

**SPARTANBURG COUNTY SCHOOL DISTRICT 7**

**Comprehensive  
Annual Financial Report**  
Fiscal Year Ended June 30, 2018

**Dr. Russell W. Booker**  
Superintendent

**Spartanburg School District 7**  
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Prepared by:  
Office of the Chief Financial Officer



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SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
FINANCIAL STATEMENTS  
AND SUPPLEMENTAL INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

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**November 2, 2018**

**To the Board of Trustees and Citizens of Spartanburg County School District 7**

State law requires that all school districts publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby submit to you the comprehensive annual financial report of Spartanburg School District 7 for the fiscal year ended June 30, 2018.

Our CAFR is divided into four sections: introductory, financial, statistical, and single audit. The introductory section includes the letter of transmittal, a list of the Spartanburg School District 7 School Board members and principal officials, and the organizational chart. The financial section includes the independent auditors' report, management's discussion and analysis, and basic financial statements including the notes. In addition, the financial section provides supplemental data on the combining of individual funds. The statistical section provides selected financial and demographic information, generally presented on a multi-year basis.

The report consists of management's representations concerning the finances of SD7. Consequently, management assumes full responsibility for the completeness and reliability of all the information present in this report. To provide a reasonable basis for making these representations, management of SD7 has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of SD7's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, SD7's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatements. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material aspects.

Spartanburg School District 7's financial statements have been audited by McAbee, Schwartz, Halliday & Co. The role of the independent auditor is to audit the financial statements to determine if the basic financial statements are free of material misstatements and to assess the accounting principles used. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an

unmodified opinion that Spartanburg School District 7's financial statements for the fiscal year ended June 30, 2018, are fairly presented in conformity with accounting principles generally accepted in the United States of America (GAAP). The Independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of Spartanburg School District 7 was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing the Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. The Single Audit is presented following the statistical section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. Spartanburg School District No. 7's MD&A can be found immediately following the report of the independent auditors.

## **ORGANIZATIONAL STRUCTURE**

Spartanburg School District 7 is one of seven districts in Spartanburg County. The district is a consolidated unified system formed in 1950 when six smaller local districts were formed into one district. Similar consolidations were done throughout the county to form the other six districts. SD7 operates a system of schools primarily for grades kindergarten through twelve.

Spartanburg School District 7 is governed by a nine-member Board of Trustees. Programs and policies are established by the publicly elected Board that serve 4-year terms and meet on the first Tuesday of each month except in July and December.

Spartanburg School District 7 operates 11 schools. SD7 each day challenges and inspires over 7,100 young people in grades K-12. In addition to 7 elementary schools, 2 middle schools, 1 high school, and 1 K-8 school, the district is financially accountable for the McCarthy Teszler School, a countywide school for special education students, and the Spartanburg County Alternative Education School. SD7 shares Daniel Morgan Technology Center with Spartanburg School District No. 3, a jointly governed organization. SD7 offers several other educational programs including Spartanburg County Adult Education, and an Early Learning Center for 4 year old kindergarteners. SD7 has expanded its early childhood education program by partnering with Meeting Street Academy. Meeting Street provides early childhood and elementary education to students from 3K to 5<sup>th</sup> grade.

## **ECONOMIC CONDITIONS AND OUTLOOK**

Spartanburg County is an international melting pot with a history of Scotch-Irish, German and Indian traders of the mid-1700s to its international growth of German, Swiss,

Japanese, Indian, Asian, and British companies of today. Spartanburg continues to be a model in world class economic diversification. Spartanburg County is shifting from a county with a high concentration of textiles to one with international firms from diverse industries to sustain economic growth and development. The high concentration of international firms in Spartanburg County has provided national and international exposure to the area as well as a new foundation for economic growth.

The unemployment rate in the county for August 2018 was 3.4%, while statewide in South Carolina it was 3.6% and in the United States 3.9%. Job creation in the City of Spartanburg has risen over the last decade especially with the continuation of downtown redevelopment. Spartanburg's location, access to the interstate system, investment in the high-end technology industry, educational institutions, and the redevelopment of the City of Spartanburg will create economic growth and opportunities for its citizens.

In prior years the district has seen a reduction in student enrollment. However, the last several years we have seen a trend of stable enrollment and most recently increases in our student population. This decline in previous years was expected based on housing trends within the area and was also budgeted for accordingly. Even with the stable trend data recently, the district still cautiously budgets student enrollment. The district projects a stable enrollment again in 2019 with over 7,100 students entering our learning environments.

The majority of the district's elementary schools, including the high school, were built in the 1950's to 1960's with renovations in the 2000's. Information on the specific age of each facility can be found within the Statistical Section of this document.

## **MAJOR INITIATIVES**

The vision of Spartanburg School District 7 focuses on inspiring and equipping our students to live meaningful lives of service and leadership as world citizens. Therefore, the District continues to focus on student needs, curriculum, instruction, assessment and evaluations, and creating a positive school climate conducive to teaching and learning.

Recent efforts to meet the needs of our students are all within the vision and the goals of the District:

- The integration of technology into classroom instruction continues and the district spent the 2017-2018 school year providing professional development and support for teachers to further implement our 1 to 1 mobile device initiative, 7Ignites – this was also our “refresh” year and all students and staff received new devices. Due to the success of our 7Ignites program during the first four years, we expanded. The MacBook Air was pushed down to 2<sup>nd</sup> grade making the 1 to 1 with laptops cover grades 2 – 12; students in kindergarten and first grade were issued iPads. Teachers received the same device as their students.
- The District's continued emphasis on Response to Intervention (RtI) led us to the implementation of Fountas and Pinnell (F&P) classrooms in our two Priority Schools and F&P Benchmarking continued in all elementary schools. Reading coaches were trained on the model and their work was aligned to the South

Carolina College and Career Ready Curriculum Standards and performance expectations on the SC READY assessment. Per the District's evaluation of all computer assisted instructional programs, iSTATION and Academy of Reading are the two programs supported by the district. In addition, our focus on Reading Recovery as our primary reading intervention program continues under the leadership of our Reading Recovery teacher leader.

## **LONG-TERM FINANCIAL PLANNING**

Spartanburg School District 7 remains financially sound and has managed its educational programs within its available resources. The district, with the passage of Act 388 by the state legislature, a property tax relief law on owner occupied property, must maintain its fund balance since the district will become more dependent on more volatile state revenue funds generated by sales tax as a replacement for those property taxes. The district has taken the approach that all funds available for important programs must be considered in not only providing the programs, but assuming that sustainability for future funding is present. The district continues to monitor staff levels to be proportionate to the student population levels and program needs. As the district continues to assess its current and future resources, there is a continuing review of programs and resources that can support them.

The district continues to do projections of resources, especially local taxes. The City of Spartanburg, with its efforts to revitalize downtown, has provided for economic growth which, in turn, will benefit the district's revenue base. This growth is spreading from the district tax increment and positively affecting development in the City of Spartanburg, both in residential and commercial projects.

## **CAPITAL IMPROVEMENT PROGRAM**

Following a comprehensive facility study, capital improvement plan approved by the Board of Trustees, and a \$185,000,000 referendum approved by the community, the District began construction of two new state-of-the-art schools: a new elementary school and a new high school. The plan includes renovation of the current Spartanburg High School for a middle school and this work will begin at the opening of the new high school.

- Drayton Mill Elementary School, with a capacity of 800 students, opened in August 2018 with approximately 700 students. It is estimated to have cost \$36,000,000.
- Site work began in January 2017 on the new state-of-the-art high school designed for 2,100 students, with a core capacity for 2,500 students with an estimated cost of \$128 million and an opening date of August 2019. The building is expected to be "dried in" by November 2018. Foundations are in for the stadium press box and other field houses as well. The first paving of roads begins in October 2018. The school is on schedule for occupancy in August 2019.
- Plans to renovate the existing Spartanburg High School to create a new McCracken Middle School with an estimated cost of \$11.6 million and an opening date of August 2020 are underway. The Office of School Facilities (OSF) visited

the site and verbally approved the plans. The South Carolina Department of Transportation (SCDOT) will visit the site in October 2018 for the purpose of reviewing the traffic patterns. Teachers have reviewed the plans and provided feedback to the architects. Plans are now being prepared for OSF review in December – January. Construction documents should go out in February 2019. Construction is set to begin in June 2019 with final completion in July 2020.

- Site and playground improvements began in FY14 at Pine Street Elementary School and continued through FY18. In FY18, the third part of a four-phase program for improving the building envelope, HVAC and energy upgrade began at Pine Street Elementary and was completed in August 2018. This program included energy efficient windows and installation of a 4-pipe HVAC system.
- Renovations at Duncan Park Stadium began in FY13 and were ongoing in FY18. These improvements include, infrastructure improvements, seating, sidewalks and participant/spectator safety items as well as locker rooms.
- All state-owned and district-owned busses were equipped with a two-way radio system. Many bus cameras were added or replaced as well.
- In the athletic and performing arts area, new equipment was purchased. Finally, extensive repairs were made to the high school track.
- In the academic area, the District continued to invest in ActivPanel technology. Every classroom in the district received this new technology.

## **BUDGETARY CONTROLS**

The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board of Trustees. Activities of the general fund and debt service fund are included in the annual appropriated budget. Capital projects funds are budgeted on a project basis. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and to provide the means by which spending activities are controlled. SD7 also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. As demonstrated by the statements and schedules included in the financial section of this report, SD7 continues to meet its responsibility of sound financial management.

## **CASH MANAGEMENT POLICIES AND PRACTICES**

Spartanburg School District 7 has an aggressive cash management program that consists of expediting the receipt of revenues and prudently investing available cash in obligations collateralized by instruments issued or guaranteed by the United States Government or State of South Carolina. Total interest earned in 2017-2018 was \$60,846 in the General Fund. The interest earned in 2016-2017 was \$42,200 in the General Fund. Given the extremely low investment rate environment, the district is as aggressive as possible with

investments, and within State law, yet gives consideration for liquidity in the event of short or late payments from other entities.

## **RISK MANAGEMENT**

Spartanburg County School District 7 monitors its risk exposure through the office of the Assistant Superintendent for Planning. SD7 carries property, casualty, and workers compensation insurance with Surry Insurance and the South Carolina School Boards Association Insurance Trust, respectively, which maintains a self-insurance pool subscribed to by the majority of districts in South Carolina.

## **PENSION/RETIRMENT PLAN**

Substantially all SD7 employees are members of a pension plan. The South Carolina Public Employee Benefit Authority administers five public pension plans; four are defined benefit plans and one is a defined contribution plan. The Public Employee Benefit Authority is a division of the South Carolina State Budget and Control Board.

The Systems' defined contribution plan offers retirement and disability benefits, cost of living adjustments, life insurances and survivor benefits. The plan's provisions are established under Title 9 of the SC Code of Laws. Comprehensive Annual Financial Reports containing financial statements and required supplementary information for the system is issued and publicly available by writing the SC Public Employee Benefit Authority, P.O. Box 11960, Columbia, SC 29211-1960.

## **AWARDS AND ACKNOWLEDGEMENTS**

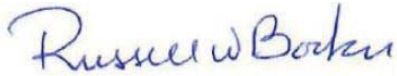
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Spartanburg County School District Number 7 for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2017. In order to be awarded a Certificate of Achievement, the District must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

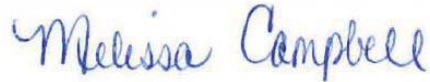
In addition, the District was also awarded The Association of School Business Officials International Certificate of Excellence in Financial Reporting for the comprehensive annual financial report for the fiscal year ended June 30, 2017. This award is the highest form of recognition in school financial reporting issued by the Association of School Business Officials International (ASBO). We believe our current CAFR continues to meet the Certificate of Excellence in Financial Reporting program's requirements and we are submitting it to the ASBO to determine its eligibility for the award.

We would like to express our sincere gratitude to the entire staff of the Finance Division who participated in the preparation of this report and to our independent auditors, McAbee, Schwartz, Halliday & Co. Appreciation is extended to the Board of Trustees and the administration, whose continuing support is vital to the financial health of the school system.

Respectfully submitted,

A handwritten signature in blue ink that reads "Russell W. Booker".

Russell W. Booker, Ph.D.  
Superintendent

A handwritten signature in blue ink that reads "Melissa Campbell".

Melissa Campbell, CGFO  
Chief Financial Officer



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SPARTANBURG COUNTY SCHOOL DISTRICT 7  
PRINCIPAL OFFICERS  
YEAR ENDED JUNE 30, 2018

**The Board of Trustees**

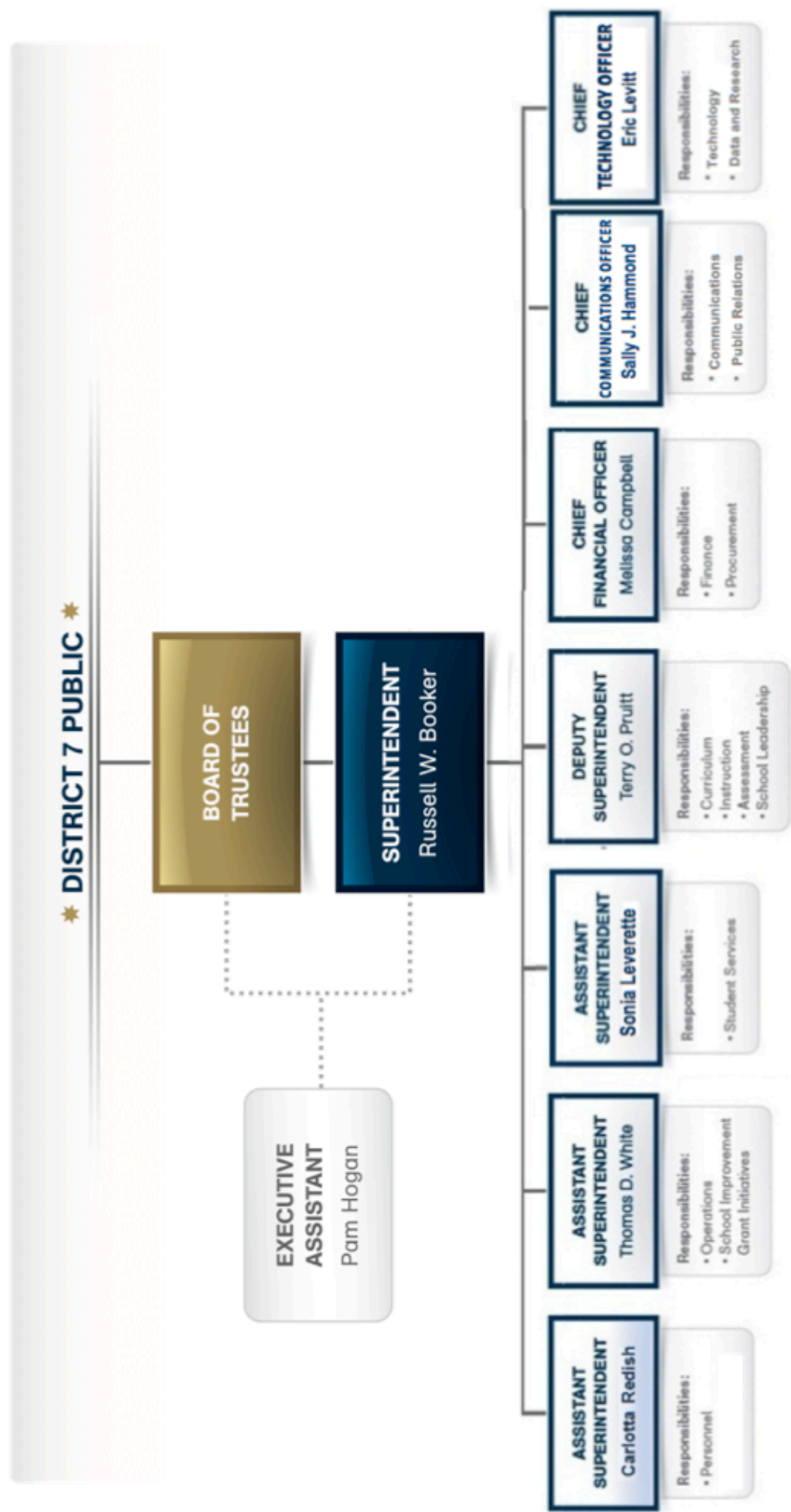
Ms. Sharon Porter	Chair
Mr. Sanders Lee	Vice-Chair
Mrs. Meg Clayton	Secretary
Mr. Vernon Beatty	Member
Mr. Rick Gray	Member
Mr. Andy Hayes	Member
Mr. Clay Mahaffey	Member
Mr. Jeff Mason	Member
Dr. Ernest H. White, Jr.	Member

**Administration Officials**

Dr. Russell W. Booker	Superintendent
Dr. Terry O. Pruitt	Deputy Superintendent
Dr. Thomas D. White, Jr.	Assistant Superintendent for Planning and Operations
Dr. Carlotta Redish	Assistant Superintendent for Human Resources
Dr. Sonia M. Leverette	Assistant Superintendent for Student Services
Mrs. Melissa C. Campbell	Chief Financial Officer
Mrs. Sally J. Gregg	Chief Communications Officer
Dr. Eric Levitt	Chief Technology Officer
Ms. Erika L. Shoolbred	Director of Information Services
Dr. Albert L. Jeter	Director of Instructional Testing
Mr. R. Linton Carpenter	Director of Transportation
Mrs. Sandra H. Grubbs	Director of Finance
Mr. Terry Gilmer	Director of Maintenance and Operations
Mr. David Beyer	Director of Technology
Ms. Erin Black	Director of Adult Education
Ms. Cheryl Revels	Director of Special Education



# District 7 | ORGANIZATIONAL CHART





ASSOCIATION OF  
SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL

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

**Spartanburg School District 7**

**for its Comprehensive Annual Financial Report (CAFR)  
for the Fiscal Year Ended June 30, 2017.**

The CAFR has been reviewed and met or exceeded  
ASBO International's Certificate of Excellence standards.



Charles E. Peterson, Jr., SFO, RSBA, MBA  
President

John D. Musso, CAE  
Executive Director



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**Spartanburg County School District 7  
South Carolina**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2017**

*Christopher P. Morrell*

Executive Director/CEO

To the Board of Trustees of  
Spartanburg County School District No. 7  
Spartanburg, South Carolina

## INDEPENDENT AUDITOR'S REPORT

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Spartanburg County School District No. 7 ("the District"), Spartanburg, South Carolina, as of and for the year ended June 30, 2018, 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 State of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

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

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

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

### Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Spartanburg County School District No. 7, as of June 30, 2018, 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.

## **Emphasis of Matter**

### *Change in Accounting Principle*

As discussed in Note 14 to the financial statements, Spartanburg County School District No. 7 adopted Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* during fiscal year ended June 30, 2018. The implementation of GASB Statement No. 75 resulted in the restatement of beginning net position. Our opinion is not modified with respect to this matter.

## **Other Matters**

### *Required Supplementary Information*

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

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Spartanburg County School District No. 7's basic financial statements. The introductory section, combining and individual fund schedules, other schedules required by the South Carolina Department of Education and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual fund schedules, other schedules required by the South Carolina Department of Education, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund schedules, other schedules required by the South Carolina Department of Education, 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 them.

To the Board of Trustees of  
Spartanburg County School District No. 7  
Page Three

**Other Reporting Required by *Governmental Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 2, 2018, on our consideration of Spartanburg County School District No. 7's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Spartanburg County School District No. 7's internal control over financial reporting and compliance.

*McAbee, Schwartz, Halliday & Co.*

Spartanburg, South Carolina  
November 2, 2018



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## **SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7**

### **Management's Discussion and Analysis (MD & A) For the Fiscal Year Ended June 30, 2018**

#### **Introduction**

It is a pleasure to present the financial information of Spartanburg County School District No. 7 (SD7). This section presents management's discussion and analysis of the overall financial information of SD7 during the fiscal year ended June 30, 2018. We encourage the reader to consider this information in conjunction with SD7's transmittal letter, financial statements, and notes to the financial statements to enhance their understanding and use of the financial statements.

#### **Financial Highlights**

On the governmental activities financial statements:

- SD7's total liabilities and deferred inflows exceeded total assets and deferred outflows on June 30, 2018 by \$96 million. This is primarily due to the implementation of GASB 75, which requires the District to report their proportionate share of the net OPEB liability. For additional information, please refer to the notes to the financial statements.
- Governmental activities have an unrestricted net position balance of \$(171.9) million. This is due to the net OPEB liability that was recorded with the implementation of GASB No. 75, and the net pension liability that was recorded with the implementation of GASB No. 68. For additional information, please refer to the notes to the financial statements.
- The District's net position decreased by \$5,325,947 or 5.9% due to the reasons listed above. Program revenues accounted for \$54,948,933 or 44.1% of total revenues and general revenues accounted for \$69,789,922 or 55.9%.
- Total expenses increased \$10,320,262 from \$119,744,540 in fiscal year 2017 to \$130,064,802 in fiscal year 2018.

On the fund financial statements:

- SD7's governmental fund revenues and other financing sources exceeded expenditures and other financing uses by \$15,384,954.
- SD7's general fund revenues and other financing sources exceeded expenditures and other uses by \$259,999. The General Fund total fund balance was reported as \$12,225,759, an increase of 2.2% from June 30, 2017.

## SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7

### Management's Discussion and Analysis (MD & A) For the Fiscal Year Ended June 30, 2018

#### Using the Basic Financial Statements

The financial section of this annual report consists of three parts: (1) management's discussion and analysis, (2) basic financial statements, (3) other supplementary information.

SD7's basic financial statements consist of two types of statements, the government-wide financial statements and the fund financial statements, each with a different perspective of SD7's financial condition.

- Government-wide financial statements including the Statement of Net Position and the Statement of Activities which provide a broad, long-term overview of SD7 finances,
- Fund financial statements including the balance sheets that provide a great level of detail of revenues and expenditures and focus on how well SD7 has performed in the short term in the most significant funds, and
- The notes to the financial statements explain some of the information in the financial statements and provide more detailed data.

This report contains other supplementary information in addition to the basic financial statement themselves.

#### Government-Wide Financial Statements

The government-wide financial statements are designed to provide the readers with a broad overview of the SD7's finances, in a manner similar to private sector business. The Statement of Net Position and the Statement of Activities provide information about the activities of the school district, presenting both an aggregate and long-term view of the finances. These statements include all assets and liabilities using the accrual basis of accounting. This basis of accounting includes all of the current year's revenues and expenses regardless of when cash is received or paid.

The **Statement of Net Position** presents information on all of SD7's assets/deferred outflows of resources and liabilities/deferred inflows of resources, with the difference between the two reported as *net position*. Increases or decreases in net position may serve as a useful indicator of whether the financial position is improving or deteriorating.

The **Statement of Activities** presents information showing how net position changed during the year. All changes in the net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of the related cash flows*. Thus, revenues and expenses are reported in the statement for some items that will result in cash flows in the future fiscal period (e.g., uncollected taxes and earned but not used vacation leave).

## **SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7**

### **Management's Discussion and Analysis (MD & A) For the Fiscal Year Ended June 30, 2018**

To assess SD7's overall health, other nonfinancial factors such as the property tax base, current property tax laws, stability of state revenues and facility conditions should be used in arriving at their conclusion regarding the overall health of the District.

#### **Fund Financial Statements**

The fund financial statements provide more detailed information about SD7's funds, focusing on its most significant or *major* funds – not the School District as a whole. 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.

- Some funds are required by State Law and by other regulations.
- The School District established other funds to control and manage money for particular purposes (such as repaying its long-term debt) or to show that it is properly using revenues (such as capital projects).

The School District has two kinds of funds: Governmental and Fiduciary Funds.

#### **Governmental Funds**

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

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

SD7 maintains 8 significant governmental funds: General Fund, Special Revenue-Special Projects, Special Revenue-Spartanburg County Alternative School, Special Revenue-McCarthy-Teszler School, Special Revenue-Education Improvement Act, Special Revenue-Food Service, Capital Projects, and the District's Debt Service Fund.

## SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7

### Management's Discussion and Analysis (MD & A) For the Fiscal Year Ended June 30, 2018

#### Financial Analysis as a Whole

All of SD7's services are reported in the government-wide financial statements, excluding agency funds. Instruction, support services, community services, intergovernmental, and interest and other charges are reported in the government-wide statements. Property taxes, state grants, operating grants and contributions, and investment earnings finance most of these activities. Additionally, all capital and debt financing activities are reported here.

#### Net Position

The following table provides a summary of SD7's net position as of June 30, 2018 and 2017.

<b>SUMMARY OF NET POSITION</b>				
As of June 30				
Governmental Activities				
	2018	2017	Difference	%Change
Current assets	\$ 121,330,332	\$ 99,948,963	\$ 21,381,369	21.4%
Capital assets, net	193,448,816	128,598,451	64,850,365	50.4%
Total Assets	<u>314,779,148</u>	<u>228,547,414</u>	<u>86,231,734</u>	37.7%
Deferred Outflows of Resources	<u>23,184,522</u>	<u>20,330,926</u>	<u>2,853,596</u>	14.0%
Current liabilities	23,667,667	14,205,476	9,462,191	66.6%
Long-term liabilities	398,866,202	325,403,611	73,462,591	22.6%
Total Liabilities	<u>422,533,869</u>	<u>339,609,087</u>	<u>82,924,782</u>	24.4%
Deferred Inflows of Resources	<u>11,486,495</u>	<u>-</u>	<u>11,486,495</u>	100.0%
Net Position:				
Net investment in capital assets	60,645,613	66,378,752	(5,733,139)	8.6%
Restricted For				
General - nonexpendable	425,729	430,932	(5,203)	1.2%
Technology	335,268	267,900	67,368	25.1%
Food Service	2,492,084	2,481,697	10,387	0.4%
Alternative School	1,092,955	1,013,349	79,606	7.9%
McCarthy-Teszler	4,576,929	4,246,338	330,591	7.8%
Debt Service	6,313,213	7,253,506	(940,293)	13.0%
Unrestricted	(171,938,485)	(172,803,221)	864,736	0.5%
*Total Net Position	<u>\$ (96,056,694)</u>	<u>\$ (90,730,747)</u>	<u>\$ (5,325,947)</u>	5.9%

\*As restated

**Total assets** at year-end increased \$86,231,734 or 37.7% above June 30, 2017 primarily due to an increase in investments from unspent bond proceeds and increased construction in progress. At year end for governmental activities, net capital assets represented 61.5% of total assets.

**Capital assets, net of depreciation** increased \$64,850,365 or 50.4% above June 30, 2017. This increase was due to higher construction in progress amounts as our construction projects continue to grow.

## SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7

### Management's Discussion and Analysis (MD & A) For the Fiscal Year Ended June 30, 2018

**Current liabilities** increased \$9,462,191 or 66.6% due to an increase in Retainage Payable for the construction project of the new high school, and an increase in Accounts Payable and Accrued Interest Payable.

**Long-term liabilities** are comprised mainly of three components: general obligation bonds, capitalized leases and OPEB and pension liabilities. Long-term liabilities increased \$73,462,591 or 22.6% primarily due to the issuance of a GO Bond Anticipation Note that will be utilized to fund construction related to the new high school project. Readers who desire more detailed information on the long-term debt activity and capital asset activity are directed to the notes to the financial statements for further information.

### Operating Results

The following table provides a summary of the changes in net position for SD7 for the years ended June 30, 2018 and June 30, 2017.

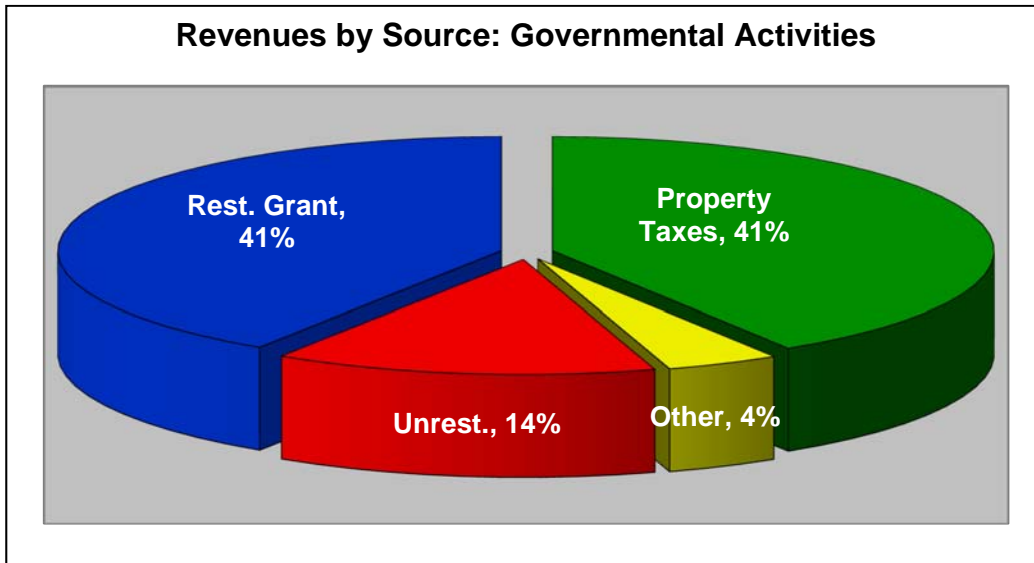
<b>SUMMARY OF CHANGES IN NET POSITION</b>				
For the Year Ended June 30				
	Governmental Activities			
	2018	2017	Difference	%Change
Revenues:				
Program Revenues:				
Charges for services	\$ 3,999,425	\$ 3,967,925	\$ 31,500	0.8%
Operating grants and contributions	50,949,508	48,054,481	2,895,027	6.0%
Total Program Revenues	<u>54,948,933</u>	<u>52,022,406</u>	<u>2,926,527</u>	5.6%
General Revenues				
Property taxes (general purposes)	37,393,059	38,271,266	(878,207)	2.3%
Property taxes (debt services)	13,866,607	14,098,144	(231,537)	1.6%
Unrestricted state grants	16,259,498	16,053,629	205,869	1.3%
Contributions	84,801	87,373	(2,572)	2.9%
Miscellaneous	1,052,542	852,754	199,788	23.4%
Unrestricted investment earnings	1,133,415	93,906	1,039,509	1107.0%
Total General Revenues	<u>69,789,922</u>	<u>69,457,072</u>	<u>332,850</u>	0.5%
Total Revenues	<u>124,738,855</u>	<u>121,479,478</u>	<u>3,259,377</u>	2.7%
Expenses:				
Instruction	66,416,668	62,756,848	3,659,820	5.8%
Support services	59,100,371	53,506,096	5,594,275	10.5%
Community services	562	1,030	(468)	45.4%
Intergovernmental	3,439,877	1,920,236	1,519,641	79.1%
Interest and other charges	1,107,324	1,560,330	(453,006)	29.0%
Total Expenses	<u>130,064,802</u>	<u>119,744,540</u>	<u>10,320,262</u>	8.6%
Change in Net Position	<u>\$ (5,325,947)</u>	<u>\$ 1,734,938</u>	<u>\$ (7,060,885)</u>	407.0%
*Net Position - July 1, 2017	\$ (90,730,747)	\$ (92,465,685)	\$ 1,734,938	1.9%
Net Position - June 30, 2018	\$ (96,056,694)	\$ (90,730,747)	\$ (5,325,947)	5.9%

\* As restated

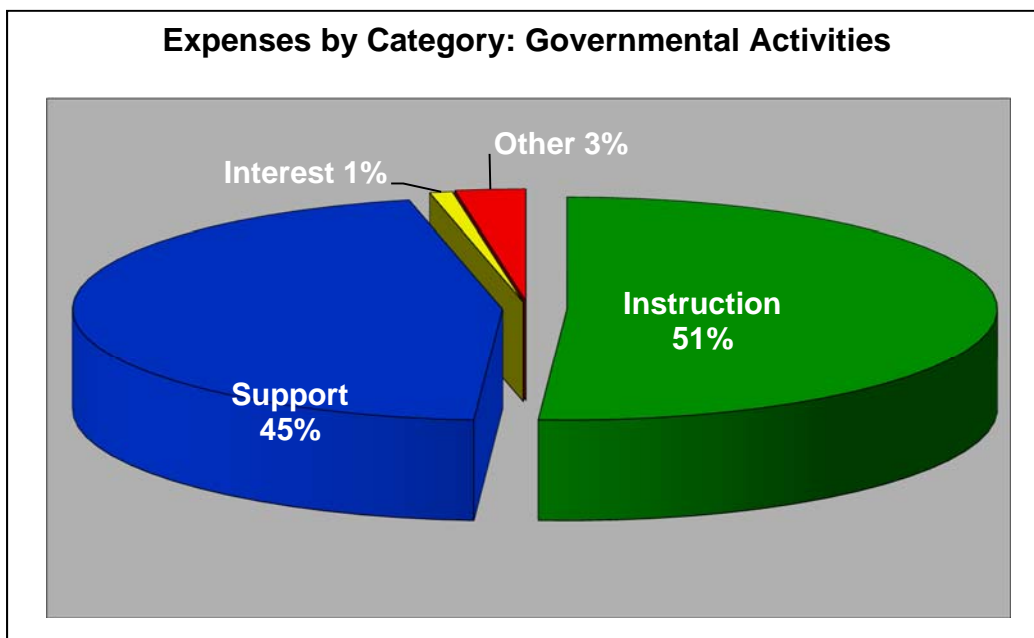
## SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7

### Management's Discussion and Analysis (MD & A) For the Fiscal Year Ended June 30, 2018

**Total revenues** increased \$3,259,377 or 2.7% primarily due to an increase in unrestricted investment earnings and an increase in operating grants and contributions.



**Total expenses** increased by \$10,320,262 or 8.6% as a result of additional instructional, support services costs, and an Intergovernmental payment to The Franklin School. These costs were primarily related to Elementary and Primary programs. These costs were also indicative of teacher salary and benefit increases as well as additional teachers needed to maintain class size targets.



# SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7

## Management's Discussion and Analysis (MD & A) For the Fiscal Year Ended June 30, 2018

### Capital Assets

At June 30, 2018 SD7 had \$193,448,816 invested in a broad range of capital assets, including land, buildings, building improvements, and equipment. The amount represents an increase (including additions, deductions and depreciation) of \$64,850,365 or 50.4% from fiscal year 2017.

CAPITAL ASSETS For the Year Ended June 30							
Governmental Activities							
	2017	Additions	Deductions	Transfers	2018	Difference	%Change
Land	\$ 11,525,283	\$ 201,551	\$ -	\$ -	\$ 11,726,834	\$ 201,551	1.7%
Buildings	163,754,401	30,850	-	4,089,768	167,875,019	4,120,618	2.5%
Improvements	12,547,341	297,028	232,846	2,447,253	15,058,776	2,511,435	20.0%
Equipment	8,925,145	1,440,652	33,013	-	10,332,784	1,407,639	-15.8%
Construction in progress	15,708,233	68,082,752	-	(6,537,021)	77,253,964	61,545,731	391.8%
Total Capital Assets	212,460,403	70,052,833	265,859	-	282,247,377	69,786,974	32.8%
Less							
Accumulated depreciation	83,861,952	5,202,468	265,859	-	88,798,561	4,936,609	5.9%
Total Capital Assets, net.	\$ 128,598,451	\$ 64,850,365	\$ -	\$ -	\$ 193,448,816	\$ 64,850,365	50.4%

**Capital assets** experienced an increase of \$64,850,365 primarily due to the construction in progress of the new high school. SD7 also purchased equipment and experienced an increase due to additions to buildings transferred from construction in progress to the District's capital assets. If more information is desired about capital assets, detailed information is available in Note 3 to the Financial Statements.

### Long term Debt and Capitalized Lease

As of June 30, 2018, SD7 had \$178,318,245 in total debt versus \$101,829,849 last fiscal year, an increase of 75.1%. This increase was primarily due to the issuance of a Bond Anticipation Note that will be utilized for the construction of a new high school. A summary of the long-term debt and capitalized lease obligations are listed in the following table. See Note 5 to the financial statements for additional information.

LONG TERM DEBT AND CAPITAL LEASE OBLIGATIONS For the Year Ended June 30					
Governmental Activities					
	2017	Additions	Deductions	Defeased	2018
General Obligation Bonds					
2011 GO Bond Series	3,883,000	-	717,000	-	3,166,000
2014 GO Bond Series	325,000	-	325,000	-	-
2014 GO Bond Series	20,625,000	-	3,985,000	-	16,640,000
2015 GO Bond Series	1,795,000	-	1,580,000	-	215,000
2016 GO Bond Series	4,490,000	-	1,045,000	-	3,445,000
2016 GO BAN	53,575,000	-	53,575,000	-	-
2017 GO Bond Series	16,970,000	-	1,710,000	-	15,260,000
2017 GO BAN	-	139,460,000	-	-	139,460,000
SubTotal	101,663,000	139,460,000	62,937,000	-	178,186,000
Capital Leases	166,849	-	34,604	-	132,245
Total Debt	\$ 101,829,849	\$ 139,460,000	\$ 62,971,604	\$ -	\$ 178,318,245

## SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7

### Management's Discussion and Analysis (MD & A) For the Fiscal Year Ended June 30, 2018

SD7 maintains an Aa3 rating from Moody's for general obligation debt and AA- rating from Standard and Poor's this year. State statutes limit the amount of general obligation debt a governmental entity may issue up to 8% of its total assessed valuation. Bonded indebtedness authorized by a majority vote of the qualified electors of the school district voting in a referendum is not considered in the computation of the 8% limitation. \$156,100,000 exists in outstanding debt authorized through a referendum. The current debt limitation for SD7 exceeds \$16.1 million. Debt Service Millage for FY18 was 74.0 mills.

#### Governmental Funds - Revenues and Other Financing Sources

REVENUES AND OTHER FINANCING SOURCES					
For the Year Ended June 30					
Governmental Funds					
	2018	2017	2018 Percent of Total	Increase (Decrease) from 2017	Percent Increase (Decrease) from 2017
Local property taxes	\$ 51,168,627	\$ 52,213,065	18.9%	\$ (1,044,438)	-2.0%
Other local	6,332,904	5,256,673	2.3%	1,076,231	20.5%
Intergovernmental	3,487,530	3,447,292	1.3%	40,238	1.2%
State	52,708,673	49,237,528	19.5%	3,471,145	7.0%
Federal	11,729,719	11,278,966	4.3%	450,753	4.0%
Subtotal	125,427,453	121,433,524	46.4%	3,993,929	3.3%
Other financing sources	144,845,986	73,470,034	53.6%	71,375,952	97.1%
Total	<u>\$ 270,273,439</u>	<u>\$ 194,903,558</u>	<u>100%</u>	<u>\$ 75,369,881</u>	<u>38.7%</u>

- **Local property taxes** decreased by \$1,044,438 due to a one-time decrease in assessed value on ad valorem taxed property.
- **Other local** increased by \$1,076,231 primarily due to an increase in interest earnings in the Capital Projects Fund.
- **Intergovernmental** increased by \$40,238 which is negligible.
- **State revenue** increased by \$3,471,145 mainly due to additional EFA and EIA funding provided through the State.
- **Federal revenue** increased by \$450,753 due to increased Title I funding.
- **Other financing sources** increased by \$71,375,952 which is primarily due to proceeds from the sale of the GO BAN, which was offset by transfers out to support other funds.



# SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7

## Management's Discussion and Analysis (MD & A) For the Fiscal Year Ended June 30, 2018

### Governmental Funds - Expenditures

EXPENDITURES For the Year Ended June 30 Governmental Funds					
	2018	2017	2018 Percent of Total	Increase (Decrease) from 2017	Percent Increase (Decrease) from 2017
Current:					
Instruction	\$ 62,296,808	\$ 60,329,017	24.4%	\$ 1,967,791	3.3%
Support Services	52,379,356	48,012,435	20.5%	4,366,921	9.1%
Community Services	562	1,030	0.0%	(468)	-45.4%
Intergovernmental	4,171,116	1,920,236	1.6%	2,250,880	117.2%
Debt Service					
Legal Services	78,293	13,275	0.0%	65,018	489.8%
Other Professional	111,053	102,535	0.0%	8,518	8.3%
Principal	62,971,604	25,436,881	24.7%	37,534,723	147.6%
Interest	3,230,965	1,822,853	1.3%	1,408,112	77.2%
Other	30,278	2,919	0.0%	27,359	937.3%
Capital Outlay	69,618,450	11,254,988	27.3%	58,363,462	518.6%
Total	<u>\$ 254,888,485</u>	<u>\$ 148,896,169</u>	<u>100.0%</u>	<u>\$ 105,992,316</u>	<u>71.2%</u>

**Instruction** increased \$1,967,791 primarily due to personnel costs as well as associated employee benefits such as retirement, FICA, and insurance.

**Supporting Services** increased \$4,366,921 primarily due to personnel costs as well as associated employee benefits and increased staffing for McCarthy-Teszler.

**Intergovernmental** increased by \$2,250,880 primarily due to an increase in payments to other governmental entities, as well as to The Franklin School.

**Legal Services** increased by 65,018 due to costs of issuance of the Bond Anticipation Note sale.

**Principal and Interest** increased by \$37,534,723 and \$1,408,112 respectively.

**Capital Outlay** increased by \$58,363,462 primarily due to expenses related the construction of two new schools.

## SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7

### Management's Discussion and Analysis (MD & A) For the Fiscal Year Ended June 30, 2018

#### General Fund

The general fund is the chief operating fund of SD7. At the end of the fiscal year 2018, unassigned fund balance of the SD7's general fund was \$11,301,403. Unassigned fund balance represents 16.5% of the total current year general fund expenditures.

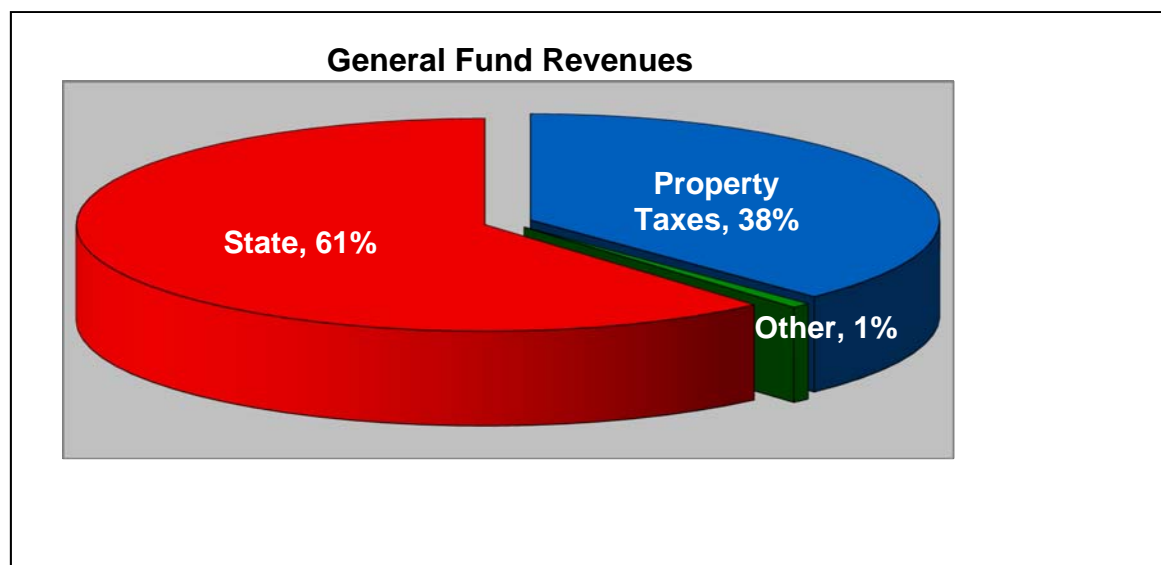
The fund balance of the general fund increased by \$259,999 in fiscal year 2018 primarily due to purposeful and conservative budgeting. The receipt of additional state funding also contributed to an increase in the fund balance.

#### GENERAL FUND REVENUES For the Year Ended June 30

	2018	2017	2018 Percent of Total	Increase (Decrease) from 2017	Percent Increase (Decrease) from 2017
Local property taxes	\$ 25,501,159	\$ 26,594,208	37.7%	\$ (1,093,049)	-4.1%
Other local	511,252	452,449	0.8%	58,803	13.0%
State	41,439,348	39,194,893	61.5%	2,244,455	5.7%
Federal	56,591	48,376	0.1%	8,215	17.0%
Total	<u>\$ 67,508,350</u>	<u>\$ 66,289,926</u>	<u>100.0%</u>	<u>\$ 1,218,424</u>	<u>1.8%</u>

#### General Fund Revenues

Revenues for the general fund totaled \$67,508,350 an increase of \$1,218,424 from fiscal year 2017 primarily due to additional state funding.



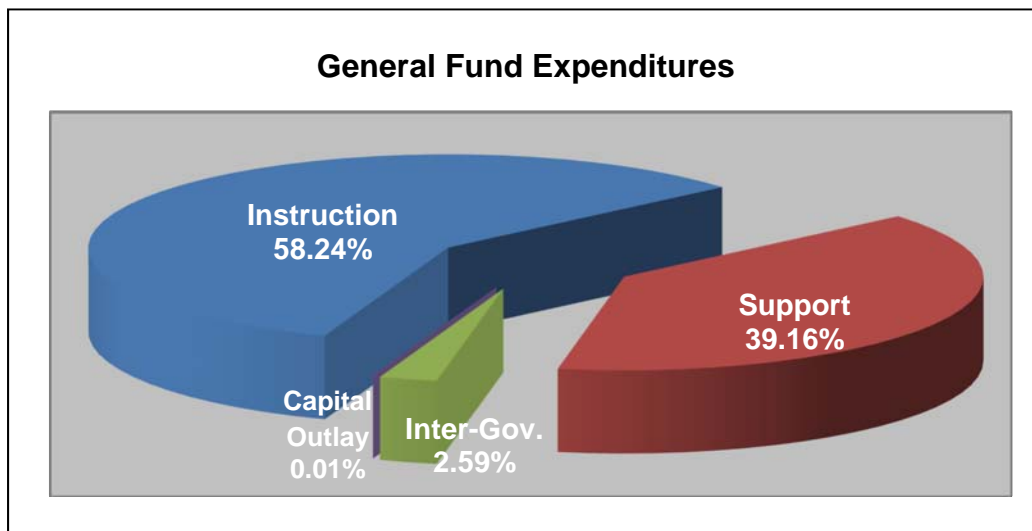
## SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7

### Management's Discussion and Analysis (MD & A) For the Fiscal Year Ended June 30, 2018

GENERAL FUND EXPENDITURES For the Year Ended June 30					
	2018	2017	2018 Percent of Total	Increase (Decrease) from 2017	Percent Increase (Decrease) from 2017
Current:					
Instruction	\$ 39,877,257	\$ 39,145,291	58.2%	\$ 731,966	1.9%
Support Services	26,817,680	25,467,996	39.2%	1,349,684	5.3%
Intergovernmental	1,773,918	1,642,251	2.6%	131,667	8.0%
Capital outlay	5,480	-	0.0%	5,480	100.0%
Total	<u>\$ 68,474,335</u>	<u>\$ 66,255,538</u>	<u>100.0%</u>	<u>\$ 2,218,797</u>	<u>3.3%</u>

### General Fund Expenditures

Expenditures for the general fund totaled \$68,474,335 an increase of \$2,218,797 from fiscal year 2017. Expenditures increased 3.3% primarily due to personnel associated costs of staff raises. General instruction accounts for 58.2% of general fund expenditures while support cost is 39.2%, which includes district support, school administrators, nursing, guidance, school media, transportation, curriculum, school psychologist, and professional development. Supporting services increased as well due to costs associated with staff salary increases and an increase in costs of operations and transportation.



## SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7

### Management's Discussion and Analysis (MD & A) For the Fiscal Year Ended June 30, 2018

#### Special Revenue Funds (Including Special Projects, EIA, Alternative School, McCarthy-Teszler School and Food Service)

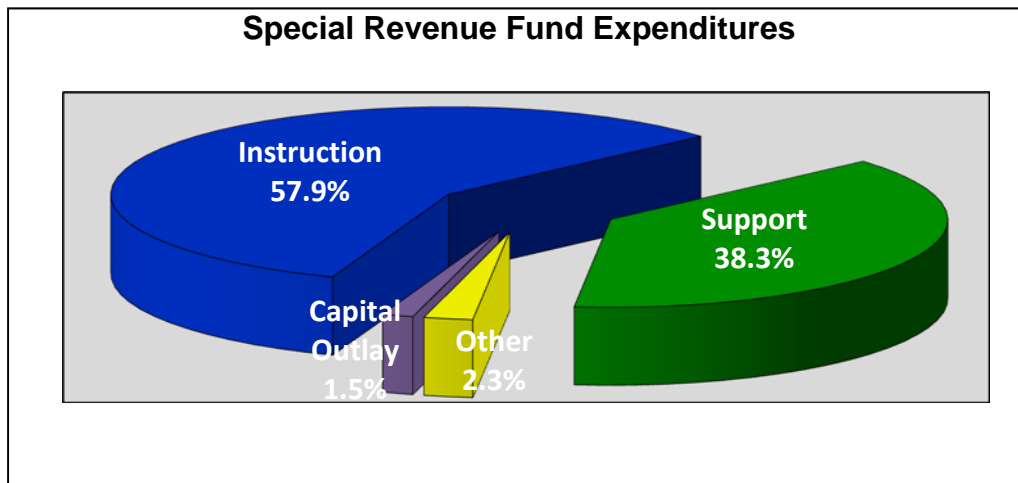
##### SPECIAL REVENUE EXPENDITURES

For the Year Ended June 30

	2018	2017	2018 Percent of Total	Increase (Decrease) from 2017	Percent Increase (Decrease) from 2017
Current:					
Instruction	\$22,253,468	\$ 20,969,178	57.9%	\$ 1,284,290	6.1%
Support Services	14,713,740	14,077,512	38.3%	636,228	4.5%
Community Services	562	1,030	0.0%	(468)	-45.4%
Intergovernmental	897,198	277,985	2.3%	619,213	222.8%
Capital outlay	572,985	-	1.5%	572,985	100.0%
Total	\$ 38,437,953	\$ 35,325,705	100.0%	\$ 3,112,248	8.8%

#### Special Revenue Fund Expenditures

Expenditures for the special revenue funds were \$38,437,953, an increase of \$3,112,248 from fiscal year 2017. This increase is due primarily to staff raises and other employer paid benefits. In addition, SD7 placed additional instructional staff at McCarthy-Teszler.



#### Fiduciary Funds

The school district is the trustee, or fiduciary, for assets that belong to others, such as student activity funds. SD7 is responsible for ensuring that the assets reported in these funds are used only for their intended purpose and by those to whom the assets belong. The school district excludes these activities from the government-wide financial statements because it cannot use these assets to finance its operations.

## **SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7**

### **Management's Discussion and Analysis (MD & A) For the Fiscal Year Ended June 30, 2018**

#### **Other Funds**

The Debt Service fund decreased by \$940,293 due to the retirement of debt and lower tax collections. The Capital Projects fund increased by \$15,643,354 due to the issuance of a General Obligation BAN to support outlays for the new elementary school and new high school.

#### **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.

#### **Economic Factors**

Spartanburg County is located in the Northwestern Piedmont section of South Carolina. It is located at the "Crossroads of the New South": the intersection of interstates 85 and 26, two of the most traveled interstate highways in the United States. Spartanburg County has a land area of 819 square miles and population of 297,302 in 2015. Between 2011 and 2015, the population grew by 4% (Bureau of Economic Analysis). It is important to note that the largest area of Spartanburg School District 7 is comprised of the City of Spartanburg. The City of Spartanburg's population in 2015 was 37,375. Between 2010 and 2015, the population in the City of Spartanburg increased by 1% (S.C. Appalachian Council of Governments-City of Spartanburg Fact Sheet). The City of Spartanburg's population is directly correlated to the student enrollment within SD7. The district recognized this correlation and developed the budget ensuring efficient use of the district resources while focusing on student achievement. In 2014, over \$2.3 billion in capital investments had been made in the county, a direct impact on county population growth. Spartanburg County has recognized the change from an agricultural and textile base to a new economic base, a community with more than 80 international firms, representing 19 countries, which are a part of its industrial community including BMW. Spartanburg County has the highest per capita diversified foreign investment of any area in the country. The New York Times reports Spartanburg, South Carolina as having the highest per capita international investment in the nation. With the capital investments, the county and city's community outreach programs to increase the quality of life for the citizens of Spartanburg have increased proportionately. The district is using this growth as an opportunity to compliment public education.

Economic development in the city is equally important to the school district, impacting growth in the school district's tax base and stabilization of the district's student enrollment. The district has begun developing community partnerships throughout the city utilizing their programs and economic strengths to increase student achievement. In 2015, the city recorded approximately \$3.1 billion in gross business sales and \$214 million in building permits were issued during fiscal year 2016.

## **SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7**

### **Management's Discussion and Analysis (MD & A) For the Fiscal Year Ended June 30, 2018**

This level of commerce among local businesses and not-for-profits has opened up recreational activities, mentoring, after-school programs, and adopt-a-school programs that continue to be essential to the success of SD7. Construction was completed on the \$43 million Chapman Cultural Arts Center in late 2007. The district is extensively using the center to enhance its related arts programs. Construction was completed in 2010 on the George Dean Johnson College of Business and Economics of the University of South Carolina Upstate. This \$30 million facility is located adjacent to the Chapman Cultural Center and serves over a thousand students each year. A variety of economic and business programs are continually held at this complex which affords great exposure to the City and the School District.

#### **Budgetary Highlights**

Annual budgets are prepared on a basis consistent with U.S. generally accepted accounting principles for the General Operating Funds. All annual unencumbered appropriations lapse at fiscal year-end. The appropriated budget is prepared by fund, account, and location.

In June 2017, the Board adopted a budget for fiscal year 2018 that reflected total annual appropriations of \$70.2 million. Actual general operating fund revenues/transfers in for fiscal year 2018 were \$70.1 million and actual general operating fund expenditures/transfers out were \$69.8 million. Actual revenues were higher than budgeted revenues primarily due to additional state funding. Actual expenditures came in lower than budgeted expenditures.

In June 2018, the Board adopted a balanced general fund budget for fiscal year 2018-2019 that reflected total resources of \$71.4 million.

#### **Contacting the District's Financial Management**

The financial report is designed to provide a general overview of Spartanburg County School District No. 7 finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to the Chief Financial Officer, Spartanburg County School District No. 7, 610 Dupre Dr. Spartanburg, SC 29307.



## **Basic Financial Statements**



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SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
STATEMENT OF NET POSITION  
JUNE 30, 2018

	<b>Governmental Activities</b>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 2,810,826
Investments	94,310,270
Taxes receivable	5,505,996
Less allowance for uncollectibles	(3,854,197)
Accounts receivable	4,846,197
Due from County Government	10,948,435
Due from State Department of Education	5,785,481
Due from other state agencies	62,713
Due from Federal Government	488,882
Commodities	39,738
Inventories	385,991
	<u>121,330,332</u>
Capital Assets:	
Land	11,726,834
Improvements other than building	15,058,776
Buildings	167,875,019
Equipment	10,332,784
Construction in progress	77,253,964
Less: accumulated depreciation	(88,798,561)
	<u>193,448,816</u>
<b>Total Assets</b>	<u>314,779,148</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred loss on refunding	1,340,250
Deferred amounts related to pensions	18,500,969
Deferred amounts related to OPEB	3,343,303
	<u>23,184,522</u>
<b>LIABILITIES</b>	
Accounts payable	8,902,774
Retainage payable	2,724,591
Bonds payable	356,000
Due to State Department of Education	4,400
Payable to fiduciary fund	829,780
Health, life insurance and other deductions	2,927,832
Accrued salaries	404,112
Unearned revenue	2,795,228
Accrued interest payable	4,722,950
Noncurrent liabilities:	
Due within one year	147,465,000
Due in more than one year	34,716,595
Net pension liability	124,074,634
Net OPEB liability	92,609,973
	<u>422,533,869</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred amounts related to pensions	2,730,807
Deferred amounts related to OPEB	8,755,688
	<u>11,486,495</u>
<b>NET POSITION</b>	
Net investment in capital assets	60,645,613
Restricted for:	
General	
Nonexpendable	385,991
Spartanburg County Alternative School	1,092,955
McCarthy-Teszler School	4,576,929
Technology	335,268
Food service	2,531,822
Debt service	6,313,213
Unrestricted	(171,938,485)
<b>Total Net Position</b>	<u>\$ (96,056,694)</u>

The accompanying notes are an integral part of the basic financial statements.

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE)
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	REVENUE AND CHANGES IN NET POSITION
				Primary Government Governmental Activities
PRIMARY GOVERNMENT:				
Governmental activities:				
Instruction	\$ 66,416,668	\$ 3,747,948	\$ 40,634,793	\$ (22,033,927)
Support services	59,100,371	251,477	9,805,658	(49,043,236)
Community services	562	-	391	(171)
Intergovernmental	3,439,877	-	508,666	(2,931,211)
Interest and other charges	1,107,324	-	-	(1,107,324)
TOTAL PRIMARY GOVERNMENT	\$ 130,064,802	\$ 3,999,425	\$ 50,949,508	(75,115,869)
GENERAL REVENUES:				
				37,393,059
				13,866,607
				16,259,498
				84,801
				1,052,542
				1,133,415
				69,789,922
CHANGE IN NET POSITION				(5,325,947)
NET POSITION, AS ADJUSTED - JULY 1, 2017				(90,730,747)
NET POSITION - JUNE 30, 2018				\$ (96,056,694)

The accompanying notes are an integral part of the basic financial statements.

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2018

	General Fund	Special Revenue Fund - McCarthy-Teszler School	Special Revenue Fund - Spartanburg County Alternative School	Special Revenue Fund - Special Projects	Special Revenue Fund - EIA	Special Revenue Fund - Food Service	Debt Service Fund	Capital Projects Fund	Total Governmental Funds
<b>ASSETS</b>									
Cash and cash equivalents	\$ 2,810,826	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,810,826
Investments	84,432,081	-	-	-	-	-	-	9,878,189	94,310,270
Taxes receivable	3,162,930	851,705	284,383	-	-	-	1,206,978	-	5,505,996
Less allowance for uncollectibles	(2,214,051)	(596,193)	(199,068)	-	-	-	(844,885)	-	(3,854,197)
Accounts receivable	42,545	2,892,600	918,786	205,073	4,382	7,344	-	775,467	4,846,197
Due from other funds	-	1,984,098	296,052	2,131,029	119,000	2,273,550	4,217,210	65,376,100	76,397,039
Due from County Government	1,122,448	128,690	41,745	-	-	-	2,452,003	7,203,549	10,948,435
Due from State Department of Education	2,375,269	85,646	-	2,660,972	663,594	-	-	-	5,785,481
Due from other state agencies	-	-	-	62,713	-	-	-	-	62,713
Due from Federal Government	-	-	-	-	-	488,882	-	-	488,882
Commodities	-	-	-	-	-	39,738	-	-	39,738
Inventories	385,991	-	-	-	-	-	-	-	385,991
<b>Total Assets</b>	<b>\$ 92,118,039</b>	<b>\$ 5,346,546</b>	<b>\$ 1,341,898</b>	<b>\$ 5,059,787</b>	<b>\$ 786,976</b>	<b>\$ 2,809,514</b>	<b>\$ 7,031,306</b>	<b>\$ 83,233,305</b>	<b>\$ 197,727,371</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>									
<b>Liabilities:</b>									
Accounts payable	\$ 526,835	\$ 514,105	\$ 163,628	\$ 102,217	\$ 15,490	\$ 237,954	\$ -	\$ 7,342,545	\$ 8,902,774
Retainage payable	-	-	-	-	-	-	-	2,724,591	2,724,591
Bonds payable	-	-	-	-	-	-	356,000	-	356,000
Due to State Department of Education	-	-	-	-	4,400	-	-	-	4,400
Due to other funds	75,084,622	-	-	2,142,197	-	-	-	-	77,226,819
Health, life insurance and other deductions	2,927,832	-	-	-	-	-	-	-	2,927,832
Accrued salaries	404,112	-	-	-	-	-	-	-	404,112
Unearned revenue	-	-	-	1,988,404	767,086	39,738	-	-	2,795,228
<b>Total Liabilities</b>	<b>78,943,401</b>	<b>514,105</b>	<b>163,628</b>	<b>4,232,818</b>	<b>786,976</b>	<b>277,692</b>	<b>356,000</b>	<b>10,067,136</b>	<b>95,341,756</b>
<b>Deferred Inflows of Resources</b>	<b>948,879</b>	<b>255,512</b>	<b>85,315</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>362,093</b>	<b>-</b>	<b>1,651,799</b>
<b>Unavailable revenue - property taxes</b>									
<b>Fund Balances:</b>									
Nonspendable:									
Inventory	385,991	-	-	-	-	-	-	-	385,991
Restricted:									
McCarthy-Teszler School	-	4,576,929	-	-	-	-	-	-	4,576,929
Spartanburg County Alternative School	-	-	1,092,955	-	-	-	-	-	1,092,955
Technology	-	-	-	335,268	-	-	-	-	335,268
Food service	-	-	-	-	-	2,531,822	-	-	2,531,822
Debt service	-	-	-	-	-	-	6,313,213	-	6,313,213
Capital projects	-	-	-	-	-	-	-	52,761,092	52,761,092
Assigned:									
Technology	-	-	-	87,215	-	-	-	-	87,215
Capital projects	-	-	-	-	-	-	-	20,405,077	20,405,077
Workers compensation contingency	538,365	-	-	-	-	-	-	-	538,365
Special Projects	-	-	-	404,486	-	-	-	-	404,486
Unassigned:									
General	11,301,403	-	-	-	-	-	-	-	11,301,403
<b>Total Fund Balances</b>	<b>12,225,759</b>	<b>4,576,929</b>	<b>1,092,955</b>	<b>826,969</b>	<b>-</b>	<b>2,531,822</b>	<b>6,313,213</b>	<b>73,166,169</b>	<b>100,733,816</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 92,118,039</b>	<b>\$ 5,346,546</b>	<b>\$ 1,341,898</b>	<b>\$ 5,059,787</b>	<b>\$ 786,976</b>	<b>\$ 2,809,514</b>	<b>\$ 7,031,306</b>	<b>\$ 83,233,305</b>	<b>\$ 197,727,371</b>

The accompanying notes are an integral part of the basic financial statements.

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES  
TO NET POSITION OF GOVERNMENTAL ACTIVITIES  
JUNE 30, 2018

Total Governmental Fund Balances			\$ 100,733,816
Amounts reported for governmental activities on 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 the funds.			193,448,816
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds:			
Taxes receivable			1,651,799
Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds:			
Accrued interest payable	(4,722,950)		
Bond premium, net of amortization	(3,863,350)		
Bonds payable	(178,186,000)		
Capital leases	(132,245)		
Net pension liability	(124,074,634)		
Net OPEB liability	<u>(92,609,973)</u>	(403,589,152)	
Deferred outflows and inflows of resources are not available to use in the current period and, therefore, are not reported in the funds:			
Pension related deferred outflows	18,500,969		
OPEB related deferred outflows	3,343,303		
Deferred loss on refunding, net of amortization	1,340,250		
Pension related deferred inflows	(2,730,807)		
OPEB related deferred inflows	<u>(8,755,688)</u>	<u>11,698,027</u>	
Net Position of Governmental Activities			<u>\$ (96,056,694)</u>

The accompanying notes are an integral part of the basic financial statements.

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	General Fund	Special Revenue Fund - McCarthy-Teszler School	Special Revenue Fund - Spartanburg County Alternative School	Special Revenue Fund - Special Projects	Special Revenue Fund - EIA	Special Revenue Fund - Food Service	Debt Service Fund	Capital Projects Fund	Total Governmental Funds
<b>REVENUES</b>									
Local property taxes	\$ 25,501,159	\$ 8,877,933	\$ 2,922,928	\$ -	\$ -	\$ -	\$ 13,866,607	\$ -	\$ 51,168,627
Other local	511,252	1,734,672	-	2,728,983	-	275,427	65,129	1,017,441	6,332,904
Total local	26,012,411	10,612,605	2,922,928	2,728,983	-	275,427	13,931,736	1,017,441	57,501,531
Intergovernmental	-	2,066,039	1,281,116	140,375	-	-	-	-	3,487,530
State	41,439,348	1,029,487	42,670	1,808,965	7,392,290	318	995,595	-	52,708,673
Federal	56,591	-	-	7,163,585	-	4,509,543	-	-	11,729,719
Total Revenues	67,508,350	13,708,131	4,246,714	11,841,908	7,392,290	4,785,288	14,927,331	1,017,441	125,427,453
<b>EXPENDITURES</b>									
Current:									
Instruction	39,877,257	8,808,427	2,589,330	6,599,060	4,256,651	-	-	166,083	62,296,808
Support services	26,817,680	3,343,691	1,560,865	4,718,341	922,481	4,168,362	-	10,847,936	52,379,356
Community services	-	-	-	562	-	-	-	-	562
Intergovernmental	1,773,918	165,959	-	731,239	-	-	-	1,500,000	4,171,116
Debt service	-	-	-	-	-	-	-	-	-
Legal Services	-	-	-	-	-	-	78,293	-	78,293
Other professional & technical services	-	-	-	-	-	-	111,053	-	111,053
Principal	-	-	-	-	-	-	62,971,604	-	62,971,604
Interest	-	-	-	-	-	-	3,230,965	-	3,230,965
Other objects	-	-	-	-	-	-	30,278	-	30,278
Capital outlay	5,480	-	6,184	-	-	566,801	-	69,039,985	69,618,450
Total Expenditures	68,474,335	12,318,077	4,156,379	12,049,202	5,179,132	4,735,163	66,422,193	81,554,004	254,888,485
Excess (Deficiency) of Revenues over Expenditures	(965,985)	1,390,054	90,335	(207,294)	2,213,158	50,125	(51,494,862)	(80,536,563)	(129,461,032)
<b>OTHER FINANCING SOURCES (USES)</b>									
Premium on bonds sold	-	-	-	-	-	-	49,406	5,351,080	5,400,486
Issuance of general obligation bonds	-	-	-	-	-	-	54,646,500	84,813,500	139,460,000
Transfers in	2,575,984	192,987	113,092	350,000	-	-	874,000	6,015,337	10,121,400
Transfers out	(1,350,000)	(1,252,450)	(123,821)	(181,134)	(2,213,158)	-	(5,015,337)	-	(10,135,900)
Total Other Financing Sources (Uses)	1,225,984	(1,059,463)	(10,729)	168,866	(2,213,158)	-	50,554,569	96,179,917	144,845,986
Total Net Change in Fund Balances	259,999	330,591	79,606	(38,428)	-	50,125	(940,293)	15,643,354	15,384,954
Fund Balances - July 1, 2017	11,965,760	4,246,338	1,013,349	865,397	-	2,481,697	7,253,506	57,522,815	85,348,862
Fund Balances - June 30, 2018	\$ 12,225,759	\$ 4,576,929	\$ 1,092,955	\$ 826,969	\$ -	\$ 2,531,822	\$ 6,313,213	\$ 73,166,169	\$ 100,733,816

The accompanying notes are an integral part of the basic financial statements.

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Total Net Change in Fund Balances - Governmental Funds	\$ 15,384,954
Amounts reported for governmental activities in the statements of activities are different because of the following:	
Interest is reported as an expenditure when due in the governmental funds, but is accrued on outstanding debt on the statement of activities.	(3,556,818)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. The issuance of long-term debt increases long-term liabilities on the statement of net position and the repayment of principal on long-term debt reduces long-term debt on the statement of net position. Also, governmental funds report the effect of premiums and discounts when debt is first issued, whereas these amounts are deferred and amortized over the term of the long-term debt in the statement of activities.	
Principal payments on long-term debt	62,971,604
Bond premium	(5,400,486)
Amortization of deferred loss on refunding	(365,523)
Amortization of bond premium	6,265,607
The cost of pension benefits earned net of employee contributions is reported in the statement of activities as an element of pension expense. The governmental funds report pension contributions as expenditures.	(4,196,506)
The cost of OPEB benefits earned net of employee contributions is reported in the statement of activities as an element of OPEB expense. The governmental funds report OPEB contributions as expenditures.	(2,452,428)
Governmental funds report capital outlay as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets. This is the amount by which capital outlay of \$70,052,833 exceeded depreciation expense of \$5,202,468 in the current year.	64,850,365
Long-term debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position.	(139,460,000)
Revenues reported on the statement of activities do not provide current financial resources and, therefore, are not reported as revenue in governmental funds:	
Taxes receivable	91,041
Non-employer contributions related to OPEB	542,243
Changes in Net Position of Governmental Activities	<u>\$ (5,325,947)</u>

The accompanying notes are an integral part of the basic financial statements.

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
STATEMENT OF FIDUCIARY NET POSITION  
JUNE 30, 2018

	<u>Agency Fund</u>
<b>ASSETS</b>	
Accounts receivable	\$ 4,536
Due from general fund	829,780
Prepays	<u>2,816</u>
Total Assets	<u><u>\$ 837,132</u></u>
<b>LIABILITIES</b>	
Accounts payable	\$ 13,673
Due to student organizations	<u>823,459</u>
Total Liabilities	<u><u>\$ 837,132</u></u>

The accompanying notes are an integral part of the basic financial statements.

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**A. Reporting Entity**

Spartanburg County School District No. 7 ("the District") is one of seven school districts in Spartanburg County, South Carolina. The District is governed by a nine member Board of Trustees and it has oversight responsibility and control over all activities related to public education within the District's boundaries.

The District's financial statements are prepared in conformity with U.S. generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the accounting policies used by the District are described below.

**B. Basic Financial Statements - Government-wide Financial Statements**

The government-wide financial 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 primary government, except for fiduciary funds.

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

The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the District's governmental activities. Direct expenses are those associated with a service, program or department and therefore are clearly identifiable to a particular function. Program revenues include amounts paid by the recipient for the goods or services offered by the program, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

**C. Basic Financial Statements - Fund Financial Statements**

Fund financial statements report detailed information about the District. Their focus is on major funds rather than reporting funds by type. Each major governmental fund is presented in a separate column, and all nonmajor funds are aggregated into one column. Fiduciary funds are reported by fund type.

The accounting and financial reporting applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a flow of current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets. Fiduciary funds are accounted for using the economic resources measurement focus and accrual basis of accounting.

The District's accounts are maintained on the basis of funds, each of which is considered a separate accounting entity. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to specific District functions or activities. The operation of each fund is accounted for within a separate set of self-balancing accounts.



SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
NOTES TO BASIC FINANCIAL STATEMENTS - CONTINUED  
JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

**C. Basic Financial Statements - Fund Financial Statements - Continued**

Governmental fund types are those through which most government functions typically are financed. Governmental fund reporting also focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance.

The District reports the following major governmental funds:

**General Fund** - The general fund is the general operating fund of the District. It accounts for all activities except those required to be accounted for in other funds.

**Special Revenue Fund** - The Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The District has the following special revenue funds:

- 1) McCarthy-Teszler School Fund – is a special education facility that provides services to students from all seven Spartanburg County school districts by offering special instruction to students with certain disabilities. The fund is financed by local property taxes and payments from other LEAs. The school serves students from each of the seven districts of Spartanburg County.
- 2) Spartanburg County Alternative School Fund – is designed to accommodate students in grades 6-12 within Spartanburg County who have experienced difficulty in the regular school settings. The goal of the alternative school is to assist the student in obtaining a high school diploma or G.E.D. The fund is financed by local property taxes and payments from other LEAs. The school serves students from each of the seven districts of Spartanburg County.
- 3) Special Projects Fund - is used to account for financial resources provided by federal and state grants.
- 4) Education Improvement Act (EIA) Fund - is used to account for the proceeds of the additional one percent sales and use tax revenues that are legally restricted to expenditures for the South Carolina Education Improvement Act of 1984 standards.
- 5) Food Service Fund - is used to account for cafeteria operations at school locations. The fund is financed by user charges and subsidized by USDA school lunch and breakfast programs.

**Debt Service Fund** - The Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

**Capital Projects Fund** - The Capital Projects Funds are used to account for the financial resources to be used for the acquisition or construction of major capital facilities.

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
NOTES TO BASIC FINANCIAL STATEMENTS - CONTINUED  
JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

**C. Basic Financial Statements - Fund Financial Statements - Continued**

Additionally, the District reports the following fund type:

**Fiduciary Fund** - Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. The agency fund is custodial in nature (assets equal liabilities) and does not involve measurement of results of operations. The District's only fiduciary fund is an agency fund:

- 1) Pupil Activity Fund - is used to account for student admissions, organization memberships, bookstore sales and other related receipts and disbursements held by the school in a trustee capacity on behalf of the students and/or District employees.

**D. Measurement Focus and Basis of Accounting**

Basis of accounting refers to when revenues and expenditures/expenses are recognized in the accounts and reported in the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. The fund financial statements are prepared using either the modified accrual basis of accounting for the governmental fund types or the accrual basis of accounting for fiduciary fund types.

*Revenue - Exchange and Nonexchange Transactions*

Revenue resulting from exchange transactions is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenues are recognized in the accounting period when they become both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current fiscal year. The available period of the District is sixty days after year-end.

Nonexchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been met. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

In applying the "susceptible to accrual concept" under the modified accrual basis, the following revenue sources are deemed both measurable and available: property taxes available for advance, investment earnings, tuition, grants and student fees.

*Unearned Revenue*

The District reports unearned revenue on its statement of net position and governmental funds balance sheet. In both the government-wide and governmental fund financial statements, resources received that are "intended to finance" a future period are reported as unearned revenue. In subsequent periods, the liability for unearned revenue is removed from the statement of net position and governmental funds balance sheet and revenue is recognized.

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
NOTES TO BASIC FINANCIAL STATEMENTS - CONTINUED  
JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

**D. Measurement Focus and Basis of Accounting - Continued**

*Expenditures/Expenses*

On the accrual basis of accounting, expenses are recorded at the time they are incurred. The measurement focus of governmental fund accounting is on the flow of current financial resources. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred except for (1) principal and interest on general long-term debt, which is recorded when due, and (2) the costs of accumulated unpaid vacation and sick leave, which are reported as fund liabilities in the period in which they will be liquidated with available financial resources rather than in the period earned by employees.

**E. Budget**

The District legally adopts an annual budget for the General Fund, McCarthy-Teszler School, and the Spartanburg County Alternative School, prior to the beginning of each fiscal year. The Board of Trustees approve the budgets by a majority vote and the Chief Financial Officer is authorized to transfer budgeted amounts within functions throughout the year, as needed. Although not legally obligated to do so, the Board of Trustees also adopts an annual budget for the Debt Service Fund and Capital Projects Fund. The adopted budgets specifies expenditure limits appropriated to each function. All annual appropriations lapse at fiscal year-end. The budget is prepared on a basis consistent with U.S. generally accepted accounting principles, which is consistent with actual financial statement results, including significant accruals to provide meaningful comparisons.

**F. Deposits and Investments**

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 insurance, (4) certificates of deposit collaterally secured, (5) repurchase agreements secured by the foregoing obligations, and (6) the State Treasurer's Investment Pool.

Investments are stated at fair value. The fair value of the District's investments approximated cost.

**G. Due from County Government**

The County Government, fiscal agent for the District, receives monies from local, state and federal sources on behalf of the District. The monies held by the County Government are uninsured but collateralized with government investments held by the pledging institution's agent in the name of County. Market value approximates cost on the investments. These monies are remitted to the District once a claim has been presented to the County Government.

**H. Taxes Receivable**

Taxes receivable represents delinquent taxes being processed for collection by the Spartanburg County Delinquent Tax Office, originally assessed for District No. 7. Thirty percent of the delinquent taxes delivered each year to the Delinquent Tax Office are estimated to be collectible; the remainder is considered to be uncollectible and, accordingly, an allowance for the uncollectible amounts has been recorded.

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
NOTES TO BASIC FINANCIAL STATEMENTS - CONTINUED  
JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

**I. Ad Valorem Taxes**

The District's property taxes (except vehicles) are levied by the Spartanburg County Auditor each fall on the assessed valuation of the property located in the District as of the preceding January 1. The tax books are open for collection September 1, with the first penalty of 3% applied to payments made after January 15, the due date. An additional penalty of 7% is charged for payments made after January 31. Uncollected property taxes attach as an enforceable lien on January 1. Uncollected property taxes as of March 15 are transferred to the Spartanburg County Delinquent Tax Collector at which time an additional 5% penalty is assessed. Spartanburg County bills and collects the District's property taxes.

The assessed valuation of property in Spartanburg County for District No. 7 for 2017 was \$201,602,670. In addition, the District billed fees in lieu of taxes on assessed value of \$2,703,293. The millage rate charged for the School District was 184.8 for current operations, and 74.0 for debt service.

The millage rate charged for the McCarthy-Teszler School (operated at the Charles Lea Center, a facility for disabled and special need persons), based on countywide assessed valuation of \$1,114,213,421 was 11.4 mills. Also, the millage rate charged for the Spartanburg County Alternative School (which the District is the fiscal agent) is 3.8 mills. In addition, McCarthy Teszler and Spartanburg County Alternative School billed fees in lieu of taxes on assessed value of \$99,075,864.

**J. Inventory and Prepaid Items**

Inventories are presented at the lower of cost or market using the first in, first out (FIFO) method and are expensed when used.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

**K. Capital Assets and Depreciation**

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The District follows the policy of not capitalizing assets with a cost of less than \$5,000. The District does not possess any infrastructure.

All reported capital assets except land and construction in progress are depreciated. Construction projects are depreciated once they are complete, at which time the complete costs of the project are transferred to the appropriate capital asset category. Depreciation is computed using the straight-line method over the following useful lives:

Description	Useful Life
Land	not depreciated
Buildings and improvements	20-40 years
Furniture and equipment	3-12 years

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
NOTES TO BASIC FINANCIAL STATEMENTS - CONTINUED  
JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

**L. Interfund Transactions**

Interfund transactions are reported either as loans, services provided, reimbursements, or transfers. Loans are reported as due to/from other funds, as appropriate, and are subject to elimination in the government-wide financial statements. Services provided are treated as revenues and expenditures. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers among governmental funds are eliminated in the government-wide financial statements.

**M. Vacation and Sick Pay**

In accordance with state law, the District allows employees to accumulate a maximum of ninety days sick leave. Accumulated sick leave is transferable to other school districts. During an illness, an employee continues to receive full pay for each day of accumulated sick leave. If an employee leaves the employment of the District, any unused sick leave is not paid. Because of the nonvesting of sick leave and other uncertainties, no estimate of any potential liability has been made.

Two weeks of vacation is given to all 12-month employees. Vacation is noncumulative and employees are not paid for unused vacation days. Therefore no provision for liability has been made.

**N. Accrued Liabilities and Long-term Debt**

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

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

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities on the Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Amortizations of premiums and discounts are included in interest expense. Bonds payable are reported net of the applicable unamortized bond premiums or discounts.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period.

**O. Deferred Outflows and Inflows of Resources**

In the government-wide financial statements, in addition to assets and liabilities, separate sections for deferred outflows and deferred inflows of resources are reported. Deferred outflows of resources represent a consumption of net position that applies to future periods and will not be recognized as an expenditure until then. Deferred inflows of resources represent an acquisition of net position that applies to future periods and will not be recognized as revenue until that time. The District's deferred outflows and inflows of resources are related to pensions, OPEB and deferred loss on refunding from prior years.

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
NOTES TO BASIC FINANCIAL STATEMENTS - CONTINUED  
JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

**P. Retirement Plans**

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

**Q. Other Post-Employment Benefit (OPEB) Plan**

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.

**R. Governmental Fund Balance Classifications**

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

**Nonspendable** - This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The District has classified inventories, and prepaid items as being nonspendable as these items are not expected to be converted to cash or are not expected to be converted to cash within the next current year.

**Restricted** - This classification includes amounts for which constraints have been placed on the use of the resources through either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

**Committed** - This classification includes amounts that can only be used for specific purposes pursuant to constraints determined by a formal action of the government's highest level of decision making authority. The Board of Trustees is the highest level of decision-making authority for the government and the formal action they take that can commit fund balance is a majority vote (highest level of decision making authority). These amounts cannot be used for any other purpose unless the Board of Trustees removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
NOTES TO BASIC FINANCIAL STATEMENTS - CONTINUED  
JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

**R. Governmental Fund Balance Classifications - Continued**

**Assigned** - This classification includes amounts that are constrained by the District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Trustees or an official to which the Board delegates authority. By a majority vote, the Board of Trustees has delegated this authority to the Superintendent. The authorization to assign fund balance can be found in the District's fund balance policy. This classification also includes the remaining positive fund balance for all governmental funds, except for the General Fund, as governed by the State Department of Education.

**Unassigned** - This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balances of any other governmental fund that cannot be eliminated by the offsetting of assigned fund balance amounts.

*Spending Policy*

The District would typically use restricted fund balances first, followed by committed resources and the assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first and to defer the use of these other classified funds. Where applicable, these classifications are presented on the face of the governmental fund balance sheet.

*Minimum Unassigned Fund Balance*

The District will construct its budget so as to provide for an adequate general fund reserve. The purpose of such a fund is to have reserves adequate to avoid excessive borrowing, prevent cash flow disruptions and demonstrate financial responsibility. The district will maintain a minimum unassigned fund balance in its general fund of twelve percent of current year budgeted expenditures, including transfers. Any excess over the twelve percent reserve calculation, using the prior year audited reserve as a base, may be transferred to the district building fund for facility needs or the debt service fund for payment of debt. Such a transfer to either or both funds will be estimated and budgeted in each year's current operating budget.

**S. Net Position**

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

**T. Restricted Sources**

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

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
NOTES TO BASIC FINANCIAL STATEMENTS - CONTINUED  
JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

**U. Estimates**

The preparation of the financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

**V. Risk Management**

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District purchases its general liability, property, and employee health and accident, and workmen's compensation insurance from various commercial insurance carriers.

The District has elected to be "self-insured" for unemployment taxes, whereby it would reimburse the South Carolina Employment Security Commission for actual claims paid attributable to service in the employ of the District. No separate liability for unemployment claims has been established due to the insignificant amounts of the expenditures.

There have been no significant reductions in insurance coverage from the prior year. There were no settlements of claims have not exceeded insurance coverage for each of the past three years.

NOTE 2 - CASH AND INVESTMENTS

**Cash**

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District has no formal policy regarding custodial credit risk for deposits.

As of June 30, 2018, the District's cash deposits were as follows:

	<u>Carrying Amount</u>	<u>Bank Balance</u>
Demand deposits	\$ 2,810,826	\$ 3,568,713

Of the District's bank balance, \$336,612 was covered by FDIC insurance and \$3,232,101 was collateralized by securities held by the pledging bank's trust department or agent in the District's name.

**Investments**

The District's investments are categorized within the fair value hierarchy established by generally accepted accounting principles. 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.



SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
NOTES TO BASIC FINANCIAL STATEMENTS - CONTINUED  
JUNE 30, 2018

NOTE 2 - CASH AND INVESTMENTS – CONTINUED

As of June 30, 2018, the District's investments has the following recurring fair value measurements (Level 1 inputs):

	<u>Fair Value</u>	<u>Maturity</u>	<u>Rating</u>
Morgan Stanley Institutional Government Portfolio	\$ 9,878,189	<30 days	AAAm

Interest rate risk is the risk that the market value of securities in the portfolio will fall due to changes in the market interest rates. The District's policy is to minimize interest rate risk by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities in the open market, and investing operating funds primary in shorter-term securities, liquid asset funds, money market funds, or similar investment pools and limiting the average maturity in accordance with the District's cash requirements.

Custodial credit risk is the risk that, in the event of a failure of the counterparty, the District may not be able to recover the value of investments, or collateral securities that are in the possession of an outside party. The District's policy is to minimize custodial credit risk by limiting investments to the types of securities allowed by law; and pre-qualifying the financial institutions, broker/dealer, intermediaries, and advisors with which the District will do business.

Concentration of credit risk is the risk of loss attributable to the magnitude of the District's investment single issuer. This risk is mitigated by diversifying the investment portfolio so that the impact of potential losses from any one type of security or issuer will be minimized. The District's policy is to minimize the concentration of credit risk by diversifying the investment portfolio so that the impact of potential losses from any one type of security or issuer will be minimized.

*Investments in Local Government Investment Pool*

South Carolina Pooled Investment Fund ("SC Pool") investments are invested with the South Carolina State Treasurer's Office, which established the South Carolina Pool pursuant to Section 6-6-10 of the South Carolina Code. The SC Pool is an investment trust fund, in which public monies in excess of current needs, which are under the custody of any city treasurer or any governing body of a political subdivision of the State, may be deposited. The SC Pool is a 2a 7-like pool, which is not registered with the Securities and Exchange Commission ("SEC") as an investment company, but has a policy that it will operate in a manner consistent with the SEC's Rule 2a 7 of the Investment Company Act of 1940. Investments are carried at fair value and determined annually based upon quoted market prices in active markets for identical assets. The total fair value of the Pool is apportioned to the entities with funds invested on an equal basis for each share owned, which are acquired at a cost of \$1.00. Funds may be deposited by Pool participants at any time and may be withdrawn upon 24 hours' notice.

As of June 30, 2018, the District's investments in the Local Government Investment Pool were as follows:

	<u>Fair Value</u>	<u>Maturity</u>	<u>Rating</u>
South Carolina Pooled Investment Fund	\$ 84,432,081	<60 days	Not Rated

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
NOTES TO BASIC FINANCIAL STATEMENTS - CONTINUED  
JUNE 30, 2018

NOTE 3 - CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2018 is as follows:

	Balance 6/30/2017	Additions	Deductions	Transfers	Balance 6/30/2018
<b>Governmental Activities</b>					
Capital Assets - Not Being Depreciated					
Land	\$ 11,525,283	\$ 201,551	\$ -	\$ -	\$ 11,726,834
Construction in progress	15,708,233	68,082,752	-	(6,537,021)	77,253,964
Total Capital Assets - Not Being Depreciated	<u>27,233,516</u>	<u>68,284,303</u>	<u>-</u>	<u>(6,537,021)</u>	<u>88,980,798</u>
Capital Assets - Being Depreciated					
Buildings	163,754,401	30,850	-	4,089,768	167,875,019
Improvements other than building	12,547,341	297,028	232,846	2,447,253	15,058,776
Equipment	8,925,145	1,440,652	33,013	-	10,332,784
Total Capital Assets - Being Depreciated	<u>185,226,887</u>	<u>1,768,530</u>	<u>265,859</u>	<u>6,537,021</u>	<u>193,266,579</u>
Less Accumulated Depreciation					
Buildings	72,515,954	3,781,954	-	-	76,297,908
Improvements other than building	4,595,448	988,552	232,846	-	5,351,154
Equipment	6,750,550	431,962	33,013	-	7,149,499
Total Accumulated Depreciation	<u>83,861,952</u>	<u>5,202,468</u>	<u>265,859</u>	<u>-</u>	<u>88,798,561</u>
Capital Assets - Being Depreciated, Net	<u>101,364,935</u>	<u>(3,433,938)</u>	<u>-</u>	<u>6,537,021</u>	<u>104,468,018</u>
Governmental Activities Capital Assets, Net	<u>\$ 128,598,451</u>	<u>\$ 64,850,365</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 193,448,816</u>

Depreciation expense was charged to governmental functions as follows:

<b>Instruction</b>	
Regular	\$ 33,809
Extracurricular Activities	2,004
Special	6,457
<b>Support Services</b>	
Pupil Activity	4,683
Instructional Staff	1,389
Building/Construction	5,006,069
Operations and Maint.	87,832
Pupil Transportation	3,323
Food Service	55,982
Central	920
<b>Total</b>	<u>\$ 5,202,468</u>

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
NOTES TO BASIC FINANCIAL STATEMENTS - CONTINUED  
JUNE 30, 2018

NOTE 4 - SHORT-TERM OBLIGATIONS

The following is a summary of the District's short-term obligations for the year ended June 30, 2018:

	Balance at June 30, 2017	Additions	Deductions	Balance at June 30, 2018
GO Bond, Series 2017A	\$ -	\$ 3,525,000	\$ 3,525,000	\$ -
GO Bond, Series 2017B	-	3,574,000	3,574,000	
GO Bond, Series 2018A	-	356,000	-	356,000
	<u>\$ -</u>	<u>\$ 7,455,000</u>	<u>\$ 7,099,000</u>	<u>\$ 356,000</u>

On September 20, 2017, the District issued \$3,525,000 in General Obligation Bonds, Series 2017A, to pay for deferred maintenance costs of the District. At June 30, 2018, these bonds were paid in full, including interest of \$31,529.

On September 20, 2017, the District issued \$3,574,000 in General Obligation Bonds, Series 2017B, to pay for the principal and interest due on the 2017 Special Obligation Bond and to pay for deferred maintenance costs of the District. At June 30, 2018, these bonds were paid in full, including interest of \$47,951.

On May 16, 2018, the District issued \$356,000 in General Obligation Bonds, Series 2018A, to pay for the interest due on the 2017 Special Obligation Bond. At June 30, 2018, \$356,000 of these bonds were outstanding.

NOTE 5 - LONG-TERM OBLIGATIONS

The following is a summary of the District's long-term obligations for the year ended June 30, 2018:

	Balance at June 30, 2017	Additions	Deductions	Balance at June 30, 2018	Due within One Year
Bonds Payable	\$ 101,663,000	\$ 139,460,000	\$ 62,937,000	\$ 178,186,000	\$ 147,465,000
Capital Leases	166,849	-	34,604	132,245	-
	101,829,849	139,460,000	62,971,604	178,318,245	147,465,000
Deferred Amounts: Bond Premium	4,728,470	5,400,487	6,265,607	3,863,350	-
	<u>\$ 106,558,319</u>	<u>\$ 144,860,487</u>	<u>\$ 69,237,211</u>	<u>\$ 182,181,595</u>	<u>\$ 147,465,000</u>

Long-term debt at June 30, 2018 is comprised of the following individual issues:

	Bonds Payable	Capital Leases	Total
\$1,141,000 Lease Purchase Agreement, structured as to qualify as a Qualified Zone Academy Bond (QZAB) for technology equipment, with an interest rate of 0.00% due on December 8, 2021.	-	132,245	132,245

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
NOTES TO BASIC FINANCIAL STATEMENTS - CONTINUED  
JUNE 30, 2018

NOTE 5 - LONG-TERM OBLIGATIONS - CONTINUED

	<u>Bonds Payable</u>	<u>Capital Leases</u>	<u>Total</u>
\$7,640,000 Lease Refunding Revenue Bonds, Series 2011, issued March 1, 2011 for McCarthy-Teszler, due in annual installments commencing March 1, 2012 of \$570,000 to \$839,000 through March 1, 2022, with an interest rate of 4.03%.	3,166,000	-	3,166,000
\$21,695,000 General Obligation Refunding Bonds, Series 2014B, issued June 4, 2014, due in annual installments commencing March 1, 2015 of \$260,000 to \$5,025,000 through March 1, 2022, with interest rates from 2.00% to 4.00%.	16,640,000	-	16,640,000
\$5,575,000 General Obligation Bonds, Series 2015A, issued February 19, 2015, due in annual installments commencing September 1, 2015 of \$215,000 to \$1,830,000 through March 1, 2019, with interest rates from 3.00% to 4.00%.	215,000	-	215,000
\$5,500,000 General Obligation Bonds, Series 2016A, issued February 24, 2016, due in annual installments commencing March 1, 2017 of \$1,010,000 to \$1,205,000 through March 1, 2021, with interest rates from 2.00% to 5.00%.	3,445,000	-	3,445,000
\$16,970,000 Special Obligation Bonds, Series 2017, issued May 30, 2017, due in annual installments commencing December 1, 2017 of \$1,430,000 to \$2,030,000 through December 1, 2026, with interest rates from 2.00% to 5.00%.	15,260,000	-	15,260,000
\$139,460,000 General Obligation Bond Anticipation Note, Series 2017, issued November 15, 2017, due in full on November 15, 2018, with an interest rate of 5.00%. **	<u>139,460,000</u>	<u>-</u>	<u>139,460,000</u>
	<u>\$178,186,000</u>	<u>\$ 132,245</u>	<u>\$ 178,318,245</u>

\*\*In accordance with GASB 62, *Classification of Short-Term Obligations Expected to be Refinanced*, a reputable bond underwriter has expressed written intent to provide a competitive bid on all General Obligation Bond Anticipation Notes and General Obligation Bonds to be offered by the District in relation to the \$185 million bond referendum. The terms of this intent are: the District is to issue a compliant preliminary official statement prepared by a nationally recognized Bond Counsel firm; the District does not have a material adverse change in their current Aa2 bond credit ratings; and the notes or bonds are additionally secured by the South Carolina School District Credit Enhancement Program. Since the District is currently compliant with all three of these terms, the 2017 General Obligation Bond Anticipation Note is classified as a long-term obligation.

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
NOTES TO BASIC FINANCIAL STATEMENTS - CONTINUED  
JUNE 30, 2018

NOTE 5 - LONG-TERM OBLIGATIONS - CONTINUED

The annual requirements to amortize all long-term debt outstanding as of June 30, 2018, including interest payments are as follows:

Year Ending June 30	Bonds Payable		Capital Leases		Total
	Principal	Interest	Principal	Interest	
2019	\$ 147,465,000	\$ 8,674,440	\$ -	\$ -	\$ 156,139,440
2020	8,095,000	1,331,216	-	-	9,426,216
2021	8,567,000	947,484	-	-	9,514,484
2022	4,824,000	583,237	132,245	-	5,539,482
2023	1,670,000	420,000	-	-	2,090,000
2024-2027	7,565,000	779,375	-	-	8,344,375
	<u>\$ 178,186,000</u>	<u>\$ 12,735,752</u>	<u>\$ 132,245</u>	<u>\$ -</u>	<u>\$ 191,053,997</u>

Arbitrage is the difference between the yield on an issuer's tax exempt bonds and the investment income earned on the proceeds. Arbitrage restrictions imposed by the federal government prohibit an issuer from retaining arbitrage profits when investing bond proceeds at a yield that exceeds the yield on the bonds. Any excess arbitrage must be rebated to the U.S. Treasury.

The District is required to have an arbitrage rebate calculation performed every five years and to rebate any arbitrage earnings in excess of the bond yield to the federal government. As of June 30, 2018, the District had no arbitrage rebate liability.

There are a number of limitations and restrictions contained in the various debt instruments. The District is in compliance with all significant limitations and restrictions including the legal debt limit imposed by Article X, Section 15 of the Constitution of the State of South Carolina, 1895, as amended.

Bonds in the governmental funds will be retired by future property tax levies accumulated by the Debt Service Fund. As of June 30, 2018, \$6,313,213 was available in the Debt Service Fund to service the general long-term debt.

*Capital Leases*

The District entered into a lease purchase agreement structured as to qualify as a Qualified Zone Academy Bond (QZAB) for renovations and technology projects, at 0% interest, due on December 8, 2021. Under terms of the agreements, the District is required to irrevocably place cash into a trust that will be used solely for the retirement of the QZAB. The District's required sinking fund payments along with the trusts' accumulated earnings ultimately liquidate the liabilities at the QZABs' respective maturities. As the District makes trust sinking fund payments and as the trust accrues earnings, the QZAB liabilities are considered in-substance defeased, and the liabilities are removed from the District's books.

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
NOTES TO BASIC FINANCIAL STATEMENTS - CONTINUED  
JUNE 30, 2018

NOTE 5 - LONG-TERM OBLIGATIONS - CONTINUED

The District's required sinking fund payments and accrued earnings defeased at June 30, 2018 are as follows:

Sinking Fund Requirements as of June 30,	QZAB
2005	\$ 300,000
2006	116,747
2007	116,747
2008	116,747
	<u>650,241</u>
Trust accumulated earnings as of June 30, 2018	<u>358,514</u>
Debt in-substance defeased as of June 30, 2018	1,008,755
Original liability	<u>1,141,000</u>
Remaining liability as of June 30, 2018	<u><u>\$ 132,245</u></u>

Equipment totaling \$1,141,000 have been purchased with the proceeds from the capital lease and are being depreciated over their estimated useful lives. Capital lease payments have been reclassified and are reflected as debt service expenditures in the basic financial statements for the governmental funds.

NOTE 6 - RETIREMENT PLANS

**A. South Carolina Retirement System**

**Plan Description** - The District, as the employer, participates in the South Carolina Retirement System (SCRS) Plan - a cost-sharing multiple-employer defined benefit pension plan, 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 to employees of the state, its public school districts and political subdivisions. The plan is administered by the South Carolina Public Employee Benefit Authority (PEBA), a division of the primary government of the state of South Carolina, and managed by PEBA's Retirement Division. PEBA issues a Comprehensive Annual Financial Report (CAFR) containing financial statements and required supplementary information for the Systems' Pension Trust Funds. The CAFR that is publicly available through the Retirement Benefits' link on PEBA's website at [www.peba.sc.gov](http://www.peba.sc.gov), or a copy may be obtained by submitting a request to PEBA, 202 Arbor Lake Drive, Columbia, SC 29223.

**Benefits Provided/Membership** - SCRS provides retirement allowances and other benefits for employees of the state, its public school districts, and political subdivisions. An incidental death benefit is also available to beneficiaries of active and retired members of employers who participate in the death benefit program. Benefit terms are prescribed in Title 9 of the South Carolina Code of Laws, and PEBA does not have the authority to establish or amend benefit terms without a legislative change in the code of laws. Generally, all employees of covered employers are required to participate in and contribute to the system as a condition of employment. Key elements of the benefit calculation include the benefit multiplier, years of service, and average final compensation/current year salary.

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
NOTES TO BASIC FINANCIAL STATEMENTS - CONTINUED  
JUNE 30, 2018

NOTE 6 - RETIREMENT PLANS - CONTINUED

**A. South Carolina Retirement System - Continued**

This plan covers general employees, teachers and individuals newly elected to the South Carolina General Assembly beginning with 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. 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.

An employee member of the system with an effective date of membership on or after July 1, 2012, is a Class Three member. 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.

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

As an alternative to membership in SCRS, newly hired state, public school, and higher education employees and individuals newly elected to the S.C. General Assembly beginning with the November 2012 general election have the option to participate in the State Optional Retirement Program (State ORP), which is a defined contribution plan. State ORP participants direct the investment of their funds into a plan administered by one of four investment providers. PEBA assumes no liability for State ORP benefits. Rather, the benefits are the liability of the investment providers. For this reason, State ORP programs are not part of the retirement systems' trust funds for financial statement purposes.

**Contributions** - Contributions are prescribed in Title 9 of the South Carolina Code of Laws. The PEBA Board may increase the percentage rate in the employer and employee contribution rates on the basis of the actuarial valuations, but any such increase may not result in a differential between the employee and total employer contribution rate that exceeds 2.9% of earnable compensation. An increase in the contribution rates adopted by the Board may not provide for an increase of more than 0.5% in any one year. If the scheduled employee and employer contributions provided in statute or the rates last adopted by the Board are insufficient to maintain a 30-year amortization schedule of the unfunded liability of the plan, the Board shall increase the contribution rates in equal percentage amounts for the employer and employee as necessary to maintain the 30-year amortization period; and this increase is not limited to 0.5% per year. Employees and employers (both Class II and III) are required to contribute 9.0% and 13.41%, respectively, of earnable compensation for the year ended June 30, 2018. Employers also contribute an additional .15% of earnable compensation, if participating in the death benefit program.

Employee and employer contributions to the State ORP are at the same rates as SCRS. A direct remittance is required from the employers to the member's account with investment providers for the employee contribution (9.0%) and a portion of the employer contribution (5%). A direct remittance is also required to SCRS for the remaining portion of the employer contribution (8.41%) and an incidental death benefit contribution (.15%), if applicable, which is retained by SCRS. Contributions to the Plan from the District were \$7,177,693.

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
NOTES TO BASIC FINANCIAL STATEMENTS - CONTINUED  
JUNE 30, 2018

NOTE 6 - RETIREMENT PLANS - CONTINUED

**A. South Carolina Retirement System - Continued**

**Pension Liabilities, Pension Expense, and Deferred Outflows (Inflows) of Resources Related to Pensions** - At June 30, 2018, the District reported a net pension liability of \$123,837,032 for its proportionate share of the collective net pension liability. The net pension liability was measured as of June 30, 2017. The total pension liability, net pension liability and sensitivity information are based on an actuarial valuation performed as of July 1, 2016. The total pension liability was rolled-forward from the valuation date to the plan's fiscal year end June 30, 2017, using generally accepted actuarial principles. The allocation of the District's proportionate share of the collective net pension liability and pension expense were calculated on the basis of the District's contributions actually remitted to the plan relative to the total contributions remitted to the plan for all participating employers, less employer contributions that are not representative of future contribution efforts, as of June 30, 2017. Based upon this information, the District's proportion of the collective net pension liability is 0.550103%, a decrease of 0.010227% since June 30, 2016, the prior measurement date.

For the year ended June 30, 2018, the District recognized pension expense of \$11,358,310. At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to the pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 552,065	\$ 68,639
Changes in assumptions	7,249,329	-
Net difference between projected and actual earnings on pension plan investments	3,456,949	-
Changes in proportion and differences between District contributions and proportionate share of contributions	-	2,649,775
District contributions subsequent to the measurement date	7,177,693	-
Total	<u>\$ 18,436,036</u>	<u>\$ 2,718,414</u>

Deferred outflows of resources of \$7,177,693 related to pensions resulted from District contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the year ended June 30, 2019. Any other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended June 30,</u>	
2019	\$ (2,192,777)
2020	(4,347,564)
2021	(2,992,095)
2022	992,507
	<u>\$ (8,539,929)</u>



SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
NOTES TO BASIC FINANCIAL STATEMENTS - CONTINUED  
JUNE 30, 2018

NOTE 6 - RETIREMENT PLANS - CONTINUED

**A. South Carolina Retirement System - Continued**

**Actuarial Assumptions** - The June 30, 2017 total pension liability, net pension liability, and sensitivity information determined by the July 1, 2016 valuation, which used the following actuarial assumptions and methods:

Actuarial cost method	Entry age normal
Inflation	2.25%
Salary increases	3.0% to 12.5% (varies by service and includes 2.25% inflation)
Benefit adjustments	lesser of 1% or \$500 annually
Investment rate of return	7.25%

The Retirement System Funding and Administration Act of 2017 was signed into law April 25, 2017, which included a provision to reduce the assumed rate of return from 7.50% to 7.25% effective July 1, 2017. As a result of this legislation, the actuaries made an adjustment to the calculation of the roll-forward total pension liability for this assumption change as of the measurement date of June 30, 2017.

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

Actuarial assumptions and methods used in the July 1, 2016 valuation were based on the results of an actuarial experience study, as required to be completed at least once in each five-year period by S.C. state statute. An experience report on the System was most recently issued as of July 1, 2015.

The long-term expected rate of return on pension plan investments is based upon the 30 year capital market assumptions. The long-term expected rates of return represent assumptions developed using an arithmetic building block approach primarily based on consensus expectations and market based inputs. Expected returns are net of investment fees. Expected returns, along with the expected inflation rate, form the basis for the target asset allocation adopted at the beginning of the 2017 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 following table. For actuarial purposes, the 7.25% assumed annual investment rate of return used in the calculation of the total pension liability includes 5.00% real rate of return and a 2.25% inflation component.

Asset Class	Target Allocation	Long-term Expected Portfolio Real Rate of Return
Global Equity	45%	3.23%
Real Assets	8%	0.41%
Opportunistic	17%	0.69%
Diversified Credit	18%	0.80%
Conservative Fixed Income	12%	0.18%
Total Expected Real Return	100%	5.31%
Inflation for Actuarial Purposes		2.25%
Total Expected Nominal Return		7.56%

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
NOTES TO BASIC FINANCIAL STATEMENTS - CONTINUED  
JUNE 30, 2018

NOTE 6 - RETIREMENT PLANS - CONTINUED

**A. South Carolina Retirement System - Continued**

**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 will be made based on actuarially determined rates based on the provisions of the South Carolina State Code of Laws. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the Net Pension Liability to Changes in the Discount Rate** - The following table presents the District's proportionate share of the collective net pension liability calculated using the discount rate of 7.25%, as well as what the District's net pension liability would be if it were calculated using a discount rate that is 1% lower (6.25%) or 1% higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Discount Rate (7.25%)	1% Increase (8.25%)
District's proportionate share of the collective net pension liability	\$ 159,608,923	\$ 123,837,032	\$ 102,131,900

**Pension Plan Fiduciary Net Position** - Detailed information regarding the fiduciary net position of the plan, administered by PEBA, is available in the Systems' audited financial statements for the fiscal year ended June 30, 2017 (including the unmodified opinion on the financial statements). Additional actuarial information is available in the accounting and financial reporting actuarial valuation as of Jun 30, 2017. The additional information is publically available on PEBA's Retirement Benefits' website at [www.peba.sc.gov](http://www.peba.sc.gov).

**B. South Carolina Police Officers Retirement System**

**Plan Description** - The District, as the employer, participates in the South Carolina Police Officers Retirement System (PORS) Plan - a cost-sharing multiple-employer defined benefit pension plan 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 firemen of the state and its political subdivisions. The plan is administered by the South Carolina Public Employee Benefit Authority (PEBA), a division of the primary government of the state of South Carolina, and managed by PEBA's Retirement Division. PEBA issues a Comprehensive Annual Financial Report (CAFR) containing financial statements and required supplementary information for the Systems' Pension Trust Funds. The CAFR is publicly available through the Retirement Benefits' link on PEBA's website at [www.peba.sc.gov](http://www.peba.sc.gov), or a copy may be obtained by submitting a request to PEBA, 202 Arbor Lake Drive, Columbia, SC 29223.

**Benefits Provided/Membership** - PORS provides retirement allowances and other benefits for police officers and firemen of the state and its political subdivisions. 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. Benefit terms are prescribed in Title 9 of the South Carolina Code of Laws, and PEBA does not have the authority to establish or amend benefit terms without a legislative change in the code of laws.

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
NOTES TO BASIC FINANCIAL STATEMENTS - CONTINUED  
JUNE 30, 2018

NOTE 6 - RETIREMENT PLANS - CONTINUED

**B. South Carolina Police Officers Retirement System - Continued**

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 statute. Key elements of the benefit calculation include the benefit multiplier, years of service, and average final compensation/current annual salary.

An employee member of the system with an effective date of membership prior to July 1, 2012, is a Class Two member. 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. An employee member of the system with an effective date of membership on or after July 1, 2012, is a Class Three member. 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.

The retirement allowance of eligible retirees or their surviving annuitants is increased by the lesser of 1% or \$500 every July 1. Only those annuitants in receipt of a benefit on July 1 of the preceding year are eligible to receive the increase.

**Contributions** - Contributions are prescribed in Title 9 of the South Carolina Code of Laws. The PEBA Board may increase the percentage rate in the employer and employee contribution rates on the basis of actuarial valuations, but any such increase may not result in a differential between the employee and total employer contribution rate that exceeds 5.0% of earnable compensation. An increase in the contributions rates adopted by the Board may not provide for an increase of more than 0.5% in any one year. If the scheduled employee and employer contributions provided in statute or the rates last adopted by the Board are insufficient to maintain a 30-year amortization schedule of the unfunded liability of the plan, the Board shall increase the contribution rates in equal percentage amounts for the employer and employee as necessary to maintain the 30-year amortization period; and this increase is not limited to 0.5% per year. Employees and employers (both Class II and III) are required to contribute 9.75% and 15.84%, respectively, of earnable compensation for the year ended June 30, 2018. Employers also contribute an additional .20% of earnable compensation for the accidental death program and an additional .20% of earnable compensation, if participating in the incidental and/or accidental death benefit program, respectively. Contributions to the Plan from the District were \$16,357.

**Pension Liabilities, Pension Expense, and Deferred Outflows (Inflows) of Resources Related to Pensions** - At June 30, 2018, the District reported a net pension liability of \$237,602 for its proportionate share of the collective net pension liability. The net pension liability was measured as of June 30, 2017. The total pension liability, net pension liability and sensitivity information are based on an actuarial valuation performed as of July 1, 2017. The total pension liability was rolled-forward from the valuation date to the plan's fiscal year end June 30, 2017, using generally accepted actuarial principles. The allocation of the District's proportional share of the collective net pension liability and pension expense were calculated on the basis of the District's contributions actually remitted to the plan relative to the total contributions remitted to the plan for all participating employers, less employer contributions that are not representative of future contribution efforts, as of June 30, 2017. Based upon this information, the District's proportion of the collective net pension liability is 0.00867%, an decrease of 0.000530% since June 30, 2016, the prior measurement date.

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
NOTES TO BASIC FINANCIAL STATEMENTS - CONTINUED  
JUNE 30, 2018

NOTE 6 - RETIREMENT PLANS - CONTINUED

**B. South Carolina Police Officers Retirement System - Continued**

For the year ended June 30, 2018, the District recognized pension expense of \$34,141. At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to the pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,119	\$ -
Changes in assumptions	22,551	-
Net difference between projected and actual earnings on pension plan investments	8,467	-
Changes in proportion and differences between District contributions and proportionate share of contributions	15,439	12,393
District contributions subsequent to the measurement date	16,357	-
Total	<u>\$ 64,933</u>	<u>\$ 12,393</u>

Deferred outflows of resources of \$16,357 related to pensions resulted from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2019. Any other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended June 30,</u>	
2019	\$ (14,530)
2020	(16,570)
2021	(5,847)
2022	764
	<u>\$ (36,183)</u>

**Actuarial Assumptions** - The June 30, 2017 total pension liability, net pension liability, and sensitivity information is determined by the July 1, 2016 valuation, which used the following actuarial assumptions and methods:

Actuarial cost method	Entry age normal
Inflation	2.25%
Salary increases	3.5% to 9.5% (varies by service and includes 2.25% inflation)
Benefit adjustments	lesser of 1% or \$500 annually
Investment rate of return	7.25%

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
NOTES TO BASIC FINANCIAL STATEMENTS - CONTINUED  
JUNE 30, 2018

NOTE 6 - RETIREMENT PLANS - CONTINUED

**B. South Carolina Police Officers Retirement System - Continued**

The Retirement System Funding and Administration Act of 2017 was signed into law April 25, 2017, which included a provision to reduce the assumed rate of return from 7.50% to 7.25% effective July 1, 2017. As a result of this legislation, the actuaries made an adjustment to the calculation of the roll-forward total pension liability for this assumption change as of the measurement date of June 30, 2017.

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

Actuarial assumptions and methods used in the July 1, 2016 valuation were based on the results of an actuarial experience study, as required to be completed at least once in each five-year period by S.C. state statute. An experience report on the System was most recently issued as of July 1, 2015.

The long-term expected rate of return on pension plan investments is based upon the 30 year capital market assumptions. The long-term expected rates of return represent assumptions developed using an arithmetic building block approach primarily based on consensus expectation and market based inputs. Expected returns are net of investment fees. Expected returns, along with the expected inflation rate, form the basis for the target asset allocation adopted at the beginning of the 2017 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 following table. For actuarial purposes, the 7.25% assumed annual investment rate of return used in the calculation of the total pension liability includes 5.00% real rate of return and a 2.25% inflation component.

Asset Class	Target Allocation	Long-term Expected Portfolio Real Rate of Return
Global Equity	45%	3.23%
Real Assets	8%	0.41%
Opportunistic	17%	0.69%
Diversified Credit	18%	0.80%
Conservative Fixed Income	12%	0.18%
Total Expected Real Return	100%	5.31%
Inflation for Actuarial Purposes		2.25%
Total Expected Nominal Return		7.56%

**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 PORS will be made based on actuarially determined rates based on the provisions of the South Carolina State Code of Laws. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
NOTES TO BASIC FINANCIAL STATEMENTS - CONTINUED  
JUNE 30, 2018

NOTE 6 - RETIREMENT PLANS - CONTINUED

**B. South Carolina Police Officers Retirement System - Continued**

**Sensitivity of the Net Pension Liability to Changes in the Discount Rate** - The following table presents the District's proportionate share of the collective net pension liability calculated using the discount rate of 7.25%, as well as what the District's net pension liability would be if it were calculated using a discount rate that is 1% lower (6.25%) or 1% higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Discount Rate (7.25%)	1% Increase (8.25%)
District's proportionate share of the collective net pension liability	\$ 320,808	\$ 237,602	\$ 172,062

**Pension Plan Fiduciary Net Position** - Detailed information regarding the fiduciary net position of the plan, administered by PEBA, is available in the Systems' audited financial statements for the fiscal year ended June 30, 2017 (including the unmodified opinion on the financial statements). Additional actuarial information is available in the accounting and financial reporting actuarial valuation as of June 30, 2017. The additional information is publically available through PEBA's Retirement Benefits' website at [www.peba.sc.gov](http://www.peba.sc.gov).

NOTE 7 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLAN

**OPEB Plan Description** - The District, as the employer, participates in the South Carolina Retiree Health Insurance Trust Fund (SCRHITF) - a cost-sharing multiple-employer defined benefit plan, for the purpose of providing post-employment health and dental benefits to retired State and school district employees and their covered dependents. The plan is administered by the South Carolina Public Employee Benefit Authority (PEBA), a division of the primary government of the State of South Carolina, and managed by PEBA's Insurance Benefits Division. PEBA issues audited financial statements, which include required supplementary information, for the OPEB Trusts Fund. This information is publicly available through the Insurance Benefits' link on PEBA's website at [www.peba.sc.gov](http://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, OPEB Trusts Fund financial information is included in the comprehensive annual financial report of the state.

**Benefits Provided** - 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 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.

**Contributions** - Section 1-11-710 of the South Carolina Code of Laws of 1976, as amended, requires these post-employment benefits to be funded through annual appropriations by the General Assembly for active employees to the PEBA, Insurance Benefits and participating retirees to PEBA, except for the portion funded through the pension surcharge and provided from the other applicable sources of PEBA, Insurance Benefits. For active employees who are not funded by State General Fund appropriations, participating employers are mandated by State statute to contribute at a rate assessed each year by the Department of Administration Executive Budget Office. The covered payroll surcharge for the year ended June 30, 2017 was 5.33%. 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 include mandatory transfers of accumulated PEBA, Insurance Benefits' reserves and income generated from investments.

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
NOTES TO BASIC FINANCIAL STATEMENTS - CONTINUED  
JUNE 30, 2018

NOTE 7 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLAN - CONTINUED

Employer contributions 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 expenditures so that the employer's contributions towards the plan reflect the underlying age-adjusted, retiree benefit costs. The amount of implicit subsidy recognized as an expenditure in the current fiscal year was \$73,619.

In accordance with part (b) of paragraph 69 of GASB Statement No. 75, participating employers must recognize revenue in an amount equal to the District'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. The amount of revenue recognized in the current fiscal year was \$542,243.

Contributions to the OPEB plan from the District during the current fiscal year were \$3,184,173, which is net of the implicit subsidy.

**OPEB Liabilities, OPEB Expense, and Deferred Outflows (Inflows) of Resources Related to OPEB -** At June 30, 2018, the District reported a net OPEB liability of \$92,609,973 for its proportionate share of the collective net OPEB liability. The net OPEB liability was measured as of June 30, 2017. The total OPEB liability, net OPEB liability and sensitivity information are based on an actuarial valuation performed as of June 30, 2016. The total OPEB liability was rolled-forward from the valuation date to the plan's fiscal year end June 30, 2017, using generally accepted actuarial principles. The allocation of the District's proportionate share of the collective net OPEB liability and collective OPEB expense were determined using the employer's payroll-related contributions over the measurement period, which is expected to be reflective of the employer's long-term contribution effort. Based upon this information, the District's proportion of the collective net OPEB liability is 0.683729% at June 30, 2016.

For the year ended June 30, 2018, the District recognized OPEB expense of \$5,636,600. At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 40,194
Changes in assumptions	-	8,714,168
Net difference between projected and actual earnings on OPEB plan investments	159,130	-
Changes in proportion and differences between District contributions and proportionate share of contributions	-	1,326
District contributions subsequent to the measurement date	3,184,173	-
Total	<u>\$ 3,343,303</u>	<u>\$ 8,755,688</u>

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
NOTES TO BASIC FINANCIAL STATEMENTS - CONTINUED  
JUNE 30, 2018

NOTE 7 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLAN - CONTINUED

Deferred outflows of resources of \$3,184,173 related to OPEB resulted from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2019. Any other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in pension expense as follows:

Year Ended June 30	
2019	\$ 1,362,024
2020	1,362,024
2021	1,362,024
2022	1,362,024
Thereafter	3,148,462
	<u>\$ 8,596,558</u>

**Actuarial Assumptions** – The total OPEB liability in the June 30, 2016 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Cost Method:	Entry Age Normal
Inflation:	2.25%
Salary Increase:	3.5% to 12.5% (varies by service)
Retiree Participation:	79% for retirees eligible for funded premiums
Investment rate of return:	4.0%, net of OPEB Plan investment expense; includes inflation
Healthcare cost trend rates:	Initial trend starting at 7.0% and gradually decreasing to an ultimate trend rate of 4.15% over a period of 15 years

Mortality rates were based on the 2016 Public Retirees of South Carolina Mortality Table for Males and Females, for healthy retirees, using fully generational mortality projections based on the Scale AA from the year 2016.

The actuarial assumptions used in the June 30, 2016 valuation were based on the results of an actuarial experience study performed for the South Carolina Retirement Systems for the 5-year period ending June 30, 2015.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:



SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
NOTES TO BASIC FINANCIAL STATEMENTS - CONTINUED  
JUNE 30, 2018

NOTE 7 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLAN - CONTINUED

Asset Class	Target Asset Allocation	Expected Arithmetic Real Rate of Return	Allocation-Weighted Long-Term Expected Real Rate of Return
U.S. Domestic Fixed Income	80%	2.09%	1.67%
Cash	20%	0.84%	0.17%
Total			1.84%
Expected Inflation			2.25%
Total Return			4.09%
Investment Return Assumption			4.00%

**Discount Rate** - The discount rate used to measure the total OPEB liability at June 30, 2017 was 3.56%, which is an increase from the previous year by 0.64%. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on actuarially determined rates based on the provisions of the South Carolina State Code of Laws. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

**Sensitivity of the Net OPEB Liability to Changes in the Discount Rate** - The following table presents the District's proportionate share of the collective net OPEB liability calculated using the discount rate of 3.56%, as well as what the District's net OPEB liability would be if it were calculated using a discount rate that is 1% lower (2.56%) or 1% higher (4.56%) than the current rate:

	1% Decrease 2.56%	Current Discount Rate 3.56%	1% Increase 4.56%
District's proportionate share of the collective net OPEB liability	\$109,068,372	\$ 92,609,973	\$ 79,340,475

**Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate** - The following table presents the District's proportionate share of the collective net OPEB liability calculated using the healthcare cost trend rate of 7.0%, gradually decreasing to 4.15% over a 15-year period, as well as what the District's net OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1% lower (6.0% decreasing to 3.15%) or 1% higher (8.0% decreasing to 5.15%) than the current rate:

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
District's proportionate share of the collective net OPEB liability	\$ 75,944,016	\$ 92,609,973	\$114,188,382

**OPEB Plan Fiduciary Net Position** - Detailed information regarding the fiduciary net position of the plan, administered by PEBA, is available in the OPEB Trusts Fund audited financial statements for the fiscal year ended June 30, 2017 (including the unmodified opinion on the financial statements). Additional actuarial information is available in the accounting and financial reporting actuarial valuation as of June 30, 2016. The additional information is publically available through PEBA's Insurance Benefits' website at [www.peba.sc.gov](http://www.peba.sc.gov).

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
NOTES TO BASIC FINANCIAL STATEMENTS - CONTINUED  
JUNE 30, 2018

NOTE 8 - DEFERRED COMPENSATION PLANS

Several optional deferred compensation plans are available to the District's employees. The multiple-employer plans, created under Internal Revenue Code Sections 457 and 401(k) are accounted for by the State of South Carolina. Employees may withdraw the current value of their contributions when they terminate employment. With approval of the State's Deferred Compensation Commission, employees may also withdraw the current value of their contributions prior to termination of employment if they meet certain requirements. These requirements differ among the three plans. Compensation deferred under the Section 457 and 401(k) plans is placed in trust for the contributing employees. Neither the State nor the District has any liability for losses under the plans.

NOTE 9 - INTERFUND TRANSACTIONS

*Interfund Receivables and Payables*

	Interfund Receivables	Interfund Payables
General Fund	\$ -	\$ 75,084,622
Special Revenue Fund - McCarthy-Teszler School	1,984,098	-
Special Revenue Fund - Spartanburg County Alternative School	296,052	-
Special Revenue Fund - Special Projects	2,131,029	2,142,197
Special Revenue Fund - EIA	119,000	-
Special Revenue Fund - Food Service	2,273,550	-
Debt Service Fund	4,217,210	-
Capital Projects Fund	65,376,100	-
Pupil Activity Fund	829,780	-
	<u>\$ 77,226,819</u>	<u>\$ 77,226,819</u>

Interfund receivables and payables result from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

*Interfund Transfers*

Transfer from	Transfer to	Amount
General Fund	Special Revenue Fund - Special Projects	\$ 350,000
General Fund	Capital Projects Fund	1,000,000
SRF - McCarthy-Teszler School	General Fund	378,450
SRF - McCarthy-Teszler School	Debt Service Fund	874,000
Capital Projects Fund	Debt Service Fund	5,015,337
SRF - Spartanburg County Alternative School	General Fund	123,821
SRF - Special Projects	Pupil Activity Fund	14,500
SRF - Special Projects	General Fund	166,634
Special Revenue Fund - EIA	General Fund	1,907,079
Special Revenue Fund - EIA	SRF - Spartanburg County Alternative School	113,092
Special Revenue Fund - EIA	SRF - McCarthy-Teszler School	192,987
		<u>\$ 10,135,900</u>

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
NOTES TO BASIC FINANCIAL STATEMENTS - CONTINUED  
JUNE 30, 2018

NOTE 9 - INTERFUND TRANSACTIONS - CONTINUED

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

NOTE 10 – TAX ABATEMENTS

The District's general fund property tax revenues were reduced by \$535,960 under Fee in Lieu of Ad Valorem Tax (FILOT) agreements and Special Source Revenue Credits (SSRC) entered into by the County. The District received a total of \$385,241 under both FILOT and SSRC tax agreements for the fiscal year. Under the FILOT agreements, taxpayers receive a reduction in ad valorem property taxes through reduced assessed values and locked millage rates. Due to these agreements, the taxpayers realized a benefit of \$432,753. Under the SSRC program, taxpayers receive a percentage reduction off their total property tax bill if their property qualified for the program. Due to this program, the taxpayers realized a benefit of \$103,207.

The District's debt service fund property tax revenues were reduced by \$207,264 under Fee in Lieu of Ad Valorem Tax (FILOT) agreements and Special Source Revenue Credits (SSRC) entered into by the County. The District received a total of \$161,615 under both FILOT and SSRC tax agreements for the fiscal year. Under the FILOT agreements, taxpayers receive a reduction in ad valorem property taxes through reduced assessed values and locked millage rates. Due to these agreements, the taxpayers realized a benefit of \$165,936. Under the SSRC program, taxpayers receive a percentage reduction off their total property tax bill if their property qualified for the program. Due to this program, the taxpayers realized a benefit of \$41,328.

McCarthy-Tezler School's property tax revenues were reduced by \$2,392,580 under Fee in Lieu of Ad Valorem Tax (FILOT) agreements and Special Source Revenue Credits (SSRC) entered into by the County. The District received a total of \$1,153,541 under both FILOT and SSRC tax agreements for the fiscal year. Under the FILOT agreements, taxpayers receive a reduction in ad valorem property taxes through reduced assessed values and locked millage rates. Due to these agreements, the taxpayers realized a benefit of \$1,964,474. Under the SSRC program, taxpayers receive a percentage reduction off their total property tax bill if their property qualified for the program. Due to this program, the taxpayers realized a benefit of \$428,106.

Spartanburg County Alternative School's property tax revenues were reduced by \$797,527 under Fee in Lieu of Ad Valorem Tax (FILOT) agreements and Special Source Revenue Credits (SSRC) entered into by the County. The District received a total of \$384,513 under both FILOT and SSRC tax agreements for the fiscal year. Under the FILOT agreements, taxpayers receive a reduction in ad valorem property taxes through reduced assessed values and locked millage rates. Due to these agreements, the taxpayers realized a benefit of \$654,825. Under the SSRC program, taxpayers receive a percentage reduction off their total property tax bill if their property qualified for the program. Due to this program, the taxpayers realized a benefit of \$142,702.

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
NOTES TO BASIC FINANCIAL STATEMENTS - CONTINUED  
JUNE 30, 2018

NOTE 11 - SUMMARY DISCLOSURE OF SIGNIFICANT CONTINGENCIES AND COMMITMENTS

Total contractual commitments of the Capital Projects Fund at June 30, 2018 are as follows:

Project	Contract Amount	Job to Date Expenditures	Outstanding Commitments
New High School	\$ 102,469,615	\$ 43,991,447	\$ 58,478,168
New Elementary School	31,185,890	29,231,758	1,954,132
Duncan Park Baseball Stadium	1,795,046	1,090,469	704,577
Pine Street School Renovations	2,234,814	1,236,125	998,689
	<u>\$ 137,685,365</u>	<u>\$ 75,549,799</u>	<u>\$ 62,135,566</u>

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

The District has received proceeds from Federal and State grants, and/or entitlements. Periodic audits of these grants are required and certain costs may be questioned as not being appropriate expenditures under the grant agreements. Such audits could result in the refund of grant monies to the grantor agencies. Management believes that any required refunds will be immaterial. No provision has been made in the accompanying financial statements for the refund of grant monies.

NOTE 12 - RELATED ORGANIZATION

These financial statements exclude Daniel Morgan Technology Center. The Center operates a technology school which is jointly governed by Spartanburg County School District No. 3 and Spartanburg County School District No. 7. Three members of District Seven's Board of Trustees serve as board members of the Center. District Three serves as the fiscal agent of the Center, therefore the superintendent of District Three is an ex-officer non-voting member of the Board of Daniel Morgan Technology Center. District Seven remits a portion of their Education Finance Act monies to the Center to cover the educational costs of the District's students attending the Center. For the year ended June 30, 2018, \$103,842 was recorded as General Fund expenditures.

NOTE 13 - CUMULATIVE CHANGE IN ACCOUNTING PRINCIPLE

For the year ended June 30, 2018, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions*. This statement will require that each governmental entity that participates in an OPEB plan administered through trusts (i.e., SCRHITF) place their portion of the net OPEB liability, as well as their total deferred outflows and inflows of resources, on their financial statements. The purpose for this change, according to GASB, is to improve the way state and local governments report OPEB liabilities and expenses so that there is a more realistic representation of the complete impact of OPEB obligations, to improve the decision-usefulness of the reported information and to increase transparency, consistency and comparability of OPEB information across governmental units.

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
NOTES TO BASIC FINANCIAL STATEMENTS - CONTINUED  
JUNE 30, 2018

NOTE 14 - RESTATEMENT OF BEGINNING NET POSITION

The District implemented GASB Statement No. 75 during the fiscal year ending June 30, 2018. Beginning net position was restated as follows:

	<b>Governmental Activities</b>
Net position at beginning of year, as previously reported	\$ 5,381,426
Implementation of GASB Statement 75 - Net OPEB Liability	(98,926,225)
Implementation of GASB Statement 75 - Deferred Outflows of Resources	<u>2,814,052</u>
Net position at beginning of year, as adjusted	<u><u>\$ (90,730,747)</u></u>

NOTE 15 - SUBSEQUENT EVENT

On August 30, 2018, the District issued a \$55,000,000 General Obligation Bond, Series 2018B, with an interest rate of 5.0% and a maturity date of March 1, 2048. The purpose of this long-term bond is to refund a portion of the 2017 Bond Anticipation Note.

Management has evaluated subsequent events through November 2, 2018, the date on which the financial statements were available to be issued.



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## **Required Supplementary Information**

REQUIRED SUPPLEMENTARY INFORMATION  
 SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
 SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE  
 COLLECTIVE NET PENSION LIABILITY  
 SOUTH CAROLINA RETIREMENT SYSTEM  
 LAST TEN FISCAL YEARS\*

	2018	2017	2016	2015
District's Proportion of the Collective Net Pension Liability	0.550103%	0.560330%	0.567876%	0.576155%
District's Proportionate Share of the Collective Net Pension Liability	\$ 123,837,032	\$ 119,685,661	\$ 107,700,421	\$ 99,194,790
District's Covered Payroll	\$ 57,540,969	\$ 56,288,547	\$ 55,112,185	\$ 54,055,465
District's Proportionate Share of the Collective Net Pension Liability as a Percentage of its Covered Payroll	215.22%	212.63%	195.42%	183.51%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	53.30%	52.90%	57.00%	59.90%

\*The amounts presented were determined as of the prior fiscal year ending June 30.

**Notes to Schedule:**

June 30, 2015 was the first year of GASB 68 implementation, therefore 10-year data is not yet available.



REQUIRED SUPPLEMENTARY INFORMATION  
SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS  
SOUTH CAROLINA RETIREMENT SYSTEM  
LAST TEN FISCAL YEARS

	2018	2017	2016	2015
Statutorially Required Contributions	\$ 7,177,693	\$ 6,414,319	\$ 5,995,673	\$ 5,804,480
Contributions in Relation to the Statutorially Required Contributions	7,177,693	6,414,319	5,995,673	5,804,480
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -
District's Covered Payroll	\$ 59,124,442	\$ 57,540,969	\$ 56,288,547	\$ 55,112,185
Contributions as a Percentage of Covered Payroll	12.14%	11.15%	10.65%	10.53%

**Note to Schedule:**  
June 30, 2015 was the first year of GASB 68 implementation, therefore 10-year data is not yet available.

REQUIRED SUPPLEMENTARY INFORMATION  
 SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
 SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE  
 COLLECTIVE NET PENSION LIABILITY  
 SOUTH CAROLINA POLICE OFFICERS RETIREMENT SYSTEM  
 LAST TEN FISCAL YEARS\*

	2018	2017	2016	2015
District's Proportion of the Collective Net Pension Liability	0.008670%	0.009200%	0.009470%	0.007490%
District's Proportionate Share of the Collective Net Pension Liability	\$ 237,602	\$ 233,406	\$ 206,420	\$ 143,429
District's Covered- Payroll	\$ 116,796	\$ 117,312	\$ 117,326	\$ 90,110
District's Proportionate Share of the Collective Net Pension Liability as a Percentage of its Covered Payroll	203.43%	198.96%	175.94%	159.17%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	60.90%	60.40%	64.60%	67.50%

\*The amounts presented were determined as of the prior fiscal year ending June 30.

**Notes to Schedule:**

June 30, 2015 was the first year of GASB 68 implementation, therefore 10-year data is not yet available.

REQUIRED SUPPLEMENTARY INFORMATION  
 SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
 SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS  
 SOUTH CAROLINA POLICE OFFICERS RETIREMENT SYSTEM  
 LAST TEN FISCAL YEARS

	2018	2017	2016	2015
Statutorially Required Contributions	\$ 16,357	\$ 16,632	\$ 16,119	\$ 15,733
Contributions in Relation to the Statutorially Required Contributions	16,357	16,632	16,119	15,733
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -
District's Covered Payroll	\$ 108,148	\$ 116,796	\$ 117,312	\$ 117,326
Contributions as a Percentage of Covered Payroll	15.12%	14.24%	13.74%	13.41%

**Note to Schedule:**

June 30, 2015 was the first year of GASB 68 implementation, therefore 10-year data is not yet available.

REQUIRED SUPPLEMENTARY INFORMATION  
 SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
 SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE  
 COLLECTIVE NET OPEB LIABILITY  
 SOUTH CAROLINA RETIREE HEALTH INSURANCE TRUST FUND  
 LAST TEN FISCAL YEARS\*

	<u>2018</u>
District's Proportion of the Collective Net OPEB Liability	0.683729%
District's Proportionate Share of the Collective Net OPEB Liability	\$ 92,609,973
District's Covered Payroll	\$ 57,657,765
District's Proportionate Share of the Collective Net OPEB Liability as a Percentage of its Covered Payroll	160.62%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	7.60%

\*The amounts presented were determined as of the prior fiscal year ending June 30.

**Notes to Schedule:**

June 30, 2018 was the first year of GASB 75 implementation, therefore 10-year data is not yet available.

REQUIRED SUPPLEMENTARY INFORMATION  
 SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
 SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS  
 SOUTH CAROLINA RETIREE HEALTH INSURANCE TRUST FUND  
 LAST TEN FISCAL YEARS

	<u>2018</u>
Statutorially Required Contributions	\$ 3,184,173
Contributions in Relation to the Statutorially Required Contributions	<u>3,184,173</u>
Contribution Deficiency (Excess)	<u><u>\$ -</u></u>
District's Covered Payroll	\$ 59,232,590
Contributions as a Percentage of Covered Payroll	5.38%

**Note to Schedule:**

June 30, 2018 was the first year of GASB 75 implementation, therefore 10-year data is not yet available.

REQUIRED SUPPLEMENTARY INFORMATION  
SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>REVENUE</b>				
Local	\$ 26,795,800	\$ 26,800,720	\$ 26,012,411	\$ (788,309)
State	40,530,141	40,530,141	41,439,348	909,207
Federal	42,155	42,155	56,591	14,436
Total Revenue	67,368,096	67,373,016	67,508,350	135,334
<b>EXPENDITURES</b>				
Current:				
Instruction	40,439,868	40,732,721	39,882,737	849,984
Support services	27,936,410	27,982,303	26,817,680	1,164,623
Intergovernmental expenditures	1,800,000	1,800,000	1,773,918	26,082
Total Expenditures	70,176,278	70,515,024	68,474,335	2,040,689
Excess (Deficiency) of Revenues over Expenditures	(2,808,182)	(3,142,008)	(965,985)	2,176,023
Other Financing Sources (Uses)				
Transfers in	2,301,904	2,306,978	2,575,984	269,006
Transfers out	-	-	(1,350,000)	(1,350,000)
Net change in fund balance	\$ (506,278)	\$ (835,030)	259,999	\$ 1,095,029
Fund Balance - July 1, 2017			11,965,760	
Fund Balance - June 30, 2018			\$ 12,225,759	

Note: The budget is prepared and monitored on a generally accepted accounting principles (GAAP) basis of accounting.

REQUIRED SUPPLEMENTARY INFORMATION  
SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
BUDGETARY COMPARISON SCHEDULE  
SPECIAL REVENUE FUND - MCCARTHY-TESZLER SCHOOL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>REVENUE</b>				
Local	\$ 10,324,265	\$ 10,324,265	\$ 10,612,605	\$ 288,340
Intergovernmental	1,977,282	1,977,282	2,066,039	88,757
State	1,013,027	1,013,027	1,029,487	16,460
Total Revenue	13,314,574	13,314,574	13,708,131	393,557
<b>EXPENDITURES</b>				
Current:				
Instruction	9,128,042	9,129,492	8,808,427	321,065
Support services	3,455,326	3,500,339	3,343,691	156,648
Intergovernmental expenditures	226,141	226,140	165,959	60,181
Total Expenditures	12,809,509	12,855,971	12,318,077	537,894
Excess (Deficiency) of Revenues over Expenditures	505,065	458,603	1,390,054	931,451
Other Financing Sources (Uses)				
Transfers in	172,426	172,426	192,987	20,561
Transfers out	(1,252,450)	(1,252,450)	(1,252,450)	-
Net change in fund balance	\$ (574,959)	\$ (621,421)	330,591	\$ 952,012
Fund Balance - July 1, 2017			4,246,338	
Fund Balance - June 30, 2018			\$ 4,576,929	

Note: The budget is prepared and monitored on a generally accepted accounting principles (GAAP) basis of accounting.

REQUIRED SUPPLEMENTARY INFORMATION  
 SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
 BUDGETARY COMPARISON SCHEDULE  
 SPECIAL REVENUE FUND - SPARTANBURG COUNTY ALTERNATIVE SCHOOL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>REVENUE</b>				
Local	\$ 2,911,790	\$ 2,911,790	\$ 2,922,928	\$ 11,138
Intergovernmental	1,301,237	1,301,237	1,281,116	(20,121)
State	39,000	39,000	42,670	3,670
Total Revenue	4,252,027	4,252,027	4,246,714	(5,313)
<b>EXPENDITURES</b>				
Current:				
Instruction	2,670,168	2,674,554	2,589,330	85,224
Support services	1,654,254	1,712,599	1,567,049	145,550
Total Expenditures	4,324,422	4,387,153	4,156,379	230,774
Excess (Deficiency) of Revenues over Expenditures	(72,395)	(135,126)	90,335	225,461
Other Financing Sources (Uses)				
Transfers in	101,043	101,043	113,092	12,049
Transfers out	(123,821)	(123,821)	(123,821)	-
Net change in fund balance	\$ (95,173)	\$ (157,904)	79,606	\$ 237,510
Fund Balance - July 1, 2017			1,013,349	
Fund Balance - June 30, 2018			\$ 1,092,955	

Note: The budget is prepared and monitored on a generally accepted accounting principles (GAAP) basis of accounting.





## **Combining and Individual Fund Schedules**



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# General Fund

## *General Fund*

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

*The following individual fund statements and schedules have been prepared in the format mandated by the South Carolina Department of Education. The South Carolina Department of Education mandates the account numbers shown on the statements.*

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - FINAL BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>			
1000 Revenue from Local Sources			
1100 Taxes			
1110 Ad Valorem Taxes - Including Delinquent	\$ 26,161,800	\$ 25,115,918	\$ (1,045,882)
1200 Revenue from Local Governmental Units Other Than LEA's			
1280 Revenue in Lieu of Taxes	350,000	385,241	35,241
1300 Tuition			
1310 From Patrons for Regular Day School	84,000	125,444	41,444
1350 From Patrons for Summer School	-	8,108	8,108
1500 Earnings on Investments			
1510 Interest on Investments	25,000	60,846	35,846
1900 Other Revenue from Local Sources			
1910 Rentals	35,000	59,934	24,934
1990 Miscellaneous Local Revenue			
1993 Receipt of Insurance Proceeds	-	8,079	8,079
1999 Revenue from Other Local Sources	144,920	248,841	103,921
Total Local Sources	26,800,720	26,012,411	(788,309)
3000 Revenue from State Sources			
3100 Restricted State Funding			
3130 Special Programs			
3131 Handicapped Transportation	3,300	3,914	614
3160 School Bus Driver Salary	425,334	440,273	14,939
3161 EAA Bus Driver Salary and Fringe	1,500	1,668	168
3162 Transportation Workers' Compensation	25,000	25,702	702
3180 Fringe Benefits Employer Contributions	6,968,833	6,745,558	(223,275)
3181 Retiree Insurance	1,890,347	1,996,110	105,763
3199 Other Restricted State Grants	-	7,317	7,317
Total Restricted State Funding	9,314,314	9,220,542	(93,772)
3300 Education Finance Act			
3310 Full-Time Programs			
3311 Kindergarten	988,868	899,103	(89,765)
3312 Primary	2,777,135	2,716,936	(60,199)
3313 Elementary	3,895,711	4,040,655	144,944
3314 High School	1,867,250	1,914,965	47,715
3315 Trainable Mentally Handicapped	84,629	107,963	23,334
3316 Speech Handicapped (Part-Time Program)	749,414	744,121	(5,293)
3317 Homebound	6,233	16,312	10,079
Total Full-Time Programs	10,369,240	10,440,055	70,815
3320 Part-Time Programs			
3321 Emotionally Handicapped	144,258	156,395	12,137
3322 Educable Mentally Handicapped	65,492	73,943	8,451
3323 Learning Disabilities	1,152,481	1,152,329	(152)
3324 Hearing Handicapped	30,612	28,572	(2,040)
3325 Visually Handicapped	43,869	59,212	15,343
3326 Orthopedically Handicapped	26,597	29,621	3,024
3327 Vocational	1,246,973	1,298,315	51,342
Total Part-Time Programs	2,710,282	2,798,387	88,105

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - FINAL BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Budget	Actual	Variance Positive (Negative)
3330 Miscellaneous EFA Programs			
3331 Autism	239,606	281,225	41,619
3332 High Achieving	283,492	288,456	4,964
3334 Limited English Proficiency	134,193	143,799	9,606
3351 Academic Assistance	595,495	639,437	43,942
3352 Pupils in Poverty	1,861,941	1,883,468	21,527
3353 Dual Enrollment	25,874	20,245	(5,629)
3375 EFA Education Foundation Supplement	-	77,363	77,363
3392 EFA NBC Excess EFA Formula	-	63,882	63,882
	<u>3,140,601</u>	<u>3,397,875</u>	<u>257,274</u>
3800 State Revenue in Lieu of Taxes			
3810 Reimbursement for Local Residential Property Tax Relief	5,067,432	5,067,433	1
3820 Homestead Exemption (Tier 2)	1,591,761	1,591,761	-
3825 Reimbursement for Property Tax Relief (Tier 3)	7,280,033	7,274,809	(5,224)
3830 Merchant's Inventory Tax	851,478	851,478	-
3840 Manufacturers Depreciation Reimbursement	205,000	220,864	15,864
	<u>14,995,704</u>	<u>15,006,345</u>	<u>10,641</u>
3900 Other State Revenue			
3993 Other State Revenue-EBA On-Behalf	-	576,144	576,144
	<u>-</u>	<u>576,144</u>	<u>576,144</u>
Total State Sources	<u>40,530,141</u>	<u>41,439,348</u>	<u>909,207</u>
4000 Revenue from Federal Sources			
4900 Other Federal Sources			
4999 Revenue from Other Federal Sources	42,155	56,591	14,436
	<u>42,155</u>	<u>56,591</u>	<u>14,436</u>
Total Federal Sources	<u>42,155</u>	<u>56,591</u>	<u>14,436</u>
<b>TOTAL REVENUE ALL SOURCES</b>	<u>67,373,016</u>	<u>67,508,350</u>	<u>135,334</u>
<b>EXPENDITURES</b>			
<b>100 INSTRUCTION</b>			
110 General Instruction			
111 Kindergarten Programs			
100 Salaries	2,078,988	2,023,675	55,313
200 Employee Benefits	914,512	916,679	(2,167)
300 Purchased Services	1,325	1,325	-
400 Supplies and Materials	33,903	32,715	1,188
	<u>3,028,728</u>	<u>2,974,394</u>	<u>54,334</u>
112 Primary Programs			
100 Salaries	5,583,638	5,423,020	160,618
200 Employee Benefits	2,310,454	2,203,993	106,461
300 Purchased Services	981,020	965,500	15,520
400 Supplies and Materials	96,981	97,140	(159)
600 Other Objects	477	476	1
	<u>8,972,570</u>	<u>8,690,129</u>	<u>282,441</u>
113 Elementary Programs			
100 Salaries	9,712,565	9,582,228	130,337
200 Employee Benefits	3,947,259	3,852,344	94,915
300 Purchased Services	149,359	118,193	31,166

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - FINAL BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Budget	Actual	Variance Positive (Negative)
400 Supplies and Materials	147,674	140,127	7,547
500 Capital Outlay	5,480	5,480	-
600 Other Objects	10,016	9,904	112
	<u>13,972,353</u>	<u>13,708,276</u>	<u>264,077</u>
114 High School Programs			
100 Salaries	7,479,418	7,471,931	7,487
200 Employee Benefits	2,888,863	2,903,537	(14,674)
300 Purchased Services	345,632	244,234	101,398
400 Supplies and Materials	292,864	262,526	30,338
600 Other Objects	19,574	17,736	1,838
	<u>11,026,351</u>	<u>10,899,964</u>	<u>126,387</u>
115 Career and Technology Education Programs			
100 Salaries	121,010	117,310	3,700
200 Employee Benefits	48,025	47,275	750
370 Purchased Services - Tuition	143,716	103,842	39,874
400 Supplies and Materials	8,683	6,545	2,138
	<u>321,434</u>	<u>274,972</u>	<u>46,462</u>
Total General Instruction	<u>37,321,436</u>	<u>36,547,735</u>	<u>773,701</u>
120 Exceptional Programs			
121 Educable Mentally Handicapped			
100 Salaries	186,034	175,817	10,217
200 Employee Benefits	74,339	68,068	6,271
	<u>260,373</u>	<u>243,885</u>	<u>16,488</u>
123 Orthopedically Handicapped			
100 Salaries	11,149	10,217	932
200 Employee Benefits	4,248	3,981	267
	<u>15,397</u>	<u>14,198</u>	<u>1,199</u>
124 Visually Handicapped			
100 Salaries	13,271	12,916	355
200 Employee Benefits	5,505	4,226	1,279
	<u>18,776</u>	<u>17,142</u>	<u>1,634</u>
125 Hearing Handicapped			
100 Salaries	4,592	4,599	(7)
200 Employee Benefits	2,168	1,274	894
	<u>6,760</u>	<u>5,873</u>	<u>887</u>
127 Learning Disabilities			
100 Salaries	1,024,297	1,014,345	9,952
200 Employee Benefits	395,406	388,705	6,701
	<u>1,419,703</u>	<u>1,403,050</u>	<u>16,653</u>
128 Emotionally Handicapped			
100 Salaries	251,526	241,835	9,691
200 Employee Benefits	88,860	91,270	(2,410)
300 Purchased Services	45,000	33,524	11,476
	<u>385,386</u>	<u>366,629</u>	<u>18,757</u>
129 Coordinated Early Intervening Services			
100 Salaries	102,409	102,229	180
200 Employee Benefits	37,458	37,124	334
	<u>139,867</u>	<u>139,353</u>	<u>514</u>
Total Exceptional Programs	<u>2,246,262</u>	<u>2,190,130</u>	<u>56,132</u>

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - FINAL BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Budget	Actual	Variance Positive (Negative)
130 Pre-School Programs			
137 Pre-School Handicapped-Self Contained (3 & 4 year olds)			
100 Salaries	160,975	161,302	(327)
200 Employee Benefits	69,713	69,260	453
	<u>230,688</u>	<u>230,562</u>	<u>126</u>
139 Early Childhood Programs			
100 Salaries	800	-	800
200 Employee Benefits	222	-	222
	<u>1,022</u>	<u>-</u>	<u>1,022</u>
Total Pre-school Programs	<u>231,710</u>	<u>230,562</u>	<u>1,148</u>
140 Special Programs			
141 Gifted and Talented - Academic			
100 Salaries	382,505	382,880	(375)
200 Employee Benefits	162,601	160,670	1,931
300 Purchased Services	6,315	6,307	8
400 Supplies and Materials	7,118	5,152	1,966
600 Other Objects	1,546	1,546	-
	<u>560,085</u>	<u>556,555</u>	<u>3,530</u>
143 Advanced Placement			
300 Purchased Services	2,000	1,950	50
400 Supplies and Materials	11,758	7,797	3,961
600 Other Objects	350	179	171
	<u>14,108</u>	<u>9,926</u>	<u>4,182</u>
145 Homebound			
100 Salaries	72,000	46,878	25,122
200 Employee Benefits	20,023	13,100	6,923
	<u>92,023</u>	<u>59,978</u>	<u>32,045</u>
147 Full Day 4K			
100 Salaries	83,890	91,943	(8,053)
200 Employee Benefits	54,510	40,613	13,897
300 Purchased Services	9,371	9,732	(361)
400 Supplies and Materials	561	560	1
	<u>148,332</u>	<u>142,848</u>	<u>5,484</u>
148 Gifted and Talented - Artistic			
100 Salaries	36,729	35,897	832
200 Employee Benefits	14,848	18,633	(3,785)
300 Purchased Services	495	-	495
400 Supplies and Materials	896	292	604
600 Other Objects	825	70	755
	<u>53,793</u>	<u>54,892</u>	<u>(1,099)</u>
Total Special Programs	<u>868,341</u>	<u>824,199</u>	<u>44,142</u>
160 Other Exceptional Programs			
161 Autism			
100 Salaries	25,520	24,326	1,194
200 Employee Benefits	9,730	9,305	425
	<u>35,250</u>	<u>33,631</u>	<u>1,619</u>
Total Other Exceptional Programs	<u>35,250</u>	<u>33,631</u>	<u>1,619</u>

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - FINAL BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Budget	Actual	Variance Positive (Negative)
170 Summer School Program			
175 Instructional Programs Beyond Regular School Day			
100 Salaries	3,000	35,215	(32,215)
200 Employee Benefits	834	9,097	(8,263)
300 Purchased Services	25,888	12,168	13,720
	29,722	56,480	(26,758)
Total Summer School Programs	29,722	56,480	(26,758)
<b>TOTAL INSTRUCTION</b>	<b>40,732,721</b>	<b>39,882,737</b>	<b>849,984</b>
<b>200 SUPPORT SERVICES</b>			
210 Pupil Services			
211 Attendance and Social Work Services			
100 Salaries	418,349	277,559	140,790
180 Head of Organizational Unit Salaries	-	134,212	(134,212)
200 Employee Benefits	139,837	101,891	37,946
280 Head of Organizational Unit Employee Benefits	-	37,061	(37,061)
300 Purchased Services	38,832	28,984	9,848
400 Supplies and Materials	15,000	4,283	10,717
600 Other Objects	1,350	55	1,295
	613,368	584,045	29,323
212 Guidance Services			
100 Salaries	1,327,523	1,313,795	13,728
140 Terminal Leave	-	2,090	(2,090)
200 Employee Benefits	521,330	520,300	1,030
300 Purchased Services	102,379	82,872	19,507
400 Supplies and Materials	18,734	12,618	6,116
600 Other Objects	1,115	1,115	-
	1,971,081	1,932,790	38,291
213 Health Services			
100 Salaries	392,365	430,962	(38,597)
200 Employee Benefits	177,800	166,926	10,874
300 Purchased Services	10,600	2,051	8,549
400 Supplies and Materials	21,015	14,706	6,309
	601,780	614,645	(12,865)
Total Pupil Services	3,186,229	3,131,480	54,749
220 Instructional Staff Services			
221 Improvement of Instruction - Curriculum Development			
100 Salaries	689,578	641,074	48,504
180 Head of Organizational Unit Salaries	-	39,760	(39,760)
200 Employee Benefits	240,978	238,133	2,845
280 Head of Organizational Unit Employee Benefits	-	10,557	(10,557)
300 Purchased Services	112,470	121,034	(8,564)
400 Supplies and Materials	26,505	19,955	6,550
600 Other Objects	10,293	9,373	920
	1,079,824	1,079,886	(62)
222 Library and Media Services			
100 Salaries	852,890	848,615	4,275
200 Employee Benefits	372,963	356,437	16,526
300 Purchased Services	1,500	-	1,500
400 Supplies and Materials	70,737	65,673	5,064
	1,298,090	1,270,725	27,365



SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - FINAL BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Budget	Actual	Variance Positive (Negative)
223 Supervision of Special Programs			
200 Employee Benefits	-	1,018	(1,018)
300 Purchased Services	15,000	15,000	-
	<u>15,000</u>	<u>16,018</u>	<u>(1,018)</u>
224 Improvement of Instruction - Inservice and Staff Training			
100 Salaries	59,966	15,004	44,962
200 Employee Benefits	17,471	3,283	14,188
300 Purchased Services	93,907	68,336	25,571
400 Supplies and Materials	4,761	3,120	1,641
600 Other Objects	380	380	-
	<u>176,485</u>	<u>90,123</u>	<u>86,362</u>
Total Instructional Staff Services	<u>2,569,399</u>	<u>2,456,752</u>	<u>112,647</u>
230 General Administration Services			
231 Board of Education			
200 Employee Benefits	30,000	15,616	14,384
300 Purchased Services	169,000	151,808	17,192
318 Audit Services	40,000	35,100	4,900
400 Supplies and Materials	3,705	2,103	1,602
600 Other Objects	39,622	38,648	974
	<u>282,327</u>	<u>243,275</u>	<u>39,052</u>
232 Office of the Superintendent			
100 Salaries	259,119	262,357	(3,238)
200 Employee Benefits	142,571	113,800	28,771
300 Purchased Services	17,037	10,188	6,849
400 Supplies and Materials	18,982	18,951	31
600 Other Objects	56,109	55,128	981
	<u>493,818</u>	<u>460,424</u>	<u>33,394</u>
233 School Administration			
100 Salaries	4,127,640	4,105,453	22,187
140 Terminal Leave	-	11,778	(11,778)
200 Employee Benefits	1,599,288	1,597,401	1,887
300 Purchased Services	83,631	20,049	63,582
400 Supplies and Materials	73,151	69,667	3,484
600 Other Objects	1,094	942	152
	<u>5,884,804</u>	<u>5,805,290</u>	<u>79,514</u>
Total General Administration Services	<u>6,660,949</u>	<u>6,508,989</u>	<u>151,960</u>
250 Finance and Operations Services			
252 Fiscal Services			
100 Salaries	495,620	324,209	171,411
140 Terminal Leave	-	5,806	(5,806)
180 Head of Organizational Unit Salaries	-	135,028	(135,028)
200 Employee Benefits	205,813	121,819	83,994
280 Head of Organizational Unit Employee Benefits	-	48,344	(48,344)
300 Purchased Services	81,936	74,000	7,936
400 Supplies and Materials	9,417	8,423	994
600 Other Objects	9,748	8,303	1,445
	<u>802,534</u>	<u>725,932</u>	<u>76,602</u>

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - FINAL BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Budget	Actual	Variance Positive (Negative)
254 Operation and Maintenance of Plant			
100 Salaries	3,097,923	2,819,085	278,838
140 Terminal Leave	-	8,478	(8,478)
200 Employee Benefits	1,339,017	1,159,933	179,084
300 Purchased Services	2,034,837	1,979,535	55,302
321 Public Utilities	437,517	418,804	18,713
400 Supplies and Materials	631,533	537,587	93,946
470 Energy	1,647,081	1,720,900	(73,819)
600 Other Objects	750	675	75
	<u>9,188,658</u>	<u>8,644,997</u>	<u>543,661</u>
255 Student Transportation (State Mandated)			
100 Salaries	1,740,634	1,895,398	(154,764)
200 Employee Benefits	702,559	768,152	(65,593)
300 Purchased Services	46,737	42,163	4,574
400 Supplies and Materials	97,000	55,192	41,808
600 Other Objects	6,683	5,856	827
	<u>2,593,613</u>	<u>2,766,761</u>	<u>(173,148)</u>
257 Internal Services			
300 Purchased Services	33,460	21,125	12,335
400 Supplies and Materials	6,657	1,761	4,896
	<u>40,117</u>	<u>22,886</u>	<u>17,231</u>
258 Security			
100 Salaries	133,000	119,952	13,048
200 Employee Benefits	36,987	33,725	3,262
300 Purchased Services	546,785	478,443	68,342
	<u>716,772</u>	<u>632,120</u>	<u>84,652</u>
Total Finance and Operations Services	<u>13,341,694</u>	<u>12,792,696</u>	<u>548,998</u>
260 Central Support Services			
263 Information Services			
100 Salaries	234,641	107,699	126,942
180 Head of Organizational Unit Salaries	-	126,178	(126,178)
200 Employee Benefits	88,079	41,510	46,569
280 Head of Organizational Unit Employee Benefits	-	41,951	(41,951)
300 Purchased Services	59,531	54,828	4,703
400 Supplies and Materials	39,494	47,218	(7,724)
600 Other Objects	1,150	948	202
	<u>422,895</u>	<u>420,332</u>	<u>2,563</u>
264 Staff Services			
100 Salaries	372,515	236,868	135,647
140 Terminal Leave	60,000	-	60,000
180 Head of Organizational Unit Salaries	-	135,568	(135,568)
200 Employee Benefits	296,081	92,290	203,791
280 Head of Organizational Unit Employee Benefits	-	44,208	(44,208)
300 Purchased Services	49,627	39,537	10,090
400 Supplies and Materials	10,773	9,430	1,343
600 Other Objects	1,000	505	495
	<u>789,996</u>	<u>558,406</u>	<u>231,590</u>
266 Technology and Data Processing Services			
100 Salaries	476,604	383,793	92,811
180 Head of Organizational Unit Salaries	-	93,324	(93,324)
200 Employee Benefits	176,130	152,080	24,050
280 Head of Organizational Unit Employee Benefits	-	34,052	(34,052)

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - FINAL BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Budget	Actual	Variance Positive (Negative)
300 Purchased Services	178,502	139,453	39,049
400 Supplies and Materials	17,358	10,340	7,018
600 Other Objects	250	89	161
	<u>848,844</u>	<u>813,131</u>	<u>35,713</u>
Total Central Support Services	<u>2,061,735</u>	<u>1,791,869</u>	<u>269,866</u>
270 Support Services Pupil Activity			
271 Pupil Services Activities			
300 Purchased Services	3,483	3,110	373
400 Supplies and Materials	14,364	12,429	1,935
600 Other Objects	1,760	1,760	-
660 Pupil Activity	142,690	118,595	24,095
	<u>162,297</u>	<u>135,894</u>	<u>26,403</u>
Total Support Services Pupil Activity	<u>162,297</u>	<u>135,894</u>	<u>26,403</u>
<b>TOTAL SUPPORT SERVICES</b>	<u>27,982,303</u>	<u>26,817,680</u>	<u>1,164,623</u>
<b>410 INTERGOVERNMENTAL EXPENDITURES</b>			
412 Payments to Other Governmental Units			
720 Transits	1,800,000	1,773,918	26,082
<b>TOTAL INTERGOVERNMENTAL EXPENDITURES</b>	<u>1,800,000</u>	<u>1,773,918</u>	<u>26,082</u>
<b>TOTAL EXPENDITURES</b>	<u>70,515,024</u>	<u>68,474,335</u>	<u>2,040,689</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Interfund Transfers, From (To) Other Funds			
5220 Transfer from Special Revenue Fund - McCarthy-Teszler	378,450	378,450	-
5220 Transfer from Special Revenue Fund - Alternative School	123,821	123,821	-
5220 Transfer from Special Revenue Fund - Special Projects	-	86,604	86,604
5230 Transfer from Special Revenue Fund - EIA	1,703,912	1,907,079	203,167
5280 Transfer from Other Funds Indirect Costs	100,795	80,030	(20,765)
421-710 Transfer to Special Revenue Fund - Special Projects	-	(350,000)	(350,000)
424-710 Transfer to Capital Projects Fund	-	(1,000,000)	(1,000,000)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>2,306,978</u>	<u>1,225,984</u>	<u>(1,080,994)</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ (835,030)</u>	259,999	<u>\$ 1,095,029</u>
<b>FUND BALANCE - JULY 1, 2017</b>		<u>11,965,760</u>	
<b>FUND BALANCE - JUNE 30, 2018</b>		<u>\$ 12,225,759</u>	



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# Special Revenue Fund

## *Special Revenue Fund*

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

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

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

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

*Alternative School – accounts for activities at the Spartanburg County Alternative School which District 7 is the fiscal agent.*

*McCarthy Teszler School – accounts for activities at the McCarthy Teszler School which District 7 is the fiscal agent.*

*The following individual fund statements and schedules have been prepared in the format mandated by the South Carolina Department of Education. The South Carolina Department of Education mandates the account numbers shown on the statements.*

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
SPECIAL REVENUE FUND - MCCARTHY-TESZLER SCHOOL  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - FINAL BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>			
1000 Revenue from Local Sources			
1100 Taxes			
1110 Ad Valorem Taxes - Including Delinquent	\$ 7,590,098	\$ 7,724,392	\$ 134,294
1200 Revenue from Local Governmental Units Other Than LEA's			
1280 Revenue in Lieu of Taxes	1,050,000	1,153,541	103,541
1300 Tuition			
1320 From Other LEAs for Regular Day School	1,684,167	1,734,462	50,295
1900 Other Revenue from Local Sources			
1920 Contributions and Donations Private Sources	-	108	108
1990 Miscellaneous Local Revenue			
1999 Revenue from Other Local Sources	-	102	102
Total Local Sources	10,324,265	10,612,605	288,340
2000 Intergovernmental Revenue			
2100 Payments from Other Governmental Units	1,977,282	2,066,039	88,757
Total Intergovernmental Revenue	1,977,282	2,066,039	88,757
3000 Revenue from State Sources			
3100 Restricted State Funding			
3160 School Bus Driver Salary	205,726	212,951	7,225
3162 Transportation Workers' Compensation	12,000	12,431	431
3180 Fringe Benefits Employer Contributions	363,693	352,041	(11,652)
3181 Retiree Insurance	224,608	237,175	12,567
	806,027	814,598	8,571
3800 State Revenue in Lieu of Taxes			
3830 Merchant's Inventory Tax	87,000	86,876	(124)
3840 Manufacturers Depreciation Reimbursement	120,000	128,013	8,013
	207,000	214,889	7,889
Total State Sources	1,013,027	1,029,487	16,460
<b>TOTAL REVENUE ALL SOURCES</b>	13,314,574	13,708,131	393,557
<b>EXPENDITURES</b>			
<b>100 INSTRUCTION</b>			
110 General Instruction			
115 Career and Technology Education Programs			
100 Salaries	170,181	164,977	5,204
200 Employee Benefits	67,784	66,827	957
300 Purchased Services - Other Than Tuition	294,644	293,969	675
400 Supplies and Materials	35,673	32,661	3,012
	568,282	558,434	9,848
Total General Instruction	568,282	558,434	9,848

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
SPECIAL REVENUE FUND - MCCARTHY-TESZLER SCHOOL  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - FINAL BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Budget	Actual	Variance Positive (Negative)
120 Exceptional Programs			
121 Educable Mentally Handicapped			
100 Salaries	231,836	229,847	1,989
200 Employee Benefits	102,776	97,351	5,425
400 Supplies and Materials	4,162	4,075	87
	<u>338,774</u>	<u>331,273</u>	<u>7,501</u>
122 Trainable Mentally Handicapped			
100 Salaries	2,598,363	2,463,886	134,477
200 Employee Benefits	1,248,897	1,182,261	66,636
300 Purchased Services	1,077,095	1,071,689	5,406
400 Supplies and Materials	9,450	7,794	1,656
	<u>4,933,805</u>	<u>4,725,630</u>	<u>208,175</u>
123 Orthopedically Handicapped			
100 Salaries	60,361	49,322	11,039
200 Employee Benefits	20,246	17,400	2,846
400 Supplies and Materials	2,500	2,182	318
	<u>83,107</u>	<u>68,904</u>	<u>14,203</u>
125 Hearing Handicapped			
100 Salaries	470,197	444,246	25,951
200 Employee Benefits	215,570	199,539	16,031
300 Purchased Services	19,561	14,323	5,238
400 Supplies and Materials	6,621	3,155	3,466
	<u>711,949</u>	<u>661,263</u>	<u>50,686</u>
126 Speech Handicapped			
100 Salaries	-	164,546	(164,546)
300 Instructional Services	228,649	176,498	52,151
400 Supplies and Materials	7,640	4,485	3,155
	<u>236,289</u>	<u>345,529</u>	<u>(109,240)</u>
127 Learning Disabilities			
100 Salaries	122,324	120,056	2,268
200 Employee Benefits	55,286	52,488	2,798
	<u>177,610</u>	<u>172,544</u>	<u>5,066</u>
128 Emotionally Handicapped			
100 Salaries	740,551	724,160	16,391
200 Employee Benefits	349,627	331,875	17,752
300 Purchased Services	254,479	219,352	35,127
400 Supplies and Materials	20,050	15,601	4,449
	<u>1,364,707</u>	<u>1,290,988</u>	<u>73,719</u>
129 Coordinated Early Intervening Services			
300 Purchased Services	2,000	417	1,583
	<u>2,000</u>	<u>417</u>	<u>1,583</u>
Total Exceptional Programs	<u>7,848,241</u>	<u>7,596,548</u>	<u>251,693</u>
130 Pre-School Programs			
137 Pre-School Handicapped-Self Contained (3 & 4 year olds)			
100 Salaries	180,891	150,250	30,641
200 Employee Benefits	75,501	59,195	16,306
300 Purchased Services	105,971	104,970	1,001
400 Supplies and Materials	17,738	16,711	1,027
	<u>380,101</u>	<u>331,126</u>	<u>48,975</u>
Total Pre-School Programs	<u>380,101</u>	<u>331,126</u>	<u>48,975</u>

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
SPECIAL REVENUE FUND - MCCARTHY-TESZLER SCHOOL  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - FINAL BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Budget	Actual	Variance Positive (Negative)
140 Special Programs			
145 Homebound			
100 Salaries	21,000	20,927	73
200 Employee Benefits	5,840	5,796	44
300 Purchased Services	500	358	142
	<u>27,340</u>	<u>27,081</u>	<u>259</u>
Total Special Programs	<u>27,340</u>	<u>27,081</u>	<u>259</u>
160 Other Exceptional Programs			
161 Autism			
100 Salaries	165,626	160,696	4,930
200 Employee Benefits	63,042	61,344	1,698
300 Purchased Services	76,860	73,198	3,662
	<u>305,528</u>	<u>295,238</u>	<u>10,290</u>
Total Other Exceptional Programs	<u>305,528</u>	<u>295,238</u>	<u>10,290</u>
<b>TOTAL INSTRUCTION</b>	<u>9,129,492</u>	<u>8,808,427</u>	<u>321,065</u>
<b>200 SUPPORT SERVICES</b>			
210 Pupil Services			
212 Guidance Services			
100 Salaries	35,213	36,081	(868)
200 Employee Benefits	23,588	14,526	9,062
300 Purchased Services	650	11	639
400 Supplies and Materials	200	73	127
	<u>59,651</u>	<u>50,691</u>	<u>8,960</u>
213 Health Services			
100 Salaries	626,440	624,570	1,870
200 Employee Benefits	261,086	254,388	6,698
300 Purchased Services	250,949	114,987	135,962
400 Supplies and Materials	5,787	5,170	617
	<u>1,144,262</u>	<u>999,115</u>	<u>145,147</u>
214 Psychological Services			
100 Salaries	54,036	54,036	-
200 Employee Benefits	22,030	21,806	224
400 Supplies and Materials	2,700	3,133	(433)
	<u>78,766</u>	<u>78,975</u>	<u>(209)</u>
215 Exceptional Program Services			
300 Purchased Services	12,239	-	12,239
400 Supplies and Materials	230	-	230
	<u>12,469</u>	<u>-</u>	<u>12,469</u>
Total Pupil Services	<u>1,295,148</u>	<u>1,128,781</u>	<u>166,367</u>
220 Instructional Staff Services			
222 Library and Media Services			
100 Salaries	72,117	72,490	(373)
200 Employee Benefits	33,991	32,653	1,338
400 Supplies and Materials	6,468	5,434	1,034
	<u>112,576</u>	<u>110,577</u>	<u>1,999</u>



SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
SPECIAL REVENUE FUND - MCCARTHY-TESZLER SCHOOL  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - FINAL BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Budget	Actual	Variance Positive (Negative)
224 Improvement of Instruction - Inservice and Staff Training			
100 Salaries	12,000	2,534	9,466
200 Employee Benefits	3,337	696	2,641
300 Purchased Services	4,328	3,938	390
400 Supplies and Materials	12,298	11,960	338
600 Other Objects	763	759	4
	<u>32,726</u>	<u>19,887</u>	<u>12,839</u>
Total Instructional Staff Services	<u>145,302</u>	<u>130,464</u>	<u>14,838</u>
230 General Administration Services			
233 School Administration			
100 Salaries	334,577	326,610	7,967
200 Employee Benefits	137,858	134,795	3,063
300 Purchased Services	25,831	13,058	12,773
400 Supplies and Materials	23,773	20,167	3,606
600 Other Objects	730	710	20
	<u>522,769</u>	<u>495,340</u>	<u>27,429</u>
Total General Administration Services	<u>522,769</u>	<u>495,340</u>	<u>27,429</u>
250 Finance and Operations Services			
252 Fiscal Services			
100 Salaries	29,053	27,631	1,422
200 Employee Benefits	14,941	14,482	459
	<u>43,994</u>	<u>42,113</u>	<u>1,881</u>
254 Operation and Maintenance of Plant			
100 Salaries	122,648	119,040	3,608
200 Employee Benefits	59,497	62,309	(2,812)
300 Purchased Services	155,350	144,671	10,679
321 Public Utilities	38,910	38,135	775
400 Supplies and Materials	27,973	22,784	5,189
470 Energy	156,390	160,209	(3,819)
	<u>560,768</u>	<u>547,148</u>	<u>13,620</u>
255 Student Transportation (State Mandated)			
100 Salaries	575,838	667,955	(92,117)
200 Employee Benefits	250,141	256,910	(6,769)
300 Purchased Services	48,076	27,299	20,777
400 Supplies and Materials	2,367	2,086	281
	<u>876,422</u>	<u>954,250</u>	<u>(77,828)</u>
258 Security			
300 Purchased Services	43,000	43,000	-
	<u>43,000</u>	<u>43,000</u>	<u>-</u>
Total Finance and Operations Services	<u>1,524,184</u>	<u>1,586,511</u>	<u>(62,327)</u>
260 Central Support Services			
264 Staff Services			
100 Salaries	5,000	-	5,000
200 Employee Benefits	1,391	-	1,391
	<u>6,391</u>	<u>-</u>	<u>6,391</u>
Total Central Support Services	<u>6,391</u>	<u>-</u>	<u>6,391</u>

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
SPECIAL REVENUE FUND - MCCARTHY-TESZLER SCHOOL  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - FINAL BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Budget	Actual	Variance Positive (Negative)
270 Support Services Pupil Activity			
271 Pupil Services Activities			
600 Other Objects	3,950	-	3,950
660 Pupil Activity	2,595	2,595	-
	<u>6,545</u>	<u>2,595</u>	<u>3,950</u>
Total Support Services Pupil Activity	<u>6,545</u>	<u>2,595</u>	<u>3,950</u>
<b>TOTAL SUPPORT SERVICES</b>	<u>3,500,339</u>	<u>3,343,691</u>	<u>156,648</u>
<b>410 INTERGOVERNMENTAL EXPENDITURES</b>			
412 Payments to Other Governmental Units			
720 Transits	226,140	165,959	60,181
	<u>226,140</u>	<u>165,959</u>	<u>60,181</u>
<b>TOTAL INTERGOVERNMENTAL EXPENDITURES</b>	<u>226,140</u>	<u>165,959</u>	<u>60,181</u>
<b>TOTAL EXPENDITURES</b>	<u>12,855,971</u>	<u>12,318,077</u>	<u>537,894</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Interfund Transfers, From (To) Other Funds			
5230 Transfer from Special Revenue Fund - EIA	172,426	192,987	20,561
420-710 Transfer to General Fund	(378,450)	(378,450)	-
423-710 Transfer to Debt Service Fund	(874,000)	(874,000)	-
	<u>(1,080,024)</u>	<u>(1,059,463)</u>	<u>20,561</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(1,080,024)</u>	<u>(1,059,463)</u>	<u>20,561</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ (621,421)</u>	330,591	<u>\$ 952,012</u>
<b>FUND BALANCE - JULY 1, 2017</b>		<u>4,246,338</u>	
<b>FUND BALANCE - JUNE 30, 2018</b>		<u>\$ 4,576,929</u>	

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
SPECIAL REVENUE FUND - SPARTANBURG COUNTY ALTERNATIVE SCHOOL  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - FINAL BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>			
1000 Revenue from Local Sources			
1100 Taxes			
1110 Ad Valorem Taxes - Including Delinquent	\$ 2,574,790	\$ 2,538,415	\$ (36,375)
1200 Revenue from Local Governmental Units Other Than LEAs			
1280 Revenue in Lieu of Taxes	337,000	384,513	47,513
Total Local Sources	2,911,790	2,922,928	11,138
2000 Intergovernmental Revenue			
2100 Payments from Other Governmental Units	1,301,237	1,281,116	(20,121)
Total Intergovernmental Revenue	1,301,237	1,281,116	(20,121)
3000 Revenue from State Sources			
3800 State Revenue in Lieu of Taxes			
3840 Manufacturers Depreciation Reimbursement	39,000	42,670	3,670
Total State Sources	39,000	42,670	3,670
<b>TOTAL REVENUE ALL SOURCES</b>	<b>4,252,027</b>	<b>4,246,714</b>	<b>(5,313)</b>
<b>EXPENDITURES</b>			
<b>100 INSTRUCTION</b>			
110 General Instruction			
113 Elementary Programs			
100 Salaries	764,066	750,034	14,032
200 Employee Benefits	342,824	314,675	28,149
300 Purchased Services	2,365	2,003	362
400 Supplies and Materials	15,317	11,727	3,590
	1,124,572	1,078,439	46,133
114 High School Programs			
100 Salaries	803,058	783,419	19,639
200 Employee Benefits	321,795	311,343	10,452
300 Purchased Services	10,361	4,611	5,750
400 Supplies and Materials	21,725	17,377	4,348
	1,156,939	1,116,750	40,189
Total General Instruction	2,281,511	2,195,189	86,322
120 Exceptional Programs			
127 Learning Disabilities			
100 Salaries	95,568	95,120	448
200 Employee Benefits	37,927	37,495	432
	133,495	132,615	880

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
SPECIAL REVENUE FUND - SPARTANBURG COUNTY ALTERNATIVE SCHOOL  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - FINAL BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Budget	Actual	Variance Positive (Negative)
128 Emotionally Handicapped			
100 Salaries	73,781	74,201	(420)
200 Employee Benefits	29,701	29,551	150
	<u>103,482</u>	<u>103,752</u>	<u>(270)</u>
Total Exceptional Programs	<u>236,977</u>	<u>236,367</u>	<u>610</u>
140 Special Programs			
145 Homebound			
100 Salaries	5,000	6,103	(1,103)
200 Employee Benefits	1,066	1,671	(605)
	<u>6,066</u>	<u>7,774</u>	<u>(1,708)</u>
Total Special Programs	<u>6,066</u>	<u>7,774</u>	<u>(1,708)</u>
180 Adult/Continuing Educational Programs			
181 Adult Basic Education Programs			
300 Purchased Services	150,000	150,000	-
	<u>150,000</u>	<u>150,000</u>	<u>-</u>
Total Adult/Continuing Educational Programs	<u>150,000</u>	<u>150,000</u>	<u>-</u>
<b>TOTAL INSTRUCTION</b>	<u>2,674,554</u>	<u>2,589,330</u>	<u>85,224</u>
<b>200 SUPPORT SERVICES</b>			
210 Pupil Services			
211 Attendance and Social Work Services			
100 Salaries	9,510	9,324	186
200 Employee Benefits	2,645	2,593	52
300 Purchased Services	140,000	140,742	(742)
	<u>152,155</u>	<u>152,659</u>	<u>(504)</u>
212 Guidance Services			
100 Salaries	197,066	184,849	12,217
200 Employee Benefits	68,866	65,170	3,696
300 Purchased Services	109	-	109
400 Supplies and Materials	786	773	13
	<u>266,827</u>	<u>250,792</u>	<u>16,035</u>
213 Health Services			
100 Salaries	39,760	39,033	727
200 Employee Benefits	15,649	15,254	395
400 Supplies and Materials	1,928	1,926	2
	<u>57,337</u>	<u>56,213</u>	<u>1,124</u>
Total Pupil Services	<u>476,319</u>	<u>459,664</u>	<u>16,655</u>
220 Instructional Staff Services			
224 Improvement of Instruction - Inservice and Staff Training			
100 Salaries	2,000	-	2,000
200 Employee Benefits	556	-	556
300 Purchased Services	12,429	12,011	418
400 Supplies and Materials	3,200	-	3,200
600 Other Objects	400	315	85
	<u>18,585</u>	<u>12,326</u>	<u>6,259</u>
Total Instructional Staff Services	<u>18,585</u>	<u>12,326</u>	<u>6,259</u>

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
SPECIAL REVENUE FUND - SPARTANBURG COUNTY ALTERNATIVE SCHOOL  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - FINAL BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Budget	Actual	Variance Positive (Negative)
230 General Administration Services			
231 Board of Education			
300 Purchased Services	28,911	-	28,911
	28,911	-	28,911
233 School Administration			
100 Salaries	402,878	364,763	38,115
200 Employee Benefits	156,208	135,204	21,004
300 Purchased Services	2,691	3,439	(748)
400 Supplies and Materials	9,924	8,909	1,015
600 Other Objects	250	250	-
	571,951	512,565	59,386
Total General Administration Services	600,862	512,565	88,297
250 Finance and Operations Services			
253 Facilities Acquisition and Construction			
500 Capital Outlay	6,184	6,184	-
	6,184	6,184	-
254 Operation and Maintenance of Plant			
100 Salaries	59,403	56,879	2,524
200 Employee Benefits	23,522	22,024	1,498
300 Purchased Services	150,500	145,546	4,954
400 Supplies and Materials	13,164	11,330	1,834
470 Energy	134,000	140,649	(6,649)
600 Other Objects	750	-	750
	381,339	376,428	4,911
255 Student Transportation (State Mandated)			
300 Purchased Services	95,000	73,236	21,764
	95,000	73,236	21,764
258 Security			
300 Purchased Services	60,045	60,045	-
	60,045	60,045	-
Total Finance and Operations Services	542,568	515,893	26,675
260 Central Support Services			
264 Staff Services			
100 Salaries	5,000	-	5,000
200 Employee Benefits	1,391	-	1,391
	6,391	-	6,391
266 Technology and Data Processing Services			
300 Purchased Services	53,145	52,351	794
400 Supplies and Materials	14,172	14,016	156
	67,317	66,367	950
Total Central Support Services	73,708	66,367	7,341
270 Support Services Pupil Activity			
271 Pupil Services Activities			
660 Pupil Activity	557	234	323
	557	234	323
Total Support Services Pupil Activity	557	234	323

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
SPECIAL REVENUE FUND - SPARTANBURG COUNTY ALTERNATIVE SCHOOL  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - FINAL BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Budget	Actual	Variance Positive (Negative)
<b>TOTAL SUPPORT SERVICES</b>	<u>1,712,599</u>	<u>1,567,049</u>	<u>145,550</u>
<b>TOTAL EXPENDITURES</b>	<u>4,387,153</u>	<u>4,156,379</u>	<u>230,774</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Interfund Transfers, From (To) Other Funds			
5230 Transfer from Special Revenue Fund - EIA	101,043	113,092	12,049
420-710 Transfer to General Fund	<u>(123,821)</u>	<u>(123,821)</u>	<u>-</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(22,778)</u>	<u>(10,729)</u>	<u>12,049</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ (157,904)</u>	79,606	<u>\$ 237,510</u>
<b>FUND BALANCE - JULY 1, 2017</b>		<u>1,013,349</u>	
<b>FUND BALANCE - JUNE 30, 2018</b>		<u>\$ 1,092,955</u>	

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
SPECIAL REVENUE FUND - SPECIAL PROJECTS  
COMBINING BALANCE SHEET  
JUNE 30, 2018

	201/202	203/204	205/206	207/208	Adult Education	900's Other Restricted State Grants	200's/800's Other Special Revenue Programs	Total
<b>ASSETS</b>								
Accounts receivable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 205,073	\$ 205,073
Due from other funds	-	-	-	-	-	230,978	1,900,051	2,131,029
Due From State Dept of Education	1,143,972	737,826	37,553	40,714	266,130	186,707	248,070	2,660,972
Due from other state agencies	-	-	-	-	-	-	62,713	62,713
Total Assets	\$ 1,143,972	\$ 737,826	\$ 37,553	\$ 40,714	\$ 266,130	\$ 417,685	\$ 2,415,907	\$ 5,059,787
<b>LIABILITIES AND FUND BALANCE</b>								
Liabilities:								
Accounts payable	\$ 20,387	\$ 805	\$ 55	\$ -	\$ 1,037	\$ -	\$ 79,933	\$ 102,217
Due to other funds	1,123,585	737,021	37,498	40,714	203,379	-	-	2,142,197
Unearned revenue	-	-	-	-	61,714	417,685	1,509,005	1,988,404
Total Liabilities	1,143,972	737,826	37,553	40,714	266,130	417,685	1,588,938	4,232,818
Fund Balances:								
Restricted:								
Technology	-	-	-	-	-	-	335,268	335,268
Assigned:								
Technology	-	-	-	-	-	-	87,215	87,215
Special Projects	-	-	-	-	-	-	404,486	404,486
Total Fund Balances	-	-	-	-	-	-	826,969	826,969
Total Liabilities and Fund Balance	\$ 1,143,972	\$ 737,826	\$ 37,553	\$ 40,714	\$ 266,130	\$ 417,685	\$ 2,415,907	\$ 5,059,787

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
SPECIAL REVENUE FUND - SPECIAL PROJECTS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	201/202	203/204	205/206	207/208	Adult Education	900's Other Restricted State Grants	200's/800's Other Special Revenue Programs	Total
REVENUES	Title I	IDEA	Preschool Handicapped	CATE				
1000 Revenue from Local Sources	\$	-	\$	-	\$	-	\$	\$
1300 Tuition								
1330 From Patrons for Adult/Continuing Education								
1700 Pupil Activities								
1730 Pupil Organization Membership Dues and Fees	-	-	-	-	-	-	1,700	1,700
1740 Student Fees	-	-	-	-	-	-	94,350	94,350
1790 Other Pupil Activity Income	-	-	-	-	-	-	21,519	21,519
1900 Other Revenue from Local Sources								
1910 Rentals	-	-	-	-	-	-	25,788	25,788
1920 Contributions and Donations Private Sources	-	-	-	-	-	42,784	57,667	100,451
1930 Medicaid	-	-	-	-	-	-	1,862,200	1,862,200
1999 Revenue from Other Local Sources	-	-	-	-	-	22,360	582,880	605,240
Total Local Sources	-	-	-	-	-	65,144	2,663,839	2,728,983
2000 Intergovernmental Revenue								
2100 Payments from Other Governmental Units	-	-	-	-	-	-	140,375	140,375
Total Intergovernmental Revenue	-	-	-	-	-	-	140,375	140,375
3000 Revenue from State Sources								
3100 Restricted State Funding								
3110 Occupational Education	-	-	-	-	-	271,889	-	271,889
3118 EEDA Career Specialist								
3120 General Education	-	-	-	-	-	64,892	-	64,892
3127 Student Health and Fitness - PE Teachers								
3130 Special Programs								
3134 CDEP Expansion	-	-	-	-	-	20,859	-	20,859
3135 Reading Coaches	-	-	-	-	-	424,679	-	424,679
3136 Student Health and Fitness - Nurses	-	-	-	-	-	217,532	-	217,532
3155 DSS SNAP & E&T Program	-	-	-	-	5,825	-	-	5,825
3177 Summer Reading Camps	-	-	-	-	-	13,588	-	13,588
3190 Miscellaneous Restricted State Grants								
3193 Education License Plates	-	-	-	-	-	1,530	-	1,530



SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
SPECIAL REVENUE FUND - SPECIAL PROJECTS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	201/202	203/204	205/206	207/208	Adult Education	900's Other Restricted State Grants	200's/800's Other Special Revenue Programs	Total
	Title I	IDEA	Preschool Handicapped	CATE				
3900 Other State Revenue	-	-	-	-	-	731,239	-	731,239
3994 PEBA Nonemployer Contributions	-	-	-	-	-	56,932	-	56,932
3999 Revenue from Other State Sources	-	-	-	-	-	-	-	-
Total State Sources	-	-	-	-	5,825	1,803,140	-	1,808,965
4000 Revenue from Federal Sources								
4200 Occupational Education								
4210 Perkins Aid, Title I	-	-	-	118,187	-	-	-	118,187
4300 Elementary and Secondary Education Act of 1965								
4310 Title I, Basic State Grant Programs	3,310,544	-	-	-	-	-	232,976	3,543,520
4341 Language Instruction for Limited English Proficient and Immigrant Students, Title III	-	-	-	-	-	-	39,774	39,774
4343 McKinney-Vento	-	-	-	-	-	-	51,654	51,654
4351 Improving Teacher Quality	-	-	-	-	-	-	291,538	291,538
4400 Adult Education								
4410 Basic Adult Education	-	-	-	-	246,028	-	-	246,028
4430 State Literacy Resource	-	-	-	-	20,102	-	-	20,102
4500 Programs for Children with Disabilities								
4510 Individuals with Disabilities Education Act (IDEA)	-	2,597,724	-	-	-	-	-	2,597,724
4520 Preschool Grants (IDEA)	-	-	115,715	-	-	-	-	115,715
4900 Other Federal Sources								
4999 Revenue from Other Federal Sources	-	-	-	-	-	-	139,343	139,343
Total Federal Sources	3,310,544	2,597,724	115,715	118,187	266,130	-	755,285	7,163,585
<b>TOTAL REVENUE ALL SOURCES</b>	3,310,544	2,597,724	115,715	118,187	271,955	1,868,284	3,559,499	11,841,908
<b>EXPENDITURES</b>								
<b>100 INSTRUCTION</b>								
110 General Instruction								
112 Primary Programs								
100 Salaries	382,606	-	-	-	-	298,168	155,708	836,482
200 Employee Benefits	143,422	-	-	-	-	126,511	75,686	345,619

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
SPECIAL REVENUE FUND - SPECIAL PROJECTS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	201/202	203/204	205/206	207/208	Adult Education	900's Other Restricted State Grants	200's/800's Other Special Revenue Programs	Total
	Title I	IDEA	Preschool Handicapped	CATE				
300 Purchased Services	-	-	-	-	-	9,532	8,900	18,432
400 Supplies and Materials	26,672	-	-	-	-	291	174,163	201,126
	552,700	-	-	-	-	434,502	414,457	1,401,659
113 Elementary Programs								
100 Salaries	454,159	-	-	-	-	42,813	47,201	544,173
200 Employee Benefits	194,644	-	-	-	-	22,781	19,965	237,390
300 Purchased Services	916	-	-	-	-	-	-	916
400 Supplies and Materials	218,603	-	-	-	-	436	46,546	265,585
	868,322	-	-	-	-	66,030	113,712	1,048,064
114 High School Programs								
300 Purchased Services	-	-	-	-	-	15,000	6,136	21,136
400 Supplies and Materials	-	-	-	-	-	-	9,019	9,019
600 Other Objects	-	-	-	-	-	-	821	821
	-	-	-	-	-	15,000	15,976	30,976
115 Career and Technology Education Programs								
300 Purchased Services	-	-	-	1,057	-	-	-	1,057
600 Dues/Fees	-	-	-	3,750	-	-	-	3,750
	-	-	-	4,807	-	-	-	4,807
Total General Instruction	1,421,022	-	-	4,807	-	515,532	544,145	2,485,506
120 Exceptional Programs								
121 Educable Mentally Handicapped								
100 Salaries	-	242,077	-	-	-	-	-	242,077
200 Employee Benefits	-	122,747	-	-	-	-	-	122,747
	-	364,824	-	-	-	-	-	364,824
122 Trainable Mentally Handicapped								
100 Salaries	-	3,714	-	-	-	-	28,641	32,355
200 Employee Benefits	-	-	-	-	-	-	18,585	18,585
	-	3,714	-	-	-	-	47,226	50,940
124 Visually Handicapped								
100 Salaries	-	27,946	-	-	-	-	-	27,946
200 Employee Benefits	-	13,947	-	-	-	-	-	13,947
300 Purchased Services	-	7,329	-	-	-	-	-	7,329
400 Supplies and Materials	-	93	-	-	-	-	-	93
	-	49,315	-	-	-	-	-	49,315
125 Hearing Handicapped								
100 Salaries	-	-	-	-	-	-	30,564	30,564
200 Employee Benefits	-	-	-	-	-	-	15,710	15,710
	-	-	-	-	-	-	46,274	46,274

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
SPECIAL REVENUE FUND - SPECIAL PROJECTS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	201/202	203/204	205/206	207/208	Adult Education	900's Other Restricted State Grants	200's/800's Other Special Revenue Programs	Total
	Title I	IDEA	Preschool Handicapped	CATE				
126 Speech Handicapped	-	-	-	-	-	-	-	-
100 Salaries	-	78,506	-	-	-	-	310,997	389,503
200 Employee Benefits	-	31,443	-	-	-	-	180,588	212,031
300 Purchased Services	-	26,250	-	-	-	-	2,959	29,209
400 Supplies and Materials	-	5,983	-	-	-	-	-	5,983
600 Other Objects	-	1,549	-	-	-	-	232	1,781
	-	143,731	-	-	-	-	494,776	638,507
127 Learning Disabilities	-	-	-	-	-	-	-	-
100 Salaries	-	213,798	-	-	-	-	450	214,248
200 Employee Benefits	-	105,609	-	-	-	-	39	105,648
300 Purchased Services	-	1,446	-	-	-	-	-	1,446
400 Supplies and Materials	-	195,483	-	-	-	-	7,026	202,509
	-	516,336	-	-	-	-	7,515	523,851
128 Emotionally Handicapped	-	-	-	-	-	-	-	-
100 Salaries	-	315,838	-	-	-	-	56,965	372,803
200 Employee Benefits	-	138,204	-	-	-	-	26,419	164,623
	-	454,042	-	-	-	-	83,384	537,426
Total Exceptional Programs	-	1,531,962	-	-	-	-	679,175	2,211,137
130 Preschool Programs	-	-	-	-	-	-	-	-
137 Preschool Handicapped Self-Contained (3 & 4-year olds)	-	-	-	-	-	-	-	-
100 Salaries	-	39,045	68,876	-	-	-	-	107,921
200 Employee Benefits	-	20,015	29,625	-	-	-	-	49,640
300 Purchased Services	-	-	20	-	-	-	-	20
400 Supplies and Materials	-	-	15,319	-	-	-	-	15,319
	-	59,060	113,840	-	-	-	-	172,900
139 Early Childhood Programs	-	-	-	-	-	-	-	-
400 Supplies and Materials	-	-	-	-	-	-	37,540	37,540
	-	-	-	-	-	-	37,540	37,540
Total Preschool Programs	-	59,060	113,840	-	-	-	37,540	210,440
140 Special Programs	-	-	-	-	-	-	-	-
141 Gifted and Talented - Academic	-	-	-	-	-	-	7,463	7,463
300 Purchased Services	-	-	-	-	-	-	2,913	2,913
400 Supplies and Materials	-	-	-	-	-	-	10,376	10,376
142 Disadvantaged	-	-	-	-	-	-	-	-
100 Salaries	-	-	-	-	-	-	11,436	11,436
200 Employee Benefits	-	-	-	-	-	-	4,952	4,952

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
SPECIAL REVENUE FUND - SPECIAL PROJECTS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	201/202	203/204	205/206	207/208	Adult Education	900's Other Restricted State Grants	200's/800's Other Special Revenue Programs	Total
	Title I	IDEA	Preschool Handicapped	CATE				
300 Purchased Services	13,965	-	-	-	-	-	16,309	30,274
400 Supplies and Materials	-	-	-	-	-	-	8,476	8,476
600 Other Objects	-	-	-	-	-	-	1,589	1,589
	13,965	-	-	-	-	-	42,762	56,727
145 Homebound								
100 Salaries	-	10,790	-	-	-	-	-	10,790
200 Employee Benefits	-	2,969	-	-	-	-	-	2,969
	-	13,759	-	-	-	-	-	13,759
147 Full Day 4K								
100 Salaries	75,394	-	-	-	-	30,364	-	105,758
200 Employee Benefits	30,078	-	-	-	-	6,850	-	36,928
400 Supplies and Materials	20,553	-	-	-	-	1,270	-	21,823
600 Other Objects	-	-	-	-	-	-	318	318
	126,025	-	-	-	-	38,484	318	164,827
149 Other Special Programs								
100 Salaries	-	6,306	-	-	-	-	-	6,306
200 Employee Benefits	-	2,209	-	-	-	-	-	2,209
400 Supplies and Materials	-	1,186	-	-	-	-	-	1,186
	-	9,701	-	-	-	-	-	9,701
	139,990	23,460	-	-	-	38,484	53,456	255,390
Total Special Programs								
160 Other Exceptional Programs								
161 Autism	-	11,651	-	-	-	-	-	11,651
100 Salaries	-	6,673	-	-	-	-	-	6,673
200 Employee Benefits	-	18,324	-	-	-	-	-	18,324
	-	18,324	-	-	-	-	-	18,324
Total Other Exceptional Programs								
170 Summer School Programs								
172 Elementary Summer School								
100 Salaries	372,766	-	-	-	-	10,631	40,060	423,457
200 Employee Benefits	104,087	-	-	-	-	2,957	10,761	117,805
300 Purchased Services	150,000	-	-	-	-	-	-	150,000
400 Supplies and Materials	26,907	-	-	-	-	-	175	27,082
	653,760	-	-	-	-	13,588	50,996	718,344
175 Instructional Programs Beyond Regular School Day								
100 Salaries	15,576	-	-	-	-	13,858	95,354	124,788
200 Employee Benefits	4,284	-	-	-	-	3,854	26,209	34,347

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
SPECIAL REVENUE FUND - SPECIAL PROJECTS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	201/202	203/204	205/206	207/208	900's Other Restricted State Grants	200's/800's Other Special Revenue Programs	Total
Title I	IDEA	Preschool Handicapped	CATE	Adult Education			
300 Purchased Services	5,760	-	-	-	16	41,620	47,396
400 Supplies and Materials	526	-	-	-	-	-	526
	26,146	-	-	-	17,728	163,183	207,057
Total Summer School Programs	679,906	-	-	-	31,316	214,179	925,401
180 Adult/Continuing Educational Programs							
181 Adult Basic Education Programs							
100 Salaries	-	-	-	74,492	-	2,998	77,490
200 Employee Benefits	-	-	-	20,716	-	817	21,533
300 Purchased Services	-	-	-	100	-	125	225
400 Supplies and Materials	-	-	-	14,265	-	3,933	18,198
	-	-	-	109,573	-	7,873	117,446
182 Adult Secondary Education Programs							
100 Salaries	-	-	-	49,938	-	14,427	64,365
200 Employee Benefits	-	-	-	12,694	-	4,863	17,557
300 Purchased Services	-	-	-	-	-	14,703	14,703
400 Supplies and Materials	-	-	-	-	-	3,976	3,976
	-	-	-	62,632	-	37,969	100,601
183 Adult English Literacy (ESL)							
100 Salaries	-	-	-	68,772	-	10,216	78,988
200 Employee Benefits	-	-	-	18,854	-	2,132	20,986
300 Purchased Services	-	-	-	-	-	400	400
400 Supplies and Materials	-	-	-	-	-	1,289	1,289
	-	-	-	87,626	-	14,037	101,663
188 Parenting/Family Literacy							
100 Salaries	107,497	-	-	-	-	-	107,497
200 Employee Benefits	47,267	-	-	-	-	-	47,267
300 Purchased Services	1,264	-	-	-	-	-	1,264
400 Supplies and Materials	16,624	-	-	-	-	-	16,624
	172,652	-	-	-	-	-	172,652
Total Adult/Continuing Educational Programs	172,652	-	-	259,831	-	59,879	492,362
190 Instructional Pupil Activity							
600 Other Objects	-	-	-	-	-	500	500
	-	-	-	-	-	500	500
Total Instructional Pupil Activity	-	-	-	-	-	500	500
<b>TOTAL INSTRUCTION</b>	2,413,570	1,632,806	113,840	4,807	585,332	1,588,874	6,599,060

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
SPECIAL REVENUE FUND - SPECIAL PROJECTS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	201/202	203/204	205/206	207/208	Adult Education	900's Other Restricted State Grants	200's/800's Other Special Revenue Programs	Total
<b>200 SUPPORT SERVICES</b>								
210 Pupil Services								
211 Attendance and Social Work Services								
100 Salaries	-	-	-	-	-	-	199,905	199,905
200 Employee Benefits	-	-	-	-	-	-	83,654	83,654
300 Purchased Services	-	-	-	-	-	-	11,767	11,767
400 Supplies and Materials	-	-	-	-	-	-	636	636
	-	-	-	-	-	-	295,962	295,962
212 Guidance Services								
100 Salaries	86,325	-	-	77,598	-	196,166	283,832	643,921
200 Employee Benefits	32,446	-	-	28,789	-	75,723	111,981	248,939
300 Purchased Services	675	-	-	1,000	-	-	-	1,675
400 Supplies and Materials	1,916	-	-	-	-	-	-	1,916
	121,362	-	-	107,387	-	271,889	395,813	896,451
213 Health Services								
100 Salaries	-	-	-	-	-	146,689	213,957	360,646
200 Employee Benefits	-	-	-	-	-	70,842	84,528	155,370
300 Purchased Services	-	21,804	-	-	-	-	132,382	154,186
400 Supplies and Materials	-	-	-	-	-	-	50	50
	-	21,804	-	-	-	217,531	430,917	670,252
214 Psychological Services								
100 Salaries	-	390,720	-	-	-	-	7,756	398,476
200 Employee Benefits	-	163,231	-	-	-	-	3,501	166,732
300 Purchased Services	-	9,917	-	-	-	-	-	9,917
400 Supplies and Materials	-	16,716	-	-	-	-	-	16,716
	-	580,584	-	-	-	-	11,257	591,841
	121,362	602,388	-	107,387	-	489,420	1,133,949	2,454,506
<b>Total Pupil Services</b>								
220 Instructional Staff Services								
221 Improvement of Instruction - Curriculum Development								
100 Salaries	173,320	-	-	-	-	2,450	175,899	351,669
140 Terminal Leave	-	-	-	-	-	-	3,889	3,889
200 Employee Benefits	63,533	-	-	-	-	681	74,715	138,929
300 Purchased Services	61,125	-	-	-	-	-	31,184	92,309
400 Supplies and Materials	66,242	-	-	-	-	-	12,971	79,213
	364,220	-	-	-	-	3,131	298,658	666,009
222 Library and Media								
400 Supplies and Materials	-	-	-	-	-	1,615	1,408	3,023
	-	-	-	-	-	1,615	1,408	3,023

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
SPECIAL REVENUE FUND - SPECIAL PROJECTS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	201/202	203/204	205/206	207/208	Adult Education	900's Other Restricted State Grants	200's/800's Other Special Revenue Programs	Total
<b>223 Supervision of Special Programs</b>	<b>Title I</b>	<b>IDEA</b>	<b>Preschool Handicapped</b>	<b>CATE</b>				
100 Salaries	103,222	221,766	-	-	3,536	-	144,344	472,868
200 Employee Benefits	35,183	87,890	-	-	1,783	-	55,776	180,632
300 Purchased Services	2,285	9,356	-	-	1,988	-	40,569	54,198
400 Supplies and Materials	2,125	3,460	-	-	-	-	4,217	9,802
600 Other Objects	-	-	-	-	-	-	296	296
	142,815	322,472	-	-	7,307	-	245,202	717,796
<b>224 Improvement of Instruction - Inservice and Staff Training</b>								
100 Salaries	16,000	-	-	-	-	-	9,950	25,950
200 Employee Benefits	4,406	-	-	-	-	-	2,410	6,816
300 Purchased Services	128,532	2,000	-	5,993	-	-	62,266	198,791
400 Supplies and Materials	16,117	-	-	-	-	-	28,898	45,015
	165,055	2,000	-	5,993	-	-	103,524	276,572
<b>Total Instructional Staff Services</b>	<b>672,090</b>	<b>324,472</b>	<b>-</b>	<b>5,993</b>	<b>7,307</b>	<b>4,746</b>	<b>648,792</b>	<b>1,663,400</b>
<b>230 General Administrative Services</b>								
232 Office of the Superintendent	-	-	-	-	-	-	19,019	19,019
300 Purchased Services	-	-	-	-	-	-	28,910	28,910
400 Supplies and Materials	-	-	-	-	-	-	30,750	30,750
600 Other Objects	-	-	-	-	-	-	78,679	78,679
<b>233 School Administration</b>								
100 Salaries	-	-	-	-	-	-	3,928	3,928
200 Employee Benefits	-	-	-	-	-	-	6,072	6,072
300 Purchased Services	-	-	-	-	-	-	8,174	8,174
400 Supplies and Materials	-	-	-	-	-	-	16,020	16,020
600 Other Objects	-	-	-	-	-	-	77	77
	-	-	-	-	-	-	34,271	34,271
<b>Total General Administrative Services</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>112,950</b>	<b>112,950</b>
<b>250 Finance and Operations Services</b>								
251 Student Transportation (Federal/District Mandated)	1,650	-	-	-	-	-	-	1,650
300 Purchased Services	1,650	-	-	-	-	-	-	1,650
<b>255 Student Transportation (State Mandated)</b>								
300 Purchased Services	-	-	-	-	-	8,761	1,875	10,636
	-	-	-	-	-	8,761	1,875	10,636

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
SPECIAL REVENUE FUND - SPECIAL PROJECTS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	201/202	203/204	205/206	207/208	Adult Education	900's Other Restricted State Grants	200's/800's Other Special Revenue Programs	Total
<b>258 Security</b>								
100 Salaries	-	-	-	-	-	-	36,194	36,194
200 Employee Benefits	-	-	-	-	-	-	10,439	10,439
300 Purchased Services	-	-	-	-	-	9,269	192	9,461
400 Supplies and Materials	-	-	-	-	-	11,738	-	11,738
	-	-	-	-	-	21,007	46,825	67,832
<b>Total Finance and Operations Services</b>	<b>1,650</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>29,768</b>	<b>48,700</b>	<b>80,118</b>
<b>260 Central Support Services</b>								
262 Planning	-	-	-	-	-	-	10,400	10,400
300 Purchased Services	-	-	-	-	-	-	10,400	10,400
<b>264 Staff Services</b>								
300 Purchased Services	-	-	-	-	-	-	68,400	68,400
400 Supplies and Materials	-	-	-	-	-	-	6,697	6,697
	-	-	-	-	-	-	75,097	75,097
<b>266 Technology and Data Processing Services</b>								
300 Purchased Services	-	-	-	-	-	-	64,719	64,719
400 Supplies and Materials	-	-	-	-	-	1,530	106,259	107,789
	-	-	-	-	-	1,530	170,978	172,508
	-	-	-	-	-	1,530	256,475	258,005
<b>Total Central Support Services</b>								
<b>270 Support Services - Pupil Activity</b>								
271 Pupil Service Activities	-	-	-	-	-	-	3,000	3,000
100 Salaries	-	-	-	-	-	-	834	834
200 Employee Benefits	-	-	-	-	-	-	18,089	19,394
300 Purchased Services	-	-	-	-	-	1,305	15,446	55,245
400 Supplies and Materials	16,874	-	-	-	506	22,419	-	450
600 Other Objects	-	-	-	-	-	450	-	-
660 Pupil Activity	51,072	-	-	-	-	2,075	17,292	70,439
	67,946	-	-	-	506	26,249	54,661	149,362
	67,946	-	-	-	506	26,249	54,661	149,362
<b>Total Support Services Pupil Activity</b>								
	863,048	926,860	-	113,380	7,813	551,713	2,255,527	4,718,341
<b>TOTAL SUPPORT SERVICES</b>								
<b>300 COMMUNITY SERVICES</b>								
390 Other Community Services	-	-	-	-	-	-	562	562
300 Purchased Services	-	-	-	-	-	-	562	562
	-	-	-	-	-	-	562	562
<b>TOTAL COMMUNITY SERVICES</b>								



SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
SPECIAL REVENUE FUND - SPECIAL PROJECTS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	201/202	203/204	205/206	207/208	Adult Education	900's Other Restricted State Grants	200's/800's Other Special Revenue Programs	Total
<b>410 INTERGOVERNMENTAL EXPENDITURES</b>								
419 Payments to PEBA	-	-	-	-	-	731,239	-	731,239
720 Transits	-	-	-	-	-	731,239	-	731,239
<b>TOTAL INTERGOVERNMENTAL EXPENDITURES</b>	-	-	-	-	-	731,239	-	731,239
<b>TOTAL EXPENDITURES</b>	3,276,618	2,559,666	113,840	118,187	267,644	1,868,284	3,844,963	12,049,202
<b>OTHER FINANCING SOURCES (USES)</b>								
Interfund Transfers, From (To) Other Funds	-	-	-	-	-	-	350,000	350,000
5210 Transfer from General Fund	-	-	-	-	-	-	(86,604)	(86,604)
420-710 Transfer to General Fund	-	-	-	-	-	-	(14,500)	(14,500)
426-710 Transfer to Pupil Activity Fund	(33,926)	(38,058)	(1,875)	-	(4,311)	-	(1,860)	(80,030)
431-791 Special Revenue Fund Indirect Costs	(33,926)	(38,058)	(1,875)	-	(4,311)	-	247,036	168,866
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	-	-	-	-	-	-	(38,428)	(38,428)
Excess/Deficiency of Revenues over Expenditures	-	-	-	-	-	-	865,397	865,397
<b>FUND BALANCE - JULY 1, 2017</b>	-	-	-	-	-	-	-	-
<b>FUND BALANCE - JUNE 30, 2018</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 826,969	\$ 826,969

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
NOTE TO SPECIAL REVENUE FUND - SPECIAL PROJECTS  
SUPPLEMENTAL LISTING OF LEA SUBFUND CODES AND TITLES  
JUNE 30, 2018

Adult Education			Other Special Revenue Programs - Continued		
<u>Code</u>	<u>Title</u>	<u>Total</u>	<u>Code</u>	<u>Title</u>	<u>Total</u>
243.000	Basic Adult Education	\$ 216,503	805.000	Compass Group Donation	4,123
243.001	State Literacy Resources	20,102	808.000	SAM's Accelerator Program	12,266
243.002	Basic Adult Education - Family Literacy	17,980	810.000	Mary Black Foundation - Pregnancy Assist	115,593
243.003	Basic Adult Education - Reverted Funds	11,545	812.000	Mary Black Foundation - Project A.I.M	23,750
955.000	DSS SNAP & E&T Program	5,825	813.000	Miscellaneous Revenue	3,252
			816.000	Best Singer Scholarship	1,618
			817.000	7 Shares - Contributions/Donations	6,270
			818.000	Odyssey ACES	3,572
			820.000	Reading Recovery Council of NA	10,286
			821.000	District Musical / Play	21,484
			822.000	B/G Summer Program - Chapman	1,233
			825.000	Spartanburg Jr League	1,000
			826.000	Boy's and Girl's Club	30,188
			839.000	Adult Education - Other Local	155,332
			839.000	Adult Education - Tuition from Patrons	17,735
			839.000	Adult Education - Course Fees	1,700
			839.000	Adult Education - Testing Fees	35
			840.000	Other Contributions and Donations	25,758
			845.000	E-Rate	71,978
			846.000	Other Donations and Contributions	9,791
			847.000	Whole Kids Foundation Garden Grant	262
			851.000	Spartanburg Jr League	568
			852.000	Altrusa International Foundation	1,450
			855.000	Park Hills ELC Receptionist	10,000
			856.000	Other Contributions and Donations	2,796
			860.000	Band Rentals	5,164
			862.000	Orchestra Rentals	20,624
			865.000	LEL International, Inc.	2,295
			870.000	United Way	1,000
			871.000	Hootie and the Blowfish Foundation	1,500
			875.000	Teacher Cadet Program	243
			876.000	Spartanburg Jr League	557
			887.000	Spartanburg Jr League	1,168
			889.000	SCAS Faculty Fund	181
			890.000	Miscellaneous Revenue	4,971
			891.000	SCAS Gaeto Donation	2,096
			893.000	Intergovernmental Revenue - STEM	140,375
			896.000	Upstate STEM Center Innovation Partnership	267,801
					<u>\$ 3,559,499</u>

Adult Education			Other Restricted State Grants		
<u>Code</u>	<u>Title</u>	<u>Total</u>	<u>Code</u>	<u>Title</u>	<u>Total</u>
801.000	SCSBIT Risk Control Grant	\$ 21,008	926.001	Summer Reading Camp	13,588
806.000	Project Lead the Way	436	928.000	EEDA Career Specialist	271,889
807.000	SC Arts Grant	9,687	935.000	Reading Coaches	424,679
837.000	Cleveland NDC Funding	27,784	936.000	Student Health and Fitness - Nurses	217,532
844.000	SC EOC Grant	47,245	937.000	Student Health and Fitness - PE Teachers	64,892
858.000	Other Contributions and Donations	15,000	994.000	PEBA Nonemployer Contributions	731,239
880.000	SHS Spartanburg Jr League	916			
919.000	Education License Plates	1,530			
924.000	CDEP Expansion	20,859			
					<u>\$ 1,868,284</u>

Other Special Revenue Programs		
<u>Code</u>	<u>Title</u>	<u>Total</u>
200.955	SC Medicaid	\$ 912,946
221.000	Title I - Neglected and Delinquent	32,133
232.000	McKinney-Vento	51,654
238.000	Title I - School Support	50,000
239.000	Title I - Priority School	150,843
264.000	Title III English Language Acquisition	39,774
267.000	Improving Teacher Quality	291,538
287.955	SC Medicaid - McCarthy Teszler School	949,254
800.000	Miscellaneous Revenue	6,992
804.000	Digital Conversion Fees	94,350

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
 NOTE TO SPECIAL REVENUE FUND - SPECIAL PROJECTS  
 SUMMARY SCHEDULE FOR DESIGNATED STATE RESTRICTED GRANTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Subfund	Revenue	Program	Revenues	Expenditures	Interfund Transfers In/(Out)	Other Fund Transfers In/(Out)	Unearned Revenue
928	3118	EEEDA Career Specialist	\$ 271,889	\$ 271,889	\$ -	\$ -	\$ -
937	3127	Student Health and Fitness - PE Teachers	64,892	64,892	-	-	8,689
924	3134	CDEP Expansion	20,859	20,859	-	-	111,836
935	3135	Reading Coaches	424,679	424,679	-	-	118,653
936	3136	Student Health and Fitness - Nurses	217,532	217,532	-	-	-
926	3177	Summer Reading Camps	13,588	13,588	-	-	-
919	3193	Education License Plates	1,530	1,530	-	-	-
994	3994	PEBA Nonemployer Contributions	731,239	731,239	-	-	-
807	3999	SC Arts Grant	9,687	9,687	-	-	686
844	3999	SC EOC Grant	47,245	47,245	-	-	128,724
			<u>\$ 1,803,140</u>	<u>\$ 1,803,140</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 368,588</u>

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - ALL PROGRAMS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

**REVENUES**

## 3000 Revenue from State Sources

## 3500 Education Improvement Act

3502 ADEPT	\$ 14,794
3507 School Innovation Funds	131,396
3509 Arts in Education	12,884
3511 Professional Development	32,141
3512 Technology Professional Development	15,008
3518 Formative Assessment	40,000
3519 Grade 10 Assessments	13,884
3525 Career and Technology Education Equipment	124,590
3526 Refurbishment of K-8 Science Kits	38,353
3529 Career and Technology Education	116,310
3532 National Board Certification (NBC) Salary Supplement	602,031
3533 Teacher of the Year Award	1,076
3535 Reading Coaches	4,616
3538 Students At Risk of School Failure	1,255,867
3541 Child Development Education Program (CDEP)	1,164,507
3550 Teacher Salary Increase	1,904,701
3555 School Employer Contributions	308,457
3556 Adult Education	515,978
3557 Summer Reading Program	82,322
3558 Reading	63,754
3571 Palmetto Priority Technical Assistance	291,523
3577 Teacher Supplies	183,425
3587 IDEA MOE Tier 1	228,452
3592 Work-Based Learning	10,799
3595 EEDA - Supplies and Materials - Career Awareness	23,315
3597 Aid to Districts	158,420
3599 Other EIA	53,687

Total State Sources

7,392,290

**TOTAL REVENUE ALL SOURCES**

7,392,290

**EXPENDITURES****100 INSTRUCTION**

## 110 General Instruction

## 111 Kindergarten Programs

100 Salaries	210,732
200 Employee Benefits	93,661

## 112 Primary Programs

100 Salaries	363,123
200 Employee Benefits	135,386
300 Purchased Services	24,672
400 Supplies and Materials	140,069

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - ALL PROGRAMS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

113 Elementary Programs	
100 Salaries	493,768
200 Employee Benefits	184,031
300 Purchased Services	2,153
400 Supplies and Materials	101,353
114 High School Programs	
100 Salaries	293,936
200 Employee Benefits	90,706
300 Purchased Services	9,741
400 Supplies and Materials	49,336
115 Career and Technology Education Programs	
400 Supplies and Materials	194,598
120 Exceptional Programs	
122 Trainable Mentally Handicapped	
100 Salaries	20,000
200 Employee Benefits	5,476
126 Speech Handicapped	
100 Salaries	56,753
200 Employee Benefits	19,884
400 Supplies and Materials	2,555
127 Learning Disabilities	
100 Salaries	46,434
200 Employee Benefits	15,440
300 Purchased Services	258
400 Supplies and Materials	135,484
128 Emotionally Handicapped	
100 Salaries	22,950
200 Employee Benefits	10,641
130 Pre-School Programs	
137 Preschool Handicapped - Self-Contained (3 & 4 year olds)	
100 Salaries	14,289
200 Employee Benefits	4,460
140 Special Programs	
147 Full Day 4K	
100 Salaries	592,540
200 Employee Benefits	273,127
300 Purchased Services	198,190
400 Supplies and Materials	20,000
600 Dues/Fees	75
170 Summer School Program	
172 Elementary Summer School	
100 Salaries	82,596
200 Employee Benefits	22,572
300 Purchased Services	8,881
400 Supplies and Materials	22,320

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - ALL PROGRAMS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

175 Instructional Programs Beyond Regular School Day	
100 Salaries	28,833
200 Employee Benefits	8,014
180 Adult/Continuing Education Programs	
181 Adult Basic Education Programs	
100 Salaries	58,041
200 Employee Benefits	16,048
300 Purchased Services	225
400 Supplies and Materials	338
182 Adult Secondary Education Programs	
100 Salaries	131,144
200 Employee Benefits	44,438
300 Purchased Services	413
400 Supplies and Materials	6,940
183 Adult English Literacy (ESL)	
400 Supplies and Materials	27
	<hr/>
<b>TOTAL INSTRUCTION</b>	<b>4,256,651</b>
	<hr/>

**200 SUPPORT SERVICES**

210 Pupil Services	
212 Guidance Services	
100 Salaries	45,163
200 Employee Benefits	11,614
300 Purchased Services	129,328
400 Supplies and Materials	14,593
600 Other Objects	40
220 Instructional Staff Services	
221 Improvement of Instruction - Curriculum Development	
100 Salaries	3,950
200 Employee Benefits	1,098
400 Supplies and Materials	382
222 Library and Media	
100 Salaries	20,000
200 Employee Benefits	6,412
400 Supplies and Materials	13,928
223 Supervision of Special Programs	
100 Salaries	259,738
200 Employee Benefits	90,194
300 Purchased Services	33,302
400 Supplies and Materials	5,557
224 Improvement of Instruction - Inservice and Staff training	
100 Salaries	11,550
200 Employee Benefits	3,137
300 Purchased Services	110,355
400 Supplies and Materials	1,322

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - ALL PROGRAMS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

260 Central Support Services	
266 Technology and Data Processing Services	
300 Technology Services/Licenses	145,281
270 Support Services Pupil Activity	
271 Pupil Services Activities	
660 Pupil Activity	15,537
<b>TOTAL SUPPORT SERVICES</b>	<b>922,481</b>
<b>TOTAL EXPENDITURES</b>	<b>5,179,132</b>
<b>OTHER FINANCING SOURCES (USES)</b>	
Interfund Transfers, From (To) Other Funds	
420-710 Transfer to General Fund	(1,907,079)
421-710 Transfer to Special Revenue Fund - Alternative School	(113,092)
421-710 Transfer to Special Revenue Fund - McCarthy-Teszler	(192,987)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(2,213,158)</b>
Excess (Deficiency) of Revenues over Expenditures	-
<b>FUND BALANCE - JULY 1, 2017</b>	<b>-</b>
<b>FUND BALANCE - JUNE 30, 2018</b>	<b>\$ -</b>

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT  
SUMMARY SCHEDULE BY PROGRAM  
FOR FISCAL YEAR ENDED JUNE 30, 2018

Program	Revenues		Expenditures		EIA Interfund Transfers		Other fund Transfers		Unearned Revenue
					In/(Out)		In/(Out)		
3502 ADEPT	\$	14,794	\$	14,794	\$	-	\$	-	\$ 4,098
3507 School Innovation Funds		131,396		131,396		-		-	1,363
3509 Arts in Education		12,884		12,884		-		-	-
3511 Professional Development		32,141		32,141		-		-	60,654
3512 Technology Professional Development		15,008		15,008		-		-	-
3518 Formative Assessment		40,000		40,000		-		-	978
3519 Grade 10 Assessments		13,884		13,884		-		-	-
3525 Career and Technology Education Equipment		124,590		124,590		-		-	-
3526 Refurbishment of K-8 Science Kits		38,353		38,353		-		-	6,897
3528 Industry Certifications/Credentials		-		-		-		-	22,997
3529 Career and Technology Education		116,310		116,310		-		-	5,787
3532 National Board Certification (NBC) Salary Supplement		602,031		602,031		-		-	-
3533 Teacher of the Year Award		1,076		1,076		-		-	-
3535 Reading Coaches		4,616		4,616		-		-	-
3538 Students at Risk of School Failure		1,255,867		1,255,867		-		-	400,664
3541 Child Development Education Program (CDEP)		1,164,507		1,164,507		-		-	-
3550 Teacher Salary Increase		1,904,701		-		-	(1,904,701)	-	-
3555 School Employer Contributions		308,457		-		-	(308,457)	-	-
3556 Adult Education		515,978		515,978		-		-	165,324
3557 Summer Reading Program		82,322		82,322		-		-	39,654
3558 Reading		63,754		63,754		-		-	3,638
3571 Palmetto Priority Technical Assistance		291,523		291,523		-		-	18,331
3577 Teacher Supplies		183,425		183,425		-		-	-
3587 IDEA MOE Tier 1		228,452		228,452		-		-	-
3592 Work-Based Learning		10,799		10,799		-		-	-
3595 EEDA - Supplies and Materials - Career Awareness		23,315		23,315		-		-	5,644
3597 Aid to Districts		158,420		158,420		-		-	31,057
3599 Other EIA		53,687		53,687		-		-	-
Total	\$	7,392,290	\$	5,179,132	\$	-	\$	(2,213,158)	\$ 767,086



SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
SPECIAL REVENUE FUND - FOOD SERVICE  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

**REVENUES**

1000 Revenue from Local Sources	
1600 Food Service	
1610 Lunch Sales to Pupils	\$ 196,692
1640 Lunch Sales to Adults	54,785
1900 Other Revenue from Local Sources	
1999 Revenue from Other Local Sources	23,950
	<hr/>
Total Local Sources	275,427
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3000 Revenue from State Sources	
3100 Restricted State Funding	
3140 School Lunch	
3142 Program Aid	318
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Total State Sources	318
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4000 Revenue from Federal Sources	
4800 USDA Reimbursement	
4810 School Lunch and After School Snacks Program	2,645,602
4830 School Breakfast Program	1,164,541
4860 Fresh Fruits and Vegetables Program (FFVP)	94,800
4880 Summer Feeding Programs (SFSP)	139,782
4900 Other Federal Sources	
4991 USDA Commodities (Food Distribution Program)	236,542
4999 Revenue from Other Federal Sources	228,276
	<hr/>
Total Federal Sources	4,509,543
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<b>TOTAL REVENUE ALL SOURCES</b>	<b>4,785,288</b>
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**EXPENDITURES**

256 Food Service	
100 Salaries	53,637
200 Employee Benefits	24,465
300 Purchased Services	3,770,380
400 Supplies and Materials	317,267
500 Capital Outlay	566,801
600 Other Objects	2,613
	<hr/>
<b>TOTAL EXPENDITURES</b>	<b>4,735,163</b>
	<hr/>
Excess (Deficiency) of Revenues over Expenditures	50,125
	<hr/>
<b>FUND BALANCE - JULY 1, 2017</b>	<b>2,481,697</b>
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<b>FUND BALANCE - JUNE 30, 2018</b>	<b>\$ 2,531,822</b>
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# Debt Service Fund

## *Debt Service Fund*

*Fund used to account for the collection and payment of interest and principal on long term General Obligation Debt.*

*The following individual fund statements and schedules have been prepared in the format mandated by the South Carolina Department of Education. The South Carolina Department of Education mandates the account numbers shown on the statements.*

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
DEBT SERVICE FUND  
COMBINING BALANCE SHEET  
JUNE 30, 2018

	Debt Service Fund	McCarthy-Teszler	Totals
<b>ASSETS</b>			
Taxes receivable	\$ 1,206,978	\$ -	\$ 1,206,978
Less allowance for uncollectibles	(844,885)	-	(844,885)
Due from other funds	3,968,064	249,146	4,217,210
Due from County Government	2,452,003	-	2,452,003
Total Assets	<u>\$ 6,782,160</u>	<u>\$ 249,146</u>	<u>\$ 7,031,306</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
Liabilities:			
Bonds Payable	\$ 356,000	\$ -	\$ 356,000
Deferred Inflows of Resources:			
Unearned revenue	362,093	\$ -	\$ 362,093
Total Liabilities	<u>718,093</u>	<u>-</u>	<u>718,093</u>
Fund Balances:			
Restricted:			
Debt service	6,064,067	249,146	6,313,213
Total Fund Balances	<u>6,064,067</u>	<u>249,146</u>	<u>6,313,213</u>
Total Liabilities and Fund Balances	<u>\$ 6,782,160</u>	<u>\$ 249,146</u>	<u>\$ 7,031,306</u>

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
DEBT SERVICE FUND  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - FINAL BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Debt Service Fund			McCarthy-Teszler			Total		Variance Positive (Negative)
	Budget	Actual		Budget	Actual		Budget	Actual	
<b>REVENUES</b>									
1000 Revenue from Local Sources									
1100 Taxes									
1110 Ad Valorem Taxes - Including Delinquent									
1200 Revenue from Local Governmental Units Other than LEAs									
1280 Revenue in Lieu of Taxes									
1500 Earnings on Investments									
1510 Interest on Investments									
Total Local Sources	13,901,211	13,931,736		-	-		13,901,211	13,931,736	30,525
3000 Revenue from State Sources									
3800 State Revenue in Lieu of Taxes									
3820 Homestead Exemption (Tier 2)	687,974	687,974		-	-		687,974	687,974	-
3830 Merchant's Inventory Tax	219,180	219,180		-	-		219,180	219,180	-
3840 Manufacturers Depreciation Reimbursement	88,441	88,441		-	-		88,441	88,441	-
Total State Sources	995,595	995,595		-	-		995,595	995,595	-
<b>TOTAL REVENUE ALL SOURCES</b>	14,896,806	14,927,331		-	-		14,896,806	14,927,331	30,525
<b>EXPENDITURES</b>									
500 Debt Service									
319 Legal Services	17,883	77,110		1,183	1,183		19,066	78,293	(59,227)
395 Other Professional and Technical Services	13,109	111,053		-	-		13,109	111,053	(97,944)
610 Redemption of Principal	124,638,604	62,254,604		716,985	717,000		125,355,589	62,971,604	62,383,985
620 Interest	4,517,409	3,074,557		156,424	156,408		4,673,833	3,230,965	1,442,868
690 Other Objects	4,783	30,278		-	-		4,783	30,278	(25,495)
<b>TOTAL EXPENDITURES</b>	129,191,788	65,547,602		874,592	874,591		130,066,380	66,422,193	63,644,187
<b>OTHER FINANCING SOURCES (USES)</b>									
5110 Premium on Bonds Sold	37,264	49,406		-	-		37,264	49,406	12,142
5120 Proceeds of General Obligation Bonds	109,293,000	54,646,500		-	-		109,293,000	54,646,500	(54,646,500)
Interfund Transfers, From (To) Other Funds									
5220 Transfer From Special Revenue Fund - McCarthy-Teszler	-	-		874,000	874,000		874,000	874,000	-
424-710 Transfer From Other Funds- Transfer to School Blding	(1,531,404)	(5,015,337)		-	-		(1,531,404)	(5,015,337)	(3,483,933)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	107,798,860	49,680,569		874,000	874,000		108,672,860	50,554,569	(58,118,291)

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
DEBT SERVICE FUND  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - FINAL BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Debt Service Fund		McCarthy-Teszler		Total		Variance Positive (Negative)
	Budget	Actual	Budget	Actual	Budget	Actual	
Excess (Deficiency) of Revenues over Expenditures	<u>\$ (6,496,122)</u>	<u>(939,702)</u>	<u>\$ (592)</u>	<u>(591)</u>	<u>\$ (6,496,714)</u>	<u>(940,293)</u>	<u>\$ 5,556,421</u>
<b>FUND BALANCE - JULY 1, 2017</b>		<u>7,003,769</u>		<u>249,737</u>		<u>7,253,506</u>	
<b>FUND BALANCE - JUNE 30, 2018</b>		<u>\$ 6,064,067</u>		<u>\$ 249,146</u>		<u>\$ 6,313,213</u>	

# Capital Projects Fund

## *Capital Projects Fund*

*Fund used to account for financial resources to be used for the acquisition and construction of major capital facilities.*

*The following individual fund statements and schedules have been prepared in the format mandated by the South Carolina Department of Education. The South Carolina Department of Education mandates the account numbers shown on the statements.*

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
CAPITAL PROJECTS FUND  
COMBINING BALANCE SHEET  
JUNE 30, 2018

	Capital Projects Fund	McCarthy- Teszler	Total
<b>ASSETS</b>			
Accounts Receivable	\$ 775,467	\$ -	\$ 775,467
Investments	9,878,189	-	9,878,189
Due from County Government	7,203,549	-	7,203,549
Due from other funds	63,801,621	1,574,479	65,376,100
Total Assets	<u>\$ 81,658,826</u>	<u>\$ 1,574,479</u>	<u>\$ 83,233,305</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Accounts payable	\$ 7,342,545	\$ -	\$ 7,342,545
Retainage payable	2,724,591	-	2,724,591
Total Liabilities	<u>10,067,136</u>	<u>-</u>	<u>10,067,136</u>
Fund Balances:			
Restricted:			
Capital projects	52,761,092	-	52,761,092
Assigned:			
Capital projects	18,830,598	1,574,479	20,405,077
Total Fund Balances	<u>71,591,690</u>	<u>1,574,479</u>	<u>73,166,169</u>
Total Liabilities and Fund Balances	<u>\$ 81,658,826</u>	<u>\$ 1,574,479</u>	<u>\$ 83,233,305</u>



SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
CAPITAL PROJECTS FUND  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - FINAL BUDGET TO ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Capital Projects Fund		McCarthy- Teszler		Total		Variance Positive (Negative)
	Budget	Actual	Budget	Actual	Budget	Actual	
<b>REVENUES</b>							
1000 Revenue from Local Sources							
1500 Earnings on Investments							
1510 Interest on Investments	\$ -	\$ 1,007,441	\$ -	\$ -	\$ -	\$ 1,007,441	\$ 1,007,441
1900 Other Revenue from Local Sources							
1920 Contributions & Donations Private Sources	-	10,000	-	-	-	10,000	10,000
Total Local Sources	-	1,017,441	-	-	-	1,017,441	1,017,441
<b>TOTAL REVENUE ALL SOURCES</b>	-	1,017,441	-	-	-	1,017,441	1,017,441
<b>EXPENDITURES</b>							
<b>100 INSTRUCTION</b>							
110 General Instruction							
114 High School Programs							
300 Purchased Services	83,864	83,864	-	-	83,864	83,864	-
400 Supplies and Materials	82,219	82,219	-	-	82,219	82,219	-
<b>TOTAL INSTRUCTION</b>	166,083	166,083	-	-	166,083	166,083	-
<b>200 SUPPORT SERVICES</b>							
220 Instructional Staff Services							
221 Improvement of Instruction Curriculum Development							
100 Salaries	152,833	31,168	-	-	152,833	31,168	121,665
180 Head of Organizational Unit Salaries	-	119,280	-	-	-	119,280	(119,280)
200 Employee Benefits	48,057	14,064	-	-	48,057	14,064	33,993
280 Head of Organizational Unit Employee Benefits	-	32,242	-	-	-	32,242	(32,242)
250 Finance and Operations							
253 Facilities Acquisition and Construction							
300 Purchased Services	8,875,996	2,811,328	27,028	13,414	8,903,024	2,824,742	6,078,282
400 Supplies and Materials	8,530,541	7,071,072	286,059	285,732	8,816,600	7,356,804	1,459,796
500 Capital Outlay							
510 Land	246,551	201,551	-	-	246,551	201,551	45,000
520 Construction Services	147,855,755	58,748,504	-	-	147,855,755	58,748,504	89,107,251
530 Improvements Other Than Buildings	14,544,129	8,978,229	249,513	249,513	14,793,642	9,227,742	5,565,900
540 Equipment	112,058	31,395	-	-	112,058	31,395	80,663
545 Technology, Equipment and Software	912,942	529,070	7,074	7,074	920,016	536,144	383,872
550 Vehicles	204,558	204,558	-	-	204,558	204,558	-
600 Other Objects	9,025	9,020	-	-	9,025	9,020	5

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
CAPITAL PROJECTS FUND  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - FINAL BUDGET TO ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Capital Projects Fund			McCarthy- Teszler			Total	Variance Positive (Negative)
	Budget	Actual	Budget	Actual	Budget	Actual		
254 Operation and Maintenance of Plant								
100 Salaries	21,051	21,051	-	-	21,051	21,051	-	-
200 Employee Benefits	8,652	8,570	-	-	8,652	8,570	82	82
300 Purchased Services	15,995	15,995	-	-	15,995	15,995	-	-
500 Capital Outlay	90,325	90,091	-	-	90,325	90,091	234	234
255 Student Transportation (State Mandated)								
300 Purchased Services	28,800	28,800	-	-	28,800	28,800	-	-
400 Supplies and Materials	61,948	61,948	-	-	61,948	61,948	-	-
260 Central Support Services								
266 Technology and Data Processing Services								
100 Salaries	53,957	22,849	-	-	53,957	22,849	31,108	31,108
180 Head of Organizational Unit Salaries	-	31,108	-	-	-	31,108	(31,108)	(31,108)
200 Employee Benefits	20,600	8,996	-	-	20,600	8,996	11,604	11,604
280 Head of Organizational Unit Employee Benefits	-	11,350	-	-	-	11,350	(11,350)	(11,350)
300 Purchased Services	9,469	7,069	-	-	9,469	7,069	2,400	2,400
270 Support Services - Pupil Activity								
271 Pupil Service Activities								
300 Purchased Services	147,310	147,310	-	-	147,310	147,310	-	-
400 Supplies and Materials	96,534	95,570	-	-	96,534	95,570	964	964
<b>TOTAL SUPPORT SERVICES</b>	<b>182,047,086</b>	<b>79,332,188</b>	<b>569,674</b>	<b>555,733</b>	<b>182,616,760</b>	<b>79,887,921</b>	<b>102,728,839</b>	<b>102,728,839</b>
<b>INTERGOVERNMENTAL</b>								
417 Payments to Nonprofit Entities (other than for First Steps)								
720 Transits	1,500,000	1,500,000	-	-	1,500,000	1,500,000	-	-
<b>TOTAL INTERGOVERNMENTAL</b>	<b>1,500,000</b>	<b>1,500,000</b>	<b>-</b>	<b>-</b>	<b>1,500,000</b>	<b>1,500,000</b>	<b>-</b>	<b>-</b>
<b>TOTAL EXPENDITURES</b>	<b>183,713,169</b>	<b>80,998,271</b>	<b>569,674</b>	<b>555,733</b>	<b>184,282,843</b>	<b>81,554,004</b>	<b>102,728,839</b>	<b>102,728,839</b>
<b>OTHER FINANCING SOURCES (USES)</b>								
5110 Premium on Bonds Sold	-	5,351,080	-	-	-	5,351,080	5,351,080	5,351,080
5120 Proceeds of General Obligation Bonds	19,165,731	84,813,500	-	-	19,165,731	84,813,500	65,647,769	65,647,769
Interfund Transfers, From (To) Other Funds								
5210 Transfer from General Fund	-	1,000,000	-	-	-	1,000,000	1,000,000	1,000,000
5240 Transfer from Other Funds- Transfer from Debt Service	1,531,404	5,015,337	-	-	1,531,404	5,015,337	3,483,933	3,483,933
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>20,697,135</b>	<b>96,179,917</b>	<b>-</b>	<b>-</b>	<b>20,697,135</b>	<b>96,179,917</b>	<b>75,482,782</b>	<b>75,482,782</b>

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
CAPITAL PROJECTS FUND  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - FINAL BUDGET TO ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Capital Projects Fund		McCarthy- Teszler		Total		Variance Positive (Negative)
	Budget	Actual	Budget	Actual	Budget	Actual	
Excess (Deficiency) of Revenues over Expenditures	<u>\$ (163,016,034)</u>	16,199,087	<u>\$ (569,674)</u>	(555,733)	<u>\$ (163,585,708)</u>	15,643,354	<u>\$ 179,229,062</u>
<b>FUND BALANCE - JULY 1, 2017</b>		<u>55,392,603</u>		<u>2,130,212</u>		<u>57,522,815</u>	
<b>FUND BALANCE - JUNE 30, 2018</b>		<u>\$ 71,591,690</u>		<u>\$ 1,574,479</u>		<u>\$ 73,166,169</u>	



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# Fiduciary Fund

## *Fiduciary Fund*

*Fund used to account for the collection and payment of Pupil Activity receipts and disbursements from and on behalf of the School District's students.*

*The following individual fund statements and schedules have been prepared in the format mandated by the South Carolina Department of Education. The South Carolina Department of Education mandates the account numbers shown on the statements.*

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
FIDUCIARY FUND  
PUPIL ACTIVITY AGENCY FUND  
SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES  
IN DUE TO STUDENT ORGANIZATIONS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

**RECEIPTS**

1000 Receipts from Local Sources	
1700 Pupil Activities	
1710 Admissions	\$ 163,681
1730 Pupil Organization Membership Dues and Fees	178,259
1740 Student Fees	17,243
1790 Other	954,548
1900 Other Revenue from Local Sources	
1910 Rentals	16,015
1920 Contributions & Donations Private Sources	135,766
1999 Revenue from Other Local Sources	17,686
<b>TOTAL RECEIPTS ALL SOURCES</b>	<b>1,483,198</b>

**DISBURSEMENTS**

100 Instruction	
190 Instructional Pupil Activity	
100 Salaries	73,657
200 Employee Benefits	20,189
300 Purchased Services	27,658
400 Supplies and Materials	133,392
660 Pupil Activity	177,025
200 Support Services	
250 Finance and Operations Services	
258 Security	
100 Salaries	5,431
200 Employee Benefits	1,510
270 Support Services Pupil Activity	
271 Pupil Service Activities	
100 Salaries	20,777
200 Employee Benefits	5,612
300 Purchased Services	150,072
400 Supplies and Materials	559,209
600 Other Objects	46,484
660 Support Services Pupil Activity	233,856
<b>TOTAL DISBURSEMENTS</b>	<b>1,454,872</b>

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
 FIDUCIARY FUND  
 PUPIL ACTIVITY AGENCY FUND  
 SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES  
 IN DUE TO STUDENT ORGANIZATIONS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

**OTHER FINANCING SOURCES (USES)**

Interfund Transfers, From (To) Other Funds	
5220 Transfer from Special Revenue Fund - Special Projects	14,500

<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	14,500
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Excess (Deficiency) of Receipts over Disbursements	42,826
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<b>DUE TO STUDENT ORGANIZATIONS - JULY 1, 2017</b>	780,633
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<b>DUE TO STUDENT ORGANIZATIONS - JUNE 30, 2018</b>	\$ 823,459
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SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
 STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
 AGENCY FUND  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Balance 6/30/2017	Additions	Deletions	Balance 6/30/2018
<b>ASSETS</b>				
Cash	\$ 400	\$ -	\$ (400)	\$ -
Account receivable	785	4,536	(785)	4,536
Due from general fund	810,037	19,743	-	829,780
Prepays	-	2,816	-	2,816
	<u>-</u>	<u>2,816</u>	<u>-</u>	<u>2,816</u>
Total Assets	<u>\$ 811,222</u>	<u>\$ 27,095</u>	<u>\$ (1,185)</u>	<u>\$ 837,132</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 30,589	\$ 13,673	\$ (30,589)	\$ 13,673
Due to student organizations	780,633	42,826	-	823,459
	<u>780,633</u>	<u>42,826</u>	<u>-</u>	<u>823,459</u>
Total Liabilities	<u>\$ 811,222</u>	<u>\$ 56,499</u>	<u>\$ (30,589)</u>	<u>\$ 837,132</u>



# *Other Supplementary Information*

## *Other Supplementary Information*

*The following schedules have been prepared in the format mandated by the South Carolina Department of Education. The South Carolina Department of Education mandates the account numbers shown on the statements.*

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
 DETAILED SCHEDULE OF DUE TO STATE DEPARTMENT OF EDUCATION/FEDERAL GOVERNMENT  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Program	Project Grant Number	Revenue Code	Description	Amount Due to SCDE/ Federal	Status of Amount Due
<u>Due to State Department of Education:</u>					
Teacher Supply	EIA	3577/377	Unspent Funds	4,400.00	Paid in full on 10/10/18 ck# 10066710
<u>Due to Federal Government:</u>					
None					

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
LOCATION RECONCILIATION SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Location ID	Location Description	Education Level	Cost Type	Total Expenditures
100	Districtwide	Non-Schools	Central	\$ 88,092,302
101	All Schools	Non-Schools	Central	5,318,258
131	Meeting Street Academy	Private School	School	1,448,588
141	Gifted and Talented	Other Schools	School	660,633
151	Boyd Elementary	Elementary Schools	School	3,926,409
190	District 7 Instructional Services Center	Other Schools	School	51,316
202	Carver Junior High	Middle Schools	School	5,714,752
251	Chapman Elementary	Elementary Schools	School	3,707,858
302	Whitlock Junior High	Middle Schools	School	138,531
353	Daniel Morgan Technology Center	Other Schools	School	1,094
402	McCracken Junior High	Middle Schools	School	6,199,212
451	Cleveland Elementary	Elementary Schools	School	6,152,926
501	Houston Elementary	Elementary Schools	School	3,709,156
521	Drayton Mills Elementary	Elementary Schools	School	26,462,916
601	Madden Elementary	Elementary Schools	School	85,672
651	Park Hills Elementary	Elementary Schools	School	2,001,678
701	Pine Street Elementary	Elementary Schools	School	7,532,479
753	Spartanburg High School	High Schools	School	60,347,393
760	Adult Education	Other Schools	School	1,570,066
801	Todd Elementary	Elementary Schools	School	6,844,974
851	Wright Elementary	Elementary Schools	School	4,425,220
871	McCarthy/Teszler School	Other Schools	School	13,883,249
872	McCarthy Alternative Program	Other Schools	School	1,081,895
880	Westminister Day School	Private School	School	650
881	St. Paul's	Private School	School	3,628
910	Transportation Office	Non-Schools	Central	2,921,794
921	Teacher Incentive Fund Program	Non-Schools	Central	272,772
975	Duncan Park	Non-Schools	Central	1,183,786
976	Wofford Stadium	Non-Schools	Central	147,310
980	Instructional Materials Center	Non-Schools	Central	86,092
990	Operations/Warehouse	Non-Schools	Central	2,370,748
Total expenditures/disbursements for all funds				<u><u>\$ 256,343,357</u></u>

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

<u>Fund</u>	<u>Amount</u>
General Fund	\$ 68,474,335
Special Revenue Fund - McCarthy-Teszler School	12,318,077
Special Revenue Fund - Spartanburg County Alternative School	4,156,379
Special Revenue Fund - Special Projects	12,049,202
Special Revenue Fund - EIA	5,179,132
Special Revenue Fund - Food Service	4,735,163
Debt Service Fund	66,422,193
Capital Projects Fund	81,554,004
Pupil Activity Agency Fund	1,454,872
	<u><u>\$ 256,343,357</u></u>



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# Statistical Section

## *Statistical Section*

This section of the Spartanburg Seven School District's comprehensive annual financial report presents detailed trend and other information as a context for understanding what the information in the basic financial statements, notes to the basic financial statements, required supplementary information and other supplementary information says about the school district's overall financial health.

	<b><u>Page Number</u></b>
<b>Financial Trends</b>	<b>123-127</b>
These schedules contain trend information to help the reader understand how the school district's financial performance and well-being have changed over time.	
<b>Revenue Capacity</b>	<b>128-132</b>
These schedules contain information to help the reader assess the school district's most significant local revenue source, property tax.	
<b>Debt Capacity</b>	<b>133-136</b>
These schedules present information to help the reader assess the affordability of the school district's current level of outstanding debt and the school district's ability to issue additional debt in the future.	
<b>Demographic and Economic Information</b>	<b>137-138</b>
These schedules offer demographic and economic indicators to help the reader understand the environment within the school district's financial activities take place.	
<b>Operating Information</b>	<b>139-143</b>
These schedules contain service and infrastructure data to help the reader understand how the information in the school district's financial report relates to the services Spartanburg Seven school district provides and the activities it performs.	

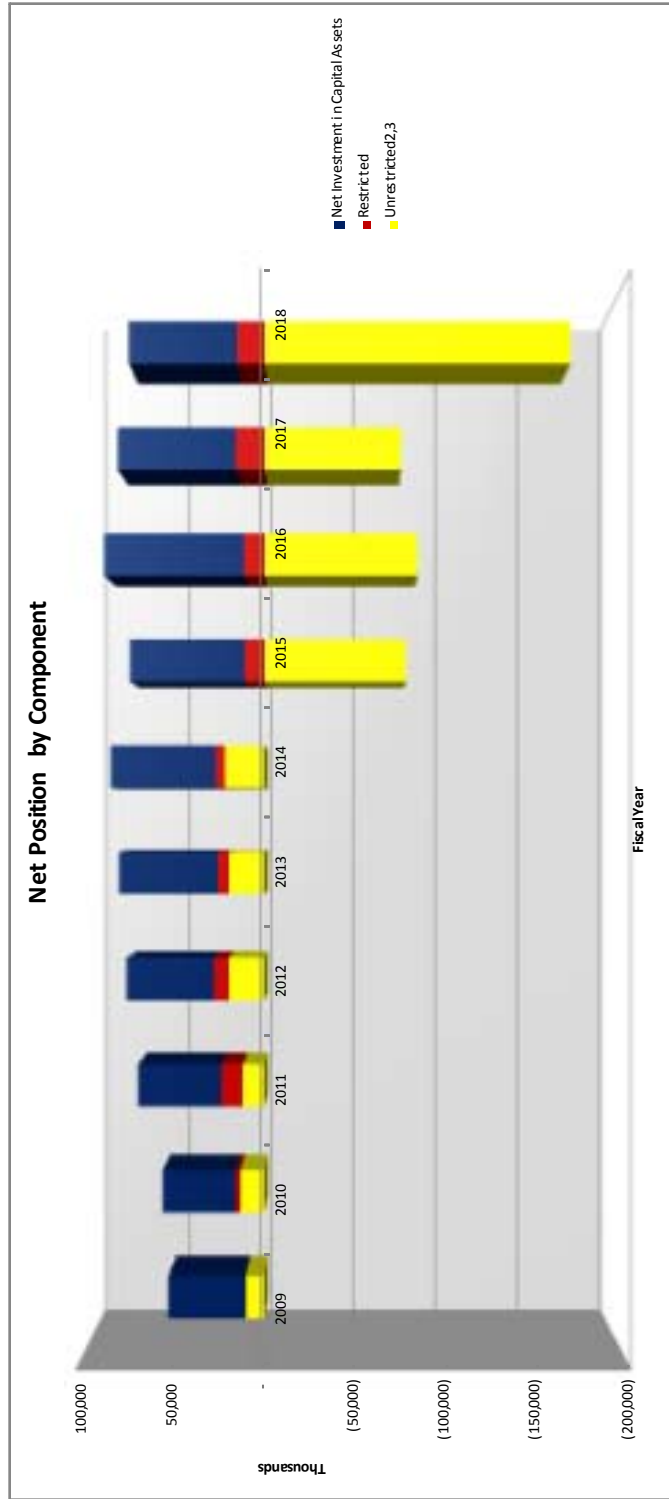
Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

*The following schedules have been prepared in the format mandated by the South Carolina Department of Education. The South Carolina Department of Education mandates the account numbers shown on the statements.*

**SPARTANBURG COUNTY SCHOOL DISTRICT 7**

**Net Position by Component  
(Last Ten Fiscal Years)  
(Unaudited)**

<b>Net Position Components</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
Primary Government										
Net Investment in Capital Assets	\$ 43,324,332	\$ 41,204,531	\$ 47,027,940	\$ 49,087,936	\$ 55,574,763	\$ 58,950,668	\$ 64,329,631	\$ 78,460,060	\$ 66,378,752	\$ 60,645,613
Restricted	65,280	2,539,287	11,907,130	8,438,644	6,181,271	4,777,196	11,006,272	11,278,398	15,693,722	15,236,178
Unrestricted <sup>2,3</sup>	10,325,751	13,233,394	11,888,584	19,748,371	19,675,187	22,121,148	(79,530,447)	(86,091,970)	(76,691,048)	(171,938,485)
<b>Total Primary Government Net Position</b>	<b>\$ 53,715,363</b>	<b>\$ 56,977,212</b>	<b>\$ 70,823,654</b>	<b>\$ 77,274,951</b>	<b>\$ 81,431,221</b>	<b>\$ 85,849,012</b>	<b>\$ (4,194,544)</b>	<b>\$ 3,646,488</b>	<b>\$ 5,381,426</b>	<b>\$ (96,056,694)</b>



Source: District Basic Financial Statements

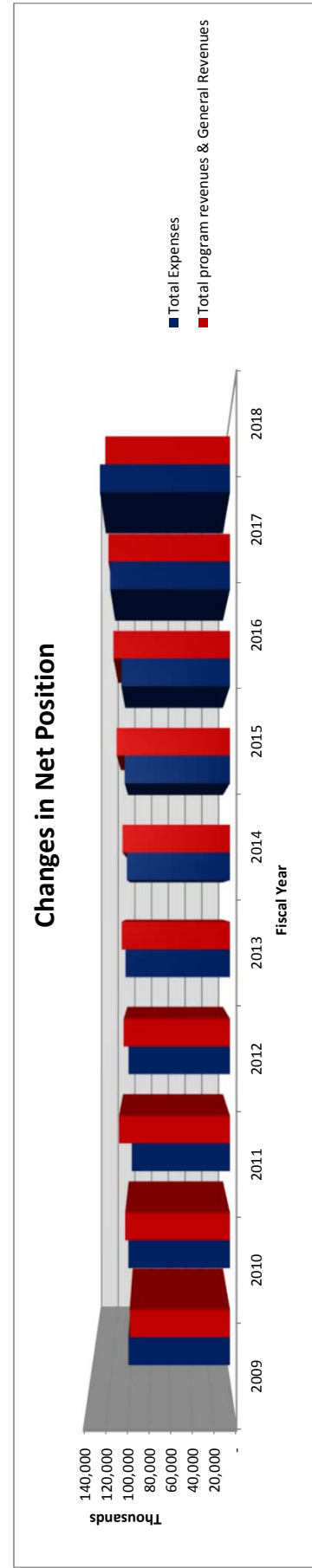
Note: 1 - With the implementation of GASB No. 63 as of Fiscal Year 2013, the terminology of Net Position is used instead of Net Assets.

2 - With the implementation of GASB No. 68 as of Fiscal Year 2015, each school district that participates in a pension plan administered through trusts must place their portion of the net pension liability as well as their total deferred outflows and deferred inflows of resources on the government-wide financial statements. FY14 Net Position was not restated for the statistical section purposes.

3 - With the implementation of GASB No. 75 as of Fiscal Year 2018, each school district that participates in an OPFB plan administered through trusts must place their portion of the net OPFB liability as well as their total deferred outflows and deferred inflows of resources on the government-wide financial statements. FY17 Net Position was not restated for the statistical section purposes.

**SPARTANBURG COUNTY SCHOOL DISTRICT 7**  
**Changes in Net Position**  
**(Last Ten Fiscal Years)**  
**(Unaudited)**

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Primary Government Expenses</b>										
Governmental Activities:										
Instruction	\$ 52,784,532	\$ 52,832,775	\$ 50,883,215	\$ 52,800,820	\$ 55,087,734	\$ 54,793,412	\$ 57,027,914	\$ 58,455,868	\$ 62,756,848	\$ 66,416,668
Support Services	44,504,191	43,283,875	42,838,808	44,269,906	45,069,001	44,146,649	45,194,862	46,455,908	53,506,096	59,100,371
Community Services	178,936	125,926	117,513	119,429	133,232	131,671	2,228	1,195	1,030	562
Intergovernmental	1,135,883	2,348,828	1,516,124	1,616,591	1,667,652	1,446,356	1,858,954	2,024,919	1,920,236	3,439,877
Interest and Other Charges	2,978,095	2,936,811	2,764,381	2,498,591	2,420,131	2,476,692	1,276,682	1,691,572	1,560,330	1,107,324
Disposal of Capital Assets	-	-	679	-	-	-	-	-	-	-
<b>Total Expenses</b>	<b>101,581,637</b>	<b>101,528,215</b>	<b>98,120,720</b>	<b>101,305,337</b>	<b>104,377,750</b>	<b>102,994,780</b>	<b>105,360,640</b>	<b>108,629,462</b>	<b>119,744,540</b>	<b>130,064,802</b>
<b>Program Revenues</b>										
Governmental Activities:										
Charges for Services										
Instruction	4,186,738	2,534,714	2,988,768	3,588,883	3,120,778	2,242,078	3,430,583	4,352,488	3,720,729	3,747,948
Support Services	517,040	441,992	383,662	372,334	340,040	302,558	284,699	292,651	247,496	251,477
Operating Grants and Contributions	45,982,461	45,365,634	47,256,961	43,826,169	44,871,237	42,890,583	44,170,368	44,780,222	48,054,481	50,949,508
Capital Grants and Contributions	-	-	571,114	-	-	-	-	-	-	-
<b>Total Program Revenues</b>	<b>50,686,239</b>	<b>48,342,340</b>	<b>51,200,505</b>	<b>47,787,386</b>	<b>48,332,055</b>	<b>45,435,219</b>	<b>47,885,650</b>	<b>49,425,361</b>	<b>52,022,406</b>	<b>54,948,933</b>
<b>Primary Government Net Expense</b>	<b>50,895,398</b>	<b>53,185,875</b>	<b>46,920,215</b>	<b>53,517,951</b>	<b>56,045,695</b>	<b>57,559,561</b>	<b>57,474,990</b>	<b>59,204,101</b>	<b>67,722,134</b>	<b>75,115,869</b>
<b>General Revenues</b>										
Property Taxes (General Purposes)	25,726,417	31,027,306	32,943,854	31,802,642	32,930,837	34,471,183	36,420,314	37,603,689	38,271,266	37,393,059
Property Taxes (Debt Services)	7,310,060	9,781,227	10,031,004	10,368,127	10,532,089	10,835,795	11,905,493	12,211,392	14,098,144	13,866,607
Unrestricted State Grants	15,359,330	14,519,063	14,614,152	14,835,157	15,123,910	15,338,724	15,658,125	15,857,426	16,053,629	16,259,498
Contributions	446,429	237,212	856,451	370,975	323,826	111,228	232,164	218,579	87,373	84,801
Miscellaneous	515,818	731,364	1,200,636	1,005,096	895,252	1,205,013	1,100,957	1,081,565	852,754	1,052,542
Premium on Bonds Sold	53,001	-	-	-	-	-	-	-	-	-
Unrestricted Investment Earning	175,979	79,182	100,810	67,719	63,175	52,403	55,189	72,482	93,906	1,133,415
Insurance Proceeds	3,833	72,370	-	-	-	-	-	-	-	-
Transfer to Fiduciary Fund	-	-	-	-	(1,933)	-	-	-	-	-
<b>Total Primary Government Changes in Net Position Total Primary Government</b>	<b>49,590,867</b>	<b>56,447,724</b>	<b>59,746,907</b>	<b>58,449,716</b>	<b>59,867,156</b>	<b>62,014,346</b>	<b>65,372,242</b>	<b>67,045,133</b>	<b>69,457,072</b>	<b>69,789,922</b>
<b>\$ (1,304,531) \$ 3,261,849 \$ 12,826,692 \$ 4,931,765 \$ 3,821,461 \$ 4,454,785 \$ 7,897,252 \$ 7,841,032 \$ 1,734,938 \$ (5,325,947)</b>										



Source: District Basic Financial Statements  
 Note: With the Implementation of GASB Statement No. 63 as of Fiscal Year 2013, the terminology of Net Position is used instead of Net Assets.

**SPARTANBURG COUNTY SCHOOL DISTRICT 7**  
**Fund Balances of Governmental Funds**  
**(Last Ten Fiscal Years)**  
**(Unaudited)**

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>General Fund</b>										
Reserved	\$ 1,699,728	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	8,208,176	7,975,941	-	-	-	-	-	-	-	-
Nonspendable	-	-	500,887	405,904	415,352	448,010	427,138	431,293	430,932	385,991
Assigned	-	-	246,166	391,913	407,695	461,744	434,281	491,447	486,714	538,365
Unassigned	-	-	9,820,283	10,885,099	12,775,440	13,246,978	10,108,600	10,704,084	11,048,114	11,301,403
<b>Total General Fund</b>	<b>9,907,904</b>	<b>7,975,941</b>	<b>10,567,336</b>	<b>11,682,916</b>	<b>13,598,487</b>	<b>14,156,732</b>	<b>10,970,019</b>	<b>11,626,824</b>	<b>11,965,760</b>	<b>12,225,759</b>
<b>All Other Governmental Funds</b>										
Reserved	5,274,980	2,539,287	-	-	-	-	-	-	-	-
Unreserved, reported in:										
Food Service	(441,471)	(184,315)	-	-	-	-	-	-	-	-
Special Revenue/Special Projects	-	726,394	-	-	-	-	-	-	-	-
Capital Projects	(446,400)	5,080,996	-	-	-	-	-	-	-	-
Nonspendable	-	-	-	-	-	-	-	-	-	-
Special Revenue/Food Service	-	-	-	-	-	46,005	28,955	63,507	27,741	-
Restricted	-	-	-	-	-	-	-	-	-	-
Special Revenue/McCarthy-Teszler	-	-	-	-	-	-	4,086,983	4,246,338	4,246,338	4,576,929
Special Revenue/Special Projects	-	-	563,241	484,773	410,470	169,979	479,146	487,449	267,900	335,268
Special Revenue/Food Service	-	-	63,945	507,136	892,905	973,613	1,209,128	1,724,834	2,453,956	2,531,822
Special Revenue/Alternative School	-	-	-	-	589,428	464,681	719,472	875,878	1,013,349	1,092,955
Debt Service	-	-	3,050,974	7,040,831	3,873,116	2,674,908	4,055,450	3,449,099	7,253,506	6,313,213
Capital Projects	-	-	-	-	-	-	-	-	43,798,979	52,761,092
Assigned	-	-	-	-	-	-	-	-	-	-
Special Revenue/Special Projects	-	-	874,664	795,977	75,000	130,502	156,011	155,744	597,497	491,701
Capital Projects	-	-	8,228,970	7,136,451	9,255,184	8,541,617	9,113,210	16,711,800	13,723,836	20,405,077
<b>Total all other governmental funds</b>	<b>\$ 4,387,109</b>	<b>\$ 8,162,362</b>	<b>\$ 12,781,794</b>	<b>\$ 15,965,168</b>	<b>\$ 15,096,103</b>	<b>\$ 13,001,305</b>	<b>\$ 19,848,355</b>	<b>\$ 27,714,649</b>	<b>\$ 73,383,102</b>	<b>\$ 88,508,057</b>

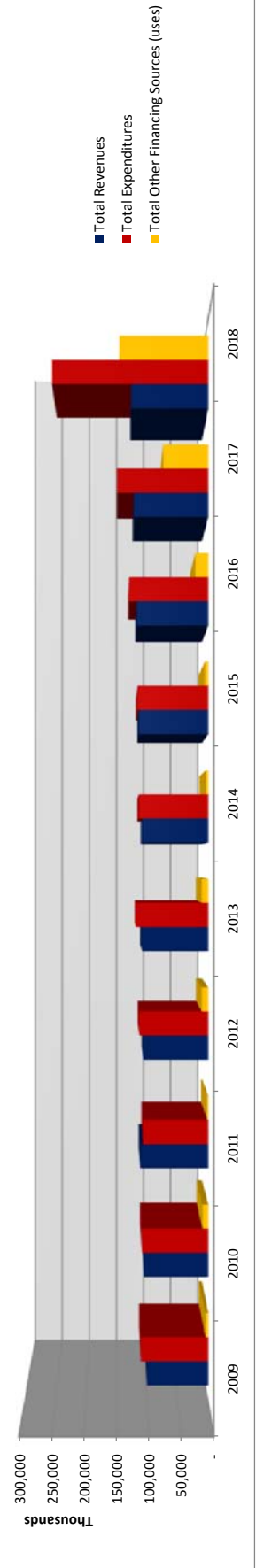
Source: District Basic Financial Statements  
GASB 54 was implemented effective June 30, 2011 which required new categories used to classify fund balances  
Effective June 30, 2015 McCarthy Teszler School was no longer consider part of the General Fund. It is now reclassified as a Special Revenue Fund.



**SPARTANBURG COUNTY SCHOOL DISTRICT 7**  
**Changes in Fund Balances of Governmental Funds**  
**(Last Ten Fiscal Years)**  
**(Unaudited)**

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Revenues</b>										
Governmental Activities:										
Local Property Taxes	\$ 32,828,854	\$ 40,804,110	\$ 42,930,121	\$ 42,097,194	\$ 43,395,343	\$ 45,256,766	\$ 48,185,426	\$ 49,838,153	\$ 52,213,065	\$ 51,168,627
Other Local	5,847,005	4,028,829	5,475,955	5,375,007	4,743,069	4,106,965	5,241,290	6,109,125	5,256,673	6,332,904
Total Local	38,675,859	44,832,939	48,406,076	47,472,201	48,138,412	49,363,731	53,426,716	55,947,278	57,469,738	57,501,531
Intergovernmental	749,321	2,427,210	3,868,554	3,391,049	3,364,413	3,263,525	3,520,172	3,405,748	3,447,292	3,487,530
State	46,204,077	41,253,011	40,792,681	42,851,030	43,783,407	43,668,136	45,143,649	46,571,829	49,237,528	52,708,673
Federal	14,388,395	16,307,560	17,845,655	12,419,251	12,847,330	11,101,771	11,096,365	10,580,896	11,278,966	11,729,719
<b>Total Revenues</b>	<b>100,017,652</b>	<b>104,820,720</b>	<b>110,912,966</b>	<b>106,133,531</b>	<b>108,133,562</b>	<b>107,397,163</b>	<b>113,186,902</b>	<b>116,505,751</b>	<b>121,433,524</b>	<b>125,427,453</b>
<b>Expenditures</b>										
Current:										
Instruction	54,517,677	54,281,498	50,826,594	52,665,427	54,410,925	54,741,744	56,230,958	57,442,795	60,329,017	62,296,808
Support Services	39,809,128	38,812,711	38,622,752	40,121,736	42,457,520	40,696,959	41,079,738	41,691,464	48,012,435	52,379,356
Community Services	178,936	125,926	117,513	119,429	133,231	131,671	2,228	1,195	1,030	562
Intergovernmental Expenditures	1,135,883	2,348,828	1,516,124	1,616,591	1,667,653	1,446,356	1,858,954	2,024,919	1,920,236	4,171,116
<b>Debt Services</b>										
Legal Services	-	-	-	-	-	67,696	13,059	28,956	13,275	78,293
Other professional & technical services	-	-	-	-	-	-	3,606	21,114	102,535	111,053
Principal	6,046,686	6,130,640	8,702,159	5,424,151	12,703,370	11,347,458	10,437,584	12,623,488	25,436,881	62,971,604
Interest	2,970,581	2,932,701	2,950,506	2,651,410	2,692,584	2,411,121	1,871,828	1,977,656	1,822,853	3,230,965
Other Objects	66,986	74,536	181,092	2,600	2,650	101,575	1,711	1,747	2,919	30,278
<b>Capital Outlay</b>	<b>5,541,511</b>	<b>3,772,000</b>	<b>3,482,692</b>	<b>9,682,969</b>	<b>3,600,021</b>	<b>2,264,584</b>	<b>3,878,144</b>	<b>13,332,302</b>	<b>11,254,988</b>	<b>69,618,450</b>
<b>Total Expenditures</b>	<b>110,267,388</b>	<b>108,478,840</b>	<b>106,399,432</b>	<b>112,284,313</b>	<b>117,667,954</b>	<b>113,209,164</b>	<b>115,377,810</b>	<b>129,145,636</b>	<b>148,896,169</b>	<b>254,888,485</b>
<b>Excess of Revenues over (under) Expenditures</b>	<b>(10,249,736)</b>	<b>(3,658,120)</b>	<b>4,513,534</b>	<b>(6,150,782)</b>	<b>(9,534,392)</b>	<b>(5,812,001)</b>	<b>(2,190,908)</b>	<b>(12,639,885)</b>	<b>(27,462,645)</b>	<b>(129,461,032)</b>
<b>Other Financing Sources (uses)</b>										
Sale of Capital Assets	-	-	-	-	-	-	-	3,180	1,166	-
Other Financing Sources	5,053,001	9,536,489	1,677,543	10,594,141	10,582,831	4,273,258	5,920,636	21,169,804	73,474,868	144,860,486
Transfers In	4,342,402	3,636,254	9,039,661	3,942,391	4,508,057	4,397,889	5,360,288	5,756,842	6,284,204	10,121,400
Transfers Out	(4,342,402)	(3,671,333)	(9,039,661)	(3,942,391)	(4,509,990)	(4,395,699)	(5,429,679)	(5,766,842)	(6,290,204)	(10,135,900)
<b>Total Other Financing Sources (uses)</b>	<b>5,053,001</b>	<b>9,501,410</b>	<b>1,677,543</b>	<b>10,594,141</b>	<b>10,580,898</b>	<b>4,275,448</b>	<b>5,851,245</b>	<b>21,162,984</b>	<b>73,470,034</b>	<b>144,845,986</b>
<b>Net Change in Fund Balances</b>	<b>\$ (5,196,735)</b>	<b>\$ 5,843,290</b>	<b>\$ 6,191,077</b>	<b>\$ 4,443,359</b>	<b>\$ 1,046,506</b>	<b>\$ (1,536,553)</b>	<b>\$ 3,660,337</b>	<b>\$ 8,523,099</b>	<b>\$ 46,007,389</b>	<b>\$ 15,384,954</b>
<b>Debt Service as a Percentage of Noncapital Expenditures</b>	<b>8.7%</b>	<b>8.7%</b>	<b>11.5%</b>	<b>7.9%</b>	<b>13.5%</b>	<b>12.6%</b>	<b>11.1%</b>	<b>12.7%</b>	<b>19.9%</b>	<b>35.9%</b>

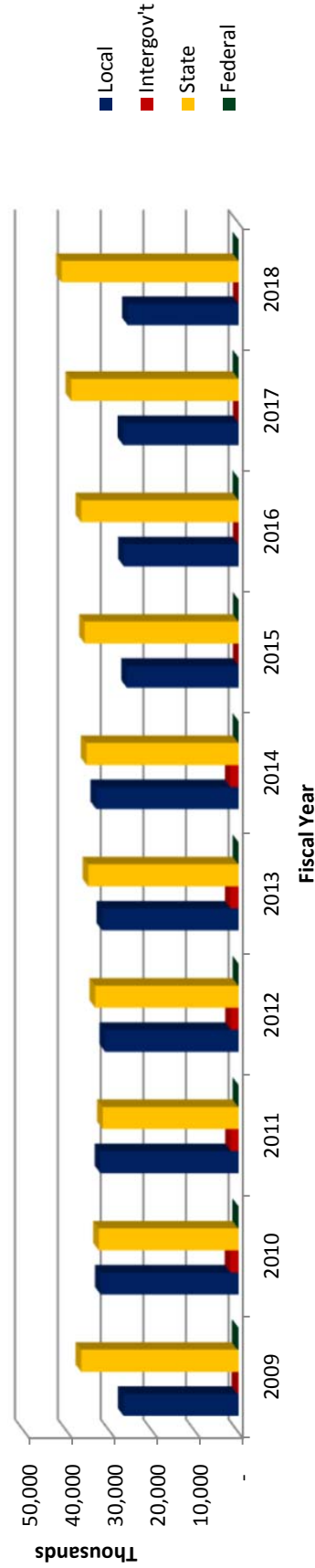
**Changes in Fund Balances of Governmental Funds**



**SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7**  
**General Fund Revenues by Source (Excluding Transfers From Other Funds)**  
**Last Ten Fiscal Years**  
**(Unaudited)**

Fiscal Year	Local	Intergov't	State	Federal	Total	Local	Intergov't	State	Federal	Total
2009	26,978,399	309,712	36,878,336	276,797	64,443,244	41.9%	0.5%	57.2%	0.43%	100.0%
2010	32,333,226	1,920,702	32,761,030	108,795	67,123,753	48.2%	2.9%	48.8%	0.16%	100.0%
2011	32,407,564	1,817,796	31,833,508	80,131	66,138,999	49.0%	2.7%	48.1%	0.12%	100.0%
2012	31,268,177	1,791,067	33,598,529	75,835	66,733,608	46.9%	2.7%	50.3%	0.11%	100.0%
2013	31,978,769	1,875,873	35,235,073	76,775	69,166,490	46.2%	2.7%	50.9%	0.11%	100.0%
2014	33,358,593	1,888,636	35,660,823	47,972	70,956,024	47.0%	2.7%	50.3%	0.07%	100.0%
2015	26,209,348	-	36,039,806	42,155	62,291,309	42.1%	0.0%	57.9%	0.07%	100.0%
2016	26,914,481	-	36,876,839	53,372	63,844,692	42.2%	0.0%	57.8%	0.08%	100.0%
2017	27,046,657	-	39,194,893	48,376	66,289,926	40.8%	0.0%	59.1%	0.07%	100.0%
2018	26,012,411	-	41,439,348	56,591	67,508,350	38.5%	0.0%	61.4%	0.08%	100.0%

**General Fund Revenues**



**SPARTANBURG COUNTY SCHOOL DISTRICT 7**  
**Assessed and Estimated Actual Value of Taxable Property**  
**(Last Ten Fiscal Years)**  
**(Unaudited)**

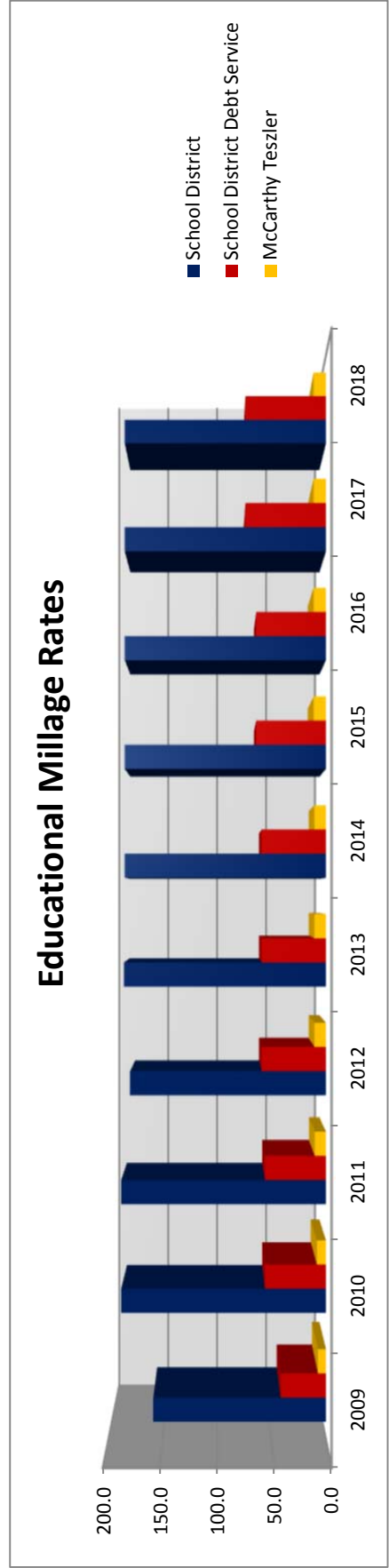
Fiscal Year Ended June 30	Personal Property						Total Taxable Assessed Value	Total Estimated Market Value - Real Property	Total Direct Tax Rate (Millage)	Assessed Value as a Percentage of Market Value		
	Tax Year	Entity	Assessed Real Property		Motor Vehicles						Other	Exemptions
			Property	Motor Vehicles	Other							
2009	2008	S/D	142,839,567	15,392,580	31,286,223	199,031,829	3,303,772,932	200.3	6.02%			
		M/T	646,237,019	94,563,860	219,473,316	973,460,711	22,204,160,180	7.4	4.38%			
2010	2009	S/D	143,512,585	16,159,860	33,583,751	200,507,298	3,283,708,853	244.1	6.11%			
		M/T	660,078,847	100,350,101	221,650,615	993,312,909	22,868,122,016	8.4	4.34%			
2011	2010	S/D	140,883,014	14,362,492	30,578,141	193,994,825	3,303,850,689	244.1	5.87%			
		M/T	660,176,916	87,934,375	212,826,476	971,495,630	17,742,961,081	13.7	5.48%			
2012	2011	S/D	140,181,594	14,177,630	29,112,417	191,876,906	3,176,582,618	239.0	6.04%			
		M/T	662,610,582	85,473,026	207,844,111	966,214,347	17,393,748,863	13.9	5.55%			
2013	2012	S/D	140,548,307	14,648,682	29,249,856	192,538,663	3,125,381,713	244.5	6.16%			
		M/T-Alt	667,906,917	90,325,702	198,248,423	965,730,706	17,281,830,615	13.9	5.59%			
2014	2013	S/D	145,846,991	14,974,199	37,830,844	200,035,548	3,037,139,348	243.8	6.59%			
		M/T-Alt	690,717,309	96,791,472	213,231,302	1,760,767	16,052,071,639	13.9	6.25%			
2015	2014	S/D	146,060,303	17,401,790	39,305,027	201,495,924	3,081,929,293	248.8	6.54%			
		M/T-Alt	698,754,702	107,343,181	215,321,475	1,019,789,737	17,860,089,472	15.2	5.71%			
2016	2015	S/D	145,657,166	18,976,342	41,010,950	204,351,491	3,076,142,534	248.8	6.64%			
		M/T-Alt	713,927,435	116,176,764	216,851,415	1,045,283,295	18,142,380,182	15.2	5.76%			
2017	2016	S/D	141,600,360	19,470,035	41,641,675	201,407,838	3,288,098,139	258.8	6.13%			
		M/T-Alt	726,327,326	121,488,593	220,758,576	1,066,984,256	19,678,399,346	15.2	5.42%			
2018	2017	S/D	146,274,559	20,034,450	39,692,957	204,709,457	3,311,544,962	258.8	6.18%			
		M/T-Alt	748,695,472	125,888,675	231,664,470	1,104,539,504	20,406,074,474	15.2	5.41%			

Source: Spartanburg County Assessor and Auditor Office

(1) Exemptions are the percentage of the assessments of TIF Properties that are assigned to Spartanburg School District 7  
Note: S/D is Spartanburg County School District 7. M/T is McCarthy Teszler School. The McCarthy Teszler School provides countywide services. The State of South Carolina treats the McCarthy Teszler School as one of Spartanburg School District 7's schools. Alt represents the Spartanburg County Alternative School. District 7 is the fiscal agent for Spartanburg County Alternative School, which also serves the entire county.

**SPARTANBURG COUNTY SCHOOL DISTRICT 7**  
**Direct and Overlapping Property Tax Rates**  
 (Last Ten Fiscal Years)  
 (Unaudited)

District Direct Rates				Overlapping Rates				
Fiscal Year	School District	School District Debt Service	Total	Spartanburg County			Daniel Morgan Technology Center	City of Spartanburg
				McCarthy Teszler	Alternative School	Countywide Equalization		
2009	158.6	41.7	200.3	7.4	0.0	11.6	7.9	101.0
2010	188.1	56.0	244.1	8.4	3.4	13.0	8.4	101.0
2011	188.1	56.0	244.1	10.3	3.4	13.0	8.4	101.0
2012	180.0	59.0	239.0	10.5	3.4	13.0	8.4	101.0
2013	185.5	59.0	244.5	10.5	3.4	13.0	9.0	101.0
2014	184.8	59.0	243.8	10.5	3.8	13.0	9.8	103.0
2015	184.8	64.0	248.8	11.4	3.8	13.0	9.8	105.0
2016	184.8	64.0	248.8	11.4	3.8	13.0	9.8	105.0
2017	184.8	74.0	258.8	11.4	3.8	13.0	9.8	105.0
2018	184.8	74.0	258.8	11.4	3.8	13.0	9.8	105.0



**SPARTANBURG COUNTY SCHOOL DISTRICT 7**  
**Direct and Overlapping Property Tax Rates (Continued)**  
**(Last Ten Fiscal Years)**  
**(Unaudited)**

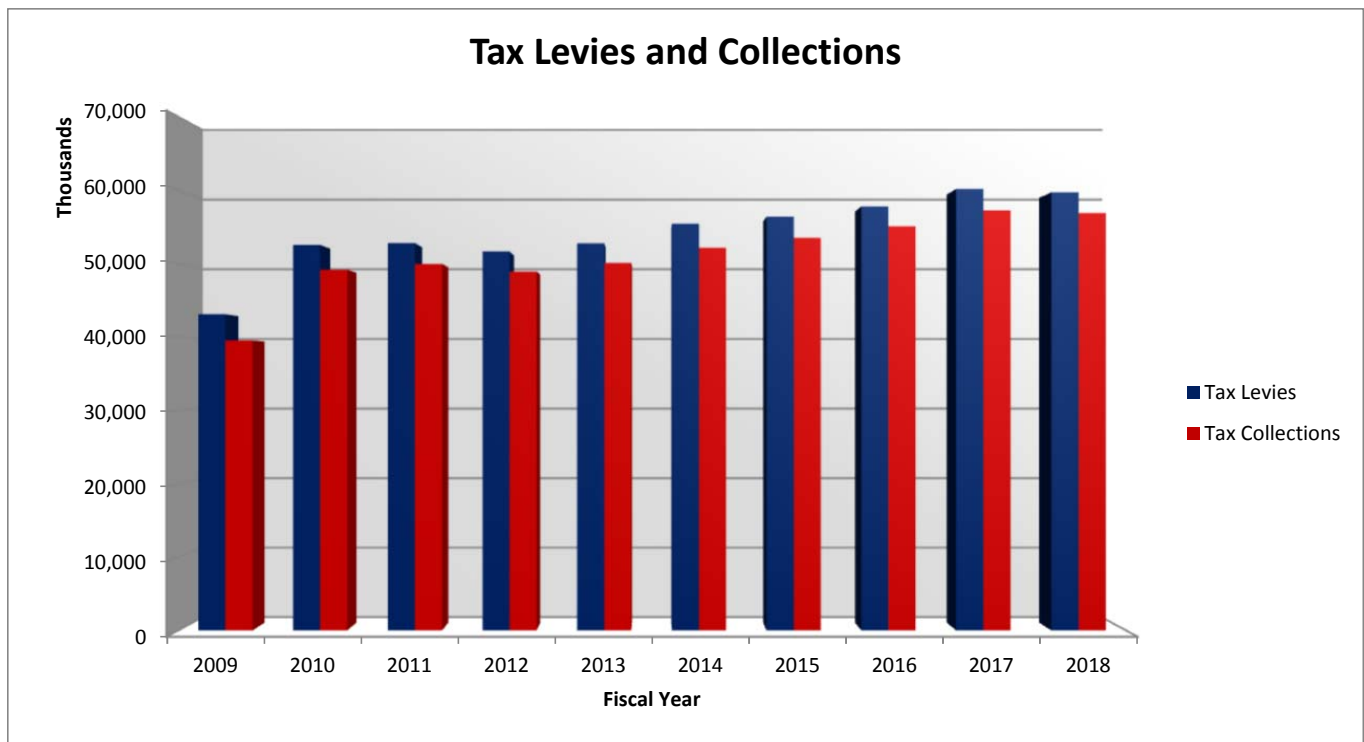
<b>Special Districts (Fire, Water, Sewer)</b>	<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
Arkwright Fire	18.8	18.8	18.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Converse Fire	24.0	24.0	24.0	24.0	24.0	24.0	24.0	24.0	24.0	24.0
Croft Fire	27.5	27.5	27.5	27.5	27.5	27.5	28.0	30.0	27.5	27.5
Cherokee Springs Fire	26.4	27.0	27.0	27.0	27.0	29.9	30.5	31.2	31.6	32.4
Drayton Fire	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	40.0	40.0
Glendale Fire	13.1	13.4	13.4	13.4	13.4	13.4	13.7	13.4	20.0	20.0
Whitney Fire	16.0	16.0	16.0	16.0	16.0	16.0	16.0	17.5	16.0	17.4
Hilltop Fire	35.2	36.7	36.9	37.0	36.9	36.2	42.4	41.8	49.3	45.0
Sanitary Sewer	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	8.9	8.9
Westview-Fairforest Fire	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0	21.5
Una Fire	20.0	21.2	21.2	20.9	21.2	21.0	21.0	23.4	23.7	23.7
Woodruff-Roebuck Water	11.9	10.4	10.4	10.4	10.7	10.8	10.4	10.7	10.6	10.7
Draper Fire	11.6	12.3	12.3	12.3	12.3	12.3	12.3	12.3	12.3	12.3

**SPARTANBURG COUNTY SCHOOL DISTRICT 7**  
**Spartanburg County Principal Property Taxpayers**  
**Fiscal Year Ended June 30, 2018 and Nine Years Prior**  
**(Unaudited)**

Taxpayer	Tax Year 2017				Tax Year 2008			
	Assessed Value	Rank	Percentage of	County Taxes	Assessed Value	Rank	Percentage of	
			Total Assessed	Paid			Total Assessed	
			Value				Value	
Duke Energy Corp	\$ 6,096,777	1	3.0%	\$ 2,411,141	\$ 5,508,590	1	2.8%	
Mary Black Health System LLC	5,106,130	2	2.5%	2,188,051	4,000,770	2	2.0%	
IAC Spartanburg Inc	1,722,314	3	0.8%	71,458,813				
Coveris Flexibles US LLC	1,672,233	4	0.8%	699,160				
Kohler Company	1,634,383	5	0.8%	683,336	2,538,230	4	1.3%	
ERP Hillcrest LLC	1,612,050	6	0.8%	612,740	1,536,020	7	0.8%	
NHI-REIT of Seaside LLC	1,507,390	7	0.7%	646,218				
JM Smith Corporation	1,447,350	8	0.7%	550,138				
Colonial Pipeline Co	1,252,710	9	0.6%	523,029	1,440,280	8	0.7%	
Piedmont Natural Gas	1,171,170	10	0.6%	465,104	1,352,600	9	0.7%	
Bell South Telecommunications					2,933,500	3	1.5%	
Mary Black Health Care System					2,121,950	5	1.1%	
Exopack LLC					1,809,110	6	0.9%	
Stankiewicz International Corp					1,323,752	10	0.7%	
	\$ 23,222,507		11.3%	\$ 80,237,731	\$ 24,564,802		12.3%	

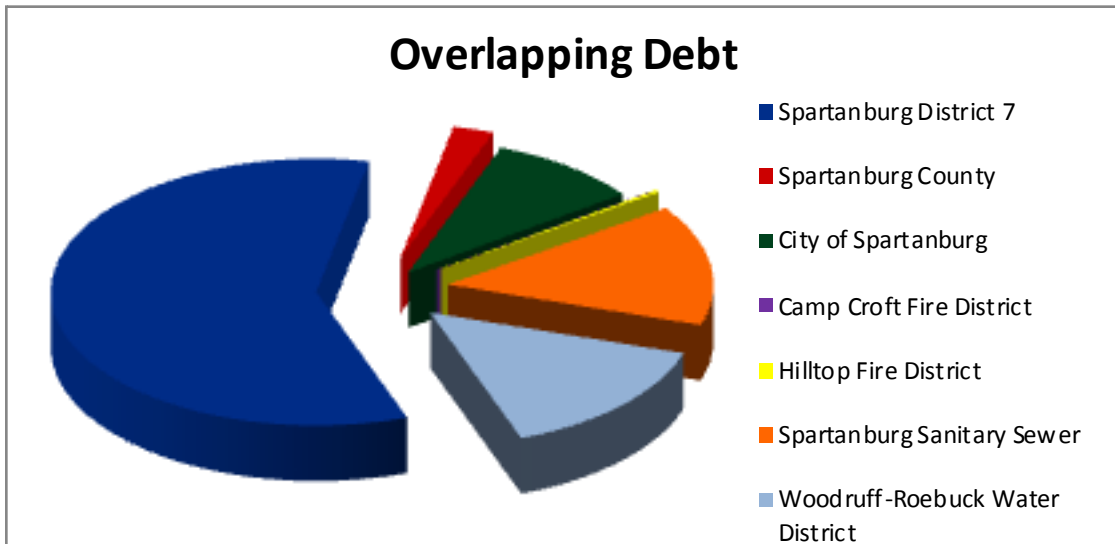
**SPARTANBURG COUNTY SCHOOL DISTRICT 7**  
**Property Tax Levies and Collections**  
**(Last Ten Fiscal Years)**  
**(Unaudited)**

Fiscal Year	Tax Year	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
2009	2008	43,084,889	38,981,367	90.48%	547,038	39,528,405	91.75%
2010	2009	52,535,769	48,290,141	91.92%	874,202	49,164,343	93.58%
2011	2010	52,777,715	49,148,395	93.12%	793,028	49,941,423	94.63%
2012	2011	51,630,394	48,364,496	93.67%	538,360	48,902,856	94.72%
2013	2012	52,729,158	49,462,001	93.80%	604,395	50,066,396	94.95%
2014	2013	55,404,989	51,750,994	93.40%	401,440	52,152,434	94.13%
2015	2014	56,384,631	53,074,933	94.13%	426,377	53,501,310	94.89%
2016	2015	57,761,378	54,702,253	94.70%	364,674	55,066,927	95.34%
2017	2016	60,148,808	56,613,823	94.12%	615,908	57,229,731	95.15%
2018	2017	59,689,615	56,375,474	94.45%	483,222	56,858,696	95.26%



**SPARTANBURG COUNTY SCHOOL DISTRICT 7**  
**Computation of Direct and Overlapping Debt**  
**Fiscal Year Ended June 30, 2018**  
**(Unaudited)**

<b>Government</b>	<b>Net General Bonded Debt Outstanding</b>	<b>Estimated Percentage Applicable to District</b>	<b>District's Share of Debt</b>
<b>Direct:</b>			
Spartanburg District 7	\$ 182,181,595	100%	\$ 182,181,595
<b>Overlapping:</b>			
Spartanburg County	\$ 41,560,858	18.62%	\$ 7,739,326
City of Spartanburg	28,889,548	100.00%	28,889,548
Camp Croft Fire District	46,597	100.00%	46,597
Hilltop Fire District	871,895	100.00%	871,895
Spartanburg Sanitary Sewer	157,198,845	28.87%	45,378,091
Woodruff-Roebuck Water District	45,049,538	100.00%	45,049,538
<b>Overlapping Subtotal</b>	<b>273,617,281</b>		<b>127,974,995</b>
<b>Totals</b>	<b>\$ 455,798,876</b>		<b>\$ 310,156,590</b>



Source: Spartanburg County Finance Office and County Auditor's Office

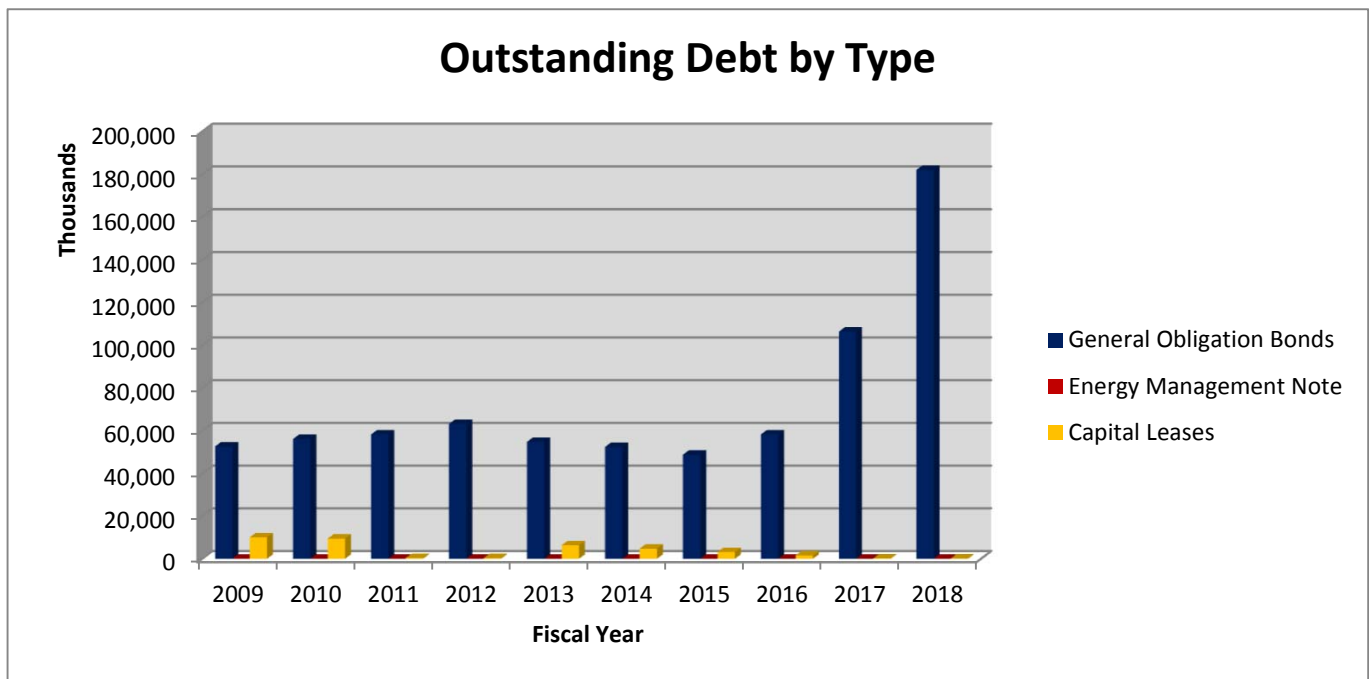
Note: The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of Spartanburg School District 7's taxable assessed value that is within the government's boundaries and dividing it by the Spartanburg School District 7's total taxable assessed value.

Overlapping rates are those of local and county governments that apply to property owners within Spartanburg School District 7. Not all overlapping rates apply to all of Spartanburg School District 7's property owners.



**SPARTANBURG COUNTY SCHOOL DISTRICT 7**  
**Ratio of Outstanding Debt by Type**  
**Last Ten Fiscal Years**  
**(Unaudited)**

<b>Fiscal Year</b>	<b>General Obligation Bonds</b>	<b>Energy Management Note</b>	<b>Capital Leases</b>	<b>Total Primary Government</b>	<b>Percentage of Personal Income</b>	<b>Per Capita - Spartanburg County</b>
2009	52,645,000	72,595	10,043,323	62,760,918	7.2%	224
2010	56,150,000	24,195	9,456,083	65,630,278	7.6%	232
2011	58,265,000	-	357,781	58,622,781	6.7%	206
2012	63,170,000	-	328,630	63,498,630	7.0%	221
2013	54,797,000	-	6,353,260	61,150,260	6.1%	212
2014	52,382,380	-	4,752,802	57,135,182	5.3%	195
2015	48,790,435	-	3,166,218	51,956,653	4.5%	175
2016	58,301,671	-	1,564,730	59,866,401	5.0%	199
2017	106,391,471	-	166,849	106,558,320	8.7%	349
2018	182,049,350	-	132,245	182,181,595	14.4%	594



**SPARTANBURG COUNTY SCHOOL DISTRICT 7**  
**Ratio of General Bonded Debt Outstanding**  
**(Last Ten Fiscal Years)**  
**(Unaudited)**

<b>Fiscal Year</b>	<b>General Obligation Bonds</b>	<b>Less: Amounts Available in Debt Service Fund</b>	<b>Total</b>	<b>Percent of Estimated Actual Taxable Value of Property</b>	<b>Per Capita - Based on County Population</b>
2009	52,645,000	65,280	52,579,720	1.59%	188
2010	56,150,000	2,539,287	53,610,713	1.63%	189
2011	58,265,000	3,050,974	55,214,026	1.67%	194
2012	63,170,000	7,040,831	56,129,169	1.77%	196
2013	54,797,000	3,873,116	50,923,884	1.63%	176
2014	52,382,380	2,674,908	49,707,472	1.64%	170
2015	48,790,435	4,055,450	44,734,985	1.45%	150
2016	58,301,671	3,449,099	54,852,572	1.78%	182
2017	106,391,471	7,253,506	99,137,965	3.02%	324
2018	182,049,350	6,313,213	175,736,137	5.31%	573

Source: District Basic Financial Statements

Notes: 1 Details regarding the District's outstanding debt can be found in the notes to the financial statements.

2 This amount represents funds reserved for Debt Service.

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

4 Population data can be found on the Schedule of Spartanburg County Demographic Statistics

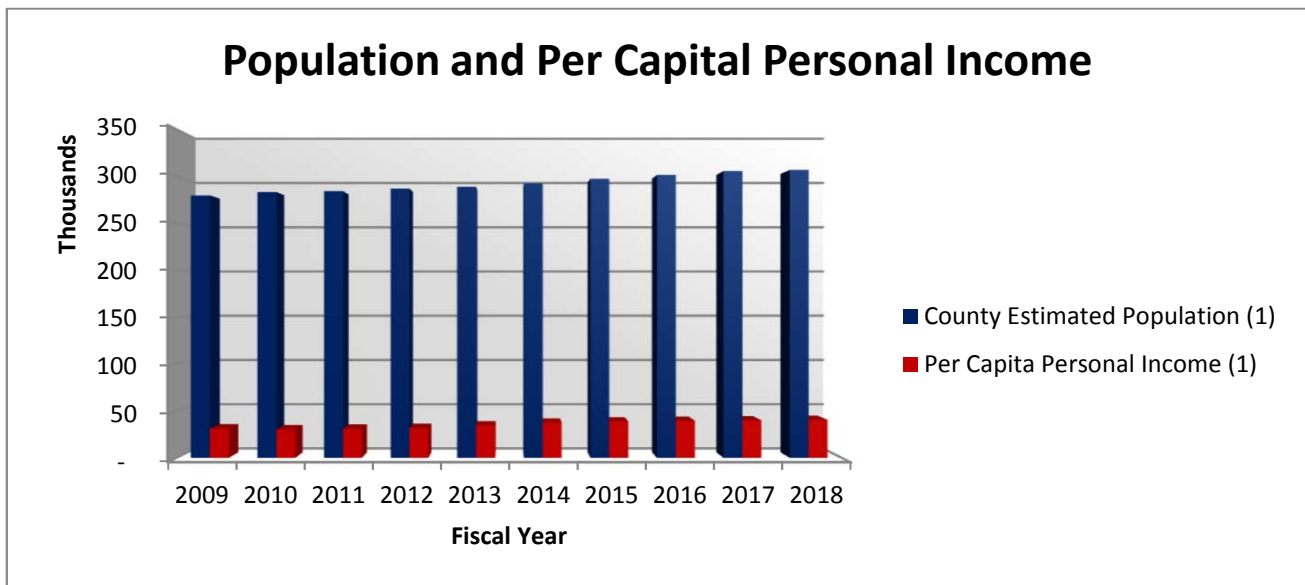
**SPARTANBURG COUNTY SCHOOL DISTRICT 7**  
**Computation of Legal Debt Margin**  
**(Last Ten Fiscal Years)**  
**(Unaudited)**

Last 10 Fiscal Years	Fiscal Year			Total Debt		Total Debt Applicable as a Percentage of Debt Limit
	2018	Debt Limit	Applicable to Limit	Legal Debt Margin	Debt Limit	
Total Assessed Value	\$ 204,709,457	2017 \$ 16,112,627	\$ 4,084,964	\$ 12,027,663		25.4%
Legal Debt Limit - 8% of Assessed Value	\$ 16,376,757	2016 \$ 16,348,119	\$ 10,190,572	\$ 6,157,547		62.3%
Amount of Debt Applicable to Debt Limit		2015 \$ 16,119,674	\$ 10,100,985	\$ 6,018,689		62.7%
*Total General Obligation Debt	\$ 163,623,350	2014 \$ 15,781,482	\$ 10,137,472	\$ 5,644,010		64.2%
Less General Obligation Debt issued through Referendum	\$ (156,100,000)	2013 \$ 15,403,093	\$ 7,121,884	\$ 8,281,209		46.2%
Less: Amount Available for Repayment of GO Debt	\$ (6,313,213)	2012 \$ 15,350,152	\$ 8,299,169	\$ 7,050,983		54.1%
Total Amount of Debt Applicable to Debt Limit	1,210,137	2011 \$ 15,519,586	\$ 11,179,026	\$ 4,340,560		72.0%
Legal Debt Margin	\$ 15,166,620	2010 \$ 16,040,584	\$ 11,150,000	\$ 4,890,584		69.5%
		2009 \$ 15,922,546	\$ 10,645,000	\$ 5,277,546		66.9%

\* Amount include Bond Anticipation Note issued in 2018  
Article X, Section 15 of the Constitution of the State of South Carolina, 1895 as amended (the "Constitution"), empowers each school district of the State to incur General obligation debt in such terms and conditions as the General Assembly shall prescribe by law. After November 30, 1982, each school district may incur general obligation debt, without an election and upon such terms and conditions as the General Assembly may prescribe, in an amount not exceeding 8% of the assessed value of all taxable property of such school district. Bonded indebtedness existing on November 30, 1982, and the bonded indebtedness authorized by a majority vote of the qualified electors of the school district voting in a referendum will not be considered in the computation of the 8% limitation.

**SPARTANBURG COUNTY SCHOOL DISTRICT 7**  
**Spartanburg County Demographic and Economic Statistics**  
**Last Ten Fiscal Years**  
**(Unaudited)**

<b>Fiscal Year</b>	<b>County Estimated Population <sup>(1)</sup></b>	<b>Personal Income <sup>(1)</sup></b>	<b>Per Capita Personal Income <sup>(1)</sup></b>	<b>Unemployment Rate <sup>(2)</sup></b>
2009	279,673	8,775,338	31,061	12.0%
2010	283,335	8,674,039	30,242	11.4%
2011	284,307	8,811,156	30,939	10.6%
2012	286,868	9,085,133	31,670	10.1%
2013	288,745	10,033,299	34,482	8.4%
2014	292,425	10,738,530	37,346	6.3%
2015	297,302	11,501,469	38,804	6.4%
2016	301,463	11,873,558	39,386	5.4%
2017	305,682	12,257,685	39,977	4.8%
2018	306,854	12,654,238	40,576	3.4%



Note: Data pertains to Spartanburg County which has 7 school districts.

2014-2016 data is restated based on Bureau of Economic Analysis Data. Estimates are used for most recent years.

Source: 1: Bureau of Economic Analysis - Estimates for most recent years

2: Bureaus of Labor Statistics

**SPARTANBURG COUNTY SCHOOL DISTRICT 7**  
**Spartanburg County Principal Employers**  
**Fiscal Year Ended June 30, 2018 and Nine Years Prior**  
**(Unaudited)**

Employer	Fiscal Year 2017			Fiscal Year 2008		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
BMW Manufacturing	10,000	1	7.1%	5,400	1	22.8%
Spartanburg Co. Schools	7,093	2	5.1%	5,185	2	21.9%
Spartanburg Reg Med Ctr	3,444	3	2.5%	4,607	3	19.5%
State of South Carolina	3,159	4	2.3%	2,387	4	10.1%
Spartanburg County	1,553	5	1.1%	1,379	5	5.8%
Mary Black Memorial Hospital	1,400	6	1.0%	1,006	7	4.3%
Michelin Tire Company	1,100	7	0.8%	952	8	4.0%
Milliken & Company	1,037	8	0.7%			
Inman Mills	678	9	0.5%			
Kohler Company	615	10	0.4%	909	9	3.8%
Cryovac				1,152	6	4.9%
Reeves Brothers				672	10	2.8%

Source: Spartanburg County Finance Office

**SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7**  
**Full-Time Equivalent District Employees by Type**  
**Last Ten Fiscal Years**  
**(Unaudited)**

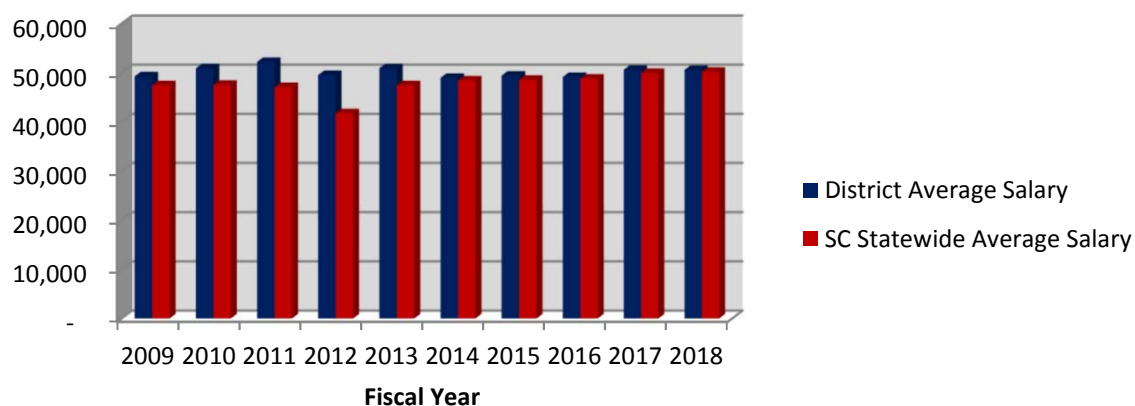
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Supervisory</b>										
Instructional Administrators	17	20	18	14	12	10	9	8	9	8
Noninstructional Administrators	6	6	7	8	8	8	7	7	6	6
Principals and Assistant Principals	36	37	39	40	42	40	41	41	41	43
Total Supervisory	59	63	64	62	62	58	58	56	56	57
<b>Instruction</b>										
Elementary	255	253	227	207	201	210	217	221	223	220
Secondary	241	234	222	255	255	258	257	256	255	261
*Vocational	5	4	5	2	2	-	-	-	-	-
Special Education	149	141	128	129	131	143	140	149	150	152
Gifted and Talented	9	8	8	7	7	7	7	8	7	8
Adult Education	4	4	5	5	5	5	3	3	3	2
Aides	145	161	143	143	162	176	168	185	188	184
Total Instruction	807	805	738	747	763	798	792	821	825	826
<b>Student Services</b>										
Guidance Counselors	30	29	29	30	29	29	29	29	29	31
Health Services	24	22	23	24	28	26	29	28	29	31
Psychologist	5	4	4	5	5	5	6	6	7	9
Media Center	13	14	13	12	12	11	12	12	12	12
Other professionals	44	39	47	45	39	38	39	37	36	38
Technicians	3	3	3	3	3	3	3	3	3	4
Total student services	118	110	118	118	116	112	118	115	115	125
<b>Support and Administration</b>										
Transportation	55	61	56	52	57	46	46	62	66	78
Operations and Maintenance	84	95	90	88	90	91	92	89	87	85
Data Processing	2	2	2	2	2	1	1	1	1	1
Food Service	12	12	10	8	5	5	4	1	2	2
Other professionals	25	21	23	21	16	18	29	39	31	33
Other clerical/secretarial	46	48	51	50	54	62	63	64	63	63
Total support and administration	224	239	231	221	224	223	234	255	249	262
<b>Total</b>	<b>1,209</b>	<b>1,217</b>	<b>1,151</b>	<b>1,149</b>	<b>1,165</b>	<b>1,191</b>	<b>1,202</b>	<b>1,247</b>	<b>1,245</b>	<b>1,270</b>

\*Spartanburg School District 3 became the Fiscal Agent for Daniel Morgan Technology Center effective July 1, 2008.

**SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7**  
**Teacher Base Salaries**  
**Last Ten Fiscal Years**  
**(Unaudited)**

<b>Fiscal Year</b>	<b>District Minimum Salary</b>	<b>District Maximum Salary</b>	<b>District Average Salary</b>	<b>SC Statewide Average Salary</b>
2009	32,706	70,107	49,234	47,421
2010	32,706	70,107	50,859	47,508
2011	32,706	70,107	52,177	47,050
2012	32,706	70,107	49,503	41,727
2013	33,360	71,510	50,892	47,428
2014	33,360	71,510	48,938	48,430
2015	33,360	71,510	49,407	48,561
2016	33,360	71,510	49,118	48,769
2017	34,028	73,646	50,576	49,950
2018	34,028	73,646	50,545	50,182

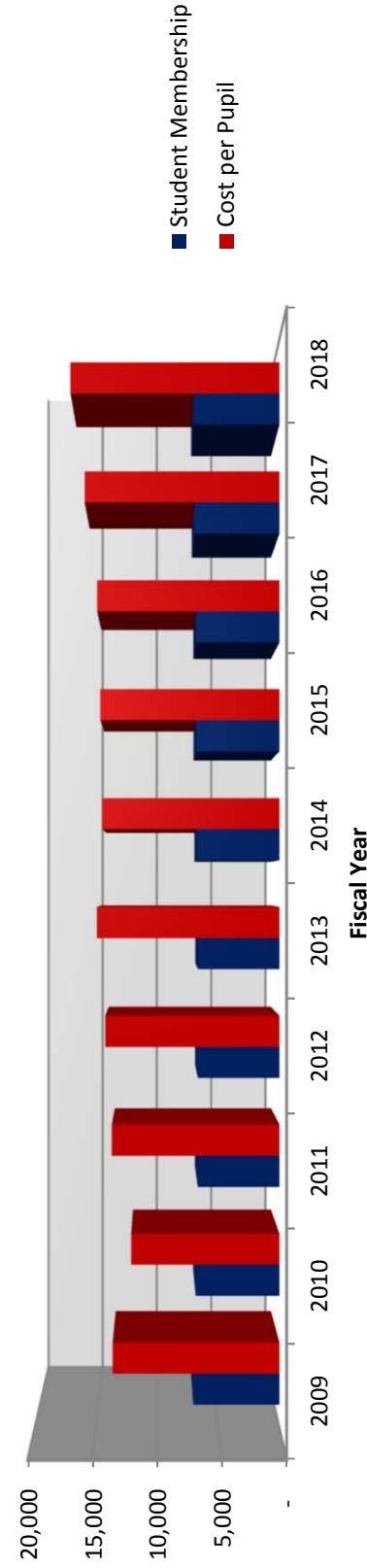
**SC Statewide Average Salary Compared to  
District 7 Average Salary**



**SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7**  
**Operational Statistics**  
**Last Ten Fiscal Years**  
**(Unaudited)**

Fiscal Year	Expenditures	Student Membership	Cost per Pupil	Percentage Change	Teaching Staff	Pupil/Teacher Ratio
2009	95,683,764	7,027	13,617	4.4%	662	10.61
2010	82,617,601	6,829	12,098	-11.2%	644	10.60
2011	91,147,645	6,658	13,690	13.2%	594	11.21
2012	94,523,183	6,646	14,223	3.9%	604	11.00
2013	98,669,329	6,624	14,896	4.7%	601	11.02
2014	97,016,730	6,707	14,465	-2.9%	622	10.78
2015	99,171,878	6,781	14,626	1.1%	624	10.87
2016	101,160,373	6,798	14,881	1.7%	636	10.69
2017	110,262,718	6,933	15,904	6.9%	638	10.87
2018	119,426,307	6,997	17,068	7.3%	642	10.89

**Student Membership and Cost Per Pupil**



Source: District Records, District Basic Financial Statements  
Expenditures are total expenditures in the governmental funds less debt service and capital outlay



**SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7**  
**School Building Information**  
**Last Ten Fiscal Years**  
**(Unaudited)**

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Elementary</b>										
Jesse Boyd (1965, 2001)										
Square Feet	111,400	111,400	111,400	111,400	111,400	111,400	111,400	111,400	111,400	111,400
Capacity	696	696	696	696	696	696	696	696	696	696
Enrollment	517	479	503	448	456	432	437	440	481	477
Chapman (1969, 2002)										
Square Feet	83,728	83,728	83,728	83,728	83,728	83,728	83,728	83,728	83,728	83,728
Capacity	523	523	523	523	523	523	523	523	523	523
Enrollment	461	459	436	381	372	399	378	388	428	422
Cleveland (1950, new building 1999)										
Square Feet	90,612	90,612	90,612	90,612	90,612	90,612	90,612	90,612	90,612	90,612
Capacity	566	566	566	566	566	566	566	566	566	566
Enrollment	418	407.28	402.23	419	455	495	516	545	542	539
Houston (1955, 2001)										
Square Feet	85,968	85,968	85,968	85,968	85,968	85,968	85,968	85,968	85,968	85,968
Capacity	537	537	537	537	537	537	537	537	537	537
Enrollment	356	395	388	322	343	365	349	320	297	320
Z.L. Madden (1958, 2006, 2008 two portables)										
Square Feet	90,794	90,794	90,794	89,294	89,294	89,294	89,294	89,294	89,294	89,294
Capacity	567	567	567	558	558	558	558	558	558	558
Enrollment	-	-	-	-	-	-	-	-	-	-
Park Hills Early Learning Center (1954, 2001)										
Square Feet	82,341	82,341	82,341	82,341	82,341	82,341	82,341	82,341	82,341	82,341
Capacity	515	515	515	515	515	515	515	515	515	515
Enrollment	363	338	285	-	-	-	-	-	-	-
Pine Street ( 1928, 2000)										
Square Feet	132,475	132,475	132,475	132,475	132,475	132,475	132,475	132,475	132,475	132,475
Capacity	828	828	828	828	828	828	828	828	828	828
Enrollment	780	749	732	683	686	677	645	681	680	629
E.P. Todd (1939, new building 2001, 2010 3K-8th grade, 2011-201										
Square Feet	116,303	116,303	116,303	117,803	117,803	119,303	119,303	119,303	119,303	119,303
Capacity	727	727	727	736	736	736	736	736	736	736
Enrollment	636	621	732	864	854	858	866	828	798	794
Mary H. Wright (1950, new building 2001)										
Square Feet	72,975	72,975	72,975	72,975	72,975	72,975	72,975	72,975	72,975	72,975
Capacity	456	456	456	456	456	456	456	456	456	456
Enrollment	316	312	319	492	448	466	534	488	535	549
<b>Middle School</b>										
Carver (1933, new building 2001)										
Square Feet	135,828	135,828	135,828	135,828	135,828	135,828	135,828	135,828	135,828	135,828
Capacity	679	679	679	679	679	679	679	679	679	679
Enrollment	594	520	565	520	525	526	536	531	536	560
McCracken (1978, 2001)										
Square Feet	154,779	154,779	154,779	154,779	154,779	154,779	154,779	154,779	154,779	154,779
Capacity	910	910	910	910	910	910	910	910	910	910

Source: District Records  
Note: Original construction and most major renovation years are listed. Totals do not include early childhood programs.

Enrollment	703	751	818	689	708	710	740	718	719	726
Whitlock Flexible Learning Center(1978, 2001, 2010 New Name)										
Square Feet	150,145	150,145	150,145	150,145	150,145	150,145	150,145	150,145	150,145	150,145
Capacity	883	883	883	883	883	883	883	883	883	883
Enrollment	325	285	-	-	-	-	-	-	-	-
<b>High School</b>										
Spartanburg (1957, 2001, 2005, 2012-FA, Athletic Storage)										
Square Feet	412,856	412,856	412,856	412,856	444,032	444,032	444,032	444,032	444,032	444,032
Capacity	1,877	1,877	1,877	1,877	2,018	2,018	2,018	2,018	2,018	2,018
Enrollment	1,552	1,513	1,476	1,827	1,779	1,779	1,779	1,857	1,913	1,982
<b>Auxiliary</b>										
Administration (1970)										
Square Feet	16,320	16,320	16,320	16,320	16,320	16,320	16,320	16,320	16,320	16,320
Transportation (2001, 2 Portables)										
Square Feet	3,980	3,980	3,980	3,980	3,980	3,980	3,980	3,980	3,980	3,980
District Instructional Support Ctr. (1984, 1999)										
Square Feet	15,589	15,589	15,589	15,589	15,589	15,589	15,589	15,589	15,589	15,589
District Seven Operational Ctr. (1929, 1981, 2008 new building)										
Square Feet	54,000	54,000	54,000	54,000	54,000	54,000	54,000	54,000	54,000	54,000

# Single Audit

## *Single Audit*

*The following information is related to the annual single audit including the schedule of federal assistance, findings and recommendations, and auditor's reports on the internal control structure and compliance with applicable laws and regulations.*

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

To the Board of Trustees of  
Spartanburg County School District No. 7  
Spartanburg, South Carolina

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Spartanburg County School District No. 7 ("the District") as of and for the year ended June 30, 2018, 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 2, 2018.

**Internal Control over Financial Reporting**

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

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

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

**Compliance and Other Matters**

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

To the Board of Trustees of  
Spartanburg County School District No. 7  
Page Two

**Purpose of this Report**

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

*McAbee, Schwartz, Halliday & Co.*

Spartanburg, South Carolina  
November 2, 2018

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

To the Board of Trustees of  
Spartanburg County School District No. 7  
Spartanburg, South Carolina

**Report on Compliance for Each Major Federal Program**

We have audited Spartanburg County School District No. 7's (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, 2018. 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 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 Spartanburg County School District No. 7'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, Spartanburg County School District No. 7 complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2018.

### **Report on Internal Control over Compliance**

Management of Spartanburg County School District No. 7 is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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

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

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

*McAbee, Schwartz, Halliday & Co.*

Spartanburg, South Carolina  
November 2, 2018

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

LEA Subfund Code	Federal Grantor/Pass Through Grantor/Program Title	Federal CFDA Number	Pass- through Grantor's Number		Expenditures
<u>U.S. Department of Agriculture</u>					
Pass-through S.C. Department of Education					
Child Nutrition Cluster					
<i>Non-Cash Assistance:</i>					
600	National School Lunch Program	10.555	N/A	\$ 207,653	
600	Summer Food Service Program for Children	10.559	Summer Food Program	10,971	
	<i>Total Non-Cash Assistance:</i>				\$ 218,624
<i>Cash Assistance:</i>					
600	School Breakfast Program	10.553	N/A	1,164,541	
600	National School Lunch Program	10.555	N/A	2,645,602	
600	Summer Food Service Program for Children	10.559	Summer Food Program	139,782	
	<i>Total Cash Assistance:</i>				3,949,925
	Total Child Nutrition Cluster				4,168,549
600	Fresh Fruit and Vegetable Program	10.582	N/A		94,800
<i>Non-Cash Assistance:</i>					
600	Child and Adult Care Food Program	10.558	N/A	17,918	
Pass-through S.C. Department of Social Services					
<i>Cash Assistance:</i>					
	Child and Adult Care Food Program	10.558	N/A	228,276	246,194
	Total U.S. Department of Agriculture				4,509,543
<u>U.S. Department of Education</u>					
Pass-through S.C. Department of Education					
201	Title I, Regular	84.010	18 C/O Title I Regular	1,137,086	
201	Title I, Regular	84.010	18 Title I Mini Grant	45,094	
201	Title I, Regular	84.010	18 Title I Regular	2,128,364	
221	Title I, Neglected and Delinquent	84.010	18 Title I N&D	32,133	
238	Title I, Support	84.010	18 Title I Support	50,000	
239	Title I, Priority Schools	84.010	18 Title I Priority	150,843	3,543,520
Special Education Cluster					
203	IDEA - Children with Disabilities	84.027	18 IDEA	1,645,573	
203	IDEA - Children with Disabilities	84.027	17 IDEA	741,716	
203	IDEA - Children with Disabilities	84.027	16 IDEA	206,721	
204	IDEA - Children with Disabilities	84.027	ESY	3,714	
205	Handicapped Preschool Grant	84.173	18 IDEA Preschool	46,074	
205	Handicapped Preschool Grant	84.173	17 IDEA Preschool	66,048	
205	Handicapped Preschool Grant	84.173	16 IDEA Preschool	3,593	
	Total Special Education Cluster				2,713,439
207	CATE (subprogram 04)	84.048	18 CATE	5,994	
207	CATE (subprogram 06)	84.048	18 CATE	4,806	
207	CATE (subprogram 09)	84.048	18 CATE	106,387	
207	CATE (subprogram 14)	84.048	18 CATE	1,000	118,187
232	McKinney-Vento Homeless Assistance Act	84.196	18 McKinney-Vento	34,825	
232	McKinney-Vento Homeless Assistance Act	84.196	18 Supplement	2,000	
232	McKinney-Vento Homeless Assistance Act	84.196	17 McKinney-Vento	14,829	51,654



SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

LEA Subfund Code	Federal Grantor/Pass Through Grantor/Program Title	Federal CFDA Number	Pass- through Grantor's Number	Expenditures	
U.S. Department of Education - Continued					
Pass-through S.C. Department of Education - Continued					
243	Adult Education - Basic Grants to States	84.002	17 Adult Education	216,503	
243	Adult Education - Basic Grants to States	84.002	17 Adult Ed-Fam Lit	17,980	
243	Adult Education - Basic Grants to States	84.002	18 Adult Ed-Reverted	11,545	
243	Adult Education - Basic Grants to States	84.002	18 Adult Ed-English Lit	<u>20,102</u>	266,130
264	Title III, Language Instruction for Limited English Proficient and Immigrant Students	84.365	18 Title III	11,913	
264	Title III, Language Instruction for Limited English Proficient and Immigrant Students	84.365	17 Title III	<u>27,861</u>	39,774
267	Title II, Improving Teacher Quality	84.367	18 Title II	286,310	
267	Title II, Improving Teacher Quality	84.367	18 Title II Mini Grant	3,203	
267	Title II, Improving Teacher Quality	84.367	17 Title II	<u>2,025</u>	291,538
Total U.S. Department of Education					<u>7,024,242</u>
U.S. Department of Defense					
Direct Program					
100	Army Air Force ROTC	12.000	N/A		<u>56,591</u>
Total U.S. Department of Defense					<u>56,591</u>
U.S. Department of Health and Human Services					
Pass-through Mary Black Foundation					
812	Pregnancy Assistance Fund Program	93.500	SP1AH000049-01-00		23,750
810	Teenage Pregnancy Prevention Program	93.297	TP1AH000119-01-00		<u>115,593</u>
Total U.S. Department of Health and Human Services					<u>139,343</u>
Total Federal Assistance Expended					<u>\$11,729,719</u>

See note to schedule of expenditures of federal awards.

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 1 - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity for the District under programs of the federal government for the year ended June 30, 2018. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- A. The accompanying schedule of expenditures of federal awards includes the federal grant activity of Spartanburg County School District No. 7 and is presented on the modified accrual basis of accounting.
- B. For the fiscal year ended June 30, 2018, the District has elected not to use the de minimis 10% indirect cost rate as allowed under the Uniform Guidance.

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
SCHEDULE OF PRIOR FINDINGS AND QUESTIONED COSTS  
JUNE 30, 2018

Fiscal year ended June 30, 2017:

**Financial Statement Findings:**

None.

**Federal Award Findings and Questioned Costs:**

None.

SPARTANBURG COUNTY SCHOOL DISTRICT NO. 7  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
JUNE 30, 2018

**Section I - Summary of Auditor's Results**Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material Weakness(es) identified?        yes   x   no

Significant deficiency(ies) identified that are not considered to be material weaknesses?        yes   x   none reported

Noncompliance material to financial statements noted?        yes   x   no

Federal Awards

Internal control over major programs:

Material Weakness(es) identified?        yes   x   no

Significant deficiency(ies) identified that are not considered to be material weaknesses?        yes   x   none reported

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR Part 200?        yes   x   no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.027 & 84.173	Special Education Cluster

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

Auditee qualified as low-risk auditee?   x   yes        no

**Section II - Financial Statement Findings**

None

**Section III - Federal Award Findings and Questioned Costs**

None