GOING FURTHER

FLORENCE COUNTY
SCHOOL DISTRICT THREE

FINANCIAL AND COMPLIANCE REPORT
JUNE 30, 2026

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CPAs & ADVISORS

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This discussion and analysis of Florence County School District Three's (the "School District") financial performance provides an overview of the School District's financial activities for the fiscal year ended June 30, 2025. The intent of this discussion and analysis is to present the School District's financial performance as a whole; readers should also read the notes to the financial statements and the School District's financial statements to enhance their understanding of the financial performance of the School District.

FINANCIAL HIGHLIGHTS

Key financial highlights for the year ended June 30, 2026, are as follows:

- The liabilities and deferred inflows of resources of the School District exceeded its assets and deferred outflows of resources at the close of the most recent fiscal year by **$24,239,327**. The School District's net position decreased by **$9,831,924** in the most recent fiscal year, which is a decrease of approximately **40% f**rom the previous fiscal year.
- Revenues for the most recent fiscal year totaled **$51,358,878** compared to **$49,960,668** for the previous fiscal year, which is an approximate **.03%** increase from the previous fiscal year. Expenses for the most current fiscal year totaled **$41,526,954** compared to **$46,156,661** for the previous fiscal year, which is a decrease of approximately **11.14%** from the previous fiscal year.
- The School District's total capital assets increased **$2,944,546** in the current fiscal year. The key factors in the increase were net additions of **$15,648,443** offset by depreciation expense of **$13,824,053**.
- The School District's total debt decreased by **$1,361,669** in the current fiscal year. The key factor in the decreases was the reduction of principal on long-term debt. All existing debt was paid on schedule.
- Our principal operating fund, the General Fund, had revenues and other financing sources of **$38,018,765** in the most recent fiscal year compared to **$36,815,433,** which is an increase of approximately **3.3%** from the previous fiscal year. Expenditures and other financing uses for the most current fiscal year totaled **$35,219,481** compared to **$36,328,197**, which is a decrease of approximately **.03 %** from the previous fiscal year.
- At the end of the current fiscal year, the unassigned fund balance of the General Fund was **$18,240,018,** which is approximately **44.4%** of the current fiscal year's General Fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of two parts – *Financial Section* (which includes management's discussion and analysis, the financial statements, the required supplementary information, and the supplemental information), and the *Compliance Section.*

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

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- **Statement of Net Position:** The *Statement of Net Position* presents information on all of the School District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the School District is improving or deteriorating.
- **Statement of Activities:** The *Statement of Activities* presents information showing how the School District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, for some items, revenues and expenses are reported in this statement that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and accrued interest expense).

Fund financial statements **-** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The School District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related requirements. All the funds are considered governmental funds.

- **Governmental Funds:** *Governmental funds* are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can be readily converted to cash. Consequently, unlike the government-wide financial statements, governmental funds financial statements focus on near-term uses of spendable resources, as well as on balances of spendable resources available at the end of the year. Such information may be useful in evaluating a government's near-term financing requirements.

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

The School District maintains six individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, special revenue fund, EIA fund, food service fund, debt service fund, and capital projects fund, all of which are considered to be major funds.

Notes to the basic financial statements **-** The notes provide additional information that is essential to a full understanding of the data provided in the district-wide and fund financial statements.

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

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GOVERNMENT-WIDE FINANCIAL ANALYSIS

The net position may serve over time as a useful indicator of a government's financial position. In the case of the School District, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by $24,239,403 at the close of the most recent fiscal year. The following table provides a summary of the School District's net position as of June 30, 2026, compared to June 30, 2025.

Condensed Statement of Net Position

	2025	2026
Assets		
Current and other assets	$ 44,395,591	$45,517,731
Capital assets	23,795,011	26,739,557
Total assets	68,190,602	72,257,288
Deferred outflows of resources	16,668,475	13,794,057
Liabilities		
Other liabilities	5,506,564	5,135,407
Long-term debt outstanding	23,046,000	22,684,331
Net pension liability	36,948,016	31,811,465
Net OPEB liability	30,529,212	26,764,321
Total liabilities	96,029,792	86,395,524
Deferred inflows of resources	22,900,612	23,895,224
Net Position		
Net investments in capital assets	19,523,296	19,917,801
Restricted	4,881,341	4,733,407
Unrestricted	(58,475,964)	-48,890,611
Total net position	$ (34,071,327)	$ (24,239,403)

Total assets increased by **$4,066,686** primarily due to an increase in capital assets. Total liabilities decreased by **$9,634,268** primarily due to a decrease in net pension and OPEB liabilities. The changes in deferred inflows and deferred outflows of resources were primarily due to the differences related to the accounting for the School District's share of the net pension liability in the State retirement plans and net OPEB liability in the State health plans.

The School District's net investment in capital assets (i.e., land, buildings, equipment, vehicles, etc. net of any related outstanding debt used to acquire those assets) was **$19,917,801** at end of current fiscal year. The School District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

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The School District's net position restricted for debt service was **$1,867,044** and net position restricted for school food service operations was **$1,007,426** and for **student activities** was **$1,858,937** at the end of the current fiscal year.

The table below shows the changes in net position for fiscal year 2026 compared to fiscal year 2025:

Changes in Net Position

	2025	2026
Revenues		
Program revenues:		
Charges for services	$ 138,980	$ 307,618
Operating grants	32,089,457	30,714,064
General revenues:		
Taxes	10,143,088	12,231,579
Unrestricted grants	6,465,106	6,767,490
Other	1,124,037	1,338,127
Total revenues	49,960,668	51,358,878
Expenses		
Instruction	23,038,787	19,327,548
Support services	22,600,379	21,010,908
Community services	9,081	17,198
Intergovernmental	-	-
Interest and other charges	508,414	1,171,300
Total expenses	46,156,661	41,526,954
Change in net position	3,804,007	9,831,924
Net position at beginning of year	(37,875,334)	(34,071,327)
Net position at end of year	$ (34,071,327)	$ (24,239,403)

The School District's expenses are primarily instruction and support services. In FY 2026, instructional services accounted for **46.5%** and support services accounted for **50.5%** of total governmental activities' costs compared to **50.0%** and **48.9**%, respectively, in the prior year. The instruction costs are largely from salary and fringe expenses for teachers and other educational staff. The support costs are primarily maintenance, utilities, and pupil transportation.

GOVERNMENTAL ACTIVITIES

- The cost of all governmental activities this year was **$41,526,954** a decrease of **10%** over the prior year.
- Grant revenue decreased **$1,375,393** (a **4.28%** decrease from 2025) due to the end of Elementary & Secondary School Relief Funds due to COVID-19 and loss of students and taxes increased **$2,088,491** (a **20.5%** increase) for the current fiscal year.

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GOVERNMENTAL FUND FINANCIAL ANALYSIS

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

Governmental funds: As the School District completed the year; its governmental funds reported a combined fund balance of **$29,101,141**. **$18,240,018** of the General Fund's fund balance is unassigned which makes it available for spending at the School District's discretion. The remaining combined governmental fund balance is classified as nonspendable, restricted or assigned to indicate that it is not available for spending because it has already been committed as follows:

- **$ 35,482** nonspendable – inventory maintenance
- **$ 50,913** nonspendable – inventory food service
- **$ 1,007,426** restricted food service
- **$ 6,040,070** restricted capital projects
- **$ 1,867,044** restricted debt service
- **$ 1,858,937** restricted for special projects (student activities)

The General Fund is the principal operating fund of the School District.

GENERAL FUND BUDGETARY HIGHLIGHTS

The School District's budget is based on accounting for certain transactions on the accrual basis of accounting. The most significant budgeted fund is the general fund.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets: At the end of 2026, the School District had approximately $37.6 million invested in land, improvements, equipment and vehicles.

The table below compares fiscal year 2026 balances to those of fiscal year 2025:

Capital Assets
(net of accumulated depreciation)

	2025	2026
Land	$ 375,860	$ 375,860
Construction in progress	1,253,214	10,503,647
Land improvements	257,488	257,488
Buildings and improvements	44,375,543	50,344,856
Equipment	5,645,860	6,074,557
Total	51,907,965	67,556,408
Less, accumulated depreciation	(28,112,954)	(29,937,344)
Total capital assets, net	$ 23,795,011	$ 37,619,064

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Long-term Debt: At June 30, 2026, the School District had **$23,046,000** of bonds outstanding versus **$23,864,000** in the prior year, a decrease of approximately **3.42%.** The net decrease was due to the payment of bond principal. All the School District's debt is backed by the full faith and credit of the School District as is typical with General Obligation Bonded indebtedness.

State statute only allows a school district to issue bonds without a referendum if the bond(s) is less than 8% of the assessed value. The current debt limitation for the School District is **$4,431,881** of which **$2,383,000** is allocated against this limit, leaving **$2,048,881** available to the School District.

ECONOMIC AND OTHER FACTORS

The School District is in the southern part of Florence County in the Pee Dee Region of the state of South Carolina, with an economy based on both industry and agriculture. The primary industry within the School District is Nan-Ya Plastics Corporation of America, which manufactures polyester stable fiber. The assessed property values in the School District have shown minimal increases since reassessment in 2023. The School District has taken the allowed millage based on the CPI and district growth. The Board continues to maintain a budget that prioritizes instruction, safety and financial stability.

The School District has shown a decline in students in membership over the past several years. The School District is actively adjusting the pupil-teacher ratio each budget year in an attempt to balance expenditures with less state funding.

The School District completed the Phase 1A Phase 1B focusing on upgrades at the Lake City Early Childhood Center from proceeds from the special equipment bonds. The phases included the completion of:

- Comprehensive air sealing to reduce outside airflow and improve indoor comfort
- Installation of energy-efficient window film
- Door gasketing upgrades to minimize air leakage
- Roof component replacements to extend roof life
- Installation of new pipe boots for enhanced weatherproofing
- Interior and exterior LED lighting with occupancy sensors and egress lighting
- HVAC redesigns and replacements
- Improved ventilation with exhaust fans and wall pack units
- Installation of new indoor dry-type transformers
- Integration of a state-of-the-art building automation system for centralized HVAC control

Phase 2 improvements will include:

- **District-wide LED lighting upgrades:** Replacement of interior and exterior lighting with energy-efficient LED fixtures, including proper egress lighting to meet safety codes.
- **Building Automation System (BAS):** Implementation of a centralized system to optimize HVAC performance and energy management across all District facilities.
- **HVAC redesigns and replacements:** Modernization of aging systems to enhance comfort and efficiency.
- **Transformer replacements:** Installation of new indoor dry-type transformers to improve electrical reliability.

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- **Window replacements and energy film:** Select campuses will receive new windows and energy-efficient window film to improve insulation and security.
- **Roof replacement:** The gymnasium at Main Street Elementary School will receive a full roof replacement.

In addition to the completion of the above Phases, the School District is currently working on the following projects.

Ward Memorial Stadium Renovations

The Board reviewed two renovation options for Ward Memorial Stadium before voting to move forward with *Option A*. This plan includes:

- A new metal, site-built fieldhouse,
- A modular concessions and restroom facility,
- Ticket booths on both the home and visitor sides,
- New stadium lighting, and
- A new scoreboard.

Fire Alarm Upgrades

The School District will replace aging fire alarm systems at J. C. Lynch Elementary, Lake City Early Childhood Center, Main Street Elementary, Dr. Ronald E. McNair Junior High, J. Paul Truluck Creative Arts and Science Magnet School, Lake City High and the District Office.

These upgrades are necessary because replacement parts for the current systems are increasingly difficult to find. Schools with newer fire alarm systems:

Playground Improvements

The School District will replace unusable kindergarten playground equipment at J.C. Lynch Elementary, Scranton Elementary and Olanta Magnet School.

The fiscal year 2023 General Assembly introduced a new funding formula for K-12 education called the Aid to Classrooms Program that replaced the Education Finance Act (EFA). The new formula no longer uses the EFA base student cost and weighted pupil units to determine a school district's funding amount. The new formula is based on the number of teachers needed statewide based on an 11.2:1 ration of students to teacher. The number of teachers needed is determined by dividing the statewide pupils by 11.2. The number of teachers needed statewide is then multiplied by the average state teacher salary of $69,153 for salary and fringe cost for FY 23, to calculate the total state funds for education. The School District receives its share of the total State funds based upon its proportion of total weighted pupils and the School District's ability to pay, measured by the Index of Taxpaying Ability. The new formula is being reviewed by the SC Revenue and Fiscal Affairs Office in an effort to make the formula more equitable to public schools as opposed to charter schools.

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CONTACTING THE SCHOOL DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide the School District's citizens, taxpayers, customers, investors, and creditors with a general overview of the School District's finances and to demonstrate the School District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Director of Finance at Florence County School District Three, 125 S. Blanding Street, PO Box 1389, Lake City, South Carolina 29560.

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Florence County School District Three

STATEMENT OF NET POSITION
JUNE 30, 2026

	Primary Government Governmental Activities
ASSETS	
Cash and cash equivalents	$ 28,875,858
Taxes receivable	710,541
Due from Florence County Treasurer	2,430,976
Due from State Department of Education	2,038,352
Due from other state agencies	126,307
Due from federal government	287,929
Due from fiscal agent	81,866
Inventories	86,395
Capital assets	
Non-depreciable	10,879,507
Depreciable, net of depreciation	26,739,557
Total assets	72,257,288
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to pensions	5,715,373
Deferred outflows related to OPEB	8,078,684
Total deferred outflows of resources	13,794,057
LIABILITIES	
Accounts payable and accrued liabilities	3,402,451
Short term bond payable	442,000
Accrued interest payable	109,800
Compensated absences	94,628
Premiums on bonds	447,182
Financed purchases, due in one year	99,346
Financed purchases, due in more than one year	178,331
General obligation bonds payable, due in one year	540,000
General obligation bonds payable, due in more than one year	22,506,000
Net pension liability, due in more than one year	31,811,465
Net OPEB liability, due in more than one year	26,764,321
Total liabilities	86,395,524
DEFERRED INFLOWS OF RESOURCES	
Deferred revenue - State	1,122,211
Deferred inflows related to pensions	5,868,001
Deferred inflows related to OPEB	16,905,012
Total deferred inflows of resources	23,895,224
NET POSITION (DEFICIT)	
Net investment in capital assets	19,917,801
Restricted for:	
Debt service	1,867,044
School food service organizations	1,007,426
Student activities	1,858,937
Unrestricted deficit	(48,890,611)
Total net deficit	$ (24,239,403)

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

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Florence County School District Three

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2026

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government: Governmental Activities
Governmental Activities:				
Instruction	$ 19,327,548	$ 5,867	$ 5,014,115	$ (14,307,566)
Support services	21,010,908	301,751	25,682,751	4,973,594
Community services	17,198	-	17,198	-
Interest and other charges	1,171,300	-	-	(1,171,300)
Total governmental activities	$ 41,526,954	$ 307,618	$ 30,714,064	(10,505,272)
General Revenues				
Property taxes levied for:				
General purposes				10,613,841
Debt services				1,617,738
State aid - formula grants				6,767,490
Miscellaneous revenues				46,556
Unrestricted investment earnings				1,291,571
Total general revenues				20,337,196
Change in net position				9,831,924
Net deficit, beginning of year				(34,071,327)
Net deficit, end of year				$ (24,239,403)

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

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2026

	General	Special Projects	Education Improvement Act	Food Service	Debt Service	Capital Projects	Total Governmental Funds
ASSETS							
Cash and cash equivalents	$ 21,357,945	$ 283	$ -	$ -	$ 1,895,216	$ 5,622,414	$ 28,875,858
Due from Florence County Treasurer	1,468,601	-	-	-	448,137	514,238	2,430,976
Property taxes receivable	652,905	-	-	-	57,636	-	710,541
Due from other funds	-	507,987	351,667	845,149	-	-	1,704,803
Due from State Department of Education	71,612	1,846,572	2,215	117,953	-	-	2,038,352
Due from other state agencies	126,307	-	-	-	-	-	126,307
Due from federal government	-	287,929	-	-	-	-	287,929
Due from others	81,866	-	-	-	-	-	81,866
Inventory	35,482	-	-	50,913	-	-	86,395
Total assets	$ 23,794,718	$ 2,642,771	$ 353,882	$ 1,014,015	$ 2,400,989	$ 6,136,652	$ 36,343,027
LIABILITIES							
Accounts payable and accrued liabilities	$ 3,290,956	$ 17,585	$ -	$ 4,509	$ -	$ 89,401	$ 3,402,451
Bonds Payable - Short-term	-	-	-	-	442,000	-	442,000
Due to other funds	1,697,622	-	-	-	-	7,181	1,704,803
Total liabilities	4,988,578	17,585	-	4,509	442,000	96,582	5,549,254
DEFERRED INFLOWS OF RESOURCES							
Deferred revenues - State	-	766,249	353,882	2,080	-	-	1,122,211
Unavailable revenue - property taxes	530,640	-	-	-	39,781		570,421
Total deferred inflows of resources	530,640	766,249	353,882	2,080	39,781	-	1,692,632
FUND BALANCES							
Nonspendable	35,482	-	-	50,913	-	-	86,395
Restricted for:							
Student activities	-	1,858,937	-	-	-	-	1,858,937
Food service	-	-	-	956,513	-	-	956,513
Debt service	-	-	-	-	1,919,208	-	1,919,208
Capital projects	-	-	-	-	-	6,040,070	6,040,070
Unassigned	18,240,018	-	-	-	-	-	18,240,018
Total fund balances	18,275,500	1,858,937	-	1,007,426	1,919,208	6,040,070	29,101,141
Total liabilities, deferred inflows of resources, and fund balances	$ 23,794,718	$ 2,642,771	$ 353,882	$ 1,014,015	$ 2,400,989	$ 6,136,652	$ 36,343,027

Total fund balances	$ 29,101,141
Amounts reported for governmental activities in the statement of net position are different because of the following:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in governmental funds. The cost of capital assets is $67,556,408 and the accumulated depreciation is $29,937,344.	37,619,064
Property taxes receivable are not available to pay for current period expenditures and are, therefore, deferred in the funds.	570,421
Some liabilities, including net pension obligations, are not due and payable in the current period and, therefore, are not reported in the funds:	
Net pension liability	(31,811,465)
Net OPEB liability	(26,764,321)
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds:	
Deferred outflows of resources related to pensions	5,715,373
Deferred outflows of resources related to OPEB	8,078,684
Deferred inflows of resources related to pensions	(5,868,001)
Deferred inflows of resources related to OPEB	(16,905,012)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the funds:	
Bonds payable	(23,046,000)
Financed purchases payable	(277,677)
Bond premiums	(447,182)
Accrued interest payable	(109,800)
Compensated absences	(94,628)
Total net position - governmental activities	$ (24,239,403)

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

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2026

	General	Special Projects	Education Improvement Act	Food Service	Debt Service	Capital Projects	Total Governmental Funds
REVENUES							
Local	$ 11,266,299	$ 1,249,593	$ -	$ 223,128	$ 1,444,752	$ 621,815	$ 14,805,587
State	23,499,792	1,209,871	4,152,515	-	282,522	-	29,144,700
Federal	-	4,660,794	-	2,688,729	-	-	7,349,523
Intergovernmental	-	20,260	-	-	-	-	20,260
Total revenues	34,766,091	7,140,518	4,152,515	2,911,857	1,727,274	621,815	51,320,070
EXPENDITURES							
Current:							
Instruction	16,679,844	3,263,264	963,249	-	-	-	20,906,357
Support services	17,168,740	2,616,338	179,433	2,731,371	-	66	22,695,948
Community services	-	17,198	-	-	-	-	17,198
Intergovernmental	2,255	26,512	-	-	-	-	28,767
Debt service:							
Principal	137,040	-	-	-	818,000	-	955,040
Interest and fiscal charges	25,352	-	-	-	1,245,529	-	1,270,881
Capital outlay	1,206,250	975,874	-	70,983	-	13,335,428	15,588,535
Total expenditures	35,219,481	6,899,186	1,142,682	2,802,354	2,063,529	13,335,494	61,462,726
Excess (deficiency) of revenues over (under) expenditures	(453,390)	241,332	3,009,833	109,503	(336,255)	(12,713,679)	(10,142,656)
OTHER FINANCING SOURCES (USES)							
Transfers in	3,301,996	49,322	-	-	-	-	3,351,318
Transfers out	(49,322)	(127,401)	(3,009,833)	(164,762)	-	-	(3,351,318)
Premiums on bond issuance	-	-	-	-	14,166	-	14,166
Total other financing sources (uses)	3,252,674	(78,079)	(3,009,833)	(164,762)	14,166	-	14,166
Net change in fund balance	2,799,284	163,253	-	(55,259)	(322,089)	(12,713,679)	(10,128,490)
Fund Balance, July 1, 2025	15,476,216	1,695,684	-	1,062,685	2,241,297	18,753,749	39,229,631
Fund Balance, June 30, 2026	$ 18,275,500	$ 1,858,937	$ -	$ 1,007,426	$ 1,919,208	$ 6,040,070	$ 29,101,141

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

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2026

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

Net change in fund balances - total governmental funds	$ (10,128,490)
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay ($15,648,443) exceeds depreciation expense ($1,824,390).	13,824,053
The issuance of long-term debt (e.g., bonds, financed purchases and compensated absences) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds.	
This is the difference in bonds issued during the year ($0) and bond payments made during the year ($818,000).	818,000
This is the difference in financed purchases issued during the year ($0) and principal payments made during the year ($137,040).	137,040
This is the difference in premiums issued during the year ($0) and the amounts amortized during the year ($45,259).	45,259
This is the difference in compensated absences earned during the year ($42,547) and the amount used during the year ($40,374).	(1,860)
Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. This is the difference in accrued interest on bonds at the end of the prior year ($149,956) and the accrued interest on bonds at the end of the current year ($109,800).	40,156
Certain unavailable tax revenues reported in the governmental funds are recognized as revenue in the statement of activities, net of a reserve for uncollectible amounts. This amount is the difference in tax revenue recognized at the end of the current year ($570,421) and that revenue recognized at the end of the prior year ($531,613).	38,808
Governmental funds report pension contributions as expenditures. However, in the statement of activities, the cost of pension benefits earned net of employee contributions is reported as a pension expense.	
District pension contributions	3,675,894
Costs of benefits earned net of employee contributions	380,192
District OPEB contributions	1,023,375
Costs of benefits used net of employee OPEB contributions	(20,503)
Change in net position - governmental activities	$ 9,831,924

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

Notes to Financial Statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Introduction

The Florence County School District Three, Lake City, South Carolina (the "District") operates under the Board of Education form of government provided by the laws of the state of South Carolina. The District was created by the General Assembly of the state of South Carolina in 1951 by Act No. 93 and Act No. 379, Article Ill, Section 7, as amended. The District receives funding from local, state and federal governmental sources and must comply with the related requirements of these funding source entities. The District is governed by a nine-member Board of Trustees (the "Board").

The District prepares its basic financial statements in conformity with generally accepted accounting principles promulgated by the Governmental Accounting Standards Board (GASB); and it complies with the requirements of contracts and grants of agencies from which it receives funds.

Reporting Entity

The District's financial statements include the accounts of all District operations. It has been determined that although the District is considered fiscally dependent on Florence County (the “County”) with respect to property tax revenues, the County does not significantly influence the District's operations. As the District has the authority to borrow funds, establish its budget, hire and terminate employees, enter into its own contracts and is responsible for funding its own deficits, it is construed that the District is independent for purposes of determining the reporting entity and is reported as such.

The criteria for including organizations as component units with the District's reporting entity, as set forth in Section 2100 of GASB's *Codification of Government Accounting and Financial Reporting Standards*, include whether:

- the organization is legally separate (can sue and be sued in its own name)
- the District holds the corporate power of the organization
- the District appoints a voting majority of the organization's Board
- the District is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the District
- there is fiscal dependency by the organization on the District

There were no component units required to be included in the District's financial statements.

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NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation

The financial statement presentation for the District meets the requirements of the GASB. The financial statement presentation provides a comprehensive, entity-wide perspective of the District's net position, revenue, expenses and changes in net position and cash flows that replaces the fund-group perspective previously required.

Government-wide Statements. The statement of net position and the statement of activities display information about the District. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the effect of internal activities upon revenues and expenses. Governmental activities generally are financed through intergovernmental revenues, and other non-exchange transactions.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function, and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been eliminated for the statement of activities. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not program revenues are presented as general revenues.

The effect of inter-fund activity has been eliminated from the government-wide financial statements.

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

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of *current financial resources measurement focus* 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 fund balance.

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 functions or activities. The operation of each fund is accounted for within a separate set of self-balancing accounts.

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NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Special Revenue Fund – Special Projects Fund. The Special Projects Fund accounts for the financial transactions of the various special projects in which the District participates. All special projects supported in whole or in part with federal, state and local resources (other than expendable trusts, Education Improvement Act proceeds or major capital projects) are accounted for in this fund. These funds primarily come from or are passed through the South Carolina Department of Education.

Special Revenue Fund – Education Improvement Act Fund. The Education Improvement Act (EIA) Fund accounts for the proceeds of the additional one percent sales and use tax that are restricted to expenditures of the Education Improvement Act strategies. The purpose of the EIA, in general, is to provide additional funding to local school districts for the purpose of raising academic standards by providing for, among other purposes, basic skills remediation, teacher salary increases and the modernization of equipment and instructional facilities.

Special Revenue Fund – Food Service Fund. The Food Service Fund accounts for cafeteria operations located at individual schools. The fund is financed by USDA school lunch and breakfast programs and subsidized by user charges.

Debt Service Fund. The Debt Service Fund accounts for the accumulation of resources for and the payment of general long-term debt, principal and interest. The primary financing source for the fund is the County's property taxes.

Capital Projects Fund. The Capital Projects Fund accounts for financial resources to be used for the acquisition and construction of major capital facilities. Capital projects are funded by proceeds of bonds issued for public school construction and from certain State assistance and grants.

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NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus and Basis of Accounting

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

Governmental Fund Financial Statements. Governmental funds are reported using the current financial resources measurement focus and modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in governmental funds to be available if the revenues are collected within 60 days after year-end. These include federal and state grants, some charges for services, and ad-valorem property taxes.

Expenditures are recorded when the related fund liability is incurred, except for claims and judgments and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under financed purchases are reported as other financing sources. Funds received but not yet earned are reflected as deferred revenues.

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

Use of Resources

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

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NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgetary Data

The District adopts an annual operating budget, which can be amended by the Board throughout the year. During the year ended June 30, 2026, there were budget amendments as noted in the requires supplementary information. Formal budgetary accounting is employed as a management control for all funds of the District; however, legal budgets are adopted only for the General Fund. For each of the funds for which a formal budget is adopted, the basis of accounting used to reflect budget and actual revenues and expenditures is the accounting principles generally accepted in the United States of America.

When the Board of Trustees adopts a budget, it is done at the summarized level (instruction, support and community service) of budgetary control. Because expenditures may not legally exceed budgeted appropriations, supplemental budget appropriations are made by the Board of Trustees if expenditures exceed total appropriations within the legal level of control. Supplemental budget appropriations were not necessary during the year. The instance where over-expenditures are not allowed is at the summarized level.

Prior to July 1, the Superintendent and the staff prepare a budget and submit it to the Board of Trustees for approval. After adoption, the budget is submitted to the taxpayers in a citizen's meeting for comments and approval, pursuant to Act 806 of the 1952 Acts of the General Assembly of the state of South Carolina. The budget for the General Fund is the only formally adopted budget. The administration has discretionary authority to make transfers between appropriation accounts. The revised budget amounts in the financial statements are as amended by the administration. All annual appropriations lapse at fiscal year-end.

Cash and Cash Equivalents

For purposes of cash, the District considers cash equivalents to be short-term, highly liquid investments that (a) are readily convertible to known amounts of cash and (b) have original maturities of three months or less from the date of acquisition.

Investments

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

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NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments (Continued)

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

Cash received by the District may be pooled for investment purposes. The pooled accounts are recorded in the General Fund. The equity interest in the LGIP belonging to the other funds is maintained in the account(s) due from (to) the General Fund. During the course of operations, other transactions occur between individual funds for goods and services rendered. In fund financial statements, these receivables and payables, if containing a balance at the end of the fiscal year, are classified as due from (to) other funds on the balance sheet.

Accounts Receivable

Accounts receivable consists of amounts due from the Federal government, state and local governments or private sources, in connection with reimbursement of allowable expenditures made pursuant to the District’s grants and contracts.

Inventories and Prepaid Items

Inventories in the Food Service Fund consist of expendable supplies held for the District's use and are carried at cost using the first-in, first-out method. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased. The costs of prepaid items are recorded as expenditures when consumed rather than when purchased.

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NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets

Capital assets are recorded at cost at the date of acquisition or estimated acquisition value at the date of donation in the case of gifts. Where cost could not be determined from the available records, estimated historical cost was used to record the estimated value of the assets. All land is capitalized, regardless of cost. Qualifying improvements that rest in or on the land itself are recorded as depreciable land improvements. Qualifying improvements include major additions and renovations; improvements that add to the usable space; or improvements that extend the useful life of an existing building are capitalized. The District capitalized moveable personal property with a unit value in excess of $5,000 and a useful life in excess of one year. Routine repairs and maintenance are charged to expenses in the year in which the expense was incurred.

Depreciation is computed using the straight-line method over the estimated lives of the assets, generally 20 to 40 years for buildings and improvements and 5 to 20 years for machinery, equipment and vehicles. A full year of depreciation expense is recorded for the year the asset is placed in service and none in the year of disposition. The District allocates depreciation expense to programs/functions based on the ratio of program/functional expenses to total expenses with certain modifications.

Deferred Outflows/Inflows of Resources

In addition to liabilities, the financial statements report a separate section for *deferred inflows of resources*. This separate financial statement element represents an acquisition of net assets that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has two types of items that qualify for reporting in this category.

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

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

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NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Outflows/Inflows of Resources (Continued)

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

Long-term Obligations

In the government-wide financial statements and in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed in the period incurred.

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

DRAFT

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated Absences

Accumulated unpaid sick leave is not accrued in governmental funds (using the modified accrual basis of accounting). The District allows employees to accumulate 120 unused sick leave days. Earned vacation time is generally required to be used within one year of accrual. Upon retirement, the District pays up to 20 days of accumulated sick leave at the various substitute pay rates. A maximum of 90 days of the remaining unused accumulated sick leave may be used to calculate service credit in the SC Retirement System. To qualify for reimbursement, an employee must have ten years of total experience with the District. The liability is based on the District's past experience of making terminations payments for those you qualify.

Non-exchange Transactions

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

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the South Carolina Retirement System (SCRS) and the South Carolina Police Officers Retirement System (PORS) and additions to/deductions from SCRS' and PORS' fiduciary net position have been determined on the same basis as they are reported by SCRS and PORS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

OPEB

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 South Carolina Retiree Health Insurance Trust Fund (SCRHITF), and additions to and deductions from the fiduciary net position for the SCRHITF have been determined on the same basis as they were reported by the SCRHITF. 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.

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NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balances

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

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

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

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

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

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

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

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NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Position

The District's net position in the government-wide financial statements is classified as follows:

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

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

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

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

Income Taxes

The District, as a political subdivision of the State of South Carolina, is excluded from Federal income taxes under Section 115(1) of the Internal Revenue Code.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflow of resources at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

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NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Interfund Activity

Interfund transactions are reported 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. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the fund financial statements. Transfers among governmental funds are eliminated in the government-wide financial statements.

NOTE 2. CASH AND CASH EQUIVALENTS

Total deposits and investments as of June 30, 2026, on the statement of net position of $28,875,858 are summarized as follows:

Cash deposited with financial institutions	$ 12,224,099
United States Treasury Certificate of Indebtness	1,885,087
Morgan Stanley Institutional Liquidity Government Funds	5,632,543
South Carolina Local Government Investment Pool (LGIP)	9,134,129
Total cash and cash equivalents	$ 28,875,858

All cash and investments are stated at fair value with accrued interest shown on the statement of net position. The District is authorized to invest funds received from the County Treasurer, which are not needed for immediate disbursement by the District, in interest bearing accounts or certificates of deposit issued by banking institutions or savings and loan associations licensed to do business in this state or in securities issued by the United States Government. Investments with maturities greater than three months are shown on the balance sheet by fund type as investments.

Credit Risk

The District does not have an investment policy for credit risk, but maintains a policy in conformity with federal, state and other legal requirements. The LGIP, created by Section 6-6-10 of the State of South Carolina Code of Laws, is a stable asset investment pool regulated by the South Carolina State Treasurer's Office. The LGIP is not registered with the SEC as an investment company and is not rated by any of the major investment ratings agencies. The LGIP's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal ($1 per share). The asset value is calculated on a recurring basis to ensure stability. The LGIP distributes earnings (net of management fees) on a monthly basis and determines participants' shares sold and redeemed based on $1 per share. The LGIP also adjusts the value of its investments to fair value as of year-end and the District's investment in the LGIP is reported at fair value. The District considers amounts held in the LGIP as cash equivalents for financial statement presentation.

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NOTE 2. DEPOSITS AND INVESTMENTS (CONTINUED)

Custodial Credit Risk

Custodial risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal and state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities. As of June 30, 2026, the District's deposits with financial institutions were fully collateralized in compliance with state requirements.

Fair Value Measurements

The District categorizes its fair value measurements 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, and Level 3 inputs are significant unobservable inputs. The LGIP is an investment pool which does not meet the criteria of GASB Statement No. 79 and is thus valued at fair value in accordance with GASB Statement No. 31. As a result, the District does not disclose its investment in the LGIP within the fair value hierarchy.

Interest Rate Risk

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

Foreign Currency Risk

The District is not authorized to invest in investments which have this type of risk.

NOTE 3. PROPERTY TAXES

The County is responsible for levying and collecting sufficient property taxes to meet its funding obligation for the District. This obligation is established each year by the County and does not necessarily represent actual taxes levied or collected. Property taxes are considered both measurable and available for purposes of recognizing revenue and a receivable from the County at the time the taxes are levied.

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NOTE 3. PROPERTY TAXES (CONTINUED)

Real and property taxes are levied on October 1 for the assessed valuations of property located in the County as of the preceding January 1 and are due and payable at that time. All unpaid taxes levied October 1 become delinquent January 15 of the following year, and property taxes attach as enforceable liens if not paid by March 16 of the following year. Penalties are added to taxes depending on the date paid as follows:

January 16 - February 1	3% of Tax
February 2 - March 16	10% of Tax
March 17 and thereafter	15% of Tax Plus Collection Cost

Property taxes on licensed motor vehicles are collected on a monthly basis in the month in which individual motor vehicle licenses are renewed and revenue is recognized as collected. Property taxes are billed by the County and are recognized when collected and remitted to the District by the County treasurer. Real property taxes collected within 60 days after the fiscal year end are also recognized as revenue for the year.

NOTE 4. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2026, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital assets, not being depreciated:				
Land	$ 375,860	$ -	$ -	$ 375,860
Construction in progress	1,253,214	15,221,595	(5,971,162)	10,503,647
Total	1,629,074	15,221,595	(5,971,162)	10,879,507
Capital assets, being depreciated:				
Land improvements	257,488	-	-	257,488
Buildings and improvements	44,375,543	5,969,313	-	50,344,856
Vehicles and equipment	5,645,860	428,697	-	6,074,557
Total	50,278,891	6,398,010	-	56,676,901
Less accumulated depreciation for:				
Land improvements	243,664	47,883	-	291,547
Buildings and improvements	23,719,446	1,473,879	-	25,193,325
Vehicles and equipment	4,149,844	302,628	-	4,452,472
Total	28,112,954	1,824,390	-	29,937,344
Total capital assets, being depreciated, net	22,165,937	4,573,620	-	26,739,557
Total capital assets, net	$ 23,795,011	$ 19,795,215	$ (5,971,162)	$ 37,619,064

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NOTE 4. CAPITAL ASSETS (CONTINUED)

Depreciation expense was charged to governmental functions as follows:

Governmental Activities	
Instruction	874795
Support services	949595
Total depreciation expense - governmental activities	1824390

NOTE 5. LONG-TERM DEBT

General Obligation Bonds

The District has issued General Obligation (G.O.) Bonds to finance various capital projects. Bond series outstanding at June 30, 2026, are briefly described as follows:

- Series 2021 G.O. Bond in the original amount of $1,200,000 with principal payments due every March 1st beginning 2021 through 2028. Interest payments are due in annual installments on March 1st at a rate of 1.66%.

- Series 2023 G.O. Bond in the original amount of $1,200,000 with principal payments due every March 1st beginning 2024 through 2030. Interest payments are due in annual installments on March 1st at a rate of 3.50%.

- Series 2025 G.O. Bond in the original amount of $21,370,000 with principal payments due every December 1st beginning 2025 through 2045. Interest payments are due in annual installments on March 1st at a rate of 5.00%.

Constitutionally, the District is limited in the amount of debt it can hold to eight percent of the assessed value of all taxable property within the District. This constitutional debt limit does not include any debt existing prior to November 30, 1982, or any debt approved by referendum. At June 30, 2026, the District is within its debt limit.

General Obligation Bonds of the District are backed by the full faith, credit, and taxing power of the District.

Financed Purchases

The District entered into a five-year agreement with a vendor to purchase modular classrooms in the amount of $166,630. The agreement with Modular Technologies, Inc. is paid in equal monthly installments with an interest rate of 7.35%.

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NOTE 5. LONG-TERM DEBT (CONTINUED)

Financed Purchases (Continued)

The District entered into a ten-year agreement with a vendor to purchase modular classrooms in the amount of $189,845. The agreement with Modular Technologies, Inc. is paid in equal monthly installments with an interest rate of 7.35%.

The District entered into a ten-year agreement with a vendor to purchase modular classrooms in the amount of $582,114. The agreement with Modular Technologies, Inc. is paid in equal monthly installments with an interest rate of 7.79%.

Changes in Long-term Liabilities

The following is a summary of changes in the District's long-term obligations for the year ended June 30, 2026:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Governmental Activities					
Modular classroom	$ 303,135	$ -	$ (57,175)	$ 245,960	$ 67,629
Modular classroom	50,561	-	(37,454)	13,107	13,107
Modular classroom	61,021	-	(42,411)	18,610	18,610
Total financed purchases	414,717	-	(137,040)	277,677	99,346
2019 General Obligation Bonds	439,000	-	(439,000)	-	
2021 General Obligation Bonds	900,000	-	(176,000)	724,000	359,000
2023 General Obligation Bonds	1,155,000	-	(38,000)	1,117,000	181,000
2025 General Obligation Bonds	21,370,000	-	(165,000)	21,205,000	-
Premiums	492,441	-	(45,259)	447,182	-
Total bonds payable	24,356,441	-	(863,259)	23,493,182	540,000
Compensated absences	92,768	45,544	(43,684)	94,628	47,314
Net pension liability	36,948,016	325,045	(5,461,596)	31,811,465	-
Net OPEB liability	30,529,212	1,979,253	(5,744,144)	26,764,321	-
Total other long-term debt	67,569,996	2,349,842	(11,249,424)	58,670,414	47,314
Governmental activities Long-term liabilities	$ 92,341,154	$ 2,349,842	$ (12,249,723)	$ 82,441,273	$ 686,660

General obligation bonds have been liquidated through funds accumulated in the Debt Service Fund. Financed purchases have been liquidated through funds accumulated in the General Fund. Net pension and OPEB liabilities are liquidated by the General Fund.

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NOTE 5. LONG-TERM DEBT (CONTINUED)

Changes in Long-term Liabilities (Continued)

The annual debt service requirements to maturity for general obligation bonds and the interest, which will become payable in the fiscal year indicated are as follows:

	General Obligation Bonds		
Year Ending June 30,	Principal	Interest	Total
2027	$ 540,000	$ 1,016,700	$ 1,556,700
2028	552,000	1,004,405	1,556,405
2029	858,000	979,551	1,837,551
2030	941,000	940,421	1,881,421
2031	970,000	888,837	1,858,837
2032-2036	5,635,000	3,646,056	9,281,056
2037-2041	6,710,000	2,127,510	8,837,510
2042-2045	6,840,000	710,842	7,550,842
Total	$ 23,046,000	$ 11,314,322	$ 34,360,322

The annual debt service requirements to maturity for financed purchases and the interest, which will become payable in the fiscal year indicated are as follows:

	Financed Purchases		
Year Ending June 30,	Principal	Interest	Total
2027	$ 99,346	$ 16,897	$ 116,243
2028	73,090	10,889	83,979
2029	82,302	1,677	83,979
2030	22,939	269	23,208
Total	$ 277,677	$ 29,732	$ 307,409

NOTE 6. RETIREMENT PLANS

Description of the Entity

The South Carolina Public Employee Benefit Authority (PEBA), which was created July 1, 2012, is the state agency responsible for the administration and management of the retirement systems and benefit programs of the state of South Carolina, including the State Optional Retirement Program and the S.C. Deferred Compensation Program, as well as the state's employee insurance programs. As such, PEBA is responsible for administering the South Carolina Retirement Systems' five defined benefit pension plans. PEBA has an 11-member Board of Directors, appointed by the governor and General Assembly leadership, which serves as custodian and co-fiduciary of the Systems and the assets of the retirement trust funds. The Retirement System Investment Commission (Commission as the governing body, RSIC as the agency), created by the General Assembly in 2005, has exclusive authority to invest and manage the retirement trust funds' assets.

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NOTE 6. RETIREMENT PLANS (CONTINUED)

Description of the Entity (Continued)

The Commission, an eight-member board, serves as co-trustee and co-fiduciary for the assets of the retirement trust funds. By las, the State Fiscal Accountability Authority (SFAA), which consists of five elected officials, also reviews certain PEBA Board decisions regarding the actuary of the Systems.

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

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

Plan Descriptions

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

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

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NOTE 6. RETIREMENT PLANS (CONTINUED)

Plan Descriptions (Continued)

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

Membership

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

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

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

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

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NOTE 6. RETIREMENT PLANS (CONTINUED)

Benefits

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

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

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

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

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

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NOTE 6. RETIREMENT PLANS (CONTINUED)

Contributions

Actuarial valuations are performed annually by an external consulting actuary to ensure applicable contribution rates satisfy the funding parameters specified in Title 9 of the South Carolina Code of Laws. Under these provisions, SCRS and PORS contribution requirements must be sufficient to maintain an amortization period for the financing of the unfunded actuarial accrued liability (UAAL) over a period that does not exceed the number of years scheduled in state statute. Effective July 1, 2017, employee rates were increased to a capped rate of 9.00 percent for SCRS and 9.75 percent for PORS. The legislation also increased employer contribution rates beginning July 1, 2017, for both SCRS and PORS contribution rates until reaching 18.56 percent for SCRS and 21.24 percent for PORS. The legislation included a further provision that if the schedule contributions are not sufficient to meet the funding periods set in the statue, the PEBA board would increase the employer contribution rates as necessary to meet the funding periods set for the applicable year. For the fiscal year ended June 30, 2026, the District contributed $3,675,539 and $355 to SCRS and PORS, respectively.

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

Required employee and employer contribution rates for SCRS are as follows:

	South Carolina Retirement System	
	Fiscal year ended June 30, 2026	Fiscal year ended June 30, 2025
Employee class two	9.00%	9.00%
Employee class three	9.00%	9.00%

Required employee contribution rates for PORS are as follows:

	Police Officers Retirement System	
	Fiscal year ended June 30, 2026	Fiscal year ended June 30, 2025
Employee class two	9.75%	9.75%
Employee class three	9.75%	9.75%

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NOTE 6. RETIREMENT PLANS (CONTINUED)

Contributions (Continued)

Required employer contribution rates for SCRS are as follows:

	South Carolina Retirement System	
	Fiscal year ended June 30, 2026	Fiscal year ended June 30, 2025
Employer class two	18.56%	18.41%
Employer class three	18.56%	18.41%
Employer incidental death benefit	0.15%	0.15%

Required employer contribution rates for PORS are as follows:

	Police Officers Retirement System	
	Fiscal year ended June 30, 2026	Fiscal year ended June 30, 2025
Employer class two	21.24%	20.84%
Employer class three	21.24%	20.84%
Employer incidental death benefit	0.20%	0.20%
Employer accidental death program	0.20%	0.20%

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

	South Carolina Optional Retirement Program	
	Fiscal year ended June 30, 2026	Fiscal year ended June 30, 2025
Employee	9.00%	9.00%
Employer	18.56%	18.41%
Employer incidental death benefit	0.15%	0.15%

Actuarial Assumptions and Methods

Actuarial valuations of the ongoing plan involve estimates of the reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and future salary increases. Amounts determined regarding the net pension liability are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. South Carolina state statute requires that an actuarial experience study be completed at least once in each five-year period. The GASB Statement No, 67 valuation report prepared as of June 30, 2025, is based on experience study report for the period ending June 30, 2023.

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NOTE 6. RETIREMENT PLANS (CONTINUED)

Actuarial Assumptions and Methods (Continued):

The June 30, 2025 total pension liability (TPL), net pension liability (NPL), and sensitivity information shown in this report were determined by our consulting actuary, Gabriel Roeder Smith & Company (GRS) and are based on an actuarial valuation performed as of July 1, 2024. The total pension liability was rolled-forward from the valuation date to the plans' fiscal year end, June 30, 2025, using generally accepted actuarial principles.

The following table provides a summary of the actuarial assumptions and methods used to calculate the TPL as of July 1, 2024:

	SCRS	PORS
Actuarial assumptions		
Investment rate of return	7.00%	7.00%
Projected salary increases	3.0% to 11.25% (varies by service)	3.5% to 11% (varies by service)
Includes inflation at	2.25%	2.25%
Benefit adjustments	lesser of 1% or $500	lesser of 1% or $500

The post-retiree mortality assumption is dependent upon the member's job category and gender. The base mortality assumption, the 2020 Public Retirees of South Carolina Mortality table (2020 PRSC), was developed using the Systems' mortality experience. These base rates are adjusted for future improvement in mortality using published Scale AA projected from the year 2020.

Assumptions used in the determination of the June 30, 2025, TPL are as follows:

Former Job Class	Males	Females
Educators	2020 PRSC Males multiplied by 95%	2020 PRSC Females multiplied by 94%
Public safety and firefighters	2020 PRSC Males multiplied by 97%	2020 PRSC Females multiplied by 107%
General employees	2020 PRSC Males multiplied by 127%	2020 PRSC Females multiplied by 107%

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NOTE 6. RETIREMENT PLANS (CONTINUED)

Net Pension Liability

At June 30, 2026, the District reported a liability for its proportionate share of the net pension liability for both SCRS and PORS as follows:

	SCRS	PORS
Net pension liability	$ 31,808,384	$ 3,081

The District's proportion of the net pension liability was based on contributions to SCRS and PORS, respectively, during the fiscal year ended June 30, 2026. At June 30, 2025, the District's proportion for SCRS was 0.147200%, which was a decrease of 0.010154% from its proportion measured at June 30, 2024. At June 30, 2025, the District's proportion for PORS was 0.0000%, which was an increase of .00017% from its proportion measured at June 30, 2024.

Long-term Expected Rate of Return

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.

The expected returns, along with the expected inflation rate, form the basis for the target allocation adopted at the beginning of the 2025 fiscal year. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and adding expected inflation and is summarized in the table on the following page. For actuarial purposes, the 7.00 percent assumed annual investment rate of return used in the calculation of the TPL includes a 4.75 percent real rate of return and a 2.25 percent inflation component.

Asset Class	Target Asset Allocation	Expected Arithmetic Real Rate of Return	Long-term Expected Portfolio Real Rate of Return
Public Entity	46.0%	5.87%	2.70%
Bonds	26.0%	3.20%	0.83%
Private Equity	9.0%	8.50%	0.77%
Private Debt	7.0%	7.40%	0.52%
Real assets	12.0%		
Real estate	9.0%	5.00%	0.45%
Infrastructure	3.0%	7.70%	0.23%
	100%		
Total expected real return			5.50%
Inflation for actuarial purposes			2.25%
Total expected nominal return			7.75%

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NOTE 6. RETIREMENT PLANS (CONTINUED)

Discount Rate

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

Sensitivity Analysis

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

South Carolina Retirement System
Sensitivity of the Net Pension Liability to Changes in the Discount Rate

Fiscal Year	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
2025	$ 42,984,024	$ 31,808,384	$ 22,508,569

Police Officers Retirement System
Sensitivity of the Net Pension Liability to Changes in the Discount Rate

Fiscal Year	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
2025	$ 4,690	$ 3,081	$ 1,762

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NOTE 6. RETIREMENT PLANS (CONTINUED)

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

For the year ended June 30, 2026, the District's pension expense was $284,714. At June 30, 2026, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

South Carolina Retirement System	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 1,492,378	$ -
Changes of assumptions	375,931	-
Net difference between projected and actual earnings on pension plan investments	-	2,042,216
Changes in proportion and differences between employer contributions and proportionate share of contributions	170,259	3,822,930
Employer contributions subsequent to the measurement date	3,675,539	-
Total	$ 5,714,107	$ 5,865,146

Police Officers Retirement System	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 362	$ -
Changes of assumptions	41	-
Net difference between projected and actual earnings on pension plan investments	-	290
Changes in proportion and differences between employer contributions and proportionate share of contributions	508	2,565
Employer contributions subsequent to the measurement date	355	-
Total	$ 1,266	$ 2,855

District contributions subsequent to the measurement date of $3,675,539 and $355 reported as deferred outflows of resources for the SCRS and PORS, respectively, will be recognized as a reduction of the net pension liability in the year ended June 30, 2027.

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NOTE 6. RETIREMENT PLANS (CONTINUED)

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

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

Year ended June 30	SCRS	PORS
2027	$ (723,448)	$ (518)
2028	(1,663,315)	(1,022)
2029	(968,999)	(339)
2030	(470,816)	(65)
Total	$ (3,826,578)	$ (1,944)

Payable to Pension Plan

At June 30, 2026, the District had $636,919 in outstanding payables to the plans for legally required contributions. This amount is reported in the statement of net position with accounts payable and accrued liabilities.

Optional Retirement Program

As an alternative to membership in SCRS, certain State, public school, and higher education employees and individuals newly elected to the South Carolina General Assembly beginning with the November 2012 general election have the option to participate in the State ORP. Participants in the State ORP direct the investment of their funds into a plan administered by one of four investment providers and are governed by the terms of the contracts that those providers issue. The District contributed $91,236 to the plan as of June 30, 2026.

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NOTE 7. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

Overview

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

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

Plan Description

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

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

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

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NOTE 7. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Benefits

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

The SCLTDITF is a long-term disability plan that covers employees of the state of South Carolina, including all agencies and public school districts and all participating local governmental entities. The SCLTDITF provides disability payments to eligible employees that have been approved for disability. Since the employer contribution/premium paid and the proportionate share of the net OPEB liability and deferred outflows and inflows of resources related to the SCLTDITF are not material to the District, no SCLTDITF OPEB amounts have been recorded in these financial statements and only limited note disclosures have been provided related to these benefits.

Contributions and Funding Policies

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

The SCRHITF is funded through participating employers that are mandated by State statute to contribute at a rate assessed each year by the Department of Administration Executive Budget Office on active employee covered payroll. The covered payroll surcharge for the year ended June 30, 2026, was 6.35 percent. The South Carolina Retirement System collects the monthly covered payroll surcharge for all participating employers and remits it directly to the SCRHITF. Other sources of funding for the SCRHITF also include the implicit subsidy, or age-related subsidy inherent in the healthcare premiums structure. The implicit subsidy represents a portion of the health care expenditures paid on behalf of the employer's active employees.

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NOTE 7. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Contributions and Funding Policies (Continued)

For purposes of GASB Statement No. 75, this expenditure on behalf of the active employee is reclassified as a retiree health care expenditure so that the employer's contributions towards the plan reflect the underlying age-adjusted, retiree benefit costs. Non-employer contributions consist of an annual appropriation by the General Assembly and the statutorily required transfer from PEBA – Insurance Benefits reserves. However, due to the COVID-19 pandemic and the impact it has had on the PEBA – Insurance Benefits reserves, the General Assembly has indefinitely suspended the statutorily required transfer until further notice. The SCRHITF is also funded through investment income. For the year ended June 30, 2026, the District contributed $1,023,375 to the 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.

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

Actuarial Assumptions and Methods

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

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

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NOTE 7. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Actuarial Assumptions and Methods (Continued)

Additional information as of the latest actuarial valuation for SCRHITF:

Valuation Date:	June 30, 2024
Actuarial Cost Method:	Individual – Age Normal
Inflation:	2.25%
Investment Rate of Return:	2.75% net of OPEB Plan investment expense; including inflation
Single Discount Rate:	5.05% as of June 30, 2025 (measurement date)
Demographic Assumptions:	Based on the experience study performed for the South Carolina Retirement Systems for the 5-year period ending June 30, 2019.
Mortality:	For healthy retirees, the gender-distinct South Carolina Retirees 2020 Mortality Tables are used with fully generational mortality projections based on a fully generational basis by the 80% of ultimate rates of Scale MP-2019 to account for future mortality improvements.
Health Care Trend Rate:	Initial trend starting at 6.80% and gradually decreasing to an ultimate trend rate of 4.25% over a period of 14 years.
Aging Factors:	Based on plan specific experience.
Retiree Participation:	75% for retirees who are eligible for funded premiums. 60% participation for retirees who are eligible for partial funded premiums. 20% participation for retirees who are eligible for non-funded premiums.
Notes:	There were no benefit changes during the year. The discount rate changed from 3.97% as of June 30, 2024 measurement date, to 5.05% as of June 30, 2025 measurement date.

Roll Forward Disclosure

The actuarial valuation was performed as of June 30, 2024. Update procedures were used to roll forward the total OPEB liability to June 30, 2025 (measurement date used for the District's reporting as of June 30, 2026).

Net OPEB Liability

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

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NOTE 7. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Net OPEB Liability (Continued)

At June 30, 2026, the District reported a liability for its proportionate share of the net OPEB liability of $26,764,321 for the SCRHITF. The net OPEB liability was measured as of June 30, 2025. The District's proportion of the net OPEB liability was based on contributions to SCRHITF during the fiscal year ended June 30, 2025. At June 30, 2025, the District's proportion of the total net OPEB liability was 0.177034%, which was a decrease of 0.0012332% from its proportion measured as of June 30, 2023. The plan's fiduciary net position as a percentage of total OPEB liability was 11.33% as of June 30, 2025.

Single Discount Rate

The Single Discount Rate of 5.05% was used to measure the total OPEB liability for the SCRHITF. The accounting policy for this plan is to set the Single Discount Rate equal to the prevailing municipal bond rate. Due to the plan's investment and funding policies, the difference between a blended discount rate and the municipal bond rate would be less than several basis points (several hundredths of one percent).

Long-term Expected Rate of Return

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

South Carolina Retiree Health Insurance Trust Fund

Asset Class	Target Asset Allocation	Expected Arithmetic Real Rate of Return	Weighted Long-Term Expected Real Rate of Return
U.S. Domestic Fixed Income	80.00%	0.95%	0.76%
Cash	20.00%	0.35%	0.07%
Total	100.00%		0.83%
		Total expected weighted real return	0.83%
		Inflation for actuarial purposes	2.25%
		Total expected nominal return	3.08%
		Investment return assumption	2.75%

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NOTE 7. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Sensitivity Analysis

The following table presents the SCRHITF's net OPEB liability calculated using a Single Discount Rate of 5.05%, as well as what the plan's net OPEB liability would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

South Carolina Retiree Health Insurance Insurance Trust Fund
Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

Fiscal Year	1% Decrease (4.05%)	Current Discount Rate (5.05%)	1% Increase (6.05%)
2025	$ 31,357,737	$ 26,764,321	$ 23,144,754

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

South Carolina Retiree Health Insurance Insurance Trust Fund
Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate

Fiscal Year	1% Decrease	Current Healthcare Cost Trend Rates	1% Increase
2025	$ 22,406,598	$ 26,764,321	$ 32,430,164

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NOTE 7. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

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

For the year ended June 30, 2026, the District recognized OPEB expense of $77,797. On June 30, 2026, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

South Carolina Retiree Health Insurance Trust Fund	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 2,137,474	$ 3,167,563
Changes of assumptions	4,195,142	7,566,786
Net difference between projected and actual earnings on pension plan investments	-	29,140
Changes in proportion and differences between employer contributions and proportionate share of contributions	722,693	6,141,523
Employer contributions subsequent to the measurement date	1,023,375	-
Total	$ 8,078,684	$ 16,905,012

District contributions subsequent to the measurement date of $1,023,375 will be recognized as a reduction of the net OPEB liability in the next fiscal year, June 30, 2027.

As of June 30, 2026, other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	SCRHITF
Year ending June 30	
2027	$ (2,039,098)
2028	(2,438,516)
2029	(3,014,222)
2030	(1,194,197)
2031	(687,154)
Thereafter	(476,516)
	$ (9,849,703)

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NOTE 8. INTERFUND TRANSFERS

The interfund transfers during the year ended June 30, 2026, consisted of the following:

General Fund

Transfers from	Amount	Transfers to	Amount
Education Improvement Act Fund	$ 3,009,833	Special Projects Fund	$ 49,322
Food Service Fund	164,762		-
Special Projects Fund	127,401		-
	3,301,996		49,322

Food Service Fund

Transfers from	Amount	Transfers to	Amount
	-	General Fund	164,762

Education Improvement Act Fund

Transfers from	Amount	Transfers to	Amount
	-	General Fund	3,009,833

Special Projects Fund

Transfers from	Amount	Transfers to	Amount
General Fund	49,322	General Fund	127,401
Total	$ 3,351,318		$ 3,351,318

Descriptions of interfund transfers:

Special Revenue - Special Projects to General Fund – to transfer allowable indirect costs from grants.

Special Revenue - EIA to General Fund – to transfer amounts received for EIA Teacher Salary Increase and Fringe Benefits to the general fund where expenditures are recorded.

Special Revenue - Food Service to General Fund - to transfer allowable indirect costs and to fund the shortfall portion of fringe benefits.

General Fund to **Special Revenue - Special Projects** - to transfer funds to cover costs related to pupil activity.

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NOTE 9. INTERFUND RECEIVABLES AND PAYABLES

The composite of interfund balances as of June 30, 2026, is as follows:

Fund	Receivables	Payables
General Fund	$ -	$ 1,697,622
Special Projects Fund	507,987	-
EIA Fund	351,667	-
Food Service Fund	845,149	-
Capital Projects Fund	-	7,181
Total	$ 1,704,803	$ 1,704,803

Due to General Fund from Special Revenue Funds. The District participates in various federally funded projects, many of which operate on a cost reimbursement basis. That is, the expenditure must be incurred prior to submitting a claim for reimbursement. Accordingly, the District must temporarily provide funds for these project expenditures until such time as the related reimbursement from the grantor agency is received.

Due to General Fund from Capital Projects Fund. The General Fund records accounts payable at year-end on behalf of other funds such as the Capital Projects Fund. Although the expense has been recorded, the transfer of funds between funds has not taken place.

Due to Special Revenue – EIA and Food Service Funds from General Fund. The General Fund maintains co-mingled cash balances, some of which apply to unearned revenues or accumulated earnings belonging to other funds.

NOTE 10. RISK MANAGEMENT

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

The District 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 along with other school districts within the state are insured under the South Carolina School Board Insurance Trust, a public entity risk pool currently operating as a common risk management and insurance fund. The District pays annual premiums to the Insurance Trust for its general insurance coverage. The Insurance Trust is self-sustaining through member premiums and by purchases of commercial insurance coverage on a portion of its liabilities. There have been no significant reductions in insurance coverage for each of the past three years.

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NOTE 10. RISK MANAGEMENT (CONTINUED)

The District continues to carry insurance for other risks of loss including employee health, dental, group life, and accident insurance under the state of South Carolina. The state accumulates assets to cover risks that its members incur in their normal operations. Specifically, the state assumes substantially all of the risk for the above.

NOTE 11. COMMITMENTS AND CONTINGENCIES

Litigation. The District is party to various lawsuits arising out of the normal conduct of its operations. In the opinion of the District's management, the ultimate effect of these legal matters will not have a material adverse effect on the District's financial position.

The District, as a liable employer under the South Carolina Employment Security Law, has elected the reimbursement method for claims actually paid rather than the quarterly contribution method.

Grant Contingencies. The District participates in certain federal and state grant programs. These programs are subject to financial and compliance audits by the grantor or its representative. Such audits could lead to requests for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. Management believes disallowances, if any, will not be material.

Contractual Commitments. The District had the following outstanding contractual commitments on uncompleted projects at June 30, 2026:

Project	Expenditures to Date	Estimated Total Project	Estimated Total Project
Districtwide Renovations and improvements	$ 7,044,573	$ 10,774,573	$ 3,730,000
Gilbert construction- Stadium Upgrades	2,012,674	2,012,674	-
Digging Deep- Driveway Project	148,300	148,300	-
Signs	258,131	260,000	1,869
Modular	200,000	250,000	50,000
Johnson controls- Fire System district wide	792,603	1,000,000	207,397
Johnstone Supply	47,366	50,000	2,634
	$ 10,503,647	$ 14,495,547	$ 3,991,900

NOTE 12. LEGAL COMPLIANCE

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

NOTE 13. TAX ABATEMENTS

For the fiscal year ended June 30, 2026, District tax revenues were reduced by $1,011,314 as a result of agreements entered into by the County. Under these agreements, taxes were abated via Fee-in-Lieu of Tax and Special Source Revenue Credits.

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REQUIRED SUPPLEMENTARY INFORMATION

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STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2026

	Budget Original	Budget Final	Variance with Original Budget		Actual	Variance with Final Budget	
REVENUES							
Local	$ 9,701,438	$ 15,359,099	$ 5,657,661	(A)	$ 11,266,299	$ (4,092,800)	(E)
State	25,869,664	25,613,719	(255,945)		23,499,792	(2,113,927)	(F)
Federal	227,000	227,000	-		-	(227,000)	
Total revenues	35,798,102	41,199,818	5,401,716		34,766,091	(6,433,727)	
EXPENDITURES							
Current:							
Instruction	18,069,708	19,144,767	1,075,059	(B)	16,679,844	2,464,923	(G)
Support services	17,224,284	18,708,582	1,484,298	(C)	17,168,740	1,539,842	(H)
Intergovernmental	9,490	9,490	-		2,255	7,235	
Debt service:							
Principal	158,708	174,098	15,390		137,040	37,058	
Interest	52,018	36,629	(15,389)		25,352	11,277	
Capital outlay	22,516	3,047,435	3,024,919	(D)	1,206,250	1,841,185	(I)
Total expenditures	35,536,724	41,121,001	5,584,277		35,219,481	5,901,520	
Deficiency of revenues under expenditures	261,378	78,817	(182,561)		(453,390)	(532,207)	
OTHER FINANCING SOURCES (USES)							
Transfers in	-	-	-		3,301,996	3,301,996	(F)
Transfers out	(69,466)	(69,466)	-		(49,322)	20,144	
Total other financing sources, net	(69,466)	(69,466)	-		3,252,674	3,322,140	
Excess of revenues and other financing sources over expenditures and other financing uses	$ 191,912	$ 9,351	$ (182,561)		2,799,284	$ 2,789,933	
Fund balance, July 1, 2025					15,476,216		
Fund balance, June 30, 2026					$ 18,275,500		

(A) The district increased the local revenue for the general fund budget for projects approved by the Board.
(B) (C)The expenditure budget was increased for instruction and support services December bonuses for all employees and for contract services for special education and instructional programs.
(D) The capital outlay budget was increased for stadium upgrades.
(E) Local Budget was increased to include line items for projects approved by the Board to be funded from the district fund balance so no revenue was actually received.
(F) State Aid to Classroom was budget in the General fund instead of an EIA account and was then transferred from EIA instead of being recorded as a revenue.
(G) Instruction expenditures were less than budgeted due to less teachers being needed due to declining enrollment and the percentage increase for fringe benefits was not as high as budgeted resulting in less expense.
(H) Support Services expenditures were less than budgeted because of decreased administrative cost and the increase for fringe benefits was not as high as budgeted resulting in less expense. Also contracted services were less that budgeted due to
(I) The Capital outlay budget was increased to fund projects approved by the Board that was not needed since the Building Fund revenue was adequate to cover the expense.

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Florence County School District Three

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

South Carolina Retirement System

Plan Year Ended June 30,	District's proportion of the net pension liability	District's proportionate share of the net pension liability	District's covered payroll	District's share of the net pension liability as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2025	0.147200%	$ 31,808,384	$ 19,803,551	160.6%	66.2%
2024	0.157354%	36,943,001	21,117,822	174.9%	61.8%
2023	0.177719%	42,967,824	21,970,573	195.6%	58.6%
2022	0.173742%	42,118,915	20,737,894	203.1%	57.1%
2021	0.181740%	39,330,917	20,317,673	193.6%	60.7%
2020	0.175486%	44,839,890	19,338,265	231.9%	50.7%
2019	0.187136%	42,730,842	20,192,088	211.6%	54.4%
2018	0.193641%	43,388,801	21,283,332	203.9%	54.1%
2017	0.209466%	47,154,165	22,159,512	214.0%	53.3%
2016	0.220270%	47,112,786	21,174,257	199.2%	52.9%

South Carolina Police Officers Retirement System

Plan Year Ended June 30,	District's proportion of the net pension liability	District's proportionate share of the net pension liability	District's covered payroll	District's share of the net pension liability as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2025	0.00000%	$ 3,081	$ 2,490	123.7%	74.5%
2024	0.00017%	5,015	3,298	152.1%	70.5%
2023	0.00027%	8,301	4,778	173.7%	67.8%
2022	0.00019%	5,605	2,958	189.5%	66.4%
2021	0.00000%	-	-	0.0%	70.7%
2020	0.00000%	-	-	0.0%	58.8%
2019	0.00032%	9,225	-	0.0%	62.7%
2018	0.00073%	20,690	2,908	711.5%	61.7%
2017	0.00000%	-	-	0.0%	60.9%
2016	0.00000%	-	-	0.0%	60.4%

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

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Florence County School District Three

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

South Carolina Retirement System

Fiscal Year Ended June 30,	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	District's covered payroll	Contributions as a percentage of covered payroll
2026	$ 3,675,539	$ 3,675,539	$ -	$ 19,803,551	18.56%
2025	3,919,468	3,919,468	-	21,117,822	18.56%
2024	3,858,033	3,858,033	-	21,970,573	17.56%
2023	3,350,898	3,350,898	-	20,737,894	16.16%
2022	3,161,430	3,161,430	-	20,317,673	15.56%
2021	2,980,028	2,980,028	-	19,338,265	15.41%
2020	2,691,837	2,691,837	-	20,192,088	13.34%
2019	2,434,667	2,434,667	-	21,283,332	11.44%
2018	2,409,820	2,409,820	-	22,159,512	10.87%
2017	2,201,179	2,201,179	-	21,174,257	10.40%

South Carolina Police Officers Retirement System

Fiscal Year Ended June 30,	Actuarially required contribution	Contributions in relation to the actuarially required contribution	Contribution deficiency (excess)	District's covered payroll	Contributions as a percentage of covered payroll
2026	$ 355	$ 355	$ -	$ 1,679	21.14%
2025	529	529	-	2,490	21.24%
2024	700	700	-	3,298	21.22%
2023	967	967	-	4,778	20.24%
2022	565	565	-	2,958	19.10%
2021	-	-	-	-	0.00%
2020	-	-	-	-	0.00%
2019	786	786	-	-	0.00%
2018	-	-	-	2,908	0.00%
2017	-	-	-	-	0.00%

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

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

South Carolina Retiree Health Insurance Trust Fund					
Plan Year Ended June 30,	District's proportion of the net OPEB liability	District's proportionate share of the net OPEB liability	District's covered payroll	District's share of the net OPEB liability as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total OPEB liability
2025	0.177034%	$ 26,764,321	21,829,181	122.6%	11.33%
2024	0.189366%	30,529,212	21,848,393	139.7%	9.91%
2023	0.216236%	28,308,506	22,663,735	124.9%	11.24%
2022	0.212533%	32,330,182	20,892,850	154.7%	9.64%
2021	0.221671%	46,158,954	20,317,673	227.2%	9.64%
2020	0.213622%	38,561,861	19,338,265	199.4%	7.48%
2019	0.227642%	34,422,941	20,194,996	170.5%	8.39%
2018	0.234146%	33,179,858	21,283,332	155.9%	8.44%
2017	0.252386%	34,185,270	22,159,512	154.3%	7.60%

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

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

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

South Carolina Retiree Health Insurance Trust Fund					
Fiscal Year Ended June 30,	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	District's covered payroll	Contributions as a percentage of covered payroll
2026	$ 1,023,375	$ 1,023,375	$ -	$ 20,478,068	5.00%
2025	1,181,294	1,181,294	-	21,829,181	5.41%
2024	1,387,436	1,387,436	-	21,848,393	6.35%
2023	1,436,648	1,436,648	-	22,663,735	6.34%
2022	1,312,800	1,312,800	-	20,892,850	6.28%
2021	1,292,034	1,292,034	-	20,317,673	6.36%
2020	1,140,978	1,140,978	-	19,338,265	5.90%
2019	1,110,725	1,110,725	-	20,194,996	5.50%
2018	1,134,402	1,134,402	-	21,283,332	5.33%

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

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

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OTHER SUPPLEMENTARY INFORMATION

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GENERAL FUND

The General Fund, also referred to as the "operating fund", is the basic budgetary fund of the District. It is used to record all operating revenues and expenditures for the educational and support programs of the District and for limited capital outlays. The appropriations and the anticipated revenue sources originate in the District's operating budget. Any unassigned fund balance may be appropriated to support operating expenditures in subsequent years.

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DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2026

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
1000 Revenue from Local Sources				
1100 Taxes:				
1110 Ad Valorem Taxes - Including Delinquent (Independent)	$ 8,997,909	$ 9,012,563	$ 9,767,325	$ 754,762
1140 Penalties and Interest on Taxes (Independent)	11,740	11,740	18,479	6,739
1190 Other Taxes (Independent)	56,877	56,877	145,521	88,644
1200 Revenues from Local Governmental Units Other than LEAs:				
1280 Revenue in Lieu of Taxes	567,712	607,712	643,708	35,996
1300 Tuition:				
1310 Tuition from Patrons for Regular Day School	5,000	5,000	-	(5,000)
1320 From Other LEAs for Regular Day School	15,000	15,000	5,867	(9,133)
1500 Earnings on Investments:				
1510 Interest on Investments	18,500	68,500	560,220	491,720
1900 Other Revenues from Local Sources:				
1910 Rentals	3,000	3,000	78,623	75,623
1999 Revenue from Other Local Sources	25,700	5,578,707	46,556	(5,532,151)
Total Local Sources	9,701,438	15,359,099	11,266,299	(4,092,800)
3000 Revenue from State Sources				
3100 Restricted State Funding:				
3103 State Aid to Classrooms	17,867,635	17,560,597	14,778,120	(2,782,477)
3130 Special Programs				
3131 Handicapped Transportation	-	-	1,719	1,719
3160 School Bus Driver's Salary	246,129	246,129	448,688	202,559
3161 EAA Bus Driver Salary and Fringe	-	-	2,855	2,855
3162 Transportation Workers' Compensation	12,353	12,353	14,036	1,683
3180 Fringe Benefits Employer Contributions (No Carryover Provision)				
3181 Retiree Insurance (No Carryover Provision)	1,338,177	1,338,177	1,265,228	(72,949)
3800 State Revenue in Lieu of Taxes:				
3810 Reimbursement for Local Residential Property Tax Relief (Tier 1)	802,083	802,083	802,083	-
3820 Homestead Exemption (Tier 2)	429,027	429,027	429,027	-
3825 Reimbursement for Property Tax Relief (Tier 3)	3,620,995	3,620,995	3,563,829	(57,166)
3830 Merchant's Inventory Tax	94,239	94,239	94,239	-
3840 Manufacturers Depreciation Reimbursement	955,526	955,526	1,773,334	817,808
3890 Other State Property Tax Revenues	35,000	35,000	104,978	69,978
3800 State Revenue in Lieu of Taxes (Continued):				
3993 PEBA on Behalf	468,500	519,593	221,656	(297,937)
Total State Sources	25,869,664	25,613,719	23,499,792	(2,113,927)
4000 Revenue from Federal Sources				
4900 Federally Impacted Areas:				
4999 Revenues from Other Federal Sources	227,000	227,000	-	(227,000)
Total Federal Sources	227,000	227,000	-	(227,000)
Total Revenue All Sources	35,798,102	41,199,818	34,766,091	(6,433,727)
EXPENDITURES				
100 INSTRUCTION				
110 General Instruction				
111 Kindergarten Programs:				
100 Salaries	779,283	718,237	708,369	9,868
200 Employee Benefits	455,194	426,993	403,107	23,886
300 Purchased Services	3,377	91,497	147,453	(55,956)
400 Supplies and Materials	4,740	4,740	1,800	2,940
112 Primary Programs:				
100 Salaries	2,219,616	2,123,866	1,722,305	401,561
200 Employee Benefits	1,125,033	1,076,804	811,176	265,628
300 Purchased Services	30,798	229,367	228,313	1,054
400 Supplies and Materials	19,762	19,762	3,872	15,890

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DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2026

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
EXPENDITURES (CONTINUED)				
100 INSTRUCTION (CONTINUED)				
110 General Instruction (Continued)				
113 Elementary Programs:				
100 Salaries	$ 3,817,576	$ 3,766,576	$ 3,393,114	$ 373,462
200 Employee Benefits	1,877,818	1,853,662	1,597,930	255,732
300 Purchased Services	114,745	649,862	387,223	262,639
400 Supplies and Materials	46,612	50,031	7,151	42,880
114 High School Programs:				
100 Salaries	2,402,805	2,402,805	2,195,357	207,448
200 Employee Benefits	1,158,636	1,158,636	874,350	284,286
300 Purchased Services	66,433	216,168	165,653	50,515
400 Supplies and Materials	70,207	74,050	3,396	70,654
115 Career and Technology Education Programs:				
100 Salaries	423,028	423,028	528,572	(105,544)
200 Employee Benefits	229,864	229,864	288,297	(58,433)
300 Purchased Services	15,129	21,046	35,799	(14,753)
400 Supplies and Materials	12,064	76,358	14,708	61,650
600 Other Objects	11,000	10,395	3,226	7,169
118 Montessori Programs:				
100 Salaries	80,111	80,111	87,882	(7,771)
200 Employee Benefits	55,141	55,141	46,739	8,402
120 Exceptional Programs				
121 Educable Mentally Handicapped:				
100 Salaries	356,637	356,637	298,104	58,533
200 Employee Benefits	186,602	186,602	129,872	56,730
300 Purchased Services	1,217	132,910	171,778	(38,868)
400 Supplies and Materials	8,418	8,418	5,300	3,118
122 Trainable Mentally Handicapped:				
100 Salaries	267,604	267,604	290,760	(23,156)
200 Employee Benefits	116,550	116,550	129,909	(13,359)
400 Supplies and Materials	472	472	103	369
123 Orthopedically Handicapped:				
300 Purchased Services	-	45,642	44,301	1,341
125 Hearing Handicapped:				
300 Purchased Services	102,000	85,469	56,956	28,513
126 Speech Handicapped:				
100 Salaries	62,456	62,456	62,176	280
200 Employee Benefits	28,674	28,674	26,656	2,018
300 Purchased Services	98,193	99,636	91,915	7,721
127 Learning Disabilities:				
100 Salaries	579,288	579,288	537,560	41,728
200 Employee Benefits	280,449	280,449	237,150	43,299
300 Purchased Services	2,800	173,848	146,771	27,077
400 Supplies and Materials	10,670	10,670	5,833	4,837
600 Other Objects	1,100	1,100	-	1,100
128 Emotionally Handicapped:				
100 Salaries	58,931	58,931	58,931	-
200 Employee Benefits	26,462	26,462	26,339	123
130 Preschool Programs				
138 Preschool Handicapped Homebased (3- and 4-Yr.-Olds):				
100 Salaries	49,250	49,250	-	49,250
200 Employee Benefits	24,240	24,240	-	24,240
139 Early Childhood Programs:				
100 Salaries	30,320	30,320	29,819	501
200 Employee Benefits	24,398	24,398	16,383	8,015

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DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2026

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
EXPENDITURES (CONTINUED)				
100 INSTRUCTION (CONTINUED)				
140 Special Programs				
141 Gifted and Talented - Academic:				
100 Salaries	$ 54,785	$ 58,785	$ 54,785	$ 4,000
200 Employee Benefits	25,070	25,070	24,846	224
300 Purchased Services	3,843	3,843	-	3,843
400 Supplies and Materials	23,485	19,485	1,357	18,128
600 Other Objects	900	900	-	900
143 Advanced Placement:				
400 Supplies and Materials	1,000	1,000	-	1,000
145 Homebound:				
100 Salaries	30,000	30,000	1,223	28,777
200 Employee Benefits	9,746	9,746	308	9,438
300 Purchased Services	5,500	5,500	723	4,777
147 CDEP				
100 Salaries	30,550	30,550	62,726	(32,176)
200 Employee Benefits	21,583	21,583	72,808	(51,225)
300 Purchased Services	1,850	1,550	-	1,550
400 Supplies and Materials	5,900	5,900	-	5,900
600 Other Objects	400	400	-	400
148 Gifted and Talented - Artistic:				
300 Purchased Services	-	230	230	-
400 Supplies and Materials	4,000	3,770	-	3,770
149 Other Special Programs:				
300 Purchased Services	2,000	2,700	3,288	(588)
400 Supplies and Materials	2,000	2,000	-	2,000
160 Other Exceptional Programs				
161 Autism:				
100 Salaries	85,702	85,702	85,902	(200)
200 Employee Benefits	42,408	42,408	41,590	818
300 Purchased Services	11,823	13,160	99,945	(86,785)
162 Limited English Proficiency:				
100 Salaries	192,321	192,321	134,742	57,579
200 Employee Benefits	76,185	76,185	56,098	20,087
300 Purchased Services	1,000	1,000	502	498
400 Supplies and Materials	250	250	-	250
170 Summer School Programs				
172 Elementary Summer School:				
100 Salaries	2,560	2,560	-	2,560
200 Employee Benefits	3,459	3,459	-	3,459
173 High School Summer School:				
100 Salaries	-	-	446	(446)
200 Employee Benefits	-	-	149	(149)
175 Instructional Programs Beyond Regular School Day:				
100 Salaries	57,456	57,456	7,099	50,357
200 Employee Benefits	16,748	16,748	2,003	14,745
300 Purchased Services	2,177	2,177	-	2,177
180 Adult/Continuing Education Programs				
181 Adult Basic Education Programs:				
200 Employee Benefits	450	450	-	450
188 Parenting/Family Literacy:				
100 Salaries	7,000	7,000	5,000	2,000
200 Employee Benefits	1,679	1,679	1,666	13
300 Purchased Services	3,012	3,012	-	3,012
400 Supplies and Materials	6,163	6,163	-	6,163
600 Other Objects	600	600	-	600

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DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2026

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
EXPENDITURES (CONTINUED)				
100 INSTRUCTION (CONTINUED)				
190 Instructional Pupil Activity:				
400 Supplies and Materials	$ 400	$ 400	$ -	$ 400
Total Current Expenditures	18,069,708	19,144,767	16,679,844	2,464,923
Total Capital Outlay	-	-	-	-
Total Instruction	18,069,708	19,144,767	16,679,844	2,464,923
200 SUPPORT SERVICES				
210 Pupil Services				
211 Attendance and Social Work Services:				
100 Salaries	239,341	239,341	203,525	35,816
200 Employee Benefits	132,234	132,234	107,367	24,867
300 Purchased Services	11,000	11,000	5,811	5,189
400 Supplies and Materials	500	500	-	500
212 Guidance Services:				
100 Salaries	752,977	752,977	744,236	8,741
200 Employee Benefits	340,202	340,202	332,090	8,112
300 Purchased Services	10,000	10,095	2,273	7,822
400 Supplies and Materials	6,250	5,755	480	5,275
213 Health Services:				
100 Salaries	600,127	600,127	553,974	46,153
200 Employee Benefits	331,496	331,496	306,718	24,778
300 Purchased Services	2,750	2,750	1,179	1,571
400 Supplies and Materials	8,960	8,960	3,606	5,354
214 Psychological Services:				
100 Salaries	128,151	122,151	70,196	51,955
200 Employee Benefits	57,409	57,409	30,044	27,365
300 Purchased Services	10,670	119,320	109,518	9,802
400 Supplies and Materials	1,200	1,200	-	1,200
217 Career Specialist Services:				
100 Salaries	30,247	30,247	30,247	-
200 Employee Benefits	16,831	16,831	16,777	54
300 Purchased Services	-	706	799	(93)
220 Instructional Staff Services				
221 Improvement of Instruction - Curriculum Development:				
100 Salaries	775,342	687,908	644,552	43,356
200 Employee Benefits	346,479	309,419	298,241	11,178
300 Purchased Services	251,445	256,260	204,929	51,331
400 Supplies and Materials	46,421	46,421	6,065	40,356
222 Library and Media Services:				
100 Salaries	508,470	509,520	461,110	48,410
200 Employee Benefits	232,293	232,293	218,125	14,168
300 Purchased Services	25,141	25,287	14,423	10,864
400 Supplies and Materials	31,698	31,698	4,740	26,958
600 Other Objects	3,225	3,225	-	3,225
223 Supervision of Special Programs:				
100 Salaries	155,421	157,501	150,980	6,521
200 Employee Benefits	62,194	62,194	60,142	2,052
300 Purchased Services	10,100	11,620	9,780	1,840
400 Supplies and Materials	40	40	-	40
224 Improvement of Instruction - Inservice and Staff Training				
100 Salaries	7,500	10,700	-	10,700
200 Employee Benefits	3,148	3,148	-	3,148
300 Purchased Services	7,351	14,151	50	14,101
400 Supplies and Materials	11,100	7,500	1,284	6,216
600 Other Objects	-	-	-	-

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DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2026

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
EXPENDITURES (CONTINUED)				
100 INSTRUCTION (CONTINUED)				
230 General Administration Services				
231 Board of Education:				
100 Salaries	$ 16,200	$ 1,111,723	$ 1,044,332	$ 67,391
200 Employee Benefits	1,700	103,972	91,248	12,724
300 Purchased Services	86,100	87,600	-	87,600
318 Audit Services	43,650	45,650	101,409	(55,759)
400 Supplies and Materials	2,927	2,927	561	2,366
600 Other Objects	36,874	36,874	24,942	11,932
232 Office of the Superintendent:				
100 Salaries	168,721	168,721	319,766	(151,045)
200 Employee Benefits	89,396	89,396	146,302	(56,906)
300 Purchased Services	44,596	44,696	33,035	11,661
400 Supplies and Materials	27,080	26,580	6,514	20,066
600 Other Objects	65,985	65,985	32,502	33,483
233 School Administration:				
100 Salaries	2,320,458	2,320,458	2,087,672	232,786
140 Terminal Leave	-	-	4,500	(4,500)
200 Employee Benefits	1,061,388	1,061,388	976,727	84,661
300 Purchased Services	129,079	129,079	115,906	13,173
400 Supplies and Materials	14,244	14,244	831	13,413
600 Other Objects	7,451	7,451	1,078	6,373
250 Finance and Operations Services				
252 Fiscal Services:				
100 Salaries	316,819	284,019	278,269	5,750
200 Employee Benefits	268,002	268,002	152,647	115,355
300 Purchased Services	62,896	100,396	99,397	999
400 Supplies and Materials	11,500	11,500	3,696	7,804
600 Other Objects	8,296	3,296	1,958	1,338
253 Facilities Acquisition and Construction:				
500 Capital Outlay				
520 Construction Services	-	3,007,300	1,198,388	1,808,912
600 Other Objects	2,779	2,779	5,500	(2,721)
254 Operation and Maintenance of Plant:				
100 Salaries	750,936	750,936	758,415	(7,479)
200 Employee Benefits	406,399	406,399	413,349	(6,950)
300 Purchased Services	1,661,902	1,962,223	1,611,526	350,697
400 Supplies and Materials	1,159,495	1,135,742	1,116,029	19,713
500 Capital Outlay	17,996	17,996	7,862	10,134
600 Other Objects	178,123	178,123	172,172	5,951
255 Student Transportation (State Mandated):				
100 Salaries	383,290	383,290	517,369	(134,079)
200 Employee Benefits	217,879	217,879	268,429	(50,550)
300 Purchased Services	20,403	20,403	1,864	18,539
400 Supplies and Materials	3,500	3,500	3,822	(322)
600 Other Objects	20	20	-	20
256 Food Services:				
100 Salaries	400	400	200	200
200 Employee Benefits	719,143	719,143	539,726	179,417
257 Internal Services:				
400 Supplies and Materials	150	150	-	150
258 Security:				
100 Salaries	37,633	37,633	50,093	(12,460)
200 Employee Benefits	12,218	12,218	16,481	(4,263)
300 Purchased Services	205,580	224,773	223,531	1,242
400 Supplies and Materials	21,907	9,407	9,407	-
260 Central Support Services				
262 Planning:				
300 Purchased Services	1,200	1,200	-	1,200

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DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2026

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
EXPENDITURES (CONTINUED)				
100 INSTRUCTION (CONTINUED)				
260 Central Support Services (Continued)				
263 Information Services:				
100 Salaries	$ 35,750	$ 35,750	$ 33,942	$ 1,808
200 Employee Benefits	22,825	22,825	23,344	(519)
300 Purchased Services	4,237	4,237	1,604	2,633
400 Supplies and Materials	2,117	1,792	1,237	555
600 Other Objects	30	355	265	90
264 Staff Services:				
100 Salaries	224,274	224,274	210,685	13,589
200 Employee Benefits	145,770	145,770	99,210	46,560
300 Purchased Services	26,420	39,445	38,066	1,379
400 Supplies and Materials	11,386	8,652	7,972	680
600 Other Objects	11,378	12,620	9,600	3,020
266 Technology and Data Processing Services:				
100 Salaries	227,502	227,502	230,502	(3,000)
200 Employee Benefits	138,398	138,398	110,411	27,987
300 Purchased Services	185,333	175,984	145,023	30,961
400 Supplies and Materials	33,938	35,487	28,782	6,705
500 Capital Outlay	4,520	22,139	-	22,139
270 Support Services Pupil Activity				
271 Pupil Services Activities:				
100 Salaries	237,335	237,335	276,026	(38,691)
200 Employee Benefits	63,145	63,145	85,001	(21,856)
300 Purchased Services	37,271	37,271	35,977	1,294
400 Supplies and Materials	71,661	71,661	1,730	69,931
600 Other Objects	21,482	23,718	4,897	18,821
Total Expenditures, Excluding Capital Outlay	17,224,284	18,708,582	17,168,740	1,539,842
Total Capital Outlay	22,516	3,047,435	1,206,250	1,841,185
Total Support Services	17,246,800	21,756,017	18,374,990	3,381,027
400 OTHER CHARGES				
410 Intergovernmental Expenditures				
412 Payments to Other Governmental Units	9,490	9,490	2,255	7,235
Total Intergovernmental Expenditures	9,490	9,490	2,255	7,235
500 DEBT SERVICE				
610 Redemption	158,708	174,098	137,040	37,058
620 Interest	52,018	36,629	25,352	11,277
Total Debt Service	210,726	210,727	162,392	48,335
Total Expenditures	35,536,724	41,121,001	35,219,481	5,901,520
OTHER FINANCING SOURCES (USES)				
Interfund Transfers, From (To) Other Funds:				
5230 Transfer from Special Revenue EIA Fund	-	-	3,009,833	3,009,833
5260 Transfer from Food Service Fund (Excludes Indirect Cost)	-	-	164,762	164,762
5280 Transfer from Other Funds Indirect Cost	-	-	127,401	127,401
421-710 Transfer to Special Revenue Fund	(69,466)	(69,466)	(49,322)	20,144
Total Other Financing Sources	(69,466)	(69,466)	3,252,674	3,322,140
Excess of Revenues Over Expenditures	$ 191,912	$ 9,351	$ 2,799,284	$ 2,789,933
Fund Balance, July 1, 2025			15,476,216	
Fund Balance, June 30, 2026			$ 18,275,500	

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SPECIAL REVENUE FUND – SPECIAL PROJECTS

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

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

Purpose of Special Revenue Subfunds:

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

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

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

Drug Free. The purpose of these funds is to assist districts in establishing, operating or improving local programs of drug and violence prevention. Guidelines are set by the Federal Government.

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

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

Pupil Activity Fund. The purpose of these funds is to account for receipts and disbursements of student group and the operation of school functions directly supported by students.

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COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - SPECIAL REVENUE FUND - SPECIAL PROJECTS FUND
YEAR ENDED JUNE 30, 2026

	Title I	IDEA	Preschool Handicapped	CATE	Adult Education	Other Restricted State Grants	*Other Special Revenue Programs	Student Activity	Total
REVENUES									
1000 Revenue from Local Sources									
1700 Pupil Activities:									
1710 Admissions	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 182,052	$ 182,052
1730 Pupil Organization Membership	-	-	-	-	-	-	-	59,718	59,718
1740 Student Fees	-	-	-	-	-	-	-	5,569	5,569
1790 Other	-	-	-	-	-	-	5,000	434,554	439,554
1900 Other Revenue from Local Sources:									
1920 Contributions and Donations Private Sources	-	-	-	-	-	-	10,000	1,190	11,190
1930 Medicaid	-	-	-	-	-	-	87,204	-	87,204
1999 Revenue from Other Local Sources	-	-	-	-	-	-	461,306	3,000	464,306
Total Local Sources	-	-	-	-	-	-	563,510	686,083	1,249,593
2000 Revenue from Intergovernmental Sources									
2300 Payments from Non-profit Entities	-	-	-	-	-	-	20,260	-	20,260
Total Intergovernmental Sources	-	-	-	-	-	-	20,260	-	20,260
3000 Revenue from State Sources									
3130 Special Programs:									
3134 Child Development Education Pilot	-	-	-	-	-	7,423	-	-	7,423
3135 Reading Coaches	-	-	-	-	-	213,836	-	-	213,836
3156 Adult Education	-	-	-	-	-	3,762	-	-	3,762
3171 Consolidation and Capital Improvement	-	-	-	-	-	553,266	-	-	553,266
3187 Teacher Supply	-	-	-	-		800	-	-	800
3600 Education Lottery Act Revenue:									
3670 School Safety - Facility and Infrastructure Safety Upgrades	-	-	-	-	-	425,500	-	-	425,500
3900 Other State Revenue									
3999 Revenue from Other State Sources	-	-	-	-	-	-	5,284	-	5,284
Total State Sources	-	-	-	-	-	1,204,587	5,284	-	1,209,871
4000 Revenue from Federal Sources									
4200 Occupational Education:									
4210 Perkins Aid, Title I	-	-	-	70,314	-	-	-	-	70,314
4300 Elementary and Secondary Education Act:									
4310 Title I	1,443,687	-	-	-	-	-	116,962	-	1,560,649
4312 Rural and Low Income, Title VI	-	-	-	-	-	-	75,542	-	75,542
4341 Language Instruction for Limited English Proficient and Immigrant Students	-	-	-	-	-	-	16,691	-	16,691
4351 Improving Teacher Quality	-	-	-	-	-	-	192,352	-	192,352
4400 Adult Education:	-	-	-	-	-	-			
4410 Basic	-	-	-	-	62,965	-	-	-	62,965
4500 Programs for Children with Disabilities:									
4510 IDEA	-	1,345,590	-	-	-	-	2,708	-	1,348,298
4520 Preschool	-	-	31,660	-	-	-	-	-	31,660
4900 Other Federal Sources:									
4924 21st Century Community Learning Centers	-	-	-	-	-	-	170,415	-	170,415
4939 Stronger Connections	-	-	-	-	-	-	473,070	-	473,070
4997 Title IV - SSAE	-	-	-	-	-	-	77,198	-	77,198
4999 Revenue from Other Federal Sources	-	-	-	-	-	-	581,640	-	581,640
Total Federal Sources	1,443,687	1,345,590	31,660	70,314	62,965	-	1,706,578	-	4,660,794
Total Revenue All Sources	1,443,687	1,345,590	31,660	70,314	62,965	1,204,587	2,295,632	686,083	7,140,518

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COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - SPECIAL REVENUE FUND - SPECIAL PROJECTS FUND
YEAR ENDED JUNE 30, 2026

	Title I	IDEA	Preschool Handicapped	CATE	Adult Education	Other Restricted State Grants	*Other Special Revenue Programs	Student Activity	Total
EXPENDITURES									
100 INSTRUCTION									
110 General Instruction									
111 Kindergarten Programs:									
100 Salaries	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,500	$ -	$ 2,500
200 Employee Benefits	-	-	-	-	-	-	834	-	834
400 Supplies and Materials	4,829	-	-	-	-	-	-	-	4,829
112 Primary Programs:									
100 Salaries	158,885	-	-	-	-	-	96,537	-	255,422
200 Employee Benefits	55,208	-	-	-	-	-	49,766	-	104,974
400 Supplies and Materials	49,027	-	-	-	-	-	2,652	-	51,679
113 Elementary Programs:									
100 Salaries	167,331	-	-	-	-	-	51,470	-	218,801
200 Employee Benefits	87,735	-	-	-	-	-	23,775	-	111,510
300 Purchased Services	22,474	-	-	-	-	-	53,971	-	76,445
400 Supplies and Materials	53,799	-	-	-	-	-	169,449	-	223,248
114 High School Programs:									
100 Salaries	93,558	-	-	-	-	-	42,212	-	135,770
200 Employee Benefits	20,006	-	-	-	-	-	14,660	-	34,666
300 Purchased Services	1,616	-	-	-	-	-	141,605	-	143,221
400 Supplies and Materials	50,755	-	-	-	-	800	57,115	-	108,670
115 Vocational Programs:									
100 Salaries	-	-	-	-	-	-	84,884	-	84,884
300 Purchased Services	-	-	-	20,000	-	-	-	-	20,000
400 Supplies and Materials	-	-	-	27,377	-	-	-	-	27,377
120 Exceptional Programs									
121 Educable Mentally Handicapped:									
100 Salaries	-	102,583	-	-	-	-	-	-	102,583
200 Employee Benefits	-	58,130	-	-	-	-	-	-	58,130
400 Supplies and Materials	-	-	-	-	-	-	609	-	609
122 Trainable Mentally Handicapped:									
100 Salaries	-	32,652	13,328	-	-	-	-	-	45,980
200 Employee Benefits	-	17,481	11,096	-	-	-	-	-	28,577
600 Other Objects	-	-	-	-	-	-	766	-	766
123 Orthopedically Handicapped:									
300 Purchased Services	-	79,667	-	-	-	-	-	-	79,667
125 Hearing Handicapped:									
300 Purchased Services	-	-	-	-	-	-	11,672	-	11,672
126 Speech Handicapped:									
300 Purchased Services	-	121,947	-	-	-	-	-	-	121,947
127 Learning Disabilities:									
100 Salaries	-	100,212	-	-	-	-	13,549	-	113,761
200 Employee Benefits	-	52,652	-	-	-	-	4,694	-	57,346
130 Preschool Handicapped Programs									
138 Preschool Handicapped Homebased (3 and 4 Year Olds):									
100 Salaries	-	17,249	-	-	-	-	-	-	17,249
200 Employee Benefits	-	5,748	-	-	-	-	-	-	5,748
300 Employee Benefits	-	-	416	-	-	-	-	-	416
400 Supplies and Materials	-	-	1,825	-	-	-	-	-	1,825

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COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - SPECIAL REVENUE FUND - SPECIAL PROJECTS FUND
YEAR ENDED JUNE 30, 2026

	Title I	IDEA	Preschool Handicapped	CATE	Adult Education	Other Restricted State Grants	*Other Special Revenue Programs	Student Activity	Total
EXPENDITURES (CONTINUED)									
100 INSTRUCTION (CONTINUED)									
140 Special Programs									
147 CDEPP									
100 Salaries	$ -	$ -	$ -	$ -	$ -	$ 5,500	$ -	$ -	$ 5,500
200 Employee Benefits	-	-	-	-	-	1,923	-	-	1,923
400 Supplies and Materials	-	-	-	-	-	-	997	-	997
149 Other Special Programs									
300 Purchased Services	-	13,055	-	-	-	-	-	-	13,055
400 Supplies and Materials	-	1,930	-	-	-	-	-	-	1,930
160 Other Exceptional Programs									
161 Autism:									
100 Salaries	-	-	-	-	-	-	840	-	840
200 Employee Benefits	-	-	-	-	-	-	280	-	280
300 Purchased Services	-	32,997	3,992	-	-	-	-	-	36,989
163 Limited English Proficiency:									
100 Salaries	-	120,006	-	-	-	-	-	-	120,006
200 Employee Benefits	-	44,090	-	-	-	-	-	-	44,090
300 Purchased Services	-	32,621	-	-		-	-	-	32,621
400 Supplies and Materials	-	96,687	-	-	-	-	-	-	96,687
170 Summer School Programs									
172 Elementary Summer School:									
100 Salaries	44,272	-	-	-	-	-	35,859	-	80,131
200 Employee Benefits	13,385	-	-	-	-	-	11,208	-	24,593
400 Supplies and Materials	5,293	-	-	-	-	-	-	-	5,293
173 High School Summer School:									
100 Salaries	15,382	-	-	3,390	-	-	1,500	-	20,272
200 Employee Benefits	3,830	-	-	1,123	-	-	498	-	5,451
400 Supplies and Materials	150	-	-	-	-	-	3,000	-	3,150
175 Instructional Programs Beyond Regular School Day									
100 Salaries	20,814	-	-	-	-	-	182,416	-	203,230
200 Employee Benefits	4,507	-	-	-	-	-	58,302	-	62,809
300 Purchased Services	-	-	-	-	-	-	2,500	-	2,500
400 Supplies and Materials	469	-	-	-	-	-	15,437	-	15,906
180 Adult/Continuing Educational Programs									
181 Adult Basic:									
100 Salaries	-	-	-	-	43,935	-	2,013	-	45,948
200 Employee Benefits	-	-	-	-	14,641	-	672	-	15,313
400 Supplies and Materials	-	-	-	-	-	-	19,679	-	19,679
188 Parenting/Family Literacy:									
100 Salaries	31,154	-	-	-	-	-	8,958	-	40,112
200 Employee Benefits	10,296	-	-	-	-	-	2,958	-	13,254
300 Purchased Services	5,929	-	-	-	-	-	2,995	-	8,924
400 Supplies and Materials	36,492	-	-	-	4,389	-	9,207	-	50,088
190 Instructional Pupil Activity:									
600 Other Objects	-	-	-	-	-	-		40,587	40,587
Total Expenditures, Excluding Capital Outlay	957,196	929,707	30,657	51,890	62,965	8,223	1,182,039	40,587	3,263,264
Total Capital Outlay	-	-	-	-	-	-	-	-	-
Total Instruction	957,196	929,707	30,657	51,890	62,965	8,223	1,182,039	40,587	3,263,264

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COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - SPECIAL REVENUE FUND - SPECIAL PROJECTS FUND
YEAR ENDED JUNE 30, 2026

	Title I	IDEA	Preschool Handicapped	CATE	Adult Education	Other Restricted State Grants	*Other Special Revenue Programs	Student Activity	Total
EXPENDITURES (CONTINUED)									
200 SUPPORTING SERVICES									
210 Pupil Services									
210 Support									
100 Salaries	$ -	$ -	$ -	$ -	$ -	$ -	$ 20,000	$ -	$ 20,000
200 Employee Benefits	-	-	-	-	-	-	15,000	-	15,000
211 Attendance and Social Work Services:									
100 Salaries	19,446	-	-	-	-	-	61,953	-	81,399
200 Employee Benefits	12,618	-	-	-	-	-	38,641	-	51,259
300 Purchased Services	-	-	-	-	-	-	84,988	-	84,988
400 Supplies and Materials	6,044	-	-	-	-	-	11,580	-	17,624
600 Other Objects	21,688	-	-	-	-	-	-	-	21,688
213 Health:									
300 Purchased Services	-	-	-	-	-	-	28,068	-	28,068
214 Psychological:									
100 Salaries	-	78,717	-	-	-	-	-	-	78,717
200 Employee Benefits	-	43,829	-	-	-	-	-	-	43,829
300 Purchased Services	-	73,756	-	-	-	-	-	-	73,756
400 Supplies and Materials	-	730	-	-	-	-	-	-	730
220 Instructional Staff Services									
221 Improvement of Instruction:									
100 Salaries	60,177	-	-	-	-	146,018	75,000	-	281,195
200 Employee Benefits	28,709	-	-	-	-	67,817	24,993	-	121,519
300 Purchased Services	-	-	-	-	-	-	129,446	-	129,446
223 Supervision of Special Programs:									
100 Salaries	99,697	124,159	-	-	-	1,441	4,793	-	230,090
200 Employee Benefits	43,339	48,544	-	-	-	2,321	2,181	-	96,385
300 Purchased Services	5,262	135	-	-	-	-	598	-	5,995
400 Supplies and Materials	1,000	3,405	-	-	-	-	849	-	5,254
224 Improvement of Instruction-In-Service and Staff Training:									
100 Salaries	-	-	-	-	-	-	33,000	-	33,000
200 Employee Benefits	-	-	-	-	-	-	10,792	-	10,792
300 Purchased Services	68,953	-	-	18,424	-	-	138,289	-	225,666
400 Supplies and Materials	9,284	-	-	-	-	-	10,169	-	19,453
250 Finance and Operations Services									
251 Student Transportation:									
300 Purchased Services	34,500	-	-	-	-	-	22,808	-	57,308
253 Facilities Acquisition and Construction:									
500 Capital Outlay									
520 Construction Services	-	-	-	-	-	885,613	-	-	885,613
545 Software	-	-	-	-	-	-	90,261	-	90,261
254 Operations and Maintenance of Plant:									
300 Purchased Services	13,645	-	-	-	-	-	-	-	13,645
400 Supplies and Materials	-	-	-	-	-	-	12,004	-	12,004
255 Student Transportation:									
100 Salaries	-	-	-	-	-	-	1,418	-	1,418
260 Central Support Services									
264 Staff Services:									
300 Purchased Services	-	-	-	-	-	-	43,536	-	43,536
400 Supplies and Materials	-	-	-	-	-	-	10,104	-	10,104
266 Technology and Data Processing Services:									
300 Purchased Services	7,611	-	-	-	-	-	-	-	7,611
400 Supplies and Materials	-	-	-	-	-	93,154	-	-	93,154

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COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - SPECIAL REVENUE FUND - SPECIAL PROJECTS FUND
YEAR ENDED JUNE 30, 2026

	Title I	IDEA	Preschool Handicapped	CATE	Adult Education	Other Restricted State Grants	*Other Special Revenue Programs	Student Activity	Total
EXPENDITURES (CONTINUED)									
200 SUPPORTING SERVICES (CONTINUED)									
270 Support Services - Pupil Activity									
271 Pupil Service Activities:									
100 Salaries	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 3,369	$ 3,369
200 Employee Benefits	-	-	-	-	-	-	42	2,459	2,501
300 Purchased Services	-	-	-	-	-	-	13,237	-	13,237
400 Supplies and Materials	-	-	-	-	-	-	62,668	546	63,214
600 Other Objects	-	-	-	-	-	-	16,988	417,163	434,151
272 Enterprise Activities:									
100 Salaries	-	-	-	-	-	-	-	55,859	55,859
200 Employee Benefits	-	-	-	-	-	-	-	18,319	18,319
600 Other Objects	-	-	-	-	-	-	-	51,647	51,647
273 Trust and Agency Activities:									
400 Supplies and Materials	-	-	-	-	-	-	-	3,789	3,789
600 Other Objects	-	-	-	-	-	-	-	55,619	55,619
Total Expenditures, Excluding Capital Outlay	431,973	373,275	-	18,424	-	310,751	873,145	608,770	2,616,338
Total Capital Outlay	-	-	-	-	-	885,613	90,261	-	975,874
Total Support Services	431,973	373,275	-	18,424	-	1,196,364	963,406	608,770	3,592,212
300 COMMUNITY SERVICES									
390 Other Community Services:									
300 Purchased Services	7,577	-	-	-	-	-	4,500	-	12,077
400 Supplies and Materials	1,249	-	-	-	-	-	872	-	2,121
600 Other Objects	-	-	-	-	-	-	-	3,000	3,000
Total Expenditures, Excluding Capital Outlay	8,826	-	-	-	-	-	5,372	3,000	17,198
Total Capital Outlay	-	-	-	-	-	-	-	-	-
Total Community Services	8,826	-	-	-	-	-	5,372	3,000	17,198
400 OTHER CHARGES									
410 Intergovernmental Expenditures									
414-720 Medicaid Payments to SCDE	-	-	-	-	-	-	26,512	-	26,512
Total Intergovernmental Expenditures	-	-	-	-	-	-	26,512	-	26,512
Total Expenditures	1,397,995	1,302,982	30,657	70,314	62,965	1,204,587	2,177,329	652,357	6,899,186
OTHER FINANCING SOURCES (USES)									
Interfund Transfer, From (To) Other Funds:									
5210 Transfer from General Fund	-	-	-	-	-	-	20,222	29,100	49,322
431-791 Special Revenue Indirect Cost Transfer	(45,692)	(42,608)	(1,003)	-	-	-	(38,098)	-	(127,401)
Total Other Financing Sources (Uses)	(45,692)	(42,608)	(1,003)	-	-	-	(17,876)	29,100	(78,079)
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-	-	100,427	62,826	163,253
Fund Balance, July 1, 2025	-	-	-	-	-	-	1,399,037	296,647	1,695,684
Fund Balance, June 30, 2026	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,499,464	$ 359,473	$ 1,858,937

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Florence County School District Three

SUMMARY SCHEDULE FOR DESIGNATED STATE RESTRICTED GRANTS
SPECIAL PROJECTS FUND
YEAR ENDED JUNE 30, 2026

Subfund	Revenue Code	Program	Revenues	Expenditures	Transfers	Deferred Revenue
924	3134	CDEP Expansion	$ 7,423	$ 7,423	$ -	$ 80,563
935	3135	Reading Coaches	213,836	213,836	-	39,928
956	3156	Adult Education	3,762	3,762	-	-
971	3171	Consolidation and Capital Improvement	553,266	553,266	-	-
917	3187	Teacher Supply	800	800	-	-
970	3670	School Safety - Facility and Infrastructure Upgrades	425,500	425,500	-	500,000
		Totals	$ 1,204,587	$ 1,204,587	$ -	$ 620,491

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Florence County School District Three

SUMMARY SCHEDULE FOR OTHER SPECIAL REVENUE PROGRAMS
SPECIAL PROJECTS FUND
YEAR ENDED JUNE 30, 2026

***Other Special Revenue Programs**

210	Title IV, SSAE
224	21st Century Community Learning Centers
234	School Improvement Grants
251	Rural and Low-Income Program (REAP)
264	Title III, English Language Acquisition
267	Title II, Supporting Effective Instruction
271	Stronger Connections
292	Medicaid Revenue
298	Mental Health Grant
297	Magnet Schools Assistance Program
800	Miscellaneous Grants
820	SC Arts Commission
823	SC Council of Competitiveness
825	Local Bus Transportation
827	Higher Education Awareness
845	Donations/Small Grants
852	First Steps
855	Fundraising
856	Special Education Donations
859	Junior ROTC
899	Winthrop University Teacher Recruiting

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SPECIAL REVENUE FUND –
EDUCATION IMPROVEMENT ACT (EIA)

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

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Florence County School District Three

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - EDUCATION IMPROVEMENT ACT FOR THE FISCAL YEAR ENDED JUNE 30, 2026

	Total
REVENUES	
3000 Revenue from State Sources	
3500 Education Improvement Act:	
3502 ADEPT	$ 3,006
3503 State Aid to Classrooms	3,009,833
3509 Arts in Education	25,000
3526 Refurbishment of K-8 Science Kits	25,244
3528 Industry Certificates	12,019
3529 Career and Technology Education	81,830
3532 National Board Salary Supplement (No Carryover Provision)	34,988
3533 Teacher of the Year Awards	1,077
3541 Child Development Education Pilot Program (CDEPP)	545,704
3556 Adult Education	171,949
3557 Summer Reading Camp	18,384
3571 Technical Assistance - State Priority Schools	92,816
3577 Teacher Supplies (No Carryover Provision)	80,400
3595 EEDA - Supplies and Materials - Career Awareness	8,383
3599 Other EIA	41,882
Total Revenue from State Sources	4,152,515
Total Revenue All Sources	4,152,515
EXPENDITURES	
100 INSTRUCTION	
110 General Instruction	
112 Primary Programs:	
100 Salaries	17,500
200 Employee Benefits	5,609
300 Purchased Services	9,055
400 Supplies and Materials	24,345
113 Elementary Programs:	
100 Salaries	38,908
200 Employee Benefits	12,696
400 Supplies and Materials	69,173
114 High School Programs:	
100 Salaries	21,742
200 Employee Benefits	7,574
400 Supplies and Materials	30,158
115 Career Technology Education Programs:	
300 Purchased Services	41,742
400 Supplies and Materials	43,248

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Florence County School District Three

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - EDUCATION IMPROVEMENT ACT FOR THE FISCAL YEAR ENDED JUNE 30, 2026

	Total
EXPENDITURES	
100 INSTRUCTION	
140 Special Programs	
147 CDEP:	
100 Salaries	$ 375,499
200 Employee Benefits	170,206
170 Summer School Programs	
172 Elementary Summer School:	
100 Salaries	15,005
200 Employee Benefits	3,887
300 Purchased Services	4,187
400 Supplies and Materials	5,987
175 Instructional Programs Beyond Regular School Day:	
100 Salaries	7,996
200 Employee Benefits	3,642
180 Adult/Continuing Educational Programs	
184 Post Secondary Education Programs:	
100 Salaries	41,980
200 Employee Benefits	11,916
300 Purchased Services	1,194
Total Expenditures, Excluding Capital Outlay	963,249
Total Capital Outlay	-
Total Instruction	963,249
200 SUPPORT SERVICES	
210 Pupil Services	
211 Attendance and Social Work Services:	
100 Salaries	19,687
200 Employee Benefits	6,560
212 Guidance Services:	
300 Purchased Services	8,383
220 Instructional Staff Services	
221 Improvement of Instruction - Curriculum Development:	
400 Supplies and Materials	2,803

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COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - EDUCATION IMPROVEMENT ACT FOR THE FISCAL YEAR ENDED JUNE 30, 2026

	Total
EXPENDITURES	
200 SUPPORT SERVICES (CONTINUED)	
220 Instructional Staff Services (Continued)	
223 Supervision of Special Programs:	
100 Salaries	$ 75,850
200 Employee Benefits	35,486
300 Purchased Services	2,718
224 Improvement of Instruction In-service and Staff Training:	
300 Purchased Services	8,876
400 Supplies and Materials	3,006
260 Central Support Services	
266 Technology and Data Processing Services:	
300 Purchased Services	16,064
Total Expenditures, Excluding Capital Outlay	179,433
Total Capital Outlay	-
Total Support Services	179,433
Total Expenditures	1,142,682
OTHER FINANCING SOURCES (USES)	
Interfund Transfers From (To) Other Funds	
420-710 Transfer to General Fund	(3,009,833)
Total Other Financing Uses	(3,009,833)
Excess (Deficiency) of Revenues Over (Under) Expenditures	-
Fund Balance, July 1, 2025	-
Fund Balance, June 30, 2026	$ -

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Florence County School District Three

SUMMARY SCHEDULE BY PROGRAM
EDUCATION IMPROVEMENT ACT
YEAR ENDED JUNE 30, 2026

Program	Revenues	Expenditures	EIA Interfund Transfers In/(Out)	Transfers In/(Out)	Deferred Revenue
3500 Education Improvement Act:					
3502 ADEPT	$ 3,006	$ 3,006	$ -	$ -	2,412
3503 State Aid to Classrooms	3,009,833	-	-	(3,009,833)	-
3509 Arts in Education	25,000	25,000	-	-	-
3518 Arts in Education	-	-	-	-	48,796
3526 Refurbishment of K-8 Science Kits	25,244	25,244	-	-	-
3527 Special CATE Equipment	-	-	-	-	10,729
3528 Industry Certificates	12,019	12,019	-	-	8,678
3529 Career and Technology Education	81,830	81,830	-	-	42,412
3532 National Board Salary Supplement (No Carryover Provision)	34,988	34,988	-	-	1,397
3533 Teacher of the Year Awards	1,077	1,077	-	-	-
3541 Child Development Education Pilot Program (CDEPP)	545,704	545,704	-	-	24,533
3556 Adult Education	171,949	171,949			30,646
3557 Summer Reading Camp	18,384	18,384	-	-	178,261
3567 CPR Instruction	-	-	-	-	6,018
3571 Technical Assistance - State Priority Schools	92,816	92,816	-	-	-
3577 Teacher Supplies (No Carryover Provision)	80,400	80,400	-	-	-
3595 EEDA - Supplies and Materials - Career Awareness	8,383	8,383	-	-	-
3599 Other EIA	41,882	41,882	-	-	-
Totals	$ 4,152,515	$ 1,142,682	$ -	$ (3,009,833)	$ 353,882

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SPECIAL REVENUE FUND – FOOD SERVICE

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

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Florence County School District Three

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOOD SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2026

REVENUES	
1000 Revenue from Local Sources	
1600 Food Service:	
1610 Lunch Sales to Pupils	$ 68,389
1620 Breakfast Sales to Pupils	23,668
1640 Lunch Sales to Adults	14,401
1650 Breakfast Sales to Adults	367
1660 Special Sales to Adults	6,202
1900 Other Revenue from Local Sources:	
1999 Revenue from Other Local Sources	110,101
Total Local Sources	223,128
4000 Revenue from Federal Sources:	
4800 USDA Reimbursement:	
4810 School Lunch Program	1,691,257
4830 School Breakfast Program	683,518
4860 Fresh Fruits and Vegetables	39,781
4899 Other Miscellaneous USDA	19,760
4900 Other Federal Sources:	
4991 USDA Commodities	254,413
Total Federal Sources	2,688,729
Total Revenue All Sources	2,911,857
EXPENDITURES	
256 Food Services:	
100 Salaries	964,723
200 Employee Benefits	1,339
300 Purchased Services	180,153
400 Supplies and Materials	1,573,375
500 Capital Outlay	70,983
600 Other Objects	11,781
Total Expenditures, Excluding Capital Outlay	2,731,371
Total Capital Outlay	70,983
Total Expenditures	2,802,354
OTHER FINANCING SOURCES (USES)	
Interfund Transfers From (To) Other Funds	
432-791 Food Service Fund Indirect Costs	(164,762)
Total Other Financing Uses	(164,762)
Deficiency of Revenues Under Expenditures and Other Financing Uses	(55,259)
Fund Balance, July 1, 2025	1,062,685
Fund Balance, June 30, 2026	$ 1,007,426

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DEBT SERVICE FUND

The Debt Service Fund is used to record payments of interest and principal on long-term general obligation debt from tax proceeds and earnings on temporary investments.

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Florence County School District Three

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - DEBT SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2026

REVENUES	
1000 Revenue from Local Sources	
1100 Taxes:	
1110 Ad Valorem Taxes - Including Delinquent Taxes	$ 1,235,292
1140 Penalties and Interest on Taxes	70,825
1200 Revenue from Local Governmental Units Other Than LEA's:	
1280 Revenue in Lieu of Taxes (Dependent and Independent)	29,099
1500 Earnings on Investments:	
1510 Interest on Investments	109,536
Total Local Sources	1,444,752
3000 Revenue from State Sources	
3800 State Revenue in Lieu of Taxes:	
3820 Homestead Exemption (Tier 2)	68,278
3830 Merchant's Inventory Tax	22,165
3890 Motor Carrier Vehicle Tax	192,079
Total State Sources	282,522
Total Revenue All Sources	1,727,274
EXPENDITURES	
500 DEBT SERVICE	
610 Redemption of Principal	818,000
620 Interest	1,217,872
690 Other Objects (Includes Fees for Servicing Bonds)	27,657
Total Debt Service	2,063,529
Total Expenditures	2,063,529
OTHER FINANCING SOURCES (USES)	
5110 Premium on Bonds Sold	14,166
Total Other Financing Sources	14,166
Deficiency of Revenues Under Expenditures	(322,089)
Fund Balance, July 1, 2025	2,241,297
Fund Balance, June 30, 2026	$ 1,919,208

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CAPITAL PROJECTS FUND

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

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Florence County School District Three

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - CAPITAL PROJECTS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2026

REVENUES	
1000 Revenue from Local Sources	
1500 Earnings on Investments:	
1510 Interest on Investments	$ 621,815
Total Revenue All Sources	621,815
EXPENDITURES	
200 SUPPORT SERVICES	
250 Finance and Operations	
253 Facilities Acquisition and Construction:	
300 Purchased Services	66
500 Capital Outlay:	
520 Construction Services	13,187,709
545 Technology Equipment and Software	147,719
Total Expenditures, Excluding Capital Outlay	66
Total Capital Outlay	13,335,428
Total Expenditures	13,335,494
Deficiency of Revenues Under Expenditures	(12,713,679)
Fund Balance, July 1, 2025	18,753,749
Fund Balance, June 30, 2026	$ 6,040,070

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Florence County School District Three

INSITE LOCATION RECONCILIATION SCHEDULE
YEAR ENDED JUNE 30, 2026

Location	Location Description	Education Level	Cost Type	Total Expenditures
00	District-wide	Non-Schools	Central	$ 9,687,445
01	Adult Education	Non-Schools	Central	328,202
03	LCHS Alternative School	High School	School	805,300
04	Virtual Academy	School	School	241,926
29	Lake City High School	High School	School	13,640,907
36	J.C. Lynch Elementary School	Elementary	School	5,023,367
37	Olanta Elementary School	Elementary	School	3,319,334
39	Scranton Elementary School	Elementary	School	4,874,494
50	Lake City Early Childhood Center	Elementary	School	9,551,751
51	Main Street Elementary School	Elementary	School	4,023,507
52	Paul Truluck Creative Art and Science Magnet	Middle School	School	4,888,780
53	Ronald E McNair Junior High School	Middle School	School	5,077,713
	Total Expenditures/Disbursement for All Funds			$ 61,462,726

Reconciliation of Primary Government Expenditures to the Financial Statements

General Fund	$ 35,219,481
Special Revenue Fund	6,899,186
Special Revenue - EIA Fund	1,142,682
Special Revenue - Food Service Fund	2,802,354
Debt Service Fund	2,063,529
Capital Projects Fund	13,335,494
Total Expenditures/Disbursements for All Funds	$ 61,462,726

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Florence County School District Three

DETAILED SCHEDULE OF DUE TO STATE DEPARTMENT OF EDUCATION/FEDERAL GOVERNMENT
JUNE 30, 2026

Program	Project Number	Revenue/ Subfund Code	Description	Amount Due to State Department or Federal Government
		None		

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