

BEAUFORT COUNTY SCHOOL DISTRICT

Beaufort, SC

Annual Comprehensive Financial Report



#WhereGreatThingsHappen



For Fiscal Year Ended June 30, 2021

Frank Rodriguez, Ph.D, Superintendent • www.beaufortschools.net

**BEAUFORT COUNTY SCHOOL DISTRICT
BEAUFORT, SOUTH CAROLINA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED
JUNE 30, 2021**

Prepared by:
Beaufort County School District
Finance Department

INTRODUCTORY SECTION

BEAUFORT COUNTY SCHOOL DISTRICT

ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2021

TABLE OF CONTENTS

Page

INTRODUCTORY SECTION

Table of Contents	i – iv
Board of Education and Administration	v
Organizational Chart	vi
Letter of Transmittal	vii – xi
Government Finance Officers Association (“GFOA”)	
Certificate of Achievement for Excellence in Financial Reporting.....	xii

FINANCIAL SECTION

Independent Auditor’s Report.....	1 – 3
Management’s Discussion and Analysis	4 – 17

Basic Financial Statements

Government-wide Financial Statements

Statement of Net Position	18
Statement of Activities	19 and 20

Fund Financial Statements

Balance Sheet – Governmental Funds	21 and 22
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	23
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	24 and 25
Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balances of the Governmental Funds to the Statement of Activities.....	26
Statement of Net Position – Proprietary Funds	27
Statement of Revenues, Expenses and Changes in Net Position – Proprietary Funds.....	28
Statements of Cash Flows – Proprietary Funds	29
Notes to Financial Statements	30 – 80

BEAUFORT COUNTY SCHOOL DISTRICT
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2021

TABLE OF CONTENTS (CONTINUED)

Page

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of the School District's Proportionate Share of the	
Net Pension Liability	81 and 82
Schedule of the School District's Contributions – Pensions	83 and 84
Schedule of the School District's Proportionate Share of the	
Net OPEB Liability	85
Schedule of the School District's Contributions – OPEB	86
Budgetary Comparison Schedules	
General Fund.....	87
Special Projects Fund	88
Pupil Activity Fund	89
COVID Related Funds.....	90
Education Improvement Act Fund	91

OTHER SUPPLEMENTARY INFORMATION

General Fund – Schedule of Revenues, Expenditures and Changes in	
Fund Balance – Budget to Actual	92 – 101
Special Projects Fund	
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances	102 – 111
Schedule of Revenues, Expenditures and Changes in Fund Balances	112
Summary Schedule for Designated State Restricted Grants	113
Pupil Activity Fund	
Schedule of Revenues, Expenditures and Changes in Fund Balance	114
COVID Related Funds	
Schedule of Revenues, Expenditures and Changes in Fund Balance	115 – 118
Education Improvement Act Fund	
Schedule of Revenues, Expenditures and Changes in Fund Balance	119 – 123
Summary Schedule by Program	124
Debt Service Fund – District	
Schedule of Revenues, Expenditures and Changes in Fund Balance	125
Debt Service Fund – EFC	
Schedule of Revenues, Expenditures and Changes in Fund Balance	126
Capital Projects Fund	
Combining Schedule of Revenues, Expenditures and Changes in Fund Balance	127
Enterprise Fund – Student Nutrition	
Schedule of Revenues, Expenditures and Changes in Fund Balance	128 and 129
Internal Service Fund	
Schedule of Revenues, Expenditures and Changes in Fund Balance	130 and 131
Financial Analysis Model Location Reconciliation Schedule	132

BEAUFORT COUNTY SCHOOL DISTRICT

ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2021

TABLE OF CONTENTS (CONTINUED)

Page

OTHER SUPPLEMENTARY INFORMATION (CONTINUED)

Riverview Charter School – Component Unit

General Fund – Schedule of Revenues, Expenditures and Changes in

Fund Balance – Budget and Actual 133 – 135

Special Projects Fund – Combining Schedule of Revenues, Expenditures and

Changes in Fund Balance 136

Education Improvement Act Fund – Schedule of Revenues, Expenditures

and Changes in Fund Balance 137

STATISTICAL SECTION

Financial Trends:

Net Position by Component 138 and 139

Changes in Net Position 140 – 143

Fund Balances of Governmental Funds 144 and 145

Changes in Fund Balance – Governmental Funds 146 and 147

Revenue Capacity:

Assessed Value and Estimated Actual Value of Taxable Property 148

Direct and Overlapping Property Tax Rates 149

Ten Largest Taxpayers 150

Property Tax Levies and Collections 151

Debt Capacity:

Ratios of Outstanding Debt by Type 152 and 153

Ratios of General Bonded Debt Outstanding 154 and 155

Direct and Overlapping Governmental Activities Debt 156

Legal Debt Margin 157 and 158

Demographic Information:

Demographic Statistics 159 and 160

Principal Employers 161

BEAUFORT COUNTY SCHOOL DISTRICT

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2021**

TABLE OF CONTENTS (CONTINUED)

Page

STATISTICAL SECTION (CONTINUED)

Operating Information:

Full-time Equivalent School District Employees by Function.....	162 and 163
Operating Statistics.....	164 and 165
Teacher Salaries	166 and 167
School Building Information	168 – 173
Miscellaneous Statistics	174

COMPLIANCE SECTION

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	175 and 176
Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance	177 – 179
Schedule of Expenditures of Federal Awards	180
Notes to the Schedule of Expenditures of Federal Awards	181
Schedule of Findings and Questioned Costs	182 and 183

BEAUFORT COUNTY SCHOOL DISTRICT

BOARD OF EDUCATION AND ADMINISTRATION JUNE 30, 2021

Administrative Office

2900 Mink Point Boulevard
Beaufort, South Carolina 29902

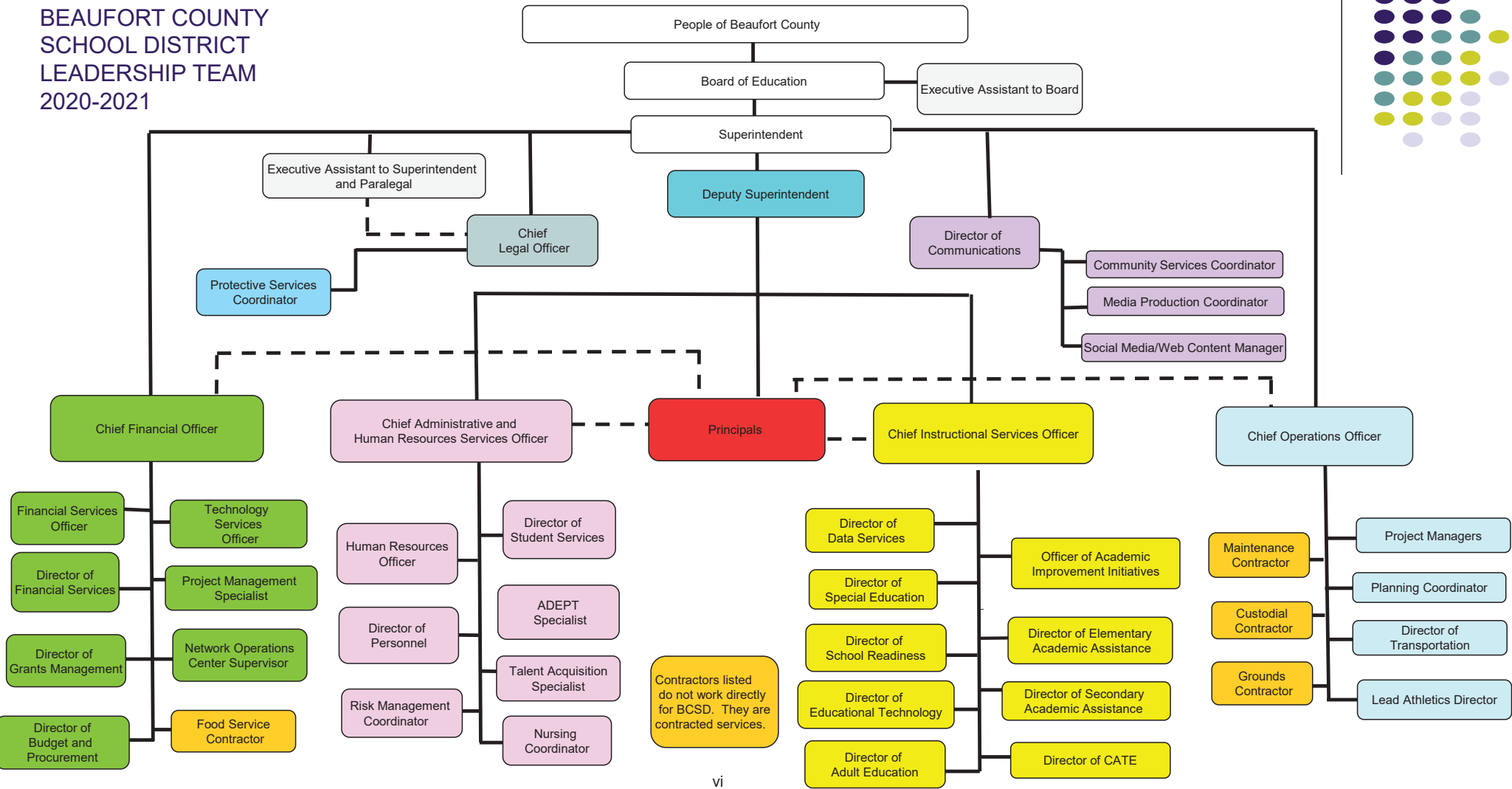
Senior Management

Frank Rodriguez, Ph.D.	Superintendent
Duke J. Bradley III, Ph.D.	Deputy Superintendent
Ms. Wendy Cartledge	Chief Legal Services Officer
Dr. Mary Stratos	Chief Instructional Services Officer
Ms. Tonya Crosby, CPA, CGFO	Chief Financial Officer
Mr. Robert Oetting	Chief Operations Officer
Ms. Alice Walton	Chief Administrative and Human Resource Services Officer

Officials Issuing Report

Ms. Tonya Crosby, CPA, CGFO, Chief Financial Officer
Mr. Reggie Murphy, Financial Services Officer

BEAUFORT COUNTY
SCHOOL DISTRICT
LEADERSHIP TEAM
2020-2021





November 30, 2021

To the Members of the Beaufort County Board of Education
And Citizens of Beaufort County, South Carolina:

We are pleased to present the Annual Comprehensive Financial Report of the Beaufort County School District ("School District") for the fiscal year ended June 30, 2021.

This report consists of management's representations concerning the finances of the School District. Management assumes full responsibility for the completeness and reliability of all the information presented in this report. Management has established a comprehensive internal control framework. Internal accounting controls are designed to provide reasonable assurance that assets are properly safeguarded and accounted for and to ensure the reliability of accounting information for preparing financial statements in conformity with generally accepted accounting principles ("GAAP"). The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and the valuation of costs and benefits requires estimates and judgments by management. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The School District's financial statements have been audited by Mauldin & Jenkins, LLC, an independent firm of certified public accountants. The independent auditor's report is presented as the first component of the financial section of this report. The School District also is required to undergo a federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. In addition to reporting on the fair presentation of the financial statements, the single audit places special emphasis on internal controls and legal requirements involved in the administration of federal awards. These reports are available in the School District's separately issued Single Audit Report located in the Single Audit Section of this document.

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

Relevant Financial Policies

The majority of the School District's financial policies endorsed by the Board of Education policies and regulations remain unchanged: organize and optimize resources for improved academic results; deliver high academic results at a low per student cost; evaluate the use of resources for applicability to goals of the Board of Education's strategic plan; provide financial accountability and transparency to the citizens of Beaufort County; and carefully manage

indebtedness and debt service. The Board of Education has a fund balance policy in compliance with Government Accounting Standards Board (“GASB”) 54.

The School District uses zero-based budgeting as a tool to manage its exposure to rising costs and to assure spending efficiencies. Innovative approaches to continuous improvement are employed to streamline processes and eliminate waste and to measure process performance in meeting the goals of the Board of Education’s strategic plan.

Profile of the District

Beaufort County School District serves approximately 21,200 students. Located along the Atlantic Ocean, its area covers 587 square miles including 64 major islands and thousands of small islands in the state’s southeastern corner. Beaufort County is characterized by isolated small towns, islands, and farming communities.

Beaufort County School District has 17 elementary schools, 2 pre-K-8 schools, 6 middle schools, 6 high schools, 1 charter school and 1 career center shared with neighboring Jasper County. It serves students in pre-kindergarten through grade 12 and includes programs such as: Montessori education, alternative education programs, English for Speakers of Other Languages (“ESOL”), vocational education, adult education, Science Technology Engineering and Math (“STEM”), Junior ROTC, and aeronautical engineering among others. In addition, two magnet programs, Advanced Math, Engineering and Science (“AMES”), have been established within two of our elementary schools, as well as a dual high school and college program at Whale Branch Early College High School. The School District partners with Beaufort-Jasper EOC Head Start to serve children ages birth to five years old. Additionally, the School District partners with the Technical College of the Lowcountry and the University of South Carolina-Beaufort to provide dual enrollment courses for high school students county-wide.

The School District is governed by the Board of Education (the “Board”) which consists of eleven members elected from single member districts. The chief executive officer is the Superintendent of Schools, Dr. Frank Rodriguez, appointed by and responsible to the Board. An updated organizational chart of the management of the School District is included in the Introductory Section.

The School District does not have fiscal autonomy from Beaufort County. The County Council (an eleven-member council) reviews the School District’s budget requests for reasonableness and levies the millage necessary in compliance with State Act 388 to ensure sufficient tax revenue is generated. Funds are appropriated on an annual basis for the general operating fund.

Factors Affecting Financial Conditions

Local Economy - The School District receives approximately 62% of its operating budget from Beaufort County. The remaining 38% is primarily received from the State - 45% of which is funded through sales tax reimbursement as a part of Act 388. The School District’s state support increased primarily due to an increase in the fringe benefit funding. The increase in the fringe benefit funding was due to an increase in teacher salaries. Prior to the enactment of Act 388 in 2006, the School District’s local support was as high as 91%.

According to the 2020 Census estimates, Beaufort County has grown by 15.3% since the 2010 Census, making it the tenth fastest growing county in the state. The other counties that grew faster during that period were Horry at 30.4%, Berkeley at 29.3%, Lancaster at 25.3%, York at 24.8%, Dorchester at 18.3%, Charleston at 16.6%, Greenville at 16.5%, Jasper at 16.2% and Spartanburg at 15.4%. Since the 2010 Census, the student population has grown by 8.2% based on enrollment projected for the 2020-2021 school year.

The School District also continues to derive economic benefits from the presence and expansion of military facilities, including the U.S. Marine Corps Recruit Depot, the Marine Corps Air Station and the Beaufort Naval Hospital. Currently, the Marine Corps Air Station Beaufort consists of more than 5,800 Marines, sailors and civilian personnel in support of Marine Air Group 31. Its component squadrons and tenant units are readily deployable. At the U.S. Marine Corps Recruit Depot, there are over 6,000 military and non-military personnel in the School District's local area supporting the over 19,000 recruits. According to a 2017 study performed by the University of South Carolina's Moore School of Business entitled "The Economic Impact of South Carolina's Military Community: A Statewide and Regional Analysis," the total economic impact of these three military installations on Beaufort and neighboring Jasper counties was \$2.3 billion and supported 19,060 jobs generating \$1.0 billion in labor income.

Tourism is the major industry in Beaufort County. In 2020, tourists spent approximately \$1.45 billion in Beaufort County, according to a report by College of Charleston entitled "Estimated Total Impact of Tourism on Beaufort County, South Carolina 2020." In 2020, tourism was responsible for an estimated 18,766 jobs and approximately \$15 million in net revenues for local governments. This figure excludes revenue generated by state and local accommodations tax, local hospitality and recreation taxes. As stated in the report, "The year 2020 was a unique time for the global hospitality and tourism sector, as it was defined by the COVID-19 pandemic that significantly curtailed tourism activity, particularly during the spring. In addition, the pandemic led to broader changes in consumer behavior, as people adjusted their behaviors in order to take precautions against the virus. Beaufort County was not immune from these impacts, which were substantial in the spring."

Total retail sales were up 6.5% in 2020. County-wide, the number of residential new construction permits issued in 2020 were in line with the number of permits issued in 2019. Many residences are currently under construction, particularly in the Bluffton area.

Beaufort County's unemployment rate at 3.7% remains below the State of South Carolina's rate of 4.5% as of June 2020. The rate has decreased significantly since 2019, primarily due to the economic rebound from the impact of COVID-19.

The most recent available information shows Beaufort County has a median family income of \$74,127 for calendar year 2019. This income level continually ranks Beaufort County as one of the highest in the State and is above national levels.

Despite having a very high median family income, the number of students eligible for free and reduced-price meals has increased from 50% to 52% since 2010. To assist families in our community, the School District applied for and was granted permission from the United States Department of Agriculture ("USDA") to declare eleven schools Community Eligible Program schools. Under this program, all students in the schools receive free breakfast and lunch meals. Wherever high poverty conditions exist, it puts an increased financial burden on our community and schools.

Long-Term Financial Planning – The Board's fund balance policy requirements are the guide for long-term financial planning. The Board's policy requires the School District to maintain an unassigned fund balance not less than 15% of the next year's budgeted expenditures with a desired target between 15% to 17%. This guidance is a critical component for long-range financial planning.

Five-year operating budget projections are updated each year, used as a starting point for budget discussion and planning, and revised each year to reflect trends and factors affecting enrollment. In addition, ten-year capital and debt plans are updated annually to ensure financial stability while meeting the facility needs of the School District.

Major Initiatives – The top priorities for FY 2021 were a return to face-to-face instruction, teacher recruitment/retention and safety. The School District implemented a \$1,000 locality supplement in 2015-2016 as an incentive to offset the high cost of living in Beaufort County, especially in the area of Hilton Head Island. The goal was to increase this supplement by \$1,000 each year for five years. In 2018-2019 the supplement was increased by \$2,000 to reach the \$5,000 supplement a year early. The \$5,000 teacher supplement remained in the 2020-2021 budget. During FY 2021, full-time employees were paid a one-time \$1,000 bonus to acknowledge the hard work of our teachers, classified support staff, and administrators during the COVID-19 pandemic.

COVID-19 – The 2021 school year start was delayed until October 5, 2020 and began with a face-to-face hybrid model. Enrollment declined, with students shifting to homeschool, small private schools and charter schools. The lower enrollment had a negative impact on state funding, which is heavily reliant on sales tax revenue. Full-time face-to-face instruction began in January 2021 and continued until the end of the school year.

Enrollment – Until the onset of COVID-19, student enrollment had been on the rise since 2010, averaging 1.3% per year through 2019. Enrollment at the 135th day of 2019-2020 was reported at 22,259 students, an increase of 45 students from the prior year. It should be noted that due to the pandemic, enrollment at the 135th day of the 2020-2021 school year declined 5.11% from the previous year to 21,120.

The face of our community is changing as demonstrated by our demographics. Since 2010, the School District's Hispanic population has increased from 19% to 30% of the total student population (from 3,753 to 6,264). This represents a growth of 67% over a ten-year period. Our School District currently has 38% Caucasian, 26% African American, 30% Hispanic and 6% other.

Accomplishments and Awards

Academic Achievements – The School District continues to out-perform the state graduation rate of 83.3% with a 1.8 percentage point increase from 85.7% for the Class of 2020 to 88.5% for the Class of 2021. That compares to 86.0% four years ago. South Carolina's statewide graduation rate for 2021 was 83.3%, up from 82.2% in 2020.

Beaufort County high school seniors' average SAT score of 1073 was higher than South Carolina's average score of 1028, and slightly above the average national score of 1051. Thirty-eight percent of School District students took the SAT compared to 46% of students statewide.

Financial Reporting Awards – The Government Finance Officers Association of the United States and Canada (“GFOA”) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Beaufort County School District for its Annual Comprehensive Financial Report for the past 28 years. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized annual comprehensive financial report, whose contents conform to program standards. Such reports satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.


In addition to the award for excellence in financial reporting, the School District has not had a negative finding in any of its annual independent audits in the past 20 years.

Acknowledgements

We wish to express our appreciation to the entire staff of the Finance Department whose dedicated efforts have enabled this report to be prepared on a timely basis.

In closing, sincere gratitude is expressed to the Board of Education for their leadership and dedication to the Beaufort County School District, its taxpayers, employees, and most importantly, its students. To the citizens of the Beaufort County School District, please accept our gratitude for your support of our successful School District.

Respectfully submitted,



Tonya V. Crosby, CPA
Chief Financial Officer



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Beaufort County School District
South Carolina**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morrell

Executive Director/CEO

FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

To the Honorable Chairman and Members of the Board of Education
Beaufort County School District
Beaufort, South Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of **Beaufort County School District** (the "School District") as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Riverview Charter School, which represent 100 percent of the assets, net position, and revenues of the discretely presented component unit. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Riverview Charter School, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinion

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the School District as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matters

As discussed in Note 20, the School District implemented Governmental Accounting Standards Board ("GASB") Statement No. 84, *Fiduciary Activities*, as of July 1, 2020. This standard significantly changed the accounting for the School District's Pupil Activity Fund. Our opinions are not modified with respect to this matter.

Other Matters***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4 – 17, Schedule of the School District's Proportionate Share of the Net Pension Liability on pages 81 and 82, Schedule of the School District's Contributions – Pensions on pages 83 and 84, Schedules of School District's Proportionate Share of the Net OPEB Liability on page 85, Schedule of the School District's Contributions – OPEB on page 86, and the Budgetary Comparison Schedules on pages 87 – 91 be presented to supplement the basic financial statements. Such information, 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 and other auditors 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District's basic financial statements. The introductory section, supplementary information and statistical section, as listed in the table of contents, are presented for the purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and is also not a required part of the basic financial statements.

The supplementary information and the schedule of expenditures of federal awards, are the responsibility of management, and were derived from, and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the report of other auditors, the supplementary information and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated November 30, 2021 on our consideration of the School District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Beaufort County School District's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Savannah, Georgia
November 30, 2021

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Beaufort County School District

Management's Discussion and Analysis

For the fiscal year ended June 30, 2021

As management of the Beaufort County School District (the "School District"), we offer readers of the Beaufort County School District's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2021. Management encourages the readers to consider the information presented in this discussion in conjunction with additional information that is presented as part of this report. Readers are directed to the transmittal letter, financial statements, notes to the financial statements and statistical information to enhance their understanding of the School District's financial performance.

Financial Highlights

Net Position - The School District's total net position (as reported on the government-wide Statement of Net Position) as of June 30, 2021, was \$-81.8 million. This amount reflects an increase of \$21.4 million which is primarily attributable to an increase in current and other assets due to the inflow of cash from the issuance of bonds purposed for the successful 2019 referendum and the net investment in capital assets.

Revenues, Other Financing Sources and Expenditures - Governmental revenues totaled \$370.8 million, other financing sources/(uses) totaled \$150.7 million, and expenditures totaled \$433.8 million for all Governmental Funds at the fund level. Fund balances increased by \$87.7 million. This is largely attributable to the issuance of long-term debt for capital projects. General obligation bonds were issued in FY 2021 to be used for the 2019 referendum and repair and maintenance of School District facilities.

General Fund/Fund Balance - The School District's principal operating fund, the General Fund, had \$258.0 million in revenues and other financing sources and \$252.2 million in expenditures and other financing uses, generating a net increase in fund balance of \$5.8 million. This resulted in the General Fund's fund balance increasing from \$44.8 million to \$50.6 million, or 18.4% of budgeted FY 2022 general fund expenditures.

General Fund Budget - Local tax collections were \$2,094,063 more than the amount budgeted, and total local sources of revenues were \$2,219,523 more than the budgeted amount. State revenues in the General Fund were \$665,580 more than the amount budgeted, chiefly due to an increase in reimbursement in property tax relief. The original budget was designed with a planned deficit of \$1.1 million; however, primarily due to an increase in local property tax collections and a reduction in current expenditures caused by the COVID-19 pandemic, fund balance was increased by \$5.8 million.

Debt - The School District sold \$130.0 million of long-term general obligation bonds in FY 2021. New bonds were issued to fund the 2019 referendum and major capital improvements on existing schools. The fund balance of the Debt Service Fund increased by \$3.3 million to a total of \$19.9 million.

Major Capital Additions - The School District's capital assets for governmental activities increased by \$46.3 million, or 8.9%. This is attributable primarily to the current year's amount of construction in progress for the 2019 referendum projects.

Proprietary Funds - The Enterprise Fund, the School District's Food Service Fund, ended the year with an increase in net position of \$2,327,388. This increase is primarily due to an increase in operating grants and contributions for program revenues. The Internal Service Fund, used as an Insurance Reserve Fund, had an increase in fund balance of \$47,559 to a net position of \$1,473,312. The increase is attributable to the receipt of insurance proceeds received during the fiscal year.

Beaufort County School District

Management's Discussion and Analysis

For the fiscal year ended June 30, 2021

Overview of the Financial Statements

This annual report consists of three parts: Management's Discussion and Analysis (this section) ("MD&A"), the basic financial statements, and required supplementary information. This MD&A is intended to serve as an introduction to the School District's basic financial statements. The School District's basic financial statements consist of three parts: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements - The government-wide financial statements (Statement of Net Position and Statement of Activities) are designed to provide readers with a broad overview of the School District's finances, in a manner similar to a private-sector business. Short-term and long-term information about the School District's overall financial status is provided in these statements. These statements use the economic resources measurement focus and the accrual basis of accounting used by most private-sector companies. This basis of accounting recognizes revenue when earned, and expenses are recorded when an obligation has been incurred.

The government-wide financial statements include not only the School District itself (known as the primary government), but also the component unit Riverview Charter School, a charter school sponsored by the School District. Financial information for the charter school is reported separately from the financial information presented for the primary government itself. Additional information on the School District's component unit can be found on page 133.

The Statement of Net Position and Statement of Activities report the School District's net position and changes in net position. This change in net position is important because it tells the reader that, for the School District as a whole, the financial position of the School District has improved or diminished. In the Statement of Net Position and the Statement of Activities, the School District is divided into two distinct kinds of activities:

Governmental Activities - Most of the School District's programs and services are reported here including instruction, support services, operation and maintenance of plant, pupil transportation and extracurricular activities.

Business-Type Activities - These services are provided on a charge for goods or services basis to recover all the expenses of the goods or services provided. The School District's food service activities are reported as business activities.

The Statement of Net Position presents information on all the School District's assets plus deferred outflows, and liabilities plus deferred inflows (except for those related to fiduciary funds), with the difference between the two reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the School District is improving or deteriorating.

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

Beaufort County School District

Management's Discussion and Analysis

For the fiscal year ended June 30, 2021

Both government-wide financial statements distinguish functions of the School District that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the School District include general fund, special revenue fund, EIA fund, debt service, capital projects, and the internal service fund. The business-type activities of the School District include the food service fund.

The government-wide financial statements can be found on pages 18 – 20 of this report.

Fund Financial Statements - A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The School District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the School District can be divided into two categories: governmental funds and proprietary funds.

Governmental funds - Most of the School District's basic services are included in governmental funds, which generally focus on: 1) how cash and other financial assets can readily be converted to cash flow in and out, and 2) the balances left at year-end that are available for near-term spending. These funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting, which recognizes revenue when it is measurable and available, and expenses are recorded when the related fund liability is incurred. Consequently, the governmental funds statements provide a detailed short-term view that helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the School District's education programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Proprietary funds - Services for which the School District charges a fee are generally reported in proprietary funds. Proprietary funds use the economic resources measurement focus and the accrual basis of accounting. The School District's food service fund and the internal service fund are the only proprietary funds.

Notes to the financial statements - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 30 – 80.

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

Beaufort County School District

Management's Discussion and Analysis

For the fiscal year ended June 30, 2021

Government-Wide Financial Analysis

The condensed statement of net position describes the financial position of the School District on June 30, 2021. In the case of the School District's Primary Government, assets and deferred outflows of resources were exceeded by liabilities and deferred inflows of resources by \$81.8 million.

The largest portion of the School District's net position reflects its investment in capital assets (e.g. land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The School District uses these capital assets to provide services to students; consequently, these assets are not available for future spending. Although net investment in its capital assets is reported, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The increase in net investment in capital assets of \$38.9 million (14.0%) is due to increased construction activity associated with the 2019 referendum projects.

Unrestricted Net Position, the portion of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements, decreased \$16.6 million (4.0%) from a \$414.2 million deficit at June 30, 2020, to a \$430.8 million deficit at June 30, 2021. The primary cause of the decrease in Unrestricted Net Position is the issuance of long-term debt associated with the 2019 referendum. A summary of the School District's net position for 2021 compared to 2020 is presented below:

	Governmental activities		Business-type activities		Total School District		Total Percent Change
	2020	2021	2020	2021	2020	2021	2020-2021
Current and other assets	\$ 207,481,574	\$ 312,267,350	\$ 2,850,684	\$ 6,221,890	\$ 210,332,258	\$ 318,489,240	51.4%
Capital assets	519,646,607	565,978,906	2,152,058	2,019,631	521,798,665	567,998,537	8.9%
Total assets	727,128,181	878,246,256	5,002,742	8,241,521	732,130,923	886,487,777	21.1%
Deferred outflows of resources	59,537,081	106,736,767	134,560	251,486	59,671,641	106,988,253	79.3%
Current liabilities	87,545,585	97,667,251	779,510	1,657,785	88,325,095	99,325,036	12.5%
Long-term liabilities	779,272,807	950,113,700	1,209,314	1,395,885	780,482,121	951,509,585	21.9%
Total liabilities	866,818,392	1,047,780,951	1,988,824	3,053,670	868,807,216	1,050,834,621	21.0%
Deferred inflows of resources	28,974,425	24,137,367	315,565	279,036	29,289,990	24,416,403	-16.6%
Net position							
Net investment in capital assets	277,456,822	316,578,409	2,152,058	2,019,631	279,608,880	318,598,040	13.9%
Restricted for:							
Capital projects	11,566,194	6,577,083	-	-	11,566,194	6,577,083	-43.1%
Debt service	16,006,339	17,873,081	-	-	16,006,339	17,873,081	11.7%
Food services	-	-	680,855	3,140,670	680,855	3,140,670	361.3%
Student activities	3,048,361	2,825,862	-	-	3,048,361	2,825,862	-7.3%
Unrestricted	(414,156,908)	(430,789,730)	-	-	(414,156,908)	(430,789,730)	4.0%
Total net position	\$ (106,079,192)	\$ (86,935,295)	\$ 2,832,913	\$ 5,160,301	\$ (103,246,279)	\$ (81,774,994)	-20.8%

Beaufort County School District

Management's Discussion and Analysis

For the fiscal year ended June 30, 2021

The following table presents a summary of the changes in net position for the fiscal year ended June 30, 2021:

Changes in Net Position							Total Percent Change
	Governmental activities		Business-type activities		Total School District		
	2020	2021	2020	2021	2020	2021	2020-21
REVENUES							
Program revenues							
Charges for sales and services	\$ 1,383,084	\$ 1,626,286	\$ 1,869,576	\$ 8,876	\$ 3,252,660	\$ 1,635,162	-49.7%
Operating grants and contributions	69,551,686	88,820,001	8,161,768	10,890,789	77,713,454	99,710,790	28.3%
Property taxes	211,229,870	220,196,786	-	-	211,229,870	220,196,786	4.2%
Federal and state formula aid	58,060,250	58,802,219	-	-	58,060,250	58,802,219	1.3%
Other	4,646,644	3,667,323	1,658	2,782	4,648,302	3,670,105	-21.0%
Total revenues	344,871,534	373,112,615	10,033,002	10,902,447	354,904,536	384,015,062	7.1%
EXPENSES							
Instruction	184,578,382	212,604,291	-	-	184,578,382	212,604,291	15.2%
Support services	128,263,804	130,525,698	-	-	128,263,804	130,525,698	1.8%
Community services	284,594	736,866	-	-	284,594	736,866	158.9%
Interest and other charges	2,115,089	10,078,244	-	-	2,115,089	10,078,244	376.5%
Food service	-	-	9,572,164	8,598,678	9,572,164	8,598,678	-10.2%
Total expenses	315,241,869	353,945,099	9,572,164	8,598,678	324,814,033	362,543,777	0.5%
Excess before transfers	29,629,665	19,167,516	460,838	2,303,769	30,090,503	21,471,285	-28.6%
Transfers	14,986	(23,619)	(14,986)	23,619	-	-	- %
Increase in net position	29,644,651	19,143,897	445,852	2,327,388	30,090,503	21,471,285	-28.6%
Net position, beginning of year	(138,772,204)	(106,079,192)	2,387,061	2,832,913	(136,385,143)	(103,246,279)	-24.3%
Restatement for GASB 84	3,048,361	-	-	-	3,048,361	-	- %
Net position, beginning of year as restated	(135,723,843)	(106,079,192)	2,387,061	2,832,913	(133,336,782)	(103,246,279)	-22.6%
Net position, end of year	\$ (106,079,192)	\$ (86,935,295)	\$ 2,832,913	\$ 5,160,301	\$ (103,246,279)	\$ (81,774,994)	-20.8%
Component Units:							
Charter School							
Expenses					\$ 8,488,328		
Operating grants and contributions					7,923,664		
Other general revenues					1,008,662		
Increase in net position					443,998		
Net position, beginning of year					(11,136,722)		
Net position, end of year					\$ (10,692,724)		

Governmental Activities. Governmental activities increased the School District's net position by \$18.1 million. Key elements of the increase are as follows:

Capital Assets increased by \$46.2 million due primarily to the \$49.2 million increase in equipment and construction in progress during the period.

Long-term liabilities outstanding increased by \$171.0 million (21.9%). As new referendum construction continued, the need for additional bond issuances increased. The increase in debt outstanding resulted from the excess of new debt issued over the principal debt payments made. The School District issued \$130.0 million to fund projects in the 2019 referendum and ongoing capital improvements, subject to the 8% limitation. Principal payments of \$60.4 million were made, representing an increase of \$8.7 million over the prior year.

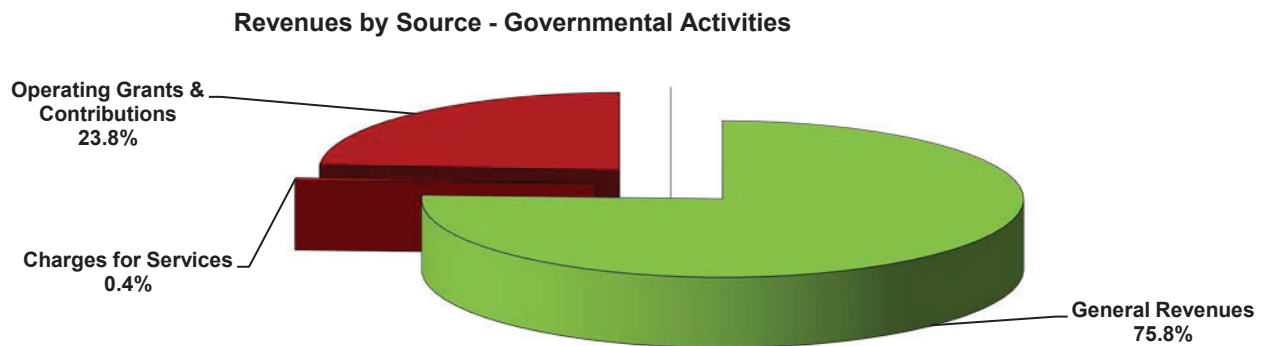
Beaufort County School District

Management's Discussion and Analysis

For the fiscal year ended June 30, 2021

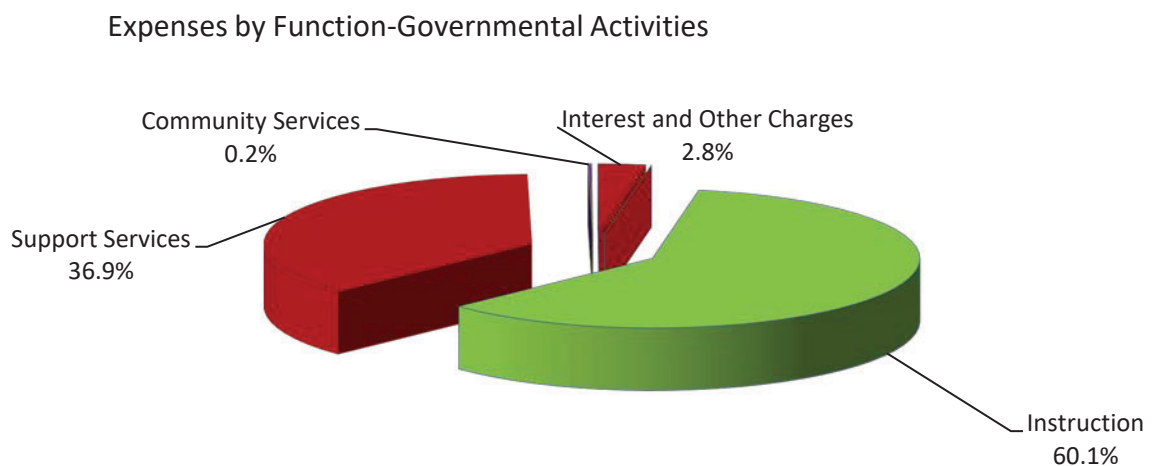
Beaufort County is still considered one of the wealthiest counties in the state since the state's primary funding formula, Education Finance Act ("EFA"), uses a wealth index based on county real estate values. Beaufort County's close proximity to the coast causes property values to have a higher value thereby providing less state support. The School District's EFA support was \$15.4 million based on the wealth index, down \$1.6 million from the prior year.

The School District's dependence on local and state tax revenues for government activities is apparent as is demonstrated below. Seventy-six percent of all revenues are provided by general revenues which include local property taxes and federal and state aid, the majority of which is local property taxes.



The total cost of governmental activity programs and services increased 12.3% to \$353.9 million. Instructional expenses increased \$28.0 million to \$212.6 million, and support expenses increased by \$2.3 million to \$130.5 million. Changes in instructional costs are attributable to a greater emphasis on recruiting and retaining instructional staff by increasing teacher's salaries and benefits.

The figure below represents the cost of five major School District activities: instruction, support services, community services, intergovernmental, and interest and other charges.



Beaufort County School District

Management's Discussion and Analysis

For the fiscal year ended June 30, 2021

The table below shows each activity's net cost (total cost less fees generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden placed on the School District's taxpayers by each of these functions.

Net Cost of Governmental Activities						
	Total cost of services		Total Percent Change	Net cost of services		Total Percent Change
	2020	2021	2020-2021	2020	2021	2020-21
Instruction	\$ 184,578,382	\$ 212,604,291	15.2%	\$ 143,226,928	\$ 154,162,051	7.6%
Support services	128,263,804	130,525,698	1.8%	98,947,771	99,241,672	0.3%
Community services	284,594	736,866	158.9%	17,311	16,845	-2.7%
Payments to component units and Intergovernmental expenditures	-	-	0.0%	-	-	0.0%
Interest and other charges	2,115,089	10,078,244	376.5%	2,115,089	10,078,244	376.5%
Total	\$ 315,241,869	\$ 353,945,099	12.3%	\$ 244,307,099	\$ 263,498,812	7.9%

The cost of all governmental activities this year was \$353.9 million.

The federal and state governments subsidized certain programs with grants and contributions (\$88.8 million).

Most of the School District's net costs (\$263.5 million), however, were financed by the School District and local taxpayers.

This portion of governmental activities was financed with \$220.2 million in property taxes, \$58.8 million from state and federal aid, \$1.5 million of unrestricted investment earnings, and \$2.2 million of miscellaneous revenues.

The increase in instructional costs are attributable to a greater emphasis on recruiting and retaining instructional staff by increasing teacher's salaries and benefits.

The increase in support services is primarily due to a return to face-to-face instruction since the COVID-19 shutdown of schools.

The increase in interest and other charges is primarily due to the effect of the timing of interest payments on the amount of interest accrued for outstanding bond issues.

Business Type Activities. The Net Position of business-type activities increased by \$2,327,388 from June 30, 2020 to June 30, 2021 to \$5.2 million. Key elements of the increase include:

Business-type expenses decreased by 10.1% to \$8.6 million due primarily to a decrease in number of students served and meals provided as a result of COVID-19.

Program Revenues - Charges for sales and service, which are primarily proceeds from meal sales, decreased by 99.5% to \$8,876 because of the provision of revenues through operating grants and contributions.

Program Revenues - Operating Grants and Contributions, which are primarily federal reimbursements for meals served, increased by 33.5% to \$10.9 million, 87% of which came from the summer feeding program.

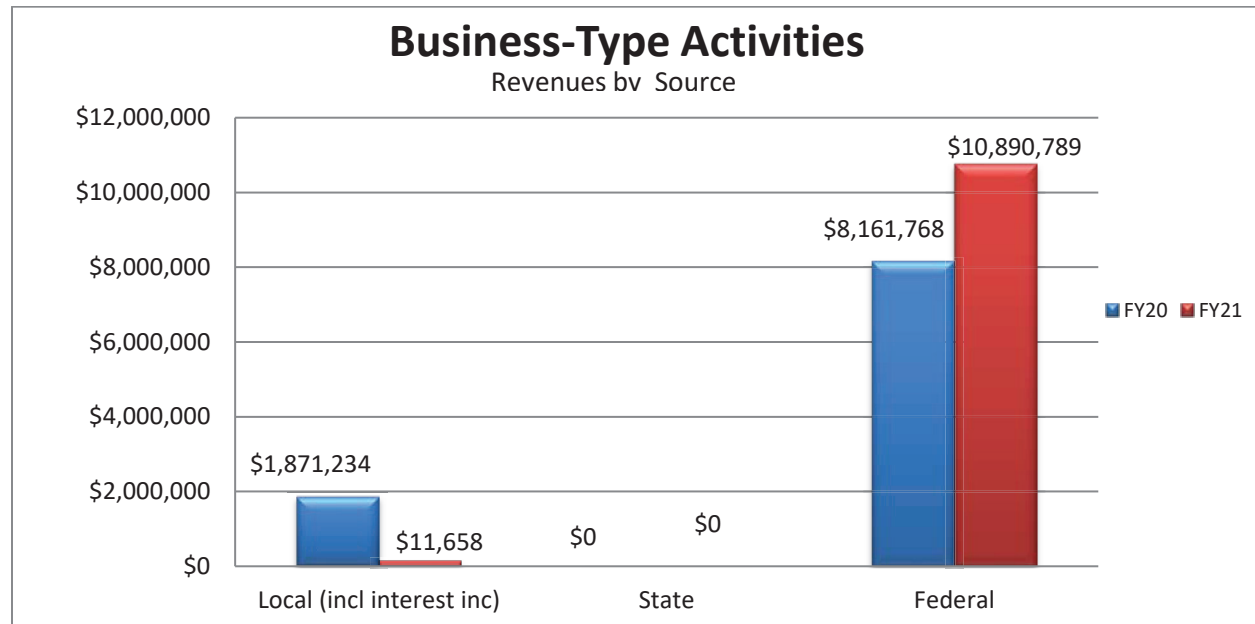
Beaufort County School District

Management's Discussion and Analysis

For the fiscal year ended June 30, 2021

Food service operations produced a net gain of \$2.3 million compared to the prior year's net gain of \$445,851. The increase is attributed to an increase in operating grants and contributions and reductions in operating expenses.

This operation receives no support from local property tax revenues. As demonstrated below, most of the revenue received (98.8%) is from federal sources, an increase of 32.0 % of overall revenue from the prior year.



Financial Analysis of the School District's Funds

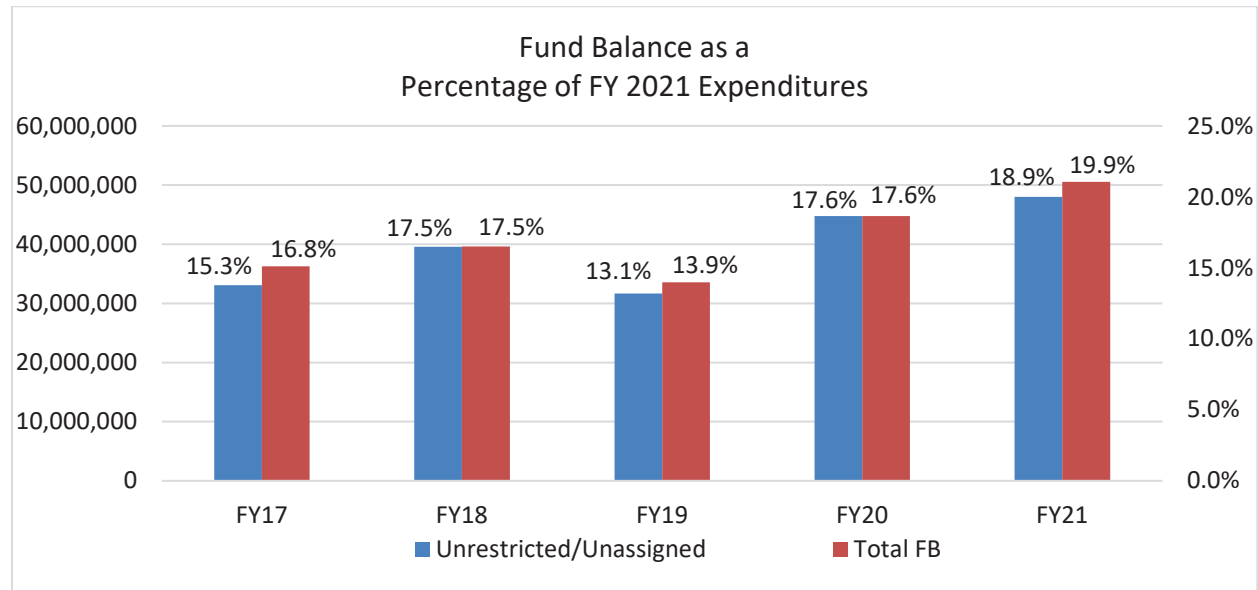
Governmental Funds. Information about the School District's major funds begins on page 92. These funds are accounted for using the modified accrual basis of accounting and include the following funds: General Fund, Special Revenue, Special Revenue-EIA, Debt Service, Debt Service-EFC and Capital Projects. As the School District completed the year, its government funds reported combined fund balances of \$253.5 million - an \$87.7 million increase from last year's ending fund balances. The net change in fund balance was most significant in the capital projects fund (\$78.8 million increase) and the general fund (\$5.8 million increase). The capital projects fund increase is attributable to the issuance of \$130.0 million in general obligation bonds and the increased local tax collections and reduction in expenditures are the primary reasons for the increase in the general fund.

Beaufort County School District

Management's Discussion and Analysis

For the fiscal year ended June 30, 2021

The general fund is the chief operating fund of the School District. The following graph shows the general fund's unassigned fund balance as a percentage of current year budgeted expenditures and other financing uses. Our Board requires a 15-17% fund balance measured against the next year's expenditure budget.



The graph above can be used to measure the overall financial health of the School District. The General Fund unassigned fund balance of \$48,015,034 at June 30, 2021 represents 18.9% of budgeted FY 2022 expenditures or approximately 73 days of operations. The School District has engaged measures to ensure the fund balance is maintained within acceptable levels to meet Board policy. The Board's policy is to maintain a 15% to 17% unassigned fund balance of the next year's projected expenditure budget. Measures to do this include cost containment and seeking alternative revenue sources through grants and lease agreements, as well as a collaborative relationship with County Council who approves the millage rate for general operations. In FY 2021, the School District budgeted for a net decrease in fund balance of \$1,072,583. However, due to an increase in property tax revenues and a reduction in expenditures, fund balance was improved by \$5.7 million. The increase in property tax revenues is attributable to an increase in assessed property values and the delay in face-to-face instruction until January 2021 resulted in the reduction of expenditures.

The School District's Special Revenue and EIA Funds are used to account for revenues derived from the State of South Carolina and the Federal Government. Most Special Revenue Funds do not have fund balances as revenues should be expended, deferred or returned to the grantor. Total revenue for Special Revenue funds decreased by \$121,415 and total revenue for EIA funds decreased by \$18,956, the result of the loss of students due to COVID-19. The School District maintains adequate carryover balances to support long-term initiatives and to offset potential reductions in state and federal allocations.

The Debt Service Fund shown in the accompanying financial statements of the School District includes the regular School District Debt Service Fund and the Educational Facilities Corporation ("EFC") Debt Service Fund. Both funds are used to account for the accumulation of funds for debt retirement. The debt millage rate increased by 4.9 mills to 36.3 in FY 2021, a rate needed to adequately support the School District's scheduled debt payments and the approval of a bond referendum in 2019. The fund balance for the regular School District Debt Service increased by \$3.3 million primarily due to planned bond payments in FY 22

Beaufort County School District

Management's Discussion and Analysis

For the fiscal year ended June 30, 2021

and to maintain the fund balance within a desired range for reserves. The fund balance for the EFC Debt Service Fund decreased by \$6,408 to a total of \$30,766. The EFC Debt Service Fund is funded by the issuance of short-term bonds that are recorded as a transfer from the regular School District Debt Service Fund to the EFC Debt Service Fund. The amount of the short-term bonds issued are planned to equal the debt payments made from the EFC Debt Service Fund, so no material change in fund balance is expected.

The School District uses Capital Projects Funds to account for school construction and improvement projects which are primarily financed through bond referenda or 8% debt issues. The Capital Projects fund balance increased by \$78.8 million to a total of \$180.2 million. The relatively large change in fund balance is primarily due to the issuance of a \$130 million general obligation bond for the second phase of design and construction of the 2019 referendum projects. General obligation bonds are issued annually in an amount to fund ongoing referendum projects and sustain ongoing repair and maintenance functions.

Proprietary Funds. The School District's proprietary funds consist of the School District's Food Service operations and the Internal Service Fund. The proprietary funds provide the same type of information found in the government-wide statements but in more detail.

Food Service operations, which are outsourced to an external vendor, are business-type activities, while the other proprietary fund, the Internal Service Fund, is a governmental activity. The Internal Service Fund was established at the end of FY 2006 for insurance and risk management services to include:

- Payment of claims (under \$25,000 deductible per claim),
- Obtain services or programs to enable the School District to maintain insurance or purchase additional coverage,
- Provide services or programs aimed at reducing hazards or exposures thereby reducing the cost of insurance, and
- Utilize actuarial or other consulting services related to our commercial insurance programs that will benefit the program.

Net position in the Internal Service Fund increased from \$1,425,753 at June 30, 2020 to \$1,473,312 at June 30, 2021. This is the result of insurance proceeds recorded in FY 2021.

General Fund Budgetary Highlights

As always, the School District's budget was developed utilizing a long-term approach. It is essential to consider projected expenditures over the next five years, especially for a School District that has historically experienced an annual increase in enrollment. Due to the uncertainties surrounding COVID-19, the South Carolina General Assembly adopted a continuing resolution state budget for FY 2021. As a result, the School District FY 2021 General Fund budget was temporarily approved at \$254.3 million, the same as the FY 2020 budget. In March 2021, the General Assembly decided to move forward with the continuing resolution budget but with one change: a step increase for all teachers retroactive to the beginning of the school year.

Beaufort County School District

Management's Discussion and Analysis

For the fiscal year ended June 30, 2021

The key revenue highlights for FY 2021 are as follows:

- Total actual property tax revenues for the General Fund of \$151.8 million were more than the final budgeted revenues of \$149.7 million. This \$2.1 million surplus is primarily due to increased assessed value of properties in Beaufort County.
- State revenues exceeded the final budget by \$665,580 primarily due to an increase in reimbursement in property tax relief.
- Federal revenues reflect collections of multi-year E-rate and impact aid reimbursements. These funds represent reimbursements for telecommunications upgrades, wireless access points and other technology infrastructure. The E-rate reimbursements are dependent upon the release of federal funds, therefore, very unpredictable and difficult to budget.
- A tax anticipation note ("TAN") in the amount of \$14.3 million was drawn down in the Fall of 2020 and repaid in January 2021. Since the fund balance is inadequate to support operational costs during periods of low revenue collections of local property taxes, the School District continues to be dependent on short-term borrowing. Once tax collections resume in January, the TAN is repaid. An additional 2021 TAN of \$80 million was necessary due to the delayed issuance of Beaufort County tax bills. This TAN was repaid June 30, 2021.
- Total spending in the General Fund is reported at 98.8% of the \$254.3 million budget. This represents under spending in the amount of \$2.1 million.
- The School District's first charter school opened in FY 2010. Payments to the charter school are allocated using a state-required formula involving enrollment and District-wide revenues. Funding increased by \$673,711 from FY 2020 to FY 2021 due to an increase in students and local tax collections.

Capital Asset and Debt Administration

Capital Assets - At the end of fiscal year 2021, the School District had invested \$955.9 million in a broad range of capital assets, including school buildings, athletic facilities, and various types of equipment necessary to operate the School District's 32 schools and an administrative office. This amount represents an increase of \$70.6 million from the prior year (more detailed information about capital assets can be found in Note 6 to the financial statements). Total depreciation expense for the year was \$23.9 million.

Capital Assets (net of accumulated depreciation)

	Governmental activities		Business-type activities		Percent Change
	2020	2021	2020	2021	2020-2021
Land	\$ 41,299,484	\$ 41,299,484	\$ -	\$ -	0.0%
Improvements	126,424,440	117,887,574	-	-	-6.8%
Buildings	323,772,501	318,369,767	-	-	-1.7%
Equipment	11,922,625	22,987,430	2,152,058	1,877,466	76.7%
Construction/equipment in progress	16,227,559	65,434,651	-	142,165	304.1%
Total	\$ 519,646,609	\$ 565,978,906	\$ 2,152,058	\$ 2,019,631	8.9%

Beaufort County School District

Management's Discussion and Analysis

For the fiscal year ended June 30, 2021

Capital expenditures consisted primarily of the expansion projects at May River High School and River Ridge Academy, renovations of Battery Creek High School and Beaufort Elementary School, design of upcoming referendum projects, as well as minor renovations and preventive maintenance of existing facilities. The new facilities and renovations were funded using a 2019 referendum general obligation bond. The River Ridge Academy addition opened for operations for the beginning of the 2020-21 school year. The May River High School expansion project was completed in December 2020. The School District also continues to develop and update an annual 5-year capital improvement plan to cover the School District's prioritized capital renewal and new construction needs. Project priorities include the health and safety of children and staff, asset preservation, the adequacy of facilities for effective learning, the reduction of school overcrowding, and the completion of phased renovations and building modifications.

Long-Term Debt - At year-end, the School District had \$390,546,000 in bonds outstanding (excluding short-term debt obligations, deferred charges and unamortized premiums), an increase of \$77.2 million. Commencement of projects approved in the 2019 referendum and the ongoing renovation and building modification projects triggered the need for \$139.6 million in new general obligation debt during the year. More detailed information about long-term debt can be found in Note 10 of the financial statements.

Outstanding Long-Term Debt

	2020	2021	Percent Change 2020-2021
General obligation debt related to referenda	\$ 205,873,000	\$ 317,217,000	54.1%
General obligation debt subject to 8%	86,235,621	54,204,000	-37.1%
Installment purchase revenue bonds	21,220,000	19,125,000	-9.9%
Total outstanding debt	<u>\$ 313,328,621</u>	<u>\$ 390,546,000</u>	<u>24.6%</u>

State statutes limit the amount of general obligation debt a governmental entity may issue to 8% of its total assessed valuation. The current debt limitation for the School District is \$180.4 million which is in excess of the School District's applicable outstanding debt of \$54.2 million, leaving capacity of \$126.2 million.

Bond Ratings - The School District maintains an "Aa1" underlying rating from Moody's Investor Service for general obligation debt. Additional security is provided by the South Carolina School District Credit Enhancement Program (Government Obligations Rated Aa1 and AA), which applies to all the School District's outstanding general obligation debt.

Economic Factors and Next Year's Budgets and Rates

According to the 2020 Census estimates, Beaufort County has grown by 15.3% since the 2010 Census. The population of Beaufort County ranks as the tenth highest in South Carolina. Greenville, Richland and Charleston top the list for the most populated counties in the state. Since the 2010 Census, the student population has grown by 8.2% based on enrollment projected for the 2021-2022 school year.

Beaufort County School District

Management's Discussion and Analysis

For the fiscal year ended June 30, 2021

The School District also continues to derive economic benefits from the presence and expansion of military facilities, including the U.S. Marine Corps Recruit Depot, the Marine Corps Air Station and the Beaufort Naval Hospital. The military facilities provide steady employment during poor economic times. The U.S. Marine Corps Recruit Depot at Parris Island, the Marine Corps Air Station-Beaufort, and the Beaufort Naval Hospital are all located within the County.

Tourism is the major industry in Beaufort County. It was estimated that approximately \$1.45 billion in tourist spending was done in Beaufort County in 2020. This is according to a report by Regional Transactions Concepts, LLC entitled "Estimated Total Impact of Tourism in Hilton Head Island, 2019 on Beaufort County, South Carolina." In 2020, tourism was responsible for over 18,766 jobs, and approximately \$15.0 million in net revenues for local governments. This figure excludes revenue generated by state and local accommodations tax, local hospitality and recreation taxes. Visitation to Beaufort County is anticipated to increase in 2021 along with other areas in South Carolina as people adjust their behaviors in order to take precautions against the COVID-19 virus.

Total retail sales were up 6.5% in 2020, and sales tax revenue increased by 5.0% from 2019 to 2020. County-wide, the number of residential new construction permits remained steady from 2019 to 2020. The Bluffton area remains the primary area of new residential construction in Beaufort County.

Beaufort County's unemployment rate at 3.7% remains below the State of South Carolina's rate of 4.5% as of June 2021. The rate has decreased from a high of 12% back in April of 2020 when the pandemic started.

The most recent available information shows Beaufort County has a median family income of \$74,127 for calendar year 2020. This income level continually ranks Beaufort County as one of the highest in the State and is above national levels.

During tax year 2020 (fiscal year 2021), the Beaufort County Council maintained the operating millage at 114.0 mills yet resulting in a positive variance in the amount of \$2.1 million. This positive variance, along with the savings associated with COVID-19, was a primary factor in increasing unassigned fund balance at a level that falls above the 15% to 17% range of budgeted expenditures required by Board policy. The Beaufort County Council approved a 7.6 mill increase in the operating millage to 121.6 for tax year 2021 (fiscal year 2022).

The Board of Education and County Council continue to work as a team to determine a realistic mill value and set the millage at a level that supports the School District's instructional goals while minimizing the impact on taxpayers.

With the continuation of the COVID-19 pandemic, the economy has been negatively impacted by the shutdown/slowdown of businesses and public services. The transition from a virtual learning environment to face-to-face instruction for public schools has resulted in a slight increase in student enrollment. As of the 45th day, the School District grew by 65 students to 21,294 from 21,229 in the prior year, an increase of 0.3%.

Beaufort County School District

Management's Discussion and Analysis

For the fiscal year ended June 30, 2021

This FY 2022 budget represents a balance between keeping momentum in student achievement and minimizing tax-payer impact. Local tax revenues for FY 2022 are based upon a millage rate of 121.6. This represents a 6.7% increase from the prior year. The debt millage maintained a rate of 36.3 mills because of the ongoing debt payments associated with the 2019 referendum. The School District continues to work with Beaufort County staff by preparing long-range plans to maintain continuity of the School District's excellent bond rating which ultimately saves interest costs for the taxpayers of Beaufort County.

Requests for Information

This financial report is designed to provide the School District's citizens, taxpayers, customers, and investors and creditors with a general overview of the School District's finances and to demonstrate the School District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Finance Department, Beaufort County School District, 2900 Mink Point Blvd, P.O. Drawer 309, Beaufort, South Carolina 29901. In addition, this Annual Comprehensive Financial Report may be found on the School District's website at <http://www.beaufortschools.net>.

BASIC FINANCIAL STATEMENTS

BEAUFORT COUNTY SCHOOL DISTRICT

STATEMENT OF NET POSITION JUNE 30, 2021

	Primary Government			
	Governmental	Business-type		Component
	activities	activities	Total	unit
ASSETS				
Current Assets				
Cash and investments	\$ 24,654,299	\$ 145,635	\$ 24,799,934	\$ 2,448,850
Deposits with Beaufort County Treasurer	260,656,763	4,673,960	265,330,723	-
Accounts receivable	150,689	1,263,179	1,413,868	12,929
Taxes receivable, net of allowances	11,448,852	-	11,448,852	-
Due from other governmental units	12,392,283	-	12,392,283	84,248
Internal balances	(45,265)	45,265	-	-
Prepaid items	2,978,963	-	2,978,963	10,472
Inventory	-	93,851	93,851	-
Restricted cash	30,766	-	30,766	-
Total Current Assets	312,267,350	6,221,890	318,489,240	2,556,499
Non-current Assets				
Deposits	-	-	-	10,000
Non-depreciable capital assets	106,734,135	-	106,734,135	-
Depreciable capital assets, net of accumulated depreciation	459,244,771	2,019,631	461,264,402	120,028
Total Non-current Assets	565,978,906	2,019,631	567,998,537	130,028
Total Assets	\$ 878,246,256	\$ 8,241,521	\$ 886,487,777	\$ 2,686,527
DEFERRED OUTFLOWS OF RESOURCES				
Deferred refunding of bonds	\$ 3,390,464	\$ -	\$ 3,390,464	\$ -
Deferred outflows related to pensions	44,523,196	108,343	44,631,539	1,534,252
Deferred outflows related to OPEB	58,823,107	143,143	58,966,250	1,766,810
Total Deferred Outflows of Resources	\$ 106,736,767	\$ 251,486	\$ 106,988,253	\$ 3,301,062
LIABILITIES				
Current Liabilities				
Accounts payable	\$ 22,033,599	\$ 1,622,252	\$ 23,655,851	\$ 76,211
Accrued liabilities	21,000,898	33,792	21,034,690	113,113
Short-term bonds payable	299,000	-	299,000	-
Retainage payable	1,042,661	-	1,042,661	-
Due to other governmental units	3,025	-	3,025	-
Accrued interest	3,928,939	-	3,928,939	-
Long-term liabilities, due within one year	49,359,129	1,741	49,360,870	40,977
Total Current Liabilities	97,667,251	1,657,785	99,325,036	230,301
Non-current Liabilities				
Long-term liabilities, net of current portion	378,025,084	3,758	378,028,842	-
Net pension liability	300,643,815	731,590	301,375,405	8,361,561
Net OPEB liability	271,444,801	660,537	272,105,338	7,472,035
Total Non-current Liabilities	950,113,700	1,395,885	951,509,585	15,833,596
Total Liabilities	\$ 1,047,780,951	\$ 3,053,670	\$ 1,050,834,621	\$ 16,063,897
DEFERRED INFLOWS OF RESOURCES				
Deferred revenue	\$ 4,449,664	\$ 231,127	\$ 4,680,791	\$ -
Deferred inflows related to pensions	1,488,656	3,623	1,492,279	121,170
Deferred inflows related to OPEB	18,199,047	44,286	18,243,333	495,246
Total Deferred Inflows of Resources	\$ 24,137,367	\$ 279,036	\$ 24,416,403	\$ 616,416
NET POSITION				
Net investment in capital assets	\$ 316,578,409	\$ 2,019,631	\$ 318,598,040	\$ 120,028
Restricted for:				
Debt service	17,873,081	-	17,873,081	-
Capital projects	6,577,083	-	6,577,083	-
Food services	-	3,140,670	3,140,670	91,151
Student activities	2,825,862	-	2,825,862	-
Unrestricted	(430,789,730)	-	(430,789,730)	(10,903,903)
Total Net Position	\$ (86,935,295)	\$ 5,160,301	\$ (81,774,994)	\$ (10,692,724)

See Notes to Basic Financial Statements.

BEAUFORT COUNTY SCHOOL DISTRICT

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2021

Functions/Programs	Expenses	Program revenues		
		Charges for sales and services	Operating grants and contributions	Capital grants and contributions
Primary Government				
Governmental activities:				
Instruction	\$ 212,604,291	\$ 1,626,286	\$ 56,815,954	\$ -
Support services	130,525,698	-	31,284,026	-
Community services	736,866	-	720,021	-
Interest and other charges	10,078,244	-	-	-
Total governmental activities	353,945,099	1,626,286	88,820,001	-
Business-type activities:				
Food service	8,598,678	8,876	10,890,789	-
Total	\$ 362,543,777	\$ 1,635,162	\$ 99,710,790	\$ -
Component unit:				
Charter schools	\$ 8,488,328	\$ -	\$ 7,923,664	\$ -
Total component unit	\$ 8,488,328	\$ -	\$ 7,923,664	\$ -

General revenues:

Property taxes levied for:

 General purposes

 Debt service

Federal and state aid not restricted for specific purpose

Unrestricted investment earnings

Gain on sale of capital assets

Miscellaneous

 Total general revenues

Change in net position before transfers

Transfers

 Change in net position

Net position, beginning of the year, as restated

Net position, end of year

See Notes to Basic Financial Statements.

Net (expense) revenue and changes in net position			
Primary Government			Component unit
Governmental activities	Business-type activities	Total	
\$ (154,162,051)	\$ -	\$ (154,162,051)	\$ -
(99,241,672)	-	(99,241,672)	-
(16,845)	-	(16,845)	-
(10,078,244)	-	(10,078,244)	-
(263,498,812)	-	(263,498,812)	-
-	2,300,987	2,300,987	-
(263,498,812)	2,300,987	(261,197,825)	-
-	-	-	(564,664)
-	-	-	(564,664)
155,314,749	-	155,314,749	-
64,882,037	-	64,882,037	-
58,802,219	-	58,802,219	-
1,476,043	2,782	1,478,825	-
755,269	-	755,269	-
1,436,011	-	1,436,011	1,008,662
282,666,328	2,782	282,669,110	1,008,662
19,167,516	2,303,769	21,471,285	443,998
(23,619)	23,619	-	-
19,143,897	2,327,388	21,471,285	443,998
(106,079,192)	2,832,913	(103,246,279)	(11,136,722)
\$ (86,935,295)	\$ 5,160,301	\$ (81,774,994)	\$ (10,692,724)

BEAUFORT COUNTY SCHOOL DISTRICT

**BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2021**

		Special Revenue Funds				Debt Service - District
		General	Special Projects	Education Improvement Act	Pupil Activity Fund	
ASSETS						
Cash and investments	\$ 13,861,864	\$ -	\$ -	\$ 3,015,744	\$ -	\$ 888,654
Deposits with Beaufort County Treasurer	50,076,771	-	3,426,264	-	-	18,370,334
Receivables:						
Accounts receivable, net	113,937	36,723	12	-	-	-
Taxes receivable, net	8,616,776	-	-	-	-	2,832,076
Due from other governmental units	4,767,245	4,167,869	68,000	-	3,379,213	9,956
Due from other funds	-	-	-	5,965	-	-
Prepaid items	2,535,260	440,069	1,592	2,042	-	-
Restricted cash and cash equivalents	-	-	-	-	-	-
Total assets	\$ 79,971,853	\$ 4,644,661	\$ 3,495,868	\$ 3,023,751	\$ 3,379,213	\$ 22,101,020
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
LIABILITIES						
Accounts payable	\$ 3,975,177	\$ 1,960,435	\$ 99,297	\$ 188,998	\$ 2,899,803	\$ -
Accrued salaries and benefits	18,856,841	1,228,616	567,602	6,633	311,090	-
Retainage payable	-	-	-	-	-	-
Short-term bonds payable	-	-	-	-	-	299,000
Due to other funds	44,704	-	210	2,258	-	-
Due to other governmental units	-	-	3,025	-	-	-
Total liabilities	22,876,722	3,189,051	670,134	197,889	3,210,893	299,000
DEFERRED INFLOWS OF RESOURCES						
Deferred revenue	-	1,455,610	2,825,734	-	168,320	-
Unavailable revenue	6,544,837	-	-	-	-	1,875,096
Total deferred inflows of resources	6,544,837	1,455,610	2,825,734	-	168,320	1,875,096
FUND BALANCES						
Nonspendable	2,535,260	440,069	1,592	2,042	-	-
Restricted	-	-	3,025	2,823,820	-	19,926,924
Unassigned	48,015,034	(440,069)	(4,617)	-	-	-
Total fund balances	50,550,294	-	-	2,825,862	-	19,926,924
Total liabilities, deferred inflows of resources and fund balances	\$ 79,971,853	\$ 4,644,661	\$ 3,495,868	\$ 3,023,751	\$ 3,379,213	\$ 22,101,020

See Notes to Basic Financial Statements.

Capital Projects	Nonmajor	
	Debt Service - EFC	Total Governmental Funds
\$ 5,123,599	\$ -	\$ 22,889,861
188,783,394	-	260,656,763
17	-	150,689
-	-	11,448,852
-	-	12,392,283
-	-	5,965
-	-	2,978,963
-	30,766	30,766
<u>\$ 193,907,010</u>	<u>\$ 30,766</u>	<u>\$ 310,554,142</u>

\$ 12,618,763	\$ -	\$ 21,742,473
30,116	-	21,000,898
1,042,661	-	1,042,661
-	-	299,000
4,058	-	51,230
-	-	3,025
<u>13,695,598</u>	<u>-</u>	<u>44,139,287</u>

-	-	4,449,664
-	-	8,419,933
-	-	12,869,597

-	-	2,978,963
180,211,412	30,766	202,995,947
-	-	47,570,348
<u>180,211,412</u>	<u>30,766</u>	<u>253,545,258</u>
<u>\$ 193,907,010</u>	<u>\$ 30,766</u>	<u>\$ 310,554,142</u>

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BEAUFORT COUNTY SCHOOL DISTRICT

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION JUNE 30, 2021

Total governmental fund balances	\$ 253,545,258
Amounts reported for governmental activities in the statement of net position are different because of the following:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in governmental funds. The cost of assets is \$950,036,154 and the accumulated depreciation is \$384,057,248.	565,978,906
Property taxes receivable not collected within 60 days of fiscal year-end are not considered available and are deferred on the governmental funds' balance sheet but are recognized as revenue on the government-wide statement of net position.	8,419,933
Internal service funds are used by the School District to charge costs of operating the supplies warehouse to individual funds. The assets and liabilities of the internal service fund are included in the governmental activities in the statement of net position.	1,473,312
Accrued interest on outstanding bonds in governmental accounting is not due and payable in the current period and, therefore, has not been reported as a liability in the funds.	(3,928,939)
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.	
Deferred outflows of resources related to pensions	44,523,196
Deferred outflows of resources related to OPEB	58,823,107
Deferred inflows of resources related to pensions	(1,488,656)
Deferred inflows of resources related to OPEB	(18,199,047)
Some liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.	
Net pension liability	(300,643,815)
Net OPEB liability	(271,444,801)
Notes payable	(722,600)
Bonds payable	(390,546,000)
Bond premiums, net of accumulated amortization	(34,114,029)
Deferred gain/loss on refunding, net of accumulated amortization	3,390,464
Accrued compensated absences	(2,001,584)
Net position of governmental activities	<u><u>\$ (86,935,295)</u></u>

See Notes to Basic Financial Statements.

BEAUFORT COUNTY SCHOOL DISTRICT

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

	General	Special Revenue Funds				Debt Service - District
		Special Projects	Education Improvement Act	Pupil Activity Fund	COVID Related Funds	
Revenues						
Local sources	\$ 154,943,709	\$ 1,007,175	\$ -	\$ 1,773,118	\$ 130,784	\$ 74,287,830
State sources	94,012,886	2,918,656	14,571,398	-	3,417,211	1,599,305
Federal sources	922,771	13,790,582	-	-	5,820,514	-
Total revenues	249,879,366	17,716,413	14,571,398	1,773,118	9,368,509	75,887,135
Expenditures						
Current						
Instruction	152,543,332	11,434,617	6,391,809	1,014,672	5,676,456	-
Support services	92,166,893	5,037,901	946,749	980,945	2,712,598	-
Community services	-	403,147	-	-	316,874	-
Intergovernmental expenditures	7,430,669	296,403	139,833	-	176,655	-
Debt service						
Redemption of principal	-	-	-	-	-	51,400,721
Interest	65,640	-	-	-	-	12,678,647
Other objects	-	-	-	-	-	159,123
Capital outlay	-	-	-	-	-	-
Total expenditures	252,206,534	17,172,068	7,478,391	1,995,617	8,882,583	64,238,491
Excess (deficiency) of revenues over (under) expenditures	(2,327,168)	544,345	7,093,007	(222,499)	485,926	11,648,644
Other financing sources (uses)						
Proceeds from sale of capital assets	-	-	-	-	-	-
Premium on bond sold	-	-	-	-	-	958,023
Issuance of long-term debt	-	-	-	-	-	-
Transfers in	8,210,946	1,287	-	-	-	-
Transfers out	(111,287)	(545,632)	(7,093,007)	-	(485,926)	(9,257,126)
Total other financing sources (uses)	8,099,659	(544,345)	(7,093,007)	-	(485,926)	(8,299,103)
Net change in fund balances	5,772,491	-	-	(222,499)	-	3,349,541
Fund balances, beginning of year, as restated	44,777,803	-	-	3,048,361	-	16,577,383
Fund balances, end of year	\$ 50,550,294	\$ -	\$ -	\$ 2,825,862	\$ -	\$ 19,926,924

See Notes to Basic Financial Statements.

Capital Projects	Nonmajor Debt Service - EFC	Total Governmental Funds
\$ 1,466,144	\$ 55	\$ 233,608,815
-	-	116,519,456
105,222	-	20,639,089
1,571,366	55	370,767,360
-	-	177,060,886
-	-	101,845,086
-	-	720,021
-	-	8,043,560
-	2,095,000	53,495,721
-	625,234	13,369,521
-	11,575	170,698
79,066,257	-	79,066,257
79,066,257	2,731,809	433,771,750
(77,494,891)	(2,731,754)	(63,004,390)
1,304,410	-	1,304,410
18,491,810	-	19,449,833
130,000,000	-	130,000,000
6,531,780	2,725,346	17,469,359
-	-	(17,492,978)
156,328,000	2,725,346	150,730,624
78,833,109	(6,408)	87,726,234
101,378,303	37,174	165,819,024
\$ 180,211,412	\$ 30,766	\$ 253,545,258

BEAUFORT COUNTY SCHOOL DISTRICT

RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Total net change in fund balances - governmental funds	\$ 87,726,234
Amounts reported for governmental activities in the statement of activities are different because of the following:	
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay (\$70,542,790) exceeds depreciation expense (\$23,661,350) in the period.	46,881,440
The net effect of various miscellaneous transactions involving capital assets (i.e. sales and donations) is to decrease net position.	(549,141)
Repayment of long-term debt is an expenditure in the government funds, but the repayment reduces long-term liabilities in the statement of net position.	
Bond principal retirement	52,782,621
Bond proceeds	(130,000,000)
Notes payable payments	713,100
Bond premiums are revenues in the year they are received in governmental funds but are amortized over the lives of the bonds in the statement of activities.	
Premiums on bonds sold	(19,449,833)
Amortization of bond premiums	6,138,110
Certain property tax revenues that are reported in the government-wide statement of activities do not provide current financial resources and, therefore, are not reported as revenues in the governmental funds' operating statement.	1,589,987
In the statement of activities, certain operating expenses - compensated absences (sick pay and vacations) - are measured by the amounts <i>earned</i> during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually <i>paid</i>). This year, vacation and sick leave earned exceeded the amounts used.	(231,835)
An internal service fund is used by the School District's management to fund insurance and risk management of the School District. The change in net position of the internal service fund is reported with governmental activities.	47,559
Deferred gain/loss on refundings are expenditures the year they are incurred in governmental funds, but are amortized over the lives of the bonds in the statement of activities. This amount is the net effect of these differences.	(850,014)
Governmental funds report pension and OPEB contributions as expenditures. However, in the statement of activities, the cost of pension benefits earned net of employee contributions is reported as pension expense.	
Pension related	(14,226,564)
OPEB related	(9,601,645)
Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.	(1,826,122)
Change in net position of governmental activities	\$ 19,143,897

See Notes to Basic Financial Statements.

BEAUFORT COUNTY SCHOOL DISTRICT

STATEMENT OF NET POSITION PROPRIETARY FUNDS JUNE 30, 2021

	Business-type Activities Enterprise Fund - Student Nutrition	Governmental Activities Internal Service Fund
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 145,635	\$ 1,764,438
Deposits with Beaufort County Treasurer	4,673,960	-
Accounts receivable, net	1,263,179	-
Due from other funds	45,265	-
Inventory	93,851	-
Total Current Assets	6,221,890	1,764,438
Non-current Assets		
Depreciable capital assets, net of accumulated depreciation	2,019,631	-
Total Assets	8,241,521	1,764,438
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to pensions	108,343	-
Deferred outflows related to OPEB	143,143	-
Total deferred outflows of resources	251,486	-
LIABILITIES		
Current Liabilities		
Accounts payable	1,622,252	100
Accrued salaries and benefits	33,792	-
Current portion of compensated absences payable	1,741	-
Claims payable	-	291,026
Total Current Liabilities	1,657,785	291,126
Non-current Liabilities		
Non-current portion of compensated absences payable	3,758	-
Net pension liability	731,590	-
Net other post-employment benefit liability	660,537	-
Total Non-current Liabilities	1,395,885	-
Total Liabilities	3,053,670	291,126
DEFERRED INFLOWS OF RESOURCES		
Deferred revenue	231,127	-
Deferred inflows related to pensions	3,623	-
Deferred inflows related to OPEB	44,286	-
Total deferred inflows of resources	279,036	-
NET POSITION		
Investment in capital assets	2,019,631	-
Restricted for food services	3,140,670	-
Unrestricted	-	1,473,312
Total Net Position	\$ 5,160,301	\$ 1,473,312

See Notes to Basic Financial Statements.

BEAUFORT COUNTY SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION PROPRIETARY FUNDS FOR THE YEAR ENDED JUNE 30, 2021

	Business-type Activities Enterprise Fund - Student Nutrition	Governmental Activities Internal Service Fund
Operating revenues		
Meals sales	\$ 8,876	\$ -
Miscellaneous	-	1,014,148
Total operating revenues	8,876	1,014,148
Operating expenses		
Food costs	925,474	-
Salaries and benefits	407,135	957,341
Purchased services	6,682,549	9,248
Supplies and materials	35,927	-
Depreciation	274,592	-
Other operating costs	15,488	-
Total operating expenses	8,341,165	966,589
Operating income (loss)	(8,332,289)	47,559
Non-operating revenues (expenses)		
Commodities received from USDA	925,474	-
USDA reimbursements	9,760,304	-
Revenue from other local sources	120,084	
Revenue from other federal sources	84,927	
Interest on investments	2,782	-
Payments to charter school	(249,039)	-
Payments to other governmental units	(8,474)	
Total non-operating revenues	10,636,058	-
Income before transfers	2,303,769	47,559
Transfers		
Transfers in	110,000	-
Transfers out	(86,381)	-
Total transfers	23,619	-
Change in net position	2,327,388	47,559
Net position, beginning of year	2,832,913	1,425,753
Net position, end of year	\$ 5,160,301	\$ 1,473,312

See Notes to Basic Financial Statements.

BEAUFORT COUNTY SCHOOL DISTRICT

STATEMENT OF CASH FLOWS PROPRIETARY FUNDS FOR THE YEAR ENDED JUNE 30, 2021

	Business-type Activities Enterprise Fund - Student Nutrition	Governmental Activities Internal Service Fund
Cash flows from operating activities:		
Payments received from customers and users	\$ (192,194)	\$ -
Charges from other funds	-	1,014,255
Payments to employees for services	(740,276)	(815,621)
Payments to suppliers for goods and services	(6,362,727)	(9,148)
Net cash provided by (used in) operating activities	(7,295,197)	189,486
Cash flows from noncapital financing activities:		
USDA reimbursements	10,685,778	-
Local and federal grants	205,011	-
Transfers from other funds	110,000	-
Transfers to other funds	(86,381)	-
Payments to charter school	(249,039)	-
Payments to other governmental units	(8,474)	-
Net cash provided by noncapital financing activities	10,656,895	-
Cash flows from capital and related financing activities:		
Acquisition of capital assets	(142,165)	-
Net cash used in capital and related financing activities	(142,165)	-
Cash flows from investing activities:		
Interest income	2,782	-
Net cash provided by investing activities	2,782	-
Net increase in cash and cash equivalents	3,222,315	189,486
Cash and cash equivalents, beginning of year	1,597,280	1,574,952
Cash and cash equivalents, end of year	<u>\$ 4,819,595</u>	<u>\$ 1,764,438</u>
Classified as:		
Cash and cash equivalents	145,635	1,764,438
Deposits with Beaufort County Treasurer	4,673,960	-
	<u>\$ 4,819,595</u>	<u>\$ 1,764,438</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:		
Operating income (loss)	\$ (8,332,289)	\$ 47,559
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Depreciation expense	274,592	-
Changes in assets and liabilities:		
Accounts receivable	(134,851)	107
Due from other funds	(41,057)	-
Inventory	27,017	-
Deferred outflows - pension	(40,755)	-
Deferred outflows - OPEB	(76,171)	-
Accounts payable	878,004	100
Accrued salaries and benefits	(1,470)	-
Claims payable	-	141,720
Unearned revenue	(25,162)	-
Net pension liability	77,222	-
Net OPEB liability	109,054	-
Accrued compensated absences	2,036	-
Deferred inflows - pension	(1,847)	-
Deferred inflows - OPEB	(9,520)	-
Net cash provided by (used in) operating activities	<u>\$ (7,295,197)</u>	<u>\$ 189,486</u>
Supplemental disclosure of non-cash capital and related financing activities:		
Non-cash commodities received from the USDA	<u>\$ 925,474</u>	<u>\$ -</u>

See Notes to Basic Financial Statements.

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BEAUFORT COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS FISCAL YEAR ENDED JUNE 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

Beaufort County School District (the "School District") is governed by an 11-member elected Board of Education (the "Board"). The School District provides regular and exceptional education for students in pre-school through grade twelve and funds two-thirds of the Beaufort - Jasper Academy for Career Excellence, which provides vocational instruction.

The financial statements of the School District have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP") as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The following is a summary of the more significant policies:

The School District's financial statements include all funds over which the Board is considered to be financially accountable. The School District receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities. However, the School District is not included in any other governmental reporting entity because it does not meet the financial accountability criteria for inclusion established by governmental accounting standards. Local board members have decision-making authority.

The School District has determined that there is one support entity that meets the requirements for inclusion as a blended component unit, and one as a discretely presented component unit.

Blended Component Unit

South Carolina Association of Governmental Organizations ("SCAGO") Educational Facilities Corporation ("EFC") for the School District was incorporated on December 11, 2006, for educational and charitable purposes, specifically to undertake certain obligations with respect to the acquisition or sale of real and/or personal property in connection with the design, construction, operation, financing, and refinancing of education facilities to be used by the School District and such other projects located in and for the benefit of the School District as may be permitted by applicable law. The EFC is organized and shall be operated exclusively for the charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code. The EFC has five board members, three are appointed by the board of directors of the SCAGO and two consist of the Superintendent and the Director of Finance (or their equivalents) of the School District. The board of directors of the EFC may increase from a minimum of five to a maximum of 10; however, in all events, less than 50% of the members of the board of directors shall be representatives of or controlled by the School District. The EFC meets the criteria of a blended component unit and, therefore, the operations of the EFC are blended with the operations of the School District as required by accounting principles generally accepted in the United States of America.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reporting Entity (Continued)

Discretely Presented Component Unit

Riverview Charter School provides education to students in kindergarten through eighth grade in an experiential-based learning environment. The school is owned and operated by a non-profit corporation. It operates under an agreement with the Beaufort County School District and began operations August 2009. The agreement is governed by state statutes which, as interpreted by the State Department of Education, require the inclusion of charter schools as discretely presented component units of the sponsoring district. Riverview Charter School is funded by Beaufort County School District and is located within the bounds of the School District. Financial statements of Riverview Charter School may be available at the school's administrative offices at 81 Savannah Hwy, Beaufort, South Carolina 29906.

Basis of Presentation

The statements of the School District are presented as follows:

Government-wide Statements. The Statement of Net Position and the Statement of Activities display information about the School District as a whole. These statements include the financial activities of the School District. The effect of interfund activity has been removed from these statements. Interfund services provided and used are not eliminated in the process of consolidation. The statements distinguish between those activities of the School District that are governmental and those that are considered business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in part by fees and charged to external parties.

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide financial statements and the financial statements for governmental funds.

The government-wide Statement of Activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the School District and for each function or program of the School District's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and, therefore, clearly identifiable to a particular function.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reporting Entity (Continued)

Basis of Presentation (Continued)

Depreciation expense has been allocated to individual functions in the governmental activities. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues, including taxes, which are not classified as program revenues are presented as general revenues of the School District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the School District.

Fund Financial Statements. Fund financial statements report detailed information about the School District. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds, if any, are denoted as such.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets and current liabilities, and a statement of revenues, expenditures, and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

All proprietary fund types are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The Statement of Cash Flows provides information about how the School District finances and meets cash flow needs of its proprietary activities.

Statements of Cash Flows. For purposes of the Statement of Cash Flows, the proprietary fund considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reporting Entity (Continued)

Measurement Focus and Basis of Accounting

The School District reports the following funds:

Governmental Funds

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

Special Revenue Funds (major funds). The Special Revenue Funds accounts for the proceeds of specific revenue sources (other than debt service or major capital projects) that are restricted, committed, or assigned to expenditures for specified purposes. The School District has four special revenue funds:

- (1) *Special Projects Fund*, a budgeted fund used to account for financial resources provided by federal, state, and local projects and grants.
- (2) *The Education Improvement Act ("EIA") Fund*, a budgeted fund used to account for the revenue from the Education Improvement Act of 1984 and legally required to be accounted for as a specific revenue source.
- (3) *The Pupil Activity Fund*, a fund used to record the receipts and disbursements of monies from various pupil activity organizations. These organizations exist at the explicit approval of the Board.
- (4) *The COVID Related Funds*, a budgeted fund used to account for the revenue received from the Federal government related to the Coronavirus pandemic.

Capital Projects (Building) Fund (major fund) – a fund that holds financial resources that are restricted, committed, or assigned to account for capital outlay expenditures.

Debt Service Fund – District (major fund) – a budgeted fund used to account for annual payments of principal and interest on long-term general obligation debt and related costs for non-EFC obligations.

Debt Service Fund – EFC (non-major fund) – a non-budgeted fund used to account for annual payments of principal and interest on long-term general obligation debt and related costs for the EFC.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reporting Entity (Continued)

Proprietary Funds

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to provide sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the government (internal service funds).

Within proprietary funds, operating revenues and expenses are presented in the Statement of Revenue, Expenses and Changes in Fund Net Position. Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. Sales for food service represent the operating revenues of the School District's enterprise fund. Non-operating revenues consist primarily of contributions of commodities and reimbursements from the United States Department of Agriculture ("USDA") and other state aid. Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the fund. Non-operating expenses relate primarily to commodities from the USDA and other state aid.

Enterprise Funds (major fund) – to account for operations: a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or covered primarily through user charges; or b) where the governing body has decided that periodic determination of revenue earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The Student Nutrition Fund is the School District's only enterprise fund and is used to account for the USDA approved school breakfast and lunch programs.

Internal Service Funds (nonmajor fund) – a fund to account for the financing of goods and services provided by one department or agency to other departments or agencies of the School District. When services are rendered, charges are made to the users and revenue is accumulated in the Internal Service Funds to cover costs of operations. The School District has one such fund: Insurance Services. This fund accounts for the insurance and risk management services of the School District and services provided are on a cost reimbursement basis. The assets and related liabilities for the Internal Service Fund are included in the governmental activities column on the government-wide Statement of Net Position.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reporting Entity (Continued)

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary also use the accrual basis of accounting. On the accrual basis of accounting, revenues are recognized when earned and expenses are recognized when incurred. Under the modified accrual basis of accounting, revenues and expenditures are recognized when they become both measurable and available.

Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, are recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the School District, available means expected to be received within sixty days of fiscal year-end.

Non-exchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied (see Note 4). Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the School District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized. Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: property taxes, interest, tuition, grants, student fees, and rentals.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reporting Entity (Continued)

Basis of Accounting (Continued)

The fair value of donated commodities used during the year is reported in the operating statement as an expense with a like amount reported as donated commodities revenue.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation, are not recognized in governmental funds.

Assets, Deferred Outflows and Inflows of Resources, Liabilities and Net Position/Fund Balance

Cash and investments – South Carolina statutes authorize investments in certificates of deposit, savings accounts, repurchase agreements, the State Treasurer's Local Government Investment Pool (invested in government guaranteed securities), obligations of the U.S. Government, and government agencies unconditionally guaranteed by the U.S. Government. Investments are recorded at fair value.

The Beaufort County Treasurer invests in authorized instruments on behalf of the School District. The Beaufort County Treasurer invests School District and other entity funds on a pooled basis with the Treasurer of the State of South Carolina. The State Treasurer invests in certificates of deposit, insured savings accounts, repurchase agreements, obligations of the United States government, and government agencies guaranteed by the United States government.

Receivables and payables – During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. On fund financial statements, these receivables and payables, if containing a balance at the end of the fiscal year, are classified as due from other funds or due to other funds on the Balance Sheet. These amounts are eliminated in the governmental and business-type activities columns of the Statement of Net Position, except for net residual amounts due between governmental and business-type activities, which are presented as internal balances. Amounts due to and from outside sources are recorded when earned or payable. The School District records its property tax receivables as levied net of an allowance for uncollectible accounts.

Inventories – Under the system of accounting for inventories, materials and supplies are carried in an inventory account at cost using the first-in/first-out method of accounting and are subsequently charged to expense when consumed. Inventories include food, supplies, and commodities. An amount for commodities received from the USDA, but not consumed as of June 30, 2021, has been recorded at fair value as provided by the USDA.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reporting Entity (Continued)

Assets, Deferred Outflows and Inflows of Resources, Liabilities and Net Position/Fund Balance (Continued)

Prepaid items – Payments made to vendors for services benefiting future periods are recorded as prepaid items in both government-wide and fund financial statements using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

Capital assets – Capital assets, which include property and equipment and construction in progress, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The cost and accumulated depreciation of property sold or retired are removed from the accounts, and gains or losses, if any, are reflected in revenue or expenditures/expenses for the year. Donated capital assets are recorded at acquisition value as of the date received. The School District maintains a capitalization threshold of \$5,000. The School District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed.

In the enterprise fund, assets acquired or constructed by grants and shared revenues externally restricted for capital acquisitions and construction are reported as revenue in the period received.

All reported capital assets other than land and construction-in-progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

Governmental Assets

Improvements	15 – 50 years
Buildings	15 – 50 years
Equipment	5 – 25 years
Vehicles	5 – 10 years

Business-type Assets

Improvements	N/A
Buildings	N/A
Equipment	3 – 12 years
Vehicles	5 – 10 years

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reporting Entity (Continued)

Assets, Deferred Outflows and Inflows of Resources, Liabilities and Net Position/Fund Balance (Continued)

Compensated absences – Vacation leave may be accumulated up to a maximum of forty-five days and is fully vested when earned. The entire compensated absence liability is reported on the government-wide financial statements. Compensated absences will be paid from the fund where the employee's salary is paid; typically this would include the general, special revenue, and food service funds.

All vacation pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, unused reimbursable leave still outstanding following an employee's resignation or retirement. In the proprietary funds, compensated absences are recorded as an expense and liability of the fund as the benefits accrue to employees.

Accrued liabilities and long-term obligations – All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities, and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements. In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources. However, claims and judgments and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they will be paid with current, expendable, available financial resources. In general, payments made within sixty days after year-end are considered to have been made with current available financial resources. Bonds and other long-term obligations that will be paid from governmental funds are not recognized as a liability in the fund financial statements until due.

Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

For governmental funds, bond premiums, and discounts are recognized during the period in which the underlying debt was issued. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as debt service expenditures. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reporting Entity (Continued)

Assets, Deferred Outflows and Inflows of Resources, Liabilities and Net Position/Fund Balance (Continued)

Deferred outflows of resources and deferred inflows of resources – In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The School District has two types of items that qualify for reporting in this category.

Changes in net pension liability and OPEB liability not included in pension expense or OPEB expense, respectively, are reported as deferred outflows of resources or deferred inflows of resources. Employer contributions subsequent to the measurement date of the net pension liability are reported as deferred outflows of resources.

When debt is refunded, the reacquisition price less the net carrying amount of the previous debt is calculated. The amount is either a gain or loss on refunding that is recognized as a component of interest expense, over the shorter of the new debt's life or the remaining life of the previous debt. The unamortized gain or loss is a deferred outflow/inflow of resources in the Statement of Net Position.

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

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

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reporting Entity (Continued)

Assets, Deferred Outflows and Inflows of Resources, Liabilities and Net Position/Fund Balance (Continued)

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

Post-employment Benefits Other Than Pensions (“OPEB”) – For purposes of measuring the School District’s OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB and OPEB expense, information about the fiduciary net position of the South Carolina Retiree Health Insurance Trust Fund (“SCRHITF”) and the South Carolina Long-Term Disability Insurance Trust Fund (“SCLTDITF”), collectively referred to as the Other Post-Employment Benefits Trust Funds (“OPEB Trusts”), and additions to/deductions from the OPEB Trusts fiduciary net position have been determined on the same basis as they are reported by the OPEB Trusts. For this purpose, the OPEB Trusts recognize benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

Fund Balances and Net Position – Government-Wide Statements – Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

Net Position Flow Assumption – Sometimes the School District will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as “restricted net position” and “unrestricted net position” in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the School District’s policy to consider “restricted net position” to have been depleted before “unrestricted net position” is applied.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reporting Entity (Continued)

Assets, Deferred Outflows and Inflows of Resources, Liabilities and Net Position/Fund Balance (Continued)

Fund Balance Flow Assumption – Sometimes the School District will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the School District's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Fund Balances and Net Position – Fund Statements – Fund balances of governmental funds are reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes.

The non-spendable fund balance classification represents portions of fund balances which are inherently non-spendable because of their form (such as inventory) or which are required to be maintained intact. Fund balance is reported as restricted when there are limitations imposed on its use either through the enabling legislations or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The School District itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the School District's highest level of decision-making authority. The School District's Board of Education is the highest level of decision-making authority for the government that can, by majority vote, prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the School District for specific purposes but do not meet the criteria to be classified as committed. Intent can be expressed by the School District's Board of Education or by an official or body to which the Board delegates its authority. As of June 30, 2021, no such delegation of authority had been made.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reporting Entity (Continued)

Assets, Deferred Outflows and Inflows of Resources, Liabilities and Net Position/Fund Balance (Continued)

Fund Balances and Net Position – Fund Statements (Continued) – The Board of Education may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

Unassigned fund balance includes all amounts not included in other spendable classifications. The General Fund is the only fund that can report a positive unassigned fund balance. However, in governmental funds other than the General Fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

The School District has adopted a minimum fund balance policy for the General Fund which requires the unassigned fund balance at year-end to be no less than 15% of next year's budgeted expenditures. The desired target is to maintain an unassigned General Fund balance between 15-17% of annual operating expenditures for the next fiscal year. At June 30, 2021, the School District's unassigned General Fund balance was 18.9% of 2021 budgeted expenditures and 18.4% of 2022 budget expenditures. Proprietary net position is classified the same as in government-wide statements.

Interfund Activity – Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Transfers between governmental funds and enterprise balances are eliminated.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the activities financial statements.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reporting Entity (Continued)

Assets, Deferred Outflows and Inflows of Resources, Liabilities and Net Position/Fund Balance (Continued)

Operating Revenues and Expenses – Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the School District, those revenues consist of sales of breakfasts and lunches to students and teachers.

Use of Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the School District's financial position and results of operations and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Accounting – State statutes require a budget for operations be approved before any expenditures are made. The Board will usually approve the operating budget in May for the fiscal year beginning July 1. A budget is adopted by July 1 of each fiscal year for the General Fund and Special Revenue Funds on the same modified accrual basis used to reflect actual revenues and expenditures in the fund financial statements. Budget and actual comparisons are presented in the required supplementary information accompanying these financial statements. The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts adopted in the original appropriations. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts in the final amended budget issued during the year ended June 30, 2021. Each budget is prepared by function and object as dictated by the State-adopted Program Oriented Budgeting and Accounting System and for management control purposes. The School District's policies allow funds to be transferred between functions with administrative approval. The total budget cannot be increased beyond that level approved by the Board originally and in supplementary action. The legal level of control is at the fund level. No supplemental appropriations were necessary during the year.

NOTES TO FINANCIAL STATEMENTS

NOTE 3. DEPOSITS AND INVESTMENTS

A reconciliation of cash for the School District as of June 30, 2021 to total deposits is as follows:

Cash and cash equivalents - governmental funds	\$ 22,889,861
Restricted cash and cash equivalents - governmental funds	30,766
Cash and cash equivalents - enterprise fund	145,635
Cash and cash equivalents - internal service fund	1,764,438
Total	<u>\$ 24,830,700</u>

Amounts on Deposit with Beaufort County Treasurer

Amounts on deposit with the Beaufort County Treasurer are not categorized since they cannot be identified by securities that exist in physical or book entry form. These amounts are subject to the same investment authorizations as the School District under state law. The carrying values of these investments approximate the fair values. The Beaufort County Treasurer is responsible for maintaining these investments in accordance with state laws.

Custodial Credit Risk – Deposits

This is the risk that in the event of a bank failure, the School District's deposits may not be returned to it. Deposits of the School District are subject to South Carolina state statutes for custodial credit risk. The statutes provide that banks accepting deposits of funds from local government units must furnish an indemnity bond or pledge as collateral obligations of the United States, South Carolina, political subdivisions of South Carolina, the Federal National Mortgage Association, the Federal Home Loan Bank, the Federal Farm Credit Bank, or the Federal Home Loan Mortgage Corporation. In accordance with the aforementioned statute, the School District's policy requires deposits to be secured by collateral valued at market or par, whichever is lower, less the amount of the Federal Deposit Insurance Corporation ("FDIC") insurance. Deposited funds may be invested in demand or time deposits, continuously and fully secured with direct obligations of or obligations guaranteed by the United States of America having a market value not less than the amount of such monies. At June 30, 2021 the carrying amount of the School District's deposits was \$24,830,700 and the bank balance was \$23,060,647. All of these deposits were fully collateralized with securities held by the pledging financial institution's trust department in the School District's name or insured by the FDIC. Information was not available regarding the custodial risk of deposits with the Beaufort County Treasurer of \$265,330,721.

NOTES TO FINANCIAL STATEMENTS

NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)

Custodial Credit Risk – Investments

For an investment, this is the risk that, in the event of the failure of the counterparty, the School District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The School District does not have a formal investment policy to address custodial credit risk but follows the investment policy strategy of the State of South Carolina.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The School District contracts with a banking institution for a guaranteed interest rate. The School District does not have a formal investment policy that limits investment maturities to reduce its exposure to fair value losses arising from increasing interest rates but follows the investment policy strategy of the State of South Carolina. Information pertaining to the reported amounts, fair values, maturities, credit risk, interest rate risk and concentration risk is disclosed in the Annual Comprehensive Financial Report (“ACFR”) of the State of South Carolina.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The School District has adopted an investment policy in accordance with state statutes, which authorize the School District to invest in the following:

1. Obligations of the United States and agencies thereof.
2. Obligations issued by the Federal Financing Bank, Federal Farm Credit Bank, the Bank of Cooperatives, the Federal Intermediate Credit Bank, the Federal Land Banks, the Federal Home Loan Banks, the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Housing Administration, and the Farmers Home Administration, if, at the time of investment, the obligor has a long-term, unenhanced, unsecured debt rating in one of the top two categories, without regard to a refinement or gradation of rating by numerical modifier or otherwise, issued by at least two nationally recognized credit rating organizations;
3. General obligations of the State of South Carolina or any of its political units.
4. Savings and loan association deposits to the extent insured by the FDIC.
5. Certificates of deposit and repurchase agreements collateralized by securities of the type described in (1) and (2) above held by a third-party as escrow agent or custodian, of a market value not less than the amount of certificates of deposit and repurchase agreements so secured, including interest; and

NOTES TO FINANCIAL STATEMENTS

NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)

Credit Risk (Continued)

6. No-load open and closed-end management type investment companies or investment trusts registered under the Investment Company Act of 1940, as amended, where the investment is made by a bank or trust company or savings and loan association or other financial institution when acting as trustee or agent for a bond or other debt issue of that local government unit.

In addition, South Carolina state statutes authorize the School District to invest in the South Carolina Local Government Investment Pool ("SCLGIP"). The SCLGIP is an investment trust fund created by state legislation, in which public monies under the custody of any political subdivision in excess of current needs may be deposited. The SCLGIP is permitted to purchase obligations of the United States, its agencies and instrumentalities, and any corporation within the United States if such obligations bear any of the three highest ratings of at least two nationally recognized rating services. The SCLGIP is a 2a7-like pool, which is not registered with the Securities and Exchange Commission ("SEC") as an investment company but has a policy that it will operate in a manner consistent with the SEC's rule 2a7 of the Investment Company Act of 1940. The fair value of the School District's position in the SCLGIP approximates the same value of the School District's LGIP shares. The SCLGIP is not rated. The SCLGIP's complete financial statements may be obtained by writing the Office of the State Treasurer, Local Government Investment Pool, Post Office Box 11778, Columbia, South Carolina 29211.

Fair Value of Financial Instruments

The School District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Amounts on deposit in the SCLGIP are not categorized since they cannot be identified by securities that exist in physical or book entry form. These amounts are subject to the same investment requirements as the School District under state law. The carrying values of these investments approximate fair values. The SCLGIP is responsible for maintaining these investments in accordance with state law.

NOTES TO FINANCIAL STATEMENTS

NOTE 4. PROPERTY TAXES

Property taxes attach as an enforceable lien on January 1 on property values assessed as of the same date. The School District's property tax is levied and billed each October on the assessed value listed as of the prior January 1 for all real and business personal property located in the School District. Taxes are delinquent on March 15, the collection date, following the October 1 levy date. If not paid by the following October 1, the property is subject to sale by the delinquent tax office. Taxes on licensed motor vehicles are levied during the month when the taxpayer's license registration is due for renewal. The taxpayer must provide proof of payment to the Highway Department before that agency will renew the vehicle license. Total tax collections, which include delinquent tax collections and penalties, equaled approximately 97.8% of the current tax levy for the year ended June 30, 2021.

The assessed value of real and other personal property, exclusive of vehicles (valued at \$117,380,430) is \$2,255,274,140. The School District's general operations millage is 114.00 mills (\$11.40 per \$100 assessed valuation), and debt service fund millage is 36.30 mills (\$3.63 per \$100 assessed valuation).

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

NOTE 5. RECEIVABLES

Receivables at June 30, 2021, consisted of taxes, intergovernmental grants, and reimbursements. All intergovernmental receivables are considered collectible in full due to the stable condition of State programs and the current year guarantee of federal funds. Receivables as of year-end, including the applicable allowances for uncollectible accounts, are as follows:

	General	Special Projects	Education Improvement Act	COVID Related Fund	School Debt Service - District	Capital Projects	Food Service Program
Receivables							
Property taxes	\$ 12,072,235	\$ -	\$ 12	\$ -	\$ 3,894,632	\$ -	\$ -
Due from other governments	4,767,245	4,167,869	68,000	3,379,213	9,956	-	818,393
Other	113,937	36,723	-	-	-	17	444,786
Gross receivables	16,953,417	4,204,592	68,012	3,379,213	3,904,588	17	1,263,179
Less allowance for uncollectible property tax	(3,455,459)	-	-	-	(1,062,556)	-	-
Net receivables	\$ 13,497,958	\$ 4,204,592	\$ 68,012	\$ 3,379,213	\$ 2,842,032	\$ 17	\$ 1,263,179

NOTES TO FINANCIAL STATEMENTS

NOTE 6. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2021, was as follows:

	Beginning Balance	Additions/ Transfers	Deductions/ Transfers	Ending Balance
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 41,299,484	\$ -	\$ (30,000)	\$ 41,269,484
Construction in progress	16,227,559	55,700,310	(6,463,218)	65,464,651
Total	<u>57,527,043</u>	<u>55,700,310</u>	<u>(6,493,218)</u>	<u>106,734,135</u>
Capital assets, being depreciated:				
Buildings	545,623,047	-	(355,927)	545,267,120
Improvements	239,908,704	-	5,831,491	245,740,195
Equipment	42,385,052	14,842,480	(4,932,828)	52,294,704
Total	<u>827,916,803</u>	<u>14,842,480</u>	<u>542,736</u>	<u>843,302,019</u>
Less accumulated depreciation for:				
Buildings	(221,850,548)	(11,575,962)	341,739	(233,084,771)
Improvements	(113,484,264)	(8,307,715)	126,776	(121,665,203)
Equipment	(30,462,427)	(3,777,673)	4,932,826	(29,307,274)
Total	<u>(365,797,239)</u>	<u>(23,661,350)</u>	<u>5,401,341</u>	<u>(384,057,248)</u>
Total capital assets, being depreciated, net	<u>462,119,564</u>	<u>(8,818,870)</u>	<u>5,944,077</u>	<u>459,244,771</u>
Total capital assets, net	<u>\$ 519,646,607</u>	<u>\$ 46,881,440</u>	<u>\$ (549,141)</u>	<u>\$ 565,978,906</u>

Depreciation expense was charged to governmental functions as follows:

Governmental activities:	
Instruction	\$ 1,121,828
Support Services	22,526,468
Community Services	<u>13,054</u>
Total depreciation expense - governmental activities	<u>\$ 23,661,350</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 6. CAPITAL ASSETS (CONTINUED)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type Activities:				
Capital assets, not being depreciated:				
Equipment in progress	\$ -	\$ 142,165	\$ -	\$ 142,165
Total	-	142,165	-	142,165
Capital assets, being depreciated:				
Equipment	5,493,735	-	(58,751)	5,434,984
Vehicles	275,601	-	-	275,601
Total	5,769,336	-	(58,751)	5,710,585
Less accumulated depreciation for:				
Equipment	(3,418,436)	(259,177)	58,751	(3,618,862)
Vehicles	(198,842)	(15,415)	-	(214,257)
Total	(3,617,278)	(274,592)	58,751	(3,833,119)
Total capital assets, net	\$ 2,152,058	\$ (132,427)	\$ -	\$ 2,019,631

NOTE 7. LONG-TERM LIABILITIES

Changes in long-term liabilities for the year ended June 30, 2021 were as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
<u>Bonds Payable</u>					
General obligation bonds	\$ 264,545,000	\$ 130,000,000	\$ (45,470,000)	\$ 349,075,000	\$ 45,600,000
Total bond indebtedness	264,545,000	130,000,000	(45,470,000)	349,075,000	45,600,000
Unamortized bond premiums	20,802,306	18,491,810	(5,180,087)	34,114,029	-
Total bonds payable	285,347,306	148,491,810	(50,650,087)	383,189,029	45,600,000
<u>Direct Borrowing/Direct Placement</u>					
General obligation bonds	27,563,621	-	(5,217,621)	22,346,000	639,000
IPRB bonds	21,220,000	-	(2,095,000)	19,125,000	2,150,000
Note payable	1,435,700	-	(713,100)	722,600	722,600
Total	50,219,321	-	(8,025,721)	42,193,600	3,511,600
<u>Other liabilities</u>					
Net pension liability	268,909,639	58,853,121	(27,118,945)	300,643,815	-
Net OPEB liability	226,629,464	56,131,736	(11,316,399)	271,444,801	-
Compensated absences	1,769,749	1,003,146	(771,311)	2,001,584	247,529
Total other liabilities	497,308,852	115,988,003	(39,206,655)	574,090,200	247,529
Governmental activities:					
Long-term liabilities	\$ 832,875,479	\$ 264,479,813	\$ (97,882,463)	\$ 999,472,829	\$ 49,359,129
Business-type activities:					
Net pension liability	\$ 654,368	\$ 143,274	\$ (66,052)	\$ 731,590	\$ -
Net OPEB liability	551,483	136,591	(27,537)	660,537	-
Compensated absences	3,463	3,906	(1,870)	5,499	1,741
Business-type activities:					
Long-term liabilities	\$ 1,209,314	\$ 283,771	\$ (95,459)	\$ 1,397,626	\$ 1,741

The governmental activities, compensated absences, the net OPEB liability, and the net pension liability are substantially liquidated by the General Fund.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM LIABILITIES (CONTINUED)

General Obligation Bonds

The School District issues general obligation bonds, regular and direct issuance, to provide funds for the acquisition, construction, and major improvement of major capital facilities. No unusual events of default or termination exist for these debt issuances. General obligation bonds are direct obligations and pledge the full faith and credit of the School District. These bonds generally are issued as 5 to 20 year serial bonds with principal maturing each year.

Article X, Section 15 of the Constitution of the State of South Carolina, as amended, empowers each school district of the State to incur general obligation debt in such manner and upon such terms and conditions as the General Assembly shall prescribe by law. Each school district may incur general obligation debt, without an election and upon such terms and conditions as the General Assembly may prescribe, in an amount not exceeding 8% of the assessed value of all taxable property of such school district.

Bonded indebtedness authorized by a majority vote of the qualified electors of the School District voting in a referendum will not be considered in the computation of the 8% limitation.

General obligations bonds payable at June 30, 2021 are comprised of the following:

Date of Issue	Series	Interest Rates	Payment Dates	Maturity	Original Issue	Outstanding at June 30, 2021
December 1, 2009	2009E	1.05**	Sept./Mar.	2026	\$ 10,000,000	\$ 10,000,000
April 24, 2012	2012B	3.0-5.0*+	Sept./Mar.	2024	16,580,000	5,210,000
November 14, 2013	2013D	2.35***^	March	2028	22,000,000	15,571,000
March 1, 2014	2014B	1.25**	Sept./Mar.	2034	25,000,000	19,155,000
February 19, 2015	2015A	2.0-5.0*-	March	2025	95,945,000	39,780,000
March 31, 2015	2015B	3.5-5.0/	March	2023	62,500,000	54,530,000
December 3, 2015	2015F	0.85^	March	2025	6,788,000	6,775,000
February 2, 2016	2016A	5.0**	March	2024	28,090,000	19,895,000
August 30, 2018	2018B	5.00	March	2022	29,250,000	4,125,000
August 29, 2019	2019B	3.0-5.0	March	2023	19,300,000	5,380,000
April 15, 2020	2020A	3.0-5.0	March	2040	75,000,000	61,000,000
April 21, 2021	2021A	2.0-5.0	April	2041	130,000,000	130,000,000
					<u>\$ 520,453,000</u>	<u>\$ 371,421,000</u>

* Approved in whole or in part by 1995/2000 bond referendum; not subject to assessed value issuance restrictions.

** Approved in whole or in part by 2008 bond referendum; not subject to assessed value issuance restrictions.

+ Includes \$3,840,000 of non-referendum debt.

- Includes \$56,665,000 of non-referendum debt.

/ Includes \$26,545,500 of 2000/1995 of referendum debt and \$32,444,500 of 2006 referendum debt; not subject to assessed value issuance restrictions.

^ General obligation bond direct borrowing.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM LIABILITIES (CONTINUED)

General Obligation Bonds (Continued)

During May 2006, a \$43,660,000 bond referendum was passed. In this referendum, the following facilities were approved: an elementary school, a middle school, land for a high school, and additional funding for the completion of a high school. During December 2007, the School District issued \$43,660,000 in general obligation bonds under the referendum, with an annual interest rate ranging from 4.5% to 6.5%. Debt outstanding at June 30, 2021 against these bonds totaled \$29,991,500.

On April 26, 2008, the voters of Beaufort County approved a \$162,700,000 bond referendum. The bonds paid for the construction of two early childhood centers, two elementary schools, several building additions, land for future schools, and a performing arts center. Debt outstanding at June 30, 2021 against the \$162,700,000 in General Obligation Bonds totaled \$45,321,000.

On November 5, 2019, the voters of Beaufort County approved a \$344,610,000 bond referendum. The first general obligation bond of \$75 million was issued in April 2020 and was used to fund the first year of projects including the expansion of a pre-8 and a high school, as well as renovations of an elementary school. Additionally, safety, security, technology and athletic facilities upgrades were made at multiple schools. Debt outstanding on these bonds at June 30, 2021 totaled \$191,000,000.

The total debt outstanding against the 2000 referendum general obligation bonds, the 1995 referendum general obligation bonds, the 2006 referendum general obligation bonds, and 2008 referendum general obligation bonds, not subject to the 8% limitation, was \$32,190,270 at June 30, 2021. In addition, the 2016 EFC IPRB refunding bonds and the lease acquisition referenced are not subject to the 8% limitation.

The School District issued General Obligation Bonds on August 29, 2019 in the amount of \$19,300,000, maturing in March 2023, bearing interest from 3.0 to 5.0%, to fund construction projects. Debt outstanding at June 30, 2021 against the \$19,300,000 in General Obligation Bonds totaled \$5,380,000.

The annual requirements to amortize the general obligation bonds outstanding at June 30, 2021, including interest payments over the life of the debt are summarized as follows:

Year Ending June 30,	Principal	Premiums	Interest	Total
2022	\$ 45,600,000	\$ 3,792,825	\$ 12,999,114	\$ 62,391,939
2023	35,360,000	3,226,033	11,596,500	50,182,533
2024	30,980,000	2,187,026	9,845,900	43,012,926
2025	8,270,000	1,581,326	8,327,350	18,178,676
2026	18,370,000	1,692,601	7,926,800	27,989,401
2027 – 2031	92,715,000	15,193,387	28,510,550	136,418,937
2032 – 2036	66,280,000	5,372,058	10,826,125	82,478,183
2037 – 2041	51,500,000	1,068,773	3,300,000	55,868,773
Total	<u>\$ 349,075,000</u>	<u>\$ 34,114,029</u>	<u>\$ 93,332,339</u>	<u>\$ 476,521,368</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM LIABILITIES (CONTINUED)

Direct Borrowing and Placement Bonds

IPRB Bonds – The December 1, 2006 IPRB Bonds are not an obligation of the School District; however, as the EFC is blended with the operations of the School District, the debt of the EFC is included with the School District's other obligations as required by accounting principles generally accepted in the United States of America. During the year ended June 30, 2017, the School District advance refunded these IPRB Bonds through the issuance of Series 2016 IPRB Bonds.

The EFC executed a trust agreement in connection with the IPRB Bonds and established several accounts as follows. Because these bonds were advance refunded during the year ended June 30, 2017, these accounts were liquidated as part of the advance refunding and deposited. These accounts established by the trust agreement were in compliance with the agreement.

The IPRB Bonds were issued pursuant to a Facilities Agreement between the School District and the EFC and evidence proportionate interests of the owners in certain rental payments be made by the School District under the terms of a Base Lease Agreement between the School District and the EFC. These agreements were authorized by the Board of Education of the School District on December 5, 2006. The School District will purchase the facilities from the EFC pursuant to the Facilities Agreement, which will obligate the School District to make installment payments of purchase price (lease rental payments) to the EFC in amounts calculated to be sufficient to enable the EFC to pay the principal and interest on the outstanding bonds. The refunding bonds bear interest at 1.9% to 3.3% and are payable in December of each year, maturing in 2028.

The School District's obligations under the Facilities Agreement are from year to year only and do not constitute a mandatory payment obligation of the School District in any fiscal year in which funds are not appropriated by the School District to pay the installment payments of purchase price due in such fiscal year. However, the School District would forfeit possession of the facilities for the remainder of the term of the lease if they were to not pay the installment payments.

Advance Refunding of IPRB Bonds – The School District issued \$29,050,000 in IPRB bonds, series 2016, with an average coupon rate of 3.07%. The proceeds, along with EFC cash totaling \$2,888,013, were used to advance refund \$30,585,000 of outstanding 2006 IPRB bonds which had interest rates ranging from 4.0% to 5.0%. Total costs to issue the 2016 IPRB Bonds totaled \$642,668. The net proceeds of \$31,295,345 were deposited in an irrevocable trust with an escrow agent to provide funds for the future debt service payment on the refunded bonds. As a result, \$30,585,000 of the 2006 IPRB Bonds are considered defeased and the liability for those bonds has been removed from the Statement of Net Position.

The acquisition price exceeded the net carrying amount of the previous debt by \$731,908. The School District refunded the bonds to reduce its total debt service payments over 16 years by approximately \$5,200,000 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of approximately \$3,500,000.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM LIABILITIES (CONTINUED)

Direct Borrowing and Placement Bonds (Continued)

Acquisition Note Payable – The School District entered into an Acquisition, Use and Security Agreement to acquire school buses on July 1, 2017 at a cost of \$3,500,000, bearing interest at 1.32%. The School District is required to make five annual payments on this note payable beginning December 1, 2016. The balance on this note was \$722,600 as of June 30, 2021. A first priority lien and security interest in any and all of the School District's right, title and interest in and to the Acquisition Fund, the Equipment, all additions, attachments, accessions, substitutions and replacements thereto, and any and all proceeds thereof, including without limitation, any proceeds of insurance thereon. Upon the payment of each Acquisition Payment, unencumbered title to a portion of the Equipment vests with the School District such that the lien on that Equipment is released.

The annual requirements to amortize the direct borrowing/ direct placement general obligation bonds outstanding at June 30, 2021, including interest payments over the life of the debt are summarized as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 639,000	\$ 423,506	\$ 1,062,506
2023	657,000	408,490	1,065,490
2024	2,624,000	393,050	3,017,050
2025	10,382,000	331,386	10,713,386
2026	343,000	189,034	532,034
2027 – 2031	7,701,000	272,482	7,973,482
Total	<u>\$ 22,346,000</u>	<u>\$ 2,017,948</u>	<u>\$ 24,363,948</u>

The annual requirements to amortize the direct borrowing/ direct placement IPRB bonds outstanding at June 30, 2021, including interest payments over the life of the debt are summarized as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 2,150,000	\$ 568,327	\$ 2,718,327
2023	2,210,000	506,284	2,716,284
2024	2,275,000	439,551	2,714,551
2025	2,345,000	368,502	2,713,502
2026	2,415,000	293,280	2,708,280
2027 – 2031	7,730,000	389,452	8,119,452
Total	<u>\$ 19,125,000</u>	<u>\$ 2,565,396</u>	<u>\$ 21,690,396</u>

Repayment of the general obligation bonds is funded by the School District Debt Service Fund, while repayment of the IPRB bonds is funded by the EFC Debt Service Fund.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. SHORT-TERM OBLIGATIONS

The School District's short-term obligations for the year ended June 30, 2021 consisted of the following activity:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
Governmental activities:				
General obligation bonds	\$ -	\$ 9,989,000	\$ (9,690,000)	\$ 299,000
Tax anticipation note	-	94,300,000	(94,300,000)	-
Unamortized bond premiums	-	958,023	(958,023)	-
Governmental activities:				
Short-term liabilities	<u>\$ -</u>	<u>\$ 105,247,023</u>	<u>\$ (104,948,023)</u>	<u>\$ 299,000</u>

The School District issued General Obligation Bonds through First Citizens Bank on September 10,

2020 in the amount of \$9,690,000, bearing interest at 0.74%, for the purpose of making payments to the EFC. The School District repaid the bonds, including interest of approximately \$34,060, in March 2021.

The School District issued general obligation bonds through SCAGO on May 13, 2021 in the amount of \$299,000, maturing in March 2022, bearing interest at 3.00%, for the purpose of making payments to EFC. Debt outstanding at June 30, 2021 against the General Obligation Bonds was \$299,000.

The School District issued a Tax Anticipation Note on September 29, 2020 in the amount of \$14,300,000, maturing in June 2021, bearing interest at 4.0%, to fund operations. The School District repaid the note, including interest of approximately \$311,000, in April 2021.

The School District issued a Tax Anticipation Note on February 4, 2021 in the amount of \$80,000,000, maturing in April 2021, bearing interest at 3.0%, to fund operations. The School District repaid the note, including interest of approximately \$973,000, in June 2021.

None of the School District's short-term obligations were direct issuances of the School District, and no unusual events of default or termination exist for these debt issuances. General Obligation Bonds are direct obligations and pledge the full faith and credit of the School District.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. INTERFUND TRANSFERS

Transfers from (to) other funds for the year ended June 30, 2021 consisted of the following:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 8,210,946	\$ 111,287
Special Projects Fund	1,287	545,632
Education Improvement Act Fund	-	7,093,007
COVID Related Fund	-	485,926
Debt Service - District	-	9,257,126
Capital Projects Fund	6,531,780	-
Nonmajor governmental fund	2,725,346	-
Total governmental funds	<u>17,469,359</u>	<u>17,492,978</u>
Food Service Fund	110,000	86,381
Total proprietary funds	<u>110,000</u>	<u>86,381</u>
Total	<u>\$ 17,579,359</u>	<u>\$ 17,579,359</u>

Transfers are used: 1) to move revenues from the fund that a statute or budget requires to collect them to the fund that a statute or budget requires to expend them, and 2) to use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Transfers out of the Education Improvement Act and Special Projects Fund to the General Fund are to cover allowable salaries paid out of the General Fund. Transfers out of the School Food Service Fund to the General Fund are to cover indirect costs.

Transfers out of the Debt Service Fund – School District to the Debt Service Fund – EFC are to make interest and principal payments on the Installment Purchase Revenue Bonds with proceeds from short-term borrowings.

NOTES TO FINANCIAL STATEMENTS

NOTE 10. INTERFUND RECEIVABLES AND PAYABLES

Interfund balances at June 30, 2021 consisted of the following individual fund receivables and payables:

<u>Fund</u>	<u>Receivables</u>	<u>Payables</u>
General Fund	\$ -	\$ 44,704
Education Improvement Act Fund	-	210
Pupil Activity Fund	5,965	2,258
Capital Projects	-	4,058
Total governmental funds	<u>5,965</u>	<u>51,230</u>
Food Service Fund	<u>45,265</u>	<u>-</u>
Total proprietary funds	<u>45,265</u>	<u>-</u>
Total	<u>\$ 51,230</u>	<u>\$ 51,230</u>

NOTE 11. FUND BALANCES AND NET POSITION

The fund balances/net position have been classified to reflect the limitations and restrictions placed on the respective funds as follows:

Governmental fund financial statements

Fund balance – Non-spendable – balances that by their nature are unable to be spent.

Fund balances – Restricted – balances that can only be spent for the specific purpose stipulated by a constitution, external resources providers, or through enabling legislation.

Fund balances – Committed – balances that can only be used for the specific purpose determined by the Board. The Board, as the School District's highest level of decision making authority, may commit fund balances by a formal vote prior to the School District's fiscal year-end for that fiscal year. Further modification or rescission of committed funds must also be accomplished by a formal vote of the Board prior to fiscal year-end.

Fund balances – Assigned – balances classified as assigned are intended to be used by the government for specific purposes, but do not meet the criteria to be classified as committed. Intent can be expressed by the Board or an official or body to which the Board delegates the authority. As of June 30, 2021, no such delegation of authority has been made.

NOTES TO FINANCIAL STATEMENTS

NOTE 11. FUND BALANCES AND NET POSITION (CONTINUED)

Governmental fund financial statements (Continued)

Fund balances – Unassigned – balances that are spendable amounts not contained in other classifications. The General Fund is the only fund that reports a positive unassigned fund balance. In governmental funds other than the General Fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

Government-wide and proprietary fund financial statements

Net investment in capital assets – represents the net cost of capital assets less accumulated depreciation and outstanding debt less unexpended proceeds attributable to the investment in capital assets. To the extent debt has been incurred, but not yet expended for capital assets, such amounts are not included as a component of net investment in capital assets. Detail of net investment in capital assets is as follows:

Fund	Governmental Activities
Capital assets, net of accumulated depreciation	\$ 565,978,906
Unspent bond proceeds	173,634,329
Deferred charge on refunding	3,390,464
Accounts and retainages payable	(1,042,661)
Bonds payable	(390,546,000)
Acquisition note payable	(722,600)
Unamortized bond premiums	(34,114,029)
Total net investment in capital assets	<u>\$ 316,578,409</u>

Restricted net position – represents net position restricted externally by creditors, grantors, contributors or laws and regulations of other governments; or restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position – represents the remainder of the School District's net position in government-wide and business-type activities.

NOTES TO FINANCIAL STATEMENTS

NOTE 11. FUND BALANCES AND NET POSITION (CONTINUED)

Government-wide and proprietary fund financial statements (Continued)

Fund balances of the governmental-fund financial statements are as follows:

	General	Special Projects	Education Improvement Act	Pupil Activity Fund	School Debt Service - District	Capital Projects	EFC Debt Service	Total
Nonspendable:								
Prepaid items	\$ 2,535,260	\$ 440,069	\$ 1,592	\$ 2,042	\$ -	\$ -	\$ -	\$ 2,978,963
Restricted for:								
Capital projects	-	-	-	-	-	180,211,412	-	180,211,412
Debt service	-	-	-	-	19,926,924	-	30,766	19,957,690
Student activities	-	-	3,025	2,823,820	-	-	-	2,826,845
Unassigned	48,015,034	(440,069)	(4,617)	-	-	-	-	47,570,348
	<u>\$ 50,550,294</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,825,862</u>	<u>\$ 19,926,924</u>	<u>\$ 180,211,412</u>	<u>\$ 30,766</u>	<u>\$ 253,545,258</u>

NOTE 12. FOOD SERVICE

Federal Guidelines

The School District's Food Service Fund administers the lunch programs in accordance with the United States Department of Agriculture ("USDA") guidelines. Revenues are provided from USDA reimbursements and cash collections. The meals served to pupils are classified as regular, reduced, or free by the Food Service Program. The type of meal served and classification of students determines the amount of reimbursement from the USDA. Reimbursements may be in the form of cash or commodities. The food service expenditures are inclusive of \$925,474 of commodities provided and consumed during the year ended June 30, 2021.

Administrative Costs

The General Fund performs certain administrative functions and pays for certain costs of the Food Service Fund. The School District's accounting policies for food service operations reflect these expenditures in the General Fund.

NOTES TO FINANCIAL STATEMENTS

NOTE 13. RETIREMENT PLAN

South Carolina Retirement System

Description of the Entity

The South Carolina Public Employee Benefit Authority ("PEBA"), created July 1, 2012, is the state agency responsible for the administration and management of the various Retirement Systems ("Systems") and retirement programs of the state of South Carolina, including the State Optional Retirement Program and the South Carolina Deferred Compensation Program, as well as the state's employee insurance programs. As such, PEBA is responsible for administering the South Carolina Retirement Systems' ("SCRS") five defined benefit pension plans. PEBA has an 11-member Board of Directors, appointed by the Governor and General Assembly leadership, which serves as custodian, co-trustee and co-fiduciary of the Systems and the assets of the retirement trust funds. The Retirement System Investment Commission ("RSIC") (Commission as the governing body, RSIC as the agency), created by the General Assembly in 2005, has exclusive authority to invest and manage the retirement trust funds' assets. The Commission, an eight-member board, serves as co-trustee and co-fiduciary for the assets of the retirement trust funds. By law, the State Fiscal Accountability Authority ("SFAA"), which consists of five elected officials, also reviews certain PEBA Board decisions regarding the actuary of the Systems.

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

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

Plan Descriptions

The SCRS, a cost-sharing multiple-employer defined benefit pension plan, was established July 1, 1945, pursuant to the provisions of Section 9-1-20 of the South Carolina Code of Laws for the purpose of providing retirement and other benefits for teachers and employees of the state and its political subdivisions. SCRS covers employees of state agencies, public school districts, higher education institutions, other participating local subdivisions of government and individuals newly elected to the South Carolina General Assembly at or after the 2012 general election.

NOTES TO FINANCIAL STATEMENTS

NOTE 13. RETIREMENT PLAN (CONTINUED)

South Carolina Retirement System (Continued)

Plan Descriptions (Continued)

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

Membership

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

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

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

Benefits

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

NOTES TO FINANCIAL STATEMENTS

NOTE 13. RETIREMENT PLAN (CONTINUED)

South Carolina Retirement System (Continued)

Benefits (Continued)

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

The annual retirement allowance of eligible retirees or their surviving annuitants is increased by the lesser of 1% or \$500 every July 1. Only those annuitants in receipt of a benefit on July 1 of the preceding year are eligible to receive the increase. Members who retire under the early retirement provisions at age 55 with 25 years of service are not eligible for the benefit adjustment until the second July 1 after reaching age 60 or the second July 1 after the date they would have had 28 years of service credit had they not retired.

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

The retirement allowance of eligible retirees or their surviving annuitants is increased by the lesser of 1% or \$500 every July 1. Only those annuitants in receipt of a benefit on July 1 of the preceding year are eligible to receive the increase.

NOTES TO FINANCIAL STATEMENTS

NOTE 13. RETIREMENT PLAN (CONTINUED)

South Carolina Retirement System (Continued)

Contributions

Actuarial valuations are performed annually by an external consulting actuary to ensure applicable contribution rates satisfy the funding parameters specified in Title 9 of the South Carolina Code of Laws. Under these provisions, SCRS and PORS contribution requirements must be sufficient to maintain an amortization period for the financing of the unfunded actuarial accrued liability ("UAAL") over a period that does not exceed the number of years scheduled in state statute.

Legislation in 2017 increased, but also established a ceiling for SCRS and PORS employee contribution rates. Effective July 1, 2017, employee rates were increased to a capped rate of 9.00% for SCRS and 9.75% for PORS. The legislation also increased employer contribution rates beginning July 1, 2017 for both SCRS and PORS by two percentage points and further scheduled employer contribution rates to increase by a minimum of one percentage point each year through July 1, 2022. If the scheduled contributions are not sufficient to meet the funding periods set in state statute, the Board shall increase the employer contribution rates as necessary to meet the funding periods set for the applicable year. The maximum funding period of SCRS and PORS is scheduled to be reduced over a ten-year schedule from 30 years beginning fiscal year 2018 to 20 years by fiscal year 2028.

Additionally, the Board is prohibited from decreasing the SCRS and PORS contribution rates until the funded ratio is at least 85%. If the most recent annual actuarial valuation of the Systems for funding purposes shows a ratio of the actuarial value of System assets to the actuarial accrued liability of the System (the funded ratio) that is equal to or greater than 85%, then the Board, effective on the following July 1st, may decrease the then current contribution rates upon making a finding that the decrease will not result in a funded ratio of less than 85%. If contribution rates are decreased pursuant to this provision, and the most recent annual actuarial valuation of the System shows a funded ratio of less than 85%, then effective on the following July 1st, and annually thereafter as necessary, the Board shall increase the then current contribution rates until a subsequent annual actuarial valuation of the System shows a funded ratio that is equal to or greater than 85%.

NOTES TO FINANCIAL STATEMENTS

NOTE 13. RETIREMENT PLAN (CONTINUED)

South Carolina Retirement System (Continued)

Contributions (Continued)

Required employee contribution rates are as follows:

	South Carolina Retirement System	
	Fiscal Year 2021	Fiscal Year 2020
SCRS		
Employee Class Two	9.00%	9.00%
Employee Class Three	9.00%	9.00%
PORS		
Employee Class Two	9.75%	9.75%
Employee Class Three	9.75%	9.75%

Required employer contribution rates are as follows:

	South Carolina Retirement System	
	Fiscal Year 2021	Fiscal Year 2020
SCRS		
Employer Class Two	15.41%	15.41%
Employer Class Three	15.41%	15.41%
Employer incidental death benefit	0.15%	0.15%
PORS		
Employer Class Two	17.84%	17.84%
Employer Class Three	17.84%	17.84%
Employer incidental death benefit	0.20%	0.20%
Employer accidental death program	0.20%	0.20%

Actuarial Assumptions and Methods

Actuarial valuations of the plan involve estimates of the reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and future salary increases. Amounts determined regarding the net pension liability are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. South Carolina state statute requires that an actuarial experience study be completed at least once in each five-year period. An experience report on the Systems was most recently issued for the period ended June 30, 2019 for first use in the July 1, 2021 actuarial valuation.

NOTES TO FINANCIAL STATEMENTS

NOTE 13. RETIREMENT PLAN (CONTINUED)

South Carolina Retirement System (Continued)

Actuarial Assumptions and Methods (Continued)

The June 30, 2019, total pension liability ("TPL"), net pension liability ("NPL"), and sensitivity information shown in this report were determined by our consulting actuary, Gabriel, Roeder, Smith and Company ("GRS") and are based on an actuarial valuation performed as of July 1, 2019. The total pension liability was rolled-forward from the valuation date to the plans' fiscal year-end, June 30, 2020, using generally accepted actuarial principles.

The following table provides a summary of the actuarial assumptions and methods used to calculate the TPL as of June 30, 2020.

	SCRS	PORS
	Entry Age	Entry Age
Actuarial cost method		
Actuarial assumptions:		
Investment rate of return	7.25%	7.25%
Projected salary increases	3.0% to 12.5% (varies by service)	3.5% to 9.5% (varies by service)
Includes inflation at	2.25%	2.25%
Benefit adjustments	lesser of 1% or \$500	lesser of 1% or \$500

The post-retiree mortality assumption is dependent upon the member's job category and gender. The base mortality assumption, the 2016 Public Retirees of South Carolina Mortality table (2016 PRSC), was developed using the Systems' mortality experience. These base rates are adjusted for future improvement in mortality using published Scale AA projected from the year 2016.

Assumptions used in the determination of the June 30, 2020, TPL are as follows:

Former Job Class	Males	Females
Educators	2016 PRSC Males multiplied by 92%	2016 PRSC Females multiplied by 98%
Public Safety and Firefighters	2016 PRSC Males multiplied by 125%	2016 PRSC Females multiplied by 111%
General Employees	2016 PRSC Males multiplied by 100%	2016 PRSC Females multiplied by 111%

NOTES TO FINANCIAL STATEMENTS

NOTE 13. RETIREMENT PLAN (CONTINUED)

South Carolina Retirement System (Continued)

Net Pension Liability

The NPL is calculated separately for each System and represents that particular System's TPL determined in accordance with GASB No. 67 less that System's fiduciary net position. NPL totals, as of June 30, 2020, for SCRS and PORS are presented below.

	SCRS	PORS
Total pension liability	\$ 611,461,756	\$ 29,369
Plan fiduciary net position	310,098,456	17,264
Employer's net pension liability	<u>\$ 301,363,300</u>	<u>\$ 12,105</u>
Plan fiduciary net position as a percentage of the total pension liability	50.7%	58.8%
School District's proportionate share of the collective net pension liability	1.179422%	0.000365%

The TPL is calculated by the Systems' actuary, and each plan's fiduciary net position is reported in the Systems' financial statements. The NPL is disclosed in accordance with the requirements of GASB 67 in the Systems' notes to the financial statements and required supplementary information. Liability calculations performed by the Systems' actuary for the purpose of satisfying the requirements of GASB Nos. 67 and 68 are not applicable for other purposes, such as determining the plans' funding requirements.

Long-term Expected Rate of Return

The long-term expected rate of return on pension plan investments for actuarial purposes is based upon the 30-year capital market assumptions. The actuarial long-term expected rates of return represent assumptions developed using an arithmetic building block approach primarily based on consensus expectations and market based inputs. Expected returns are net of investment fees.

The expected real rates of investment return, along with the expected inflation rate, form the basis for the target asset allocation adopted at the beginning of the 2020 fiscal year of the Systems. For actuarial purposes, the long-term expected rate of return is calculated by weighting the expected future real rates of return by the target allocation percentage and then adding the actuarial expected inflation, which is summarized in the table on the following page. For actuarial purposes, the 7.25% assumed annual investment rate of return used in the calculation of the total pension liability includes a 5% real rate of return and a 2.25% inflation component.

NOTES TO FINANCIAL STATEMENTS

NOTE 13. RETIREMENT PLAN (CONTINUED)

South Carolina Retirement System (Continued)

Long-term Expected Rate of Return (Continued)

Asset Class	Target Asset Allocation	Expected Arithmetic Real Rate of Return	Long-term Expected Portfolio Real Rate of Return
Global equity	51.0%		
Global public equity	35.0%	7.81%	2.73%
Private equity	9.0%	8.91%	0.80%
Equity options securities	7.0%	5.09%	0.36%
Real assets	12.0%		
Real estate (private)	8.0%	5.55%	0.44%
Real estate (REITs)	1.0%	7.78%	0.08%
Infrastructure (Private)	2.0%	4.88%	0.10%
Infrastructure (Public)	1.0%	7.05%	0.07%
Opportunistic	8.0%		
Global Tactical Asset Allocation	7.0%	3.56%	0.25%
Other opportunistic strategies	1.0%	4.41%	0.04%
Credit	15.0%		
Mixed credit	4.0%	4.21%	0.17%
Emerging markets	4.0%	3.44%	0.14%
Private debt	7.0%	5.79%	0.40%
Rate sensitive	14.0%		
Core fixed income	13.0%	1.60%	0.21%
Cash and short duration (net)	1.0%	0.56%	0.01%
	<u>100%</u>		
		Total expected real return	5.80%
		Inflation for actuarial purposes	2.25%
		Total expected nominal return	<u>8.05%</u>

Discount Rate

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers in SCRS and PORS will be made based on the actuarially determined rates based on provisions in the South Carolina State Code of Laws. Based on those assumptions, each System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

NOTES TO FINANCIAL STATEMENTS

NOTE 13. RETIREMENT PLAN (CONTINUED)

South Carolina Retirement System (Continued)

Sensitivity Analysis

The following table presents the School District's net pension liability calculated using the discount rate of 7.25%, as well as what the School District's net pension liability would be if it were calculated using the discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate.

<u>South Carolina Retirement System</u>		
Sensitivity of the Net Position Liability to Changes in the Discount Rate		
1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
\$ 373,502,716	\$ 301,363,300	\$ 241,125,809
16,024	12,105	8,957

Additional Financial and Actuarial Information

Information contained in these Notes to the Schedules of Employer and Non-employer Allocations and Schedules of Pension Amounts Employer ("Schedules") was compiled from the Systems' audited financial statements for the fiscal year ended June 30, 2020, and the accounting valuation report as of June 30, 2020. Additional financial information supporting the preparation of the Schedules (including the unmodified audit opinion on the financial statements and required supplementary information) is available in the Systems' Annual Comprehensive Financial Report.

NOTES TO FINANCIAL STATEMENTS

NOTE 13. RETIREMENT PLAN (CONTINUED)

South Carolina Retirement System (Continued)

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

For the year ended June 30, 2021, the School District's pension expense was \$35,126,093 and \$26,651 for SCRS and PORS, respectively. At June 30, 2021, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
SCRS		
Differences between expected and actual experience	\$ 3,477,333	\$ 1,139,583
Changes of assumptions	369,219	-
Net difference between projected and actual earnings on pension plan investments	22,167,796	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	189,337	297,769
Employer contributions subsequent to the measurement date	18,420,536	-
Total	<u>\$ 44,624,221</u>	<u>\$ 1,437,352</u>
PORS		
Differences between expected and actual experience	\$ 257	\$ 54
Changes of assumptions	148	-
Net difference between projected and actual earnings on pension plan investments	1,239	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	4,927	54,873
Employer contributions subsequent to the measurement date	747	-
Total	<u>\$ 7,318</u>	<u>\$ 54,927</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 13. RETIREMENT PLAN (CONTINUED)

South Carolina Retirement System (Continued)

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

District contributions subsequent of the measurement date of \$18,420,536 and \$747 reported as deferred outflow of resources for the SCRS and PORS, respectively, will be recognized as a reduction of the net pension liability in the year ending June 30, 2022.

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

<u>Year ending June 30,</u>	<u>SCRS</u>	<u>PORS</u>
2022	\$ 4,474,857	\$ (28,005)
2023	6,977,888	(17,801)
2024	7,656,847	(2,670)
2025	5,656,741	120
Total	<u>\$ 24,766,333</u>	<u>\$ (48,356)</u>

NOTE 14. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS

Overview

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

The governing board of PEBA is a board of 11 members. The membership composition is three members appointed by the Governor, two members appointed by the President Pro Tempore of the Senate, two members appointed by the Chairman of the Senate Finance Committee, two members appointed by the Speaker of the House of Representatives and two members appointed by the Chairman of the House Ways and Means Committee. Individuals appointed to the PEBA Board must possess certain qualifications. Members of the PEBA Board serve for terms of two years and until their successors are appointed and qualify. Terms commence on July 1st of even numbered years. The PEBA Board appoints the Executive Director. The laws of the State and the policies and procedures specified by the State for State agencies are applicable to all activities of PEBA. By law, the State Fiscal Accountability Authority ("SFAA"), which consists of five elected officials, also reviews certain PEBA Board decisions in administering the State Health Plan and other post-employment benefits ("OPEB").

NOTES TO FINANCIAL STATEMENTS

NOTE 14. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Plan Description

The Other Post-Employment Benefits Trust Funds ("OPEB Trusts"), collectively refers to the South Carolina Retiree Health Insurance Trust Fund ("SCRHITF") was established by the State of South Carolina as Act 195, which became effective in May 2008. The SCRHITF was created to fund and account for the employer costs of the State's retiree health and dental plans.

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

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

Benefits

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

Contributions and Funding Policies

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

NOTES TO FINANCIAL STATEMENTS

NOTE 14. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Contributions and Funding Policies (Continued)

The SCRHITF is funded through participating employers that are mandated by State statute to contribute at a rate assessed each year by the Department of Administration Executive Budget Office on active employee covered payroll. The covered payroll surcharge for the year ended June 30, 2020 was 6.25%. The SCRS collects the monthly covered payroll surcharge for all participating employers and remits it directly to the SCRHITF. Other sources of funding for the SCRHITF also include the implicit subsidy, or age-related subsidy inherent in the healthcare premiums structure. The implicit subsidy represents a portion of the health care expenditures paid on behalf of the employer's active employees. For purposes of GASB Statement No. 75, this expenditure on behalf of the active employee is reclassified as a retiree health care expenditure so that the employer's contributions towards the plan reflect the underlying age-adjusted, retiree benefit costs. Non-employer contributions include the mandatory transfer of accumulated PEBA – Insurance Benefits' reserves and the annual appropriation budgeted by the General Assembly. It is also funded through investment income.

The allocation percentage of the OPEB amounts are calculated differently for each OPEB Trust. For the SCRHITF, the allocation percentage is based on the covered payroll surcharge contribution for each employer. Please note that actual covered payroll contributions received from SCRS for the fiscal year 2019 totaled \$578,838,884. However, the covered payroll contributions total includes prior year covered payroll contribution adjustments and true-ups that net to a total of \$2,724,225.

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

For purposes of measuring the net OPEB liability, deferred outflows and inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the OPEB Trusts, and additions to and deductions from the OPEB Trusts fiduciary net position have been determined on the same basis as they were reported by the OPEB Trusts. For this purpose, revenues are recognized when earned and expenses are recognized when incurred. Therefore, benefit and administrative expenses are recognized when due and payable. Investments are reported at fair value.

NOTES TO FINANCIAL STATEMENTS

NOTE 14. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Contributions and Funding Policies (Continued)

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

Actuarial Assumptions and Methods

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

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

Additional information as of the latest actuarial valuation for SCRHITF:

Valuation Date:	June 30, 2019
Actuarial Cost Method:	Entry Age Normal
Inflation:	2.25%
Investment Rate of Return:	2.75%, net of OPEB Plan investment expense; including inflation
Single Discount Rate:	2.45% as of June 30, 2020
Demographic Assumptions:	Based on the experience study performed for the South Carolina Retirement Systems for the five-year period ended June 30, 2015.
Mortality:	For healthy retirees, the 2016 Public Retirees of South Carolina Mortality Table for Males and the 2016 Public Retirees of South Carolina Mortality Table for Females are used with fully generational mortality projections based on Scale AA from the year 2016. Multipliers are applied to the base tables based on gender and employment type.
Healthcare Trend Rate:	Initial trend starting at 6.40% and gradually decreasing to an ultimate trend rate of 4.00% over a period of 15 years.

NOTES TO FINANCIAL STATEMENTS

NOTE 14. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Actuarial Assumptions and Methods (Continued)

Retiree Participation: 79% for retirees who are eligible for funded premiums, 59% for retirees who are eligible for partial funded premiums, 20% for retirees who are eligible for non-funded premiums.

Notes: The discount rate changed from 3.13% as of June 30, 2019 to 2.45% as of June 30, 2020; updates were also made to the healthcare trend rate assumption, including an adjustment to reflect the repeal of the "Cadillac Tax".

Roll Forward Disclosure

The actuarial valuation was performed as of June 30, 2019. Update procedures were used to roll forward the total OPEB liability to June 30, 2020 (measurement date used for the School District's reporting as of June 30, 2021).

Net OPEB Liability

The Net OPEB Liability ("NOL") is calculated separately for each OPEB Trust Fund and represents that particular Trust's Total OPEB Liability ("TOL") determined in accordance with GASB No. 74 less that Trust's fiduciary net position. The allocation of each employer's proportionate share of the collective Net OPEB Liability and collective OPEB Expense was determined using the employer's payroll-related contributions over the measurement period. This method is expected to be reflective of the employer's long-term contribution effort as well as be transparent to individual employers and their external auditors.

At June 30, 2021, the School District reported a liability for its proportionate share of the net OPEB liability of \$272,105,338. The net OPEB liability was measured as of June 30, 2020. The School District's proportion of the net OPEB liability was based on contributions to SCRHITF during the fiscal year ended June 30, 2020. At June 30, 2020, the School District's proportion of the total net OPEB liability was 1.507388%, which was an increase of 0.005020% from its proportion measured as of June 30, 2019.

Single Discount Rate

The Single Discount Rate of 2.45% was used to measure the total OPEB liability for the SCRHITF. The accounting policy for this plan is to set the Single Discount Rate equal to the prevailing municipal bond rate. Due to the plan's investment and funding policies, the difference between a blended discount rate and the municipal bond rate would be less than several basis points (several hundredths of one percent).

NOTES TO FINANCIAL STATEMENTS

NOTE 14. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Long-term Expected Rate of Return

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

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Expected Arithmetic Real Rate of Return</u>	<u>Weighted Long-Term Expected Real Rate of Return</u>
U.S. Domestic Fixed Income	80.00%	0.60%	0.48%
Cash	20.00%	0.35%	0.07%
Total	<u>100.00%</u>		<u>0.55%</u>
Total expected weighted real return			0.55%
Inflation for actuarial purposes			2.25%
Total expected nominal return			<u><u>2.80%</u></u>
Investment return assumption			<u><u>2.75%</u></u>

Sensitivity Analysis

The following table presents the SCRHITF's net OPEB liability calculated using a Single Discount Rate of 2.45%, as well as what the plan's net OPEB liability would be if it were calculated using a Single Discount Rate that is 1-percentage-point lower (1.45%) or 1-percentage-point higher (3.45%):

<u>South Carolina Retiree Health Insurance Plan</u>			
Sensitivity of the Net OPEB Liability to Changes in the Discount Rate			
Fiscal Year	1% Decrease (1.45%)	Current Discount Rate (2.45%)	1% Increase (3.45%)
2021	\$ 324,676,288	\$ 272,105,338	\$ 230,097,218

NOTES TO FINANCIAL STATEMENTS

NOTE 14. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Sensitivity Analysis (Continued)

Regarding the sensitivity of the SCRHITF's net OPEB liability to changes in the healthcare cost trend rates, the following table presents the plan's net OPEB liability, calculated using the assumed trend rates as well as what the plan's net OPEB liability would be if were calculated using a trend rate that is 1-percentage-point lower or 1-percentage-point higher:

South Carolina Retiree Health Insurance Plan

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate

Fiscal Year	1% Decrease	Current Healthcare Cost Trend Rates	1% Increase
2021	\$ 220,243,153	\$ 272,105,338	\$ 340,215,313

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

For the year ended June 30, 2021, the School District recognized OPEB expense of \$20,917,030. At June 30, 2021, the School District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

SCRHITF	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 7,782,461	\$ 6,196,813
Changes of assumptions	40,492,670	10,836,625
Net difference between projected and actual earnings on pension plan investments	-	634,674
Changes in proportion and differences between employer contributions and proportionate share of contributions	1,902,060	575,221
Employer contributions subsequent to the measurement date	8,789,059	-
Total	<u>\$ 58,966,250</u>	<u>\$ 18,243,333</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 14. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Deferred Outflows of Resources and Deferred Inflows of Resources and OPEB Expense (Continued)

School District contributions subsequent to the measurement date of \$8,789,059 will be recognized as a reduction of the net OPEB liability in the next fiscal year.

As of June 30, 2021, other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

SCRHITF	
Year ending June 30,	
2022	\$ 4,108,049
2023	4,020,342
2024	3,881,360
2025	6,293,032
2026	7,101,597
Thereafter	6,529,478
	<u>\$ 31,933,858</u>

NOTE 15. DEFERRED COMPENSATION PLAN

School District employees may participate in the 457 and/or 401(k) deferred compensation plans available to state and local governmental employees through the state public employee retirement system. These programs are administered by a state approved nongovernmental third party. Contributions by School District employees under the 457 and 401(k) programs totaled \$363,992 for the year ended June 30, 2021.

Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, disability, death, or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, are held in trust for the contributing employee and are not subject to the claims of the School District's general creditors. The plan is administered by the State of South Carolina.

NOTES TO FINANCIAL STATEMENTS

NOTE 16. RISK MANAGEMENT

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which the School District carries commercial insurance. During the year ended June 30, 2021, the School District obtained its general liability and property insurance through the South Carolina School Boards Insurance Trust (the "Trust") which represents the majority of South Carolina school districts joined together in a public entity risk pool. The School District pays an annual premium to the Trust for its general liability and property insurance. The agreement for formation of the Trust provides that the Trust will be self-sustaining through member premiums.

The School District obtains its employee health and life insurance through the South Carolina State Budget and Control Board's Office of Insurance Services which represents all school agencies and most State agencies in South Carolina joined together in a public entity risk pool. The School District pays a portion of monthly premiums based on each participating employee. Life insurance is also obtained through the South Carolina State Budget and Control Board's Office of Insurance Services and the carrier is Met Life.

The School District is self-insured for Workers' Compensation and Brentwood Services Administrators acts as third party administrator. The School District's risk management activities related to workers' compensation insurance are recorded in the Insurance Reserve Fund (Internal Service Fund).

The School District establishes an estimated liability for workers' compensation claims and judgments based on estimates of the ultimate cost of claims (including future claim adjustment expenses) that have been reported but not settled, and of claims that have been incurred but not reported. The length of time for which such costs must be estimated varies depending on the coverage involved. Estimated amounts of subrogation and reinsurance recoverable on unpaid claims are deducted from the liability for unpaid claims. Because actual claim costs depend on such complex factors as inflation, changes in doctrines of legal liability and damage awards, the process used in computing claim liabilities does not necessarily result in an exact amount. Adjustments to claim liabilities are charged or credited to expense in the period in which they are made.

Claims liability in excess of available financial resources is recorded in the Statement of Net Position as a current liability. The specific stop-loss and aggregate retention provisions for workers' compensation are \$450,000 and \$2,584,759, respectively.

Changes in the balances of liability for claims and judgments during the last two years were as follows:

Year	Beginning of Year Liability	Claims and Changes in Estimates	Claims Paid	End of Year Liability
2020	\$ 358,789	\$ 415,473	\$ (624,956)	\$ 149,306
2021	149,306	416,260	(274,540)	291,026

NOTES TO FINANCIAL STATEMENTS

NOTE 16. RISK MANAGEMENT

Prior to July 1, 1978, school districts in South Carolina were exempt from unemployment taxes. Effective July 1, 1978, school districts were no longer exempted from these taxes. As a result, the School District established a limited risk management program for unemployment compensation. The School District reimburses the South Carolina Department of Employment and Workforce for actual claims paid attributable to service in the employ of the School District. Claims paid during the year ended June 30, 2021 were \$416,260 and were reported in the General Fund. No separate liability for unemployment claims has been established due to the insignificant amounts of the expenditures.

The School District continues to carry commercial insurance for all other risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 17. RELATED PARTY TRANSACTIONS

Related organizations – Beaufort-Jasper Academy for Career Excellence (the “Academy”) is a career center that was created by an agreement between the School District and Jasper County School District dated June 13, 1975, under the provisions of legislation enacted by the General Assembly of the State of South Carolina. The Academy operates as a vocational school for high school students in Beaufort and Jasper counties. The Academy's Board of Directors is comprised of three members from each of the Boards of Education of the respective two School Districts, along with the Superintendent of each School District as ex-officios. Budgetary controls are held by the Board of Education of the respective two School Districts. The agreement states that the responsibility for the Academy's general fund cost of maintenance, support, and operation of the Academy shall be borne jointly and on an enrollment ratio of two to one, respectively. The School District assumes the responsibility for two-thirds of these costs and Jasper County School District assumes the responsibility for one-third of these costs. During the year ended June 30, 2021 the School District's expenses related to this agreement were \$1,838,669 and included in the General Fund instruction (Career and Technology Education) expenditures.

Component unit – Allocated funding from the School District to Riverview Charter School during 2021 amounted to \$7,440,010.

NOTES TO FINANCIAL STATEMENTS

NOTE 18. COMMITMENTS AND CONTINGENCIES

Construction Commitments

The School District has entered into contracts for various construction projects. Outstanding obligations at June 30, 2021 are as follows:

	Contract Amount	Expended as of June 30, 2021	Remaining Contract
Thompson Turner	\$ 24,697,885	\$ 11,856,989	\$ 12,840,896
Contract Construction	14,938,012	4,432,105	10,505,907
Team Craft	258,530	-	258,530
Ce Bourne	634,377	525,867	108,510
H.G. Reynolds	23,741,298	15,295,303	8,445,995
MB Kahn	93,906,694	32,853,882	61,052,812
	<u>\$ 158,176,796</u>	<u>\$ 64,964,146</u>	<u>\$ 93,212,650</u>

Litigation

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

Grants

The School District participates in a number of federally assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives.

NOTES TO FINANCIAL STATEMENTS

NOTE 19. SUBSEQUENT EVENTS

The School District issued a Tax Anticipation Note through South Carolina Association of Governmental Organizations ("SCAGO") on September 15, 2021 in the amount of \$15,000,000, maturing in September 2021, bearing interest at 0.08%, to facilitate operating cash flow needs until the collection of future levied property taxes.

The School District issued General Obligation Bonds through JP Morgan Bank on July 8, 2021 in the amount of \$20,000,000, maturing in March 2025, bearing interest at 1.25-5.00%, for the purpose of making payments to the EFC and various 8% capital projects.

The School District issued General Obligation Bonds through TD Bank on August 24, 2021 in the amount of \$17,200,000, maturing in March 2034, bearing interest at 1.51%, for the purpose of refunding 2014B Bonds.

The School District issued short-term debt through Wells Fargo Bank on September 23, 2021 in the amount of \$3,163,000, maturing in March 2022, bearing interest at 0.087%, for the purpose of funding debt service requirements on the 2016 IPRB and 2016 Bonds.

NOTE 20. RESTATEMENT OF PRIOR YEAR NET POSITION AND FUND BALANCE

In fiscal year 2021, the School District adopted GASB Statement No. 84, *Fiduciary Activities*. This statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on: 1) whether a government is controlling the assets of the fiduciary activity, and 2) the beneficiaries with whom a fiduciary relationship exists. An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements. Governments with activities meeting the criteria should present a statement of fiduciary net position and a statement of changes in fiduciary net position. The School System restated beginning net position and beginning fund balance for the Pupil Activity Fund for the cumulative effect of this accounting change. These changes are in accordance with generally accepted accounting principles.

Fund balance, Pupil Activity Fund, as previously reported	\$ -
Prior Period Adjustment - Implementation of GASB No. 84	3,048,361
Fund balance, Pupil Activity Fund, as restated	<u>\$ 3,048,361</u>
Net Position, Governmental Activities, as previously reported	\$ (109,127,553)
Prior Period Adjustment - Implementation of GASB No. 84	3,048,361
Net Position, Governmental Activities, as restated	<u>\$ (106,079,192)</u>

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REQUIRED SUPPLEMENTARY INFORMATION

BEAUFORT COUNTY SCHOOL DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF THE SCHOOL DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY FOR THE YEAR ENDED JUNE 30,

	2021	2020	2019	2018
SOUTH CAROLINA RETIREMENT SYSTEM				
School District's proportion of the net pension liability	1.17942%	1.18046%	1.17962%	1.18180%
School District's proportionate share of the net pension liability	\$ 301,363,300	\$ 269,548,505	\$ 264,315,046	\$ 266,042,861
School District's covered payroll	\$ 138,943,062	\$ 131,386,738	\$ 128,517,247	\$ 126,181,528
School District's proportionate share of the net pension liability as a percentage of its covered payroll	216.90%	205.16%	205.67%	210.84%
Plan fiduciary net position as a percentage of the total pension liability	50.70%	54.40%	54.10%	53.30%
POLICE OFFICER'S RETIREMENT SYSTEM				
School District's proportion of the net pension liability	0.000365%	0.000541%	0.00205%	0.00635%
School District's proportionate share of the net pension liability	\$ 12,105	\$ 15,502	\$ 58,038	\$ 174,017
School District's covered payroll	\$ 5,514	\$ 7,845	\$ 28,351	\$ 82,048
School District's proportionate share of the net pension liability as a percentage of its covered payroll	219.53%	197.60%	204.71%	212.09%
Plan fiduciary net position as a percentage of the total pension liability	58.80%	62.70%	61.70%	60.90%

NOTE: This Schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the government will present information for those years for which information is available.

2017	2016	2015	2014
1.15049%	1.13980%	1.17216%	1.17216%
\$ 245,743,607	\$ 216,168,376	\$ 201,806,920	\$ 210,243,511
\$ 118,268,860	\$ 113,294,579	\$ 112,911,730	\$ 99,991,462
207.78%	190.80%	178.73%	181.94%
52.91%	57.00%	59.90%	56.39%
0.00452%	0.00581%	0.00544%	N/A
\$ 114,573	\$ 126,629	\$ 104,144	N/A
\$ 57,592	\$ 71,983	\$ 53,518	N/A
198.94%	175.92%	194.60%	N/A
60.44%	64.57%	67.55%	N/A

BEAUFORT COUNTY SCHOOL DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF THE SCHOOL DISTRICT'S CONTRIBUTIONS - PENSIONS FOR THE YEAR ENDED JUNE 30,

	2021	2020	2019	2018
SOUTH CAROLINA RETIREMENT SYSTEM				
Contractually required contribution	\$ 18,420,536	\$ 18,056,976	\$ 16,942,106	\$ 15,370,022
Contributions in relation to the contractually required contribution	(18,420,536)	(18,056,976)	(16,942,106)	(15,370,022)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
School District's covered payroll	\$ 118,383,905	\$ 138,943,062	\$ 131,386,738	\$ 128,517,247
Contributions as a percentage of covered payroll	15.56%	13.00%	12.89%	11.96%
POLICE OFFICER'S RETIREMENT SYSTEM				
Contractually required contribution	\$ 747	\$ 995	\$ 761	\$ 4,012
Contributions in relation to the contractually required contribution	(747)	(995)	(761)	(4,012)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
School District's covered payroll	\$ 4,144	\$ 5,514	\$ 7,845	\$ 28,351
Contributions as a percentage of covered payroll	18.03%	18.04%	9.70%	14.15%

NOTE: This Schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the government will present information for those years for which information is available.

2017	2016	2015	2014
\$ 13,784,757	\$ 12,321,935	\$ 11,648,817	\$ 11,280,173
<u>(13,784,757)</u>	<u>(12,321,935)</u>	<u>(11,648,817)</u>	<u>(11,280,173)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 126,181,528	\$ 118,268,860	\$ 113,294,579	\$ 112,911,730
10.92%	10.42%	10.28%	9.99%
\$ 11,684	\$ 7,913	\$ 9,653	\$ 6,872
<u>(11,684)</u>	<u>(7,913)</u>	<u>(9,653)</u>	<u>(6,872)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 82,048	\$ 57,592	\$ 71,983	\$ 53,518
14.24%	13.74%	13.41%	12.84%

BEAUFORT COUNTY SCHOOL DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF THE SCHOOL DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY FOR THE YEAR ENDED JUNE 30,

SCRHITF	2021	2020	2019	2018	2017
School District's proportion of the net OPEB liability	1.507388%	1.502368%	1.490590%	0.540623%	0.540623%
School District's proportionate share of the net OPEB liability	\$ 272,105,338	227180947	\$ 211,225,322	\$ 202,804,666	\$ 216,636,496
School District's covered payroll	\$ 138,948,576	\$ 131,394,583	\$ 128,545,598	\$ 126,263,576	\$ 118,326,452
School District's proportionate share of the net OPEB liability as a percentage of its covered payroll	195.83%	172.90%	164.32%	160.62%	183.08%
Plan fiduciary net position as a percentage of the total OPEB liability	8.44%	7.91%	7.97%	7.60%	6.62%

NOTE: This Schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the government will present information for those years for which information is available.

BEAUFORT COUNTY SCHOOL DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF THE SCHOOL DISTRICT'S CONTRIBUTIONS - OPEB FOR THE YEAR ENDED JUNE 30,

	2021	2020	2019	2018	2017
SCRHITF					
Contractually required contribution	\$ 8,789,059	\$ 7,750,891	\$ 7,750,891	\$ 6,502,595	\$ 6,729,849
Contributions in relation to the contractually required contribution	<u>(8,789,059)</u>	<u>(7,750,891)</u>	<u>(7,750,891)</u>	<u>(6,502,595)</u>	<u>(6,729,849)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District's covered payroll	\$ 118,388,049	\$ 138,948,576	\$ 131,394,583	\$ 128,545,598	\$ 126,263,576
Contributions as a percentage of covered payroll	7.42%	5.58%	5.90%	5.06%	5.33%

NOTE: This Schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the government will present information for those years for which information is available.

BEAUFORT COUNTY SCHOOL DISTRICT

BUDGETARY COMPARISON SCHEDULE GENERAL FUND FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Local sources	\$ 152,724,188	\$ 152,724,188	\$ 154,943,709	\$ 2,219,521
State sources	93,347,306	93,347,306	94,012,886	665,580
Federal sources	690,000	690,000	922,771	232,771
Total revenues	<u>246,761,494</u>	<u>246,761,494</u>	<u>249,879,366</u>	<u>3,117,872</u>
Expenditures				
Current				
Instruction	154,353,302	154,125,997	152,543,332	1,582,665
Support services	92,981,048	93,208,353	92,166,893	1,041,460
Intergovernmental expenditures				
Payments to other governmental units	6,803,092	6,803,092	7,430,669	(627,577)
Debt service	50,000	50,000	65,640	(15,640)
Total expenditures	<u>254,187,442</u>	<u>254,187,442</u>	<u>252,206,534</u>	<u>1,980,908</u>
Deficiency of revenues under expenditures	<u>(7,425,948)</u>	<u>(7,425,948)</u>	<u>(2,327,168)</u>	<u>5,098,780</u>
Other financing sources (uses)				
Operating transfers in	7,535,948	7,535,948	8,210,946	674,998
Operating transfers out	<u>(110,000)</u>	<u>(110,000)</u>	<u>(111,287)</u>	<u>(1,287)</u>
Total other financing sources, net	<u>7,425,948</u>	<u>7,425,948</u>	<u>8,099,659</u>	<u>673,711</u>
Excess of revenues and other financing sources over expenditures and other financing (uses)	-	-	5,772,491	5,772,491
Fund balances, beginning of year	<u>44,777,803</u>	<u>44,777,803</u>	<u>44,777,803</u>	<u>-</u>
Fund balances, end of year	<u>\$ 44,777,803</u>	<u>\$ 44,777,803</u>	<u>\$ 50,550,294</u>	<u>\$ 5,772,491</u>

NOTE: Accounting principles generally accepted in the United States of America serve as the budgetary basis of accounting.

BEAUFORT COUNTY SCHOOL DISTRICT

BUDGETARY COMPARISON SCHEDULE SPECIAL PROJECTS FUND FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Local sources	\$ 745,849	\$ 1,267,119	\$ 1,007,175	\$ (259,944)
State sources	3,986,133	3,810,314	2,918,656	(891,658)
Federal sources	16,663,564	14,094,588	13,790,582	(304,006)
Total revenues	21,395,546	19,172,021	17,716,413	(1,455,608)
Expenditures				
Current				
Instruction	13,850,333	12,209,275	11,434,617	774,658
Support services	6,312,126	5,704,236	5,037,901	666,335
Community services	353,305	415,763	403,147	12,616
Intergovernmental expenditures				
Payments to other governmental units	80,155	298,402	296,403	1,999
Total expenditures	20,595,919	18,627,676	17,172,068	1,455,608
Excess of revenues over expenditures	799,627	544,345	544,345	-
Other financing sources (uses)				
Operating transfers in	-	1,287	1,287	-
Operating transfers out	(799,627)	(545,632)	(545,632)	-
Total other financing uses	(799,627)	(544,345)	(544,345)	-
Excess of revenues and other financing sources over expenditures and other financing sources (uses)	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	\$ -	\$ -	\$ -	\$ -

NOTE: Accounting principles generally accepted in the United States of America serve as the budgetary basis of accounting.

BEAUFORT COUNTY SCHOOL DISTRICT

BUDGETARY COMPARISON SCHEDULE PUPIL ACTIVITY FUND FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Local sources	\$ -	\$ 3,926,745	1,773,118	\$ (2,153,627)
Total revenues	-	3,926,745	1,773,118	(2,153,627)
Expenditures				
Current				
Instruction	-	2,002,640	1,014,672	987,968
Support services	-	1,924,105	980,945	943,160
Total expenditures	-	3,926,745	1,995,617	1,931,128
Deficiency of revenues under expenditures	-	-	(222,499)	(222,499)
Fund balances, beginning of year	-	-	3,048,361	3,048,361
Fund balances, end of year	\$ -	\$ -	\$ 2,825,862	\$ 2,825,862

NOTE: Accounting principles generally accepted in the United States of America serve as the budgetary basis of accounting.

BEAUFORT COUNTY SCHOOL DISTRICT

BUDGETARY COMPARISON SCHEDULE COVID RELATED FUND FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Local sources	\$ -	\$ -	130,784	\$ 130,784
State sources	-	3,585,531	3,417,211	(168,320)
Federal sources	4,903,078	27,584,859	5,820,514	(21,764,345)
Total revenues	4,903,078	31,170,390	9,368,509	(21,801,881)
Expenditures				
Current				
Instruction	1,173,000	16,482,963	5,676,456	10,806,507
Support services	3,103,954	7,378,365	2,712,598	4,665,767
Community services	349,100	726,383	316,874	409,509
Intergovernmental expenditures				
Payments to other governmental units	277,024	6,582,679	176,655	6,406,024
Total expenditures	4,903,078	31,170,390	8,882,583	22,287,807
Excess of revenues over expenditures	-	-	485,926	485,926
Other financing uses				
Operating transfers out	-	-	(485,926)	(485,926)
Total other financing uses	-	-	(485,926)	(485,926)
Excess of revenues and other financing sources over expenditures and other financing (uses)	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	\$ -	\$ -	\$ -	\$ -

NOTE: Accounting principles generally accepted in the United States of America serve as the budgetary basis of accounting.

BEAUFORT COUNTY SCHOOL DISTRICT

BUDGETARY COMPARISON SCHEDULE EDUCATION IMPROVEMENT ACT FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
State sources	\$ 17,726,343	\$ 17,397,128	\$ 14,571,398	\$ (2,825,730)
Total revenues	17,726,343	17,397,128	14,571,398	(2,825,730)
Expenditures				
Current				
Instruction	8,908,002	8,794,091	6,391,809	2,402,282
Support services	1,723,400	1,373,222	946,749	426,473
Payments to other governmental units	-	136,808	139,833	(3,025)
Total expenditures	10,631,402	10,304,121	7,478,391	2,825,730
Excess of revenues over expenditures	7,094,941	7,093,007	7,093,007	-
Other financing uses				
Operating transfers out	(7,094,941)	(7,093,007)	(7,093,007)	-
Total other financing uses	(7,094,941)	(7,093,007)	(7,093,007)	-
Excess of revenues and other financing sources over expenditures and other financing (uses)	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	\$ -	\$ -	\$ -	\$ -

NOTE: Accounting principles generally accepted in the United States of America serve as the budgetary basis of accounting.

GENERAL FUND

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

BEAUFORT COUNTY SCHOOL DISTRICT

GENERAL FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL FOR THE YEAR ENDED JUNE 30, 2021

		Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues					
1000	Revenue from local sources				
1200	Revenue from local governmental units other than LEAs				
1210	Ad valorem taxes-including delinquent	\$ 150,805,688	\$ 150,805,688	\$ 153,137,592	\$ 2,331,904
1240	Penalties and interest on taxes	800,000	800,000	570,807	(229,193)
1280	Revenue in lieu of taxes	25,000	25,000	16,363	(8,637)
1300	Tuition				
1320	Tuition from other LEAs for regular day school	50,000	50,000	26,981	(23,019)
1500	Earnings on investments				
1510	Interest on investments	250,000	250,000	550,747	300,747
1900	Other revenue from local sources				
1910	Rentals	293,500	293,500	134,784	(158,716)
1950	Refund of prior year's expenditures	-	-	6,032	6,032
1990	Miscellaneous local revenue				
1994	Legal settlement	-	-	129,812	129,812
1999	Revenue from other local sources	500,000	500,000	370,591	(129,409)
	Total local sources	<u>152,724,188</u>	<u>152,724,188</u>	<u>154,943,709</u>	<u>2,219,521</u>
3000	Revenue from state sources				
3100	Restricted State Funding				
3130	Special programs				
3131	Handicapped transportation	-	-	2,540	2,540
3132	Home schooled	-	-	2,489	2,489
3160	School bus driver salary	1,100,000	1,100,000	1,162,486	62,486
3162	Transportation workers' compensation	75,000	75,000	72,410	(2,590)
3180	Fringe benefits employer contributions	7,901,292	7,901,292	7,434,971	(466,321)
3181	Retiree insurance	5,265,497	5,265,497	5,762,741	497,244
3186	State aid to classrooms	-	4,776,603	5,116,730	340,127
3189	Teacher step	-	-	1,116,730	1,116,730
3199	Other restricted state grants	4,776,603	-	-	-
3300	Education Finance Act ("EFA")				
3310	Full-time programs				
3311	Kindergarten	862,919	862,919	691,197	(171,722)
3312	Primary	2,628,518	2,628,518	2,180,714	(447,804)
3313	Elementary	4,413,969	4,413,969	3,981,344	(432,625)
3314	High school	1,137,969	1,137,969	1,426,244	288,275
3315	Trainable mentally handicapped	30,881	30,881	34,742	3,861
3316	Speech handicapped	863,266	863,266	784,814	(78,452)
3317	Homebound	8,251	8,251	3,473	(4,778)
3320	Part-time programs				
3321	Emotionally handicapped	34,036	34,036	38,415	4,379
3322	Educable mentally handicapped	27,138	27,138	18,964	(8,174)
3323	Learning disabilities	1,001,221	1,001,221	1,022,064	20,843
3324	Hearing handicapped	34,036	34,036	39,684	5,648
3325	Visually handicapped	26,437	26,437	33,745	7,308
3326	Orthopedically handicapped	25,072	25,072	26,437	1,365
3327	Vocational	2,946,396	2,946,396	2,410,408	(535,988)
3330	Miscellaneous EFA programs				
3331	Autism	205,196	205,196	221,644	16,448
3332	High achieving students	364,091	364,091	328,385	(35,706)
3334	Limited English proficiency	408,909	408,909	333,183	(75,726)
3350	Miscellaneous EFA Programs				
3351	Academic assistance	574,426	574,426	513,082	(61,344)
3352	Pupils in poverty	1,444,507	1,444,507	1,300,444	(144,063)
3353	Dual credit enrollment	25,307	25,307	27,523	2,216
3392	NBC excess EFA formula	-	-	45,835	45,835

(Continued)

BEAUFORT COUNTY SCHOOL DISTRICT

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL FOR THE YEAR ENDED JUNE 30, 2021

		Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues (Continued)					
3000	Revenue from state sources (Continued)				
3800	State revenue in lieu of taxes				
3810	Reimbursement for local residential property tax relief	\$ 7,036,261	\$ 7,036,261	\$ 7,036,261	\$ -
3820	Homestead exemption	2,045,867	2,045,867	2,045,867	-
3825	Reimbursement for property tax relief	46,327,162	46,327,162	46,934,779	607,617
3830	Merchant's inventory tax	332,079	332,079	332,079	-
3890	Other state property tax revenues	225,000	225,000	322,034	97,034
3900	Other state revenue				
3993	PEBA on behalf payments	1,200,000	1,200,000	1,206,425	6,425
3999	Revenue from other state sources	-	-	2,003	2,003
	Total state sources	<u>93,347,306</u>	<u>93,347,306</u>	<u>94,012,886</u>	<u>665,580</u>
4000	Revenue from federal sources				
4100	Federally impacted areas				
4110	Maintenance and operations, P.L. 81-874	40,000	40,000	89,030	49,030
4900	Other federal sources				
4999	Revenue from other federal sources	650,000	650,000	833,741	183,741
	Total federal sources	<u>690,000</u>	<u>690,000</u>	<u>922,771</u>	<u>232,771</u>
	Total revenue all sources	<u>\$246,761,494</u>	<u>\$246,761,494</u>	<u>\$249,879,366</u>	<u>\$ 3,117,872</u>

BEAUFORT COUNTY SCHOOL DISTRICT

GENERAL FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL FOR THE YEAR ENDED JUNE 30, 2021

				Original Budget	Final Budget	Actual	Variance with Final Budget
Expenditures							
100	Instruction						
110	General instruction						
111	Kindergarten programs						
100		Salaries		\$ 6,875,336	\$ 6,326,965	\$ 6,326,962	\$ 3
140		Terminal leave		-	2,673	2,673	-
200		Employee benefits		3,014,674	2,865,146	2,864,768	378
300		Purchased services		188,176	265,504	265,503	1
400		Supplies and materials		85,086	121,386	121,022	364
				<u>10,163,272</u>	<u>9,581,674</u>	<u>9,580,928</u>	<u>746</u>
112	Primary programs						
100		Salaries		18,787,949	17,420,644	17,420,640	4
140		Terminal leave		-	2,055	2,055	-
200		Employee benefits		7,383,626	7,457,364	7,346,214	111,150
300		Purchased services		2,134,426	1,829,233	1,672,994	156,239
400		Supplies and materials		499,524	606,479	512,493	93,986
600		Other objects		938	1,818	1,506	312
				<u>28,806,463</u>	<u>27,317,593</u>	<u>26,955,902</u>	<u>361,691</u>
113	Elementary programs						
100		Salaries		29,352,590	30,249,067	30,249,062	5
140		Terminal leave		-	5,612	5,612	-
200		Employee benefits		11,464,718	11,695,501	11,793,380	(97,879)
300		Purchased services		1,715,704	1,405,296	1,405,295	1
400		Supplies and materials		1,473,978	685,123	557,713	127,410
600		Other objects		1,665	3,156	3,155	1
				<u>44,008,655</u>	<u>44,043,755</u>	<u>44,014,217</u>	<u>29,538</u>
114	High school programs						
100		Salaries		22,860,797	21,818,775	21,544,344	274,431
140		Terminal leave		-	-	5,560	(5,560)
200		Employee benefits		9,092,267	8,416,065	8,423,122	(7,057)
300		Purchased services		1,590,718	1,729,766	1,408,701	321,065
400		Supplies and materials		727,726	896,316	640,331	255,985
600		Other objects		44,311	14,533	6,864	7,669
				<u>34,315,819</u>	<u>32,875,455</u>	<u>32,028,922</u>	<u>846,533</u>
115	Career and technology education (vocational) programs						
100		Salaries		2,515,046	2,963,610	2,963,610	-
200		Employee benefits		947,264	1,156,891	1,189,763	(32,872)
300		Purchased services		1,844,181	1,843,669	1,838,852	4,817
400		Supplies and materials		24,376	32,172	32,135	37
600		Other objects		2,025	1,700	1,401	299
				<u>5,332,892</u>	<u>5,998,042</u>	<u>6,025,761</u>	<u>(27,719)</u>
117	Driver education program						
100		Salaries		147,312	152,268	152,268	-
200		Employee benefits		44,470	56,626	58,381	(1,755)
300		Purchased services		1,801	1,768	297	1,471
400		Supplies and materials		503	670	132	538
600		Other objects		-	100	100	-
				<u>194,086</u>	<u>211,432</u>	<u>211,178</u>	<u>254</u>
118	Montessori programs						
100		Salaries		682,572	682,572	635,786	46,786
200		Employee benefits		280,476	280,476	268,498	11,978
300		Purchased services		14,369	13,694	2,895	10,799
400		Supplies and materials		7,688	10,908	9,127	1,781
				<u>985,105</u>	<u>987,650</u>	<u>916,306</u>	<u>71,344</u>
	Total general instruction			<u>123,806,292</u>	<u>121,015,601</u>	<u>119,733,214</u>	<u>1,282,387</u>

(Continued)

BEAUFORT COUNTY SCHOOL DISTRICT

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL FOR THE YEAR ENDED JUNE 30, 2021

				Original Budget	Final Budget	Actual	Variance with Final Budget
Expenditures (Continued)							
100	Instruction (Continued)						
120	Exceptional programs						
121	Educable mentally handicapped						
100		Salaries		\$ 1,057,036	\$ 1,015,627	\$ 1,015,625	\$ 2
200		Employee benefits		444,497	433,812	439,743	(5,931)
300		Purchased services		30,047	92,498	92,498	-
400		Supplies and materials		859	1,739	1,393	346
				<u>1,532,439</u>	<u>1,543,676</u>	<u>1,549,259</u>	<u>(5,583)</u>
122	Trainable mentally handicapped						
100		Salaries		798,486	1,203,769	1,203,768	1
200		Employee benefits		338,463	478,079	482,343	(4,264)
300		Purchased services		4,123	1,402	1,401	1
400		Supplies and materials		3,773	4,951	3,772	1,179
				<u>1,144,845</u>	<u>1,688,201</u>	<u>1,691,284</u>	<u>(3,083)</u>
123	Orthopedically handicapped						
100		Salaries		143,660	201,657	201,555	102
200		Employee benefits		74,342	78,189	78,189	-
300		Purchased services		77,146	45,868	83	45,785
400		Supplies and materials		2,544	4,168	3,415	753
				<u>297,692</u>	<u>329,882</u>	<u>283,242</u>	<u>46,640</u>
124	Visually handicapped						
100		Salaries		91,969	73,009	73,008	1
200		Employee benefits		37,708	28,757	29,513	(756)
300		Purchased services		313	3,500	3,430	70
				<u>129,990</u>	<u>105,266</u>	<u>105,951</u>	<u>(685)</u>
125	Hearing handicapped						
100		Salaries		362,245	262,640	262,636	4
200		Employee benefits		113,848	98,117	100,605	(2,488)
300		Purchased services		-	25,000	17,008	7,992
400		Supplies and materials		225	300	-	300
				<u>476,318</u>	<u>386,057</u>	<u>380,249</u>	<u>5,808</u>
126	Speech handicapped						
100		Salaries		1,305,491	1,438,284	1,438,281	3
200		Employee benefits		538,847	559,540	572,791	(13,251)
300		Purchased services		257,112	312,379	311,970	409
400		Supplies and materials		3,889	4,304	3,164	1,140
				<u>2,105,339</u>	<u>2,314,507</u>	<u>2,326,206</u>	<u>(11,699)</u>
127	Learning disabilities						
100		Salaries		5,987,390	7,019,752	7,019,750	2
140		Terminal leave		-	2,412	2,412	-
200		Employee benefits		2,643,023	3,117,590	3,173,951	(56,361)
300		Purchased services		122,913	178,099	178,099	-
400		Supplies and materials		46,154	62,398	50,675	11,723
600		Other objects		1,575	98	97	1
				<u>8,801,055</u>	<u>10,380,349</u>	<u>10,424,984</u>	<u>(44,635)</u>
128	Emotionally handicapped						
100		Salaries		1,249,121	1,002,272	1,002,272	-
200		Employee benefits		500,835	391,447	400,587	(9,140)
300		Purchased services		17,655	86,352	86,352	-
400		Supplies and materials		300	400	4	396
				<u>1,767,911</u>	<u>1,480,471</u>	<u>1,489,215</u>	<u>(8,744)</u>
	Total exceptional programs			<u>16,255,589</u>	<u>18,228,409</u>	<u>18,250,390</u>	<u>(21,981)</u>

(Continued)

BEAUFORT COUNTY SCHOOL DISTRICT

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL FOR THE YEAR ENDED JUNE 30, 2021

		Original Budget	Final Budget	Actual	Variance with Final Budget
Expenditures (Continued)					
100	Instruction (Continued)				
130	Preschool programs				
135	Preschool handicapped speech (3- and 4-yr.-olds)				
100	Salaries	\$ 89,320	\$ 96,751	\$ 96,750	\$ 1
200	Employee benefits	41,922	35,682	36,732	(1,050)
300	Purchased services	4,401	50	49	1
		<u>135,643</u>	<u>132,483</u>	<u>133,531</u>	<u>(1,048)</u>
137	Preschool handicapped - self contained (3- and 4-yr.-olds)				
100	Salaries	418,072	686,852	686,851	1
200	Employee benefits	150,820	282,518	288,590	(6,072)
300	Purchased services	35,516	42,134	42,134	-
		<u>604,408</u>	<u>1,011,504</u>	<u>1,017,575</u>	<u>(6,071)</u>
139	Early childhood programs				
100	Salaries	3,023,351	2,990,578	2,990,576	2
200	Employee benefits	1,356,822	1,348,101	1,347,938	163
300	Purchased services	88,220	265,812	265,811	1
400	Supplies and materials	30,764	36,081	32,656	3,425
		<u>4,499,157</u>	<u>4,640,572</u>	<u>4,636,981</u>	<u>3,591</u>
	Total preschool programs	<u>5,239,208</u>	<u>5,784,559</u>	<u>5,788,087</u>	<u>(3,528)</u>
140	Special programs				
141	Gifted and talented academic				
100	Salaries	2,035,921	2,086,717	2,086,716	1
200	Employee benefits	842,819	841,837	842,315	(478)
300	Purchased services	32,217	38,087	9,937	28,150
400	Supplies and materials	57,725	53,621	33,898	19,723
600	Other objects	6,031	3,025	410	2,615
		<u>2,974,713</u>	<u>3,023,287</u>	<u>2,973,276</u>	<u>50,011</u>
144	International baccalaureate				
100	Salaries	29,383	30,559	30,558	1
200	Employee benefits	14,919	15,069	15,069	-
300	Purchased services	20,160	25,155	6,980	18,175
400	Supplies and materials	12,250	13,183	2,623	10,560
600	Other objects	100,581	99,005	71,390	27,615
		<u>177,293</u>	<u>182,971</u>	<u>126,620</u>	<u>56,351</u>
145	Homebound				
100	Salaries	70,000	38,993	38,817	176
200	Employee benefits	15,000	12,000	11,305	695
300	Purchased services	62,742	62,742	57	62,685
		<u>147,742</u>	<u>113,735</u>	<u>50,179</u>	<u>63,556</u>
148	Gifted and talented artistic				
100	Salaries	-	2,824	2,824	-
200	Employee benefits	-	832	832	-
300	Purchased services	13,900	13,900	-	13,900
400	Supplies and materials	11,000	10,000	-	10,000
600	Other objects	16,000	17,000	119	16,881
		<u>40,900</u>	<u>44,556</u>	<u>3,775</u>	<u>40,781</u>
	Total special programs	<u>3,340,648</u>	<u>3,364,549</u>	<u>3,153,850</u>	<u>210,699</u>

(Continued)

BEAUFORT COUNTY SCHOOL DISTRICT

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL FOR THE YEAR ENDED JUNE 30, 2021

				Original Budget	Final Budget	Actual	Variance with Final Budget
Expenditures (Continued)							
100	Instruction (Continued)						
160	Other exceptional programs						
161	Autism						
	100	Salaries		\$ 206,243	\$ 89,614	\$ 89,614	\$ -
	200	Employee benefits		91,811	44,119	44,118	1
	300	Purchased services		77,813	41,774	7,579	34,195
	400	Supplies and materials		113	150	-	150
				<u>375,980</u>	<u>175,657</u>	<u>141,311</u>	<u>34,346</u>
	162	Limited English proficiency					
	100	Salaries		3,733,795	3,876,570	3,876,568	2
	200	Employee benefits		1,376,815	1,463,008	1,501,859	(38,851)
	300	Purchased services		46,393	49,798	11,146	38,652
	400	Supplies and materials		31,894	34,639	17,941	16,698
	600	Other objects		6,000	3,000	-	3,000
				<u>5,194,897</u>	<u>5,427,015</u>	<u>5,407,514</u>	<u>19,501</u>
		Total other exceptional programs		<u>5,570,877</u>	<u>5,602,672</u>	<u>5,548,825</u>	<u>53,847</u>
170	Summer school programs						
173	High School Summer School Program						
	100	Salaries		-	5,000	5,000	-
	200	Employee benefits		-	383	383	-
				<u>-</u>	<u>5,383</u>	<u>5,383</u>	<u>-</u>
	175	Instructional programs beyond regular school day					
	100	Salaries		-	4,637	4,637	-
	200	Employee benefits		-	363	363	-
	400	Supplies and materials		863	988	987	1
	600	Other objects		10,112	7,810	362	7,448
				<u>10,975</u>	<u>13,798</u>	<u>6,349</u>	<u>7,449</u>
		Total summer school programs		<u>10,975</u>	<u>19,181</u>	<u>11,732</u>	<u>7,449</u>
180	Adult/continuing education programs						
181	Adult Basic Education Programs						
	100	Salaries		-	1,200	1,200	-
	200	Employee benefits		-	92	92	-
				<u>-</u>	<u>1,292</u>	<u>1,292</u>	<u>-</u>
	183	Adult English Literacy ("ESL")					
	100	Salaries		-	600	600	-
	200	Employee benefits		-	46	46	-
				<u>-</u>	<u>646</u>	<u>646</u>	<u>-</u>
	188	Parenting/family literacy					
	100	Salaries		16,500	35,064	35,063	1
	200	Employee benefits		2,227	2,683	2,682	1
				<u>18,727</u>	<u>37,747</u>	<u>37,745</u>	<u>2</u>
		Total adult/continuing education programs		<u>18,727</u>	<u>39,685</u>	<u>39,683</u>	<u>2</u>
190	Instructional pupil activity						
	300	Purchased services		3,525	1,215	1,215	-
	400	Supplies and materials		4,619	6,000	1,199	4,801
	600	Other objects		102,842	64,126	15,137	48,989
		Total instructional pupil activity		<u>110,986</u>	<u>71,341</u>	<u>17,551</u>	<u>53,790</u>
		Total instruction		<u>154,353,302</u>	<u>154,125,997</u>	<u>152,543,332</u>	<u>1,582,665</u>

(Continued)

BEAUFORT COUNTY SCHOOL DISTRICT

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL FOR THE YEAR ENDED JUNE 30, 2021

				Original Budget	Final Budget	Actual	Variance with Final Budget
Expenditures (Continued)							
200	Support services						
210	Pupil services						
211	Attendance and social work services						
	100	Salaries		\$ 2,755,111	\$ 2,645,225	\$ 2,645,222	\$ 3
	140	Terminal leave		-	12,162	12,162	-
	200	Employee benefits		1,217,208	1,149,413	1,149,412	1
	300	Purchased services		42,927	42,665	22,538	20,127
	400	Supplies and materials		33,226	37,049	12,780	24,269
	600	Other objects		1,700	1,700	750	950
				<u>4,050,172</u>	<u>3,888,214</u>	<u>3,842,864</u>	<u>45,350</u>
212	Guidance services						
	100	Salaries		3,901,820	3,902,881	3,902,879	2
	200	Employee benefits		1,464,643	1,518,667	1,552,293	(33,626)
	300	Purchased services		21,942	23,357	16,391	6,966
	400	Supplies and materials		33,204	53,709	44,987	8,722
	600	Other objects		17,686	12,220	10,227	1,993
				<u>5,439,295</u>	<u>5,510,834</u>	<u>5,526,777</u>	<u>(15,943)</u>
213	Health services						
	100	Salaries		1,637,597	1,487,470	1,487,466	4
	200	Employee benefits		639,392	645,471	645,471	-
	300	Purchased services		20,461	21,415	12,837	8,578
	400	Supplies and materials		41,542	40,702	30,674	10,028
	600	Other objects		595	711	338	373
				<u>2,339,587</u>	<u>2,195,769</u>	<u>2,176,786</u>	<u>18,983</u>
214	Psychological services						
	100	Salaries		885,062	985,066	985,064	2
	200	Employee benefits		370,112	384,816	394,573	(9,757)
	300	Purchased services		56,000	49,284	14,503	34,781
	400	Supplies and materials		20,000	23,598	22,601	997
	600	Other objects		-	3,000	2,879	121
				<u>1,331,174</u>	<u>1,445,764</u>	<u>1,419,620</u>	<u>26,144</u>
	Total pupil services			<u>13,160,228</u>	<u>13,040,581</u>	<u>12,966,047</u>	<u>74,534</u>
220	Instructional staff services						
221	Improvement of instruction - curriculum development						
	100	Salaries		4,835,533	5,067,450	5,067,441	9
	200	Employee benefits		1,828,985	1,833,624	1,843,879	(10,255)
	300	Purchased services		387,071	404,626	164,558	240,068
	400	Supplies and materials		351,207	322,130	287,070	35,060
	500	Capital outlay		6,100	6,100	-	6,100
	600	Other objects		152,917	100,341	63,931	36,410
				<u>7,561,813</u>	<u>7,734,271</u>	<u>7,426,879</u>	<u>307,392</u>
222	Library and media services						
	100	Salaries		2,798,971	2,680,654	2,658,652	22,002
	200	Employee benefits		1,191,188	1,137,065	1,158,790	(21,725)
	300	Purchased services		63,291	61,291	52,456	8,835
	400	Supplies and materials		203,562	283,271	233,173	50,098
	600	Other objects		1,501	1,768	242	1,526
				<u>4,258,513</u>	<u>4,164,049</u>	<u>4,103,313</u>	<u>60,736</u>

(Continued)

BEAUFORT COUNTY SCHOOL DISTRICT

GENERAL FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL FOR THE YEAR ENDED JUNE 30, 2021

				Original Budget	Final Budget	Actual	Variance with Final Budget
Expenditures (Continued)							
200	Support services (Continued)						
220	Instructional staff services (Continued)						
223	Supervision of special programs						
100	Salaries			\$ 201,548	\$ 207,910	\$ 207,907	\$ 3
200	Employee benefits			89,173	87,870	87,869	1
300	Purchased services			37,735	27,048	3,551	23,497
400	Supplies and materials			18,000	18,107	291	17,816
600	Other objects			950	950	47	903
				<u>347,406</u>	<u>341,885</u>	<u>299,665</u>	<u>42,220</u>
224	Improvement of instruction - inservice and staff training						
100	Salaries			-	2,200	2,200	-
200	Employee benefits			-	321	320	1
300	Purchased services			458,421	235,403	201,660	33,743
400	Supplies and materials			17,187	55,040	47,132	7,908
600	Other objects			15,875	45,378	34,080	11,298
				<u>491,483</u>	<u>338,342</u>	<u>285,392</u>	<u>52,950</u>
	Total instructional staff services			<u>12,659,215</u>	<u>12,578,547</u>	<u>12,115,249</u>	<u>463,298</u>
230	General administration services						
231	Board of Education						
100	Salaries			169,008	176,860	176,859	1
200	Employee benefits			74,932	74,932	72,457	2,475
300	Purchased services			365,719	357,750	220,256	137,494
318	Audit Services			55,400	55,400	55,400	-
400	Supplies and materials			21,300	21,300	9,760	11,540
600	Other objects			54,881	54,998	50,782	4,216
				<u>741,240</u>	<u>741,240</u>	<u>585,514</u>	<u>155,726</u>
232	Office of the Superintendent						
100	Salaries			280,686	280,686	248,189	32,497
200	Employee benefits			126,524	126,524	116,400	10,124
300	Purchased services			15,410	15,410	13,603	1,807
400	Supplies and materials			8,000	8,000	4,004	3,996
600	Other objects			7,450	7,450	4,744	2,706
				<u>438,070</u>	<u>438,070</u>	<u>386,940</u>	<u>51,130</u>
233	School administration						
100	Salaries			11,387,797	12,190,859	12,066,693	124,166
140	Terminal leave			-	-	124,162	(124,162)
200	Employee benefits			4,670,572	4,877,092	4,878,704	(1,612)
300	Purchased services			151,999	150,242	139,810	10,432
400	Supplies and materials			269,924	353,406	353,342	64
600	Other objects			22,930	14,553	14,523	30
				<u>16,503,222</u>	<u>17,586,152</u>	<u>17,577,234</u>	<u>8,918</u>
	Total general administration services			<u>17,682,532</u>	<u>18,765,462</u>	<u>18,549,688</u>	<u>215,774</u>
250	Finance and operations services						
252	Fiscal services						
100	Salaries			1,235,709	1,340,509	1,340,448	61
140	Terminal leave			-	3,627	3,627	-
200	Employee benefits			557,912	533,618	533,617	1
300	Purchased services			43,890	36,271	21,768	14,503
400	Supplies and materials			46,100	52,997	51,845	1,152
600	Other objects			6,276	5,054	5,054	-
				<u>1,889,887</u>	<u>1,972,076</u>	<u>1,956,359</u>	<u>15,717</u>
253	Facilities acquisition and construction						
100	Salaries			6,000	11,600	11,600	-
200	Employee benefits			8,205	7,347	7,346	1
300	Purchased services			19,832	11,732	5,126	6,606
400	Supplies and materials			10,250	11,250	9,284	1,966
500	Capital outlay			11,689	8,289	-	8,289
600	Other objects			2,710	3,210	2,713	497
				<u>58,686</u>	<u>53,428</u>	<u>36,069</u>	<u>17,359</u>

(Continued)

BEAUFORT COUNTY SCHOOL DISTRICT

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL FOR THE YEAR ENDED JUNE 30, 2021

				Original Budget	Final Budget	Actual	Variance with Final Budget
Expenditures (Continued)							
200	Support services (Continued)						
250	Finance and operations services (Continued)						
254	Operation and maintenance of plant						
100	Salaries			\$ 284,025	\$ 409,311	\$ 409,308	\$ 3
200	Employee benefits			251,507	154,677	154,677	-
300	Purchased services			17,602,670	17,425,434	17,425,351	83
400	Supplies and materials			811,800	794,561	842,094	(47,533)
470	Energy			6,799,450	5,956,722	5,891,951	64,771
500	Capital outlay			-	59,338	59,250	88
600	Other objects			277,000	321,298	321,194	104
				<u>26,026,452</u>	<u>25,121,341</u>	<u>25,103,825</u>	<u>17,516</u>
255	Student transportation						
100	Salaries			4,298,874	4,617,755	4,617,750	5
140	Terminal leave			-	2,812	2,812	-
200	Employee benefits			1,876,039	1,957,653	1,957,652	1
300	Purchased services			299,830	205,739	205,738	1
400	Supplies and materials			480,399	201,180	201,132	48
500	Capital outlay			28,000	196,505	196,504	1
600	Other objects			9,500	1,090	1,090	-
				<u>6,992,642</u>	<u>7,182,734</u>	<u>7,182,678</u>	<u>56</u>
256	Food Services						
100	Salaries			-	7,000	7,000	-
200	Employee benefits			-	536	536	-
				<u>-</u>	<u>7,536</u>	<u>7,536</u>	<u>-</u>
258	Security						
100	Salaries			89,560	92,751	92,750	1
200	Employee benefits			38,348	38,825	38,802	23
300	Purchased services			1,106,984	1,220,262	1,220,214	48
400	Supplies and materials			3,000	2,248	-	2,248
600	Other objects			135	135	105	30
				<u>1,238,027</u>	<u>1,354,221</u>	<u>1,351,871</u>	<u>2,350</u>
	Total finance and operations services			<u>36,205,694</u>	<u>35,691,336</u>	<u>35,638,338</u>	<u>52,998</u>
260	Central support services						
262	Planning						
100	Salaries			79,783	82,680	82,680	-
200	Employee benefits			33,232	33,720	33,719	1
300	Purchased services			3,402	1,302	752	550
400	Supplies and materials			500	2,900	2,710	190
600	Other objects			500	200	-	200
				<u>117,417</u>	<u>120,802</u>	<u>119,861</u>	<u>941</u>
263	Information services						
100	Salaries			274,538	305,648	305,648	-
200	Employee benefits			128,113	117,776	117,776	-
300	Purchased services			33,225	29,740	22,415	7,325
400	Supplies and materials			5,945	8,999	8,787	212
600	Other objects			1,850	2,281	2,280	1
				<u>443,671</u>	<u>464,444</u>	<u>456,906</u>	<u>7,538</u>
264	Staff services						
100	Salaries			2,012,349	2,022,158	2,022,130	28
200	Employee benefits			834,787	777,724	782,343	(4,619)
300	Purchased services			528,664	272,289	142,149	130,140
400	Supplies and materials			118,850	117,117	69,457	47,660
600	Other objects			35,330	34,930	4,111	30,819
				<u>3,529,980</u>	<u>3,224,218</u>	<u>3,020,190</u>	<u>204,028</u>

(Continued)

BEAUFORT COUNTY SCHOOL DISTRICT

GENERAL FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL FOR THE YEAR ENDED JUNE 30, 2021

				Original Budget	Final Budget	Actual	Variance with Final Budget
Expenditures (Continued)							
200	Support services (Continued)						
260	Central support services (Continued)						
266	Technology and data processing services						
100	Salaries			\$ 2,463,310	\$ 2,421,341	\$ 2,421,162	\$ 179
200	Employee benefits			1,017,923	977,188	977,188	-
300	Purchased services			1,953,343	2,134,300	2,134,250	50
400	Supplies and materials			253,700	210,400	192,236	18,164
500	Capital outlay			195,000	140,000	136,539	3,461
600	Other objects			2,000	2,500	2,406	94
				<u>5,885,276</u>	<u>5,885,729</u>	<u>5,863,781</u>	<u>21,948</u>
	Total central support services			<u>9,976,344</u>	<u>9,695,193</u>	<u>9,460,738</u>	<u>234,455</u>
270	Support Services - Pupil Activity						
271	Pupil service activities						
100	Salaries			1,719,232	1,594,262	1,594,134	128
200	Employee benefits			519,202	392,504	392,504	-
300	Purchased services			60,770	99,865	99,619	246
400	Supplies and materials			228,548	451,898	451,872	26
600	Other objects			769,283	898,705	898,704	1
				<u>3,297,035</u>	<u>3,437,234</u>	<u>3,436,833</u>	<u>401</u>
	Total support services - pupil activity			<u>3,297,035</u>	<u>3,437,234</u>	<u>3,436,833</u>	<u>401</u>
	Total support services			<u>92,981,048</u>	<u>93,208,353</u>	<u>92,166,893</u>	<u>1,041,460</u>
400	Other charges						
410	Intergovernmental expenditures						
412	Payments to other governmental units						
300	Purchased services			40,000	40,000	81,217	(41,217)
720	Transits			15,000	15,000	5,902	9,098
				<u>55,000</u>	<u>55,000</u>	<u>87,119</u>	<u>(32,119)</u>
416	LEA payments to public charter schools						
720	Transits			6,748,092	6,748,092	7,343,550	(595,458)
	Total intergovernmental expenditures			<u>6,803,092</u>	<u>6,803,092</u>	<u>7,430,669</u>	<u>(627,577)</u>
	Total other charges			<u>6,803,092</u>	<u>6,803,092</u>	<u>7,430,669</u>	<u>(627,577)</u>
500	Debt service						
620	Interest			50,000	50,000	65,640	(15,640)
	Total debt service			<u>50,000</u>	<u>50,000</u>	<u>65,640</u>	<u>(15,640)</u>
	Total expenditures			<u>254,187,442</u>	<u>254,187,442</u>	<u>252,206,534</u>	<u>1,980,908</u>
Other financing sources (uses)							
Interfund transfers, from (to) other funds:							
5230	Transfer from special revenue EIA fund			7,035,948	7,035,948	7,093,006	(57,058)
5280	Transfer from other funds indirect costs			500,000	500,000	1,117,940	(617,940)
422-710	Transfer to special revenue fund			-	-	(1,287)	1,287
425-710	Transfer to food service fund			(110,000)	(110,000)	(110,000)	-
	Total other financing sources, net			<u>7,425,948</u>	<u>7,425,948</u>	<u>8,099,659</u>	<u>(673,711)</u>
	Excess of revenues and other financing sources over expenditures and other financing uses			-	-	5,772,491	5,772,491
Fund balance, beginning of year				<u>44,777,803</u>	<u>44,777,803</u>	<u>44,777,803</u>	<u>-</u>
Fund balance, end of year				<u>\$ 44,777,803</u>	<u>\$ 44,777,803</u>	<u>\$ 50,550,294</u>	<u>\$ 5,772,491</u>

NOTE: Accounting principles generally accepted in the United States of America serve as the budgetary basis of accounting.

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SPECIAL REVENUE FUND – SPECIAL PROJECTS FUND

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

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

Purpose of Special Revenue Sub-funds:

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

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

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

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

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

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

BEAUFORT COUNTY SCHOOL DISTRICT

SPECIAL PROJECTS FUND COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 2021

			Title I (201/202)	IDEA (203)	Preschool Handicapped (205)
Revenues					
	1930	Medicaid	\$ -	\$ -	\$ -
	1930	Special Needs Transportation	-	-	-
	1999	Revenue from other local sources	-	-	-
		Total local sources	-	-	-
3000	Revenue from state sources				
3100	Restricted state funding				
	3110	Occupational education			
		3118 EEDA Career Specialists	-	-	-
		3127 Student Health and Fitness - PE Teachers	-	-	-
		3135 Reading Coaches	-	-	-
		3136 Student Health and Fitness - Nurses	-	-	-
	3150	Adult education			
		3155 DSS SNAP and E&T programs	-	-	-
		3156 Adult education	-	-	-
	3190	Miscellaneous restricted state grants			
		3193 Education License Plates	-	-	-
		3199 Other Restricted State Grants	-	-	-
3600	Education Lottery Act Revenue				
3999	Revenue from other state sources		-	-	-
		Total state sources	-	-	-
4000	Revenue from federal sources				
4200	Occupational education				
		4210 Perkins Aid, Title I	-	-	-
4300	Elementary and Secondary Education Act of 1965				
		4310 Title I	6,590,480	-	-
		4341 Language instruction for limited English proficient and immigrant students, Title III	-	-	-
		4343 McKinney-Vento education for homeless children and youth program	-	-	-
		4351 Improving teacher quality	-	-	-
4400	Adult education				
		4410 Basic Adult Education	-	-	-
4500	Programs for children with disabilities				
		4510 Individuals with Disabilities Education Act ("IDEA")	-	4,737,516	-
		4520 Preschool grants ("IDEA")	-	-	120,491
4990	Other federal revenue				
		4997 SSAE Title IV	-	-	-
		4999 Revenues from other federal sources	-	-	-
		Total federal sources	6,590,480	4,737,516	120,491
		Total revenues	6,590,480	4,737,516	120,491

(Continued)

Occupational Education (207)	Adult Education (243)	* Other Restricted State Grants	* Other Special Revenue Programs	Total
\$ -	\$ -	\$ -	\$ 553,528	\$ 553,528
-	-	-	25,181	25,181
-	10,712	-	417,754	428,466
-	10,712	-	996,463	1,007,175
-	-	1,018,635	-	1,018,635
-	-	123,716	-	123,716
-	-	1,009,570	-	1,009,570
-	-	676,784	-	676,784
-	1,074	-	-	1,074
-	13,423	-	-	13,423
-	-	5,305	-	5,305
-	-	-	3,611	3,611
-	-	-	66,538	66,538
-	14,497	2,834,010	70,149	2,918,656
349,715	-	-	-	349,715
-	-	-	-	6,590,480
-	-	-	414,841	414,841
-	-	-	70,169	70,169
-	-	-	573,328	573,328
-	132,070	-	-	132,070
-	-	-	-	4,737,516
-	-	-	-	120,491
-	-	-	391,049	391,049
-	-	-	410,923	410,923
349,715	132,070	-	1,860,310	13,790,582
349,715	157,279	2,834,010	2,926,922	17,716,413

BEAUFORT COUNTY SCHOOL DISTRICT

SPECIAL PROJECTS FUND COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 2021

		Title I (201/202)	IDEA (203)	Preschool Handicapped (205)
Expenditures				
100	Instruction			
110	General instruction			
111	Kindergarten programs			
100	Salaries	\$ 37,465	\$ -	\$ -
200	Employee benefits	14,394	-	-
300	Purchased services	11,077	-	-
400	Supplies and materials	44,161	-	-
112	Primary programs			
100	Salaries	977,761	-	-
200	Employee benefits	382,742	-	-
300	Purchased services	80,719	-	-
400	Supplies and materials	358,810	-	-
600	Other objects	84	-	-
113	Elementary programs			
100	Salaries	703,104	-	-
200	Employee benefits	298,278	-	-
300	Purchased services	17,691	-	-
400	Supplies and materials	164,972	-	-
600	Other objects	55	-	-
114	High school programs			
100	Salaries	136,211	-	-
200	Employee benefits	43,106	-	-
300	Purchased services	3,629	-	-
400	Supplies and materials	25,372	-	-
600	Other objects	-	-	-
115	Career and technology education programs			
300	Purchased services	-	-	-
400	Supplies and materials	-	-	-
120	Exceptional programs			
121	Educable mentally handicapped			
100	Salaries	-	161,241	-
200	Employee benefits	-	72,933	-
122	Trainable mentally handicapped			
100	Salaries	-	64,851	-
200	Employee benefits	-	44,185	-
300	Purchased services	-	222	-
400	Supplies and materials	-	3,443	-
123	Orthopedically handicapped			
100	Salaries	-	129,263	-
200	Employee benefits	-	35,315	-
300	Purchased services	-	8,393	-
400	Supplies and materials	-	10,489	-
124	Visually handicapped			
100	Salaries	-	71,828	-
200	Employee benefits	-	32,925	-
300	Purchased services	-	29,297	-
400	Supplies and materials	-	38,510	-
125	Hearing handicapped			
100	Salaries	-	171,577	-
200	Employee benefits	-	54,547	-
300	Purchased services	-	21,963	-
400	Supplies and materials	-	3,206	-
126	Speech handicapped			
100	Salaries	-	171,189	-
200	Employee benefits	-	62,196	-
300	Purchased services	-	93,720	-
400	Supplies and materials	-	6,819	-
600	Other objects	-	4,637	-

(Continued)

Occupational Education (207)	Adult Education (243)	* Other Restricted State Grants	* Other Special Revenue Programs	Total
\$ -	\$ -	\$ -	\$ -	\$ 37,465
-	-	-	-	14,394
-	-	-	-	11,077
-	-	-	-	44,161
-	-	85,857	284,409	1,348,027
-	-	30,365	120,641	533,748
-	-	-	10,894	91,613
-	-	4,412	59,963	423,185
-	-	-	755	839
-	-	-	53,090	756,194
-	-	1	25,566	323,845
-	-	-	243,307	260,998
-	-	-	31,497	196,469
-	-	-	-	55
-	-	-	322,601	458,812
-	-	-	87,348	130,454
-	-	-	1,400	5,029
-	-	893	16,881	43,146
-	-	-	139	139
178,458	-	-	-	178,458
161,709	-	-	-	161,709
-	-	-	-	161,241
-	-	-	-	72,933
-	-	-	-	64,851
-	-	-	-	44,185
-	-	-	-	222
-	-	-	6,087	9,530
-	-	-	78,634	207,897
-	-	-	23,297	58,612
-	-	-	-	8,393
-	-	-	-	10,489
-	-	-	-	71,828
-	-	-	-	32,925
-	-	-	-	29,297
-	-	-	-	38,510
-	-	-	-	171,577
-	-	-	-	54,547
-	-	-	-	21,963
-	-	-	-	3,206
-	-	-	-	171,189
-	-	-	-	62,196
-	-	-	-	93,720
-	-	-	-	6,819
-	-	-	-	4,637

BEAUFORT COUNTY SCHOOL DISTRICT

SPECIAL PROJECTS FUND COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 2021

		Title I (201/202)	IDEA (203)	Preschool Handicapped (205)
Expenditures (Continued)				
100	Instruction (Continued)			
120	Exceptional programs (Continued)			
127	Learning disabilities			
100	Salaries	\$ 86,021	\$ 606,648	\$ -
200	Employee benefits	44,903	267,704	-
300	Purchased services	-	337,738	-
400	Supplies and materials	-	161,935	-
128	Emotionally handicapped			
100	Salaries	-	125,727	-
200	Employee benefits	-	61,434	-
130	Preschool programs			
137	Preschool handicapped self-contained (3 and 4 yr olds)			
100	Salaries	-	83,600	68,319
200	Employee benefits	-	31,631	47,324
400	Supplies and materials	-	49,648	-
139	Early childhood programs			
100	Salaries	643,308	-	-
200	Employee benefits	293,896	-	-
140	Special programs			
149	Other special programs			
100	Salaries	-	10,000	-
200	Employee benefits	-	3,077	-
300	Purchased services	-	8,000	-
400	Supplies and materials	-	1,385	-
160	Other exceptional programs			
161	Autism			
100	Salaries	8,418	63,786	-
200	Employee benefits	2,480	31,028	-
300	Purchased services	-	545,366	-
400	Supplies and materials	-	23,925	-
162	Limited English Proficiency			
100	Salaries	56,618	-	-
200	Employee benefits	25,548	-	-
163	Comprehensive Coordinated Early Intervening Services			
300	Purchased services	-	105,478	-
400	Supplies and materials	-	76,482	-
170	Summer school programs			
175	Instructional programs beyond regular school day			
100	Salaries	39,411	-	-
200	Employee benefits	11,604	-	-
300	Purchased services	1,500	-	-
400	Supplies and materials	2,857	-	-
180	Adult continuing education programs			
181	Adult basic education programs			
100	Salaries	-	-	-
200	Employee benefits	-	-	-
300	Purchased services	-	-	-
400	Supplies and materials	-	-	-
600	Other objects	-	-	-
182	Adult secondary education programs			
300	Purchased services	-	-	-
400	Supplies and materials	-	-	-
188	Parenting/family literacy			
100	Salaries	501,624	-	-
200	Employee benefits	241,157	-	-
300	Purchased services	44,435	-	-
400	Supplies and materials	61,312	-	-
600	Other Objects	4,707	-	-
	Total instruction	5,369,430	3,887,341	115,643

(Continued)

Occupational Education (207)	Adult Education (243)	* Other Restricted State Grants	* Other Special Revenue Programs	Total
\$ -	\$ -	\$ -	\$ -	\$ 692,669
-	-	-	-	312,607
-	-	-	-	337,738
-	-	-	-	161,935
-	-	-	-	125,727
-	-	-	-	61,434
-	-	-	-	151,919
-	-	-	-	78,955
-	-	-	-	49,648
-	-	-	-	643,308
-	-	-	-	293,896
-	-	-	-	10,000
-	-	-	-	3,077
-	-	-	-	8,000
-	-	-	-	1,385
-	-	-	7,228	79,432
-	-	-	2,129	35,637
-	-	-	-	545,366
-	-	-	-	23,925
-	-	-	-	56,618
-	-	-	-	25,548
-	-	-	-	105,478
-	-	-	-	76,482
-	-	-	35,087	74,498
-	-	-	10,669	22,273
-	-	-	7,236	8,736
-	-	-	11,383	14,240
-	92,475	-	-	92,475
-	26,983	-	-	26,983
-	3,903	-	-	3,903
-	5,024	-	-	5,024
-	315	-	-	315
-	108	-	-	108
-	5,117	-	-	5,117
-	-	-	128	501,752
-	-	-	32	241,189
-	-	-	-	44,435
-	-	-	26,182	87,494
-	-	-	-	4,707
340,167	133,925	121,528	1,466,583	11,434,617

BEAUFORT COUNTY SCHOOL DISTRICT

SPECIAL PROJECTS FUND COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 2021

		Title I (201/202)	IDEA (203)	Preschool Handicapped (205)
Expenditures (Continued)				
200	Support services			
210	Pupil services			
211	Attendance and social work services			
100	Salaries	\$ -	\$ -	\$ -
200	Employee benefits	-	-	-
212	Guidance services			
100	Salaries	-	-	-
200	Employee benefits	-	-	-
300	Purchased services	-	-	-
400	Supplies and materials	193	-	-
213	Health services			
100	Salaries	-	-	-
200	Employee benefits	-	-	-
300	Purchased services	-	-	-
214	Psychological services			
100	Salaries	-	47,675	-
200	Employee benefits	-	18,139	-
300	Purchased services	-	1,111	-
220	Instructional staff services			
221	Improvement of instruction - curriculum development			
100	Salaries	238,125	123,577	-
200	Employee benefits	88,665	54,521	-
300	Purchased services	-	-	-
223	Supervision of special programs			
100	Salaries	150,288	46,012	-
200	Employee benefits	58,930	18,687	-
300	Purchased services	3,715	-	-
400	Supplies and materials	-	88,917	-
600	Other objects	-	6,000	-
224	Improvement of instruction - inservice and staff training			
100	Salaries	34,052	15,914	-
200	Employee benefits	7,839	1,202	-
300	Purchased services	265,695	114,785	-
400	Supplies and materials	33,865	-	-
600	Other objects	5,000	-	-
250	Finance and operations services			
255	Pupil transportation services			
100	Salaries	-	-	-
200	Employee benefits	-	-	-
300	Purchased services	-	-	-
600	Other objects	-	-	-
256	Food service			
300	Purchased services	-	-	-
400	Supplies and materials	-	-	-
260	Central support services			
263	Information services			
300	Purchased services	-	-	-

(Continued)

Occupational Education (207)	Adult Education (243)	* Other Restricted State Grants	* Other Special Revenue Programs	Total
\$ -	\$ -	\$ -	\$ 41,470	\$ 41,470
-	-	-	17,272	17,272
-	-	724,491	-	724,491
-	-	294,144	-	294,144
-	-	-	51,972	51,972
-	-	-	14,110	14,303
-	-	461,630	100,754	562,384
-	-	182,223	45,729	227,952
-	-	-	42,007	42,007
-	-	-	-	47,675
-	-	-	-	18,139
-	-	-	-	1,111
-	-	708,689	-	1,070,391
-	-	300,881	-	444,067
-	-	-	2,025	2,025
-	-	-	41,333	237,633
-	-	-	17,332	94,949
-	4,607	-	5,965	14,287
-	13,335	-	3,960	106,212
-	700	-	-	6,700
-	-	-	10,193	60,159
-	-	-	1,081	10,122
5,548	858	-	424,446	811,332
-	3,854	-	30,573	68,292
-	-	-	-	5,000
-	-	-	19,000	19,000
-	-	-	6,181	6,181
-	-	-	1,198	1,198
-	-	-	159	159
-	-	-	1,194	1,194
-	-	-	26,984	26,984
-	-	-	2,353	2,353

BEAUFORT COUNTY SCHOOL DISTRICT

SPECIAL PROJECTS FUND COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 2021

		Title I (201/202)	IDEA (203)	Preschool Handicapped (205)
Expenditures (Continued)				
200	Support services (Continued)			
270	Support services - pupil activity			
271	Pupil service activities			
600	Other objects	\$ 2,743	\$ -	\$ -
	Total support services	889,110	536,540	-
300	Community services			
350	Custody and care of children			
100	Salaries	-	-	-
200	Employee benefits	-	-	-
300	Purchased services	-	-	-
400	Supplies and materials	-	-	-
600	Other objects	-	-	-
360	Welfare services			
400	Supplies and materials	-	-	-
370	Non public school services			
300	Purchased services	13,111	-	-
400	Supplies and materials	22,782	-	-
	Total community services	35,893	-	-
400	Other charges			
410	Intergovernmental expenditures			
411-720	Payments to state Department of Education	-	-	-
416-720	Payments to public charter schools	-	121,100	-
	Total intergovernmental expenditures	-	121,100	-
	Total expenditures	6,294,433	4,544,981	115,643
Other financing sources (uses)				
Interfund transfers from (to) other funds				
5210	Transfer from general fund	-	-	-
431-791	Special revenue fund indirect costs	(296,047)	(192,535)	(4,848)
	Total other financing uses, net	(296,047)	(192,535)	(4,848)
	Excess of revenues over expenditures and other financing uses	-	-	-
Fund balance, beginning of year				
		-	-	-
Fund balance, end of year				
		\$ -	\$ -	\$ -

<u>Occupational Education (207)</u>	<u>Adult Education (243)</u>	<u>* Other Restricted State Grants</u>	<u>* Other Special Revenue Programs</u>	<u>Total</u>
\$ 4,000	\$ -	\$ -	\$ -	\$ 6,743
9,548	23,354	2,672,058	907,291	5,037,901
-	-	-	212,638	212,638
-	-	-	91,206	91,206
-	-	-	89	89
-	-	-	145	145
-	-	-	76	76
-	-	-	54,836	54,836
-	-	-	8,264	21,375
-	-	-	-	22,782
-	-	-	367,254	403,147
-	-	40,424	-	40,424
-	-	-	134,879	255,979
-	-	40,424	134,879	296,403
349,715	157,279	2,834,010	2,876,007	17,172,068
-	-	-	1,287	1,287
-	-	-	(52,202)	(545,632)
-	-	-	(50,915)	(544,345)
-	-	-	-	-
-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -

BEAUFORT COUNTY SCHOOL DISTRICT

SPECIAL PROJECTS FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 2021

*Adult Education		* Other Restricted State Grants	
243	Adult Education Federal	919	Education License Plates
818	Adult Education Local	928	EEDA Career Specialists
955	SNAP Reimbursement	935	Reading Coaches
956	Adult Education State	936	Student Health and Fitness Nurses
		937	Student Health and Fitness
* Other Special Revenue Programs			
201	Title I Current Year	821	Public Consulting Group
202	Title I Prior Year	822	Cinderella Fella Ball
203	IDEA	826	Transcripts
205	IDEA Preschool	827	Teacher Mini Grants
207	Federal Perkins Fund CTE	829	Foundation for National Excellence - COVID Grant
210	Title IV SSAE (Student Support and Acad. Enrich.)	831	Farm to School LIES
232	McKinney-Vento Homeless	839	No Kid Hungry Grant
237	Title I ATSI	840	Share Our Strength Grant
264	Title III (ML)	842	Dairy Alliance Grant
267	Improving Teacher Quality, Title II	844	Parker-Grant
286	Medicaid	848	AIE/ABC LIMS
287	Medicaid/Health Services	849	AIE/ABC BMS
290	YRBS Administrative Reimbursement-MRHS	850	AIE/ABC MOES
293	MSAP Grant	851	AIE/ ABC MMS
295	ROTC	852	AIE/ABC LIES
801	Profound. Mentally Disabled	855	First Steps
802	National Christian Foundation - MCRE	866	Dollar General Literacy - BLES
803	Senior Scholar Banquet	867	AIE/ABC HHSCA
804	National Christian Foundation - BLHS	869	Champions of the Environment DHEC
805	HHMS Donation Grant	870	Jr. Jazz Foundation-WBMS
807	National Christian Foundation - HHIE	871	Summer Camps
808	Mission Endowment Fund - OES	872	Dollar General Grant-BLES
809	Back to School Expo	873	Parenting Family Literacy
810	COSY Grant	875	Traveling Preschool Bus
811	Culinary Scholarships	876	Dollar General-BLES
813	National Christian Foundation - RCE	881	Military Child Education Coalition
816	SREB Grant	886	Special Needs Transportation
817	Dept. of Commerce - Trauma PD Training	893	CLIMB Supplement
820	COVID PreK Project		

BEAUFORT COUNTY SCHOOL DISTRICT

SPECIAL PROJECTS FUND SUMMARY SCHEDULE FOR DESIGNATED STATE RESTRICTED GRANTS FOR THE YEAR ENDED JUNE 30, 2021

Subfund	Revenue	Programs	Revenues	Expenditures	Transfer In (Out)	Special Revenue Fund Unearned Revenue
919	3193	Education License Plates	\$ 5,305	\$ 5,305	\$ -	\$ 4,876
928	3118	EEDA Career Specialists	1,018,635	1,018,635	-	422,913
935	3135	Reading Coaches	1,009,570	1,009,570	-	299,941
936	3136	Student Health and Fitness - Nurses	676,784	676,784	-	44,817
937	3127	Student Health and Fitness - PE Teachers	123,716	123,716	-	45,960
		Total	<u>\$ 2,834,010</u>	<u>\$ 2,834,010</u>	<u>\$ -</u>	<u>\$ 818,507</u>

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PUPIL ACTIVITY FUND

The purpose of this fund is to support the educational process. Student activity funds exist to promote the education, general welfare, and morale of students and to finance the “normal program of student activities not otherwise financed”.

BEAUFORT COUNTY SCHOOL DISTRICT

PUPIL ACTIVITY FUND COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 2021

Revenues

1000	Revenue from local sources		
1500	Earnings on investments		
1510	Interest income	\$	1,008
1700	Pupil Activities		
1730	Pupil Organization Membership Dues and Fees		107,883
1900	Other revenue from local sources		
1920	Contributions and donations from private sources		54,241
1999	Revenue from other local sources		1,609,986
	Total revenues		<u>1,773,118</u>

Expenditures

100	Instruction		
190	Instructional pupil activity		
600	Other objects		1,014,672
	Total instruction		<u>1,014,672</u>
200	Support services		
270	Support services - pupil activity		
271	Pupil service activities		
600	Other objects		753,311
272	Pupil service activities		
600	Other objects		217,256
273	Pupil service activities		
600	Other objects		10,378
	Total support services		<u>980,945</u>
	Total expenditures		<u>1,995,617</u>
	Excess of revenues over expenditures and other financing uses		(222,499)

Fund balance, beginning of year, as restated	<u>3,048,361</u>
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Fund balance, end of year	<u><u>\$ 2,825,862</u></u>
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NOTE: Accounting principles generally accepted in the United States of America serve as the budgetary basis of accounting.

COVID RELATED FUNDS

The purpose of this fund is to address the impact that the Novel Coronavirus Disease (COVID-19) has had, and continues to have, on elementary and secondary schools across the nation.

BEAUFORT COUNTY SCHOOL DISTRICT

COVID RELATED FUNDS COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 2021

Revenues

1000	Revenue from local sources		
1900	Other revenue from local sources		
1999	Revenue from other local sources	\$	130,784
	Total local sources		130,784
3000	Revenue from state sources		
3900	Other state revenue		
3995	LEAP		3,417,211
	Total state sources		3,417,211
4000	Revenue from federal sources		
4900	Other state revenue		
4973	CARES ESSER I		4,063,155
4977	CRRSA ESSER II		1,757,359
	Total federal sources		5,820,514
	Total revenues		9,368,509

Expenditures

100	Instruction		
110	General instruction		
111	Kindergarten programs		
100	Salaries		90,022
200	Employee benefits		26,298
300	Purchased services		57
400	Supplies and materials		19,721
112	Primary programs		
100	Salaries		277,589
200	Employee benefits		79,826
300	Purchased services		315,301
400	Supplies and materials		2,426,997
113	Elementary programs		
100	Salaries		269,812
200	Employee benefits		79,350
300	Purchased services		230,343
400	Supplies and materials		38,812
114	High school programs		
300	Purchased services		116,792
400	Supplies and materials		47,017
115	Career and technology education programs		
400	Supplies and materials		116
118	Montessori programs		
100	Salaries		7,078
200	Employee benefits		2,084
120	Exceptional programs		
121	Educable mentally handicapped		
100	Salaries		5,303
200	Employee benefits		1,560
400	Supplies and materials		9,042
122	Trainable mentally handicapped		
100	Salaries		755
200	Employee benefits		222
124	Visually handicapped		
100	Salaries		487
200	Employee benefits		142
125	Hearing handicapped		
100	Salaries		1,323
200	Employee benefits		388
126	Speech handicapped		
100	Salaries		18,783
200	Employee benefits		5,484
127	Learning disabilities		
100	Salaries		59,223
200	Employee benefits		17,420
400	Supplies and materials		303

(Continued)

BEAUFORT COUNTY SCHOOL DISTRICT

COVID RELATED FUNDS COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 2021

Expenditures (Continued)

100	Instruction (Continued)		
120	Exceptional programs (Continued)		
128	Emotionally handicapped		
100	Salaries		6,837
200	Employee benefits		2,012
130	Preschool programs		
135	Preschool handicapped speech (3- and 4-yr.-olds)		
100	Salaries		240
200	Employee benefits		71
137	Preschool handicapped self-contained (3 and 4 yr olds)		
100	Salaries		9,566
200	Employee benefits		2,816
139	Early childhood programs		
100	Salaries		46,759
200	Employee benefits		13,749
300	Purchased services		55,210
400	Supplies and materials		419,186
140	Special programs		
141	Gifted and talented academic		
100	Salaries		26,020
200	Employee benefits		7,653
160	Other exceptional programs		
161	Autism		
100	Salaries		3,877
200	Employee benefits		1,141
162	Limited English proficiency		
100	Salaries		37,538
200	Employee benefits		10,656
400	Supplies and materials		28
170	Summer school programs		
171	Primary program		
100	Salaries		124,037
200	Employee benefits		37,782
400	Supplies and materials		52,000
172	Elementary summer school		
100	Salaries		52,842
200	Employee benefits		16,028
173	High School Summer School Program		
100	Salaries		46,252
200	Employee benefits		14,088
175	Instructional programs beyond regular school day		
100	Salaries		393,074
200	Employee benefits		115,306
180	Adult/continuing education programs		
181	Adult		
100	Salaries		27,446
200	Employee benefits		6,592
	Total instruction		<u>5,676,456</u>
200	Support services		
210	Pupil services		
211	Attendance and social work services		
100	Salaries		8,325
200	Employee benefits		2,447
400	Supplies and materials		27
212	Guidance services		
100	Salaries		16,017
200	Employee benefits		4,734
210	Pupil services (Continued)		
213	Health services		
100	Salaries		88,193
200	Employee benefits		28,214
400	Supplies and materials		1,476
	Total pupil services		<u>149,433</u>

(Continued)

BEAUFORT COUNTY SCHOOL DISTRICT

COVID RELATED FUNDS COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 2021

Expenditures (Continued)

200	Support services (Continued)		
220	Instructional staff services		
221	Improvement of instruction - curriculum development		
	300 Purchased services		378
	400 Supplies and materials		2,573
222	Library and media services		
	100 Salaries		4,103
	200 Employee benefits		1,207
	400 Supplies and materials		694
220	Instructional staff services (continued)		
223	Supervision of special programs		
	400 Supplies and materials		1,047
	Total instructional staff services		<u>10,002</u>
230	General administration services		
232	Office of the Superintendent		
	400 Supplies and materials		25
233	School administration		
	100 Salaries		3,271
	200 Employee benefits		962
	300 Purchased services		2,460
	400 Supplies and materials		48,836
	Total general administration services		<u>55,554</u>
250	Finance and operations services		
251	Federal student transportation		
	100 Salaries		41,240
	200 Employee benefits		12,150
	300 Purchased services		29,937
252	Fiscal services		
	100 Salaries		6,091
	200 Employee benefits		2,244
	400 Supplies and materials		12,941
253	Facilities acquisition and construction		
	300 Purchased services		15,000
254	Operation and maintenance of plant		
	300 Purchased services		198,011
	400 Supplies and materials		18,879
250	Finance and operations services (Continued)		
255	Student transportation		
	400 Supplies and materials		282
256	Food Services		
	300 Purchased services		318,000
	400 Supplies and materials		75,782
257	Internal services		
	400 Supplies and materials		1,492,654
258	Security		
	400 Supplies and materials		209,520
	Total finance and operations services		<u>2,432,731</u>
260	Central support services		
262	Planning		
	400 Supplies and materials		41,390
264	Staff services		
	300 Purchased services		49
	400 Supplies and materials		4,606
266	Technology and data processing services		
	300 Purchased services		9,900
	Total central support services		<u>55,945</u>
270	Support Services - Pupil Activity		
271	Pupil service activities		
	300 Purchased services		2,721
	400 Supplies and materials		6,212
	Total support services - pupil activity		<u>8,933</u>
	Total support services		<u>2,712,598</u>

(Continued)

BEAUFORT COUNTY SCHOOL DISTRICT

COVID RELATED FUNDS COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 2021

Expenditures (Continued)

300	Community services		
350	Custody and care of children		
100	Salaries		23,241
200	Employee benefits		6,630
370	Non public school services		
100	Salaries		10,165
200	Employee benefits		778
300	Purchased services		21,908
400	Supplies and materials		254,152
	Total community services		<u>316,874</u>
	Total expenditures		8,705,928
	Excess (deficiency) of revenues over (under) expenditures		<u>662,581</u>
	Other financing sources (uses)		
	Interfund transfers, from (to) other funds:		
411-720	Payments to other governmental units		(176,655)
431-700	COVID funds indirect costs		(485,926)
	Total other financing uses		<u>(662,581)</u>
	Net change in fund balances		-
	Fund balance, beginning of year		<u>-</u>
	Fund balance, end of year		<u><u>\$ -</u></u>

NOTE: Accounting principles generally accepted in the United States of America serve as the budgetary basis of accounting.

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SPECIAL REVENUE FUND – EDUCATION IMPROVEMENT ACT (“EIA”) FUND

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

BEAUFORT COUNTY SCHOOL DISTRICT

EDUCATION IMPROVEMENT ACT FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE FOR THE YEAR ENDED JUNE 30, 2021

Revenues

3000	Revenue from state sources		
3500	Education Improvement Act ("EIA")		
3502	ADEPT	\$	27,372
3507	Aid to district technology		55,794
3509	Arts in education		3,017
3518	Formative assessment		112,645
3519	Grade 10 assessments		130,384
3526	Refurbishment of K-8 science kits		121,068
3528	Industry certificates		54,848
3529	EIA work-based learning center		772,488
3532	National board salary supplement		902,747
3533	Teacher of the Year awards		1,077
3538	Students at risk of school failure		1,757,122
3540	Early childhood program		830,097
3550	Teacher salary increase		5,704,865
3555	Teacher salary fringe		1,388,142
3556	Adult education		451,811
3557	Summer reading program		445,370
3571	Technical assistance - state priority schools		293,029
3577	Teacher supplies		495,000
3592	Work-based learning		51,903
3595	EEDA - supplies and materials		19,569
3597	Aid to districts		953,050
	Total state sources		<u>14,571,398</u>
	Total revenue all sources	\$	<u><u>14,571,398</u></u>

BEAUFORT COUNTY SCHOOL DISTRICT

EDUCATION IMPROVEMENT ACT FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE FOR THE YEAR ENDED JUNE 30, 2021

Expenditures

100	Instruction				
110	General instruction				
111	Kindergarten programs				
100	Salaries	\$		15,000	
200	Employee benefits			4,418	
400	Supplies and materials			23,375	
				<u>23,375</u>	
				42,793	
112	Primary programs				
100	Salaries			989,064	
200	Employee benefits			386,483	
300	Purchased services			108,994	
400	Supplies and materials			164,698	
				<u>164,698</u>	
				1,649,239	
113	Elementary programs				
100	Salaries			671,362	
200	Employee benefits			218,159	
300	Purchased services			3,393	
400	Supplies and materials			230,319	
				<u>230,319</u>	
				1,123,233	
114	High school programs				
100	Salaries			209,657	
200	Employee benefits			61,655	
400	Supplies and materials			226,359	
				<u>226,359</u>	
				497,671	
115	Career and technology education programs				
300	Purchased services			140,551	
400	Supplies and materials			672,846	
				<u>672,846</u>	
				813,397	
117	Driver education programs				
400	Supplies and materials			550	
				<u>550</u>	
118	Montessori programs				
400	Supplies and materials			2,200	
				<u>2,200</u>	
120	Exceptional programs				
121	Educable mentally handicapped				
400	Supplies and materials			3,300	
				<u>3,300</u>	
122	Trainable mentally handicapped				
400	Supplies and materials			1,100	
				<u>1,100</u>	
123	Orthopedically handicapped				
400	Supplies and materials			275	
				<u>275</u>	
124	Visually handicapped				
400	Supplies and materials			275	
				<u>275</u>	

(Continued)

BEAUFORT COUNTY SCHOOL DISTRICT

EDUCATION IMPROVEMENT ACT FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE FOR THE YEAR ENDED JUNE 30, 2021

Expenditures (Continued)

100	Instruction (Continued)			
120	Exceptional programs (Continued)			
125	Hearing handicapped			
400	Supplies and materials	\$	1,100	
			1,100	
126	Speech handicapped			
400	Supplies and materials		6,050	
			6,050	
127	Learning disabilities			
400	Supplies and materials		25,850	
			25,850	
128	Emotionally handicapped			
400	Supplies and materials		3,575	
			3,575	
130	Pre-school programs			
135	Preschool handicapped speech (3- and 4-yr-olds)			
400	Supplies and materials		550	
			550	
137	Preschool handicapped self-contained (3- and 4-yr.-olds)			
400	Supplies and materials		1,925	
			1,925	
139	Early childhood programs			
100	Salaries		549,154	
200	Employee benefits		274,859	
400	Supplies and materials		88,727	
			912,740	
140	Special Programs			
141	Gifted and talented - academic			
400	Supplies and materials		8,525	
			8,525	
160	Other exceptional programs			
162	Limited English proficiency			
400	Supplies and materials		15,950	
			15,950	
170	Summer school programs			
171	Primary program			
100	Salaries		96,516	
200	Employee benefits		28,287	
400	Supplies and materials		287,325	
			412,128	
172	Elementary summer school			
100	Salaries		65,855	
200	Employee benefits		19,331	
			85,186	
173	High school summer school			
100	Salaries		43,245	
200	Employee benefits		12,582	
			55,827	

(Continued)

BEAUFORT COUNTY SCHOOL DISTRICT

EDUCATION IMPROVEMENT ACT FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE FOR THE YEAR ENDED JUNE 30, 2021

Expenditures (Continued)

100	Instruction (Continued)			
170	Summer school programs (Continued)			
175	Instructional programs beyond regular school day			
100	Salaries	\$	369,670	
200	Employee benefits		96,861	
400	Supplies and materials		1,384	
			<u>467,915</u>	
180	Adult/continuing education programs			
181	Adult basic education programs			
100	Salaries		76,056	
200	Employee benefits		15,906	
300	Purchased services		8,764	
400	Supplies and materials		572	
			<u>101,298</u>	
182	Adult secondary education programs			
100	Salaries		24,042	
200	Employee benefits		5,281	
			<u>29,323</u>	
183	Adult English literacy			
100	Salaries		37,137	
200	Employee benefits		8,249	
			<u>45,386</u>	
188	Parenting/family literacy			
100	Salaries		39,336	
200	Employee benefits		19,100	
300	Purchased services		3,750	
400	Supplies and materials		22,262	
			<u>84,448</u>	
	Total instruction		<u>6,391,809</u>	
200	Support services			
210	Pupil services			
212	Guidance services			
400	Supplies and materials		35,730	
			<u>35,730</u>	
213	Health services			
100	Salaries		5,366	
200	Employee benefits		1,589	
			<u>6,955</u>	
220	Instructional staff services			
221	Improvement of instruction - curriculum development			
100	Salaries		348,621	
200	Employee benefits		133,166	
300	Purchased services		1,090	
			<u>482,877</u>	
222	Literacy and media services			
400	Supplies and materials		7,425	
			<u>7,425</u>	

(Continued)

BEAUFORT COUNTY SCHOOL DISTRICT

EDUCATION IMPROVEMENT ACT FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE FOR THE YEAR ENDED JUNE 30, 2021

Expenditures (Continued)

200	Support services (Continued)			
220	Instructional staff services (Continued)			
223	Supervision of special programs			
100	Salaries	\$	195,954	
200	Employee benefits		65,430	
300	Purchased services		2,127	
400	Supplies and materials		2,421	
			<u>265,932</u>	
224	Improvement of instruction - inservice and staff training			
100	Salaries		36,564	
200	Employee benefits		8,781	
300	Purchased services		24,289	
400	Supplies and materials		688	
600	Other objects		2,800	
			<u>73,122</u>	
250	Finance and operations services			
251	Federal student transportation			
300	Purchased Services		1,313	
			<u>1,313</u>	
254	Operation and maintenance			
300	Purchased Services		1,045	
			<u>1,045</u>	
255	Student transportation			
300	Purchased Services		6,848	
			<u>6,848</u>	
260	Central support services			
264	Staff services			
100	Salaries		7,500	
200	Employee benefits		2,208	
			<u>9,708</u>	
266	Technology and data processing services			
400	Supplies and materials		55,794	
			<u>55,794</u>	
	Total support services		<u>946,749</u>	
400	Other charges			
410	Intergovernmental expenditures			
416-720	Payments to public charter schools		139,833	
	Total other charges		<u>139,833</u>	
	Total expenditures		<u>7,478,391</u>	
Other financing uses				
Interfund transfers, to other funds				
420-710	Transfer to general fund		(7,093,007)	
	Total other financing uses		<u>(7,093,007)</u>	
	Excess of revenues over expenditures and other financing uses			-
Fund balance, beginning of year				<u>-</u>
Fund balance, end of year				<u>\$ -</u>

BEAUFORT COUNTY SCHOOL DISTRICT

EDUCATION IMPROVEMENT ACT FUND SUMMARY SCHEDULE BY PROGRAM FOR THE YEAR ENDED JUNE 30, 2021

		Revenues	Expenditures	Transfers In (Out)	Unearned Revenue
3500	Education Improvement Act ("EIA")				
3502	ADEPT	\$ 27,372	\$ 27,372	\$ -	\$ -
3507	Aid to Districts	55,794	55,794	-	-
3509	Arts in Education	3,017	3,017	-	4,647
3518	Formative Assessment	112,645	112,645	-	-
3519	Grade 10 Assessments	130,384	130,384	-	19,515
3526	Refurbishment of K-8 Science Kits	121,068	121,068	-	25,001
3528	Industry Certificates	54,848	54,848	-	75,715
3529	EIA Work-Based Learning Center	772,488	772,488	-	25,788
3532	National Board Salary Supplement	902,747	902,747	-	49,738
3533	Teacher of the Year Awards	1,077	1,077	-	-
3535	Reading Coach	-	-	-	259,099
3538	Students at Risk of School Failure	1,757,122	1,757,122	-	934,617
3540	Early Childhood Program	830,097	830,097	-	379,311
3550	Teacher Salary Increase	5,704,865	-	(5,704,865)	-
3555	Teacher Salary Fringe	1,388,142	-	(1,388,142)	-
3556	Adult Education	451,811	451,811	-	105,497
3557	Summer Reading Program	445,370	445,370	-	-
3571	Technical Assistance - State Priority Schools	293,029	293,029	-	306,225
3577	Teacher Supplies	495,000	495,000	-	-
3592	Work-Based Learning	51,903	51,903	-	17,651
3595	EEDA - Supplies and Materials	19,569	19,569	-	8,023
3597	Aid to Districts	953,050	953,050	-	611,518
3599	E-Rate Category 2 Match	-	-	-	3,389
	Total	<u>\$ 14,571,398</u>	<u>\$ 7,478,391</u>	<u>\$ (7,093,007)</u>	<u>\$ 2,825,734</u>

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DEBT SERVICE FUNDS

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

BEAUFORT COUNTY SCHOOL DISTRICT

DEBT SERVICE FUND - DISTRICT SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Revenues

1000	Revenue from local sources		
1200	Revenue from local governmental units other than LEAs		
1210	Ad valorem taxes-including delinquent taxes	\$	73,922,312
1240	Penalties and interest on taxes		211,641
1280	Revenue in lieu of taxes		5,210
1500	Earnings on investments		
1510	Interest on investments		148,667
	Total local sources		<u>74,287,830</u>
3000	Revenue from state sources		
3800	State revenue in lieu of taxes		
3820	Homestead exemption		1,362,544
3830	Merchant's inventory tax		85,988
3890	Other state property tax revenues		150,773
	Total state sources		<u>1,599,305</u>
	Total revenues all sources		<u>75,887,135</u>

Expenditures

500	Debt service		
610	Redemption of principal		51,400,721
620	Interest		12,678,647
690	Other objects		159,123
	Total expenditures		<u>64,238,491</u>
	Excess of revenues over expenditures		<u>11,648,644</u>

Other financing sources (uses)

5110	Premium on bonds sold		958,023
	Interfund transfers, to other funds		
423-710	Transfer to capital projects fund		(6,531,780)
424-710	Transfer to EFC debt service fund		(2,725,346)
	Total other financing (uses)		<u>(8,299,103)</u>
	Excess of revenues and other financing sources over expenditures and other financing uses		3,349,541

Fund balance, beginning of year			<u>16,577,383</u>
Fund balance, end of year		\$	<u><u>19,926,924</u></u>

BEAUFORT COUNTY SCHOOL DISTRICT

DEBT SERVICE FUND - EFC SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Revenues

1000	Revenue from local sources		
1500	Earnings on investments		
1510	Interest on investments	\$	55
	Total local sources		<u>55</u>
	Total revenues all sources		<u>55</u>

Expenditures

500	Debt service		
610	Redemption of principal		2,095,000
620	Interest		625,234
690	Other objects		<u>11,575</u>
	Total expenditures		<u>2,731,809</u>
	Deficiency of revenues under expenditures		<u>(2,731,754)</u>

Other financing sources

Interfund transfers, from other funds

5240	Transfer from district debt service fund		<u>2,725,346</u>
	Total other financing sources		<u>2,725,346</u>
	Deficiency of revenues and other financing sources under expenditures		(6,408)

Fund balance, beginning of year			<u>37,174</u>
Fund balance, end of year		\$	<u><u>30,766</u></u>

CAPITAL PROJECTS FUND

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

BEAUFORT COUNTY SCHOOL DISTRICT

CAPITAL PROJECTS FUND COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE FOR THE FISCAL YEAR ENDED JUNE 30, 2021

		Other Projects	Referenda Projects	Total
Revenues				
1000	Revenue from local sources			
1500	Earnings on investments			
1510	Interest on investments	\$ 408,285	\$ 368,289	\$ 776,574
1900	Other revenue from local sources			
1999	Revenue from other local sources	689,570	-	689,570
	Total local sources	<u>1,097,855</u>	<u>368,289</u>	<u>1,466,144</u>
4000	Revenue from federal sources			
4999	Revenue from other federal sources	105,222	-	105,222
	Total federal sources	<u>105,222</u>	<u>-</u>	<u>105,222</u>
	Total revenues all sources	<u>1,203,077</u>	<u>368,289</u>	<u>1,571,366</u>
Expenditures				
250	Fiscal Services			
253	Facilities acquisition and construction			
100	Salaries	388,998	17,155	406,153
200	Employee benefits	136,952	7,449	144,401
300	Purchased services	2,114,542	9,113,119	11,227,661
400	Supplies and materials	9,873,738	513,089	10,386,827
500	Capital outlay			
520	Building	6,245,053	32,496,368	38,741,421
530	Improvements other than buildings	191,743	6,652,494	6,844,237
540	Equipment	152,464	3,184,767	3,337,231
545	Technology equipment and software	493,248	6,376,092	6,869,340
550	Vehicles	94,389	-	94,389
580	Mobile Classrooms	53,668	-	53,668
591	Adjustment for retainage	(31,114)	398,029	366,915
690	Other objects	63,375	-	63,375
620	Bond issuance costs	-	530,639	530,639
	Total expenditures	<u>19,777,056</u>	<u>59,289,201</u>	<u>79,066,257</u>
	Deficiency of revenues under expenditures	<u>(18,573,979)</u>	<u>(58,920,912)</u>	<u>(77,494,891)</u>
Other financing sources (uses)				
5110	Premium on bond sold	-	18,491,810	18,491,810
5120	Proceeds from issuance of long-term debt	-	130,000,000	130,000,000
5300	Sale of capital assets	1,304,410	-	1,304,410
Interfund transfers, from other funds				
5240	Transfer from capital projects	6,531,780	-	6,531,780
	Total other financing sources	<u>7,836,190</u>	<u>148,491,810</u>	<u>156,328,000</u>
	Excess (deficiency) of revenues and other financing sources over (under) expenditures	<u>(10,737,789)</u>	<u>89,570,898</u>	<u>78,833,109</u>
Fund balance, beginning of year		<u>34,482,181</u>	<u>66,896,122</u>	<u>101,378,303</u>
Fund balance, end of year		<u>\$ 23,744,392</u>	<u>\$ 156,467,020</u>	<u>\$ 180,211,412</u>

ENTERPRISE FUND – STUDENT NUTRITION

The enterprise fund records the financing, operation and maintenance of the Student Nutrition Services fund. The Student Nutrition Services fund operates in a manner similar to a private business enterprise. The fund's purpose is to provide balanced nutritional meals to School District students, some of which are free and reduced meals under the United States Department of Agriculture school breakfast and lunch programs.

BEAUFORT COUNTY SCHOOL DISTRICT

ENTERPRISE FUND - STUDENT NUTRITION SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Revenues

1000	Revenue from local sources		
1500	Earnings on investments		
1510	Interest on investments	\$	2,782
1600	Food services		
1610	Lunch sales to pupils		8,636
1630	Special sales to pupils		76
1640	Lunch sales to adults		164
1900	Other revenue from local sources		
1999	Revenue from other local sources		120,084
	Total local sources		<u>131,742</u>
4000	Revenue from federal sources		
4800	USDA reimbursement		
4810	School lunch and after school snacks program		187,976
4830	School breakfast program		92,726
4860	Fresh fruits and vegetables		12,410
4880	Summer feeding program		9,467,192
4900	Other federal sources		
4991	USDA commodities (food distribution program)		925,474
4999	Revenue from other federal sources		84,927
	Total federal sources		<u>10,770,705</u>
	Total revenue all sources		<u>10,902,447</u>

Expenditures

256	Food services		
100	Salaries		244,146
200	Employee benefits		162,989
300	Purchased services		
323	Repairs and maintenance services		17,874
3758	Travel		899
345	Technology		29,837
390	Other purchased services		6,633,939
400	Supplies and materials		
410	Supplies		5,813
445	Technology and software supplies		4,687
460	Food		12,408
461	USDA commodities		925,474
470	Energy		13,019
500	Capital outlay		
570	Depreciation		274,592
600	Other objects		
640	Dues and fees		141
670	Sales tax on adult meals		4,177
690	Other objects		11,170
	Total expenditures		<u>8,341,165</u>

(Continued)

BEAUFORT COUNTY SCHOOL DISTRICT

ENTERPRISE FUND - STUDENT NUTRITION SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Other financing sources (uses)

Interfund transfers from (to) other funds

5210	Transfer from general fund	\$	110,000
432-791	Food service fund indirect costs		(86,381)
416-720	Payments to charter schools		(249,039)
416-720	Payments to other governmental units		<u>(8,474)</u>
	Total other financing (uses)		<u>(233,894)</u>

Excess of revenues and other financing sources
over expenditures and other financing uses

2,327,388

Fund balance, beginning of year2,832,913**Fund balance, end of year**\$ 5,160,301

Footnote: This schedule is presented in the format prescribed by the South Carolina Department of Education, which varies in presentation from Statement of Revenues, Expenses and Changes in Net Position - Proprietary Fund.

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INTERNAL SERVICE FUND

The internal service fund records the expenses of the District related to workers compensation and the funding allocated to offset those costs.

BEAUFORT COUNTY SCHOOL DISTRICT

INTERNAL SERVICE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Revenues

1000	Revenue from local sources		
1900	Other revenue from local sources		
1993	Receipt of insurance proceeds	\$	47,558
1999	Revenue from other local sources		966,590
	Total local sources		<u>1,014,148</u>
	Total revenue all sources		<u>1,014,148</u>

Expenditures

100	Instruction		
110	General instruction		
112	Primary programs		
200	Employee benefits		
270	Workers compensation		426,168
113	Elementary programs		
200	Employee benefits		
270	Workers compensation		128,479
114	High school programs		
200	Employee benefits		
270	Workers compensation		61,131
120	Exceptional programs		
127	Learning disabilities		
200	Employee benefits		
270	Workers compensation		219,167
	Total instruction		<u>834,945</u>
200	Support services		
210	Pupil services		
212	Guidance services		
200	Employee benefits		
270	Workers compensation		2,251
213	Health services		
200	Employee benefits		
270	Workers compensation		7,734
220	Instructional staff services		
221	Improvement of instruction - curriculum development		
200	Employee benefits		
270	Workers compensation		4,522

(Continued)

BEAUFORT COUNTY SCHOOL DISTRICT

INTERNAL SERVICE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Expenditures(Continued)

200	Support services (Continued)		
230	General administration services		
233	School administration		
200	Employee benefits		
	270 Workers compensation	\$	40,861
250	Finance and operations services		
254	Operation and maintenance of plant		
200	Employee benefits		
	270 Workers compensation		693
300	Purchased services		
	324 Property insurance		9,248
255	Student transportation		
200	Employee benefits		
	270 Workers compensation		66,335
	Total support services		<u>131,644</u>
	Total expenditures		<u>966,589</u>
	Excess of revenues over expenditures		<u>47,559</u>
	Fund balance, beginning of year		<u>1,425,753</u>
	Fund balance, end of year	\$	<u><u>1,473,312</u></u>

NOTE: This schedule is presented in the format prescribed by South Carolina Department of Education, which varies in presentation from Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds.

BEAUFORT COUNTY SCHOOL DISTRICT

FINANCIAL ANALYSIS MODEL LOCATION RECONCILIATION SCHEDULE FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Location Code	Location Description	Education Level	Cost Type	Total Expenditures
01	District Office	Non-Schools	Central	\$ 142,315,892
09	Right Choices	Alternative School	School	2,639,519
10	Academy For Career Excellence	Other Schools	School	1,930,703
15	St Helena Early Childhood	Other Schools	School	200,610
17	Hilton Head Early Childhood	Other Schools	School	5,878,133
20	Riverview Charter School	Other Schools	School	8,099,659
33	Beaufort Elementary	Elementary Schools	School	21,758,693
34	Coosa Elementary	Elementary Schools	School	5,698,447
35	Lady's Island Elementary	Elementary Schools	School	4,045,031
37	Mossy Oaks Elementary	Elementary Schools	School	6,109,703
38	Port Royal Elementary	Elementary Schools	School	3,465,765
39	St Helena Elementary	Elementary Schools	School	5,068,143
40	Broad River Elementary	Elementary Schools	School	6,159,816
44	Shanklin Elementary	Elementary Schools	School	5,417,906
54	Whale Branch Elementary	Elementary Schools	School	9,732,129
60	Daufuskie Elementary	Elementary Schools	School	394,238
62	Hilton Head Island Elementary	Elementary Schools	School	13,245,692
63	Hilton Head Island School For Creative Arts	Elementary Schools	School	7,917,631
70	Bluffton Elementary	Elementary Schools	School	11,066,084
72	Okatie Elementary	Elementary Schools	School	6,814,873
74	Mc Riley Elementary	Elementary Schools	School	10,098,605
76	Red Cedar Elementary	Elementary Schools	School	8,038,989
78	Pritchardville Elementary	Elementary Schools	School	8,173,842
79	River Ridge Academy	PK-8 Schools	School	14,847,519
80	Beaufort Middle	Middle Schools	School	5,796,938
81	Lady's Island Middle	Middle Schools	School	7,038,770
83	Robert Smalls Intl Academy	PK-8 Schools	School	10,789,678
85	Whale Branch Middle	Middle Schools	School	7,498,136
87	Hilton Head Island Middle	Middle Schools	School	9,089,247
88	He Mccracken Middle	Middle Schools	School	10,928,507
89	Bluffton Middle School	Middle Schools	School	8,275,228
90	Beaufort High	High Schools	School	19,892,535
92	Battery Creek High	High Schools	School	15,351,037
94	Whale Branch Ec High School	High Schools	School	8,152,905
96	Hilton Head Island High	High Schools	School	14,347,496
97	May River High School	High Schools	School	21,675,242
98	Bluffton High	High Schools	School	13,469,385
				<u>\$ 461,422,726</u>

The above expenditures/expenses are reconciled to the School District's financial statement as follows:

Funds used in Per Pupil Cost calculation

General Fund	\$ 252,317,821
Special Projects Fund	17,717,700
Special Projects EIA Fund	14,571,398
Pupil Activity Fund	1,995,617
COVID Related Funds	9,368,509
Proprietary Fund	8,685,059
Internal Service Fund	966,589
	<u>305,622,693</u>

Other funds

Debt Service Fund - District	73,495,617
Debt Service Fund - EFC	2,731,809
Capital Projects Fund	79,572,607
	<u>155,800,033</u>
Total expenditures / disbursements for all funds	<u>\$ 461,422,726</u>

BEAUFORT COUNTY SCHOOL DISTRICT

RIVERVIEW CHARTER SCHOOL - GENERAL FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2021

		Original Budget	Final Budget	Actual	Variance with Budget
Revenues					
1000	Revenue from local sources				
1700	Pupil activities				
1740	Student fees	\$ 50,000	\$ 50,000	\$ 8,374	\$ (41,626)
1790	Other pupil activity income	414,500	416,700	10,129	(406,571)
1900	Other revenue from local sources				
1920	Contributions and donations from private sources	67,500	67,500	13,548	(53,952)
1990	Refund of prior year expenditures	-	-	15,500	15,500
1990	Miscellaneous local revenue				
1999	Revenue from other local sources	25,065	-	1,582	1,582
	Total revenue from local sources	557,065	534,200	49,133	(485,067)
3000	Revenue from state sources				
3300	Education Finance Act ("EFA")				
3313	Elementary	7,121,807	7,121,807	7,343,550	221,743
3900	Other state revenue				
3993	PEBA on-behalf	-	30,053	30,366	313
	Total revenue from state sources	7,121,807	7,151,860	7,373,916	222,056
	Total revenue from all sources	7,678,872	7,686,060	7,423,049	(263,011)
Expenditures					
100	Instruction				
110	General instruction				
111	Kindergarten programs				
100	Salaries	-	-	330,498	(330,498)
200	Employee benefits	-	-	117,791	(117,791)
400	Supplies and materials	-	-	2,569	(2,569)
		-	-	450,858	(450,858)
112	Primary programs				
100	Salaries	-	-	776,573	(776,573)
200	Employee benefits	-	-	419,943	(419,943)
400	Supplies and materials	-	-	9,022	(9,022)
		-	-	1,205,538	(1,205,538)
113	Elementary programs				
100	Salaries	3,055,125	3,103,713	1,720,002	1,383,711
200	Employee benefits	1,406,235	1,428,906	727,293	701,613
300	Purchased services	19,500	19,500	16,018	3,482
400	Supplies and materials	105,125	123,125	69,876	53,249
		4,585,985	4,675,244	2,533,189	2,142,055
120	Exceptional programs				
121	Educable mentally handicapped				
400	Supplies and materials	-	-	200	(200)
		-	-	200	(200)
126	Speech handicapped				
400	Supplies and materials	-	-	589	(589)
		-	-	589	(589)
127	Learning disabilities				
100	Salaries	-	-	142,012	(142,012)
200	Employee benefits	-	-	120,860	(120,860)
300	Purchased services	12,000	12,000	-	12,000
400	Supplies and materials	1,500	1,500	949	551
		13,500	13,500	263,821	(250,321)
130	Preschool programs				
133	Preschool handicapped self-contained				
400	Supplies and materials	-	-	322	(322)
		-	-	322	(322)

(Continued)

BEAUFORT COUNTY SCHOOL DISTRICT

RIVERVIEW CHARTER SCHOOL - GENERAL FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2021

				Original Budget	Final Budget	Actual	Variance with Budget
Expenditures (Continued)							
100	Instruction (Continued)						
170	Summer school programs						
175	Instructional programs beyond regular day school						
100	Salaries			\$ 81,718	\$ 88,051	\$ 53,336	\$ 34,715
200	Employee benefits			27,388	29,886	22,749	7,137
300	Purchased services			73,710	63,225	-	63,225
400	Supplies and materials			5,800	9,000	3,353	5,647
				<u>188,616</u>	<u>190,162</u>	<u>79,438</u>	<u>110,724</u>
190	Instructional pupil activity						
600	Other objects			197,050	194,950	10,769	184,181
				<u>197,050</u>	<u>194,950</u>	<u>10,769</u>	<u>184,181</u>
	Total instruction			<u>4,985,151</u>	<u>5,073,856</u>	<u>4,544,724</u>	<u>529,132</u>
200	Support services						
210	Pupil services						
212	Guidance services						
100	Salaries			-	-	136,531	(136,531)
200	Employee benefits			-	-	45,595	(45,595)
400	Supplies and materials			1,500	1,500	-	1,500
				<u>1,500</u>	<u>1,500</u>	<u>182,126</u>	<u>(180,626)</u>
213	Health services						
100	Salaries			-	-	9,799	(9,799)
200	Employee benefits			-	-	12,621	(12,621)
400	Supplies and materials			2,750	2,750	17,853	(15,103)
600	Capital outlay			-	-	8,080	(8,080)
				<u>2,750</u>	<u>2,750</u>	<u>48,353</u>	<u>(45,603)</u>
214	Psychological services						
300	Purchased services			-	-	1,007	(1,007)
				<u>-</u>	<u>-</u>	<u>1,007</u>	<u>(1,007)</u>
215	Exceptional program services						
300	Purchased services			-	-	12,408	(12,408)
				<u>-</u>	<u>-</u>	<u>12,408</u>	<u>(12,408)</u>
220	Instructional staff services						
221	Improvement of instruction curriculum development						
100	Salaries			-	-	136,901	(136,901)
200	Employee benefits			-	-	54,533	(54,533)
300	Purchased services			-	-	45,000	(45,000)
400	Supplies and materials			-	-	120	(120)
				<u>-</u>	<u>-</u>	<u>236,554</u>	<u>(236,554)</u>
222	Library and media services						
400	Supplies and materials			-	-	1,726	(1,726)
				<u>-</u>	<u>-</u>	<u>1,726</u>	<u>(1,726)</u>
224	Improvement of instruction and staff training						
100	Salaries			-	-	99,388	(99,388)
200	Employee benefits			-	-	38,133	(38,133)
300	Purchased services			12,000	12,000	50,375	(38,375)
400	Supplies and materials			-	-	157	(157)
				<u>12,000</u>	<u>12,000</u>	<u>188,053</u>	<u>(176,053)</u>
230	General administration services						
231	Board of Education						
300	Purchased services			18,500	20,000	81,576	(61,576)
318	Audit services			10,000	12,000	16,931	(4,931)
400	Supplies and materials			63,500	60,500	794	59,706
600	Other objects			31,500	32,500	43,264	(10,764)
				<u>123,500</u>	<u>125,000</u>	<u>142,565</u>	<u>(17,565)</u>

(Continued)

BEAUFORT COUNTY SCHOOL DISTRICT

RIVERVIEW CHARTER SCHOOL - GENERAL FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2021

				Original Budget	Final Budget	Actual	Variance with Budget
Expenditures (Continued)							
200	Support services (Continued)						
233	School administration						
100	Salaries			\$ 818,309	\$ 840,889	\$ 280,872	\$ 560,017
200	Employee benefits			362,205	364,180	110,272	253,908
300	Purchased services			30,000	30,000	40,417	(10,417)
400	Supplies and materials			19,500	19,500	13,927	5,573
				<u>1,230,014</u>	<u>1,254,569</u>	<u>445,488</u>	<u>809,081</u>
250	Finance and operations services						
252	Fiscal services						
300	Purchased services			55,000	55,000	46,200	8,800
600	Other objects			17,500	19,000	3,152	15,848
				<u>72,500</u>	<u>74,000</u>	<u>49,352</u>	<u>24,648</u>
253	Facilities acquisition and construction						
500	Capital outlay			-	30,250	-	30,250
				<u>-</u>	<u>30,250</u>	<u>-</u>	<u>30,250</u>
254	Operation and maintenance of plant						
300	Purchased services			792,805	857,654	820,329	37,325
321	Public utility services			10,173	8,500	5,637	2,863
400	Supplies and materials			-	-	2,908	(2,908)
470	Energy			137,500	115,000	112,732	2,268
				<u>940,478</u>	<u>981,154</u>	<u>941,606</u>	<u>39,548</u>
255	Student transportation						
300	Purchased services			75,000	60,000	-	60,000
600	Other objects			301	301	-	301
				<u>75,301</u>	<u>60,301</u>	<u>-</u>	<u>60,301</u>
256	Food services						
100	Salaries			101,611	98,891	-	98,891
200	Employee benefits			41,188	40,700	-	40,700
300	Purchased services			3,500	3,500	-	3,500
400	Supplies and materials			108,000	129,000	-	129,000
				<u>254,299</u>	<u>272,091</u>	<u>-</u>	<u>272,091</u>
258	Security						
300	Purchased services			6,500	8,500	6,132	2,368
				<u>6,500</u>	<u>8,500</u>	<u>6,132</u>	<u>2,368</u>
260	Central support services						
263	Information services						
300	Purchased services			19,500	19,500	19,493	7
				<u>19,500</u>	<u>19,500</u>	<u>19,493</u>	<u>7</u>
266	Technology and data processing services						
100	Salaries			-	-	66,458	(66,458)
200	Employee benefits			-	-	28,059	(28,059)
300	Purchased services			124,340	111,315	57,766	53,549
400	Supplies and materials			2,710	2,710	105,558	(102,848)
500	Capital outlay			-	-	16,222	(16,222)
				<u>127,050</u>	<u>114,025</u>	<u>274,063</u>	<u>(160,038)</u>
270	Support services - pupil activity						
271	Pupil service activities						
100	Salaries			20,000	21,500	12,766	8,734
200	Employee benefits			2,500	2,500	120	2,380
				<u>22,500</u>	<u>24,000</u>	<u>12,886</u>	<u>11,114</u>
	Total support services			<u>2,887,892</u>	<u>2,979,640</u>	<u>2,561,812</u>	<u>417,828</u>
	Total expenditures			<u>7,873,043</u>	<u>8,053,496</u>	<u>7,106,536</u>	<u>946,960</u>
Other financing sources							
	Excess (deficiency) of revenues and other financing sources over (under) expenditures			<u>\$ (194,171)</u>	<u>\$ (367,436)</u>	316,513	<u>\$ 683,949</u>
Fund balance, beginning of year						1,928,534	
Fund balance, end of year						\$ 2,245,047	

NOTE: Accounting principles generally accepted in the United States of America serve as the budgetary basis of accounting.

BEAUFORT COUNTY SCHOOL DISTRICT

RIVERVIEW CHARTER SCHOOL - SPECIAL PROJECTS FUND COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE FOR THE FISCAL YEAR ENDED JUNE 30, 2021

		IDEA (203/204)	Other Designated Restricted State Grants (800s/900s)	Other Special Revenue Programs (200s)	Total
Revenues					
1000	Revenue from local sources				
1600	Food services				
1630	Special sales to pupils	\$ -	\$ -	\$ 9,940	\$ 9,940
1640	Lunch sales to adults	-	-	4,439	4,439
1650	Breakfast sales to adults	-	-	5	5
	Total revenue from local sources	-	-	14,384	14,384
3000	Revenue from state sources				
3100	Restricted state funding				
3120	General education				
3127	Student health and fitness - PE teachers	-	7,493	-	7,493
3130	Special Programs				
3136	Student health and fitness - nurses	-	32,931	-	32,931
3199	Other restricted state grants	-	-	750	750
	Total from state sources	-	40,424	750	41,174
4000	Revenue from federal sources				
4500	Programs for children with disabilities				
4510	Individuals with Disabilities Education Act ("IDEA")	121,100	-	-	121,100
4800	USDA reimbursement				
4810	School lunch and after school snacks program	-	-	249,039	249,039
		121,100	-	249,039	370,139
	Total revenue all sources	121,100	40,424	264,173	425,697
Expenditures					
100	Instruction				
110	General instruction				
113	Elementary programs				
100	Salaries	-	6,834	-	6,834
400	Supplies and materials	-	659	750	1,409
		-	7,493	750	8,243
120	Exceptional programs				
127	Learning disabilities				
100	Salaries	121,100	-	-	121,100
		121,100	-	-	121,100
	Total instruction	121,100	7,493	750	129,343
200	Support services				
210	Pupil Services				
213	Health services				
100	Salaries	-	32,931	-	32,931
		-	32,931	-	32,931
250	Finance and operations services				
256	Food services				
100	Salaries	-	-	88,650	88,650
200	Employee benefits	-	-	33,427	33,427
300	Purchased services	-	-	1,529	1,529
400	Supplies and materials	-	-	124,906	124,906
		-	-	248,512	248,512
	Total support services	-	32,931	248,512	281,443
	Total expenditures	121,100	40,424	249,262	410,786
	Excess (deficiency) of revenues over (under) expenditures	-	-	14,911	14,911
	Fund balance, beginning of year	-	-	76,240	76,240
	Fund balance, end of year	\$ -	\$ -	\$ 91,151	\$ 91,151

BEAUFORT COUNTY SCHOOL DISTRICT

RIVERVIEW CHARTER SCHOOL - EDUCATION IMPROVEMENT ACT FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE FOR THE FISCAL YEAR ENDED JUNE 30, 2021

				Actual
Revenues				
3000	Revenue from state sources			
	3500	Education Improvement Act ("EIA")		
		3502	ADEPT	\$ 276
		3518	Adoption list of formative assessment	3,651
		3526	Refurbishment of science kits	925
		3532	National board salary supplement	32,500
		3538	Students at risk of school failure	51,198
		3577	Teacher supplies	16,500
		3595	EEDA - supplies and materials	325
		3597	Aid to districts	33,060
			Total state sources	138,435
			Total revenue all sources	138,435
Expenditures				
100	Instruction			
	110	General instruction		
		111	Kindergarten programs	
			400 Supplies and materials	1,100
		112	Primary programs	
			100 Salaries	17,500
			200 Employee benefits	10,000
			400 Supplies and materials	4,125
		113	Elementary programs	
			100 Salaries	89,259
			400 Supplies and materials	9,449
	120	Exceptional Programs		
		127	Learning disabilities	
			400 Supplies and materials	1,100
			Total instruction	132,533
200	Support services			
	210	Pupil services		
		212	Guidance services	
			400 Supplies and materials	875
	220	Instructional staff services		
		221	Improvement of instruction - curriculum development	
			100 Salaries	275
		224	Improvement of instruction - inservice and staff training	
			100 Salaries	276
			300 Purchased services	3,651
			400 Supplies and materials	275
		233	School administration	
			400 Supplies and materials	275
	260	Central support services		
		266	Technology and data processing	
			400 Supplies and materials	275
			Total support services	5,902
			Total expenditures	138,435
			Excess of revenues over expenditures	-
Fund balance, beginning of year				-
Fund balance, end of year				\$ -

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STATISTICAL SECTION

STATISTICAL SECTION

This part of the School District's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information about the School District's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends	138 – 147
<i>These schedules contain trend information to help the reader understand how the School District's financial performance and well-being have changed over time.</i>	
Revenue Capacity	148 – 151
<i>These schedules contain information to help the reader assess the School District's most significant local revenue sources.</i>	
Debt Capacity	152 – 158
<i>These schedules present information to help the reader assess the affordability of the School District's current levels of outstanding debt and the School District's ability to issue additional debt in the future.</i>	
Demographic and Economic Information	159 – 161
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the School District's financial activities take place.</i>	
Operating Information	162 – 174
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the School District's financial report relates to the services the School District provides and the activities it performs.</i>	

Sources: Unless otherwise noted, the information in these schedules is derived from the School District's financial reports for the relevant year.

BEAUFORT COUNTY SCHOOL DISTRICT

**NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(UNAUDITED)**

	Fiscal Year			
	2012	2013	2014*	2015
Governmental Activities				
Net investments in capital assets	\$ 130,188,153	\$ 133,805,522	\$ 150,154,713	\$ 159,361,786
Restricted	18,365,513	18,962,817	15,316,037	22,585,786
Unrestricted	29,919,171	42,960,903	(166,388,730)	(163,293,229)
Total governmental activities net position	178,472,837	195,729,242	(917,980)	18,654,343
Business-type activities				
Net investments in capital assets	1,166,399	1,570,635	2,086,574	2,254,153
Unrestricted	2,087,940	1,519,945	971,046	154,226
Total business-type activities net position	3,254,339	3,090,580	3,057,620	2,408,379
Total primary government net position	\$ 181,727,176	\$ 198,819,822	\$ 2,139,640	\$ 21,062,722

*Restated for GASB 68 implementation

Fiscal Year					
2016	2017	2018	2019	2020	2021
\$ 190,512,542	\$ 217,792,997	\$ 233,115,201	\$ 255,368,095	\$ 277,456,822	\$ 316,578,409
14,833,180	14,834,791	42,920,096	49,461,773	30,620,894	27,276,026
(168,155,765)	(167,695,845)	(422,889,252)	(443,602,072)	(414,156,908)	(430,789,730)
37,189,957	64,931,943	(146,853,955)	(138,772,204)	(106,079,192)	(86,935,295)
2,145,718	2,164,530	2,254,971	2,112,047	2,152,058	2,019,631
224,305	310,543	(34,546)	275,014	680,855	3,140,670
2,370,023	2,475,073	2,220,425	2,387,061	2,832,913	5,160,301
\$ 39,559,980	\$ 67,407,016	\$ (144,633,530)	\$ (136,385,143)	\$ (103,246,279)	\$ (81,774,994)

BEAUFORT COUNTY SCHOOL DISTRICT

CHANGES IN NET POSITION LAST TEN FISCAL YEARS (UNAUDITED)

	Fiscal Year			
	2012	2013	2014	2015
Expenses				
Governmental activities				
Instruction	\$ 123,081,889	\$ 122,652,714	\$ 121,231,760	\$ 126,607,032
Support services	102,881,123	111,028,257	118,366,308	119,251,308
Community services	402,698	472,116	241,004	458,345
Payments to component units	-	-	-	-
Intergovernmental	-	-	-	-
Interest on long-term obligations	13,165,550	11,970,192	11,420,726	8,341,909
Total governmental activities expenses	239,531,260	246,123,279	251,259,798	254,658,594
Business-type activities				
Food service	8,880,026	9,059,767	8,668,705	9,763,547
Total business-type activities expenses	8,880,026	9,059,767	8,668,705	9,763,547
Total primary government expenses	<u>\$ 248,411,286</u>	<u>\$ 255,183,046</u>	<u>\$ 259,928,503</u>	<u>\$ 264,422,141</u>
Program Revenues				
Governmental activities				
Charges for services:				
Instructional	\$ 20,696	\$ 35,622	\$ 51,618	\$ 9,610
Operating grants and contributions:				
Instructional	26,993,907	26,649,899	24,638,467	28,569,716
Support services	19,670,863	18,322,028	16,812,220	15,697,568
Community services	53,645	47,467	241,004	301,238
Capital grants and contributions:				
Support services	-	-	-	30,349
Total governmental activities program revenues	46,739,111	45,055,016	41,743,309	44,608,481
Business-type activities				
Charges for services:				
Food Service	2,222,104	2,223,602	1,871,116	2,130,431
Operating grants and contributions	6,631,099	6,781,241	6,751,656	7,417,528
Capital grants and contributions	-	-	-	-
Total business-type activities program revenues	8,853,203	9,004,843	8,622,772	9,547,959
Total primary government program revenues	<u>55,592,314</u>	<u>54,059,859</u>	<u>50,366,081</u>	<u>54,156,440</u>
Net (Expense)/Revenue				
Governmental activities	(192,792,149)	(201,068,263)	(209,516,489)	(210,050,113)
Business-type activities	(26,823)	(54,924)	(45,933)	(215,588)
Total primary government net (expense) revenue	<u>\$ (192,818,972)</u>	<u>\$ (201,123,187)</u>	<u>\$ (209,562,422)</u>	<u>\$ (210,265,701)</u>

(Continued)

Fiscal Year					
2016	2017	2018	2019	2020	2021
\$ 135,602,252	\$ 151,483,408	\$ 149,776,278	\$ 159,073,172	\$ 184,578,382	\$ 212,604,290
112,368,481	116,167,136	143,204,186	137,217,839	128,263,804	130,525,699
443,619	389,610	276,218	269,169	284,594	736,866
4,861,745	5,144,579	5,896,084	6,347,868	-	-
36,089	119,618	339,760	2,043,205	-	-
9,595,327	7,660,445	12,989,483	7,636,395	2,115,089	10,078,244
262,907,513	280,964,796	312,482,009	312,587,648	315,241,869	353,945,099
10,275,171	9,634,792	10,288,065	10,488,104	9,572,164	8,598,678
10,275,171	9,634,792	10,288,065	10,488,104	9,572,164	8,598,678
\$ 273,182,684	\$ 290,599,588	\$ 322,770,074	\$ 323,075,752	\$ 324,814,033	\$ 362,543,777
\$ -	\$ 30,794	\$ 29,205	\$ 74,350	\$ 1,383,084	\$ 1,626,286
27,478,141	36,690,142	32,258,195	38,111,292	39,968,370	56,815,953
13,898,651	19,380,034	19,234,865	22,992,955	29,316,033	31,284,027
306,390	234,504	257,396	254,111	267,283	720,021
4,688	1,966,192	-	-	-	-
41,687,870	58,301,666	51,779,661	61,432,708	70,934,770	90,446,287
1,937,992	1,747,524	1,801,526	1,750,372	1,869,576	8,876
8,287,106	7,993,920	8,786,844	8,906,330	8,161,768	10,890,789
-	-	-	-	-	-
10,225,098	9,741,444	10,588,370	10,656,702	10,031,344	10,899,665
51,912,968	68,043,110	62,368,031	72,089,410	80,966,114	101,345,952
(221,219,643)	(222,663,130)	(260,702,348)	(251,154,940)	(244,307,099)	(263,498,812)
(50,073)	106,652	300,305	168,598	459,180	2,300,987
\$ (221,269,716)	\$ (222,556,478)	\$ (260,402,043)	\$ (250,986,342)	\$ (243,847,919)	\$ (261,197,825)

BEAUFORT COUNTY SCHOOL DISTRICT

CHANGES IN NET POSITION LAST TEN FISCAL YEARS (UNAUDITED)

	Fiscal Year			
	2012	2013	2014	2015
General Revenues and Other Changes in Net Position				
Governmental activities				
Taxes by source:				
Property tax - general purposes	\$ 119,423,876	\$ 115,312,797	\$ 112,688,812	\$ 119,531,622
Property tax - debt service	50,644,714	51,139,540	45,947,271	53,327,642
Unrestricted grants and contributions	42,858,873	50,696,910	55,209,520	55,031,870
Unrestricted investment earnings	406,888	918,119	501,633	499,042
Gain on sale of fixed assets	-	-	-	-
Miscellaneous	577	123,178	273	775,531
Transfers	123,393	134,124	11,437	2,618
Proceeds from settlement of lawsuit	2,650,000	-	760,610	-
Total governmental activities	216,108,321	218,324,668	215,119,556	229,168,325
Business-type activities				
Unrestricted investment earnings	20,579	25,289	20,469	23,076
Miscellaneous	-	-	3,941	-
Transfers	(123,393)	(134,124)	(11,437)	(2,618)
Total business-type activities	(102,814)	(108,835)	12,973	20,458
Total primary government	<u>\$ 216,005,507</u>	<u>\$ 218,215,833</u>	<u>\$ 215,132,529</u>	<u>\$ 229,188,783</u>
Change in Net Position				
Governmental activities	\$ 23,316,172	\$ 17,256,405	\$ 5,603,067	\$ 19,118,212
Business-type activities	(129,637)	(163,759)	(32,960)	(195,130)
Total primary government	<u>\$ 23,186,535</u>	<u>\$ 17,092,646</u>	<u>\$ 5,570,107</u>	<u>\$ 18,923,082</u>

Fiscal Year					
2016	2017	2018	2019	2020	2021
\$ 124,334,713	\$ 135,910,793	\$ 141,879,433	\$ 135,222,656	\$ 148,431,774	\$ 155,314,749
57,470,709	56,052,187	56,029,608	59,990,989	62,798,096	64,882,037
55,725,768	56,498,536	57,301,376	57,713,475	58,060,250	58,802,219
605,285	575,147	1,734,506	1,619,331	3,095,803	1,476,043
-	-	-	-	-	755,269
1,621,971	1,365,502	1,809,415	4,686,358	1,550,841	1,436,011
(3,189)	2,951	(7,904)	3,882	14,986	(23,619)
-	-	-	-	-	-
239,755,257	250,405,116	258,746,434	259,236,691	273,951,750	282,642,709
6,427	1,349	2,089	1,920	1,658	2,782
2,101	-	-	-	-	-
3,189	(2,951)	7,904	(3,882)	(14,986)	23,619
11,717	(1,602)	9,993	(1,962)	(13,328)	26,401
\$ 239,766,974	\$ 250,403,514	\$ 258,756,427	\$ 259,234,729	\$ 273,938,422	\$ 282,669,110
\$ 18,535,614	\$ 27,741,986	\$ (1,955,914)	\$ 8,081,751	\$ 29,644,651	\$ 19,143,897
(38,356)	105,050	310,298	166,636	445,852	2,327,388
\$ 18,497,258	\$ 27,847,036	\$ (1,645,616)	\$ 8,248,387	\$ 30,090,503	\$ 21,471,285

BEAUFORT COUNTY SCHOOL DISTRICT

FUND BALANCES OF GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS MODIFIED ACCRUAL BASIS (UNAUDITED)

	Fiscal Year			
	2012	2013	2014	2015
General Fund				
Nonspendable	\$ 291,356	\$ 1,388,252	\$ 1,246,961	\$ 776,668
Assigned	568,601	-	-	-
Unassigned	27,225,116	29,115,123	26,381,212	30,909,347
Total General Fund	28,085,073	30,503,375	27,628,173	31,686,015
All Other Governmental Funds				
Nonspendable	-	-	-	-
Restricted	16,509,751	44,768,645	64,933,634	96,022,442
Unassigned	31,046,772	5,850,477	-	-
Total All Other Governmental Funds	47,556,523	50,619,122	64,933,634	96,022,442
Total All Governmental Funds	\$ 75,641,596	\$ 81,122,497	\$ 92,561,807	\$ 127,708,457

Fiscal Year					
2016	2017	2018	2019	2020	2021
\$ 106,736	\$ 3,198,133	\$ 44,507	\$ 1,885,406	\$ 35,201	\$ 2,535,260
-	-	-	-	-	-
28,517,909	33,064,996	39,562,392	31,661,366	44,742,602	48,015,034
28,624,645	36,263,129	39,606,899	33,546,772	44,777,803	50,550,294
-	-	-	-	75,197	443,703
46,279,167	41,422,157	42,920,096	49,461,773	117,992,861	202,995,947
-	-	-	-	(75,197)	(444,686)
46,279,167	41,422,157	42,920,096	49,461,773	117,992,861	202,994,964
\$ 74,903,812	\$ 77,685,286	\$ 82,526,995	\$ 83,008,545	\$ 162,770,664	\$ 253,545,258

BEAUFORT COUNTY SCHOOL DISTRICT

CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS MODIFIED ACCRUAL BASIS (UNAUDITED)

	Fiscal Year			
	2012	2013	2014	2015
Revenues				
Local				
Property taxes	\$ 163,609,611	\$ 165,427,081	\$ 161,343,752	\$ 171,001,314
Interest	406,886	369,704	501,633	499,042
Other	2,488,584	3,114,576	2,644,310	2,877,648
	166,505,081	168,911,361	164,489,695	174,378,004
State sources	67,658,719	74,724,325	79,126,781	84,710,053
Federal sources	19,451,260	18,579,295	15,905,033	13,574,611
	253,615,060	262,214,981	259,521,509	272,662,668
Expenditures				
Current				
Instruction	116,974,152	122,202,918	121,266,136	125,387,495
Support services	85,163,074	84,015,526	82,414,183	82,733,594
Community services	232,461	217,662	241,004	301,238
Intergovernmental	3,318,609	4,575,781	4,894,989	4,711,644
Debt service				
Principal	40,212,736	37,230,198	46,037,485	35,088,000
Interest	16,932,564	15,937,208	14,855,872	13,615,374
Other	536,945	188,300	-	-
Capital outlay	15,405,462	5,966,462	19,990,166	70,126,046
Total Expenditures	278,776,003	270,334,055	289,699,836	331,963,391
Deficiency of revenues under expenditures	(25,160,943)	(8,119,074)	(30,178,327)	(59,300,723)
Other Financing Sources (Uses)				
Sale of capital assets	42,308	50,922	25,756	7,759
Capital leases	-	-	-	-
Premium on bonds sold	5,226,688	798,929	2,403,834	25,230,211
Issuance of debt	16,261,318	12,616,000	38,146,000	79,298,000
Refunding of debt	34,350,000		22,000,000	81,765,000
Payment to refunded debt escrow agent	(38,991,369)		(21,730,000)	(91,856,215)
Transfers in	6,275,517	10,762,374	11,409,351	9,676,829
Transfers out	(6,153,378)	(10,628,250)	(11,397,914)	(9,674,211)
Total Other Financing Sources (Uses)	17,011,084	13,599,975	40,857,027	94,447,373
Special Item				
Proceeds from settlement of lawsuit	2,650,000	-	760,610	-
Net Change in Fund Balance	\$ (5,499,859)	\$ 5,480,901	\$ 11,439,310	\$ 35,146,650
Debt service as a percentage of noncapital expenditures*	22%	20%	22%	18%

* Noncapital expenditures are total expenditures less capital outlay (to the extent capitalized for the government-wide statement of net position) and expenditures for capitalized assets included within the functional expenditure categories. This formula adds "functional" and "principal" and divides them by the "total expenditures" minus the "capital outlay". See the reconciling item for capital outlay on page 36.

Fiscal Year					
2016	2017	2018	2019	2020	2021
\$ 178,035,444	\$ 190,981,906	\$ 199,628,589	\$ 196,381,147	\$ 216,191,294	\$ 230,696,761
605,285	575,147	1,734,506	1,619,331	785,151	1,476,043
3,692,842	2,821,286	2,307,247	2,486,320	883,784	1,436,011
182,333,571	194,378,339	203,670,342	200,486,798	217,860,229	233,608,815
84,023,740	98,461,720	98,458,453	107,474,291	115,163,023	116,519,456
12,091,541	14,880,917	12,202,438	13,117,031	12,843,655	20,639,089
278,448,852	307,720,976	314,331,233	321,078,120	345,866,907	370,767,360
133,309,029	143,638,404	149,206,884	158,471,602	162,671,170	177,060,885
85,115,534	89,927,659	92,209,756	94,908,567	95,279,405	101,845,087
308,543	234,504	257,396	254,111	267,283	720,021
4,897,834	5,264,197	7,837,170	8,391,073	9,258,446	8,043,560
32,801,000	41,021,000	44,410,700	46,880,700	55,580,900	53,495,721
15,438,347	14,213,018	13,750,765	12,841,296	11,733,658	13,369,521
-	-	-	-	23,443	170,698
66,377,876	32,390,626	32,639,076	29,616,581	33,650,269	79,066,257
338,248,163	326,689,408	340,311,747	351,363,930	368,464,574	433,771,750
(59,799,311)	(18,968,432)	(25,980,514)	(30,285,810)	(22,597,667)	(63,004,390)
15,525	1,781	64,957	4,000	49,590	1,304,410
-	3,500,000	-	-	-	-
5,964,372	490,971	2,195,170	1,509,478	7,995,210	19,449,833
6,788,000	20,000,000	28,570,000	29,250,000	94,300,000	130,000,000
28,090,000	29,050,000	-	-	-	-
(33,860,042)	(31,295,797)	-	-	-	-
23,374,957	8,749,423	9,531,766	10,339,922	10,330,031	17,469,359
(23,378,146)	(8,746,472)	(9,539,670)	(10,336,040)	(10,315,045)	(17,492,978)
6,994,666	21,749,906	30,822,223	30,767,360	102,359,786	150,730,624
-	-	-	-	-	-
\$ (52,804,645)	\$ 2,781,474	\$ 4,841,709	\$ 481,550	\$ 79,762,119	\$ 87,726,234
17%	18%	18%	18%	20%	18%

BEAUFORT COUNTY SCHOOL DISTRICT

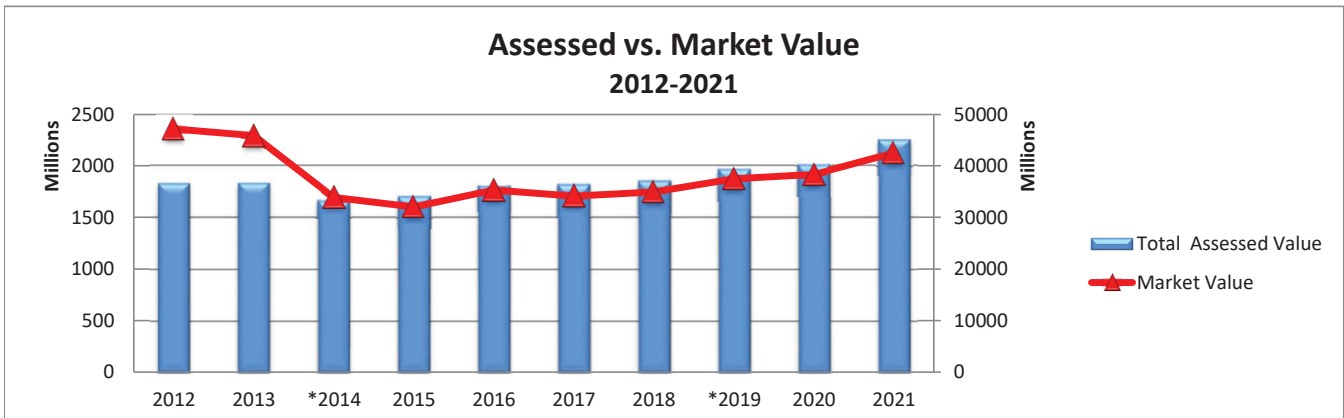
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY LAST TEN FISCAL YEARS (UNAUDITED)

Fiscal Year Ended June 30,	Tax Year	Assessed Value		Total Assessed Value	Total Direct Rate	Market Value	Ratio of Total Assessed Value to Estimated Market Value
		Real Property	Personal Property				
2012	2011	\$ 1,646,959,918	\$ 183,636,390	\$ 1,830,596,308	118.3	\$ 47,214,321,842	3.9%
2013	2012	1,650,397,429	182,152,336	1,832,549,765	119.3	45,837,938,940	4.0%
*2014	2013	1,473,195,546	196,428,055	1,832,549,765	129.2	33,909,090,279 **	5.4%
2015	2014	1,481,192,978	224,587,180	1,705,780,158	135.2	32,036,037,089 **	5.3%
2016	2015	1,561,997,668	242,903,990	1,804,901,658	135.2	35,302,446,098 **	5.1%
2017	2016	1,574,340,200	243,803,862	1,804,901,658	143.2	34,154,007,102 **	5.3%
2018	2017	1,616,197,050	238,124,920	1,854,321,970	145.2	34,924,575,714 **	5.3%
*2019	2018	1,735,799,890	233,576,952	1,969,376,842	136.3	37,473,746,376 **	5.3%
2020	2019	1,785,728,490	229,412,432	2,015,140,922	145.7	38,345,576,179 **	5.3%
2021	2020	1,992,251,600	263,022,540	2,255,274,140	145.7	42,506,637,210 **	5.3%

Source: Beaufort County Auditor

NOTE: *Reassessment Year - Property in Beaufort County was last reassessed in fiscal year 2019. Tax rates are per \$1,000 of assessed value.

**Market value calculated using the data from the State's Index of Taxpaying Ability calculation.



BEAUFORT COUNTY SCHOOL DISTRICT

DIRECT AND OVERLAPPING PROPERTY TAX RATES LAST TEN FISCAL YEARS (UNAUDITED)

Fiscal Year	Tax Year	Direct Rates			Overlapping Rates	
		Operations	Debt	Total Mills	Beaufort County	Other Districts
				Beaufort County School District		
2012	2011	90.3	28.0	118.3	47.5	438.1
2013	2012	92.3	28.0	120.3	48.5	444.4
**2014	2013	97.5	28.0	125.5	56.3	487.7
2015	2014	103.5	31.7	135.2	56.9	489.2
2016	2015	103.5	31.7	135.2	59.2	509.0
2017	2016	111.5	31.7	143.2	61.3	511.1
2018	2017	113.5	31.7	145.2	63.4	522.6
**2019	2018	104.6	31.7	136.3	62.8	522.9
2020	2019	114.0	31.7	145.7	65.4	531.0
2021	2020	114.0	36.3	150.3	65.2	547.0

Source: Tax schedules published by the Beaufort County Auditor's Office.

NOTE: Overlapping rates are those of local and county governments that apply to property owners within Beaufort County School District. Not all overlapping rates apply to all of the Beaufort County School District property owners (i.e., the rates for other districts apply only to the proportion of the Beaufort County School District's property owners whose property is located within the geographic boundaries of the other districts).

** Reassessment

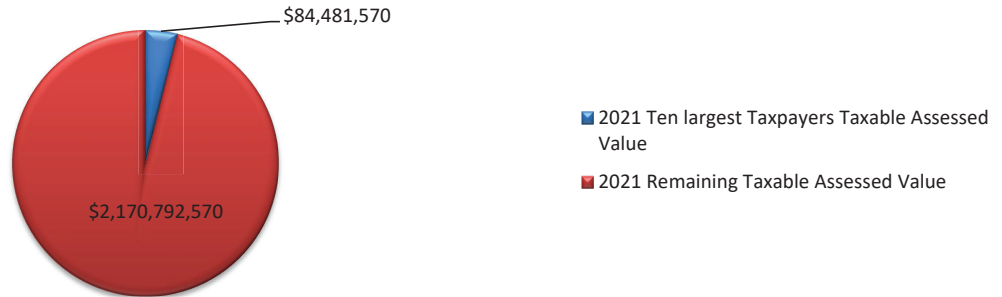
BEAUFORT COUNTY SCHOOL DISTRICT

TEN LARGEST TAXPAYERS CURRENT YEAR AND NINE YEARS AGO (UNAUDITED)

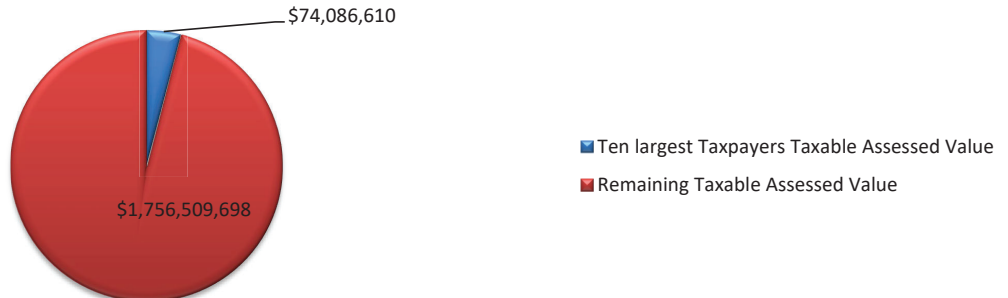
Taxpayer	2021			2012		
	Taxable Assessed Value	Rank	Percentage of Total Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Assessed Value
Dominion Energy South Carolina	\$ 25,045,910	1	1.39%	\$ 19,469,940	2	1.06%
Marriott Ownership Resorts, Inc.	16,817,020	2	0.93%	20,445,000	1	1.12%
Palmetto Electric Coop, Inc.	11,025,150	3	0.61%	9,794,060	3	0.54%
Bluffton Telephone Company	6,586,280	4	0.36%	4,061,400	6	0.22%
Columbia Properties Hilton Head	4,880,580	5	0.27%	4,540,040	4	0.00%
Hargray Telephone Company	4,740,820	6	0.26%	2,988,660	8	0.16%
SCG Hilton Head Property LLC	4,335,720	7	0.24%	4,260,000	5	0.23%
Sea Pines Resort	5,080,480	8	0.28%	3,714,960	7	0.20%
PBLH LLC	2,924,190	9	0.16%			N/A
Shelter Cove II LLC	3,045,420	10	0.17%			N/A
Greenwood Development Corp.	N/A		N/A	2,928,680	9	0.16%
Hilton Head Health Systems, LP	N/A		N/A	1,883,870	10	0.10%
Total	\$ 84,481,570		4.68%	\$ 74,086,610		3.80%

Source: Beaufort County Auditor

Taxable Assessed Value - Fiscal Year 2021



Taxable Assessed Value - Fiscal Year 2012



BEAUFORT COUNTY SCHOOL DISTRICT

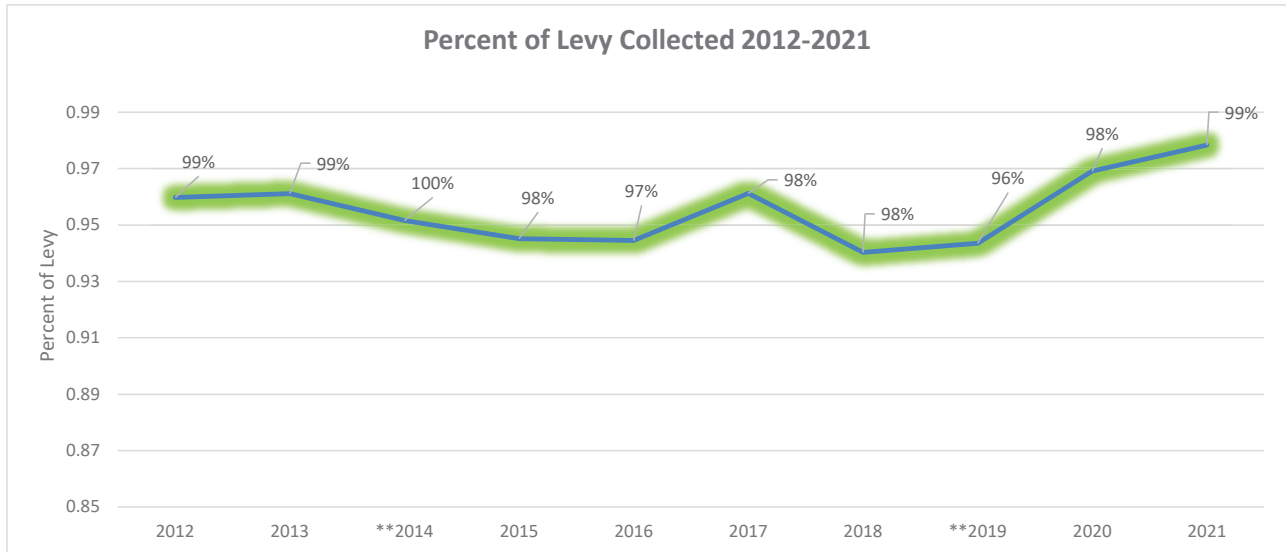
PROPERTY TAX LEVIES AND COLLECTIONS LAST TEN FISCAL YEARS (UNAUDITED)

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2012	\$ 112,214,859	\$ 107,699,294	96%	\$ 3,344,187	\$ 111,043,481	99%
2013	114,419,644	109,975,723	96%	3,127,422	113,103,145	99%
**2014	114,942,235	109,379,367	95%	5,064,150	114,443,517	100%
2015	121,822,183	115,145,623	95%	4,701,603	119,847,226	98%
2016	128,765,601	121,617,583	94%	2,659,288	124,276,871	97%
2017	137,766,145	132,422,893	96%	3,053,091	135,475,984	98%
2018	144,430,003	135,808,833	94%	5,578,708	141,387,541	98%
**2019	138,394,227	130,583,688	94%	2,642,023	133,225,711	96%
2020	152,537,494	147,826,820	97%	2,066,434	149,893,254	98%
2021	155,247,591	151,886,449	98%	2,071,940	153,958,389	99%

Source: Beaufort County Treasurer/Beaufort County Auditor

* Not Available

** Reassessment



BEAUFORT COUNTY SCHOOL DISTRICT

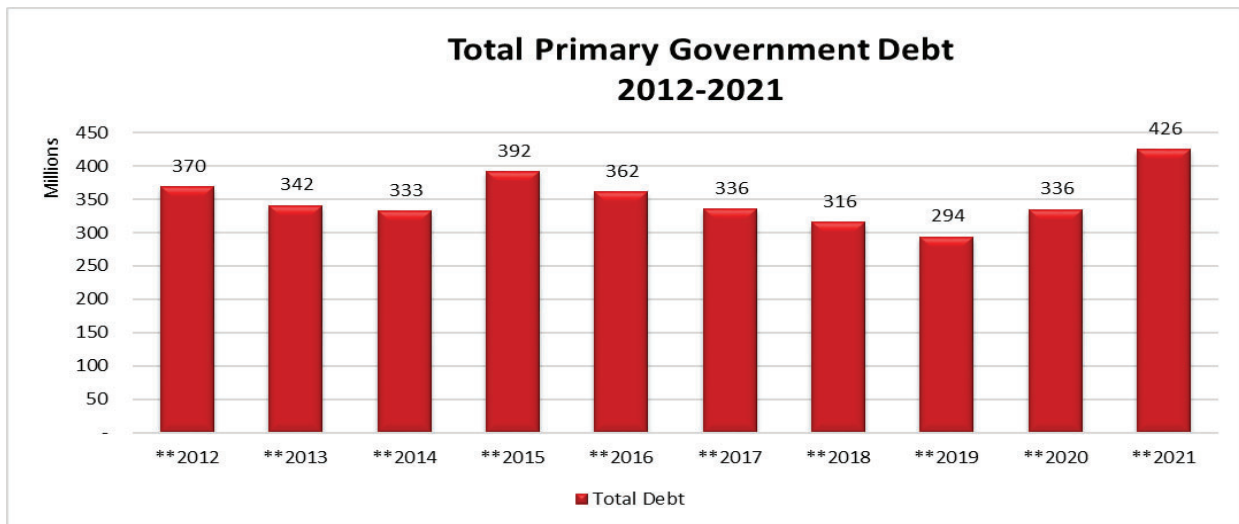
RATIOS OF OUTSTANDING DEBT BY TYPE LAST TEN FISCAL YEARS (UNAUDITED)

Fiscal Year	Governmental Activities			Total Primary Government
	General Obligation Bonds	Other Bonds/Notes	Capital Leases	
**2012	\$ 334,480,383	\$ 35,225,000	\$ 181,683	\$ 369,887,066
**2013	307,383,610	34,155,000	62,485	341,601,095
**2014	300,420,194	33,030,000	-	333,450,194
**2015	360,555,000	31,840,000	-	392,395,000
**2016	331,782,955	30,585,000	-	362,367,955
**2017	305,753,177	27,240,000	3,500,000	336,493,177
**2018	288,350,994	25,275,000	2,834,300	316,460,294
**2019	268,928,817	23,270,000	2,139,600	294,338,417
**2020	312,910,927	21,220,000	1,435,700	335,566,627
**2021	405,834,029	19,125,000	722,600	425,681,629

Source: District records

NOTE: Details regarding the School District's outstanding debt can be found in the notes to the basic financial statements.

** Includes Installment Purchase Revenue Bonds



Percentage of Personal Income	Total Outstanding Debt Per Capita
1.93%	\$ 2,246
2.22%	2,074
2.33%	1,940
2.07%	2,284
2.48%	2,018
2.73%	1,837
3.17%	1,675
3.64%	1,532
3.18%	1,747
2.64%	2,275

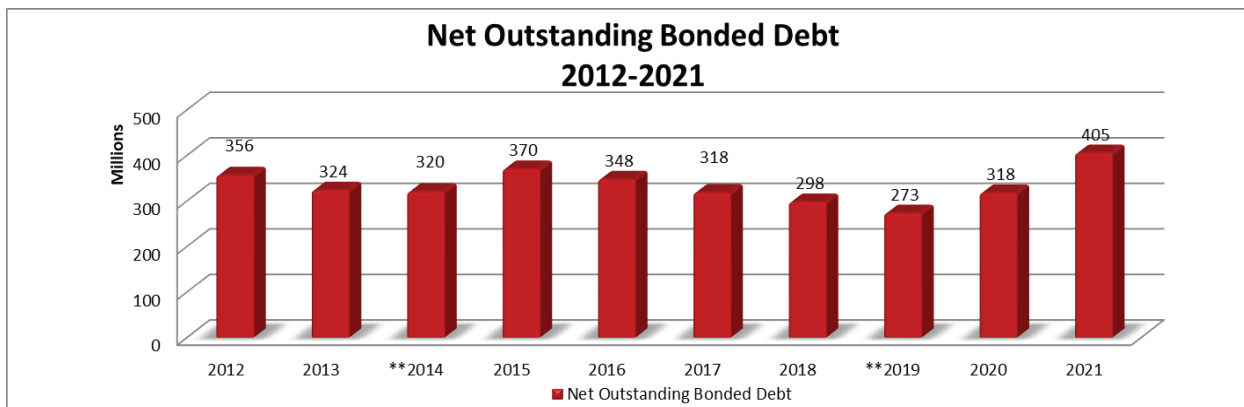
BEAUFORT COUNTY SCHOOL DISTRICT

RATIOS OF GENERAL BONDED DEBT OUTSTANDING LAST TEN FISCAL YEARS (UNAUDITED)

Fiscal Year	Population	General Bonded Debt Outstanding	Less: Amounts Available in Debt Service Funds	Net Outstanding Bonded Debt	Assessed Value
2012	164,684	\$ 369,705,383	\$ 13,326,599	\$ 356,378,784	\$ 1,830,596,308
2013	168,049	341,538,610	17,898,865	323,639,745	1,832,549,765
**2014	171,838	333,450,194	13,358,650	320,091,544	1,669,623,601
2015	175,852	392,395,000	22,201,716	370,193,284	1,705,780,158
2016	179,589	362,367,955	14,833,180	347,534,775	1,804,901,658
2017	183,149	332,993,177	14,834,791	318,158,386	1,818,144,062
2018	188,876	313,625,994	16,063,797	297,562,197	1,854,321,970
**2019	192,122	292,198,817	19,102,507	273,096,310	1,969,376,842
2020	195,388	334,130,927	16,295,305	317,835,622	2,015,140,922
2021	187,117	424,959,029	19,957,690	405,001,339	2,255,274,140

Source: District records
Beaufort County Treasurer

** Reassessment



Percentage of Estimated Actual Taxable Value of Property		Per Capita
19.5%	\$	2,164
17.7%		1,926
19.2%		1,863
21.7%		2,105
19.3%		1,935
17.5%		1,737
16.0%		1,575
13.9%		1,421
15.8%		1,627
18.0%		2,164

BEAUFORT COUNTY SCHOOL DISTRICT

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT (UNAUDITED)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable ¹	Estimated Share of Overlapping Debt
Debt Repaid with Property Taxes			
Beaufort County	\$ 205,795,000	100.00%	\$ 205,795,000
City of Beaufort	41,598,594	100.00%	41,598,594
Town of Bluffton	14,244,271	100.00%	14,244,271
Town of Hilton Head	123,673,837	100.00%	123,673,837
Town of Port Royal	246,308	100.00%	246,308
Broad Creek PSD	-	-	-
Fripp Island PSD	-	-	-
Hilton Head #1 PSD	8,630,000	100.00%	8,630,000
Burton Fire	2,951,731	100.00%	2,951,731
Bluffton Fire	12,295,571	100.00%	12,295,571
Lady Island/St. Helena Fire	4,913,721	100.00%	4,913,721
Sheldon Fire	1,436,200	100.00%	1,436,200
Subtotal, overlapping debt	<u>415,785,233</u>		<u>415,785,233</u>
Beaufort County School District Direct Debt			<u>425,681,629</u>
Total direct and overlapping			<u><u>\$ 841,466,862</u></u>

Source: Finance Department of each entity

NOTE: ¹ Overlapping governments are those that coincide with the geographic boundaries of the County. The overlapping portion is calculated to be 100% since Beaufort County School District is the only school district located within the geographic boundaries. This percentage represents the portion of burden the outstanding debt of those overlapping governments place on residents and businesses in Beaufort County. This process recognizes that when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account.

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BEAUFORT COUNTY SCHOOL DISTRICT

LEGAL DEBT MARGIN LAST TEN FISCAL YEARS (UNAUDITED)

	Fiscal Year			
	2012	2013	2014	2015
Debt Limit	\$ 146,447,705	\$ 146,630,981	\$ 133,569,888	\$ 136,462,413
Total net debt applicable to limit	69,069,621	53,104,621	32,037,621	93,377,621
Legal debt margin	<u>\$ 77,378,084</u>	<u>\$ 93,526,360</u>	<u>\$ 101,532,267</u>	<u>\$ 43,084,792</u>
Total net debt applicable to limit as a percentage of debt limit	47%	36%	24%	68%
Legal debt margin calculation				
Assessed value	<u>\$ 2,255,274,140</u>			
Debt limit (8% of assessed value)	<u>180,421,931</u>			
Debt applicable to limit:				
Total bonded debt	391,268,600			
Less: Bond issuances approved by referendum	(317,217,000)			
Less: Installment Purchase Revenue Bond	(19,125,000)			
Acquisition and Security Lease	(722,600)			
Total net debt applicable to limit	<u>54,204,000</u>			
Legal debt margin	<u>\$ 126,217,931</u>			

NOTE: The School District's borrowing power is restricted by amended Article X, Section 15, of the State Constitution. This section provides that a local unit cannot at any time have total debt outstanding in an amount that exceeds 8% of the assessed property value. Excluded from the limitation are: bonded indebtedness approved by the voters and issued within five years of the date of such referendum, special bonded indebtedness levies assessed on properties located in an area receiving special benefits from the taxes collection; and bonded indebtedness existing prior to December 1, 1982, the effective date of amendment of Article X of the Constitution of South Carolina pertaining to bonded debt. Assessed value used above is the tax base as of June 30, 2021.

Fiscal Year					
2016	2017	2018	2019	2020	2021
\$ 144,392,133	\$ 145,451,525	\$ 148,345,758	\$ 157,550,147	\$ 161,211,274	\$ 180,421,931
88,025,621	90,015,621	97,058,621	102,963,621	79,612,110	54,204,000
<u>\$ 56,366,512</u>	<u>\$ 55,435,904</u>	<u>\$ 51,287,137</u>	<u>\$ 54,586,526</u>	<u>\$ 81,599,163</u>	<u>\$ 126,217,931</u>
61%	62%	65%	65%	49%	30%

BEAUFORT COUNTY SCHOOL DISTRICT

DEMOGRAPHIC STATISTICS LAST TEN FISCAL YEARS (UNAUDITED)

Year	Population	Personal Income*	Per Capita Personal Income	Median Age	Education Percent High School Graduate or Higher
2012	167,782	\$ 7,570,659	\$ 45,122	41.4	90.8%
2013	171,569	7,758,656	45,222	41.5	91.3%
2014	175,852	8,113,329	46,137	42	91.6%
2015	179,589	8,973,640	49,914	42.8	92.1%
2016	183,149	9,171,747	52,147	43.6	92.4%
2017	186,844	10,045,855	53,766	44	92.7%
2018	188,876	10,711,347	56,711	44.8	92.9%
2019	192,122	10,669,197	58,412	47.2	92.9%
2020	187,117	11,248,164	60,113	**	92.8%
2021	189,517	11,540,448	60,894	**	**

* in thousands

** Data not available

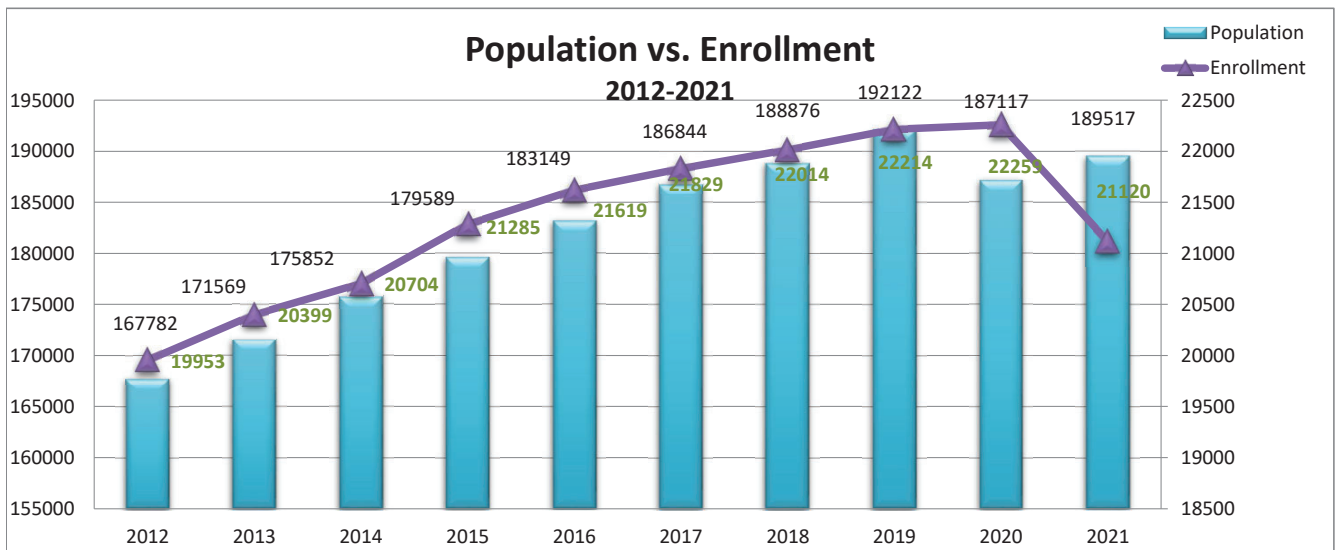
Population: US Census 2020 Demographic Data Map/Estimated 2021

Per Capita Income and Personal Income provided by the U.S. Department of Commerce, Bureau of Economic Analysis/Estimated 2020 and 2021

School Enrollment represents 135th day provided by School District staff

Unemployment Rate provided by the S.C. Department of Employment and Workforce at June 30, 2020.

Live Births provided by South Carolina Department of Health and Environmental Control



School Enrollment	Unemployment Rate	Live Births
19,953	8.10%	2,060
20,399	6.80%	1,977
20,704	5.90%	2,056
21,285	6.00%	2,077
21,619	5.20%	2,058
21,829	4.00%	1,998
22,014	3.30%	1,919
22,214	3.30%	1,868
22,259	7.40%	1,875
21,120	3.70%	**

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BEAUFORT COUNTY SCHOOL DISTRICT

PRINCIPAL EMPLOYERS CURRENT YEAR AND NINE YEARS AGO (UNAUDITED)

Employer (Listed Alphabetically)	2021			2012		
	Employees	Rank	Percentage of Total County Employment*	Employees	Rank	Percentage of Total County Employment
Atlantic Personnel, Inc.	*	*	*	*	*	*
Beaufort County School District	2,853	*	*	3,159	*	*
Beaufort Memorial Hospital	*	*	*	*	*	*
Carecore National, LLC	*	*	*	*	*	*
County of Beaufort	*	*	*	*	*	*
Cypress Club, Inc.	*	*	*	*	*	*
Department of Defense	*	*	*	*	*	*
Hargray Communications Group, Inc.	*	*	*	*	*	*
Lowes Home Centers, Inc.	*	*	*	*	*	*
Marine Corps Community Services	*	*	*	*	*	*
Marriott Resorts Hosp. Corp.	*	*	*	*	*	*
Montage Hotels and Resorts, LLC	*	*	*	*	*	*
Publix Super Markets, Inc.	*	*	*	*	*	*
Sea Pines Resort, LLC	*	*	*	*	*	*
Technical College of the Lowcountry	*	*	*	*	*	*
Tenet Physician Services of Hilton Head	*	*	*	*	*	*
The Greenery, Inc.	*	*	*	*	*	*
Town of Hilton Head Island	*	*	*	*	*	*
University of South Carolina	*	*	*	*	*	*
Wal-Mart Associates, Inc.	*	*	*	*	*	*

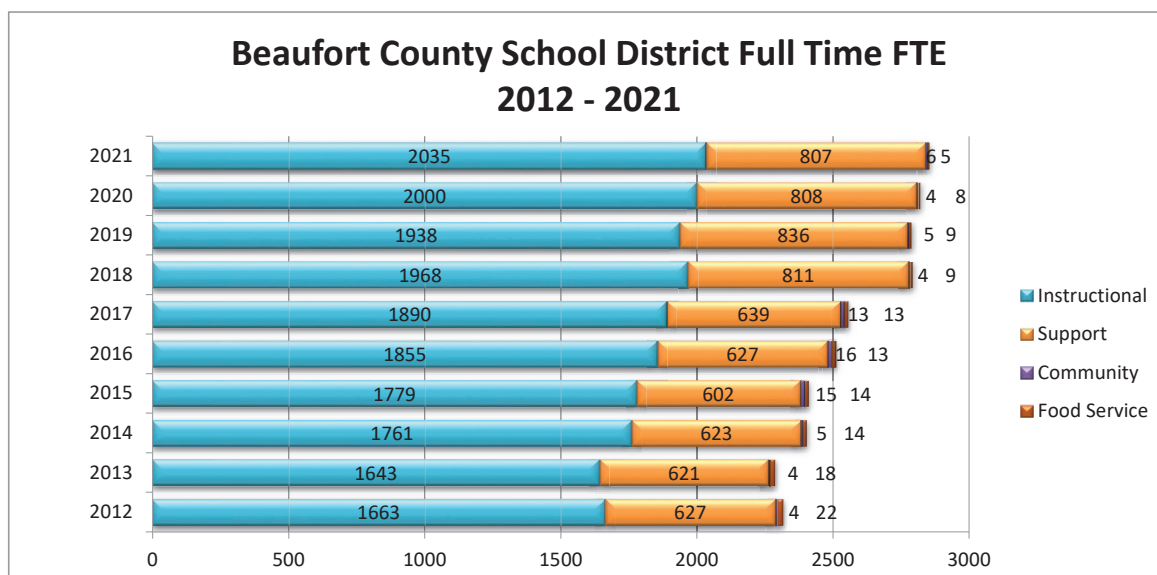
*Specific information related to those employers was deemed confidential by the South Carolina Department of Employment and Workforce - 2020 Q1.

BEAUFORT COUNTY SCHOOL DISTRICT

FULL-TIME EQUIVALENT SCHOOL DISTRICT EMPLOYEES BY FUNCTION LAST TEN FISCAL YEARS (UNAUDITED)

Function	Fiscal Year			
	2012	2013	2014	2015
Governmental activities				
Instruction	1,663	1,643	1,761	1,779
Support services	627	621	623	602
Community services	4	4	5	15
Business-type activities				
Food services	22	18	14	14
Total	2,316	2,286	2,403	2,410

Source: District Finance Department



Fiscal Year					
2016	2017	2018	2019	2020	2021
1,855	1,890	1,968	1,938	2,000	2,035
627	639	811	836	808	807
16	13	4	5	4	6
13	13	9	9	8	5
2,511	2,555	2,792	2,788	2,820	2,853

BEAUFORT COUNTY SCHOOL DISTRICT

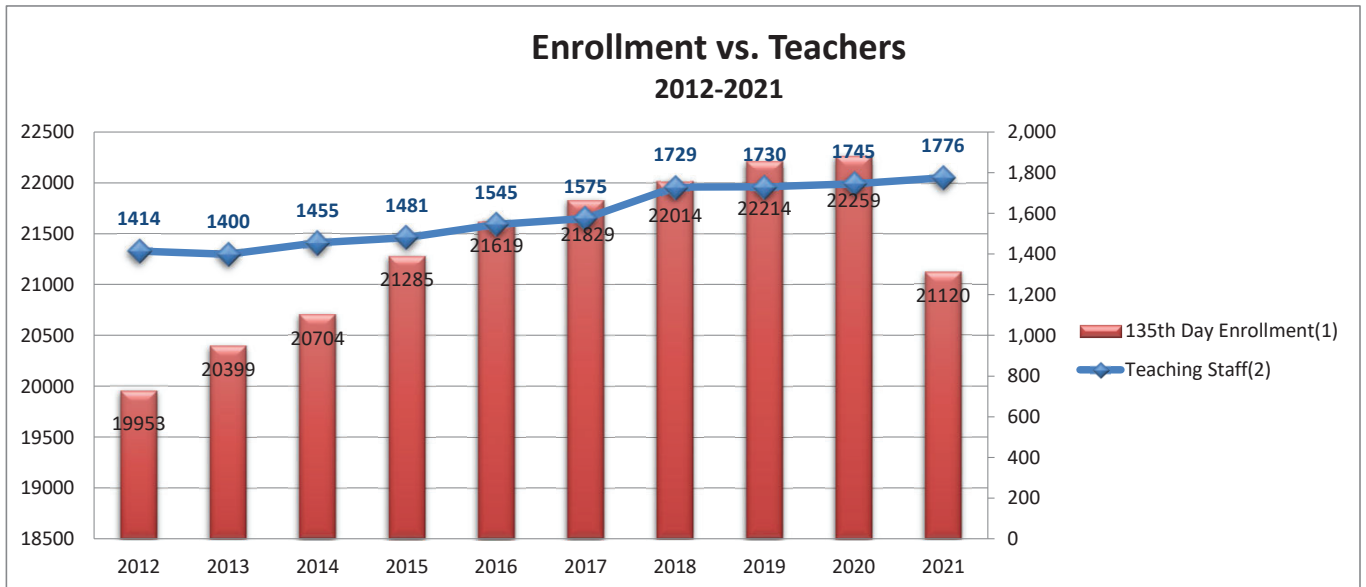
OPERATING STATISTICS LAST TEN FISCAL YEARS (UNAUDITED)

Fiscal Year	General Fund Expenditures(1)	135th Day Enrollment(1)	Cost per Pupil(1)	Percentage Change	Teaching Staff(2)	Pupil/Teacher Ratio(2)
2012	\$ 173,211,552	\$ 19,953	\$ 8,681	-3%	1,414	21.5 to 1
2013	176,733,234	20,399	8,664	0%	1,400	22.6 to 1
2014	181,576,037	20,704	8,770	1%	1,455	22.4 to 1
2015	188,184,322	21,285	8,841	1%	1,481	31.6 to 1
2016	201,640,200	21,619	9,327	5%	1,545	26.8 to 1
2017	214,215,158	21,829	9,813	5%	1,575	20.1 to 1
2018	225,190,158	22,014	10,229	4%	1,729	19.2 to 1
2019	236,431,471	22,214	10,643	8%	1,730	13.9 to 1
2020	242,679,136	22,259	10,903	6%	1,745	*
2021	252,409,092	21,120	11,951	11%	1,776	22.4 to 1

Sources: (1) District records
(2) South Carolina Department of Education

NOTE: Teaching staff are full-time equivalents for the year as a whole.
Cost per pupil is based on General Fund Expenditures and the 135th Day Enrollment.

* Data not reported due to COVID-19



Student Attendance Percentage(2)	Prime Instructional Time(2)
96.8%	89.4%
96.5%	89.2%
96.7%	89.6%
94.5%	86.1%
95.1%	88.2%
95.0%	89.6%
89.1%	87.6%
94.7%	87.2%
*	*
88.9%	87.3%

BEAUFORT COUNTY SCHOOL DISTRICT

TEACHER SALARIES LAST TEN FISCAL YEARS (UNAUDITED)

<u>Fiscal Year</u>	<u>Minimum Salary(1)</u>	<u>Maximum Salary(1)</u>	<u>District Average Salary(1)</u>	<u>Statewide Average Salary(2)</u>	<u>Percentage of Expenditures for Teacher Salaries(2)</u>
2012	\$ 34,467	\$ 76,054	\$ 49,253	\$ 47,850	52.7%
2013	34,467	76,054	50,034	49,198	52.0%
2014	34,467	76,054	49,909	49,086	53.2%
2015	34,467	76,054	49,891	49,082	56.5%
2016	34,467	76,054	49,585	48,561	57.2%
2017	35,156	77,575	50,967	48,660	57.7%
2018	35,156	77,575	51,017	*	54.5%
2019	35,506	78,351	51,643	49,737	52.6%
2020	36,928	81,485	53,898	52,210	53.5%
2021	36,928	81,485	53,346	51,780	55.2%

Source: (1) District records

(2) South Carolina Department of Education Annual Report

*Data not available

Average Teacher Experience (in years)(1)	Teacher Attendance Rate(2)
13.0	94.4%
12.6	94.5%
12.6	94.8%
12.4	93.3%
13.3	94.6%
12.7	94.7%
12.8	92.2%
9.6	92.1%
8.7	*
8.6	94.3%

BEAUFORT COUNTY SCHOOL DISTRICT

SCHOOL BUILDING INFORMATION LAST TEN FISCAL YEARS

	Fiscal Year			
	2012	2013	2014	2015
Hilton Head Island Early Child Center (2006)				
Expanded (2016)				
Square feet	74,732	74,732	74,732	74,732
Capacity (students)	454	454	454	454
Enrollment	482	463	454	450
Beaufort Elementary School (1986)				
Square feet	106,537	106,537	106,537	106,537
Capacity (students)	867	867	867	867
Enrollment	630	672	617	542
Coosa Elementary School (1998)				
Square feet	70,337	70,337	70,337	70,337
Capacity (students)	576	576	576	576
Enrollment	474	474	465	480
Lady's Island Elementary (1963)				
Square feet	57,943	57,943	57,943	57,943
Capacity (students)	485	485	485	485
Enrollment	303	303	285	316
Mossy Oaks Elementary (1962)				
Square feet	62,098	62,098	62,098	62,098
Capacity (students)	493	493	493	493
Enrollment	470	436	430	405
Port Royal Elementary (1911)				
Square feet	49,151	49,151	49,151	49,151
Capacity (students)	306	306	306	306
Enrollment	252	280	222	231
St. Helena Elementary (1992) Early Child Center (2004)				
Square feet	118,482	118,482	118,482	118,482
Capacity (students)	819	819	819	819
Enrollment	487	463	429	441
Broad River Elementary (1957)				
Square feet	74,234	74,234	74,234	74,234
Capacity (students)	589	589	589	589
Enrollment	353	570	553	524
Shell Point Elementary (1968)				
Square feet	70,724	-	-	-
Capacity (students)	536	-	-	-
Enrollment	375	-	-	-
(Leased to Riverview Charter School in 2013)				
J. Shanklin Elementary (1994)				
Square feet	73,882	73,882	73,882	73,882
Capacity (students)	578	578	578	578
Enrollment	477	408	386	458
J.J. Davis Early Learning Center (1991)				
Square feet	65,045	65,045	65,045	65,045
Capacity (students)	512	512	512	512
Enrollment	177	171	85	98
Whale Branch Elementary (2000)				
Square feet	71,921	71,921	71,921	71,921
Capacity (students)	568	568	568	568
Enrollment	320	349	458	493

(Continued)

Fiscal Year					
2016	2017	2018	2019	2020	2021
80,732	80,732	80,732	80,732	80,732	80,732
454	454	454	454	454	454
423	426	434	418	377	343
106,537	106,537	106,537	106,537	106,537	106,537
867	867	867	867	867	867
519	486	495	476	473	373
70,337	70,337	70,337	70,337	70,337	70,337
576	576	576	576	576	576
473	500	527	497	512	436
57,943	57,943	57,943	57,943	57,943	57,943
485	485	485	485	485	485
337	340	337	298	266	222
62,098	62,098	62,098	62,098	62,098	62,098
493	493	493	493	493	493
404	429	424	413	383	341
49,151	49,151	49,151	49,151	49,151	49,151
306	306	306	306	306	306
214	212	204	225	208	171
118,482	118,482	118,482	118,482	118,482	118,482
819	819	819	819	819	819
434	431	396	391	350	353
74,234	74,234	74,234	74,234	74,234	74,234
589	589	589	589	589	589
501	493	488	560	500	450
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
73,882	73,882	73,882	73,882	73,882	73,882
578	578	578	578	578	578
422	384	371	393	394	409
65,045	65,045	65,045	65,045	65,045	65,045
512	512	512	512	512	512
178	170	161	172	143	111
71,921	71,921	71,921	71,921	71,921	71,921
568	568	568	568	568	568
418	383	356	317	316	275

BEAUFORT COUNTY SCHOOL DISTRICT

SCHOOL BUILDING INFORMATION LAST TEN FISCAL YEARS

	Fiscal Year			
	2012	2013	2014	2015
Daufuskie School (1935)				
Square feet	6,635	6,635	6,635	6,635
Capacity (students)	64	64	64	64
Enrollment	15	15	12	15
Hilton Head Island Elementary (1974)				
Square feet	161,005	161,005	161,005	161,005
Capacity (students)	1,128	1,128	1,128	1,128
Enrollment	826	859	923	949
H. H. Island School for Creative Arts (1988) Split 2005				
Square feet	112,489	112,489	112,489	112,489
Capacity (students)	921	921	921	921
Enrollment	769	799	795	788
Bluffton Elementary (2000) ECC addition (2010)				
Square feet	128,237	128,237	128,237	128,237
Capacity (students)	946	946	946	946
Enrollment	598	637	728	832
Okatie Elementary (2004)				
Square feet	87,383	87,383	87,383	87,383
Capacity (students)	672	672	672	672
Enrollment	655	640	619	692
M.C. Riley Elementary (1991) ECC addition (2010)				
Square feet	120,958	120,958	120,958	120,958
Capacity (students)	929	929	929	929
Enrollment	778	754	787	826
Red Cedar Elementary (2010)				
Square feet	97,000	97,000	97,000	97,000
Capacity (students)	764	764	764	764
Enrollment	751	824	778	780
Pritchardville Elementary (2011) mobiles in use				
Square feet	108,960	108,960	108,960	108,960
Capacity (students)	800	800	800	800
Enrollment	672	688	779	853
River Ridge Academy (2016) mobiles in use				
Square feet	-	-	-	143,742
Capacity (students)	-	-	-	1,013
Enrollment	-	-	-	-
Beaufort Middle (1959) Remodeled as Middle School (2002)				
Square feet	125,890	125,890	125,890	125,890
Capacity (students)	793	793	793	793
Enrollment	645	631	616	559
** students attended Humanities School at Burrough Avenue Building				
Lady's Island Middle (1984)				
Square feet	141,616	141,616	141,616	141,616
Capacity (students)	1,088	1,088	1,088	1,088
Enrollment	771	733	734	536
Robert Smalls International Academy (1984)				
Square feet	148,619	148,619	148,619	148,619
Capacity (students)	777	1,087	1,087	1,087
Enrollment	476	618	611	745
Whale Branch Middle (2000)				
Square feet	112,512	112,512	112,512	112,512
Capacity (students)	864	864	864	864
Enrollment	360	400	396	415

(Continued)

Fiscal Year					
2016	2017	2018	2019	2020	2021
6,635	6,635	6,635	6,635	6,635	6,635
64	64	64	64	64	64
18	21	23	20	20	27
161,005	161,005	161,005	161,005	161,005	161,005
1,128	1,128	1,128	1,128	1,128	1,128
958	934	951	888	844	776
112,489	112,489	112,489	112,489	112,489	112,489
921	921	921	921	921	921
772	726	663	644	625	568
128,237	128,237	128,237	128,237	128,237	128,237
946	946	946	946	946	946
617	670	693	751	787	775
87,383	87,383	87,383	87,383	87,383	87,383
672	672	672	672	672	672
589	592	616	636	613	569
120,958	120,958	120,958	120,958	120,958	120,958
929	929	929	929	929	929
715	723	772	751	755	715
97,000	97,000	97,000	97,000	97,000	97,000
764	764	764	764	764	764
698	687	669	681	707	581
108,960	108,960	108,960	108,960	108,960	108,960
800	800	800	800	1,000	1,000
884	854	832	892	956	900
143,742	143,742	143,742	143,742	143,742	168,342
1,013	1,013	1,013	1,013	1,213	1,213
952	1,090	1,191	1,224	1,208	1,100
125,890	125,890	125,890	125,890	125,890	125,890
793	793	793	793	793	793
533	495	490	473	502	456
141,616	141,616	141,616	141,616	141,616	141,616
1,088	1,088	1,088	1,088	1,088	1,088
522	555	554	545	554	513
148,619	148,619	148,619	148,619	148,619	148,619
1,087	1,087	1,087	1,087	1,087	1,087
713	717	718	709	740	641
112,512	112,512	112,512	112,512	112,512	112,512
864	864	864	864	864	864
401	386	367	355	350	359

BEAUFORT COUNTY SCHOOL DISTRICT

SCHOOL BUILDING INFORMATION LAST TEN FISCAL YEARS

	Fiscal Year			
	2012	2013	2014	2015
Hilton Head Island Middle (1992)				
Square feet	131,188	131,188	131,188	131,188
Capacity (students)	1,007	1,007	1,007	1,007
Enrollment	901	945	976	989
H.E. McCracken Middle (2000) mobiles in use				
Square feet	148,460	148,460	148,460	148,460
Capacity (students)	909	909	909	909
Enrollment	868	925	976	1,121
Bluffton Middle (2011)				
Square feet	142,711	142,711	142,711	142,711
Capacity (students)	1,035	1,035	1,035	1,035
Enrollment	919	1,010	1,096	1,038
Beaufort High (2000)				
Square feet	217,234	217,234	217,234	217,234
Capacity (students)	1,595	1,595	1,595	1,595
Enrollment	1,420	1,363	1,328	1,338
Battery Creek High (1992) Cate Expansion (2016)				
Square feet	216,755	216,755	216,755	216,755
Capacity (students)	1,585	1,585	1,585	1,585
Enrollment	742	748	766	807
Hilton Head Island High (1983)				
Square feet	173,498	173,498	173,498	173,498
Capacity (students)	1,382	1,382	1,382	1,382
Enrollment	1,150	1,188	1,254	1,267
Bluffton High (2005)				
Square feet	218,418	218,418	218,418	218,418
Capacity (students)	1,434	1,434	1,434	1,434
Enrollment	999	1,095	1,126	1,253
Whale Branch Early College High (2011)				
Square feet	124,000	124,000	124,000	124,000
Capacity (students)	611	611	611	611
Enrollment	498	485	532	517
May River High (2017) mobiles in use				
Square feet	-	-	-	-
Capacity (students)	-	-	-	-
Enrollment	-	-	-	-
Islands Academy (Established 2016 in DESC building closed FY2018)				
Square feet	-	-	-	-
Capacity (students)	-	-	-	-
Enrollment	-	-	-	-
Riverview Charter School (2010) Addition (2017)				
Square feet	16,721	70,724	70,724	70,724
Capacity (students)	304	536	536	536
Enrollment	340	453	488	527
(Moved to Shell Point Elementary School in 2013)				

Source: School District Facilities Office

NOTE: Fiscal year of original construction is shown in parentheses. Increases in square footage and capacity are the result of renovations and additions. Based on 135th day enrollment.

Fiscal Year					
2016	2017	2018	2019	2020	2021
131,188	131,188	131,188	131,188	131,188	131,188
1,007	1,007	1,007	1,007	1,007	1,007
977	1,012	990	1,018	954	874
148,460	148,460	148,460	148,460	148,460	148,460
909	909	909	909	1,009	1,009
1,074	661	743	806	908	939
142,711	142,711	142,711	142,711	142,711	142,711
1,035	1,035	1,035	1,035	1,035	1,035
932	773	772	801	860	841
217,234	217,234	217,234	217,234	217,234	217,234
1,595	1,595	1,595	1,595	1,595	1,595
1,305	1,301	1,295	1,303	1,239	1,173
230,755	230,755	230,755	230,755	230,755	230,755
1,585	1,585	1,585	1,585	1,585	1,585
845	817	752	721	725	754
173,498	173,498	173,498	173,498	173,498	173,498
1,382	1,382	1,382	1,382	1,382	1,382
1,286	1,259	1,249	1,229	1,287	1,298
218,418	218,418	218,418	218,418	218,418	218,418
1,434	1,434	1,434	1,434	1,434	1,434
1,392	1,201	1,128	1,168	1,168	1,231
124,000	124,000	124,000	124,000	124,000	124,000
611	611	611	611	611	611
479	497	445	442	430	424
-	238,616	238,616	238,616	238,616	275,497
-	1,400	1,400	1,400	1,520	1,520
-	947	1,200	1,343	1,413	1,444
-	-	-	-	-	-
150	150	150	-	-	-
70	57	70	-	-	-
70,724	93,024	93,024	93,024	93,024	93,024
536	760	760	760	760	760
564	600	638	654	692	678

BEAUFORT COUNTY SCHOOL DISTRICT

MISCELLANEOUS STATISTICS

JUNE 30, 2021

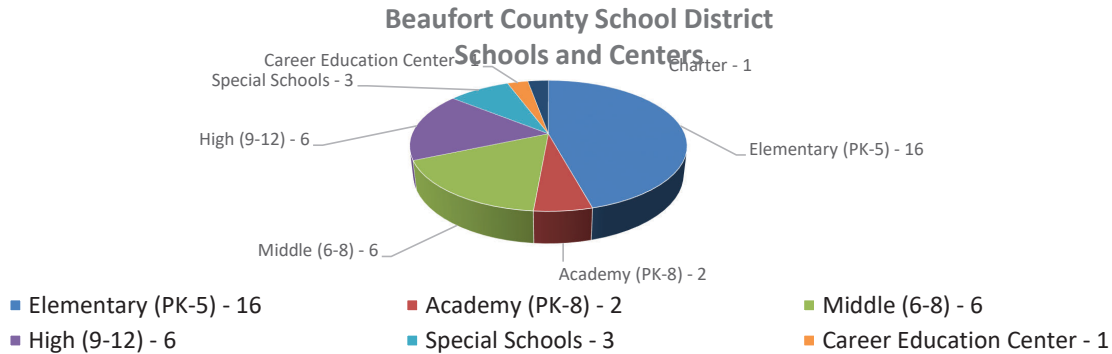
(UNAUDITED)

Beaufort County was created by the Legislative Act in 1785.

Area: 588 square miles

Form of County Government: County Council consisting of eleven elected members with an appointed full-time County Administrator.

Board of Education: Consisting of eleven elected members with an appointed Superintendent.



Accreditation:

State of South Carolina - All schools accredited

Southern Association of Schools and Colleges - All schools accredited

135 Day Enrollment: 21,120

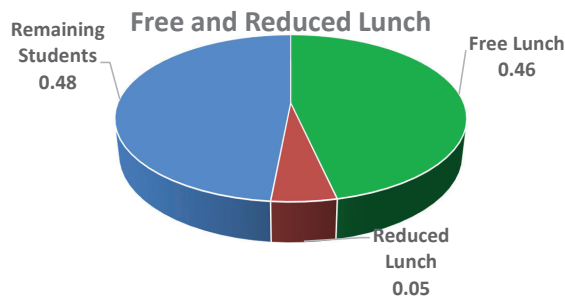
Number of Full-Time Employees:

Teachers	1,776
Others	1,077

Average Bi-Weekly Payroll: \$6,169,792

Percentage of free and reduced students in lunch program:

	Number of Students	Percentage of Total Student Population
Free Lunch	9,103	46%
Reduced Lunch	1,063	5%
Total Free and Reduced Lunch	10,166	52%



Source: District records & State ADM count

COMPLIANCE SECTION



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

To the Honorable Chairman and Members of the Board of Education
Beaufort County School District
Beaufort, South Carolina

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the **Beaufort County School District** (the "School District") as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated November 30, 2021. Our report also includes a reference to other auditors. Other auditors audited the component unit financial statements of the Riverview Charter School as described in our report on the School District's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

A handwritten signature in black ink that reads "Mauldin & Jenkins, LLC". The script is cursive and fluid, with the company name written in a professional, yet personal, style.

Savannah, Georgia
November 30, 2021



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Honorable Chairman and Members of the Board of Education
Beaufort County School District
Beaufort, South Carolina

Report on Compliance for Each Major Federal Program

We have audited the **Beaufort County School District's** (the "School District") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the School District's major federal programs for the year ended June 30, 2021. The School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the School District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the School District's compliance.

Opinion on Each Major Federal Program

In our opinion, the School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs for the year ended June 30, 2021.

Report on Internal Control Over Compliance

Management of the School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School District's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

Mauldin & Jenkins, LLC

Savannah, Georgia
November 30, 2021

BEAUFORT COUNTY SCHOOL DISTRICT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2021

LEA Subfund Fund Code	Fed. Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
	U.S. Department of Agriculture				
	Passed through S.C. Department of Education				
	Child Nutrition Cluster:				
600	USDA Commodities	10.555	N/A	\$ -	\$ 925,474
600	School Breakfast Program	10.553	N/A	-	92,726
600	School Lunch Program	10.555	N/A	-	187,976
600	Summer Feeding Program	10.559	N/A	-	9,467,192
	Total Child Nutrition Cluster			-	10,673,368
600	Fresh Fruits and Vegetable Grant	10.582	N/A	-	12,410
	Subtotal U.S. Department of Agriculture			-	10,685,778
	Passed through S.C. Department of Social Services				
600	Child and Adult Care Food Program	10.558	5SC300329	-	84,927
	Total U.S. Department of Agriculture			-	10,770,705
	U.S. Department of Education				
	Passed through S.C. Department of Education				
201	Title I - Current Year	84.010	H63010100121	-	4,211,801
202	Title I - Prior Year	84.010	H63010100120	-	1,999,069
202	Title I - Prior Year	84.010	H63010100119	-	33,401
237	Title I Targeted Support and Improvement (ATSI)	84.010A	H63010100121	-	42,267
237	Title I Targeted Support and Improvement (ATSI)	84.010A	H63010100120	-	172,020
237	Title I Targeted Support and Improvement (ATSI)	84.010A	H63010100119	-	131,922
				-	6,590,480
	Special Education (IDEA) Cluster:				
203	Children with Disabilities IDEA	84.027	H63010100921	121,100	2,075,196
203	Children with Disabilities IDEA	84.027	H63010100920	-	2,343,210
203	Children with Disabilities IDEA - 19 Carryover	84.027	H63010100919	-	110,354
203	Children with Disabilities IDEA Supplemental	84.027	H63010100919	-	208,756
205	IDEA Pre-school Grants Handicapped Capacity	84.173	H63010100821	-	65,235
205	IDEA Pre-school Grants Handicapped Capacity	84.173	H63010100820	-	47,591
205	IDEA Pre-school Supplemental	84.173	H63010100819	-	7,664
				121,100	4,858,006
	Other Programs:				
100	Impact Aid	84.041	N/A	-	89,030
207	Occupational Education	84.048A	H63010107121	-	291,515
207	Occupational Education - PPE	84.048A	H63010107121	-	2,000
207	Occupational Education	84.048A	H63010107120	-	56,199
210	Title IV Student Support and Academic Enrichment	84.424A	H63010100321	-	59,407
210	Title IV Student Support and Academic Enrichment	84.424A	H63010100320	-	317,761
210	Title IV Student Support and Academic Enrichment	84.424A	H63010100319	-	13,880
220	COVID-19 - Education Stabilization Fund - ESSER I	84.425D	H63010497520	-	4,063,155
225	COVID-19 - Education Stabilization Fund - ESSER II	84.425D	H63010497522	-	1,757,359
232	McKinney-Vento Homeless	84.196A	H63010108921	-	33,082
232	McKinney-Vento Homeless	84.196A	H63010108920	-	36,896
232	McKinney-Vento Homeless	84.196A	H63010108919	-	192
243	Adult Education	84.002	H63010101021	-	96,811
243	Adult Education	84.002	H63010101020	-	5,421
243	Adult Education - Institutionalized	84.002	H63010101021	-	20,000
243	Adult Education - Institutionalized	84.002	H63010101020	-	4,905
243	Adult Education - Reverted Funds	84.002	H63010101020	-	4,528
243	Adult Education - Reverted Funds	84.002	H63010101019	-	406
264	Title III-Language Instr. for Limited English Proficient and Immigrant	84.365A	H63010006721	-	63,342
264	Title III-Language Instr. for Limited English Proficient and Immigrant	84.365A	H63010006720	-	289,332
264	Title III-Language Instr. for Limited English Proficient and Immigrant	84.365A	H63010006719	-	34,445
264	Title III - FY20 Immigrant Grant	84.365A	H63010006720	-	8,392
264	Title III - FY19 Immigrant Grant	84.365A	H63010006719	-	19,330
267	Improving Teacher Quality	84.367	H63010006821	-	399,971
267	Improving Teacher Quality	84.367	H63010006820	-	143,156
267	Improving Teacher Quality	84.367A	H63010006819	-	30,201
290	YRBS/YTS Administration	93.079	N/A	-	975
	Total Other Programs			-	7,841,691
	Total of U.S. Department of Education			121,100	19,290,177
	U. S. Department of Defense Direct Program				
295	ROTC	12.000	N/A	-	409,949
	Total U.S. Department of Defense			-	409,949
	Total expenditures of federal awards			\$ 121,100	\$ 30,470,831

BEAUFORT COUNTY SCHOOL DISTRICT

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2021

NOTE 1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Beaufort County School District (the "School District"), and is presented on the modified accrual basis of accounting.

The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in the schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 2. DE MINIMIS INDIRECT COST RATE

The School District chose not to use the 10% de minimis cost rate for the year ended June 30, 2021.

BEAUFORT COUNTY SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2021

SECTION I
SUMMARY OF AUDIT RESULTS

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

Material weaknesses identified? ☐ Yes ☒ No

Significant deficiencies identified? ☐ Yes ☒ None Reported

Noncompliance material to financial statements noted? ☐ Yes ☒ No

Federal Awards

Internal control over major federal programs:

Material weaknesses identified? ☐ Yes ☒ No

Significant deficiencies identified? ☐ Yes ☒ None Reported

Type of auditor's report issued on compliance for major federal programs Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.416(a)? ☐ Yes ☒ No

Identification of major programs:

CFDA Number

Name of Federal Program or Cluster

84.425D

U.S. Department of Education – Passed Through S.C.
Department of Education
COVID-19 - Education Stabilization Fund - ESSER I and II

84.010/84.010A

U.S. Department of Education – Passed Through S.C.
Department of Education
Title I Grants to Local Educational Agencies

Dollar threshold used to distinguish between Type A and Type B programs:

\$914,125

Auditee qualified as low-risk auditee?

☒ Yes ☐ No

BEAUFORT COUNTY SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2021

SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES

None reported.

SECTION III
FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None reported.

SECTION IV
SCHEDULE OF PRIOR YEAR FINDINGS

None reported.