

**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2024**



**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

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ROCK HILL, SOUTH CAROLINA**

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**ROCK HILL SCHOOL DISTRICT THREE  
ADMINISTRATIVE CHART  
AS OF JUNE 30, 2024**

**Board of Trustees**

Rock Hill School District Three (“District”) is governed by a seven-member Board of Trustees elected at large by the registered voters in the District at the November general election in even-numbered years. Trustees are elected to serve staggered 4-year terms of office, which commence on the first board meeting in November following certification of election results.

<u>Name</u>	<u>Occupation</u>	<u>Number of Years of Service</u>
Mr. James Burns	General Manager	4
Mrs. Patrice Reid Cherry	Community Volunteer	4
Mrs. Windy Cole	Volunteer Resource Manager	8
Mrs. Mildred Douglas	Retired Public School Teacher	24
Mr. Bryan McAlinden	Sales Representative	1
Mrs. Helena Miller (Chair)	Community Volunteer	10
Mr. Pete Nosal	Attorney	2

**District Personnel**

<u>Name</u>	<u>Position</u>
Dr. Thomas G. Schmolze	Superintendent
Dr. John Jones	Deputy Superintendent
Dr. Keith Wilks	Assistant Superintendent of Support Services
Mrs. Terri Smith	Assistant Superintendent of Business Services
Ms. Gina Jenkins	Assistant Superintendent of Human Resources for Certified Employees
Mr. Darren Wilson	Assistant Superintendent of Human Resources for Classified Employees
Dr. Kershena Dickey	Assistant Superintendent of Academics and Accountability
Mr. Brian Vaughan	Assistant Superintendent of Operations

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# Financial Section

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# Greene Finney Cauley, LLP

CERTIFIED PUBLIC ACCOUNTANTS & ADVISORS

## INDEPENDENT AUDITOR'S REPORT

The Board of Trustees  
Rock Hill School District Three  
Rock Hill, South Carolina

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the financial statements of the governmental activities, the discretely presented component unit, and each major fund of Rock Hill School District Three, South Carolina (the "District"), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditor, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, and each major fund of the District, as of June 30, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the discretely presented component unit, which statements represent 100% of the assets and revenues of that unit as of June 30, 2024, and the respective changes in financial position for the year then ended. Those statements were audited by another auditor whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the discretely presented component unit, is based solely on the report of the other auditor.

#### *Basis for Opinions*

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

#### *Change in Accounting Principle*

As discussed in Note I.B in the notes to the financial statements, for the year ended June 30, 2024 the District adopted Governmental Accounting Standards Board Implementation Guide No. 2021-1 Question 5.1 on "*Group Capital Asset Purchases*." Our opinions are not modified with respect to this matter.

### ***Responsibilities of Management for the Financial Statements***

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

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

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

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

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

### ***Required Supplementary Information***

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

### ***Supplementary Information***

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

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 25, 2024 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

*Greene Finney Cauley, LLP*

Greene Finney Cauley, LLP  
Mauldin, South Carolina  
November 25, 2024

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**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**MANAGEMENT'S DISCUSSION & ANALYSIS**

**YEAR ENDED JUNE 30, 2024**

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**INTRODUCTION**

This discussion and analysis of Rock Hill School District Three's (the "District") financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2024 ("2024" or "FY 2024") compared to the fiscal year ended June 30, 2023 ("2023" or "FY 2023"). The intent of this discussion and analysis is to look at the District's financial performance as a whole, with an emphasis on the Primary Government (which excludes the District's discretely presented charter school); readers should also review the financial statements and the notes to the financial statements to enhance their understanding of the District's financial performance.

**FINANCIAL HIGHLIGHTS**

Key financial highlights for 2024 are as follows:

- The liabilities and deferred inflows of resources of the District exceeded its assets and deferred outflows of resources at the close of the most recent fiscal year by approximately \$66.0 million. Of this amount, approximately (\$298.7) million was negative unrestricted net position. The deficit in unrestricted net position is a result of (a) pension accounting standards that were implemented in 2015 which resulted in the District recording a net pension liability and related deferred pension balances for its participation in the State retirement plans and (b) other postemployment benefit ("OPEB") accounting standards that were implemented in 2018 which resulted in the District recording a net OPEB liability and related deferred OPEB balances for its participation in the State OPEB plan. Without the net pension and net OPEB liabilities and related deferred balances of \$397.0 million at June 30, 2024, the District would have total unrestricted net position of \$98.3 million.
- The District's total net position increased by approximately \$50.5 million compared to an increase of approximately \$28.0 million in the prior year. This change in net position is primarily due to an overall increase in the District's revenues.
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of approximately \$153.4 million, an increase of approximately \$30.1 million from the prior year, which is primarily due to strong operations in the General Fund, an increase in investment earnings due to higher interest rates, and the issuance of short-term debt which was not fully spent as of June 30, 2024.
- At the end of the current fiscal year, total fund balance for the General Fund was approximately \$53.5 million, of which \$46.1 million is unassigned, which is 22% of total General Fund expenditures.
- The fund balance for the General Fund increased by approximately \$10.9 million, as revenues and net other financing sources of approximately \$224.2 million exceeded expenditures of approximately \$213.3 million.
- The District's total capital assets decreased by approximately \$1.6 million (1%) during the current fiscal year, as depreciation expense and net disposals of approximately \$19.2 million exceeded additions of approximately \$17.6 million. A prior period adjustment increased beginning capital assets by approximately \$21.4 million due to implementing a new group purchase threshold (see note below for more details).
- The District's total outstanding indebtedness decreased by approximately \$10.2 million (7%) during the current fiscal year due to regularly scheduled principal payments.
- The District adopted Governmental Accounting Standards Board Implementation Guide No. 2021-1 Question 5.1 ("IGQ") on "Group Capital Asset Purchases" ("GP") for the year ended June 30, 2024. The objective of this IGQ was to provide clarification that a government should capitalize assets whose individual acquisition costs are less than the threshold for an individual asset (i.e. computers, furniture, equipment, etc.) if those assets in the aggregate are significant. The District established a new GP threshold of \$750,000 and has applied that GP threshold retroactively. The adoption of IGQ had no impact on the District's governmental fund financial statements but has resulted in the restatement of the District's beginning net position for the year ended June 30, 2024 for its government-wide financial statements to reflect the reporting of GP capital assets. Net position of the District's government-wide financial statements as of July 1, 2023 was increased by approximately \$21.4 million reflecting the cumulative change in accounting principle related to the adoption of this IGQ. See Note I.B in the notes to the financial statements for more information.

**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**MANAGEMENT’S DISCUSSION & ANALYSIS**

**YEAR ENDED JUNE 30, 2024**

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**OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of a series of financial statements and notes to those statements. The financial statements include two kinds of statements, *the government-wide financial statements and the fund financial statements*, that present different views of the District. The government-wide statements are intended to give the reader both an aggregate view of the District’s finances and a longer-term view of those finances. The fund financial statements are intended to provide a more detailed look at specific financial activities.

**Government-Wide Financial Statements**

These statements provide a broad overview of the District’s overall financial status, in a manner similar to a private-sector enterprise. These statements report information about the District as a whole.

The *Statement of Net Position* presents information on all of the District’s assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference between these reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating. To assess the District’s overall health, other non-financial factors, such as the District’s property tax base and the condition and age of school buildings, as well as other physical assets, should be considered.

The *Statement of Activities* presents information showing how the government’s net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, 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 earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). All of the District’s activities are reported in governmental activities in the government-wide financial statements (as the District does not have any business-type activities).

The government-wide financial statements include not only the District itself (known as the primary government), but also its discretely presented component unit, The Palmetto School (“Charter School”). Financial information for the Charter School is reported separately from the financial information presented for the primary government itself; this information is not material to the District as a whole. See Note I.A in the notes to the financial statements for details about how to obtain a copy of the Charter School’s complete separately issued financial statements.

**Fund Financial Statements**

The remaining financial statements are *fund financial statements* that focus on *individual parts* of the District, and not the District as a whole. The fund financial statements report the District’s operations in *more detail* than the government-wide statements, and focus on the District’s most significant, or “major” funds. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related requirements. All of the funds of the District can be divided into one category: 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. All of the District’s basic services are included within the governmental funds. The governmental funds generally focus on two things-how cash and other assets can readily be converted to cash flow in and out, and the balances left at year-end that are available for spending.

**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**MANAGEMENT’S DISCUSSION & ANALYSIS**

**YEAR ENDED JUNE 30, 2024**

**OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

***Governmental Funds (Continued)***

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. The governmental fund statements provide a more detailed short-term view that helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the District’s programs.

However, the governmental fund statements do not encompass the additional long-term focus as that of the government-wide financial statements, and as a result additional information at the end of the governmental fund statements, in the form of a reconciliation, explains the relationship (or differences) between the governmental fund statements and the government-wide statements. The District maintains six individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, Special Revenue Fund, Special Revenue – EIA Fund, Special Revenue – Food Service Fund, Debt Service Fund, and Capital Projects Fund, all of which are considered to be major funds. The governmental fund financial statements can be found as listed in the table of contents of this report.

***Notes to the Financial Statements***

The notes provide additional information that is essential to a full understanding of the data provided in the financial statements. The notes to the financial statements can be found as listed in the table of contents of this report.

***Required Supplementary Information***

The District adopts an annual appropriated budget only for its General Fund. A budgetary comparison schedule has been provided as required supplementary information for this fund to demonstrate compliance with the budgets. Required pension plan schedules have been included which provide relevant information regarding the District’s participation in the South Carolina Retirement System and the Police Officers Retirement System. Required OPEB plan schedules have been included which provide relevant information regarding the District’s participation in the South Carolina Retiree Health Insurance Trust Fund. Required supplementary information can be found as listed in the table of contents.

***Supplementary Information***

In addition to the financial statements, notes, and required supplementary information, this report includes certain supplementary information. The combining and individual fund financial schedules and the location reconciliation schedule can be found as listed in the table of contents of this report.

Major Features of the District’s Government-Wide and Fund Financial Statements		
	Government-Wide Financial Statements	Fund Financial Statements Governmental Funds
Scope	Entire District including the discretely presented component unit.	Entire District excluding the discretely presented component unit.
Required financial statements	<ul style="list-style-type: none"> <li>▪ Statement of net position.</li> <li>▪ Statement of activities.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Balance sheet.</li> <li>▪ Statement of revenues, expenditures, and changes in fund balances.</li> </ul>
Accounting basis and measurement focus	Accrual accounting and economic resources focus.	Modified accrual accounting and current financial resources focus.
Type of balance sheet information	All balance sheet elements, both financial and capital, and short-term and long-term.	All balance sheet elements that come due during the year or shortly thereafter. No capital assets or long-term debt are included.
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid.	Revenues for which cash is received during or soon after year-end; expenditures when goods or services have been received and payment is due during or soon after year end.

**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**MANAGEMENT’S DISCUSSION & ANALYSIS**

**YEAR ENDED JUNE 30, 2024**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position may serve over time as a useful indicator of a government’s financial position. In the case of the District, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by approximately \$66.0 million at the close of the most recent fiscal year.

The table below provides a summary of net position for the District’s Primary Government as of June 30, 2024 compared to June 30, 2023:

**Statements of Net Position**

	Governmental Activities	
	June 30, 2024	June 30, 2023
<b>Assets</b>		
Current and Other Assets	\$ 188,241,068	\$ 156,239,149
Capital Assets, Net	308,837,101	289,122,299
Total Assets	<u>497,078,169</u>	<u>445,361,448</u>
<b>Deferred Outflows of Resources</b>	<u>76,504,339</u>	<u>86,647,639</u>
<b>Liabilities</b>		
Other Liabilities	23,456,721	24,902,515
Net Pension Liability	226,547,536	230,328,475
Net Other Postemployment Benefit Liability	154,076,451	182,465,731
Long-Term Liabilities	142,572,186	153,590,130
Total Liabilities	<u>546,652,894</u>	<u>591,286,851</u>
<b>Deferred Inflows of Resources</b>	<u>92,909,295</u>	<u>78,542,765</u>
<b>Net Position</b>		
Net Investment in Capital Assets	167,415,317	143,883,606
Restricted	65,322,213	36,607,262
Unrestricted	(298,717,211)	(318,311,397)
Total Net Position	<u>\$ (65,979,681)</u>	<u>\$ (137,820,529)</u>

The District’s current and other assets at June 30, 2024 increased by approximately \$32.0 million from the prior year due to an increase in cash and cash equivalents and cash and investments held by county treasurer. The District’s capital assets at June 30, 2024 decreased during the year by approximately \$1.6 million due to depreciation expense of approximately \$18.6 and net disposals of approximately \$0.6 million exceeding additions of approximately \$17.6 million. A prior period adjustment increased beginning capital assets by approximately \$21.4 million due to implementing a new group purchase capitalization threshold (see Financial Highlights section for more details). The District’s total liabilities at June 30, 2024 decreased by approximately \$44.6 million from the prior year. This decrease was primarily due to regularly scheduled principal payments and a decreases in the net pension and net OPEB liabilities, in addition to decreases in other liabilities.

The changes in the net pension liability, net OPEB liability, and deferred outflows/inflows of resources were primarily due to service costs, contributions, differences between expected and actual liability/investment experience, changes in assumptions, and changes in the percentage of the District’s share of the net pension and OPEB liabilities in the State plans.

The District’s net position increased by approximately \$50.5 million during the current fiscal year as revenues exceeded expenses. See the discussion following the next table regarding this increase.

**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**MANAGEMENT’S DISCUSSION & ANALYSIS**

**YEAR ENDED JUNE 30, 2024**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)**

The District’s net investment in capital assets of approximately \$167.4 million reflects its investment in capital assets (i.e., land, buildings, furniture and equipment, infrastructure, etc.) less any related outstanding debt used to acquire those assets. The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the District’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt generally must be provided from other sources, since generally the capital assets themselves cannot be used to liquidate these liabilities.

A portion of the District’s net position (approximately \$65.3 million) represents resources that are subject to external restrictions on how they may be used. These amounts are restricted primarily for debt service, capital projects, or by revenue source. The remaining portion of the District’s net position is unrestricted net position and was a deficit of (\$298.7) million.

The table below shows the changes in net position for the District’s Primary Government for the current and prior fiscal year:

**Statements of Changes in Net Position**

	Governmental Activities	
	2024*	2023
<b>Revenues</b>		
Program Revenues:		
Charges for Services	\$ 954,743	\$ 3,914,546
Operating Grants	147,781,128	133,803,992
General Revenues:		
Taxes	109,575,366	93,024,717
State Revenue in Lieu of Taxes	43,842,957	42,156,311
Other	14,797,057	5,682,665
Total Revenues	<u>316,951,251</u>	<u>278,582,231</u>
<b>Program Expenses</b>		
Instruction	130,302,055	131,580,813
Supporting Services	131,101,629	113,584,258
Community Services	217,484	153,250
Interest and Other Charges	4,840,110	5,268,906
Total Program Expenses	<u>266,461,278</u>	<u>250,587,227</u>
Change in Net Position	<u>50,489,973</u>	<u>27,995,004</u>
Net Position, Beginning of Year	(137,820,529)	(165,815,533)
Cumulative Change in Accounting Principle	21,350,875	-
Net Position, Beginning of Year, As Restated	<u>(116,469,654)</u>	<u>(165,815,533)</u>
Net Position, End of Year	<u>\$ (65,979,681)</u>	<u>\$ (137,820,529)</u>

\*The District adopted IGQ for FY 2024. See Financial Highlights section for more details.

The District's governmental activities net position increased by approximately \$50.5 million in 2024, compared to an increase of approximately \$28.0 million in 2023. The increase in the current year was due to an increase in revenues of approximately \$38.4 million, offset by an increase in expenses of approximately \$15.9 million. The increase in expenses was largely due to an increase in support services related to salaries and fringe. Revenues increased primarily due to an increase in operating grants (higher stimulus grants), taxes (millage increase), and other revenues (increased investment earnings and insurance proceeds).

**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**MANAGEMENT'S DISCUSSION & ANALYSIS**

**YEAR ENDED JUNE 30, 2024**

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**FUND ANALYSIS**

***Governmental Funds***

The analysis of governmental funds serves the purpose of looking at what resources came into the funds, how they were spent and what is available for future expenditures. Did the government generate enough revenue to pay for current obligations? What is available for spending at the end of the year?

For the year ended June 30, 2024, the District's governmental funds reported a combined fund balance of approximately \$153.4 million, compared to approximately \$123.4 million for the prior year. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. At June 30, 2024, the District's unassigned fund balance for all governmental funds was approximately \$46.1 million, which solely represents the General Fund. The remaining fund balance is comprised of approximately \$8.8 million restricted for debt service, approximately \$45.7 million restricted for capital projects, approximately \$4.4 million restricted for food service, approximately \$1.7 million restricted for student/pupil activity programs, approximately \$2.4 million assigned for special education programs, approximately \$7.4 million assigned for use in the fiscal year 2025 budget, and approximately \$36.9 million assigned for capital projects.

The General Fund is the chief operating fund of the District. At the end of the current fiscal year, total fund balance of the General Fund was approximately \$53.5 million, of which approximately \$46.1 million was unassigned.

The fund balance for the District's General Fund increased approximately \$10.9 million from the prior year, a change of approximately \$7.0 million from the prior year's increase of approximately \$3.9 million. Revenues for the current year were approximately \$206.5 million, increasing by approximately \$22.3 million from the prior year. This increase is due primarily to an increase in property tax revenues (millage increase), state grants, and investment earnings (higher interest rates). In addition, the District also transferred approximately \$2.8 million into the General Fund from the Special Revenue Fund due to the District claiming indirect costs on the ESSER III program in the Special Revenue Fund.

Expenditures for the current year were approximately \$213.3 million, increasing by approximately \$28.3 million from the prior year primarily due to higher wages, benefits, and operating costs. The unassigned fund balance of approximately \$46.1 million at June 30, 2024 in the General Fund represents 22% of General Fund expenditures for 2024.

The District's Special Revenue Fund and Special Revenue – EIA Fund, are used to account for revenues derived from local, state, and federal sources for special education programs and student/pupil activity programs. Special Revenue funds generally do not have fund balances as revenues should be expended, unearned, or returned to the grantor. The District had net transfers out of \$17.7 million primarily related to covering salaries paid out of the General Fund. The District's Special Revenue Fund has approximately \$2.4 million assigned to special education programs and approximately \$1.7 million restricted for student/pupil activity programs.

The Food Service Fund is utilized to account for the District's food service program. This Food Service Fund decreased by approximately \$1.3 million during 2024 to approximately \$4.4 million at June 30, 2024, as expenditures of approximately \$10.5 million exceeded revenues and other financing sources of approximately \$9.3 million due to increases in capital outlay.

The Debt Service Fund is used to account for the accumulation of funds for debt service. The District's debt millage rate remained at 52.0 mills. The District issued short-term debt in 2024 which provided approximately \$18.2 million of net proceeds – most of which (\$17.7 million) was transferred to the Capital Projects Fund for capital improvements. The fund balance in the Debt Service Fund increased approximately \$0.9 million in 2024 to approximately \$8.8 million, as revenues of approximately \$34.9 million exceeded expenditures and other financing uses of approximately \$34.1 million. The entire fund balance is restricted for the future payment of debt service.

The Capital Projects Fund is utilized to account for the District's major capital project expenditures. The Capital Projects Fund increased by approximately \$19.0 million during 2024 to approximately \$82.5 million at June 30, 2024, as revenues and other financing sources of approximately \$23.0 million exceeded expenditures for various technology purchases and construction projects of approximately \$4.0 million. Short-term debt proceeds of approximately \$17.7 million were transferred from the Debt Service Fund to the Capital Projects Fund for future capital needs.

**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**MANAGEMENT’S DISCUSSION & ANALYSIS**

**YEAR ENDED JUNE 30, 2024**

**GENERAL FUND BUDGETARY HIGHLIGHTS**

The District’s General Fund budget is prepared according to South Carolina law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The Board of Trustees adopted a budget that reflected total outflows of approximately \$217.3 million. There were no budget amendments during the course of 2024; however, there were reclasses of budgeted revenues and expenditures with no net impact.

At the end of 2024, the General Fund had a positive total budget to actual variance of \$11.5 million. Local revenue exceeded budget by approximately \$4.7 million primarily due to the increase in investment earnings due to higher interest rates. State revenues were higher than budget by approximately \$0.2 million primarily due to the change in the state funding formula. Expenditures were less than budget by approximately \$3.2 million.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

***Capital Assets***

At the end of 2024, the District had approximately \$308.8 million invested in capital assets, net of depreciation. The table below shows capital asset balances (net of accumulated depreciation) as of June 30, 2024 compared to June 30, 2023:

**Capital Assets, Net**

	Governmental Activities	
	June 30, 2024	June 30, 2023*
Land	\$ 10,121,667	\$ 10,121,667
Construction in Progress	7,190,226	8,745,167
Buildings and Improvements	256,200,024	260,035,928
Furniture and Equipment	35,325,184	31,570,412
Totals	<u>\$ 308,837,101</u>	<u>\$ 310,473,174</u>

\*The District adopted IGQ for FY 2024. See Financial Highlights for more details.

The District restated its prior year capital asset balances by approximately \$21.4 million for the implementation of IGQ (see Financial Highlights section for more details). The total decrease in the District’s capital assets balance for 2024 was approximately \$1.6 million or 1% from the prior year’s restated balances. Significant capital asset events during the current fiscal year included the following:

- Total capital asset additions of \$17.6 million consisted primarily of:
  - Construction in progress totaling approximately \$6.8 million which was primarily related to HVAC replacements and designs for a new building, in addition to installing new turf at athletic stadiums and modular units at various school locations.
  - Purchases of furniture and equipment totaling approximately \$10.8 million.
- Depreciation expense of approximately \$18.6 million.
- Net disposals of approximately \$0.6 million.

The District has outstanding commitments of approximately \$3,364,000 at June 30, 2024 related to construction in progress and other capital asset related items.

For more information regarding the District’s capital assets, see Note III.C in the notes to the financial statements.

**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**MANAGEMENT'S DISCUSSION & ANALYSIS**

**YEAR ENDED JUNE 30, 2024**

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**CAPITAL ASSET AND DEBT ADMINISTRATION (CONTINUED)**

***Debt Administration***

At year-end, the District had approximately \$128.8 million in indebtedness (excluding bond premiums), compared to approximately \$139.0 million in the prior year. The outstanding indebtedness of the District decreased approximately \$10.2 million (7%) in the current year as shown in the following table. All of the District's bonded debt is backed by the full faith and credit of the District as is typical with general obligation bond indebtedness.

**Outstanding Indebtedness**

	Governmental Activities	
	June 30, 2024	June 30, 2023
Series 2014A GORB	\$ 1,975,000	\$ 3,890,000
Series 2015A GORB	33,775,000	37,010,000
Series 2016C GORB	6,365,000	7,530,000
Series 2017B GOB	86,705,000	90,050,000
2016 Note Payable	-	531,000
Total Outstanding Indebtedness	<u>\$ 128,820,000</u>	<u>\$ 139,011,000</u>

Key highlights related to the District's total indebtedness for 2024 are as follows:

- Principal payments of approximately \$10.2 million were made on the outstanding debt.

Section 15 of Article X of the South Carolina State Constitution allows Districts to incur a legal debt limit not to exceed 8% of the assessed value of all taxable property in the District, unless approved by a majority vote in a referendum authorized by law. At June 30, 2024, the District's assessed property valuation was approximately \$664.4 million. The District had no bonded debt subject to the 8% limit of approximately \$53.2 million.

Other long-term obligations consist of bond premiums and accrued compensated absences. More detailed information about the District's debt and other long-term obligations is presented in III.D in the notes to the financial statements.

**ECONOMIC FACTORS**

Rock Hill School District Three is located in York County with the entire city of Rock Hill being encompassed by the District. York County is in the northern Piedmont portion of South Carolina and shares a common border with North Carolina. Rock Hill is the largest city in York County and is located less than 30 miles from Charlotte-Douglas International Airport, the 7th busiest airport in the world for aircraft movements and 19<sup>th</sup> in the world for total passengers. Rock Hill was awarded the 2019 All-American City by the National Civic League.

Rock Hill is home to three higher education institutions: Winthrop University, York County Technical College, and Clinton College. Winthrop University is ranked #5 in Best Colleges for Veterans, #5 in Top Public Schools, and #11 in Regional Universities South in the 2024 U.S. News edition of Best Colleges. York County Technical College offers associate degrees and certificates in sixteen different fields in the areas of business, engineering technology, health sciences, industrial technology, information technology, public service, and university transfer students. York County Technical College also provides professional development programs. Clinton College offers four-year programs: a Bachelor of Arts in Religious Studies and a Bachelor of Science in Business Administration or Biology. The college also offers two-year programs: an Associate of Arts in Liberal Arts, Early Childhood Development or Religious Studies and an Associate of Science in Natural Sciences or Business Administration.

**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**MANAGEMENT'S DISCUSSION & ANALYSIS**

**YEAR ENDED JUNE 30, 2024**

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**ECONOMIC FACTORS (CONTINUED)**

Rock Hill includes many global companies such as Atlas Copco, 3D Systems, and Coroplast. There are several business and industrial parks in Rock Hill including Knowledge Park, TechPark, SouthCross Corporate Center, Waterford Business Park, and Riverwalk Business Park.

**2025 BUDGET**

In June 2024, the Board of Trustees approved a General Fund budget of approximately \$239.3 million in expenditures for the year ended June 30, 2025 ("2025"). This budget represents a 10% increase from the final 2024 General Fund budget of \$217.3 million and includes a planned use of fund balance of approximately \$7.4 million. The 2025 General Fund budget includes a beginning teacher salary of \$52,000, an average teacher salary increase of \$8,259, a one-year experience step for eligible teachers, an increase in teacher salary scale to 28 years, a bus driver cost of living increase of 2.25% on the state base, a decrease in non-teacher salary scales to 25 years, a 5% decrease of departmental budgets, and an employer health insurance premium increase of 11.8%. The 2025 General Fund budget also includes 57.6 ESSER positions (utilizing vacancies to absorb half) and 1 new position.

**CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide those interested with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Terri Smith, Assistant Superintendent of Business Services, at Rock Hill School District Three, PO Drawer 10072, Rock Hill, South Carolina, 29731.

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# Basic Financial Statements

**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**STATEMENT OF NET POSITION**

**JUNE 30, 2024**

	<b>PRIMARY GOVERNMENT</b>	<b>COMPONENT UNIT</b>
	<b>Governmental Activities</b>	<b>Charter School</b>
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 99,806,126	\$ 249,009
Cash and Investments Held by County Treasurer	71,074,051	-
Property Taxes Receivable, Net	8,674,512	-
Accounts Receivable	1,428,419	36,268
Insurance Proceeds Receivable	4,135,178	
Due from State	630,770	-
Due from Federal	2,492,012	-
Capital Assets:		
Non-Depreciable	17,311,893	-
Depreciable, Net	291,525,208	334
<b>TOTAL ASSETS</b>	<b>497,078,169</b>	<b>285,611</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred Pension Charges	31,532,356	136,612
Deferred Other Postemployment Benefit Charges	44,971,983	135,606
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<b>76,504,339</b>	<b>272,218</b>
<b>LIABILITIES</b>		
Accounts Payable	6,071,604	24,037
Accrued Salaries, Fringe, and Benefits	14,196,991	22,160
Accrued Interest Payable	1,772,275	-
Due to Other Governments	112,680	-
Unearned Revenue	1,303,171	16,642
Non-Current Liabilities:		
Long-Term Obligations - Due Within One Year	11,820,402	-
Long-Term Obligations - Due in More than One Year	130,751,784	-
Net Pension Liability - Due in More than One Year	226,547,536	531,188
Net Other Postemployment Benefit Liability - Due in More than One Year	154,076,451	347,055
<b>TOTAL LIABILITIES</b>	<b>546,652,894</b>	<b>941,082</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred Pension Credits	4,044,164	179,966
Deferred Other Postemployment Benefit Credits	88,865,131	382,233
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>92,909,295</b>	<b>562,199</b>
<b>NET POSITION</b>		
Net Investment in Capital Assets	167,415,317	334
Restricted For:		
Debt Service	8,978,860	-
Capital Projects	49,451,482	-
Student/Pupil Activity Programs	1,745,556	-
Food Service	5,146,315	-
Unrestricted	(298,717,211)	(945,786)
<b>TOTAL NET POSITION</b>	<b>\$ (65,979,681)</b>	<b>\$ (945,452)</b>

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



ROCK HILL SCHOOL DISTRICT THREE  
 ROCK HILL, SOUTH CAROLINA

BALANCE SHEET

GOVERNMENTAL FUNDS

JUNE 30, 2024

	GENERAL	SPECIAL REVENUE	SPECIAL REVENUE - EIA
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 99,806,126	-	-
Cash and Investments Held by County Treasurer	5,600,395	-	-
Receivables, Net:			
Taxes	6,656,914	-	-
Accounts	584,655	139,736	-
Insurance Proceeds	-	-	-
Due From:			
State	548,770	-	82,000
Federal	-	2,309,295	-
Other Funds	-	2,000,163	1,082,479
<b>TOTAL ASSETS</b>	<b>\$ 113,196,860</b>	<b>4,449,194</b>	<b>1,164,479</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
<b>LIABILITIES:</b>			
Accounts Payable	\$ 6,047,126	24,478	-
Accrued Salaries, Fringe, and Benefits	14,196,991	-	-
Due To:			
State Agencies	-	322	112,358
Other Funds	32,772,877	-	-
Unearned Revenue	-	251,050	1,052,121
<b>TOTAL LIABILITIES</b>	<b>53,016,994</b>	<b>275,850</b>	<b>1,164,479</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable Revenue - Other	-	-	-
Unavailable Revenue - Property Taxes	6,656,914	-	-
Unavailable Revenue - Insurance Proceeds	-	-	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>6,656,914</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES:</b>			
Fund Balances			
Restricted For:			
Debt Service	-	-	-
Capital Projects	-	-	-
Student/Pupil Activity Programs	-	1,745,556	-
Food Service	-	-	-
Assigned For:			
Appropriated for Use in FY 2025 Budget	7,430,745	-	-
Special Educational Programs	-	2,427,788	-
Capital Projects	-	-	-
Unassigned	46,092,207	-	-
<b>TOTAL FUND BALANCES</b>	<b>53,522,952</b>	<b>4,173,344</b>	<b>-</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 113,196,860</b>	<b>4,449,194</b>	<b>1,164,479</b>

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

SPECIAL REVENUE - FOOD SERVICE	DEBT SERVICE	CAPITAL PROJECTS	TOTAL GOVERNMENTAL FUNDS
-	-	-	\$ 99,806,126
-	8,085,320	57,388,336	71,074,051
-	2,017,598	-	8,674,512
704,028	-	-	1,428,419
-	-	4,135,178	4,135,178
-	-	-	630,770
182,717	-	-	2,492,012
4,259,570	648,217	24,782,448	32,772,877
<b>5,146,315</b>	<b>10,751,135</b>	<b>86,305,962</b>	<b>\$ 221,013,945</b>
-	-	-	6,071,604
-	-	-	14,196,991
-	-	-	112,680
-	-	-	32,772,877
-	-	-	1,303,171
-	-	-	54,457,323
704,028	-	-	704,028
-	1,965,378	-	8,622,292
-	-	3,782,416	3,782,416
704,028	1,965,378	3,782,416	13,108,736
-	8,785,757	-	8,785,757
-	-	45,669,066	45,669,066
-	-	-	1,745,556
4,442,287	-	-	4,442,287
-	-	-	7,430,745
-	-	-	2,427,788
-	-	36,854,480	36,854,480
-	-	-	46,092,207
4,442,287	8,785,757	82,523,546	153,447,886
<b>5,146,315</b>	<b>10,751,135</b>	<b>86,305,962</b>	<b>\$ 221,013,945</b>

**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

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

**JUNE 30, 2024**

<b>TOTAL FUND BALANCES - GOVERNMENTAL FUNDS</b>	<b>\$ 153,447,886</b>
Amounts reported for the governmental activities in the Statement of Net Position are different because:	
Outstanding property taxes and other inflows of resources which will be collected in the future, but are not available soon enough to pay for the current period's expenditures, are therefore unavailable in the funds.	9,326,320
Insurance Proceeds will be collected in the future but are not available soon enough to pay for current period expenditures and therefore are unavailable in the funds.	3,782,416
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of the assets is \$525,501,762, and the accumulated depreciation is \$216,664,661.	308,837,101
The District's proportionate shares of the net pension liability, deferred outflows of resources, and deferred inflows of resources related to its participation in the State retirement plans are not recorded in the governmental funds but are recorded in the Statement of Net Position.	(199,059,344)
The District's proportionate shares of the net other postemployment benefit ("OPEB") liability, deferred outflows of resources, and deferred inflows of resources related to its participation in the State OPEB plan are not recorded in the governmental funds but are recorded in the Statement of Net Position.	(197,969,599)
Interest is recorded as an expenditure when due and payable in the governmental funds. Interest is recorded in the government-wide statements when it is due. This amount represents the amount of interest due but unpaid at year-end.	(1,772,275)
Long-term liabilities, including debt premiums, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities consisted of the following:	
Long-Term Debt	(128,820,000)
Debt Premiums, Net	(12,601,784)
Compensated Absences	(1,150,402)
	(142,572,186)
<b>TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES</b>	<b><u>\$ (65,979,681)</u></b>

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

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ROCK HILL SCHOOL DISTRICT THREE  
 ROCK HILL, SOUTH CAROLINA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2024

	GENERAL	SPECIAL REVENUE	SPECIAL REVENUE - EIA
<b>REVENUES</b>			
Local Sources:			
Taxes	\$ 87,401,389	-	-
Investment Earnings	4,490,964	-	-
Other Local Sources	947,806	4,758,896	-
State Sources	113,322,742	892,025	19,895,791
Federal Sources	-	33,029,361	-
Intergovernmental Revenue	350,000	840,177	-
<b>TOTAL REVENUES</b>	<b>206,512,901</b>	<b>39,520,459</b>	<b>19,895,791</b>
<b>EXPENDITURES</b>			
Current:			
Instruction	109,466,102	11,548,774	4,219,515
Support Services	102,559,891	11,865,655	808,362
Community Services	166,011	51,473	-
Intergovernmental	868,707	226,243	102,000
Capital Outlay	249,714	12,252,752	70,480
Debt Service:			
Principal Retirement	-	-	-
Interest and Fiscal Charges	-	-	-
Other Charges	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>213,310,425</b>	<b>35,944,897</b>	<b>5,200,357</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(6,797,524)</b>	<b>3,575,562</b>	<b>14,695,434</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Sale of Capital Assets	26,386	-	-
Premium on Issuance of Bonds	-	-	-
Insurance Proceeds	-	-	-
Transfers In	18,031,264	335,218	-
Transfers Out	(383,966)	(3,335,830)	(14,695,434)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>17,673,684</b>	<b>(3,000,612)</b>	<b>(14,695,434)</b>
<b>NET CHANGES IN FUND BALANCES</b>	<b>10,876,160</b>	<b>574,950</b>	<b>-</b>
FUND BALANCES, Beginning of Year	42,646,792	3,598,394	-
<b>FUND BALANCES, End of Year</b>	<b>\$ 53,522,952</b>	<b>4,173,344</b>	<b>-</b>

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

<b>SPECIAL REVENUE - FOOD SERVICE</b>	<b>DEBT SERVICE</b>	<b>CAPITAL PROJECTS</b>	<b>TOTAL GOVERNMENTAL FUNDS</b>
-	31,167,954	-	\$ 118,569,343
-	449,087	2,983,344	7,923,395
256,058	1,976,603	924	7,940,287
-	1,322,533	-	135,433,091
8,982,291	-	-	42,011,652
-	-	-	1,190,177
<b>9,238,349</b>	<b>34,916,177</b>	<b>2,984,268</b>	<b>313,067,945</b>
-	-	-	125,234,391
8,640,506	-	1,805,044	125,679,458
-	-	-	217,484
-	-	-	1,196,950
1,904,947	-	2,159,868	16,637,761
-	10,191,000	-	10,191,000
-	6,176,375	-	6,176,375
-	3,274	52,065	55,339
<b>10,545,453</b>	<b>16,370,649</b>	<b>4,016,977</b>	<b>285,388,758</b>
<b>(1,307,104)</b>	<b>18,545,528</b>	<b>(1,032,709)</b>	<b>27,679,187</b>
1,245	-	1,443,283	1,470,914
-	-	108,074	108,074
-	-	805,344	805,344
48,748	-	17,684,150	36,099,380
-	(17,684,150)	-	(36,099,380)
<b>49,993</b>	<b>(17,684,150)</b>	<b>20,040,851</b>	<b>2,384,332</b>
<b>(1,257,111)</b>	<b>861,378</b>	<b>19,008,142</b>	<b>30,063,519</b>
5,699,398	7,924,379	63,515,404	123,384,367
<b>4,442,287</b>	<b>8,785,757</b>	<b>82,523,546</b>	<b>\$ 153,447,886</b>

**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

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

**YEAR ENDED JUNE 30, 2024**

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<b>TOTAL NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS</b>	<b>\$ 30,063,519</b>
Amounts reported for governmental activities in the Statement of Activities are different because:	
Revenues and other inflows of resources in the Statement of Activities that do not provide current financial resources are not reported in the funds. They are reported in the Statement of Activities.	3,230,215
Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.	10,191,000
Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. This is the change in accrued interest in the current year.	153,979
Debt premiums are recorded in the year they are received in governmental funds, but are amortized over the lives of the debt in the Statement of Activities. This amount is the amortization of the premiums in the current year.	1,129,551
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.	(302,607)
Changes in the District's proportionate shares of the net pension liability, deferred outflows of resources, and deferred inflows of resources for its participation in the State retirement plans for the current year are not reported in the governmental funds but are reported in the Statement of Activities.	2,685,681
Changes in the District's proportionate shares of the net OPEB liability, deferred outflows of resources, and deferred inflows of resources for its participation in the State OPEB Plans for the current year are not reported in the governmental funds but are reported in the Statement of Activities.	4,974,708
In the Statement of Activities the gain (loss) on the disposal of capital assets is reported, whereas in the governmental funds, proceeds from the disposal of capital assets increase financial resources. Thus, the change in net position differs from the change in fund balance by the net book value of the assets disposed.	(590,390)
Governmental funds report capital asset additions as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital asset additions of \$17,600,960 was exceeded by depreciation expense of \$18,646,643 in the current year.	(1,045,683)
<b>CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b>\$ 50,489,973</b>

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

**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2024**

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*Rock Hill School District Three, South Carolina* (the “District”), established in 1953, is governed by a seven member Board of Trustees (“Board”) which has oversight responsibility over public school education in the District. The District provides regular and exceptional education for students from kindergarten through grade twelve. The District receives funding from local, state, and federal government sources and must comply with the related requirements of these funding sources.

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (“GAAP”), as applied to governmental units. The Governmental Accounting Standards Board (“GASB”) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District’s accounting policies are described below.

As required by GAAP, the financial statements must present the District’s financial information with any of its component units. The primary criterion for determining inclusion or exclusion of a legally separate entity (component unit) is financial accountability, which is presumed to exist if the District both appoints a voting majority of the entity’s governing body, and either 1) the District is able to impose its will on the entity or, 2) there is a potential for the entity to provide specific financial benefits to, or impose specific financial burdens on the District. If either or both of the foregoing conditions are not met, the entity could still be considered a component unit if it is fiscally dependent on the District and there is a potential that the entity could either provide specific financial benefits to, or to impose specific financial burdens on the District.

In order to be considered fiscally independent, an entity must have the authority to do all of the following: (a) determine its budget without the District having the authority to approve or modify that budget; (b) levy taxes or set rates or charges without approval by the District; and (c) issue bonded debt without approval by the District. An entity has a financial benefit or burden relationship with the District if, for example, any one of the following conditions exists: (a) the District is legally entitled to or can otherwise access the entity’s resources, (b) the District is legally obligated or has otherwise assumed the obligation to finance the deficits or, or provide financial support to, the entity, or (c) the District is obligated in some manner for the debt of the entity. Finally, an entity could be a component unit even if it met all the conditions described above if excluding it would cause the District’s financial statements to be misleading.

Blended component units, although legally separate entities, are in substance, part of the government's operations and data from these units are combined with data of the primary government in the fund financial statements. Discretely presented component units, on the other hand, are reported in a separate column in the government-wide financial statements to emphasize they are legally separate from the District. Based on the criteria above, the District does not have any blended component units; it has one discretely presented component unit, as described below.

***Discretely presented component unit*** – The Palmetto School (“Charter School”) is a public charter school, based on the guidelines of South Carolina Charter Schools Act of 1996. The Charter School exclusively serves the District and the Charter School leadership terms remain under the jurisdiction of the District’s Board and the District’s Superintendent. Complete separately issued financial statements may be obtained from the administrative offices of the Palmetto School, 1234 Flint Street Ext., Rock Hill, South Carolina 29730.

**B. Measurement Focus, Basis of Accounting and Basis of Presentation**

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the activities of the District. For the most part, the effect of interfund activity (except for interfund services provided and used between functions) has been removed from these statements.

ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

*Governmental activities* are supported by program revenues, taxes, and intergovernmental revenues, and are reported separately from the legally separate *component units* (Charter School) for which the District is financially accountable. The District does not have any business-type activities.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the District.

The *government-wide financial statements* are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The government-wide statements are prepared using a different measurement focus from the manner in which governmental fund financial statements are prepared (see further detail below). Governmental fund financial statements therefore, include reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Governmental *fund financial statements* are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government generally considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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

Fund financial statements report detailed information about the District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. The District does not have any non-major funds.

The District generally uses restricted amounts to be spent first when both restricted and unrestricted (committed, assigned, and unassigned) fund balance is available unless there are legal documents, contracts, or agreements that prohibit doing such. Additionally, the District generally would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

The accounts of the government are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. There are a minimum number of funds maintained to keep the accounts consistent with legal and managerial requirements. The following fund types and funds are used by the District.

**Governmental Fund Types** are those through which most governmental functions of the District are financed. The District's expendable financial resources and related assets, deferred outflows of resources, liabilities, and deferred inflows of resources are accounted for through governmental funds. Governmental funds are accounted for using a current financial resources measurement focus and the modified accrual basis of accounting. The following are the District's governmental funds:

The **General Fund, a major fund** and a budgeted fund, is the general operating fund of the District and accounts for all revenues and expenditures of the District except those required to be accounted for in another fund. All general tax revenues and other receipts that (a) are not allocated by law or contractual agreement to other funds or (b) that have not been restricted, committed, or assigned to other funds are accounted for in the General Fund. General operating expenditures and the capital improvement costs that are not paid through other funds are paid from the General Fund.

**Special Revenue Funds** are used to account for and report the proceeds of specific revenue sources (that are expected to continue to comprise a substantial portion of the inflows of the fund) that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The District has the following major Special Revenue Funds:

- i) **The Special Revenue Fund, a major fund** and an unbudgeted fund, is used to account for financial resources provided by federal, state and local projects and grants that are restricted, committed or assigned for special educational programs or student/pupil activity programs.
- ii) **The Special Revenue - Education Improvement Act ("EIA") Fund, a major fund** and an unbudgeted fund, is used to account for and report the restricted revenue from the South Carolina Education Improvement Act of 1984 (which is legally required by the state to be accounted for as a specific revenue source) which are restricted for specific programs authorized or mandated by the EIA.
- iii) **The Special Revenue - Food Service Fund, a major fund** and an unbudgeted fund, is used to account for and report the financial resources received that are restricted for the cafeteria operations at school locations. These resources primarily consist of revenues received (a) from breakfast, lunch, and other food sales and (b) from the United States Department of Agriculture's ("USDA") approved school breakfast and lunch programs.

The **Debt Service Fund, a major fund** and an unbudgeted fund, is used to account for the accumulation of financial resources that are restricted, committed, or assigned for the payment of all long-term debt principal, interest and related costs for the District.

The **Capital Projects Fund, a major fund** and an unbudgeted fund, is used to account for and report financial resources that are restricted, committed, or assigned for expenditures of capital outlay related to site acquisitions, construction, equipment, and renovation of all major capital facilities.

**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2024**

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**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**B. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)**

*Change in Accounting Principle*

The District adopted GASB Implementation Guide No. 2021-1 Question 5.1 (“IGQ”) on “*Group Capital Asset Purchases*” (“GP”) for the year ended June 30, 2024. The objective of this IGQ was to provide clarification that a government should capitalize assets whose individual acquisition costs are less than the threshold for an individual asset (i.e. computers, furniture, equipment, etc.) if those assets in the aggregate are significant. The District established a new GP threshold of \$750,000 and has applied that GP threshold retroactively. The adoption of IGQ had no impact on the District’s governmental fund financial statements but has resulted in the restatement of the District’s beginning net position for the year ended June 30, 2024 for its government-wide financial statements to reflect the reporting of GP capital assets. Net position of the District’s government-wide financial statements as of July 1, 2023 was increased by approximately \$21.4 million reflecting the cumulative change in accounting principle related to the adoption of this IGQ. See Notes I.C.4 and III.C in the notes to the financial statements for more information regarding the District’s capital assets.

**C. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Equity**

*1. Cash, Cash Equivalents, and Investments*

*Cash and Cash Equivalents*

The District considers all highly liquid investments (including restricted assets) with original maturities of three months or less when purchased and investments in the South Carolina Local Government Investment Pool to be cash equivalents. Securities with an initial maturity of more than three months (from when initially purchased) that are not purchased from the South Carolina Local Government Investment Pool are reported as investments.

*Investments*

The District’s investment policy is designed to operate within existing statutes (which are identical for all funds, fund types and component units within the State of South Carolina) that authorize the District to invest in the following:

- (a) Obligations of the United States and its agencies, the principal and interest of which is fully guaranteed by the United States.
- (b) Obligations issued by the Federal Financing Bank, Federal Farm Credit Bank, the Bank of Cooperatives, the Federal Intermediate Credit Bank, the Federal Land Banks, the Federal Home Loan Banks, the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Housing Administration, and the Farmers Home Administration, if, at the time of investment, the obligor has a long-term, unenhanced, unsecured debt rating in one of the top two ratings categories, without regard to a refinement or gradation of rating category by numerical modifier or otherwise, issued by at least two nationally recognized credit rating organizations.
- (c) (i) General obligations of the State of South Carolina or any of its political units; or (ii) revenue obligations of the State of South Carolina or its political units, if at the time of investment, the obligor has a long-term, unenhanced, unsecured debt rating in one of the top two ratings categories, without regard to a refinement or gradation of rating category by numerical modifier or otherwise, issued by at least two nationally recognized credit rating organizations.
- (d) Savings and Loan Associations to the extent that the same are insured by an agency of the Federal Savings and Loan Insurance Corporation.

**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2024**

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**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Equity (Continued)**

***1. Cash, Cash Equivalents, and Investments (Continued)***

***Investments (Continued)***

- (e) Certificates of deposit where the certificates are collaterally secured by securities of the type described in (a) and b) above held by a third party as escrow agent or custodian, of a market value not less than the amount of the certificates of deposit so secured, including interest; provided, however, such collateral shall not be required to the extent the same are insured by an agency of the federal government.
- (f) Repurchase agreements when collateralized by securities as set forth in this section.
- (g) No load open-end or closed-end management type investment companies or investment trusts registered under the Investment Company Act of 1940, as amended, where the investment is made by a bank or trust company or savings and loan association or other financial institution when acting as trustee or agent for a bond or other debt issue of that local government unit, political subdivision, or county treasurer if the particular portfolio of the investment company or investment trust in which the investment is made (i) is limited to obligations described in items (a), (b), (c), and (f) of this subsection, and (ii) has among its objectives the attempt to maintain a constant net position value of one dollar a share and to that end, value its assets by the amortized cost method.

The District's cash investment objectives are preservation of capital, liquidity and yield. The District reports its cash and investments at fair value which is normally determined by quoted market prices.

The District currently or in the past year has used the following investments:

- Cash and Investments held by the York County Treasurer which are property taxes collected and other funds received by the District's fiscal agent that have not been remitted to the District. The County Treasurer invests these funds in investments authorized by state statute as outlined above. All interest and other earnings gained are added back to the fund and are paid out by the County Treasurer to the respective governments on a periodic basis.
- South Carolina Local Government Investment Pool ("LGIP" or "Pool") investments are invested with the South Carolina State Treasurer's Office, which established the South Carolina Pool pursuant to Section 6-6-10 of the South Carolina Code. The Pool is an investment trust fund, in which public monies in excess of current needs, which are under the custody of any city treasurer or any governing body of a political subdivision of the State, may be deposited. In accordance with GASB Statement No. 31 "*Accounting and Financial Reporting for Certain Investments and for External Investment Pools*", and GASB Statement No. 72 "*Fair Value Measurement and Application*", investments are carried at fair value determined annually based upon (a) quoted market prices for identical or similar investments or (b) observable inputs other than quoted market prices. The total fair value of the Pool is apportioned to the entities with funds invested on an equal basis for each share owned, which are acquired at a cost of \$1.00. Funds may be deposited by Pool participants at any time and may be withdrawn upon 24 hours' notice. Financial statements for the Pool may be obtained by writing the Office of State Treasurer, Local Government Investment Pool, P.O. Box 11778, Columbia, SC 29211-1960.

**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2024**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Equity (Continued)**

**2. Receivables and Payables**

Transactions between funds that are representative of reimbursement arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds." These amounts are eliminated in the Statement of Net Position. All accounts and property taxes receivable are shown net of an allowance for uncollectible amounts.

**3. Prepaid Items and Inventories**

Certain payments to vendors reflect costs applicable to future accounting periods and are reported as an expense / expenditure at the time of purchase using the purchase method, rather than the consumption method (shown as an expenditure when consumed). For the government-wide statements, these prepaid items are also accounted for using the purchase method as they are not considered material.

Under the system for accounting for inventories, materials and supplies are charged to expenditures when purchased rather than when consumed, rather than the consumption method (shown as an expenditure when consumed). For the government-wide statements, these inventory items are also accounted for using the purchase method as they are not considered material.

**4. Capital Assets**

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at estimated acquisition value (as estimated by the District) at the date of donation. The cost and accumulated depreciation of assets sold or retired are removed from the accounts, and gains or losses, if any, are reflected in revenue or expenditures/expenses for the year. The District maintains an individual capitalization threshold of \$100,000 for assets with lives of 15 years or more and \$5,000 for all other capital assets. The District maintains a group purchase threshold of \$750,000. Improvements that meet these criteria are capitalized. The District does not own any significant infrastructure. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed.

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

Asset Category	Governmental Activities
Buildings	40 years
Building and Site Improvements	15 - 20 years
Furniture and Vehicles	10 years
Equipment	5 - 12 years

**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2024**

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**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Equity (Continued)**

**5. *Compensated Absences***

The District reports compensated absences in accordance with GASB Statement No. 16 “*Accounting for Compensated Absences*.” The entire compensated absence liability and expense is reported on the government-wide financial statements. Governmental funds will only recognize compensated absences liability if they have matured, for example, as a result of employee resignations or retirements. The District’s policy is to pay any salary-related payments, including accumulated vacation leave, upon termination up to 10 days.

However, employees may accumulate vacation leave up to 20 days to be taken as time off. No liability is recorded for non-vesting accumulating rights to receive sick pay benefits.

**6. *Accrued Liabilities and Long-Term Obligations***

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements. In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources.

However, claims and judgments, compensated absences, contractually required pension contributions and special termination benefits that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they will be paid with current, expendable, available financial resources. In general, payments made within sixty days after year-end are considered to have been made with current available financial resources. Debt and other long-term obligations that will be paid from governmental funds are not recognized as a liability in the fund financial statements until due.

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities on the Statement of Net Position. Debt premiums and discounts (if any) are amortized over the life of the debt using the straight-line method, which approximates the effective interest method, if material. Debt payables are reported net of the applicable debt premiums or discount. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenses.

In the governmental fund financial statements, governmental funds recognize debt premiums, discounts, and debt 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 are reported as expenditures.

**7. *Deferred Outflows/Inflows of Resources***

In addition to assets, the Statement of Net Position and the Balance Sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District currently has two types of deferred outflows of resources: (1) The District reports *deferred pension charges* in its Statement of Net Position in connection with its participation in the South Carolina Retirement System and the South Carolina Police Officers Retirement System. (2) The District reports *deferred other postemployment benefits (“OPEB”) charges* in its Statement of Net Position in connection with its participation in the South Carolina Retiree Health Insurance Trust Fund. The *deferred pension and OPEB charges* are either (a) recognized in the subsequent period as a reduction of the net pension/OPEB liability (which includes contributions made after the measurement date) or (b) amortized in a systematic and rational method as pension/OPEB expense in future periods in accordance with GAAP.

ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Equity (Continued)

7. *Deferred Outflows/Inflows of Resources (Continued)*

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

The District currently has three types of deferred inflows of resources: (1) The District reports *unavailable revenue* for property taxes, insurance proceeds, and other receivables only in the governmental funds Balance Sheet; it is deferred and recognized as an inflow of resources in the period the amounts become available. (2) The District also reports *deferred pension credits* in its Statement of Net Position in connection with its participation in the South Carolina Retirement System and South Carolina Police Officers Retirement System. (3) The District reports *deferred OPEB credits* in its Statement of Net Position in connection with its participation in the South Carolina Retiree Health Insurance Trust Fund. The *deferred pension and OPEB credits* are amortized in a systematic and rational method and recognized as a reduction of pension/OPEB expense in future periods in accordance with GAAP.

8. *Fund Balance*

In accordance with GAAP, the District classifies governmental fund balances as follows:

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

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

**Committed** – includes amounts that are constrained for specific purposes that are internally imposed by the government through formal action made by the 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 consist of amounts approved by a majority vote of the Board (a) in the annual budget or (b) in subsequent requests made throughout the year.

**Assigned** – includes amounts that are intended to be used for specific purposes that are neither considered restricted or committed and that such assignments are made before the report issuance date. At this time, the Board has not formally granted the right to make assignments of fund balance for the District to anyone other than itself.

**Unassigned** – includes amounts that do not qualify to be accounted for and reported in any of the other fund balance categories. This classification represents the amount of fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. The General Fund should be the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceeded the amounts of restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2024**

---

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Equity (Continued)**

**8. Fund Balance (Continued)**

The District generally uses restricted amounts to be spent first when both restricted and unrestricted (committed, assigned, and unassigned) fund balance is available unless there are legal documents, contracts, or agreements that prohibit doing such. Additionally, the District generally would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

**9. Net Position**

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

**10. Pensions and Other Postemployment Benefits**

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

**11. Fair Value**

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

**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2024**

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**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Equity (Continued)**

***11. Fair Value (Continued)***

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the District can access at the measurement date.

Level 2 – Inputs to the valuation methodology, other than quoted prices included in Level 1, that are observable for an asset or liability either directly or indirectly and include:

- Quoted prices for similar assets and liabilities in active markets.
- Quoted prices for identical or similar assets or liabilities in inactive markets.
- Inputs other than quoted market prices that are observable for the asset or liability.
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 – Inputs to the valuation methodology that are unobservable for an asset or liability and include:

- Fair value is often based on developed models in which there are few, if any, observable inputs.

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

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

***12. Encumbrances***

Encumbrance accounting, under which purchase orders, contracts, and other commitments for expenditures are recorded to reflect the use of the applicable spending appropriations, is used by the General Fund during the year to control expenditures. Encumbrances do not constitute expenditures or liabilities. For budget purposes encumbrances and unused expenditure appropriations lapse at year end.

***13. 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. Those estimates and assumptions affect the reported amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources and disclosure of these balances as of the date of the financial statements. In addition, they affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates and assumptions.

***14. Comparative Data***

Comparative data (i.e. presentation of prior year totals by fund type) has not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2024**

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**II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**A. Budgetary Accounting**

State statutes require a budget for operations to be approved before expenditures are incurred. The Board will usually approve the operating budget in June for the fiscal year beginning July 1. A budget is adopted by July of each fiscal year for the General Fund, on the same modified accrual basis used to reflect actual revenues and expenditures in the fund financial statements. The Board does not adopt a budget for the special revenue funds. Special revenue fund budgets are controlled in conformance with the specific requirements of those funds (i.e. federal and state grant funds available are based on award amounts and the State EIA funds are based on state appropriation). In addition, no budgets are prepared for the Debt Service Fund and Capital Projects Fund.

A budget and actual comparison is presented in the accompanying fund financial statements for the General Fund. The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts adopted in the original appropriation. The amounts reported as the final budgeted amounts in the budgetary schedules reflect the amounts in the final amended budget (if any) approved for the current year. This budget is prepared by function and object as dictated by the State-adopted Program Oriented Budgeting and Accounting System and for management control purposes. The District's policies allow funds to be transferred between functions with administrative approval. The total budget cannot be increased beyond that level approved by the Board originally and in supplementary action. The legal level of control is at the fund level.

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

- a. In the winter, the District sets its budget calendar for the preparation of the budget for the next succeeding fiscal year.
- b. The Finance Department develops each school's allocation based on an enrollment projection. Each principal uses this allocation to develop the individual school budgets.
- c. The District's Cabinet members consisting of the superintendent, chiefs, and executive directors, review the requests and prioritize budget request and present a proposed budget to the Board.
- d. After review and preliminary approval by the Board, the proposed budget is presented at a public hearing. Following the public hearing, the Board adopts the budget.

The budget amounts in the required supplementary information are as amended (if applicable) and approved by the Board. All appropriations lapse at the end of the fiscal year.

**III. DETAILED NOTES ON ALL FUNDS**

**A. Deposits and Investments**

***Deposits***

**Custodial Credit Risk for Deposits:** Custodial credit risk for deposits is the risk that, in the event of a bank failure, the District's deposits might not be recovered. The District does not have a deposit policy for custodial credit risk but follows the investment policy statutes of the State of South Carolina. As of June 30, 2024, none of the District's bank balances of approximately \$9,090,000 (with a carrying value of approximately \$6,439,000 due to outstanding checks) were exposed to custodial credit risk.

**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2024**

**III. DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**A. Deposits and Investments (Continued)**

*Investments*

As of June 30, 2024, the District had the following investments:

Investment Type	Fair Value Level (1)	Credit Rating	Fair Value	Weighted Average Maturity Less than One Year
State Local Government Investment Pool	N/A	Unrated	\$ 93,367,265	\$ 93,367,265
Cash and Investments Held by County Treasurer *	N/A	Unrated	71,074,051	71,074,051
Total			\$ 164,441,316	\$ 164,441,316

\* The County Treasurer invests the monies it holds in trust for governmental entities primarily in separate accounts with the Pool. For weighted average maturity ("WAM") purposes, we have included the WAM of the Pool.

(1) See Note I.C.11 for details of the District's fair value hierarchy.

N/A - Not Applicable

**Interest Rate Risk:** The District does not have a formal policy limiting investment maturities that would help manage its exposure to fair value losses from increasing interest rates. However, the District primarily uses the South Carolina Local Government Investment Pool or the County Treasurer (York County) for its investments. The balances invested in these pools are subject to withdrawals on a daily basis.

**Custodial Credit Risk for Investments:** Custodial credit risk for investments is the risk that, in the event of a bank failure, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District does not have an investment policy for custodial credit risk but follows the investment policy statutes of the State of South Carolina. As of June 30, 2024, none of the District's investments were exposed to custodial credit risk.

**Concentration of Credit Risk for Investments:** The District places no limit on the amount the District may invest in any one issuer. Investments issued by or explicitly guaranteed by the U.S. Government and investments in mutual funds, external investment pools and other pooled investments are exempt from concentration of credit risk disclosures.

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

**B. Property Taxes Receivable, Other Receivables, and Unavailable/Unearned Revenues**

York County, South Carolina (the "County") is responsible for levying and collecting sufficient property taxes to meet funding obligations for the District. This obligation is established each year by the Board and does not necessarily represent actual taxes levied or collected. The property taxes are considered both measurable and available for purposes of recognizing revenue and a receivable from the County at the time they are collected by the County.

**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2024**

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**III. DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**B. Property Taxes Receivable, Other Receivables, and Unavailable/Unearned Revenues (Continued)**

Real Property taxes are levied on October 1 on the assessed valuations of property listed as of the preceding December 31 for all real and business personal property located in the District, 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 an enforceable lien 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 15	10% of tax
After March 15	15% of tax plus collection costs

Motor vehicle taxes are levied on the first day of the month in which the motor vehicle license expires and are due by the end of the month.

South Carolina Code Section 12-37-251(A) provides a property tax exemption for property classified pursuant to Section 12-43-220(C) (homestead exemption) from property taxes levied for other than bonded indebtedness and payments pursuant to lease purchase agreements for capital construction. The exemption applies against millage imposed for school operations and the amount of fair market value of the homestead that is exempt from such millage must be set by the Department of Revenue and Taxation based on the amount available in the State Property Tax Relief Fund.

For the year ended June 30, 2024, millage for property taxes was set at 193.2 mills (increase of 22.3 mills from the prior year) to cover the District's general operations. The millage to cover the District's scheduled debt service requirements was set at 52.0 mills (no change from the prior year). In addition, the District receives a prorated share, based on pupil attendance, of the County-wide 30 mill levy for school operations that is divided between the four school districts within the County, and an additional County-wide special 1 mill levy for school operation for the school district having the lowest assessed valuation in the County, which is York School District One. The District's assessed value of real and personal property was approximately \$664.4 million.

Receivables for property taxes are reported net of the allowance for uncollectible accounts. Taxes receivable of approximately \$6,657,000 in the General Fund and approximately \$2,018,000 in the Debt Service Fund are reported net of an allowance for uncollectible amounts of approximately \$907,000 and \$261,000, respectively. For the year ended June 30, 2024, the District had other accounts receivable of approximately \$1,428,000 which was net of an allowance for uncollectible amounts of approximately \$143,000.

During the year ended June 30, 2024, the District was subject to a hailstorm event. As of June 30, 2024, the District expects to receive approximately \$4,135,000 in insurance proceeds in the Capital Projects Fund. Of this receivable amount, \$3,782,000 is considered unavailable revenue for the Capital Projects Fund as of June 30, 2024, as this was not collected within sixty days of June 30, 2024.

Governmental funds report deferred revenues in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period (unavailable revenues). Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned (unearned revenues).

At June 30, 2024, unavailable revenue related to property taxes reported in the governmental funds totaled approximately \$6,657,000 and \$1,965,000 in the General Fund and Debt Service Fund, respectively. Unavailable and unearned revenues in the special revenue funds totaled approximately \$704,000 and \$1,303,000, respectively, at June 30, 2024.

Intergovernmental receivables at June 30, 2024 consisted of intergovernmental grants and reimbursements. All intergovernmental receivables are considered collectible in full. A summary of the principal items of intergovernmental receivables at June 30, 2024 was as follows:

**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2024**

**III. DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**B. Property Taxes Receivable, Other Receivables, and Unavailable/Unearned Revenues (Continued)**

Due from Federal Government:		
Special Revenue Fund		\$ 2,309,295
Special Revenue - Food Service Fund		182,716
Total Due from Federal Government		<u>2,492,011</u>
Due from State Agencies:		
General Fund		548,770
Special Revenue - Education Improvement Act Fund		82,000
Total Due from State Agencies		<u>630,770</u>
Total Intergovernmental Receivables		<u>\$ 3,122,781</u>

**C. Capital Assets**

The District implemented retroactively a new group purchase threshold for the year ended June 30, 2024. The District has restated its beginning balance for this change (see Note I.B for more details). Capital asset activity for the District for the year ended June 30, 2024, was as follows:

<b>Governmental Activities:</b>	Restated Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Capital Assets, Not Being Depreciated:					
Land	\$ 10,121,667	-	-	-	\$ 10,121,667
Construction in Progress	8,745,167	6,763,389	-	(8,318,330)	7,190,226
Total Capital Assets, Non-Depreciable	<u>18,866,834</u>	<u>6,763,389</u>	<u>-</u>	<u>(8,318,330)</u>	<u>17,311,893</u>
Capital Assets, Being Depreciated:					
Buildings and Improvements	443,355,580	-	(979,386)	8,318,330	450,694,524
Furniture and Equipment	51,533,135	10,837,571	(4,875,361)	-	57,495,345
Total Capital Assets Depreciable	<u>494,888,715</u>	<u>10,837,571</u>	<u>(5,854,747)</u>	<u>8,318,330</u>	<u>508,189,869</u>
Less: Accumulated Depreciation For:					
Buildings and Improvements	183,319,652	11,976,659	(801,811)	-	194,494,500
Furniture and Equipment	19,962,723	6,669,984	(4,462,546)	-	22,170,161
Total Accumulated Depreciation	<u>203,282,375</u>	<u>18,646,643</u>	<u>(5,264,357)</u>	<u>-</u>	<u>216,664,661</u>
Total Capital Assets, Depreciable, Net	<u>291,606,340</u>	<u>(7,809,072)</u>	<u>(590,390)</u>	<u>8,318,330</u>	<u>291,525,208</u>
Governmental Activities Capital Assets, Net	<u>\$310,473,174</u>	<u>(1,045,683)</u>	<u>(590,390)</u>	<u>-</u>	<u>\$308,837,101</u>

**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2024**

**III. DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**C. Capital Assets (Continued)**

Capital asset additions and depreciation expense were charged to functions/programs of the District as follows:

	Capital Asset Additions	Depreciation Expense
Instruction	\$ -	\$ 9,372,716
Support Services	17,600,690	9,273,927
Total	<u>\$ 17,600,690</u>	<u>\$ 18,646,643</u>

The District has outstanding commitments related to construction totaling approximately \$2,859,000 at June 30, 2024.

**D. Long-Term Obligations**

The District issues bonds to provide funds for the acquisition and construction of major capital facilities for its governmental activities. General obligation bonds (“GOB”) and general obligation refunding bonds (“GORB”) are direct obligations and pledge the full faith and credit of the District and are subject to the 8% debt limit requirement if not issued under a bond referendum. Note payable obligations are direct obligations of the District payable from the general revenues of the District. The full faith, credit, and taxing powers of the District are not pledged for the payment of the note payable obligation nor the interest thereon.

The District’s outstanding GOB and GORB are publicly traded debt. The District’s outstanding note payable is a direct borrowing/placement and contains provisions that in an event of default, (a) outstanding amounts can become immediately due if the District is unable to make payment and (b) the lessor could exercise its option to demand return of the financed assets.

A summary of changes in long-term obligations for the year ended June 30, 2024 is as follows:

<b>Governmental Activities</b>	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Bonds (Publicly Traded):					
Series 2014A GOB *	\$ 3,890,000	-	1,915,000	1,975,000	\$ 1,975,000
Series 2015A GORB *	37,010,000	-	3,235,000	33,775,000	3,395,000
Series 2016C GORB *	7,530,000	-	1,165,000	6,365,000	1,230,000
Series 2017B GOB *	90,050,000	-	3,345,000	86,705,000	4,070,000
Total Bonds	<u>138,480,000</u>	<u>-</u>	<u>9,660,000</u>	<u>128,820,000</u>	<u>10,670,000</u>
Note Payable (Direct Borrowing/Placement)					
2016 Note Payable *	531,000	-	531,000	-	-
Gross Debt	<u>139,011,000</u>	<u>-</u>	<u>10,191,000</u>	<u>128,820,000</u>	<u>10,670,000</u>
Unamortized Bond Premiums	13,731,335	-	1,129,551	12,601,784	-
Net Debt	<u>152,742,335</u>	<u>-</u>	<u>11,320,551</u>	<u>141,421,784</u>	<u>10,670,000</u>
Compensated Absences	847,795	1,361,163	1,058,556	1,150,402	1,150,402
Total Governmental Activities	<u>\$ 153,590,130</u>	<u>1,361,163</u>	<u>12,379,107</u>	<u>142,572,186</u>	<u>\$ 11,820,402</u>

\* This debt issue is not subject to the District's 8% debt limit.

**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2024**

**III. DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**D. Long-Term Obligations (Continued)**

Compensated absences are paid from the fund where the employee’s salary is paid. General obligation and note payable debt are paid from the Debt Service Fund.

Long-term debt consists of the following at June 30, 2024:

Date/Description of Issue	Interest Rate	Payment Dates	Maturity	Original Issue Amount	Outstanding Balance
February 19, 2014 - Series 2014A	2.00 - 5.00%	Mar./Sept.	2025	\$ 16,170,000	\$ 1,975,000
March 12, 2015 - Series 2015A	3.00 - 5.00%	Mar./Sept.	2032	53,810,000	33,775,000
September 29, 2016 - Series 2016C	2.00-5.00%	Mar./Sept.	2029	11,665,000	6,365,000
July 13, 2017 - Series 2017B	5.00%	Mar./Sept.	2037	110,000,000	86,705,000
Total Long-Term Debt				<u>\$ 191,645,000</u>	<u>\$ 128,820,000</u>

The following table represents debt service requirements on all outstanding long-term indebtedness through maturity for the District as of June 30, 2024:

Year Ended June 30,	Publicly Traded		Total
	Principal	Interest	
2025	\$ 10,670,000	5,316,825	\$ 15,986,825
2026	9,125,000	4,822,825	13,947,825
2027	9,505,000	4,406,725	13,911,725
2028	9,890,000	4,056,475	13,946,475
2029	10,330,000	3,640,600	13,970,600
2030-2034	49,815,000	11,865,190	61,680,190
2035-2037	29,485,000	2,309,800	31,794,800
Totals	<u>\$ 128,820,000</u>	<u>36,418,440</u>	<u>\$ 165,238,440</u>

In accordance with the provisions of Section 148(f) of the Internal Revenue Code of 1986, as amended, bonds must satisfy certain arbitrage rebate requirements. Positive arbitrage is the excess of (1) the amount earned on investments purchased with bond proceeds over (2) the amount that such investments would have earned had such investments been invested at a rate equal to the yield on the bond issue. In order to comply with the arbitrage rebate requirements, positive arbitrage must be paid to the U.S. Treasury at the end of each five year anniversary date of the bond issue. As of June 30, 2024, there were no amounts outstanding for arbitrage rebates.

Article X, Section 15 of the Constitution of the State of South Carolina, as amended, empowers each school district of the State to incur general obligation debt in such manner and upon such terms and conditions as the General Assembly shall prescribe by law. After November 30, 1982, each school district may incur general obligation debt, without an election and upon such terms and conditions as the General Assembly may prescribe, in an amount not exceeding 8% of the assessed value of all taxable property of such school district. Bonded indebtedness existing on November 30, 1982, and bonded indebtedness authorized by a majority vote of the qualified electors of the District voting in a referendum will not be considered in the computation of the 8% limitation. The District currently has no outstanding bonded indebtedness that is subject to the 8% debt limit of approximately \$53,155,000 at June 30, 2024.

**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2024**

**III. DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**E. Short-Term Obligations**

The following is a summary of the changes in the District’s short-term obligations for the year ended June 30, 2024:

<b>Governmental Activities:</b>	Beginning Balance	Additions	Reductions	Ending Balance
Series 2023B GOB	\$ -	18,225,000	18,225,000	\$ -
Total Governmental Activities	<u>\$ -</u>	<u>18,225,000</u>	<u>18,225,000</u>	<u>\$ -</u>

The District issued a short-term Series 2023B General Obligation Bond (“Series 2023B GOB”) in September 2023 for approximately \$18,225,000 with an interest rate of 5.00%. The Series 2023B GOB was issued to fund capital needs and to fund the debt service on the 2016 Note Payable. The bond plus interest of approximately \$405,000 was repaid in March 2024.

**F. Interfund Receivables/Payables**

All normal cash activities are recorded in the General Fund, and as a result, receivable and payables exist at year end that are either due to or due from the General Fund in the other funds. Various differences include Special Revenue payments not received from the State Department of Education until after the fiscal year ended, fringe amounts paid by the General Fund for the Food Service Fund, taxes receivable for Debt Service Fund, and building project costs.

Interfund receivables and payables at June 30, 2024 (all of which are expected to be repaid within one year) are summarized as follows:

<u>Governmental Funds:</u>	<u>Receivables</u>	<u>Payables</u>
General Fund	\$ -	\$ 32,772,877
Special Revenue Fund	2,000,163	-
Special Revenue - EIA Fund	1,082,479	-
Special Revenue - Food Service Fund	4,259,570	-
Debt Service Fund	648,217	-
Capital Projects Fund	24,782,448	-
Totals	<u>\$ 32,772,877</u>	<u>\$ 32,772,877</u>

**G. Transfers In/Out**

During the course of normal operations, the District has transactions between funds to provide services, construct assets, service debt, etc. These transactions are generally reflected as transfers. Funds are transferred into the General Fund from other funds to cover Education Improvement Act state aid to classrooms, indirect costs for federal programs and the required Medicaid match. Funds are transferred from the General Fund to the Food Service Fund for reimbursement of fringe-related costs. Funds transferred from the Debt Service Fund to the Capital Projects Fund was due to short-term debt proceeds that will be used for equipment acquisitions and ongoing construction.

**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2024**

**III. DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**G. Transfers In/Out (Continued)**

Transfers between funds for the year ended June 30, 2024, consisted of the following:

	Transfers In	Transfers Out
<u>Governmental Funds:</u>		
General Fund	\$ 18,031,264	\$ 383,966
Special Revenue Fund	338,598	3,339,210
Special Revenue - EIA Fund	-	14,695,434
Special Revenue - Food Service Fund	48,748	-
Debt Service Fund	-	17,684,150
Capital Projects Fund	17,684,150	-
Totals	<u>\$ 36,102,760</u>	<u>\$ 36,102,760</u>

**IV. OTHER INFORMATION**

**A. Retirement Plans**

The District participates in the State of South Carolina’s retirement plans. The South Carolina Public Employee Benefit Authority (“PEBA”), created July 1, 2012, is the state agency responsible for the administration and management of the retirement systems and benefits 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’ (“Systems”) five defined benefit pension plans. PEBA has an 11-member Board of Directors (“PEBA Board”), appointed by the Governor and General Assembly leadership, which serves as custodian, co-trustee and co-fiduciary of the Systems and the assets of the 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. The Commission, an eight-member board, serves as co-trustee and co-fiduciary for the assets of the retirement trust funds. By law, the State Fiscal Accountability Authority (“SFAA”), which consists of five elected officials, also reviews certain PEBA Board decisions regarding the actuary of the 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 GAAP. For this purpose, revenues are recognized when earned and expenses are recognized when incurred. Benefit and refund expenses are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value.

The PEBA issues an Annual Comprehensive Financial Report (“ACFR”) containing financial statements and required supplementary information for the System’ Pension Trust Funds. The ACFR is publicly available through the PEBA’s website at [www.peba.sc.gov](http://www.peba.sc.gov), or a copy may be obtained by submitting a request to PEBA, 202 Arbor Lake Drive, Columbia, SC 29223. The 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.

**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2024**

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**IV. OTHER INFORMATION (CONTINUED)**

**A. Retirement Plans (Continued)**

*Plan Description*

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 individuals first elected to the South Carolina General Assembly at or after the general election in November 2012.

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

The South Carolina Police Officers Retirement System (“PORS”), a cost-sharing multiple-employer defined benefit pension plan, was established 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 to police officers and firefighters. The PORS also covers peace officers, coroners, probate judges, and magistrates.

*Plan Membership*

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

- SCRS – Generally, all employees of covered employers are required to participate in and contribute to the system as a condition of employment. This plan covers general employees and teachers and individuals first elected to the South Carolina General Assembly at or after the general election in November 2012. A member of the system with an effective date of membership prior to July 1, 2012, is a Class Two member. A member of the system with an effective date of membership on or after July 1, 2012, is a Class Three member.
- State ORP – As an alternative to membership in the SCRS, newly hired state, public school and higher education employees, as well as individuals first elected to the South Carolina General Assembly at or after the general election in November 2012 have the option to participate in the State ORP. Contributions to the State ORP are at the same rates as the SCRS. A direct remittance is required from the employer to the member’s account with the ORP service provider for the employee contribution and a portion of the employer contribution (5 percent). A direct remittance is also required to the SCRS for the remaining portion of the employer contribution and an incidental death benefit contribution, if applicable, which is retained by the SCRS.

**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2024**

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**IV. OTHER INFORMATION (CONTINUED)**

**A. Retirement Plans (Continued)**

*Plan Membership (Continued)*

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

*Plan Benefits*

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

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

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

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

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

**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2024**

**IV. OTHER INFORMATION (CONTINUED)**

**A. Retirement Plans (Continued)**

*Plan Contributions*

Actuarial valuations are performed annually by an external consulting actuary to ensure applicable contribution rates satisfy the funding parameters specified in Title 9 of the South Carolina Code of Laws. Under these provisions, the SCRS and PORS (“Plans”) 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 and capped at 9.00 percent for the SCRS and 9.75 percent for the PORS. The legislation also increased employer contribution rates beginning July 1, 2017 for both the SCRS and PORS until reaching 18.56 percent for the SCRS and 21.24 percent for the PORS. The legislation included a further provision that if the scheduled contributions are not sufficient to meet the funding periods set in state statute, the PEBA Board would increase the employer contribution rates as necessary to meet the funding periods set for the applicable year.

Pension reform legislation modified the 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 Plans. 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.

As noted earlier, both employees and the District are required to contribute to the Plans at rates established and as amended by the PEBA. The District’s contributions are actuarially determined but are communicated to and paid by the District as a percentage of the employees’ annual eligible compensation. Required employer and employee contribution rates for the past year are as follows:

	SCRS and State ORP Rates	PORS Rates
	2024	2024
Employer Contribution Rate: ^		
Retirement*	18.41%	20.84%
Incidental Death Benefit	0.15%	0.20%
Accidental Death Contributions	0.00%	0.20%
	18.56%	21.24%
Employee Contribution Rate ^	9.00%	9.75%

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

\* Of the rate for the State ORP Plan, 5% of earnable compensation must be remitted by the employer directly to the ORP vendor to be allocated to the member's account with the remainder of the employer contribution remitted to the SCRS.

The actual and required contributions to the SCRS, ORP, and PORS were approximately \$21,807,000, \$2,562,000, and \$32,000, respectively, for the year ended June 30, 2024 and include the following nonemployer contributions.

**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2024**

**IV. OTHER INFORMATION (CONTINUED)**

**A. Retirement Plans (Continued)**

*Nonemployer Contributions*

In an effort to help offset a portion of the burden of the increased contribution requirement for employers, the State General Assembly (“State”) funded 1 percent of the SCRS and PORS contribution increases for the year ended June 30, 2024. The State’s budget appropriated these funds directly to the PEBA for the South Carolina Retirement System Trust Fund and the Police Officers Retirement System Trust Fund. The amount of funds appropriated by the State (nonemployer contributing entity) for the year ended June 30, 2024 were approximately \$1,002,000 and \$1,000 for the SCRS, and PORS, respectively. These contributions (on-behalf benefits) from the State were recognized as intergovernmental revenues and pension expenditures in the District’s governmental fund financial statements.

*Actuarial Assumptions and Methods*

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

The June 30, 2023 total pension liability (“TPL”), net pension liability (“NPL”), and sensitivity information shown in this report were determined by the consulting actuary, Gabriel, Roeder, Smith and Company, and are based on an actuarial valuation performed as of July 1, 2022. The TPL was rolled-forward from the valuation date to the Plans’ fiscal year end, June 30, 2023, using generally accepted actuarial principles. There was no legislation enacted during the 2023 legislative session that had a material change in the benefit provisions for any of the systems.

The following table provides a summary of the actuarial assumptions and methods used to calculate the TPL as of June 30, 2023 (measurement date) for the SCRS and PORS.

	SCRS	PORS
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Actuarial Assumptions:		
Investment Rate of Return*	7.00%	7.00%
Projected Salary Increases*	3.0% to 11.0% (varies by service)	3.5% to 10.5% (varies by service)
Benefit Adjustments	Lesser of 1% or \$500 annually	Lesser of 1% or \$500 annually

\* Includes inflation at 2.25%.

The post-retiree mortality assumption is dependent upon the member's job category and gender. The base mortality assumptions, the 2020 Public Retirees of South Carolina Mortality table (“2020 PRSC”), were developed using the Systems’ mortality experience. These base rates are adjusted for future improvement in mortality using 80% of Scale UMP projected from the year 2020.

**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2024**

**IV. OTHER INFORMATION (CONTINUED)**

**A. Retirement Plans (Continued)**

*Actuarial Assumptions and Methods (Continued)*

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

*Long-Term Expected Rate of Return*

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

The expected returns, along with the expected inflation rate, form the basis for the target asset allocation adopted at the beginning of the 2023 fiscal year. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and adding expected inflation and is summarized in the following table. For actuarial purposes, the 7.00 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.

Allocation/Exposure	Policy Target	Expected Arithmetic Real Rate of Return	Long-Term Expected Portfolio Real Rate of Return
<b>Public Equity</b>	<b>46.0%</b>	6.62%	3.04%
<b>Bonds</b>	<b>26.0%</b>	0.32%	0.08%
<b>Private Equity</b>	<b>9.0%</b>	10.91%	0.98%
<b>Private Debt</b>	<b>7.0%</b>	6.16%	0.43%
<b>Real Assets</b>	<b>12.0%</b>		
Real Estate	9.0%	6.41%	0.58%
Infrastructure	3.0%	6.62%	0.20%
Total Expected Real Rate of Return	<u>100.0%</u>		<u>5.31%</u>
Inflation for Actuarial Purposes			<u>2.25%</u>
Total Expected Nominal Return			<u><u>7.56%</u></u>

**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2024**

**IV. OTHER INFORMATION (CONTINUED)**

**A. Retirement Plans (Continued)**

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

The NPL is calculated separately for each System and represents that particular System’s TPL determined in accordance with GASB No. 67 less that System’s fiduciary net position. NPL totals, as of the June 30, 2023 measurement date, for the SCRS and PORS, are presented in the following table:

System	Total Pension Liability	Plan Fiduciary Net Position	Employers' Net Pension Liability (Asset)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
SCRS	\$ 58,464,402,454	34,286,961,942	\$ 24,177,440,512	58.6%
PORS	\$ 9,450,021,576	6,405,925,370	\$ 3,044,096,206	67.8%

The TPL is calculated by the Systems’ actuary, and each Plans’ fiduciary net position is reported in the Systems’ financial statements. The NPL is disclosed in accordance with the requirements of GASB No. 67 in the Systems’ notes to the financial statements and required supplementary information. Liability calculations performed by the Systems’ actuary for the purpose of satisfying the requirements of GASB Nos. 67 and 68 are not applicable for other purposes, such as determining the Plans’ funding requirements.

At June 30, 2024, the District reported liabilities of approximately \$226,335,000 and \$213,000 for its proportionate share of the NPL for the SCRS and PORS, respectively. The NPL were measured as of June 30, 2023, and the TPL for the Plans used to calculate the NPL were determined based on the most recent actuarial valuation report of July 1, 2022 that was projected forward to the measurement date. The District’s proportion of the NPL were based on a projection of the District’s long-term share of contributions to the Plans relative to the projected contributions of all participating South Carolina state and local governmental employers, actuarially determined. At the June 30, 2023 measurement date, the District’s SCRS proportion was 0.936141 percent, which was a decrease of 0.013047 from its proportion measured as of June 30, 2022. At the June 30, 2023 measurement date, the District’s PORS proportion was 0.006987 percent, which was a decrease of 0.000510 from its proportion measured as of June 30, 2022.

For the year ended June 30, 2024, the District recognized pension expense of approximately \$21,676,000 and \$41,000 for the SCRS and PORS, respectively. At June 30, 2024, the District reported deferred outflows of resources (deferred pension charges) and deferred inflows of resources (deferred pension credits) related to pensions from the following sources:

**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2024**

**IV. OTHER INFORMATION (CONTINUED)**

**A. Retirement Plans (Continued)**

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

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
<b>SCRS</b>		
Differences Between Expected and Actual Experience	\$ 3,929,565	\$ 627,660
Change in Assumptions	3,467,776	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	309,803
Changes in Proportion and Differences Between the Employer's Contributions and Proportionate Share of Contributions	698,952	3,089,139
Employer Contributions Subsequent to the Measurement Date	23,366,456	-
Total SCRS	31,462,749	4,026,602
<b>PORS</b>		
Differences Between Expected and Actual Experience	10,010	2,622
Change in Assumptions	4,629	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	365
Changes in Proportion and Differences Between the Employer's Contributions and Proportionate Share of Contributions	23,334	14,575
Employer Contributions Subsequent to the Measurement Date	31,634	-
Total PORS	69,607	17,562
Total SCRS and PORS	\$ 31,532,356	\$ 4,044,164

Approximately \$23,366,000 and \$32,000 that were reported as deferred outflows of resources related to the District's contributions subsequent to the measurement date to the SCRS and PORS, respectively, will be recognized as a reduction of the NPL in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources (deferred pension charges) and deferred inflows of resources (deferred pension credits) related to the SCRS and PORS will increase (decrease) pension expense as follows:

Year Ended June 30,	SCRS	PORS	Total
2025	\$ 3,541,307	20,793	\$ 3,562,100
2026	(5,426,471)	(7,447)	(5,433,918)
2027	6,087,608	7,287	6,094,895
2028	(132,753)	(222)	(132,975)
Total	\$ 4,069,691	20,411	\$ 4,090,102

**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2024**

**IV. OTHER INFORMATION (CONTINUED)**

**A. Retirement Plans (Continued)**

*Discount Rate*

The discount rate used to measure the TPL was 7.00 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers in the 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, each System’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL.

*Sensitivity Analysis*

The following table presents the sensitivity of the District’s proportionate share of the NPL of the Plans to changes in the discount rate, calculated using the discount rate of 7.00 percent, as well as what it would be if it were calculated using a discount rate that is 1% point lower (6.00 percent) or 1% point higher (8.00 percent) than the current rate:

System	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District’s proportionate share of the net pension liability of the SCRS	\$ 292,446,196	226,334,840	\$ 171,385,364
District's proportionate share of the net pension liability of the PORS	300,040	212,696	141,150
Total	\$ 292,746,236	226,547,536	\$ 171,526,514

*Plans Fiduciary Net Position*

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

*Payable to Plans*

The District reported a payable of approximately \$2,885,000 to the PEBA as of June 30, 2024, representing required employer and employee contributions for the month of June 2024 for the SCRS and PORS. This amount is included in Accounts Payable on the financial statements and was paid in July 2024.

**B. Other Postemployment Benefit Plan**

The PEBA is the state agency responsible for the administration and management of the state’s employee insurance programs, other postemployment benefits trusts, and retirement systems. The laws of the State and the policies and procedures specified by the State for State agencies are applicable to all activities of the PEBA. By law, the SFAA also reviews certain PEBA Board decisions in administering the State Health Plan and other postemployment benefits (“OPEB”). See Note IV.A for more details on the PEBA and the SFAA.

**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2024**

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**IV. OTHER INFORMATION (CONTINUED)**

**B. Other Postemployment Benefit Plan (Continued)**

For purposes of measuring the net OPEB liability (“NOL”), 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.

The PEBA – Insurance Benefits issues audited financial statements and required supplementary information for the OPEB trust funds. This information is publicly available through the PEBA – Insurance Benefits’ link on the PEBA’s website at [www.peba.sc.gov](http://www.peba.sc.gov) or a copy may be obtained by submitting a request to the PEBA – Insurance Benefits, 202 Arbor Lake Drive, Columbia, SC 29223. The PEBA is considered a division of the primary government of the state of South Carolina and therefore, OPEB trust fund financial information is also included in the Annual Comprehensive Financial Report of the state.

*Plan Descriptions*

The Other Postemployment Benefits Trust Funds (“OPEB Trusts” or “OPEB Plans”), collectively refers to the South Carolina Retiree Health Insurance Trust Fund (“SCRHITF”) and the South Carolina Long-Term Disability Insurance Trust Fund (“SCLTDITF”), were established by the State of South Carolina as Act 195, which became effective on 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 (“BLTD”) 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 PEBA Board 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 insure the fiscal stability of the plans. In accordance with the South Carolina Code of Laws and the annual Appropriations Act, the State provides postemployment health and dental and long-term disability benefits to retired State and school district employees and their covered dependents.

*Plan Benefits*

The SCRHITF is a healthcare plan that covers retired employees of the State of South Carolina, including all agencies, and public school districts. The SCRHITF provides health and dental insurance benefits to eligible retirees. Generally, retirees are eligible for 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 NOL and related deferred outflows and inflows of resources related to the SCLTDITF are not material to the District, no SCLTDITF OPEB amounts have been recorded in these financial statements and only limited note disclosures have been provided related to these benefits.

**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2024**

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**IV. OTHER INFORMATION (CONTINUED)**

**B. Other Postemployment Benefit Plan (Continued)**

*Plan 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 nonemployer and employer contributions for active employees and retirees to the PEBA – Insurance Benefits. Nonemployer contributions may 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, 2023 was 6.25 percent. The South Carolina Retirement System collects the monthly covered payroll surcharge for all participating employers and remits it directly to the SCRHITF. Other sources of funding for the SCRHITF also include implicit subsidy, or age-related subsidy inherent in the healthcare premiums structure. The implicit subsidy represents a portion of the health care expenditures paid on behalf of the employer’s active employees. For purposes of GASB Statement No. 75, this expenditure on behalf of the active employee is reclassified as a retiree health care expenditure so that the employer’s contributions towards the plan reflect the underlying age-adjusted, retiree benefit costs. Nonemployer contributions consist of an annual appropriation by the General Assembly and the statutorily required transfer from PEBA – Insurance Benefits reserves. However, due to the COVID-19 pandemic and the impact it has had on the PEBA – Insurance Benefits reserves, the General Assembly has indefinitely suspended the statutorily required transfer until further notice. It is also funded through investment income.

The covered payroll surcharge rate for the year ended June 30, 2024 was 6.35% and was calculated on earnable compensation as defined in Title 9 of the South Carolina Code of Laws. The actual and required contributions to the SCRHITF were approximately \$8,670,000 for the year ended June 30, 2024.

The State (via state appropriations) and the PEBA – Insurance Benefits (via state statute to transfer amounts above 140% of incurred but not reported claims) contributed to the SCRHITF on behalf of the District approximately \$28,000 for the year ended June 30, 2023 (measurement period). The contributions from these nonemployer contributing entities were approximately \$28,000 for the year ended June 30, 2024 and are recognized as state revenues and intergovernmental expenditures in the District’s governmental fund financial statements.

In accordance with part (b) of paragraph 69 of GASB Statement No. 75, participating employers should recognize revenue in an amount equal to the employer’s proportionate share of the change in the collective NOL arising from contributions to the OPEB plan during the measurement period from nonemployer contributing entities for purposes other than the separate financing of specific liabilities to the OPEB plan. Therefore, employers should classify this revenue in the same manner as it classifies grants from other entities.

*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. The Schedule of the District’s Proportionate Share of the Net OPEB Liability and the Schedule of the District’s Contributions, presented as required supplementary information following the notes to the financial statements, present multi-year trend information about the District’s NOL, funded status of the OPEB Plan, and the District’s contributions to the OPEB Plan.

**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2024**

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**IV. OTHER INFORMATION (CONTINUED)**

**B. Other Postemployment Benefit Plan (Continued)**

*Actuarial Assumptions and Methods (Continued)*

Projections of benefits for financial reporting purposes are based on the substantive plans (as understood by the employer and plan participants) and include the types of benefits provided at the time the valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The total OPEB liability (“TOL”), NOL, and sensitivity information were determined by the consulting actuary and are based on the June 30, 2022 actuarial valuation. The TOL was rolled-forward from the valuation date to the OPEB Plan’s fiscal year ended June 30, 2023 using generally accepted actuarial principles.

The following table provides a summary of the actuarial assumptions and methods used in the latest valuation for the SCRHITF:

Valuation Date:	June 30, 2022
Actuarial Cost Method:	Entry Age Normal
Actuarial Assumptions:	
Inflation:	2.25%
Investment Rate of Return:	2.75%, net of plan investment expense (including inflation)
Single Discount Rate:	3.86% as of June 30, 2023
Demographic Assumptions:	Based on the experience study performed for the South Carolina Retirement Systems for the five-year period ending June 30, 2019
Mortality:	For healthy retirees, the gender-distinct South Carolina Retirees 2020 Mortality Tables are used with multipliers based on plan experience; the rates are projected on a fully generational basis using 80% of the ultimate rates of Scale MP-2019 to account for future mortality improvements.
Health Care Trend Rate:	Initial trend starting at 6.00% and gradually decreasing to an ultimate trend rate of 4.00% over a period of 13 years
Participation Assumption:	79% for retirees who are eligible for funded premiums 59% for retirees who are eligible for partial funded premiums 20% for retirees who are eligible for non-funded premiums
Notes:	The single discount rate changed from 3.69% as of June 30, 2022 to 3.86% as of June 30, 2023.

*Long-Term Expected Rate of Return*

The long-term expected rate of returns 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:

**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2024**

**IV. OTHER INFORMATION (CONTINUED)**

**B. Other Postemployment Benefit Plan (Continued)**

*Long-Term Expected Rate of Return (Continued)*

Asset Class	Target Asset Allocation	Long-Term Expected Arithmetic Real Rate of Return	Allocation-Weighted Long-Term Expected Real Rate of Return
US Domestic Fixed Income	80.0%	0.95%	0.76%
Cash equivalents	20.0%	0.35%	0.07%
<b>Total</b>	<b>100.0%</b>		<b>0.83%</b>
Expected Inflation			2.25%
<b>Total Return</b>			<b>3.08%</b>
<b>Investment Return Assumption</b>			<b>2.75%</b>

*Single Discount Rate*

The Single Discount Rate of 3.86% was used to measure the TOL 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 SCRHITF’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).

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

The NOL is calculated separately for each system and represents that particular system’s TOL determined in accordance with GASB No. 74 less its fiduciary net position. NOL totals, as of the June 30, 2023 measurement date for the SCRHITF, are presented in the following table:

System	Total OPEB Liability	OPEB Plan Fiduciary Net Position	Net OPEB Liability (Asset)	OPEB Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
SCRHITF	\$ 14,749,639,155	1,658,152,923	\$ 13,091,486,232	11.24%

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

At June 30, 2024, the District reported a liability of approximately \$154,076,000 for its proportionate share of the NOL for the SCRHITF. The NOL was measured as of June 30, 2023, and the TOL for the SCRHITF used to calculate the NOL was determined based on the most recent actuarial valuation report of June 30, 2022 that was projected forward to the measurement date. The District’s proportion of the NOL was based on a projection of the District’s long-term share of contributions to the SCRHITF relative to the projected contributions of all participating South Carolina state and local governmental employers, actuarially determined. At the June 30, 2023 measurement date, the District’s proportion was 1.176921 percent, which was a decrease of 0.022577 from its proportion measured as of June 30, 2022.

**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2024**

**IV. OTHER INFORMATION (CONTINUED)**

**B. Other Postemployment Benefit Plan (Continued)**

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

For the year ended June 30, 2024, the District recognized OPEB expense of approximately \$3,074,000 for the SCRHITF. At June 30, 2024, the District reported deferred outflows of resources (deferred OPEB charges) and deferred inflows of resources (deferred OPEB credits) related to OPEBs from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 2,725,886	\$ 35,110,516
Change in Assumptions	30,909,529	49,502,887
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	1,547,375	-
Changes in Proportion and Differences Between the Employer's Contributions and Proportionate Share of Contributions	1,080,939	4,251,728
Employer Contributions Subsequent to the Measurement Date	8,708,254	-
Total	<u>\$ 44,971,983</u>	<u>\$ 88,865,131</u>

Approximately \$8,708,000 that was reported as deferred outflows of resources related to the District's contributions subsequent to the measurement date (which includes an adjustment for an implicit subsidy) to the SCRHITF, will be recognized as a reduction of the NOL in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources (deferred OPEB charges) and deferred inflows of resources (deferred OPEB credits) related to the SCRHITF will increase (decrease) OPEB expense as follows:

Year Ended June 30,	Increase (Decrease) OPEB Expense
2025	\$ (7,402,907)
2026	(6,664,627)
2027	(7,418,827)
2028	(11,796,176)
2029	(15,046,955)
2030	(4,271,910)
Total	<u>\$ (52,601,402)</u>

*Sensitivity Analysis*

The following table presents the sensitivity of the District's NOL for the SCRHITF to changes in the discount rate, calculated using the discount rate of 3.86%, as well as what it would be if it were calculated using a discount rate that is 1% point lower (2.86%) or 1% point higher (4.86%) than the current rate:

	1% Decrease (2.86%)	Current Discount Rate (3.86%)	1% Increase (4.86%)
Net OPEB Liability	\$ 181,881,008	154,076,451	\$ 131,651,849

**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2024**

**IV. OTHER INFORMATION (CONTINUED)**

**B. Other Postemployment Benefit Plan (Continued)**

*Sensitivity Analysis (Continued)*

The following table presents the sensitivity of the District’s NOL to changes in the healthcare cost trend rate, calculated using the healthcare cost trend rate of 6.00% decreasing to 4.00%, as well as what it would be if it were calculated using a healthcare cost trend rate that is 1% point lower (5.00% decreasing to 3.00%) or 1% point higher (7.00% decreasing to 5.00%) than the current rate:

	1% Decrease (5.00% decreasing to 3.00%)	Current Healthcare Cost Trend Rate (6.00% decreasing to 4.00%)	1% Increase (7.00% decreasing to 5.00%)
Net OPEB Liability	\$ 127,935,929	154,076,451	\$ 187,661,366

*OPEB Plans’ Fiduciary Net Position*

Detailed information regarding the fiduciary net position of the OPEB Plans administered by the PEBA is available in the separately issued financial statements and required supplementary information for the South Carolina Public Employee Benefit Authority, Insurance Benefits and Other Postemployment Benefits Trust Funds. This information is publicly available through the Insurance Benefits’ link on the PEBA’s website at [www.peba.sc.gov](http://www.peba.sc.gov) or a copy may be obtained by submitting a request to the PEBA – Insurance Benefits, 202 Arbor Lake Drive, Columbia, SC 29223.

*Payable to SCRHITF*

The District reported a payable of approximately \$714,000 to the PEBA as of June 30, 2024, representing required employer contributions for the month of June 2024 for the SCRHITF. This amount is included in Accounts Payable on the financial statements and was paid in July 2024.

**C. Deferred Compensation/Salary Deferral Plan**

The District employees may participate in the 457 and/or 401(k) defined contribution deferred compensation plans available to state and local governmental employees through the state public employee retirement system. These programs are administered by a state approved nongovernmental third party. Contributions by employees under these plans totaled approximately \$523,000 for the year ended June 30, 2024.

**D. Risk Management**

The District is exposed to various risks of loss related to torts, theft of damage to, and destruction of assets, errors or omissions, injuries to employees, and natural disasters for which the District carries commercial insurance. During the year ended June 30, 2024, the District obtained general liability, workers’ compensation, and property insurance through the South Carolina Boards Insurance Trust (the “Trust”) which represents South Carolina school districts joined together in a public entity risk pool. The District pays an annual premium to the Trust for its general liability, workers’ compensation and property insurance. The agreement for formation of the Trust provides that the Trust will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of \$100,000 for each insured event.

**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2024**

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**IV. OTHER INFORMATION (CONTINUED)**

**D. Risk Management (Continued)**

The District obtains its employee health and life insurance through the South Carolina State Budget and Control Board, Office of Insurance services, which represents all State agencies in South Carolina, joined together in a public entity risk pool. The District pays monthly premiums based on participating employees.

The District continues to carry commercial insurance for all other risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. Insurance coverage has remained stable since the prior fiscal year.

**E. Tax Abatements**

*District's Tax Abatements*

The District does not have any of its own tax abatement agreements.

*York County Tax Abatements*

The following table details which entities in the District have received tax abatements in the year ended June 30, 2024, as well as the District's portion of the County-wide taxes that have been abated:

**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2024**

**IV. OTHER INFORMATION (CONTINUED)**

**E. Tax Abatements (Continued)**

Entity	Taxes Abated
New Indy Catawba LLC	\$ 6,109,026
3D FIELDS LLC	28,502
3D SYSTEMS CORPORATION	4,866
3D SYSTEMS INC.	4,707
ACP SOUTH CROSS OWNER LLC	5,142
BRADMAN LAKE INC.	1,726
CIP REAL ESTATE LLC	7,433
COMPOSITE RESOURCES INC.	2,007
CORE AUTOSPORT LLC	986
COROPLAST TAPE CORPORATION	191,164
CRYSTAL DISTRIBUTION INC.	19,174
DIRTT ENVIRONMENTAL SOLUTIONS	285,941
EASTGROUP PROPERTIES LP	43,340
ES REIT I LLC	23,331
EXEL INC.	4,351
FARMERS NEW WORLD LIFE INSURANCE COMPANY	169,078
GOLDENROD INC.	287,078
INDUS REALTY TRUST INC FKA GRIFFIN INDUSTRIAL REAL	204,378
LINDE HYDRAULICS CORPORATION	23,159
LIT INDUSTRIAL LP	147,788
MCKESSON MEDICAL SURGICAL INC.	70,128
MS INTERNATIONAL USA INC.	84,417
OBRIEN ROCK HILL LLC	62,443
OERLIKON BALZERS COATING USA INC	62,309
PDM REAL ESTATE LLC	3,457
PDM US LLC	20,851
PFG CUSTOMIZED SOUTH CAROLINA LLC	71,451
POSSEHL CONNECTOR SERVICES SC	23,973
POWER TECHNIQUE NORTH AMERICA LLC	25,519
PULCRA CHEMICALS LLC	49,674
RETFORD INVESTMENTS LLC	34,468
RH APEX LLC	70,351
RIVERWALK GRH TKC LLC	23,255
ROSS DRESS FOR LESS INC.	569,893
RUDOLF VENTURE CHEMICAL INC.	54,042
SCHUFF STEEL COMPANY	57,118
SELECT INCOME REIT	70,273
SOUTHWOOD CORPORATION	15,668
THE HARTZ GROUP INC.	19,685
TRANSAXLE MANUFACTURING OF AMERICA CORP.	310,284
WINBRO GROUP TECHNOLOGIES LLC	45,814
WORKSPACE RESOURCES LLC	93,441
District's Portion of County-wide Abatements	<u>1,148,169</u>
Total Tax Abatements	<u>\$ 10,549,862</u>

**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2024**

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**IV. OTHER INFORMATION (CONTINUED)**

**F. Contingencies**

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

The District is a defendant in lawsuits arising in the normal course of business. It is the opinion of the District's management, after conferring with legal counsel, that the liability, if any, which might arise from these lawsuits would not have a material adverse effect on the District's financial position.

**G. Subsequent Events**

In September 2024, the District issued its Series 2024B SCAGO General Obligation Bonds ("Series 2024B Bonds") in the amount of \$20,404,000 for the purpose of funding capital needs. The District received a premium of approximately \$150,000 and incurred issuance costs of approximately \$58,000. The interest rate on the Series 2024B Bonds is 5.00% with a final maturity in February 2025.

In October 2024, the District entered into a contract totaling approximately \$57,607,000 for the construction of the new Sunset Park Elementary School.

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# Required Supplementary Information

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ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION - BUDGETARY COMPARISON SCHEDULE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
BUDGETS AND ACTUAL - GENERAL FUND

YEAR ENDED JUNE 30, 2024

	BUDGETED AMOUNTS		ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET- POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
<b>REVENUES</b>				
Local Sources:				
Taxes	\$ 86,570,108	86,570,108	87,401,389	\$ 831,281
Investment Earnings	1,220,300	1,220,300	4,490,964	3,270,664
Other Local Sources	304,044	304,044	947,806	643,762
State Sources	113,117,318	113,117,318	113,322,742	205,424
Intergovernmental Revenue	350,000	350,000	350,000	-
<b>TOTAL REVENUES</b>	<b>201,561,770</b>	<b>201,561,770</b>	<b>206,512,901</b>	<b>4,951,131</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	114,336,033	113,458,754	109,466,102	3,992,652
Support Services	101,361,524	102,056,442	102,559,891	(503,449)
Community Services	162,306	178,111	166,011	12,100
Intergovernmental	617,142	617,142	868,707	(251,565)
Capital Outlay	-	166,556	249,714	(83,158)
<b>TOTAL EXPENDITURES</b>	<b>216,477,005</b>	<b>216,477,005</b>	<b>213,310,425</b>	<b>3,166,580</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(14,915,235)</b>	<b>(14,915,235)</b>	<b>(6,797,524)</b>	<b>8,117,711</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of Capital Assets	-	-	26,386	26,386
Transfers In	15,037,235	15,037,235	18,031,264	2,994,029
Transfers Out	(782,000)	(782,000)	(383,966)	398,034
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>14,255,235</b>	<b>14,255,235</b>	<b>17,673,684</b>	<b>3,418,449</b>
<b>NET CHANGES IN FUND BALANCES</b>	<b>(660,000)</b>	<b>(660,000)</b>	<b>10,876,160</b>	<b>11,536,160</b>
FUND BALANCES, Beginning of Year	42,646,792	42,646,792	42,646,792	-
<b>FUND BALANCES, End of Year</b>	<b>\$ 41,986,792</b>	<b>41,986,792</b>	<b>53,522,952</b>	<b>\$ 11,536,160</b>

Note: The District's original and final budget reflect an expected use of fund balance of approximately \$660,000.

Note: This schedule has been presented on the modified accrual basis of accounting, which is consistent with accounting principles generally accepted in the United States of America.

ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION - PENSION PLAN SCHEDULES

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
SOUTH CAROLINA RETIREMENT SYSTEM

LAST TEN FISCAL YEARS

	Year Ended June 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
District's Proportion of the Net Pension Liability	0.936141%	0.949188%	0.957022%	0.944084%	0.946067%	0.954401%	0.963850%	0.964292%	1.002653%	1.024708%
District's Proportionate Share of the Net Pension Liability	\$ 226,334,840	230,103,651	207,111,697	241,230,175	216,026,393	213,850,779	216,978,136	205,971,348	190,157,976	\$ 176,420,746
District's Covered Payroll	\$ 123,249,591	117,780,240	112,602,275	109,486,009	103,974,755	103,456,249	105,149,109	98,215,989	98,787,910	\$ 97,540,171
District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	183.64%	195.37%	183.93%	220.33%	207.77%	206.71%	206.35%	209.71%	192.49%	180.87%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	58.65%	57.06%	60.75%	50.71%	54.40%	54.10%	53.34%	52.91%	56.99%	59.92%

Notes to Schedule:

The amounts presented for each fiscal year were determined as of June 30th of the preceding year.  
The discount rate was lowered from (a) 7.25% to 7.00% beginning with the year ended June 30, 2021 measurement date and (b) 7.50% to 7.25% beginning with the year ended June 30, 2017 measurement date.

ROCK HILL SCHOOL DISTRICT THREE  
 ROCK HILL, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION - PENSION PLAN SCHEDULES

SCHEDULE OF CONTRIBUTIONS  
 SOUTH CAROLINA RETIREMENT SYSTEM

LAST TEN FISCAL YEARS

	Year Ended June 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	\$ 24,368,555	20,781,971	18,724,851	16,825,985	16,389,014	14,546,321	13,412,038	11,238,801	10,324,978	\$ 10,245,571
Contributions in Relation to the Contractually Required Contribution										
Contributions from the District	23,366,456	19,779,871	17,722,752	15,823,886	15,386,915	13,544,222	12,409,939	11,238,801	10,324,978	10,245,571
Contributions from the State	1,002,099	1,002,100	1,002,099	1,002,099	1,002,099	1,002,099	1,002,099	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	\$ -
District's Covered Payroll	\$ 136,385,047	123,249,591	117,780,240	112,602,275	109,486,009	103,974,755	103,456,249	105,149,109	98,215,989	\$ 98,787,910
Contributions as a Percentage of Covered Payroll	17.87%	16.86%	15.90%	14.94%	14.97%	13.99%	12.96%	10.69%	10.51%	10.37%

ROCK HILL SCHOOL DISTRICT THREE  
 ROCK HILL, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION - PENSION PLAN SCHEDULES

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
 POLICE OFFICERS RETIREMENT SYSTEM

LAST TEN FISCAL YEARS

	Year Ended June 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
District's Proportion of the Net Pension Liability	0.00699%	0.00750%	0.00777%	0.00485%	0.00453%	0.00486%	0.00508%	0.00516%	0.00531%	0.00344%
District's Proportionate Share of the Net Pension Liability	\$ 212,696	224,824	199,900	160,902	129,930	137,718	139,088	130,831	115,731	\$ 65,875
District's Covered Payroll	\$ 122,421	118,165	112,102	69,589	65,758	67,273	68,365	65,753	65,785	\$ 41,065
District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	173.74%	190.26%	178.32%	231.22%	197.59%	204.72%	203.45%	198.97%	175.92%	160.42%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	67.79%	66.45%	70.37%	58.79%	62.69%	61.73%	60.94%	60.44%	64.57%	67.55%

Notes to Schedule:

The amounts presented for each fiscal year were determined as of June 30th of the preceding year.  
 The discount rate was lowered from (a) 7.25% to 7.00% beginning with the year ended June 30, 2021 measurement date and (b) 7.50% to 7.25% beginning with the year ended June 30, 2017 measurement date.

ROCK HILL SCHOOL DISTRICT THREE  
 ROCK HILL, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION - PENSION PLAN SCHEDULES

SCHEDULE OF CONTRIBUTIONS  
 POLICE OFFICERS RETIREMENT SYSTEM

LAST TEN FISCAL YEARS

	Year Ended June 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	\$ 32,310	24,778	22,735	20,448	12,693	11,337	10,925	9,735	9,034	\$ 8,822
Contributions in Relation to the Contractually Required Contribution										
Contributions from the District	31,634	24,102	22,059	19,771	12,017	10,661	10,249	9,735	9,034	8,822
Contributions from the State	676	676	676	677	676	676	676	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	\$ -
District's Covered Payroll	\$ 152,120	122,421	118,165	112,102	69,589	65,758	67,273	68,365	65,753	\$ 65,785
Contributions as a Percentage of Covered Payroll	21.24%	20.24%	19.24%	18.24%	18.24%	17.24%	16.24%	14.24%	13.74%	13.41%

ROCK HILL SCHOOL DISTRICT THREE  
 ROCK HILL, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION - OPEB PLAN SCHEDULES

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY  
 SOUTH CAROLINA RETIREE HEALTH INSURANCE TRUST FUND

LAST EIGHT FISCAL YEARS

	Year Ended June 30,							
	2024	2023	2022	2021	2020	2019	2018	2017
District's Proportion of the Net OPEB Liability	1.176921%	1.199498%	1.195985%	1.188518%	1.189601%	1.200452%	1.212211%	1.212211%
District's Proportionate Share of the Net OPEB Liability	\$ 154,076,451	182,465,731	249,042,121	214,544,691	179,885,807	170,111,070	164,191,994	\$ 175,390,336
District's Covered Payroll	\$ 123,372,012	117,898,405	112,714,377	109,555,598	104,040,513	103,523,522	105,217,474	\$ 98,281,742
District's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	124.9%	154.8%	220.9%	195.8%	172.9%	164.3%	156.1%	178.5%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	11.2%	9.6%	7.5%	8.4%	8.4%	7.9%	7.6%	6.6%

Notes to Schedule:

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

The District adopted GASB #75 during the year ended June 30, 2018. Information prior to 2017 is not available.

The discount rates used by year were as follows:

3.86%	1.92%	2.45%	3.13%	3.62%	3.56%	2.92%
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ROCK HILL SCHOOL DISTRICT THREE  
 ROCK HILL, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION - OPEB PLAN SCHEDULES

SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS  
 SOUTH CAROLINA RETIREE HEALTH INSURANCE TRUST FUND

LAST EIGHT FISCAL YEARS

	Year Ended June 30,							
	2024	2023	2022	2021	2020	2019	2018	2017
Contractually Required Contribution	\$ 8,670,110	7,710,751	7,368,650	7,044,649	6,847,225	6,294,451	5,693,794	\$ 5,448,191
Contributions in Relation to the Contractually Required Contribution	8,670,110	7,710,751	7,368,650	7,044,649	6,847,225	6,294,451	5,693,794	5,448,191
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	\$ -
District's Covered Payroll	\$ 136,537,167	123,372,012	117,898,405	112,714,377	109,555,598	104,040,513	103,523,522	\$ 105,217,474
Contributions as a Percentage of Covered Payroll	6.35%	6.25%	6.25%	6.25%	6.25%	6.05%	5.50%	5.18%

Notes to Schedule:

The District adopted GASB #75 during the year ended June 30, 2018. Information prior to 2017 is not available.  
 The above amounts exclude any adjustments for implicit subsidies made by the District.

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# Supplementary Information

## Combining and Individual Fund Financial Schedules

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# GENERAL FUND

The General Fund, a major fund and a budgeted fund, is the general operating fund of the District and accounts for all revenues and expenditures of the District except those required to be accounted for in another fund. All general tax revenues and other receipts that (a) are not allocated by law or contractual agreement to other funds or (b) that have not been restricted, committed, or assigned to other funds are accounted for in the General Fund. General operating expenditures and the capital improvement costs that are not paid through other funds are paid from the General Fund.

The following Budgetary Comparison Schedule for the General Fund has been prepared in the format mandated by the South Carolina Department of Education. The account numbers shown on the schedule are also mandated by the South Carolina Department of Education.

ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA

## GENERAL FUND

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

YEAR ENDED JUNE 30, 2024

	REVISED BUDGET	ACTUAL	VARIANCE
<b>REVENUES</b>			
1000 Revenues from Local Sources:			
1100 Taxes:			
1110 Ad Valorem Taxes-Including Delinquent (Independent)	\$ 69,450,000	68,932,307	\$ (517,693)
1140 Penalties & Interest on Taxes (Independent)	157,000	410,567	253,567
1200 Revenue from Local Governmental Units Other than LEAs:			
1210 Ad Valorem Taxes-Including Delinquent (Dependent)	8,915,000	9,670,267	755,267
1240 Penalties & Interest on Taxes (Dependent)	25,000	24,248	(752)
1280 Revenue in Lieu of Taxes (Independent and Dependent)	7,890,420	8,081,116	190,696
1290 Other Taxes (Dependent)	132,688	282,884	150,196
1300 Tuition:			
1310 Tuition from Patrons for Regular Day School	25,000	7,152	(17,848)
1320 Tuition from Other LEAs for Regular Day School	-	192,517	192,517
1500 Earnings on Investments:			
1510 Interest on Investments	1,220,300	4,490,964	3,270,664
1900 Other Revenue from Local Sources:			
1910 Rentals	180,250	166,334	(13,916)
1950 Refund of Prior Year's Expenditures	-	41,470	41,470
1990 Miscellaneous Local Revenue:			
1993 Receipt of Insurance Proceeds	-	14,162	14,162
1994 Receipt of Legal Settlements	-	399,292	399,292
1999 Revenue from Other Local Sources	98,794	126,879	28,085
Total Revenue from Local Sources	<u>88,094,452</u>	<u>92,840,159</u>	<u>4,745,707</u>
2000 Intergovernmental Revenue:			
2100 Payments from Other Governmental Units	350,000	350,000	-
Total Intergovernmental Revenue	<u>350,000</u>	<u>350,000</u>	<u>-</u>
3000 Revenue from State Sources:			
3100 Restricted State Funding:			
3103 State Aid to Classrooms	73,229,721	71,670,579	(1,559,142)
3130 Special Programs:			
3131 Handicapped Transportation	4,500	2,722	(1,778)
3160 School Bus Driver's Salary (Includes Hazardous Condition Transportation)	1,222,768	1,763,706	540,938
3161 EAA Bus Driver Salary and Fringe	-	3,633	3,633
3162 Transportation Workers' Compensation	60,250	56,311	(3,939)
3181 Retiree Insurance (No Carryover Provision)	6,094,990	6,034,368	(60,622)
3300 State Aid to Classrooms - Education Finance Act (EFA):			
3330 Miscellaneous EFA Programs:			
3350 Residential Treatment Facilities (RTF)	-	67,224	67,224
3392 NBC Excess EFA Formula	\$ -	256,672	\$ 256,672

(Continued)

ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA

## GENERAL FUND

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

YEAR ENDED JUNE 30, 2024

	REVISED BUDGET	ACTUAL	VARIANCE
3800 State Revenue in Lieu of Taxes:			
3810 Reimbursement for Local Residential Property Tax Relief (Tier 1)	\$ 5,991,204	5,991,204	\$ -
3820 Homestead Exemption (Tier 2)	1,710,186	1,710,186	-
3825 Reimbursement for Property Tax Relief (Tier 3)	23,094,385	23,785,322	690,937
3830 Merchant's Inventory Tax	221,539	221,539	-
3840 Manufacturer's Depreciation Reimbursement	375,000	461,914	86,914
3890 Other State Property Tax Revenues (Includes Motor Carrier Vehicle Tax)	110,000	292,540	182,540
3900 Other State Revenue:			
3993 PEBA On-Behalf	1,002,775	1,004,822	2,047
Total Revenue from State Sources	<u>113,117,318</u>	<u>113,322,742</u>	<u>205,424</u>
<b>TOTAL REVENUE ALL SOURCES</b>	<b><u>201,561,770</u></b>	<b><u>206,512,901</u></b>	<b><u>4,951,131</u></b>

## EXPENDITURES

100 Instruction:

110 General Instruction:

111 Kindergarten Programs:

100 Salaries	4,775,009	4,419,194	355,815
200 Employee Benefits	2,377,323	2,229,156	148,167
300 Purchased Services	59,607	100,608	(41,001)
400 Supplies and Materials	81,127	70,234	10,893

112 Primary Programs:

100 Salaries	13,910,309	13,505,138	405,171
200 Employee Benefits	6,530,646	6,388,355	142,291
300 Purchased Services	941,640	1,717,257	(775,617)
400 Supplies and Materials	155,511	122,917	32,594
500 Capital Outlay	-	4,177	(4,177)

113 Elementary Programs:

100 Salaries	24,479,444	22,595,235	1,884,209
200 Employee Benefits	10,414,322	9,857,491	556,831
300 Purchased Services	677,532	1,267,183	(589,651)
400 Supplies and Materials	310,431	277,965	32,466
600 Other Objects	1,883	1,883	-

114 High School Programs:

100 Salaries	17,720,120	16,732,312	987,808
140 Terminal Leave	-	3,403	(3,403)
200 Employee Benefits	7,627,895	7,203,529	424,366
300 Purchased Services	561,031	649,028	(87,997)
400 Supplies and Materials	293,063	270,159	22,904
600 Other Objects	\$ 5,116	4,135	\$ 981

(Continued)

ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA

## GENERAL FUND

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

YEAR ENDED JUNE 30, 2024

	REVISED BUDGET	ACTUAL	VARIANCE
115 Career and Technology Education Program:			
100 Salaries	\$ 1,416,678	1,397,250	\$ 19,428
200 Employee Benefits	673,385	667,957	5,428
300 Purchased Services - Other Than Tuition	33,849	85,107	(51,258)
400 Supplies and Materials	89,381	88,991	390
600 Other Objects	1,602	1,602	-
118 Montessori Programs:			
100 Salaries	475,583	439,220	36,363
200 Employee Benefits	250,443	226,882	23,561
300 Purchased Services	7,855	7,855	-
400 Supplies and Materials	3,869	3,327	542
600 Other Objects	1,656	1,656	-
120 Exceptional Programs:			
121 Educable Mentally-Handicapped:			
100 Salaries	1,578,812	1,485,744	93,068
200 Employee Benefits	746,057	745,381	676
300 Purchased Services	118,259	173,635	(55,376)
400 Supplies and Materials	1,001	680	321
122 Trainable Mentally Handicapped:			
100 Salaries	1,162,426	1,191,126	(28,700)
200 Employee Benefits	648,050	591,758	56,292
300 Purchased Services	428,985	404,389	24,596
400 Supplies and Materials	1,837	1,190	647
123 Orthopedically Handicapped:			
300 Purchased Services	-	120	(120)
124 Visually Handicapped:			
100 Salaries	69,627	69,627	-
200 Employee Benefits	37,747	37,486	261
125 Hearing Handicapped:			
100 Salaries	352,815	256,021	96,794
200 Employee Benefits	114,389	109,202	5,187
300 Purchased Services	8,220	7,743	477
126 Speech Handicapped:			
100 Salaries	1,709,240	1,660,087	49,153
200 Employee Benefits	684,782	656,974	27,808
300 Purchased Services	7,931	8,939	(1,008)
400 Supplies and Materials	7,440	7,515	(75)
600 Other Objects	3,853	3,853	-
127 Learning Disabilities:			
100 Salaries	4,085,399	4,104,786	(19,387)
200 Employee Benefits	1,889,391	1,888,644	747
300 Purchased Services	279,110	281,357	(2,247)
400 Supplies and Materials	\$ 11,644	10,524	\$ 1,120

(Continued)

ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA

## GENERAL FUND

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

YEAR ENDED JUNE 30, 2024

	REVISED BUDGET	ACTUAL	VARIANCE
128 Emotionally Handicapped:			
100 Salaries	\$ 754,242	741,755	\$ 12,487
200 Employee Benefits	361,617	374,092	(12,475)
300 Purchased Services	248,272	281,594	(33,322)
130 Pre-School Programs:			
133 Pre-School Handicapped-Self-Contained (5-Yr. Olds)			
300 Purchased Services	734	734	-
136 Pre-School Handicapped-Itinerant (3 & 4-Yr. Olds)			
100 Salaries	56,943	80,322	(23,379)
200 Employee Benefits	24,349	37,897	(13,548)
300 Purchased Services	-	258	(258)
137 Pre-School Handicapped-Self-Contained (3 & 4-Yr. Olds)			
100 Salaries	423,044	434,392	(11,348)
200 Employee Benefits	207,716	208,804	(1,088)
300 Purchased Services	7,451	54,649	(47,198)
139 Early Childhood Programs:			
100 Salaries	131,309	185,549	(54,240)
200 Employee Benefits	79,931	93,894	(13,963)
300 Purchased Services	155	3,758	(3,603)
400 Supplies and Materials	350	48	302
140 Special Programs:			
141 Gifted and Talented - Academic:			
100 Salaries	592,090	551,345	40,745
200 Employee Benefits	257,017	239,324	17,693
300 Purchased Services	2,000	1,951	49
400 Supplies and Materials	23,764	19,988	3,776
600 Other Objects	833	833	-
145 Homebound:			
100 Salaries	105,000	103,183	1,817
200 Employee Benefits	34,083	28,884	5,199
147 CERDEP:			
100 Salaries	59,275	6,223	53,052
200 Employee Benefits	13,736	3,914	9,822
300 Purchased Services	1,774	18,893	(17,119)
400 Supplies and Materials	25,250	23,967	1,283
148 Gifted and Talented - Artistic:			
300 Purchased Services	54,845	55,745	(900)
400 Supplies and Materials	20,183	16,741	3,442
600 Other Objects	365	365	-
149 Other Special Programs:			
100 Salaries	783,439	533,891	249,548
200 Employee Benefits	408,819	307,056	101,763
300 Purchased Services	\$ 70,920	76,983	\$ (6,063)

(Continued)

ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA

## GENERAL FUND

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

YEAR ENDED JUNE 30, 2024

	REVISED BUDGET	ACTUAL	VARIANCE
160 Other Exceptional Programs:			
161 Autism:			
100 Salaries	\$ 299,409	238,362	\$ 61,047
200 Employee Benefits	102,698	113,653	(10,955)
300 Purchased Services	-	29,588	(29,588)
400 Supplies and Materials	700	470	230
170 Summer School Programs:			
171 Primary Summer School:			
100 Salaries	-	9,774	(9,774)
200 Employee Benefits	-	2,775	(2,775)
300 Purchased Services	-	12,454	(12,454)
172 Elementary Summer School:			
100 Salaries	-	9,138	(9,138)
200 Employee Benefits	-	9,834	(9,834)
300 Purchased Services	28	28	-
173 High School Summer School:			
100 Salaries	-	14,225	(14,225)
200 Employee Benefits	-	8,743	(8,743)
300 Purchased Services	-	8	(8)
400 Supplies and Materials	-	373	(373)
175 Instructional Programs Beyond Regular School Day:			
100 Salaries	-	48,066	(48,066)
200 Employee Benefits	-	10,136	(10,136)
180 Adult/Continuing Educational Programs:			
181 Adult Basic Education Programs:			
300 Purchased Services	2,516	2,962	(446)
400 Supplies and Materials	2,447	2,051	396
600 Other Objects	400	400	-
182 Adult Secondary Education Programs:			
100 Salaries	66,435	6,127	60,308
200 Employee Benefits	23,966	2,054	21,912
188 Parenting/Family Literacy:			
100 Salaries	248,172	267,762	(19,590)
200 Employee Benefits	115,883	133,063	(17,180)
300 Purchased Services	13,268	15,752	(2,484)
400 Supplies and Materials	10,001	9,362	639
190 Instructional Pupil Activity:			
660 Pupil Activity	-	100	(100)
Total Instruction	\$ 113,458,754	109,470,279	\$ 3,988,475

(Continued)

ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA

## GENERAL FUND

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

YEAR ENDED JUNE 30, 2024

	REVISED BUDGET	ACTUAL	VARIANCE
200 Support Services:			
210 Pupil Services:			
211 Attendance and Social Work Services:			
100 Salaries	\$ 1,077,178	1,065,289	\$ 11,889
200 Employee Benefits	522,478	518,014	4,464
300 Purchased Services	46,931	33,725	13,206
400 Supplies and Materials	5,850	1,274	4,576
600 Other Objects	2,000	-	2,000
212 Guidance Services:			
100 Salaries	4,336,094	4,280,390	55,704
200 Employee Benefits	1,987,738	1,969,644	18,094
300 Purchased Services	3,807	10,494	(6,687)
400 Supplies and Materials	22,181	18,377	3,804
600 Other Objects	2,239	1,693	546
213 Health Services:			
100 Salaries	2,835,099	2,708,849	126,250
200 Employee Benefits	1,298,500	1,300,280	(1,780)
300 Purchased Services	178,259	227,616	(49,357)
400 Supplies and Materials	30,520	23,799	6,721
600 Other Objects	3,700	3,508	192
214 Psychological Services:			
100 Salaries	2,371,539	2,406,612	(35,073)
200 Employee Benefits	924,218	958,446	(34,228)
300 Purchased Services	35,016	29,725	5,291
400 Supplies and Materials	1,458	1,458	-
600 Other Objects	1,800	1,800	-
215 Exceptional Program Services:			
300 Purchased Services	600	600	-
216 Career and Technical Education Placement Services:			
100 Salaries	-	7,722	(7,722)
200 Employee Benefits	-	6,059	(6,059)
300 Purchased Services	19,708	15,640	4,068
400 Supplies and Materials	5,500	3,190	2,310
600 Other Objects	1,000	400	600
220 Instructional Staff Services:			
221 Improvement of Instruction Curriculum Development:			
100 Salaries	4,777,308	3,774,086	1,003,222
140 Terminal Leave	-	3,735	(3,735)
200 Employee Benefits	2,110,803	2,031,303	79,500
300 Purchased Services	1,457,629	1,691,297	(233,668)
400 Supplies and Materials	134,089	79,587	54,502
600 Other Objects	\$ 104,433	79,223	\$ 25,210

(Continued)

ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA

## GENERAL FUND

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

YEAR ENDED JUNE 30, 2024

	REVISED BUDGET	ACTUAL	VARIANCE
222 Library and Media Services:			
100 Salaries	\$ 1,815,725	1,554,868	\$ 260,857
200 Employee Benefits	779,082	691,696	87,386
300 Purchased Services	11,090	25,333	(14,243)
400 Supplies and Materials	81,444	49,149	32,295
500 Capital Outlay	-	20,019	(20,019)
600 Other Objects	400	150	250
223 Supervision of Special Programs:			
100 Salaries	1,734,645	1,774,884	(40,239)
140 Terminal Leave	-	9,548	(9,548)
200 Employee Benefits	742,713	761,828	(19,115)
300 Purchased Services	130,528	158,093	(27,565)
400 Supplies and Materials	82,308	89,882	(7,574)
500 Capital Outlay	33,565	33,995	(430)
600 Other Objects	4,496	4,496	-
224 Improvement of Instruction Inservice and Staff Training:			
100 Salaries	420,154	344,207	75,947
200 Employee Benefits	188,690	153,586	35,104
300 Purchased Services	333,575	347,317	(13,742)
400 Supplies and Materials	3,658	3,597	61
600 Other Objects	-	190	(190)
230 General Administrative Services:			
231 Board of Education:			
100 Salaries	51,600	51,600	-
200 Employee Benefits	16,749	7,534	9,215
300 Purchased Services	268,472	359,286	(90,814)
318 Audit Services	60,000	54,500	5,500
400 Supplies and Materials	6,000	1,117	4,883
600 Other Objects	200,000	180,235	19,765
232 Office of Superintendent:			
100 Salaries	709,070	723,216	(14,146)
200 Employee Benefits	251,512	240,006	11,506
300 Purchased Services	110,300	218,595	(108,295)
400 Supplies and Materials	34,700	32,679	2,021
600 Other Objects	55,000	65,685	(10,685)
233 School Administration:			
100 Salaries	12,363,685	12,042,264	321,421
140 Terminal Leave	-	15,015	(15,015)
200 Employee Benefits	5,329,428	5,347,986	(18,558)
300 Purchased Services	247,624	275,179	(27,555)
400 Supplies and Materials	464,032	461,534	2,498
500 Capital Outlay	-	2,886	(2,886)
600 Other Objects	\$ 26,325	25,050	\$ 1,275

(Continued)

ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA

## GENERAL FUND

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

YEAR ENDED JUNE 30, 2024

	REVISED BUDGET	ACTUAL	VARIANCE
250 Finance and Operations Services:			
251 Student Transportation (Federal/District Mandated):			
100 Salaries	\$ 207,073	273,326	\$ (66,253)
200 Employee Benefits	50,475	71,813	(21,338)
300 Purchased Services	26,902	31,135	(4,233)
600 Other Objects	30	27	3
252 Fiscal Services:			
100 Salaries	935,110	928,936	6,174
140 Terminal Leave	-	632	(632)
180 Head of Organizational Unit Salaries	190,500	190,500	-
200 Employee Benefits	650,023	647,023	3,000
300 Purchased Services	327,137	318,243	8,894
400 Supplies and Materials	29,761	29,710	51
500 Capital Outlay	5,809	5,809	-
600 Other Objects	6,333	3,207	3,126
680 Head of Organizational Unit Other Objects	753	753	-
254 Operation and Maintenance of Plant:			
100 Salaries	10,213,757	10,689,337	(475,580)
200 Employee Benefits	4,838,136	4,938,152	(100,016)
300 Purchased Services	3,257,453	3,651,431	(393,978)
400 Supplies and Materials	5,245,580	5,172,585	72,995
600 Other Objects	6,100	2,703	3,397
255 Student Transportation (State Mandated):			
100 Salaries	5,911,667	6,969,210	(1,057,543)
200 Employee Benefits	2,789,806	2,696,650	93,156
300 Purchased Services	76,212	80,147	(3,935)
400 Supplies and Materials	74,573	78,231	(3,658)
600 Other Objects	1,200	-	1,200
256 Food Service:			
200 Employee Benefits	-	24,515	(24,515)
257 Internal Services:			
100 Salaries	258,595	196,281	62,314
200 Employee Benefits	106,835	81,064	25,771
300 Purchased Services	452,198	497,149	(44,951)
400 Supplies and Materials	13,300	3,167	10,133
600 Other Objects	3,000	4,549	(1,549)
258 Security:			
100 Salaries	455,273	449,831	5,442
140 Terminal Leave	-	2,555	(2,555)
200 Employee Benefits	213,943	219,213	(5,270)
300 Purchased Services	1,507,190	1,447,928	59,262
400 Supplies and Materials	80,263	82,761	(2,498)
500 Capital Outlay	104,650	104,649	1
600 Other Objects	1,097	1,097	-
259 Internal Auditing Services:			
100 Salaries	96,069	96,069	-
200 Employee Benefits	\$ 40,642	40,527	\$ 115

(Continued)

ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA

## GENERAL FUND

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

YEAR ENDED JUNE 30, 2024

	REVISED BUDGET	ACTUAL	VARIANCE
260 Central Support Services:			
262 Planning:			
100 Salaries	\$ 117,032	106,116	\$ 10,916
180 Head of Organizational Unit Salaries	186,973	186,967	6
200 Employee Benefits	125,555	120,463	5,092
300 Purchased Services	127,987	106,407	21,580
400 Supplies and Materials	44,519	39,459	5,060
600 Other Objects	1,620	1,620	-
263 Information Services:			
100 Salaries	213,233	202,364	10,869
180 Head of Organizational Unit Salaries	132,475	132,475	-
200 Employee Benefits	129,978	127,353	2,625
300 Purchased Services	67,220	97,213	(29,993)
400 Supplies and Materials	7,500	5,543	1,957
600 Other Objects	20,750	921	19,829
264 Staff Services:			
100 Salaries	927,343	772,587	154,756
140 Terminal Leave	-	3,465	(3,465)
180 Head of Organizational Unit Salaries	160,889	281,245	(120,356)
200 Employee Benefits	1,351,102	1,430,529	(79,427)
300 Purchased Services	385,632	621,396	(235,764)
400 Supplies and Materials	129,029	102,666	26,363
600 Other Objects	6,916	1,998	4,918
266 Technology and Data Processing Services:			
100 Salaries	2,530,024	2,534,825	(4,801)
140 Terminal Leave	-	12,082	(12,082)
200 Employee Benefits	1,164,797	1,172,780	(7,983)
300 Purchased Services	1,227,995	1,266,828	(38,833)
400 Supplies and Materials	170,000	209,527	(39,527)
500 Capital Outlay	-	48,425	(48,425)
600 Other Objects	2,000	4,400	(2,400)
270 Support Services - Pupil Activity:			
271 Pupil Services Activities:			
100 Salaries (Optional)	2,357,389	2,335,545	21,844
200 Employee Benefits (Optional)	861,781	773,305	88,476
300 Purchased Services (Optional)	166,888	165,768	1,120
400 Supplies and Materials (Optional)	368,574	345,321	23,253
500 Capital Outlay (Optional)	22,532	29,755	(7,223)
600 Other Objects (Optional)	183,575	154,125	29,450
Total Support Services	<u>102,222,998</u>	<u>102,805,428</u>	<u>(582,430)</u>
300 Community Services:			
370 Non-Public School Services:			
400 Supplies and Materials	\$ -	14	\$ (14)

(Continued)

ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA

## GENERAL FUND

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

YEAR ENDED JUNE 30, 2024

	REVISED BUDGET	ACTUAL	VARIANCE
390 Other Community Services:			
100 Salaries	\$ 105,521	106,370	\$ (849)
200 Employee Benefits	40,119	40,275	(156)
300 Purchased Services	5,000	3,183	1,817
400 Supplies and Materials	26,471	15,275	11,196
600 Other Objects	1,000	894	106
Total Community Services	<u>178,111</u>	<u>166,011</u>	<u>12,100</u>
400 Other Charges:			
410 Intergovernmental Expenditures:			
412 Payments to Other Governmental Units			
720 Transits	205,000	269,339	(64,339)
416 LEA Payments to Public Charter Schools			
720 Transits	412,142	599,368	(187,226)
Total Intergovernmental Expenditures	<u>617,142</u>	<u>868,707</u>	<u>(251,565)</u>
<b>TOTAL EXPENDITURES</b>	<b><u>216,477,005</u></b>	<b><u>213,310,425</u></b>	<b><u>3,166,580</u></b>
<b>OTHER FINANCING SOURCES (USES)</b>			
5300 Proceeds from the Sale of Capital Assets	-	26,386	26,386
Interfund Transfers, From (To) Other Funds:			
5220 Transfer from Special Revenue Fund (Excludes Indirect Cost)	-	35	35
5230 Transfer from Special Revenue EIA Fund	14,656,325	14,695,434	39,109
5280 Transfer from Other Funds Indirect Costs	380,910	3,335,795	2,954,885
421-710 Transfer to Special Revenue Fund	(80,000)	(335,218)	(255,218)
425-710 Transfer to Food Service Fund	(702,000)	(48,748)	653,252
TOTAL OTHER FINANCING SOURCES (USES)	<u>14,255,235</u>	<u>17,673,684</u>	<u>3,418,449</u>
<b>EXCESS/DEFICIENCY OF REVENUES OVER EXPENDITURES</b>	<b>(660,000)</b>	<b>10,876,160</b>	<b>11,536,160</b>
FUND BALANCES, Beginning of Year	<u>42,646,792</u>	<u>42,646,792</u>	<u>-</u>
<b>FUND BALANCES, End of Year</b>	<b><u>\$ 41,986,792</u></b>	<b><u>53,522,952</u></b>	<b><u>\$ 11,536,160</u></b>

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# SPECIAL REVENUE FUNDS

To account for the operations of federal, state, or local projects which are required to be accounted for in separate funds.

- i. The Special Revenue Fund, a major fund and an unbudgeted fund, is used to account for and report the financial resources provided by federal, state and local projects and grants that are restricted, committed or assigned for special educational programs or student/pupil activity programs.
- ii. The Special Revenue – Education Improvement Act (“EIA”) Fund, a major fund and an unbudgeted fund, is used to account for and report the restricted revenue from the South Carolina Education Improvement Act of 1984 (which is legally required by the state to be accounted for as a specific revenue source) which are restricted for specific programs authorized or mandated by EIA.
- iii. The Special Revenue – Food Services Fund, a major fund and an unbudgeted fund, is used to account for the United States Department of Agriculture’s (“USDA”) approved school breakfast and lunch programs.

The following schedules for the Special Revenue Fund, the Special Revenue – EIA Fund, and the Special Revenue – Food Services Fund have been prepared in the format mandated by the South Carolina Department of Education. The account numbers shown on the schedules are also mandated by the South Carolina Department of Education.

ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA

SPECIAL REVENUE FUND

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 2024

	Title I (BA Projects) (201)	IDEA (CA Projects) (203)	Preschool Handicapped (CG Projects) (205)
<b>REVENUES</b>			
1000 Revenue from Local Sources:			
1300 Tuition:			
1310 Tuition from Patrons for Regular Day School	\$ -	-	-
1350 Tuition from Patrons for Summer School	-	-	-
1700 Pupil Activities			
1710 Admissions	-	-	-
1730 Pupil Organization Membership Dues and Fees	-	-	-
1740 Student Fees	-	-	-
1790 Other Pupil Activity Income	-	-	-
1900 Other Revenue from Local Sources:			
1920 Contributions and Donations Private Sources	-	-	-
1930 Special Needs Transportation - Medicaid	-	-	-
1990 Miscellaneous Local Revenue:			
1994 Receipt of Legal Settlements	-	-	-
1999 Revenue from Other Local Sources	-	-	-
Total Revenue from Local Sources	<u>-</u>	<u>-</u>	<u>-</u>
2000 Intergovernmental Revenue:			
2300 Payments from Nonprofit Entities (for First Steps)	-	-	-
Total Intergovernmental Revenue	<u>-</u>	<u>-</u>	<u>-</u>
3000 Revenue from State Sources:			
3100 Restricted State Funding:			
3130 Special Programs:			
3134 Child Early Reading Development and Education Program (CERDEP - Full Day 4k)	-	-	-
3135 Reading Coaches	-	-	-
3155 DSS SNAP & E&T Program	-	-	-
3156 Adult Education	-	-	-
3190 Miscellaneous Restricted State Grants:			
3193 Education License Plates	-	-	-
3600 Education Lottery Act Revenue:			
3699 Other State Lottery Programs	-	-	-
3900 Other State Revenue:			
3994 PEBA Nonemployer Contributions	-	-	-
3999 Revenue from Other State Sources	-	-	-
Total Revenue from State Sources	<u>-</u>	<u>-</u>	<u>-</u>
4000 Revenue from Federal Sources:			
4200 Occupational Education:			
4210 Perkins Aid, Title I - Career and Technology Education - Basic Grants to States	-	-	-
4300 Elementary and Secondary Education Act of 1965 (ESEA):			
4310 Title I, Basic State Grant Programs (Carryover Provision)	5,330,217	-	-
4341 Language Instruction for Limited English Proficient and Immigrant Students, Title III	-	-	-
4351 Supporting Effective Instruction	-	-	-
4400 Adult Education:			
4410 Basic Adult Education	-	-	-
4430 State Literacy Resource	\$ -	-	-

CATE (VA Projects) (207)	Adult Education (243/292)	Other Designated Restricted State Grants (900s)	Other Special Revenue Programs (200s/800s)	Pupil Activity (700s)	Totals
-	-	-	192,807	-	\$ 192,807
-	-	-	15,830	-	15,830
-	-	-	-	624,973	624,973
-	-	-	-	129,262	129,262
-	-	-	-	117,753	117,753
-	-	-	-	2,601,471	2,601,471
-	-	-	11,299	28,313	39,612
-	-	-	468,694	-	468,694
-	-	-	191,908	-	191,908
-	-	-	376,586	-	376,586
-	-	-	1,257,124	3,501,772	4,758,896
-	-	-	840,177	-	840,177
-	-	-	840,177	-	840,177
-	-	23,896	-	-	23,896
-	-	818,171	-	-	818,171
-	-	12,752	-	-	12,752
-	-	5,508	-	-	5,508
-	-	1,494	-	-	1,494
-	-	1,024	-	-	1,024
-	-	27,955	-	-	27,955
-	-	-	1,225	-	1,225
-	-	890,800	1,225	-	892,025
261,785	-	-	-	-	261,785
-	-	-	513,606	-	513,606
-	-	-	51,593	-	51,593
-	-	-	386,040	-	386,040
-	180,249	-	-	-	180,249
-	35,547	-	-	-	\$ 35,547

(Continued)

ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA

SPECIAL REVENUE FUND

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 2024

	Title I (BA Projects) (201)	IDEA (CA Projects) (203)	Preschool Handicapped (CG Projects) (205)
4500 Programs for Children with Disabilities:			
4510 Individuals with Disabilities Education Act (IDEA)	\$ -	3,869,213	-
4520 Preschool Grants for Children with Disabilities (IDEA)	-	-	180,056
4900 Other Federal Sources:			
4931 ARP IDEA	-	-	-
4933 ARP IDEA Preschool	-	-	-
4974 ESSER III	-	-	-
4990 Other Federal Revenue:			
4997 Title IV - SSAE	-	-	-
4999 Revenue from Other Federal Sources	-	-	-
Total Revenue from Federal Sources	<u>5,330,217</u>	<u>3,869,213</u>	<u>180,056</u>
<b>TOTAL REVENUE ALL SOURCES</b>	<b><u>5,330,217</u></b>	<b><u>3,869,213</u></b>	<b><u>180,056</u></b>

EXPENDITURES

100 Instruction:			
110 General Instruction:			
111 Kindergarten Program:			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
112 Primary Programs:			
100 Salaries	1,415,674	-	-
200 Employee Benefits	593,594	-	-
300 Purchased Services	106,191	-	-
400 Supplies and Materials	544,141	-	-
500 Capital Outlay	-	-	-
113 Elementary Programs:			
100 Salaries	23,972	-	-
200 Employee Benefits	9,966	-	-
300 Purchased Services	2,884	-	-
400 Supplies and Materials	-	-	-
114 High School Programs:			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
115 Career and Technology Education Program:			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
300 Purchased Services - Other Than Tuition	-	-	-
400 Supplies and Materials	-	-	-
500 Capital Outlay	-	-	-
118 Montessori Programs:			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
120 Exceptional Programs:			
121 Educable Mentally Handicapped:			
100 Salaries	-	167,867	-
200 Employee Benefits	-	75,164	-
300 Purchased Services	\$ -	32,239	-

CATE (VA Projects) (207)	Adult Education (243/292)	Other Designated Restricted State Grants (900s)	Other Special Revenue Programs (200s/800s)	Pupil Activity (700s)	Totals
-	-	-	-	-	\$ 3,869,213
-	-	-	-	-	180,056
-	-	-	132,820	-	132,820
-	-	-	33,286	-	33,286
-	-	-	21,114,091	-	21,114,091
-	-	-	600,934	-	600,934
-	-	-	339,924	-	339,924
261,785	215,796	-	23,172,294	-	33,029,361
<b>261,785</b>	<b>215,796</b>	<b>890,800</b>	<b>25,270,820</b>	<b>3,501,772</b>	<b>39,520,459</b>
-	-	-	31,955	-	31,955
-	-	-	19,759	-	19,759
-	-	-	668,021	-	2,083,695
-	-	-	315,891	-	909,485
-	-	-	354,080	-	460,271
-	-	-	193,956	-	738,097
-	-	-	9,267	-	9,267
-	-	-	460,384	-	484,356
-	-	-	215,381	-	225,347
-	-	-	230,543	-	233,427
-	-	-	353,589	-	353,589
-	-	-	487,791	-	487,791
-	-	-	117,925	-	117,925
-	-	-	76,454	-	76,454
-	-	1,494	7,778	-	9,272
5,500	-	-	15,778	-	21,278
1,785	-	-	5,137	-	6,922
653	-	-	-	-	653
33,545	-	-	317	-	33,862
26,123	-	-	-	-	26,123
-	-	-	26,366	-	26,366
-	-	-	14,444	-	14,444
-	-	-	-	-	167,867
-	-	-	-	-	75,164
-	-	-	18,420	-	\$ 50,659

(Continued)

ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA

SPECIAL REVENUE FUND

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 2024

	Title I (BA Projects) (201)	IDEA (CA Projects) (203)	Preschool Handicapped (CG Projects) (205)
122 Trainable Mentally Handicapped:			
100 Salaries	\$ -	472,425	-
200 Employee Benefits	-	209,824	-
400 Supplies and Materials	-	-	-
124 Visually Handicapped:			
100 Salaries	-	61,632	-
200 Employee Benefits	-	34,893	-
125 Hearing Handicapped:			
100 Salaries	-	72,374	-
200 Employee Benefits	-	32,683	-
300 Purchased Services	-	69,315	-
126 Speech Handicapped:			
100 Salaries	-	377,478	-
200 Employee Benefits	-	164,581	-
400 Supplies and Materials	-	1,100	-
600 Other Objects	-	9,056	-
127 Learning Disabilities:			
100 Salaries	-	461,251	-
200 Employee Benefits	-	203,296	-
400 Supplies and Materials	-	67,809	-
128 Emotionally Handicapped:			
100 Salaries	-	191,604	-
200 Employee Benefits	-	84,516	-
130 Pre-School Programs:			
137 Pre-School Handicapped Self-Contained (3 & 4-Yr. Olds):			
100 Salaries	-	23,897	92,793
200 Employee Benefits	-	7,813	54,616
300 Purchased Services	-	-	6,134
140 Special Programs:			
147 CERDEP:			
200 Employee Benefits	-	-	-
400 Supplies and Materials	-	-	-
149 Other Special Programs:			
100 Salaries	22,939	68,702	4,430
200 Employee Benefits	17,414	23,237	1,438
400 Supplies and Materials	-	-	-
160 Other Exceptional Programs:			
161 Autism:			
100 Salaries	-	69,319	-
200 Employee Benefits	-	37,732	-
170 Summer School Programs:			
171 Primary Summer School:			
100 Salaries	3,620	-	-
200 Employee Benefits	1,158	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
600 Other Objects	-	-	-
172 Elementary Summer School:			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
173 High School Summer School:			
100 Salaries	-	-	-
200 Employee Benefits	\$ -	-	-

CATE (VA Projects) (207)	Adult Education (243/292)	Other Designated Restricted State Grants (900s)	Other Special Revenue Programs (200s/800s)	Pupil Activity (700s)	Totals
-	-	-	35,383	-	\$ 507,808
-	-	-	21,351	-	231,175
-	-	-	1,143	-	1,143
-	-	-	-	-	61,632
-	-	-	-	-	34,893
-	-	-	-	-	72,374
-	-	-	-	-	32,683
-	-	-	-	-	69,315
-	-	-	47,427	-	424,905
-	-	-	18,704	-	183,285
-	-	-	-	-	1,100
-	-	-	-	-	9,056
-	-	-	149,901	-	611,152
-	-	-	69,188	-	272,484
-	-	-	3,700	-	71,509
-	-	-	-	-	191,604
-	-	-	-	-	84,516
-	-	-	-	-	116,690
-	-	-	-	-	62,429
-	-	-	46,744	-	52,878
-	-	-	1,240	-	1,240
-	-	13,896	-	-	13,896
-	-	-	-	-	96,071
-	-	-	-	-	42,089
-	-	-	38,218	-	38,218
-	-	-	-	-	69,319
-	-	-	-	-	37,732
-	-	-	291,153	-	294,773
-	-	-	86,680	-	87,838
-	-	-	7,148	-	7,148
-	-	-	6,751	-	6,751
-	-	-	6,381	-	6,381
-	-	-	33,811	-	33,811
-	-	-	3,443	-	3,443
-	-	-	32,607	-	32,607
-	-	-	6,098	-	\$ 6,098

(Continued)

ROCK HILL SCHOOL DISTRICT THREE  
 ROCK HILL, SOUTH CAROLINA

SPECIAL REVENUE FUND

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 2024

	Title I (BA Projects) (201)	IDEA (CA Projects) (203)	Preschool Handicapped (CG Projects) (205)
175 Instructional Programs Beyond Regular School Day:			
100 Salaries	\$ -	-	-
200 Employee Benefits	-	-	-
180 Adult/Continuing Educational Programs:			
181 Adult Basic Education Programs:			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
182 Adult Secondary Education Programs:			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
400 Supplies and Materials	-	-	-
183 Adult English Literacy (ESL):			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
188 Parenting/Family Literacy:			
100 Salaries	197,948	-	-
200 Employee Benefits	84,354	-	-
300 Purchased Services	16,773	-	-
400 Supplies and Materials	148,427	-	-
600 Other Objects	2,200	-	-
190 Instructional Pupil Activity:			
400 Supplies and Materials	-	-	-
600 Other Objects	-	-	-
Total Instruction	3,191,255	3,019,807	159,411
200 Support Services:			
210 Pupil Services:			
211 Attendance and Social Work Services:			
300 Purchased Services	760	-	-
400 Supplies and Materials	59,656	-	-
212 Guidance Services:			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	-	-	-
213 Health Services:			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
214 Psychological Services:			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	\$ -	-	-

CATE (VA Projects) (207)	Adult Education (243/292)	Other Designated Restricted State Grants (900s)	Other Special Revenue Programs (200s/800s)	Pupil Activity (700s)	Totals
-	-	-	131,394	-	\$ 131,394
-	-	-	42,586	-	42,586
-	70,450	-	830	-	71,280
-	22,868	-	36	-	22,904
-	-	-	183	-	183
-	-	-	1,277	-	1,277
-	29,489	8,000	-	-	37,489
-	18,353	2,597	-	-	20,950
-	32	6,763	-	-	6,795
-	23,063	-	-	-	23,063
-	2,078	-	-	-	2,078
-	2,076	-	-	-	2,076
-	6,713	-	-	-	6,713
-	23,298	-	103,095	-	324,341
-	7,563	-	58,711	-	150,628
-	-	-	-	-	16,773
-	-	-	15,774	-	164,201
-	-	-	-	-	2,200
-	-	-	-	20,692	20,692
-	-	-	-	117	117
67,606	205,983	32,750	4,884,193	20,809	11,581,814
-	-	-	-	-	760
-	-	-	-	-	59,656
77,607	-	-	38,790	-	116,397
40,115	-	-	17,988	-	58,103
-	-	-	5,575	-	5,575
-	-	-	471,441	-	471,441
-	-	-	178,021	-	178,021
-	-	-	117,767	-	117,767
-	-	-	2,836	-	2,836
-	-	-	125,817	-	125,817
-	-	-	47,251	-	47,251
-	-	-	38,550	-	38,550
-	-	-	136	-	\$ 136

(Continued)

ROCK HILL SCHOOL DISTRICT THREE  
 ROCK HILL, SOUTH CAROLINA

SPECIAL REVENUE FUND

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 2024

	Title I (BA Projects) (201)	IDEA (CA Projects) (203)	Preschool Handicapped (CG Projects) (205)
216 Career and Technical Education Placement Services:			
100 Salaries	\$ -	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
220 Instructional Staff Services:			
221 Improvement of Instruction - Curriculum Development:			
100 Salaries	937,788	-	-
200 Employee Benefits	381,287	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
222 Library and Media Services:			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
400 Supplies and Materials	-	-	-
500 Capital Outlay	-	-	-
223 Supervision of Special Programs:			
100 Salaries	148,387	131,845	-
200 Employee Benefits	69,913	48,539	-
300 Purchased Services	7,618	239,530	-
400 Supplies and Materials	320	81,643	-
500 Capital Outlay	-	-	12,561
224 Improvement of Instruction Inservice and Staff Training:			
100 Salaries	-	31,356	-
200 Employee Benefits	-	10,064	-
300 Purchased Services	150,901	131,925	-
400 Supplies and Materials	58,423	-	-
600 Other Objects	393	-	-
230 General Administration Services:			
233 School Administration:			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
250 Finance and Operations Services:			
251 Student Transportation (Federal/District Mandated):			
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
600 Other Objects	-	-	-
252 Fiscal Services:			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
253 Facilities Acquisition and Construction:			
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
500 Capital Outlay:			
520 Construction Services	-	-	-
530 Improvements Other Than Buildings	-	-	-
580 Mobile Classrooms	-	-	-
255 Student Transportation (State Mandated):			
300 Purchased Services	-	-	-
258 Security:			
400 Supplies and Materials	\$ -	-	-

<b>CATE (VA Projects) (207)</b>	<b>Adult Education (243/292)</b>	<b>Other Designated Restricted State Grants (900s)</b>	<b>Other Special Revenue Programs (200s/800s)</b>	<b>Pupil Activity (700s)</b>	<b>Totals</b>
-	-	-	45,000	-	\$ 45,000
-	-	-	15,750	-	15,750
-	-	-	2,932	-	2,932
-	-	-	1,323	-	1,323
-	-	818,171	313,206	-	2,069,165
-	-	-	127,934	-	509,221
-	-	-	1,782,597	-	1,782,597
-	-	-	42,552	-	42,552
-	-	-	37,610	-	37,610
-	-	-	12,171	-	12,171
-	-	-	349,883	-	349,883
-	-	-	1,402,994	-	1,402,994
-	-	-	207,915	-	488,147
-	-	-	77,288	-	195,740
-	-	-	118,807	-	365,955
-	-	1,924	9,230	-	93,117
-	-	-	-	-	12,561
-	-	-	153,907	-	185,263
-	-	-	71,862	-	81,926
19,156	-	-	197,139	-	499,121
-	-	-	-	-	58,423
-	-	-	1,991	-	2,384
-	-	-	5,543	-	5,543
-	-	-	1,782	-	1,782
-	-	-	40	-	40
-	-	-	829	-	829
-	-	-	1,867	-	1,867
-	-	-	92	-	92
-	-	-	24,769	-	24,769
-	-	-	31,683	-	31,683
-	-	-	14,121	-	14,121
-	-	-	77,348	-	77,348
-	-	-	4,711	-	4,711
-	-	-	3,046,183	-	3,046,183
-	-	-	1,313,670	-	1,313,670
-	-	-	140,442	-	140,442
-	-	-	4,155	-	4,155
-	-	-	31,730	-	\$ 31,730

(Continued)

ROCK HILL SCHOOL DISTRICT THREE  
 ROCK HILL, SOUTH CAROLINA

SPECIAL REVENUE FUND

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 2024

	Title I (BA Projects) (201)	IDEA (CA Projects) (203)	Preschool Handicapped (CG Projects) (205)
260 Central Support Services:			
264 Staff Services:			
100 Salaries	\$ -	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
266 Technology and Data Processing Services:			
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
500 Capital Outlay	-	-	-
270 Support Services - Pupil Activity:			
271 Pupil Services Activities:			
100 Salaries (Optional)	-	-	-
200 Employee Benefits (Optional)	-	-	-
300 Purchased Services (Optional)	-	-	-
400 Supplies and Materials (Optional)	-	-	-
500 Capital Outlay (Optional)	-	-	-
600 Other Objects (Optional)	-	-	-
Total Support Services	1,815,446	674,902	12,561
300 Community Services:			
370 Non-Public School Services:			
300 Purchased Services	835	-	-
400 Supplies and Materials	11,913	-	-
Total Community Services	12,748	-	-
410 Intergovernmental Expenditures:			
411 Payments to SDE			
720 Transits	-	-	-
416 LEA Payments to Public Charter Schools			
720 Transits	78,685	-	-
419 Payments from Nonemployer Contributions			
720 Transits	-	-	-
Total Intergovernmental Expenditures	78,685	-	-
<b>TOTAL EXPENDITURES</b>	<b>5,098,134</b>	<b>3,694,709</b>	<b>171,972</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Interfund Transfers, From (To) Other Funds:			
5210 Transfer from General Fund (Exclude Indirect Costs)	-	-	-
5220 Transfer from Special Revenue Fund (Exclude Indirect Costs)	\$ -	-	-

<b>CATE (VA Projects) (207)</b>	<b>Adult Education (243/292)</b>	<b>Other Designated Restricted State Grants (900s)</b>	<b>Other Special Revenue Programs (200s/800s)</b>	<b>Pupil Activity (700s)</b>	<b>Totals</b>
-	-	-	32,400	-	\$ 32,400
-	-	-	10,436	-	10,436
-	-	-	70	-	70
-	-	-	6,050	-	6,050
-	-	-	2,458	-	2,458
-	-	-	151,642	-	151,642
-	-	-	6,275,097	-	6,275,097
4,054	-	-	15,725	189,449	209,228
1,337	-	-	4,599	79,637	85,573
-	-	-	2,031	577,379	579,410
-	-	-	4,999	1,937,015	1,942,014
-	-	-	-	26,415	26,415
41,181	-	-	5,909	542,374	589,464
<b>183,450</b>	<b>-</b>	<b>820,095</b>	<b>17,226,644</b>	<b>3,352,269</b>	<b>24,085,367</b>
-	-	-	27,851	-	28,686
-	-	-	10,874	-	22,787
-	-	-	38,725	-	51,473
-	-	-	109,603	-	109,603
-	-	10,000	-	-	88,685
-	-	27,955	-	-	27,955
-	-	37,955	109,603	-	226,243
<b>251,056</b>	<b>205,983</b>	<b>890,800</b>	<b>22,259,165</b>	<b>3,373,078</b>	<b>35,944,897</b>
-	-	-	257,426	77,792	335,218
-	-	-	-	3,380	\$ 3,380

(Continued)

ROCK HILL SCHOOL DISTRICT THREE  
 ROCK HILL, SOUTH CAROLINA

SPECIAL REVENUE FUND

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 2024

	Title I (BA Projects) (201)	IDEA (CA Projects) (203)	Preschool Handicapped (CG Projects) (205)
420-710 Transfer to General Fund (Exclude Indirect Costs)	\$ -	-	-
421-710 Transfer to Special Revenue Fund	-	-	-
431-791 Special Revenue Fund Indirect Costs (Use Only for Transfer of Indirect Costs to General Fund)	(232,083)	(174,504)	(8,084)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(232,083)</u>	<u>(174,504)</u>	<u>(8,084)</u>
<b>EXCESS/DEFICIENCY OF REVENUES OVER EXPENDITURES</b>	-	-	-
FUND BALANCES, Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES, End of Year</b>	<u><u>\$ -</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

<b>CATE (VA Projects) (207)</b>	<b>Adult Education (243/292)</b>	<b>Other Designated Restricted State Grants (900s)</b>	<b>Other Special Revenue Programs (200s/800s)</b>	<b>Pupil Activity (700s)</b>	<b>Totals</b>
-	-	-	(35)	-	\$ (35)
-	-	-	(3,380)	-	(3,380)
(10,729)	(9,813)	-	(2,900,582)	-	(3,335,795)
<u>(10,729)</u>	<u>(9,813)</u>	<u>-</u>	<u>(2,646,571)</u>	<u>81,172</u>	<u>(3,000,612)</u>
-	-	-	<b>365,084</b>	<b>209,866</b>	<b>574,950</b>
-	-	-	2,062,704	1,535,690	3,598,394
<u>-</u>	<u>-</u>	<u>-</u>	<u><b>2,427,788</b></u>	<u><b>1,745,556</b></u>	<u><b>\$ 4,173,344</b></u>

**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**SPECIAL REVENUE FUND**

**SUPPLEMENTAL LISTING OF LEA SUBFUND CODES AND TITLES**

**YEAR ENDED JUNE 30, 2024**

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**OTHER DESIGNATED RESTRICTED STATE GRANTS**

919	Education License Plates
924	CERDEP Full Day 4k / GEER CERDEP Summer
935	Reading Coaches
955	SNAP - Adult Education
956	Adult Education
969	Lottery - Adult Education
970	School Safety - Facility and Infrastructure Safety Upgrades
994	PEBA Nonemployer Contributions

**OTHER SPECIAL REVENUE PROGRAMS**

210	Title IV - SSAE
218	ESSER III
221	Title I (Neglected and Delinquent)
230	IDEA ARP
233	IDEA ARP Preschool
237	Title I - Targeted School Improvement
264	Title III - English Language Acquisition
267	Title II - Improving Teacher Quality
280	Medicaid
295	ROTC
801	After School Program
802	Tuition
805	East Carolina - IES
806	Mental Health Service Reimbursements
813	Attendance Make-Up: Saturday School
814	Adult Education Contributions
822	Extended School Year
826	Summer School - Middle School
827	JSCG Grant
833	Arts in Education - Northside, Saluda Trail, & Palmetto School
835	DHEC Solid Waste Grants
862	York County First Steps
869	Back the Pack
870	First Steps Parent Smart Grant
874	Technology Protection Plan
879	Special Needs Transportation
880	Profoundly Mentally Disabled
890	Winthrop Program
891	Testing - PSAT
897	Summer School/Credit Recovery - High School
898	Profiles Administration
899	Local School Projects

ROCK HILL SCHOOL DISTRICT THREE  
 ROCK HILL, SOUTH CAROLINA

SPECIAL REVENUE FUND

SUMMARY SCHEDULE FOR OTHER DESIGNATED RESTRICTED STATE GRANTS

YEAR ENDED JUNE 30, 2024

Subfund	Revenue	Programs	Revenues	Expenditures	Special Revenue		Special Revenue Fund Unearned
					Interfund Transfers In (Out)	Other Fund Transfers In (Out)	
919	3193	Education License Plates	\$ 1,494	1,494	-	-	\$ -
924	3134	Child Early Reading Development and Education Program (CERDEP - Full Day 4k)	23,896	23,896	-	-	11,095
935	3135	Reading Coaches	818,171	818,171	-	-	-
955	3155	DSS SNAP & E&T Program	12,752	12,752	-	-	314
956	3156	Adult Education	5,508	5,508	-	-	2,707
969	3699	Other State Lottery Programs	1,024	1,024	-	-	796
970	3670	School Safety - Facility and Infrastructure Safety Upgrades	-	-	-	-	236,138
994	3994	PEBA Nonemployer Contributions	27,955	27,955	-	-	-
<b>Totals</b>			<b>\$ 890,800</b>	<b>890,800</b>	<b>-</b>	<b>-</b>	<b>\$ 251,050</b>

**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**EDUCATION IMPROVEMENT ACT**

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

**YEAR ENDED JUNE 30, 2024**

	<u>ACTUAL</u>
<b>REVENUES</b>	
3000 Revenue from State Sources:	
3500 Education Improvement Act:	
3502 ADEPT	\$ 23,967
3503 State Aid to Classrooms	14,695,434
3509 Arts in Education	8,423
3518 Adoption List of Formative Assessment	168,785
3519 Grade 10 Assessments	15,025
3526 Refurbishment of Science Kits	100,932
3528 Industry Certificates / Credentials	57,688
3529 Career and Technical Education	506,526
3532 National Board Salary Supplement	683,069
3533 Teacher of the Year Awards (No Carryover Provision)	1,077
3541 Child Early Reading Development and Education Program (CERDEP) - Full Day 4K	2,432,593
3556 Adult Education	446,542
3557 Summer Reading Program	107,031
3571 CSI and State Priority Schools	142,198
3577 Teacher Supplies (No Carryover Provision)	446,730
3595 EEDA - Supplies and Materials	37,787
3599 Other EIA	21,984
Total Revenue from State Sources	<u>19,895,791</u>
 <b>TOTAL REVENUE ALL SOURCES</b>	 <b><u>19,895,791</u></b>
 <b>EXPENDITURES</b>	
100 Instruction:	
110 General Instruction:	
111 Kindergarten Programs:	
100 Salaries	5,000
200 Employee Benefits	1,603
112 Primary Programs:	
100 Salaries	51,754
200 Employee Benefits	16,693
300 Purchased Services	62,980
400 Supplies and Materials	398,503
113 Elementary Programs:	
100 Salaries	107,014
200 Employee Benefits	34,232
300 Purchased Services	93,509
400 Supplies and Materials	\$ 129,837

(Continued)

**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**EDUCATION IMPROVEMENT ACT**

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

**YEAR ENDED JUNE 30, 2024**

	<u>ACTUAL</u>
114 High School Programs:	
100 Salaries	\$ 186,983
200 Employee Benefits	60,415
300 Purchased Services	53,225
400 Supplies and Materials	15,025
115 Career and Technology Education Program:	
100 Salaries	7,500
200 Employee Benefits	2,406
300 Purchased Services - Other Than Tuition	133,101
400 Supplies and Materials	246,094
500 Capital Outlay	70,480
120 Exceptional Programs:	
121 Educable Mentally Handicapped:	
100 Salaries	4,481
200 Employee Benefits	1,451
400 Supplies and Materials	4,550
122 Trainable Mentally Handicapped:	
400 Supplies and Materials	4,200
124 Visually Handicapped:	
400 Supplies and Materials	700
125 Hearing Handicapped:	
400 Supplies and Materials	700
126 Speech Handicapped:	
400 Supplies and Materials	8,750
127 Learning Disabilities:	
100 Salaries	22,500
200 Employee Benefits	7,291
400 Supplies and Materials	27,650
128 Emotionally Handicapped:	
400 Supplies and Materials	2,100
130 Pre-School Programs:	
136 Preschool Handicapped Itinerant (3-and 4-Yr. Olds):	
400 Supplies and Materials	350
137 Preschool Handicapped Self-Contained (3-and 4-Yr. Olds):	
400 Supplies and Materials	1,750
139 Early Childhood Programs:	
400 Supplies and Materials	350
140 Special Programs:	
141 Gifted and Talented Academic:	
100 Salaries	12,500
200 Employee Benefits	\$ 4,022

(Continued)

**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**EDUCATION IMPROVEMENT ACT**

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

**YEAR ENDED JUNE 30, 2024**

	<u>ACTUAL</u>
147 CERDEP:	
100 Salaries	\$ 1,542,003
200 Employee Benefits	806,306
300 Purchased Services	1,173
160 Other Exceptional Programs:	
161 Autism:	
400 Supplies and Materials	350
170 Summer School Programs:	
171 Primary Summer School:	
100 Salaries	62,069
200 Employee Benefits	20,109
400 Supplies and Materials	4,518
180 Adult/Continuing Educational Programs:	
181 Adult Basic Education Programs:	
100 Salaries	8,355
200 Employee Benefits	2,736
300 Purchased Services	5,200
400 Supplies and Materials	1,172
182 Adult Secondary Education Programs:	
100 Salaries	28,500
200 Employee Benefits	15,262
300 Purchased Services	1,744
400 Supplies and Materials	8,099
183 Adult Education Literacy (ESL):	
300 Purchased Services	870
400 Supplies and Materials	1,830
Total Instruction	<u>4,289,995</u>
200 Support Services:	
210 Pupil Services:	
212 Guidance Services:	
100 Salaries	43,758
200 Employee Benefits	14,102
300 Purchased Services	21,712
400 Supplies and Materials	13,864
220 Instructional Staff Services:	
221 Improvement of Instruction Curriculum Development:	
100 Salaries	34,172
200 Employee Benefits	10,955
222 Library and Media Services:	
100 Salaries	21,829
200 Employee Benefits	\$ 7,083

(Continued)

**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**EDUCATION IMPROVEMENT ACT**

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

**YEAR ENDED JUNE 30, 2024**

	<u>ACTUAL</u>
223 Supervision of Special Programs:	
100 Salaries	\$ 310,378
200 Employee Benefits	146,005
300 Purchased Services	7,286
400 Supplies and Materials	780
224 Improvement of Instruction Inservice and Staff Training:	
100 Salaries	18,965
200 Employee Benefits	5,002
300 Purchased Services	93,563
400 Supplies and Materials	6,866
230 General Administration Services:	
233 School Administration:	
100 Salaries	5,000
200 Employee Benefits	1,596
250 Finance and Operations Services:	
253 Facilities Acquisition and Construction:	
400 Supplies and Materials	18,420
255 Student Transportation (State Mandated):	
100 Salaries	15,710
200 Employee Benefits	4,624
260 Central Support Services:	
266 Technology and Data Processing Services:	
300 Purchased Services	3,564
270 Support Services - Pupil Activity:	
271 Pupil Services Activities:	
100 Salaries (Optional)	788
200 Employee Benefits (Optional)	380
660 Pupil Activity (Optional)	1,960
Total Support Services	<u>808,362</u>
410 Intergovernmental Expenditures:	
416 Payments to Public Charter Schools	
720 Transits	102,000
Total Intergovernmental Expenditures	<u>102,000</u>
<b>TOTAL EXPENDITURES</b>	<b><u>\$ 5,200,357</u></b>

(Continued)

**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**EDUCATION IMPROVEMENT ACT**

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

**YEAR ENDED JUNE 30, 2024**

---

	<b>ACTUAL</b>
<b>OTHER FINANCING SOURCES (USES)</b>	
Interfund Transfers, From (To) Other Funds:	
420-710 Transfer to General Fund (Exclude Indirect Costs)	\$ (14,695,434)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(14,695,434)</b>
<b>EXCESS/DEFICIENCY OF REVENUES OVER EXPENDITURES</b>	-
FUND BALANCE, Beginning of Year	-
<b>FUND BALANCE, End of Year</b>	<b>\$ -</b>

ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA

EDUCATION IMPROVEMENT ACT

SUMMARY SCHEDULE BY PROGRAM

YEAR ENDED JUNE 30, 2024

Program	Revenues	Expenditures	EIA Interfund Transfers In/(Out)	Other Fund Transfers In/(Out)	EIA Fund Unearned Revenue
3500 Education Improvement Act:					
3502 ADEPT	\$ 23,967	23,967	-	-	\$ -
3503 State Aid to Classrooms	14,695,434	-	-	(14,695,434)	-
3509 Arts in Education	8,423	8,423	-	-	-
3518 Adoption List of Formative Assessment	168,785	168,785	-	-	-
3519 Grade 10 Assessments	15,025	15,025	-	-	-
3526 Refurbishment of Science Kits	100,932	100,932	-	-	10,295
3528 Industry Certificates / Credentials	57,688	57,688	-	-	44,797
3529 Career and Technology Education	506,526	506,526	-	-	219,184
3532 National Board Salary Supplement	683,069	683,069	-	-	-
3533 Teacher of the Year Awards (No Carryover Provision)	1,077	1,077	-	-	-
3541 Child Early Reading Development and Education Program (CERDEP - Full Day 4k)	2,432,593	2,432,593	-	-	398,094
3556 Adult Education	446,542	446,542	-	-	72,129
3557 Summer Reading Program	107,031	107,031	-	-	42,658
3571 CSI and State Priority Schools	142,198	142,198	-	-	226,621
3577 Teacher Supplies (No Carryover Provision)	446,730	446,730	-	-	-
3595 EEDA - Supplies and Materials	37,787	37,787	-	-	35,843
3599 Other EIA	21,984	21,984	-	-	2,500
<b>Totals</b>	<b>\$ 19,895,791</b>	<b>5,200,357</b>	<b>-</b>	<b>(14,695,434)</b>	<b>\$ 1,052,121</b>

ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA

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

YEAR ENDED JUNE 30, 2024

<b>Program</b>	<b>Project/ Grant Number</b>	<b>Revenue &amp; Subfund Code</b>	<b>Description</b>	<b>Amount Due to State Dept. of Education or Federal Government</b>	<b>Status of Amount Due to Grantors</b>
CATE	N/A	4210 / 207	Unexpended Funds	\$ 53.66	Will be repaid in FY 2025
Title II	N/A	4351 / 267	Unexpended Funds	269.00	Will be repaid in FY 2025
Grade 10 Assessments	N/A	3519 / 319	Unexpended Funds	103,010.95	Will be repaid in FY 2025
National Board Salary Supplement	N/A	3532 / 332	Unexpended Funds	9,346.78	Will be repaid in FY 2025
<b>Total</b>				<u>\$ 112,680.39</u>	

**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**FOOD SERVICE FUND**

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

**YEAR ENDED JUNE 30, 2024**

	<u>ACTUAL</u>
<b>REVENUES</b>	
1000 Revenues from Local Sources:	
1600 Food Service:	
1610 Lunch Sales to Pupils	\$ 157,488
1620 Breakfast Sales to Pupils	408
1630 Special Sales to Pupils	73,251
1640 Lunch Sales to Adults	16,238
1650 Breakfast Sales to Adults	2,309
1660 Special Sales to Adults	6,337
1900 Other Revenue from Local Sources:	
1999 Revenue from Other Local Sources	27
Total Revenue from Local Sources	<u>256,058</u>
4000 Revenue from Federal Sources:	
4800 USDA Reimbursement:	
4810 School Lunch and After School Snacks Program, and Special Milk Program	6,036,662
4820 Supply Chain Assistance Funding	434,169
4830 School Breakfast Program (Carryover Provision)	1,744,818
4899 Miscellaneous Food Service	9,998
4900 Other Federal Sources:	
4991 USDA Commodities (Food Distribution Program) (Carryover Provision)	756,644
Total Revenue from Federal Sources	<u>8,982,291</u>
<b>TOTAL REVENUE ALL SOURCES</b>	<b><u>9,238,349</u></b>
<b>EXPENDITURES</b>	
256 Food Service:	
100 Salaries	161,789
200 Employee Benefits	48,748
300 Purchased Services (Exclude Energy Costs)	7,546,088
400 Supplies and Materials (Include Energy Costs)	882,323
500 Capital Outlay	1,904,947
600 Other Objects	1,558
Total Food Services Expenditures	<u>10,545,453</u>
<b>TOTAL EXPENDITURES</b>	<b><u>\$ 10,545,453</u></b>

(Continued)

**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**FOOD SERVICE FUND**

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

**YEAR ENDED JUNE 30, 2024**

	<u>ACTUAL</u>
<b>OTHER FINANCING SOURCES (USES)</b>	
5300 Sale of Capital Assets	\$ 1,245
Interfund Transfers, From (To) Other Funds:	
5210 Transfer from General Fund (Excludes Indirect Costs)	48,748
TOTAL OTHER FINANCING SOURCES (USES)	<u>49,993</u>
<b>EXCESS/DEFICIENCY OF REVENUES OVER EXPENDITURES</b>	<b>(1,257,111)</b>
FUND BALANCE, Beginning of Year	<u>5,699,398</u>
<b>FUND BALANCE, End of Year</b>	<b><u>\$ 4,442,287</u></b>

# DEBT SERVICE FUND

The Debt Service Fund, a major fund and an unbudgeted fund, is used to account for and report the accumulation of financial resources that are restricted, committed, or assigned for the payment of all long-term debt principal, interest, and related costs for the District.

The following schedule has been prepared in the format mandated by the South Carolina State Department of Education. The account numbers shown on the schedule are also mandated by the South Carolina Department of Education.

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DEBT SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2024

	<u>ACTUAL</u>
<b>REVENUES</b>	
1000 Revenue from Local Sources:	
1100 Taxes Levied / Assessed by the LEA:	
1110 Ad Valorem Taxes-Including Delinquent (Independent)	\$ 30,917,004
1140 Penalties & Interest on Taxes (Independent)	173,174
1200 Revenue from Local Governmental Units Other than LEAs:	
1280 Revenue in Lieu of Taxes (Independent and Dependent)	1,976,603
1290 Other Taxes (Dependent)	77,776
1500 Earnings on Investments:	
1510 Interest on Investments	449,087
Total Revenue from Local Sources	<u>33,593,644</u>
3000 Revenue from State Sources:	
3800 State Revenue in Lieu of Taxes (Independent and Dependent):	
3820 Homestead Exemption (Tier 2)	997,926
3830 Merchant's Inventory Tax	107,676
3840 Manufacturer's Depreciation Reimbursement	112,719
3890 Other State Property Tax Revenues (Includes Motor Carrier Vehicle Tax)	104,212
Total Revenue from State Sources	<u>1,322,533</u>
<b>TOTAL REVENUE ALL SOURCES</b>	<b><u>34,916,177</u></b>
<b>EXPENDITURES</b>	
500 Debt Service:	
610 Redemption of Principal	10,191,000
620 Interest	6,176,375
690 Other Objects (Includes Fees for Servicing Bonds)	3,274
Total Debt Service	<u>16,370,649</u>
<b>TOTAL EXPENDITURES</b>	<b><u>16,370,649</u></b>
<b>OTHER FINANCING SOURCES (USES)</b>	
Interfund Transfers, From (To) Other Funds:	
424-710 Transfer to Capital Projects Fund	(17,684,150)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(17,684,150)</u>
<b>EXCESS/DEFICIENCY OF REVENUES OVER EXPENDITURES</b>	<b>861,378</b>
FUND BALANCE, Beginning of Year	<u>7,924,379</u>
<b>FUND BALANCE, End of Year</b>	<b><u>\$ 8,785,757</u></b>

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# CAPITAL PROJECTS FUND

The Capital Projects Fund, a major fund and an unbudgeted fund, is used to account for and report financial resources that are restricted, committed, or assigned for expenditures of capital outlay related to site acquisitions, construction, equipment, and renovation of all major capital facilities of the District.

The following individual fund schedule has been prepared in the format mandated by the South Carolina State Department of Education. The account numbers shown on the schedule are also mandated by the South Carolina Department of Education.

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**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**CAPITAL PROJECTS FUND**

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

**YEAR ENDED JUNE 30, 2024**

	<u>ACTUAL</u>
<b>REVENUES</b>	
1000 Revenue from Local Sources:	
1500 Earnings on Investments:	
1510 Interest on Investments	\$ 2,983,344
1900 Other Revenue from Local Sources:	
1950 Refund of Prior Year's Expenditures	924
Total Revenue from Local Sources	<u>2,984,268</u>
<b>TOTAL REVENUE ALL SOURCES</b>	<b><u>2,984,268</u></b>
<b>EXPENDITURES</b>	
250 Finance and Operations Services:	
253 Facilities Acquisition & Construction:	
300 Purchased Services	1,372,653
400 Supplies and Materials	287,159
500 Capital Outlay:	
520 Construction Services	319,456
530 Improvements Other Than Buildings	1,190,126
540 Equipment	58,191
545 Technology Equipment and Software	95,047
550 Vehicles	497,047
254 Operations and Maintenance of Plant:	
100 Teacher Salaries	2,650
300 Purchased Services (Exclude Energy Costs)	18,299
400 Supplies and Materials (Include Energy Costs)	1,168
258 Security:	
300 Purchased Services	61,350
270 Support Services - Pupil Activity	
271 Pupil Services Activity:	
400 Supplies and Materials (Optional)	61,766
Total Support Services	<u>3,964,912</u>
500 Debt Service:	
690 Other Objects (Includes Fees for Servicing Bonds)	52,065
Total Debt Service	<u>52,065</u>
<b>TOTAL EXPENDITURES</b>	<b><u>4,016,977</u></b>
<b>OTHER FINANCING SOURCES (USES)</b>	
5100 Sale of Bonds	
5110 Premium on Bonds Sold	108,074
5300 Sale of Capital Assets	1,443,283
5900 Miscellaneous Sources	
5999 Other Financing Sources	\$ 805,344

(Continued)

**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**CAPITAL PROJECTS FUND**

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

**YEAR ENDED JUNE 30, 2024**

	<u>ACTUAL</u>
Interfund Transfers, From (To) Other Funds:	
5240 Transfer from Debt Service Fund	\$ 17,684,150
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>20,040,851</u>
<b>EXCESS/DEFICIENCY OF REVENUES OVER EXPENDITURES</b>	<b>19,008,142</b>
FUND BALANCE, Beginning of Year	<u>63,515,404</u>
<b>FUND BALANCE, End of Year</b>	<b><u>\$ 82,523,546</u></b>

# Location Reconciliation

As Requested by the South Carolina  
Department of Education

**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**LOCATION RECONCILIATION SCHEDULE**

**YEAR ENDED JUNE 30, 2024**

<b>LOCATION ID</b>	<b>LOCATION DESCRIPTION</b>	<b>EDUCATION LEVEL</b>	<b>COST TYPE</b>	<b>TOTAL EXPENDITURES</b>
00	Districtwide	Non-Schools	Central	\$ 21,275,680
02	Belleview Elementary	Non-Schools	Central	321,053
04	Castle Heights Middle	Middle Schools	School	7,464,722
05	Central Child Dev. Center	Other Schools	School	2,813,714
06	Ebenezer Avenue Elementary	Elementary Schools	School	5,357,464
07	Dutchman Creek Middle	Middle Schools	School	8,466,455
08	Ebinport Elementary	Elementary Schools	School	6,306,256
16	Independence Elementary	Elementary Schools	School	6,072,437
18	India Hook Elementary	Elementary Schools	School	5,445,848
20	Leslie Elementary	Elementary Schools	School	5,622,121
22	Mt. Gallant Elementary	Elementary Schools	School	5,394,486
23	Mt. Holly Elementary	Elementary Schools	School	5,755,115
24	Northside Elementary	Elementary Schools	School	5,896,348
26	Northwestern High	High Schools	School	15,467,895
28	Oakdale Elementary	Elementary Schools	School	5,423,703
29	Old Pointe Elementary	Elementary Schools	School	6,631,001
30	Rawlinson Road Middle	Middle Schools	School	7,109,237
32	Richmond Drive Elementary	Elementary Schools	School	5,560,217
33	T-3	Other Schools	School	733,256
34	ParentSmart	Other Schools	School	691,179
36	Applied Technology Center	Other Schools	School	4,503,304
38	Rock Hill High	High Schools	School	17,843,275
41	South Pointe High	High Schools	School	13,429,556
42	Sullivan Middle	Middle Schools	School	9,128,613
44	Sunset Park Elementary	Elementary Schools	School	6,065,148
46	Sylvia Circle Family Learning Center	Non-Schools	Central	196,773
48	York Road Elementary	Elementary Schools	School	5,053,242
49	Phoenix Academy	Other School	School	5,134
50	Saluda Trail Middle	Middle Schools	School	10,548,408
52	Cherry Park Elementary	Elementary Schools	School	6,599,913
60	Office of Superintendent	Non-Schools	Central	1,027,546
65	Health Services	Non-Schools	Central	116,565
66	Facilities Services	Non-Schools	Central	8,607,302
68	Food Service	Non-Schools	Central	8,647,345
70	Transportation	Non-Schools	Central	10,182,755
72	Procurement Services	Non-Schools	Central	782,090
76	Adult Education	Other Schools	School	849,521
77	Virtual Academy	Other Schools	School	3,080,493
78	Human Resources	Non-Schools	Central	3,139,328
79	Mental Health	Non-Schools	Central	2,392,589
80	Business Services	Non-Schools	Central	2,793,494
81	Administrative Services	Non-Schools	Central	2,625,989
82	Information Services	Non-Schools	Central	662,480
83	Student Services	Non-Schools	Central	\$ 338,005

(Continued)

**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**LOCATION RECONCILIATION SCHEDULE**

**YEAR ENDED JUNE 30, 2024**

<b>LOCATION ID</b>	<b>LOCATION DESCRIPTION</b>	<b>EDUCATION LEVEL</b>	<b>COST TYPE</b>	<b>TOTAL EXPENDITURES</b>
84	Support Services	Non-Schools	Central	\$ 1,545,088
85	Community Partnerships	Non-Schools	Central	861
86	Exceptional Student Education	Non-Schools	Central	10,604,203
87	Technology	Non-Schools	Central	11,294,473
88	District 3 Stadium South	Non-Schools	Central	1,050,531
89	District 3 Stadium	Non-Schools	Central	117,422
90	Board of Trustees	Non-Schools	Central	2,812,547
95	Flexible Learning Center	Other Schools	School	3,132,325
219	Raven Academy	Other Schools	School	3,659
660	Instruction/Accountability	Non-Schools	Central	8,400,594
<b>TOTAL EXPENDITURES FOR ALL FUNDS</b>				<b>\$ 285,388,758</b>

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

General Fund	\$ 213,310,425
Special Revenue Fund	35,944,897
Special Revenue - EIA Fund	5,200,357
Special Revenue - Food Service	10,545,453
Debt Service Fund	16,370,649
Capital Projects Fund	4,016,977
<b>TOTAL EXPENDITURES FOR ALL FUNDS</b>	<b>\$ 285,388,758</b>

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# Compliance Section

ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2024

LEA Subfund Code	Federal Grantor/ Pass-Through Grantor/ Program Title	Assistance Listing Number	Pass Through Grantor's Number	Federal Expenditures	Expenditures to Subrecipients
<b>US Department of Agriculture</b>					
Pass-through State Department of Education:					
600	National School Breakfast Program	10.553	N/A	\$ 1,744,818	\$ -
600	National School Lunch Program - Cash Assistance	10.555	N/A	6,036,662	-
600	National School Lunch Program - Non-Cash Assistance	10.555	N/A	756,644	-
600	National School Supply Chain Assistance	10.555	N/A	434,169	-
600	USDA Good Transportation Rebate	10.555	N/A	9,998	-
Total 10.553 & 10.555 - Child Nutrition Cluster				<u>8,982,291</u>	<u>-</u>
<b>Total US Department of Agriculture</b>				<b><u>8,982,291</u></b>	<b><u>-</u></b>
<b>US Department of Education</b>					
Pass-through State Department of Education:					
201	Title I	84.010A	Title I - 22	62,613	-
201	Title I	84.010A	Title I - 23	1,424,872	10,535
201	Title I	84.010A	Title I - 24	3,842,732	68,150
221	Title I - Neglected and Delinquent	84.010A	Title I N&D - 22	48,127	-
221	Title I - Neglected and Delinquent	84.010A	Title I N&D - 23	128,852	-
221	Title I - Neglected and Delinquent	84.010A	Title I N&D - 24	5,853	-
237	Title I - ATSI	84.010A	Title I - TSI - 22	31,186	-
237	Title I - ATSI	84.010A	Title I - TSI - 23	299,588	-
Total 84.010A				<u>5,843,823</u>	<u>78,685</u>
Individuals with Disabilities Education Act:					
203	IDEA	84.027A	IDEA - 22	97,982	-
203	IDEA	84.027A	IDEA - 23	1,653,104	-
203	IDEA	84.027A	IDEA - 24	2,118,127	-
205	IDEA - Preschool Handicapped	84.173A	IDEA Pre-School Grants - 22	19,587	-
205	IDEA - Preschool Handicapped	84.173A	IDEA Pre-School Grants - 23	33,375	-
205	IDEA - Preschool Handicapped	84.173A	IDEA Pre-School Grants - 24	127,095	-
230	COVID-19 - IDEA/ARP	84.027X	IDEA/ARP - 22	132,820	-
233	COVID-19 - IDEA/ARP Preschool	84.173X	IDEA/ARP - 22	33,286	-
Total 84.027A, 84.027X, 84.173A, & 84.173X - Special Education Cluster (IDEA)				<u>4,215,376</u>	<u>-</u>
207	Vocational Education	84.048A	Perkins Aid, Title I - 23	31,299	-
207	Vocational Education	84.048A	Perkins Aid, Title I - 24	230,486	-
Total 84.048A				<u>261,785</u>	<u>-</u>
218	COVID-19 - ARP ESSER III	84.425U	ESSER III	21,114,091	-
Total 84.425U				<u>21,114,091</u>	<u>-</u>
210	Title IV SSAE	84.424A	Title IV SSAE - 22	130,836	-
210	Title IV SSAE	84.424A	Title IV SSAE - 23	280,254	-
210	Title IV SSAE	84.424A	Title IV SSAE - 24	189,843	-
Total 84.424A				<u>600,933</u>	<u>-</u>
243	Adult Education - Reverted Funds	84.002A	Adult Education - 22	3,545	-
243	Adult Education	84.002A	Adult Education - 24	144,371	-
243	Adult Education - Integrated English Literacy and Civics	84.002A	Adult Ed - 24	35,547	-
243	Adult Education - Family Literacy	84.002A	Adult Education - 24	32,333	-
Total 84.002A				<u>215,796</u>	<u>-</u>
264	Title III - English Language Immigrant	84.365A	Title III - 23	6,010	-
264	Title III - Part A Multilingual Learner	84.365A	Title III - 22	3,942	-
264	Title III - Part A Multilingual Learner	84.365A	Title III - 23	24,035	-
264	Title III - Part A Multilingual Learner	84.365A	Title III - 24	17,606	-
Total 84.365A				<u>\$ 51,593</u>	<u>\$ -</u>

(Continued)

ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2024

LEA Subfund Code	Federal Grantor/ Pass-Through Grantor/ Program Title	Assistance Listing Number	Pass Through Grantor's Number	Federal Expenditures	Expenditures to Subrecipients
267	Title II - Supporting Effective Instruction	84.367A	Title II - 22	\$ 22,511	\$ -
267	Title II - Supporting Effective Instruction	84.367A	Title II - 23	46,728	-
267	Title II - Supporting Effective Instruction	84.367A	Title II - 24	316,801	-
		Total 84.367A		<u>386,040</u>	<u>-</u>
	Total Passed Through State Department of Education			<u>32,689,437</u>	<u>78,685</u>
805	Pass-through East Carolina University: Institute of Education Sciences	84.324A	N/A	33,390	-
	<b>Total US Department of Education</b>			<u>32,722,827</u>	<u>78,685</u>
	<b>US Department of Defense</b>				
	Direct Programs:				
295	JROTC	12.000	N/A	234,340	-
	<b>Total US Department of Defense</b>			<u>234,340</u>	<u>-</u>
	<b>US Department of Labor</b>				
	Direct Programs:				
827	Jobs for America's Graduates	17.278	N/A	72,194	-
	<b>Total US Department of Labor</b>			<u>72,194</u>	<u>-</u>
	<b>TOTAL FEDERAL ASSISTANCE EXPENDED</b>			<u>\$ 42,011,652</u>	<u>\$ 78,685</u>

See accompanying notes to the schedule of expenditures of federal awards.

**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**YEAR ENDED JUNE 30, 2024**

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**A – General**

The accompanying Schedule of Expenditures of Federal Awards (the “Schedule”) presents the activity of all federal award programs of Rock Hill School District Three, Rock Hill, South Carolina (the “District”) for the year ended June 30, 2024. All federal awards received directly from the federal agencies, as well as those passed through other government agencies, are included on the Schedule.

**B – Basis of Accounting**

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

**C – Relationship to Financial Statements**

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

**D – Relationship to Federal Financial Reports**

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

**E – Indirect Cost Rate**

The District has elected not to use the 10-percent de minimis cost rate allowed under the Uniform Guidance.



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

**INDEPENDENT AUDITOR'S REPORT**

The Board of Trustees  
Rock Hill School District Three  
Rock Hill, South Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the discretely presented component unit, and each major fund of Rock Hill School District Three, South Carolina (the "District"), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 25, 2024. Our report includes a reference to another auditor who audited the financial statements of the discretely presented component unit, as described in our report on the District's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported on separately by that auditor.

**Report on Internal Control over Financial Reporting**

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

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

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

## **Report on Compliance and Other Matters**

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

### **Purpose of This Report**

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

*Greene Finney Cauley, LLP*

Greene Finney Cauley, LLP  
Mauldin, South Carolina  
November 25, 2024



**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT  
ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

**INDEPENDENT AUDITOR'S REPORT**

The Board of Trustees  
Rock Hill School District Three  
Rock Hill, South Carolina

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

***Qualified Opinion***

We have audited Rock Hill School District Three, South Carolina's (the "District") compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on the District's major federal program for the year ended June 30, 2024. The District's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Qualified Opinion on COVID-19 – Elementary and Secondary School Emergency Relief Fund ("ESSER")***

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion section of our report, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on ESSER for the year ended June 30, 2024.

***Basis for Qualified Opinion***

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

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

***Matter Giving Rise to Qualified Opinion on ESSER***

As described in the accompanying schedule of findings and questioned costs, the District did not comply with the requirements regarding Assistance Listing No. 84.425U ESSER as described in finding number 2024-001 for Procurement and Suspension and Debarment. Compliance with such requirements is necessary, in our opinion, for the District to comply with the requirements applicable to that program.

### ***Responsibilities of Management for Compliance***

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

### ***Auditor's Responsibilities for the Audit of Compliance***

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

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

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

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

### **Other Matter**

*Government Auditing Standards* requires the auditor to perform limited procedures on the District's response to the noncompliance finding identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify a deficiency in internal control over compliance that we consider to be a material weakness.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2024-001 to be a material weakness.

*A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

*Government Auditing Standards* require the auditor to perform limited procedures on the District's response to the internal control over compliance finding identified in our audit described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

*Greene Finney Cauley, LLP*

Greene Finney Cauley, LLP  
Mauldin, South Carolina  
November 25, 2024

**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

**YEAR ENDED JUNE 30, 2024**

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There were no audit findings in the prior year.

**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**YEAR ENDED JUNE 30, 2024**

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

***Financial Statements***

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

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

***Federal Awards***

Internal control over major programs:

Material weakness(es) identified?	_____ <u>X</u> Yes	_____ No
Significant deficiency(s) identified that are not considered to be material weaknesses?	_____ Yes	_____ <u>X</u> None Reported

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516 (Uniform Guidance)?	_____ <u>X</u> Yes	_____ No
--	--------------------	----------

Identification of major programs:

<u>Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.425U	COVID-19 - Elementary and Secondary School Emergency Relief Fund ("ESSER")

Dollar threshold used to distinguish between type A and type B programs:	\$ _____ <u>1,260,350</u>
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Auditee qualified as low-risk auditee?	_____ <u>X</u> Yes	_____ No
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**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**YEAR ENDED JUNE 30, 2024**

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**Section II – Current Year Financial Statement Findings**

No matters to report.

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**Section III – Current Year Findings and Questioned Costs - Major Federal Awards Programs Audit**

**Federal Agency: US Department of Education  
Pass-Through Agency: South Carolina Department of Education  
COVID-19 Elementary & Secondary Relief Fund;  
Assistance Listing Number 84.425U  
FAIN: S425U210019  
Pass-Through Grantor’s Award Number and Year: 2021 H63010497523  
Repeat Comment from Prior Year? No**

**2024-001: PROCUREMENT AND SUSPENSION AND DEBARMENT**

**Questioned Costs**  
Not Determinable

**Condition:** The District used local exemptions in procuring some of the costs related to its ESSER program.

**Criteria:** The South Carolina Department of Education (“SDE”) had issued a memorandum (“Memorandum”) in August 2023 notifying school districts that local exemptions could not be used in procurement activities related to federal programs. If a school district wanted to use noncompetitive procurements, they would need to (a) meet the exceptions noted in this Memorandum and as more fully detailed in Office of Management and Budget (“OMB”) 2 CFR 200.320 or (b) request and receive an approved waiver from the SDE on the “Request for Noncompetitive Procurement Approval” form.

**Context and Effect:** The OMB’s 2024 compliance supplement did not list in the compliance matrix a requirement to test the “Procurement and Suspension and Debarment” compliance requirement for this program. However, the SDE required that this compliance requirement be tested.

The District followed its approved procurement code which allowed the use of local exemptions for certain federal procurement activities. The District had received other communications from SDE staff that made them believe that following their procurement code was sufficient in procuring activities for this federal program. The District’s auditors tested approximately \$14,150,000 in key items related to the ESSER program and noted one procurement of approximately \$522,000 where the District used a local exemption. The District’s auditors tested a random sample of other ESSER expenditures and noted sixteen procurements totaling approximately \$810,000 where the District used local exemptions. The amount of known procurements extrapolated to the remaining random population resulted in potential noncompetitive procurements of approximately \$1,830,000. The actual known or likely questioned costs is not determinable – as it would be less than the total potential noncompetitive procurements.

**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**YEAR ENDED JUNE 30, 2024**

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**Section III – Current Year Findings and Questioned Costs - Major Federal Awards Programs Audit (Continued)**

**2024-001: PROCUREMENT AND SUSPENSION AND DEBARMENT (CONTINUED)**

**Cause:** The District was not fully aware that using its local exemptions as provided for in its procurement code was not allowable for federal purchases in this program.

**Recommendation:** We recommend that the District ensure that procurements related to federal programs do not use local exemptions and that these procurements provide for full and open competition.

**Response:** The District agrees with this finding and will adhere to the corrective action plan on page 136 in this audit report.



386 E. Black Street  
P.O. Drawer 10072  
Rock Hill, SC 29731

T: (803) 981-1000  
F: (803) 981-1094  
[www.rockhillschools.com](http://www.rockhillschools.com)

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**ROCK HILL SCHOOL DISTRICT THREE  
ROCK HILL, SOUTH CAROLINA**

**CORRECTIVE ACTION PLAN**

**YEAR ENDED JUNE 30, 2024**

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**Section II – Financial Statement Findings**

No matters to report.

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

**Finding:** 2024-001

**Contact Person:** Terri Smith, Assistant Superintendent of Business Services, [trsmith@rhmail.org](mailto:trsmith@rhmail.org)

**Corrective Action:** The District will ensure that procurements related to federal programs do not use local exemptions and that these procurements provide for full and open competition.

**Proposed Completion Date:** Prior to June 30, 2025