

Lexington County
School District One
Lexington, South Carolina



Comprehensive Annual
Financial Report
Fiscal Year ended June 30, 2008

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT
OF
LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
FOR THE YEAR ENDED
JUNE 30, 2008**

PREPARED BY:

**The Office of Fiscal Services
Lexington County School District One**

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

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Introductory



**The mission of Lexington
County School District One**

November 5, 2008

To the Board of Trustees and Citizens of Lexington County School District One

State law requires that all school districts publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of Lexington County School District One (the District) for the fiscal year ended June 30, 2008.

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

The comprehensive annual financial report is presented here in four sections: introductory, financial, statistical and single audit. The introductory section includes the transmittal letter, the list of principal officials and the organizational chart. The financial section includes the basic financial statements; the combining and individual fund financial statements and schedules, as well as required supplementary information. Also included in the financial section is the independent auditors' report on these financial statements. The statistical section reflects social and economic data, financial trends and the fiscal capacity of the District. The final section is the single audit section.

Lexington County School District One's financial statements have been audited by Burkett, Burkett, & Burkett, C.P.A, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2008, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that Lexington County School District One's financial

statements for the fiscal year ended June 30, 2008, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of Lexington School District One was a part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the single audit section of this comprehensive annual financial report.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. Lexington County School District One's MD&A can be found immediately following the report of the independent auditors.

Profile of Lexington County School District One

Lexington County School District One is widely recognized as a leader in education. The District was established in 1952 by the consolidation of 23 existing school districts. The District is located in the central part of Lexington County, South Carolina (the County) that is located in the north central section of the State. The District is bounded on the north by Lake Murray and the Saluda River, on the east by Lexington County School Districts Nos. 2 and 4 of the County, on the south by the North Edisto River and on the west by Lexington County School District No. 3 of the County. The District encompasses a land area of approximately 360 square miles. The District lies within the Metropolitan Statistical Area ("MSA") of the City of Columbia, capital of the State of South Carolina.

Lexington County School District One is governed by a seven member Board of Trustees elected by the voters of the District. Board members are elected to four-year terms. Regular board meetings are held on the third Tuesday of each month and are open to the public. Guided by the policies of the Board of Trustees, the District provides a broad spectrum of elementary and secondary programs to meet the needs of its diverse student population. These programs complement each other to provide a total program that is comprehensive, highly cost-effective, and that meets the mission statement of the District. The mission, stated as follows from the strategic plan, was developed by a committee of citizens and school district personnel; and was adopted by the Lexington County School District One Board of Trustees.

Mission

The mission of Lexington County School District One — *where caring people, academics, the arts and athletics connect* — is to enable our students to be thinking, productive, responsible citizens in the global, competitive 21st century.

Therefore, we will work to create a high-performance learning culture that sets high expectations for every student and provides the environment, instruction and support necessary to ensure that our students are learning and meeting rigorous standards.

Vision

Lexington County School District One graduates will be *self-directed, collaborative, creative and caring learners* who will flourish in the global, competitive 21st century.

Therefore, we will have a high-performance learning culture in which:

- Our students are engaged in high-quality learning.
- All stakeholders accept collective responsibility for the learning of our students.
- Each student receives the personal support necessary to reach his or her goals.
- All staff members are advocates for students and work to eliminate any barriers to learning.

In fiscal year 2007-2008, the District served 20,985 students, pre-kindergarten through grade 12. The District anticipates growing between 500 to 700 students in each of the next few years. The district currently offers programs in fifteen primary/elementary/intermediate schools, six middle schools, four high schools, a technology center, and an alternative-learning center. The programs offered include but are not limited to: academically gifted and talented classes for students in grades three through twelve; a variety of accelerated, honors level and Advanced Placement courses for qualifying students; an International Baccalaureate (IB) diploma program located at Lexington High School; 3-year-old preschool classes for children with developmental delays; child development classes that provide interventions for four-year-old children to better prepare them for school; a full day five-year-old kindergarten program; early intervention services for students who need more instruction or re-teaching of basic skills in the areas of English language arts and mathematics; special education programs for all students who meet the criteria for the thirteen recognized areas of disability; an alternative learning center for middle and high school students who have displayed severe discipline problems; programs for targeted students to reduce the potential for dropping out of school; career and technology courses for high school students at their home school and through the Lexington Technology Center; LexOne, a virtual school sponsored by the district; foreign language instruction in Spanish, French or German in all schools beginning at grade 2 with expanded offering of Latin in some middle schools and high schools; a partial immersion program in Spanish or French for kindergarten students at three elementary sites. In addition, Lexington County School District One continues to offer extensive professional development related to effective teacher collaboration, use of classroom assessments, and differentiation of instruction to meet students' individual needs. Technology is infused into the instructional program in all schools (K-12).

The annual budget for the general fund serves as the foundation for the District's financial planning and control. All schools and departments of Lexington County School District One are required to submit requests for appropriation to the district's management by the last day of February each year. The District's management uses these requests as the starting point for developing a proposed budget. The District's management then presents this proposed budget to the Lexington County School District One Board of Trustees for study and review by April 30. The Board of Trustees is required to hold public hearings on the proposed budget and to adopt a final budget by no later than June 30, the close of the District's fiscal year. The appropriated budget is prepared by function (e.g., student instruction), object (e.g., supplies), school and department (e.g., Lexington High School). School principals may request transfers of appropriations within their school. Transfers of appropriations, however, require the special approval of the District's superintendent and must be reported to the District's Board of Trustees for their review and acceptance. Budget-to-actual comparisons are provided in this report for the general fund on page 37 as a part of the basic financial statements.

All funds of Lexington County School District One and its component units that are controlled by this governing body, and are considered to be the "reporting entity" are included in this report. The Lexington County School District No.1 Educational Foundation, Lexington One School Facilities, Corp. and Lexington School Facilities, Inc. are blended component units of the District's operations. Since these are major funds, data from these units are shown in separate columns in the financial statement of the District. The District does not have any primary units that are discretely presented. The Lexington County School District No. 1 Educational Foundation, Lexington One School Facilities, Corp. and Lexington School Facilities, Inc. are discussed further in the school district's MD&A.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which Lexington County School District One operates.

Local economy. The District currently enjoys a favorable economic environment and local indicators point to continued stability. Lexington County School District One's location within the Columbia Metropolitan Statistical Area (the "Columbia MSA"), which consists of Richland County and Lexington County, and which had a 2000 population of 538,271 (the Columbia MSA has recently been expanded to include Calhoun, Fairfield, Kershaw, and Saluda Counties effective June of 2003), is economically significant. As a suburban school district near the state's capital city of Columbia, the largest city in the state, Lexington County School District One serves as a key residential community on and around the shores of Lake Murray that continues to attract upscale residential housing and associated commercial development.

Lexington County School District One had a population in calendar year 2000 of 87,547, a 65 percent increase over the 1990 population of 52,941. The estimated population of the District as of June 30, 2008 was 115,227. As the population continues to increase, the economy of the community continues to change from one traditionally based on agriculture and manufacturing to

an economy based upon retail business, service businesses, manufacturing and, to a lesser extent, agriculture.

Located within the county are a number of major manufacturing enterprises that help to provide a stable economy for Lexington County School District One. The larger enterprises include Michelin North America, Inc., UPS, US Foodservice, Wal-Mart, Armstrong Air Conditioning, Eagle Aviation, Shaw Industries, Honeywell International, Inc., Harsco Track Tech, Columbia Farms, Inc., Cooper Tools, Union Switch & Signal, Inc., Pirelli Cable & Systems North America, Solectron, and others.

From 2000 through 2005, Lexington County attracted capital investments totaling approximately \$784,238,948 that added 5,231 new employment opportunities. Based on current projections, long-term economic growth is expected to continue in Lexington County and Lexington County School District One. In March 2007, Solectron Corporation, a leading provider of electronics manufacturing and integrated supply chain services, announced plans to expand its manufacturing facility. ADC, a manufacturer of cable-intensive connectivity products that provides connections for wireline, wireless, cable, broadcast and enterprise networks around the world, plans to double the size of their facility which is located within the County and with this expansion bring new jobs to the County. Otis Spunkmeyer, Inc. has announced it will expand its current manufacturing operations located within the County by investing an estimated \$8 million in capital improvements and a building expansion of approximately 73,000 square feet to include floor space, shipping docks and freezers. The project is expected to bring from 72 to 97 new jobs to the region. SCANA Corporation (“SCANA”) has announced plans to construct its corporate headquarters in the County. SCANA will consolidate a number of locations it currently owns or leases around the Midlands. The SCANA campus will be comprised of three, 3-story buildings totaling 450,000 square feet. Construction of the facility began in late summer 2007 with an estimated completion in late 2009. Approximately 1,100 employees from various locations throughout the Columbia area will relocate to the new facilities. SCANA, a Fortune 500 company, is an energy based holding company principally engaged, through subsidiaries, in electric and natural gas utility operations and other energy-related business. In April 2008, FPL Food LLC announced plans to invest \$4.29 million and create more than 100 new jobs in Lexington County. FPL Food LLC is the largest privately owned, fully integrated beef processing facility in the Southeast. The company wholesales traditional and specialty products to national retailers and is noted for their quality products and meticulous standards. In June 2008, Michelin North America Inc. announced it is investing an additional \$90 million to upgrade equipment and further expand production capacity at the company’s manufacturing site in Lexington. The site includes a passenger car tire plant and an off-the-road (OTR) tire plant. Together the two plants employ over 1,700 people. This additional announcement is the latest in a string of Michelin investments in Lexington County, totaling over \$900 million since establishing operations in 1981. In August of 2008, South Carolina Commissioner of Agriculture, Hugh Weathers, along with Lexington leaders, announced the groundbreaking of a new South Carolina State Farmers Market, a state of the art complex, located in Lexington County. The complex will be located on a 174-acre site and provide over 50,000 square feet of retail space. This economic growth will continue to be under-girded by rapid residential growth and the demand for excellent educational services.

In 2004, the last year for which information was available, Lexington County's per capita personal income was \$31,282, ranking it third among the 46 counties in the state in per capita personal income. The state per capita income for this same period was \$27,185, and in the United States was \$33,050. The unemployment rate for Lexington County for June 2008 was 4.7 percent, the lowest in the state for that month. For fiscal year 2008, according to the South Carolina Employment Security Commission, Labor Market Information Division, the average unemployment rate in the county was 4.33 percent, which was lower than the previous year's 4.42 percent. The state and national unemployment rates for the same period were 5.93 percent and 4.94 percent, respectively. Lexington County's labor force has grown from 133,885 in June 2007 to a labor force of 134,188 in June 2008.

Lexington County School District One continues to grow at a rapid pace not only in pupils, increasing 753 pupils over fiscal year 2007, but also in the appraised value of all property of the district. The appraised value from all property increased from \$6,958,399,271 in June 2007 to \$7,687,793,703 in June 2008, or an increase of 10.5%.

Long-term financial planning. By policy, the District must maintain not less than 7 percent of the total general fund budget as a fund balance from one fiscal year to the next. The District has maintained that balance for the 2008 fiscal year at a rate of 11.7 percent.

The District has worked to educate its public about the ramifications of Act 388 ("Act 388") adopted by the South Carolina General Assembly in 2006. Beginning July 1, 2007, Act 388 limited increases in the annual rate of millage levied for operational purposes by all political subdivisions in the state, including the District. The millage rate may increase only at a rate equal to the sum of the increases in the consumer price index, plus the rate of population growth of the District. The limitation can only be overridden by a two-thirds vote of the Board of Trustees in a single year due to certain, specific existing conditions of (1) a prior year deficit; (2) a catastrophic event; (3) compliance with a court order; (4) a significant taxpayer closure outside the control of the District equating to ten percent of more of the revenue payable to the District, or (5) compliance with state or federal regulations. The District retains fiscal autonomy, but is now limited to the restrictions above. Beginning with fiscal year 2008, the District's taxpayers of owner-occupied real property no longer pay property taxes, or *ad valorem* taxes, on the operating millage levied by the District. Pursuant to Act 388, an additional one-cent sales tax was imposed statewide on June 1, 2007 in order to fund the property tax relief legislation of Act 388. For fiscal year 2008, proceeds from this one-cent sales tax were distributed to the school districts of the state based on the amount of *ad valorem* taxes which would have otherwise been collected during the fiscal year for the owner-occupied property. Beginning in fiscal year 2009 and continuing each year thereafter, the aggregate reimbursement to the state school districts will increase by an amount equal to the percentage increase in the previous year of the Consumer Price Index, Southeast Region, plus the percentage increase in the previous year state population as determined by the South Carolina State Budget and Control Board. The aggregate amount of the reimbursement increase in any year will be distributed among the school districts of the state proportionately based on each school district's weighted pupil units as a percentage of statewide pupil units.

The statutory changes as discussed above could have an impact on the District's operations to the extent that the cost to educate the students due to the rapid growth exceeds the growth rate of sales tax reimbursements from the state of South Carolina. In preparing for the fiscal challenges that Act 388 may create, the District has worked to build the general fund balance with conservative budgeting practices as well as conservative spending practices. The District's Board of Trustees moved to increase the millage rate for fiscal year 2008 by 14.3 mills and increased the fiscal year 2009 millage rate by 13.91 mills, the maximum allowable under Act 388, in order to prepare for the impact of the new law. The District anticipates that Act 388 will have a negative impact on growing districts statewide as it leaves no means to fund growth as discussed above.

As evidenced by the financial statements contained in this report, capital projects are one of the main areas of focus in financial planning. The District's oldest buildings were constructed in 1932, 1952, 1953, and 1957, and have undergone major renovations. Other facilities were constructed from 1974 through 2008. A complete listing of school sites with ages, square footage, capacity and enrollment can be found on Table 18 of the statistical section of this report on pages 163-168. In fiscal year 2003, Lexington County School District One retained The Education Group, Inc., a private consulting firm, to complete a study of student growth and facility capacity within the district. After completion, that study was reviewed by a committee of approximately 55 citizens who recommended to the Lexington County School District One Board of Trustees a new five-year capital improvement plan for consideration. The plan, approved by the Board on February 17, 2004, called for a school bond referendum to help finance the construction of five new schools and renovations at all of the other schools in the District. Total projected cost of the plan from bond referendum funds was \$113,000,000 for new schools and classroom renovations and an additional \$5,000,000 for a new or renovated football stadiums at all four high schools. The plan, as recommended by the citizens committee, also recommended that a one-cent sales tax be approved as a credit against property taxes for citizens in Lexington County. Both the \$118,000,000 school bond question and the one-cent sales tax for property tax relief were included on the ballot in the November 2004 General Election. The citizens of Lexington School District One approved the \$118,000,000 bond referendum with more than a two-thirds favorable vote. The one-cent sales tax to be credited against the property tax bills for citizens in Lexington County was also approved by an approximate two-thirds favorable vote. Currently, the credit from the one-cent sales tax is virtually paying for almost all debt service millage levied by the District.

The District has moved forward with the plan. The \$118,000,000 bond referendum and \$93,645,000 in installment revenue bonds financed through the District's constitutional debt limitation combined to provide funding for the District's five-year building plan projected to cost about \$212,000,000. Since the capital projects plan has commenced, additions and renovations at Lexington High School, Lexington Technology Center, Oak Grove Elementary School, Pelion Elementary School, Pelion Middle School and Red Bank Elementary School are complete. Pleasant Hill Elementary and Middle Schools opened in August 2006 and Carolina Springs Elementary and Middle Schools opened in August 2007. All stadium additions and renovations were completed in the fall of 2008. Also in fiscal year 2008, two new elementary schools have opened, one in the Pelion attendance area, Forts Pond Elementary and one in the Lexington attendance area, New Providence Elementary. New Providence Elementary was not included in

the original building plan when the referendum was passed in 2004 and thus is being funded from a portion of the installment purchase revenue bonds issued by the District. Because of growth greater than projected in the Lexington attendance area, the Lexington County School District One Board of Trustees added this elementary school to the plan. Each elementary school was designed to accommodate approximately 700 students and each middle school approximately 1,000 students. Renovations to the District's older schools include improving safety in the schools, updating technology, providing adequate classroom space, painting, carpeting, H/VAC, electrical, roofing, paving, parking, furniture, and site improvements. By the end of fiscal year 2009, the District will have completed all projects that were a part of the District's five-year plan that was approved by the Board in February 2004.

In preparing for the next five years, the district contracted with MB Kahn, a construction management firm, in the fall of 2007 to complete another five-year facilities study. This study was then reviewed by a committee of approximately 87 members who in May 2008 recommended to the Board a new five-year capital improvement plan. The committee consisted of community citizens, parents, principals, attorneys, students, income managers, business people, assistant superintendents, teachers and school district support staff. The Board approved the plan on June 17, 2008. On July 15, 2008, the Board adopted a motion to seek voter approval for a \$336,000,000 school bond referendum to help finance the plan that includes the construction of five new schools and renovations to eighteen existing facilities. The bond referendum question was placed on the ballot and approved by the voters on the November 4, 2008 General Election.

Cash management policies and practices. The District pursues an aggressive cash management program by expediting the receipt of revenues and prudently depositing and investing available cash balances. Cash temporarily idle during the year was invested in the South Carolina Local Government Investment Pool. The average yield on investments was 4.07 percent. The amount of interest earned for the general fund was \$1,514,734.

At the end of each business day, collected balances in the District's operating bank accounts are deposited into a SWEEP account. These funds are invested in securities according to state law and under the terms of an overnight repurchase agreement.

Risk management. Lexington County School District One is a member of the South Carolina School Boards Insurance Trust. The insurance trust, administered by The South Carolina School Boards Association for member school districts in South Carolina who wish to join, provides a comprehensive risk management program that includes loss analysis, safety programs, policy design and coverage premiums, and advice to participating school districts on general risk issues. Settled claims resulting from these risks have not exceeded coverage in any previous policy years.

Pension and other post employment benefits. Lexington County School District One employees may elect to participate in the South Carolina Retirement System, which is a division of the South Carolina State Budget and Control Board. The Retirement System administers five public pension plans of which four are defined contribution plans and one is a defined benefit

plan. Currently, the majority of the District's employees are participants in the defined benefit plan.

The Retirement System's defined benefit plan offers retirement and disability benefits, cost of living adjustments, life insurance and survivor benefits. The plan's provisions are established under Title 9 of the South Carolina Code of Laws. Comprehensive Annual Financial reports containing financial statements and required supplementary information for the System are issued and publicly available by request from the South Carolina Retirement System, P.O. Box 11960, Columbia, SC 29211-1960.

Awards and Acknowledgements

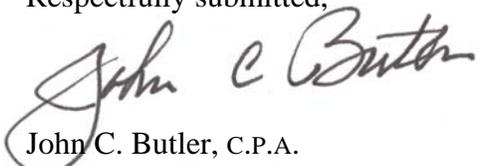
The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Lexington County School District One for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2007. This was the thirteenth consecutive year that the District has received this prestigious award. In order to be awarded a Certificate of Achievement, the District published an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements.

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

In addition, the District was also awarded The Association of School Business Officials International Certificate of Excellence in Financial Reporting for the comprehensive annual financial report for the fiscal year ended June 30, 2007. This award is the highest form of recognition in school financial reporting issued by the Association of School business Officials International (ASBO). We believe our current CAFR continues to meet the Certificate of Excellence in Financial Reporting program's requirements and we are submitting it to the ASBO to determine its eligibility for the award.

The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated services of the entire staff of the Fiscal Services Department. We would like to express our appreciation to all members of the Department who assisted in the timely closing of the District's financial records and the preparation of this report. We also acknowledge and thank the other District departments for their assistance in the presentation and preparation of data for this report.

Respectfully submitted,



John C. Butler, C.P.A.
Chief Financial Officer
Fiscal Services



Karen C. Woodward, Ed.D.
Superintendent

Lexington One Board of Trustees



Albert "Bert" J. Dooley Jr.



Hazel Porth Duell



G. Edwin Harmon, Ph.D.
Chair



Grady V. Harmon Jr.



D.F. "Frank" Shumpert III



Cynthia S. Smith
Vice Chair



Dr. Diane Summers
Secretary

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LIST OF PRINCIPAL OFFICIALS
FOR THE YEAR ENDED JUNE 30, 2008**

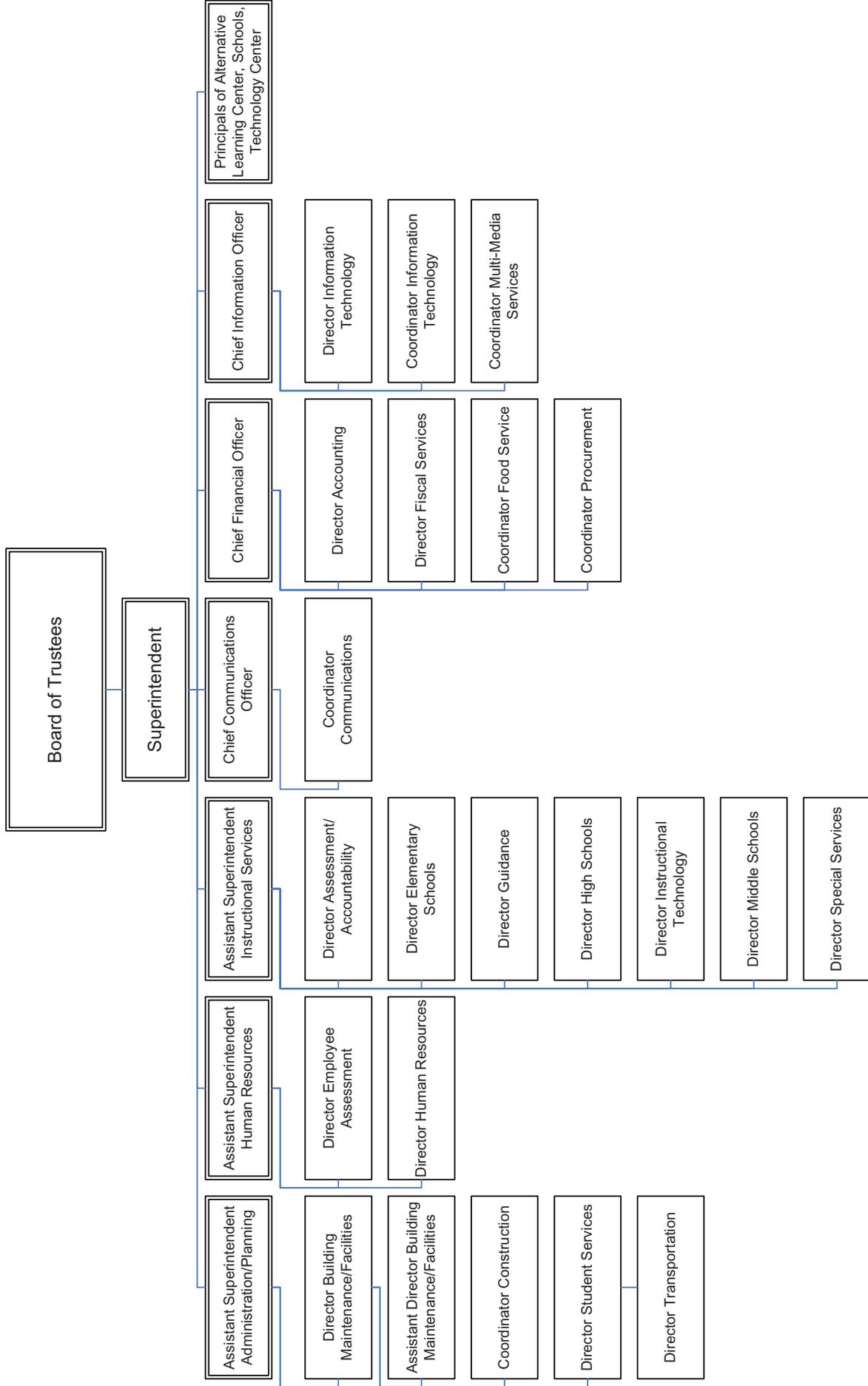
Lexington County School District One Board of Trustees

G. Edwin Harmon, Ph.D, Chair
Cynthia S. Smith, Vice-Chair
Diane E. Summers, M. D., Secretary
Albert “Bert” J. Dooley, Jr., Member
Hazel Porth Duell, Member
Grady V. Harmon, Member
D. F. “Frank” Shumpert, III, Member

Lexington County School District One Senior Leadership Team

Karen C. Woodward, Ed.D., Superintendent
Joe Bedenbaugh, Assistant Superintendent for Administration
John C. Butler, C.P.A., Chief Financial Officer
Joyce Carter, Assistant Superintendent for Instructional Services
Mary Beth Hill, Chief Communications Officer
Jeffrey S. Salters, Chief Information Officer
Mary Walker, Assistant Superintendent for Human Resources

Lexington County School District One Organizational Chart



NOTE: Instructional Services also has Coordinators of Academic/Artistically Talented/Fine Arts, Assessment Data, Early Childhood/Academic Assistance/Title I, Elementary Special Education, Grants, Mathematics/NCLB, Middle School Special Education/Medicaid, Parenting/Family Literacy/PE/Home Schooling, Preschool Disabilities Program, Professional and Leadership Development/Elementary Social Studies, Professional Development/Virtual School/Graduate Credit/Recertification Courses/Secondary Social Studies, Reading/Language Arts/ESOL, Science/Health, School-to-Careers, Test Administration and Transition/Secondary Education and Lead Teachers of ESOL, District Academic Assistance/Title I, World Languages

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Lexington County
School District One
South Carolina

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2007

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Clare S. Cox

President

Jeffrey R. Emswiler

Executive Director

**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to

LEXINGTON COUNTY SCHOOL DISTRICT ONE

For its Comprehensive Annual Financial Report (CAFR)

For the Fiscal Year Ended June 30, 2007

Upon recommendation of the Association's Panel of Review which has judged that the Report substantially conforms to principles and standards of ASBO's Certificate of Excellence Program

Thome E. Brendel

President

John D. Mueser

Executive Director

Financial



*— where caring people, academics,
the arts and athletics connect —*

BURKETT
BURKETT & BURKETT

Certified Public Accountants, P.A.

INDEPENDENT AUDITOR'S REPORT

PARTNERS

DONALD H. BURKETT, CPA
RONALD H. BURKETT, CPA
MAX L. CUMMINGS, JR., CPA
HARVEY C. HEISE, CPA
LARRY D. MONTAGUE, JR., CPA

CPAS

ANTHONY ACOSTA
BARBARA P. ADAMS
MARK BOKESH
SANDRA W. EDWARDS
ALLISON H. FORD
MARK J. HENDRIX
DEVEN A. FOZDAR
KIMBERLY E. SMITH
OLIVIA LING TAN
BRENDA HYATT-NEAL
BRIAN ULRICH

MEMBERS

AMERICAN INSTITUTE
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SUITE 200
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To the Board of Trustees
Lexington County School District One
Lexington, South Carolina

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, the aggregate remaining fund information, and the budgetary comparison for the general fund of Lexington County School District One, as of and for the year ended June 30, 2008, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

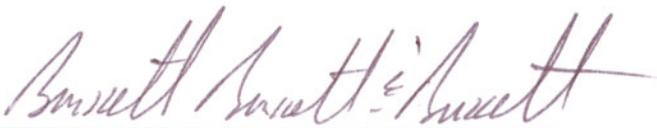
In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, the aggregate remaining fund information, and the budgetary comparison for the general fund of the Lexington County School District One, as of June 30, 2008, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 5, 2008, 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 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and important for assessing the results of our audit.

The management's discussion and analysis and budgetary comparison information on pages 17 through 28 and 37, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America.

We have applied certain limited procedures, which consisted principally of inquiries management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining and individual non-major fund financial statements and schedules, and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements of Lexington County School District One. The combining and individual non-major fund financial statements and schedules, and the schedule of expenditures of federal awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.



Burkett Burkett & Burkett
Certified Public Accountants, P.A.
West Columbia, South Carolina

November 5, 2008

**Lexington County School District One
Management's Discussion and Analysis
For the Year Ended June 30, 2008**

The management of Lexington County School District One presents to the readers of these financial statements this discussion and analysis of the District's financial activities for the fiscal year ended June 30, 2008. We encourage the reader to consider the information presented in this analysis in conjunction with additional information we have furnished in our letter of transmittal, in the financial statements and in the notes to these statements to enhance their understanding of the District's financial performance.

FINANCIAL HIGHLIGHTS

- The assets of the Lexington County School District One exceeded its liabilities by \$144,855,794 at June 30, 2008. The assets for the District's governmental activities exceeded liabilities by \$141,706,766. Of this amount, \$15,646,315 may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net assets increased by \$17,080,813 which is mainly attributable to an increase in capital assets due to construction, an increase in state revenue, and an increase in assessed value of taxable property.
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$67,229,651, a decrease of \$30,579,639. Of this amount \$18,883,827 is available for spending at the government's discretion (unreserved, undesignated fund balance).
- At the end of the current fiscal year, the general fund unreserved, undesignated fund balance was \$18,599,757, or 11.9 percent of total general fund expenditures. The unreserved, undesignated fund balance grew by \$2,548,538 or 15.9 percent.
- The District's governmental funds reported total revenues of \$215,339,875 and total expenditures of \$282,864,392. Of these amounts the District's general fund reported revenues of \$167,452,715 and expenditures of \$155,735,888. The District also reported transfers to and from other funds. For the general fund, \$3,518,287 was transferred in from other funds and \$12,353,503 was transferred out to other funds.
- The District's total net capital assets increased by \$62,919,088. This can be attributed to the continuing construction and renovations projects at various sites in the District. A full discussion of these projects can be found in the Capital Assets section of this analysis.
- The District sold \$37,055,000 in General Obligation Bonds. Further explanation of these bond issues can be found in the long-term debt section of this analysis.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to Lexington County School District One's basic financial statements, which consist of three parts -- *government-wide financial statements, fund financial statements, and notes to the financial statements.*

This report also contains other supplementary information in addition to the basic financial statements.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the District's overall financial status, in a manner similar to a private-sector business. This includes two kinds of statements, the Statement of Net Assets and the Statement of Activities, which are described below.

The *Statement of Net Assets* presents information on all the District's assets and liabilities, with the difference reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The *Statement of Activities* presents information showing how the District's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused compensated absences).

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). The governmental activities of the District include instruction, support services, community services and intergovernmental activities. The District's food service operation is reported as a business-type activity.

The government-wide financial statements include not only the District itself (known as the primary government), but also component units. The component units include Lexington County School District No. 1 Educational Foundation, Lexington School Facilities, Inc. (LSF, Inc.) and Lexington One School Facilities, Corp. (LOSF, Corp). All three are not-for-profit corporations for which the District is financially accountable. All three are considered "blended" component units and are reported as governmental activities of the district.

The government-wide financial statements can be found on pages 31-32 of this report.

Fund financial statements. The remaining basic financial statements are fund financial statements that focus on individual parts of the District, reporting the District's operations in more detail than the government-wide statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, 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 three categories: governmental funds, proprietary funds, and fiduciary funds.

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

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

The District maintains nine individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, special projects fund, EIA fund, debt service fund - District, debt service fund – LOSF, Corp., capital projects fund – District and capital projects fund – LOSF, Corp., all of which are considered to be major funds. Information is also presented for the debt service fund – LSF, Inc., also a major fund, in the statement of revenues, expenditures, and changes in fund balances, but not in the governmental fund balance sheet since there was no beginning or ending assets, liabilities or fund balance to present. The District accounts for the Lexington County School District No. 1 Educational Foundation. This is considered a permanent fund and is a nonmajor fund. The individual fund data for it are provided in a separate column. The basic governmental fund financial statements can be found on pages 33-36 of this report.

The District adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

Proprietary fund. The District maintains one type of proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The District uses an enterprise fund to account for its food service operation. The proprietary fund provides the same type of information as the government-wide financial statements, only in more detail; therefore, the proprietary fund financial statements provide more detailed information for the food service operation, which is considered a major fund of the District. The basic proprietary fund financial statements can be found on pages 38-41 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. The District is the trustee, or fiduciary, for the pupil activity of the

schools and accounts for this activity in an agency fund. The basic fiduciary fund financial statements can be found on page 42 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 government-wide and fund financial statements. The notes to the financial statements can be found on pages 43-69.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplemental information that further supports the financial statements with a comparison of the District's budget for the year and other supplementary information schedules required either by the State Department of Education, the certificate of achievement program of the Government Finance Officer's Association, or the certificate of excellence program of the Association of School Business Officials.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$144,855,794 at June 30, 2008. The increase in net assets over the previous year was \$17,080,813. The District's largest portion of net assets is reflected in the investment in capital assets, net of related debt. This equates to \$93,527,753 or 64.5 percent and represents the land, buildings, improvements and equipment used by the District for the instruction and support of instruction of the District's students. Therefore, these assets are not available for future spending. In addition, \$34,083,524 or 23.5 percent of the District's net assets represent resources that are subject to external restrictions. At the end of the current fiscal year, the District has \$17,244,517 or 12 percent of unrestricted net assets available for use to meet the District's ongoing obligations. Also, at the end of the current and the previous fiscal year, the District is able to report positive balances in all categories of net assets. This is true for both net assets for governmental activities and business-type activities.

The District's net assets increased due to an increase in capital assets as a result of the ongoing construction projects in the District, an increase in state revenues, and an increase in assessed value of taxable property.

As follows, Table I provides a summary of the District's net assets for fiscal years 2007 and 2008 and Table II shows the changes in net assets for fiscal years 2007 and 2008.

Table I
Lexington County School District One
Condensed Statement of Net Assets

	Fiscal Year 2008			Fiscal Year 2007		
	Governmental Activities	Business- type Activities	Total	Governmental Activities	Business- type Activities	Total
Assets						
Current and other assets	\$104,595,914	\$ 2,315,728	\$106,911,642	\$133,942,452	\$ 3,478,561	\$37,421,013
Capital Assets	354,878,516	1,550,826	356,429,342	292,338,406	1,171,848	293,510,254
Total assets	459,474,430	3,866,554	463,340,984	426,280,858	4,650,409	430,931,267
Liabilities						
Long-term liabilities	276,942,670	-	276,942,670	262,789,547	-	262,789,547
Other liabilities	40,824,994	717,526	41,542,520	39,784,911	581,828	40,366,739
Total liabilities	317,767,664	717,526	318,485,190	302,574,458	581,828	303,156,286
Net Assets						
Invested in capital assets,						
net of related debt	91,976,927	1,550,826	93,527,753	45,768,406	1,171,848	46,940,254
Restricted	34,083,524	-	34,083,524	68,264,908	-	68,264,908
Unrestricted	15,646,315	1,598,202	17,244,517	9,673,086	2,896,733	12,569,819
Total net assets	\$141,706,766	\$ 3,149,028	\$144,855,794	\$123,706,400	\$ 4,068,581	\$ 127,774,981

Table II
Lexington County School District One
Change in Net Assets

	Fiscal Year 2008			Fiscal Year 2007		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business- type Activities	Total
Revenues						
Program Revenues:						
Charges for services	\$ 853,717	\$ 5,877,098	\$ 6,730,815	\$ 1,044,075	\$5,585,450	\$ 6,629,525
Operating grants & contributions	92,828,231	3,403,763	96,231,994	88,520,752	3,098,130	91,618,882
General Revenues:						
Property taxes	76,917,866	-	76,917,866	86,060,188	-	86,060,188
Federal & state aid	40,457,743	-	40,457,743	12,026,349	-	12,026,349
Other	5,416,789	8,189	5,424,978	9,128,480	9,172	9,137,652
Total Revenues	216,474,346	9,289,050	225,763,396	196,779,844	8,692,752	205,472,596
Expenses						
Instruction	120,814,364	-	120,814,364	121,063,875	-	121,063,875
Support Services	65,436,987	-	65,436,987	60,772,336	-	60,772,336
Community Services	453,534	-	453,534	296,211	-	296,211
Intergovernmental	-	-	-	77,854	-	77,854
Interest & other charges	11,395,071	-	11,395,071	11,597,433	-	11,597,433
Food Service	-	10,582,627	10,582,627	-	8,793,158	8,793,158
Total Expenses	198,099,956	10,582,627	208,682,583	193,807,709	8,793,158	202,600,867
Increase in net assets before transfers	18,374,390	(1,293,577)	17,080,813	2,972,135	(100,406)	2,871,729
Transfers	(374,024)	374,024	-	(302,904)	302,904	-
Increase in net assets	18,000,366	(919,553)	17,080,813	2,669,231	202,498	2,871,729
Net Assets, July 1	123,706,400	4,068,581	127,774,981	121,037,169	3,866,083	124,903,252
Net Assets, June 30	\$ 141,706,766	\$ 3,149,028	\$144,855,794	\$ 123,706,400	\$ 4,068,581	\$ 127,774,981

The District's expenses are primarily for instruction and support services that account for 61 percent and 33 percent of total governmental activities expenses, respectively. The instructional expenses predominantly account for salaries and benefits for teachers and instructional assistants. Support services expenses are mainly building renovations and additions, maintenance, utilities and pupil transportation salaries, benefits, contractual services and supplies.

Governmental activities. Governmental activities increased the District's net assets by 14.55 percent. The District's state revenues increased due to the first year of funding under Act 388 for which the State of South Carolina reimbursed school districts in fiscal year 2008 dollar for dollar the amount districts previously received from owner occupied taxable property. Further discussion of this law can be found in the Letter of Transmittal found on pages 1-9 of this report. An increase in state Education Finance Act funding which is directly tied to student enrollment is also attributable to the increase in state revenues. Tables III and

IV that follow illustrate the District's Revenues by Source and Expenses by Function for fiscal year 2008.

Table III
Revenues by Source
Governmental Activities

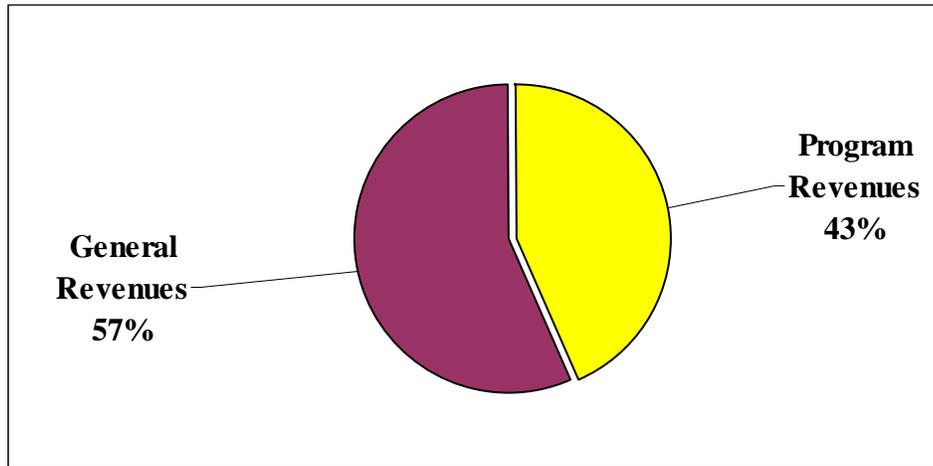
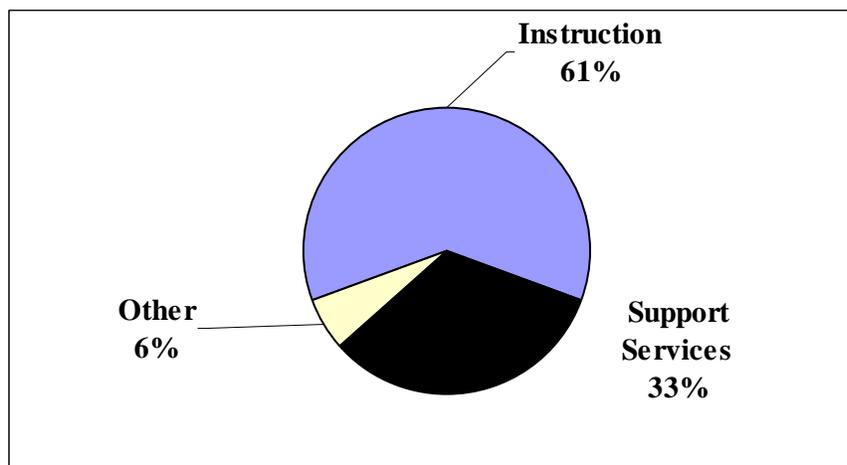


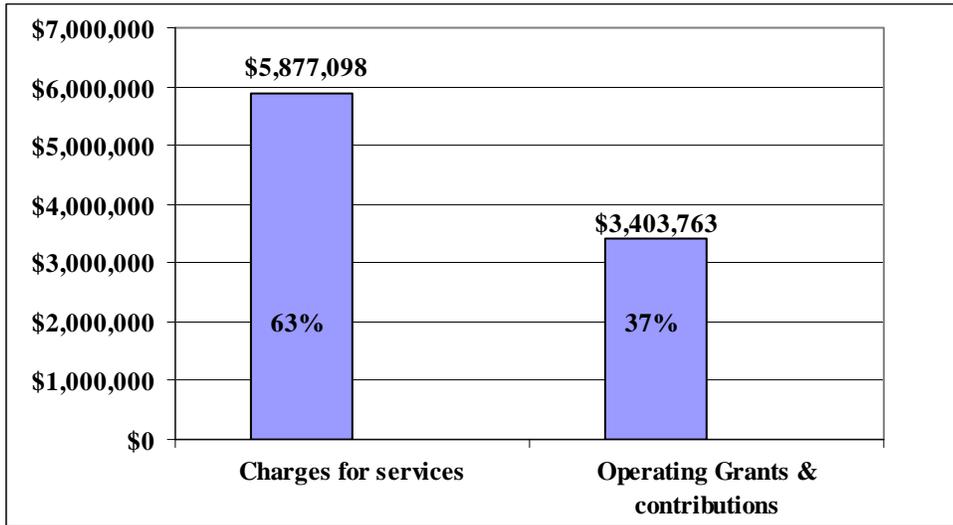
Table IV
Program Expenses by Function
Governmental Activities



Business-type activities. Business-type activities decreased the District's net assets by \$919,553, or a 22.6 percent decrease in the net assets for business-type activities. This is a result of an increase in the cost of food, a national trend. The expenses also increased due to an increase in salary and fringe costs. The District opened two new schools as well as experienced an increase in overall student population which required hiring additional food service staff. The District's food service operation is the only business-type activity for the

District. This operation receives no support from local tax revenues. Table V illustrates the program revenues by source for the food service operation.

Table V
Business-type Activities
Program Revenues by Source



Overall Analysis. Lexington County School District One continues to be one of the fastest growing school districts in the state of South Carolina which directly impacts the amount of state funding the District receives. The District’s tax base continued to grow. The District increased millage by 14.3 mills, the maximum rate allowed under Act 388. The District continues to administer conservative budgeting practices and to address the needs of the growing student population by continually focusing on capital improvements plan and technology integration. With regards to the business-type activities, the District’s Food Service program continues to improve participation with innovative marketing and creative point of sale techniques. However, the rising cost of food has a direct impact on the program. The net assets of the district increased by \$17,080,813 or 13.4%. Therefore, the District’s overall financial position has improved for the 2008 fiscal year.

FINANCIAL ANALYSIS OF THE GOVERNMENT’S FUNDS

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

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. Such information is useful in assessing the District’s financing requirements. In particular, unreserved, undesignated fund balance may serve as a useful measure of a government’s net resources available for spending at the end of the fiscal year.

As of June 30, 2008, the District's governmental funds reported a combined ending fund balance of \$67,229,651. Approximately 28.1 percent, or \$18,883,827, represents unreserved, undesignated fund balance. The remainder of fund balance is reserved for debt service, capital projects, and scholarships or designated to indicate that it is committed for purchase orders from the prior period that have been reappropriated in the next fiscal year's budget. The general fund is the chief operating fund of the District. At the end of the current fiscal year, total unreserved, undesignated fund balance was \$18,599,757, while total fund balance reached 18,932,830. The unreserved, undesignated fund balance represents 11.9 percent of total general fund expenditures, while total fund balance represents 12.2 percent of total general fund expenditures.

The unreserved, undesignated fund balance of the District's general fund increased by \$2,548,538, or 15.9 percent, during the 2008 fiscal year. Although there was a shift in the revenues received between local and state due to the implementation of Act 388 discussed earlier causing local revenues to decrease in total and state revenues to increase in total, there was a net increase in overall revenues. The key factors in this increase include:

- a growth in assessed value of non-owner occupied property;
- a 14.3 millage increase which generated approximately \$5,023,590 in additional property tax revenue;
- a recapture of previously state-capped homestead exemption reimbursement revenue of approximately \$3,500,000;
- an increase in student enrollment which directly impacted state Education Finance Act funding.

When looked at cumulatively, revenue increased greater than general fund expenditures and transfers to other funds.

The debt service fund-District had a total fund balance of \$9,487,944 all of which is reserved for the payment of debt service. The debt service tax revenues grew by \$988,690 or 4.9 percent from the previous fiscal year largely due to the growth in revenue from the county-wide penny sales tax law implemented to offset debt service taxes. The District transferred funds from Special Revenue - EIA as required by law to offset millage levied for the purpose of paying general obligation bond principal and interest.

The debt service fund-LOSF, Corp. had a total fund balance of \$2,245,260 all of which is reserved for payment of debt service related to the installment purchase revenue bonds.

The capital projects fund-District had a total fund balance of \$18,984,572 at June 30, 2008. The district's capital projects fund balance increased by \$141,960 from June 30, 2007. The District issued general obligation debt in the amount of \$33,000,000 to fund capital project expenditures and transferred \$6,853,531 from the general fund to fund the purchase of additional land and building. The expenditures for the fiscal year totaled \$40,966,638.

The capital projects fund-LOSF, Corp. had a total fund balance of \$17,014,179. In the 2006 fiscal year, the District issued \$93,645,000 in installment purchase revenue bonds to finance several of the projects which are part of the District's capital projects plan. There were no

additional installment purchase revenue bonds issued in the current fiscal year. Therefore, the fund balance was drawn on to fund those capital expenditures, thus decreasing the fund balance by \$31,391,234.

Proprietary fund. The District's only proprietary fund is the Food Service Fund. This program had a decrease in net assets of \$919,553 for the fiscal year ended June 30, 2008. The District experienced an increase in meal sales of \$291,648 or 5.2%, USDA reimbursements of \$168,172 or 6.2%, and commodities received of \$136,492 or 37.6%. However, as seen nationally, food costs increased \$1,003,681 or 26.2%. Also, due to an increase in student population at District schools as well as the opening of two new schools, the program had to increase staffing which increased salaries and benefits paid by \$756,884 or 20.0%. In June, 2008, the Board of Trustees approved an increase in breakfast and lunch prices in order to address the increasing food costs.

GENERAL FUND BUDGETARY HIGHLIGHTS

The District's general fund budget is prepared according to South Carolina law. The District did not amend the general fund budget for increases or decreases in total budget. The District made minor categorical budget amendments during the year to ensure that expenditures were charged to the proper account codes as required by the South Carolina Department of Education. The District transferred to Capital Projects – District \$6,853,531 from the General Fund for land and building purchases that were approved by the Board of Trustees in June 2008.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets. The District's investment in capital assets at June 30, 2008 was \$354,878,516 net of accumulated depreciation. This investment in assets includes land, buildings, improvements other than buildings, construction in progress, and equipment. The total increase was \$62,540,110. The District is currently implementing its five year district-wide capital improvements plan with a projected cost of approximately \$212,000,000. Therefore, this fiscal year's increase can be attributed to the purchase of land for a new high school and an existing building plus land for additional district office space, the additions and renovations projects at Gilbert Elementary School, Gilbert Primary School, Lexington Middle School, Lexington Intermediate, Lexington High School Gym and Auditorium, District Office, and technology projects at most District schools. The District completed construction on Carolina Springs Elementary and Middle Schools which opened in August 2007. The majority of construction occurred during the fiscal year on two new elementary schools in the Lexington and Pelion attendance areas, New Providence Elementary School and Forts Pond Elementary School, respectively. These two schools opened in August 2008. Construction on the White Knoll High and Pelion High School stadiums was completed and both stadiums opened during the fiscal year. The stadium projects for Gilbert High School and Lexington High School were underway during the fiscal year. Both stadiums opened for football games for the first time in the fall of 2008.

Table VI shows the District's capital assets, net of accumulated depreciation, as of June 30, 2007 and 2008:

Table VI
Capital Assets, net of accumulated depreciation

	Governmental Activities		Business-type Activities		Total	
	FY 2008	FY 2007	FY 2008	FY 2007	FY 2008	FY 2007
Land	\$ 15,434,660	\$ 9,082,739	\$ -	\$ -	\$ 15,434,660	\$ 9,082,739
Buildings	271,861,624	207,893,930	-	-	271,861,624	207,893,930
Improvements	11,104,991	980,888	-	-	11,104,991	980,888
Equipment	4,701,657	4,444,626	1,550,826	1,171,848	6,252,483	5,616,474
Construction in progress	51,775,584	69,936,223	-	-	51,775,584	69,936,223
Total	\$ 354,878,516	\$ 292,338,406	\$ 1,550,826	\$ 1,171,848	\$ 356,429,342	\$ 293,510,254

Additional information on the District's capital assets can be found in Note VI on pages 57-58 of this report.

Long-term debt. At June 30, 2008, the District had total general obligation debt outstanding of \$161,520,000. This is an increase of \$19,815,000 or 13.98 percent from the prior fiscal year. The general obligation bonds of the District's debt are backed by the full faith and credit of the District. The District also had total Certificates of Participation outstanding of \$7,015,000. This is a decrease of \$4,205,000 or 37.48 percent from the prior fiscal year. The District also shows outstanding debt of \$92,345,000 for the Installment Purchase Revenue Bonds. The District will annually sell general obligation bonds to make the installment payments on the LOSF, Corp. debt. Table VII outlines the District's General Obligation Debt, Outstanding Certificates of Participation and Installment Purchase Revenue Bonds as of June 30, 2007 and 2008:

Table VII
Outstanding Debt

	Governmental Activities		Increase (Decrease)	
	2008	2007	Total	Percent
General Obligation Bonds	\$ 161,520,000	\$ 141,705,000	\$ 19,815,000	13.98%
Certificates of Participation	7,015,000	11,220,000	(4,205,000)	37.48%
Installment Purchase Bonds	92,345,000	93,645,000	(1,300,000)	-1.39%
Total	\$ 260,880,000	\$ 246,570,000	\$ 14,310,000	5.80%

State law limits the amount of general obligation debt a school district may issue to 8 percent of its total assessed valuation. However, the District is allowed by the law to exceed the legal debt limit of 8 percent if the citizens of the District approve such additional debt through a district-wide referendum. The 8 percent debt limit for the District at June 30, 2008

was \$30,011,826. Of that amount, \$2,255,000 has been issued leaving a legal debt margin of \$27,756,826.

The remaining general obligation debt outstanding represents debt authorized by a \$61,000,000 bond referendum approved by the voters on May 3, 1997 and an \$118,000,000 bond referendum approved by voters on November 2, 2004.

During fiscal year 2008 the district issued Series 2007A \$33,000,000 General Obligation Bonds for the purpose of completing the construction projects authorized by the above mentioned \$118,000,000 bond referendum. The District also issued Series 2007B \$4,055,000 General Obligation Bonds to pay the acquisition price payments of the fiscal year 2008 Installment Purchase Revenue Bonds due.

Additional information on the District's long-term debt can be found in note IX on pages 64-67 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

The average unemployment rate for Lexington County was 4.33 percent for the fiscal year ended June 30, 2008. The unemployment rate for June 2008 was 4.7 percent versus 4.1 percent for June 2007. Lexington County consistently has one of the lowest unemployment rates in the state of South Carolina. The average unemployment rate for the state and nation over the same fiscal year was 5.93 percent and 4.94 percent, respectively.

The District's general fund budget for fiscal year 2009 was approved by the Board of Trustees in June 2008. This budget was approved for \$172,244,792, an increase of \$10,961,413 or 6.8 percent, from the previous year.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, and other interested parties with a general overview of the District's finances and to demonstrate the District's accountability for the resources it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of Fiscal Services, Lexington County School District One, P. O. Box 1869, Lexington, South Carolina 29071. In addition, this financial report may be found on the District's website at <http://www.lexington1.net>.

BASIC FINANCIAL STATEMENTS

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LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON SOUTH CAROLINA
STATEMENT OF NET ASSETS
JUNE 30, 2008

	Governmental Activities	Business-type Activities	Total
<u>ASSETS</u>			
Cash and Equivalents	\$ 13,738,198	\$ 200,951	\$ 13,939,149
Cash and Investments held by County Treasurer	9,195,811		9,195,811
Investments			
Unrestricted	27,482,233		27,482,233
Restricted	38,713,304		38,713,304
Accounts Receivable	52,694	13,034	65,728
Taxes Receivable	4,027,635		4,027,635
Inventories		231,551	231,551
Due from County Government	1,220,098		1,220,098
Due from Local Agencies	74,330		74,330
Due from State Dept. of Education	1,004,334		1,004,334
Due from Other State Agencies	5,385,569		5,385,569
Due from Federal Government	4,487,305	76	4,487,381
Internal Balances	(1,870,116)	1,870,116	-
Unamortized Bond Issuance Cost	1,084,519		1,084,519
Capital Assets:			
Land	15,434,660		15,434,660
Construction in Progress	51,775,584		51,775,584
Buildings	322,300,504		322,300,504
Improvements	12,384,617		12,384,617
Furniture and equipment	9,544,465	3,715,125	13,259,590
Less: Accumulated Depreciation	(56,561,314)	(2,164,299)	(58,725,613)
Total Capital Assets, Net of Depreciation	354,878,516	1,550,826	356,429,342
TOTAL ASSETS	459,474,430	3,866,554	463,340,984
<u>LIABILITIES</u>			
Accounts Payable	1,022,219	27,577	1,049,796
Payroll Withholdings	1,834,738		1,834,738
Accrued Salaries & Benefits	19,797,855	653,640	20,451,495
Construction Contracts Payable	3,931,196		3,931,196
Construction Retainage Payable	2,168,106		2,168,106
Unamortized Bond Premium, Net	4,314,070		4,314,070
Accrued Interest Payable	2,688,666		2,688,666
Accrued Arbitrage Payable	822,229		822,229
Due from County Government	58,971		58,971
Due to Other Local Agencies	2,628		2,628
Unearned Revenue	4,184,316	36,309	4,220,625
Noncurrent Liabilities			
Due within One Year	16,758,203		16,758,203
Due in more than One Year	260,184,467		260,184,467
Total Liabilities	317,767,664	717,526	318,485,190
<u>NET ASSETS</u>			
Invested in capital assets, net of related debt	91,976,927	1,550,826	93,527,753
Restricted for:			
Permanent Fund	280,796		280,796
Debt service	31,976,012		31,976,012
Capital projects	1,826,716		1,826,716
Unrestricted	15,646,315	1,598,202	17,244,517
Total Net Assets	\$ 141,706,766	\$ 3,149,028	\$ 144,855,794

The accompanying notes to financial statements are an integral part of this exhibit.

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2008

Functions/Programs	Expenses	Program Revenues		Net Revenue (Expense) and Changes in Net Assets		
		Charges for Services and Sales	Operating Grants and Contributions	Primary Government		Total
				Governmental Activities	Business-type Activities	
Primary government:						
Governmental activities:						
Instruction	\$ 120,814,364	184,415	79,427,510	\$ (41,202,439)	\$	\$ (41,202,439)
Support services	65,436,987	219,449	13,400,721	(51,816,817)		(51,816,817)
Community services	453,534	449,853		(3,681)		(3,681)
Interest and other charges	11,395,071			(11,395,071)		(11,395,071)
Total governmental activities	<u>198,099,956</u>	<u>853,717</u>	<u>92,828,231</u>	<u>(104,418,008)</u>		<u>(104,418,008)</u>
Business-type activities:						
Food service	10,582,627	5,877,098	3,403,763		(1,301,766)	(1,301,766)
Total business-type activities	<u>10,582,627</u>	<u>5,877,098</u>	<u>3,403,763</u>		<u>(1,301,766)</u>	<u>(1,301,766)</u>
Total primary government	<u>\$ 208,682,583</u>	<u>\$ 6,730,815</u>	<u>\$ 96,231,994</u>	<u>\$ (104,418,008)</u>	<u>\$ (1,301,766)</u>	<u>\$ (105,719,774)</u>
General Revenues:						
Property Taxes Levied for:						
General Purposes				\$ 55,685,567	\$	\$ 55,685,567
Debt Service				21,232,299		21,232,299
Federal and State Aid Not Restricted for Specific Purposes				40,457,743		40,457,743
Unrestricted Investment Earnings				5,052,998	8,189	5,061,187
Miscellaneous Revenue				363,791		363,791
Transfers				(374,024)	374,024	-
Total General Revenues and Transfers				<u>122,418,374</u>	<u>382,213</u>	<u>122,800,587</u>
Change in Net Assets				18,000,366	(919,553)	17,080,813
Net Assets, Beginning of Year				<u>123,706,400</u>	<u>4,068,581</u>	<u>127,774,981</u>
Net Assets, End of Year				<u>\$ 141,706,766</u>	<u>\$ 3,149,028</u>	<u>\$ 144,855,794</u>

The accompanying notes to financial statements are an integral part of this exhibit.

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2008**

	General	Special Revenue Special Projects	Special Revenue ELA	Debt Service - District	Debt Service - LOSF, Corp.	Capital Projects - District	Capital Projects - LOSF, Corp.	Permanent Fund	Total Governmental Funds
ASSETS									
Cash and cash equivalents	\$ 13,534,257	\$	\$	\$ 9,195,811	\$	\$	\$	\$ 203,941	\$ 13,738,198
Cash and Investments held by County Treasurer									9,195,811
Investments									
Unrestricted	27,482,233				7,264,840	14,679,278	16,407,972	361,214	27,482,233
Restricted				895,118					38,713,304
Accounts Receivable	52,694								52,694
Taxes Receivable	3,132,517								4,027,635
Due from County Government	1,220,098								1,220,098
Due from Local Agencies	29,749	44,581							74,330
Due from State Dept of Education	329,033	5,150	584,574			85,577			1,004,334
Due from Other State Agencies	5,385,569	4,487,305							5,385,569
Due from Federal Government				115,353		7,571,228	5,019,580		4,487,305
Due from Other Funds	3,425,191								19,286,049
TOTAL ASSETS	\$ 54,591,341	\$ 4,537,036	\$ 3,739,271	\$ 10,206,282	\$ 7,264,840	\$ 22,336,083	\$ 21,427,552	\$ 565,155	\$ 124,667,560
LIABILITIES									
Accounts Payable	726,551	59,720	19,430			134,007	82,222	289	1,022,219
Payroll Withholdings	1,834,738		978,716						1,834,738
Accrued Salaries & Benefits	17,704,506	1,114,633				2,091,908	1,839,288		19,797,855
Construction Contracts Payable						1,125,596	1,042,510		3,931,196
Construction Retainage Payable		1,975,839			5,019,580		1,449,353		2,168,106
Due to Other Funds	12,711,393			6,097					21,156,165
Due to County Government	52,874								58,971
Due to Other Local Agencies		2,628							2,628
Unearned Revenue	58,975	1,384,216	2,741,125	712,241					4,184,316
Deferred Property Taxes	2,569,474								3,281,715
TOTAL LIABILITIES	35,658,511	4,537,036	3,739,271	7,18,338	5,019,580	3,351,511	4,413,373	289	57,437,909
FUND BALANCES									
Reserved for:									
Permanent Fund								280,796	280,796
Debt Service				9,487,944	2,245,260	18,984,572	17,014,179		11,733,204
Capital Projects									35,998,751
Unreserved, Designated for:									
Encumbrances	333,073								333,073
Unreserved, Undesignated:	18,599,757							284,070	18,883,827
TOTAL FUND BALANCES	18,932,830	-	-	9,487,944	2,245,260	18,984,572	17,014,179	564,866	67,229,651
TOTAL LIABILITIES AND FUND BALANCES	\$ 54,591,341	\$ 4,537,036	\$ 3,739,271	\$ 10,206,282	\$ 7,264,840	\$ 22,336,083	\$ 21,427,552	\$ 565,155	\$ 124,667,560

The accompanying notes to financial statements are an integral part of this exhibit.

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
JUNE 30, 2008**

Total Fund Balances - Governmental Funds	\$	67,229,651
<p>Amounts reported for governmental activities in the statement of net assets are different because of the following:</p>		
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of assets is \$411,439,830 and accumulated depreciation is \$56,561,314.		354,878,516
Property Taxes Receivable will be collected this year, but are not available soon enough to pay for the current period's expenditures, and therefore are deferred in the governmental funds.		
Deferred Property Taxes at year-end consist of:	\$	2,569,474
General Fund		712,241
Debt Service Fund		3,281,715
Accrued interest on bonds payable in governmental funds is not due and payable in the current period and is, therefore, not reported as a liability in the funds.		(2,688,666)
Deferred charges are not reported in the funds because they are not current financial resources, but they are reported in the statement of net assets. Deferred charges of \$1,808,351 have been amortized by \$723,832.		1,084,519
Unearned bond premiums are deferred in the statement of net assets. The premiums of \$5,292,394 have been amortized by \$978,324.		(4,314,070)
Rebatable arbitrage on bonds payable in governmental funds is not due and payable in the current period and is, therefore, not reported as a liability in the funds.		(822,229)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
Long-term liabilities at year-end consist of:		
Bonds Payable	161,520,000	
Installment Purchase Revenue Bonds Payable	92,345,000	
Certificate of Participation Payable	7,015,000	
Accrued Compensated Absences	16,062,670	(276,942,670)
Total Net Assets - Governmental Funds	\$	141,706,766

The accompanying notes to financial statements are an integral part of this exhibit.

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2008**

	General	Special Revenue Special Projects	Special Revenue EIA	Debt Service - District	Debt Service - LSF, Inc.	Debt Service - LOSF, Corp.	Capital Projects - District	Capital Projects - LOSF, Corp.	Permanent Fund	Total Governmental Funds
REVENUES										
Local Sources	\$ 56,839,431	\$ 739,284	\$ -	\$ 21,648,638	\$ -	\$ 366,652	\$ 810,903	\$ 1,938,424	\$ 449,853	\$ 82,793,185
Intergovernmental		129,823								129,823
State Sources	110,613,284	2,898,425	10,163,276	814,513			187,277			124,676,775
Federal Sources		7,740,092								7,740,092
TOTAL REVENUES	167,452,715	11,507,624	10,163,276	22,463,151	-	366,652	998,180	1,938,424	449,853	215,339,875
EXPENDITURES										
Current:										
Instruction	99,541,523	7,046,492	5,460,160							112,048,175
Support services	56,069,618	4,174,913	1,133,726						386,625	61,378,257
Community services		66,909								453,534
Debt service										
Principal										
Interest										
Other Objects (Fees for Servicing Bonds)										
Capital outlay	124,747	57,607	128,108							22,745,000
TOTAL EXPENDITURES	155,735,888	11,345,921	6,721,994	23,710,494	4,642,592	6,024,582	40,966,638	33,329,658	386,625	282,864,392
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	11,716,827	161,703	3,441,282	(1,247,343)	(4,642,592)	(5,657,930)	(39,968,458)	(31,391,234)	63,228	(67,524,517)
OTHER FINANCING SOURCES (USES)										
Premium on Bonds Sold			7,015				256,887			263,902
Issuance of General Obligation Bonds			4,055,000				33,000,000			37,055,000
Transfers:										
Transfers from other funds	3,518,287	57,293	560,234	4,642,592	4,642,592	4,035,374	6,853,531			19,667,311
Transfers to other funds	(12,353,503)	(218,996)	(3,441,282)	(4,027,554)						(20,041,335)
TOTAL OTHER FINANCING SOURCES (USES)	(8,835,216)	(161,703)	(3,441,282)	594,695	4,642,592	4,035,374	40,110,418	-	-	36,944,878
NET CHANGE IN FUND BALANCE	2,881,611	-	-	(652,648)	-	(1,622,556)	141,960	(31,391,234)	63,228	(30,579,639)
FUND BALANCE - BEGINNING OF YEAR	16,051,219	-	-	10,140,592	-	3,867,816	18,842,612	48,405,413	501,638	97,809,290
FUND BALANCE - END OF YEAR	\$ 18,932,830	\$ -	\$ -	\$ 9,487,944	\$ -	\$ 2,245,260	\$ 18,984,572	\$ 17,014,179	\$ 564,866	\$ 67,229,651

(Continued)

The accompanying notes to financial statements are an integral part of this exhibit.

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2008**

Total net change in fund balance - governmental funds	\$	(30,579,639)
Amounts reported for governmental activities in the statement of activities are different because of the following:		
Property tax revenues not considered current financial resources are deferred in the governmental funds but are not in the statement of activities. Deferred taxes receivable increased by \$395,077 over the year ended June 30, 2008.		395,077
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their useful lives as depreciation expense. This is the amount by which capitalized outlays of \$68,996,455 exceeded depreciation expense and noncapital expenditures of \$6,426,345.		62,540,110
Repayment of long-term liabilities, such as Bonds and Notes Payable and Capital Leases is an expenditure in the governmental funds, but merely reduces liabilities in the statement of net assets.		22,745,000
Bond proceeds provide current financial resources in governmental funds, but issuing debt increases liabilities in the statement of net assets of \$37,055,000, the issuance cost of \$313,863 and the bond premium of \$256,887 are recognized over the life of the bonds issued.		(36,998,024)
Amortization of bond premiums is income over the terms of the associated bonds. The amount recognized as income for the year ended June 30, 2008 is \$732,379.		732,379
Amortization of bond issuance cost as expense over the terms of the associated bonds. The amount recognized as expense for the year ended June 30, 2008 is \$406,782.		(406,782)
Rebatable arbitrage on bonds payable in governmental funds is not due and payable in the current period and is, therefore, not reported as a liability in the funds.		(822,229)
Interest on long-term debt in the statement of activities differs from the governmental funds because governmental funds recognize interest expense only when it is paid. In the statement of net assets, interest expense is recognized as it accrues. Accrued interest payable increased for the year ended June 30, 2008 by \$237,597.		237,597
The cost of compensated employee absences is recognized in the governmental funds only when actually paid in cash. However, in the statement of net assets, the expense is recorded when the employees earn the benefits. The total liability for compensated absences decreased by \$156,877 during this fiscal year.		<u>156,877</u>
Change in Net Assets of Governmental Activities	\$	<u><u>18,000,366</u></u>

The accompanying notes to financial statements are an integral part of this exhibit.

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - GENERAL FUND
BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008**

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES				
Local Sources	\$ 46,375,970	46,375,970	\$ 56,839,431	\$ 10,463,461
State Sources	107,034,439	107,034,439	110,613,284	3,578,845
TOTAL REVENUES	153,410,409	153,410,409	167,452,715	14,042,306
EXPENDITURES				
Current				
Instruction	98,450,705	99,593,572	99,541,523	52,049
Supporting Services	56,919,818	56,186,052	56,069,618	116,434
Capital Outlay	43,000	126,163	124,747	1,416
TOTAL EXPENDITURES	155,413,523	155,905,787	155,735,888	169,899
EXCESS (DEFICIENCIES) OF REVENUES OVER (UNDER) EXPENDITURES	(2,003,114)	(2,495,378)	11,716,827	14,212,205
OTHER FINANCING SOURCES (USES)				
Transfer (to) from Other Funds				
Transfers from Other Funds	3,278,470	3,278,470	3,518,287	239,817
Transfers to Other Funds	(5,869,856)	(5,377,592)	(12,353,503)	(6,975,911)
TOTAL OTHER FINANCING SOURCES (USES)	(2,591,386)	(2,099,122)	(8,835,216)	(6,736,094)
EXCESS (DEFICIENCIES) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(4,594,500)	(4,594,500)	2,881,611	7,476,111
FUND BALANCE - BEGINNING OF YEAR	16,051,219	16,051,219	16,051,219	-
FUND BALANCE - END OF YEAR	\$ 11,456,719	\$ 11,456,719	\$ 18,932,830	\$ 7,476,111

The accompanying notes to financial statements are an integral part of this exhibit.

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
STATEMENT OF NET ASSETS -
PROPRIETARY FUND
JUNE 30, 2008**

ASSETS

Current assets:

Cash and Cash Equivalents	\$ 200,951
Accounts Receivable	13,034
Due from Other Funds	1,870,116
Due from Federal Government	76
Inventories	<u>231,551</u>

Total current assets 2,315,728

Noncurrent assets:

Equipment	3,715,125
Less accumulated depreciation	<u>(2,164,299)</u>

Total noncurrent assets 1,550,826

Total assets 3,866,554

LIABILITIES

Current liabilities:

Accounts Payable	27,577
Accrued Salaries & Benefits	653,640
Unearned Revenue	<u>36,309</u>
Total current liabilities	<u>717,526</u>

Total liabilities 717,526

NET ASSETS

Invested in Capital Assets	1,550,826
Unrestricted	<u>1,598,202</u>

Total net assets 3,149,028

Total liabilities and net assets \$ 3,866,554

The accompanying notes to financial statements are an integral part of this exhibit.

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN NET ASSETS - PROPRIETARY FUND
FOR THE YEAR ENDED JUNE 30, 2008**

OPERATING REVENUES	
Proceeds from Sales of Meals	\$ <u>5,877,098</u>
TOTAL OPERATING REVENUES	<u>5,877,098</u>
OPERATING EXPENSES	
Food Costs (Includes Commodities Used)	4,837,844
Salaries and Benefits	4,541,321
Depreciation	199,237
Supplies	839,184
Other	<u>165,041</u>
TOTAL OPERATING EXPENSES	<u>10,582,627</u>
OPERATING LOSS	<u>(4,705,529)</u>
NONOPERATING REVENUES	
Interest income	8,189
USDA reimbursements	2,896,368
Commodities received from USDA	499,033
Other federal and state aid	<u>8,362</u>
TOTAL NONOPERATING REVENUES	<u>3,411,952</u>
INCOME BEFORE TRANSFERS	(1,293,577)
TRANSFERS	
Transfers In	792,267
Transfers Out	<u>(418,243)</u>
TOTAL TRANSFERS	374,024
CHANGE IN NET ASSETS	(919,553)
TOTAL NET ASSETS - JULY 1, 2007	<u>4,068,581</u>
TOTAL NET ASSETS - JUNE 30, 2008	<u>\$ <u>3,149,028</u></u>

The accompanying notes to financial statements are an integral part of this exhibit.

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED JUNE 30, 2008**

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Patrons	\$ 7,180,191
Cash Paid to Suppliers for Goods and Services	(5,821,714)
Cash Paid to Employees for Services	<u>(4,423,608)</u>
Net Cash Used by Operating Activities	<u>(3,065,131)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Other Federal/State Aid Received	3,403,763
Net Transfers In from Other Funds	<u>374,024</u>
Net Cash Provided by Noncapital Financing Activities	<u>3,777,787</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchase of Capital Assets	<u>(578,215)</u>
Net Cash Used by Capital and Related Financing Activities	<u>(578,215)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest on Investments	<u>8,189</u>
Net Cash Provided by Investing Activities	<u>8,189</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	142,630
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>58,321</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ <u><u>200,951</u></u>

(Continued)

The accompanying notes to financial statements are an integral part of this exhibit.

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED JUNE 30, 2008

RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY
OPERATING ACTIVITIES

Operating Loss	\$ (4,705,529)
Adjustment to Reconcile Operating Loss to Net Cash	
Provided by Operating Activities:	
Depreciation Expense	199,237
Increase in Accounts Receivable	1,312,140
Increase in Inventories	(6,677)
Increase in Accounts Payable	27,032
Increase in Accrued Salaries & Benefits	117,713
Decrease in Unearned Revenue	<u>(9,047)</u>
NET CASH USED BY OPERATING ACTIVITIES	\$ <u><u>(3,065,131)</u></u>
NON CASH TRANSACTIONS:	
Commodities Received from USDA	\$ <u><u>499,033</u></u>

The accompanying notes to financial statements are an integral part of this exhibit.

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES-
AGENCY FUND
JUNE 30, 2008**

ASSETS

Cash on Deposit	\$ <u>1,717,576</u>
Total Assets	\$ <u><u>1,717,576</u></u>

LIABILITIES

Due to Student Organizations	\$ <u>1,717,576</u>
Total Liabilities	\$ <u><u>1,717,576</u></u>

The accompanying notes to financial statements are an integral part of this exhibit.

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

I. Summary of Significant Accounting Policies

Lexington County School District One operates twenty-five public schools, one alternative learning center and one applied technology center in a portion of Lexington County, South Carolina and encompasses the towns of Lexington, Gilbert and Pelion. The District provides a broad range of general and specialized elementary and secondary educational services and derives its local revenue from the tax base in these areas. In addition, the District receives funding from the State of South Carolina and the United States Federal Government and must comply with the related requirements of these funding source entities. 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 District also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, to its governmental and business-type activities and to its proprietary funds provided they do not conflict with or contradict GASB pronouncements. In addition, the District applies all FASB Statements and Interpretations issued after November 30, 1989 except for those that conflict with or contradict GASB pronouncements in accounting and reporting for its operations.

Reporting Entity

These financial statements present the District and its component units, entities for which the District is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the District's operations and so data from these units are combined with data of the primary government.

Blended Component Units:

1. Lexington School Facilities, Inc. (LSF, Inc.) is a not-for-profit 501(c)(3) organization incorporated for the specific charitable purpose of serving as a "support organization" for capital projects of the District. LSF, Inc. board members are appointed by the Lexington County School District One Board of Trustees. Because LSF, Inc. exclusively benefits the District, its financial information is blended with its financial information included in individual columns throughout the financial statements. Separate financial statements for LSF, Inc. are not issued.

In prior years, LSF, Inc. issued certificates of participation to finance various capital projects of the District. The certificates of participation are secured by lease agreements with the District and will be retired through lease payments from the District. The lease agreements constitute the imposition of a financial burden on the District and provide services entirely to the District. The substance of the leases is that of a capital lease agreement. The assets and debt are accounted for as though they are assets and debt of the lessee (the District).

The reportable activity for fiscal year 2008 is the debt retirement for Certificates of Participation.

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008**

Summary of Significant Accounting Policies (Continued)
Blended Component Units (Continued)

2. Lexington One School Facilities, Corp. (LOSF, Corp.) is a not-for-profit 501(c)(3) organization incorporated for the specific charitable purpose of serving as a “support organization” for capital projects of the District. LOSF, Corp. Board members are appointed by the Lexington County School District One Board of Trustees. Because LOSF, Corp. exclusively benefits the District, its financial information is blended with its financial information included in individual columns throughout the financial statements. Separate financial statements for LOSF, Corp. are not issued.

In prior years, LOSF, Corp. issued installment purchase revenue bonds to finance various capital projects of the District. The installment purchase revenue bonds are secured by lease agreements with the District and will be retired through lease payments from the District. The lease agreements constitute the imposition of a financial burden on the District and provide services entirely to the District. The substance of the leases is that of a capital lease agreement. The assets and debt are accounted for as though they are assets and debt of the lessee (the District).

3. Lexington County School District No. 1 Educational Foundation is a not-for-profit 501(c)(3) organization incorporated for the purpose of promoting educational and charitable endeavors, including: (i) the improvement and enrichment of the quality of education in Lexington School District No. 1; (ii) the increase of community support for and involvement in the District; and (iii) the provision of college financial assistance, grants and scholarships to graduates of the District. Because Lexington County School District One Board of Trustees approves all appointments of the members of the Foundation's Board of Directors, which is the governing authority for the Foundation, the District has the ability to significantly influence the operations of the Foundation. Its financial information is blended with its financial information in individual columns throughout the financial statements.

Basis of Presentation

Government-Wide Financial Statements

The statement of net assets and the statement of activities report information on all of the nonfiduciary activities of the District and its component units. For the most part, the effect of interfund activity has been removed from these statements. However, the interfund services provided and used are not eliminated in the consolidation process. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

Summary of Significant Accounting Policies (Continued)

Basis of Presentation (Continued)

Government-Wide Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is 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, as are the proprietary fund and fiduciary fund financial statements. 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 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 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, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

Fund financial statements report detailed information about the District. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

The accounts of the District are organized 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. The minimum number of funds is maintained consistent with legal and managerial requirements.

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

Summary of Significant Accounting Policies (Continued)

Basis of Presentation (Continued)

The District has the following major funds and fund types:

Governmental Fund Types

Governmental funds are those through which most governmental functions of the District are financed. The acquisition, use and balances of the District's expendable financial resources and the related liabilities (except those accounted for in proprietary and agency funds) are accounted for through governmental funds. The District has the following major and nonmajor governmental fund types:

General Fund, a major fund - The General Fund is the primary operating fund of the District. It accounts for all revenues and expenditures of the District except those required to be accounted for in other funds. All general tax revenues and other receipts that are not allocated by law or contractual agreement 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. This is a budgeted fund, and any fund balance is considered a resource available for use.

Special Revenue Funds - Special Revenue Funds are used to account for specific revenue sources that are legally restricted to expenditures for specific purposes. The District has two Special Revenue Funds:

1. The Special Projects Fund, a major fund, is used to account for financial resources provided by federal, state, and local projects and grants. Budgets are prepared on a per project basis, generally with approval of the funding source. These budgets are not a part of the formal budget process approved by the board of trustees.
2. The Education Improvement Act (EIA) Fund, a major fund, is used to account for the 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. Budgets are prepared on a per project basis. These budgets are not a part of the formal budget process approved by the board of trustees.

Debt Service Fund — District, a major fund, is used to account for the accumulation of resources for, and payment of, all long-term debt principal, interest and related costs for the District.

Debt Service Fund — LSF, Inc., a major fund, is used to account for the accumulation of resources for, and payment of, all long-term debt principal, interest and related costs for Lexington School Facilities, Inc.

Debt Service Fund — LOSF, Corp., a major fund, is used to account for the accumulation of resources for, and payment of, all long-term debt principal, interest and related costs for Lexington One School Facilities, Corp.

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

Summary of Significant Accounting Policies (Continued)

Basis of Presentation (Continued)

Capital Projects Fund — District, a major fund, is used to account for financial resources to be site acquisitions, construction of major capital facilities, equipment and renovation of major capital facilities except for those financed in the enterprise fund that was funded by the issuance of general obligation bonds.

Capital Projects Fund — LOSF, Corp., a major fund, is used to account for financial resources to be site acquisitions, construction of major capital facilities, equipment and renovation of major capital facilities except for those financed in the enterprise fund that were financed by the issuance of Installment Purchase Revenue bonds.

Permanent Fund — Lexington County School District One Foundation, a major fund, is used to account for financial resources donated to the School District in trust, by private donors, who have placed various restrictions on the donated resources and its earnings.

Proprietary Funds

Proprietary funds are accounted for based on the flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recognized when earned and expenses are recorded at the time liabilities are incurred. Proprietary types include the following fund:

The Enterprise Fund is used to account for operations that are financed and operated in a manner similar to private business enterprises - where the District has decided that periodic determination of revenues earned, expenses incurred, and net income is necessary for management accountability. The District's Food Service Fund meets the stipulations of an enterprise fund. The Food Service Fund is also used to account for the United States Department of Agriculture (USDA) sponsored school breakfast and lunch programs. The operating revenues of the Proprietary fund represents sale of meals. The operating expenses of the proprietary fund represent the cost of production of the meals sold. Nonoperating revenues represent investment income and federal and state aid.

Fiduciary Funds

Fiduciary funds are used to account for assets held by the government in a trustee capacity or as an agent on behalf of others, and include trust funds and agency funds. Fiduciary fund types include:

Agency Fund, an unbudgeted fund, accounts for the receipt and disbursement of monies to and from student activity organizations. These funds have no equity and do not include revenues and expenditures for general operation of the District. The Agency Fund is not included in the government wide financial statements.

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

Summary of Significant Accounting Policies (Continued)

Assets, Liabilities, and Fund Equity

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Enterprise Fund considers all highly liquid investments with original maturities of three months or less and investments of the cash management pool to be cash equivalents.

Cash and Investments held by County Treasurer represent property taxes collected 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 below.

Investments

The District's cash deposits and investment policy is designed to operate within existing statutes that authorize the District to invest in the following:

1. Obligations of the United States and agencies thereof;
2. General obligations of the State of South Carolina or any of its political units;
3. Savings and loan associations to the extent that the same are insured by an agency of the federal government;
4. Certificates of deposit and funds in deposit accounts with banking institutions provided that such certificates and funds in deposit accounts are collaterally secured by securities of the type described in 1 and 2 above, held by a third party as escrow agent, or custodian of a market value, not less than the amount of the certificates of funds in deposit accounts 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;
5. Collateralized repurchase agreements when collateralized by securities as set forth in 1 and 2 above and held by the District or a third party as escrow agent or custodian; and,
6. South Carolina Pooled Investment Fund established and maintained by the State Treasurer.

Investments are stated at fair value, which is the same as the value of the pool shares for investments in the South Carolina Pooled Investment Fund.

The Permanent Fund - The Lexington County School District One Educational Foundation handles and is responsible for the investment of voluntary contributions and financial gifts given to it by private individuals or companies to benefit the District. The Foundation does not handle any public funds received by the District. The Foundation has developed its own investment guidelines that are broader in scope than the state mandated guidelines above. Investments in the Foundation's portfolio are reviewed regularly by its board of directors. Investments of the Foundation are recorded at fair value.

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

Summary of Significant Accounting Policies (Continued)

Assets, Liabilities, and Fund Equity (Continued)

Investments (Continued)

The Foundation investments are allocated equally between equities and fixed income mutual funds with cash and cash equivalents minimized. At June 30, 2008, the percentage of investments in equities mutual funds was 53.5%, in fixed income mutual funds was 42.1% and in cash and cash equivalents was 4.4%. The estimated average yield for the upcoming year was 2.75%.

Receivables and Payables

Transactions between funds that represent reimbursement arrangements outstanding at the end of the year are referred to as “due from other funds” or “due to other funds” on the fund financial statements.

These amounts are eliminated in the governmental and business-type activities columns of the statement of net assets, except for the net residual amounts due between governmental and business-type activities, which are presented as “internal balances”.

All trade and property tax receivables are shown net of an allowance for uncollectible amounts.

Inventories and Prepaid Items

Materials and supplies are carried in an inventory account at cost on the first-in, first-out method of accounting and are subsequently charged to expense when used. Inventories consist of purchased food, supplies, and commodities received from the United States Department of Agriculture as of June 30, but not consumed. The value of commodities on hand at year-end is recorded at fair value as provided by the United States Department of Agriculture.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which the services are consumed.

Capital Assets

General capital assets are those assets not specifically related to activities reported in the enterprise fund. These 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 assets but are not reported in the fund financial statements. Capital assets utilized by the enterprise fund are reported in both the business-type activities column of the government-wide statement of net assets and in the respective fund financial statements.

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
 LEXINGTON, SOUTH CAROLINA
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2008**

Summary of Significant Accounting Policies (Continued)

Assets, Liabilities, and Fund Equity (Continued)

Capital Assets (Continued)

All capital assets are capitalized at cost and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The district maintains a capitalization threshold of \$5,000 for furniture, equipment, vehicles, and textbooks, and \$50,000 for land, buildings and improvements thereto. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend the life of the assets are not capitalized.

In the enterprise fund, assets acquired or constructed by grants and share revenues externally restricted for capital acquisitions and construction are reported as revenue in the period received in accordance with Governmental Accounting Standards Board Statement No. 33, (*Accounting and Financial Reporting for Nonexchange Transactions*). In earlier years, these assets were accounted for as contributed capital.

In connection with the adoption of GASB No.34, (*Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*) the balance of contributed capital has been combined with retained earnings to comprise the net assets of the enterprise fund.

All reported capital assets except land and construction in progress are depreciated. Construction projects will begin being depreciated once they are complete, 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:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
Land Improvements	20 years	N/A
Buildings and Improvements	25-50 years	N/A
Furniture and Equipment	5-20 years	12 years
Vehicles	8 years	N/A

Compensated Absences

It is the District's policy to permit certain qualified employees to accumulate earned but unused annual leave. A maximum accrual of 135 days is allowed. Employees are paid for their accumulated days over the maximum amount at their rate of pay.

All full-time employees who separate from employment or retire from the District may receive payment for accumulated but unused annual leave which has been earned while employed in the District up to 66 2/3 percent of 135 day maximum, i.e., 90 days in the following manner.

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

Summary of Significant Accounting Policies (Continued)

Assets, Liabilities, and Fund Equity (Continued)

Compensated Absences (Continued)

A person with up to a maximum of 135 days of annual leave earned while employed in the District may receive payment for 66 2/3 percent of those days, i.e., payment for no more than 90 days, upon separation from employment.

Once an employee elects to receive his/her leave payment, he/she will not be able to transfer any annual leave days for which payment is received to another school district or eligible state agency.

In his/her lifetime, no employee will receive payment for more than 66 2/3 percent of 135 days of annual leave, i.e., 90 days, which has been earned and accumulated while in the employment of the District.

If an employee receives payment for days of annual leave earned and accumulated while in the employment of the District in an amount less than the maximum of 90 days, the employee may receive additional payments for leave accumulated to the extent that the payment does not exceed the lifetime aggregate maximum total of 90 days.

The District computes its compensated absences liability based on employees employed by the District at year end. The District takes the employee's accumulated leave days and multiplies two-thirds of those days by the employee's daily rate of compensation. The entire compensated absences liability is reported on the government-wide financial statements. No liability has been recorded in the governmental fund financial statements, since compensated absences would only be reported in the governmental funds if they were still outstanding following an employee's resignation or retirement. The District intends to fund the liability from future operations with assets that do not represent expendable available financial resources.

Accrued Liabilities and Long-term Obligation

All payables, accrued liabilities and long-term obligations are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources. However, claims and judgments, the non-current portion of capital leases, contractually required pension contributions and special termination benefits, and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they will be paid with current expendable, available, financial resources. In general, payments made within sixty days after year-end are considered to have been made with current available financial resources. Bonds and other long-term obligations that will be paid from governmental funds are recognized as a liability in the fund financial statements until due.

For governmental funds, bond premiums and discounts, as well as issuance costs, are recognized during the current period. Bond proceeds are reported as another financing source net of the applicable premium or discount. Issuance costs, even if withheld from actual net proceeds received, are reported as debt service expenditures.

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

Summary of Significant Accounting Policies (Continued)
Assets, Liabilities, and Fund Equity (Continued)

Fund Balances, Equity and Net Assets

In the fund financial statements, the District reserves those portions of fund balance which are legally segregated for a specific purpose or which do not represent available, expendable resources and therefore are not available for appropriation or expenditure. Unreserved fund balance indicates that portion of fund balance that is available for appropriation in future periods. Designations of fund balance represent tentative management plans that are subject to change.

Net Assets

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

The District applies restricted resources when an expense is incurred for the purposes for which both restricted and unrestricted net assets are available.

Accounting Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United State of America requires the District's management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent asses and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

Summary of Significant Accounting Policies (Continued)
Assets, Liabilities, and Fund Equity (Continued)

Budgetary Information

The Board of Trustees adopts a legal annual appropriated budget for the general fund revenues and expenditures on the modified accrual basis of accounting which is consistent with accounting principles generally accepted in the United States of America each fiscal year. The budget is prepared, controlled, and amended at the revenue and expenditure object level. The District's superintendent may authorize line item transfers in the general fund budget that are subject to final review by the Board. Revisions to the budget were made throughout the year at the legal level of budgetary control. During the fiscal year, no additional appropriations to the general fund budget are adopted. Unexpended appropriations lapse at fiscal year end. Special Revenue Fund budgets are developed and controlled in conformance with the specific requirements of each grant or funding agency. These budgets are not legally adopted by the School Board. Both General and Special Revenue Fund budgets are used as a management control device during the year.

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

1. In the fall of the preceding year, the District begins its budget process for the next succeeding fiscal year beginning on July 1.
2. After the District's budget committee reviews all requests and allocation requirements and related revenue, it presents a tentative proposed budget to the Superintendent for review and adjustment.
3. The superintendent then presents a proposed budget to the board of trustees which reviews it in a series of workshops and makes any additions or deletions it deems necessary.
4. Prior to July 1, the budget is legally enacted through passage of a resolution by the board.

Encumbrances

The appropriations of the general fund of the District lapse at June 30 each year and the outstanding purchase orders, contracts, and other commitments must be renewed. Therefore, there are no reservations of the fund balances at year-end for encumbrances. Management has elected to designate a portion of the unreserved fund balance for encumbrances that have been reappropriated in the subsequent fiscal year's General Fund budget.

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008**

II. Cash and Investments

At June 30, 2008, the carrying amount of the District's deposits was \$15,656,725 and the bank balance was \$19,889,263.

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 statues of the State of South Carolina. As of June 30, 2008, \$19,589,263 of the District's deposits was exposed to custodial credit risk because it was unsecured and collateralized with securities held by the pledging financial institution's trust department or its agent, but not in the District's name.

Custodial Credit Risk for Investments: Custodial credit risk for investments is the risk that, in the event of a failure, the government will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. The District does not have an investment policy for custodial credit risk but follows the investment policy statues of the State of South Carolina. As of June 30, 2008, \$32,472,720 of the District's investments was exposed to custodial credit risk because it was unsecured and collateralized with securities held by the pledging financial institution's trust department or its agent, but not in the District's name.

As of June 30, 2008, the District had the following investments:

<u>Investment Type</u>	<u>Maturities</u>	<u>Credit Rating</u>	<u>Fair Value</u>
BB&T Repurchase & Investments Accounts	Various	Unrated	\$ 9,096,453
SC Local Government Investment Pool	Various	Unrated	33,426,272
Cash and Investments held by County Treasurer	Various	Unrated	9,195,811
Bank of New York	Various	Unrated	<u>24,126,266</u>
 Total Investments			 \$ <u>75,844,802</u>

Credit Risk for Investments: South Carolina statutes authorize investments in certificates of deposit, savings accounts, repurchase agreements, the State Treasurer's Local Government Investment Pool, obligations of the U.S. Government and government agencies unconditionally guaranteed by the U.S. Government. The District has no investment policy that would further restrict its choices.

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008**

Cash and Investments (Continued)

The Local Government Investment Pool (LGIP) is not rated. Further information may be obtained from the LGIP's complete financial statements. These financial statements may be obtained by writing to the following address:

Office of the State Treasurer
Local Government Investment Pool
Post Office Box 11778
Columbia, SC 29211

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

Concentration of Credit Risk for Investments: The District places no limit on the amount it may invest in any one issuer. Investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds and external investment pools are excluded from this disclosure requirement. None of the District's other investments exceeded 5% of the total amount invested.

III. Property Taxes and Other Receivables

The County of Lexington, South Carolina is responsible for collecting and distributing property taxes in accordance with enabling state legislation. Property taxes attach as an enforceable lien on property as of March 15. Property taxes are levied and billed on November 1 based on an assessed value of approximately \$381.4 million at tax rates of 242.4 mills for the general fund and 59.0 mills for the debt service fund. These taxes are due and payable without penalty through January 15 of the next year. Penalties are added to taxes when paid after January 15 depending on the period of time the tax is delinquent.

Taxes receivable include an allowance for uncollectibles of \$1,576,698 at June 30, 2008. Allowances for uncollectibles were not necessary for the other receivable accounts.

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008**

Property Taxes and Other Receivables (Continued)

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At June 30, 2008, the various components of deferred revenue and unearned revenue reported in the governmental funds were as follows:

	General Fund	Special Revenue Fund	Debt Service Fund	Total
Delinquent Property Taxes	\$ 2,139,799	\$	\$ 617,504	\$ 2,757,303
Unearned Revenue	<u>58,975</u>	<u>4,125,341</u>	<u></u>	<u>4,184,316</u>
Total	<u>\$ 2,198,774</u>	<u>\$ 4,125,341</u>	<u>\$ 617,504</u>	<u>\$ 6,941,619</u>

IV. Due from County Treasurer

This represents the amount due from the Lexington County Treasurer for the amounts of property taxes and property tax relief distributions that had been collected at June 30, but had not been remitted to the District.

V. Due from State Dept. of Education and Federal Government

This represents amounts due for state and federal revenues that had been earned as of June 30, 2008 but had not yet been received.

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008**

VI. Capital Assets

A summary of changes in capital assets for the District is as follows:

Governmental Activities

	<u>Balance July 1, 2007</u>	<u>Additions</u>	<u>Disposals Transfers</u>	<u>Balance June 30, 2008</u>
Non-depreciable Assets:				
Land	\$ 9,082,739	\$ 6,351,921	\$	\$ 15,434,660
Construction in Process	69,936,223	61,425,210	(79,585,849)	51,775,584
Total Non-depreciable	<u>79,018,962</u>	<u>67,777,131</u>	<u>(79,585,849)</u>	<u>67,210,244</u>
 Depreciable Assets:				
Buildings	252,879,419	69,714,603	(293,518)	322,300,504
Improvements	1,855,036	10,529,581		12,384,617
Equipment	8,719,958	876,217	(51,710)	9,544,465
Total Depreciable Assets	<u>263,454,413</u>	<u>81,120,401</u>	<u>(345,228)</u>	<u>344,229,586</u>
 Less Accumulated Depreciation for:				
Buildings	(44,985,489)	(5,700,130)	246,739	(50,438,880)
Improvements	(874,148)	(405,478)		(1,279,626)
Equipment	(4,275,332)	(610,879)	43,403	(4,842,808)
Total Accumulated Depreciation	<u>(50,134,969)</u>	<u>(6,716,487)</u>	<u>290,142</u>	<u>(56,561,314)</u>
 Net Depreciable Capital Assets	<u>213,319,444</u>	<u>74,403,914</u>	<u>(55,086)</u>	<u>287,668,272</u>
 Governmental Activities Capital Assets, Net	<u>\$ 292,338,406</u>	<u>\$ 142,181,045</u>	<u>\$ (79,640,935)</u>	<u>\$ 354,878,516</u>

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008**

Capital Assets (Continued)

Business Type Activities

	<u>Balance July 1, 2007</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance June 30, 2008</u>
Equipment	\$ 3,136,910	\$ 578,215	\$	\$ 3,715,125
Less Accumulated Depreciation	<u>(1,965,062)</u>	<u>(199,237)</u>	<u> </u>	<u>(2,164,299)</u>
Business-type Activities Capital Assets, Net	\$ <u>1,171,848</u>	\$ <u>378,978</u>	\$ <u> -</u>	\$ <u>1,550,826</u>

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

Governmental Activities:

Instruction	\$ 5,037,365
Supporting Services	<u>1,679,122</u>
Total Depreciation Expense – governmental activities	\$ <u>6,716,487</u>

Business-type Activities:

Food Service	\$ <u>199,237</u>
Total Depreciation Expense – Business type activities	\$ <u>199,237</u>

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008**

VII. Interfund Receivables and Payables

Interfund balances at June 30, 2008 consisted of the following individual fund receivables and payables:

<u>Fund</u>	<u>Receivables</u>	<u>Payables</u>
General Fund:		
Due from Special Revenue – Special Projects	\$ 1,975,839	\$
Due from Capital Projects – LOSF, Corp.	1,449,353	
Due to Special Revenue – EIA		3,154,697
Due to Debt Service – District		115,353
Due to Capital Projects – District		7,571,228
Due to Proprietary Fund – Food Service		1,870,116
Total – General Fund	3,425,191	12,711,393
Special Revenue – Special Projects		
Due to General Fund		1,975,839
Special Revenue – EIA		
Due from General Fund	3,154,697	
Debt Service – District		
Due from General Fund.	115,353	
Debt Service – LOSF, Corp.		
Due to Capital Projects – LOSF, Corp.		5,019,580
Capital Projects – District		
Due from General Fund	7,571,228	
Capital Projects – LOSF, Corp.		
Due from Debt Service – LOSF, Corp.	5,019,580	
Due to General Fund		1,449,353
Proprietary Fund – Food Service		
Due From General Fund	1,870,116	
Totals	\$ 21,156,164	\$ 21,156,164

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

Interfund Receivables and Payables (Continued)

The General Fund receivables are a result of the General Fund financing salaries and other expenditures for Special Revenue – Special Projects and Capital Projects – LOSF, Corp. The General Fund payable to Special Revenue – EIA is a result of the deferred revenue and accrued salaries and related costs in the EIA special revenue that will be paid after June 30, 2008. The payable to Debt Service – District is a result of expenditures incurred by the Debt Service fund that will be reimbursed by the General Fund in the subsequent year. The amounts payable to Capital Projects – District and Proprietary Fund – Food Service funds are a result of cash for these funds being held in the general fund.

The Special Revenue – Special Projects payable to the General Fund is a result of payments made by the General Fund for Special Revenue salaries and other expenditures for which the related reimbursements have not been received.

The Special Revenue – EIA receivable is due to the cash for deferred revenue and accrued salaries and related costs that will be paid after June 30, 2008 being held in the General Fund.

The Debt Service – District receivable from the General Fund is due to expenditures made by Debt Service. These expenditures will be reimbursed by the General Fund in the subsequent fiscal year.

The Debt Service – LOSF, Corp. payable to the Capital Projects – LOSF, Corp. is a result of capitalized interest that has matured.

The Capital Projects – District receivable from the General Fund represents cash held in the General Fund for capital projects expenditures.

The Capital Projects – LOSF, Corp. receivable from the Debt Service – LOSF, Corp. is a result of capitalized interest that has matured. The payable to General Fund is a result of expenditures financed by the General Fund. Reimbursement to the General Fund will occur in the subsequent fiscal year.

The Propriety Fund receivable from the General Fund is a result of cash for this fund being held in the General Fund.

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008**

VIII. Transfers To and From

Transfers between the various funds of the District are as follows:

Fund	Transfers To	Transfers From
General Fund:		
Special Revenue – Special Projects	\$ 57,293	\$ 218,996
Special Revenue – EIA		2,881,048
Proprietary Fund – Food Service	792,267	418,243
Capital Projects – District	6,853,531	
Debt Service Fund – LSF, Inc.	4,642,592	
Debt Service Fund – LOSF, Corp.	7,820	
	<hr/>	<hr/>
Total General Fund	12,353,503	3,518,287
Special Revenue – Special Projects		
General Fund	218,996	57,293
Special Revenue – EIA		
General Fund	2,881,048	
Debt Service Fund – District	560,234	
	<hr/>	
Total Special Revenue – EIA	3,441,282	
Debt Service Fund – District		
Debt Service Fund – LOSF, Corp.	4,027,554	
Special Revenue – EIA		560,234
Debt Service Fund – LSF, Inc.		
General Fund		4,642,592
Debt Service Fund – LOSF, Corp.		
Debt Service Fund – District		4,027,554
General Fund		7,820
		<hr/>
Total Debt Service Fund – LOSF, Corp.		4,035,374
Capital Projects Fund – District		
General Fund		6,853,531
Proprietary Fund – Food Service		
General Fund	418,243	792,267
	<hr/>	<hr/>
Total All Funds	\$ 20,459,578	\$ 20,459,578

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

Transfers To and From (Continued)

Interfund transfers include funding allowed for indirect costs, required matches, and supplemental funding. The transfers for the year ended June 30, 2008, consisted of the following:

General Fund:

Transfers from:

Funds are transferred to the General Fund from Special Revenues and Proprietary funds to cover EIA teacher salary supplement and indirect costs.

Transfers to:

Funds are transferred from the General Fund into Special Revenue – Special Projects to fund the District’s Virtual School program. Funds are transferred to Debt Service – LSF, Inc. for the annual Certificates of Participation’s principal, interest and trustee fees. The millage for these payments is levied and funds budgeted in the general fund. Funds were transferred to the Debt Service – LOSF, Corp. Fund in order to pay trustee fees. The transfer to the Capital Projects Fund – District was to fund the purchase of land and building as approved by the Board of Trustees for additional district office space and a new high school site. The transfer to Proprietary Funds represents an annual transfer made to fund benefits for food service employees as required by the South Carolina State Department of Education.

Special Revenue – Special Projects:

Transfers to:

Funds are transferred to the Special Revenue account to supplement the District’s Virtual School Program.

Transfers from:

Funds are transferred to the General Fund to cover indirect costs.

Special Revenue – EIA:

Transfers from:

Funds are transferred from Special Revenue – EIA to the General Fund to cover the cost of the EIA teacher salary supplement. These expenditures are made in the General Fund. The transfer to Debt Service – District represents funding received from the South Carolina Department of Education based on a reallocation of unused EIA funds statewide. The funds are received as revenue in EIA and then must be transferred to Debt Service – District to be used as a source to help offset the millage levied to generate funds for debt service principal and interest payments.

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

Transfers To and From (Continued)

Debt Service – District:

Transfers to:

Funds are transferred to the Debt Service – LOSF, Corp. from the Debt Service - District account for the General Obligation Bonds issued by the District to satisfy the annual installment purchase revenue bonds principal and interest payment.

Transfers from:

The transfer from Special Revenue – EIA to Debt Service – District represents funding received from the South Carolina Department of Education based on a reallocation of unused EIA funds statewide. The funds are received as revenue in EIA and then must be transferred to Debt Service – District to be used as a source to help offset the millage levied to generate funds for debt service principal and interest payments.

Debt Service – LSF, Inc.:

Transfers to:

Funds are transferred to the Debt Service – LSF, Inc. from the General Fund to pay the principal, interest and trust fees for the District’s Certificates of Participation.

Debt Service – LOSF, Corp.:

Transfers from:

Funds are transferred from Debt Service – District to satisfy the annual principal and interest payment due on the installment purchase revenue bonds. Funds transferred from the General Fund for the payment of trustee fees due in the current year.

Capital Projects – District:

Transfers from:

The transfer from the General Fund to the Capital Projects – District was made to finance the purchase of a new high school site and the purchase of land and building for additional district office space. The purchases were approved by the Board of Trustees.

Proprietary Fund:

Transfers to:

Funds are transferred to the Proprietary Fund from the General Fund to pay the fringe benefits costs of the food service employees.

Transfers from:

Funds are transferred from the Proprietary Fund to the General Fund for indirect costs.

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008**

IX. Long-Term Obligations

Summary of Changes in Long-Term Debt Obligations:

	<u>Balance</u> <u>July 1, 2007</u>		<u>Additions</u>		<u>Deletions</u>		<u>Balance</u> <u>June 30, 2008</u>
General Obligations:							
Cert. of Participation	\$ 11,220,000	\$		\$	4,205,000	\$	7,015,000
Gen. Obligation Bonds	141,705,000		37,055,000		17,240,000		161,520,000
Installment Purchase - Revenue Bonds	93,645,000				1,300,000		92,345,000
Subtotal	<u>246,570,000</u>		<u>37,055,000</u>		<u>22,745,000</u>		<u>260,880,000</u>
Compensated Absences	<u>16,219,547</u>		<u>4,068,203</u>		<u>4,225,080</u>		<u>16,062,670</u>
 Total	 <u>\$ 262,789,547</u>	 \$	 <u>41,123,203</u>	 \$	 <u>26,970,080</u>	 \$	 <u>276,942,670</u>

Current Portion of Long-Term Debt Obligations:

	<u>June 30, 2008</u>
General Obligations:	
Certificates of Participation	\$ 3,840,000
General Obligation Bonds	7,565,000
Installment Purchase – Revenue Bonds	<u>1,285,000</u>
Subtotal	<u>12,690,000</u>
Compensated Absences	<u>4,068,203</u>
 Total	 <u>\$ 16,758,203</u>

General Obligations

General obligations at June 30, 2008 consist of obligations under certificates of participation, installment purchase revenue bonds and general obligations bonds payable. Lexington School Facilities, Inc. issued various series of Certificates of Participation to finance various capital projects that have been completed in the District. The certificates evidence proportionate interest of the registered owners thereof in certain rental payments (the “base rent”) to be made by Lexington County School District One under the terms of the various leases pertaining to each series of certificates. The base rent is equal to the principal and interest payments on the obligation. The certificates are payable solely from the rent to be paid by the District to a trustee. The District is not a party to the certificates. Continuance of the lease agreements and the obligation of the District to make Lease rent payments for each fiscal year is subject to and dependent upon lawful appropriations being made by the district for that purpose. The certificates, the lease agreement and the obligation to make base rent payments do not represent or constitute a debt of, or a pledge of the faith and credit of the taxing power of the District; however, chances of non-appropriation are remote.

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

Long-Term Obligation (Continued)

Lexington One School Facilities, Corp. issued various Installment Purchase Revenue Bonds to finance various capital projects that have not been completed in the District. The District is not a party to these bonds. The obligation to make installment payments does not represent or constitute a debt of, or a pledge of the faith and credit of the taxing power of the District; however, chances of non-appropriation are remote.

The following table outlines the debt outstanding at June 30, 2008:

<u>Debt</u>	<u>Issue Date</u>	<u>Date of Final Maturity</u>	<u>Interest Rates</u>	<u>Amount Issued</u>	<u>Outstanding as of June 30, 2008</u>
General Obligation Bonds					
Series 2001	10/01/01	3/1/24	4.0%-5.125%	\$ 40,055,000	\$ 24,855,000
Series 2004	3/01/04	2/1/13	2.7%-3.13%	6,875,000	4,985,000
Series 2004A	3/01/04	3/1/09	1.75%-2.15%	3,450,000	500,000
Series 2005A	8/01/05	2/1/30	3.0%-5.0%	85,000,000	85,000,000
Series 2005C	8/01/05	2/1/18	3.5%-5.0%	18,495,000	18,335,000
Series 2007A	11/01/07	2/1/32	4.125%-5.0%	33,000,000	27,845,000
Installment Purchase Revenue Bonds					
Series 2005	12/14/05	12/1/30	4.0%-5.25%	39,600,000	38,300,000
Series 2006	6/01/06	12/1/30	5.0%	54,045,000	54,045,000
Certificates of Participation					
Series 1998	4/15/98	3/1/11	4.25%-5.1%	5,955,000	2,005,000
Series 1998B	11/01/98	3/1/11	3.15%-4.55%	5,740,000	1,700,000
Series 2002	12/1/02	3/1/10	2.0%-3.5%	18,795,000	3,310,000
TOTAL				\$ 311,010,000	\$ 260,880,000

The annual requirements to amortize the Certificates of Participation outstanding at June 30, 2008, including interest payments of \$494,460 are as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
2009	\$ 3,840,000	\$ 290,750	\$ 4,130,750
2010	1,940,000	143,805	2,083,805
2011	1,235,000	59,905	1,294,905
Total	\$ 7,015,000	\$ 494,460	\$ 7,509,460

The annual requirements to amortize the General Obligation Bonds outstanding at June 30, 2008, including interest payments of \$86,740,881 are as follows:

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008**

Long-Term Obligation (Continued)

Fiscal Year Ending June 30	Principal	Interest	Total
2009	\$ 7,565,000	\$ 6,969,538	\$ 14,534,538
2010	6,000,000	6,701,875	12,701,875
2011	5,890,000	6,500,394	12,390,394
2012	6,360,000	6,297,656	12,657,656
2013	6,745,000	6,072,894	12,817,894
2014-2018	35,085,000	26,047,556	61,132,556
2019-2023	43,955,000	17,784,700	61,739,700
2024-2028	31,775,000	8,730,144	40,505,144
2029-2032	18,145,000	1,636,124	19,781,124
Total	<u>\$ 161,520,000</u>	<u>\$ 86,740,881</u>	<u>\$ 248,260,881</u>

The annual requirements to amortize the Installment Purchase Revenue Bonds at June 30, 2008, including interest payments of \$65,325,971 are as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
2009	\$ 1,285,000	\$ 4,658,638	\$ 5,943,638
2010	1,845,000	4,580,388	6,425,388
2011	2,450,000	4,473,013	6,923,013
2012	2,570,000	4,347,512	6,917,512
2013	2,705,000	4,215,638	6,920,638
2014-2018	15,750,000	18,847,988	34,597,988
2019-2023	20,295,000	14,299,875	34,594,875
2024-2028	26,200,000	8,395,206	34,595,206
2029-2031	19,245,000	1,507,713	20,752,713
Total	<u>\$ 92,345,000</u>	<u>\$ 65,325,971</u>	<u>\$ 157,670,971</u>

The District has satisfied all sinking fund requirements. There is an annual debt service tax millage, currently 59.0 mills, to repay the General Obligation debt. Details on the Certificates of Participation, Installment Purchase Revenue Bonds, and General Obligation Bonds are presented as schedules.

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

Long-Term Obligation (Continued)

Bonds Issued

The District issued \$37,055,000 of General Obligation Bonds for the purpose of providing funds with which to pay the acquisition price payments in fiscal year 2008 (Installment Purchase Bonds) of LOSF, Corp. and to complete the 2004 Bond referendum construction projects.

Defeased Debt Outstanding

At June 30, 2008, the District had defeased outstanding general obligation bonds and certificates of participation that would otherwise be included in General Long-Term Obligations totaling \$34,410,000.

Compensated Absences

The District estimates that the compensated absences amount to be considered as the current portion due within one year to be \$4,068,203.

X. Employee Retirement System

Lexington County School District One contributes to the South Carolina Retirement System. The South Carolina Retirement System is a cost-sharing multi-employer defined pension plan administered by the Retirement Division of the State Budget and Control Board. The South Carolina Retirement System offers retirement and disability benefits, cost of living adjustments on an ad-hoc basis, life insurance benefits and survivor benefits. The Plan's provisions are established under Title 9 of the SC Code of Laws.

A Comprehensive Annual Financial Report containing financial statements and required supplementary information for the South Carolina Retirement System is publicly available at the website www.retirement.sc.gov or a copy may be obtained by writing the South Carolina Retirement System, PO Box 11960, Columbia, SC 29211-1960.

Both employees and employers are required to contribute to the Plan under authority of Title 9 of the S.C. Code of Laws. Plan members are required to contribute 6.5% of their annual compensation and the District is required to contribute at an actuarially required contribution rate. The current rate is 9.06% of the total member's annual compensation; included is the cost to provide group life insurance benefits for the plan participants at the rate of .15%. The actuarially determined rate for the years ended June 30, 2008 was 9.06% for a combined rate of 9.21%

The District's contributions to the Plan for the years ending June 30, 2008, 2007, and 2006 were \$11,156,333, \$8,848,358, and \$7,697,690, respectively. The District's contributions are at the actuarially required contribution rates.

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

Employee Retirement System (Continued)

By Federal law (Public Law 99-272, Title X) the District is required to offer a continuation of health coverage at group rates to employees and their dependents whose coverage would otherwise end. Depending on the circumstances of the employee's coverage loss, the employee or dependent can extend the health care plan benefits for 18 months to three years. The plan costs are paid by the employee or dependents based on 100% (Cobra) premium rates. Retired employees are eligible for health insurance coverage under a state plan whereby the retiree continues to be responsible for their portion of insurance premiums. Pursuant to the state plan, the District pays 3.42% of payroll covered by the S.C. Retirement System to fund retiree health insurance. The District paid \$4,142,743 on covered payroll for the year ended June 30, 2008. The District has no other financial or administrative responsibility for retiree health care costs.

XI. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District participates with other school districts in the South Carolina School Boards Insurance Trust/Workers' Compensation Trust Fund (SCSBIT/WCTF).

The SCSBIT/WCTF is a public entity risk pool currently operating as a common risk management and insurance program for 85 member school districts. The District pays an annual premium for worker's compensation insurance coverage based upon the total payroll of the District each plan year. The SCSBIT/WCTF is self-sustaining through member premium and deficiencies can be charged back to the member districts should a fund deficit arise.

The District participates in the South Carolina School Boards Insurance Trust Fund for all other risks of loss. The District's insurance coverage for all types of risk has not been significantly reduced from coverage in the prior year. The amounts of any District settlement have exceeded the insurance coverage for the previous three fiscal years.

XII. Contingent Liabilities

Litigation

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

Grants

The District participates in a number of federally assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The amount of program expenditures which may be disallowed by the granting agencies cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

XIII. Commitments

The District had ten construction projects and 14 smaller technology and deferred maintenance projects that were substantially completed in August 2008. The District office renovations will complete in FY 2009. The District has entered into various contracts for these projects totaling \$101.8 million of which \$8.6 million had not been expended as of June 30, 2008.

XIV. Subsequent Events

On July 15, 2008, the Board of Trustees adopted a motion to seek voter approval for a \$336,000,000 Bond Referendum to be held in conjunction with the November 4 general election. The bonds will be used to fund construction of five new schools and eighteen renovation projects of the District.

On August 19, 2008, the Board of Trustees approved a lease purchase agreement in the amount of \$360,000 for the acquisition of computers.

On September 16, 2008, the District issued Series 2008 GO Bonds for \$5,270,000 for the purpose of funding the purchase price due under the 2005 and 2006 facilities agreement and the issuance cost of the bond.

On October 21, 2008, the State of South Carolina in reaction to reduced state projected revenues voted to reduce school funding by 3.6%. This reduction of revenues was created by the State of South Carolina's elimination of the ability for local school boards to fund their general fund via local property tax millage applied to owner occupied residential property with the State of South Carolina assuming this funding via sales tax revenues. The District has made adjustments to this current funding reduction; however, actual future funding by the State will be based upon future revenue projections for the remainder of FY 2009 which is beyond the control of the District.

On October 21, 2008, the Board of Trustees authorized the District to issue up to \$4,300,000 of General Obligation Bonds in accordance with a reimbursement resolution approved by the Board of Trustees on July 15, 2008. This represents a portion of the cost of the new high school land site purchased in June 2008.

On November 4, 2008, the voters of the District approved a \$336,000,000 Bond Referendum authorizing the District to construct five new schools, renovate eighteen District facilities, improve the technology infrastructure throughout the District, and to perform various deferred maintenance projects.

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COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2008**

	Revised Budget	Actual	Variance- Positive (Negative)
REVENUES:			
1000 Revenue from Local Sources			
1100 Taxes:			
1100 Tax Refunds	\$ (5,000)	\$	\$ 5,000
1110 Levies for Current Operations	26,457,997	37,008,798	10,550,801
1112 Vehicle Taxes	13,701,515	11,853,232	(1,848,283)
1113 Current Taxes - Penalty	108,517	80,274	(28,243)
1140 Delinquent Taxes & Penalties	2,105,641	2,410,575	304,934
1190 Other Taxes	600,000	243,716	(356,284)
1200 Revenue from Local Governmental Units Other Than LEAs:			
1280 Revenue in Lieu of Taxes	2,100,000	2,961,516	861,516
1300 Tuition:			
1310 From Patrons for Regular Day School	27,000	109,078	82,078
1320 From Other LEAs for Regular Day School	48,000	56,925	8,925
1500 Earnings on Investments:			
1510 Interest on Investments	1,000,000	1,514,734	514,734
1700 Pupil Activities:			
1740 Student Fees	22,000	18,412	(3,588)
1900 Other Revenue from Local Sources:			
1910 Rentals	145,000	219,449	74,449
1950 Refund of Prior Year's Expenditures	300	21,430	21,130
1990 Miscellaneous Local Revenue			
1993 Insurance Proceeds	20,000	3,111	(16,889)
1994 Legal Settlements			-
1990 Other Local Revenue	45,000	338,181	293,181
Total Local Sources	46,375,970	56,839,431	10,463,461
3000 Revenue from State Sources			
3130 Special Programs:			
3131 HDP Trans. And Facilities		145,161	145,161
3132 Home Instruction		129,371	129,371
3160 School Bus Driver's Salary	1,286,900	1,411,454	124,554
3161 EAA Bus Driver		34,843	34,843
3162 Transport Workers Comp		85,488	85,488
3165 EEDA Transportation		13,622	13,622
3180 Fringe Benefits Employer Contributions	15,241,777	15,391,672	149,895
3181 Retiree Insurance	2,023,826	2,455,140	431,314
3199 Other Restricted State Grants		3,555	3,555
3300 Education Finance Act:			
3310 Full-Time Programs:			
3311 Kindergarten	3,818,801	3,671,056	(147,745)
3312 Primary	10,741,725	10,377,462	(364,263)
3313 Elementary	13,260,946	14,231,500	970,554
3314 High School	5,551,041	5,702,219	151,178
3315 Trainable Mentally Handicapped	162,110	162,162	52
3316 Speech Handicapped (Part-time Program)	4,512,251	3,797,605	(714,646)
3317 Homebound	234,656	219,234	(15,422)

(Continued)

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2008

	Revised Budget	Actual	Variance- Positive (Negative)
REVENUES (continued):			
3000 Revenue from State Sources (continued)			
3320 Part-Time Programs:			
3321 Emotionally Handicapped	\$ 369,938	\$ 364,337	\$ (5,601)
3322 Educable Mentally Handicapped	188,902	173,205	(15,697)
3323 Learning Disabilities	2,913,657	3,447,555	533,898
3324 Hearing Handicapped	151,395	178,730	27,335
3325 Visually Handicapped	118,642	149,078	30,436
3326 Orthopedically Handicapped	86,407	66,107	(20,300)
3327 Vocational	7,468,960	7,680,924	211,964
3330 Other EFA Programs:			
3331 Autism	259,592	396,724	137,132
3333 ITA Adjustment		869,127	869,127
3800 State Revenue in Lieu of Taxes:			
3810 Reimbursement for Local Residential Property Tax Relief	8,055,568	8,055,568	-
3820 Homestead Exemption	1,957,813	2,261,915	304,102
3825 Reimbursement for Property Tax Relief - 388	27,991,462	28,472,961	481,499
3830 Merchant's Inventory Tax	243,386	243,386	-
3840 Manufacturing Exemption	213,684	212,279	(1,405)
3890 Motor Carrier Revenue	181,000	209,844	28,844
Total State Sources	107,034,439	110,613,284	3,578,845
TOTAL REVENUE ALL SOURCES	153,410,409	167,452,715	14,042,306
EXPENDITURES			
100 INSTRUCTION			
110 General Instruction			
111 Kindergarten Programs:			
100 Salaries	4,336,936	4,336,588	348
200 Employee Benefits	1,525,626	1,525,574	52
300 Purchased Services	2,000	1,991	9
400 Supplies and Materials	207,933	207,913	20
	<u>6,072,495</u>	<u>6,072,066</u>	<u>429</u>
112 Primary Programs:			
100 Salaries	16,137,088	16,136,665	423
200 Employee Benefits	4,866,904	4,865,373	1,531
300 Purchased Services	23,260	22,934	326
400 Supplies and Materials	328,807	326,155	2,652
	<u>21,356,059</u>	<u>21,351,127</u>	<u>4,932</u>
113 Elementary Programs:			
100 Salaries	22,094,662	22,092,572	2,090
200 Employee Benefits	6,447,767	6,447,058	709
300 Purchased Services	273,038	272,443	595
400 Supplies and Materials	2,812,575	2,812,229	346
	<u>31,628,042</u>	<u>31,624,302</u>	<u>3,740</u>

(Continued)

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2008

	Revised Budget	Actual	Variance- Positive (Negative)
EXPENDITURES (continued)			
100 INSTRUCTION (continued)			
110 General Instruction (continued)			
114 High School Programs:			
100 Salaries	\$ 16,992,216	\$ 16,986,772	\$ 5,444
200 Employee Benefits	4,841,912	4,839,991	1,921
300 Purchased Services	203,716	202,315	1,401
400 Supplies and Materials	408,233	407,948	285
600 Other Objects	507,752	507,752	-
	<u>22,953,829</u>	<u>22,944,778</u>	<u>9,051</u>
115 Vocational Programs:			
100 Salaries	3,242,213	3,240,807	1,406
200 Employee Benefits	916,240	915,921	319
300 Purchased Services	64,840	64,761	79
400 Supplies and Materials	155,491	154,890	601
600 Other Objects	100	100	-
	<u>4,378,884</u>	<u>4,376,479</u>	<u>2,405</u>
120 Exceptional Programs			
121 Educable Mentally Handicapped:			
100 Salaries	682,340	678,091	4,249
200 Employee Benefits	211,187	209,072	2,115
	<u>893,527</u>	<u>887,163</u>	<u>6,364</u>
122 Trainable Mentally Handicapped:			
100 Salaries	608,008	607,568	440
200 Employee Benefits	176,130	176,063	67
	<u>784,138</u>	<u>783,631</u>	<u>507</u>
123 Orthopedically Handicapped:			
100 Salaries	71,195	69,203	1,992
200 Employee Benefits	23,039	22,863	176
	<u>94,234</u>	<u>92,066</u>	<u>2,168</u>
124 Visually Handicapped:			
100 Salaries	124,366	122,656	1,710
200 Employee Benefits	32,802	31,003	1,799
	<u>157,168</u>	<u>153,659</u>	<u>3,509</u>
125 Hearing Handicapped:			
100 Salaries	100,993	100,912	81
200 Employee Benefits	26,744	26,691	53
	<u>127,737</u>	<u>127,603</u>	<u>134</u>
126 Speech Handicapped:			
100 Salaries	1,727,959	1,727,831	128
200 Employee Benefits	481,839	481,776	63
	<u>2,209,798</u>	<u>2,209,607</u>	<u>191</u>
127 Learning Disabilities:			
100 Salaries	3,656,832	3,656,479	353
200 Employee Benefits	1,043,378	1,042,747	631
	<u>4,700,210</u>	<u>4,699,226</u>	<u>984</u>
128 Emotionally Handicapped:			
100 Salaries	453,391	453,226	165
200 Employee Benefits	143,282	143,159	123
300 Purchased Services	80,665	80,662	3
	<u>677,338</u>	<u>677,047</u>	<u>291</u>

(Continued)

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2008

EXPENDITURES (continued)	Revised Budget	Actual	Variance- Positive (Negative)
100 INSTRUCTION (continued)			
130 Pre-School Programs			
133 Preschool Handicapped Self-contained (5 Yr. Olds):			
100 Salaries	\$ 38,000	\$ 37,957	\$ 43
200 Employee Benefits	14,250	14,219	31
	<u>52,250</u>	<u>52,176</u>	<u>74</u>
137 Preschool Handicapped Self-contained (3&4 Yr. Olds):			
100 Salaries	355,203	354,670	533
200 Employee Benefits	97,186	96,911	275
	<u>452,389</u>	<u>451,581</u>	<u>808</u>
139 Early Childhood Development:			
100 Salaries	48,801	48,331	470
200 Employee Benefits	14,127	14,081	46
	<u>62,928</u>	<u>62,412</u>	<u>516</u>
140 Special Programs			
141 Gifted and Talented - Academic:			
100 Salaries	608,828	608,290	538
200 Employee Benefits	172,569	172,535	34
300 Purchased Services	14,977	13,891	1,086
400 Supplies and Materials	45,898	43,188	2,710
600 Other Objects	52,800	52,800	-
	<u>895,072</u>	<u>890,704</u>	<u>4,368</u>
143 Advanced Placement:			
400 Supplies and Materials	18,000	13,412	4,588
600 Other Objects	21,390	21,390	-
	<u>39,390</u>	<u>34,802</u>	<u>4,588</u>
145 Homebound:			
100 Salaries	245,867	243,739	2,128
200 Employee Benefits	57,591	57,574	17
300 Purchased Services	28,275	28,273	2
	<u>331,733</u>	<u>329,586</u>	<u>2,147</u>
149 Other Special Programs:			
100 Salaries	877,207	873,855	3,352
200 Employee Benefits	99,828	99,161	667
	<u>977,035</u>	<u>973,016</u>	<u>4,019</u>
160 Other Exceptional Programs			
161 Autism:			
100 Salaries	475,962	475,520	442
200 Employee Benefits	168,772	168,549	223
	<u>644,734</u>	<u>644,069</u>	<u>665</u>
180 Adult/Continuing Educational Programs			
181 Adult Basic Education Programs:			
100 Salaries	760	757	3
200 Employee Benefits	243	242	1
	<u>1,003</u>	<u>999</u>	<u>4</u>
182 Adult Secondary Education Programs:			
100 Salaries	4,500	4,500	-
200 Employee Benefits	409	405	4
	<u>4,909</u>	<u>4,905</u>	<u>4</u>

(Continued)

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2008

	Revised Budget	Actual	Variance- Positive (Negative)
EXPENDITURES (continued)			
100 INSTRUCTION (continued)			
180 Adult/Continuing Educational Programs (continued)			
185 Vocational Adult Education Programs:			
100 Salaries	\$ 4,000	\$ 3,996	\$ 4
200 Employee Benefits	808	777	31
	<u>4,808</u>	<u>4,773</u>	<u>35</u>
188 Parenting/Family Literacy:			
100 Salaries	72,821	72,734	87
200 Employee Benefits	21,041	21,012	29
	<u>93,862</u>	<u>93,746</u>	<u>116</u>
TOTAL INSTRUCTION	<u>99,593,572</u>	<u>99,541,523</u>	<u>52,049</u>
200 SUPPORT SERVICES			
210 Pupil Services			
211 Attendance and Social Work Services:			
100 Salaries	963,419	962,396	1,023
200 Employee Benefits	278,051	277,794	257
300 Purchased Services	2,500	1,135	1,365
400 Supplies and Materials	6,500	5,144	1,356
600 Other Objects	500	-	500
	<u>1,250,970</u>	<u>1,246,469</u>	<u>4,501</u>
212 Guidance Services:			
100 Salaries	3,253,406	3,252,471	935
200 Employee Benefits	883,090	882,576	514
300 Purchased Services	10,398	7,715	2,683
400 Supplies and Materials	25,625	20,336	5,289
	<u>4,172,519</u>	<u>4,163,098</u>	<u>9,421</u>
213 Health Services:			
100 Salaries	1,037,414	1,036,773	641
200 Employee Benefits	300,913	300,083	830
300 Purchased Services	3,672	2,242	1,430
400 Supplies and Materials	30,009	29,000	1,009
	<u>1,372,008</u>	<u>1,368,098</u>	<u>3,910</u>
214 Psychological Services:			
100 Salaries	490,913	490,909	4
200 Employee Benefits	133,860	133,837	23
	<u>624,773</u>	<u>624,746</u>	<u>27</u>
220 Instructional Staff Services			
221 Improvement of Instruction - Curriculum Development:			
100 Salaries	3,387,180	3,386,404	776
200 Employee Benefits	958,852	958,834	18
300 Purchased Services	2,561	1,966	595
400 Supplies and Materials	2,100	2,059	41
600 Other Objects	20,000	19,705	295
	<u>4,370,693</u>	<u>4,368,968</u>	<u>1,725</u>

(Continued)

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2008

	Revised Budget	Actual	Variance- Positive (Negative)
EXPENDITURES (continued)			
200 SUPPORT SERVICES (continued)			
220 Instructional Staff Services (continued)			
222 Educational Media Services:			
100 Salaries	\$ 1,792,376	\$ 1,791,941	\$ 435
200 Employee Benefits	524,739	524,728	11
300 Purchased Services	8,175	4,284	3,891
400 Supplies and Materials	639,136	577,200	61,936
	<u>2,964,426</u>	<u>2,898,153</u>	<u>66,273</u>
224 Improvement of Instruction - Inservice and Staff Training:			
100 Salaries	396,464	396,427	37
200 Employee Benefits	106,180	106,145	35
300 Purchased Services	347,897	347,818	79
400 Supplies and Materials	152,438	152,287	151
600 Other Objects	32,376	32,376	-
	<u>1,035,355</u>	<u>1,035,053</u>	<u>302</u>
230 General Administration Services			
231 Board of Education:			
200 Employee Benefits	26,852	26,851	1
300 Purchased Services	318,340	318,839	(499)
318 Audit Services	35,000	34,500	500
400 Supplies and Materials	35,000	34,465	535
600 Other Objects	1,309,679	1,303,196	6,483
	<u>1,724,871</u>	<u>1,717,851</u>	<u>7,020</u>
232 Office of the Superintendent:			
100 Salaries	243,564	243,508	56
200 Employee Benefits	105,771	105,770	1
300 Purchased Services	8,348	7,682	666
400 Supplies and Materials	16,300	12,261	4,039
600 Other Objects	11,525	11,525	-
	<u>385,508</u>	<u>380,746</u>	<u>4,762</u>
233 School Administration:			
100 Salaries	6,762,241	6,762,211	30
200 Employee Benefits	1,842,411	1,842,403	8
300 Purchased Services	55,612	55,591	21
400 Supplies and Materials	106,191	105,422	769
600 Other Objects	2,962	2,961	1
	<u>8,769,417</u>	<u>8,768,588</u>	<u>829</u>
250 Finance and Operations Services			
252 Fiscal Services:			
100 Salaries	1,324,008	1,324,000	8
200 Employee Benefits	363,688	363,665	23
300 Purchased Services	20,643	18,948	1,695
400 Supplies and Materials	45,595	45,591	4
600 Other Objects	6,421	6,420	1
	<u>1,760,355</u>	<u>1,758,624</u>	<u>1,731</u>

(Continued)

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2008

	Revised Budget	Actual	Variance- Positive (Negative)
EXPENDITURES (continued)			
200 SUPPORT SERVICES (continued)			
250 Finance and Operations Services (continued)			
254 Operation and Maintenance of Plant:			
100 Salaries	\$ 5,839,179	\$ 5,839,104	\$ 75
200 Employee Benefits	2,208,357	2,208,298	59
300 Purchased Services	7,487,494	7,487,469	25
400 Supplies and Materials	1,290,664	1,284,093	6,571
500 Capital Outlay	25,291	25,291	-
600 Other Objects	3,100	3,051	49
	<u>16,854,085</u>	<u>16,847,306</u>	<u>6,779</u>
255 Pupil Transportation:			
100 Salaries	4,209,425	4,208,963	462
200 Employee Benefits	1,445,908	1,445,885	23
300 Purchased Services	175,900	175,900	-
400 Supplies and Materials	166,165	166,160	5
500 Capital Outlay	59,170	59,164	6
600 Other Objects	129,520	129,513	7
	<u>6,186,088</u>	<u>6,185,585</u>	<u>503</u>
258 Security:			
100 Salaries	81,325	81,302	23
200 Employee Benefits	37,691	37,668	23
300 Purchased Services	409,833	409,807	26
	<u>528,849</u>	<u>528,777</u>	<u>72</u>
260 Central Support Services			
262 Planning:			
100 Salaries	274,146	274,138	8
200 Employee Benefits	59,667	59,638	29
300 Purchased Services	18,730	18,717	13
400 Supplies and Materials	2,610	2,609	1
600 Other Objects	455	455	-
	<u>355,608</u>	<u>355,557</u>	<u>51</u>
263 Information Services:			
100 Salaries	245,556	245,550	6
200 Employee Benefits	57,451	57,426	25
300 Purchased Services	65,992	63,948	2,044
400 Supplies and Materials	13,623	13,614	9
600 Other Objects	19,989	19,987	2
	<u>402,611</u>	<u>400,525</u>	<u>2,086</u>
264 Staff Services:			
100 Salaries	808,766	808,705	61
200 Employee Benefits	162,901	162,838	63
300 Purchased Services	63,897	63,891	6
400 Supplies and Materials	22,730	21,726	1,004
600 Other Objects	5,560	5,558	2
	<u>1,063,854</u>	<u>1,062,718</u>	<u>1,136</u>

(Continued)

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2008

	Revised Budget	Actual	Variance- Positive (Negative)
EXPENDITURES (continued)			
200 SUPPORT SERVICES (continued)			
260 Central Support Services (continued)			
266 Technology and Data Processing Services:			
100 Salaries	\$ 1,436,282	\$ 1,436,277	\$ 5
200 Employee Benefits	378,116	378,113	3
300 Purchased Services	474,902	473,717	1,185
400 Supplies and Materials	157,973	154,088	3,885
500 Capital Outlay	41,702	40,292	1,410
600 Other Objects	1,250	1,016	234
	<u>2,490,225</u>	<u>2,483,503</u>	<u>6,722</u>
TOTAL SUPPORT SERVICES	<u>56,312,215</u>	<u>56,194,365</u>	<u>117,850</u>
TOTAL EXPENDITURES	<u>155,905,787</u>	<u>155,735,888</u>	<u>169,899</u>
OTHER FINANCING SOURCES (USES)			
Interfund Transfers, From (To) Other Funds:			
5230 Transfer from Special Revenue EIA Fund	2,844,670	2,881,048	36,378
5280 Transfer from Other Funds Indirect Costs	433,800	637,239	203,439
421-710 Transfer to Special Revenue	(72,000)	(57,293)	14,707
423-710 Transfer to Debt Service Fund	(4,650,592)	(4,650,412)	180
424-710 Transfer to School Building Fund	(655,000)	(6,853,531)	(6,853,531)
425-710 Transfer to Food Service Fund	(655,000)	(792,267)	(137,267)
	<u>(2,099,122)</u>	<u>(8,835,216)</u>	<u>(6,736,094)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(2,099,122)</u>	<u>(8,835,216)</u>	<u>(6,736,094)</u>
Excess/(Deficiency) of Revenues and Other Financing Sources over Expenditures and other Financing Uses	<u>(4,594,500)</u>	<u>2,881,611</u>	<u>7,476,111</u>
FUND BALANCE, JULY 1, 2007		<u>\$ 16,051,219</u>	
FUND BALANCE, JUNE 30, 2008		<u>\$ 18,932,830</u>	

LEXINGTON COUNTY SCHOOL DISTRICT ONE
 LEXINGTON, SOUTH CAROLINA
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 SPECIAL REVENUE - SPECIAL PROJECTS
 FOR THE YEAR ENDED JUNE 30, 2008

	TITLE I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	PRESCHOOL HANDICAPPED (CG Projects) (205/206)	OCCUPATIONAL EDUCATION (VA Projects) (207/208)	DRUG FREE (FP/FQ Projects) (209/210)	ADULT EDUCATION (EA Projects)	OTHER RESTRICTED STATE GRANTS	OTHER SPECIAL REVENUE PROGRAMS	TOTAL
1000 Revenue from Local Sources									
1300 Tuition	\$	\$	\$	\$	\$	\$	\$	\$	192,000
1320 Tuition from Other LEA's for Regular Day School									
1900 Other Revenue from Local Sources:									
1920 Contributions/Donations Private Source								50,000	50,000
1930 Medicaid								340,436	340,436
1999 Revenue from Other Local Sources								156,848	156,848
Total Local Sources	-	-	-	-	-	-	-	739,284	739,284
2000 Intergovernmental Revenue									
2300 Payments from Non-Profit Entities (for First Steps)							129,823		129,823
Total Intergovernmental Revenue	-	-	-	-	-	-	129,823	-	129,823
3000 Revenue from State Sources									
3100 Restricted Grants:									
3110 Occupational Education:									
3116 EEDA 9th Grade Awareness							4,343		4,343
3117 EEDA 8th Grade Awareness							5,185		5,185
3118 EEDA Career Specialists							611,216		611,216
3120 General Education:									
3123 Formative Assessment							81,555		81,555
3126 Refurbish Science Kits Revenue							91,865		91,865
3127 Student Health and Fitness							58,332		58,332
3128 High Schools that Work							37,195		37,195
3130 Special Programs:									
3136 Health/Fitness Nurses							471,600		471,600
3150 Adult Education:									
3154 Adult Education, Young Adult Initiative							107,621		107,621
3190 Miscellaneous Restricted State Grants:									
3195 South Carolina Reading Initiative - High School							50,966	13,495	50,966
3199 Other Restricted State Grants									
3600 Education Lottery Act Revenue:									
3607 Lottery 6-8 Enhancement							42,300		42,300
3610 K-5 Enhancement							1,219,710		1,219,710
3699 Miscellaneous Lottery							8,514		8,514

(Continued)

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
SPECIAL REVENUE - SPECIAL PROJECTS
FOR THE YEAR ENDED JUNE 30, 2008

	TITLE I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	PRESCHOOL HANDICAPPED EDUCATION (CG Projects) (205/206)	OCCUPATIONAL EDUCATION (VA Projects) (207/208)	DRUG FREE (FP/FQ Projects) (209/210)	ADULT EDUCATION (EA Projects)	OTHER RESTRICTED STATE GRANTS	OTHER SPECIAL REVENUE PROGRAMS	TOTAL
REVENUES (continued)									
3000 Revenue from State Sources (continued)									
3900 Other State Revenue:									
3991 Adept							\$ 46,665	\$	46,665
3993 Library Allocation							17,080		17,080
3999 Revenue from Other State Sources								30,783	30,783
Total State Sources							2,854,147	44,278	2,898,425
4000 Revenue from Federal Sources									
4200 Occupational Education:									
4210 Vocational Aid				257,489				326	257,815
4300 Elementary and Secondary Education Act of 1965:									
4310 Title I	1,558,352							188,373	1,746,725
4331 Title II								18,343	18,343
4340 Title VI								26,864	26,864
4341 Title III								91,702	91,702
4351 Improving Teacher Quality								463,539	463,539
4400 Adult Education:						96,326			96,326
4410 Adult Education - Basic:									
4500 Programs for Children with Disabilities:									
4510 IDEA		4,104,025	218,883					49,133	4,153,158
4520 Pre-School									218,883
4900 Other Federal Sources:									
4920 Drug and Violence Prevention					50,603				50,603
4924 21st Century								178,023	178,023
4999 Revenue from Other Federal Sources								438,111	438,111
Total Federal Sources	1,558,352	4,104,025	218,883	257,489	50,603	96,326	-	1,454,414	7,740,092
TOTAL REVENUE ALL SOURCES	1,558,352	4,104,025	218,883	257,489	50,603	96,326	2,983,970	2,237,976	11,507,624

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
SPECIAL REVENUE - SPECIAL PROJECTS
FOR THE YEAR ENDED JUNE 30, 2008

	TITLE I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	PRESCHOOL HANDICAPPED (CG Projects) (205/206)	OCCUPATIONAL EDUCATION (VA Projects) (207/208)	DRUG FREE (FP/FQ Projects) (209/210)	ADULT EDUCATION (EA Projects)	OTHER RESTRICTED STATE GRANTS	OTHER SPECIAL REVENUE PROGRAMS	TOTAL
EXPENDITURES									
100 INSTRUCTION									
110 General Instruction									
111 Kindergarten Programs:									
100 Salaries	\$ 112,965	\$ 29,538	\$	\$	\$	\$	\$	\$ 64,602	\$ 207,105
200 Employee Benefits	42,618	11,471						21,960	76,049
400 Supplies and Materials								1,731	1,731
112 Primary Programs:									
100 Salaries	664,904						139,797	172,350	977,051
200 Employee Benefits	195,747						38,146	48,617	282,510
300 Purchased Services	53,578								53,578
400 Supplies and Materials	25,504							2,684	28,188
113 Elementary Programs:									
100 Salaries	71,788						729,068	19,912	820,768
200 Employee Benefits	23,079						196,685	5,060	224,824
300 Purchased Services							88,721	8,090	96,811
400 Supplies and Materials							228,972	58,480	287,452
600 Other Objects								2,565	2,565
114 High School Programs:									
100 Salaries							1,200	338,630	339,830
200 Employee Benefits							242	49,835	50,077
300 Purchased Services								33,326	33,326
400 Supplies and Materials							1,074	84,858	85,932
115 Vocational Programs:									
100 Salaries				32,437				86,642	119,079
200 Employee Benefits				15,748				21,503	37,251
400 Supplies and Materials				69,051				69,051	69,051
500 Capital Outlay				57,607					57,607
120 Exceptional Programs									
121 Educable Mentally Handicapped:									
100 Salaries		170,608						669	171,277
200 Employee Benefits		58,149						135	58,284
400 Supplies and Materials		1,633						197	1,830
122 Trainable Mentally Handicapped:									
100 Salaries		415,806						-	415,806
200 Employee Benefits		153,411							153,411
400 Supplies and Materials		7,417						950	8,367

(Continued)

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
SPECIAL REVENUE - SPECIAL PROJECTS
FOR THE YEAR ENDED JUNE 30, 2008

TITLE I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	PRESCHOOL HANDICAPPED (CG Projects) (205/206)	OCCUPATIONAL EDUCATION (VA Projects) (207/208)	DRUG FREE (FP/FQ Projects) (209/210)	ADULT EDUCATION (EA Projects)	OTHER RESTRICTED STATE GRANTS	OTHER SPECIAL REVENUE PROGRAMS	TOTAL
EXPENDITURES (continued)								
100 INSTRUCTION (continued)								
123 Orthopedically Handicapped								
100 Salaries	\$ 170,650	\$	\$	\$	\$	\$	\$	\$ 170,650
200 Employee Benefits	67,814							67,814
400 Supplies and Materials	43							43
124 Visually Handicapped:								
300 Purchased Services	12,934							12,934
400 Supplies and Materials	5,640							5,640
125 Hearing Handicapped:								
100 Salaries	15,103							15,541
200 Employee Benefits	9,861					438		9,967
300 Purchased Services	15,481					106		15,481
400 Supplies and Materials	124							124
126 Speech Handicapped:								
100 Salaries	487							58,243
200 Employee Benefits	104							17,311
300 Purchased Services	5,188							6,222
400 Supplies and Materials	6,665	1,034						6,665
127 Learning Disabilities:								
100 Salaries	743,150							747,301
200 Employee Benefits	225,814							226,817
300 Purchased Services	6,754							6,754
400 Supplies and Materials	36,265							37,265
128 Emotionally Handicapped:								
100 Salaries	72,018							72,018
200 Employee Benefits	23,938							23,938
400 Supplies and Materials	1,378						300	1,678
130 Preschool Programs								
133 Preschool Handicapped Self/Cont:								
100 Salaries	26,471							26,471
200 Employee Benefits	1,783							1,783
135 Preschool Handicapped Speech (3 & 4-Yr. Olds):								
400 Supplies and Materials		1,828						1,828
137 Preschool Handicapped Self-Contained (3 & 4-Yr. Olds):								
100 Salaries	58,775							95,392
200 Employee Benefits	23,833							35,145
300 Purchased Services								2,899
400 Supplies and Materials								9,903
139 Early Childhood Programs:								
100 Salaries								27,019
200 Employee Benefits								12,273

(Continued)

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
SPECIAL REVENUE - SPECIAL PROJECTS
FOR THE YEAR ENDED JUNE 30, 2008

	TITLE I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	PRESCHOOL HANDICAPPED (CG Projects) (205/206)	OCCUPATIONAL EDUCATION (VA Projects) (207/208)	DRUG FREE (FP/FQ Projects) (209/210)	ADULT EDUCATION (EA Projects)	OTHER RESTRICTED STATE GRANTS	OTHER SPECIAL REVENUE PROGRAMS	TOTAL
EXPENDITURES (continued)									
100 INSTRUCTION (continued)									
140 Special Programs									
149 Other Special Programs:									
100 Salaries	\$	\$	\$	\$	\$	\$	\$	\$	320
200 Employee Benefits								8	8
160 Other Exceptional Programs:									
161 Autism:									
100 Salaries		149,032						13,426	162,458
200 Employee Benefits		52,158						3,398	55,556
300 Purchased Services		5,657						7,609	5,657
400 Supplies and Materials		1,969	4,906					3,831	6,875
170 Summer School Programs									
175 Instructional Programs Beyond Regular School Day:									
100 Salaries	9,031							86,999	96,030
200 Employee Benefits	2,607							22,448	25,055
300 Purchased Services								7,609	7,609
400 Supplies and Materials	1,359							3,831	5,190
180 Adult/Continuing Educational Programs									
181 Adult Education Basic Program:									
100 Salaries						50,148			50,148
200 Employee Benefits						8,392			8,392
182 Adult Secondary Education Programs:									
100 Salaries					53,229				53,229
200 Employee Benefits					8,870				8,870
300 Purchased Services					58			902	58
400 Supplies and Materials									902
183 Adult English Literacy:									
100 Salaries						29,384			29,384
200 Employee Benefits						3,988			3,988
300 Purchased Services						500			500
400 Supplies and Materials						1,000			1,000

SCHEDULE 2
(Continued)

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
SPECIAL REVENUE - SPECIAL PROJECTS
FOR THE YEAR ENDED JUNE 30, 2008

TITLE I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	PRESCHOOL HANDICAPPED (CG Projects) (205/206)	OCCUPATIONAL EDUCATION (VA Projects) (207/208)	DRUG FREE (FP/FQ Projects) (209/210)	ADULT EDUCATION (EA Projects)	OTHER RESTRICTED STATE GRANTS	OTHER SPECIAL REVENUE PROGRAMS	TOTAL
\$	\$	\$	\$	\$	\$	\$	\$	\$
1,203,180	2,587,122	68,204	174,843	-	93,412	1,655,177	1,322,161	7,104,099
1,203,180	2,587,122	68,204	117,236	-	93,412	1,655,177	1,322,161	7,046,492
-	-	-	57,607	-	-	-	-	57,607
1,203,180	2,587,122	68,204	174,843	-	93,412	1,655,177	1,322,161	7,104,099

EXPENDITURES (continued)
100 INSTRUCTION (continued)

- 188 Parenting/Family Literacy:
- 100 Salaries
- 200 Employee Benefits
- 300 Purchased Services
- 400 Supplies and Materials
- 600 Other Objects

Total Instruction
Total Instruction:
Current expenditures
Capital outlay

200 SUPPORTING SERVICES

- 210 Pupil Services

212 Guidance:

- 100 Salaries
- 200 Employee Benefits
- 300 Purchased Services
- 400 Supplies and Materials
- 600 Other Objects

213 Health:

- 100 Salaries
- 200 Employee Benefits
- 300 Purchased Services
- 400 Supplies and Materials
- 600 Other Objects

214 Psychological:

- 100 Salaries
- 200 Employee Benefits
- 300 Purchased Services
- 400 Supplies and Materials

215 Speech & Hearing

- 300 Purchased Services
- 400 Supplies and Materials

486,027	80,253	566,280
125,189	18,060	143,249
6,691	955	8,846
2,838	1,843	4,681
	1,672	1,672
367,685	42,997	487,740
103,914	10,804	136,381
	29,473	37,684
	12,520	37,062
		135
	70,051	608,913
	17,383	159,453
		31,170
		47,839
		126
	3,097	3,912

(Continued)

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
SPECIAL REVENUE - SPECIAL PROJECTS
FOR THE YEAR ENDED JUNE 30, 2008

	TITLE I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	PRESCHOOL HANDICAPPED (CG Projects) (205/206)	OCCUPATIONAL EDUCATION (VA Projects) (207/208)	DRUG FREE (FP/FQ Projects) (209/210)	ADULT EDUCATION (EA Projects)	OTHER RESTRICTED STATE GRANTS	OTHER SPECIAL REVENUE PROGRAMS	TOTAL
200 SUPPORTING SERVICES (continued)									
220 Instructional Staff Services									
221 SAT Improvement Library & Media:									
100 Salaries	\$	\$	\$	\$	1,200	\$	14,113	6,650	21,963
200 Employee Benefits					243		2,785	1,709	4,737
300 Purchased Services				15,519			550	2,855	16,069
400 Supplies and Materials								1,209	1,209
600 Other Objects									
222 Library & Media:									
400 Supplies and Materials							17,080	26,051	43,131
223 Supervision of Special Programs:									
100 Salaries	78,935	410,568	51,324				35,552	229,292	576,379
200 Employee Benefits	17,891	107,188	13,086				6,434	61,876	144,599
300 Purchased Services	20	21,433	3,084	5,785			3,478	91,060	33,800
400 Supplies and Materials	183	15,537	76					24,106	15,796
224 Improvement of Instruction-Inservice Training:									
100 Salaries	26,286				630		18,690	229,292	274,898
200 Employee Benefits	6,922				142		4,269	61,876	73,209
300 Purchased Services	107,900	1,274		15,525	9,235		76,333	301,327	301,327
400 Supplies and Materials		44,083			14,266		54,092	24,106	136,547
600 Other Objects							3,073	1,054	4,127
230 General Administration Services									
233 School Administration:									
100 Salaries								114,732	114,732
200 Employee Benefits								30,615	30,615
400 Supplies and Materials								1,078	1,078
250 Finance and Operations Services									
251 Student Transportation:									
100 Salaries								26,204	26,204
200 Employee Benefits								9,683	9,683
300 Purchased Services				40,000				22,084	62,084
252 Fiscal Services:									
100 Salaries	2,342								2,342
200 Employee Benefits	634								634
254 Operations and Maintenance:									
300 Purchased Services								1,662	1,662

(Continued)

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
SPECIAL REVENUE - SPECIAL PROJECTS
FOR THE YEAR ENDED JUNE 30, 2008

TITLE I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	PRESCHOOL HANDICAPPED (CG Projects) (205/206)	OCCUPATIONAL EDUCATION (VA Projects) (207/208)	DRUG FREE (FP/FQ Projects) (209/210)	ADULT EDUCATION (EA Projects)	OTHER RESTRICTED STATE GRANTS	OTHER SPECIAL REVENUE PROGRAMS	TOTAL
\$	\$	\$	\$	\$	\$	\$	\$	\$
241,113	1,392,732	144,056	78,029	49,072	-	1,328,793	941,118	4,174,913
241,113	1,392,732	144,056	78,029	49,072	-	1,328,793	941,118	4,174,913
241,113	1,392,732	144,056	78,029	49,072	-	1,328,793	941,118	4,174,913
37,972								37,972
11,817								11,817
62								62
17,058								17,058
66,909	-	-	-	-	-	-	-	66,909
1,203,180	2,587,122	68,204	117,236	-	93,412	1,655,177	1,322,161	7,046,492
241,113	1,392,732	144,056	78,029	49,072	-	1,328,793	941,118	4,174,913
66,909	-	-	-	-	-	-	-	66,909
-	-	-	57,607	-	-	-	-	57,607
1,511,202	3,979,854	212,260	252,872	49,072	93,412	2,983,970	2,263,279	11,345,921

EXPENDITURES (continued)
200 SUPPORTING SERVICES (continued)

270 Support Services - Pupil Activity

271 Pupil Activity - Special
300 Purchased Services

Total Supporting Services
Total Supporting Services:
Current expenditures
Capital Outlay

300 COMMUNITY SERVICES

390 Other Community Services:
100 Salaries
200 Employee Benefits
300 Purchased Services
400 Supplies and Materials

Total Community Services:
Current expenditures

Total Expenditures:

Current:
Instruction
Supporting Services
Community Services
Capital Outlay

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
 LEXINGTON, SOUTH CAROLINA
 SPECIAL REVENUE FUNDS
 SUMMARY SCHEDULE FOR DESIGNATED STATE RESTRICTED GRANTS
 FOR THE YEAR ENDED JUNE 30, 2008**

<u>SUBFUND</u>	<u>REVENUE</u>	<u>PROGRAMS</u>	<u>REVENUES</u>	<u>EXPENDITURES</u>	<u>TRANSFERS IN/OUT</u>	<u>UNEARNED REVENUE</u>
908	3126	Refurbishment of K-8 Science Kits	\$ 91,865	\$ 91,865	\$	
916	3991	ADEPT	46,665	46,665		59,524
919	3193	Education License Plates				5,069
920	3154	Adult Education, Young Adult Initiative	107,621	107,621		4,994
926	3116	EEDA 9th Grade Awareness	4,343	4,343		3,693
927	3117	EEDA 8th Grade Awareness	5,185	5,185		6,047
928	3118	EEDA Career Specialists	611,216	611,216		
933	3123	Formative Assessment	81,555	81,555		
936	3136	Health/Fitness - Nurses	471,600	471,600		
937	3127	Student Health and Fitness	58,332	58,332		217,114
938	3128	High Schools that Work	37,195	37,195		29,009
939	3993	Library Allocation	17,080	17,080		2,669
945	3195	South Carolina Reading Initiative - High School	50,966	50,966		1,619
960	3610	K-5 Enhancement	1,219,710	1,219,710		24,799
967	3607	Lottery 6-8 Enhancement	42,300	42,300		
969	3699	Miscellaneous Lottery	8,514	8,514		7,592
990	2300	First Steps	129,823	129,823		
Total Designated State Restricted Grants			<u>\$ 2,983,970</u>	<u>\$ 2,983,970</u>	<u>\$</u>	<u>\$ 362,129</u>

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
 LEXINGTON , SOUTH CAROLINA
 SPECIAL REVENUE FUNDS
 SUMMARY SCHEDULE FOR SPECIAL REVENUE - SPECIAL PROJECTS
 (EXCLUDING OTHER RESTRICTED STATE GRANTS)
 FOR THE YEAR ENDED JUNE 30, 2008**

<u>SUBFUND</u>	<u>REVENUE</u>	<u>PROGRAMS</u>	<u>REVENUES</u>	<u>EXPENDITURES</u>
2020	4310	Title I	\$ 1,558,352	\$ 1,558,352
2033	4510	Extended School Year	9,590	9,590
2034	4510	Extended School Year	11,265	11,265
2040	4510	IDEA	4,104,025	4,104,025
2050	4520	IDEA Preschool	218,883	218,883
2071	4210	Administration	10,402	10,402
2072	4210	Career Guidance	1,200	1,200
2073	4210	Evaluation/Assessment	1,450	1,450
2074	4210	Innovative Initiative	15,519	15,519
2075	4210	Student Organizations	40,000	40,000
2076	4210	Special Populations	48,184	48,184
2078	4210	Initiate/Improve Program	81,732	81,732
2079	4210	Professional Development	14,000	14,000
2084	4210	CTE Reserve	45,001	45,001
2090	4920	Drug Free Schools	50,603	50,603
2130	4510	IDEA - Title VI	26,216	26,216
2140	4510	IDEA - Group Homes	2,062	2,062
2240	4924	21st Century Grant - Pelion Elementary	102,366	102,366
2241	4924	21st Century Grant (FPE)	3,639	3,639
2242	4924	21st Century Grant - GPS/PES K-2	72,018	72,018
2370	4310	Title I School Improvements	188,373	188,373
2410	4340	Title V Library Books	26,864	26,864
2430	4410	Adult Education - Federal	96,326	96,326
2530	4331	Enhancing Ed through Tech	18,095	18,095
2531	4331	Ed Tech Formula Grant	248	248
2640	4341	Language Instruction Title III	91,702	91,702
2670	4351	Improving Teacher Quality	463,539	463,539
2710	1930	Medicaid	340,585	340,585
2721	4999	ROTC - Army - PHS	53,825	53,825
2722	4999	ROTC - Air Force - LHS	57,531	57,531
2723	4999	ROTC - Navy - WKHS	58,538	58,538
2740	4999	Teen Lead Grant (Federal)	1,232	1,232
2999	4210	Miscellaneous Federal Revenue	328	328
8001	1999	MCEC Bright Ideas Grant	295	295
8002	1999	MCEC Bright Ideas Grant	871	871
8003	1999	MCEC Bright Ideas Grant	1,000	1,000
8004	1999	MCEC Bright Ideas Grant	659	659
8005	1999	MCEC Bright Ideas Grant	747	747
8006	1999	MCEC Bright Ideas Grant	575	575

(Continued)

**SCHEDULE 4
(Continued)**

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON , SOUTH CAROLINA
SPECIAL REVENUE FUNDS
SUMMARY SCHEDULE FOR SPECIAL REVENUE - SPECIAL PROJECTS
(EXCLUDING OTHER RESTRICTED STATE GRANTS)
FOR THE YEAR ENDED JUNE 30, 2008**

8007	1999	MCEC Bright Ideas Grant	1,000	1,000
8008	1999	MCEC Bright Ideas Grant	860	860
8013	1999	MCEC Bright Ideas Grant	247	247
8019	1999	MCEC Bright Ideas Grant	184	184
8101	3199	SAT/ACT Improvement	4,422	4,422
8110	1999	Intel	3,007	3,007
8160	1999	Walmart Foundation	1,000	1,000
8180	1999	Parent Alliance SC Children	74,140	74,140
8181	1999	PIRC Mini-Grant	2,211	2,211
8195	1999	Walmart Foundation Grant	500	500
8220	1999	PSARAS Video Grant	1,250	1,250
8240	1999	Clemson University Foundation Grant	670	670
8260	3999	DHEC Recycling Grant	1,982	1,982
8272	3199	SCEENS/EIC - NFWF Grant	456	456
8273	3199	SCEENS/EIC - EPA Grant	90	90
8274	3199	SCEENS/EIC Donnelly Grant	480	480
8275	3199	SCEENS/EIC VKRF Grant	5,001	5,001
8340	3199	State Extended School Year	723	723
8350	1999	NRA Foundation Grant	671	671
8360	1999	HEAP Grant	2,587	2,587
8375	1999	International Paper Grant	2,760	2,760
8390	3199	PMD State Supplement	1,245	1,245
8401	4999	Middle College - Tech Prep	249,748	249,748
8402	1320	Middle College Unrestricted	192,000	192,000
8402	1920	Middle College Unrestricted	50,000	50,000
8402	1999	Middle College Unrestricted	40,695	40,695
8480	3199	IGP Pilot	928	928
8490	4999	State Improvement Grant	2,603	2,603
8510	1999	Lipscomb Foundation/Ed Foundation	10,000	10,000
8520	1999	SC Science Council Grant	801	801
8530	1999	PELLA Parenting	1,439	1,439
8540	1999	SC Hispanic Leadership Grant	378	378
8550	4999	Additional Teen Leadership	2,649	2,649
8551	4999	Teen Leadership (Project #01)	9,174	9,174
8552	4999	Teen Leadership Mini Grants	750	750
8553	4999	Teen Leadership Gilbert HS	773	773
8560	1999	Exxon Mobile Grant	1,500	1,500
8570	1999	State Farm Funding	4,900	4,900
8580	1999	SCCEC Mini Grant	1,000	1,000
8590	4999	Attendance Improvement Project	1,287	1,287
8700	3999	12 Month Agriculture	28,801	28,801
8870	1999	Michelin Grant	902	902
8900	5210	Virtual School Program	57,293	57,293
Total Other Special Revenue Programs			\$ 8,580,947	\$ 8,580,947

SCHEDULE 5

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
EDUCATION IMPROVEMENT ACT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2008

REVENUES

3000 Revenue from State Sources

3500 Education Improvement Act:		
3505 School Technology Initiative	\$	181,450
3509 Arts in Education		47,087
3513 Parenting Education/Family Literacy		78,443
3515 Advanced Placement Courses		29,912
3520 Gifted and Talented Academic		821,890
3522 Gifted and Talented Artistic		122,539
3523 Junior Scholars Program		2,132
3525 Vocational Education		204,062
3527 Critical Teaching Needs		6,904
3532 National Board Certification (NBC) Salary Supplement		1,781,454
3533 Teacher of the Year Awards		1,076
3534 Professional Development on Standards		137,742
3535 SC Reading Initiative		68,505
3540 Early Childhood Program		297,281
3542 Preschool Programs for Children with Disabilities		20,810
3546 Academic Assistance K-3		378,340
3548 Academic Assistance 4-12		326,852
3550 Teacher Salary Increase		2,395,284
3553 Adult Education Remedial		20,767
3555 School Employer Contributions		485,764
3562 Adult Education, Basic		184,538
3565 Adult Education, Literacy		10,000
3568 EAA Technical Assistance		111,557
3575 Competitive Teacher Grants		25,060
3577 Teacher Supplies		433,950
3578 High Schools that Work		11,473
3582 Principal Salary/Fringe Increase		87,677
3583 EAA Summer School/Comprehensive Remediation		360,559
3588 EAA Palmetto Gold & Silver Awards		209,574
3590 Reallocation of EIA Funds (School Building)		560,234
3591 Excellence in Middle Schools		123,000
3592 School-To-Work Transition Act		107,811
3593 EAA Reduce Class Size Grades 1-3		529,344
3599 Other EIA		205

Total State Sources	10,163,276
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TOTAL REVENUE ALL SOURCES	10,163,276
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(Continued)

SCHEDULE 5
(Continued)

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
EDUCATION IMPROVEMENT ACT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2008

EXPENDITURES

100 INSTRUCTION

110 General Instruction

111 Kindergarten Programs:

100 Salaries	\$	60,423
200 Employee Benefits		11,942
400 Supplies and Materials		4,869

112 Primary Programs:

100 Salaries		843,938
200 Employee Benefits		209,094
300 Purchased Services		7,469
400 Supplies and Materials		23,399

113 Elementary Programs:

100 Salaries		688,053
200 Employee Benefits		169,582
300 Purchased Services		10,226
400 Supplies and Materials		529,257
500 Capital Outlay		106

114 High School Programs:

100 Salaries		467,716
200 Employee Benefits		96,941
400 Supplies and Materials		63,272

115 Vocational Programs:

100 Salaries		58,750
200 Employee Benefits		11,818
300 Purchased Services		2,106
400 Supplies and Materials		179,474
500 Capital Outlay		80,958

120 Exceptional Programs

121 Educable Mentally Handicapped:

100 Salaries		11,250
200 Employee Benefits		2,267

122 Trainable Mentally Handicapped:

400 Supplies and Materials		5,847
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125 Hearing Handicapped:

100 Salaries		7,500
200 Employee Benefits		1,521

(Continued)

SCHEDULE 5
(Continued)

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
EDUCATION IMPROVEMENT ACT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2008

EXPENDITURES (continued)

100 INSTRUCTION (continued)

127 Learning Disabilities:		
100 Salaries	\$	60,000
200 Employee Benefits		11,933

130 Pre School Programs

137 Preschool Handicapped Self Contained 3 & 4		
100 Salaries		24,831
200 Employee Benefits		4,979
139 Early Childhood Programs:		
100 Salaries		406,119
200 Employee Benefits		131,015
400 Supplies and Materials		1,755

140 Special Programs

141 Gifted and Talented:		
100 Salaries		561,307
200 Employee Benefits		158,437
300 Purchased Services		4,687
400 Supplies and Materials		57,259
600 Other Objects		432
143 Advanced Placement:		
400 Supplies and Materials		29,912
148 Gifted and Talented - Artistic:		
100 Salaries		21,787
200 Employee Benefits		5,787
300 Purchased Services		10,150
400 Supplies and Materials		3,817
149 Other Special Programs		
100 Salaries		1,267
200 Employee Benefits		314

170 Summer School Programs

175 Instructional Programs Beyond Regular School Day		
100 Salaries		131,591
200 Employee Benefits		34,549
300 Purchased Services		1,964
400 Supplies and Materials		163,088

(Continued)

SCHEDULE 5
(Continued)

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
EDUCATION IMPROVEMENT ACT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2008

EXPENDITURES (continued)

100 INSTRUCTION (continued)

180 Adult/Continuing Educational Programs

181 Adult Basic

100 Salaries		\$		8,716
200 Employee Benefits				1,284

182 Adult Secondary

100 Salaries				46,527
200 Employee Benefits				6,255
300 Purchased Services				191
400 Supplies and Materials				3,911

183 Adult English Literacy

400 Supplies and Materials				372
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187 Adult Education - Remedial

100 Salaries				17,734
200 Employee Benefits				3,033

188 Parenting/Family Literacy:

100 Salaries				52,311
200 Employee Benefits				12,174
300 Purchased Services				13,958

TOTAL INSTRUCTION

5,541,224

200 SUPPORT SERVICES

210 Pupil Services

212 Guidance

100 Salaries				108,370
200 Employee Benefits				25,460

213 Health

100 Salaries				30,773
200 Employee Benefits				6,363

220 Instructional Staff Services

221 Improvement of Instruction-Curriculum Development:

100 Salaries				159,423
200 Employee Benefits				38,628
300 Purchased Services				10,416
400 Supplies and Materials				19,870
600 Other Objects				100

(Continued)

SCHEDULE 5
(Continued)

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
EDUCATION IMPROVEMENT ACT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2008

EXPENDITURES (continued)

200 SUPPORT SERVICES (continued)

222 Library and Media:		
100 Salaries	\$	45,000
200 Employee Benefits		8,906
400 Supplies and Materials		4,994
223 Supervision of Special Programs		
100 Salaries		98,247
200 Employee Benefits		24,112
300 Purchased Services		1,325
400 Supplies and Materials		1,000
224 Improvement of Instruction-In-service and Staff Training:		
100 Salaries		127,774
200 Employee Benefits		32,583
300 Purchased Services		65,653
400 Supplies and Materials		63,241
600 Other Objects		355
230 General Administration Services		
233 School Administration:		
100 Salaries		87,677
300 Purchased Services		150
400 Supplies and Materials		6,689
250 Finance and Operations Services		
251 Student Transportation Federal/District Mandated		
100 Salaries		19,980
200 Employee Benefits		6,665
300 Purchased Services		2,968
254 Operations & Maintenance		
100 Salaries		2,038
200 Employee Benefits		560
260 Central Support Services		
266 Data Processing		
300 Purchased Services		16,029
400 Supplies and Materials		101,150
500 Capital Outlay		47,044
270 Support Services - Pupil Activity		
271 Pupil Activity - Special		
300 Purchased Services		17,227

TOTAL SUPPORT SERVICES

1,180,770

TOTAL EXPENDITURES

6,721,994
(Continued)

SCHEDULE 5
(Continued)

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
EDUCATION IMPROVEMENT ACT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2008

OTHER FINANCING SOURCES (USES)

Interfund Transfers, From (To) Other Funds:

420-710 Transfer to General Fund	\$ (2,881,048)
424-710 Transfer to School Building Fund	<u>(560,234)</u>

TOTAL OTHER FINANCING SOURCES (USES) (3,441,282)

Changes in Fund Balance -

Fund Balance - July 1, 2007 -

Fund Balance - June 30, 2008 \$ -

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
 LEXINGTON, SOUTH CAROLINA
 EDUCATION IMPROVEMENT ACT
 SUMMARY SCHEDULE BY PROGRAM
 FOR THE YEAR ENDED JUNE 30, 2008**

PROGRAM	<u>Revenues</u>	<u>Expenditures</u>	<u>Transfers In/(Out)</u>	<u>Unearned Revenue</u>
3500 Education Improvement Act:				
3501 Increase High School Diploma Credits	\$	\$	\$	\$ 571,980
3505 School Technology Initiative	181,450	181,450		26,451
3509 Arts in Education	47,087	47,087		2,871
3513 Parenting/Family Literacy	78,443	78,443		
3515 Advanced Placement Courses	29,912	29,912		10,044
3517 Advanced Placement Singleton				14,000
3520 Gifted and Talented Academic	821,890	821,890		263,563
3522 Gifted and Talented Artistic	122,539	122,539		
3523 Junior Scholars Program	2,132	2,132		
3525 Vocational Education	204,062	204,062		
3527 Critical Teaching Needs	6,904	6,904		6,980
3530 Trainable and Profoundly Mentally Disabled Student Services				52,558
3532 National Board Certification (NBC) Salary Supplement	1,781,454	1,781,454		
3533 Teacher of the Year Awards	1,076	1,076		
3534 Professional Development on Standards	137,742	137,742		35,911
3535 SC Reading Initiative	68,505	68,505		3,257
3540 Early Childhood Program	297,281	297,281		63,835
3542 Preschool Programs for Children with Disabilities	20,810	20,810		117,423
3546 Academic Assistance K-3	378,340	378,340		619,241
3548 Academic Assistance 4-12	326,852	326,852		250,420
3550 Teacher Salary Increase	2,395,284		(2,395,284)	
3553 Adult Education Remedial	20,767	20,767		
3555 School Employer Contribution	485,764		(485,764)	
3562 Adult Education, Basic	184,538	184,538		29,771
3565 Adult Education, Literacy	10,000	10,000		
3568 EAA Technical Assistance	111,557	111,557		9,754
3575 Competitive Teacher Grants	25,060	25,060		544
3577 Teacher Supplies	433,950	433,950		
3578 High Schools that Work	11,473	11,473		
3582 Principal Salary/Fringe Increase	87,677	87,677		
3583 EAA Summer School/Comprehensive Remediation	360,559	360,559		428,805
3588 EAA Palmetto Gold & Silver Awards	209,574	209,574		124,895
3590 Reallocation of EIA Funds (School Building)	560,234		(560,234)	
3591 Excellence in Middle Schools	123,000	123,000		
3592 School-To-Work Transition Act	107,811	107,811		4,514
3593 EAA Reduce Class Size Grades 1-3	529,344	529,344		
3596 EAA Alternative Schools Program				104,308
3599 EIA Miscellaneous	205	205		
TOTALS	<u>\$ 10,163,276</u>	<u>\$ 6,721,994</u>	<u>\$ (3,441,282)</u>	<u>\$ 2,741,125</u>

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
DEBT SERVICE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2008**

	<u>District</u>	<u>LSF, Inc.</u>	<u>LOSF, Corp.</u>	<u>Total</u>
REVENUES				
1000 Revenue from Local Sources:				
1100 Taxes:				
1110 Levies for Current Operations	\$ 4,049,268	\$	\$	\$ 4,049,268
1120 Vehicle Taxes	1,199,411			1,199,411
1130 Current Tax Penalties	8,203			8,203
1140 Delinquent Taxes	217,127			217,127
1190 Other Taxes	15,270,381			15,270,381
1200 Revenue in Lieu of Taxes:				
1280 Revenue in Lieu of Taxes	480,894			480,894
1500 Earnings on Investments:				
1510 Interest on Investments	423,354		366,652	790,006
Total Local Sources	<u>21,648,638</u>	<u>-</u>	<u>366,652</u>	<u>22,015,290</u>
3000 Revenue from State Sources:				
3800 State Revenue in Lieu of Taxes:				
3820 Homestead Exemption	626,239			626,239
3830 Merchants' Inventory Tax	83,263			83,263
3840 Manufacturing Exemption	51,669			51,669
3890 Motor Carrier Revenue	53,342			53,342
Total State Sources	<u>814,513</u>	<u>-</u>	<u>-</u>	<u>814,513</u>
TOTAL REVENUES - ALL SOURCES	<u>22,463,151</u>	<u>-</u>	<u>366,652</u>	<u>22,829,803</u>
EXPENDITURES:				
500 Debt Service:				
610 Principal	17,240,000	4,205,000	1,300,000	22,745,000
620 Interest	6,447,798	435,592	4,716,762	11,600,152
630 Discount on Bonds Sold				-
640 Dues and Fees	22,696	2,000	7,820	32,516
TOTAL EXPENDITURES:	<u>23,710,494</u>	<u>4,642,592</u>	<u>6,024,582</u>	<u>34,377,668</u>
OTHER FINANCING SOURCES (USES):				
5110 Premium on Bonds Sold	7,015			7,015
5120 Issuance of General Obligation Bonds	4,055,000			4,055,000
Interfund Transfers, From (To) Other Funds:				
423-710 Transfer to Debt Service Fund	(4,027,554)			(4,027,554)
5210 Transfer from General Fund		4,642,592	7,820	4,650,412
5230 Transfer from EIA - Special Revenue Fund	560,234			560,234
5240 Transfer from Debt Service			4,027,554	4,027,554
TOTAL OTHER FINANCING SOURCES (USES)	<u>594,695</u>	<u>4,642,592</u>	<u>4,035,374</u>	<u>9,272,661</u>
NET CHANGES IN FUND BALANCE	(652,648)	-	(1,622,556)	(2,275,204)
FUND BALANCE JULY 1, 2007	<u>10,140,592</u>	<u>-</u>	<u>3,867,816</u>	<u>14,008,408</u>
FUND BALANCE JUNE 30, 2008	<u>\$ 9,487,944</u>	<u>\$ -</u>	<u>\$ 2,245,260</u>	<u>\$ 11,733,204</u>

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED JUNE 30, 2008

	<u>District</u>	<u>LOSE, Corp.</u>	<u>Total</u>
REVENUES			
1000 Revenue from Local Sources			
1500 Earnings on Investments:			
1510 Interest on Investments	\$ 809,834	\$ 1,938,424	\$ 2,748,258
1900 Other Revenue from Local Sources:			
1999 Other Local Revenues	1,069		1,069
Total Local Sources	<u>810,903</u>	<u>1,938,424</u>	<u>2,749,327</u>
3000 Revenue from State Sources			
3170 Public School Building Fund	85,577		85,577
3999 Other State Revenue	101,700		101,700
Total State Sources	<u>187,277</u>	<u>-</u>	<u>187,277</u>
TOTAL REVENUES - ALL SOURCES	<u>998,180</u>	<u>1,938,424</u>	<u>2,936,604</u>
EXPENDITURES			
250 Finance and Operations			
253 Facilities Acquisition & Construction:			
300 Purchased Services	43,025		43,025
400 Supplies and Materials	2,528,340	2,456,551	4,984,891
500 Capital Outlay			
510 Land	6,302,075	7,685	6,309,760
520 Buildings	27,107,967	23,239,558	50,347,525
530 Improvements other than Buildings	4,262,508	7,487,502	11,750,010
541 Equipment	114,276	99,907	214,183
545 Technology Equipment	294,584	38,455	333,039
600 Other Objects	313,863		313,863
TOTAL EXPENDITURES	<u>40,966,638</u>	<u>33,329,658</u>	<u>74,296,296</u>
OTHER FINANCING SOURCES (USES)			
5110 Premium on Bonds Sold	256,887		256,887
5120 Issuance of General Obligation Bonds	33,000,000		33,000,000
Interfund Transfers From (To) Other Funds:			
5210 Transfer from General Fund	6,853,531		6,853,531
TOTAL OTHER FINANCING SOURCES (USES)	<u>40,110,418</u>	<u>-</u>	<u>40,110,418</u>
CHANGES IN FUND BALANCE	141,960	(31,391,234)	(31,249,274)
FUND BALANCE - JULY 1, 2007	<u>18,842,612</u>	<u>48,405,413</u>	<u>67,248,025</u>
FUND BALANCE - JUNE 30, 2008	<u>\$ 18,984,572</u>	<u>\$ 17,014,179</u>	<u>\$ 35,998,751</u>

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
PROPRIETARY FUND
FOR THE YEAR ENDED JUNE 30, 2008**

REVENUES**1000 Revenue from Local Sources**

1500 Earnings on Investments:		
1510 Interest on Investments	\$	8,189
1600 Food Services:		
1610 Lunch Sales to Pupils		2,446,071
1620 Breakfast Sales to Pupils		198,850
1630 Special Sales to Pupils		2,562,518
1640 Lunch Sales to Adults		305,850
1650 Breakfast Sales to Adults		14,611
1660 Special Sales to Adults		163,010
1900 Other Revenue from Local Sources		
1999 Revenue from Other Local Sources		186,188
Total Revenue From Local Sources		<u>5,885,287</u>

3000 Revenue from State Sources

3140 School Lunch:		
3142 Program Aid		8,035
3999 Other State Revenue		327
Total State Sources		<u>8,362</u>

4000 Revenue from Federal Sources

4800 USDA Reimbursement:		
4810 School Lunch Program		2,256,273
4830 School Breakfast Program		640,095
4900 Other Federal Sources:		
4991 USDA Commodities		499,033
Total Federal Sources		<u>3,395,401</u>

TOTAL REVENUE ALL SOURCES		<u>9,289,050</u>
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(Continued)

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
PROPRIETARY FUND
FOR THE YEAR ENDED JUNE 30, 2008

EXPENSES

256 Food Services:

100 Salaries	3,336,254
200 Employee Benefits	1,205,067
300 Purchased Services	124,300
400 Supplies and Materials	5,677,028
500 Capital Outlay	199,237
600 Other Objects	40,741

TOTAL EXPENSES	10,582,627
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OTHER FINANCING SOURCES (USES)

5210 Transfer from General Fund	792,267
432-791 General Fund (Indirect Costs)	(418,243)

TOTAL OTHER FINANCING SOURCES (USES)	374,024
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NET INCOME (LOSS)	(919,553)
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**Add Back of Expenses on Capital Assets Acquired by Grants,
Entitlements, or Shared Revenues Externally Restricted for Capital
Acquisitions and Construction that Reduces Contributed Capital
Depreciation Expense**

	71,829
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CHANGES IN NET ASSETS	(847,724)
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Net Assets - July 1, 2007	3,631,899
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Net Assets - June 30, 2008	\$ 2,784,175
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**LEXINGTON COUNTY SCHOOL DISTRICT ONE
 LEXINGTON, SOUTH CAROLINA
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUND
 FOR THE YEAR ENDED JUNE 30, 2008**

	<u>Balance</u> <u>July 1, 2007</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2008</u>
ASSETS				
Cash on Deposit	\$ 1,691,515	\$ 5,437,255	\$ 5,411,194	\$ 1,717,576
Total Assets	<u>\$ 1,691,515</u>	<u>\$ 5,437,255</u>	<u>\$ 5,411,194</u>	<u>\$ 1,717,576</u>
LIABILITIES				
Due to Student Organizations	\$ 1,691,515	\$ 26,061	\$	\$ 1,717,576
Total Liabilities	<u>\$ 1,691,515</u>	<u>\$ 26,061</u>	<u>\$ -</u>	<u>\$ 1,717,576</u>

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
 LEXINGTON, SOUTH CAROLINA
 SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CHANGE IN DUE TO STUDENT ORGANIZATIONS
 FOR THE YEAR ENDED JUNE 30, 2008**

RECEIPTS	
1700 Pupil Activities:	
1710 Admissions	\$ 659,093
1740 Student Fees	992,863
1790 Other	3,785,299
TOTAL RECEIPTS - ALL SOURCES	5,437,255
DISBURSEMENTS	
190 Instructional Pupil Activity:	
660 Pupil Activity	1,058,962
270 Supporting - Pupil Activity:	
271 Pupil Service Activity:	
660 Pupil Activity	4,352,232
TOTAL DISBURSEMENTS	5,411,194
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	26,061
DUE TO STUDENT ORGANIZATIONS - JULY 1, 2007	1,691,515
DUE TO STUDENT ORGANIZATIONS - JUNE 30, 2008	\$ 1,717,576

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
SUMMARY SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
FOR YEAR ENDED JUNE 30, 2008**

School	Beginning Balance	Receipts	Transfers	Disbursements	Ending Balance
Carolina Springs Elementary School	\$ -	\$ 263,306	\$ -	\$ 262,447	859
Carolina Springs Middle School	-	167,860	-	127,834	40,026
Gilbert Elementary School	33,866	85,367	-	84,471	34,762
Gilbert High School	116,143	470,925	-	504,066	83,002
Gilbert Middle School	59,443	124,350	-	127,748	56,045
Gilbert Primary School	11,242	112,353	-	113,108	10,487
Lake Murray Elementary School	49,774	86,552	-	79,337	56,989
Lexington Applied Technology Center	55,143	265,337	-	287,642	32,838
Lexington Elementary School	28,107	79,810	-	66,808	41,109
Lexington High School	389,154	905,348	-	835,267	459,235
Lexington Intermediate School	11,601	57,093	-	47,920	20,774
Lexington Middle School	143,118	315,013	-	324,975	133,156
Midway Elementary School	39,243	132,766	-	108,890	63,119
Oak Grove Elementary School	28,775	63,195	-	54,584	37,386
Pelion Elementary School	41,039	116,297	-	108,140	49,196
Pelion High School	108,837	461,393	-	444,478	125,752
Pelion Middle School	34,075	96,246	-	100,153	30,168
Pleasant Hill Elementary School	3,725	100,881	-	86,728	17,878
Pleasant Hill Middle School	30,488	239,581	-	219,356	50,713
Red Bank Elementary School	5,306	176,947	-	162,507	19,746
Saxe Gotha Elementary School	26,607	85,870	-	81,706	30,771
White Knoll Elementary School	47,334	96,814	-	113,243	30,905
White Knoll High School	286,777	706,053	-	777,759	215,071
White Knoll Middle School	141,718	227,898	-	292,027	77,589
Total	\$ 1,691,515	\$ 5,437,255	\$ -	\$ 5,411,194	\$ 1,717,576

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
SUMMARY SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS - CAROLINA SPRINGS ELEMENTARY SCHOOL
FOR YEAR ENDED JUNE 30, 2008**

Description	Beginning Balance	Receipts	Transfers	Disbursements	Ending Balance
Kindergarten	\$ -	\$ 3,365	\$ -	\$ 3,365	\$ -
Band-Fees	-	500	-	145	355
EAGLES	-	1,247	-	991	256
Instruction Material Fees	-	15,218	-	15,271	(53)
Library Fees/Fines/Fairs	-	15,376	-	12,625	2,751
Orchestra/Strings-Fees	-	120	-	400	(280)
State Textbooks-Lost	-	111	-	-	111
Special Collections	-	33,691	(5,705)	27,845	141
Homework Help Center	-	131,132	-	128,586	2,546
School Store	-	1,253	-	2,402	(1,149)
School Pictures	-	9,367	-	21,620	(12,253)
Yearbooks	-	9,442	-	7,489	1,953
Faculty Funds	-	1,570	-	4,531	(2,961)
Miscellaneous	-	9,155	-	7,308	1,847
Special Funds	-	6,617	-	6,553	64
Special Projects	-	4,429	-	4,183	246
Lunch Credits	-	88	-	805	(717)
Michelin Awards	-	250	-	222	28
Education Foundation	-	35	-	35	-
Student Field Studies	-	19,340	-	18,071	1,269
The Silver Ring Thing	-	-	5,705	-	5,705
Heart of Lexington Awards	-	1,000	-	-	1,000
Total	\$ -	\$ 263,306	\$ -	\$ 262,447	\$ 859

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
SUMMARY SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS - CAROLINA SPRINGS MIDDLE SCHOOL
FOR YEAR ENDED JUNE 30, 2008**

Description	Beginning Balance	Receipts	Transfers	Disbursements	Ending Balance
Art-Fees	\$ -	\$ 1,010	\$ -	\$ 203	\$ 807
Band-Fees	-	6,618	-	4,786	1,832
Books/Workbooks-Fees	-	579	-	6	573
Chorus	-	6,207	-	5,083	1,124
Commercial-Fees	-	218	-	218	-
Computer-Fees	-	1,736	-	-	1,736
Drama-Fees	-	1,390	-	263	1,127
EAGLES	-	429	-	130	299
Instruction Material Fees	-	10,642	-	10,517	125
Lab Fees	-	2,874	-	2,100	774
Library Fees/Fines/Fairs	-	6,295	(100)	5,249	946
Orchestra/Strings-Fees	-	2,040	-	934	1,106
Physical Education-Fees	-	10,584	-	7,545	3,039
State Textbooks-Lost	-	695	-	-	695
Service Learning Fees	-	261	-	-	261
ITE - Computers	-	1,443	-	1,167	276
Dance Fees	-	437	-	-	437
Journalism Fees	-	76	-	-	76
ID Badges	-	3,539	-	1,363	2,176
Special Collections	-	4,838	-	4,587	251
Misc. Pupil Activity Fund	-	3,061	-	2,789	272
Athletics	-	22,296	(440)	13,593	8,263
Cheerleaders-JV	-	20,525	-	13,980	6,545
FCA Club	-	957	-	746	211
French Club	-	146	-	168	(22)
Pep Club/Spirit Committee	-	2,239	-	1,293	946
Student Council-Junior	-	3,410	-	3,359	51
Arts and Crafts Club	-	95	-	75	20
Spanish Club	-	2,417	-	1,966	451
Middle School Beta Club	-	714	-	714	-
Canteen Sales	-	13,041	-	13,118	(77)
School Pictures	-	3,212	-	3,787	(575)
Yearbooks	-	9,352	440	7,734	2,058
German Club	-	177	-	186	(9)
Faculty Funds	-	530	-	196	334
Miscellaneous	-	3,160	-	3,101	59
Special Funds	-	544	-	334	210
Special Projects	-	2,328	-	1,944	384
Lunch Credits	-	77	-	449	(372)
Step Club	-	579	-	329	250
Michelin Awards	-	250	-	215	35
Student Field Studies	-	11,693	-	11,293	400
Read Fest	-	4,146	100	2,314	1,932
Heart of Lexington Awards	-	1,000	-	-	1,000
Total	\$ -	\$ 167,860	\$ -	\$ 127,834	\$ 40,026

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
SUMMARY SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS - GILBERT ELEMENTARY SCHOOL
FOR YEAR ENDED JUNE 30, 2008**

Description	Beginning Balance	Receipts	Transfers	Disbursements	Ending Balance
3rd Grade	\$ 1,470	\$ 8,655	\$ -	\$ 9,077	\$ 1,048
4th Grade	1,518	2,098	-	2,622	994
5th Grade	1,694	2,641	-	3,911	424
Art-Fees	486	50	-	-	536
Band-Fees	57	545	-	134	468
Chorus	664	1,681	-	1,535	810
EAGLES	1,027	1,847	(112)	2,402	360
Instruction Material Fees	2,237	12,845	372	10,619	4,835
Library Fees/Fines/Fairs	2,300	8,866	-	8,650	2,516
Orchestra/Strings-Fees	312	60	-	-	372
State Textbooks-Lost	46	229	-	-	275
State Textbooks-Damaged	8	51	-	-	59
Health	181	-	362	8	535
Special Collections	2,949	1,389	(430)	1,421	2,487
Misc. Pupil Activity Fund	152	-	-	-	152
Equipment-Nonexpendable	29	-	-	-	29
Just Say No	298	-	-	-	298
Homework Help Center	30	-	-	-	30
Canteen Sales	4,134	1,461	(250)	2,780	2,565
School Pictures	3,444	8,923	328	7,686	5,009
Yearbooks	7,618	8,500	-	8,050	8,068
Faculty Funds	31	125	-	-	156
Interest	290	-	(290)	-	-
Miscellaneous	2,486	30	-	-	2,516
Special Projects	2,836	19,354	-	19,502	2,688
Memorials	25	-	-	-	25
Japanese	260	-	(260)	-	-
Camp Curiosity	79	-	(79)	-	-
Lunch Credits	(3,032)	2,487	359	3,325	(3,511)
Michelin Awards	5	-	-	5	-
Education Foundation	-	930	-	930	-
Student Book Club Orders	32	1,600	-	1,614	18
Disaster Relief	200	-	-	200	-
Heart of Lexington Awards	-	1,000	-	-	1,000
Total	<u>\$ 33,866</u>	<u>\$ 85,367</u>	<u>\$ -</u>	<u>\$ 84,471</u>	<u>\$ 34,762</u>

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
SUMMARY SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS - GILBERT HIGH SCHOOL
FOR YEAR ENDED JUNE 30, 2008**

Description	Beginning Balance	Receipts	Transfers	Disbursements	Ending Balance
11th Grade	\$ 2,719	\$ 5,325	\$ -	\$ 6,025	\$ 2,019
Business Education	1,217	4,453	-	4,571	1,099
Accounting-Fees	8	-	-	-	8
Agriculture-Fees	7,800	14,474	187	14,674	7,787
Art-Fees	(107)	1,498	-	1,389	2
Band-Fees	(3,052)	1,258	5,171	3,380	(3)
Books/Workbooks-Fees	303	-	-	-	303
Chorus	3,572	798	-	1,702	2,668
Computer-Fees	3,748	-	-	2,706	1,042
Drama-Fees	860	290	-	1,047	103
Driver Education-Fees	1,275	3,580	-	3,926	929
Home Economics-Fees	446	2,165	-	2,129	482
Instruction Material Fees	2,025	8,746	-	8,678	2,093
Lab Fees	3,204	8,177	-	9,312	2,069
Library Fees/Fines/Fairs	2,047	1,370	-	909	2,508
Locks-Fees	(6)	-	-	-	(6)
Orchestra/Strings-Fees	1,607	434	-	287	1,754
Parking Fees	1,264	8,893	-	8,507	1,650
Physical Education-Fees	2,513	1,939	-	3,599	853
State Textbooks-Lost	544	934	-	701	777
State Textbooks-Damaged	94	-	-	94	-
Health	39	2,871	-	2,571	339
Service Learning Fees	422	45	-	57	410
Sports Medicine - Fees	85	1,140	-	252	973
ID Badges	183	2,465	-	1,913	735
Culinary Arts	-	32	-	-	32
Pro-Start	690	224	-	223	691
Special Collections	244	84	-	-	328
Misc. Pupil Activity Fund	(297)	260	-	260	(297)
Athletics	28,262	127,660	(3,306)	161,038	(8,422)
Beta Club-Senior	45	3,369	(115)	2,646	653
Best Program II	(78)	-	-	-	(78)
Computer Club	(72)	-	-	-	(72)
Cheerleaders-JV	4,937	16,465	-	13,411	7,991
Cheerleaders-Varsity	7,116	24,495	(200)	18,376	13,035
FBLA Club	-	1,579	(165)	973	441
FCA Club	513	-	-	-	513
FFA Club	6,493	35,584	125	34,316	7,886
FHA Club	622	3,653	165	3,775	665
FTA Club/Teacher Cadets	(80)	117	-	528	(491)
French Club	5	-	-	-	5
Jr. Drama Club	288	2,485	-	2,359	414
Science Club-Junior	(49)	100	-	-	51
Student Council-Senior	591	4,628	(225)	4,523	471

(CONTINUED)

SCHEDULE 12-4
(CONTINUED)

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
SUMMARY SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS - GILBERT HIGH SCHOOL
FOR YEAR ENDED JUNE 30, 2008

Description	Beginning Balance	Receipts	Transfers	Disbursements	Ending Balance
Chess Club	\$ (32)	\$ -	\$ -	\$ -	\$ (32)
Spanish Club	(498)	-	-	-	(498)
Key Club	397	873	-	906	364
Foreign Language Club	-	4,869	-	12	4,857
Canteen Sales	1,379	30,129	(1,072)	31,771	(1,335)
Graduation	3	73	-	-	76
School Pictures	2,750	8,205	(1,145)	10,402	(592)
Student Newspapers	-	240	-	705	(465)
Yearbooks	(7,974)	45,866	-	34,542	3,350
JV Basketball Cheerleader	490	-	-	-	490
Varsity Basketball Cheer.	286	1,906	-	1,877	315
Department Funds	351	690	-	437	604
Special Funds	249	-	-	-	249
Special Projects	577	-	-	-	577
Special Projects-Athletics	11,036	22,227	5,606	28,467	10,402
Sears Class	(176)	1,475	-	1,213	86
B Team Cheerleaders	21	-	-	-	21
Health Occupations	2,885	14,962	145	17,327	665
Lunch Credits	(836)	383	-	324	(777)
Construction Cluster	6,125	13,141	-	10,730	8,536
Booster Clubs	(268)	-	-	-	(268)
Rauch Gift	14,276	-	-	14,801	(525)
Michelin Awards	(2)	2	-	-	-
Education Foundation	-	260	-	260	-
Student Book Club Orders	32	-	-	-	32
Climate Control	89	-	-	-	89
Band Allocation	746	27,088	(5,171)	23,308	(645)
School/Business Partnership	744	500	-	826	418
Extended School Year	200	1,900	-	2,021	79
Junior Achievement	1,253	70	-	-	1,323
Dance Team	-	3,395	-	3,280	115
Art Fundraiser	-	81	-	-	81
Heart of Lexington Awards	-	1,000	-	-	1,000
Total	\$ 116,143	\$ 470,925	\$ -	\$ 504,066	\$ 83,002

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
 LEXINGTON, SOUTH CAROLINA
 SUMMARY SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS - GILBERT MIDDLE SCHOOL
 FOR YEAR ENDED JUNE 30, 2008**

Description	Beginning Balance	Receipts	Transfers	Disbursements	Ending Balance
Art-Fees	\$ 1,291	\$ 738	\$ -	\$ 5	\$ 2,024
Band-Fees	4,262	8,076	-	6,337	6,001
Chorus	2,434	3,701	-	4,472	1,663
Computer-Fees	68	1,089	-	1,262	(105)
Drama-Fees	1,012	2,628	-	1,853	1,787
EAGLES	386	190	-	25	551
Home Economics-Fees	726	693	-	1,155	264
Instruction Material Fees	178	8,825	-	10,140	(1,137)
Lab Fees	4,276	2,669	-	2,448	4,497
Library Fees/Fines/Fairs	2,075	10,867	-	11,000	1,942
Locks-Fees	-	930	-	2	928
Orchestra/Strings-Fees	6,187	1,961	-	6,064	2,084
Physical Education-Fees	2,080	1,754	-	2,111	1,723
State Textbooks-Lost	660	249	-	489	420
State Textbooks-Damaged	988	122	-	-	1,110
Industrial Tech. Fees	618	1,036	-	1,388	266
Health	2,558	1,737	-	454	3,841
Music Appreciation Fees	92	170	-	157	105
Pro Team	1,232	234	-	189	1,277
Dance Fees	1,157	300	-	226	1,231
Journalism Fees	926	114	-	-	1,040
ID Badges	377	2,402	-	2,549	230
Special Collections	22	804	-	1,092	(266)
Misc. Pupil Activity Fund	947	9,818	-	12,812	(2,047)
Beta Club-Junior	4,851	2,446	-	4,541	2,756
FHA Club	128	-	-	-	128
French Club	349	262	-	-	611
Student Council-Junior	2,619	4,529	-	7,591	(443)
Spanish Club	832	1,194	-	5	2,021
Canteen Sales	(547)	14,896	-	14,353	(4)
School Pictures	2,408	3,997	-	5,410	995
Student Newspapers	681	101	-	-	782
Yearbooks	3,273	12,115	-	13,415	1,973
German Club	61	309	-	102	268
Miscellaneous	606	274	-	431	449
Special Funds	1,427	1,850	-	1,915	1,362
Special Projects	1,630	189	-	311	1,508
B Team Cheerleaders	2,990	6,965	-	2,914	7,041
Japanese	37	-	-	-	37
Lunch Credits	(3,581)	1,906	-	882	(2,557)
Education Foundation	-	442	-	418	24
Student Field Studies	6,159	9,332	436	8,262	7,665
Relay for Life	968	436	(436)	968	-
Heart of Lexington Awards	-	2,000	-	-	2,000
Total	\$ 59,443	\$ 124,350	\$ -	\$ 127,748	\$ 56,045

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
SUMMARY SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS - GILBERT PRIMARY SCHOOL
FOR YEAR ENDED JUNE 30, 2008**

<u>Description</u>	<u>Beginning Balance</u>	<u>Receipts</u>	<u>Transfers</u>	<u>Disbursements</u>	<u>Ending Balance</u>
Kindergarten	\$ 38	\$ 7,623	\$ -	\$ 7,661	\$ -
Instruction Material Fees	1,993	11,059	-	12,278	774
Library Fees/Fines/Fairs	3,545	20,410	-	21,113	2,842
Special Collections	1,162	604	-	1,728	38
Canteen Sales	413	2,154	-	2,567	-
School Pictures	376	21,153	-	22,691	(1,162)
Yearbooks	2,277	8,882	-	7,269	3,890
Miscellaneous	96	-	-	71	25
Special Funds	1,589	2,495	-	1,598	2,486
Special Projects	1,415	30,079	-	30,782	712
Memorials	536	-	-	-	536
Lunch Credits	(2,754)	1,099	-	2,092	(3,747)
Parenting Center	500	-	-	-	500
Michelin Awards	1	-	-	1	-
Education Foundation	-	267	-	267	-
Health Room/Nurse	55	-	-	-	55
Relay for Life	-	3,028	-	2,990	38
Heart of Lexington Awards	-	3,000	-	-	3,000
Family Literacy Program	-	500	-	-	500
Total	<u>\$ 11,242</u>	<u>\$ 112,353</u>	<u>\$ -</u>	<u>\$ 113,108</u>	<u>\$ 10,487</u>

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
SUMMARY SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS - LAKE MURRAY ELEMENTARY SCHOOL
FOR YEAR ENDED JUNE 30, 2008**

Description	Beginning Balance	Receipts	Transfers	Disbursements	Ending Balance
Kindergarten	\$ 1,032	\$ 6,251	\$ -	\$ 6,091	\$ 1,192
Band-Fees	311	960	-	1,079	192
EAGLES	287	3,046	-	2,852	481
Instruction Material Fees	13,618	23,871	-	15,713	21,776
Library Fees/Fines/Fairs	1,112	147	-	-	1,259
Orchestra/Strings-Fees	161	400	-	415	146
State Textbooks-Lost	367	168	-	279	256
State Textbooks-Damaged	203	-	-	200	3
Health	5,257	145	-	331	5,071
Special Collections	(2,687)	11,935	-	10,719	(1,471)
School Store	154	-	-	-	154
Canteen Sales	602	471	-	-	1,073
School Pictures	17,298	15,820	-	16,413	16,705
Faculty Funds	848	1,411	-	1,818	441
Interest	98	-	-	-	98
Special Projects	8,377	19,388	-	21,958	5,807
Lunch Credits	(735)	803	-	625	(557)
Nature Trail	3,454	-	-	127	3,327
Michelin Awards	17	736	-	717	36
Heart of Lexington Awards	-	1,000	-	-	1,000
Total	\$ 49,774	\$ 86,552	\$ -	\$ 79,337	\$ 56,989

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
SUMMARY SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS - LEXINGTON APPLIED TECHNOLOGY CENTER
FOR YEAR ENDED JUNE 30, 2008**

Description	Beginning Balance	Receipts	Transfers	Disbursements	Ending Balance
Adult Education	\$ 2,269	\$ 15,739	\$ -	\$ 16,128	\$ 1,880
Instruction Material Fees	13,134	69,890	-	82,546	478
State Textbooks-Lost	11	-	-	456	(445)
Culinary Arts	940	7,045	-	4,338	3,647
Special Collections	843	850	-	179	1,514
DECA Club	1,668	14,180	-	13,776	2,072
FBLA Club	2,379	7,499	-	9,344	534
FFA Club	14,279	22,353	-	27,035	9,597
National Honor Society -Sr.	(174)	1,325	-	1,389	(238)
VICA	419	26,068	-	26,108	379
Canteen Sales	2,088	31,664	-	33,879	(127)
Faculty Funds	717	250	-	478	489
Miscellaneous	-	1,025	-	210	815
Special Funds	(178)	-	-	-	(178)
Special Projects	5,087	50,490	-	50,530	5,047
Special Projects - Machine Tech.	304	-	-	-	304
Health Occupations	(1,601)	13,317	-	8,602	3,114
Voc Rehab Project	7,984	2,665	-	6,708	3,941
Parenting Center	4,574	487	-	5,061	-
Michelin Awards	-	250	-	235	15
Education Foundation	-	240	-	240	-
Para Pro	400	-	-	400	-
Total	\$ 55,143	\$ 265,337	\$ -	\$ 287,642	\$ 32,838

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
SUMMARY SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS - LEXINGTON ELEMENTARY SCHOOL
FOR YEAR ENDED JUNE 30, 2008**

Description	Beginning Balance	Receipts	Transfers	Disbursements	Ending Balance
Kindergarten	\$ 84	\$ 4,759	\$ -	\$ 4,843	\$ -
Art-Fees	-	100	-	-	100
Band-Fees	1,925	1,651	-	3,496	80
Books/Workbooks-Fees	45	-	-	-	45
EAGLES	1,204	1,120	-	1,799	525
Instruction Material Fees	8,316	15,862	-	12,235	11,943
Library Fees/Fines/Fairs	3,110	454	-	1,207	2,357
Orchestra/Strings-Fees	635	3,776	-	2,254	2,157
State Textbooks-Lost	80	169	-	-	249
State Textbooks-Damaged	134	15	-	-	149
Special Collections	(5)	553	-	502	46
Canteen Sales	3,142	2,576	-	1,807	3,911
School Pictures	(1,763)	25,019	-	19,240	4,016
Yearbooks	10,135	10,341	-	10,924	9,552
Department Funds	221	-	-	-	221
Faculty Funds	597	865	-	771	691
Foundations	433	-	-	-	433
Interest	50	-	-	-	50
Miscellaneous	(232)	10,097	-	6,533	3,332
Special Projects	114	-	-	-	114
Lunch Credits	(203)	119	-	847	(931)
Michelin Awards	16	-	-	16	-
Education Foundation	-	334	-	334	-
Handheld Club	69	-	-	-	69
Heart of Lexington Awards	-	2,000	-	-	2,000
Total	\$ 28,107	\$ 79,810	\$ -	\$ 66,808	\$ 41,109

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
SUMMARY SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS - LEXINGTON HIGH SCHOOL
FOR YEAR ENDED JUNE 30, 2008**

Description	Beginning Balance	Receipts	Transfers	Disbursements	Ending Balance
12th Grade	\$ 9,839	\$ 41,891	\$ -	\$ 45,837	\$ 5,893
ROTC-Fees	911	4,680	1,567	1,121	6,037
Art-Fees	575	5,634	(69)	4,971	1,169
Band-Fees	4,667	4,509	-	3,568	5,608
Books/Workbooks-Fees	21,976	26,090	12,048	32,784	27,330
Chorus	3,388	4,792	-	7,846	334
Computer-Fees	108	-	-	-	108
Drama-Fees	(1,703)	26,218	290	21,292	3,513
Driver Education-Fees	2,059	5,700	-	7,759	-
Home Economics-Fees	1,921	6,005	-	4,089	3,837
Instruction Material Fees	5,727	11,181	25	14,521	2,412
Lab Fees	17,456	43,621	(12,048)	19,281	29,748
Library Fees/Fines/Fairs	3,941	3,281	-	2,508	4,714
Orchestra/Strings-Fees	7,277	3,779	-	5,619	5,437
Parking Fees	7,400	25,803	27	26,903	6,327
Physical Education-Fees	5,589	16,639	-	10,492	11,736
State Textbooks-Lost	10,521	4,916	-	2,711	12,726
Summer School-Fees	6,240	29,105	(25)	14,387	20,933
State Textbooks-Damaged	5,817	72	-	-	5,889
Service Learning Fees	3,465	385	-	89	3,761
ID Badges	3,207	7,276	-	9,299	1,184
Special Collections	1,906	4,680	-	1,367	5,219
Misc. Pupil Activity Fund	546	500	70	509	607
JR ROTC	9,932	1,725	(1,200)	2,980	7,477
Athletics	101,521	274,039	(1,634)	252,975	120,951
Best Program II	132	358	540	632	398
Cheerleaders-JV	14,750	12,166	(2,600)	12,316	12,000
Cheerleaders-Varsity	11,946	22,775	(1,300)	25,931	7,490
FCA Club	887	558	-	-	1,445
FTA Club/Teacher Cadets	574	560	-	440	694
French Club	211	125	-	238	98
Interact Club	1,649	-	-	-	1,649
Jr. Civitan Club	137	-	-	-	137
Jr. Classical League	1,016	440	-	627	829
Model U.N.	(106)	-	106	-	-
National Honor Society -Sr.	(940)	6,240	-	4,968	332
Student Council-Senior	6,850	3,285	-	2,298	7,837
Arts and Crafts Club	679	972	69	700	1,020
Key Club	2,983	4,123	-	2,881	4,225
Best Program	1,410	3,243	187	3,109	1,731
Athletic Canteen	3,874	-	4,934	4,811	3,997
Canteen Sales	(1,294)	62,722	(4,938)	50,741	5,749

(CONTINUED)

SCHEDULE 12-10
(CONTINUED)

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
SUMMARY SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS - LEXINGTON HIGH SCHOOL
FOR YEAR ENDED JUNE 30, 2008

Description	Beginning Balance	Receipts	Transfers	Disbursements	Ending Balance
School Pictures	\$ 5,941	\$ 9,864	\$ -	\$ 14,156	\$ 1,649
Student Newspapers	165	-	(165)	-	-
Yearbooks	17,241	65,419	(123)	61,157	21,380
Canteen - Alternative	2,011	1,002	(32)	1,230	1,751
Best 3 Class	(292)	180	835	175	548
Department Funds	(122)	-	122	-	-
Miscellaneous	15,750	32,093	(125)	39,632	8,086
Special Funds	1,778	-	(355)	-	1,423
Special Projects-Athletics	46,638	32,414	(3,691)	49,752	25,609
Memorials	-	1,465	-	-	1,465
Sears Class	6,051	6,475	-	6,566	5,960
B Team Cheerleaders	(24)	-	-	-	(24)
Planet Earth Club	231	5,713	(1,000)	4,678	266
Lunch Credits	1,043	1,500	-	1,015	1,528
International Club	52	95	-	104	43
Michelin Awards	-	250	-	237	13
Future Educations of America	1,230	-	-	-	1,230
Mock Trial Club	117	80	325	475	47
Education Foundation	-	1,179	-	1,179	-
Instructional Fair	13,874	-	-	79	13,795
TMD Class Project	449	-	450	580	319
LOCC	291	500	-	224	567
Band Allocation	(7,301)	19,401	-	12,057	43
Health Room/Nurse	1,855	2,876	-	3,157	1,574
Extended School Year	1,269	3,100	-	2,421	1,948
Read Fest	1,643	-	-	1,643	-
Drama Outreach Program	220	7,500	-	5,432	2,288
Athletic Camps	-	34,154	7,710	26,718	15,146
Heart of Lexington Awards	-	10,000	-	-	10,000
Total	\$ 389,154	\$ 905,348	\$ -	\$ 835,267	\$ 459,235

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
SUMMARY SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS - LEXINGTON INTERMEDIATE SCHOOL
FOR YEAR ENDED JUNE 30, 2008**

Description	Beginning Balance	Receipts	Transfers	Disbursements	Ending Balance
Band-Fees	\$ 677	\$ 2,173	\$ (140)	\$ 2,560	\$ 150
EAGLES	448	1,905	-	2,097	256
Instruction Material Fees	912	8,584	160	7,153	2,503
Library Fees/Fines/Fairs	2,659	407	-	1,628	1,438
Orchestra/Strings-Fees	976	860	(20)	511	1,305
State Textbooks-Lost	375	364	-	354	385
State Textbooks-Damaged	909	-	-	-	909
Scholastic Books	1	-	-	-	1
Parent Support Organization	(233)	-	-	-	(233)
Canteen Sales	(294)	1,335	-	1,206	(165)
School Pictures	134	6,206	-	4,800	1,540
Summer Programs	5,567	9,570	-	10,025	5,112
Department Funds	122	-	-	-	122
Faculty Funds	6	-	-	10	(4)
Miscellaneous	(598)	16,966	-	13,971	2,397
Special Funds	(77)	588	-	279	232
Memorials	15	-	-	-	15
Lunch Credits	(190)	165	-	52	(77)
Parenting Center	-	5,653	-	1,765	3,888
Michelin Awards	55	250	-	305	-
Education Foundation	-	590	-	590	-
Disaster Relief	137	-	-	137	-
Relay for Life	-	477	-	477	-
Heart of Lexington Awards	-	1,000	-	-	1,000
Total	<u>\$ 11,601</u>	<u>\$ 57,093</u>	<u>\$ -</u>	<u>\$ 47,920</u>	<u>\$ 20,774</u>

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
SUMMARY SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS - LEXINGTON MIDDLE SCHOOL
FOR YEAR ENDED JUNE 30, 2008**

Description	Beginning Balance	Receipts	Transfers	Disbursements	Ending Balance
Art-Fees	\$ 2,748	\$ 1,678	\$ -	\$ 3,738	\$ 688
Band-Fees	4,068	3,064	-	4,327	2,805
Books/Workbooks-Fees	6,011	8,157	-	9,605	4,563
Chorus	1,831	1,443	-	682	2,592
Computer-Fees	2,252	1,798	-	2,167	1,883
Drama-Fees	71	-	-	-	71
EAGLES	552	65	-	603	14
Exploratory-Fees	4,107	11,215	-	8,732	6,590
Instruction Material Fees	1,806	4,710	-	857	5,659
Lab Fees	15,858	5,679	-	11,180	10,357
Library Fees/Fines/Fairs	3,257	12,077	-	12,201	3,133
Locks-Fees	2,230	3,674	-	500	5,404
Orchestra/Strings-Fees	8,040	3,029	-	2,193	8,876
Physical Education-Fees	2,542	3,388	-	5,208	722
State Textbooks-Lost	11,724	943	-	1,355	11,312
Summer School-Fees	272	19,060	-	19,040	292
State Textbooks-Damaged	12,201	774	-	-	12,975
Industrial Tech. Fees	(189)	2,294	-	2,030	75
Service Learning Fees	3,437	1,096	-	-	4,533
ID Badges	14,969	4,398	-	15,799	3,568
Misc. Pupil Activity Fund	615	1,579	-	800	1,394
Athletics	561	20,546	-	19,630	1,477
Beta Club-Junior	1,023	1,720	-	1,473	1,270
Cheerleaders-JV	7,087	28,368	-	15,576	19,879
French Club	5,756	3,044	143	7,818	1,125
Science Club-Junior	591	-	-	-	591
Arts and Crafts Club	91	-	-	-	91
Canteen Sales	(656)	21,527	(143)	23,274	(2,546)
School Pictures	(45)	9,357	-	9,365	(53)
Yearbooks	17,852	37,161	-	50,546	4,467
Latin Club	426	372	-	204	594
Miscellaneous	3,398	16,600	-	14,059	5,939
Special Funds	3,786	9,961	-	11,058	2,689
Special Projects	-	1,784	-	1,784	-
Special Projects-Athletics	467	6,281	-	5,168	1,580
Memorials	1,385	-	-	-	1,385
Lunch Credits	(2,802)	1,401	-	1,006	(2,407)
School Theater	-	228	-	-	228
Owls Club	2,698	61,118	-	60,416	3,400
CATS	443	966	-	1,123	286
Robotics Club	2,649	-	-	-	2,649
Education Foundation	-	458	-	458	-
Student Book Club Orders	6	-	-	-	6
Camera Project	-	1,000	-	1,000	-
Heart of Lexington Awards	-	3,000	-	-	3,000
Total	\$ 143,118	\$ 315,013	\$ -	\$ 324,975	\$ 133,156

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
 LEXINGTON, SOUTH CAROLINA
 SUMMARY SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS - MIDWAY ELEMENTARY SCHOOL
 FOR YEAR ENDED JUNE 30, 2008**

<u>Description</u>	<u>Beginning Balance</u>	<u>Receipts</u>	<u>Transfers</u>	<u>Disbursements</u>	<u>Ending Balance</u>
1st Grade	\$ (114)	\$ -	\$ 679	\$ 949	\$ (384)
2nd Grade	(151)	-	151	799	(799)
3rd Grade	(199)	1,030	1,087	1,918	-
4th Grade	(169)	-	486	1,100	(783)
Kindergarten	-	6,245	-	6,245	-
EAGLES	4	2,340	-	2,080	264
Instruction Material Fees	10,949	23,234	-	29,435	4,748
Library Fees/Fines/Fairs	8,540	23,375	(169)	20,698	11,048
State Textbooks-Lost	124	-	-	-	124
Special Collections	4,544	9,304	(5,770)	4,993	3,085
Just Say No	168	277	-	178	267
Parent Support Organization	9,968	17,197	(1,025)	-	26,140
School Store	260	593	-	514	339
Book to the Future	820	1,783	-	1,058	1,545
Canteen Sales	252	5,858	4,391	9,329	1,172
School Pictures	(658)	19,977	(1,606)	16,079	1,634
Yearbooks	229	2,301	-	445	2,085
Faculty Projects	792	1,075	169	1,176	860
Department Funds	1,200	750	-	-	1,950
Faculty Funds	171	2,191	(18)	1,714	630
Interest	123	-	-	-	123
Miscellaneous	-	3,000	-	-	3,000
Special Funds	73	4,912	-	4,199	786
Special Projects	2,676	2,895	-	3,588	1,983
Memorials	1,566	-	-	-	1,566
Lunch Credits	(1,928)	474	1,625	1,435	(1,264)
Michelin Awards	3	234	-	237	-
Relay for Life	-	721	-	721	-
Heart of Lexington Awards	-	3,000	-	-	3,000
Total	\$ 39,243	\$ 132,766	\$ -	\$ 108,890	\$ 63,119

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
SUMMARY SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS - OAK GROVE ELEMENTARY SCHOOL
FOR YEAR ENDED JUNE 30, 2008**

Description	Beginning Balance	Receipts	Transfers	Disbursements	Ending Balance
Kindergarten	\$ 378	\$ 3,781	\$ -	\$ 3,368	\$ 791
Band-Fees	900	846	-	1,117	629
Drama-Fees	-	580	-	558	22
EAGLES	(11)	1,606	-	1,058	537
Instruction Material Fees	7,236	11,699	-	4,988	13,947
Library Fees/Fines/Fairs	2,674	14,197	-	13,228	3,643
Orchestra/Strings-Fees	225	300	-	-	525
State Textbooks-Lost	28	161	-	105	84
State Textbooks-Damaged	71	-	-	71	-
Special Collections	(923)	1,218	-	1,532	(1,237)
Misc. Pupil Activity Fund	7	-	-	-	7
School Store	2,273	1,186	-	1,163	2,296
Canteen Sales	500	2,250	-	2,247	503
School Pictures	10,877	10,333	-	12,902	8,308
Miscellaneous	4,934	8,107	-	8,111	4,930
Special Funds	-	954	-	754	200
Special Projects	10	-	-	-	10
Lunch Credits	(1,161)	949	-	524	(736)
Michelin Awards	-	488	-	488	-
Education Foundation	-	227	-	227	-
Student Field Studies	381	1,708	-	1,407	682
Relay for Life	376	605	-	736	245
Heart of Lexington Awards	-	2,000	-	-	2,000
Total	\$ 28,775	\$ 63,195	\$ -	\$ 54,584	\$ 37,386

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
SUMMARY SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS - PELION ELEMENTARY SCHOOL
FOR YEAR ENDED JUNE 30, 2008**

Description	Beginning Balance	Receipts	Transfers	Disbursements	Ending Balance
Kindergarten	\$ -	\$ 4,962	\$ -	\$ 4,962	\$ -
Art-Fees	3,351	-	-	2,092	1,259
Band-Fees	1,946	-	-	-	1,946
Books/Workbooks-Fees	95	-	-	-	95
EAGLES	338	220	-	325	233
Instruction Material Fees	6,300	9,333	-	6,545	9,088
Library Fees/Fines/Fairs	3,004	15,019	-	12,777	5,246
Orchestra/Strings-Fees	175	-	-	-	175
State Textbooks-Lost	10	806	-	-	816
Parent Support Organization	7,674	17,335	-	17,631	7,378
School Store	921	1,909	-	1,264	1,566
Canteen Sales	2,125	1,804	-	1,537	2,392
School Pictures	5,038	25,076	-	24,237	5,877
Yearbooks	145	9,180	2,315	11,755	(115)
Department Funds	80	-	-	-	80
Faculty Funds	283	1,019	-	497	805
Interest	439	-	-	-	439
Miscellaneous	2,324	2,757	-	3,579	1,502
Special Funds	3,672	344	-	2,267	1,749
Special Projects	4,353	15,907	(2,315)	8,319	9,626
Camp Curiosity	319	-	-	-	319
Lunch Credits	(1,441)	1,556	-	1,614	(1,499)
State Farm	16	-	-	-	16
Michelin Awards	-	500	-	500	-
Education Foundation	-	1,342	-	1,342	-
Student Book Club Orders	113	-	-	-	113
Relay for Life	(241)	4,228	-	3,900	87
Heart of Lexington Awards	-	3,000	-	2,997	3
Total	\$ 41,039	\$ 116,297	\$ -	\$ 108,140	\$ 49,196

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
SUMMARY SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS - PELION HIGH SCHOOL
FOR YEAR ENDED JUNE 30, 2008**

Description	Beginning Balance	Receipts	Transfers	Disbursements	Ending Balance
11th Grade	\$ 5,313	\$ 5,430	\$ -	\$ 3,472	\$ 7,271
12th Grade	-	6,518	-	6,289	229
ROTC-Fees	9,453	24,257	(80)	13,134	20,496
Agriculture-Fees	198	611	-	766	43
Art-Fees	68	858	-	828	98
Band-Fees	2,285	872	-	2,955	202
Books/Workbooks-Fees	5,878	5,594	-	7,249	4,223
Chorus	1,547	5,109	-	5,780	876
Computer-Fees	574	2,434	-	1,119	1,889
Drama-Fees	159	80	-	76	163
Driver Education-Fees	2,942	4,339	-	4,856	2,425
Instruction Material Fees	5,251	2,940	-	1,126	7,065
Lab Fees	5,048	4,534	-	5,010	4,572
Library Fees/Fines/Fairs	4,264	3,743	(92)	4,138	3,777
Orchestra/Strings-Fees	756	8,114	-	8,293	577
Parking Fees	3,849	4,564	-	4,876	3,537
Physical Education-Fees	249	1,785	-	1,889	145
State Textbooks-Lost	947	1,336	-	627	1,656
State Textbooks-Damaged	148	-	-	-	148
Music Appreciation Fees	110	151	-	-	261
Service Learning Fees	1,350	50	-	26	1,374
Health Occupation Fees	1,362	1,566	52	270	2,710
Building Construct. Fees	1,782	8,986	-	7,718	3,050
Sports Medicine - Fees	4,897	8,961	-	9,330	4,528
ID Badges	1,899	3,624	-	1,878	3,645
Broadcast Journalism	1,178	535	-	803	910
Culinary Arts	1,860	12,011	678	12,430	2,119
Information Technology	1,173	663	-	17	1,819
Athletics	3,784	123,741	690	135,214	(6,999)
Beta Club-Senior	533	817	-	764	586
Bus Transportation Club	41	-	-	-	41
Cheerleaders-Varsity	2,226	10,561	80	12,692	175
FBLA Club	330	2,647	-	2,419	558
FCA Club	155	1,109	-	1,232	32
FFA Club	7,858	21,927	-	17,581	12,204
French Club	305	-	-	-	305
Jr. Drama Club	1,134	-	-	-	1,134
Student Council-Senior	2,149	6,941	(50)	7,847	1,193
VICA	144	-	-	-	144
Arts and Crafts Club	1,024	10	-	332	702
Spanish Club	244	-	-	-	244
Key Club	183	212	-	350	45

(CONTINUED)

SCHEDULE 12-16
(CONTINUED)

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
SUMMARY SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS - PELION HIGH SCHOOL
FOR YEAR ENDED JUNE 30, 2008

Description	Beginning Balance	Receipts	Transfers	Disbursements	Ending Balance
Teacher Cadets	\$ 178	\$ 410	\$ -	\$ 403	\$ 185
Best Program	844	1,113	-	1,949	8
Health Occup Student Assc	1,085	8,750	-	8,083	1,752
Canteen Sales	(2,891)	21,398	(552)	16,472	1,483
School Pictures	2,668	4,280	-	1,152	5,796
Yearbooks	65	37,651	-	34,675	3,041
Faculty Funds	571	376	(34)	263	650
Interest	4	-	-	-	4
Miscellaneous	2,391	4,076	-	3,968	2,499
Special Funds	-	2,909	(800)	1,430	679
Special Projects	1,946	779	-	-	2,725
Special Projects-Athletics	-	4,443	108	4,264	287
Sears Class	5,142	6,382	-	1,811	9,713
ROTC League	622	6,470	-	6,609	483
Literary Magazine	63	-	-	-	63
Lunch Credits	(299)	654	-	821	(466)
Booster Clubs	6,478	51,614	-	54,032	4,060
Michelin Awards	180	-	-	180	-
Education Foundation	-	438	-	438	-
LOCC	639	686	(93)	717	515
Band Allocation	3,297	15,000	-	18,705	(408)
Health Room/Nurse	357	173	-	400	130
Extended School Year	797	1,250	-	2,021	26
Relay for Life	50	2,561	93	2,699	5
Project Raisse/Linc	-	350	-	-	350
Heart of Lexington Awards	-	2,000	-	-	2,000
Total	\$ 108,837	\$ 461,393	\$ -	\$ 444,478	\$ 125,752

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
SUMMARY SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS - PELION MIDDLE SCHOOL
FOR YEAR ENDED JUNE 30, 2008

Description	Beginning Balance	Receipts	Transfers	Disbursements	Ending Balance
5th Grade	\$ 139	\$ 855	\$ -	\$ 732	\$ 262
6th Grade	292	342	-	343	291
8th Grade	(241)	5,100	-	4,137	722
Art-Fees	89	1,109	-	1,148	50
Band-Fees	4,641	8,564	(323)	8,189	4,693
Books/Workbooks-Fees	474	230	-	542	162
Chorus	1,393	2,031	323	2,837	910
EAGLES	393	730	-	636	487
Exploratory-Fees	6,964	3,205	-	5,620	4,549
Instruction Material Fees	605	3,197	25	2,622	1,205
Lab Fees	3,008	2,826	-	2,940	2,894
Library Fees/Fines/Fairs	4,238	9,110	-	9,132	4,216
Orchestra/Strings-Fees	769	1,632	-	1,187	1,214
Physical Education-Fees	275	1,845	-	2,067	53
State Textbooks-Lost	1,764	1,542	-	2,007	1,299
Industrial Tech. Fees	66	1,117	-	1,066	117
ID Badges	2,500	3,748	-	3,425	2,823
Beta Club-Junior	376	1,248	-	1,320	304
Student Council-Junior	39	1,579	-	1,218	400
School Store	96	-	-	96	-
Canteen Sales	1,210	13,782	-	14,089	903
School Pictures	227	2,912	-	3,062	77
Yearbooks	4,473	12,751	-	14,900	2,324
Faculty Projects	-	388	-	361	27
Faculty Funds	-	380	-	338	42
Miscellaneous	736	1,166	(25)	1,100	777
Special Funds	15	1,670	-	1,619	66
Special Projects	294	1,931	-	2,126	99
Vocational Rehab Training	105	712	-	740	77
Lunch Credits	(787)	959	-	1,750	(1,578)
Michelin Awards	3	500	-	373	130
Robotics Club	-	111	-	110	1
Education Foundation	-	185	-	185	-
Student Book Club Orders	10	260	-	-	270
Student Field Studies	(140)	2,576	-	3,185	(749)
School/Business Partnership	49	-	-	-	49
Relay for Life	-	4,953	-	4,951	2
Heart of Lexington Awards	-	1,000	-	-	1,000
Total	\$ 34,075	\$ 96,246	\$ -	\$ 100,153	\$ 30,168

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
SUMMARY SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS - PLEASANT HILL ELEMENTARY SCHOOL
FOR YEAR ENDED JUNE 30, 2008**

<u>Description</u>	<u>Beginning Balance</u>	<u>Receipts</u>	<u>Transfers</u>	<u>Disbursements</u>	<u>Ending Balance</u>
Kindergarten	\$ -	\$ 4,098	\$ -	\$ 4,098	\$ -
Band-Fees	406	1,090	-	-	1,496
EAGLES	203	2,225	-	1,775	653
Instruction Material Fees	1,353	17,015	-	14,985	3,383
Library Fees/Fines/Fairs	2,573	18,882	-	19,040	2,415
Orchestra/Strings-Fees	180	140	-	338	(18)
Special Collections	471	86	-	-	557
School Store	180	397	-	282	295
Canteen Sales	605	4,138	-	4,154	589
School Pictures	(1,607)	26,806	-	22,988	2,211
Yearbooks	420	10,900	-	9,390	1,930
Faculty Projects	-	754	-	632	122
Department Funds	15	-	-	-	15
Faculty Funds	121	1,353	-	1,448	26
Miscellaneous	-	100	-	-	100
Special Funds	(457)	1,450	-	928	65
Special Projects	123	2,680	-	2,299	504
Lunch Credits	(1,271)	952	-	-	(319)
Education Foundation	-	608	-	608	-
Student Field Studies	410	2,961	-	2,517	854
Relay for Life	-	1,246	-	1,246	-
Heart of Lexington Awards	-	3,000	-	-	3,000
Total	<u>\$ 3,725</u>	<u>\$ 100,881</u>	<u>\$ -</u>	<u>\$ 86,728</u>	<u>\$ 17,878</u>

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
SUMMARY SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS - PLEASANT HILL MIDDLE SCHOOL
FOR YEAR ENDED JUNE 30, 2008**

Description	Beginning Balance	Receipts	Transfers	Disbursements	Ending Balance
Art-Fees	\$ 362	\$ 1,250	\$ -	\$ 1,618	\$ (6)
Band-Fees	68	4,237	-	4,176	129
Books/Workbooks-Fees	55	24	-	-	79
Chorus	1,048	9,134	-	8,841	1,341
Computer-Fees	1,444	1,142	-	667	1,919
Drama-Fees	17	1,808	-	233	1,592
EAGLES	724	424	-	145	1,003
Exploratory-Fees	1,233	900	-	1,153	980
Instruction Material Fees	248	9,574	-	9,205	617
Lab Fees	284	4,870	-	4,558	596
Library Fees/Fines/Fairs	940	10,605	-	9,506	2,039
Orchestra/Strings-Fees	1,201	2,231	-	2,261	1,171
Physical Education-Fees	706	10,366	-	8,869	2,203
State Textbooks-Lost	952	795	-	811	936
State Textbooks-Damaged	1,288	505	-	-	1,793
Industrial Tech. Fees	181	1,063	-	1,195	49
Service Learning Fees	688	1,425	-	1,344	769
Dance Fees	449	905	-	945	409
ID Badges	942	4,564	-	4,726	780
Misc. Pupil Activity Fund	-	156	-	156	-
Athletics	1,915	21,861	-	19,336	4,440
Beta Club-Junior	203	6,158	-	4,762	1,599
FCA Club	400	429	-	384	445
French Club	35	3,446	-	2,827	654
Student Council-Junior	-	594	-	329	265
Spanish Club	615	1,590	-	77	2,128
Canteen Sales	2,700	17,563	-	18,408	1,855
School Pictures	588	10,801	-	7,013	4,376
Yearbooks	179	30,999	-	29,969	1,209
German Club	1,065	1,372	-	2,341	96
Faculty Funds	190	1,125	-	1,152	163
Miscellaneous	3,070	6,250	-	8,394	926
B Team Cheerleaders	5,526	17,618	-	13,448	9,696
Lunch Credits	(324)	382	-	451	(393)
Tri-M Music Honor Society	-	525	-	100	425
Booster Clubs	960	-	-	455	505
Michelin Awards	13	495	-	392	116
Robotics Club	9	1,254	-	1,788	(525)
Education Foundation	-	95	-	95	-
Student Field Studies	450	43,008	-	42,300	1,158
Relay for Life	-	4,483	-	4,483	-
Intramural	64	555	-	443	176
Heart of Lexington Awards	-	3,000	-	-	3,000
Total	\$ 30,488	\$ 239,581	\$ -	\$ 219,356	\$ 50,713

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
SUMMARY SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS - RED BANK ELEMENTARY SCHOOL
FOR YEAR ENDED JUNE 30, 2008**

<u>Description</u>	<u>Beginning Balance</u>	<u>Receipts</u>	<u>Transfers</u>	<u>Disbursements</u>	<u>Ending Balance</u>
Kindergarten	\$ 102	\$ 3,258	\$ -	\$ 2,544	\$ 816
Band-Fees	1,597	921	-	306	2,212
EAGLES	2,126	1,450	-	3,204	372
Instruction Material Fees	4,402	9,642	-	12,975	1,069
Library Fees/Fines/Fairs	980	343	-	776	547
Orchestra/Strings-Fees	570	220	-	163	627
State Textbooks-Lost	117	66	-	183	-
Just Say No	2,051	292	-	341	2,002
Homework Help Center	(24,176)	97,181	-	80,681	(7,676)
Canteen Sales	652	700	-	994	358
School Pictures	5,328	30,076	-	25,500	9,904
Faculty Funds	469	4,359	-	5,002	(174)
Special Funds	4,155	19,607	-	20,043	3,719
Special Projects	4,024	6,478	-	7,829	2,673
Memorials	1	-	-	1	-
Lunch Credits	(792)	652	-	182	(322)
Sunshine Club	3,302	-	-	918	2,384
Michelin Awards	-	250	-	250	-
Education Foundation	-	325	-	325	-
Sunshine Fund	398	127	-	290	235
Heart of Lexington Awards	-	1,000	-	-	1,000
Total	<u>\$ 5,306</u>	<u>\$ 176,947</u>	<u>\$ -</u>	<u>\$ 162,507</u>	<u>\$ 19,746</u>

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
SUMMARY SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS - SAXE GOTHA ELEMENTARY SCHOOL
FOR YEAR ENDED JUNE 30, 2008**

Description	Beginning Balance	Receipts	Transfers	Disbursements	Ending Balance
1st Grade	\$ 54	\$ 1,417	\$ -	\$ 1,521	\$ (50)
2nd Grade	-	1,168	60	1,373	(145)
3rd Grade	162	1,571	301	2,138	(104)
4th Grade	1,092	6,192	(1,092)	6,115	77
5th Grade	1,519	7,137	(1,520)	7,018	118
Kindergarten	(2,375)	4,260	-	710	1,175
Art-Fees	87	1,375	-	988	474
Band-Fees	725	1,759	-	2,308	176
EAGLES	646	975	-	1,225	396
Instruction Material Fees	7,212	10,350	-	10,519	7,043
Library Fees/Fines/Fairs	6,330	14,696	-	19,639	1,387
Orchestra/Strings-Fees	539	731	-	941	329
State Textbooks-Lost	132	235	-	170	197
State Textbooks-Damaged	5	4	-	-	9
Special Collections	(177)	3,300	(362)	865	1,896
Just Say No	74	-	-	-	74
Canteen Sales	591	3,036	-	3,118	509
School Pictures	1,771	3,168	-	827	4,112
Yearbooks	3,594	7,179	-	7,733	3,040
Department Funds	1,109	160	(935)	334	-
Faculty Funds	1,367	4,344	(2,548)	1,962	1,201
Miscellaneous	237	317	6,344	3,665	3,233
Special Funds	251	2,282	-	2,561	(28)
Special Projects	51	548	(238)	353	8
Lunch Credits	(1,914)	1,781	-	68	(201)
Michelin Awards	-	250	-	234	16
Bob Parker Memorial Fund	3,930	-	-	-	3,930
Education Foundation	-	193	-	193	-
Student Field Studies	-	4,090	-	4,191	(101)
Health Room/Nurse	10	-	(10)	-	-
Relay for Life	(415)	1,352	-	937	-
Heart of Lexington Awards	-	2,000	-	-	2,000
Total	<u>\$ 26,607</u>	<u>\$ 85,870</u>	<u>\$ -</u>	<u>\$ 81,706</u>	<u>\$ 30,771</u>

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
SUMMARY SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS - WHITE KNOLL ELEMENTARY SCHOOL
FOR YEAR ENDED JUNE 30, 2008**

<u>Description</u>	<u>Beginning Balance</u>	<u>Receipts</u>	<u>Transfers</u>	<u>Disbursements</u>	<u>Ending Balance</u>
Kindergarten	\$ -	\$ 2,298	\$ 1,826	\$ 4,124	\$ -
Art-Fees	739	95	-	316	518
Band-Fees	1,508	642	-	137	2,013
Books/Workbooks-Fees	68	70	-	-	138
EAGLES	421	1,360	-	1,320	461
Instruction Material Fees	14,881	22,073	-	26,916	10,038
Library Fees/Fines/Fairs	3,379	778	-	2,900	1,257
Orchestra/Strings-Fees	329	139	-	275	193
State Textbooks-Lost	177	-	-	-	177
Special Collections	8,159	410	-	8,369	200
Misc. Pupil Activity Fund	2	-	-	-	2
Just Say No	206	-	-	-	206
Canteen Sales	295	-	-	229	66
School Pictures	8,332	13,280	-	15,357	6,255
Yearbooks	3,894	12,098	-	10,905	5,087
Department Funds	-	408	-	53	355
Faculty Funds	451	1,962	-	2,042	371
Miscellaneous	2,429	5,422	(1,826)	5,859	166
Special Funds	3,601	31,001	-	33,265	1,337
Special Projects	158	1,746	-	433	1,471
Lunch Credits	(1,871)	872	-	714	(1,713)
Michelin Awards	29	-	-	29	-
Student Book Club Orders	142	160	-	-	302
School/Business Partnership	5	-	-	-	5
Heart of Lexington Awards	-	2,000	-	-	2,000
Total	\$ 47,334	\$ 96,814	\$ -	\$ 113,243	\$ 30,905

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
SUMMARY SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS - WHITE KNOLL HIGH SCHOOL
FOR YEAR ENDED JUNE 30, 2008**

Description	Beginning Balance	Receipts	Transfers	Disbursements	Ending Balance
9th Grade	\$ 582	\$ 472	\$ (82)	\$ 321	\$ 651
10th Grade	1,598	1,553	(1,008)	699	1,444
11th Grade	3,428	1,123	(1,943)	1,099	1,509
12th Grade	156	1,228	384	3,127	(1,359)
ROTC-Fees	535	5,402	-	3,978	1,959
Art-Fees	1,241	3,302	-	3,701	842
Band-Fees	(3,654)	16,027	-	10,497	1,876
Books/Workbooks-Fees	8,028	3,611	-	7,792	3,847
Chorus	419	2,304	1,054	705	3,072
Computer-Fees	10,873	17,630	(369)	25,344	2,790
Drama-Fees	6,473	10,490	-	10,130	6,833
Driver Education-Fees	899	4,970	-	4,997	872
Home Economics-Fees	2,952	1,878	-	4,532	298
Instruction Material Fees	9,605	15,736	-	20,691	4,650
Lab Fees	21,272	16,938	-	31,608	6,602
Library Fees/Fines/Fairs	1,894	5,866	-	5,284	2,476
Orchestra/Strings-Fees	5,167	1,010	-	-	6,177
Parking Fees	14,303	15,569	-	28,246	1,626
Physical Education-Fees	20,791	13,422	-	30,433	3,780
State Textbooks-Lost	6,811	3,704	-	7,207	3,308
State Textbooks-Damaged	3,678	136	-	-	3,814
Nat'l Art Honor Society	66	-	-	-	66
Service Learning Fees	903	20	-	-	923
Health Occupation Fees	1,500	13,628	-	9,108	6,020
ID Badges	3,270	7,865	-	4,474	6,661
Drafting-Fees	144	1,445	-	1,449	140
Guitar Class	155	2,479	-	1,980	654
Special Collections	1,424	-	-	804	620
Equipment-Nonexpendable	-	-	369	369	-
Athletics	96,488	235,062	(5,834)	267,067	58,649
Beta Club-Senior	415	2,960	-	2,933	442
DECA Club	7,662	51,399	(127)	47,490	11,444
FBLA Club	2,155	8,951	(1,620)	7,507	1,979
FCA Club	234	1,487	-	1,708	13
Interact Club	391	-	(156)	-	235
National Honor Society -Sr.	1,090	2,246	-	1,318	2,018
Pep Club/Spirit Committee	403	1,779	-	924	1,258
Student Council-Senior	1,744	743	-	586	1,901
Key Club	90	1,161	-	1,151	100
Outdoor Club	(156)	-	156	-	-
Teacher Cadets	517	217	-	-	734
Debate Team	248	140	-	250	138

(CONTINUED)

SCHEDULE 12-23
(CONTINUED)

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
SUMMARY SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS - WHITE KNOLL HIGH SCHOOL
FOR YEAR ENDED JUNE 30, 2008

Description	Beginning Balance	Receipts	Transfers	Disbursements	Ending Balance
Best Program	\$ 790	\$ -	\$ 1,800	\$ 2,029	\$ 561
NTHS	120	640	-	284	476
Canteen Sales	416	50,667	-	50,332	751
Graduation	102	-	-	102	-
School Pictures	18,596	13,819	-	30,126	2,289
Student Newspapers	265	-	-	265	-
Yearbooks	4,203	34,639	-	33,598	5,244
Department Funds	143	925	-	-	1,068
Faculty Funds	302	412	-	337	377
Foundations	2,500	1,494	-	1,000	2,994
Special Funds	3,824	4,554	-	4,016	4,362
Special Projects	6,566	8,197	-	4,931	9,832
Sears Class	2,286	6,055	-	5,721	2,620
Health Occupations	205	5,788	1,000	6,171	822
Lunch Credits	240	2,047	-	3,274	(987)
International Club	183	-	(183)	-	-
Junior/Senior Prom	16,635	25,040	2,649	18,086	26,238
Tri-M Music Honor Society	(3)	30	(27)	-	-
Gospel Choir	179	-	-	-	179
Booster Clubs	(16,134)	21,682	4,034	23,976	(14,394)
Step Club	185	-	(185)	-	-
Astronomy Club	(205)	-	-	-	(205)
Future Educations of America	10	750	-	200	560
Robotics Club	76	4,015	-	4,589	(498)
Education Foundation	8	406	-	414	-
Student Book Club Orders	159	-	(159)	-	-
Student Field Studies	(45)	15,015	-	12,691	2,279
Not on Tobacco (NOT)	500	-	(500)	-	-
LOCC	534	500	-	363	671
Band Allocation	2,246	15,000	-	15,716	1,530
Latin Dance Club	343	460	-	-	803
Extended School Year	5,756	8,100	-	5,147	8,709
Relay for Life	4	1,226	-	1,148	82
Math Club	(6)	-	-	-	(6)
J Torrence Fieldhouse	-	5,359	747	992	5,114
Virtual Enterprise Class	-	3,280	-	2,742	538
Heart of Lexington Awards	-	2,000	-	-	2,000
Total	\$ 286,777	\$ 706,053	\$ -	\$ 777,759	\$ 215,071

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
SUMMARY SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS - WHITE KNOLL MIDDLE SCHOOL
FOR YEAR ENDED JUNE 30, 2008**

Description	Beginning Balance	Receipts	Transfers	Disbursements	Ending Balance
Art-Fees	\$ 64	\$ 1,068	\$ -	\$ 2,010	\$ (878)
Band-Fees	4,283	4,352	-	5,813	2,822
Books/Workbooks-Fees	15,761	12,977	-	24,192	4,546
Chorus	463	1,553	-	1,572	444
Computer-Fees	3,600	2,794	-	5,226	1,168
Drama-Fees	1,075	1,542	-	920	1,697
EAGLES	400	240	-	360	280
Home Economics-Fees	724	1,148	-	1,691	181
Instruction Material Fees	368	3,140	-	3,299	209
Lab Fees	4,765	3,730	-	7,044	1,451
Library Fees/Fines/Fairs	7,787	12,237	-	11,375	8,649
Orchestra/Strings-Fees	(262)	1,054	-	775	17
Physical Education-Fees	6,554	10,031	-	12,977	3,608
State Textbooks-Lost	1,315	987	-	-	2,302
State Textbooks-Damaged	1,895	979	-	1,214	1,660
Industrial Tech. Fees	11	968	-	746	233
Service Learning Fees	2,207	651	-	1,358	1,500
Dance Fees	907	621	-	-	1,528
ID Badges	1,817	3,544	-	2,839	2,522
Leadership Academy	1,178	-	-	799	379
Special Collections	(5)	175	81	111	140
Misc. Pupil Activity Fund	14,589	32,923	-	37,708	9,804
Athletics	11,503	11,890	-	18,260	5,133
FBLA Club	5	-	-	-	5
Student Council-Junior	3,109	2,616	-	2,088	3,637
Canteen Sales	2,423	22,189	-	24,314	298
School Pictures	4,494	9,274	-	10,745	3,023
Yearbooks	15,065	11,900	(81)	22,117	4,767
Destination Imagination	128	-	-	-	128
Faculty Funds	30	547	-	550	27
Interest	163	-	-	-	163
Special Funds	24,192	23,169	-	39,085	8,276
Special Projects	9,536	46,688	-	49,678	6,546
Lunch Credits	(444)	209	-	-	(235)
Michelin Awards	-	496	-	494	2
Robotics Club	2,013	200	-	1,661	552
Education Foundation	-	904	-	904	-
Student Book Club Orders	5	102	-	102	5
Heart of Lexington Awards	-	1,000	-	-	1,000
Total	<u>\$ 141,718</u>	<u>\$ 227,898</u>	<u>\$ -</u>	<u>\$ 292,027</u>	<u>\$ 77,589</u>

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
DETAILED SCHEDULE OF DUE TO
STATE DEPARTMENT OF EDUCATION
JUNE 30, 2008

<u>Program</u>	<u>Project Number</u>	<u>Revenue Code</u>	<u>Description</u>	<u>Amount Due to State Department of Education</u>
				\$ <u>0</u>
	Total			\$ <u><u>0</u></u>

SCHEDULE 14

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
LOCATION RECONCILIATION SCHEDULE (REQUIRED)
(FOR COGNIZANT AGENCY USE ONLY)
FOR THE YEAR ENDED JUNE 30, 2008**

Location					Total
I.D.	Location	Ed Level	Cost Type	Expenditures	
000	District Wide (Debt Service)	Non-School	Central	\$	34,377,668
010	District Office	Non-School	Central		40,552,514
011	Lexington High	High School	School		22,542,333
012	Lexington Elementary	Elementary	School		7,049,181
013	Gilbert High	High School	School		10,774,097
014	Gilbert Elementary	Elementary	School		5,721,858
015	Pelion High	High School	School		9,366,231
016	Pelion Elementary	Elementary	School		9,323,400
017	Instructional TV Center	Other School	Central		113,594
018	Lexington Intermediate	Elementary	School		3,696,131
019	Alternative School	Middle	School		1,655,597
020	Lexington Middle	Middle	School		9,670,197
021	Lexington Technology Center	Other School	School		5,030,920
022	Oak Grove Elementary	Elementary	School		5,015,994
023	Saxe Gotha Elementary	Elementary	School		5,734,724
024	Red Bank Elementary	Elementary	School		8,188,323
025	White Knoll Elementary	Elementary	School		5,636,341
026	White Knoll Middle	Middle	School		6,837,834
027	White Knoll High School	High School	School		14,097,833
028	Midway Elementary	Elementary	School		6,730,498
029	Gilbert Middle	Middle	School		5,538,508
030	Pelion Middle School	Elem/Middle	School		6,717,273
031	Lake Murray Elementary	Elementary	School		7,447,488
032	Gilbert Primary School	Elementary	School		9,662,757
033	Virtual School	High School	School		57,293
034	Pleasant Hill Middle School	Middle	School		5,711,869
035	Pleasant Hill Elementary School	Elementary	School		4,838,063
037	Carolina Springs Middle School	Middle	School		7,611,400
038	Carolina Springs Elementary School	Elementary	School		7,549,272
039	Fort Pond Elementary School	Elementary	School		11,856,999
040	New Providence Elementary School	Elementary	School		13,814,568
050	Midlands Middle College	High School	School		526,261
Total Expenditures/Expenses for all Funds					<u><u>293,447,019</u></u>

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

General Fund	155,735,888
Special Revenue Fund	11,345,921
Special Revenue - EIA	6,721,994
Debt Service Fund - District	23,710,494
Debt Service Fund - LOSF, Corp.	6,024,582
Debt Service Fund - LSF, Inc.	4,642,592
Capital Projects Fund - District	40,966,638
Capital Projects Fund - LOSF, Corp.	33,329,658
Proprietary Fund	10,582,627
Permanent Fund	386,625

Total Expenditures/Expenses for all Funds \$ 293,447,019

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
SCHEDULE OF GENERAL OBLIGATION BONDS OUTSTANDING
JUNE 30, 2008**

<u>Bond Issue</u>	<u>Fiscal Year Maturity</u>		<u>Principal</u>			<u>Outstanding, June 30, 2008</u>
			<u>Outstanding, July 1, 2007</u>	<u>Issued</u>	<u>Paid</u>	
1998 Issue	2008	<u>1,200,000</u>	\$ 1,200,000	\$	\$ 1,200,000	\$
2001 Issue	2008	2,385,000				
	2009	990,000				
	2010	500,000				
	2011	105,000				
	2012	95,000				
	2013	185,000				
	2014	1,630,000				
	2015	1,755,000				
	2016	35,000				
	2017	45,000				
	2018	190,000				
	2019	3,040,000				
	2020	3,315,000				
	2021	3,610,000				
	2022	4,215,000				
	2023	4,580,000				
	2024	<u>565,000</u>	27,240,000		2,385,000	24,855,000
2003 Issue	2008	<u>1,800,000</u>	1,800,000		1,800,000	
2004 A Issue	2008					
	2009	<u>500,000</u>	500,000			500,000
2004 Issue	2008	605,000				
	2009	795,000				
	2010	825,000				
	2011	910,000				
	2012	1,190,000				
	2013	<u>1,265,000</u>	5,590,000		605,000	4,985,000

(Continued)

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
SCHEDULE OF GENERAL OBLIGATION BONDS OUTSTANDING
JUNE 30, 2008

<u>Bond Issue</u>	<u>Fiscal Year Maturity</u>	<u>Principal</u>			<u>Outstanding, June 30, 2008</u>
		<u>Outstanding, July 1, 2007</u>	<u>Issued</u>	<u>Paid</u>	
2005 A Issue	2008				\$
	2009	2,500,000			
	2010	2,585,000			
	2011	2,670,000			
	2012	2,760,000			
	2013	2,860,000			
	2014	2,970,000			
	2015	3,090,000			
	2016	3,215,000			
	2017	3,345,000			
	2018	3,485,000			
	2019	3,625,000			
	2020	3,775,000			
	2021	3,935,000			
	2022	4,100,000			
	2023	4,275,000			
	2024	4,460,000			
	2025	4,655,000			
	2026	4,860,000			
	2027	5,075,000			
	2028	5,315,000			
	2029	5,580,000			
	2030	<u>5,865,000</u>	85,000,000		85,000,000
2005 B Issue	2008	<u>2,005,000</u>	2,005,000	2,005,000	

(Continued)

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
SCHEDULE OF GENERAL OBLIGATION BONDS OUTSTANDING
JUNE 30, 2008

Bond Issue	Fiscal Year Maturity		Principal			Outstanding, June 30, 2008
			Outstanding, July 1, 2007	Issued	Paid	
2005 C Issue	2008	35,000	\$	\$	\$	\$
	2009	1,325,000				
	2010	1,410,000				
	2011	1,495,000				
	2012	1,575,000				
	2013	1,660,000				
	2014	1,740,000				
	2015	1,920,000				
	2016	2,105,000				
	2017	2,505,000				
	2018	<u>2,600,000</u>	18,370,000		35,000	18,335,000
	2007 A	2008	5,155,000			
2009		1,455,000				
2010		680,000				
2011		710,000				
2012		740,000				
2013		775,000				
2014		810,000				
2015		855,000				
2016		895,000				
2017		930,000				
2018		965,000				
2019		1,005,000				
2020		1,050,000				
2021		1,095,000				
2022		1,140,000				
2023		1,195,000				
2024		1,250,000				
2025		1,305,000				
2026		1,365,000				
2027		1,430,000				
2028	1,495,000					
2029	1,565,000					
2030	1,635,000					
2031	1,710,000					
2032	<u>1,790,000</u>		33,000,000	5,155,000	27,845,000	
2007 B	2008	<u>4,055,000</u>		4,055,000	4,055,000	
			<u>\$ 141,705,000</u>	<u>\$ 37,055,000</u>	<u>\$ 17,240,000</u>	<u>\$ 161,520,000</u>

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
SCHEDULE OF LEXINGTON SCHOOL FACILITIES, INC.
CERTIFICATES OF PARTICIPATION
JUNE 30, 2008**

<u>Lease Purchase Obligations</u>	<u>Fiscal Year Maturity</u>	<u>Principal</u>			
		<u>Outstanding, July 1, 2007</u>	<u>Issued</u>	<u>Paid</u>	<u>Outstanding, June 30, 2008</u>
1998 A	2008	620,000			
Series	2009	650,000			
	2010	680,000			
	2011	<u>675,000</u>	\$ 2,625,000	\$ 620,000	\$ 2,005,000
1998 B	2008	535,000			
Series	2009	560,000			
	2010	580,000			
	2011	<u>560,000</u>	2,235,000	535,000	1,700,000
2002	2008	3,050,000			
Series	2009	2,630,000			
	2010	<u>680,000</u>	<u>6,360,000</u>	<u>3,050,000</u>	<u>\$ 3,310,000</u>
Total			<u>\$ 11,220,000</u>	<u>\$ 4,205,000</u>	<u>\$ 7,015,000</u>

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
 LEXINGTON, SOUTH CAROLINA
 SCHEDULE OF LEXINGTON ONE SCHOOL FACILITIES, CORP.
 INSTALLMENT PURCHASE REVENUE BONDS OUTSTANDING
 JUNE 30, 2008**

<u>Bond Issue</u>	<u>Fiscal Year Maturity</u>		<u>Principal</u>			<u>Outstanding, June 30, 2008</u>
			<u>Outstanding, July 1, 2007</u>	<u>Issued</u>	<u>Paid</u>	
2005 Issue	2008	1,300,000	\$	\$	\$	\$
	2009					
	2010	495,000				
	2011	1,030,000				
	2012	1,080,000				
	2013	1,135,000				
	2014	1,195,000				
	2015	1,255,000				
	2016	1,320,000				
	2017	1,385,000				
	2018	1,460,000				
	2019	1,540,000				
	2020	1,620,000				
	2021	1,710,000				
	2022	1,800,000				
	2023	1,900,000				
	2024	2,000,000				
	2025	2,110,000				
	2026	2,225,000				
	2027	2,340,000				
	2028	2,470,000				
	2029	2,600,000				
	2030	2,740,000				
	2031	<u>2,890,000</u>	39,600,000		1,300,000	38,300,000

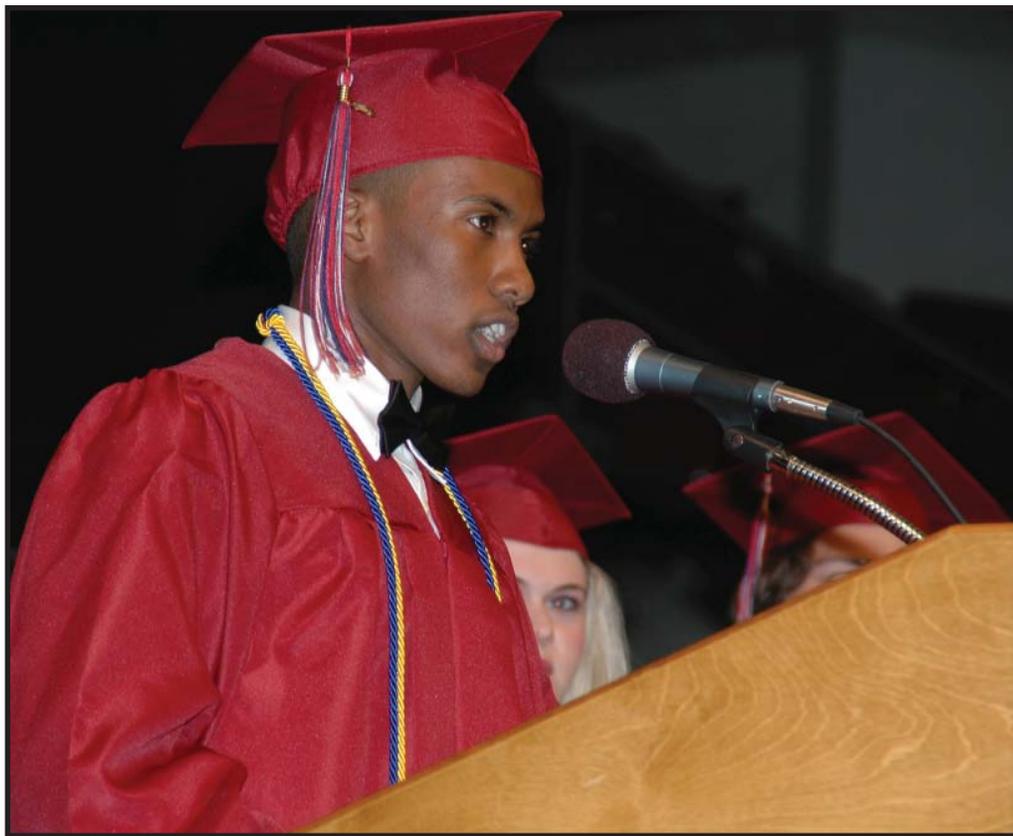
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LEXINGTON COUNTY SCHOOL DISTRICT ONE
 LEXINGTON, SOUTH CAROLINA
 SCHEDULE OF LEXINGTON ONE SCHOOL FACILITIES, CORP.
 INSTALLMENT PURCHASE REVENUE BONDS OUTSTANDING
 JUNE 30, 2008

Bond Issue	Fiscal Year Maturity	Principal			Outstanding, June 30, 2008
		Outstanding, July 1, 2007	Issued	Paid	
2006 Issue	2008				\$
	2009	1,285,000			
	2010	1,350,000			
	2011	1,420,000			
	2012	1,490,000			
	2013	1,570,000			
	2014	1,650,000			
	2015	1,735,000			
	2016	1,820,000			
	2017	1,915,000			
	2018	2,015,000			
	2019	2,115,000			
	2020	2,225,000			
	2021	2,340,000			
	2022	2,460,000			
	2023	2,585,000			
	2024	2,720,000			
	2025	2,855,000			
	2026	3,005,000			
	2027	3,155,000			
	2028	3,320,000			
	2029	3,490,000			
	2030	3,670,000			
	2031	3,855,000			
		54,045,000			54,045,000
		<u>\$ 93,645,000</u>	<u>\$</u>	<u>\$ 1,300,000</u>	<u>\$ 92,345,000</u>

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Statistical



**is to enable our students
to be thinking, productive,
responsible citizens in the
global, competitive 21st century.**

STATISTICAL SECTION

This section of the Lexington County School District One Comprehensive Annual Financial Report presents detailed trend and other information as a context for understanding what the information in the basic financial statements, notes to the financial statements, required supplementary information and other supplementary information says about Lexington County School District One's overall financial health.

	<u>Page Numbers</u>
Financial Trends	145-149
These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	
Revenue Capacity	150-153
These schedules contain information to help the reader access Lexington County School District One's most significant local revenue source, the property tax.	
Debt Capacity	154-157
These schedules present information to help the reader assess the affordability of Lexington County School District One's current level of outstanding debt and the District's ability to issue additional debt in the future.	
Demographic and Economic Information	158-159
These schedules offer demographic and economic indicators to help the reader understand the environment within which Lexington County School District One's financial activities take place.	
Operating Information	160-168
These schedules contain service and infrastructure data to help the reader understand how the information in Lexington County School District One's financial report relates to the services the District provides and the activities it performs.	

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Lexington County School District One
Lexington, South Carolina
Net Assets by Component
Last Six Fiscal Years (A)
(Accrual Basis of Accounting)

Table 1

	Fiscal Years					
	2003	2004	2005	2006	2007	2008
Governmental Activities						
Invested in capital assets, net of related debt	\$ 62,381,545	\$ 68,644,306	\$ 62,381,545	\$ 112,247,430	\$ 45,768,406	\$ 91,976,927
Restricted	11,421,112	10,990,056	18,561,221	7,737,934	68,264,908	34,083,524
Unrealized Holding Gain (Loss) on Investments	-	-	-	(9,441)	-	-
Unrestricted	8,358,644	11,599,638	11,982,482	1,061,246	9,673,086	15,646,315
Total governmental activities net assets	\$ 82,161,301	\$ 91,234,000	\$ 92,925,248	\$ 121,037,169	\$ 123,706,400	\$ 141,706,766
Business-type activities						
Invested in capital assets, net of related debt	\$ 870,816	\$ 784,710	\$ 906,142	\$ 884,201	\$ 1,171,848	\$ 1,550,826
Unrestricted	1,151,355	1,662,059	1,711,517	2,981,882	2,896,733	1,598,302
Total business-type activities net assets	\$ 2,022,171	\$ 2,446,769	\$ 2,617,659	\$ 3,866,083	\$ 4,068,581	\$ 3,149,128
Primary Government						
Invested in capital assets, net of related debt	\$ 63,252,361	\$ 69,429,016	\$ 63,287,687	\$ 113,131,631	\$ 46,940,254	\$ 93,527,753
Restricted	11,421,112	10,990,056	18,561,221	7,737,934	68,264,908	34,083,524
Unrealized Holding Gain (Loss) on Investments	-	-	-	(9,441)	-	-
Unrestricted	9,509,999	13,261,697	13,693,999	4,043,128	12,569,819	17,244,517
Total primary government net assets	\$ 84,183,472	\$ 93,680,769	\$ 95,542,907	\$ 124,903,252	\$ 127,774,981	\$ 144,855,794

Note: (A) Years after Implementation of GASB Statement No. 34.

Source: District Comprehensive Annual Financial Reports.

Table 2

Lexington County School District One
Lexington, South Carolina
Changes in Net Assets
Last Six Fiscal Years (A)
(Accrual Basis of Accounting)

	Fiscal Years					
	2003	2004	2005	2006	2007	2008
Expenses						
Governmental activities:						
Instruction	\$ 81,759,315	\$ 82,795,244	\$ 96,689,095	\$ 90,651,437	\$ 121,063,875	\$ 120,814,364
Support services	44,363,416	45,497,672	52,177,877	49,494,561	60,772,336	65,436,987
Community services	58,415	117,784	164,612	226,864	296,211	453,534
Intergovernmental	417,944	402,630	283,767	80,953	77,854	-
Interest and other charges	4,731,598	4,601,773	4,098,653	8,774,520	11,597,433	11,395,071
Total governmental activities expenses	<u>131,330,688</u>	<u>133,415,103</u>	<u>153,414,004</u>	<u>149,228,335</u>	<u>193,807,709</u>	<u>198,099,956</u>
Business-type activities						
Food service	5,832,781	6,207,546	7,081,179	7,465,421	8,793,158	10,582,627
Total business-type activities expenses	<u>5,832,781</u>	<u>6,207,546</u>	<u>7,081,179</u>	<u>7,465,421</u>	<u>8,793,158</u>	<u>10,582,627</u>
Total primary government expenses	<u>\$ 137,163,469</u>	<u>\$ 139,622,649</u>	<u>\$ 160,495,183</u>	<u>\$ 156,693,756</u>	<u>\$ 202,600,867</u>	<u>\$ 208,682,583</u>
Program Revenues						
Governmental activities:						
Charges for services:						
Instruction	\$ 156,752	\$ 202,439	\$ 168,610	\$ 96,437	\$ 93,210	\$ 184,415
Support services	228,545	346,121	186,084	173,571	225,915	219,449
Community services	-	-	173,028	3,183	218,618	449,853
Intergovernmental	-	-	283,767	319,812	506,332	-
Operating grants and contributions	59,586,307	68,594,754	76,841,869	83,722,589	88,520,752	92,828,231
Total governmental activities program revenues	<u>59,971,604</u>	<u>69,143,314</u>	<u>77,653,358</u>	<u>84,315,592</u>	<u>89,564,827</u>	<u>93,681,948</u>
Business-type activities:						
Charges for services:						
Food service	3,616,296	3,916,173	4,437,466	4,900,080	5,585,450	5,877,098
Operating grants and contributions	2,434,114	2,584,497	2,699,398	3,241,301	3,098,130	3,403,763
Capital grants and contributions	260,574	-	-	-	-	-
Total business-type activities program revenues	<u>6,310,984</u>	<u>6,500,670</u>	<u>7,136,864</u>	<u>8,141,381</u>	<u>8,683,580</u>	<u>9,280,861</u>
Total primary government program revenues	<u>\$ 66,282,588</u>	<u>\$ 75,643,984</u>	<u>\$ 84,790,222</u>	<u>\$ 92,456,973</u>	<u>\$ 98,248,407</u>	<u>\$ 102,962,809</u>

(Continued)

Table 2
Continued

Lexington County School District One
Lexington, South Carolina
Changes in Net Assets
Last Six Fiscal Years (A)
(Accrual Basis of Accounting)

	Fiscal Years					
	2003	2004	2005	2006	2007	2008
Net (expense)/revenue						
Governmental activities	\$ (71,359,084)	\$ (64,271,789)	\$ (75,760,646)	\$ (64,912,743)	\$ (104,242,882)	\$ (104,418,008)
Business-type activities	478,203	293,124	55,685	675,960	(109,578)	(1,301,766)
Total primary government program net expense	\$ (70,880,881)	\$ (63,978,665)	\$ (75,704,961)	\$ (64,236,783)	\$ (104,352,460)	\$ (105,719,774)
General Revenues and Other Charges in Net Assets						
Governmental activities						
Property taxes Levied for:						
General Purposes	\$ 50,101,511	\$ 53,131,051	\$ 54,299,246	\$ 58,611,209	\$ 65,932,124	\$ 55,685,567
Debt Service	6,204,893	8,592,634	11,298,074	18,887,161	20,128,064	21,232,299
Federal and state aid not restricted for specific purposes	17,694,241	11,189,956	11,204,712	11,667,171	12,026,349	40,457,743
Unrestricted investment earnings	656,246	418,577	841,258	4,175,207	8,572,444	5,052,998
Miscellaneous revenue	98,694	310,468	87,384	258,337	556,036	363,791
Transfers	(327,457)	(298,198)	(309,987)	(564,980)	(302,904)	(374,024)
Total governmental activities	74,428,128	73,344,488	77,420,687	93,034,105	106,912,113	122,418,374
Business-type activities						
Unrestricted investment earnings	1,298	950	3,216	7,484	9,172	8,189
Transfers	124,355	130,524	111,989	564,980	302,904	374,024
Total business-type activities	125,653	131,474	115,205	572,464	312,076	382,213
Total primary government	\$ 74,553,781	\$ 73,475,962	\$ 77,535,892	\$ 93,606,569	\$ 107,224,189	\$ 122,800,587
Change in Net Assets						
Governmental activities	\$ 3,069,044	\$ 9,072,699	\$ 1,660,041	\$ 28,121,362	\$ 2,669,231	\$ 18,000,366
Business-type activities	603,856	424,598	170,890	1,248,424	202,498	(919,553)
Total primary government	\$ 3,672,900	\$ 9,497,297	\$ 1,830,931	\$ 29,369,786	\$ 2,871,729	\$ 17,080,813

Note: (A) Years after Implementation of GASB Statement No. 34.
Source: District Comprehensive Annual Financial Reports.

Table 3

Lexington County School District One
Lexington, South Carolina
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Years									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
General Fund										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ 96,932	\$ 11,816	\$ 481,325	\$ -	\$ -	\$ -
Unreserved	6,587,621	6,274,880	4,802,157	5,548,147	7,174,565	9,591,274	11,418,550	12,348,217	16,051,219	18,932,830
Total General Fund	\$ 6,587,621	\$ 6,274,880	\$ 4,802,157	\$ 5,548,147	\$ 7,271,497	\$ 9,603,090	\$ 11,899,875	\$ 12,348,217	\$ 16,051,219	\$ 18,932,830
All other governmental funds										
Reserved	\$ 17,607,297	\$ 30,301,710	\$ 19,435,713	\$ 14,390,339	\$ 11,119,167	\$ 11,990,056	\$ 18,079,896	\$ 144,869,274	\$ 81,499,381	\$ 48,012,751
Unreserved, reported in:										
Permanent Fund	-	-	-	-	(14,089)	211,646	203,220	218,386	258,690	284,070
Total all other governmental funds	\$ 17,607,297	\$ 30,301,710	\$ 19,435,713	\$ 14,390,339	\$ 11,105,078	\$ 12,201,702	\$ 18,283,116	\$ 145,087,660	\$ 81,758,071	\$ 48,296,821

Source: District Comprehensive Annual Financial Reports.

Table 4

Lexington County School District One
Lexington, South Carolina
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Revenues										
Local Sources	\$ 34,399,628	\$ 38,756,364	\$ 44,638,643	\$ 52,931,599	\$ 57,303,156	\$ 62,857,153	\$ 67,338,520	\$ 82,292,310	\$ 96,698,558	\$ 82,793,185
Intergovernmental	-	-	-	182,250	182,250	121,625	123,858	123,715	151,695	129,823
State Sources	57,415,628	66,776,338	80,747,171	75,311,921	72,581,946	73,887,656	80,450,168	86,569,561	91,297,513	124,676,775
Federal Sources	2,154,477	2,939,147	3,327,143	3,702,017	4,120,189	5,494,797	7,368,555	7,933,147	8,189,823	7,740,092
Total Revenues	\$ 93,969,733	\$ 108,471,849	\$ 128,712,957	\$ 132,127,787	\$ 134,187,541	\$ 142,361,231	\$ 155,281,101	\$ 176,918,733	\$ 196,337,589	\$ 215,339,875
Expenditures										
Current:										
Instruction	53,538,285	61,072,134	70,081,491	76,282,336	79,202,415	81,277,812	88,277,400	94,656,825	103,335,529	112,048,175
Support Services	25,054,962	29,833,854	34,469,672	38,360,399	39,399,560	41,229,862	45,693,285	50,826,475	54,862,888	61,378,257
Community Services	2,178	10,598	7,475	6,923	58,415	117,784	164,612	226,864	296,211	453,534
Intergovernmental	29,943	17,327	139,092	173,079	417,944	402,630	283,767	80,953	77,854	-
Debt Service										
Principal	5,961,694	6,850,000	41,360,000	81,344,000	5,386,019	11,017,121	12,276,019	56,450,000	15,130,000	22,745,000
Interest	3,605,772	3,902,266	5,383,559	6,156,169	4,559,269	4,263,317	4,023,392	7,101,121	11,707,384	11,600,152
Other Objects	186,441	9,551	54,585	9,619	414,502	78,255	7,061	107,307	53,884	346,379
Capital Outlay	27,980,212	30,171,211	25,246,560	16,916,143	6,743,185	12,194,758	17,891,164	52,870,288	72,149,727	74,292,895
Total Expenditures	\$ 116,359,487	\$ 131,866,941	\$ 176,742,434	\$ 219,248,668	\$ 136,181,309	\$ 150,581,539	\$ 168,616,700	\$ 262,319,833	\$ 257,613,477	\$ 282,864,392
Excess of Revenues over (under) expenditures	\$ (22,389,754)	\$ (23,395,092)	\$ (48,029,477)	\$ (87,120,881)	\$ (1,993,768)	\$ (8,220,308)	\$ (13,335,599)	\$ (85,401,100)	\$ (61,275,888)	\$ (67,524,517)
Other Financing Sources (Uses)										
Sale of Assets	6,476	5,512	-	4,635	(19,160)	2,774	2,681	29,235	42,205	-
Receipt of Insurance Proceeds	180,380	-	-	-	31,241	-	-	-	-	-
Medicaid Reimbursements	31,599	-	-	-	-	-	-	-	-	-
Premium on Bonds Sold	-	-	100,985	-	-	125,931	72,574	4,809,171	-	263,902
Issuance of General Obligation Bonds	27,900,000	-	-	-	-	10,735,000	-	96,250,000	1,910,000	37,055,000
Issuance of Refunding Bonds	-	-	-	-	18,795,000	6,875,000	-	-	-	-
Issuance of Refunding Certificates of Participation	5,709,531	-	-	-	-	-	-	-	-	-
Issuance of Long-Term Notes	830,000	36,166,236	36,046,945	83,233,932	110,152	-	22,500,000	-	-	-
Issuance of Installment Purchase Revenue Bonds	-	-	-	-	-	-	-	93,645,001	-	-
Payment to Refunded Debt Escrow Agent	(5,709,531)	-	-	-	(18,519,924)	(6,791,980)	-	-	-	-
Proceeds from Short-Term Borrowing	-	-	-	-	-	-	481,325	-	-	-
Payment to State Department of Education	-	-	-	-	-	-	(64,002)	-	-	-
Transfers In	7,859,860	10,999,099	10,151,999	12,463,859	16,117,211	14,584,978	15,313,344	29,860,011	11,220,125	19,667,311
Transfers Out	(4,852,597)	(11,394,083)	(10,609,172)	(12,880,929)	(16,444,668)	(14,883,176)	(15,623,321)	(30,424,991)	(11,523,029)	(20,041,335)
Total Other Financing Sources (Uses)	\$ 31,955,718	\$ 35,776,764	\$ 35,690,757	\$ 82,821,497	\$ 69,852	\$ 10,648,527	\$ 22,682,601	\$ 212,663,427	\$ 1,649,501	\$ 36,944,878
Net Change in Fund Balances	\$ 9,565,964	\$ 12,381,672	\$ (12,338,720)	\$ (4,299,384)	\$ (1,923,916)	\$ 2,428,219	\$ 9,347,002	\$ 127,262,327	\$ (59,626,587)	\$ (30,579,639)
Debt Service as a Percentage of Noncapital Expenditures	11.0%	10.7%	30.9%	42.7%	7.8%	11.1%	11.2%	31.9%	13.3%	16.2%

Source: District Comprehensive Annual Financial Reports

Table 5
Lexington County School District One
Lexington, South Carolina
Assessed Value and Estimated Actual Value of All Taxable Property
Last Ten Fiscal Years

Fiscal Year	Tax Year	Assessed Value Real Property ¹	Assessed Value Personal Property			Total Assessed Value	Total Estimated Actual Value	Total Direct Tax Rate (Millage)	Assessed Value as a Percentage of Actual Value
			Motor Vehicles	Other	Total				
1999	1998	\$ 119,209,640	\$ 40,828,660	\$ 29,386,600	\$ 189,424,900	\$ 3,119,290,880	214.60	6.07%	
2000	1999	127,727,150	46,152,960	31,398,120	205,278,230	3,297,511,328	224.40	6.23%	
2001	2000	135,175,400	50,171,610	32,988,900	218,335,910	3,791,567,294	239.40	5.76%	
2002	2001	167,543,210	54,091,560	34,489,440	256,124,210	4,617,411,578	250.30	5.55%	
2003	2002	179,075,200	52,451,880	34,700,400	266,227,480	5,140,049,416	262.30	5.18%	
2004	2003	187,132,250	53,156,870	34,289,350	274,578,470	5,263,945,422	277.10	5.22%	
2005	2004	196,306,440	53,659,840	34,583,870	284,550,150	5,133,893,808	285.10	5.54%	
2006	2005	254,281,230	50,818,090	34,842,240	339,941,560	6,375,668,389	272.10	5.33%	
2007	2006	263,920,480	52,052,200	46,321,620	362,294,300	6,796,168,913	287.10	5.33%	
2008	2007	281,199,680	50,440,300	49,779,460	381,419,440	7,279,876,750	301.40	5.24%	

Note: 1 Includes fee in lieu of taxes. Property values were re-assessed in Fiscal Year 2002 and Fiscal Year 2006.

Source: Lexington County Auditor's Office - Unaudited.

Table 6

Lexington County School District One
Lexington, South Carolina
Property Tax Rates - Direct and Overlapping Governments
Last Ten Fiscal Years

Fiscal Year	Tax Year	Lexington County School District One			Overlapping Rates				Total Direct and Overlapping Rates	Additional Millages - Municipalities					
		Operating Millage ¹	Debt Service Millage	Total Millage	Lexington County	Recreation District	Midlands Technical College	Riverbanks Zoo		Springdale ²	City of Cayce ²	Town of Gilbert	Town of Lexington	Town of Pelion	Town of Summit
1999	1998	190.600	24.000	214.600	81.600	12.800	3.300	2.600	314.900	N/A	N/A	7.000	53.600	13.700	6.100
2000	1999	200.400	24.000	224.400	77.100	12.800	4.200	2.600	321.100	N/A	N/A	5.000	51.000	13.700	6.100
2001	2000	215.400	24.000	239.400	81.100	13.200	4.200	2.500	340.400	N/A	N/A	5.000	51.000	13.700	6.100
2002	2001	226.300	24.000	250.300	75.296	12.784	3.723	2.013	344.116	N/A	N/A	5.000	43.700	13.700	6.100
2003	2002	238.300	24.000	262.300	82.582	13.048	4.083	1.731	363.744	N/A	N/A	5.000	43.700	13.700	6.100
2004	2003	243.300	33.800	277.100	84.412	13.293	4.181	1.858	380.844	N/A	N/A	5.000	43.700	13.700	6.100
2005	2004	243.300	41.800	285.100	88.059	15.099	4.277	1.885	394.420	N/A	N/A	5.000	43.700	13.700	6.100
2006	2005	213.100	59.000	272.100	78.572	13.517	4.306	1.852	370.347	N/A	42.500	5.000	36.238	12.600	5.500
2007	2006	228.100	59.000	287.100	81.244	13.977	4.452	1.915	388.688	N/A	42.500	5.000	36.238	17.600	6.100
2008	2007	242.400	59.000	301.400	85.818	18.023	4.452	1.960	411.653	58.000	44.500	5.000	36.238	17.600	6.100

Notes: 1 - Operating millage includes the Lease Purchase millage since it is levied in the general fund instead of the debt service fund.
2 - A portion of the School District became annexed by the City of Cayce during the Tax Year 2005.
3 - A portion of the School District became annexed by the Town of Springdale during the Tax Year 2007.

Source: Lexington County Auditor's Office - Unaudited.

Table 7

Lexington County School District One
Lexington, South Carolina
Principal Property Taxpayers
Current Year and Nine Years Ago

Taxpayer	Fiscal Year 2008				Fiscal Year 1999			
	Assessed Value	Taxes Paid	Rank	Percent of Assessed Value to Total Assessed Value	Assessed Value	Taxes Paid	Rank	Percent of Assessed Value to Total Assessed Value
South Carolina Electric & Gas	\$ 20,084,250	\$ 7,193,967	1	5.27%	\$ 7,038,100	\$ 2,245,590	2	3.72%
Michelin North America, Inc.	14,062,800	3,914,201	2	3.69%	9,702,330	2,576,205	1	5.12%
Mid Carolina Electric Coop, Inc.	4,056,480	1,582,522	3	1.06%	2,299,700	724,192	4	1.21%
PBR Columbia LLC	2,940,620	866,895	4	0.77%	839,220	265,036	8	0.44%
Time Warner ENT	1,780,990	694,782	5	0.47%				
Prysmian Communications Cables	1,957,820	660,208	6	0.51%				
Solectron USA, Inc	1,887,220	560,132	7	0.49%				
Pella Corporation	1,469,910	559,292	8	0.39%				
Alltel South Carolina, Inc. Co	1,189,180	472,712	9	0.31%	1,380,620	447,021	6	0.73%
Cooper Power Tools, Inc	1,151,730	399,955	10	0.30%	1,283,910	380,630	7	0.68%
Pirelli Cables & Systems					2,473,690	646,515	3	1.31%
Inland Paperboard and Packaging					1,460,660	372,627	5	0.77%
Union Underwear Company					587,890	167,043	9	0.31%
Boral Bricks Inc.					544,970	148,016	10	0.29%
	<u>\$ 50,581,000</u>	<u>\$ 16,904,666</u>		<u>13.26%</u>	<u>\$ 27,611,090</u>	<u>\$ 7,972,875</u>		<u>14.58%</u>

* Includes Fee in Lieu of Taxes

1 - In 1999, the company was Pond Branch Telephone.

Source: Lexington County Auditor's Office - Unaudited.

Table 8

**Lexington County School District One
Lexington, South Carolina
Property Tax Levies and Collections
Last Ten Fiscal Years**

Fiscal Year	Tax Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy ¹		Collections in Subsequent Years ¹	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
1999	1998	\$ 61,798,870	Unavailable	Unavailable	Unavailable	\$ 59,672,639	96.6%
2000	1999	67,346,730	Unavailable	Unavailable	Unavailable	65,266,391	96.9%
2001	2000	76,334,125	Unavailable	Unavailable	Unavailable	74,313,066	97.4%
2002	2001	88,330,686	Unavailable	Unavailable	Unavailable	86,736,737	98.2%
2003	2002	96,692,157	Unavailable	Unavailable	Unavailable	96,407,673	99.7%
2004	2003	105,583,431	Unavailable	Unavailable	Unavailable	103,037,792	97.6%
2005	2004	110,543,736	Unavailable	Unavailable	Unavailable	109,596,363	99.1%
2006	2005	127,359,530	Unavailable	Unavailable	Unavailable	123,051,615	96.6%
2007	2006	139,302,873	Unavailable	Unavailable	Unavailable	137,432,241	98.7%
2008	2007	155,591,308	Unavailable	Unavailable	Unavailable	151,551,748	97.4%

Note: 1 The Lexington County Treasurer's Office was unable to provide the District with a breakout of collections within fiscal year levied or collections in subsequent years.

Source: Lexington County Treasurer's Office - Unaudited.

Table 9

Lexington County School District One
 Lexington, South Carolina
 Legal Debt Margin Information
 Last Ten Fiscal Years

	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Debt Limit	\$ 15,310,870	\$ 16,579,136	\$ 17,623,750	\$ 20,646,814	\$ 21,455,076	\$ 22,123,155	\$ 22,854,708	\$ 26,247,912	\$ 28,402,630	\$ 30,011,826
Total Net Debt Applicable to Debt Limit	2,725,000	875,000	-	15,585,000	14,555,000	19,730,000	13,220,000	15,850,000	8,445,000	2,255,000
Legal Debt Margin	\$ 12,585,870	\$ 15,704,136	\$ 17,623,750	\$ 5,061,814	\$ 6,900,076	\$ 2,393,155	\$ 9,634,708	\$ 10,397,912	\$ 19,957,630	\$ 27,756,826

Total Net Debt Applicable to Debt Limit	17.8%	5.3%	0.0%	75.5%	67.8%	89.2%	57.8%	60.4%	29.7%	7.5%
as a Percentage of Debt Limit										

Legal Debt Margin Calculation for Fiscal Year 2008

Assessed Value (Excluding Fee in Lieu)	\$ 362,431,290
Merchant's Inventory	1,960,970
Fee in Lieu of Tax Property	10,755,571
Total Assessed Value	<u>\$ 375,147,831</u>
Constitutional Debt Limit (8% of total assessed value)	\$ 30,011,826
Debt Applicable to Debt Limit:	
General Obligation Bonds Outstanding	\$ 161,520,000
Less: General Obligation Bonds Outstanding Not Subject to Debt Limit	<u>(159,265,000)</u>
Total Net Debt Applicable to Debt Limit	<u>2,255,000</u>
Legal Debt Margin	<u>\$ 27,756,826</u>

NOTE 1: Article X, Section 15 of the Constitution of the State of South Carolina, 1895, as amended (the "Constitution"), empowers each school district of the State to incur general obligation debt in such terms and conditions as the General Assembly shall prescribe by law. After November 30, 1982, each school district may incur general obligation debt, without an election and upon such terms and conditions as the General Assembly may prescribe, in an amount not exceeding 8% of the assessed value of all taxable property of such school district. Bonded indebtedness existing on November 30, 1982, and the bonded indebtedness authorized by a majority vote of the qualified electors of the school district voting in a referendum will not be considered in the computation of the 8% limitation.

Note 2: Statutes authorizing the payment of fees in lieu of taxes provide that property from which such fees are derived may be included in the calculation of debt limit. These statutes provide formulae whereby the assessed value for debt limit purposes of property subject to a fee in lieu of taxes is determined, based upon the most recently received annual payments in lieu of taxes received by a particular taxing entity. Based upon information received from the Lexington County Auditor, in 2008 property subject to fees in lieu of taxes provides the District with approximately \$860,446 in debt limit capacity.

Source: Assessed Values are obtained from the Lexington County Auditor's Office.
 Unaudited

Table 10

Lexington County School District One
Lexington, South Carolina
Ratios of Outstanding Debt By Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities ¹										Total Primary Government	Percentage of Personal Income ²	Per Capita ²	
	General Obligation Bonds	Certificates of Participation	Installment Purchase Revenue Bonds	Bond Anticipation Note	Capital Lease	Note Payable	General Obligation Bonds	Certificates of Participation	Installment Purchase Revenue Bonds	Bond Anticipation Note				Capital Lease
1999	\$ 40,385,000	\$ 37,015,000	\$ -	\$ 830,000	-	\$ -	-	-	\$ -	-	-	\$ 78,230,000	1344%	\$ 948
2000	36,875,000	34,505,000	-	35,930,000	-	-	-	-	-	-	-	107,310,000	1712%	1,226
2001	34,325,000	31,625,000	-	35,930,000	973,552	-	-	-	-	-	-	102,853,552	1632%	1,130
2002	72,540,000	28,605,000	-	-	500,264	-	-	-	783,057	-	-	102,428,321	1584%	1,084
2003	70,135,000	26,825,000	-	-	-	-	-	-	522,038	-	-	97,482,038	1449%	995
2004	74,285,000	23,080,000	-	-	-	-	-	-	261,019	-	-	97,626,019	1352%	963
2005	66,105,000	19,245,000	-	22,500,000	-	-	-	-	-	-	-	107,850,000	Unavailable	1,029
2006	150,855,000	15,290,000	93,645,000	-	-	-	-	-	-	-	-	259,790,000	Unavailable	2,399
2007	141,705,000	11,220,000	93,645,000	-	-	-	-	-	-	-	-	246,570,000	Unavailable	2,206
2008	161,520,000	7,015,000	92,345,000	-	-	-	-	-	-	-	-	260,880,000	Unavailable	2,264

Note: 1 Details regarding the District's outstanding debt can be found in the notes to the financial statements. Information is compiled from District Comprehensive Annual Financial Reports.

Note: 2 Personal Income and Estimated Population can be found on the table for Demographic and Economic Statistics.

Lexington County School District One
Lexington, South Carolina
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds ¹	Less: Amounts Available in Debt Service Fund ²	Total	Percent of Estimated Actual Taxable Value of Property ³	Per Capita ⁴
1999	40,385,000	2,225,393	38,159,607	1.22%	462
2000	36,875,000	1,831,294	35,043,706	1.06%	400
2001	34,325,000	1,643,929	32,681,071	0.86%	359
2002	72,540,000	3,510,660	69,029,340	1.49%	731
2003	70,135,000	4,175,463	65,959,537	1.28%	674
2004	74,285,000	2,574,611	71,710,389	1.36%	707
2005	66,105,000	2,720,999	63,384,001	1.23%	605
2006	150,855,000	6,128,655	144,726,345	2.27%	1,336
2007	141,705,000	10,140,592	131,564,408	1.94%	1,177
2008	161,520,000	9,487,944	152,032,056	2.09%	1,319

Notes:

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

2 This represents amounts reserved for Debt Service -District which is for General Obligation Bonds only. Amounts reserved for Lease Purchase (Certificates of Participation) or Installment Purchase Revenue Bonds are separate Debt Service Funds.

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

4 Population data can be found on the Schedule of Demographic and Economic Statistics.

Lexington County School District One
Lexington, South Carolina
Direct and Overlapping Governmental Activities Debt
As of June 30, 2008

<u>Governmental Unit</u>	<u>Governmental Activities Debt Outstanding</u>	<u>Percent Applicable to District²</u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid with Property Taxes:			
Lexington County	\$ 46,904,992	41.52%	\$ 19,476,247
Lexington County Recreation Commission	27,775,000	57.43%	15,952,002
Town of Lexington	1,885,000	100.00%	1,885,000
Riverbanks Zoo ¹	13,570,000	16.92%	2,295,651
Total Overlapping	\$ 90,134,992		\$ 39,608,901
Lexington County School District One and its blended component units direct debt			\$ 260,880,000
Total Direct & Overlapping Debt			\$ 300,488,901

Notes:

- 1 Percentage for Riverbanks Zoo is computed by combining total assessed values of Lexington and Richland Counties.
- 2 The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were computed by dividing the district's assessed value by the assessed value of the applicable government unit.

Sources:

Lexington County Auditor's Office, Lexington County Treasurer's Office, Richland County Auditor's Office, Riverbanks Zoo, and Town of Lexington.

Lexington County School District One
Lexington, South Carolina
Demographic Statistics - Lexington County
Last Ten Fiscal Years

Fiscal Year	School District	County Estimated Population ²	Personal Income ³	Per Capita Personal Income ³	School Enrollment ^f	Unemployment Rate ⁵
	Estimated Population ¹					
1999	82,546	213,243	\$ 5,818,531	\$ 27,286	44,283	1.80%
2000	87,547	216,014	6,268,383	28,901	45,032	2.07%
2001	91,007	220,081	6,302,039	28,641	45,707	2.00%
2002	94,467	222,771	6,466,495	29,034	46,304	2.71%
2003	97,927	226,978	6,726,151	29,633	47,164	3.01%
2004	101,387	231,057	7,221,851	31,282	47,801	3.30%
2005	104,847	235,272	Unavailable	Unavailable	48,694	4.50%
2006	108,307	238,797	Unavailable	Unavailable	49,662	4.77%
2007	111,767	240,160	Unavailable	Unavailable	50,400	4.42%
2008	115,227	243,270	Unavailable	Unavailable	50,988	4.33%

Data Sources: 1 Based on census data from the 2000 census and interpolation resulting in an annual increase of 3,460.

2 Population Division, U.S. Census Bureau.

3 U.S. Department of Commerce, Bureau of Economic Analysis, Lexington County.

4 SC Department of Education - 135-Day Average Daily Membership Report. The County of Lexington has 5 school districts.

5 SC Employment Security Commission. Averages are on a fiscal year basis, computed from the monthly press releases.

Unaudited

Lexington County School District One
Lexington, South Carolina
Principal Employers - Lexington County
Current Year and Nine Years Ago

Employer	2008 ¹			1999 ²		
	Number of Employees	Rank	Percentage of Total County Employment	Number of Employees	Rank	Percentage of Total County Employment
Wal-Mart Stores, Inc.	2,160	1	1.69%			
Michelin North America, Inc.	1,300	2	1.02%	1,250	1	1.04%
Harsco Track Tech	560	3	0.44%			
Soletron	550	4	0.43%			
US Foodservice	500	5	0.39%			
Cooper Tools	500	6	0.39%	365	10	0.30%
Union Switch & Signal, Inc	500	7	0.39%	500	4	0.42%
Armstrong Air Conditioning Inc.	500	8	0.39%			
Eagle Aviation, Inc.	449	9	0.35%			
Shaw Industries	400	10	0.31%			
Allied Signal				1,231	2	1.03%
NCR				764	3	0.64%
Fairmont Tamper (Now Harsco)				467	5	0.39%
Columbia Farms, Inc.				425	6	0.35%
JB Martin				396	7	0.33%
Pirelli Cable				375	8	0.31%
SMI Steel				367	9	0.31%
Total	7,419		5.80%	6,140		5.12%

Data Sources:

¹ South Carolina Department of Commerce)

² South Carolina Industrial Directory (Published by South Carolina Department of Commerce)

Note: (A) Excludes School District and County Employees

Lexington County School District One
Lexington, South Carolina
Employees by Function
Last Ten Fiscal Years

Table 15

Function	Fiscal Years									
	1999 ²	2000 ²	2001 ²	2002 ²	2003 ²	2004	2005	2006	2007	2008
Instruction										
Teachers	1,046.00	1,103.00	1,158.00	1,262.00	1,248.00	1,268.00	1,348.00	1,420.00	1,483.00	1,540.00
Other	238.00	252.00	269.00	284.00	286.00	273.00	304.00	335.00	357.00	364.00
Support Services										
Teachers ¹	67.00	71.00	75.00	75.00	79.00	79.00	110.00	112.00	131.00	133.00
Other	551.00	591.00	646.00	651.00	678.00	700.00	740.00	766.00	852.00	916.00
Total	1,902.00	2,017.00	2,148.00	2,272.00	2,291.00	2,320.00	2,502.00	2,633.00	2,823.00	2,953.00

Note: Bus drivers are not included in this schedule

¹ Teachers for support services include media specialists, guidance counselors, technology integration specialists, and school psychologists.

² Prior to 2004, the district did not track "Other" positions by functional categories so a percentage allocation was used to present the information for these years.

Source: District Records

Table 16
Lexington County School District One
Lexington, South Carolina
Operating Statistics
Last Ten Fiscal Years

Fiscal Year	Pupil Enrollment 135-Day ADM ¹	Modified Accrual Basis of Accounting		Accrual Basis of Accounting		Teaching Staff ⁴	Pupil/Teacher Ratio	Percentage of Students Receiving Free or Reduced Lunch	
		Operating Expenditures ²	Cost per Pupil	Percentage Change	Expenses ³				Cost per Pupil
1999	15,822	\$ 78,625,368	\$ 4,969	6.80%	Unavailable	Unavailable	1,046	15.1	25%
2000	16,351	90,933,913	5,561	11.91%	Unavailable	Unavailable	1,103	14.8	26%
2001	16,831	104,697,730	6,221	11.85%	Unavailable	Unavailable	1,158	14.5	26%
2002	17,268	114,822,737	6,649	6.90%	Unavailable	Unavailable	1,262	13.7	28%
2003	17,829	119,078,334	6,679	0.44%	\$ 126,599,090	\$ 7,101	1,248	14.3	29%
2004	18,229	123,028,088	6,749	1.05%	128,813,330	7,066	1,268	14.4	30%
2005	18,688	134,419,064	7,193	6.58%	149,315,351	7,990	1,348	13.9	31%
2006	19,091	145,791,117	7,637	6.17%	140,453,815	7,357	1,420	13.4	31%
2007	19,705	158,572,482	8,047	5.38%	182,210,276	9,247	1,483	13.3	30%
2008	20,458	173,879,966	8,499	5.62%	186,704,885	9,126	1,533	13.3	31%

Notes:

- 1 Average Daily Membership. Includes Kindergarten through Grade 12.
- 2 Operating Expenditures are total expenditures in the governmental fund less debt service and capital outlay.
- 3 GASB 34 was not implemented until FY 2003. Therefore, expenses are not available prior to FY 2003. This represents governmental fund activities for instruction, support services, community services, and intergovernmental.
- 4 Does not include Media Specialist, Guidance Counselors, Technology Integration Specialists, or School Psychologists.

Source: Financial data is extracted from the District Comprehensive Annual Financial Reports. Other data has been gathered from various departments within the district.
 Unaudited

Table 17

**Lexington County School District One
Lexington, South Carolina
Teacher Salaries
Last Ten Fiscal Years**

Fiscal Year	Minimum Salary¹	Maximum Salary¹	District Average Salary^{1,2}	State Average Salary^{2,3}	Southeastern Average Salary^{2,3}
1999	\$ 24,005	\$ 54,351	\$ 35,558	\$ 34,506	\$ 35,817
2000	25,062	56,737	37,658	36,081	37,010
2001	26,222	60,200	39,623	37,938	38,322
2002	27,420	62,747	41,798	39,923	39,759
2003	27,420	62,747	42,116	40,362	40,806
2004	27,585	63,097	42,109	40,728	Unavailable
2005	28,155	64,401	42,546	41,691	Unavailable
2006	28,608	65,436	42,508	43,011	Unavailable
2007	29,354	67,174	43,408	44,123	Unavailable
2008	30,327	69,395	43,590	Unavailable	Unavailable

Sources: 1 District Records

2 SC Department of Education

3 SC Office of Research and Statistics "SC Statistical Abstract"

Unaudited

Table 18

**Lexington County School District One
Lexington, South Carolina
Capital Asset Statistics By School
Last Ten Fiscal Years**

School	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
<u>Primary School</u>										
Gilbert Primary ¹										
Built 1980					82,193	82,193	82,193	82,193	82,193	116,320
Square Feet					626	626	626	626	626	860
Capacity					552	571	603	623	643	676
Enrollment					88%	91%	96%	100%	103%	79%
% of Capacity Used										
<u>Elementary Schools</u>										
Lexington Elementary										
Built 1985					126,305	126,305	126,305	126,305	126,305	109,783
Square Feet	126,305	126,305	126,305	126,305	126,305	126,305	126,305	126,305	126,305	109,783
Capacity	1,002	1,002	1,002	1,002	1,002	1,002	1,002	1,002	1,002	902
Enrollment	1,264	936	847	865	932	1,000	1,037	1,078	916	921
% of Capacity Used	126%	93%	85%	86%	93%	100%	103%	108%	91%	102%
Gilbert Elementary ¹										
Built 1932					82,193	120,671	120,671	120,671	120,671	120,671
Square Feet	82,193	82,193	82,193	82,193	120,671	120,671	120,671	120,671	120,671	120,671
Capacity	626	626	626	626	740	740	740	740	740	740
Enrollment	972	943	927	928	625	586	575	571	608	645
% of Capacity Used	155%	151%	148%	148%	84%	79%	78%	77%	82%	87%
Pelion Elementary										
Built 1980					123,859	123,859	123,859	123,859	123,859	123,859
Square Feet	119,625	123,859	123,859	123,859	123,859	123,859	123,859	123,859	123,859	123,859
Capacity	800	909	909	909	909	909	909	909	909	909
Enrollment	1,216	1,273	1,325	930	905	875	936	904	898	900
% of Capacity Used	152%	140%	146%	102%	100%	96%	103%	99%	99%	99%
Oak Grove Elementary										
Built 1974					67,755	67,755	67,755	67,755	67,755	85,606
Square Feet	67,755	67,755	67,755	67,755	67,755	67,755	67,755	67,755	67,755	85,606
Capacity	432	432	432	432	432	432	432	432	432	608
Enrollment	553	573	457	454	448	426	426	435	482	568
% of Capacity Used	128%	133%	106%	105%	104%	99%	99%	101%	79%	93%

(Continued)

Lexington County School District One
Lexington, South Carolina
Capital Asset Statistics By School
Last Ten Fiscal Years

School	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Elementary Schools (continued)										
Pleasant Hill Elementary ⁴										
Built 2006										
Square Feet									86,008	86,008
Capacity									800	800
Enrollment									683	780
% of Capacity Used									85%	98%
Saxe Gotha Elementary										
Built 1992										
Square Feet	102,428	102,428	102,428	102,428	102,428	102,428	102,428	102,428	102,428	102,428
Capacity	871	871	871	871	871	871	871	871	871	871
Enrollment	827	838	730	731	738	731	726	724	761	708
% of Capacity Used	95%	96%	84%	84%	85%	84%	83%	83%	87%	81%
Red Bank Elementary										
Built 1980										
Square Feet	94,555	94,555	94,555	94,555	94,555	94,555	94,555	94,555	98,877	98,877
Capacity	792	792	792	792	792	792	792	792	792	792
Enrollment	946	968	837	891	882	917	792	983	1,063	572
% of Capacity Used	119%	122%	106%	113%	111%	116%	100%	124%	134%	72%
White Knoll Elementary										
Built 1990										
Square Feet	99,654	99,654	99,654	99,654	99,654	99,654	99,654	99,654	99,654	99,654
Capacity	894	894	894	894	894	894	894	894	894	894
Enrollment	1,093	1,101	901	945	933	919	925	931	917	801
% of Capacity Used	122%	123%	101%	106%	104%	103%	103%	104%	103%	90%
Midway Elementary										
Built 1994										
Square Feet	105,666	105,666	105,666	105,666	105,666	105,666	105,666	105,666	105,666	105,666
Capacity	948	948	948	948	948	948	948	948	948	948
Enrollment	1,268	933	944	904	913	926	956	1,006	982	1042
% of Capacity Used	134%	98%	100%	95%	96%	98%	101%	106%	104%	110%

Lexington County School District One
Lexington, South Carolina
Capital Asset Statistics By School
Last Ten Fiscal Years

School	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Elementary Schools (continued)										
Lake Murray Elementary										
Built 1999										
Square Feet	114,613	114,613	114,613	114,613	114,613	114,613	114,613	114,613	114,613	114,613
Capacity	988	988	988	988	988	988	988	988	988	988
Enrollment	930	988	933	933	995	1,084	988	1,259	1,085	1,074
% of Capacity Used	94%	100%	94%	94%	101%	110%	100%	127%	110%	109%
Carolina Springs Elementary ³										
Built 2007										
Square Feet										88,187
Capacity										800
Enrollment										704
% of Capacity Used										88%
Middle Schools										
Lexington Intermediate										
Built 1953										
Square Feet	48,056	48,056	48,056	48,056	48,056	48,056	48,056	48,056	48,056	48,056
Capacity	200	200	200	200	200	200	200	200	200	200
Enrollment	478	374	344	363	395	358	372	375	331	339
% of Capacity Used	239%	187%	172%	182%	198%	179%	186%	188%	166%	170%
Lexington Middle										
Built 1957										
Square Feet	177,349	177,349	177,349	177,349	177,349	177,349	177,349	177,349	177,349	189,668
Capacity	1,284	1,284	1,284	1,284	1,284	1,284	1,284	1,284	1,284	1,284
Enrollment	1,499	1,583	1,449	1,456	1,495	1,595	1,692	1,717	1,042	1,060
% of Capacity Used	117%	123%	113%	113%	116%	124%	132%	134%	81%	83%
White Knoll Middle										
Built 1991										
Square Feet	159,190	159,190	159,190	159,190	159,190	159,190	159,190	159,190	159,190	159,190
Capacity	1,040	1,040	1,040	1,040	1,040	1,040	1,040	1,040	1,040	1,040
Enrollment	1,192	1,242	1,300	1,305	1,307	1,363	1,421	1,414	1,367	825
% of Capacity Used	115%	119%	125%	125%	126%	131%	137%	136%	131%	79%

Lexington County School District One
Lexington, South Carolina
Capital Asset Statistics By School
Last Ten Fiscal Years

School	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
<u>Middle Schools (continued)</u>										
Gilbert Middle										
Built 1993										
Square Feet	121,653	121,653	121,653	121,653	121,653	121,653	121,653	121,653	121,653	121,653
Capacity	795	795	795	795	795	795	795	795	795	795
Enrollment	834	848	795	869	672	795	677	702	703	690
% of Capacity Used	105%	107%	100%	109%	85%	100%	85%	88%	88%	87%
Pelion Middle ²										
Built 1952										
Square Feet		110,560	110,560	110,560	110,560	110,560	110,560	110,560	126,158	126,158
Capacity		572	572	572	572	572	572	572	748	748
Enrollment		830	894	885	885	885	855	832	786	753
% of Capacity Used		145%	156%	155%	155%	155%	149%	145%	105%	101%
Pleasant Hill Middle ⁴										
Built 2006										
Square Feet								147,629	147,629	147,629
Capacity								1,000	1,000	1,000
Enrollment								721	721	879
% of Capacity Used								72%	72%	88%
Carolina Springs Middle ³										
Built 2007										
Square Feet										142,363
Capacity										1,000
Enrollment										624
% of Capacity Used										62%

Lexington County School District One
Lexington, South Carolina
Capital Asset Statistics By School
Last Ten Fiscal Years

School	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
High Schools										
Lexington High Built 1978										
Square Feet	289,758	289,758	289,758	289,758	289,758	289,758	387,190	387,190	458,818	458,818
Capacity	1,706	1,706	1,706	1,706	1,706	1,706	2,456	2,456	2,456	2,456
Enrollment	2,119	2,175	2,025	2,019	2,086	2,160	2,286	2,286	2,339	2,423
% of Capacity Used	124%	127%	119%	118%	122%	127%	93%	93%	95%	99%
Gilbert High ¹										
Built 2002										
Square Feet	121,653	121,653	121,653	121,653	240,121	240,121	240,121	240,121	240,121	240,121
Capacity	740	740	740	740	1,107	1,107	1,107	1,107	1,107	1,107
Enrollment	706	724	758	768	798	837	842	842	877	887
% of Capacity Used	95%	98%	102%	104%	72%	76%	76%	76%	79%	80%
Pelion High ²										
Built 2001										
Square Feet	110,560	110,560	217,864	217,864	217,864	217,864	217,864	217,864	217,864	217,864
Capacity	800	800	990	990	990	990	990	990	990	990
Enrollment	857	910	983	616	662	693	728	728	735	769
% of Capacity Used	107%	114%	99%	62%	67%	70%	74%	74%	74%	78%
White Knoll High										
Built 2000										
Square Feet	391,919	391,919	391,919	391,919	391,919	391,919	391,919	391,919	391,919	391,919
Capacity	1,727	1,727	1,727	1,727	1,727	1,727	1,727	1,727	1,727	1,727
Enrollment	1,299	1,461	1,599	1,641	1,641	1,651	1,682	1,682	1,766	1,819
% of Capacity Used	75%	85%	93%	95%	95%	96%	97%	97%	102%	105%
Other										
Lexington Technology Center Built 1974										
Square Feet	91,113	91,113	91,113	91,113	91,113	91,113	91,113	91,113	133,526	133,526
Capacity	420	420	420	420	420	420	420	420	618	618
Enrollment	436	436	436	436	436	436	436	436	620	620
% of Capacity Used	104%	104%	104%	104%	104%	104%	104%	104%	100%	100%

Lexington County School District One
Lexington, South Carolina
Capital Asset Statistics By School
Last Ten Fiscal Years

School	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Other (continued)										
Alternative Learning Center Built 1997	7,920	7,920	7,920	7,920	7,920	7,920	7,920	7,920	11,772	11,772
Square Feet	100	100	100	100	100	100	100	100	150	150
Capacity	24	52	65	72	85	110	111	115	124	140
% of Capacity Used	24%	52%	65%	72%	85%	110%	111%	115%	83%	93%

NOTES:

1 - At the beginning of Fiscal Year 2003, the Gilbert attendance area was reorganized due to the construction of a new high school. The following changes occurred in that fiscal year: Gilbert Primary School was created to provide instruction to all kindergarten through second grade classes. This school is located in the former Gilbert Elementary School which was originally constructed in 1980. Gilbert Elementary School moved to the old Gilbert High School plant and acquired the fifth grade from Gilbert Middle School. Gilbert Middle School serves grades 6-8. Gilbert Elementary serves grades 3-5. Gilbert High School moved into a new facility that was completed in the summer of 2002.

2 - At the beginning of Fiscal Year 2002, the Pelion attendance area was reorganized due to the construction of a new high school. Pelion Middle School was created to provide instruction to grades 6-8. This school is located in the former Pelion High School. Pelion High School moved into a new facility that was completed in the summer of 2001.

3 - At the beginning of Fiscal Year 2008, the opening of Carolina Springs Elementary and Middle School resulted in rezoning.

4 - During 2006, the opening of Pleasant Hill Elementary and Middle School resulted in rezoning.

Source: Data has been gathered from various departments within the district.

Unaudited

Single Audit



Therefore, we will work to create a high-performance learning culture that sets high expectations for every student and provides the environment, instruction and support necessary to ensure that our students are learning and meeting rigorous standards.

**LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2008**

SECTION I - SUMMARY OF THE AUDITORS' RESULTS

- 1 The independent auditors' report on the financial statements expressed an unqualified opinion.
- 2 There were no reportable conditions in internal control over financial reporting disclosed in the audit of the financial statements.
- 3 The audit did not disclose any material noncompliance matters in relation to the financial statements.
- 4 There were no reportable conditions in internal control over compliance applicable to major programs.
- 5 The report on compliance for major programs expressed an unqualified opinion.
- 6 The audit disclosed no audit findings.
- 7 The major programs of the District included in the audit were:
 - A. Commodities, School Lunch Program, School Breakfast Program
 - B. Title I Grants to Local Educational Agencies
 - C. Special Education - Grants to States (IDEA)
- 8 The dollar threshold for Type A programs for the District was \$300,000.
- 9 The District qualified as a low-risk auditee.

SECTION II - FINANCIAL STATEMENT FINDINGS

No matters were reported.

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No matters were reported.

LEXINGTON COUNTY SCHOOL DISTRICT ONE
LEXINGTON, SOUTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2008

LEA Subfund Number	Federal Grantor/Pass Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Expenditures
<u>U.S. DEPARTMENT OF EDUCATION</u>				
Direct Assistance:				
8401	Tech-Prep Demonstration Grant	84.353A	N/A	\$ 249,748
Passed-Through S.C. Department of Education:				
2430/31	Adult Education - State Grant Programs	84.002	08EA053	96,326
2010/20	Title I Grants to Local Educational Agencies	84.010	08BA053	1,558,352 *
2033/2034	Special Education - Grants to States (Extended School Year)	84.027	N/A	20,855 *
2040	Special Education - Grants to States (Special Ed IDEA)	84.027	08CA053	4,104,025 *
2130-2132	Special Education - Grants to States (Personnel Development)	84.027	08CO053	26,216 *
2140	Special Education - Grants to States (Group Homes)	84.027	08CE053	2,062 *
2050	Special Education - Preschool Grants	84.173	08CG053	218,883
2070-2084	Vocational Education - Basic Grants to States	84.048	08VA053	257,488
2410	Title VI	84.298	08BB053	26,864
2090	Safe and Drug-Free Schools and Communities - State Grants	84.186	08FQ053	50,603
2370	Title I Part A	84.010	08BJ053	188,373
2740	Teen Lead Grant	84.215	07FL053	1,232
2240/41/42	Twenty-First Century Community Learning Centers	84.287	08CL053	178,023
2530/31	Education Technology State Grants	84.318	08ET053	18,343
2640	English Language Acquisition Grants	84.365	08BP053	91,702
2999	Title I, Vocational Aid	84.048	N/A	328
2670	Improving Teacher Quality State Grants	84.367	08TQ053	463,539
8490	State Improvement Grant	84.323	08CT053	2,603
8550-8553	Teen Lead Grant	84.215	08FL053	13,346
8590	Attendance Improvement Project	16.541	08FC053	1,287
Total U.S. Department of Education				7,570,198
<u>U.S. DEPARTMENT OF AGRICULTURE</u>				
Passed-Through South Carolina Department of Education:				
602	Commodities	10.550	N/A	499,033 *
602	School Breakfast Program	10.553	N/A	640,095 *
602	School Lunch Program	10.555	N/A	2,256,273 *
Total U.S. Department of Agriculture				3,395,401
<u>U.S. DEPARTMENT OF DEFENSE</u>				
Direct Assistance:				
2721-23	ROTC	N/A	N/A	169,895
Total U.S. Department of Defense				169,895
Total Federal Expenditures				\$ 11,135,494

* Denotes Major Programs



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

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To the Board of Trustees
Lexington County School District One
Lexington, South Carolina

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Lexington County School District One, as of and for the year ended June 30, 2008, which collectively comprise the District's basic financial statements and have issued our report thereon dated November 5, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Lexington County School District One's internal control over financial reporting as a basis for designing our auditing procedures 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 Lexington County School District One's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Lexington County School District One's internal control over financial reporting.

A control deficiency 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 misstatement on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Lexington County School District One's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the District's financial statements that is more than inconsequential will not be prevented or detected by the Lexington County School District One's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Lexington County School District One's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

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

This report is intended solely for the information and use of management, Board of Trustees, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Burkett Burkett & Burkett,
Certified Public Accountants, P.A.
West Columbia, South Carolina

November 5, 2008



Certified Public Accountants, P.A.

REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

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To the Board of Trustees
Lexington County School District One
Lexington, South Carolina

Compliance

We have audited the compliance of Lexington County School District One with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2008. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Lexington County School District One's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Lexington County School District One's compliance with those requirements.

In our opinion, Lexington County School District One complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2008.

Internal Control Over Compliance

The management of Lexington County School District One is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A control deficiency in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the management, the Board of Trustees, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Burkett Burkett & Burkett, P.A.
Certified Public Accountants
West Columbia, South Carolina

November 5, 2008