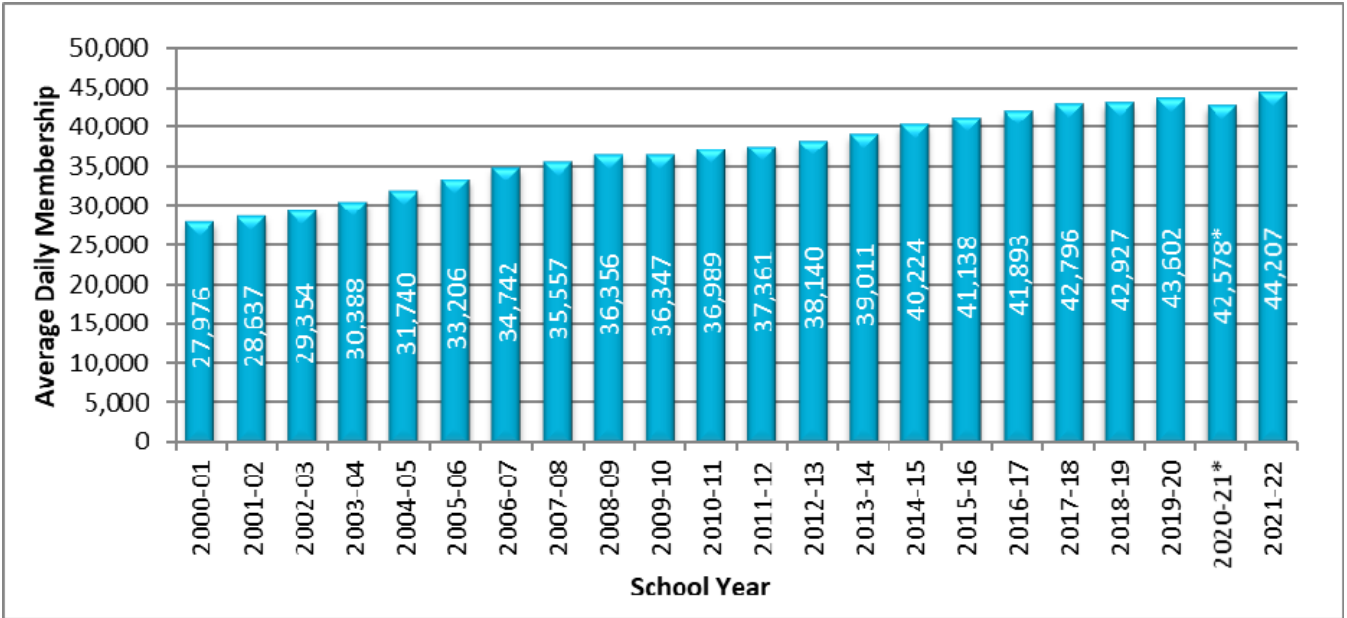
The District's strategic planning process represents a collaborative effort of engaging educators and citizens in the decision-making process for their schools. Each of the District's schools has developed a strategic plan, following the same process of involving stakeholders as used by the District's 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 6,846 students. Of the District's 58 school facilities, 9 of them are operating over capacity with another 17 schools within 95 – 99% of capacity. To temporarily cope with growth, more than 80 modular classrooms are in use and attendance lines are annually reviewed to deal with the swelling population. Looking to the future, the District anticipates the enrollment to increase from 44,207 students in fiscal year 2021-22 to over 45,748 students by fiscal year 2026-27.

Horry County Schools K-12 Historical Average Daily Membership



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	Completed August 2017
Addition & Renovation - Midland Elementary	15,952,052	Completed January 2018
Replace HCEC (New SOAR Academy)	17,468,792	Opened 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	Completed September 2016
Capital Administration	20,000,000	Annual \$1,818,182 (End: June 2024)
Renovation - Old Myrtle Beach Middle School	20,560,631	Completed 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	

“NEW” 2021-24 BUILDING PROGRAM

On June 21, 2021, The Board approved funding in the amount of \$109,317,809 for the 2021-24 Building Program. The following funding sources are projected to be available through 2021-24:

2021-24 Building Program

Funding Sources	Total	Availability Date
Residual Funds from Old Capital Improvement Projects	295,974	2021
Residual Funds from Short-term Facilities Plan	4,458,486	2021
Utilization of ESSER Funds for Existing Short-term Facilities Plan Projects	33,700,000	2021-2024
Uncommitted Sales Tax Revenues	43,380,844	2021-2024
Unassigned General Fund Balance	27,482,505	2021-2024
Total	109,317,809	

Also, on June 21, 2021, The Board designated \$58,000,000 to replace Whittemore Park Middle School. On November 15, 2021, The Board approved the complete project list.

2021-24 Building Program

Current Board Approved Project List	Total	Proposed Completion Date
Regional Bus Lot	15,000,000	2022
Preliminary Site Work for New Elementary Schools	5,000,000	2024
Replace Whittemore Park Middle School	58,000,000	2021-2024
Artificial Turf Fields for High School Stadiums	9,900,000	2022-2024
Elementary School Pay Areas	6,000,000	2022-2024
Contingency	10,523,198	2022-2024
Projects TBD	4,894,611	
Modular Classrooms (funded from Contingency)	-	2022-2024
Total	109,317,809	

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, AdvanceED is a trusted partner to 34,000 schools and school systems across the United States and 70 other nations.

On March 27, 2020, the U.S. Department of Education approved South Carolina's request to waive statewide spring assessments, accountability ratings, and specific reporting requirements in the Elementary and Secondary Education Act (ESEA) for the 2019-2020 school year due to widespread school closures related to the novel Coronavirus disease (COVID-19). The report cards did not contain summative ratings, state assessment data, growth measures, etc. However, they included school, District, state graduation rates, ACT and SAT performance, financial data, and other information.

[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 1033, 3 points above the national composite of 1030 and 14 points higher than the State composite of 1019. On the two subtests, the district was 7 points higher than the nation and 8 points higher than the State in ERW; 4 points lower than the nation and 7 points higher than the State in mathematics.

[Horry County Schools'](#) students increased their overall pass rate to 69.7 percent on Advanced Placement (AP) exams in 2020, outpacing the state average of 62.2 percent. During the 2019-2020 academic year, 2,145 students took 3,283 AP exams, which was a slight decrease of 3 and 3.8 percent, respectively.

[Horry County Schools'](#) juniors decreased one point for a composite of 18.0, down from 19.0 in 2019. Starting in 2019, South Carolina's 3rd-year students received an opportunity to take one college readiness assessment to be paid for by the state. Since this change, HCS experienced a sharp decrease in the number of students opting to take the ACT and a steady increase in those choosing to take the SAT. The number of test-takers decreased by 160 students to 1,836 from 1,996 test-takers in 2019.

[Horry County Schools](#) on-time graduation rate increased slightly in 2020, up to 83.5 compared to 83.4 in 2019. By comparison, the state's on-time graduation rate rose one percent, up to 82.1 percent in 2020, compared to 81.1 percent the previous year.

For a second consecutive year, [Horry County Schools](#) received the prestigious Best Communities for Music Education designation from the National Association of Music Merchants (NAMM) Foundation. HCS is one of only six school districts in South Carolina to have earned the title awarded in 2019 and 2020.

The 2020 South Carolina Elementary Honor Choir, an ensemble of 300 students representing school districts throughout the state, selected a record-breaking 51 [Horry County Schools](#) students.

[Horry County Schools](#) was ranked #2 in the State of South Carolina as being one of America's Best Employers. Forbes partnered with market research company Statista to pinpoint those organizations liked best by employees in their second annual ranking of America's best employers by state.

School and Team Awards

The Class of 2020 was awarded \$70 million in scholarships.

The Class of 2020 totaled 2,745 graduates from the District's 10 high schools. Among the graduates, 72 percent plan to attend either a two-year or four-year college or university.

[Horry County Schools'](#) Honors Diplomas were awarded to 12 percent of graduates.

U.S. News & World Report released its annual Best High Schools rankings for 2020, showing [St. James High School](#) among the top 10 high schools in South Carolina. St. James High School ranked ninth in the state, including traditional, magnet, charter, and STEM high schools.

[Ocean Drive Elementary](#) was one of six schools in the state to receive the National Blue Ribbon Schools designation in 2020, 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.

[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.

[Green Sea Floyds High](#) Future Farmers of America (FFA) Chapter won this year's FFA Nursery-Landscape Contest.

[North Myrtle Beach High School](#) won first place at the South Carolina Theatre Association School Festival with *War of the Worlds: A Totally Teen Online Theatrical Event*.

[Socastee High School's](#) Academic Team won its third consecutive championship in Horry County Schools' Academic Olympics.

[Socastee High School](#) Lady Braves won the 2020-21 State Championship in Class AAAAA Tennis.

Student Awards

Five HCS students were named National Merit Semifinalists. They are: [Ryan Bao](#), [Scholars Academy and Carolina Forest High School](#); [Kaitlyn Grace Rielly](#), [Scholars Academy and Carolina Forest High School](#); [William A. Truluck](#), [Scholars Academy and Myrtle Beach High School](#); [Lexington A. Whalen](#), [St. James High School](#); and [Thomas C. Young](#), [St. James High School](#).

The National Merit Scholarship Corporation named [Henry T. Hein of the Scholars Academy and Carolina Forest High](#) as a recipient of a corporate-sponsored scholarship.

Two HCS students were semifinalists for the 2020 United States Senate Youth Program. Semifinalists from HCS include [Rafael Adi of the Academy for the Arts, Science & Technology and Carolina High School](#), and [Thomas Riga of Myrtle Beach High School](#).

[Mary Quinn Fullwood](#), a senior at [Myrtle Beach High School](#), has been selected as the 2020 Work-Based Learning Student of the Year for the Waccamaw Region.

[Yianni Paraschos](#), a senior at the [Academy for the Arts, Science & Technology](#), and [Myrtle Beach High School](#), was selected as the 2020 Technology Champion for the Waccamaw Region.

Two [Green Sea Floyds Middle and High School](#) BETA Club students won the National Competition: [Lindsey Rhodes and her sister, Lexis Rhodes](#), took first place in the Portfolio Competition at the junior level.

[Carolina Forest High School and AAST's Harrison Clinton](#) claimed two state titles (100 Yard Breaststroke and 100 Yard Butterfly) in Class AAAAA boys' swimming during the 2020-21 State Swim Championships.

HCS students won 15 awards in 11 categories at the South Carolina National History Day (SCNHS) competition. State winners in the Junior Division include:

- Individual Documentary: 1st Place; [Rebecca Norton-Baker, Socastee Middle School](#), and 3rd Place; [Aidan Hayes, Ten Oaks Middle School](#).
- Group Documentary: 1st Place; [Allison Colquett, Elizabeth Atkinson, Ella Conder, and Lydia Fitte, Myrtle Beach Middle School](#).
- Individual Performance: 1st Place; [Caroline Richardson, St. James Middle School](#); and 2nd Place; [Karol Barbis, Black Water Middle School](#).
- Group Performance: 3rd Place; [Jordan Stahler, Makaila Tucker, and Preston Payne, Ten Oaks Middle School](#).
- Individual Exhibit: 2nd Place; [Carrie Jordan, Loris Middle School](#); and 3rd Place; [Karley Hand, Loris Middle School](#).
- Group Exhibit: 1st Place; [Anna Potter, Emerson Walker, and Emmie Walker, St. James Middle School](#); 2nd Place; [Katherine Young, St. James Middle School](#); and 3rd Place; [Carter Morgan, St. James Middle School](#).
- Group Website: 2nd Place; [Claire Carson and Isabella Hansen, Ten Oaks Middle School](#).

State winners in the Senior Division include:

- Group Performance: 2nd Place; [Iysis Rutledge, Jordan Philo, Julia Gonzalez and Tearah Walker, HCS Early College High School](#).
- Individual Website: 1st Place; [Kaya Smith, HCS Early College High School](#).
- Group Website: 2nd Place; [Makayla Gibson and Sunni Doyle, HCS Early College High School](#).

Recognized for having perfect attendance, five students in grades 1-5 and 1-8 attended school either 900 or 1,440 days without an absence. Grades 1-5: [Lawton Little Broughman, Conway Middle School](#); [Skyler Lillian Hannum and Ryder Warren Hannum, Socastee Middle School](#). Grades 1-8: [Jadin Keaton Elliott, Conway High School](#); and [Ryan Joseph Shibley-Cooney, St. James High School](#).

Staff Awards

[Michelle Anderson, a school nurse at Kingston Elementary](#), was named a 2020 Palmetto Gold Award Winner by the South Carolina Nurses Foundation, Inc.

[Horry County Schools' Gretchen Ayers](#), a learning specialist for middle school English Language Arts, received the 2020 Literacy Championship Award from the South Carolina Council for English teachers.

[Horry County Board of Education Member Janet P. Graham](#) was recognized at the South Carolina School Boards Association 2020 Annual Convention for achieving Level 6, the highest level of recognition in its Boardmanship Institute.

[Horry County Schools' Janet Quigley](#), a lead teacher for Early Childhood Special Education, has won the prestigious 2019-20 South Carolina Teacher Education Division Mentoring Award from the South Carolina Council for Exceptional Children.

The College Board chose [Eva Gaddy, the director of guidance at Socastee High School](#), for the 2019-20 College Board Counselor Recognition Program. Gaddy was one of only six school counselors in the state to receive this recognition.

Marissa Pipkin Jones, a Family and Consumer Science Teacher at St. James High School, is one of only 58 teachers in the United States chosen to receive the 2020 National Spirit of Advising Award from the Family, Career, and Community Leaders of America.

Three HCS educators recognized in the South Carolina Financial Literacy Master Teacher Program include Monica Brisbon, Carolina Forest High; William Chappell, Early College High; and Eric Fry, Academy for Technology and Academics.

The District's Office of Communications swept 19 awards from the South Carolina Chapter of the National School Public Relations Association, including three Golden Achievement awards and four Best in Show.

The South Carolina-School Improvement Councils (SC-SICs) named St. James High's School Improvement Council to the 2020 Honor Roll for their significant efforts to foster civic engagement in public education.

Horry County Schools' Adult Education program employees received several prestigious awards from the South Carolina Association of Adult and Continuing Education (SCAACE). These awards include the following:

- Sheri Rabon - Paraprofessional/Administrative Assistant of the Year (Region 3)
- Linda Suter - Part-Time Teacher of the Year (Region 3)
- Michael Graham - Full-Time Teacher of the Year (Region 3)
- Donna Hamilton - Outstanding Learner of the Year (Region 3)

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 2020-2021.

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 annual comprehensive financial report for the past nineteen fiscal years. A Certificate of Excellence is valid for a period of one year only. We believe our current annual comprehensive 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 annual comprehensive financial report for the past nineteen fiscal years. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive 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 annual comprehensive 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.

ACKNOWLEDGMENTS

The completion of this Annual Comprehensive 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 2021 Annual Comprehensive Financial Report would not have been possible.

Respectfully Submitted,

A handwritten signature in blue ink that reads "John K. Gardner". The signature is written in a cursive, flowing style.

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	Howard Barnard
District 6 Board Member	Helen Smith
District 7 Board Member	Janet Graham
District 8 Board Member	Melanie Wellons
District 9 Board Member	James Edwards
District 10 Vice Chairperson	Neil James
District 11 Board Member	Shanda Allen

ADMINISTRATIVE OFFICIALS

Superintendent	Dr. Rick Maxey
Chief Academic Officer	Boone Myrick
Chief Support Services Officer	Daryl Brown
Chief Financial Officer	John K. Gardner
Chief Human Resources Officer	Mary J. Anderson
Chief Student Services Officer	Velna Allen
Staff Attorney	Kenny Generette



Dr. Rick Maxey, Superintendent of Schools: With 35 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 was 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-level administrator, Dr. Maxey was the principal of Conway High School for five years (2000-2005) and of Carolina Forest High School for two years (1998-2000). He also served as 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 Instructor of English 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 earned 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 11 years, the last five in the Little River community. He and his wife, Lia, have three children, a daughter in her first year at the United States Naval Academy and sophomore twins (daughter and son) who attend North Myrtle Beach High School and the Academy for Arts, Science & Technology respectively. 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 with a double major in religion and government. He earned a Master of Divinity degree from Emory University in Atlanta, Georgia.

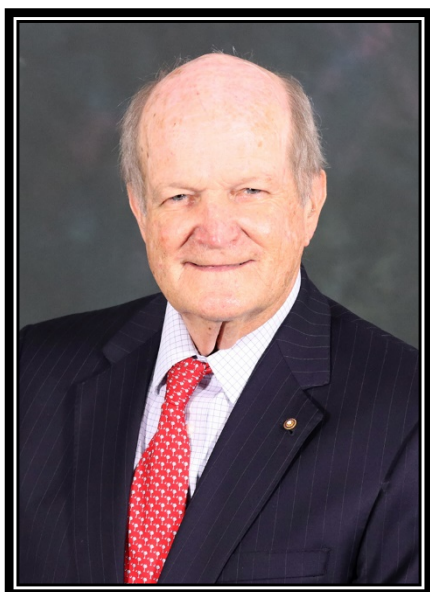


Sherrie Todd, District 2 – Sherrie Todd was elected to the Horry County Board of Education in November 2014 and was re-elected for another 4-year term in 2018. She is a life-long resident of Myrtle Beach and has two adult daughters, one adult son, and six grandchildren.



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

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



Howard Barnard, District 5 – Howard Barnard was elected to represent District 5 in November of 2020. He is a retired fighter pilot and colonel in the United States Airforce. He has a BBA in Economics from the University of Georgia and an MBA from the University of Oklahoma. He and his wife, Marga, have a son and daughter and five grandchildren.

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 – Janet Graham was appointed to the Horry County Board of Education in September 2012 and was elected in November 2014. Ms. Graham is an Area Manager for the Myrtle Beach Area Small Business Development Center at Coastal Carolina University. She received a Bachelor’s degree in Finance from Coastal Carolina University in 2000 and a Master of Business Administration from Winthrop University in 2004. She and her husband, Gregory, have three children and nine grandchildren.

Melanie Wellons, District 8 – Melanie Wellons was appointed to the Horry County Board of Education in April 2021. Ms. Wellons is a graduate of Coastal Carolina University and is the Vice President of Arnold’s Pools. Ms. Wellons served five years on the Carolina Forest High School Improvement Council and five years on the Carolina Forest Advisory Board. She and her husband, David T. Wellons, Jr, have two children, Madalyn Wellons and David T. Wellons, III.



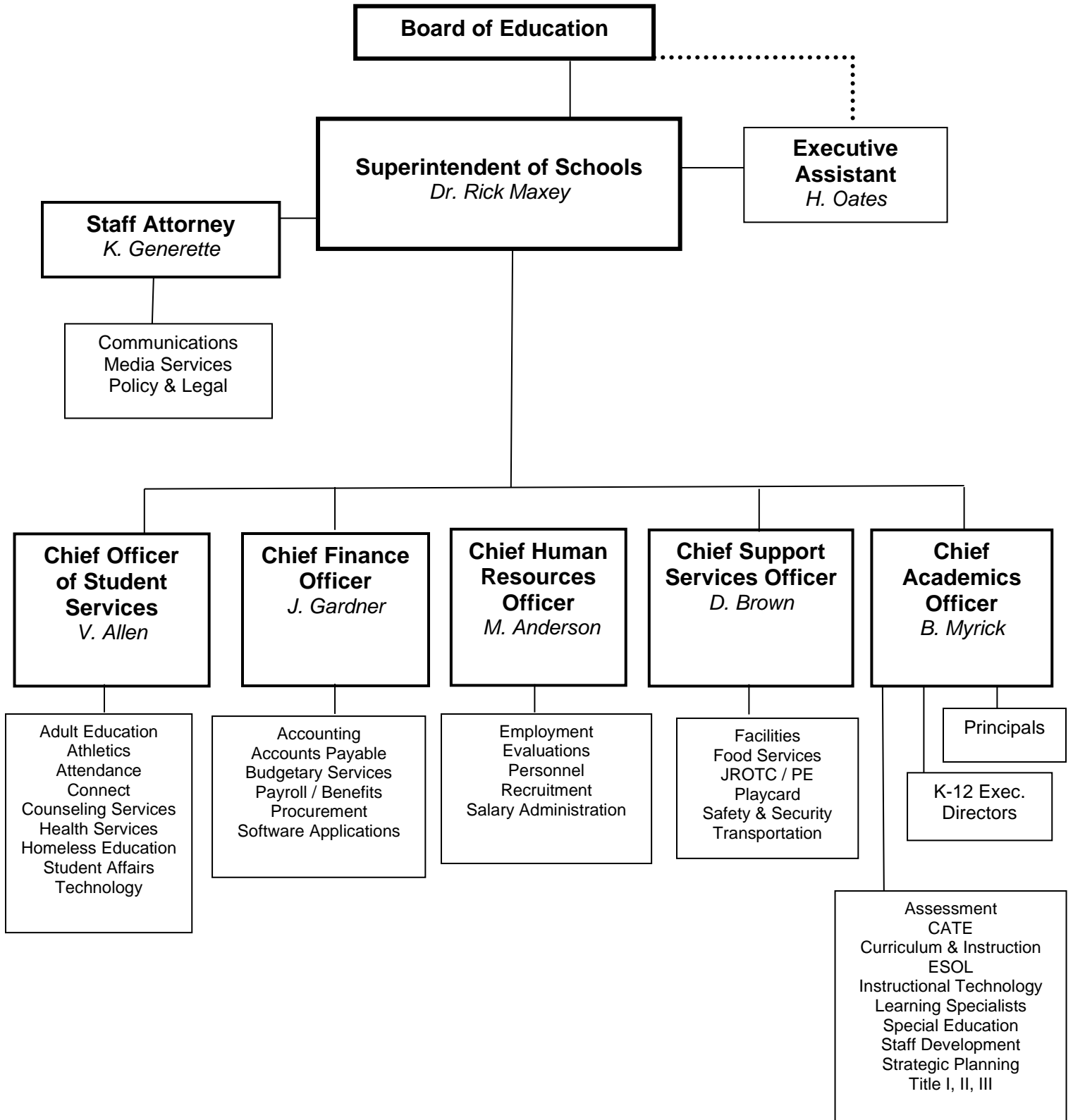
James Edwards, District 9 – James Edwards was elected to represent District 9, which serves Green Sea Floyds, Loris, and North Myrtle Beach. He is the President/Owner of Inland Associates, INC. where he provides real estate services as a NC & SC General Certified Real Estate Appraiser, a Realtor, and a Real Estate Property Manager. Mr. Edwards is a former instructor of licensing & continuing education classes at Southeastern Community College in Whiteville, NC as well as at Horry Georgetown Technical College in Conway, SC. He has a Bachelor of Science Degree in Business Administration from the University of South Carolina as well as studying Industrial Engineering at North Carolina State University. Mr. Edwards is the past President of the Loris Chamber of Commerce and is currently President of the Loris Historical Society. He is also an active member and treasurer of Dogwood Hill Baptist Church. He and his wife Amy have two daughters and one grandson.



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

Shanda Allen, District 11 – Shanda Allen was elected to the Horry County Board of Education in 2016. She is the owner and operator of Allen Aviation, Inc., and has served on the Higher Education Commission at Coastal Carolina University. Ms. Allen is a native of Horry County, and she and her husband, Al, have two children and two grandchildren.







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, 2020.**

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



W. Edward Chabal
President

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, 2020

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

To the Chairperson and Members of 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 aggregate discretely presented component units, and each major fund of **Horry County Schools** (the "District") as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Waccamaw Park Public Charter School, Inc., Palmetto Academy of Learning and Success, Academy of Hope, Inc., and Palmetto Academy for Learning Motorsports which represent 100% of the assets, net position, and revenues of the District's discretely presented component units. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Waccamaw Park Public Charter School, Inc., Palmetto Academy of Learning and Success, Academy of Hope, Inc., and Palmetto Academy for Learning Motorsports is based solely on the reports of the other auditors. 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 *Governmental Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, and each major fund, of Horry County Schools as of June 30, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (pages 4 - 17), the budgetary comparison schedules on pages 64 - 67, Schedule of the District's Proportionate Share of the Net Pension Liability and Related Ratios, Schedule of District Pension Contributions, Schedule of the District's Proportionate Share of the Net OPEB Liability and Related Ratios, and Schedule of District OPEB Contributions (pages 68 - 71), 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 Matters (Continued)**Other Information**

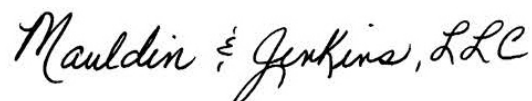
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The statements and schedules listed in the table of contents under the heading "Other Supplementary Schedules," the Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements* for Federal Awards (Uniform Guidance), and the introductory and statistical sections are presented for the purpose of additional analysis and 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 basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Other Supplementary Schedules and the Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated November 29, 2021, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



Columbia, South Carolina
November 29, 2021

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**HORRY COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2021**

The discussion and analysis of Horry County School District's (the "District") financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2021. 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.
- Statement No. 84, *Fiduciary Activities*, is effective for reporting periods beginning after December 15, 2018. The principal objective of this Statement is to enhance the consistency and comparability of fiduciary activity reporting by state and local governments. This Statement also is intended to improve the usefulness of fiduciary activity information primarily for assessing the accountability of governments in their roles as fiduciaries. In May 2020, GASB issued Statement No. 95, *Postponement of the Effective Date of Certain Authoritative Guidance*. The District elected to adopt Statement No. 84 during the year ended June 30, 2021.
- The liabilities and deferred inflows of resources of the District exceeded assets and deferred outflows of resources at June 30, 2021, by \$185.5 million, primarily due to the net OPEB and pension liabilities, noted above, of \$1,211 million.
- The District's total net position for 2020-21 increased by \$40.1 million.

- Our principal operating fund, the General Fund, had \$445.5 million in fiscal year 2021 revenues, which primarily consisted of state aid and property taxes. In addition, the General Fund had \$14.2 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 \$435.6 million in expenditures, as well as \$7.9 million in other financing uses.
- The General Fund's fund balance increased from \$127.7 million as of June 30, 2020, to \$143.9 million as of June 30, 2021. In the original 2020-21 funding plan, the District planned to utilize \$11 million from fund balance. This significant change in fund balance was the result of several events. The District received \$10.2 million more in total revenues than was budgeted. This was most notably the result of a \$9.4 million increase in local property tax revenues, a \$2.3 million increase for revenue in lieu of property taxes, a \$3.1 million decrease in interest on investments and Medicaid reimbursements, a \$4.4 million decrease in Education Finance Act revenues, a \$3.5 increase for bus driver and teacher salary increases, a \$1.2 million legal settlement from Santee Cooper, and a \$1.3 million increase in other state property tax revenues.
- Analysis of the positive budget variances related to expenditures indicate \$20.1 million in salaries and employee benefits and \$17.2 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 \$17.2 million operating expenditure surplus was \$8.3 million assigned from fiscal year 2020.
- The District's total general and special obligation debt decreased by \$47.4 million during fiscal year 2021 to \$291.4 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 105 and 16.

The government-wide financial statements are included on pages 18 and 19 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 are governmental funds.

Governmental Funds: Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows 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. The reconciliation is on page 22.

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 23 - 63.

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 \$185.5 million as of June 30, 2021.

The following table presents a comparative analysis of the District's net position for the fiscal years ended June 30, 2021, and June 30, 2020.

Net Position (Amounts expressed in thousands)

	2021	2020
Current and other assets	\$ 350,274	\$ 329,631
Capital assets, net	894,365	885,142
Total assets	1,244,639	1,214,773
Deferred outflows of resources	230,132	129,038
Current liabilities	110,714	128,888
Long-term liabilities	1,495,045	1,389,578
Total liabilities	1,605,759	1,518,466
Deferred inflows of resources	54,503	50,912
Net position		
Net investment in capital assets	569,273	507,020
Restricted	118,478	118,612
Unrestricted	(873,242)	(851,199)
Total Net position	\$ (185,491)	\$ (225,567)

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

- The \$9.2 million increase in cash and cash equivalents in governmental activities was primarily due to unanticipated increases in property tax and sales tax receipts.
- Total receivables increased by \$12.3 million primarily due to current year federal revenues that were received after June 30, 2021, an increase in uncollected property taxes, and an increase in the June Education Capital Improvement Sales and Use tax receipt.
- Total prepayments decreased by \$.3 million primarily due to a decrease in multi-year technology service agreements and subscriptions coupled with an increase in annual property insurance premiums.

- Total inventories decreased by \$.6 million primarily due to cafeteria food and supplies.
- The \$9.2 million increase in capital assets is due to a \$20.5 million net increase in construction in progress, a \$15.6 million net increase in capital assets, and net depreciation expense of \$26.9 million.
- Total deferred outflows of resources increased \$101.1 million primarily due to a \$1.4 million decrease in deferred charges on refunding transactions, a \$36.1 million increase in deferred outflows related to pensions, and a \$66.4 million increase in deferred outflows related to OPEB.
- Total liabilities increased \$94.1 million primarily due to a net \$54 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 \$0.8 million decrease in accrued interest payable and a \$1.9 million decrease in accounts payable and other accrued liabilities. These decreases were offset by a \$62.8 million increase in the net pension liability and a \$88 million increase in the net OPEB liability.
- Total deferred inflows of resources decreased \$3.2 million primarily due to a \$1.1 million increase in deferred inflows related to pensions, a \$4.5 million decrease in deferred inflows related to OPEB, and a \$.2 million increase in unearned revenue.

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 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 2016 through 2021.

Net Position By Component
(Amounts expressed in thousands)

	2016	2017	2018	2019	2020	2021
Governmental Activities	\$ 114,796	\$ 151,861	\$(266,886)	\$(267,842)	\$(225,567)	\$(185,491)
Business - Type Activities	118	(305)	(21,119)	-	-	-
Total Primary Government	<u>\$ 114,914</u>	<u>\$ 151,556</u>	<u>\$(288,005)</u>	<u>\$(267,842)</u>	<u>\$(225,567)</u>	<u>\$(185,491)</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 2022 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 2016 through 2021.

Net Position By Classification
(Amounts expressed in thousands)

	2016	2017	2018	2019	2020	2021
Net Investment in Capital Assets	\$ 142,238	\$ 317,208	\$ 409,563	\$ 467,134	\$ 507,020	\$ 569,273
Restricted for Debt Service	36,832	34,069	56,185	53,913	46,720	43,447
Restricted for Capital Projects	265,227	141,037	57,224	44,968	59,713	61,302
Restricted for Special Projects	677	1,385	1,682	1,455	7,946	8,006
Restricted for School Food Service	-	-	-	6,557	4,233	5,722
Unrestricted	(330,060)	(342,143)	(812,659)	(841,869)	(851,199)	(873,241)
Total Primary Government	\$ 114,914	\$ 151,556	\$ (288,005)	\$ (267,842)	\$ (225,567)	\$ (185,491)

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 2016 through 2021.

Net Pension Liability By Component
(Amounts expressed in thousands)

	2016	2017	2018	2019	2020	2021
Governmental Activities	\$ 469,632	\$ 529,681	\$ 543,601	\$ 566,398	\$ 577,527	\$ 640,354
Business - Type Activities	7,912	9,598	19,827	-	-	-
Total Primary Government	\$ 477,544	\$ 539,279	\$ 563,428	\$ 566,398	\$ 577,527	\$ 640,354

The implementation of GASB Statement 75 also 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 2016 through 2021.

Net OPEB Liability By Component
(Amounts expressed in thousands)

	2016	2017	2018	2019	2020	2021
Governmental Activities	\$ -	\$ -	\$ 411,773	\$ 449,948	\$ 482,358	\$ 570,357
Business - Type Activities	-	-	14,489	-	-	-
Total Primary Government	\$ -	\$ -	\$ 426,262	\$ 449,948	\$ 482,358	\$ 570,357

Changes in net position. The District's total revenues for the fiscal year ended June 30, 2021, were \$665 million. The total cost of all programs and services was \$624.9 million.

The following table presents a comparative analysis of changes in net position for the fiscal years ended June 30, 2021, and June 30, 2020.

Changes in Net Position
(Amounts expressed in thousands)

Revenues	2021	2020
Program revenues		
Charges for services	\$ 219	\$ 3,688
Operating grants and contributions	269,140	236,023
Capital grants and contributions	790	896
General revenues		
Property taxes	329,986	307,601
State aid	62,564	59,835
Other	2,303	5,264
Total revenues	665,002	613,307
Expenses		
Instruction	380,320	351,528
Support services	235,286	213,957
Community services	844	1,775
Interest on long-term debt	8,476	10,722
Total expenses	624,926	577,982
Increase (decrease) in net position	40,076	35,325
Net position July 1	(225,567)	(267,842)
Change in accounting principle - see Note 14	-	6,950
Net position July 1, as restated	(225,567)	(260,892)
Net position June 30	\$ (185,491)	\$ (225,567)

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

- Total charges for services decreased \$3.1 million in the School Food Service Fund for student lunch, breakfast, and special sales to students due the USDA reimbursing schools for free meals to all students. In addition, the District experienced a \$.4 million decrease in the collection of student fees.
- Total operating grants and contributions increased by \$33.1 million due to a combination of factors. In the General Fund, the District received a \$2.1 million increase in State aid for teacher salary increases. The District did experience a \$1.8 reduction in Education Finance Act (EFA)

revenues due to a decrease in students and a \$.7 million reduction in Medicaid reimbursements. In the Special Projects Fund, the District experienced an increase in receipts in the amount of \$25.3 million from the American Rescue Plan. Initiatives funded from the Education Improvement Act (EIA) fund increased by \$2.1 million. The School Food Service Fund experienced a \$4.4 million increase in federal reimbursements and commodities.

- Ad valorem tax revenue had a net increase of \$11.4 million in fiscal year 2021. This was the net result of a \$11.2 million increase in actual collections coupled with a \$.2 million increase in deferred tax revenues. In addition, the District received \$1.4 million in additional fees in lieu of taxes and penalties and interest on taxes.

Included in property taxes is the collection of the Education Capital Improvements Sales and Use tax (additional penny sales tax) for debt service and the funding of capital improvement projects. The District collected an additional \$9.6 million in fiscal year 2021. 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 \$1.9 million as its proportionate share of the fiscal year 2021 entitlement. Other State property tax revenues increased by \$.8 million due to motor carrier taxes.
- Other revenue decreased due to an \$3 million decrease in interest earnings and the receipt of insurance proceeds.
- Included in the expenses for 2021 was a longevity increase for all certified teachers.
- The District did incur additional operating expenses for the 2021 fiscal year. These include property insurance, employee benefits, utilities, and maintenance of facilities.

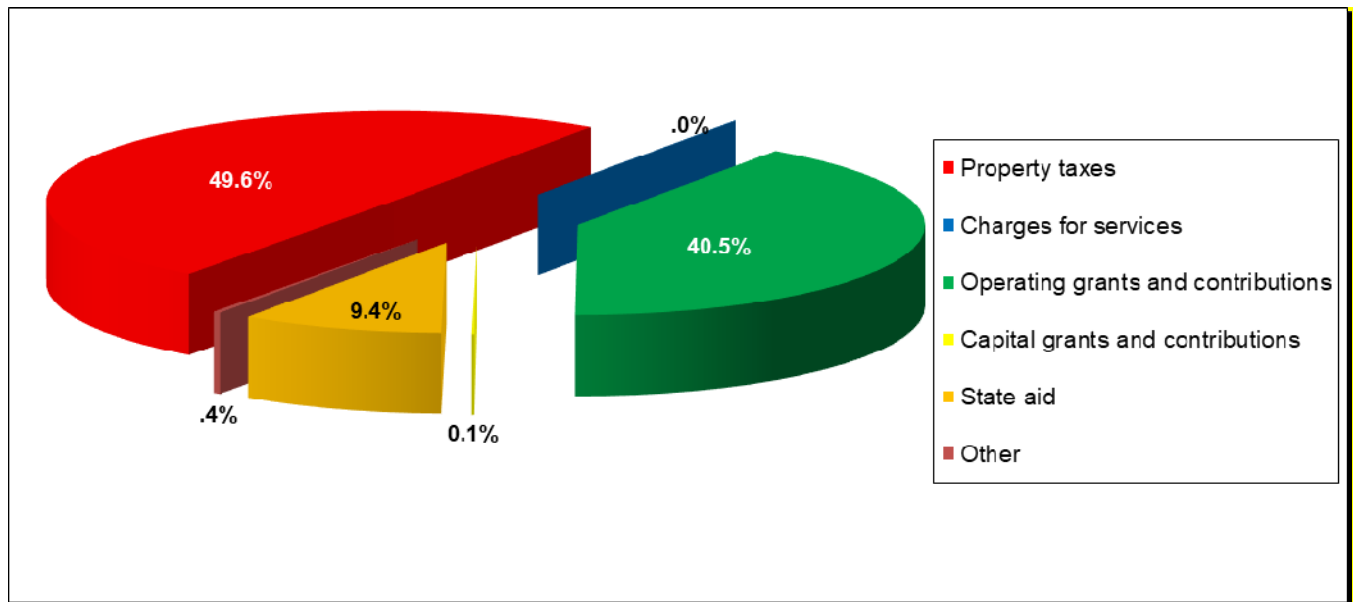
Governmental activities. The following table presents the cost of the four major District functional activities: instruction, support services, community services, and interest on long-term debt for the fiscal years ended June 30, 2021, and June 30, 2020. The table also shows each function's net cost (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)

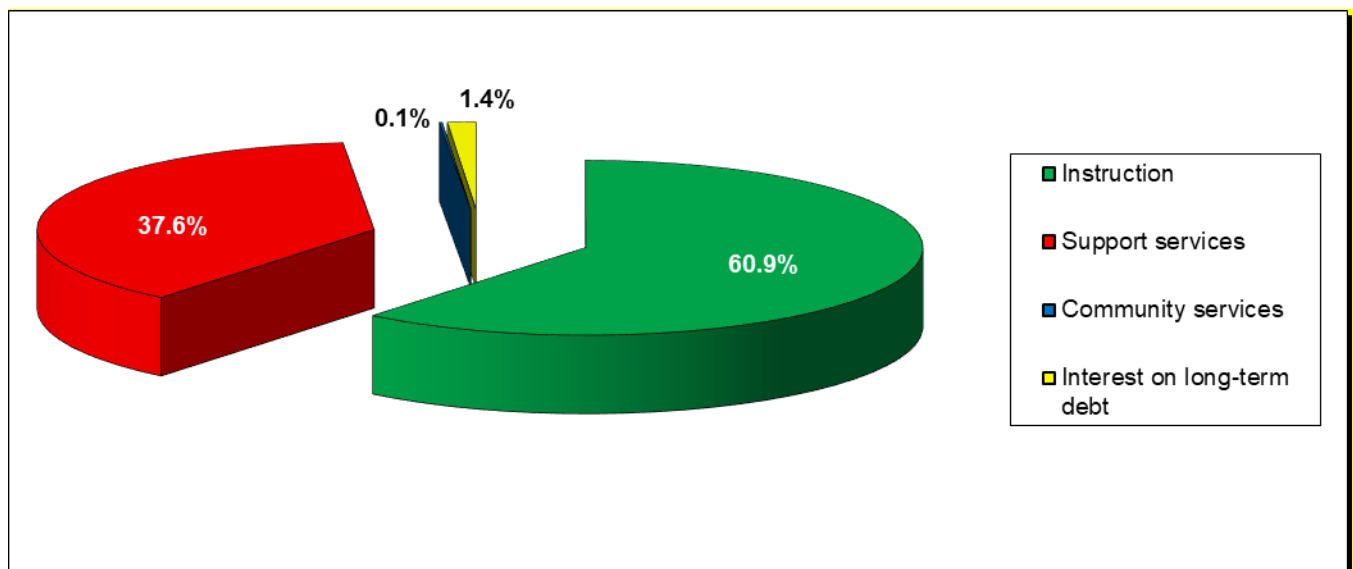
	2021		2020	
	Total Expenses	Net (Expense) Revenue	Total Expenses	Net (Expense) Revenue
Instruction	\$ 380,320	\$ (299,625)	\$ 351,528	\$ (204,025)
Support services	235,286	(46,744)	213,957	(118,279)
Community services	844	67	1,775	(1,725)
Interest on long-term debt	8,476	(8,476)	10,722	(10,722)
Total expenses	\$ 624,926	\$ (354,778)	\$ 577,982	\$ (334,751)

- The cost of all governmental activities this fiscal year was \$625 million.
- Operating and capital grants along with charges for services subsidized certain programs in the amount of \$270.1 million.
- Net cost of governmental activities, \$354.8 million was financed by general revenues, which are made up primarily of property taxes in the amount of \$330 million and state aid of \$62.6 million. Unrestricted grants/other contributions and other revenue accounted for \$2.3 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 \$16.2 million. Incorporating *nonspendable categories* that include inventories and prepaid expenditures; *committed categories* that include a reserve for the 2021-24 building program; *assigned categories* that include encumbrances and subsequent years' expenditures; the remaining *unassigned* fund balance is \$90.2 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, \$66.5 million of the *unassigned* fund balance is utilized to address cash flow requirements pending the receipt of local property tax revenues. The remaining \$23.7 million of *unassigned* fund balance is available for future Board initiatives. Significant events that resulted in the \$16.2 increase were tax revenues for the year increased primarily due to an average increase of approximately 4.8% in taxable property values due new construction, additional fees in lieu of taxes received through Myrtle Beach Air Force Redevelopment Authority, and an increase in property tax revenue assessed by the state.

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 increased by \$.1 to \$8 million. This increase is due to the implementation Statement No. 84. 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 increased by \$.4 million to \$5.7 million. This increase is due to additional USDA receipts.

The Debt Service fund balance showed an increase of \$2.8 million from the prior year. Incorporating the negative budgeted variance of \$6 million decrease is a net result of a \$ 6 million increase in the transfer of funds to the Capital Projects Fund offset by \$1.4 million in additional property tax revenue, \$14.4 million in additional receipts from Educational Capital Improvements Sales and Use tax, a \$1.3 million decrease in interest earnings, a \$.2 million increase in other state property tax revenues, and a \$0.1 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.

Pre-pandemic estimates for the sales tax were \$70.3 million in 2020-21. Due to the uncertainties from the COVID-19 pandemic, the District budgeted a 15% reduction in sales tax collections for 2020-21. Although the District collections decreased significantly in April, May, and June 2020, we saw a rebound beginning July 2020 and it extended throughout the remainder of the fiscal year. This change is largely attributed to the impact from the American Rescue Plan and its result on consumer spending and tourism.

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 2021-22 principal and interest payments.

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 2021, \$36.2 million was transferred from the Debt Service fund to the Capital Projects fund. The Capital Projects fund balance increased from \$56.5 million to \$57.2 million due to timing of construction projects and the additional transfer of \$6 million from the Debt Service fund. 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 (\$20.3 million) is primarily due to the prior year assignments of fund balance, insurance claims, contributions and donations, and current year Board approved utilizations*. The table below indicates the changes:

Reserve for workers compensation	\$ 2,740,146
School carryover budgets and enrollment adjustments	764,874
Subsequent years expenditures	1,797,173
Board of Education funds	90,000
Modular classrooms for FY 2020-21	2,358,604
Purchase property for new middle school	539,135
Purchase property for new elementary school*	1,961,000
Funding for 2021-24 Building Program*	6,870,626
Additional modular classrooms for FY 2021-22*	2,804,108
Athletic deficits due to COVID-19*	281,285
Insurance claims	52,497
Donations	1,055
	<u>\$20,260,503</u>

The net change between the General Fund's revenue and other financing sources' original budget and final budget is \$53,552, which is due to reimbursement from insurance claims and donations.

Significant budget variances are the result of several factors. Local revenues were impacted by additional property tax revenues. Instructional expenditures were impacted by a net decrease of 1,024 students that did not return to the school district in 2020-21 due to the COVID-19 pandemic. This reduction was only temporary as enrollment for 2021-22 increased by 1,629 students. Also impacting instructional expenditures was the transition of over 14,000 students to our virtual program. Support expenditures were impacted by a reduction in professional development and utilities. In addition, the District experienced several challenges in student transportation due to the impact of the pandemic.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. As of June 30, 2021, the District had invested \$1,278.3 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 \$383.9 million including current depreciation expense of \$26.9 million for the year.

The following schedule presents capital asset balances net of depreciation for the fiscal years ended June 30, 2021, and June 30, 2020.

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

	2021	2020
Land	\$ 32,577	\$ 29,999
Buildings and improvements	790,114	801,960
Improvements other than buildings	27,133	28,315
Autos and trucks	3,764	4,210
Machinery and equipment	11,408	11,792
Construction in progress	29,369	8,866
Total	<u>\$ 894,365</u>	<u>\$ 885,142</u>

Additional information on the District's capital assets can be found in Note 4 of this report.

Debt Administration: At year-end, the District had \$246.7 million in general obligation bonds and \$44.7 million in special obligation bonds outstanding, of which \$59.4 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, 2021, and June 30, 2020.

Outstanding Debt (Amounts expressed in thousands)

	2021	2020
8% General obligation debt	\$ 76,730	\$ 93,630
Special obligation debt	44,675	54,515
Referendum general obligation debt	170,000	190,635
Total	<u>\$ 291,405</u>	<u>\$ 338,780</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 5 of this report.

NEXT YEAR'S BUDGET

The 2021-22 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 2021-22 fiscal year:

- The District will comply with all applicable State and/or Federal laws and regulations.
- Resources will support the District's vision to be a premier world-class school system in which every student acquires an excellent education.
- The District will provide the curriculum programs and instructional support which have been proven to be effective for students.
- The District must provide the instructional support essential to meet the State and Local accountability goals.
- The District must provide resources for unfunded mandates.
- 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.
- The District will identify funding sources for new programs and/or initiatives.

When the 2020-21 budget was developed, the District expected to serve approximately 841 new students. Due to the impact of the COVID-19 pandemic, the District's 2020-21 K-12 45-day average daily membership (ADM) was 42,578. This was a 1,024 reduction from the 2019-20 K-12 45-day ADM for a total budgeted reduction of 1,865 students. The proposed budget for 2021-22 anticipates that the students who left in 2020-21 will return 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.

On September 23, 2019, the Board of Education approved funding to conduct a comprehensive employee compensation study. On June 1, 2020, the results from the study were presented to the Board of Education. The study reviewed approximately 6,235 positions and 203 job titles within the District. The classification of positions was evaluated with regard to the level of complexity, responsibility, and knowledge to determine proper placement within the new salary structure. In addition, a comparison to relevant markets/competitors was conducted and recommendations were developed for a competitive classification and compensation structure with several corresponding implementation options.

When the 2020-21 comprehensive budget was reviewed by the Board, there was a great deal of uncertainty regarding State funding with the non-passage of the 2020-21 State budget due to the potential impacts of the COVID-19 pandemic. Due to these factors, the implementation of the study was postponed for 2020-21.

Incorporated in the 2021-22 budget is the complete implementation of the study. All employees will receive a compensation increase either through the impact of the study, the application of the STEP increase, and/or the \$1,000 increase in teacher salaries as mandated by the State.

The District will incur additional operating expenses for the 2021-22 fiscal year. These include increases in employee retirement, longevity increases, and other fixed costs.

The revenue projections are generally based on the House Ways and Means version of the State budget, where appropriate. Otherwise, projections are based on the current year allocations. Property tax revenues have seen a modest increase for the past several years. We are projecting a 1.5% growth rate for real property in 2021-22 based on anticipated 2020-21 collections.

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 1.23% and the population increase for the County has not been released by the South Carolina Revenue and Fiscal Affairs Office due to receipt of the 2020 census.

The proposed 2021-22 General Fund budget indicates the utilization of \$19.5 million of the unassigned fund balance. The projected fund balance at June 30, 2021, for the General Fund is expected to be \$135.8 million. This amount maintains the Board established minimum of 15% and provides adequate reserves for 2021-22.

The following table presents a summary of the original budgets for the District's Governmental Funds for the years 2021-22 and 2020-21.

	2021-22	2020-21	Change
Governmental Funds Budget (total)	\$766,626,991	\$711,857,642	\$ 54,769,349
General Fund	484,827,395	460,596,649	24,230,746
Special Projects Fund	78,640,956	45,872,877	32,768,079
Food Service Fund	21,942,299	22,431,672	(489,373)
Education Improvement Act Fund (EIA)	29,976,444	30,275,610	(299,166)
Debt Service Fund	97,599,626	93,199,871	4,399,755
Capital Projects Fund	53,640,271	59,480,963	(5,840,692)
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.

HORRY COUNTY SCHOOLS
STATEMENT OF NET POSITION
JUNE 30, 2021

	Primary Government Governmental Activities	Component Units
ASSETS		
Cash & cash equivalents	\$ 291,424,715	\$ 2,822,562
Restricted cash	-	2,085
Receivables:		
Taxes receivable, net	23,854,963	-
Due from State Department of Education	436,467	-
Due from other state agencies	13,018,793	509,778
Due from federal government	14,497,683	-
Other receivables	490,637	1,667
Due from Charter School	1,636	-
Prepaid items	5,352,025	132,542
Inventories	1,197,256	-
Capital Assets:		
Non-depreciable capital assets	61,945,235	2,825,275
Depreciable capital assets, net of depreciation	832,420,122	8,439,104
Total assets	<u>1,244,639,532</u>	<u>14,733,013</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred charge on refunding	6,476,682	-
Deferred outflows related to pensions	96,952,615	1,307,220
Deferred outflows related to OPEB	126,702,792	1,202,117
Total deferred outflows of resources	<u>230,132,089</u>	<u>2,509,337</u>
LIABILITIES		
Accounts payable and accrued liabilities	57,990,487	512,921
Accrued interest	4,359,075	-
Due to others	25,471	1,911
Due to State Department of Education	28,814	-
Retainage payable	847,590	-
Compensated absences, due in one year	1,332,446	-
Compensated absences, due in more than one year	3,330,364	-
General obligation bonds payable, due in one year	46,130,000	-
General obligation bonds payable, due in more than one year	281,004,336	-
Long-term liabilities, due in one year	-	290,760
Long-term liabilities, due in more than one year	-	13,362,802
Net pension liability	640,353,547	5,881,989
Net OPEB liability	570,357,294	5,211,633
Total liabilities	<u>1,605,759,424</u>	<u>25,262,016</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred revenue	7,033,509	536,859
Deferred inflows related to pensions	6,410,895	625,040
Deferred inflows related to OPEB	41,058,696	835,353
Total deferred inflows of resources	<u>54,503,100</u>	<u>1,997,252</u>
NET POSITION		
Net investment in capital assets	569,272,829	(2,082,030)
Restricted for:		
Debt service	43,447,447	-
Capital projects	61,302,368	144,477
Special projects	8,006,348	-
Paid time off	-	2,085
School food service organizations	5,721,515	-
Unrestricted	(873,241,410)	(8,081,450)
Total net position	<u>\$ (185,490,903)</u>	<u>\$ (10,016,918)</u>

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

HORRY COUNTY SCHOOLS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government	
					Governmental Activities	Component Units
Governmental Activities:						
Instruction	\$ 380,320,613	\$ 14,736	\$ 80,680,703	\$ -	\$ (299,625,174)	\$ -
Support services	235,285,683	204,319	187,547,082	790,248	(46,744,034)	-
Community services	844,360	-	911,680	-	67,320	-
Interest & other charges	8,475,744	-	-	-	(8,475,744)	-
Total governmental activities	<u>\$ 624,926,400</u>	<u>\$ 219,055</u>	<u>\$ 269,139,465</u>	<u>\$ 790,248</u>	<u>(354,777,632)</u>	<u>-</u>
Component Units:						
Charter Schools	<u>\$ 9,852,420</u>	<u>\$ 12,491</u>	<u>\$ 9,218,030</u>	<u>\$ -</u>	<u>-</u>	<u>(621,899)</u>
General revenues:						
Property taxes levied for:						
General purposes					228,088,632	-
Debt services					101,897,563	-
State aid - not restricted for specific purpose					62,564,126	-
Miscellaneous revenues					1,958,230	1,245,735
Unrestricted investment earnings					344,553	-
Total general revenues					<u>394,853,104</u>	<u>1,245,735</u>
Change in net position					40,075,472	623,836
Net position, beginning of year, as restated					(225,566,375)	(10,640,754)
Net position, end of year					<u>\$ (185,490,903)</u>	<u>\$ (10,016,918)</u>

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

HORRY COUNTY SCHOOLS
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2021

	GENERAL	SPECIAL PROJECTS	EDUCATION IMPROVEMENT ACT	SCHOOL FOOD SERVICE	DEBT SERVICE	CAPITAL PROJECTS	TOTAL GOVERNMENTAL FUNDS
ASSETS							
Cash & cash equivalents	\$ 178,142,504	\$ 381,474	\$ 6,300,646	\$ 5,353,502	\$ 39,944,221	\$ 61,302,368	\$ 291,424,715
Property taxes receivable, net	21,920,666	-	-	-	1,934,297	-	23,854,963
Due from State Department of Education	322,926	-	113,541	-	-	-	436,467
Due from other state agencies	5,362,295	2,680	-	7	7,653,811	-	13,018,793
Due from federal government	110,282	12,653,369	-	1,734,032	-	-	14,497,683
Due from Charter school	-	-	1,636	-	-	-	1,636
Other receivables	234,175	189,266	-	41,148	-	26,048	490,637
Prepaid items	5,012,601	41,801	7,351	-	-	290,272	5,352,025
Inventory	776,504	-	-	420,752	-	-	1,197,256
Total assets	211,881,953	13,268,590	6,423,174	7,549,441	49,532,329	61,618,688	350,274,175
LIABILITIES							
Accrued payroll related liabilities	43,855,049	2,920,082	1,077,969	1,204,838	-	-	49,057,938
Accounts payable	4,089,190	662,878	156,453	382,540	-	3,641,488	8,932,549
Retainage payable	57,159	-	-	-	-	790,431	847,590
Due to State Department of Education	-	28,814	-	-	-	-	28,814
Due to others	18,058	2,405	412	1,641	-	2,955	25,471
Total liabilities	48,019,456	3,614,179	1,234,834	1,589,019	-	4,434,874	58,892,362
DEFERRED INFLOWS OF RESOURCES							
Deferred revenues	-	1,606,262	5,188,340	238,907	-	-	7,033,509
Unavailable revenue - property taxes	19,988,062	-	-	-	1,725,807	-	21,713,869
Total deferred inflows of resources	19,988,062	1,606,262	5,188,340	238,907	1,725,807	-	28,747,378
FUND BALANCES							
Nonspendable							
Prepays and Inventory	5,789,105	41,801	7,351	420,752	-	290,272	6,549,281
Restricted							
Debt Service	-	-	-	-	47,806,522	-	47,806,522
Student and Classroom Activities	-	8,006,348	-	-	-	-	8,006,348
School Food Service	-	-	-	5,300,763	-	-	5,300,763
Capital Projects	-	-	-	-	-	56,893,542	56,893,542
Committed							
Reserve for 2021-24 Building Program	20,611,878	-	-	-	-	-	20,611,878
Assigned							
Subsequent Year Expenditures	25,979,432	-	-	-	-	-	25,979,432
Carryover School Budgets	1,245,950	-	-	-	-	-	1,245,950
Unassigned	90,248,070	-	(7,351)	-	-	-	90,240,719
Total fund balances	143,874,435	8,048,149	-	5,721,515	47,806,522	57,183,814	262,634,435
Total liabilities, deferred inflows of resources, and fund balances	\$ 211,881,953	\$ 13,268,590	\$ 6,423,174	\$ 7,549,441	\$ 49,532,329	\$ 61,618,688	\$ 350,274,175
Total fund balances							\$ 262,634,435
Amounts reported for governmental activities in the statement of net position are different because of the following:							
Capital assets used in governmental activities are not financial resources and therefore, are not reported in governmental funds. The cost of capital assets is \$1,278,314,581 and the accumulated depreciation is \$383,949,224							894,365,357
Property taxes receivable are not available to pay for current period expenditures and are therefore deferred in the funds							21,713,869
Net pension and net OPEB liabilities, are not due and payable in the current period and, therefore, are not reported in the funds:							
Net pension liability							(640,353,547)
Net OPEB liability							(570,357,294)
Deferred outflows and inflows of resources related to pensions and OPEB are applicable to future periods and, therefore, are not reported in the funds.							
Deferred outflows of resources related to pensions							96,952,615
Deferred outflows of resources related to OPEB							126,702,792
Deferred inflows of resources related to pensions							(6,410,895)
Deferred inflows of resources related to OPEB							(41,058,696)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the funds:							
Deferred charges from bond refunding						\$ 6,476,682	
Bonds payable						(291,405,000)	
Bond premiums						(35,729,336)	
Accrued interest payable						(4,359,075)	
Compensated absences						(4,662,810)	
							<u>(329,679,539)</u>
Total net position - governmental activities							\$ (185,490,903)

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

HORRY COUNTY SCHOOLS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	GENERAL	SPECIAL PROJECTS	EDUCATION IMPROVEMENT ACT	SCHOOL FOOD SERVICE	DEBT SERVICE	CAPITAL PROJECTS	TOTAL GOVERNMENTAL FUNDS
REVENUES							
Local							
Property taxes	\$ 226,845,128	\$ -	\$ -	\$ -	\$ 100,911,506	\$ -	\$ 327,756,634
Tuition	14,736	-	-	-	-	-	14,736
Earnings on investments	202,179	12,172	-	3,521	85,778	53,075	356,725
Food services	-	-	-	199,994	-	-	199,994
Other revenues from local sources	4,483,121	4,711,009	-	92,325	-	-	9,286,455
State	213,187,554	15,235,728	27,729,433	-	986,057	-	257,138,772
Federal	672,718	47,560,033	-	19,769,274	-	-	68,002,025
Intergovernmental	124,881	2,627	-	-	-	790,248	917,756
Total revenues	445,530,317	67,521,569	27,729,433	20,065,114	101,983,341	843,323	663,673,097
EXPENDITURES							
Current							
Instruction	270,975,373	33,485,000	12,872,120	-	-	3,981,209	321,313,702
Support services	149,999,805	23,606,001	2,193,939	19,015,300	-	4,252,654	199,067,699
Community services	35,324	809,036	-	-	-	-	844,360
Intergovernmental	7,909,694	5,132,214	800,153	76,593	-	-	13,918,654
Debt service							
Principal	-	-	-	-	47,375,000	-	47,375,000
Interest and fiscal charges	-	-	-	-	15,635,030	-	15,635,030
Capital outlay	6,642,600	3,469,923	286,138	3,753	-	35,060,802	45,463,216
Total expenditures	435,562,796	66,502,174	16,152,350	19,095,646	63,010,030	43,294,665	643,617,661
Excess (deficiency) of revenues over (under) expenditures	9,967,521	1,019,395	11,577,083	969,468	38,973,311	(42,451,342)	20,055,436
OTHER FINANCING SOURCES (USES)							
Proceeds from sale of capital assets	60,036	-	-	-	-	43,900	103,936
Transfers in	14,175,063	546,995	-	579,780	-	43,070,626	58,372,464
Transfers out	(7,997,401)	(1,490,204)	(11,577,083)	(1,107,776)	(36,200,000)	-	(58,372,464)
Total other financing sources (uses)	6,237,698	(943,209)	(11,577,083)	(527,996)	(36,200,000)	43,114,526	103,936
Net change in fund balance	16,205,219	76,186	-	441,472	2,773,311	663,184	20,159,372
Fund balance, July 1, 2020, as restated	127,669,216	7,971,963	-	5,280,043	45,033,211	56,520,630	242,475,063
Fund balance, June 30, 2021	\$ 143,874,435	\$ 8,048,149	\$ -	\$ 5,721,515	\$ 47,806,522	\$ 57,183,814	\$ 262,634,435

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

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, 2021

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

Net change in fund balances - total governmental funds	\$ 20,159,372	
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 outlay (\$36,865,229) exceeds depreciation expense (\$27,626,144).		9,239,085
In the statement of activities, only the gain or loss on the sale of capital assets is reported, whereas in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the net book value of the capital assets sold.		(15,665)
The issuance of long-term debt (e.g. bonds, premiums and compensated absences) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds.		
This is the difference in bonds issued during the year (\$0) and bond payments made during the year (\$47,375,000).		47,375,000
This is the difference in premiums issued during the year (\$0) and amounts amortized during the year (\$7,782,506).		7,782,506
This is the difference in compensated absences earned during the year (\$1,527,802) and the amount used during the year (\$1,332,446).		(195,286)
This is the difference in bonds refunded during the year (\$0) and amounts amortized during the year (\$1,398,589).		(1,398,589)
Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. This is the difference in accrued interest on bonds at the end of the prior year (\$5,134,444) and the accrued interest on bonds at the end of the current year (\$4,359,075).		775,369
Certain unavailable tax revenues reported in the governmental funds are recognized as revenue in the statement of activities, net of a reserve for uncollectible amounts. This amount is the difference in tax revenue recognized at the end of the current year (\$21,713,869) and that revenue recognized at the end of the prior year (\$20,470,365).		1,243,504
Governmental funds report pension contributions as expenditures. However, in the statement of activities, the cost of pension benefits earned net of employee contributions is reported as a pension expense.		
District pension contributions	\$ 40,145,669	
Costs of benefits earned net of employee contributions	(12,275,800)	(27,869,869)
District OPEB contributions	\$ 21,480,007	
Costs of benefits earned net of employee OPEB contributions	(4,460,052)	(17,019,955)
Change in Net Position - Governmental Activities	\$ 40,075,472	

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HORRY COUNTY SCHOOLS

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Introduction:

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

Reporting Entity:

The 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 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 43,000 students residing in Horry County, South Carolina. The District operates under the direction of an elected Board of Education (the "Board"). A Superintendent, hired by the Board, serves as the chief administrative officer of the 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 District and its component units, entities for which the 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 District.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 District and exclusion of the charter schools would cause the District's financial statements to be incomplete, the financial statements of the charter schools are included in those of the District.

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 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, 2021.

Basis of Presentation:

The financial statement presentation for the District meets the requirements of the Governmental Accounting Standards Board (GASB). The financial statement presentation provides a comprehensive, entity-wide perspective of the District's net position, revenue, expenses and changes in net position and, as applicable, cash flows that replace the fund-group perspective previously required.

Government-wide Statements. The Statement of Net Position and the Statement of Activities display information about the District as a whole. These statements include the financial activities of the District. 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 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.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued):

Government-wide Statements (Continued). 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.

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

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 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 District functions or activities. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. All funds of the District are grouped into governmental 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 District's governmental funds:

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued):

Governmental Funds (Continued).

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 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.

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.

Measurement Focus and Basis of Accounting:

Government-wide Financial Statements. The government-wide financial statements are reported using the economic resource measurement focus and the accrual basis of accounting. 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 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.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus and Basis of Accounting (Continued):

Governmental 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 District considers all revenues reported in governmental funds to be available if the revenues are collected within sixty (60) 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 District funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net position available to finance the program. It is the 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 District's policy to use restricted resources first, and then unrestricted resources as they are needed.

Budgetary Data:

The District adopts an annual operating budget, which can be amended by the Board throughout the year. During the year ended June 30, 2021, there were several budget amendments.

Formal budgetary accounting is employed as a management control device for all funds of the 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 the accounting principles generally accepted in the United States of America. Budgeted appropriations lapse at year-end for all funds.

When the Board 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, when additional revenue is identified, or for expenditures exceeding total appropriations within the legal level of control.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus and Basis of Accounting (Continued):

Budgetary Data (Continued):

The District maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbrance accounting is used for the General Fund, Special Revenue Fund and Capital Projects Fund. Encumbrances are recorded when purchase orders are issued but are not considered expenditures until liabilities for payments are incurred. Encumbrances lapse at year end, except for the General Fund, which is carried forward as assigned fund balance until liquidated. There were no significant encumbrances for the District as of June 30, 2021. See Note 11 regarding future commitments for the Capital Projects Fund.

Cash and Cash Equivalents:

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

Investments:

The District accounts for its investments at fair value in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*. Changes in unrealized gain or loss on the carrying value of investments are reported as a component of investment income in the statement of revenues, expenditures, and changes in fund balances.

State statutes authorize the District to invest in (1) obligations of the United States and its agencies, (2) general obligations of the state of South Carolina and its subdivisions, (3) savings and loan associations to the extent of federal deposit insurance, (4) certificates of deposit collaterally secured, (5) repurchase agreements secured by the foregoing obligations, and (6) the SC Local Government Investment Pool (the "Pool"). The Pool is a 2a-7 like pool, which is not registered with the Securities and Exchange Commission (SEC), but has a policy that it will operate in a manner consistent with the SEC's Rule 2a-7 of the Investment Company Act of 1940. Investments are stated at fair value. The fair value of the District's investments approximated cost.

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 District's grants and contracts. Receivables are recorded net of estimated uncollectible amounts.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus and Basis of Accounting (Continued):

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 Items:

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.

Inventories:

The inventories of the 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. School Food Service Fund inventories consist of food and supplies and are recorded as inventory when received and expenditures when consumed. Included within the School Food Service Fund inventories are USDA commodities which were received, but not consumed as of June 30, 2021. 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 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 expenditures in the year in which the expenditure 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 District does not allocate any depreciation expense directly to any program. Land and construction in progress are not depreciated.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus and Basis of Accounting (Continued):

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, 2021, 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.

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 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.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus and Basis of Accounting (Continued):

Deferred Outflows/Inflows of Resources:

In addition to liabilities, the financial statements 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 future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has two types of items that qualify for reporting in this category.

The first item, unavailable revenue, is reported only by the governmental funds balance sheet and includes amounts from property taxes and special assessments that are deferred and will be recognized as an inflow of resources in the period in which the amounts become available under the modified accrual basis of accounting.

The second item, unearned revenue, is reported in both the governmental funds balance sheet and the statement of net position and arises from voluntary nonexchange transactions in which the District has received resources before time requirements are met but after all other eligibility requirements have been met.

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus and Basis of Accounting (Continued):

Fund Balances:

The 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 District applies restricted resources when an expense is incurred for the purposes for which both restricted and unrestricted net position are available. The 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 District generally would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

The District's Board 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 \$66.5 million for this policy is included in the unassigned fund balance at June 30, 2021.

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.

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

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

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus and Basis of Accounting (Continued):

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

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

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

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

Net Position:

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

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

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

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus and Basis of Accounting (Continued):

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

Non-exchange Transactions:

The District generally has two types of non-exchange transactions, government-mandated non-exchange transactions (which occur when a government at one level provides resources to a government at another level and requires the recipient to use the resources for a specific purpose) and voluntary non-exchange transactions (which result from legislative or contractual agreements other than exchanges, entered into willingly by the parties to the agreement). The District recognizes non-exchange transactions when they are both measurable and probable for collection. For government-mandated non-exchange transactions and voluntary non-exchange transactions, the District recognized assets when all applicable eligibility requirements are met or resources are received, whichever is first, and revenue when all applicable eligibility requirements are met.

Use of Estimates:

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

NOTE 2. CASH AND CASH EQUIVALENTS, OTHER DEPOSITS AND INVESTMENTS

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

NOTES TO FINANCIAL STATEMENTS

NOTE 2. CASH AND CASH EQUIVALENTS, OTHER DEPOSITS AND INVESTMENTS (CONTINUED)

Custodial Credit Risk:

Custodial credit risk for deposits is the risk that, in the event of a bank failure, the District's deposits may not be returned to it. Deposits of the 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 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, 2021, the carrying amount of the District's deposits was \$291,424,715 and the bank balance was \$290,362,387. All of these deposits were fully collateralized with securities held by the pledging financial institution's trust department in the District's name, insured by the FDIC, or are held by the Horry County Treasurer and thus responsibility for managing the custodial credit risk with these deposits rests with the County Treasurer.

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 District contracts with a banking institution for a guaranteed interest rate. The 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 Annual Comprehensive Financial Report (ACFR) of the State of South Carolina.

NOTES TO FINANCIAL STATEMENTS

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 District has adopted an investment policy in accordance with state statutes, which authorizes the District to invest in the following:

1. Obligations of the United States and agencies thereof;
2. General obligations of the State of South Carolina or any of its political units;
3. Savings and loan 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 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 District's position in the SCLGIP approximates the same value of the District's SCLGIP 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.

NOTES TO FINANCIAL STATEMENTS

NOTE 2. CASH AND CASH EQUIVALENTS, OTHER DEPOSITS AND INVESTMENTS (CONTINUED)

Fair Value Measurements:

The 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.

NOTE 3. PROPERTY TAXES

The Horry County Treasurer collects Horry County property taxes for the 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, 2021, is as follows:

Total property taxes uncollected	\$ 38,330,876
Less allowance for doubtful accounts	(14,475,913)
Net property taxes receivable in the Statement of Net Position	<u>23,854,963</u>
Less collections made within 60 days of year-end	(2,141,094)
Total deferred inflows of resources included in the Governmental Funds Balance Sheet	<u><u>\$ 21,713,869</u></u>

NOTES TO FINANCIAL STATEMENTS

NOTE 4. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2021, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 29,999,496	\$ 2,583,162	\$ (6,040)	\$ 32,576,618
Construction in progress	8,865,786	33,914,204	(13,411,373)	29,368,617
Total	<u>38,865,282</u>	<u>36,497,366</u>	<u>(13,417,413)</u>	<u>61,945,235</u>
Capital assets, being depreciated:				
Buildings and improvements	1,079,024,773	9,680,433	(76,302)	1,088,628,904
Land improvements	57,528,742	1,222,682	-	58,751,424
Vehicles	12,848,992	687,268	(587,267)	12,948,993
Machinery and equipment	53,955,371	2,188,853	(104,199)	56,040,025
Total	<u>1,203,357,878</u>	<u>13,779,236</u>	<u>(767,768)</u>	<u>1,216,369,346</u>
Less accumulated depreciation for:				
Buildings and improvements	(277,064,796)	(21,526,012)	76,302	(298,514,506)
Land improvements	(29,213,909)	(2,404,098)	-	(31,618,007)
Vehicles	(8,639,240)	(1,132,875)	587,267	(9,184,848)
Machinery and equipment	(42,163,278)	(2,563,159)	94,574	(44,631,863)
Total	<u>(357,081,223)</u>	<u>(27,626,144)</u>	<u>758,143</u>	<u>(383,949,224)</u>
Total capital assets, being depreciated, net	<u>846,276,655</u>	<u>(13,846,908)</u>	<u>(9,625)</u>	<u>832,420,122</u>
Total capital assets, net	<u>\$ 885,141,937</u>	<u>\$22,650,458</u>	<u>\$ (13,427,038)</u>	<u>\$ 894,365,357</u>

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

Governmental activities:	
Instruction	\$ 17,106,108
Support services	10,520,036
Total depreciation expense - governmental activities	<u>\$ 27,626,144</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 5. LONG-TERM DEBT

Changes in Long-term Liabilities:

The following is a summary of changes in the District's long-term obligations for the year ended June 30, 2021:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Governmental activities:					
General obligation bonds	\$ 284,265,000	\$ -	\$ (37,535,000)	\$ 246,730,000	\$ 35,785,000
Special obligation bonds	54,515,000	-	(9,840,000)	44,675,000	10,345,000
Deferred amounts for issuance premiums	43,511,842	-	(7,782,506)	35,729,336	-
Total bonds payable	<u>382,291,842</u>	<u>-</u>	<u>(55,157,506)</u>	<u>327,134,336</u>	<u>46,130,000</u>
Compensated absences	4,467,524	1,527,802	(1,332,516)	4,662,810	1,332,446
Net pension liability	577,527,157	117,425,839	(54,599,449)	640,353,547	-
Net OPEB liability	482,358,357	116,018,023	(28,019,086)	570,357,294	-
Total other long-term debt	<u>1,064,353,038</u>	<u>234,971,664</u>	<u>(83,951,051)</u>	<u>1,215,373,651</u>	<u>1,332,446</u>
Governmental activities:					
Long-term liabilities	<u>\$ 1,446,644,880</u>	<u>\$ 234,971,664</u>	<u>\$ (139,108,557)</u>	<u>\$ 1,542,507,987</u>	<u>\$ 47,462,446</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 District issues bonds to provide funds for the acquisition and construction on major capital facilities for its governmental activities. General obligation bonds of the District are backed by the full faith, credit, and taxing power of the 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, 2021:

	Original Bond Issue	Interest Rates	Maturity Dates	Balance June 30, 2021
Series 2011A	\$ 54,965,000	3.00-5.00%	March 1, 2022	\$ 7,940,000
Series 2012A	59,455,000	2.00-5.00%	March 1, 2030	36,550,000
Series 2015A	110,810,000	3.50-5.00%	March 1, 2031	108,005,000
Series 2015B	32,970,000	3.00-5.00%	March 1, 2027	17,505,000
Series 2016A	125,000,000	5.00%	March 1, 2025	76,730,000
Total General Obligation Bonds				<u>246,730,000</u>
Series 2016B*	72,780,000	5.00%	March 1, 2025	44,675,000
Total Bonds				<u><u>\$291,405,000</u></u>

*Special Obligation Bond

NOTES TO FINANCIAL STATEMENTS

NOTE 5. LONG-TERM DEBT (CONTINUED)

General and Special Obligation Bonds (Continued):

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%.

The annual requirements to amortize all bonds outstanding at June 30, 2021, including interest payments over the life of the debt are summarized as follows:

Year Ending June 30,	Principal	Interest	Total
2022	\$ 46,130,000	\$ 13,257,352	\$ 59,387,352
2023	48,440,000	11,007,076	59,447,076
2024	50,875,000	8,638,776	59,513,776
2025	53,300,000	6,132,126	59,432,126
2026	21,490,000	3,797,675	25,287,675
2027-2031	71,170,000	8,321,850	79,491,850
Total	<u>\$ 291,405,000</u>	<u>\$ 51,154,855</u>	<u>\$ 342,559,855</u>

Direct Borrowing and Placement Debt:

None of the District's debt issuances were direct borrowings/direct placements.

Legal Debt Margin:

Constitutionally, the District is limited in the amount of debt it can hold to 8% of the assessed value of all taxable property within the 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, 2021, the only debt applicable to the debt limitation is related to the Series 2016A issue of \$76,730,000. Based on Horry County's assessed property tax values, the District is within its debt limit of approximately \$218,175,000 at June 30, 2021.

NOTES TO FINANCIAL STATEMENTS

NOTE 6. RETIREMENT PLANS

Description of the Entity:

The South Carolina Public Employee Benefit Authority (PEBA), which was created July 1, 2012, administers and manages the various retirement systems and retirement programs of the state of South Carolina. PEBA has an 11-member Board of Directors, appointed by the governor and General Assembly leadership, which serves as co-trustee and co-fiduciary of the systems and the trust funds. By law, the State Fiscal Accountability Authority (SFAA), which consists of five elected officials, also reviews certain PEBA board decisions regarding the funding of the South Carolina Retirement Systems and serves as a co-trustee of the Systems in conducting that review. Effective July 1, 2017, the Retirement Funding and Administration Act of 2017 assigned the PEBA Board of Directors as the custodian of the Retirement Trust Funds and assigned PEBA and the Retirement Systems Investment Commission (RSIC) as co-trustees of the Retirement Trust Funds.

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 plans. Investments are reported at fair value.

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

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 allowances and other benefits for employees of the state, its public school districts, and political subdivisions.

The State Optional Retirement Program (State ORP) is a defined contribution plan that is offered as an alternative to certain newly hired state, public school, and higher education employees. State ORP participants direct the investment of their funds into a plan administered by one of four third party record keepers.

NOTES TO FINANCIAL STATEMENTS

NOTE 6. RETIREMENT PLANS (CONTINUED)

Plan Descriptions (Continued):

South Carolina Police Officers Retirement System (PORS), a cost-sharing multiple-employer defined benefit pension plan, was established effective July 1, 1962, pursuant to the provisions of Section 9-11-20 of the South Carolina Code of Laws for the purpose of providing retirement allowances and other benefits for police officers and firefighters of the state and its political subdivisions.

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, 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.

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

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; or to serve as a peace officer employed by the Department of Corrections, the Department of Juvenile Justice, or the Department of Mental Health. Probate judges and coroners may elect membership in PORS. Magistrates are required to participate in PORS for service as a magistrate. PORS members, other than magistrates and probate judges, must also earn at least \$2,000 per year and devote at least 1,600 hours per year to this work, unless exempted by state statute. An employee member of the system with an effective date of membership prior to July 1, 2012, is a Class Two member. An employee member of the system with an effective date of membership on or after July 1, 2012, is a Class Three member.

NOTES TO FINANCIAL STATEMENTS

NOTE 6. RETIREMENT PLANS (CONTINUED)

Benefits:

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

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

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

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

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

NOTES TO FINANCIAL STATEMENTS

NOTE 6. RETIREMENT PLANS (CONTINUED)

South Carolina Retirement System (Continued):

Contributions:

Actuarial valuations are performed annually by an external consulting actuary to ensure applicable contribution rates satisfy the funding parameters specified in Title 9 of the South Carolina Code of Laws. Under these provisions, SCRS and PORS contribution requirements must be sufficient to maintain an amortization period for the financing of the unfunded actuarial accrued liability (UAAL) over a period that does not exceed the number of years scheduled in state statute. Legislation in 2017 increased, but also established a ceiling for SCRS and PORS employee contribution rates. Effective July 1, 2017, employee rates were increased to a capped rate of 9.00 percent for SCRS and 9.75 percent for PORS. The legislation also increased employer contribution rates beginning July 1, 2017, for both SCRS and PORS by two percentage points and further scheduled employer contribution rates to increase by a minimum of one percentage point each year in accordance with state statute. However, the General Assembly postponed the one percent increase in the SCRS and the PORS employer contribution rate that was scheduled to go into effect beginning July 1, 2020. If the scheduled contributions are not sufficient to meet the funding periods set in state statute, the board shall increase the employer contribution rates as necessary to meet the funding periods set for the applicable year. The maximum funding period of SCRS and PORS is scheduled to be reduced over a ten-year schedule from 30 years beginning fiscal year 2018 to 20 years by fiscal year 2028.

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

If contribution rates are decreased pursuant to this provision, and the most recent annual actuarial valuation of the system shows a funded ratio of less than 85 percent, then effective on the following July first, and annually thereafter as necessary, the board shall increase the then current contribution rates until a subsequent annual actuarial valuation of the system shows a funded ratio that is equal to or greater than 85 percent.

NOTES TO FINANCIAL STATEMENTS

NOTE 6. RETIREMENT PLANS (CONTINUED)

Contributions (Continued):

Required employee contribution rates for fiscal year 2020-2021 are as follows:

- Required employee contribution rates for SCRS are as follows:

	South Carolina Retirement System	
	<u>Fiscal year ended June 30, 2021</u>	<u>Fiscal year ended June 30, 2020</u>
Employee class two	9.00%	9.00%
Employee class three	9.00%	9.00%

- Required employee contribution rates for PORS are as follows:

	Police Officers Retirement System	
	<u>Fiscal year ended June 30, 2021</u>	<u>Fiscal year ended June 30, 2020</u>
Employee class two	9.75%	9.75%
Employee class three	9.75%	9.75%

- Required employer contribution rates for SCRS are as follows:

	South Carolina Retirement System	
	<u>Fiscal year ended June 30, 2021</u>	<u>Fiscal year ended June 30, 2020</u>
Employer class two	9.00%	9.00%
Employer class three	9.00%	9.00%
Employer incidental death benefit	0.15%	0.15%

- Required employer contribution rates for PORS are as follows:

	Police Officers Retirement System	
	<u>Fiscal year ended June 30, 2021</u>	<u>Fiscal year ended June 30, 2020</u>
Employer class two	17.84%	17.84%
Employer class three	17.84%	17.84%
Employer incidental death benefit	0.20%	0.20%
Employer accidental death program	0.20%	0.20%

- Required employee and employer contribution rates for ORP are as follows:

	South Carolina Optional Retirement Program	
	<u>Fiscal year ended June 30, 2021</u>	<u>Fiscal year ended June 30, 2020</u>
Employee	9.00%	9.00%
Employer	15.41%	15.41%
Employer incidental death benefit	0.15%	0.15%

NOTES TO FINANCIAL STATEMENTS

NOTE 6. RETIREMENT 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 are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. South Carolina state statute requires that an actuarial experience study be completed at least once in each five-year period. An experience report on the Systems was most recently issued for the period ending June 30, 2019, for first use in the July 1, 2021, actuarial valuation.

The District's measurement date for the net pension liability reported at June 30, 2021, is June 30, 2020. The June 30, 2020, total pension liability (TPL), net pension liability (NPL), and sensitivity information shown in this report were determined by our consulting actuary, Gabriel, Roeder, Smith and Company (GRS) and are based on an actuarial valuation performed as of July 1, 2019. The total pension liability was rolled-forward from the valuation date to the plans' fiscal year end, June 30, 2019, using generally accepted actuarial principles. The following table provides a summary of the actuarial assumptions and methods used to calculate the TPL as of June 30, 2020.

	SCRS	PORS
	Entry Age	Entry Age
Actuarial cost method		
Actuarial assumptions:		
Investment rate of return	7.25%	7.25%
Projected salary increases	3.0% to 12.5% (varies by service)	3.5% to 9.5% (varies by service)
Includes inflation at	2.25%	2.25%
Benefit adjustments	lesser of 1% or \$500	lesser of 1% or \$500

The post-retiree mortality assumption is dependent upon the member's job category and gender. The base mortality assumption, the 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, 2020, TPL are as follows:

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

NOTES TO FINANCIAL STATEMENTS

NOTE 6. RETIREMENT PLANS (CONTINUED)

Net Pension Liability:

At June 30, 2021, the District reported a liability for its proportionate share of the net pension liability for both SCRS and PORS as follows:

	SCRS	PORS
Employer's proportionate share of the net pension liability	<u>\$ 639,798,666</u>	<u>\$ 554,881</u>

The District's proportion of the net pension liability was based on contributions to SCRS and PORS, respectively, during the fiscal year ended June 30, 2020. At June 30, 2020, (the measurement date) the District's proportion for SCRS was 2.50391%, which was a decrease of 0.002322% from its proportion measured at June 30, 2020. At June 30, 2020, the District's proportion for PORS was 0.01673%, which was an increase from its proportion measured at June 30, 2020, of 0.000222%.

Long-term Expected Rate of Return:

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

The expected returns, along with the expected inflation rate, form the basis for the target asset allocation adopted at the beginning of the 2020 fiscal year. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and adding expected inflation and is summarized in the table on the following page. For actuarial purposes, the 7.25 percent assumed annual investment rate of return used in the calculation of the TPL includes a 5 percent real rate of return and a 2.25 percent inflation component.

NOTES TO FINANCIAL STATEMENTS

NOTE 6. RETIREMENT PLANS (CONTINUED)

Long-term Expected Rate of Return (Continued):

Asset Class	Target Asset Allocation	Expected Arithmetic Real Rate of Return	Long-term Expected Portfolio Real Rate of Return
Global equity	51.0%		
Global public equity	35.0%	7.81%	2.73%
Private equity	9.0%	8.91%	0.80%
Equity options securities	7.0%	5.09%	0.36%
Real assets	12.0%		
Real estate (private)	8.0%	5.55%	0.44%
Real estate (REITs)	1.0%	7.78%	0.80%
Infrastructure (private)	2.0%	4.88%	0.10%
Infrastructure (public)	1.0%	7.05%	0.07%
Opportunistic	8.0%		
GTAA/Risk parity	7.0%	3.56%	0.25%
Other opportunistic strategies	1.0%	4.41%	0.04%
Diversified credit	15.0%		
High yield bonds	4.0%	4.21%	0.17%
Emerging markets	4.0%	3.44%	0.14%
Private debt	7.0%	5.79%	0.40%
Conservative fixed income	14.0%		
Core fixed income	13.0%	1.60%	0.21%
Cash and short duration (net)	1.0%	0.56%	0.01%
	100%		
Total expected real return			5.80%
Inflation for actuarial purposes			2.25%
Total expected nominal return			8.05%

Discount Rate:

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

NOTES TO FINANCIAL STATEMENTS

NOTE 6. RETIREMENT PLANS (CONTINUED)

Sensitivity Analysis:

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

<u>South Carolina Retirement System</u>			
Sensitivity of the Net Position Liability to Changes in the Discount Rate			
Fiscal	1% Decrease	Current	1% Increase
Year	(6.25%)	Discount Rate	(8.25%)
		(7.25%)	
2021	\$ 792,951,995	\$ 639,798,666	\$ 511,913,792

<u>Police Officers Retirement System</u>			
Sensitivity of the Net Position Liability to Changes in the Discount Rate			
Fiscal	1% Decrease	Current	1% Increase
Year	(6.25%)	Discount Rate	(8.25%)
		(7.25%)	
2021	\$ 734,569	\$ 554,881	\$ 410,603

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

For the year ended June 30, 2021, the District's pension expense was \$68,015,538. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

South Carolina Retirement System	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 7,382,430	\$ 2,419,351
Changes of assumptions	783,856	-
Net difference between projected and actual earnings on pension plan investments	47,062,555	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	1,498,177	3,969,045
Employer contributions subsequent to the measurement date	40,091,002	-
Total	<u>\$ 96,818,020</u>	<u>\$ 6,388,396</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 6. RETIREMENT PLANS (CONTINUED)

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

Police Officers Retirement System	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 11,792	\$ 2,442
Changes of assumptions	6,771	-
Net difference between projected and actual earnings on pension plan investments	56,819	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	4,546	20,057
Employer contributions subsequent to the measurement date	54,667	-
Total	<u>\$ 134,595</u>	<u>\$ 22,499</u>

District contributions subsequent of the measurement date of \$40,091,002 and \$54,667 reported as deferred outflows of resources for the SCRS and PORS, respectively, will be recognized as a reduction of the net pension liability in the year ended June 30, 2022.

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

Year ended June 30:	SCRS	PORS
2022	\$ 9,489,027	\$ 10,843
2023	13,743,493	13,097
2024	15,096,757	18,562
2025	12,009,345	14,927
Total	<u>\$ 50,338,622</u>	<u>\$ 57,429</u>

Payable to Pension Plan:

At June 30, 2021, the District had \$7,820,265 in outstanding payables to the plans for legally required contributions. This amount is reported in the statement of net position with accounts payable and accrued liabilities.

NOTES TO FINANCIAL STATEMENTS

NOTE 6. RETIREMENT PLANS (CONTINUED)

Optional Retirement Program:

As an alternative to membership in SCRS, certain State, public school, and higher education employees and individuals newly elected to the South Carolina General Assembly beginning with the November 2012 general election have the option to participate in the State Optional Retirement Program. Participants in the State ORP direct the investment of their funds into a plan administered by one of four investment providers and are governed by the terms of the contracts that those providers issue. The District contributed \$3,845,992 to the plan as of June 30, 2021.

NOTE 7. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

Overview:

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

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

Plan Description:

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

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

NOTES TO FINANCIAL STATEMENTS

NOTE 7. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Plan Description (Continued):

The OPEB Trusts are cost-sharing multiple-employer defined benefit OPEB plans. Article 5 of the state Code of Laws defines the two plans and authorizes the trustee to at any time adjust the plans, including its benefits and contributions, as necessary to insure the fiscal stability of the plans. In accordance with the South Carolina Code of Laws and the annual Appropriations Act, the state provides postemployment health and dental and long-term disability benefits to retired state and 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. Since the employer contribution/premium paid and the proportionate share of the net OPEB liability and related deferred outflows and inflows of resources related to the SCLTDITF are not material to the District, no SCLTDITF OPEB amounts have been recorded in these financial statements, and only limited note disclosures have been provided related to these benefits.

Contributions and Funding Policies:

Section 1-11-710 of the South Carolina Code of Laws of 1976, as amended, requires the 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.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Contributions and Funding Policies (Continued):

The SCRHITF is funded through participating employers that are mandated by state statute to contribute at a rate assessed each year by the Department of Administration Executive Budget Office on active employee covered payroll. The covered payroll surcharge for the year ended June 30, 2019, was 6.25%. The South Carolina Retirement System collects the monthly surcharge for all participating employers and remits it directly to the SCRHITF. Other sources of funding for the SCRHITF also include the implicit subsidy, or age-related subsidy inherent in the healthcare premiums structure. The implicit subsidy represents a portion of the health care expenditures paid on behalf of the employer's active employees. For purposes of GASB Statement No. 75, this expenditure on behalf of the active employee is reclassified as a retiree health care expenditure so that the employer's contributions towards the plan reflect the underlying age-adjusted, retiree benefit costs. Non-employer contributions include the mandatory transfer of accumulated PEBA - Insurance Benefits' reserves and the annual appropriation budgeted by the General Assembly. It is also funded through investment income.

The SCLTDITF is funded through employer contributions for active employees that elect health insurance coverage. For this group of active employees, PEBA - Insurance Benefits bills and collects premiums charged to state agencies, public school districts and other participating local governments. The monthly premium per active employee was \$3.22 for the fiscal year ended June 30, 2021. The SCLTDITF premium is billed monthly by PEBA – Insurance.

In accordance with part (b) of paragraph 69 of GASB Statement No. 75, participating employers should recognize revenue in an amount equal to the employer's proportionate share of the change in the collective net OPEB liability arising from contributions to the OPEB plan during the measurement period from non-employer contributing entities for purposes other than the separate financing of specific liabilities to the OPEB plan. Therefore, employers should classify this revenue in the same manner as it classifies grants from other entities. For the plan year ended June 30, 2020, the District recognized \$4,213,694 as revenue from a contribution made by a non-employer contributing entity.

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

NOTES TO FINANCIAL STATEMENTS

NOTE 7. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Contributions and Funding Policies (Continued):

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

Actuarial Assumptions and Methods:

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

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

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

NOTES TO FINANCIAL STATEMENTS

NOTE 7. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Actuarial Assumptions and Methods (Continued):

Additional information as of the latest actuarial valuation for SCRHITF:

Valuation Date:	June 30, 2019
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:	2.45% as of June 30, 2020
Demographic Assumptions:	Based on the experience study performed for the South Carolina Retirement Systems for the 5-year period ending June 30, 2015
Mortality:	For healthy retirees, the 2016 Public Retirees of South Carolina Mortality Table for Males and the 2016 Public Retirees of South Carolina Mortality Table for Females are used with fully generational mortality projections based on Scale AA from the year 2016. Multipliers are applied to the base tables based on gender and employment type.
Health Care Trend Rate:	Initial trend starting at 6.40% and gradually decreasing to an ultimate trend rate of 4.00% over a period of 15 years
Retiree Participation:	79% for retirees who are eligible for funded premiums 59% for retirees who are eligible for partial funded premiums 20% for retirees who are eligible for non-funded premiums
Notes:	There were no benefit changes during the year; the discount rate changed from 3.13% as of June 30, 2019, to 2.45% as of June 30, 2020; updates were also made to the healthcare trend rate assumption, including an adjustment to reflect the repeal of the "Cadillac Tax".

Roll Forward Disclosure:

The actuarial valuation was performed as of June 30, 2019. Update procedures were used to roll forward the total OPEB liability to June 30, 2020 (measurement date used for the District's reporting as of June 30, 2021).

Net OPEB Liability:

The Net OPEB Liability (NOL) is calculated separately for each OPEB Trust Fund and represents that particular Trust's Total OPEB Liability (TOL) determined in accordance with GASB No. 74 less that Trust's fiduciary net position. The allocation of each employer's proportionate share of the collective Net OPEB Liability and collective OPEB Expense was determined using the employer's payroll-related contributions over the measurement period.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Actuarial Assumptions and Methods (Continued):

Net OPEB Liability (Continued):

At June 30, 2021, the District reported a liability for its proportionate share of the net OPEB liability of \$570,357,294 for the SCRHITF. The net OPEB liability was measured as of June 30, 2020. The District's proportion of the net OPEB liability was based on contributions to SCRHITF during the fiscal year ended June 30, 2020. At June 30, 2020, the District's proportion of the total net OPEB liability was 3.159621%, which was a decrease of 0.002990% from its proportion measured as of June 30, 2019. The plan's fiduciary net position as a percentage of total OPEB liability was 8.39% as of June 30, 2020.

Single Discount Rate:

The Single Discount Rate of 2.45% 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).

Long-term Expected Rate of Return:

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

<u>South Carolina Retiree Health Insurance Plan</u>			
<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Expected Arithmetic Real Rate of Return</u>	<u>Weighted Long-Term Expected Real Rate of Return</u>
U.S. Domestic Fixed Income	80.00%	0.60%	0.48%
Cash	20.00%	0.35%	0.07%
Total	100.00%		0.55%
Total expected weighted real return			0.55%
Inflation for actuarial purposes			2.25%
Total expected nominal return			2.80%
Investment return assumption			2.75%

NOTES TO FINANCIAL STATEMENTS

NOTE 7. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Sensitivity Analysis:

The following table presents the SCRHITF's net OPEB liability calculated using a Single Discount Rate of 2.45%, 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:

<u>South Carolina Retiree Health Insurance Plan</u> Sensitivity of the Net OPEB Liability to Changes in the Discount Rate			
Fiscal Year	1% Decrease (1.45%)	Current Discount Rate (2.45%)	1% Increase (3.45%)
2019	\$ 680,550,739	\$ 570,357,294	\$ 482,304,490

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:

<u>South Carolina Retiree Health Insurance Plan</u> Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate			
Fiscal Year	1% Decrease (1.83%)	Current Healthcare Cost Trend Rates (2.83%)	1% Increase (3.83%)
2019	\$ 461,649,484	\$ 570,357,294	\$ 713,121,936

NOTES TO FINANCIAL STATEMENTS

NOTE 7. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

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

For the year ended June 30, 2020, the District recognized OPEB expense of \$38,500,002. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

South Carolina Retiree Health Insurance Plan	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 16,312,740	\$ 12,989,079
Changes of assumptions	84,876,284	22,714,543
Net difference between projected and actual earnings on pension plan investments	-	1,330,334
Changes in proportion and differences between employer contributions and proportionate share of contributions	4,033,761	4,024,740
Employer contributions subsequent to the measurement date	21,480,007	-
Total	<u>\$ 126,702,792</u>	<u>\$ 41,058,696</u>

District contributions subsequent to the measurement date of \$21,480,007 will be recognized as a reduction of the net OPEB liability in the next fiscal year.

As of June 30, 2021, other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

SCRHIP	
Year ended June 30:	
2022	\$ 8,397,485
2023	8,213,644
2024	7,922,325
2025	12,977,402
2025	13,984,522
Thereafter	12,668,711
	<u>\$ 64,164,089</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 8. INTERFUND TRANSFERS

The District reports interfund transfers between many of its funds. During the course of normal operations, the 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.

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 District. Interfund transfers for the year ended June 30, 2021, consist of the following:

General Fund			
Transfers from	Amount	Transfers to	Amount
Education Improvement Act Fund	\$ 11,577,083	Capital Projects Fund	\$ 6,870,626
Food Service Fund	1,107,776	Food Service Fund	579,780
Special Projects Fund	1,490,204	Special Projects Fund	546,995
	<u>\$ 14,175,063</u>		<u>\$ 7,997,401</u>
School Food Service Fund			
Transfers from	Amount	Transfers to	Amount
General Fund	<u>\$ 579,780</u>	General Fund	<u>\$ 1,107,776</u>
Debt Service Fund			
Transfers from	Amount	Transfers to	Amount
	<u>\$ -</u>	Capital Projects Fund	<u>\$ 36,200,000</u>
Capital Projects Fund			
Transfers from	Amount	Transfers to	Amount
General Fund	\$ 6,870,626		
Debt Service Fund	36,200,000		
	<u>\$ 43,070,626</u>		<u>\$ -</u>
Education Improvement Act Fund			
Transfers from	Amount	Transfers to	Amount
	<u>\$ -</u>	General Fund	<u>\$ 11,577,083</u>
Special Projects Fund			
Transfers from	Amount	Transfers to	Amount
General Fund	<u>\$ 546,995</u>	General Fund	<u>\$ 1,490,204</u>
TOTAL	<u><u>\$ 58,372,464</u></u>		<u><u>\$ 58,372,464</u></u>

NOTES TO FINANCIAL STATEMENTS

NOTE 9. FUNDING FLEXIBILITY

The State of South Carolina passed a Joint Resolution to provide funding flexibility for the fiscal year ended June 30, 2021. Under the resolution, Districts may transfer revenue between programs to any instructional program with the same funding source and may make expenditures for instructional programs and essential operating costs from any state source without regard to fund type except school building bond funds. Certain funds and other exceptions apply. The District 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 District's General Fund was not measured.

NOTE 10. RISK MANAGEMENT

The 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 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 Districts in the State of South Carolina. This entity is operating as a common risk management and insurance program. The District pays an annual premium to SCSBIT/WCTF for its workers' compensation insurance coverage based upon the total payroll of the 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 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 11. 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 District expects such amounts, if any, to be immaterial.

The 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 District.

NOTES TO FINANCIAL STATEMENTS

NOTE 11. COMMITMENTS AND CONTINGENCIES (CONTINUED)

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 District is unable to estimate any potential outcome of the investigation.

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

The District has entered into contracts and agreements with contractors and builders for various capital projects throughout the 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, 2021. A summary of the contracts in process by location is as follows:

Project	Contract Amounts	Expenditures to Date	Remaining Commitment
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
SOAR Academy	14,736,972	14,594,313	142,659
St. James High	1,437,512	35,917	1,401,595
All others <\$1,000,000 per location	8,530,065	5,205,891	3,324,174
	<u>\$ 198,571,298</u>	<u>\$ 193,616,158</u>	<u>\$ 4,955,140</u>

NOTE 12. LEGAL COMPLIANCE

All schedules and exhibits are presented in the level of detail as required by the South Carolina Department of Education. Account numbers are presented on the combining fund statements and supporting schedules as required.

NOTES TO FINANCIAL STATEMENTS

NOTE 13. TAX ABATEMENTS

The District does not negotiate or enter into agreements for tax abatements. The 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:

- 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).
- 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.
- A Multi-County Business Park (MCBP) is authorized under Article VIII, Section 13(d) of the Constitution of South Carolina, as amended and South Carolina Title 4, Chapter 1. A MCBP is used to promote the economic welfare of their citizens by inducing businesses to invest in the Counties through the offer of benefits available under South Carolina law pursuant to multi-county business park arrangements. The designation as a MCBP provides that all real and personal property located in the Park shall be exempt from all ad valorem taxation. This is typically used in the creation of a FILOT or SSRC, but also has the additional benefit of exemption of property from the rollback taxes when the property was previously taxed as agricultural property. When agricultural real property is applied to a use other than agricultural, it is subject to additional taxes, referred to as rollback taxes. The amount of the rollback taxes is equal to the sum of the differences, if any, between the taxes paid or payable on the basis of the fair market value for agricultural purposes and the taxes that would have been paid or payable if the real property had been valued, assessed, and taxed as other real property in the taxing district (except the value of standing timber is excluded), for the current tax year (the year of change in use) and each of the immediately preceding five tax years.

NOTES TO FINANCIAL STATEMENTS

NOTE 13. TAX ABATEMENTS (CONTINUED)

For the fiscal year ended June 30, 2021, the County abated District property tax revenues of \$368,131 under agreements entered into by the County. The table below summarizes the tax abatements by program:

Tax Abatement Program	Abatement
Fee-in-Lieu Tax Program (FILOT)	\$ 325,634
Special Source Revenue Credit (SSRC)	42,497
	\$ 368,131

NOTE 14. RESTATEMENT DUE TO CHANGE IN ACCOUNTING PRINCIPLE

In conjunction with the implementation of GASB Statement No. 84, *Fiduciary Activities*, the District is required to reevaluate the accounting treatment of its fiduciary and agency activities. The new standard requires the District to determine if funds are still considered fiduciary, and if so, if they are considered custodial funds under the new definitions within Statement No. 84. Previously, the District reported its pupil activity funds as agency funds; however, in accordance with paragraph 11 of Statement No. 84, the District is considered to have administrative involvement with these funds and thus the pupil activity funds, scholarship funds and federal unemployment funds do not qualify as fiduciary and agency activities under the new Standard. As a result, the pupil activity funds, the scholarship funds and the unemployment funds have been consolidated with the District's Special Projects Fund and thus the following restatement was made to beginning fund balance and beginning net position of governmental activities:

Net Position, governmental activities beginning of the year, as previously reported	\$ (232,515,785)
Pupil Activities Fund	5,700,006
Scholarship Fund	218,452
Federal Unemployment Fund	1,030,952
Restated Net Position, governmental activities beginning of the year	\$ (225,566,375)
Special Projects Fund Balance, beginning of the year	\$ 1,022,553
Pupil Activities Fund	5,700,006
Scholarship Fund	218,452
Federal Unemployment Fund	1,030,952
Restated Special Projects Fund Balance, beginning of the year	\$ 7,971,963

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REQUIRED SUPPLEMENTARY INFORMATION

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HORRY COUNTY SCHOOLS
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR FISCAL YEAR ENDED JUNE 30, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Local	\$ 221,505,556	\$ 221,559,053	\$ 231,545,164	\$ 9,986,111
Intergovernmental	115,239	115,239	124,881	9,642
State	212,918,593	212,918,648	213,187,554	268,906
Federal	786,488	786,488	672,718	(113,770)
Total revenues	<u>435,325,876</u>	<u>435,379,428</u>	<u>445,530,317</u>	<u>10,150,889</u>
Expenditures:				
Current				
Instruction	282,722,548	286,500,925	270,975,373	15,525,552
Support services	165,686,681	167,591,084	149,999,805	17,591,279
Community services	32,861	35,822	35,324	498
Intergovernmental	8,367,217	8,367,217	7,909,694	457,523
Capital outlay	3,051,028	10,383,879	6,642,600	3,741,279
Total expenditures	<u>459,860,335</u>	<u>472,878,927</u>	<u>435,562,796</u>	<u>37,316,131</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(24,534,459)</u>	<u>(37,499,499)</u>	<u>9,967,521</u>	<u>47,467,020</u>
Other Financing Sources (Uses)				
Sale of capital assets	38,163	38,163	60,036	21,873
Transfers in	14,194,368	14,194,368	14,175,063	(19,305)
Transfers out	<u>(736,314)</u>	<u>(7,978,225)</u>	<u>(7,997,401)</u>	<u>(19,176)</u>
Total other financing sources (uses)	<u>13,496,217</u>	<u>6,254,306</u>	<u>6,237,698</u>	<u>(16,608)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing (uses)	<u>\$ (11,038,242)</u>	<u>\$ (31,245,193)</u>	<u>16,205,219</u>	<u>\$ 47,450,412</u>
Fund balance, July 1, 2020			<u>127,669,216</u>	
Fund balance, June 30, 2021			<u>\$ 143,874,435</u>	

HORRY COUNTY SCHOOLS
BUDGETARY COMPARISON SCHEDULE - SPECIAL REVENUE FUND
SPECIAL PROJECTS FUND
FOR FISCAL YEAR ENDED JUNE 30, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Local	\$ 14,178,773	\$ 16,295,496	\$ 4,723,181	\$ (11,572,315)
Intergovernmental	-	2,627	2,627	-
State	3,085,405	15,471,438	15,235,728	(235,710)
Federal	50,304,057	124,048,683	47,560,033	(76,488,650)
Total revenues	<u>67,568,235</u>	<u>155,818,244</u>	<u>67,521,569</u>	<u>(88,296,675)</u>
Expenditures:				
Current				
Instruction	25,566,696	55,220,465	33,485,000	21,735,465
Support services	37,236,784	59,749,664	23,606,001	36,143,663
Community services	2,512,219	1,560,921	809,036	751,885
Intergovernmental	488,441	6,435,904	5,132,214	1,303,690
Capital outlay	695,781	27,779,924	3,469,923	24,310,001
Total expenditures	<u>66,499,921</u>	<u>150,746,878</u>	<u>66,502,174</u>	<u>84,244,704</u>
Excess of revenues over expenditures	<u>1,068,314</u>	<u>5,071,366</u>	<u>1,019,395</u>	<u>(4,051,971)</u>
Other Financing Sources (Uses)				
Transfers in	736,314	892,684	546,995	(345,689)
Transfers out	<u>(1,804,628)</u>	<u>(6,504,421)</u>	<u>(1,490,204)</u>	<u>5,014,217</u>
Total other financing sources (uses)	<u>(1,068,314)</u>	<u>(5,611,737)</u>	<u>(943,209)</u>	<u>4,668,528</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing (uses)	<u>\$ -</u>	<u>\$ (540,371)</u>	76,186	<u>\$ 616,557</u>
Fund balance, July 1, 2020 as restated			<u>7,971,963</u>	
Fund balance, June 30, 2021			<u>\$ 8,048,149</u>	

HORRY COUNTY SCHOOLS
BUDGETARY COMPARISON SCHEDULE - SPECIAL REVENUE FUND
EDUCATION IMPROVEMENT ACT FUND
FOR FISCAL YEAR ENDED JUNE 30, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
State	\$ 30,275,610	\$ 32,927,881	\$ 27,729,433	\$ (5,198,448)
Total revenues	<u>30,275,610</u>	<u>32,927,881</u>	<u>27,729,433</u>	<u>(5,198,448)</u>
Expenditures:				
Current				
Instruction	14,456,946	17,019,722	12,872,120	4,147,602
Support services	2,846,765	2,338,002	2,193,939	144,063
Intergovernmental	357,529	801,539	800,153	1,386
Capital outlay	<u>231,500</u>	<u>377,401</u>	<u>286,138</u>	<u>91,263</u>
Total expenditures	<u>17,892,740</u>	<u>20,536,664</u>	<u>16,152,350</u>	<u>4,384,314</u>
Excess of revenues over expenditures	<u>12,382,870</u>	<u>12,391,217</u>	<u>11,577,083</u>	<u>(814,134)</u>
Other Financing Sources (Uses)				
Transfers out	<u>(12,382,870)</u>	<u>(12,391,217)</u>	<u>(11,577,083)</u>	<u>814,134</u>
Total other financing (uses)	<u>(12,382,870)</u>	<u>(12,391,217)</u>	<u>(11,577,083)</u>	<u>814,134</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing (uses)	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balance, July 1, 2020			<u>-</u>	
Fund balance, June 30, 2021			<u>\$ -</u>	

HORRY COUNTY SCHOOLS
BUDGETARY COMPARISON SCHEDULE - SPECIAL REVENUE FUND
SCHOOL FOOD SERVICE FUND
FOR FISCAL YEAR ENDED JUNE 30, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Local	\$ 4,650,458	\$ 4,687,808	\$ 295,840	\$ (4,391,968)
State	15,500	15,500	-	(15,500)
Federal	17,158,100	17,328,100	19,769,274	2,441,174
Total revenues	<u>21,824,058</u>	<u>22,031,408</u>	<u>20,065,114</u>	<u>(1,966,294)</u>
Expenditures:				
Current				
Support services	20,970,573	21,177,923	19,015,300	2,162,623
Intergovernmental	-	-	76,593	(76,593)
Capital outlay	592,200	1,042,200	3,753	1,038,447
Total expenditures	<u>21,562,773</u>	<u>22,220,123</u>	<u>19,095,646</u>	<u>3,124,477</u>
Excess (deficiency) of revenues over (under) expenditures	<u>261,285</u>	<u>(188,715)</u>	<u>969,468</u>	<u>1,158,183</u>
Other Financing Sources (Uses)				
Transfers in	607,614	607,614	579,780	(27,834)
Transfers out	(868,899)	(868,899)	(1,107,776)	(238,877)
Total other financing sources (uses)	<u>(261,285)</u>	<u>(261,285)</u>	<u>(527,996)</u>	<u>(266,711)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing (uses)	<u>\$ -</u>	<u>\$ (450,000)</u>	<u>441,472</u>	<u>\$ 891,472</u>
Fund balance, July 1, 2020			<u>5,280,043</u>	
Fund balance, June 30, 2021			<u>\$ 5,721,515</u>	

HORRY COUNTY SCHOOLS

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY AND RELATED RATIOS JUNE 30,

South Carolina Retirement System					
Plan Year Ended June 30,	District's proportion of the net pension liability	District's proportionate share of the net pension liability	District's covered employee payroll	District's share of the net pension liability as a percentage of its covered employee payroll	Plan fiduciary net position as a percentage of the total pension liability
2020	0.250393%	\$ 639,798,666	\$ 245,278,722	260.8%	50.7%
2019	0.252715%	577,054,025	278,710,739	207.0%	54.4%
2018	0.252559%	565,904,368	273,530,206	206.9%	54.1%
2017	0.250065%	562,936,306	265,112,547	212.3%	53.3%
2016	0.252242%	538,784,122	256,766,931	209.8%	52.9%
2015	0.251573%	477,120,324	220,703,321	216.2%	57.0%
2014	0.256084%	459,353,882	217,871,216	210.8%	59.6%
Police Officers Retirement System					
Plan Year Ended June 30,	District's proportion of the net pension liability	District's proportionate share of the net pension liability	District's covered employee payroll	District's share of the net pension liability as a percentage of its covered employee payroll	Plan fiduciary net position as a percentage of the total pension liability
2020	0.01673%	\$ 554,881	\$ 299,708	185.1%	58.8%
2019	0.01651%	473,132	249,443	189.7%	62.7%
2018	0.01742%	493,581	239,453	206.1%	61.7%
2017	0.01953%	491,340	240,854	204.0%	60.9%
2016	0.01945%	495,298	241,521	205.1%	60.4%
2015	0.02015%	423,868	248,943	170.3%	64.6%
2014	0.02015%	385,757	240,929	160.1%	67.5%

The District implemented GASB Statements 68 and 71 with the fiscal year beginning July 1, 2014.

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

HORRY COUNTY SCHOOLS

SCHEDULE OF THE DISTRICT'S PENSION CONTRIBUTIONS FOR THE FISCAL YEAR ENDED JUNE 30,

South Carolina Retirement System					
<u>Fiscal Year Ended June 30,</u>	<u>Statutorily required contribution</u>	<u>Contributions in relation to the statutorily required contribution</u>	<u>Contribution deficiency (excess)</u>	<u>District's covered employee payroll</u>	<u>Contributions as a percentage of covered employee payroll</u>
2021	\$ 40,091,002	\$ 40,091,002	\$ -	\$ 257,651,256	15.560%
2020	40,830,063	40,830,063	-	245,278,722	16.646%
2019	36,222,790	36,222,790	-	278,710,739	12.997%
2018	32,706,666	32,706,666	-	273,530,206	11.957%
2017	29,136,600	29,136,600	-	265,112,547	10.990%
2016	27,015,407	27,015,407	-	256,766,931	10.521%
2015	25,710,929	25,710,929	-	220,703,321	11.650%
2014	24,644,067	24,644,067	-	217,871,216	11.311%

South Carolina Police Officers Retirement System					
<u>Fiscal Year Ended June 30,</u>	<u>Actuarially required contribution</u>	<u>Contributions in relation to the actuarially required contribution</u>	<u>Contribution deficiency (excess)</u>	<u>District's covered employee payroll</u>	<u>Contributions as a percentage of covered employee payroll</u>
2021	\$ 54,667	\$ 54,667	\$ -	\$ 299,708	18.240%
2020	42,939	42,939	-	249,443	17.214%
2019	38,722	38,722	-	239,453	16.171%
2018	39,117	39,117	-	240,854	16.241%
2017	34,393	34,393	-	241,521	14.240%
2016	34,205	34,205	-	248,943	13.740%
2015	32,309	32,309	-	240,929	13.410%
2014	31,117	31,117	-	230,010	13.529%

The District implemented GASB Statements 68 and 71 with the fiscal year beginning July 1, 2014.

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

HORRY COUNTY SCHOOLS

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY AND RELATED RATIOS JUNE 30,

South Carolina Retiree Health Plan					
Plan Year Ended June 30,	District's proportion of the net OPEB liability	District's proportionate share of the net OPEB liability	District's covered employee payroll	District's share of the net OPEB liability as a percentage of its covered employee payroll	Plan fiduciary net position as a percentage of the total OPEB liability
2020	0.315962%	\$ 570,357,294	\$ 291,248,599	195.8%	8.39%
2019	0.318952%	482,304,202	278,950,193	172.9%	8.44%
2018	0.317463%	449,863,641	273,771,060	164.3%	7.91%
2017	0.314667%	426,211,839	265,354,068	160.6%	7.60%
2016	0.314667%	455,280,647	257,015,874	177.1%	6.62%

The District implemented GASB Statement 75 with the fiscal year beginning July 1, 2017.

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

HORRY COUNTY SCHOOLS

SCHEDULE OF THE DISTRICT'S OPEB CONTRIBUTIONS FOR THE FISCAL YEAR ENDED JUNE 30,

South Carolina Retiree Health Plan						
<u>Fiscal Year Ended June 30,</u>	<u>Statutorily required contribution</u>	<u>Contributions in relation to the statutorily required contribution</u>	<u>Contribution deficiency (excess)</u>	<u>District's covered employee payroll</u>	<u>Contributions as a percentage of covered employee payroll</u>	
2021	\$ 21,480,007	\$ 21,480,007	\$ -	\$ 295,680,107	7.26%	
2020	16,945,786	16,945,786	-	291,248,596	5.82%	
2019	16,826,667	16,826,667	-	278,950,193	6.03%	
2018	14,718,600	14,718,600	-	273,771,060	5.38%	
2017	12,950,903	12,950,903	-	265,354,068	4.88%	

The District implemented GASB Statement 75 with the fiscal year beginning July 1, 2017.

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

Changes of assumptions: The discount rate changed from 3.62% as of June 30, 2018 to 3.13% as of June 30, 2019 and changed to 2.45% as of June 30, 2020.

OTHER SUPPLEMENTARY INFORMATION

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GENERAL FUND

The general fund is used to record 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. Operational expenditures for general education, support services and other departments are paid through the general fund. Any unassigned fund balance may be appropriated to support operating expenditures in subsequent years.

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HORRY COUNTY SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2021

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
1000 Revenue from Local Sources				
1100 Taxes:				
1110 Ad Valorem Taxes - including Delinquent (Independent)	\$ 204,474,445	\$ 204,474,445	\$ 213,852,865	\$ 9,378,420
1140 Penalties & Interest on Taxes (Independent)	1,941,387	1,941,387	2,151,070	209,683
1200 Revenues from Local Governmental Units Other than LEAs:				
1280 Revenue in Lieu of Taxes	8,524,648	8,524,648	10,841,193	2,316,545
1300 Tuition:				
1310 Tuition from Patrons for Regular Day School	59,190	59,190	14,736	(44,454)
1500 Earnings on Investments:				
1510 Interest on Investments	2,804,825	2,804,825	202,179	(2,602,646)
1900 Other Revenues from Local Sources:				
1910 Rentals	42,074	42,074	4,325	(37,749)
1930 Medicaid	3,093,839	3,093,839	2,605,837	(488,002)
1950 Refund of Prior Year's Expenditures	346,457	346,457	236,706	(109,751)
1993 Receipt of Insurance Proceeds	-	52,497	60,274	7,777
1994 Receipt of Legal Settlements	-	-	1,216,035	1,216,035
1999 Revenue from Other Local Sources	218,691	219,691	359,944	140,253
Total Local Sources	<u>221,505,556</u>	<u>221,559,053</u>	<u>231,545,164</u>	<u>9,986,111</u>
2000 Intergovernmental Revenue				
2100 Payments from Other Governmental Units	<u>115,239</u>	<u>115,239</u>	<u>124,881</u>	<u>9,642</u>
Total Intergovernmental Revenues	<u>115,239</u>	<u>115,239</u>	<u>124,881</u>	<u>9,642</u>
3000 Revenue from State Sources				
3100 Restricted State Funding:				
3130 Special Programs				
3131 Handicapped Transportation	36,100	36,100	30,841	(5,259)
3132 Home Schooling	621	621	1,867	1,246
3160 School Bus Driver's Salary	3,070,146	3,070,146	3,757,183	687,037
3161 EAA Bus Driver Salary and Fringe	5,199	5,199	9,278	4,079
3162 Transportation Workers' Compensation	191,234	191,234	201,410	10,176
3180 Fringe Benefits Employer Contributions (No Carryover Provision)	39,725,607	39,725,607	39,653,767	(71,840)
3181 Retiree Insurance (No Carryover Provision)	12,433,681	12,433,681	12,406,221	(27,460)
3186 State Aid to Classrooms - Teacher Salary Increase	8,440,393	8,440,393	9,181,647	741,254
3189 Teacher Step Increase	-	-	2,033,451	2,033,451
3199 Other Restricted State Grants	-	55	55	-
3300 Education Finance Act:				
3310 Full-Time Programs				
3311 Kindergarten	4,112,757	4,112,757	3,566,822	(545,935)
3312 Primary	12,280,950	12,280,950	11,466,236	(814,714)
3313 Elementary	22,295,786	22,295,786	21,152,240	(1,143,546)
3314 High School	9,269,023	9,269,023	9,025,210	(243,813)
3315 Trainable Mentally Handicapped	383,193	383,193	312,724	(70,469)
3316 Speech Handicapped (Part-Time Program)	3,875,240	3,875,240	3,310,910	(564,330)
3317 Homebound	44,735	44,735	16,789	(27,946)
3320 Part-Time Programs				
3321 Emotionally Handicapped	507,738	507,738	503,202	(4,536)
3322 Educable Mentally Handicapped	338,273	338,273	313,205	(25,068)
3323 Learning Disabilities	9,596,295	9,596,295	9,074,024	(522,271)
3324 Hearing Handicapped	231,402	231,402	229,145	(2,257)
3325 Visually Handicapped	121,902	121,902	85,897	(36,005)
3326 Orthopedically Handicapped	176,452	176,452	126,797	(49,655)
3327 Vocational	9,281,711	9,281,711	9,166,140	(115,571)
3330 Other EFA Programs				
3331 Autism	2,143,254	2,143,254	2,263,069	119,815
3332 High Achieving Students	1,839,929	1,839,929	1,840,393	464
3334 Limited English Proficiency	886,388	886,388	779,493	(106,895)
3350 Residential Treatment Facilities (RTF)				
3351 Academic Assistance	2,609,130	2,609,130	2,519,517	(89,613)
3352 Pupils in Poverty	8,081,181	8,081,181	7,818,392	(262,789)
3353 Dual Credit Enrollment	211,499	211,499	201,162	(10,337)
3392 NBS Excess Formula	147,707	147,707	249,059	101,352

HORRY COUNTY SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2021

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES (CONTINUED)				
3000 Revenue from State Sources (Continued)				
3800 State Revenue in Lieu of Taxes:				
3810 Reimbursement for Local Residential Property Tax Relief (Tier 1)	\$ 11,700,436	\$ 11,700,436	\$ 11,700,436	\$ -
3820 Homestead Exemption (Tier 2)	3,952,008	3,952,008	3,952,008	-
3825 Reimbursement for Property Tax Relief (Tier 3)	40,921,101	40,921,101	40,952,146	31,045
3830 Merchant's Inventory Tax	701,824	701,824	819,389	117,565
3840 Manufacturers Depreciation Reimbursement	146,917	146,917	246,119	99,202
3890 Other State Property Tax Revenues	497,358	497,358	1,597,505	1,100,147
3900 Other State Revenue:				
3993 PEBA on Behalf	2,623,805	2,623,805	2,623,805	-
3999 Revenue from Other State Sources	37,618	37,618	-	(37,618)
Total State Sources	<u>212,918,593</u>	<u>212,918,648</u>	<u>213,187,554</u>	<u>268,906</u>
4000 Revenue from Federal Sources				
4900 Other Federal Sources				
4999 Revenue from Other Federal Sources	786,488	786,488	672,718	(113,770)
TOTAL REVENUE ALL SOURCES	<u>435,325,876</u>	<u>435,379,428</u>	<u>445,530,317</u>	<u>10,150,889</u>
EXPENDITURES				
100 INSTRUCTION				
110 General Instruction:				
111 Kindergarten Programs:				
100 Salaries	9,962,650	9,977,927	9,855,253	122,674
140 Terminal Leave	-	-	2,305	(2,305)
200 Employee Benefits	4,776,263	4,886,583	4,719,040	167,543
300 Purchased Services	1,947	23,947	18,490	5,457
400 Supplies and Materials	106,669	123,134	118,162	4,972
600 Other Objects	-	255	249	6
112 Primary Programs:				
100 Salaries	32,452,232	32,444,815	32,124,813	320,002
140 Terminal Leave	-	-	1,935	(1,935)
200 Employee Benefits	13,956,312	14,238,297	13,958,719	279,578
300 Purchased Services	599,475	576,075	508,876	67,199
400 Supplies and Materials	756,447	953,695	689,096	264,599
500 Capital Outlay	3,617	3,617	2,720	897
600 Other Objects	-	650	626	24
113 Elementary Programs:				
100 Salaries	48,162,178	48,196,457	46,755,659	1,440,798
140 Terminal Leave	-	-	2,620	(2,620)
200 Employee Benefits	20,453,621	20,909,117	19,931,508	977,609
300 Purchased Services	439,264	575,129	574,142	987
400 Supplies and Materials	2,316,107	2,979,863	2,186,696	793,167
500 Capital Outlay	22,263	25,583	15,919	9,664
600 Other Objects	11,230	11,600	7,034	4,566
114 High School Programs:				
100 Salaries	41,468,092	41,007,398	38,947,415	2,059,983
140 Terminal Leave	-	-	13,812	(13,812)
200 Employee Benefits	17,353,996	17,573,031	16,310,464	1,262,567
300 Purchased Services	1,609,868	1,927,843	1,351,271	576,572
400 Supplies and Materials	2,450,986	3,082,908	2,400,583	682,325
500 Capital Outlay	19,752	97,752	94,882	2,870
600 Other Objects	31,670	61,170	58,790	2,380
115 Career and Technology Education Programs:				
100 Salaries	2,885,753	3,333,753	3,288,350	45,403
200 Employee Benefits	1,195,938	1,360,474	1,358,042	2,432
300 Purchased Services	46,655	47,155	37,400	9,755
400 Supplies and Materials	711,193	306,490	267,687	38,803
500 Capital Outlay	7,935	7,935	-	7,935
600 Other Objects	1,000	1,000	-	1,000
117 Drivers Education Programs:				
400 Supplies and Materials	1,500	5,500	1,024	4,476

HORRY COUNTY SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2021

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
EXPENDITURES (CONTINUED)				
100 INSTRUCTION (CONTINUED)				
120 Exceptional Programs:				
121 Educable Mentally Handicapped:				
100 Salaries	\$ 6,786	\$ 6,786	\$ -	\$ 6,786
200 Employee Benefits	1,999	1,999	-	1,999
400 Supplies and Materials	4,777	4,006	1,605	2,401
122 Trainable Mentally Handicapped:				
100 Salaries	3,044,004	3,044,004	2,921,833	122,171
140 Terminal Leave	-	-	1,200	(1,200)
200 Employee Benefits	1,334,291	1,371,581	1,295,249	76,332
300 Purchased Services	-	300	258	42
400 Supplies and Materials	12,026	45,915	32,686	13,229
123 Orthopedically Handicapped:				
100 Salaries	942,815	866,847	863,418	3,429
200 Employee Benefits	434,056	392,404	392,276	128
300 Purchased Services	34,785	240,502	230,595	9,907
400 Supplies and Materials	675	18,845	18,719	126
124 Visually Handicapped:				
100 Salaries	127,730	76,822	26,086	50,736
200 Employee Benefits	62,894	43,950	17,645	26,305
300 Purchased Services	7,920	61,020	43,854	17,166
400 Supplies and Materials	5,835	5,150	3,822	1,328
125 Hearing Handicapped:				
100 Salaries	409,318	381,501	380,561	940
200 Employee Benefits	213,876	193,013	180,089	12,924
300 Purchased Services	13,000	86,332	8,648	77,684
400 Supplies and Materials	955	14,360	13,910	450
126 Speech Handicapped:				
100 Salaries	3,112,304	3,143,182	2,963,669	179,513
140 Terminal Leave	-	-	2,290	(2,290)
200 Employee Benefits	1,324,627	1,370,192	1,261,738	108,454
300 Purchased Services	16,106	47,831	47,770	61
400 Supplies and Materials	11,144	9,825	8,952	873
127 Learning Disabilities:				
100 Salaries	20,639,554	20,519,732	19,932,000	587,732
140 Terminal Leave	-	-	810	(810)
200 Employee Benefits	9,295,692	9,502,595	9,167,031	335,564
300 Purchased Services	127,105	138,848	138,785	63
400 Supplies and Materials	795,949	716,555	228,718	487,837
500 Capital Outlay	-	450	449	1
600 Other Objects	1,100	1,100	162	938
128 Emotionally Handicapped:				
100 Salaries	1,605,557	1,605,557	1,435,719	169,838
200 Employee Benefits	740,643	756,499	656,293	100,206
400 Supplies and Materials	13,366	13,158	6,394	6,764
129 Coordinated Early Learning Services (CEIS):				
100 Salaries	3,613,726	3,613,726	3,461,418	152,308
140 Terminal Leave	-	-	1,200	(1,200)
200 Employee Benefits	1,522,987	1,560,073	1,470,673	89,400
400 Supplies and Materials	1,750	1,835	1,831	4
130 Pre-School Programs:				
137 Pre-School Handicapped-Self-Contained (3 & 4 year olds):				
100 Salaries	1,627,244	1,627,244	1,603,694	23,550
200 Employee Benefits	737,661	759,381	725,254	34,127
300 Purchased Services	-	10,000	8,823	1,177
400 Supplies and Materials	1,562	5,562	5,491	71
139 Early Childhood Programs:				
100 Salaries	110,145	102,880	102,790	90
200 Employee Benefits	13,164	68,911	68,868	43
300 Purchased Services	6,437	6,437	4,367	2,070
400 Supplies and Materials	95,002	94,302	62,582	31,720
500 Capital Outlay	1,403	1,903	1,852	51
600 Other Objects	1,700	1,700	70	1,630

HORRY COUNTY SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2021

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
EXPENDITURES (CONTINUED)				
100 INSTRUCTION (CONTINUED)				
140 Special Programs:				
141 Gifted and Talented-Academic:				
100 Salaries	\$ 7,102,384	\$ 7,096,785	\$ 6,857,611	\$ 239,174
200 Employee Benefits	3,064,908	3,134,971	2,951,258	183,713
300 Purchased Services	364,990	413,454	412,482	972
400 Supplies and Materials	274,387	230,623	193,010	37,613
500 Capital Outlay	4,000	4,000	-	4,000
600 Other Objects	450	450	176	274
143 Advanced Placement:				
100 Salaries	46,347	111,347	111,260	87
200 Employee Benefits	13,654	34,803	33,770	1,033
300 Purchased Services	459,679	374,691	31,216	343,475
400 Supplies and Materials	95,283	73,641	65,739	7,902
600 Other Objects	-	211	200	11
145 Homebound:				
100 Salaries	733,818	733,818	519,343	214,475
200 Employee Benefits	216,182	221,548	157,040	64,508
300 Purchased Services	150,000	150,000	763	149,237
149 Other Special Programs:				
100 Salaries	8,805,769	8,805,769	7,653,267	1,152,502
200 Employee Benefits	3,792,860	3,914,875	3,348,428	566,447
300 Purchased Services	111,501	252,501	177,207	75,294
400 Supplies and Materials	95,266	94,866	23,347	71,519
500 Capital Outlay	325	325	238	87
600 Other Objects	500	500	-	500
160 Other Exceptional Programs:				
161 Autism:				
100 Salaries	1,461,335	1,448,434	1,277,270	171,164
200 Employee Benefits	757,700	768,239	664,944	103,295
300 Purchased Services	-	12,870	12,794	76
400 Supplies and Materials	14,804	13,015	9,696	3,319
170 Summer School Programs:				
171 Primary Summer School:				
200 Employee Benefits	-	371	370	1
172 Elementary Summer School:				
200 Employee Benefits	-	3,094	3,093	1
173 High School Summer School:				
100 Salaries	-	2,400	2,400	-
200 Employee Benefits	-	1,118	1,111	7
174 Gifted and Talented Summer School:				
100 Salaries	-	75,612	74,717	895
200 Employee Benefits	-	23,569	23,093	476
300 Purchased Services	98,907	8,907	3,400	5,507
400 Supplies and Materials	66,080	54,580	25,147	29,433
175 Instructional Programs Beyond Regular School Day:				
100 Salaries	76,500	76,500	53,344	23,156
200 Employee Benefits	22,520	29,870	22,908	6,962
400 Supplies and Materials	-	599	598	1

HORRY COUNTY SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2021

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
EXPENDITURES (CONTINUED)				
100 INSTRUCTION (CONTINUED)				
180 Adult/Continuing Education Programs:				
181 Adult Basic Education Programs:				
100 Salaries	\$ 345,998	\$ 345,998	\$ 279,497	\$ 66,501
200 Employee Benefits	139,983	145,766	117,285	28,481
300 Purchased Services	11,600	8,800	5,857	2,943
400 Supplies and Materials	3,400	11,461	11,370	91
182 Adult Secondary Education Programs:				
100 Salaries	181,559	183,429	183,424	5
200 Employee Benefits	70,230	73,548	72,753	795
300 Purchased Services	2,500	2,700	2,695	5
400 Supplies and Materials	10,000	10,919	10,906	13
183 Adult Secondary Education Programs:				
100 Salaries	4,272	272	-	272
200 Employee Benefits	1,316	2,417	2,402	15
400 Supplies and Materials	1,500	1,100	1,050	50
188 Parenting/Family Literacy:				
100 Salaries	99,717	99,754	79,071	20,683
200 Employee Benefits	39,312	46,327	39,706	6,621
400 Supplies and Materials	-	50	48	2
190 Instructional Pupil Activity:				
100 Salaries	68,873	131,965	102,616	29,349
200 Employee Benefits	20,303	56,512	38,727	17,785
300 Purchased Services	22,563	24,063	-	24,063
400 Supplies and Materials	50,285	55,085	27,057	28,028
500 Capital Outlay	-	3,200	3,109	91
Total Current Expenditures	282,722,548	286,500,925	270,975,373	15,525,139
Total Capital Outlay	59,295	144,765	119,169	26,009
TOTAL INSTRUCTION	282,781,843	286,645,690	271,094,542	15,551,148
200 SUPPORT SERVICES				
210 Pupil Services:				
211 Attendance and Social Work Services:				
100 Salaries	2,790,945	2,790,945	2,635,517	155,428
200 Employee Benefits	1,265,716	1,294,169	1,211,919	82,250
300 Purchased Services	28,550	28,550	6,623	21,927
400 Supplies and Materials	29,397	29,097	16,615	12,482
500 Capital Outlay	10,000	10,000	5,399	4,601
212 Guidance Services:				
100 Salaries	7,816,804	7,816,804	7,591,391	225,413
200 Employee Benefits	3,399,328	3,489,548	3,264,828	224,720
300 Purchased Services	66,623	68,873	62,535	6,338
400 Supplies and Materials	39,090	39,090	25,720	13,370
213 Health Services:				
100 Salaries	2,765,549	2,766,589	2,671,748	94,841
200 Employee Benefits	1,408,033	1,443,151	1,251,620	191,531
300 Purchased Services	224,925	224,925	104,067	120,858
400 Supplies and Materials	168,310	171,664	148,762	22,902
500 Capital Outlay	3,000	3,000	-	3,000
600 Other Objects	250	450	445	5
214 Psychological Services:				
100 Salaries	1,978,737	1,978,737	1,882,718	96,019
200 Employee Benefits	825,435	846,458	813,767	32,691
300 Purchased Services	12,000	22,741	22,666	75
400 Supplies and Materials	31,050	37,050	36,620	430
215 Exceptional Program Services:				
100 Salaries	69,080	69,080	41,928	27,152
200 Employee Benefits	25,712	26,456	13,302	13,154
300 Purchased Services	200	20,200	7,965	12,235
400 Supplies and Materials	3,000	3,000	-	3,000
600 Other Objects	-	11,000	10,885	115

HORRY COUNTY SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2021

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
EXPENDITURES (CONTINUED)				
200 SUPPORT SERVICES (CONTINUED)				
210 Pupil Services:				
216 Career and Technical Education Placement Services:				
200 Employee Benefits	\$ -	\$ 14	\$ 13	\$ 1
400 Supplies and Materials	-	-	(136)	136
217 Career Specialist Services:				
100 Salaries	1,978	1,978	307	1,671
200 Employee Benefits	18,137	19,298	1,251	18,047
220 Instructional Staff Services:				
221 Improvement of Instruction - Curriculum Development:				
100 Salaries	4,203,978	4,881,571	4,405,141	476,430
140 Terminal Leave	-	-	11,699	(11,699)
200 Employee Benefits	1,666,171	1,930,501	1,764,313	166,188
300 Purchased Services	235,756	227,239	73,157	154,082
400 Supplies and Materials	163,401	142,868	62,657	80,211
500 Capital Outlay	11,200	22,000	17,778	4,222
600 Other Objects	450	3,977	3,753	224
222 Library and Media Services:				
100 Salaries	4,528,216	4,528,216	4,346,865	181,351
200 Employee Benefits	2,136,413	2,182,841	2,037,626	145,215
300 Purchased Services	12,024	70,543	70,494	49
400 Supplies and Materials	758,036	684,480	571,543	112,937
500 Capital Outlay	-	10,520	10,366	154
600 Other Objects	-	1,000	916	84
223 Supervision of Special Programs:				
100 Salaries	1,195,547	1,028,588	891,177	137,411
140 Terminal Leave	-	-	3,177	(3,177)
200 Employee Benefits	479,300	435,390	360,120	75,270
300 Purchased Services	35,939	40,939	24,312	16,627
400 Supplies and Materials	26,156	36,656	36,654	2
600 Other Objects	2,146	2,146	1,002	1,144
224 Improvement of Instruction - In-service and Staff Training:				
100 Salaries	859,689	1,229,821	1,210,389	19,432
140 Terminal Leave	-	-	14,693	(14,693)
200 Employee Benefits	322,955	460,148	436,680	23,468
300 Purchased Services	725,110	1,341,271	821,357	519,914
400 Supplies and Materials	2,271,526	1,123,841	316,952	806,889
500 Capital Outlay	-	50,000	43,535	6,465
600 Other Objects	15,241	19,973	14,825	5,148
230 General Administration Services:				
231 Board of Education:				
100 Salaries	243,984	243,984	232,192	11,792
200 Employee Benefits	71,882	74,281	70,764	3,517
300 Purchased Services	230,400	257,900	360,800	(102,900)
400 Supplies and Materials	34,410	6,910	5,362	1,548
600 Other Objects	48,500	48,500	48,450	50
232 Office of the Superintendent:				
100 Salaries	535,660	535,660	475,328	60,332
200 Employee Benefits	192,178	197,089	169,722	27,367
300 Purchased Services	27,550	27,550	11,845	15,705
400 Supplies and Materials	32,168	32,168	2,249	29,919
500 Capital Outlay	3,000	38,295	2,532	35,763
600 Other Objects	18,734	18,734	15,005	3,729
233 School Administration:				
100 Salaries	19,375,875	19,375,875	19,097,482	278,393
140 Terminal Leave	-	-	54,137	(54,137)
200 Employee Benefits	8,059,882	8,258,802	8,044,465	214,337
300 Purchased Services	129,306	102,119	32,099	70,020
400 Supplies and Materials	205,575	234,461	233,863	598
500 Capital Outlay	4,365	31,140	30,415	725
600 Other Objects	23,902	38,078	37,233	845

HORRY COUNTY SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2021

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
EXPENDITURES (CONTINUED)				
200 SUPPORT SERVICES (CONTINUED)				
250 Finance and Operations Services:				
251 Student Transportation (Federal/District Mandated):				
200 Employee Benefits	\$ -	\$ 823	\$ 822	\$ 1
300 Purchased Services	6,000	6,000	645	5,355
252 Fiscal Services:				
100 Salaries	1,605,428	1,605,428	1,523,846	81,582
140 Terminal Leave	-	-	15,509	(15,509)
200 Employee Benefits	681,951	697,857	659,320	38,537
300 Purchased Services	160,201	160,201	82,442	77,759
400 Supplies and Materials	34,350	34,350	22,735	11,615
500 Capital Outlay	3,500	3,500	569	2,931
600 Other Objects	9,100	9,100	6,048	3,052
253 Facilities Acquisition and Construction:				
200 Employee Benefits	-	7,057	7,056	1
300 Purchased Services	-	25,000	20,754	4,246
500 Capital Outlay				
510 Land	-	7,218,649	2,561,502	4,657,147
520 Construction Services	-	-	49,136	(49,136)
525 Buildings	-	-	1,685,745	(1,685,745)
545 Technology Equipment and Software	-	-	48	(48)
254 Operation and Maintenance of Plant:				
100 Salaries	12,837,024	12,838,497	12,768,920	69,577
140 Terminal Leave	-	-	28,507	(28,507)
200 Employee Benefits	6,356,771	6,490,285	6,246,105	244,180
300 Purchased Services	6,950,452	7,337,301	6,789,501	547,800
321 Public Utility Services	1,611,396	1,611,396	1,611,396	-
400 Supplies and Materials	6,209,690	6,475,518	5,076,938	1,398,580
470 Energy	9,587,751	9,587,751	9,587,751	-
500 Capital Outlay	814,660	1,229,345	938,028	291,317
600 Other Objects	849,576	877,051	875,855	1,196
255 Student Transportation (State Mandated):				
100 Salaries	12,650,003	12,651,548	10,690,546	1,961,002
140 Terminal Leave	-	-	24,426	(24,426)
200 Employee Benefits	6,726,751	6,838,914	5,449,381	1,389,533
300 Purchased Services	728,515	761,117	458,040	303,077
400 Supplies and Materials	315,480	327,519	207,896	119,623
500 Capital Outlay	379,400	379,400	50,522	328,878
256 Food Services:				
100 Salaries	-	80	79	1
200 Employee Benefits	-	72,782	72,781	1
300 Purchased Services	-	7,300	7,268	32
400 Supplies and Materials	-	500	345	155
257 Internal Services:				
100 Salaries	470,023	470,023	462,471	7,552
200 Employee Benefits	177,682	182,461	180,238	2,223
300 Purchased Services	61,900	62,788	46,085	16,703
400 Supplies and Materials	72,400	72,400	30,806	41,594
500 Capital Outlay	4,500	32,661	26,572	6,089
600 Other Objects	2,300	2,300	1,505	795
258 Security:				
100 Salaries	235,736	237,015	162,201	74,814
200 Employee Benefits	87,327	89,601	55,655	33,946
300 Purchased Services	3,583,367	3,415,052	2,703,221	711,831
400 Supplies and Materials	24,008	64,437	59,597	4,840
500 Capital Outlay	33,108	33,108	4,893	28,215
260 Central Support Services:				
262 Planning:				
100 Salaries	365,014	365,014	335,530	29,484
140 Terminal Leave	-	-	4,557	(4,557)
200 Employee Benefits	143,431	147,968	135,230	12,738
300 Purchased Services	378,500	375,300	3,593	371,707
400 Supplies and Materials	24,526	24,526	9,315	15,211
500 Capital Outlay	2,500	2,500	1,726	774
600 Other Objects	65,000	65,000	63,851	1,149

HORRY COUNTY SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2021

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
EXPENDITURES (CONTINUED)				
200 SUPPORT SERVICES (CONTINUED)				
260 Central Support Services (Continued):				
263 Information Services:				
100 Salaries	\$ 581,927	\$ 581,927	\$ 471,344	\$ 110,583
140 Terminal Leave	-	-	1,983	(1,983)
200 Employee Benefits	233,160	238,051	188,548	49,503
300 Purchased Services	80,581	79,320	2,742	76,578
400 Supplies and Materials	211,267	213,255	186,276	26,979
500 Capital Outlay	5,000	4,500	-	4,500
600 Other Objects	1,327	1,300	1,036	264
264 Staff Services:				
100 Salaries	1,874,359	1,815,622	1,701,764	113,858
140 Terminal Leave	-	-	591	(591)
200 Employee Benefits	4,673,723	4,025,308	791,058	3,234,250
300 Purchased Services	430,375	438,175	184,925	253,250
400 Supplies and Materials	141,571	161,541	88,595	72,946
500 Capital Outlay	27,500	27,500	218	27,282
600 Other Objects	10,300	17,400	1,602	15,798
266 Technology and Data Processing Services:				
100 Salaries	3,374,214	3,374,214	2,663,974	710,240
140 Terminal Leave	-	-	21,167	(21,167)
200 Employee Benefits	1,483,796	1,512,739	1,212,153	300,586
300 Purchased Services	675,649	806,149	803,551	2,598
400 Supplies and Materials	32,750	643,054	639,098	3,956
500 Capital Outlay	1,635,000	990,941	963,551	27,390
600 Other Objects	3,000	-	-	-
270 Support Services Pupil Activity:				
271 Pupil Services Activities:				
100 Salaries	3,761,879	3,675,533	3,555,081	120,452
140 Terminal Leave	-	-	1,085	(1,085)
200 Employee Benefits	1,296,803	1,293,175	1,205,441	87,734
300 Purchased Services	1,679,079	1,253,014	1,252,600	414
400 Supplies and Materials	186,665	191,897	189,965	1,932
500 Capital Outlay	55,000	152,055	130,896	21,159
600 Other Objects	105,694	248,163	152,885	95,278
Total Expenditures, Excluding Capital Outlay	165,686,681	167,591,084	149,999,805	17,591,279
Total Capital Outlay	2,991,733	10,239,114	6,523,431	3,715,683
TOTAL SUPPORT SERVICES	168,678,414	177,830,198	156,523,236	21,306,962
300 COMMUNITY SERVICES				
350 Custody and Care of Children:				
100 Salaries	21,367	21,818	21,794	24
200 Employee Benefits	11,494	13,020	12,546	474
400 Supplies and Materials	-	984	984	-
Total Expenditures, Excluding Capital Outlay	32,861	35,822	35,324	498
Total Capital Outlay	-	-	-	-
TOTAL COMMUNITY SERVICES	32,861	35,822	35,324	498
410 INTERGOVERNMENTAL EXPENDITURES				
411 Payments to State Department of Education	-	-	5,088	(5,088)
412 Payments to Other Governmental Units	219,290	219,290	223,336	(4,046)
414 Medicaid Payments to SCDE	843,166	843,166	154,707	688,459
416 LEA Payments to Public Charter Schools	7,304,761	7,304,761	7,526,563	(221,802)
TOTAL INTERGOVERNMENTAL EXPENDITURES	8,367,217	8,367,217	7,909,694	457,523
TOTAL EXPENDITURES	459,860,335	472,878,927	435,562,796	37,316,131

HORRY COUNTY SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2021

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
OTHER FINANCING SOURCES (USES):				
5300 Sale of Capital Assets	\$ 38,163	\$ 38,163	\$ 60,036	\$ 21,873
Interfund Transfers, From (To) Other Funds:				
5230 Transfer from Special Revenue EIA Fund	12,382,870	12,382,870	11,577,083	(805,787)
5280 Transfer from Other Funds Indirect Cost	1,811,498	1,811,498	2,597,980	786,482
421-710 Transfer to Special Revenue Fund	(128,700)	(499,985)	(546,995)	(47,010)
424-710 Transfer to Capital Projects	-	(6,870,626)	(6,870,626)	-
425-710 Transfer to Food Service	(607,614)	(607,614)	(579,780)	27,834
TOTAL OTHER FINANCING SOURCES (USES)	<u>13,496,217</u>	<u>6,254,306</u>	<u>6,237,698</u>	<u>(16,608)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ (11,038,242)</u>	<u>\$ (31,245,193)</u>	16,205,219	<u>\$ 47,450,412</u>
FUND BALANCE, JULY 1, 2020			<u>127,669,216</u>	
FUND BALANCE, JUNE 30, 2021			<u>\$ 143,874,435</u>	

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SPECIAL REVENUE FUND – SPECIAL PROJECTS

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

The Special Projects Fund is used to account for all federal, state and local projects except for those subject to the Education Improvement Act.

Purpose of Special Revenue Subfunds:

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

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

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

Adult Education. The purpose of these funds is to assist districts in establishing, operating or improving local programs over adult education. Guidelines are set by the Federal Government.

Other State Restricted Grants. The purpose of these funds varies. Guidelines are set by the South Carolina General Assembly.

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

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HORRY COUNTY SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
SPECIAL REVENUE FUND - SPECIAL PROJECTS FUND
YEAR ENDED JUNE 30, 2021

	Title I	IDEA	Preschool Handicapped	CATE	Adult Education	Student Activity Funds	Other Restricted State Grants	*Other Special Revenue Programs	Total
REVENUES:									
1000 Revenue from Local Sources:									
1500 Earnings on Investments:									
1510 Interest on Investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,788	\$ -	\$ 4,384	\$ 12,172
1700 Pupil Activities:									
1710 Admissions	-	-	-	-	-	618,425	-	-	618,425
1720 Bookstore Sales	-	-	-	-	-	42,497	-	-	42,497
1730 Pupil Organization Membership Dues and Fees	-	-	-	-	-	21,977	-	-	21,977
1740 Student Fees	-	-	-	-	-	135	-	509,591	509,726
1790 Other Pupil Activity Income	-	-	-	-	-	1,763,639	-	20	1,763,659
1900 Other Revenue from Local Sources:									
1910 Rentals	-	-	-	-	-	3,125	-	-	3,125
1920 Contributions and Donations Private Sources	-	-	-	-	-	643,169	-	150,962	794,131
1950 Refund of Prior Year's Expenditures	-	-	-	-	-	14,714	-	213	14,927
1994 Receipt of Legal Settlement	-	-	-	-	-	-	-	429	429
1999 Revenue from Other Local Sources	-	-	-	-	-	109,881	-	832,232	942,113
Total Local Sources	-	-	-	-	-	3,225,350	-	1,497,831	4,723,181
2000 Revenue from Intergovernmental Sources:									
2100 Payments from Other Governmental Units	-	-	-	-	-	-	-	2,627	2,627
Total Intergovernmental Sources	-	-	-	-	-	-	-	2,627	2,627
3000 Revenue from State Sources:									
3100 Restricted Grants:									
3110 Occupational Education:									
3118 EEDA Career Specialist	-	-	-	-	-	-	1,210,265	-	1,210,265
3120 General Education:									
3127 Student Health and Fitness	-	-	-	-	-	-	316,033	-	316,033
3130 Special Programs:									
3136 Student Health and Fitness - Nurses	-	-	-	-	-	-	864,425	-	864,425
3156 Adult Education:	-	-	-	-	-	-	28,462	-	28,462
3190 Miscellaneous Restricted State Grants:									
3193 Education License Plates	-	-	-	-	-	-	11,246	-	11,246
3199 Other State Restricted Grants	-	-	-	-	-	-	-	1,974	1,974
3600 Education Lottery Act Revenue:									
3670 School Safety - Facility and Infrastructure Safety Upgrades	-	-	-	-	-	-	185,104	-	185,104
3699 Other State Lottery Programs	-	-	-	-	-	-	5,000	-	5,000
3900 Other State Revenue:									
3994 OPEB Nonemployer Contributions	-	-	-	-	-	-	4,213,694	-	4,213,694
3995 CRF Per Pupil Funding	-	-	-	-	-	-	-	7,890,558	7,890,558
3999 Revenue from Other State Sources	-	-	-	-	-	-	427,226	81,741	508,967
Total State Sources	-	-	-	-	-	-	7,261,455	7,974,273	15,235,728

HORRY COUNTY SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
SPECIAL REVENUE FUND - SPECIAL PROJECTS FUND
YEAR ENDED JUNE 30, 2021

	Title I	IDEA	Preschool Handicapped	CATE	Adult Education	Student Activity Funds	Other Restricted State Grants	*Other Special Revenue Programs	Total
REVENUES (CONTINUED):									
4000 Revenue from Federal Sources:									
4200 Occupational Education:									
4210 Perkins Aid, Title I	\$ -	\$ -	\$ -	\$ 788,580	\$ -	\$ -	\$ -	\$ -	\$ 788,580
4300 Elementary and Secondary Education Act:									
4310 Title I	17,233,719	-	-	-	-	-	-	568,853	17,802,572
4341 Language Instruction for Limited English Proficient and Immigrant Students	-	-	-	-	-	-	-	296,397	296,397
4351 Improving Teacher Quality	-	-	-	-	-	-	-	1,349,550	1,349,550
4400 Adult Education:									
4410 Basic	-	-	-	-	448,686	-	-	-	448,686
4430 State Literacy Resource	-	-	-	-	46,249	-	-	-	46,249
4500 Programs for Children with Disabilities:									
4510 IDEA	-	7,982,966	-	-	-	-	-	59,029	8,041,995
4520 Preschool	-	-	385,806	-	-	-	-	-	385,806
4900 Other Federal Sources:									
4975 CARES Act	-	-	-	-	-	-	-	13,788,820	13,788,820
4977 ESSER II	-	-	-	-	-	-	-	3,662,067	3,662,067
4997 Title IV - SSAE	-	-	-	-	-	-	-	948,482	948,482
4999 Revenue from Other Federal Sources	-	-	-	-	-	-	-	829	829
Total Federal Sources	17,233,719	7,982,966	385,806	788,580	494,935	-	-	20,674,027	47,560,033
TOTAL REVENUE ALL SOURCES	17,233,719	7,982,966	385,806	788,580	494,935	3,225,350	7,261,455	30,148,758	67,521,569
EXPENDITURES:									
100 INSTRUCTION:									
110 General Instruction:									
111 Kindergarten Programs:									
100 Salaries	154,458	-	-	-	-	-	8,450	181,537	344,445
200 Employee Benefits	57,116	-	-	-	-	-	2,603	53,478	113,197
400 Supplies and Materials	45,955	-	-	-	-	-	-	147,448	193,403
112 Primary Programs:									
100 Salaries	1,847,113	-	-	-	-	230	202,792	548,591	2,598,726
200 Employee Benefits	686,856	-	-	-	-	33	62,480	158,694	908,063
300 Purchased Services	-	-	-	-	-	-	-	101,206	101,206
400 Supplies and Materials	766,940	-	-	-	-	-	-	348,095	1,115,035
500 Capital Outlay	10,205	-	-	-	-	-	-	-	10,205
113 Elementary Programs:									
100 Salaries	1,469,455	-	-	-	-	1,561	25,349	852,661	2,349,026
200 Employee Benefits	586,534	-	-	-	-	413	7,810	253,200	847,957
300 Purchased Services	4,000	-	-	-	-	-	-	50,531	54,531
400 Supplies and Materials	591,314	-	-	-	-	-	11,246	4,907,956	5,510,516
500 Capital Outlay	100,968	-	-	-	-	-	-	31,403	132,371
600 Other Objects	-	-	-	-	-	-	-	54	54
114 High School Programs:									
100 Salaries	183,474	-	-	-	-	4,978	-	584,471	772,923
200 Employee Benefits	71,064	-	-	-	-	1,036	-	170,667	242,767
300 Purchased Services	2,360	-	-	-	-	-	-	16,399	18,759
400 Supplies and Materials	215,265	-	-	-	-	-	-	258,183	473,448
500 Capital Outlay	18,264	-	-	-	-	-	-	15,876	34,140

HORRY COUNTY SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
SPECIAL REVENUE FUND - SPECIAL PROJECTS FUND
YEAR ENDED JUNE 30, 2021

	Title I	IDEA	Preschool Handicapped	CATE	Adult Education	Student Activity Funds	Other Restricted State Grants	*Other Special Revenue Programs	Total
EXPENDITURES (CONTINUED):									
100 INSTRUCTION (CONTINUED):									
110 General Instruction (Continued):									
115 Vocational Programs:									
100 Salaries	\$ -	\$ -	\$ -	\$ 900	\$ -	\$ -	\$ -	\$ 60,284	\$ 61,184
200 Employee Benefits	-	-	-	263	-	-	-	18,573	18,836
300 Purchased Services	-	-	-	2,700	-	-	-	1,265	3,965
400 Supplies and Materials	-	-	-	247,782	-	-	-	39,581	287,363
500 Capital Outlay	-	-	-	296,576	-	-	-	37,921	334,497
116 Vocational Programs- Middle School:									
400 Supplies and Materials	-	-	-	46,432	-	-	-	-	46,432
500 Capital Outlay	-	-	-	43,507	-	-	-	-	43,507
120 Exceptional Programs:									
122 Trainable Mentally Handicapped:									
100 Salaries	-	609,621	-	-	-	-	-	41,374	650,995
200 Employee Benefits	-	265,706	-	-	-	-	-	12,189	277,895
400 Supplies and Materials	-	975	-	-	-	-	-	2,220	3,195
123 Orthopedically Handicapped:									
100 Salaries	-	-	-	-	-	-	-	3,854	3,854
200 Employee Benefits	-	-	-	-	-	-	-	1,135	1,135
124 Visually Handicapped:									
100 Salaries	-	193,439	-	-	-	-	-	-	193,439
200 Employee Benefits	-	69,884	-	-	-	-	-	-	69,884
300 Purchased Services	-	2,669	-	-	-	-	-	-	2,669
125 Hearing Handicapped:									
100 Salaries	-	252,000	-	-	-	-	-	1,281	253,281
200 Employee Benefits	-	117,937	-	-	-	-	-	377	118,314
300 Purchased Services	-	168,704	-	-	-	-	-	-	168,704
400 Supplies and Materials	-	3,693	-	-	-	-	-	-	3,693
126 Speech Handicapped:									
100 Salaries	-	362,901	-	-	-	-	-	31,365	394,266
200 Employee Benefits	-	147,366	-	-	-	-	-	9,234	156,600
127 Learning Disabilities:									
100 Salaries	142,019	1,800,736	-	-	-	200	-	281,951	2,224,906
200 Employee Benefits	59,621	909,490	-	-	-	59	-	86,900	1,056,070
300 Purchased Services	-	42	-	-	-	-	-	4,446	4,488
400 Supplies and Materials	-	4,606	-	-	-	-	-	110,699	115,305
500 Capital Outlay	-	-	-	-	-	-	-	6,178	6,178
600 Other Objects	-	-	-	-	-	-	-	76	76
128 Emotionally Handicapped:									
100 Salaries	-	79,730	-	-	-	-	-	19,105	98,835
200 Employee Benefits	-	35,294	-	-	-	-	-	5,627	40,921
129 CEIS:									
100 Salaries	-	-	-	-	-	-	-	51,871	51,871
200 Employee Benefits	-	-	-	-	-	-	-	15,281	15,281

HORRY COUNTY SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
SPECIAL REVENUE FUND - SPECIAL PROJECTS FUND
YEAR ENDED JUNE 30, 2021

	Title I	IDEA	Preschool Handicapped	CATE	Adult Education	Student Activity Funds	Other Restricted State Grants	*Other Special Revenue Programs	Total
EXPENDITURES (CONTINUED):									
100 INSTRUCTION (CONTINUED):									
130 Preschool Handicapped Programs:									
137 Preschool Handicapped Self-Contained (3 & 4 Year Olds):									
100 Salaries	\$ -	\$ 256,349	\$ 216,951	\$ -	\$ -	\$ -	\$ -	\$ 25,133	\$ 498,433
200 Employee Benefits	-	102,114	95,626	-	-	-	-	7,404	205,144
300 Purchased Services	-	-	1,455	-	-	-	-	-	1,455
400 Supplies and Materials	-	-	59,686	-	-	-	-	-	59,686
139 Early Childhood Programs:									
100 Salaries	3,534,676	-	-	-	-	-	-	51,066	3,585,742
200 Employee Benefits	1,709,590	-	-	-	-	-	-	15,035	1,724,625
400 Supplies and Materials	-	-	-	-	-	-	-	914	914
140 Special Programs:									
141 Gifted and Talented Academic:									
100 Salaries	-	-	-	-	-	-	-	40,322	40,322
200 Employee Benefits	-	-	-	-	-	-	-	11,876	11,876
143 Advanced Placement:									
300 Purchased Services	-	-	-	-	-	-	-	255,000	255,000
149 Other Special Programs:									
100 Salaries	1,384,631	128,668	-	-	-	-	-	115,732	1,629,031
200 Employee Benefits	588,031	69,688	-	-	-	-	-	34,094	691,813
400 Supplies and Materials	-	17,960	-	-	-	-	-	12,404	30,364
160 Other Exceptional Programs:									
161 Autism:									
100 Salaries	-	98,434	-	-	-	-	-	12,174	110,608
200 Employee Benefits	-	49,880	-	-	-	-	-	3,586	53,466
400 Supplies and Materials	-	-	-	-	-	-	-	76	76
170 Summer School Programs:									
171 Primary Summer School:									
100 Salaries	-	-	-	-	-	-	-	35,824	35,824
200 Employee Benefits	-	-	-	-	-	-	-	10,847	10,847
172 Elementary Summer School:									
100 Salaries	-	-	-	-	-	-	-	299,384	299,384
200 Employee Benefits	-	-	-	-	-	-	-	89,645	89,645
400 Supplies and Materials	-	-	-	-	-	-	-	1,825	1,825
173 High School Summer School:									
100 Salaries	-	-	-	-	-	-	-	34,695	34,695
200 Employee Benefits	-	-	-	-	-	-	-	10,520	10,520
175 Instructional Programs Beyond Regular School Day:									
100 Salaries	124,035	-	-	-	-	-	-	302,646	426,681
200 Employee Benefits	36,107	-	-	-	-	-	-	88,082	124,189
400 Supplies and Materials	-	-	-	-	-	-	-	1,615	1,615

HORRY COUNTY SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
SPECIAL REVENUE FUND - SPECIAL PROJECTS FUND
YEAR ENDED JUNE 30, 2021

	Title I	IDEA	Preschool Handicapped	CATE	Adult Education	Student Activity Funds	Other Restricted State Grants	*Other Special Revenue Programs	Total
EXPENDITURES (CONTINUED):									
100 INSTRUCTION (CONTINUED):									
180 Adult/Continuing Educational Programs:									
181 Adult Basic:									
100 Salaries	\$ -	\$ -	\$ -	\$ -	\$ 99,249	\$ -	\$ -	\$ -	\$ 99,249
200 Employee Benefits	-	-	-	-	26,950	-	-	-	26,950
300 Purchased Services	-	-	-	-	8,530	-	-	-	8,530
400 Supplies and Materials	-	-	-	-	45,626	-	-	78,457	124,083
182 Adult Basic:									
400 Supplies and Materials	-	-	-	-	-	-	28,462	-	28,462
183 Adult ESL:									
100 Salaries	-	-	-	-	232,424	-	-	-	232,424
200 Employee Benefits	-	-	-	-	52,993	-	-	-	52,993
400 Supplies and Materials	-	-	-	-	5,119	-	-	-	5,119
188 Parenting/Family Literacy:									
100 Salaries	540,740	-	-	-	-	-	-	8,969	549,709
200 Employee Benefits	293,058	-	-	-	-	-	-	2,495	295,553
300 Purchased Services	2,822	-	-	-	-	-	-	-	2,822
400 Supplies and Materials	143,693	-	-	-	-	-	-	7,133	150,826
600 Other Objects	550	-	-	-	-	-	-	-	550
190 Pupil Activity:									
400 Supplies and Materials	-	-	-	-	-	6,437	-	-	6,437
Total Expenditures, Excluding Capital Outlay	15,241,477	5,747,886	373,718	298,077	470,891	14,947	349,192	10,988,812	33,485,000
Total Capital Outlay	129,437	-	-	340,083	-	-	-	91,378	560,898
TOTAL INSTRUCTION	15,370,914	5,747,886	373,718	638,160	470,891	14,947	349,192	11,080,190	34,045,898
200 SUPPORTING SERVICES:									
210 Pupil Services:									
211 Attendance and Social Work Services:									
100 Salaries	-	-	-	-	-	-	-	118,194	118,194
200 Employee Benefits	-	-	-	-	-	-	-	34,508	34,508
300 Purchased Services	-	-	-	-	-	-	-	91,940	91,940
212 Guidance:									
100 Salaries	24,110	-	-	-	-	-	864,404	86,410	974,924
200 Employee Benefits	7,087	-	-	-	-	-	345,861	25,456	378,404
300 Purchased Services	-	-	-	-	-	-	-	10,204	10,204
213 Health:									
100 Salaries	-	-	-	-	-	-	549,594	80,715	630,309
200 Employee Benefits	-	-	-	-	-	-	257,203	23,881	281,084
400 Supplies and Materials	-	-	-	-	-	-	-	214,061	214,061
214 Psychological:									
100 Salaries	-	151,974	-	-	-	-	-	-	151,974
200 Employee Benefits	-	65,757	-	-	-	-	-	-	65,757

HORRY COUNTY SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
SPECIAL REVENUE FUND - SPECIAL PROJECTS FUND
YEAR ENDED JUNE 30, 2021

	Title I	IDEA	Preschool Handicapped	CATE	Adult Education	Student Activity Funds	Other Restricted State Grants	*Other Special Revenue Programs	Total
EXPENDITURES (CONTINUED):									
200 SUPPORTING SERVICES (CONTINUED):									
210 Pupil Services (Continued):									
215 Exceptional Program Services:									
100 Salaries	\$ -	\$ 30,040	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,040
200 Employee Benefits	-	20,705	-	-	-	-	-	-	20,705
217 Career Specialist Services:									
100 Salaries	58,400	-	-	-	-	-	-	53,662	112,062
200 Employee Benefits	22,198	-	-	-	-	-	-	22,337	44,535
400 Supplies and Materials	-	-	-	-	-	-	-	105	105
220 Instructional Staff Services:									
221 Improvement of Instruction:									
100 Salaries	-	852,949	-	-	-	-	-	411,616	1,264,565
200 Employee Benefits	-	316,997	-	-	-	-	-	151,625	468,622
300 Purchased Services	-	-	-	-	-	-	-	1,025,392	1,025,392
400 Supplies and Materials	-	-	-	-	-	-	-	114,504	114,504
222 Library and Media:									
100 Salaries	-	-	-	-	-	-	-	96,534	96,534
200 Employee Benefits	-	-	-	-	-	-	-	28,552	28,552
500 Capital Outlay	-	-	-	-	-	-	-	4,015	4,015
223 Supervision of Special Programs:									
100 Salaries	327,296	262,587	-	72,264	-	-	285,019	52,255	999,421
200 Employee Benefits	126,010	114,877	-	26,002	-	-	129,804	15,846	412,539
300 Purchased Services	38,231	-	-	1,029	9,200	-	5,000	-	53,460
400 Supplies and Materials	15,870	-	415	-	-	-	-	-	16,285
500 Capital Outlay	1,289	-	-	-	-	-	-	14,589	15,878
224 Improvement of Instruction - In-Service and Staff Training:									
100 Salaries	65,378	-	-	-	-	-	-	1,129,569	1,194,947
200 Employee Benefits	19,253	-	-	-	-	-	-	354,916	374,169
300 Purchased Services	41,378	-	-	3,538	-	-	-	931,968	976,884
400 Supplies and Materials	32,694	-	-	-	-	-	-	41,102	73,796
500 Capital Outlay	-	-	-	-	-	-	-	25,958	25,958
230 General Administration Services:									
233 School Administration:									
100 Salaries	-	-	-	-	-	-	-	103,159	103,159
200 Employee Benefits	-	-	-	-	-	-	-	27,529	27,529
300 Purchased Services	-	-	-	-	-	450	-	-	450
400 Supplies and Materials	-	-	-	-	-	-	-	341	341
250 Finance and Operations Services:									
251 Student Transportation:									
100 Salaries	6,964	-	-	-	-	-	-	72,577	79,541
200 Employee Benefits	2,015	-	-	-	-	-	-	21,566	23,581
300 Purchased Services	4,076	-	-	-	-	-	-	5,457	9,533

HORRY COUNTY SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
SPECIAL REVENUE FUND - SPECIAL PROJECTS FUND
YEAR ENDED JUNE 30, 2021

	Title I	IDEA	Preschool Handicapped	CATE	Adult Education	Student Activity Funds	Other Restricted State Grants	*Other Special Revenue Programs	Total
EXPENDITURES (CONTINUED):									
200 SUPPORTING SERVICES (CONTINUED):									
250 Finance and Operations Services (Continued):									
254 Operations and Maintenance of Plant:									
100 Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,822	\$ -	\$ 74,215	\$ 82,037
200 Employee Benefits	-	-	-	-	-	2,321	-	21,849	24,170
300 Purchased Services	-	-	-	-	-	-	-	401,366	401,366
400 Supplies and Materials	-	-	-	-	-	-	-	7,911,073	7,911,073
500 Capital Outlay	-	-	-	-	-	-	-	2,251,200	2,251,200
255 Student Transportation:									
100 Salaries	-	-	-	-	-	22,568	-	51,679	74,247
200 Employee Benefits	-	-	-	-	-	6,466	-	14,896	21,362
300 Purchased Services	-	-	-	-	-	-	-	8,836	8,836
400 Supplies and Materials	-	-	-	-	-	-	-	1,889	1,889
500 Capital Outlay	-	-	-	-	-	-	-	26,580	26,580
256 Food Services:									
100 Salaries	-	-	-	-	-	132	-	43,330	43,462
200 Employee Benefits	-	-	-	-	-	37	-	12,549	12,586
400 Supplies and Materials	-	-	-	-	-	-	-	27,975	27,975
258 Central Support Services:									
100 Salaries	-	-	-	-	-	21,447	-	-	21,447
200 Employee Benefits	-	-	-	-	-	6,042	-	-	6,042
300 Purchased Services	-	-	-	-	-	71,758	-	3,069	74,827
400 Supplies and Materials	-	-	-	-	-	-	-	22,864	22,864
500 Capital Outlay	-	-	-	-	-	-	185,104	-	185,104
260 Central Support Services:									
264 Staff Services:									
100 Salaries	-	-	-	-	-	3,157	-	419	3,576
200 Employee Benefits	-	-	-	-	-	241	-	892,702	892,943
266 Technology and Data Processing Services:									
100 Salaries	68,534	-	-	-	-	-	-	47,430	115,964
200 Employee Benefits	31,992	-	-	-	-	-	-	23,647	55,639
300 Purchased Services	-	-	-	-	-	-	-	10,800	10,800
270 Support Services - Pupil Activity:									
271 Pupil Service Activities:									
100 Salaries	-	-	-	-	-	91,573	-	74,502	166,075
200 Employee Benefits	-	-	-	-	-	25,465	-	21,429	46,894
300 Purchased Services	-	-	-	-	-	404,824	-	20,645	425,469
400 Supplies and Materials	-	-	-	-	-	1,793,394	-	260,508	2,053,902
500 Capital Outlay	-	-	-	-	-	362,981	-	13,343	376,324
600 Other Objects	-	820	-	18,791	-	517,851	-	60,484	597,946
Total Expenditures, Excluding Capital Outlay	891,486	1,816,706	415	121,624	9,200	2,975,548	2,436,885	15,354,137	23,606,001
Total Capital Outlay	1,289	-	-	-	-	362,981	185,104	2,335,685	2,885,059
TOTAL SUPPORT SERVICES	892,775	1,816,706	415	121,624	9,200	3,338,529	2,621,989	17,689,822	26,491,060

HORRY COUNTY SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
SPECIAL REVENUE FUND - SPECIAL PROJECTS FUND
YEAR ENDED JUNE 30, 2021

	Title I	IDEA	Preschool Handicapped	CATE	Adult Education	Student Activity Funds	Other Restricted State Grants	*Other Special Revenue Programs	Total
EXPENDITURES (CONTINUED):									
300 COMMUNITY SERVICES:									
350 Custody and Care of Children:									
100 Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 112,949	\$ 112,949
200 Employee Benefits	-	-	-	-	-	-	-	33,817	33,817
300 Purchased Services	-	-	-	-	-	-	-	2,066	2,066
400 Supplies and Materials	-	-	-	-	-	-	-	6,372	6,372
600 Other Objects	-	-	-	-	-	-	-	13,750	13,750
360 Custody and Care of Children:									
400 Supplies and Materials	3,007	-	-	-	-	-	-	-	3,007
370 Non Public School Services:									
300 Purchased Services	238,113	-	-	-	-	-	-	79,165	317,278
400 Supplies and Materials	21,665	-	-	-	-	-	-	298,132	319,797
500 Capital Outlay	2,655	-	-	-	-	-	-	21,311	23,966
Total Expenditures, Excluding Capital Outlay	262,785	-	-	-	-	-	-	546,251	809,036
Total Capital Outlay	2,655	-	-	-	-	-	-	21,311	23,966
TOTAL COMMUNITY SERVICES	265,440	-	-	-	-	-	-	567,562	833,002
410 INTERGOVERNMENTAL EXPENDITURES:									
411-720 Payments to State Department of Education	-	-	-	-	-	-	-	91,166	91,166
416-720 LEA Payments to Public Charter Schools	195,992	176,840	-	15,649	-	-	64,177	374,696	827,354
419-720 Payments to OPEB for Nonemployer Contributions	-	-	-	-	-	-	4,213,694	-	4,213,694
TOTAL INTERGOVERNMENTAL EXPENDITURES	195,992	176,840	-	15,649	-	-	4,277,871	465,862	5,132,214
TOTAL EXPENDITURES	16,725,121	7,741,432	374,133	775,433	480,091	3,353,476	7,249,052	29,803,436	66,502,174
OTHER FINANCING SOURCES (USES):									
5210 Transfer from General Fund	-	-	-	-	-	508,956	-	38,039	546,995
5220 Transfer from Special Projects Fund	-	-	-	-	-	(23,894)	-	23,894	-
431-791 Special Revenue Indirect Cost Transfer	(508,598)	(241,534)	(11,673)	(13,147)	(14,844)	-	(12,403)	(688,005)	(1,490,204)
TOTAL OTHER FINANCING SOURCES	(508,598)	(241,534)	(11,673)	(13,147)	(14,844)	485,062	(12,403)	(626,072)	(943,209)
Total Other Financing Sources (Uses)	(508,598)	(241,534)	(11,673)	(13,147)	(14,844)	485,062	(12,403)	(626,072)	(943,209)
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-	356,936	-	(280,750)	76,186
FUND BALANCE, JULY 1, 2020 AS RESTATED	-	-	-	-	-	5,700,648	-	2,271,315	7,971,963
FUND BALANCE, JUNE 30, 2021	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,057,584	\$ -	\$ 1,990,565	\$ 8,048,149

HORRY COUNTY SCHOOLS
SUMMARY SCHEDULE FOR DESIGNATED STATE RESTRICTED GRANTS
SPECIAL PROJECTS FUND
YEAR ENDED JUNE 30, 2021

SUBFUND	REVENUE CODE	PROGRAM	REVENUES	EXPENDITURES	TRANSFERS	UNEARNED REVENUE
919	3193	Education License Plates	\$ 11,246	\$ 11,246	\$ -	\$ -
928	3118	EEDA Career Specialist	1,210,265	1,210,265	-	345,784
936	3136	Student Health & Fitness - Nurses	864,425	864,425	-	-
937	3127	Student Health & Fitness	316,033	316,033	-	-
956	3156	Adult Education	28,462	28,462	-	26,135
969	3699	Other State Lottery Programs	5,000	5,000	-	5,000
970	3670	School Safety Upgrades	185,104	185,104	-	-
994	3994	OPEB Nonemployer Contributons	4,213,694	4,213,694	-	-
982	3999	First Steps - Director Salary	427,226	427,226	-	-
Totals			<u>\$ 7,261,455</u>	<u>\$ 7,261,455</u>	<u>\$ -</u>	<u>\$ 376,919</u>

HORRY COUNTY SCHOOLS
SUMMARY SCHEDULE FOR OTHER SPECIAL REVENUE PROGRAMS
SPECIAL PROJECTS FUND
YEAR ENDED JUNE 30, 2021

***Other Special Revenue Programs**

210	4997 Title IV - SSAE
212	4510 Extended School Year Handicapped Services
217	3995 CRF Per Pupil Funding
220	4975 CARES ACT
221	4310 Title I, (Neglected and Delinquent)
222	4310 Title I, (Neglected and Delinquent) Carryover
225	4977 ESSERII
237	4310 Title I, (School Improvement) Carryover
238	4310 Title I School Improvement Mini Grant
239	4310 Title I, (Comprehensive Support and Improvement)
264	4341 ESOL Title III
265	4341 ESOL Title III Carryover
266	4351 Title II Supporting Effective Instruction Carryover
267	4351 Title II Supporting Effective Instruction
401	1999 ESOL Afterschool Program
410	1740/1999 PDL Device Repair Fund
412	1999 Walmart Grant
413	1999 United Way
414	1740/1999 DDL Device Repair - Staff
415	1999 Wacammaw Mini Grants Program
416	1999 Nursing Program
432	1999 After School Childcare
434	1994/1950/1999 After School Childcare Carryover
445	1950/1999 FuelUp to Play60
451	1999 Champions Grant
453	1999 Exxon Mobile Grant
457	1999 Bright Ideas Grant
469	1999 Toomey's Kids
470	1920/1999 Miscellaneous Grants
471	1999 Knights of Columbus
472	1920 Santee Cooper
480	1999 Waves of the Future Grant
483	1999 Tanger Grant
490	1999 HCS Activity Bus
495	1999 FFA Grant for Growing
497	5210 Myrtle Beach Auditorium
528	3999 12 Month Agriculture Program
551	3999 Recycling Grants - DHEC
561	3199 Profound Mentally Disabled
571	3999 Winthrop Pro Team Grant
599	2100 Miscellaneous State
604	4999 Youth Risk Behav/Tobacco Surv

SPECIAL REVENUE FUND – EDUCATION IMPROVEMENT ACT (EIA)

Education Improvement Act. The purpose of these funds is to improve education by providing funds for specific strategies implemented by the Education Improvement Act of 1984, enacted by the South Carolina General Assembly.

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HORRY COUNTY SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - ALL PROGRAMS - EDUCATION IMPROVEMENT ACT
YEAR ENDED JUNE 30, 2021

	TOTAL
REVENUES:	
3000 Revenue from State Sources:	
3500 Education Improvement Act:	
3502 ADEPT	\$ 49,561
3509 Arts in Education	214,911
3518 Formative Assessment	317,887
3519 Grade 10 Assessment	238,629
3526 Refurbishment of K-8 Science Kits	110,039
3528 Industry Certificates	58,394
3529 Career and Technology Education	860,160
3532 National Board Salary Supplement (No Carryover Provision)	2,166,619
3533 Teacher of the Year Awards	10,765
3535 Reading Coaches	907,939
3538 Students at Risk of School Failure	4,681,589
3540 Four-Year Old Early Childhood Education	1,579,265
3541 Child Development Education Pilot Program (CDEPP)	19,593
3550 Teacher Salary Increase (No Carryover Provision)	10,237,019
3555 School Employer Contributions (No Carryover Provision)	2,490,933
3556 Adult Education	730,059
3557 Summer Reading Camp	124,574
3571 Technical Assistance - State Priority Schools	202,000
3577 Teacher Supplies (No Carryover Provision)	897,600
3595 EEDA - Supplies & Materials - Career Awareness	82,680
3597 Aid to Districts	1,729,452
3599 Other EIA	19,765
TOTAL REVENUE ALL SOURCES	27,729,433
EXPENDITURES:	
100 INSTRUCTION:	
110 General Instruction:	
111 Kindergarten Programs:	
100 Salaries	31,191
200 Employee Benefits	9,189
400 Supplies and Materials	208,236
500 Capital Outlay	2,806
112 Primary Programs:	
100 Salaries	527,283
200 Employee Benefits	173,742
400 Supplies and Materials	597,482
113 Elementary Programs:	
100 Salaries	301,142
200 Employee Benefits	88,684
300 Purchased Services	1,109,535
400 Supplies and Materials	563,329
500 Capital Outlay	4,230
600 Other Objects	200
114 High School Programs:	
100 Salaries	533,484
200 Employee Benefits	157,060
300 Purchased Services	250,422
400 Supplies and Materials	355,379
500 Capital Outlay	11,781
600 Other Objects	1,800

HORRY COUNTY SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - ALL PROGRAMS - EDUCATION IMPROVEMENT ACT
YEAR ENDED JUNE 30, 2021

	<u>TOTAL</u>
EXPENDITURES (CONTINUED):	
100 INSTRUCTION (CONTINUED):	
110 General Instruction (Continued):	
115 Career Technology Education Programs:	
100 Salaries	\$ 50,000
200 Employee Benefits	14,730
300 Purchased Services	1,514
400 Supplies and Materials	446,639
500 Capital Outlay	238,921
116 Career Technology Education Programs- Middle School:	
400 Supplies and Materials	145,606
500 Capital Outlay	26,460
120 Exceptional Programs:	
122 Trainable Mentally Handicapped:	
100 Salaries	35,000
200 Employee Benefits	10,311
400 Supplies and Materials	13,475
124 Visually Handicapped:	
100 Salaries	35,861
200 Employee Benefits	15,510
400 Supplies and Materials	825
125 Hearing Handicapped:	
400 Supplies and Materials	1,375
126 Speech Handicapped:	
100 Salaries	169,174
200 Employee Benefits	60,270
400 Supplies and Materials	15,125
127 Learning Disabilities:	
100 Salaries	67,697
200 Employee Benefits	19,944
400 Supplies and Materials	79,475
128 Emotionally Handicapped:	
400 Supplies and Materials	5,775
129 Coordinated Early Intervening Services:	
100 Salaries	74,736
200 Employee Benefits	24,616
400 Supplies and Materials	15,881
130 Pre-School Programs:	
137 Pre-school Handicapped Self-Contained (3- and 4- Yr.-Olds):	
400 Supplies and Materials	7,700
139 Early Childhood Programs:	
100 Salaries	999,966
200 Employee Benefits	445,297
300 Purchased Services	36,612
400 Supplies and Materials	222,933
140 Special Programs:	
141 Gifted and Talented Academic:	
100 Salaries	56,626
200 Employee Benefits	16,682
400 Supplies and Materials	32,038

HORRY COUNTY SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - ALL PROGRAMS - EDUCATION IMPROVEMENT ACT
YEAR ENDED JUNE 30, 2021

	<u>TOTAL</u>
EXPENDITURES (CONTINUED):	
100 INSTRUCTION (CONTINUED):	
140 Special Programs (Continued):	
149 Other Special Programs:	
100 Salaries	\$ 2,526,304
200 Employee Benefits	1,098,692
400 Supplies and Materials	264,647
170 Summer School Programs:	
172 Elementary Summer School:	
400 Supplies and Materials	120,354
175 Instructional Programs Beyond Regular School Day:	
100 Salaries	231,315
200 Employee Benefits	67,394
400 Supplies and Materials	141
180 Adult/Continuing Educational Programs:	
181 Adult Basic Education Programs:	
100 Salaries	180,918
200 Employee Benefits	51,553
300 Purchased Services	5,530
400 Supplies and Materials	48,779
182 Adult Secondary Education Programs:	
100 Salaries	102,766
200 Employee Benefits	36,296
300 Purchased Services	8,780
400 Supplies and Materials	13,281
188 Parenting/Family Literacy:	
100 Salaries	49,003
200 Employee Benefits	12,603
300 Purchased Services	495
400 Supplies and Materials	23,443
190 Instructional Pupil Activity:	
400 Supplies and Materials	<u>275</u>
Total Expenditures, Excluding Capital Outlay	12,872,120
Total Capital Outlay	<u>284,198</u>
TOTAL INSTRUCTION	<u>13,156,318</u>
200 SUPPORT SERVICES:	
210 Pupil Services:	
212 Guidance Services:	
100 Salaries	165,236
200 Employee Benefits	48,678
300 Purchased Services	6,000
400 Supplies and Materials	112,430

HORRY COUNTY SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - ALL PROGRAMS - EDUCATION IMPROVEMENT ACT
YEAR ENDED JUNE 30, 2021

	<u>TOTAL</u>
EXPENDITURES (CONTINUED):	
200 SUPPORT SERVICES (CONTINUED):	
213 Health Services:	
100 Salaries	\$ 67,007
200 Employee Benefits	19,740
216 Career and Technical Education Placement Services:	
100 Salaries	1,290
200 Employee Benefits	379
300 Purchased Services	47,701
220 Instructional Staff Services:	
221 Improvement of Instruction - Curriculum Development:	
100 Salaries	584,939
200 Employee Benefits	246,942
222 Library Services:	
100 Salaries	50,000
200 Employee Benefits	14,730
400 Supplies and Materials	14,025
223 Supervision of Special Programs:	
100 Salaries	315,922
200 Employee Benefits	115,123
300 Purchased Services	44,429
400 Supplies and Materials	657
224 Improvement of Instruction-Inservice and Staff Training:	
100 Salaries	52,604
200 Employee Benefits	15,346
300 Purchased Services	226,860
400 Supplies and Materials	4,290
250 Finance and Operations Services:	
255 Student Transportation (State Mandated):	
100 Salaries	21,965
200 Employee Benefits	6,152
300 Purchased Services	8,071
260 Central Support Services:	
266 Technology and Data Processing Services:	
400 Supplies and Materials	2,823
500 Capital Outlay	1,940
270 Support Services:	
271 Pupil Activities:	
600 Other Objects	600
Total Expenditures, Excluding Capital Outlay	2,193,939
Total Capital Outlay	1,940
TOTAL SUPPORT SERVICES	<u>2,195,879</u>

**HORRY COUNTY SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - ALL PROGRAMS - EDUCATION IMPROVEMENT ACT
YEAR ENDED JUNE 30, 2021**

	<u>TOTAL</u>
EXPENDITURES (CONTINUED):	
400 OTHER CHARGES	
410 Intergovernmental Expenditures	
416-720 LEA Payments to Public Charter Schools	\$ 800,153
TOTAL EXPENDITURES	<u>16,152,350</u>
OTHER FINANCING SOURCES (USES):	
Interfund Transfers From (To) Other Funds:	
420 - 710 Transfer to General Fund	<u>(11,577,083)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-
FUND BALANCE, JULY 1, 2020	<u>-</u>
FUND BALANCE, JUNE 30, 2021	<u><u>\$ -</u></u>

HORRY COUNTY SCHOOLS
SUMMARY SCHEDULE BY PROGRAM
EDUCATION IMPROVEMENT ACT FUND
YEAR ENDED JUNE 30, 2021

PROGRAM	Revenues	Expenditures	EIA Interfund Transfers In/(Out)	Transfers In/(Out)	Unearned Revenue
3500 Education Improvement Act:					
3502 ADEPT	\$ 49,561	\$ 49,561	\$ -	\$ -	\$ 31,637
3509 Arts in Education	214,911	214,911	-	-	713
3518 Formative Assessment	317,887	317,887	-	-	108,756
3519 Grade 10 Assessment	238,629	238,629	-	-	64,527
3526 Refurbishment of K-8 Science Kits	110,039	110,039	-	-	63,717
3528 Industry Certificates	58,394	58,394	-	-	107,143
3529 Career and Technology Education	860,160	860,160	-	-	396,058
3532 National Board Salary Supplement (No Carryover Provision)	2,166,619	2,166,619	-	-	-
3533 Teacher of the Year Awards	10,765	10,765	-	-	-
3535 Reading Coaches	907,939	907,939	-	-	-
3538 Students at Risk of School Failure	4,681,589	4,681,589	-	-	2,162,481
3540 Four-Year Old Early Childhood Education	1,579,265	1,579,265	-	-	380,878
3541 Child Development Education Program (CDEP)	19,593	19,593	-	-	-
3550 Teacher Salary Increase (No Carryover Provision)	10,237,019	888,977	-	(9,348,042)	-
3555 School Employer Contributions (No Carryover Provision)	2,490,933	261,892	-	(2,229,041)	-
3556 Adult Education	730,059	730,059	-	-	154,711
3557 Summer Reading Camp	124,574	124,574	-	-	519,517
3571 Technical Assistance - State Priority Schools	202,000	202,000	-	-	-
3577 Teacher Supplies (No Carryover Provision)	897,600	897,600	-	-	-
3595 EEDA - Supplies and Materials - Career Awareness	82,680	82,680	-	-	4,107
3597 Aid to Districts	1,729,452	1,729,452	-	-	1,194,095
3599 Other EIA	19,765	19,765	-	-	-
TOTALS	\$ 27,729,433	\$ 16,152,350	\$ -	\$ (11,577,083)	\$ 5,188,340

SPECIAL REVENUE FUND – SCHOOL FOOD SERVICE FUND

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

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HORRY COUNTY SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
SCHOOL FOOD SERVICE FUND
YEAR ENDED JUNE 30, 2021

REVENUES

1000 Revenue from Local Sources

1500 Earnings on Investments:	
1510 Interest on Investments	\$ 3,521
1600 Food Service:	
1610 Lunch Sales to Pupils	14,426
1620 Breakfast Sales to Pupils	45
1630 Special Sales to Pupils	2,652
1640 Lunch Sales to Adults	178,651
1650 Breakfast Sales to Adults	490
1660 Special Sales to Adults	3,730
1900 Other Revenue from Local Sources:	
1999 Revenue from Other Local Sources	92,325
Total Revenue from Local Sources	295,840

4000 Revenue from Federal Sources:

4800 USDA Reimbursement:	
4810 School Lunch Program	79,627
4830 School Breakfast Program	24,097
4880 Summer Feeding Program	18,731,985
4900 Other Federal Sources:	
4991 USDA Commodities	933,565
Total Revenue from Federal Sources	19,769,274

TOTAL REVENUE ALL SOURCES	20,065,114
----------------------------------	-------------------

EXPENSES

256 Food Services:	
100 Salaries	6,993,298
140 Terminal Leave	4,713
200 Employee Benefits	3,841,145
300 Purchased Services	141,815
400 Supplies and Materials	8,025,600
500 Capital Outlay	3,753
600 Other Objects	8,729

Total Expenditures, Excluding Capital Outlay	19,015,300
----------------------------------------------	------------

Total Capital Outlay	3,753
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TOTAL SUPPORT SERVICES	19,019,053
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400 OTHER CHARGES

410 Intergovernmental Expenses	
416-720 LEA Payments to Public Charter Schools	76,593

TOTAL EXPENDITURES	19,095,646
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HORRY COUNTY SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
SCHOOL FOOD SERVICE FUND
YEAR ENDED JUNE 30, 2021

OTHER FINANCING (USES)

Interfund Transfers from (to) Other Funds:

5210 Transfer from General Fund	\$ 579,780
432-791 Food Service Fund Indirect Costs	<u>(1,107,776)</u>

TOTAL OTHER FINANCING (USES)	<u>(527,996)</u>
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Excess of Revenues Over Expenditures and Other Financing (Uses)	441,472
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FUND BALANCE, JULY 1, 2020	<u>5,280,043</u>
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FUND BALANCE, JUNE 30, 2021	<u><u>\$ 5,721,515</u></u>
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DEBT SERVICE FUND

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

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HORRY COUNTY SCHOOLS
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET TO ACTUAL - DEBT SERVICE FUND
FOR FISCAL YEAR ENDED JUNE 30, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Local	\$ 86,346,929	\$ 86,346,929	\$ 100,997,284	\$ 14,650,355
State	845,266	845,266	986,057	140,791
Total revenues	<u>87,192,195</u>	<u>87,192,195</u>	<u>101,983,341</u>	<u>14,791,146</u>
Expenditures:				
Debt service	<u>62,999,871</u>	<u>62,999,871</u>	<u>63,010,030</u>	<u>(10,159)</u>
Total expenditures	<u>62,999,871</u>	<u>62,999,871</u>	<u>63,010,030</u>	<u>(10,159)</u>
Excess of revenues over expenditures	<u>24,192,324</u>	<u>24,192,324</u>	<u>38,973,311</u>	<u>14,780,987</u>
Other Financing (Uses)				
Transfers out	<u>(30,200,000)</u>	<u>(30,200,000)</u>	<u>(36,200,000)</u>	<u>(6,000,000)</u>
Total other financing (uses)	<u>(30,200,000)</u>	<u>(30,200,000)</u>	<u>(36,200,000)</u>	<u>(6,000,000)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing (uses)	<u>\$ (6,007,676)</u>	<u>\$ (6,007,676)</u>	2,773,311	<u>\$ 8,780,987</u>
Fund balance, July 1, 2020			<u>45,033,211</u>	
Fund balance, June 30, 2021			<u>\$ 47,806,522</u>	

HORRY COUNTY SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2021

REVENUES

1000 Revenue from Local Sources

1100 Taxes:	
1110 Ad Valorem Taxes - including Delinquent Taxes	\$ 25,569,730
1140 Penalties and Interest on Taxes	224,169
1200 Revenue from Local Governmental Units Other than LEA's:	
1280 Revenue in Lieu of Taxes (Dependent and Independent)	916,888
1192 Edu Cap Imp Sales/Use Tax Act	74,200,719
1500 Earnings on Investments:	
1510 Interest on Investments	<u>85,778</u>
Total Local Sources	<u>100,997,284</u>

3000 Revenue from State Sources

3800 State Revenue in Lieu of Taxes:	
3820 Homestead Exemption (Tier 2)	762,671
3830 Merchant's Inventory Tax	67,272
3840 Manufacturer's Depreciation Reimbursement	20,847
3890 Other State Property Tax Revenues	<u>135,267</u>
Total State Sources	<u>986,057</u>

TOTAL REVENUE ALL SOURCES	<u>101,983,341</u>
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EXPENDITURES

500 DEBT SERVICE

610 Redemption of Principal	47,375,000
620 Interest	15,615,500
690 Other Objects (Includes Fees for Servicing Bonds)	<u>19,530</u>
Total Debt Service	<u>63,010,030</u>

TOTAL EXPENDITURES	<u>63,010,030</u>
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OTHER FINANCING SOURCES (USES)

Interfund Transfers, From (To) Other Funds:

424-710 Transfer to Capital Projects Fund	<u>(36,200,000)</u>
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Excess of Revenues Over Expenditures	2,773,311
---------------------------------------------	-----------

FUND BALANCE, JULY 1, 2020	<u>45,033,211</u>
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FUND BALANCE, JUNE 30, 2021	<u><u>\$ 47,806,522</u></u>
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CAPITAL PROJECTS FUND

The capital projects fund is used to account for the receipt of proceeds from the sale of long-term general obligation bonds and other revenues used for facilities acquisition and construction and other capital projects. The fund balance is restricted for the completion of specific projects.

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HORRY COUNTY SCHOOLS
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET TO ACTUAL - CAPITAL PROJECTS FUND
FOR FISCAL YEAR ENDED JUNE 30, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Local	\$ 531,438	\$ 531,438	\$ 53,075	\$ (478,363)
Intergovernmental	1,402,823	3,096,885	790,248	(2,306,637)
Total revenues	<u>1,934,261</u>	<u>3,628,323</u>	<u>843,323</u>	<u>(2,785,000)</u>
Expenditures:				
Current				
Instruction	549,262	4,609,262	3,981,209	628,053
Support services	12,361,577	10,544,577	4,252,654	6,291,923
Capital Outlay	46,570,124	58,891,812	35,060,802	23,831,010
Total expenditures	<u>59,480,963</u>	<u>74,045,651</u>	<u>43,294,665</u>	<u>30,750,986</u>
(Deficiency) of revenues (under) expenditures	<u>(57,546,702)</u>	<u>(70,417,328)</u>	<u>(42,451,342)</u>	<u>27,965,986</u>
Other Financing Sources (Uses)				
Sale of capital assets	-	-	43,900	43,900
Transfers in	30,200,000	43,070,686	43,070,626	(60)
Total other financing sources	<u>30,200,000</u>	<u>43,070,686</u>	<u>43,114,526</u>	<u>43,840</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing (uses)	<u>\$ (27,346,702)</u>	<u>\$ (27,346,642)</u>	663,184	<u>\$ 28,009,826</u>
Fund balance, July 1, 2020			<u>56,520,630</u>	
Fund balance, June 30, 2021			<u>\$ 57,183,814</u>	

HORRY COUNTY SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - CAPITAL PROJECTS FUND
YEAR ENDED JUNE 30, 2021

REVENUES

1000 Revenue from Local Sources

1500 Earnings on Investments:	
1510 Interest on Investments	\$ 53,075

2000 Intergovernmental Revenues

2100 Payments from Other Governmental Units	790,248
---------------------------------------------	---------

TOTAL REVENUE ALL SOURCES	843,323
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EXPENDITURES

100 Instruction

112 Primary Programs:	
400 Supplies and Materials	263
113 Elementary Programs:	
300 Purchased Services	25,367
400 Supplies and Materials	1,793,600
500 Capital Outlay	375,037
114 High School Programs:	
300 Purchased Services	29,678
400 Supplies and Materials	2,132,301
500 Capital Outlay	982,398
115 Career Technology Education Programs:	
500 Capital Outlay	18,132

Total Expenditures, Excluding Capital Outlay	3,981,209
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Total Capital Outlay	1,375,567
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Total Instruction	5,356,776
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200 Pupil Services

211 Attendance and Social Work Services :	
400 Supplies and Materials	809
222 Library and Media Services:	
400 Supplies and Materials	431
500 Capital Outlay	3,239
224 Improvement of Instruction Inservice and Staff Training :	
300 Purchased Services	6,000
233 School Administration :	
400 Supplies and Materials	29,500
500 Capital Outlay	7,992
252 Fiscal Services:	
300 Purchased Services	289,324
400 Supplies and Materials	9,522

HORRY COUNTY SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - CAPITAL PROJECTS FUND
YEAR ENDED JUNE 30, 2021

EXPENDITURES

200 Pupil Services (Continued)

253 Facilities Acquisition and Construction:	
100 Salaries	\$ 640,875
140 Terminal Leave	42,040
200 Employee Benefits	241,002
300 Purchased Services	102,432
400 Supplies and Materials	281,533
500 Capital Outlay:	
520 Construction Services	20,845,757
525 Buildings	2,556
530 Improvements Other than Buildings	5,858,210
540 Equipment	13,842
545 Technology Equipment and Software	88,078
545 Technology Equipment	275,115
600 Other Objects	386
254 Operation and Maintenance of Plant:	
300 Purchased Services	63,647
400 Supplies and Materials	46,298
500 Capital Outlay	3,648,613
256 Food Service:	
500 Capital Outlay	84,165
258 Security:	
400 Supplies and Materials	13,671
500 Capital Outlay	169,666
262 Planning:	
100 Salaries	99,059
200 Employee Benefits	36,485
264 Staff Services:	
500 Capital Outlay	27,537
266 Technology and Data Processing:	
300 Purchased Services	663,646
400 Supplies and Materials	1,667,611
500 Capital Outlay	2,588,086
271 Pupil Service Activities:	
400 Supplies and Materials	18,383
500 Capital Outlay	72,379
Total Expenditures, Excluding Capital Outlay	4,252,654
Total Capital Outlay	33,685,235
TOTAL SUPPORT SERVICES	37,937,889
TOTAL EXPENDITURES	43,294,665

HORRY COUNTY SCHOOLS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - CAPITAL PROJECTS FUND
YEAR ENDED JUNE 30, 2021

OTHER FINANCING SOURCES

5300 Sale of Capital Assets	\$ 43,900
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Interfund Transfers, from (to) Other Funds:

5210 Transfer from General Fund	6,870,626
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5240 Transfer from Debt Service Fund	<u>36,200,000</u>
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TOTAL OTHER FINANCING SOURCES	<u>43,114,526</u>
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Excess of Revenues Over Expenditures	663,184
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FUND BALANCE JULY 1, 2020	<u>56,520,630</u>
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FUND BALANCE JUNE 30, 2021	<u><u>\$ 57,183,814</u></u>
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COMPONENT UNITS – CHARTER SCHOOLS

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HORRY COUNTY SCHOOLS
COMBINING SCHEDULE OF NET POSITION - CHARTER SCHOOLS
JUNE 30, 2021

	Waccamaw Park Public Charter School, Inc.	Palmetto Academy of Learning and Success	Academy of Hope, Inc.	Palmetto Academy for Learning Motorsports	Component Unit Totals
ASSETS					
Cash & cash equivalents	\$ 879,205	\$ 797,056	\$ 303,910	\$ 842,391	\$ 2,822,562
Restricted cash	-	-	2,085	-	2,085
Other receivables	-	1,039	-	628	1,667
Due from other state agencies	145,152	128,708	123,587	112,331	509,778
Prepaid items	7,431	78,148	15,844	31,119	132,542
Capital assets, net					
Non-depreciable capital assets	2,425,275	-	-	400,000	2,825,275
Depreciable capital assets, net of depreciation	(1,081,636)	5,341,748	89,190	4,089,802	8,439,104
Total assets	2,375,427	6,346,699	534,616	5,476,271	14,733,013
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows related to pensions	267,051	692,055	348,114	-	1,307,220
Deferred outflows related to OPEB	259,860	553,975	388,282	-	1,202,117
Total deferred outflows of resources	\$ 526,911	\$ 1,246,030	\$ 736,396	\$ -	\$ 2,509,337
LIABILITIES					
Accounts payable and other liabilities	\$ 276,179	\$ 59,196	\$ 135,113	\$ 42,433	\$ 512,921
Due to others	275	-	-	1,636	1,911
Long-term liabilities, due in one year	138,278	21,642	25,607	105,233	290,760
Long-term liabilities, due in more than one year	1,381,182	6,791,215	26,000	5,164,405	13,362,802
Net pension liability	1,355,399	2,724,025	1,802,565	-	5,881,989
Net OPEB liability	1,203,309	2,444,166	1,564,158	-	5,211,633
Total liabilities	4,354,622	12,040,244	3,553,443	5,313,707	25,262,016
DEFERRED INFLOWS OF RESOURCES					
Deferred revenue	240,229	22,170	83,151	191,309	536,859
Deferred inflows related to pensions	222,078	307,740	95,222	-	625,040
Deferred inflows related to OPEB	344,989	261,544	228,820	-	835,353
Total deferred inflows of resources	807,296	591,454	407,193	191,309	1,997,252
NET POSITION					
Net investment in capital assets	131,232	(1,471,109)	37,683	(779,836)	(2,082,030)
Restricted					
Paid time off			2,085		2,085
Capital projects	-	-	-	144,477	144,477
Unrestricted	(2,390,812)	(3,567,860)	(2,729,392)	606,614	(8,081,450)
Total net position	\$ (2,259,580)	\$ (5,038,969)	\$ (2,689,624)	\$ (28,745)	\$ (10,016,918)

HORRY COUNTY SCHOOLS
COMBINING SCHEDULE OF ACTIVITIES - CHARTER SCHOOLS
FOR THE YEAR ENDED JUNE 30, 2021

	Waccamaw Park Public Charter School, Inc.	Palmetto Academy of Learning and Success	Academy of Hope, Inc.	Palmetto Academy for Learning Motorsports	Component Unit Totals
<u>Functions/Programs</u>					
Governmental Activities:					
Revenues:					
Operating grants and contributions	\$ 1,950,523	\$ 2,911,793	\$ 1,756,061	\$ 2,599,653	\$ 9,218,030
Charges for services and sales	12,491	-	-	-	12,491
Instruction expenses	(1,085,175)	(1,536,973)	(917,773)	(1,270,720)	(4,810,641)
Support service expenses	(814,066)	(1,191,273)	(936,939)	(1,099,125)	(4,041,403)
Interest & other charges	(80,730)	(668,517)	(3,763)	(247,366)	(1,000,376)
Total governmental activities	<u>\$ (16,957)</u>	<u>\$ (484,970)</u>	<u>\$ (102,414)</u>	<u>\$ (17,558)</u>	<u>\$ (621,899)</u>
General revenues					
Miscellaneous revenues	17,558	107,582	20,690	333,117	478,947
Other governmental grants - loan forgiveness	203,553	345,000	218,235	-	766,788
Total general revenues	<u>221,111</u>	<u>452,582</u>	<u>238,925</u>	<u>333,117</u>	<u>1,245,735</u>
Change in Net Position	204,154	(32,388)	136,511	315,559	623,836
Net Position (Deficit) - Beginning 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>
Net Position (Deficit) - End of Year	<u><u>\$ (2,259,580)</u></u>	<u><u>\$ (5,038,969)</u></u>	<u><u>\$ (2,689,624)</u></u>	<u><u>\$ (28,745)</u></u>	<u><u>\$ (10,016,918)</u></u>

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

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**HORRY COUNTY SCHOOLS
DETAILED SCHEDULE OF DUE TO STATE DEPARTMENT OF
EDUCATION/FEDERAL GOVERNMENT
JUNE 30, 2021**

<u>Program</u>	<u>Project Number</u>	<u>Revenue/ Subfund Code</u>	<u>Description</u>	<u>Amount Due to State Department or Federal Government</u>
Student Health Fitness – Nurses	N/A	3136/936	Unspent Funds	\$ 28,814*

*Status: Repaid August 27,2021

HORRY COUNTY SCHOOLS
INSITE LOCATION RECONCILIATION SCHEDULE
YEAR ENDED JUNE 30, 2021

Location	Location Description	Education Level	Cost Type	Total Expenditures
0001	Aynor High	High	School	\$ 10,530,094
0002	North Myrtle Beach High	High	School	16,455,405
0004	Conway High	High	School	16,966,272
0006	Green Sea Floyds High	High	School	11,025,292
0008	Loris High	High	School	11,232,807
0010	Myrtle Beach High	High	School	16,454,523
0011	Socastee High	High	School	16,419,813
0013	Whittemore Park Middle	Middle	School	9,451,800
0014	Aynor Elementary	Elementary	School	8,254,184
0016	Myrtle Beach Middle	Middle	School	11,223,771
0017	Conway Middle	Middle	School	6,638,132
0021	Daisy Elementary	Elementary	School	7,315,660
0023	Green Sea Floyds Elementary	Elementary	School	6,684,651
0025	Homewood Elementary	Elementary	School	7,039,391
0027	Loris Middle	Middle	School	8,843,770
0028	Kingston Elementary	Elementary	School	5,814,057
0029	Lakewood Elementary	Elementary	School	9,686,091
0030	St. James Elementary	Elementary	School	8,213,826
0032	Loris Elementary	Elementary	School	8,981,244
0033	Midland Elementary	Elementary	School	6,380,232
0036	Conway Elementary	Elementary	School	6,818,148
0037	North Myrtle Beach Middle	Middle	School	12,155,826
0039	Pee Dee Elementary	Elementary	School	9,869,996
0042	Waccamaw Elementary	Elementary	School	9,524,798
0045	South Conway Elementary	Elementary	School	7,615,389
0046	Forestbrook Elementary	Elementary	School	9,219,430
0047	St. James Middle	Middle	School	8,885,231
0049	Carolina Forest Elementary	Elementary	School	11,047,012
0050	Seaside Elementary	Elementary	School	6,009,654
0051	Forestbrook Middle	Middle	School	8,869,701
0052	Carolina Forest High	High	School	25,461,608
0054	Socastee Elementary	Elementary	School	8,786,546
0056	Palmetto Bays Elementary	Elementary	School	6,546,872
0057	Aynor Middle	Middle	School	7,690,072
0058	St. James High	High	School	18,237,308
0060	Ocean Bay Elementary	Elementary	School	9,519,970
0061	Ocean Bay Middle	Middle	School	7,073,566
0062	Black Water Middle	Middle	School	8,646,547
0063	Burgess Elementary	Elementary	School	6,970,417
0064	Early College High School	High	School	4,192,205
0065	River Oaks Elementary	Elementary	School	11,506,739
0066	Ocean Drive Elementary	Elementary	School	7,904,024
0067	Waterway Elementary	Elementary	School	7,997,262
0068	Riverside Elementary	Elementary	School	6,978,158
0069	Socastee Middle	Middle	School	5,576,389
0070	Ten Oaks Middle	Middle	School	9,608,790
0071	St. James Intermediate	Intermediate	School	7,636,332
0072	Myrtle Beach Early Childhood Center	Early Childhood	School	6,261,815
0073	Myrtle Beach Primary	Primary	School	6,857,274
0074	Myrtle Beach Elementary	Elementary	School	9,394,184
0075	CCU Scholars Academy	High	School	2,346,727
0160	Victory Life Center	Various	School	23,081
0161	Conway Christian School	Various	School	158,237
0163	MB Seventh Day Adventist	Various	School	2,666
0164	Calvary Christian School	Various	School	27,426
0172	Conway Education Center	Various	School	309,463

HORRY COUNTY SCHOOLS
INSITE LOCATION RECONCILIATION SCHEDULE
YEAR ENDED JUNE 30, 2021

Location	Location Description	Education Level	Cost Type	Total Expenditures
0173	Myrtle Beach Education Center	Various	School	\$ 168,082
0174	Saint Andrews	Various	School	179,639
0175	Chabad Academy	Various	School	30,391
0176	SOAR Academy	Various	School	19,751,320
0179	Bridgewater Academy	Charter School	School	1,959,525
0180	Playcard Environmental Center	Various	School	158,306
0181	Palmetto Academy of Learning and Success	Charter School	School	2,901,985
0182	Therapeutic Learning Center	Various	School	1,262,094
0183	Palmetto Academy for Learning Motorsports	Charter School	School	2,619,052
0184	Academy of Hope	Charter School	School	1,752,836
0185	Saint Micheals	Various	School	24,998
0186	Holy Trinity Catholic School	Various	School	83,766
0188	Risen Christ Lutheran Church	Various	School	57,246
0189	Seacoast Youth Academy	Various	School	89,852
0190	Waccamaw Youth Center	Various	Central	16,835
0191	Christian Academy of MB	Various	Central	18,128
0192	Sea Haven, Inc.	Various	Central	1,490
0194	Ascent Christian Academy	Various	Central	7,920
0195	North Myrtle Beach Christian School	Various	Central	47,545
0196	Academy of Arts Science & Technology	Various	Central	6,496,480
0198	Academy of Technology & Academics	Various	Central	7,542,564
0199	HCS Virtual School	Various	Central	15,607,808
1100	Office Of Superintendent	Various	Central	481,590
1200	Board Of Education	Various	Central	723,720
1300	Policy & Legal	Various	Central	400,531
2000	Academics	Various	Central	6,139,439
3000	Support Services	Various	Central	6,544,802
4000	Fiscal Services	Various	Central	3,178,982
4600	Human Resources	Various	Central	2,710,937
4900	Debt Service	Various	Central	63,010,030
5100	Facilities Management	Various	Central	11,112,103
8000	Communications	Various	Central	1,076,736
9100	Student Services	Various	Central	8,121,051
Total Expenditures/Disbursements for All Funds				<u><u>\$ 643,617,661</u></u>

RECONCILIATION OF PRIMARY GOVERNMENT EXPENDITURES TO THE FINANCIAL STATEMENTS

General Fund	\$ 435,562,796
Special Revenue Fund	66,502,174
Special Revenue EIA Fund	16,152,350
Special Revenue School Food Service Fund	19,095,646
Debt Service Fund	63,010,030
Capital Projects Fund	43,294,665
Total Expenditures/Disbursements for All Funds	<u><u>\$ 643,617,661</u></u>

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STATISTICAL SECTION

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Table 1

HORRY COUNTY SCHOOLS
Net Position by Component
Last Ten Years - Accrual Basis (Dollars in thousands)

	Fiscal Year Ended June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental activities										
Net investment in capital assets	\$ 233,111	\$ 268,586	\$ 286,007	\$ 308,891	\$ 140,200	\$ 315,403	\$ 404,743	\$ 467,134	\$ 507,020	\$ 569,273
Restricted	89,869	82,185	83,606	87,927	302,736	176,491	115,091	106,893	111,663	118,477
Unrestricted	82,353	86,608	90,920	(335,482) *	(328,140) *	(340,033) *	(786,720)	(841,869)	(851,199)	(873,241)
Total governmental activities net position	\$ 405,333	\$ 437,379	\$ 460,533	\$ 61,336	\$ 114,796	\$ 151,861 **	\$ (266,886)	\$ (267,842)	\$ (232,516)	\$ (185,491)
Business-type activities										
Net investment in capital assets	\$ 2,347	\$ 2,286	\$ 2,310	\$ 2,162	\$ 2,038	\$ 1,806	\$ 4,820 ***	\$ -	\$ -	\$ -
Unrestricted	4,162	4,302	4,251	(2,009) *	(1,920) *	(2,111) *	(25,939) ***	-	-	-
Total business-type activities net position	\$ 6,509	\$ 6,588	\$ 6,561	\$ 153	\$ 118	\$ (305) **	\$ (21,119) ***	\$ -	\$ -	\$ -
Total primary government net position	\$ 411,842	\$ 443,967	\$ 467,094	\$ 61,489	\$ 114,914	\$ 151,556 **	\$ (288,005)	\$ (267,842)	\$ (232,516)	\$ (185,491)
Component units										
Net investment in capital assets	\$ 505	\$ 411	\$ 465	\$ 604	\$ 507	\$ 97	\$ (258)	\$ (734)	\$ (1,168)	\$ (2,082)
Restricted	-	-	8	9	7	5	3	2	2	147
Unrestricted	552	641	533	(2,391) *	(2,858) *	(3,228) *	(8,585)	(9,116)	(9,475)	(8,082)
Total component units net position (deficit)	\$ 1,057	\$ 1,052	\$ 1,006	\$ (1,778)	\$ (2,344)	\$ (3,126)	\$ (8,840)	\$ (9,848)	\$ (10,641)	\$ (10,017)

* 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,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses:										
Governmental activities										
Instructional services	\$ 251,284	\$ 256,028	\$ 267,754	\$ 273,224	\$ 276,465	\$ 299,279	\$ 321,479	\$ 333,064	\$ 351,528	\$ 380,321
Supporting services	133,424	140,253	152,291	155,900	157,822	168,860	185,218	212,453	213,957	235,285
Community services	943	956	1,000	1,285	1,344	1,491	1,963	2,020	1,775	844
Interest and other charges	14,182	13,646	15,908	13,707	9,406	14,272	17,446	12,809	10,722	8,476
Pupil activities	529	656	646	716	-	242	-	-	-	-
Total governmental activities expenses	400,362	411,539	437,599	444,832	445,037	484,144	526,106	560,346	577,982	624,926
Business-type activities:										
Food service	20,857	21,315	21,189	21,376	21,026	20,761	30,405 *	-	-	-
Total business-type activities expenses	20,857	21,315	21,189	21,376	21,026	20,761	30,405 *	-	-	-
Total primary government expenses	\$ 421,219	\$ 432,854	\$ 458,788	\$ 466,208	\$ 466,063	\$ 504,905	\$ 556,511	\$ 560,346	\$ 577,982	\$ 624,926
Program revenues:										
Governmental activities										
Charges for services:										
Instruction	\$ 114	\$ 116	\$ 43	\$ 36	\$ 611	\$ 827	\$ 562	\$ 4,670	\$ 3,638	\$ 15
Supporting services	3,627	3,547	3,862	3,389	-	-	-	-	-	204
Community services	-	-	-	-	151	75	73	54	50	-
Operating grants and contributions	132,408	137,520	147,407	156,393	171,374	186,359	202,062	223,199	239,544	269,929
Total governmental activities program revenues	136,149	141,183	151,312	159,818	172,136	187,261	202,697	227,923	243,232	270,148
Business-type activities										
Charges for services	5,272	5,068	5,033	4,824	4,381	4,568	4,101 *	-	-	-
Operating grants and contributions	15,726	16,044	15,559	16,422	16,455	16,136	17,263 *	-	-	-
Total business-type activities program revenues	20,998	21,112	20,592	21,246	20,836	20,704	21,364 *	-	-	-
Total primary government program revenues	\$ 157,147	\$ 162,295	\$ 171,904	\$ 181,064	\$ 192,972	\$ 207,965	\$ 224,061	\$ 227,923	\$ 243,232	\$ 270,148

(Continued)

Horry County Schools
Changes in Net Position
Last Ten Fiscal Years - Accrual Basis (Dollars in thousands)

	Fiscal year Ended June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Net (expense) revenue										
Governmental activities net (expense) revenue	\$ (264,213)	\$ (270,356)	\$ (286,287)	\$ (285,014)	\$ (272,901)	\$ (296,883)	\$ (323,409)	\$ (332,423)	\$ (334,750)	\$ (354,778)
Business-type activities net (expense) revenue	141	(203)	(597)	(130)	(190)	(57)	(9,041) *	-	-	-
Total primary government (net expense)	(264,072)	(270,559)	(286,884)	(285,144)	(273,091)	(296,940)	(332,450)	(332,423)	(334,750)	(354,778)
General revenues and other:										
Governmental activities:										
Property taxes	\$ 251,240	\$ 253,568	\$ 259,884	\$ 262,613	\$ 272,056	\$ 278,248	\$ 277,205	\$ 290,328	\$ 307,601	\$ 329,987
State aid	47,045	48,496	49,642	51,292	52,369	52,829	54,063	55,957	57,211	62,564
Other	860	614	481	680	1,122	2,312	3,625	6,301	5,264	2,303
Transfers	(340)	(276)	(566)	(485)	813	559	(3,110)	-	-	-
Total general revenues and other	298,805	302,402	309,441	314,100	326,360	333,948	331,783	352,586	370,076	394,854
Change in net position, governmental activities	\$ 34,592	\$ 32,046	\$ 23,154	\$ 29,086	\$ 53,459	\$ 37,065	\$ 8,374	\$ 20,163	\$ 35,326	\$ 40,076
Business-type activities:										
Other	\$ 3	\$ 6	\$ 3	\$ 9	\$ 235	\$ 193	\$ 145 *	\$ -	\$ -	\$ -
Transfers	340	276	566	485	(79)	(559)	3,110 *	-	-	-
Total general revenues and other	343	282	569	494	156	(366)	3,255 *	-	-	-
Change in net position, business-type activities	\$ 484	\$ 79	\$ (28)	\$ 364	\$ (34)	\$ (423)	\$ (5,786) *	\$ -	\$ -	\$ -
Primary government:										
Property taxes	\$ 251,240	\$ 253,568	\$ 259,884	\$ 262,613	\$ 272,056	\$ 278,248	\$ 277,205	\$ 290,328	\$ 307,601	\$ 329,987
State aid	47,045	48,496	49,642	51,292	52,369	52,829	54,063	55,957	57,211	62,564
Other	863	620	484	689	1,357	2,505	3,770	6,301	5,264	2,303
Transfers	-	-	-	-	734	-	-	-	-	-
Total general revenues and other	299,148	302,684	310,010	314,594	326,516	333,582	335,038	352,586	370,076	394,854
Change in net position, primary government	\$ 35,076	\$ 32,125	\$ 23,126	\$ 29,450	\$ 53,425	\$ 36,642	\$ 2,588	\$ 20,163	\$ 35,326	\$ 40,076
Total Component Units										
Total Expenses	\$ 4,068	\$ 5,194	\$ 6,912	\$ 7,076	\$ 8,054	\$ 8,673	\$ 8,888	\$ 9,143	\$ 9,550	\$ 9,852
Program Revenues:										
Charges for Services	54	58	-	-	-	-	-	10	3	12
Operating Grants and Contributions	4,067	5,126	6,473	7,015	6,987	7,466	7,310	7,659	8,278	9,218
Total program revenues	4,121	5,184	6,473	7,015	6,987	7,466	7,310	7,669	8,281	9,230
Net (expense) revenue	53	(10)	(439)	(61)	(1,067)	(1,207)	(1,578)	(1,474)	(1,269)	(622)
General revenues - state aid/grants (unrestricted)	294	126	394	442	501	425	489	466	477	1,246
Change in net position - component units	\$ 347	\$ 116	\$ (45)	\$ 381	\$ (566)	\$ (782)	\$ (1,089)	\$ (1,008)	\$ (792)	\$ 624

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,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General fund										
Non-spendable:										
Inventories	\$ 614	\$ 534	\$ 580	\$ 570	\$ 518	\$ 641	\$ 696	\$ 725	\$ 786	\$ 777
Prepaid Expenditures	2,154	5,491	1,946	1,896	1,987	2,454	2,877	3,220	4,914	5,012
Committed										
Reserve for 2021-2021 Building Program	-	-	-	-	-	-	-	-	-	20,612
Assigned:										
Carryover School Budgets	502	420	552	495	497	525	567	688	765	1,246
Subsequent Year Expenditures	2,726	2,925	4,698	14,134	11,345	17,683	21,236	24,183	18,569	25,979
Encumbered Operating Expenditures	59	59	-	-	-	-	-	-	-	-
Unassigned	64,112	65,377	75,919	71,806	77,600	80,511	85,113	78,901	102,635	90,248
Total general fund	<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>	<u>\$ 143,874</u>
All other governmental funds										
Non-spendable	\$ -	\$ -	\$ -	\$ -	\$ 761,532	\$ 404	\$ 20	\$ 383	\$ 1,596	\$ 760
Restricted:										
Special Projects	-	-	-	-	677	1,385	1,682 *	8,012	5,230	8,006
School Food Service	-	-	-	-	-	-	- *	-	-	5,301
Debt Service	32,355	27,229	25,080	24,318	34,590	31,926	54,552	52,372	45,033	47,806
Capital Projects	57,514	54,957	56,408	61,496	265,227	116,783	42,695	39,272	56,008	56,894
Unassigned	-	-	-	-	-	-	-	(19)	(10)	(7)
Total all other governmental funds	<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>	<u>\$ 118,760</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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues:										
Local sources	\$ 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	\$ 337,614,544
Intergovernmental	284,647	225,530	98,407.00	36,536	1,651,625	1,688,098	737,500	1,171,111	1,018,019	917,756
State sources	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	257,138,772
Federal sources	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	68,002,025
Total revenue	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	663,673,097
Expenditures:										
Current:										
Instructional services	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	321,313,702
Support services	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	199,067,699
Community services	871,428	883,415	885,554	1,138,889	1,219,662	1,315,048	1,747,261	1,768,089	1,508,097	844,360
Pupil activities	528,974	656,605	646,784	715,943	-	242,068	-	-	-	-
Intergovernmental	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	13,918,654
Capital outlay	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	45,463,216
Debt Service:										
Principal	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	47,375,000
Interest and Legal Fees	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	15,635,030
Total expenditures	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	643,617,661
Excess (deficiency) of revenues over (under) expenditures	(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	20,055,436
Other financing sources (uses):										
Premium on bonds sold	7,559,556	1,399,317	-	23,080,290	41,113,039	-	-	-	-	-
General obligation bonds issued	-	-	-	-	197,780,000	-	-	-	-	-
Proceeds of refunding debt	59,455,000	14,745,000	-	143,780,000	-	-	-	-	-	-
Payment to refunded debt escrow agent	(66,817,219)	(16,026,573)	-	(166,352,383)	-	-	-	-	-	-
Sale of capital assets	18,874	25,376	240,239	150,850	29,883	-	5,000	57,000	-	103,936
Other financing sources	-	-	-	160,926	-	-	-	-	-	-
Transfers in	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	58,372,464
Transfers out	(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)	(58,372,464)
Total other financing sources (uses)	(123,716)	(132,751)	(325,852)	334,564	239,735,888	559,032	(3,105,170)	57,000	-	103,936
Change in fund balances	\$ (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	\$ 20,159,372
Debt service as a percentage of non capital expenditures	9.0%	8.7%	8.5%	8.5%	7.8%	8.9%	7.6%	11.1%	10.9%	10.0%

Source: Horry County Schools' Audit Reports

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

Jurisdiction	Fiscal Year Ended June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<i>Direct Rates:</i>										
Horry County Schools										
General Fund	120.2	120.2	120.2	123.1	123.1	123.1	123.1	123.1	118.1	118.1
Debt Service	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
Total	<u>130.2</u>	<u>130.2</u>	<u>130.2</u>	<u>133.1</u>	<u>133.1</u>	<u>133.1</u>	<u>133.1</u>	<u>133.1</u>	<u>128.1</u>	<u>128.1</u>
<i>Overlapping Rates:</i>										
Horry County	45.2	45.2	45.2	45.2	52.4	52.4	52.4	52.4	50.7	50.7
Town of Atlantic Beach	84.5	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	45.0	45.0
City of Conway	79.3	79.3	79.3	82.4	82.4	82.4	82.4	82.4	76.0	76.0
City of Loris	103.7	103.7	103.2	111.7	115.0	115.0	118.5	118.5	118.5	110.8
City of Myrtle Beach	66.1	66.1	66.1	74.5	74.5	77.5	77.5	80.5	78.9	78.9
City of North Myrtle Beach	38.0	38.0	38.0	39.3	39.3	41.3	41.3	43.3	37.1	45.0
Town of Surfside Beach	40.0	40.0	40.0	46.2	46.2	46.2	46.2	46.2	43.0	43.0

Source: Horry County Auditor

Table 6

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

Taxpayer	Fiscal Year Ended June 30, 2021 (b)			Fiscal Year Ended June 30, 2012 (a)		
	Taxable Assessed Value	Rank	Percent of Assessed Value to Total Assessed	Taxable Assessed Value	Rank	Percent of Assessed Value to Total Assessed
Horry Electric Co-op. Inc.	\$ 21,012,150	1	0.81%	\$ 16,453,397	2	0.80%
Burroughs & Chapin Company, Inc.	20,521,750	2	0.79%	25,626,162	1	1.25%
Kingston Resort Owner LLC	6,521,603	3	0.25%			
Bluegreen Vacations Unlimited Inc.	5,651,220	4	0.22%	5,951,548	5	0.29%
Lawyers Title Insurance Corp.	5,646,590	5	0.22%	5,713,926	6	0.28%
Dominion Energy South Carolina	5,409,370	6	0.21%			
Spectrum Southeast LLC	4,874,070	7	0.19%			
Wal-Mart Real Estate Business Trust	4,687,410	8	0.18%			
Marriott Ownership Resorts Inc.	4,677,650	9	0.18%	4,610,160	7	0.23%
DR Horton Inc.	4,248,330	10	0.16%			
Horry Telephone Co-op.				8,901,550	3	0.44%
Winchester North Beach Towers, LLC				6,259,396	4	0.31%
Frontier Communications of the Carolinas				3,968,760	8	0.19%
Atlas SC 1 SPE LLC				3,773,858	9	0.18%
HRP Myrtle Beach Operations LLC				3,318,490	10	0.16%
Totals	<u>\$ 83,250,143</u>		<u>3.21%</u>	<u>\$ 84,577,247</u>		<u>4.13%</u>

Source: (a) 2012 Horry County Schools' ACFR
(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
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	201,426	189,274	93.97%	2,857	192,131	95.39%
2016	204,525	191,591	93.68%	3,118	194,709	95.20%
2017	202,814	195,063	96.18%	3,016	198,079	97.67%
2018	208,229	197,628	94.91%	4,426	202,054	97.03%
2019	214,650	203,794	94.94%	3,224	207,018	96.44%
2020	228,234	216,591	94.90%	2,542	219,133	96.01%
2021	236,655	226,504	95.71%	-	226,504	95.71%

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
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	48,064,002	354	0.80%	1,080
2021	327,134	43,447	283,687	50,391,571	351	0.65%	932

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
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	13,431,369	344	3.24%	1,266
2020	382,292	Unavailable	354	Unavailable	1,080
2021	327,134	Unavailable	351	Unavailable	932

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
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%
2021	47,375,000	15,635,030	63,010,030	643,617,661	9.79%

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 the District*</u>	<u>District's Share of Debt</u>
Entity:			
Horry County Schools	\$ 327,134	100%	\$ 327,134
Direct Debt	<u>327,134</u>		<u>327,134</u>
Horry County Government	56,899	100%	56,899
City of Myrtle Beach	146,155	100%	146,155
City of Conway	3,622	100%	3,622
City of Loris	1,002	100%	1,002
Town of Surfside Beach	<u>4,000</u>	100%	<u>4,000</u>
Total Overlapping Debt	<u>211,678</u>		<u>211,678</u>
Total Direct and Overlapping Debt	\$ <u>538,812</u>		\$ <u>538,812</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 10

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

	Fiscal Year Ended June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Debt Limit	\$ 166,459	\$ 166,313	\$ 164,364	\$ 167,760	\$ 168,635	\$ 168,615	\$ 178,357	\$ 185,570	\$ 207,554	\$ 218,175
Total net debt applicable to limit	9,160	5,620	4,355	3,035	125,000	125,000	125,000	109,705	93,630	76,730
Legal debt margin	<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>	<u>\$ 141,445</u>
Total net debt applicable to limit as a percentage of debt limit	5.50%	3.38%	2.65%	1.81%	74.12%	74.13%	70.08%	59.12%	45.11%	35.17%

Legal debt margin calculation for fiscal year 2021

Assessed value	\$ 2,727,192
Debt limit (8% of assessed value)	218,175
Debt applicable to limit	(76,730)
Legal debt margin	<u>\$ 141,445</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)
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	39,028	13,431,369	3.8%	43,854
2020	354,081	N/A	N/A	11.4%	44,665
2021	351,029	N/A	N/A	5.4%	43,398

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, 2021			Fiscal Year Ended June 30, 2012		
	Approximate Numbers of Employees	Rank	Percentage of Total Employment	Approximate Numbers of Employees	Rank	Percentage of Total Employment
Horry County School District	5,976	1	3.86%	5,400	1	4.18%
Wal-Mart/Sam's Club	3,575	2	2.31%	2,276	2	1.76%
Horry County Government	2,325	3	1.50%	2,003	3	1.55%
Conway Medical Center	1,591	4	1.03%	1,325	5	1.03%
Grand Strand Regional Medical Center	1,543	5	1.00%	1,134	6	0.88%
Coastal Carolina University	1,517	6	0.98%	1,382	4	1.07%
McLeod Health (Loris & Seacoast)	1,308	7	0.84%	900	9	0.70%
City of Myrtle Beach	1,133	8	0.73%			
Food Lion	1,039	9	0.67%	929	7	0.72%
Lowe's Home Centers, LLC	822	10	0.53%			
Myrtle Beach National				829	10	0.64%
Blue Cross Blue Shield				900	8	0.70%
Totals	<u>20,829</u>		<u>13.45%</u>	<u>17,078</u>		<u>13.23%</u>

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

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Budgeted Positions										
Teachers (1)	2,537	2,690	2,667	2,726	2,829	2,888	2,959	3,015	3,072	3,145
Classified Instructional Aides	733	730	774	769	783	793	811	814	813	790
Principals and Assistant Principals	133	137	137	137	144	146	153	156	156	163
Supervisors and Directors	32	33	33	39	40	39	42	43	44	43
Coordinators and Learning Specialists	101	114	114	115	116	115	112	113	115	112
Counselors and Guidance	87	88	89	99	108	112	118	127	130	136
Librarians and Media Specialists	47	48	48	48	49	49	52	52	52	52
Nurses	57	59	60	59	60	67	70	70	74	74
Psychologists	29	31	31	31	31	31	33	33	33	33
Special Education Therapists	66	66	66	65	65	65	65	65	67	70
Technology	23	23	23	25	20	25	25	24	19	19
Transportation	401	411	423	429	452	465	465	473	473	478
Cafeteria	351	355	355	341	331	330	325	317	317	316
Custodians	223	238	241	247	277	279	301	305	312	313
Clerical	268	270	271	270	281	282	289	292	294	293
Maintenance	74	75	72	77	48	48	53	58	60	61
Miscellaneous (2)	95	99	107	114	139	155	156	178	185	184
Totals	5,257	5,467	5,511	5,591	5,773	5,887	6,026	6,133	6,211	6,280
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	25.5 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	21.5 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 - Grade 2-3	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	21.5 to 1
Elementary - Grades 4-5	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	24.5 to 1
Middle - Grade 6	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	25.3 to 1
Middle - Grades 7-8	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	25.3 to 1
High - Grades 9-12 (Smallest Schools)	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	21.5 to 1
High - Grades 9-12 (Largest Schools)	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	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
2012	38,464	\$ 400,361,510	\$ 10,409	1.10%	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	577,981,847	12,940	1.27%	3,109	14.37	48.36%
2021	43,398	624,926,400	14,400	11.28%	3,187	13.62	49.73%

Note: Enrollment reflects grades CD through 12.
 Percentage of Students Receiving Free or Reduced-Price Meals in 2018 is for NON-CEP Schools only.
 In 2019 & beyond, this is the District Wide Direct Certification Percentage.

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

Horry County Schools
Capital Asset Information
Last Ten Fiscal Years

	Fiscal Year Ended June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Buildings:										
Primary Schools										
Number	2	2	1	1	1	1	1	1	2	2
Square feet	224,185	224,185	113,650	113,650	113,650	113,650	113,650	113,650	214,758	214,758
Capacity	1,994	1,994	850	850	826	826	762	762	1,472	1,472
Enrollment	1,726	1,760	910	884	830	825	798	766	1,208	1,143
Elementary Schools										
Number	22	23	25	25	25	25	26	25	25	25
Square feet	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	2,667,454
Capacity	18,249	18,249	20,347	20,347	20,290	20,646	19,494	19,494	19,494	19,494
Enrollment	15,863	16,234	18,621	19,130	19,301	19,392	19,124	19,003	19,604	18,173
Intermediate Schools										
Number	2	2	1	1	1	1	2	2	1	1
Square feet	177,465	177,465	78,290	78,290	78,290	78,290	249,208	249,208	169,199	169,199
Capacity	1,968	1,968	735	735	735	735	1,947	1,947	1,200	1,200
Enrollment	1,375	1,327	648	692	720	726	1,620	1,630	919	815
Middle Schools										
Number	10	10	10	10	10	10	12	12	12	12
Square feet	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	1,766,086
Capacity	10,436	10,436	8,912	8,912	8,610	9,216	11,051	11,051	11,051	11,051
Enrollment	8,427	9,107	9,115	9,127	9,338	9,348	9,192	9,662	10,086	10,076
High Schools										
Number	9	9	9	9	10	10	10	10	10	11
Square feet	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	2,333,804
Capacity	14,702	14,702	14,457	14,457	15,075	15,075	13,862	13,862	13,862	14,082
Enrollment	11,274	10,893	12,196	12,632	12,999	12,803	12,972	12,989	13,152	13,258
Other										
Buildings	10	10	14	14	12	12	12	139	82	85
Square Feet	689,002	727,002	786,002	786,002	679,825	679,825	679,825	883,744	830,707	820,997
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
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
2021	1,054	2,785	26,619	12,940	43,398

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)
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
2021	37,826	82,982	57,466	53,188

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

SINGLE AUDIT SECTION

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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 Honorable Chairperson and Members of the Board of Education
Horry County Schools
Conway, South Carolina

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the **Horry County Schools** (the "District") as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 29, 2021. Our report includes a reference to other auditors who audited the financial statements of Waccamaw Park Public Charter School, Inc., Palmetto Academy of Learning and Success, Academy of Hope, Inc., and Palmetto Academy for Learning Motorsports, as described in our report on the District's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting and compliance and other matters that are reported on separately by those auditors.

Internal Control over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the 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 District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Mauldin & Jenkins, LLC

Columbia, South Carolina
November 29, 2021



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

To the Honorable Chairperson and Members of the Board of Trustees
Horry County Schools
Conway, South Carolina

Report on Compliance for Each Major Federal Program

We have audited the **Horry County Schools'** (the "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 District's major federal programs for the year ended June 30, 2021. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs for the year ended June 30, 2021.

Report on Internal Control over Compliance

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

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

Our consideration of internal control over compliance was for the limited purpose described in the 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.

Mauldin & Jenkins, LLC

Columbia, South Carolina
November 29, 2021

HORRY COUNTY SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021

LEA Subfund Code	Federal Grantor/ Pass-through Grantor Program Title	Federal CFDA Number	Pass-through Grantor's Number	Total Expenditures
U. S. Department of Education				
Passed Through SC Department of Education:				
203	21 IDEA (203)	84.027	H63010100921	\$ 6,695,291
204	19 IDEA (203) Supplemental	84.027	H63010100919	488,183
204	19 IDEA (203)	84.027	H63010100919	57,597
204	20 IDEA (203)	84.027	H63010100920	741,895
205	21 IDEA Preschool (205)	84.173	H63010108821	330,663
206	19 IDEA Preschool (205) Supplemental	84.173	H63010108819	14,224
206	19 IDEA Preschool (205)	84.173	H63010108819	1,836
206	20 IDEA Preschool (205)	84.173	H63010108820	39,082
212	IDEA - Extended School Year	84.027A	N/A	59,029
	Total for Special Education Cluster (IDEA)			<u>8,427,800</u>
201	21 Title I Regular (201)	84.010A	H63010100121	15,488,177
202	20 Title I Regular (201)	84.010A	H63010100120	1,745,543
221	21 Title I N&D (LEA)	84.010A	H63010100121	84,573
222	20 Title I N&D (LEA)	84.010A	H63010100120	26,876
237	19 Targeted School Improvement	84.010A	H63010100119	182,911
237	20 Targeted School Improvement	84.010A	H63010100120	115,523
239	19 Comprehensive School Improvement	84.010A	H63010100119	38,699
239	20 Comprehensive School Improvement	84.010A	H63010100120	120,271
	Total for Title I Part A			<u>17,802,573</u>
207	21 CTE Federal (207)	84.048	H63010107121	643,994
207	21 CTE PPE	84.048	H63010107121	2,000
207	20 CTE Adult Ed Pilot	84.048	H63010107120	9,651
208	20 CTE Federal (207)	84.048	H63010107120	132,934
210	20 Title IV SSAE (210)	84.424	H63010100320	858,596
210	19 Title IV SSAE (210)	84.424	H63010100319	89,886
220	COVID-19: Elementary & Secondary School Emergency Relief (ESSER) Fund - CARES Act	84.425D	H630104497520	13,788,820
225	COVID-19: Elementary & Secondary School Emergency Relief (ESSER) Fund II	84.425D	H630104497522	3,662,067
243	20 Adult Education (243)	84.002	H63010101020	249
243	20 Generational Family Services	84.002A	H63010101020	933
243	20 Adult Education Civics	84.002A	H63010101020	11,305
243	20 Adult Education Program - Reverted (243)	84.002	H63010101019	50,416
243	20 Generational Family Services - Reverted	84.002A	H63010101019	10,000
243	21 Adult Education (243)	84.002A	H63010101021	356,625
243	21 Adult Education - Civics	84.002A	H63010101021	34,945
243	21 Generational Family Services	84.002A	H63010101021	29,991
243	21 Adult Education - Institutionalized	84.002	H63010101021	472
264	21 Title III English Language Acquisition - EL (264)	84.365A	H630010006721	4,804
265	20 English Language Acquisition - Title III Immigrant	84.365A	H630010006719	12,350
265	20 English Language Acquisition - Title III Immigrant	84.365A	H630010006720	70
265	20 Title III English Language Acquisition - EL (264)	84.365A	H630010006720	275,803
265	19 English Language Acquisition - Title III (264)	84.365A	H630010006719	3,370
266	20 Title II Supporting Effective Instruction	84.367A	H63010006820	1,081,912
267	21 Title II Supporting Effective Instruction	84.367A	H63010006821	267,637
	Total Passed through SC Department of Education			<u>47,559,203</u>
U. S. Department of Agriculture:				
Passed Through SC Department of Education:				
Child Nutrition Cluster:				
Cash Assistance:				
600	Summer Feeding Program	10.559	N/A	18,731,985
600	School Breakfast Program	10.553	N/A	24,097
600	National School Lunch Program	10.555	N/A	79,627
				<u>18,835,709</u>
Non-cash Assistance (Commodities):				
600	National School Lunch Program	10.555	N/A	933,565
	Total for Child Nutrition Cluster			<u>19,769,274</u>
	Total U. S. Department of Agriculture			<u>19,769,274</u>
U. S. Department of Health and Human Services:				
Passed Through SC Department of Health and Environmental Control:				
604	YRBS/YTS Administration	93.079	H6304999	829
U.S. Department of Defense:				
100	ROTC	12.357	N/A	672,718
Total Expenditures of Federal Awards				<u>\$ 68,002,024</u>

HORRY COUNTY SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021

Notes

- (1) **Basis of Presentation**
The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of Horry County Schools in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) *Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, change in net position, or cash flows of the District.
- (2) **Summary of Significant Accounting Policies**
Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.
- (3) The District has a restricted indirect cost rate that is used for its federal programs and did not use the 10% de Minimis indirect cost rate allowed under the Uniform Guidance and covered in 2 CFR Part 200.414.

HORRY COUNTY SCHOOLS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2021

I. Summary of Auditor's Results:

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None Reported
Noncompliance material to the financial statements noted?	
	No

Federal Awards

Internal control over major federal programs:	
Material weakness(es) identified?	None
Significant deficiency(ies) identified?	None Reported
Type of auditor's report issued on compliance for major Federal programs:	
	Unmodified
Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516 (a)	
	None

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.425D	Department of Education, COVID-19 Elementary & Secondary School Emergency Relief (ESSER) Fund
10.553, 10.555, 10.559	Department of Agriculture, Child Nutrition Cluster

Dollar threshold used to distinguish between Type A and Type B programs	\$ 2,040,061
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Horry County Schools qualified as a low risk auditee	Yes
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II. Financial Statement Audit Findings	None Reported
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III. Federal Awards Findings and Questioned Costs	None Reported
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**HORRY COUNTY SCHOOLS
SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2021**

None

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