



SCRA

Financial Statements and Required Supplementary Information Years Ended June 30, 2021 and 2020

The report accompanying these financial statements was issued by BDO USA, LLP, a Delaware limited liability partnership and the U.S. member of BDO International Limited, a UK company limited by guarantee.



SCRA

Financial Statements and
Required Supplementary Information
Years Ended June 30, 2021 and 2020

SCRA

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Independent Auditor's Report

The Board of Trustees
SCRA
Columbia, South Carolina

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of SCRA and its discretely presented component unit and for the fiduciary statements, as of and for the years ended June 30, 2021 and 2020, and the related notes to the financial statements, which collectively comprise SCRA's financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of SCRA and its discretely presented component unit as of June 30, 2021 and 2020, and the results of their operations and their cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about SCRA's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.



Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of funding progress and the schedule of changes in net other postemployment benefits liability and related ratios on pages 6 through 16, 45, and 46 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the



information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

BDO USA, LLP

August 12, 2021

SCRA

Management's Discussion and Analysis (Unaudited)

Our discussion and analysis of SCRA's financial statements provides an overview of SCRA's financial position and activities for the fiscal year ended June 30, 2021, with comparative information for the fiscal year ended June 30, 2020. Please read it in conjunction with SCRA's financial statements and accompanying notes to the financial statements.

Financial Summary

SCRA relies on rents, contributions to the Industry Partnership Fund ("IPF") (capped at \$8 million and \$9 million for calendar 2020 and 2021, respectively), income from reserves and contract revenue for funding. In fiscal year 2021, SCRA received a payment from Advanced Technology International's ("ATI") parent, Analytic Services, Inc. ("ANSER"), based upon the performance of ATI. Such payments were received in fiscal years 2019 and 2020. The revenues generated from all sources are expended on grants consistent with SCRA's mission and on the infrastructure of talent, facilities and related expenses required to execute its mission. For fiscal 2021, SCRA had an operating deficit of \$2.6 million and a non-operating surplus of \$4.9 million which together caused a 3.4% increase in net position as of June 30, 2021. Unrestricted net assets increased 1.4% or \$630,000 and restricted assets related to the IPF increased by \$1.5 million while the net investment in capital assets increased \$160,000. SCRA annual operating revenues, total revenues, change in net position and change in unrestricted net assets for the last two fiscal years are summarized below:

Fiscal Year 2021

- Operating revenues of \$11.2 million
- Total revenues of \$18.9 million
- Net position increased by 3.4%
- Unrestricted net assets increased 1.4%

Fiscal Year 2020

- Operating revenues of \$7.6 million
- Total revenues of \$13.2 million
- Net position decreased by 1.4%
- Unrestricted net assets decreased 3.7%

Financial Statements

SCRA uses accounting methods like those used by private sector companies. These statements offer short-term and long-term financial information about its activities. The statement of net position includes all SCRA's assets and liabilities and provides information about the nature and amounts of investments in resources (assets) and the obligations to SCRA's creditors (liabilities). The assets and liabilities are presented in a classified format, which distinguishes between current and long-term assets and liabilities. These statements also provide the basis for computing rates of return, evaluating the capital structure of SCRA and assessing the liquidity and financial flexibility of SCRA.

SCRA

Management's Discussion and Analysis (Unaudited)

All current year revenues and expenses are accounted for in the statement of revenues, expenses and changes in net position, accounted for under the accrual basis. This statement measures the performance of SCRA's operations over the past year. The final required statement of the financial statements is the statement of cash flows. The primary purpose of this statement is to provide information about SCRA's cash receipts and cash payments during the reporting period. This statement reports cash receipts, cash payments, and net changes in cash resulting from operating, investing, capital and related financing, and non-capital financing activities and information concerning sources and uses of cash.

The following is a summary of SCRA's financial position and results of operations for the years ended June 30, 2021 and 2020. All amounts included within tables are expressed in thousands throughout management's discussion and analysis and amounts used in the narratives are rounded to the nearest thousand.

Financial Analysis for Fiscal Year 2021 Compared to Fiscal Year 2020

Table A-1

Condensed Statements of Net Position of SCRA (In thousands)

<i>June 30,</i>	2021	2020	Increase (Decrease)
Current assets	\$ 31,972	\$ 26,543	\$ 5,429
Other long-term assets	17,586	20,271	(2,685)
Capital assets, net	34,693	35,404	(711)
Total assets	\$ 84,251	\$ 82,218	\$ 2,033
Current liabilities	\$ 2,816	\$ 2,377	\$ 439
Long-term liabilities	11,722	12,430	(708)
Total liabilities	14,538	14,807	(269)
Net investment in capital assets	22,194	22,034	160
Unrestricted	45,660	45,029	631
Restricted	1,859	348	1,511
Total net position	\$ 69,713	\$ 67,411	\$ 2,302

SCRA

Management's Discussion and Analysis (Unaudited)

Current assets increased because of a higher level of cash holdings. Other long-term assets were modestly lower as selected bond maturities were not reinvested. Capital assets declined as annual depreciation of \$1,647,000 exceeded net capital expenditures of \$935,000. Unrestricted net assets increased by \$631,000 as SCRA recorded a net surplus \$2,302,000 and assets restricted to the IPF increased by \$1,511,000. Reductions in capital debt combined with the capital expenditures referenced above offset depreciation to create a \$160,000 increase in net investment in capital assets.

Table A-2

Condensed Statements of Net Position of SCRA
(In thousands)

<i>June 30,</i>	2020	2019	Increase (Decrease)
Current assets	\$ 26,543	\$ 19,954	\$ 6,589
Other long-term assets	20,271	31,178	(10,907)
Capital assets, net	35,404	32,923	2,481
Total assets	\$ 82,218	\$ 84,055	\$ (1,837)
Current liabilities	\$ 2,377	\$ 2,310	\$ 67
Long-term liabilities	12,430	13,369	(939)
Total liabilities	14,807	15,679	(872)
Net investment in capital assets	22,034	18,631	3,403
Unrestricted	45,029	46,736	(1,707)
Restricted	348	3,009	(2,661)
Total net position	\$ 67,411	\$ 68,376	\$ (965)

The previous year's current assets increased due to the shorter effective maturity of marketable investments. Other long-term assets decreased in large measure to fund capital expenditures related to the 22 West Edge leasehold improvements. Capital assets increased as the capital expenditures in FY20 of \$3,882,000 were partially offset by \$1,401,000 in depreciation. Unrestricted net assets fell by \$1,707,000 as SCRA recorded a net deficit of \$965,000 and the increase in net investment in capital assets was partially offset by a \$2,661,000 decline in unrestricted net assets.

SCRA

Management's Discussion and Analysis (Unaudited)

Table A-3

**Condensed Statements of Revenues, Expenses and Changes in Net Position of SCRA
(In thousands)**

Year ended June 30,	2021	2020	Increase (Decrease)
Operating revenues	\$ 11,152	\$ 7,596	\$ 3,556
Operating expenses:			
Salaries, wages and other related costs	5,024	4,606	418
Other expenses	8,764	7,496	1,268
Total operating expenses	13,788	12,102	1,686
Operating deficit	(2,636)	(4,506)	1,870
Non-operating activities	4,938	3,541	1,397
Change in net position	2,302	(965)	3,267
Beginning net position	67,411	68,376	(965)
Ending net position	\$ 69,713	\$ 67,411	\$ 2,302

Operating revenues increased by \$3,556,000 as IPF contributions increased \$1,783,000, other contributions increased by \$94,000 and lease revenues grew by \$1,414,000, the last occurring primarily because of a full year of 22 West Edge-related lease revenue. Contract and other revenues increased by \$266,000 as additional revenues related to a US Economic Development Administration grant and a Partnership Intermediary Agreement with the Naval Information Warfare Center were earned. Personnel-related costs increased \$418,000 to support the revenue-generating activities summarized above. Other expenses increased by \$1,268,000 due to \$254,000 in additional grants, \$566,000 in greater lease costs related to 22 West Edge, \$245,000 in additional depreciation and \$203,000 in net strategic investments in technology. Non-operating activities included a \$7,000,000 payment received related to the sale of ATI, interest income of \$684,000, realized gains on the sale of marketable investments totaling \$16,000 and unrealized losses on marketable investments of \$862,000. Interest income and realized gains were a combined \$355,000 lower in fiscal 2021, while the net change in the mark-to-market on the investment portfolio was \$1,449,000 lower. Contributions to SC Launch were \$1,900,000, a \$200,000 decrease from fiscal 2020.

SCRA

Management's Discussion and Analysis (Unaudited)

Table A-4

**Condensed Statements of Revenues, Expenses and Changes in Net Position of SCRA
(In thousands)**

Year ended June 30,	2020	2019	Increase (Decrease)
Operating revenues	\$ 7,596	\$ 6,594	\$ 1,002
Operating expenses:			
Directly identifiable contract costs	-	33	(33)
Salaries, wages and other related costs	4,606	4,497	109
Other expenses	7,496	8,091	(595)
Total operating expenses	12,102	12,621	(519)
Operating deficit	(4,506)	(6,027)	1,521
Non-operating activities	3,541	5,315	(1,774)
Change in net position	(965)	(712)	(253)
Beginning net position	68,376	69,088	(712)
Ending net position	\$ 67,411	\$ 68,376	\$ (965)

Operating revenues increased by \$1,002,000 as IPF contributions increased \$1,034,000, other contributions declined by \$282,000, lease revenues grew by \$416,000 and contract and other revenue fell \$166,000. Personnel-related costs increased \$109,000 and contract costs and other expenses declined by \$625,000 due to the planned delay of grant funding related to a specific program and the achievement of cost savings targets identified in SCRA's strategic plan. Non-operating activities included a \$4,000,000 payment received related to the sale of ATI, interest income of \$843,000, realized gains on the sale of marketable investments totaling \$211,000 and unrealized gains on marketable investments of \$587,000. Interest income and realized gains were a combined \$601,000 lower in fiscal 2020, while the net change in the mark-to-market on the investment portfolio was \$873,000 lower. Contributions to SC Launch were \$2.1 million, a \$300,000 increase from fiscal 2019.

SCRA

Management's Discussion and Analysis (Unaudited)

Table A-5

**Capital Assets
(In thousands)**

<i>June 30,</i>	2021	2020
Land and land development costs	\$ 7,174	\$ 7,174
Buildings	35,546	35,546
Leasehold improvements, furniture, fixtures & office equipment	10,675	9,739
Total capital assets	53,395	52,459
Accumulated depreciation	(18,702)	(17,055)
Capital assets, net	\$ 34,693	\$ 35,404

SCRA had \$935,000 in capital expenditures (“capex”) during fiscal 2021, compared to \$3,882,000 in fiscal 2020. One hundred percent (100%) of fiscal 2021 capex was for leasehold improvements, furniture, fixtures and office equipment compared to 95% for fiscal 2020. Depreciation was \$1,647,000 and \$1,401,000 for fiscal 2021 and fiscal 2020, respectively.

Capital assets on June 30, 2021 include the Applied Technologies Center (“ATC”) in Summerville, SC, the SCRA MUSC Innovation Center at Charleston, the SCRA USC Innovation Center at Columbia, and the SCRA Building in the Duke Energy Innovation Center at Anderson as well as significant leasehold improvements at 22 West Edge in Charleston.

For more detail information regarding SCRA’s capital assets, please refer to the notes to the financial statements.

Table A-6

**Capital Assets
(In thousands)**

<i>June 30,</i>	2020	2019
Land and land development costs	\$ 7,174	\$ 7,174
Buildings	35,546	35,348
Leasehold improvements, furniture, fixtures & office equipment	9,739	6,055
Total capital assets	52,459	48,577
Accumulated depreciation	(17,055)	(15,654)
Capital assets, net	\$ 35,404	\$ 32,923

SCRA

Management's Discussion and Analysis (Unaudited)

SCRA had \$3,882,000 in capital expenditures (“capex”) during fiscal 2020, compared to \$531,000 in fiscal 2019. Fiscal 2020 capex related to leasehold improvements, furniture, fixtures and office equipment was 95% of the total compared to 28% in fiscal 2019. Depreciation was \$1,401,000 and \$1,550,000 for fiscal 2020 and fiscal 2019, respectively.

Capital assets at the end of fiscal year 2020 include the Applied Technologies Center (“ATC”) in Summerville, SC, the SCRA MUSC Innovation Center at Charleston, the SCRA USC Innovation Center at Columbia, and the SCRA Building in the Duke Energy Innovation Center at Anderson as well as significant leasehold improvements at 22 West Edge in Charleston.

For more detail information regarding SCRA’s capital assets, please refer to the notes to the financial statements.

Capital asset locations at the end of fiscal 2021 and 2020 were identical.

SC Launch, Inc.

Pursuant to a 2005 amendment to SCRA’s enabling legislation, SCRA established SC Launch, Inc. (“SC Launch”), a private non-profit entity not controlled by SCRA, although SCRA has board participation through four appointees. SC Launch’s bylaws indicate that it is a corporation organized and operated to promote and support activities which are solely for the benefit of, to perform functions of, or to carry out the purposes of SCRA.

SC Launch commenced operations during fiscal year 2006. The following is a summary of its financial position and results of operations as of and for the periods ended June 30, 2021 and 2020.

Table A-7

Condensed Statements of Net Position of SC Launch (In thousands)

<i>June 30,</i>	2021	2020	Increase (Decrease)
Current assets	\$ 3,111	\$ 2,432	\$ 679
Long-term assets	9,188	8,192	996
Total assets	12,299	10,624	1,675
Total liabilities	-	10	(10)
Total net position - restricted	\$ 12,299	\$ 10,614	\$ 1,685

SCRA

Management's Discussion and Analysis (Unaudited)

Current assets as of June 30, 2021 consisted of cash, accounts receivable, money market investments and short-term marketable investments. Cash was reinvested in long-term marketable investments which increased by \$1,152,000. Short-term marketable investments decreased by \$418,000 while cash increased by \$1,000,000. Other long-term investments, consisting of non-marketable investments (Stage 2 investments), decreased by \$52,000.

Table A-8

**Condensed Statements of Net Position of SC Launch
(In thousands)**

<i>June 30,</i>	2020	2019	(Decrease) Increase
Current assets	\$ 2,432	\$ 2,952	\$ (520)
Long-term assets	8,192	7,446	746
Total assets	10,624	10,398	226
Total liabilities	10	-	10
Total net position - restricted	\$ 10,614	\$ 10,398	\$ 216

Assets on June 30, 2020 consisted of \$1,004,000 in a money market investment account and \$1,391,000 in short-term marketable investments. Other long-term assets include \$3,190,000 of long-term marketable investments, \$4,708,000 in non-marketable investments and \$294,000 in a note receivable. The reduction in current assets was primarily a function of redeploying money market funds to long-term marketable investments. In addition, long-term assets increased because of a net \$390,000 write-up in Stage 2 investments.

SCRA

Management's Discussion and Analysis (Unaudited)

Table A-9

**Condensed Statements of Revenues, Expenses and Changes in Net Position of SC Launch
(In thousands)**

<i>Year ended June 30,</i>	2021	2020	Increase (Decrease)
Operating deficit	\$ (461)	\$ (2,458)	\$ 1,997
Interest income	214	217	(3)
Realized gains on marketable investments	6	24	(18)
Unrealized gains (losses) on marketable investments	78	(57)	135
Unrealized (losses) gains on non-marketable investments	(52)	390	(442)
Contributions from SCRA	1,900	2,100	(200)
Change in net position	1,685	216	1,469
Net position, beginning of year	10,614	10,398	216
Net position, end of year	\$ 12,299	\$ 10,614	\$ 1,685

The operating deficit represents realized gains on portfolio investments less operating expenses, including investments made in non-marketable investments. The decrease in fiscal 2021's operating deficit compared to fiscal 2020 was the \$1,098,000 decrease in the dollar amount of these investments, an increase of \$898,000 in portfolio investment gains and a \$1,000 decrease in other expenses.

SC Launch invests in two ways: (1) Investments in start-up companies ("portfolio investments"); and (2) Investments in publicly traded issues using returns provided by returns on portfolio investments. Investment returns from portfolio investments are accounted for as operating revenue. Contributions made to SC Launch by SCRA have been significant historically in determining the change in SC Launch's net position.

SCRA

Management's Discussion and Analysis (Unaudited)

Table A-10

**Condensed Statements of Revenues, Expenses and Changes in Net Position of SC Launch
(In thousands)**

<i>Year ended June 30,</i>	2020	2019	(Decrease) Increase
Operating deficit	\$ (2,458)	\$ (2,015)	\$ (443)
Interest income	217	145	72
Realized gains on marketable investments	24	-	24
Unrealized (losses) gains on marketable investments	(57)	83	(140)
Unrealized gains on non-marketable investments	390	1,419	(1,029)
Contributions from SCRA	2,100	1,800	300
Change in net position	216	1,432	(1,216)
Net position, beginning of year	10,398	8,966	1,432
Net position, end of year	\$ 10,614	\$ 10,398	\$ 216

Future Outlook

The Board of Trustees and management are optimistic about the future of SCRA. SCRA's current financial position is expected to provide the organization resources for grants in the case of SCRA and investments in the case of SC Launch that have the potential to have a significant positive economic impact on South Carolina.

Currently Known Facts, Decisions and Conditions

SCRA is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; business interruption; injuries to employees; and natural disasters. Among such risk includes the recent COVID-19 outbreak which was classified as a pandemic in March 2020. As of June 30, 2021, the pandemic has not had an adverse impact on SCRA and SC Launch.

Requests for Information

This financial report is designed to provide a general overview for all those with an interest in SCRA's finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to SCRA at the following address:

SCRA
Attn: Director of Finance and Administration
1000 Catawba Street
Columbia, SC 29201

Financial Statements

SCRA

Statements of Net Position

June 30,	2021		2020	
	SCRA	SC Launch, Inc. Component Unit	SCRA	SC Launch, Inc. Component Unit
Assets				
Current Assets				
Cash, unrestricted	\$ 5,053,674	\$ 1,001,480	\$ 243,697	\$ 423
Cash, restricted	481,663	-	5,020	-
Accounts receivable, net	908,745	29,504	799,738	22,102
Short-term marketable investments	24,093,700	2,080,051	24,765,699	2,394,853
Prepaid expenses	56,660	-	385,847	14,810
Industry Partnership Fund contributions receivable	1,377,500	-	343,000	-
Total Current Assets	31,971,942	3,111,035	26,543,001	2,432,188
Investments				
Long-term marketable investments, at fair value	17,585,788	4,239,236	20,270,525	3,190,375
Non-marketable investments	-	4,655,554	-	4,707,906
Total investments	17,585,788	8,894,790	20,270,525	7,898,281
Note receivable	-	293,649	-	293,649
Capital Assets				
Land and land development costs	7,174,320	-	7,174,320	-
Applied Technologies Center	14,626,245	-	14,626,245	-
Innovation Centers	20,920,154	-	20,920,154	-
Leasehold improvements, furniture, fixtures & office equipment	10,674,283	-	9,738,829	-
Total capital assets	53,395,002	-	52,459,548	-
Accumulated depreciation	(18,701,930)	-	(17,055,304)	-
Net capital assets	34,693,072	-	35,404,244	-
Total Assets	\$ 84,250,802	\$ 12,299,474	\$ 82,217,770	\$ 10,624,118
Liabilities				
Current Liabilities				
Accounts payable	\$ 110,195	\$ -	\$ 396,574	\$ -
Accrued expenses	348,918	-	495,879	10,000
Unearned revenue	1,579,633	-	543,715	-
Current portion of notes payable	777,478	-	940,802	-
Total Current Liabilities	2,816,224	-	2,376,970	10,000
Notes payable, less current portion	11,721,505	-	12,429,501	-
Total Liabilities	14,537,729	-	14,806,471	10,000
Net Position				
Net investment in capital assets	22,194,089	-	22,033,941	-
Unrestricted	45,659,821	-	45,029,338	-
Restricted - Industry Partnership Fund	1,859,163	12,299,474	348,020	10,614,118
Total Net Position	\$ 69,713,073	\$ 12,299,474	\$ 67,411,299	\$ 10,614,118

See accompanying notes to financial statements.

SCRA

Statements of Revenues, Expenses and Changes in Net Position

Year ended June 30,	2021		2020	
	SCRA	SC Launch, Inc. Component Unit	SCRA	SC Launch, Inc. Component Unit
Operating Revenues				
Contract revenues	\$ 819,725	\$ -	\$ 532,322	\$ -
Rental revenues	5,437,176	-	4,023,652	-
Contributions received	4,810,843	-	2,934,267	-
Realized gains on portfolio investments	-	1,641,834	-	744,119
Other revenues	83,826	-	105,097	-
Total Operating Revenues	11,151,570	1,641,834	7,595,338	744,119
Operating Expenses				
Salaries, wages and other related costs	5,024,286	-	4,605,560	-
Professional services	1,017,059	92,037	715,505	97,943
Facility and research park operating costs	1,528,819	-	1,485,723	-
Rents and leases	807,762	-	242,062	-
Travel and relocation costs	33,458	11,200	159,942	7,028
General and administrative	634,614	16,846	616,658	16,882
Interest	442,688	-	477,239	-
Depreciation	1,646,626	-	1,401,067	-
Non-marketable investments	-	1,982,495	-	3,079,919
Grants	2,652,418	-	2,397,766	-
Total Operating Expenses	13,787,730	2,102,578	12,101,522	3,201,772
Operating Deficit	(2,636,160)	(460,744)	(4,506,184)	(2,457,653)
Non-operating Activities				
Interest income	684,321	214,074	843,242	216,548
Realized gains on marketable investments	15,602	6,473	211,403	23,836
Unrealized (losses) gains on marketable investments	(861,989)	77,905	586,521	(57,381)
Unrealized (losses) gains on non-marketable investments	-	(52,352)	-	390,350
Earnout on sale of Advanced Technology International, Inc.	7,000,000	-	4,000,000	-
Contributions to SC Launch, Inc.	(1,900,000)	1,900,000	(2,100,000)	2,100,000
Total Non-operating Activities	4,937,934	2,146,100	3,541,166	2,673,353
Change in Net Position	2,301,774	1,685,356	(965,018)	215,700
Net Position, beginning of year	67,411,299	10,614,118	68,376,317	10,398,418
Net Position, end of year	\$ 69,713,073	\$ 12,299,474	\$ 67,411,299	\$ 10,614,118

See accompanying notes to financial statements.

SCRA

Statements of Cash Flows

Year ended June 30,	2021		2020	
	SCRA	SC Launch, Inc. Component Unit	SCRA	SC Launch, Inc. Component Unit
Operating Activities				
Cash received from customers	\$ 819,725	\$ -	\$ 529,796	\$ -
Realized gains on portfolio investments	-	1,641,834	-	744,119
Cash received from tenants	5,373,029	-	3,885,862	-
Change in unearned revenue	1,035,918	-	110,934	-
Contributions received	3,776,343	-	2,974,767	-
Cash paid to suppliers, net	(433,340)	(115,273)	(59,686)	(126,663)
Cash paid to employees and other expenses	(9,159,499)	-	(8,176,943)	-
Cash paid for non-marketable investments	-	(1,982,495)	-	(3,079,919)
Grants made	(2,652,418)	-	(2,397,766)	-
Net cash used in operating activities	(1,240,242)	(455,934)	(3,133,036)	(2,462,463)
Investing Activities				
Proceeds from the sale/maturity of investments, net	21,770,018	5,703,301	14,655,274	5,352,761
Purchases of marketable investments	(19,275,270)	(6,359,455)	(9,522,868)	(5,219,876)
Interest income	723,286	206,672	840,362	202,308
Gain on sale of investments	15,602	6,473	211,403	23,836
Earnout on sale of Advanced Technology International, Inc.	7,000,000	-	4,000,000	-
Net cash provided by (used in) investing activities	10,233,636	(443,009)	10,184,171	359,029
Capital and Related Financing Activities				
Payments on notes payable	(871,320)	-	(921,816)	-
Purchases of capital assets, net	(935,454)	-	(3,881,963)	-
Net cash used in capital and related financing activities	(1,806,774)	-	(4,803,779)	-
Non-Capital Financing Activities				
Contributions made to SC Launch	(1,900,000)	1,900,000	(2,100,000)	2,100,000
Net cash (used in) provided by non-capital financing activities	(1,900,000)	1,900,000	(2,100,000)	2,100,000
Change in cash and restricted cash	5,286,620	1,001,057	147,356	(3,434)
Cash and restricted cash, beginning of year	248,717	423	101,361	3,857
Cash and restricted cash, end of year	\$ 5,535,337	\$ 1,001,480	\$ 248,717	\$ 423
Reconciliation of Operating Deficit to Net Cash				
Used in Operating Activities				
Operating deficit	\$ (2,636,160)	\$ (460,744)	\$ (4,506,184)	\$ (2,457,653)
Adjustments to Reconcile Operating Deficit to Net Cash				
Used in Operating Activities				
Depreciation	1,646,626	-	1,401,067	-
Changes in operating assets and liabilities:				
Accounts receivable	(147,973)	-	(199,096)	-
Prepaid expenses	329,187	14,810	80,957	(14,810)
Industry Partnership Fund contributions receivable	(1,034,500)	-	40,500	-
Accounts payable	(286,379)	-	(341,306)	-
Accrued expenses	(146,961)	(10,000)	280,092	10,000
Unearned revenue	1,035,918	-	110,934	-
Net Cash Used in Operating Activities	\$ (1,240,242)	\$ (455,934)	\$ (3,133,036)	\$ (2,462,463)

See accompanying notes to financial statements.

SCRA

Statements of Fiduciary Net Position

<i>June 30,</i>	2021	2020
	OPEB	OPEB
	Trust Fund	Trust Fund
Assets		
Interest receivable	\$ 8,141	\$ 10,310
Investments:		
Money market	3,965	11,506
Government bonds	2,301,096	2,279,071
Total Assets	\$ 2,313,202	\$ 2,300,887
Liabilities		
Benefit payable	\$ 117,466	\$ 58,780
Total Liabilities	117,466	58,780
Net Position		
Held in trust for OPEB	2,195,736	2,242,107
Total Net Position	\$ 2,195,736	\$ 2,242,107

See accompanying notes to financial statements.

SCRA

Statements of Changes in Fiduciary Net Position

<i>Year ended June 30,</i>	2021	2020
	OPEB	OPEB
	Trust Fund	Trust Fund
Contributions		
Employer	\$ 42,972	\$ 41,644
Total Contributions	42,972	41,644
Investment Income		
Interest income and unrealized gain on investments, net	14,128	95,094
Net Investment Income	14,128	95,094
Less investment expense	(1,813)	(1,310)
Net Gain from Investing Activities	12,315	93,784
Total Additions	55,287	135,428
Benefit payments	(101,658)	(100,424)
Total Deductions	(101,658)	(100,424)
Change in Net Position	(46,371)	35,004
Net Position, beginning of year	2,242,107	2,207,103
Net Position, end of year	\$ 2,195,736	\$ 2,242,107

See accompanying notes to financial statements.

SCRA

Notes to Financial Statements

1. Description of Activities and Significant Accounting Policies

SCRA is a South Carolina public nonprofit corporation that was established on April 29, 1983 by an act of the South Carolina General Assembly (enabling legislation). SCRA is governed by an Executive Committee of the Board of Trustees composed of nine members, supported by a Board of Trustees composed of 24 members, including the Executive Committee.

SCRA is presently engaged in four principal activities: providing grants to support a statewide system of research and commercialization of technology-based innovations; managing technology centers around the state that support innovation while producing revenue for SCRA; raising contributions to the Industry Partnership Fund (“IPF”); and providing funding to SC Launch, Inc. (“SC Launch”) for its investment in firms with the goal of supporting technology-enabled growth.

Pursuant to a 2005 amendment to SCRA’s enabling legislation (the 2005 amendment), SCRA established SC Launch as an affiliated organization. SC Launch is a private nonprofit entity not controlled by SCRA, although SCRA has minority board participation through four appointees to the nine member SC Launch board. SC Launch’s bylaws provide for three board member appointments to be made individually by (1) the Clemson University Research Foundation, (2) the Medical University of South Carolina Foundation for Research Development, and (3) the South Carolina Research Foundation (the “state’s three research university foundations”). In addition, the two board members appointed by the state’s three research university foundations elect an eighth and ninth member to the board of directors. Accordingly, SCRA appoints a minority of the board members.

In 2006, the South Carolina legislature passed legislation (“Industry Partners Amendment”) which further amended SCRA’s enabling legislation and allows SCRA to provide certification to individual taxpayers who make qualified contributions to the IPF. Contributors can use the certification to claim a dollar-for-dollar South Carolina state tax credit in the year of the contribution. In 2019 the legislation was amended, changing the maximum individual contribution and the annual cap. Individuals and entities can make qualified contributions up to a maximum of \$250,000 per year, with aggregate qualified contributions to the IPF capped at \$8.0 million and \$9.0 million for calendar 2020 and 2021, respectively.

In accordance with a funding agreement between SCRA and SC Launch, SCRA provides services and supplemental funding as required by SC Launch for its ongoing operations.

Under governmental accounting standards, a component unit is a legally separate organization for which the nature and significance of its relationship with a primary government unit is such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. SC Launch is a component unit of SCRA. SCRA is a primary government unit for financial reporting purposes because it has a separate governing board of directors, is legally separate, and is fiscally independent of any other state or local governments. SC Launch is a component unit of SCRA because it is fiscally dependent on SCRA, and its bylaws indicate that it shall operate exclusively and solely for the benefit of SCRA. In fiscal year 2021, SC Launch received 50.5% of its funding from SCRA with the remaining balance of its funding coming from returns on portfolio investments and income from reserves.

SCRA

Notes to Financial Statements

Basis of Accounting

SCRA and SC Launch account for their activity in accordance with proprietary enterprise fund accounting guidelines. All significant intercompany balances and transactions have been eliminated in consolidation. SC Launch is considered a discretely presented component unit of SCRA under Governmental Accounting Standards Board (“GASB”) guidelines.

The financial statements of the OPEB Trust Fund have been prepared on the accrual basis of accounting. The OPEB Trust Fund does not issue separate financial statements.

Concentrations of Credit Risk

SCRA’s financial instruments that are exposed to concentrations of credit risk consist primarily of cash and cash equivalents, investments, and accounts receivable from contracts.

SCRA’s cash and cash equivalents and investments are in investments placed with the federal government and financial institutions. SCRA’s statutory language limits its exposure to concentrations of credit risk. The Investments section of this note to the financial statements describes the types of investments held by SCRA as of June 30, 2021 and 2020.

SCRA’s accounts receivable result from tenant leases, pass-through contracts and accrued interest on marketable investments. SCRA provides credit to customers in the normal course of business and performs ongoing credit evaluations on certain customers’ financial condition but does not require collateral to support such receivables.

SC Launch’s exposure to concentrations of credit risk consists of investments in non-publicly traded technology-based firms, investments in corporate bonds and preferred stock holdings in domestic companies.

Risk Management and COVID-19 and CARES Act Considerations

SCRA is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; business interruption; injuries to employees; and natural disasters. SCRA carries commercial insurance for these risks of loss, including but not limited to employment practices, cyber and general liability insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage.

On January 30, 2020, the World Health Organization (“WHO”) announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the “COVID-19 outbreak”) and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally. The outbreak may have a material adverse impact on economic and market conditions, triggering a period of global economic slowdown. As of June 30, 2021, the pandemic has not had an adverse impact on SCRA and SC Launch. However, if the pandemic continues, it may have an adverse impact on results of future operations, financial position and liquidity.

SCRA

Notes to Financial Statements

Management has identified potential exposures to the operations of SCRA and SC Launch because of the COVID-19 pandemic (“COVID-19”). While difficult to quantify, the impact of COVID-19 could include but cannot be limited to the following: (1) Lower IPF contributions because of lower tax obligations on the part of potential contributors; (2) Lower lease revenues as tenants choose alternatives to leasing space from SCRA or default on existing commitments; (3) Lower returns on marketable investments due to even lower interest rates than currently experienced; (4) Higher operating costs because of COVID-19 related expenses; and (5) Delayed and lower returns on the SC Launch portfolio of start-up companies because of increased uncertainties and liquidity factors. Management has taken steps to mitigate these and related risks. Actions taken by management include: (1) Effective March 15, 2020, all employees except for facility staff have worked remotely. This was done to protect the safety of employees and to preserve the ability of SCRA and SC Launch to continue to operate effectively; (2) For facility staff, CDC guidelines were instituted related to masks, social distancing and personal hygiene practices; (3) Funding was provided to select companies in the SC Launch portfolio facing short-term liquidity issues in order to preserve their long-term viability and value; (4) Investments were made in SCRA facilities related to air filtration, temperature taking and other measures in preparation of reoccupation by tenants and to create a competitive advantage over alternative facilities; and (5) A Business Development Representative was hired to actively market the IPF. Such risks do not pose an existential threat to SCRA and SC Launch.

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security (CARES) Act (the “Act”) was enacted. The CARES Act is an approximately \$2 trillion emergency economic stimulus package in response to the Coronavirus outbreak, which among other things contains numerous income tax and cost protection provisions. Neither SCRA or SC Launch have applied for or received any federal funding related to the Act and is not expected to have a material impact in the future.

Use of Estimates

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

Operating and Non-operating Activities

For SCRA, activities directly related to the performance of contracts, to rentals of SCRA’s facilities and activities related to operating the SC Research Innovation Centers and related facilities, to the raising of funds through contributions to the IPF or other contributions, or to the grant making process of disbursing funds to qualified applicants and related activities are reported as operating items. Other activities, including generating interest income from marketable investments, realized and unrealized investment returns, contributions to SC Launch and the earnout on sale of Advanced Technology International’s (“ATI”) are reported as non-operating items.

For SC Launch, the activities directly related to investing in portfolio companies and realized returns related to these investments are reported as operating items. Contributions from SCRA, interest income from marketable investments, realized gains on marketable investments and unrealized gains and losses on marketable and non-marketable investments are reported as non-operating items.

SCRA

Notes to Financial Statements

Cash

SCRA and SC Launch consider all funds held in non-interest-bearing checking accounts to be cash. SCRA's cash on June 30, 2021 and 2020 are collateralized by a bank and are included within cash on the statements of net position.

Restricted Cash

Restricted cash includes deposits made for IPF contributions which have not yet been expended on the execution of the SC Launch program, South Carolina Research Innovation Centers ("SCRIC") or other statutory initiatives and advances made in executing the Partnership Intermediary Agreement with the Naval Information Warfare Center. Restricted cash balances of \$481,663 and \$5,020 were held by SCRA on June 30, 2021 and 2020, respectively.

Accounts Receivable

Accounts receivable balances are considered past due based on contractual terms. SCRA does not accrue interest on the past due balances. Once management determines that the receivables are not recoverable, the amounts are either removed from the financial records along with any corresponding revenue or a reserve is established effectively removing the related revenue, pending resolution of the delinquency. As of June 30, 2021 and 2020 SCRA did not have reserves balances for uncollected accounts receivable.

Investments

SCRA's short-term investments are composed of a money market account invested in US Treasury and Agency securities and those marketable investments with an effective maturity of one year or less.

SCRA's long-term investments for fiscal years 2021 and 2020 include investments for which underlying marketable investments have a stated maturity date greater than one year. These investments consisted of US Treasury and Agency securities. No restricted marketable investments were held on June 30, 2021 and 2020.

SCRA reports all investments at fair value on the statements of net position and all changes in fair value as income (expense) in the non-operating section of the statements of revenues, expenses and changes in net position.

SC Launch holds fixed income and equity investments in privately held firms ("portfolio investments") and publicly held companies ("marketable investments"). Portfolio investments are valued at cost, fair value, or using the equity method of accounting based on the investment. Annual adjustments stemming from changes in fair value and the application of the equity method are reported in the non-operating section of the statements of revenues, expenses and changes in net position. Marketable investments are reported at fair value on the statements of net position and all changes in fair value as income (expense) in the non-operating section of the statements of revenues, expenses and changes in net position.

SCRA

Notes to Financial Statements

Capital Assets

Land and Land Development Costs - Land is carried at the lower of cost or net realizable value. Land contributed to SCRA by the state of South Carolina was valued at net realizable value at the time the contribution was made based on appraisals obtained by SCRA. Costs incurred by SCRA related to planning and constructing the infrastructure of the research parks are capitalized as a cost of development.

SCRA MUSC Innovation Center at Charleston - During 2010, SCRA completed construction/renovation of this facility. These assets are carried at cost, net of accumulated depreciation, as leasehold improvements. Depreciation is expensed using the straight-line method over estimated useful lives, which range from 5 to 30 years. The land and existing building structure are leased from the City of Charleston and have no value on SCRA's statement of net position.

SCRA USC Innovation Center at Columbia - During 2011, SCRA completed construction/renovation of this facility. This asset, including the associated land, is carried at cost, net of accumulated depreciation. Depreciation of the facility construction/renovation is expensed using the straight-line method over estimated useful lives which range from 5 years for facility improvements to 39 years for the main facility.

SCRA Building in the Duke Energy Innovation Center at Anderson - During 2011, SCRA also completed construction of this facility. These assets are carried at cost, net of accumulated depreciation. Depreciation of the facility is provided using the straight-line method over estimated useful lives which range from 5 years for facility improvements to 39 years for the main facility. The land is leased from Clemson University and has no value on SCRA's statement of net position.

Applied Technologies Center ("ATC") - During 2015, SCRA completed construction of the ATC on land SCRA purchased in July of 2013 in Summerville, SC. This asset, including the associated land and its development, are carried at cost, net of accumulated depreciation. Depreciation of the facility is expensed using the straight-line method over estimated useful lives which range from 5 to 39 years.

22 West Edge - During fiscal 2020, SCRA entered into a long-term lease agreement covering approximately 20,000 square feet of a new development located at 22 West Edge in Charleston. Leasehold improvements of \$2.9 million were made consistent with a long-term lease agreement reached with a tenant that occupied the space in April 2020. Depreciation of the leasehold improvements is expensed using the straight-line method over the life of the tenant lease agreement.

Furniture, Fixtures and Office Equipment - SCRA capitalizes furniture, fixtures and office equipment with an original cost more than \$5,000. Furniture, fixtures and office equipment are carried at cost, net of accumulated depreciation. Depreciation is expensed using the straight-line method over estimated useful lives, which range from 3 to 5 years.

SCRA records impairment losses on long-lived assets when events and circumstances indicate that the assets might be impaired and the undiscounted cash flows estimated to be generated by those assets are less than the carrying amount of those assets. No such impairment loss has been recognized in the accompanying financial statements for the years ended June 30, 2021 and 2020.

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Notes to Financial Statements

Capitalization of Interest

Interest costs incurred during the period of construction of qualifying capital assets are capitalized as a component of the costs of these assets and amortized over the life of the asset.

Unearned Revenue

SCRA periodically receives advance payments on various contract agreements. These payments are recorded as unearned revenue and recognized as income during the periods in which the work is performed, or the leased space is occupied, and the related costs are incurred in accordance with SCRA's revenue recognition practices and contract terms.

Revenue Recognition

SCRA recognizes revenue under contracts and grant agreements as costs are incurred or as efforts become billable in accordance with the terms and conditions of the individual agreements. Contributions are recognized when all eligibility requirements are met. Other revenues are recognized as the amounts are earned, based on details of the applicable agreements or contracts. Income from investments are recognized on an accrual basis, with adjustments for premium amortization and discount accretion as applicable.

SC Launch Investments

The 2005 amendment ("Amendment") indicates that the purpose of SCRA includes promoting the development of high technology industries and research facilities in South Carolina. Further, the objectives of SCRA include advancing the general welfare of the people and increasing opportunities for employment of citizens of South Carolina; promoting and encouraging expansion of the research and development industry sector; and fostering the perception of South Carolina as an international leader in idea generation and the development, testing and implementation of new advances in science and technology.

The Amendment requires SCRA to maintain a SCRIC Division. SCRA created SC Launch as part of its efforts to comply with the Amendment. It requires the SCRIC Division to establish three research innovation centers in South Carolina to enhance the research and technology transfer capabilities of the state's three research universities and required the SCRIC Division to be provided with \$12 million of funding by SCRA over a three-year period.

Section 13-17-87 (F) of the SC Code specifically provides that the SCRIC may invest in companies and Section 13-17-88 (E) provides that financing methods pursuant to this section and Section 13-17-87 (F) may include grants, loans, investments, and other incentives. SC Launch focuses on making investments in start-up technology-based firms as part of its process of providing funds to such companies in accordance with the Amendment and section 13-17-88 of the 2006 amendment with creation of the Industry Partnership Fund. SC Launch enters into agreements with the companies by executing documents representing direct equity investments or convertible debentures providing for future conversion into equity investments in the companies; such firms are referred to as "portfolio companies." One of SC Launch's objectives in making these investments is to provide financial returns should portfolio companies receiving the funds achieve financial success. Another important objective of these investments is to increase opportunities for employment of citizens of

SCRA

Notes to Financial Statements

South Carolina and to promote and encourage expansion of the research and technology transfer to industry. Accordingly, SC Launch is not entering into such transactions solely based on its own economic self-interest, but for the public interest in the State of South Carolina as provided for by SCRA's enabling legislation.

SC Launch performs various due diligence activities before electing to provide funds to any prospective portfolio companies. These companies are typically firms that do not have readily determinable market values and may not have commenced revenue generating activities. In addition, documentation such as audited financial statements may not be available for these companies at the time such investments are made or in subsequent periods. Accordingly, SC Launch is unable to ascertain the fair market value of these companies.

SC Launch accounts for the disbursements made to portfolio companies as investments, with the nominal amount of \$100 recorded for each individual portfolio company. This amount is included in long-term non-marketable investments on its statement of net position. The balance of the investment amounts are expensed as non-exchange transactions.

Earnout on Sale of Advanced Technology International, Inc.

The Change of Control Agreement ("Agreement") between SCRA and Analytic Services, Inc. ("ANSER") which effected the sale of ATI to ANSER included a provision for contingent payments ("earnouts") to SCRA should ATI meet certain performance thresholds. Based upon the twelve-month measurement periods which ended September 30, 2018, 2019 and 2020, ANSER paid SCRA \$4,000,000 in fiscal years 2019 and 2020 and \$7,000,000 in fiscal 2021. No additional contingent payments are due.

Income Taxes

SCRA has been granted exemption from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and from state income taxes under the legislation which established SCRA. SC Launch has been granted exemption from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. SC Launch is exempt from state income taxes under South Carolina legislation. Both SCRA and SC Launch are subject to income tax on unrelated business income under Section 511 of the Internal Revenue Code. Neither organization had unrelated business income for the years ended June 30, 2021 or 2020.

Net Position

The statements of net position feature a net position presentation. Net position is categorized in three ways: (1) net investment in capital assets; (2) unrestricted; and (3) restricted - Industry Partnership Fund. Net position is reported as restricted when constraints are placed on its use by external parties such as creditors, grantors, contributors, or laws and regulations. Unrestricted net position has no external restrictions on use.

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Notes to Financial Statements

2. Cash and Investments

Deposits

On June 30, 2021 and 2020, SCRA's total cash and restricted cash balances were \$5,535,337 and \$248,717, respectively. On June 30, 2021 and 2020, SC Launch's cash balances were \$1,001,480 and \$423, respectively. SCRA's cash balances are collateralized as discussed under "Cash" in Note 1. Also, due to the timing of receipt of customer payments, as well as payments to subcontractors and suppliers, portions of SCRA's bank balances may have been uncollateralized at various times during fiscal 2021 and 2020. SC Launch's cash balances above \$250,000 are not insured by the Federal Deposit Insurance Corporation.

Investments

On June 30, 2021, SCRA's investment balances are considered Level I, recorded at fair market value based on observable market prices. Amounts with maturities less than one year are classified as short-term investments and amounts with maturities greater than one year are classified as long-term marketable investments within the statements of net position. The related maturities were as follows:

June 30, 2021	Maturities				Total
	<1 year	1-5 years	5-10 years	10+ years	
Money market	\$ 708,162	\$ -	\$ -	\$ -	\$ 708,162
Government bonds	23,385,538	12,478,115	3,907,642	1,200,031	40,971,326
Total	\$ 24,093,700	\$ 12,478,115	\$ 3,907,642	\$ 1,200,031	\$ 41,679,488

On June 30, 2021, all the OPEB Trust Fund's investment balance, recorded at fair market value based on observable market prices, and the related maturities, were as follows:

June 30, 2021	Maturities				Total
	<1 year	1-5 years	5-10 years	10+ years	
Money market	\$ 3,965	\$ -	\$ -	\$ -	\$ 3,965
Government bonds	394,701	1,391,466	514,929	-	2,301,096
Total	\$ 398,666	\$ 1,391,466	\$ 514,929	\$ -	\$ 2,305,061

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Notes to Financial Statements

On June 30, 2020, SCRA's investment balances are considered Level I, recorded at fair market value based on observable market prices. Amounts with maturities less than one year are classified as short-term investments and amounts with maturities greater than one year are classified as long-term marketable investments within the statements of net position. The related maturities were as follows:

<i>June 30, 2020</i>	Maturities				Total
	<1 year	1-5 years	5-10 years	10+ years	
Money market	\$ 1,516,262	\$ -	\$ -	\$ -	\$ 1,516,262
Government bonds	23,249,437	20,127,204	86,106	57,215	43,519,962
Total	\$ 24,765,699	\$ 20,127,204	\$ 86,106	\$ 57,215	\$ 45,036,224

On June 30, 2020, all the OPEB Trust Fund's investment balance, recorded at fair market value based on observable market prices, and the related maturities, were as follows:

<i>June 30, 2020</i>	Maturities				Total
	<1 year	1-5 years	5-10 years	10+ years	
Money market	\$ 11,506	\$ -	\$ -	\$ -	\$ 11,506
Government bonds	181,321	1,343,804	753,946	-	2,279,071
Total	\$ 192,827	\$ 1,343,804	\$ 753,946	\$ -	\$ 2,290,577

For SC Launch, marketable investments include fixed income investments and preferred equity investments. On June 30, 2021 and 2020, preferred equity investments totaled \$1,611,494 and \$1,576,978, respectively, and are excluded from the maturities tables below. The maturities of money market and marketable investments, excluding preferred equity investments, held by SC Launch on June 30, 2021 and 2020 are shown below:

<i>June 30, 2021</i>	Maturities				Total
	<1 year	1-5 years	5-10 years	10+ years	
Money market	\$ 13,496	\$ -	\$ -	\$ -	\$ 13,496
Fixed income investments	2,066,555	1,587,360	1,040,382	-	4,694,297
Total	\$ 2,080,051	\$ 1,587,360	\$ 1,040,382	\$ -	\$ 4,707,793

<i>June 30, 2020</i>	Maturities				Total
	<1 year	1-5 years	5-10 years	10+ years	
Money market	\$ 1,004,259	\$ -	\$ -	\$ -	\$ 1,004,259
Fixed income investments	1,390,594	1,452,094	161,303	-	3,003,991
Total	\$ 2,394,853	\$ 1,452,094	\$ 161,303	\$ -	\$ 4,008,250

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Notes to Financial Statements

During fiscal 2021 SC Launch recorded a net realized gain on portfolio investments of \$1,641,834 compared to \$744,119 for fiscal 2020. Stage 2 Capital Associates, LLC (“Stage 2”), which is controlled by SC Launch, has investments recorded in three firms: Carbon Conversions, Inc. (“CCI”), Integrated Biometrics, LLC (“IB”) and Kiyatec, Inc. (“K”). CCI’s, IB’s and K’s carrying values are determined using the fair value method, the equity method and at cost, respectively. On June 30, 2021, the carrying values of CCI, IB and K were \$3,797,341, \$351,116 and \$500,097, respectively. The carrying values on June 30, 2020 for CCI, IB and K were \$3,792,203, \$408,606 and \$500,097, respectively. Other portfolio investments are carried at \$100 per investment as further described in the SC Launch Investments section of Note 1.

Interest Rate Risk

The market value of SCRA’s and SC Launch’s investment portfolios of fixed income investments are subject to change based upon changes in the shape and position of the yield curve. The market value of the portfolios moves inversely with changes in interest rates. Duration is a measure of interest rate risk that is used by management. As of June 30, 2021, the durations of the SCRA and SC Launch fixed income portfolios were 5.1 and 5.4 years, respectively. Based upon these durations, a 1% shift in the yield curve would produce a 5.1% change in the market value of the SCRA portfolio and a 5.4% change in the fair market value of the SC Launch fixed income portfolio.

Credit Risk

SCRA is subject to State of South Carolina legislation that places restrictions on the types of investments it may hold. SCRA may only invest in obligations issued by the federal government or agencies of the federal government, general obligations of the state of South Carolina and certificates of deposit issued by financial institutions that are authorized to do business in the state of South Carolina. The credit quality ratings as issued by Standard & Poor’s for SCRA’s investments are listed below:

<i>June 30,</i>	2021	2020
Money market fund	AA+	AA+
Government bonds	AA+	AA+

SC Launch is not restricted legislatively in the types of investments it may hold. With respect to its marketable investments portfolio, SC Launch abides by and complies with an Investment Policy Statement (“IPS”) that allows for investments in government bonds, corporate debt and preferred equities. Only investment grade investments are allowed per the SC Launch IPS. The table below summarizes the credit quality ratings as issued by Standard & Poor’s for SC Launch’s marketable investments:

<i>June 30,</i>	2021	2020
Money market fund	AA+	AA+
Government bonds	AA+	AA+
Corporate debt (average)	BBB-	BBB-
Preferred stock (average)	BBB-	BBB-

SCRA

Notes to Financial Statements

Concentration of Credit Risk

Because SCRA has no credit risk because of its legislation-imposed investment restrictions, concentration of credit risk related to the investment portfolio is not present.

SC Launch manages its concentration of credit risk by limiting holdings from any one entity, other than the government, to less than 7% of the total portfolio plus cash (approximately \$512,000 based upon the June 30, 2021 cash and portfolio total).

3. Accounts Receivable

Accounts receivable outstanding for SCRA as of June 30, 2021 and 2020 consisted of balances due from contracts, interest and pass-through transactions:

<i>June 30,</i>		2021		2020
Contracts	\$	723,611	\$	490,948
Interest		167,485		206,450
Pass-throughs		17,649		102,340
Net total	\$	908,745	\$	799,738

As of June 30, 2021 and 2020 there were no allowance for doubtful accounts balances.

As of June 30, 2021 and 2020 SC Launch had \$29,504 and \$22,102, respectively, in accounts receivable related to interest due on marketable investments.

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Notes to Financial Statements

4. Capital Assets

Capital asset activity was as follows:

<i>Year ended June 30,</i>	2020	Additions	2021
Land and land development costs (*)	\$ 7,174,320	\$ -	\$ 7,174,320
Applied Technologies Center	14,626,245	-	14,626,245
Innovation Centers at Charleston, Columbia and Anderson	20,920,154	-	20,920,154
22 West Edge leasehold improvements	2,937,431	88,868	3,026,299
Furniture, fixtures and office equipment	6,801,398	846,586	7,647,984
Total capital assets	52,459,548	935,454	53,395,002
Less accumulated depreciation for:			
Applied Technologies Center	2,729,013	375,782	3,104,795
Innovation Centers at Charleston Columbia and Anderson	8,845,969	588,089	9,434,058
22 West Edge leasehold improvements	73,436	313,217	386,653
Furniture, fixtures and office equipment	5,406,886	369,538	5,776,424
Total accumulated depreciation	17,055,304	1,646,626	18,701,930
Net capital assets	\$ 35,404,244	\$ (711,172)	\$ 34,693,072

(*) Land and land development costs are not depreciated.

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Notes to Financial Statements

<i>Year ended June 30,</i>	2019	Additions	2020
Land and land development costs (*)	\$ 7,174,320	\$ -	\$ 7,174,320
Applied Technologies Center	14,626,245	-	14,626,245
Innovation Centers at Charleston, Columbia and Anderson	20,721,731	198,423	20,920,154
22 West Edge leasehold improvements	-	2,937,431	2,937,431
Furniture, fixtures and office equipment	6,055,289	746,109	6,801,398
Total capital assets	48,577,585	3,881,963	52,459,548
Less accumulated depreciation for:			
Applied Technologies Center	2,353,351	375,662	2,729,013
Innovation Centers at Charleston Columbia and Anderson	8,056,167	789,802	8,845,969
22 West Edge leasehold improvements	-	73,436	73,436
Furniture, fixtures and office equipment	5,244,719	162,167	5,406,886
Total accumulated depreciation	15,654,237	1,401,067	17,055,304
Net capital assets	\$ 32,923,348	\$ 2,480,896	\$ 35,404,244

(*) Land and land development costs are not depreciated.

5. Land and Land Development Costs

The fair value of land contributed has been valued based on appraisals at the time of contribution. The appraisals consider the proposed use of the property, primarily as restricted research parks, and accordingly, the values are less than if no restrictions as to use of the land had been imposed.

SCRA has received reimbursements from various governmental entities for certain costs associated with land improvements in the research parks and such amounts were credited to land development costs.

6. Rents and Leases

SCRA is obligated under operating leases for land, office space and office equipment. Total rental expense under operating leases was \$807,762 and \$242,062 for the years ended June 30, 2021 and 2020, respectively.

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Notes to Financial Statements

SCRA's future minimum lease payments under noncancelable operating leases are as follows on June 30, 2021:

<i>Year ending June 30,</i>	Amount
2022	\$ 770,087
2023	785,270
2024	800,385
2025	816,150
2026	829,156
Thereafter	3,334,517
Total	\$ 7,335,565

Various individual leases contain predefined lease rate increases on set schedules designed to periodically adjust lease rates to market value. These scheduled predefined lease rate increases have been considered in SCRA's recognition of lease expense in accordance with the straight-line method.

SCRA leases certain unused space in the Applied Technologies Center and the Innovation Centers to unrelated entities. Future minimum rentals on noncancelable leases are as follows on June 30, 2021:

<i>Year ending June 30,</i>	Amount
2022	\$ 4,769,375
2023	4,059,368
2024	3,353,665
2025	2,862,851
2026	2,947,667
Thereafter	6,084,826
Total	\$ 24,077,752

7. Line of Credit

SCRA has a \$2,000,000 revolving loan agreement with a bank which expires on January 31, 2022. There were no amounts outstanding at any time during fiscal 2020 or 2021. The interest rate associated with the loan is the Prime Rate minus 75 basis points (0.75%). SCRA incurred no fees related to this credit facility during fiscal 2020 or 2021.

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Notes to Financial Statements

8. Long-Term Debt Obligations

SCRA MUSC Innovation Center at Charleston

On June 28, 2016, SCRA entered into an obligation with a financial institution, in the amount of \$4,000,000, which accrues interest at a fixed rate of 2.67% and requires monthly payments of principal and interest in the amount of \$27,067 through the payment due date of June 28, 2026. On the loan maturity date of June 28, 2026, SCRA may refinance the note or pay all outstanding principal balance, any unpaid accrued interest and any other outstanding obligations. As of June 30, 2021 and 2020, the outstanding balance on this obligation was \$2,861,587 and \$3,106,635, respectively.

SCRA complied with all debt covenant provisions under this obligation as of June 30, 2021.

SCRA USC Innovation Center at Columbia

On July 24, 2017, SCRA entered into a mortgage with a financial institution in the amount of \$4,335,000, which accrues interest at a fixed rate of 3.79% and requires monthly payments of principal and interest of \$31,725 through the maturity date of August 1, 2027. On the maturity date SCRA may refinance the note or pay all outstanding principal balance, any unpaid accrued interest and any other outstanding obligations. On March 24, 2021, SCRA and the financial institution executed a modification agreement reducing the interest rate to 2.50% while leaving all other terms unchanged. As of June 30, 2021 and 2020, the outstanding balance on this obligation was \$3,409,055 and \$3,663,668, respectively.

SCRA complied with all debt covenant provisions under this obligation as of June 30, 2021.

Applied Technologies Center (“ATC”)

On April 1, 2015, SCRA entered into a mortgage with a financial institution in the amount of \$9,000,000 calling for equal quarterly payments of principal in the amount of \$112,500 plus interest at LIBOR plus 0.55% commenced with payments scheduled to continue the first day of each July, October, January and April thereafter through a maturity date of January 1, 2024. Effective June 1, 2018, the interest rate was fixed at 3.50% and the quarterly principal payment was changed to a monthly payment of \$37,500 plus applicable interest. On April 23, 2021, the Company entered into a loan for \$6,400,000 with another financial institution. These funds were paid directly by the financial institution to pay off the existing mortgage balance of \$6,238,325. The remaining net proceeds to SCRA were used to offset the outstanding loan balance. The new loan, which matures on April 23, 2028, has a fixed rate of 3.15% and monthly principal and interest payments of \$35,368. At maturity SCRA may pay the remaining balance or refinance the debt. As of June 30, 2021 and 2020, the outstanding balance on this obligation was \$6,228,341 and \$6,600,000, respectively.

SCRA complied with all debt covenant provisions under this obligation as of June 30, 2021.

Interest paid and expensed on long-term obligations during fiscal year 2021 and 2020 totaled \$442,688 and \$477,239, respectively.

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Notes to Financial Statements

Notes payable activity was as follows:

<i>Year ended June 30, 2021</i>	Beginning Balance	Additions	Principal Payments	Ending Balance
Notes payable	\$ 13,370,303	\$ -	\$ (871,320)	\$ 12,498,983

<i>Year ended June 30, 2020</i>	Beginning Balance	Additions	Principal Payments	Ending Balance
Notes payable	\$ 14,292,119	\$ -	\$ (921,816)	\$ 13,370,303

For the three obligations, SCRA may refinance the note or pay all outstanding principal balance, any unpaid accrued interest and any other outstanding monetary obligations. The following schedule is based on SCRA not refinancing the obligations and paying the remaining outstanding balance at each respective maturity date. Future principal and interest under SCRA's long-term debt agreements are as follows on June 30, 2021:

<i>Year Ending June 30</i>	Principal Payments	Interest Payments	Total Debt Service
2022	\$ 777,478	\$ 352,429	\$ 1,129,907
2023	799,407	330,500	1,129,907
2024	821,123	308,784	1,129,907
2025	845,131	284,776	1,129,907
2026	2,386,230	260,921	2,647,151
2027-2028	6,869,614	328,094	7,197,708
Total	\$ 12,498,983	\$ 1,865,504	\$ 14,364,487

9. Employee Benefit Plan

SCRA has established a 403(b)-retirement plan (the "SCRA 403(b) Retirement Plan") covering all employees. SCRA provides a matching contribution equal to 1.4 times the participating employee's contribution up to a maximum of 5% of the employee's pay. SCRA may amend or terminate this plan at any time. SCRA's matching contributions in fiscal years 2021 and 2020 were \$196,000 and \$200,000, respectively, which is included in salaries, wages and other related costs in the accompanying statements of revenues, expenses and changes in net position.

SCRA also has a 457(b) deferred compensation plan covering all employees. Employee participants may make salary reduction contributions to this plan. SCRA does not make any matching contributions to this plan.

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Notes to Financial Statements

10. Retiree Health Care Plan

General Information

Plan Description. SCRA participates in the Employee Insurance Program (“EIP”) administered by the South Carolina Budget and Control Board. SCRA provides medical insurance benefits at prescribed premiums to eligible retirees and their spouses as adopted from the state’s plan. Qualified retirees of SCRA are eligible to participate in the postretirement medical benefits program offered by the State of South Carolina (the State). SCRA pays a percentage of premiums for retirees, but the retirees pay costs of premiums associated with retirees’ dependents. Governmental Accounting Standards Board Statements No. 74 *Accounting for Postemployment Benefits Other Than Pensions* “GASB Statement 74”, is the accounting standard to be followed in accounting for post-retirement benefits other than pensions, and No. 75 *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* “GASB Statement 75” establishes accounting and financial reporting requirements for state and local government employers that provide their employees with postemployment benefits other than pensions. The SCRA plan is considered a single-employer plan.

Funding Policy. The contribution requirements of plan members and SCRA are established and may be amended by SCRA. The required contribution is based on projected transfers of assets to a qualifying trust, with an additional amount to prefund benefits as determined annually by SCRA. For fiscal years 2020 and 2021, SCRA did not contribute to a qualifying trust and contributed \$41,644 and \$42,972, respectively, to the plan for current premiums. Plan members receiving benefits contributed \$35,321, or 23% of the total premiums, through their required contribution of \$98 per month for retiree-only standard coverage, \$253 per month for retiree and spouse standard coverage, \$299 per month for retiree and family, spouse not Medicare eligible coverage and \$307 per month for retiree and family standard coverage.

Employees covered by benefit terms. On June 30, 2021, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefits	23
Inactive plan members entitled to but not yet receiving benefits	-
Active plan members	33
<hr/>	
Total plan members	56

Net OPEB Liability

Annual OPEB Cost and Net OPEB Liability. SCRA’s annual other postemployment benefits (“OPEB”) cost (expense) is calculated based on the *annual required contribution of the employer (“ARC”)*; an amount actuarially determined in accordance with the parameters of GASB Statement 74. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

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

SCRA

Notes to Financial Statements

methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of net position, consistent with the long-term perspective of the calculations.

In the actuarial valuation, the individual entry-age actuarial cost method was used. The actuarial assumptions included a 2.75% investment rate of return, which is the expected long-term investment returns on the employer's own investments. This rate is 0.50% less than the prior fiscal year. The annual healthcare cost trend rates included an initial rate of 5.30% declining to an ultimate rate of 3.70% after 15 years; for fiscal year 2020 the initial rate was 6.20% declining to an ultimate rate of 4.15% after 15 years. The mortality tables used were the 2020 Public Retirees of South Carolina Mortality Table for Males and the 2020 Public Retirees of South Carolina Mortality Table for Females which are used with fully generational mortality projections based on 80% of the ultimate rates in the MP-2014 tables for all years. The following multipliers were applied to the base tables: 97% for male South Carolina Retirement Systems ("SCRS") members and 107% for female SCRS members. Demographic and salary increase assumptions were updated to reflect the 2020 SCRS Experience Study. In addition, the two-person assumption for females was decreased and the health care trend rates cited above were used to better reflect the plan's actual experience.

The health care increase rates were based on assumptions for inflation of 2.25%. The actuarial value of assets was set equal to the reported market value of the assets. As the net position is less than the actuarial accrued liability as of June 30, 2021, the charge on the underfunded liability is the interest on the amount of underfunding at the plan's interest rate of 2.75%. The target investment pool is to invest substantially all funds into fixed income investments. For the actuarial valuation, the expected rate of return on OPEB plan investments is 2.75%; the municipal bond rate is 1.92% and the resulting discount rate is 2.75%.

Changes in the Net OPEB Liability

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability (Asset)
Balances on June 30, 2020	\$ 2,118,816	\$ 2,242,107	\$ (123,291)
Service cost	50,738	-	50,738
Interest on total OPEB liability	68,034	-	68,034
Difference between expected and actual experience	35,132	-	35,132
Changes in assumptions	100,046	-	100,046
Employer contributions	-	42,972	(42,972)
Net investment income	-	12,315	(12,315)
Benefit payments	(101,658)	(101,658)	-
Net changes	152,292	(46,371)	198,663
Balances on June 30, 2021	\$ 2,271,108	\$ 2,195,736	\$ 75,372

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Notes to Financial Statements

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability (Asset)
Balances on June 30, 2019	\$ 2,125,989	\$ 2,207,103	\$ (81,114)
Service cost	44,280	-	44,280
Interest on total OPEP liability	68,182	-	68,182
Difference between expected and actual experience	(5,524)	-	(5,524)
Changes in assumptions	(13,687)	-	(13,687)
Employer contributions	-	41,644	(41,644)
Net investment income	-	93,784	(93,784)
Benefit payments	(100,424)	(100,424)	-
Net changes	(7,173)	35,004	(42,177)
Balances on June 30, 2020	\$ 2,118,816	\$ 2,242,107	\$ (123,291)

Funded Status and Funding Progress. As of the most recent actuarial valuation date of June 30, 2021, the plan was 97% funded. The actuarial accrued liability for benefits was \$2,271,108, and the actuarial value of assets was \$2,313,202, reduced by \$117,466 of benefits payable producing an actuarial value of net position of \$2,195,736. The result was an underfunded actuarial accrued liability (“UAAL”) of \$75,372. The covered payroll (annual payroll of active employees covered by the plan) was \$2,986,431 and the ratio of the UAAL to the covered payroll was 3%.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan net position is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

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Notes to Financial Statements

Sensitivity of the net OPEB liability to changes in the discount rate and healthcare cost trend rates. Regarding the sensitivity of the net OPEB liability to changes in the discount rate, the following presents the plan's net OPEB liability, calculated using a discount rate of 2.75%, as well as what the plan's net OPEB liability would be if it were calculated using a discount rate that is one percent lower or one percent higher:

1% Decrease 1.75%	Current Assumption 2.75%	1% Increase 3.75%
\$ 393,181	\$ 75,372	\$ (186,393)

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

1% Decrease	Current Assumption	1% Increase
\$ (213,183)	\$ 75,372	\$ 434,498

The following table shows the components of SCRA's annual OPEB cost for the year, the amount contributed to the plan, and changes in SCRA's net benefit payable:

<i>Year ended June 30,</i>	2021	2020
Annual required contribution	\$ 42,972	\$ 41,644
Annual OPEB cost	101,658	100,424
Contributions made	42,972	41,644
Change in benefit payable	58,686	58,780
Benefit payable, beginning of year	58,780	-
Benefit payable, end of year	\$ 117,466	\$ 58,780

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Notes to Financial Statements

SCRA's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net benefit payable for 2021 and the two preceding fiscal years were as follows:

<i>Year Ended June 30,</i>	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net Benefit Payable
2019	\$ 100,087	100%	\$ -
2020	\$ 100,424	41%	\$ 58,780
2021	\$ 101,658	42%	\$ 117,466

11. Related Party Transactions

SC Launch does not have any employees, and all its administrative functions are performed by SCRA employees. In accordance with a funding agreement between SCRA and SC Launch, SCRA provides services and supplemental funding as required by SC Launch for its ongoing operations.

SCRA transferred \$1,900,000 and \$2,100,000 to SC Launch in fiscal years 2021 and 2020, respectively, in support of its operational requirements. Based on the agreement between the parties, SCRA will continue to support SC Launch operations out of program funds raised as part of the IPF and will continue to provide financial support as required by SC Launch.

12. Subsequent Events

SCRA has evaluated subsequent events from July 1, 2021 through August 12, 2021 (the date of the audit report and the date the financial statements were available to be issued). During this period, no material recognizable events were identified.

Required Supplementary Information

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Schedule of Funding Progress (Unaudited)

Actuarial Valuation Date June 30,	Actuarial Value of Net Position (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	(OAAA) UAAL (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	(OAAA) UAAL as a Percentage of Covered Payroll ((b-a)/c)
2021	\$ 2,195,736	\$ 2,271,108	\$ 75,372	97%	\$ 2,986,431	3%
2020	\$ 2,242,107	\$ 2,118,816	\$ (123,291)	106%	\$ 2,788,325	(4)%
2019	\$ 2,207,103	\$ 2,125,989	\$ (81,114)	104%	\$ 2,897,207	(3)%
2018	\$ 2,047,545	\$ 2,753,647	\$ 706,102	74%	\$ 1,985,823	36%

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Schedule of Changes in Net Other Postemployment Benefits Liability and Related Ratios (Unaudited)

Year ending June 30,	2021	2020	2019	2018
Total OPEB Liability*				
Service cost	\$ 50,738	\$ 44,280	\$ 37,459	\$ 55,758
Interest on total OPEB liability	68,034	68,182	103,449	101,858
Difference between expected and actual experience	35,132	(5,524)	(746,647)	(5,990)
Changes in assumptions	100,046	(13,687)	78,168	-
Benefit payments	(101,658)	(100,424)	(100,087)	(101,138)
Net change in total OPEB liability	152,292	(7,173)	(627,658)	50,488
Total OPEB Liability, beginning of year	2,118,816	2,125,989	2,753,647	2,703,159
Total OPEB Liability, end of year	\$ 2,271,108	\$ 2,118,816	\$ 2,125,989	\$ 2,753,647
Plan Fiduciary Net Position*				
Employer contributions	\$ 42,972	\$ 41,644	\$ 100,087	\$ 217,138
OPEB plan net investment income	12,315	93,784	159,558	(25,708)
Benefit payments	(101,658)	(100,424)	(100,087)	(101,138)
Net change in plan fiduciary net position	(46,371)	35,004	159,558	90,292
Plan Fiduciary Net Position, beginning of year	2,242,107	2,207,103	2,047,545	1,957,253
Plan Fiduciary Net Position, end of year	\$ 2,195,736	\$ 2,242,107	\$ 2,207,103	\$ 2,047,545
Net OPEB Liability-ending	\$ 75,372	\$ (123,291)	\$ (81,114)	\$ 706,102
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	97%	106%	104%	74%
Covered-Employee Payroll	\$ 2,986,431	\$ 2,788,325	\$ 2,897,201	\$ 1,985,823
Net OPEB Liability as a Percentage of Covered-Employee Payroll	3%	-4%	-3%	36%

*Information is not available for preceding years, to the extent 10 years of information is not presented.