



Beaufort County School District
4th Quarter FY 18 Financial Summary
September 18, 2018
(Unaudited)

A summary of the unaudited financial reports for the School District funds for the twelve months ended June 30, 2018 is attached. This summary is provided to the public and board members on a quarterly basis to keep them informed of the District's current financial condition. This report demonstrates the revenues and expenditures in a condensed format. Since these statements are prepared prior to our external audit, changes may occur.

The attached report is divided into the following areas:

1. **Schedule A: General Fund Revenue Summary**
2. **Schedule B: General Fund Revenue and Expenditure Summary**
3. **Schedule C: All Funds Summary**

General Fund Revenues- Schedule A

Total General Fund revenues received are estimated at 102.2% (FY17 revenue collections were 102.3%):

Local Revenues

- Unaudited local property tax collections are 101.8.0%; prior year collections were 102.0%. FY 2018 tax collections (including delinquent) of \$139.6M exceeded the budgeted amount by \$2.5M at June 30, 2018.
- Total estimated tax revenues are \$4.6M higher than audited tax revenues for FY 2017. This is primarily due to a 2 mil increase in the operational millage rate combined with an increased value of the mil.
- Delinquent taxes and penalties on taxes collected during July and August after each fiscal year are accrued into the prior fiscal year. The accrual has not yet been performed for FY 2018 since the School District has not received tax collection data for July and August 2018 from the County, resulting in a negative variance of \$176,660 in penalties and interest on taxes. The total amount of the FY 2017 general fund accrual for delinquent taxes and penalties on taxes was \$1.5 million.
- At the time of this report, the final interest allocation was not available from the County. Without this revenue, there is a shortfall of local other revenue in general fund in the amount of \$111,685. Based on historical information, we are estimating \$125k in additional interest income when the final allocation is received.

State, Federal and Other Revenues

- State revenues are estimated at 102.1% of the final budget at the end of June; prior year collections were 102.8%.
 - The largest difference was in the PEBA-On Behalf Payment revenue where projected revenue exceeded budgeted revenue by \$1.2 million. These funds were provided by the state to cover the 1% increase in employer share of health care insurance. The allocation was received from the state after the budget process had been completed.
 - The Retiree Insurance and School Bus Driver Salary projected revenue amounts exceeded the amount budgeted by \$446K and \$330K respectively. The Fringe Benefits Employer Contribution amount was \$326k less than the amount budgeted. The budgeted amounts were based on data provided by the state during the budget preparation process and were adjusted by the state during the fiscal year.
- Federal revenue collections finished at 160.4% of the FY 2018 budget. Federal Impact Aid and E-Rate reimbursements make up this revenue source.

General Fund Expenditures-Schedule B

- Total spending is reported at 99.7% of the \$225.8M budget, prior year spending was 99.4%. This represents under spending of \$569,914 (0.3% of budget).
 - By the end of the fourth quarter, instructional spending in the General Fund amounted to 99.8% of the annual budget. Prior year spending was 99.2%.
 - Support programs and intergovernmental transfers reported spending of 99.0% and 106.6%, respectively, of the annual budget. Charter School payments are categorized as intergovernmental transfers and exceeded the budget due to state revisions of EFA student weightings and increased prior year revenues.

Chart A listed below summarizes the FY 2017-18 activities of the General Fund.

CHART A

	FY 2017-18 Final Budget	FY 2017-18 Projected Actual*	FY 2017-18 Unaudited Actual	Amount Variance	Percent Variance
Total Revenues	\$ 221,605,149	\$ 226,187,702	\$ 226,437,610	\$ (4,832,461)	-2.2%
Total Expenditures	\$ 225,764,555	\$ 223,764,555	\$ 225,194,641	\$ 569,914	0.3%
Incr/(Decr) in Fund Balance	(4,159,406)	\$ 2,423,147	\$ 1,242,969	\$ (5,402,375)	
% of Next Year's Budget	13.30%	16.03%	15.54%		

*Projections presented on 5/15/18

Fund Balance

Audited FY 2017	Budget FY 2018	Unaudited FY 2018
\$36,263,129	\$32,103,723	\$37,506,098

The FY 2017-18 approved budget had a planned fund balance decrease of \$4,159,406. The current projected fund balance increase is \$1.2M. The \$5.4M difference between the budgeted and projected increase in fund balance is primarily due to the positive variances in local property tax revenue, Retiree Insurance revenue, School Bus Driver Salary revenue and PEBA-On Behalf Payment revenue.

Government Finance Officers Association best practices recommends 60 days of expenditures on hand. The unaudited results reflect 61 days, which is the same as the prior year.

All Funds- See Schedule C attached.

**BEAUFORT COUNTY SCHOOL DISTRICT
BEAUFORT, SOUTH CAROLINA
GENERAL FUND REVENUE DETAIL
YEAR ENDED JUNE 30, 2018
UNAUDITED**

	Budgeted Amounts		Unaudited Actual	Variance with Final Budget	
	Original	Final			
LOCAL					
Ad Valorem Taxes-Including Delinquent	\$ 137,164,216	\$ 137,164,216	\$ 139,615,276	\$ 2,451,060	101.8%
Penalties and Interest on taxes	\$ 800,000	\$ 800,000	\$ 623,320	\$ (176,680)	
Other	\$ 663,500	\$ 663,500	\$ 551,815	\$ (111,685)	
Total Local Revenues	\$ 138,627,716	\$ 138,627,716	\$ 140,790,411	\$ 2,162,695	
STATE					
Retiree Insurance	\$ 4,333,784	\$ 4,333,784	\$ 4,779,727	\$ 445,943	
Fringe Benefits Employer Contribution	\$ 5,332,450	\$ 5,332,450	\$ 5,005,946	\$ (326,504)	
Reimb. For Local Property Taxes	\$ 44,711,079	\$ 44,711,079	\$ 44,741,076	\$ 29,997	
Education Finance Act (EFA)	\$ 11,795,797	\$ 11,795,797	\$ 11,633,997	\$ (161,800)	
School Bus Driver Salary	\$ 1,100,179	\$ 1,100,179	\$ 1,430,269	\$ 330,090	
Reimbursement Local Property Tax Relief	\$ 7,036,261	\$ 7,036,261	\$ 7,036,261	\$ -	
Merchant's Inventory Tax	\$ 332,079	\$ 332,079	\$ 332,079	\$ -	
Homestead Exemption	\$ 2,000,000	\$ 2,000,000	\$ 2,045,867	\$ 45,867	
PEBA-On Behalf Payment	\$ -	\$ -	\$ 1,207,017	\$ 1,207,017	
Other State Sources	\$ 210,000	\$ 210,000	\$ 285,081	\$ 75,081	
Total State Revenues	\$ 76,851,629	\$ 76,851,629	\$ 78,497,320	\$ 1,645,691	102.1%
FEDERAL	\$ 700,000	\$ 700,000	\$ 1,122,896	\$ 422,896	160.4%
Transfers In	\$ 5,425,804	\$ 5,425,804	\$ 6,026,983	\$ 601,179	
TOTAL REVENUE	\$ 221,605,149	\$ 221,605,149	\$ 226,437,610	\$ 4,832,461	102.2%

**BEAUFORT COUNTY SCHOOL DISTRICT
BEAUFORT, SOUTH CAROLINA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual	Variance with Final Budget	
	Original	Final			
REVENUES					
Local	\$ 138,627,716	\$ 138,627,716	\$ 140,790,411	\$ 2,162,695	
State	\$ 76,851,629	\$ 76,851,629	\$ 78,497,320	\$ 1,645,691	
Federal	\$ 700,000	\$ 700,000	\$ 1,122,896	\$ 422,896	
Total Revenues	\$ 216,179,345	\$ 216,179,345	\$ 220,410,627	\$ 4,231,282	102.0%
EXPENDITURES					
Current					
Instruction	\$ 132,300,635	\$ 132,238,479	\$ 131,984,748	\$ 253,731	99.8%
Support services	\$ 87,069,275	\$ 87,121,431	\$ 86,259,115	\$ 862,316	99.0%
Payments to other governmental units	\$ 5,569,645	\$ 5,579,645	\$ 5,949,782	\$ (370,137)	106.6%
Debt service-interest	\$ 55,000	\$ 55,000	\$ 106,282	\$ (51,282)	
Total Expenditures	\$ 224,994,555	\$ 224,994,555	\$ 224,299,927	\$ 694,628	99.7%
Excess (deficiency) of revenues over (under) expenditures	\$ (8,815,210)	\$ (8,815,210)	\$ (3,889,300)	\$ 4,925,910	
OTHER FINANCING SOURCES (USES)					
Transfers in	5,425,804	5,425,804	6,026,983	601,179	
Transfers out	(770,000)	(770,000)	(894,714)	(124,714)	
Total other financing sources (uses)	4,655,804	4,655,804	5,132,269	476,465	
Net change in fund balances	(4,159,406)	(4,159,406)	1,242,969	5,402,375	
FUND BALANCES, BEGINNING OF YEAR	36,263,129	36,263,129	36,263,129	-	
FUND BALANCES, END OF YEAR	\$ 32,103,723	\$ 32,103,723	\$ 37,506,098	\$ 5,402,375	
Total Expenditures	\$ 225,764,555	\$ 225,764,555	\$ 225,194,641	\$ 569,914	99.7%
Next Year's Budgeted Expenditures			\$ 241,317,106		
Percentage of Next Year's Budgeted Expenditures			15.54%		

BEAUFORT COUNTY SCHOOL DISTRICT
BEAUFORT, SOUTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCES

	General Fund	Special Projects Funds	EIA	Capital Projects	Debt Service Fund	Internal Service Fund	Food Service Fund	Student Activity Fund	Total
REVENUES									
Local									
Property Taxes	140,254,926	-	-	-	57,140,183	-	-	-	197,395,109
Interest	25,164	-	-	293,738	2,983	-	2,089	1,172	325,146
Insurance Proceeds	39,349	-	-	-	-	97,415	-	-	136,764
Other	470,972	725,603	-	1,078,758	-	1,026,643	1,801,917	3,848,559	8,952,452
Total Local	140,790,411	725,603	-	1,372,496	57,143,166	1,124,058	1,804,006	3,849,731	206,809,471
State	78,497,320	4,084,107	12,961,087	-	1,317,485	-	727	-	96,860,726
Federal	1,122,896	11,079,542	-	-	-	-	8,786,117	-	20,988,555
Total Revenues	220,410,627	15,889,252	12,961,087	1,372,496	58,460,651	1,124,058	10,590,850	3,849,731	324,658,752
EXPENDITURES									
Current									
Instruction	131,984,748	11,572,944	5,781,158	-	-	532,102	-	295,001	150,165,953
Support services	86,259,115	4,253,638	1,564,285	33,072,270	-	494,542	10,374,107	3,077,061	139,095,018
Community services	-	257,396	-	-	-	-	-	-	257,396
Intergovernmental services	5,949,782	187,867	-	-	-	-	109,856	-	6,247,505
Debt service									
Principal	-	-	-	-	44,410,700	-	-	-	44,410,700
Interest	106,282	-	-	-	13,588,786	-	-	-	13,695,068
Other objects	-	-	-	-	52,472	-	-	-	52,472
Total Expenditures	224,299,927	16,271,845	7,345,443	33,072,270	58,051,958	1,026,644	10,483,963	3,372,062	353,924,112
Excess (deficiency) of revenues over (under) expenditures	(3,889,300)	(382,593)	5,615,644	(31,699,774)	408,693	97,414	106,887	477,669	(29,265,360)
OTHER FINANCING SOURCES (USES)									
Transfers in	6,026,983	784,714	-	21,646	2,729,952	-	110,000	-	9,673,295
Transfers out	(894,714)	(402,121)	(5,615,644)	(723)	(2,729,952)	-	(119,980)	(12,923)	(9,776,057)
Sale of capital assets	-	-	-	64,957	-	-	-	-	64,957
Premium on general obligations bonds	-	-	-	2,161,395	33,775	-	-	-	2,195,170
Proceeds of Gen Obligation Bonds	-	-	-	28,570,000	-	-	-	-	28,570,000
TOAL OTHER FINANCING SOURCES (USES)	5,132,269	382,593	(5,615,644)	30,817,275	33,775	-	(9,980)	(12,923)	30,727,365
Net change in fund balances	1,242,969	-	-	(882,499)	442,468	97,414	96,907	464,746	1,462,005
FUND BALANCE JULY 1, 2017	36,263,129	-	-	26,587,366	14,834,791	914,812	2,475,073	1,657,505	82,732,676
FUND BALANCE AT JUNE 30, 2018	\$ 37,506,098	\$ -	\$ -	\$ 25,704,867	\$ 15,277,259	\$ 1,012,226	\$ 2,571,980	\$ 2,122,251	\$ 84,194,681
Percentage of Next Year's Budget	15.54%								