

BEAUFORT COUNTY SCHOOL DISTRICT

Beaufort, SC

Annual Comprehensive Financial Report



#WhereGreatThingsHappen



For Fiscal Year Ended June 30, 2022

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, 2022**

Prepared by:
Beaufort County School District
Finance Department

INTRODUCTORY SECTION

BEAUFORT COUNTY SCHOOL DISTRICT

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2022**

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BEAUFORT COUNTY SCHOOL DISTRICT

BOARD OF EDUCATION AND ADMINISTRATION FOR THE YEAR ENDED JUNE 30, 2022

Administrative Office

2900 Mink Point Boulevard
Beaufort, South Carolina 29902

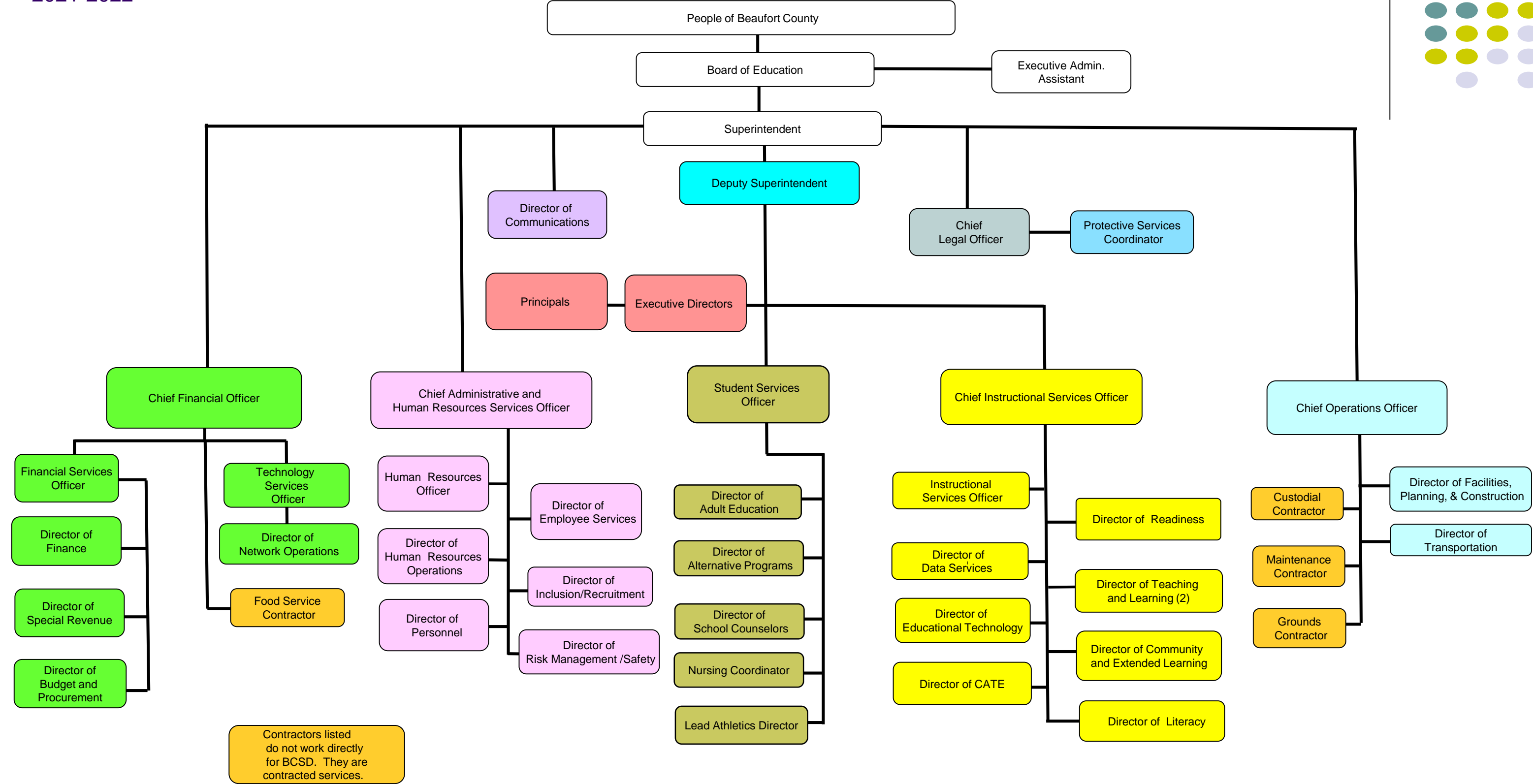
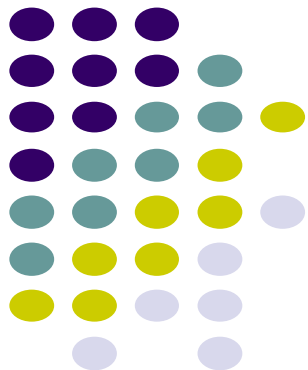
Senior Management

Frank Rodriguez, Ph.D.	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
ORGANIZATIONAL CHART
2021-2022





December 1, 2022

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 (“ACFR”) of the Beaufort County School District (the “School District”) for the fiscal year ended June 30, 2022.

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 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 School District

Beaufort County School District serves approximately 21,000 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 11 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 11-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 60% of its operating budget from Beaufort County. The remaining 40% is primarily received from the State - 44% 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 2021 Census estimates, Beaufort County has grown by 17.8% since the 2010 Census, making it the ninth fastest growing county in the state. The other counties that grew faster during that

period were Horry at 35.3%, Berkeley at 31.9%, Lancaster at 30.3%, York at 27.2%, Jasper at 21.5%, Dorchester at 19.2%, Greenville at 17.9% and Spartanburg at 17.9%. Since the 2010 Census, the student population has grown by 9.0% based on enrollment projected for the 2022-2023 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 4,700 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 16% from April 2021 to April 2022. County-wide, the number of residential new construction permits issued in 2021 (2,827) increased 23.6% from the 2020 number (2,287). Many residences are currently under construction, particularly in the Bluffton area.

Beaufort County's unemployment rate at 3.2% matches the State of South Carolina's rate of 3.2% as of June 2022. The unemployment rate has continued to drop the past few years, except for 2020 when all unemployment rates increased due to the pandemic. The presence of military bases and the rebound of the tourism industry have contributed to the low rate.

The most recent available U.S. Census Bureau information shows Beaufort County has a median household income of \$76,515 at the end of calendar year 2020. 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 56% 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 11 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 2022 were 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 our 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 2021-2022 budget. During FY 2022, all full-time employees were given a step increase in June, retroactive to the beginning of the fiscal year. Teachers who performed dual modality instruction received a bonus for each semester, dependent upon the number of days of instruction provided. Classified, professional and administrative employees received a one-time bonus of \$1,000 for their efforts during the COVID-19 pandemic.

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. Initially, enrollment decreased post-pandemic with enrollment at the 135th day of the 2020-2021 school year at 21,120. Enrollment increased but has not reached pre-pandemic level with the 135th day of the 2021-2022 school year at 21,199. The projected enrollment for the 2022-2023 school year is 21,387.

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 31% of the total student population (from 3,753 to 6,488). This represents a growth of 72% over a ten-year period. Our School District currently has 38% Caucasian, 25% African American, 31% Hispanic and 7% other.

Accomplishments and Awards

Academic Achievements – The School District continues to out-perform the state graduation rate of 83.8% with a 2.3 percentage point decrease from 88.5% for the Class of 2021 to 86.2% for the Class of 2022. That compares to 86.0% five years ago. South Carolina's statewide graduation rate for 2022 was 83.8%, up from 83.3% in 2021.

Beaufort County high school seniors' average SAT score of 1,033 was higher than South Carolina's average score of 1,023, and slightly below the average national score of 1,050. Forty-eight percent of School District students took the SAT compared to 49% 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 Comprehensive Annual Financial Report for the past 29 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 comprehensive annual 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.

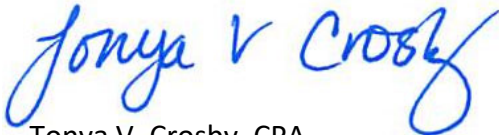
In addition to the award for excellence in financial reporting, the School District has not had a negative finding in any of its annual independent audits in the past 21 years.

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 Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

**To the Members of the Board of Trustees
Beaufort County School District
Beaufort, South Carolina**

Report on the Financial Statements

Opinions

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 the **Beaufort County School District** (the "School District") as of and for the year ended June 30, 2022, 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.

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, 2022, 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.

We did not audit the financial statements of Riverview Charter School, which represents 100% of the assets, net position, and revenues of the discretely presented component unit as of June 30, 2022. 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.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the School District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management 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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 5 – 18, Schedule of the School District's Proportionate Share of the Net Pension Liability on pages 87 and 88, Schedule of the School District's Contributions – Pensions on pages 89 and 90, Schedules of School District's Proportionate Share of the Net OPEB Liability on page 91 and 92, Schedule of the School District's Contributions – OPEB on pages 93 and 94, and the Budgetary Comparison Schedules on pages 95 – 99 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.

Supplementary 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 accompanying combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards, 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*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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 and the report of the other auditors, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated December 1, 2022 on our consideration of the School District's internal control over financial reporting and on 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
December 1, 2022

Beaufort County School District

Management's Discussion and Analysis

For the fiscal year ended June 30, 2022

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, 2022. 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, 2022, was \$-36.3 million. This amount reflects an increase of \$45.5 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 \$416.6 million, other financing sources/(uses) totaled \$168.6 million, and expenditures totaled \$509.6 million for all Governmental Funds at the fund level. Fund balances increased by \$75.6 million. This is largely attributable to the issuance of long-term debt for capital projects. General obligation bonds issued in FY 2022 were to be used for the 2019 referendum, repair and maintenance of School District facilities and refunding of two previous bond issuances.

General Fund/Fund Balance - The School District's principal operating fund, the General Fund, had \$280.4 million in revenues and other financing sources and \$273.8 million in expenditures and other financing uses, generating a net increase in fund balance of \$6.6 million. This resulted in the General Fund's fund balance increasing from \$50.6 million to \$57.1 million or 19.2% of budgeted FY 2023 general fund expenditures.

General Fund Budget - Local tax collections were \$4,870,307 more than the amount budgeted, and total local sources of revenues were \$5,081,810 more than the budgeted amount. State revenues in the General Fund were \$292,805 more than the amount budgeted, chiefly due to an increase in reimbursement in property tax relief. The original budget was designed as a balanced budget with no impact on fund balance; however, primarily due to an increase in local property tax collections, fund balance was increased by \$6.6 million.

Debt - The School District sold \$180.4 million of long-term general obligation bonds in FY 2022. New bonds were issued to fund the 2019 referendum, repair and maintenance of School District facilities and refunding of two previous bond issuances. The fund balance of the Debt Service Fund increased by \$0.4 million to a total of \$20.3 million.

Major Capital Additions - The School District's capital assets for governmental activities increased by \$70.4 million or 12.4%. This is attributable primarily to the current year's amount of capital projects completed and construction in progress for the 2019 referendum projects.

Beaufort County School District

Management's Discussion and Analysis

For the fiscal year ended June 30, 2022

Proprietary Funds - The Enterprise Fund, the School District's Food Service Fund, ended the year with an increase in net position of \$3,511,381. 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 \$49,291 to a net position of \$1,522,603. The increase is attributable to the receipt of insurance proceeds received during the fiscal year.

Overview of the Financial Statements

This annual report consists of three parts: management's discussion and analysis (this section), the basic financial statements, and required supplementary information. This discussion and analysis 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 144.

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.

Beaufort County School District

Management's Discussion and Analysis

For the fiscal year ended June 30, 2022

The Statement of Net Position presents information on all the School District's assets plus deferred outflows, and liabilities plus deferred inflows, 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).

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, pupil activity fund, COVID related funds, 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 19-22 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 32-86.

Beaufort County School District

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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.

Government-Wide Financial Analysis

The condensed statement of net position describes the financial position of the School District on June 30, 2022. 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 \$36.3 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 \$11.8 million is due to increased construction in progress.

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 \$25.6 million (5.9%) from a \$430.8 million deficit at June 30, 2021, to a \$405.2 million deficit at June 30, 2022. 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 2022 compared to 2021 is presented below:

Condensed Statement of Net Position

	Governmental activities		Business-type activities		Total School District		Total Percent Change
	2021	2022	2021	2022	2021	2022	2021-2022
Current and other assets	\$ 312,267,350	\$ 409,524,884	\$ 6,221,890	\$ 9,728,800	\$ 318,489,240	\$ 419,253,684	31.6%
Capital assets	565,978,906	636,954,825	2,019,631	1,924,768	567,998,537	638,879,593	12.5%
Total assets	878,246,256	1,046,479,709	8,241,521	11,653,568	886,487,777	1,058,133,277	19.4%
Deferred outflows of resources	106,736,767	141,244,747	251,486	335,643	106,988,253	141,580,390	32.3%
Current liabilities	97,667,251	133,282,307	1,657,785	1,587,016	99,325,036	134,869,323	35.8%
Long-term liabilities	950,113,700	1,039,254,164	1,395,885	1,403,228	951,509,585	1,040,657,392	9.4%
Total liabilities	1,047,780,951	1,172,536,471	3,053,670	2,990,244	1,050,834,621	1,175,526,715	11.9%
Deferred inflows of resources	24,137,367	60,128,401	279,036	327,285	24,416,403	60,455,686	147.6%
Net position							
Net investment in capital assets	316,578,409	328,510,725	2,019,631	1,924,768	318,598,040	330,435,493	3.7%
Restricted for:							
Capital projects	6,577,083	10,758,936	-	-	6,577,083	10,758,936	63.6%
Debt service	17,873,081	17,722,677	-	-	17,873,081	17,722,677	-0.8%
Food services	-	-	3,140,670	6,746,914	3,140,670	6,746,914	114.8%
Student activities	2,825,862	3,239,214	-	-	2,825,862	3,239,214	14.6%
Unrestricted	(430,789,730)	(405,171,968)	-	-	(430,789,730)	(405,171,968)	-5.9%
Total net position	\$ (86,935,295)	\$ (44,940,416)	\$ 5,160,301	\$ 8,671,682	\$ (81,774,994)	\$ (36,268,734)	-55.6%

Beaufort County School District
Management's Discussion and Analysis
For the fiscal year ended June 30, 2022

The following table presents a summary of the changes in net position for the fiscal year ended June 30, 2022:

	Governmental activities		Business-type activities		Total School District		Total Percent Change
	2021	2022	2021	2022	2021	2022	2021-2022
REVENUES							
Program revenues							
Charges for sales and services	\$ 1,626,286	\$ 1,678,987	\$ 8,876	\$ 33,604	\$ 1,635,162	\$ 1,712,591	4.7%
Operating grants and contributions	88,820,001	104,969,680	10,890,789	16,149,483	99,710,790	121,119,163	21.5%
General revenues							
Property taxes	220,196,786	245,049,579	-	-	220,196,786	245,049,579	11.3%
Federal and state formula aid	58,802,219	60,019,402	-	-	58,802,219	60,019,402	2.1%
Other	3,667,323	2,628,364	2,782	1,482	3,670,105	2,629,846	-28.3%
Total revenues	373,112,615	414,346,012	10,902,447	16,184,569	384,015,062	430,530,581	7.1%
EXPENSES							
Instruction	212,604,291	219,361,434	-	-	212,604,291	219,361,434	3.2%
Support services	130,525,698	143,337,181	-	-	130,525,698	143,337,181	9.8%
Community services	736,866	602,003	-	-	736,866	602,003	-18.3%
Interest and other charges	10,078,244	9,029,570	-	-	10,078,244	9,029,570	-10.4%
Food service	-	-	8,598,678	12,694,133	8,598,678	12,694,133	47.6%
Total expenses	353,945,099	372,330,188	8,598,678	12,694,133	362,543,777	385,024,321	0.5%
Excess before transfers	19,167,516	42,015,824	2,303,769	3,490,436	21,471,285	45,506,260	111.9%
Transfers	(23,619)	(20,945)	23,619	20,945	-	-	- %
Increase in net position	19,143,897	41,994,879	2,327,388	3,511,381	21,471,285	45,506,260	111.9%
Net position, beginning of year	(109,127,553)	(86,935,295)	2,832,913	5,160,301	(106,294,640)	(81,774,994)	-23.1%
Restatement for GASB 84	3,048,361	-	-	-	3,048,361	-	- %
Net position, beginning of year as restated	(106,079,192)	(86,935,295)	2,832,913	5,160,301	(103,246,279)	(81,774,994)	-20.8%
Net position, end of year	\$ (86,935,295)	\$ (44,940,416)	\$ 5,160,301	\$ 8,671,682	\$ (81,774,994)	\$ (36,268,734)	-55.6%
Component Unit:							
Charter School							
Expenses					\$ 9,638,329		
Operating grants and contributions					8,781,145		
Other general revenues					441,610		
Increase in net position					(415,574)		
Net position, beginning of year					(5,872,178)		
Net position, end of year					\$ (6,287,752)		

Governmental Activities. Governmental activities increased the School District's net position by \$42.0 million. Key elements of the increase are as follows:

Capital Assets increased by \$70.4 million due primarily to the \$64.8 million increase in equipment and construction in progress during the period.

Long-term liabilities outstanding increased by \$89.1 million (9.4%). 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 \$180.4 million to fund projects in the 2019 referendum, advance refunding of existing debt and ongoing capital improvements, subject to the 8% limitation. Principal payments of \$87.7 million were made, representing an increase of \$27.3 million over the prior year.

Beaufort County School District

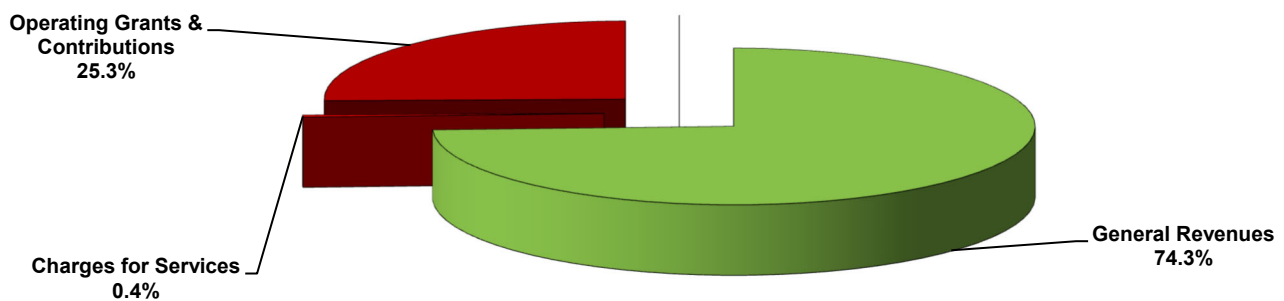
Management's Discussion and Analysis

For the fiscal year ended June 30, 2022

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 \$16.4 million based on the wealth index, up \$950,995 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-four 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.

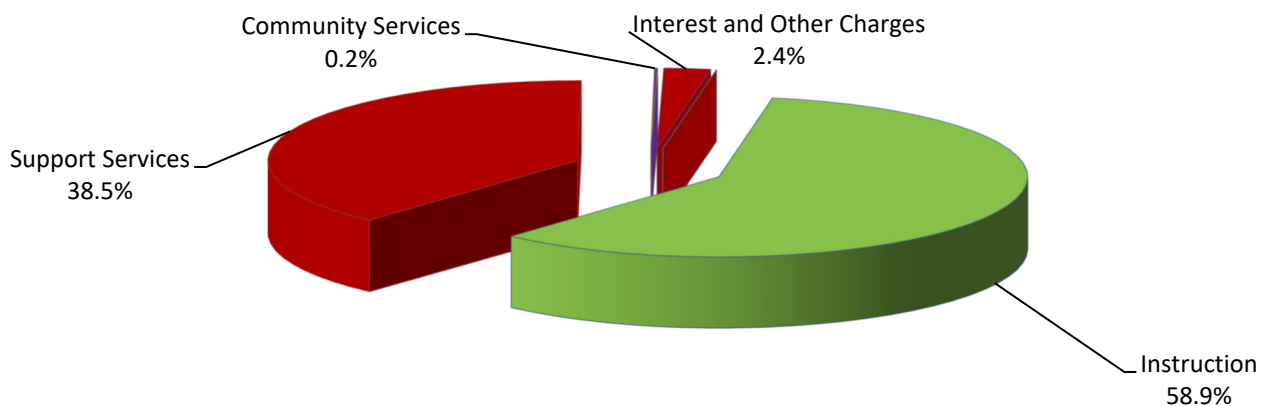
Revenues by Source - Governmental Activities



The total cost of governmental activity programs and services increased 5.2% to \$372.3 million. Instructional expenses increased \$6.8 million to \$219.4 million, and support expenses increased by \$12.8 million to \$143.3 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.

Expenses by Function-Governmental Activities



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The following table 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
	2021	2022	2021-2022	2021	2022	2021-2022
Instruction	\$ 212,604,291	\$ 219,361,434	3.2%	\$ 154,162,051	\$ 155,286,899	0.7%
Support services	130,525,698	143,337,181	9.8%	99,241,672	101,350,928	2.1%
Community services	736,866	602,003	-18.3%	16,845	14,124	-16.2%
Interest and other charges	10,078,244	9,029,570	-10.4%	10,078,244	9,029,570	-10.4%
Total	\$ 353,945,099	\$ 372,330,188	5.2%	\$ 263,498,812	\$ 265,681,521	0.8%

The cost of all governmental activities this year was \$372.3 million.

The federal and state governments subsidized certain programs with grants and contributions (\$105.0 million).

Most of the School District's net costs (\$265.7 million), however, were financed by the School District and local taxpayers.

This portion of governmental activities was financed with \$245.0 million in property taxes, \$60.0 million from state and federal aid and \$2.6 million of miscellaneous revenues.

The increase in instructional costs is 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 along with dual modality instruction for remote students.

The decrease 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 \$3,511,381 from June 30, 2021 to June 30, 2022 to \$8.7 million. Key elements of the increase include:

Business-type expenses increased by 47.6% to \$12.7 million due primarily to a return of students to the classroom and provision of meals to classroom locations rather than lunchroom service.

Program Revenues - Charges for sales and service, which are primarily proceeds from meal sales, increased by 278.6% to \$33,604 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 48.3% to \$16.1 million, 87% of which came from the summer feeding program.

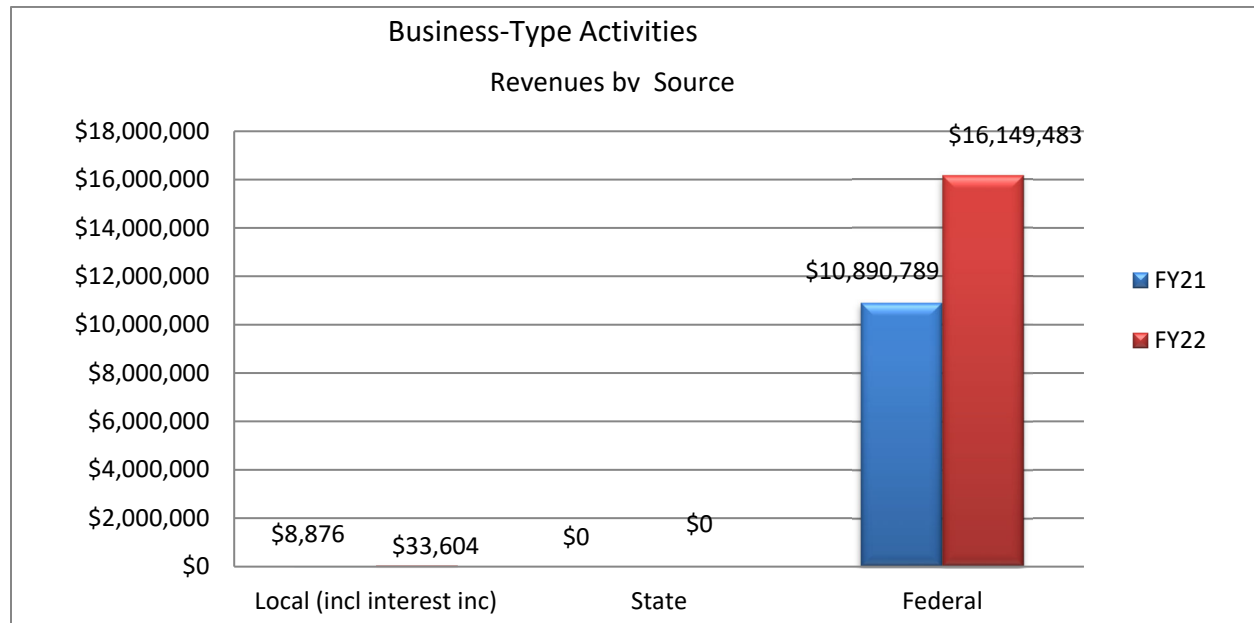
Food service operations produced a net gain of \$3.5 million compared to the prior year's net gain of \$2.3 million. The gain is attributed to an increase in operating grants and contributions.

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For the fiscal year ended June 30, 2022

This operation receives no support from local property tax revenues. As demonstrated below, most of the revenue received (99.8%) is from federal sources, an increase of 48.3% of overall revenue from the prior year.



Financial Analysis of the School District's Funds

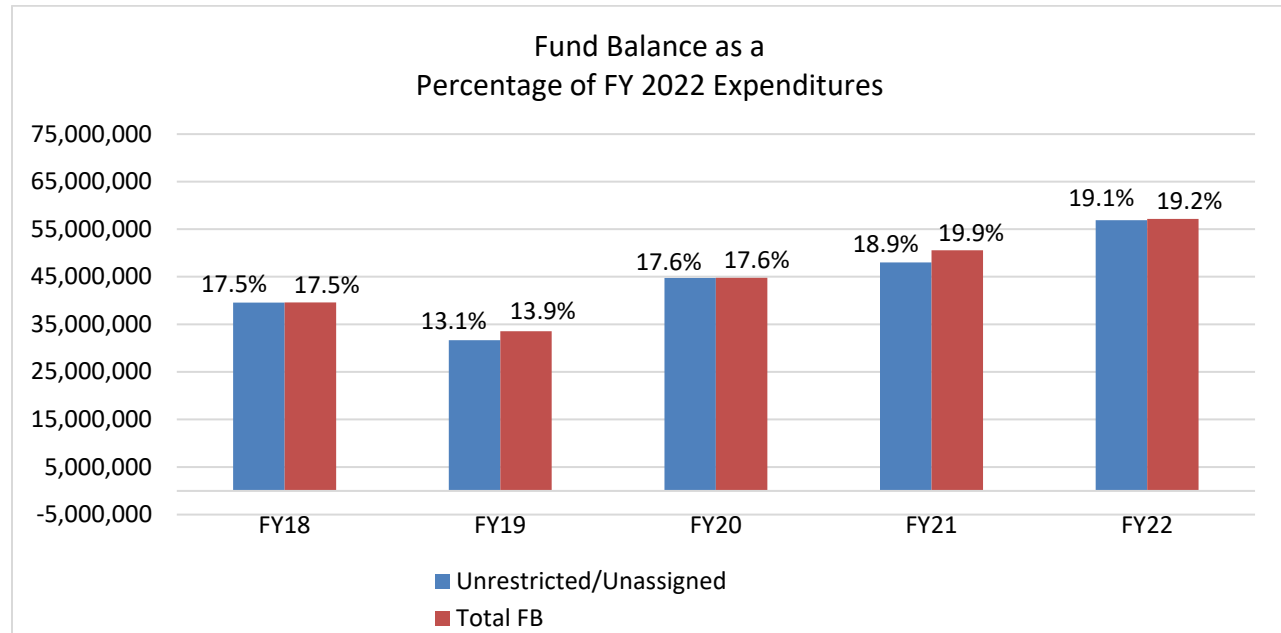
Governmental Funds. Information about the School District's major funds begins on page 95. These funds are accounted for using the modified accrual basis of accounting and include the following funds: General Fund, Special Projects, Special Projects-EIA, Special Projects-Pupil Activity Fund, Special Projects-COVID Related Fund, Debt Service, Debt Service-EFC and Capital Projects. As the School District completed the year, its government funds reported combined fund balances of \$329.2 million - a \$75.6 million increase from last year's ending fund balances. The net change in fund balance was most significant in the capital projects fund (\$68.2 million increase) and the general fund (\$6.6 million increase). The capital projects fund increase is attributable to the issuance of \$180.4 million in general obligation bonds and the increased local tax collections are the primary reasons for the increase in the general fund.

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.

Beaufort County School District

Management's Discussion and Analysis

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The graph above can be used to measure the overall financial health of the School District. The General Fund unassigned fund balance of \$57,132,200 at June 30, 2022 represents 19.2% of budgeted FY 2023 expenditures or approximately seventy 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 2022, the School District proposed a balanced budget with no increase or decrease in fund balance. However, due primarily to an increase in property tax revenues, fund balance was improved by \$6.6 million. The increase in property tax revenues is attributable to an increase in assessed property values and the increased millage rate.

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 increased by \$7.8 million due to an allocation of COVID response funds, and total revenue for EIA funds decreased by \$596,320, the result of the change in the state funding formula. 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 EFC (Educational Facilities Corporation) Debt Service Fund. Both funds are used to account for the accumulation of funds for debt retirement. The debt millage rate remained at 36.3 mills in FY 2022, 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 \$397,839 primarily due to planned bond payments in FY 2023 and to maintain the fund balance within a desired range for reserves. The fund balance for the EFC Debt Service Fund decreased by \$8,355 to a total of \$22,411. 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

Beaufort County School District

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For the fiscal year ended June 30, 2022

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 \$68.2 million to a total of \$248.4 million. The relatively large change in fund balance is primarily due to the issuance of a \$180 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 \$1,473,312 at June 30, 2021 to \$1,522,603 at June 30, 2022. This is the result of insurance proceeds recorded in FY 2022.

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 5 years, especially for a School District that has historically experienced an annual increase in enrollment.

The key revenue highlights for FY 2022 are as follows:

- Total actual property tax revenues for the General Fund of \$168.3 million were more than the final budgeted revenues of \$163.5 million. This \$4.9 million surplus is primarily due to increased taxes billed for tax year 2021 (increase of 7.6 mills).
- State revenues exceeded the final budget by \$292,805 primarily due to an increase in reimbursement in property tax relief.

Beaufort County School District

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- 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 \$15.0 million was drawn down in the Fall of 2021 and repaid in January 2022. 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.
- Total spending in the General Fund is reported at 99.8% of the \$274.1 million budget. This represents under spending in the amount of \$414,817.
- 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 \$268,349 from FY 2021 to FY 2022 due to an increase in students and local tax collections.

Capital Asset and Debt Administration

Capital Assets - At the end of fiscal year 2022, the School District had invested \$1.05 billion 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 \$98.8 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 \$25.6 million.

Capital Assets (net of accumulated depreciation)

	Governmental activities		Business-type activities		Percent Change 2021-2022
	2021	2022	2021	2022	
Land	\$ 41,269,484	\$ 41,299,484	\$ -	\$ -	0.1%
Improvements	117,887,574	135,082,615	-	-	14.6%
Buildings	318,369,767	305,398,882	-	-	-4.1%
Equipment	22,987,430	24,222,631	1,877,466	1,917,508	5.1%
Construction/equipment in progress	65,464,651	130,423,782	142,165	7,260	98.8%
Total	\$ 565,978,906	\$ 636,427,394	\$ 2,019,631	\$ 1,924,768	12.4%

Capital expenditures consisted primarily of the renovations of Battery Creek High School and Beaufort Elementary School, design and construction of a replacement facility for Robert Smalls International Academy, safety and security upgrades to all facilities, 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 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.

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For the fiscal year ended June 30, 2022

Long-Term Debt - At year-end, the School District had \$487,466,700 in bonds outstanding (excluding short-term debt obligations, deferred charges and unamortized premiums), an increase of \$96.9 million. Continuation of projects approved in the 2019 referendum and the ongoing renovation and building modification projects triggered the need for \$180.4 million in new general obligation debt during the year. More detailed information about long-term debt can be found in Note 6 of the financial statements.

Outstanding Long-Term Debt

	2021	2022	Percent Change 2021-2022
General obligation debt related to referenda	\$ 317,217,000	\$ 430,690,640	35.8%
General obligation debt subject to 8%	54,204,000	39,801,060	-26.6%
Installment purchase revenue bonds	19,125,000	16,957,000	-11.3%
Total outstanding debt	\$ 390,546,000	\$ 487,448,700	24.8%

State statutes limit the amount of general obligation debt a governmental entity may issue to eight percent (8%) of its total assessed valuation. The current debt limitation for the School District is \$173.4 million which is in excess of the School District's applicable outstanding debt of \$39.8 million, leaving capacity of \$133.6 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 2021 Census estimates, Beaufort County has grown by 17.8% since the 2010 Census. The population of Beaufort County ranks as the ninth 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 9.0% based on enrollment projected for the 2022-2023 school year.

The 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 2022 along with other areas in South Carolina as people continue adjusting their behaviors in order to take precautions against the COVID-19 virus.

Beaufort County School District

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For the fiscal year ended June 30, 2022

Total retail sales were up 16% from April 2021 to April 2022. Countywide, the number of residential new construction permits issued in 2021 (2,827) increased 23.6% from the 2020 number (2,287). Many residences are currently under construction, particularly in the Bluffton area.

The county's unemployment rate at 2.3% remains below the State of South Carolina's rate of 3.3% as of April 2022. The unemployment rate has continued to drop the past few years, except for 2020 when all unemployment rates increased due to the pandemic. The presence of military bases and the rebound of the tourism industry have contributed to the low rate.

The most recent available U. S. Census Bureau information shows the County has a median household income of \$76,515 at the end of calendar year 2020. This income level continually ranks the County as one of the highest in the State and is above national levels.

During tax year 2021 (fiscal year 2022), the Beaufort County Council increased the operating millage from 114.0 mills to 121.6 resulting in a positive variance in the amount of \$4.9 million. This positive variance 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 4.0 mill increase in the operating millage to 125.6 for tax year 2022 (fiscal year 2023).

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.

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. Initially, enrollment decreased post-pandemic with enrollment at the 135th day of the 2020-2021 school year at 21,120. Enrollment increased but has not reached pre-pandemic level with the 135th day of the 2021-2022 school year at 21,199. The projected enrollment for the 2022-2023 school year is 21,387.

The FY 2023 budget focused on compensation increases necessary to remain competitive in recruiting and retaining teachers and support staff. Local tax revenues for FY 2023 are based upon a millage rate of 125.6. This represents a 3.3% 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 the 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.

Beaufort County School District

Management's Discussion and Analysis

For the fiscal year ended June 30, 2022

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, 2022

	Primary Government			Component Unit
	Governmental	Business-type	Total	
	Activities	Activities		
ASSETS				
Current Assets				
Cash and investments	\$ 42,824,358	\$ 458,714	\$ 43,283,072	\$ 2,920,110
Deposits with Beaufort County Treasurer	341,484,210	8,691,009	350,175,219	-
Accounts receivable	209,893	462,745	672,638	20,731
Lease receivable	575,141	-	575,141	-
Taxes receivable, net of allowances	7,821,721	-	7,821,721	-
Due from other governmental units	16,295,095	-	16,295,095	46,507
Internal balances	(53,109)	53,109	-	-
Prepaid items	345,164	232	345,396	20,094
Inventory	-	62,991	62,991	-
Restricted cash	22,411	-	22,411	-
Total Current Assets	409,524,884	9,728,800	419,253,684	3,007,442
Non-current Assets				
Deposits	-	-	-	10,000
Leased assets, net of accumulated amortization	557,431	-	557,431	-
Non-depreciable capital assets	171,693,266	-	171,693,266	-
Depreciable capital assets, net of accumulated depreciation	464,704,128	1,924,768	466,628,896	13,831,316
Total Non-current Assets	636,954,825	1,924,768	638,879,593	13,841,316
Total Assets	\$ 1,046,479,709	\$ 11,653,568	\$ 1,058,133,277	\$ 16,848,758
DEFERRED OUTFLOWS OF RESOURCES				
Deferred refunding of bonds	\$ 3,315,088	\$ -	\$ 3,315,088	\$ -
Deferred outflows related to pensions	42,405,313	103,189	42,508,502	1,469,075
Deferred outflows related to OPEB	95,524,346	232,454	95,756,800	2,639,328
Total Deferred Outflows of Resources	\$ 141,244,747	\$ 335,643	\$ 141,580,390	\$ 4,108,403
LIABILITIES				
Current Liabilities				
Accounts payable	\$ 39,190,575	\$ 1,559,273	\$ 40,749,848	\$ 166,217
Accrued liabilities	24,780,069	25,487	24,805,556	109,605
Short-term bonds payable	277,000	-	277,000	-
Retainage payable	2,597,808	-	2,597,808	-
Due to other governmental units	-	-	-	4,556
Accrued interest	3,978,341	-	3,978,341	-
Long-term liabilities, due within one year	62,458,514	2,256	62,460,770	253,347
Total Current Liabilities	133,282,307	1,587,016	134,869,323	533,725
Non-current Liabilities				
Long-term liabilities, net of current portion	463,329,311	1,766	463,331,077	8,866,070
Net pension liability	257,647,614	626,963	258,274,577	7,331,971
Net OPEB liability	318,277,239	774,499	319,051,738	8,950,428
Total Non-current Liabilities	1,039,254,164	1,403,228	1,040,657,392	25,148,469
Total Liabilities	\$ 1,172,536,471	\$ 2,990,244	\$ 1,175,526,715	\$ 25,682,194

(Continued)

BEAUFORT COUNTY SCHOOL DISTRICT

STATEMENT OF NET POSITION JUNE 30, 2022

	Primary Government			
	Governmental	Business-type		Component
	Activities	Activities	Total	Unit
DEFERRED INFLOWS OF RESOURCES				
Deferred refunding of bonds	\$ 65,581	\$ -	\$ 65,581	\$ -
Deferred revenue	5,200,544	195,221	5,395,765	40,387
Deferred inflows related to leases	591,752	-	591,752	-
Deferred inflows related to pensions	37,925,627	92,290	38,017,917	1,074,960
Deferred inflows related to OPEB	16,344,897	39,774	16,384,671	447,372
Total Deferred Inflows of Resources	<u>\$ 60,128,401</u>	<u>\$ 327,285</u>	<u>\$ 60,455,686</u>	<u>\$ 1,562,719</u>
NET POSITION				
Net investment in capital assets	\$ 328,510,725	\$ 1,924,768	\$ 330,435,493	\$ 4,711,899
Restricted for:				
Debt service	17,722,677	-	17,722,677	-
Capital projects	10,758,936	-	10,758,936	-
Food services	-	6,746,914	6,746,914	183,281
Student activities	3,239,214	-	3,239,214	-
Unrestricted	(405,171,968)	-	(405,171,968)	(11,182,932)
Total Net Position	<u>\$ (44,940,416)</u>	<u>\$ 8,671,682</u>	<u>\$ (36,268,734)</u>	<u>\$ (6,287,752)</u>

See Notes to Basic Financial Statements.

BEAUFORT COUNTY SCHOOL DISTRICT

STATEMENT OF ACTIVITIES FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Functions/Programs	Expenses	Program revenues		
		Charges for Sales and Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental activities:				
Instruction	\$ 219,361,434	\$ 1,678,987	\$ 62,395,548	\$ -
Support services	143,337,181	-	41,986,253	-
Community services	602,003	-	587,879	-
Interest and other charges	9,029,570	-	-	-
Total governmental activities	372,330,188	1,678,987	104,969,680	-
Business-type activities:				
Food service	12,694,133	33,604	16,149,483	-
Total	\$ 385,024,321	\$ 1,712,591	\$ 121,119,163	\$ -
Component unit:				
Charter school	\$ 9,638,329	\$ -	\$ 8,781,145	\$ -
Total component unit	\$ 9,638,329	\$ -	\$ 8,781,145	\$ -

General revenues:

Property taxes levied for:

 General purposes

 Debt service

Federal and state aid not restricted for specific purpose

Unrestricted investment earnings

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	
\$ (155,286,899)	\$ -	\$ (155,286,899)	\$ -
(101,350,928)	-	(101,350,928)	-
(14,124)	-	(14,124)	-
(9,029,570)	-	(9,029,570)	-
(265,681,521)	-	(265,681,521)	-
-	3,488,954	3,488,954	-
(265,681,521)	3,488,954	(262,192,567)	-
-	-	-	(857,184)
-	-	-	(857,184)
167,627,847	-	167,627,847	-
77,421,732	-	77,421,732	-
60,019,402	-	60,019,402	-
1,147,769	1,482	1,149,251	-
1,480,595	-	1,480,595	441,610
307,697,345	1,482	307,698,827	441,610
42,015,824	3,490,436	45,506,260	(415,574)
(20,945)	20,945	-	-
41,994,879	3,511,381	45,506,260	(415,574)
(86,935,295)	5,160,301	(81,774,994)	(5,872,178)
\$ (44,940,416)	\$ 8,671,682	\$ (36,268,734)	\$ (6,287,752)

BEAUFORT COUNTY SCHOOL DISTRICT

BALANCE SHEET GOVERNMENTAL FUNDS JUNE 30, 2022

		Special Revenue Funds			
		Special Projects	Education Improvement Act	Pupil Activity Fund	COVID Related Funds
ASSETS		General			
Cash and investments	\$ 28,947,626	\$ -	\$ -	\$ 3,393,651	\$ -
Deposits with Beaufort County Treasurer	52,012,774	-	3,787,010	-	-
Receivables:					
Accounts receivable, net	144,328	62,725	-	1,891	-
Taxes receivable, net	5,954,867	-	-	-	-
Lease receivable	575,141	-	-	-	-
Due from other governmental units	354,906	8,832,859	251,726	-	6,855,604
Due from other funds	2,841	-	-	3,153	-
Prepaid items	274,018	62,104	8,000	1,042	-
Restricted cash and cash equivalents	-	-	-	-	-
Total Assets	\$ 88,266,501	\$ 8,957,688	\$ 4,046,736	\$ 3,399,737	\$ 6,855,604
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ 4,762,666	\$ 5,541,159	\$ 87,446	\$ 139,130	\$ 5,185,186
Accrued salaries and benefits	20,910,249	1,563,307	613,724	3,642	1,666,633
Retainage payable	-	-	-	-	-
Short-term bonds payable	-	-	-	-	-
Due to other funds	54,233	-	-	17,751	2,029
Total Liabilities	25,727,148	7,104,466	701,170	160,523	6,853,848
DEFERRED INFLOWS OF RESOURCES					
Deferred revenue	-	1,853,222	3,345,566	-	1,756
Unavailable revenue - property taxes	4,815,401	-	-	-	-
Leases	591,752	-	-	-	-
Total Deferred Inflows of Resources	5,407,153	1,853,222	3,345,566	-	1,756
FUND BALANCES					
Nonspendable	274,018	62,104	8,000	1,042	-
Restricted	-	-	-	3,238,172	-
Unassigned	56,858,182	(62,104)	(8,000)	-	-
Total Fund Balances	57,132,200	-	-	3,239,214	-
Total liabilities, deferred inflows of resources and fund balances	\$ 88,266,501	\$ 8,957,688	\$ 4,046,736	\$ 3,399,737	\$ 6,855,604

See Notes to Basic Financial Statements.

Debt Service - District	Capital Projects	Nonmajor	Total Governmental Funds
		Debt Service - EFC	
\$ -	\$ 8,591,138	\$ -	\$ 40,932,415
20,111,164	265,573,262	-	341,484,210
-	949	-	209,893
1,866,854	-	-	7,821,721
-	-	-	575,141
-	-	-	16,295,095
-	14,910	-	20,904
-	-	-	345,164
-	-	22,411	22,411
<u>\$ 21,978,018</u>	<u>\$ 274,180,259</u>	<u>\$ 22,411</u>	<u>\$ 407,706,954</u>

\$ -	\$ 23,105,648	\$ -	\$ 38,821,235
-	22,514	-	24,780,069
-	2,597,808	-	2,597,808
277,000	-	-	277,000
-	-	-	74,013
<u>277,000</u>	<u>25,725,970</u>	<u>-</u>	<u>66,550,125</u>

-	-	-	5,200,544
1,376,255	-	-	6,191,656
-	-	-	591,752
<u>1,376,255</u>	<u>-</u>	<u>-</u>	<u>11,983,952</u>

-	-	-	345,164
20,324,763	248,454,289	22,411	272,039,635
-	-	-	56,788,078
<u>20,324,763</u>	<u>248,454,289</u>	<u>22,411</u>	<u>329,172,877</u>
<u>\$ 21,978,018</u>	<u>\$ 274,180,259</u>	<u>\$ 22,411</u>	<u>\$ 407,706,954</u>

BEAUFORT COUNTY SCHOOL DISTRICT

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION JUNE 30, 2022

Total governmental fund balances	\$ 329,172,877
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 \$1,045,327,530 and the accumulated depreciation is \$408,930,163.	636,397,394
reported in governmental funds. The cost of assets is \$702,026 and the accumulated amortization is \$144,595.	557,431
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.	6,191,656
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.	1,522,603
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.	(3,978,341)
Deferred outflows and inflows of resources related to leases, pensions, and OPEB are applicable to future periods and, therefore, are not reported in the funds.	
Deferred outflows of resources related to pensions	42,405,313
Deferred outflows of resources related to OPEB	95,524,346
Deferred inflows of resources related to pensions	(37,925,627)
Deferred inflows of resources related to OPEB	(16,344,897)
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	(257,647,614)
Net OPEB liability	(318,277,239)
Lease liabilities	(459,985)
Bonds payable	(487,466,700)
Bond premiums, net of accumulated amortization	(35,758,819)
Deferred gain/loss on refunding, net of accumulated amortization	3,249,507
Accrued compensated absences	(2,102,321)
Net position of governmental activities	<u>\$ (44,940,416)</u>

See Notes to Basic Financial Statements.

BEAUFORT COUNTY SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	General	Special Revenue Funds			COVID Related Funds
		Special Projects	Education Improvement Act	Pupil Activity Fund	
Revenues					
Local sources	\$ 170,311,795	\$ 1,379,832	\$ -	\$ 3,509,250	\$ -
State sources	98,601,120	2,778,379	13,975,078	-	168,320
Federal sources	658,373	21,329,422	-	-	22,590,495
Total revenues	269,571,288	25,487,633	13,975,078	3,509,250	22,758,815
Expenditures					
Current:					
Instruction	162,117,220	16,223,077	5,129,875	667,573	14,146,355
Support services	102,978,908	7,849,355	1,468,767	2,428,325	5,740,435
Community services	-	334,423	-	-	253,456
Intergovernmental expenditures	8,099,611	355,114	149,673	-	30,000
Debt service:					
Redemption of principal	242,041	-	-	-	-
Interest	265,134	-	-	-	-
Other objects	44,869	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	273,747,783	24,761,969	6,748,315	3,095,898	20,170,246
Excess (deficiency) of revenues over (under) expenditures	(4,176,495)	725,664	7,226,763	413,352	2,588,569
Other financing sources (uses)					
Proceeds from sale of capital assets	-	-	-	-	-
Premium on bond sold	238,350	-	-	-	-
Issuance of long-term debt	-	-	-	-	-
Payment to refunded debt escrow agent	-	-	-	-	-
Transfers in	10,630,051	-	-	-	-
Transfers out	(110,000)	(725,664)	(7,226,763)	-	(2,588,569)
Total other financing sources (uses)	10,758,401	(725,664)	(7,226,763)	-	(2,588,569)
Net change in fund balances	6,581,906	-	-	413,352	-
Fund balances, beginning of year	50,550,294	-	-	2,825,862	-
Fund balances, end of year	\$ 57,132,200	\$ -	\$ -	\$ 3,239,214	\$ -

See Notes to Basic Financial Statements.

Debt Service - District	Capital Projects	Nonmajor	Total Governmental Funds
		Debt Service - EFC	
\$ 77,974,380	\$ 1,683,732	\$ 112	\$ 254,859,101
1,607,699	-	-	117,130,596
-	6,302	-	44,584,592
79,582,079	1,690,034	112	416,574,289
-	-	-	198,284,100
-	-	-	120,465,790
-	-	-	587,879
-	-	-	8,634,398
62,909,400	-	2,150,000	65,301,441
13,558,559	-	568,327	14,392,020
121,742	-	13,602	180,213
-	101,720,046	-	101,720,046
76,589,701	101,720,046	2,731,929	509,565,887
2,992,378	(100,030,012)	(2,731,817)	(92,991,598)
-	4,850	-	4,850
40,423	8,658,039	-	8,936,812
20,777,500	159,610,000	-	180,387,500
(20,689,000)	-	-	(20,689,000)
-	-	2,723,462	13,353,513
(2,723,462)	-	-	(13,374,458)
(2,594,539)	168,272,889	2,723,462	168,619,217
397,839	68,242,877	(8,355)	75,627,619
19,926,924	180,211,412	30,766	253,545,258
\$ 20,324,763	\$ 248,454,289	\$ 22,411	\$ 329,172,877

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, 2022

Total net change in fund balances - governmental funds	\$ 75,627,619
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 (\$96,045,424) exceeds depreciation expense (\$25,562,040) in the period.	70,483,384
Capital outlays to purchase leased 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 amortization expense. This is the amount by which capital outlay (\$-) exceeds amortization expense (\$144,595) in the period.	(144,595)
The net effect of various miscellaneous transactions involving capital assets (i.e. sales and donations) is to decrease net position.	(64,896)
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	64,336,800
Bond proceeds	(180,387,500)
Payment to escrow agent	20,689,000
Notes payable payments	722,600
Lease liability payments	242,041
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	(8,936,812)
Amortization of bond premiums	6,376,678
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	(2,228,277)
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.	(100,737)
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.	49,291
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.	(784,613)
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	4,441,347
OPEB related	(8,277,049)
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.	(49,402)
Change in net position of governmental activities	\$ 41,994,879

See Notes to Basic Financial Statements.

BEAUFORT COUNTY SCHOOL DISTRICT

STATEMENT OF NET POSITION PROPRIETARY FUNDS JUNE 30, 2022

	Business-type Activities	Governmental Activities
	Enterprise Fund - Student Nutrition	Internal Service Fund
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 458,714	\$ 1,891,943
Deposits with Beaufort County Treasurer	8,691,009	-
Accounts receivable, net	462,745	-
Due from other funds	53,109	-
Prepays	232	-
Inventory	62,991	-
Total Current Assets	9,728,800	1,891,943
Non-current Assets		
Depreciable capital assets, net of accumulated depreciation	1,924,768	-
Total Assets	11,653,568	1,891,943
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to pensions	103,189	-
Deferred outflows related to OPEB	232,454	-
Total Deferred Outflows of Resources	335,643	-
LIABILITIES		
Current Liabilities		
Accounts payable	1,559,273	337
Accrued salaries and benefits	25,487	-
Current portion of compensated absences payable	2,256	-
Claims payable	-	369,003
Total Current Liabilities	1,587,016	369,340
Non-current Liabilities		
Non-current portion of compensated absences payable	1,766	-
Net pension liability	626,963	-
Net other post-employment benefit liability	774,499	-
Total Non-current Liabilities	1,403,228	-
Total Liabilities	2,990,244	369,340
DEFERRED INFLOWS OF RESOURCES		
Deferred revenue	195,221	-
Deferred inflows related to pensions	92,290	-
Deferred inflows related to OPEB	39,774	-
Total Deferred Inflows of Resources	327,285	-
NET POSITION		
Investment in capital assets	1,924,768	-
Restricted for food services	6,746,914	-
Unrestricted	-	1,522,603
Total Net Position	\$ 8,671,682	\$ 1,522,603

See Notes to Basic Financial Statements.

BEAUFORT COUNTY SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION PROPRIETARY FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Business-type Activities	Governmental Activities
	Enterprise Fund - Student Nutrition	Internal Service Fund
Operating revenues		
Meals sales	\$ 33,604	\$ -
Miscellaneous	-	1,607,510
	<hr/>	<hr/>
Total operating revenues	33,604	1,607,510
	<hr/>	<hr/>
Operating expenses		
Food costs	844,805	-
Salaries and benefits	341,097	1,438,671
Purchased services	9,965,778	32,671
Supplies and materials	819,673	86,877
Depreciation	265,280	-
Other operating costs	4,336	-
	<hr/>	<hr/>
Total operating expenses	12,240,969	1,558,219
	<hr/>	<hr/>
Operating income (loss)	(12,207,365)	49,291
	<hr/>	<hr/>
Non-operating revenues (expenses)		
Commodities received from USDA	844,805	-
USDA reimbursements	14,796,121	-
Revenue from other local sources	164,240	-
Revenue from other federal sources	344,317	-
Interest on investments	1,482	-
Gain on disposal of capital assets	6,934	-
Payments to charter school	(426,161)	-
Payments to other governmental units	(33,937)	-
	<hr/>	<hr/>
Total non-operating revenues	15,697,801	-
	<hr/>	<hr/>
Income before transfers	3,490,436	49,291
	<hr/>	<hr/>
Transfers		
Transfers in	110,000	-
Transfers out	(89,055)	-
	<hr/>	<hr/>
Total transfers	20,945	-
	<hr/>	<hr/>
Change in net position	3,511,381	49,291
	<hr/>	<hr/>
Net position, beginning of year	5,160,301	1,473,312
	<hr/>	<hr/>
Net position, end of year	<u>\$ 8,671,682</u>	<u>\$ 1,522,603</u>

See Notes to Basic Financial Statements.

BEAUFORT COUNTY SCHOOL DISTRICT

STATEMENT OF CASH FLOWS PROPRIETARY FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Business-type Activities Enterprise Fund - Student Nutrition	Governmental Activities Internal Service Fund
Cash flows from operating activities:		
Payments received from customers and users	\$ 790,288	\$ -
Charges from other funds	-	1,607,510
Payments to employees for services	(341,546)	(1,360,694)
Payments to suppliers for goods and services	(11,666,943)	(119,311)
Net cash provided by (used in) operating activities	(11,218,201)	127,505
Cash flows from noncapital financing activities:		
USDA reimbursements	15,640,926	-
Local and federal grants	508,557	-
Transfers from other funds	110,000	-
Transfers to other funds	(89,055)	-
Payments to charter school	(426,161)	-
Payments to other governmental units	(33,937)	-
Net cash provided by noncapital financing activities	15,710,330	-
Cash flows from capital and related financing activities:		
Proceeds from sale of capital assets	6,934	-
Acquisition of capital assets	(170,417)	-
Net cash provided by capital and related financing activities	(163,483)	-
Cash flows from investing activities:		
Interest income	1,482	-
Net cash provided by investing activities	1,482	-
Net increase in cash and cash equivalents	4,330,128	127,505
Cash and cash equivalents, beginning of year	4,819,595	1,764,438
Cash and cash equivalents, end of year	\$ 9,149,723	\$ 1,891,943
Classified as:		
Cash and cash equivalents	\$ 458,714	\$ 1,891,943
Deposits with Beaufort County Treasurer	8,691,009	-
	\$ 9,149,723	\$ 1,891,943
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:		
Operating income (loss)	\$ (12,207,365)	\$ 49,291
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Depreciation expense	265,280	-
Changes in assets and liabilities:		
Accounts receivable	800,434	-
Due from other funds	(7,844)	-
Prepays	(232)	-
Inventory	30,860	-
Deferred outflows - pension	5,154	-
Deferred outflows - OPEB	(89,311)	-
Accounts payable	(62,979)	237
Accrued salaries and benefits	(8,305)	-
Claims payable	-	77,977
Unearned revenue	(35,906)	-
Net pension liability	(104,627)	-
Net OPEB liability	113,962	-
Accrued compensated absences	(1,477)	-
Deferred inflows - pension	88,667	-
Deferred inflows - OPEB	(4,512)	-
Net cash provided by (used in) operating activities	\$ (11,218,201)	\$ 127,505
Supplemental disclosure of non-cash capital and related financing activities:		
Non-cash commodities received from the USDA	\$ 844,805	\$ -

See Notes to Basic Financial Statements.

BEAUFORT COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS FISCAL YEAR ENDED JUNE 30, 2022

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 in 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)

Government-wide Statements (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 account 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 funds 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 60 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.

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.

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

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 United States Department of Agriculture ("USDA"), but not consumed as of June 30, 2022, has been recorded at fair value as provided by the USDA.

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 and right to use leased 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.

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)

Capital assets (Continued) – All capital assets and right to use leased 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 and right to use leased 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

Leases – Lessee. The School District is a lessee for noncancellable leases of equipment. The School District recognizes a lease liability and an intangible right-to-use lease asset in the government-wide financial statements. The School District recognizes lease liabilities with an initial, individual value of \$5,000 or more.

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)

Leases (Continued) – At the commencement of a lease, the School District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the School District determines: 1) the discount rate it uses to discount the expected lease payments to present value, 2) lease term, and 3) lease payments.

- The School District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the School District generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option prices that the School District is reasonably certain to exercise.

The School District monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Lessor. The School District is a lessor for noncancellable leases of land. The School District recognizes a lease receivable and deferred inflow of resources in the government-wide financial statements.

At the commencement of a lease, the School District initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments made at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

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)

Leases – Lessor (Continued). Key estimates and judgments related to leases include how the School District determines: 1) the discount rate it uses to discount the expected lease receipts to present value, 2) lease term, and 3) lease receipts.

- The School District uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable are composed of fixed payments from the lessee.

The School District monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflow of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Compensated absences – Vacation leave may be accumulated up to a maximum of 45 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 60 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.

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)

Accrued liabilities and long-term obligations (Continued) – 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.

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 a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The School District has three types of items that qualify for reporting in this category in addition to deferred outflows of resources and deferred inflows of resources related to pensions and OPEB and deferred refunding on bonds discussed previously.

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 (Continued) – The first item, deferred 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.

The second item, unavailable 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 third item, deferred inflows of resources related to leases, is discussed further in Note 9.

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.

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 – 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.

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).

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 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, 2022, no such delegation of authority had been made.

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, 2022, the School District's unassigned General Fund balance was 20.7% of 2022 budgeted expenditures and 19.1% of 2023 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.

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)

Interfund Activity (Continued) – 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 financial statements.

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, 2022. 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, 2022 to total deposits is as follows:

Cash and cash equivalents - governmental funds	\$ 40,932,415
Restricted cash and cash equivalents - governmental funds	22,411
Cash and cash equivalents - enterprise fund	458,714
Cash and cash equivalents - internal service fund	1,891,943
Total	<u>\$ 43,305,483</u>

Amount 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, 2022, the carrying amount of the School District's deposits was \$43,305,483 and the bank balance was \$37,116,458. 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 \$350,175,219.

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 102.5% of the current tax levy for the year ended June 30, 2022.

The assessed value of real and other personal property, exclusive of vehicles (valued at \$127,705,230) is \$2,039,767,430. The School District's general operations millage is 121.00 mills (\$12.10 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.

NOTES TO FINANCIAL STATEMENTS

NOTE 5. RECEIVABLES

Receivables at June 30, 2022 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	Pupil Activity Fund
Receivables				
Property taxes	\$ 9,432,423	\$ -	\$ -	\$ -
Due from other governments	354,906	8,832,859	251,726	-
Other	144,328	62,725	-	1,891
Gross receivables	<u>9,931,657</u>	<u>8,895,584</u>	<u>251,726</u>	<u>1,891</u>
Less allowance for uncollectible property tax	<u>(3,477,556)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net receivables	<u><u>\$ 6,454,101</u></u>	<u><u>\$ 8,895,584</u></u>	<u><u>\$ 251,726</u></u>	<u><u>\$ 1,891</u></u>

	COVID Related Fund	Debt Service - District	Capital Projects	Food Service Program
Receivables				
Property taxes	\$ -	\$ 2,926,754	\$ -	\$ -
Due from other governments	6,855,604	-	-	268,974
Other	-	-	949	193,771
Gross receivables	<u>6,855,604</u>	<u>2,926,754</u>	<u>949</u>	<u>462,745</u>
Less allowance for uncollectible property tax	<u>-</u>	<u>(1,059,900)</u>	<u>-</u>	<u>-</u>
Net receivables	<u><u>\$ 6,855,604</u></u>	<u><u>\$ 1,866,854</u></u>	<u><u>\$ 949</u></u>	<u><u>\$ 462,745</u></u>

NOTES TO FINANCIAL STATEMENTS

NOTE 6. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2022, was as follows:

	Beginning Balance	Additions/ Transfers	Deductions/ Transfers	Ending Balance
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 41,269,484	\$ -	\$ -	\$ 41,269,484
Construction in progress	65,464,651	86,921,348	(21,962,217)	130,423,782
Total	<u>106,734,135</u>	<u>86,921,348</u>	<u>(21,962,217)</u>	<u>171,693,266</u>
Capital assets, being depreciated:				
Buildings	545,267,120	-	1,768,029	547,035,149
Improvements	245,740,195	2,557,211	20,167,762	268,465,168
Equipment	52,294,704	6,566,865	(727,622)	58,133,947
Total	<u>843,302,019</u>	<u>9,124,076</u>	<u>21,208,169</u>	<u>873,634,264</u>
Less accumulated depreciation for:				
Buildings	(233,084,771)	(8,551,496)	-	(241,636,267)
Improvements	(121,665,203)	(11,717,350)	-	(133,382,553)
Equipment	(29,307,274)	(5,293,194)	689,152	(33,911,316)
Total	<u>(384,057,248)</u>	<u>(25,562,040)</u>	<u>689,152</u>	<u>(408,930,136)</u>
Total capital assets, being depreciated, net	<u>459,244,771</u>	<u>(16,437,964)</u>	<u>21,897,321</u>	<u>464,704,128</u>
Governmental activities capital assets, net excluding lease assets	<u>\$ 565,978,906</u>	<u>\$ 70,483,384</u>	<u>\$ (64,896)</u>	<u>\$ 636,397,394</u>
Lease assets, net (Note 9)				557,431
Total capital assets, net as reported in the statement of net position				<u>\$ 636,954,825</u>
	Beginning Balance	Increases	Deductions	Ending Balance
Business-type Activities:				
Capital assets, not being depreciated:				
Equipment in progress	\$ 142,165	\$ 15,011	\$ (149,916)	\$ 7,260
Total	<u>142,165</u>	<u>15,011</u>	<u>(149,916)</u>	<u>7,260</u>
Capital assets, being depreciated:				
Equipment	5,434,984	233,588	-	5,668,572
Vehicles	275,601	71,734	(16,861)	330,474
Total	<u>5,710,585</u>	<u>305,322</u>	<u>(16,861)</u>	<u>5,999,046</u>
Less accumulated depreciation for:				
Equipment	(3,618,862)	(253,252)	-	(3,872,114)
Vehicles	(214,257)	(12,028)	16,861	(209,424)
Total	<u>(3,833,119)</u>	<u>(265,280)</u>	<u>16,861</u>	<u>(4,081,538)</u>
Total capital assets, net	<u>\$ 2,019,631</u>	<u>\$ 55,053</u>	<u>\$ (149,916)</u>	<u>\$ 1,924,768</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 6. CAPITAL ASSETS (CONTINUED)

Depreciation expense was charged to governmental functions as follows:

Governmental activities:	
Instruction	\$ 3,895,698
Support Services	21,654,233
Community Services	<u>12,109</u>
Total depreciation expense - governmental activities	<u>\$ 25,562,040</u>

NOTE 7. LONG-TERM LIABILITIES

Changes in long-term liabilities for the year ended June 30, 2022 were as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
<u>Bonds Payable</u>					
General obligation bonds	\$ 349,075,000	\$ 180,387,500	\$ (80,677,800)	\$ 448,784,700	\$ 59,121,800
Total bond indebtedness	<u>349,075,000</u>	<u>180,387,500</u>	<u>(80,677,800)</u>	<u>448,784,700</u>	<u>59,121,800</u>
Unamortized bond premiums	34,114,029	8,658,039	(7,013,249)	35,758,819	-
Total bonds payable	<u>383,189,029</u>	<u>189,045,539</u>	<u>(87,691,049)</u>	<u>484,543,519</u>	<u>59,121,800</u>
<u>Direct Borrowing/Direct Placement</u>					
General obligation bonds	22,346,000	-	(639,000)	21,707,000	657,000
IPRB bonds	19,125,000	-	(2,150,000)	16,975,000	2,210,000
Note payable	722,600	-	(722,600)	-	-
Total	<u>42,193,600</u>	<u>-</u>	<u>(3,511,600)</u>	<u>38,682,000</u>	<u>2,867,000</u>
<u>Other liabilities</u>					
Net pension liability	300,643,815	37,515,282	(80,511,483)	257,647,614	-
Net OPEB liability	271,444,801	59,016,025	(12,183,587)	318,277,239	-
Compensated absences	2,001,584	1,146,217	(1,045,480)	2,102,321	271,419
Total other liabilities	<u>574,090,200</u>	<u>97,677,524</u>	<u>(93,740,550)</u>	<u>578,027,174</u>	<u>271,419</u>
Governmental activities:					
Long-term liabilities	<u>\$ 999,472,829</u>	<u>\$ 286,723,063</u>	<u>\$ (184,943,199)</u>	<u>\$ 1,101,252,693</u>	<u>\$ 62,260,219</u>
Business-type Activities:					
Net pension liability	\$ 731,590	\$ 91,290	\$ (195,917)	\$ 626,963	\$ -
Net OPEB liability	660,537	143,610	(29,648)	774,499	-
Compensated absences	5,499	6,228	(7,705)	4,022	2,256
Business-type activities:					
Long-term liabilities	<u>\$ 1,397,626</u>	<u>\$ 241,128</u>	<u>\$ (233,270)</u>	<u>\$ 1,405,484</u>	<u>\$ 2,256</u>

For 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 obligation bonds payable at June 30, 2022 are comprised of the following:

Date of Issue	Series	Interest Rates	Payment Dates	Maturity	Original Issue	Outstanding at June 30, 2022
December 1, 2009	2009E	1.05**	Sept./Mar.	2026	\$ 10,000,000	\$ 10,000,000
November 14, 2013	2013D	2.35***	March	2028	22,000,000	14,932,000
March 1, 2014	2014B	1.25**	Sept./Mar.	2034	25,000,000	2,435,000
February 19, 2015	2015A	2.0-5.0*-	March	2025	95,945,000	27,455,000
March 31, 2015	2015B	3.5-5.0/	March	2023	62,500,000	51,250,000
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	12,960,000
August 29, 2019	2019B	3.0-5.0	March	2023	19,300,000	2,745,000
April 15, 2020	2020A	3.0-5.0	March	2040	75,000,000	57,500,000
April 21, 2021	2021A	2.0-5.0	April	2041	130,000,000	120,000,000
July 8, 2021	2021C	1.25-5.00	March	2025	20,000,000	4,500,000
December 23, 2021	2021E	1.51	March	2034	17,217,100	16,769,300
March 1, 2022	2022A	0.99	March	2024	3,560,400	3,560,400
June 23, 2022	2022C	3.5-5.0	March	2041	139,610,000	139,610,000
					<u>\$ 655,010,500</u>	<u>\$ 470,491,700</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 \$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, 2022 against these bonds totaled \$28,187,500.

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, 2022 against the \$162,700,000 in general obligation bonds totaled \$40,327,000.

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. The second general obligation bond of \$130,000,000 was issued in April 2021 and was used to fund the second phase of the 2019 referendum projects. The third general obligation bond of \$130,610,000 was issued in June 2022 and was used to fund the third phase of the 2019 referendum projects. Debt outstanding on these bonds at June 30, 2022 totaled \$317,110,000.

The total debt outstanding against the 2022 referendum general obligation bonds, 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 \$44,940,949 at June 30, 2022. 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, 2022 against the \$19,300,000 in general obligation bonds totaled \$2,745,000.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM LIABILITIES (CONTINUED)

General Obligation Bonds (Continued)

During the year ended June 30, 2022, the School District issued \$17,217,100 of general obligation bonds with an interest rate of 1.51%. The proceeds were used to advance refund \$15,590,000 of outstanding 2014B general obligation bonds which had interest rates ranging from 4.00% to 5.00%. The net proceeds of \$17,149,000 (after payment of \$68,100 in other issuance costs) 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, a portion of the 2014B general obligation bonds are considered defeased and the liability for those bonds has been removed from the statement of net position. The reacquisition price exceeded the carrying amount of the old debt by \$742,028. This amount is reported as a deferred outflow of resources and amortized over the remaining life of the refunding debt, which had a shorter remaining life than the refunded debt. The advance refunding reduced its total debt service payments by \$1,631,050 and obtained an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$1,466,347.

During the year ended June 30, 2022, the School District issued \$3,560,400 of general obligation bonds with an interest rate of 0.99%. The proceeds were used to advance refund \$3,540,000 of outstanding 2012B general obligation bonds which had an interest rate of 4.00%. The net proceeds of \$3,540,000 (after payment of \$20,400 in other issuance costs) 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, a portion of the 2012B general obligation bonds are considered defeased and the liability for those bonds has been removed from the statement of net position. The carrying amount of the old debt exceeded the reacquisition price by \$98,372. This amount is reported as a deferred inflow of resources and amortized over the remaining life of the refunding debt, which had a shorter remaining life than the refunded debt. The advance refunding reduced its total debt service payments by \$140,294 and obtained an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$138,753.

The annual requirements to amortize the general obligation bonds outstanding at June 30, 2022, including interest payments over the life of the debt, are summarized as follows:

Year Ending June 30,	Principal	Premiums	Interest	Total
2023	\$ 59,121,800	\$ 5,509,698	\$ 11,454,900	\$ 76,086,398
2024	43,834,900	4,315,583	9,773,900	57,924,383
2025	14,784,800	3,438,378	7,703,750	25,926,928
2026	23,397,300	3,212,416	7,355,000	33,964,716
2027	24,232,600	3,050,030	6,909,250	34,191,880
2028 – 2032	116,807,000	10,502,821	22,613,025	149,922,846
2033 – 2037	98,696,300	4,501,524	10,392,725	113,590,549
2038 – 2042	67,910,000	1,228,369	2,130,000	71,268,369
Total	<u>\$ 448,784,700</u>	<u>\$ 35,758,819</u>	<u>\$ 78,332,550</u>	<u>\$ 562,876,069</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM LIABILITIES (CONTINUED)

Direct Borrowing and Placement Bonds

Installment Purchase Revenue Bonds ("IPRB") – 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.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM LIABILITIES (CONTINUED)

Direct Borrowing and Placement Bonds (Continued)

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.

The annual requirements to amortize the direct borrowing/direct placement IPRB bonds outstanding at June 30, 2022, 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>
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	2,495,000	214,097	2,709,097
2028 – 2031	5,235,000	175,355	5,410,355
Total	<u>\$ 16,975,000</u>	<u>\$ 1,997,069</u>	<u>\$ 18,972,069</u>

The annual requirements to amortize the direct borrowing/ direct placement general obligation bonds outstanding at June 30, 2022, 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>
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	3,807,000	180,974	3,987,974
2028 – 2031	3,894,000	91,509	3,985,509
Total	<u>\$ 21,707,000</u>	<u>\$ 1,594,443</u>	<u>\$ 23,301,443</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, 2022 consisted of the following activity:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
Governmental activities:				
General obligation bonds	\$ 299,000	\$ 3,440,000	\$ (3,462,000)	\$ 277,000
Tax anticipation note	-	15,000,000	(15,000,000)	-
Unamortized bond premiums	-	278,773	(278,773)	-
Governmental activities:				
Short-term liabilities	<u>\$ 299,000</u>	<u>\$ 18,718,773</u>	<u>\$ (18,740,773)</u>	<u>\$ 277,000</u>

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. The School District repaid the bonds, including interest of approximately \$7,000, in March 2022.

The School District issued general obligation bonds through SCAGO on September 23, 2021 in the amount of \$3,163,000, maturing in March 2022, bearing interest at 3.00%, for the purpose of making payments to EFC. The School District repaid the bonds, including interest of approximately \$42,000, in March 2022.

The School District issued general obligation bonds through SCAGO on May 17, 2022 in the amount of \$277,000, maturing in March 2023, bearing interest at 1.79%, for the purpose of making payments to EFC. Debt outstanding at June 30, 2022, against the general obligation bonds was \$277,000.

The School District issued a Tax Anticipation Note on September 29, 2021 in the amount of \$15,000,000, maturing in June 2022, bearing interest at 3.0%, to fund operations. The School District repaid the note, including interest of approximately \$245,000, in February 2022.

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. LEASES

Lessor – Lease Receivable. During the year ended June 30, 2011, the School District began leasing land to a third-party. The lease is for 50 years and the School District will receive monthly payments of \$1,000, increasing annually by 3%. For the year ended June 30, 2022, the School District recognized \$16,611 in lease revenue. As of June 30, 2022, the School District's receivable for lease payments was \$575,141. Also, the School District has a deferred inflow of resources associated with this lease that will be recognized as revenue over the lease term. As of June 30, 2022, the balance of the deferred inflow of resources was \$591,752.

Lessee – Leased Assets. A summary of lease asset activity for the School District for the year ended June 30, 2022, is as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
Governmental activities:				
Leased equipment	\$ 702,026	\$ -	\$ -	\$ 702,026
Less accumulated amortization for leased equipment	<u>-</u>	<u>(144,595)</u>	<u>-</u>	<u>(144,595)</u>
Total leased equipment, net	<u>\$ 702,026</u>	<u>\$ (144,595)</u>	<u>\$ -</u>	<u>\$ 557,431</u>

Lessee – Lease Liability. The School District's long-term lease liability activity for the year ended June 30, 2022, is as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities:					
Lease liabilities	\$ 702,026	\$ -	\$ (242,041)	\$ 459,985	\$ 198,295
Total long-term lease liabilities	<u>\$ 702,026</u>	<u>\$ -</u>	<u>\$ (242,041)</u>	<u>\$ 459,985</u>	<u>\$ 198,295</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 9. LEASES (CONTINUED)

Lessee – Lease Liability (Continued). The future principal and interest lease payments as of June 30, 2022 are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 198,295	\$ 16,099	\$ 214,394
2024	170,493	9,159	179,652
2025	60,923	3,192	64,115
2026	30,274	1,060	31,334
Total	<u>\$ 459,985</u>	<u>\$ 29,510</u>	<u>\$ 489,495</u>

NOTE 10. INTERFUND TRANSFERS

Transfers from (to) other funds for the year ended June 30, 2022 consisted of the following:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 10,630,051	\$ 110,000
Special Projects Fund	-	725,664
Education Improvement Act Fund	-	7,226,763
COVID Related Fund	-	2,588,569
Debt Service - District	-	2,723,462
Nonmajor governmental fund	2,723,462	-
Total governmental funds	<u>13,353,513</u>	<u>13,374,458</u>
Food Service Fund	110,000	89,055
Total proprietary funds	<u>110,000</u>	<u>89,055</u>
Total	<u>\$ 13,463,513</u>	<u>\$ 13,463,513</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 General Fund to the Food Service Fund are to supplement operations. Transfers out of the Special Projects Fund, Education Improvement Act Fund, and COVID Related 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 11. INTERFUND RECEIVABLES AND PAYABLES

Interfund balances at June 30, 2022 consisted of the following individual fund receivables and payables:

<u>Fund</u>	<u>Receivables</u>	<u>Payables</u>
General Fund	\$ 2,841	\$ 54,233
Pupil Activity Fund	3,153	17,751
COVID Related Funds	-	2,029
Capital Projects	14,910	-
Total governmental funds	<u>20,904</u>	<u>74,013</u>
Food Service Fund	53,109	-
Total proprietary funds	<u>53,109</u>	<u>-</u>
Total	<u>\$ 74,013</u>	<u>\$ 74,013</u>

NOTE 12. 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, 2022, no such delegation of authority has been made.

NOTES TO FINANCIAL STATEMENTS

NOTE 12. 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 and leased assets, net of accumulated depreciation	\$ 636,954,825
Unspent bond proceeds	237,695,353
Net deferred charges on refunding	3,249,507
Accounts and retainages payable	(25,703,456)
Lease liabilities	(459,985)
Bonds payable	(487,466,700)
Unamortized bond premiums	(35,758,819)
Total net investment in capital assets	<u>\$ 328,510,725</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 12. 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:

	<u>General</u>	<u>Special Projects</u>	<u>Education Improvement Act</u>	<u>Pupil Activity Fund</u>
Nonspendable:				
Prepaid items	\$ 274,018	\$ 62,104	\$ 8,000	\$ 1,042
Restricted for:				
Capital projects	-	-	-	-
Debt service	-	-	-	-
Student activities	-	-	-	3,238,172
Unassigned	56,858,182	(62,104)	(8,000)	-
	<u>\$ 57,132,200</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,239,214</u>

	<u>Debt Service - District</u>	<u>Capital Projects</u>	<u>EFC Debt Service</u>	<u>Total</u>
Nonspendable:				
Prepaid items	\$ -	\$ -	\$ -	\$ 345,164
Restricted for:				
Capital projects	-	248,454,289	-	248,454,289
Debt service	20,324,763	-	22,411	20,347,174
Student activities	-	-	-	3,238,172
Unassigned	-	-	-	56,788,078
	<u>\$ 20,324,763</u>	<u>\$ 248,454,289</u>	<u>\$ 22,411</u>	<u>\$ 329,172,877</u>

NOTE 13. 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 \$844,805 of commodities provided and consumed during the year ended June 30, 2022.

NOTES TO FINANCIAL STATEMENTS

NOTE 13. FOOD SERVICE (CONTINUED)

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.

NOTE 14. RETIREMENT PLANS

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.

NOTES TO FINANCIAL STATEMENTS

NOTE 14. RETIREMENT PLANS (CONTINUED)

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.

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.

NOTES TO FINANCIAL STATEMENTS

NOTE 14. RETIREMENT PLANS (CONTINUED)

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.

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 14. RETIREMENT PLANS (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 in accordance with state statute. However, the General Assembly postponed the 1% increase in the SCRS and PORS employer contribution rates that was scheduled to go into effect beginning July 1, 2020. 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 14. RETIREMENT PLANS (CONTINUED)

Contributions (Continued)

Required employee contribution rates are as follows:

	<u>Fiscal Year 2022</u>	<u>Fiscal Year 2021</u>
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:

	<u>Fiscal Year 2022</u>	<u>Fiscal Year 2021</u>
SCRS		
Employer Class Two	16.41%	15.41%
Employer Class Three	16.41%	15.41%
Employer incidental death benefit	0.15%	0.15%
PORS		
Employer Class Two	18.84%	17.84%
Employer Class Three	18.84%	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 ongoing 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.

NOTES TO FINANCIAL STATEMENTS

NOTE 14. RETIREMENT PLANS (CONTINUED)

Actuarial Assumptions and Methods (Continued)

The June 30, 2021, 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, 2020. The total pension liability was rolled-forward from the valuation date to the plans' fiscal year-end, June 30, 2021, using generally accepted actuarial principles. There was no legislation enacted during the 2021 legislative session that had a material change in the benefit provisions for any of the Systems. In FY 2021, the Board adopted updated demographic assumptions. Also, the General Assembly permitted the investment return assumption at July 1, 2021 to decrease from 7.25% to 7.00%, as provided by Section 9-16-335 in South Carolina State Code.

The following table provides a summary of the actuarial assumptions and methods used to calculate the TPL as of June 30, 2021.

	SCRS	PORS
	Entry Age	Entry Age
Actuarial cost method		
Actuarial assumptions:		
Investment rate of return	7.00%	7.00%
Projected salary increases	3.0% to 11% (varies by service)	3.5% to 10.5% (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 assumptions, the 2020 Public Retirees of South Carolina Mortality table (2020 PRSC), was developed using the Systems' mortality experience. These base rates are adjusted for future improvement in mortality using 80% of Scale UMP projected from the year 2020.

Assumptions used in the determination of the June 30, 2021, TPL are as follows:

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

NOTES TO FINANCIAL STATEMENTS

NOTE 14. RETIREMENT PLANS (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, 2021, for SCRS and PORS are presented below.

	SCRS	PORS
Total pension liability	\$ 55,131,579,363	\$ 8,684,586,488
Plan fiduciary net position	33,490,305,970	6,111,672,064
Employer's net pension liability	<u>\$ 21,641,273,393</u>	<u>\$ 2,572,914,424</u>
Plan fiduciary net position as a percentage of the total pension liability	60.7%	70.4%

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 20-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 2021 fiscal year of the Systems. 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 7.00% assumed annual investment rate of return used in the calculation of the total pension liability includes a 4.75% real rate of return and a 2.25% inflation component.

NOTES TO FINANCIAL STATEMENTS

NOTE 14. RETIREMENT PLANS (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
Public Entity	46.0%	6.87%	3.16%
Bonds	26.0%	0.27%	0.07%
Private Equity	9.0%	9.68%	0.87%
Private Debt	7.0%	5.47%	0.39%
Real assets	12.0%		
Real estate	9.0%	6.01%	0.54%
Infrastructure	3.0%	5.08%	0.15%
	100%		
Total expected real return			5.18%
Inflation for actuarial purposes			2.25%
Total expected nominal return			7.43%

Discount Rate

The discount rate used to measure the total pension liability was 7.00%. 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.

Sensitivity Analysis

The following table presents the School District's net pension liability calculated using the discount rate of 7.00%, 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 (6.00%) or 1-percentage-point higher (8.00%) than the current rate.

Sensitivity of the Net Position Liability to Changes in the Discount Rate

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
SCRS	\$ 338,298,253	\$ 258,267,487	\$ 19,145,368
PORS	10,286	7,090	4,471

NOTES TO FINANCIAL STATEMENTS

NOTE 14. RETIREMENT PLANS (CONTINUED)

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, 2021, and the accounting valuation report as of June 30, 2021. 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.

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

For the year ended June 30, 2022, the School District's pension expense was \$19,665,734 and (\$28,332) for SCRS and PORS, respectively. At June 30, 2022, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

SCRS	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 4,399,288	\$ 348,567
Changes of assumptions	14,136,715	-
Net difference between projected and actual earnings on pension plan investments	-	37,516,756
Changes in proportion and differences between employer contributions and proportionate share of contributions	2,452,603	127,565
Employer contributions subsequent to the measurement date	21,517,704	-
Total	<u>\$ 42,506,310</u>	<u>\$ 37,992,888</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 14. RETIREMENT PLANS (CONTINUED)

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

PORS	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 241	\$ 22
Changes of assumptions	506	-
Net difference between projected and actual earnings on pension plan investments	-	1,589
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	23,418
Employer contributions subsequent to the measurement date	1,445	-
Total	<u>\$ 2,192</u>	<u>\$ 25,029</u>

School District contributions subsequent of the measurement date of \$21,517,704 and \$1,445 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, 2023.

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>
2023	\$ (580,152)	\$ (18,903)
2024	107,202	(3,773)
2025	(2,493,045)	(962)
2026	(14,038,287)	(644)
Total	<u>\$ (17,004,282)</u>	<u>\$ (24,282)</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 15. 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").

Plan Description

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

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

NOTES TO FINANCIAL STATEMENTS

NOTE 15. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Plan Description (Continued)

The OPEB Trusts are cost-sharing multiple-employer defined benefit OPEB plans. Article 5 of the State Code of Laws defines the two plans and authorizes the Trustee to at any time adjust the plans, including its benefits and contributions, as necessary to insure the fiscal stability of the plans. In accordance with the South Carolina Code of Laws and the annual Appropriations Act, the State provides 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.

The SCLTDITF is a long-term disability plan that covers employees of the State of South Carolina, including all agencies and public school districts and all participating local governmental entities. The SCLTDITF provides disability payments to eligible employees that have been approved for disability. Since the employer contribution/premium paid and the proportionate share of the net OPEB liability and deferred outflows and inflows of resources related to the SCLTDITF are not material to the School District, no SCLTDITF OPEB amounts have been recorded in these financial statements and only limited note disclosures have been provided related to these benefits.

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.

NOTES TO FINANCIAL STATEMENTS

NOTE 15. 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, 2021 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 healthcare 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 healthcare expenditure so that the employer's contributions towards the plan reflect the underlying age-adjusted, retiree benefit costs. Non-employer contributions consist of an annual appropriation by the General

Assembly and the statutorily required transfer from PEBA – Insurance Benefits' reserves. However, due to the COVID-19 pandemic and the impact it has had on the PEBA – Insurance Benefits reserves, the General Assembly has indefinitely suspended the statutorily required transfer until further notice. The SCRHITF 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 2021 totaled \$585,482,183. However, the covered payroll contributions total includes prior year covered payroll contribution adjustments and true-ups that net to a total of \$2,619,984.

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 15. 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, 2020
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:	1.92% as of June 30, 2021
Demographic Assumptions:	Based on the experience study performed for the South Carolina Retirement Systems for the five-year period ended June 30, 2019.
Mortality:	For healthy retirees, the gender-distinct South Carolina Retirees 2020 Mortality Tables are used with fully generational mortality projections based on a fully generational basis by the 80% of Scale UMP to account for future mortality improvements and adjusted with multipliers based on plan experience.
Healthcare Trend Rate:	Initial trend starting at 6.00% and gradually decreasing to an ultimate trend rate of 4.00% over a period of 15 years.

NOTES TO FINANCIAL STATEMENTS

NOTE 15. 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 2.45% as of June 30, 2021 to 1.92% as of June 30, 2022; demographic and salary increases assumptions were updated to reflect the 2020 SCRS experience study and the healthcare trend rates were reset to better reflect the plan's anticipated experience.

Roll Forward Disclosure

The actuarial valuation was performed as of June 30, 2020. Update procedures were used to roll forward the total OPEB liability to June 30, 2021 (measurement date used for the School District's reporting as of June 30, 2022).

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, 2022, the School District reported a liability for its proportionate share of the net OPEB liability of \$319,051,738. The net OPEB liability was measured as of June 30, 2021. The School District's proportion of the net OPEB liability was based on contributions to SCRHITF during the fiscal year ended June 30, 2021. At June 30, 2021, the School District's proportion of the total net OPEB liability was 1.532195%, which was an increase of 0.024807% from its proportion measured as of June 30, 2020.

Single Discount Rate

The Single Discount Rate of 1.92% 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 1%).

NOTES TO FINANCIAL STATEMENTS

NOTE 15. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Long-term Expected Rate of Return

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

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

Sensitivity Analysis

The following table presents the SCRHITF's net OPEB liability calculated using a Single Discount Rate of 1.92%, 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 (0.92%) or 1-percentage-point higher (2.92%):

South Carolina Retiree Health Insurance Trust Fund		
Sensitivity of the Net OPEB Liability to Changes in the Discount Rate		
1% Decrease (0.92%)	Current Discount Rate (1.92%)	1% Increase (2.92%)
\$ 384,536,258	\$ 319,051,738	\$ 267,425,259

NOTES TO FINANCIAL STATEMENTS

NOTE 15. 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:

<u>South Carolina Retiree Health Insurance Trust Fund</u>		
<u>Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate</u>		
	Current Healthcare Cost Trend Rates	
<u>1% Decrease</u>		<u>1% Increase</u>
\$ 255,965,362	\$ 319,051,738	\$ 403,112,239

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

For the year ended June 30, 2022, the School District recognized OPEB expense of \$27,932,054. At June 30, 2022, the School District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

<u>SCRHITF</u>	<u>Outflows of Resources</u>	<u>Inflows of Resources</u>
Differences between expected and actual experience	\$ 6,456,605	\$ 8,177,799
Changes of assumptions	64,864,734	7,682,345
Net difference between projected and actual earnings on pension plan investments	-	86,273
Changes in proportion and differences between employer contributions and proportionate share of contributions	4,917,931	438,254
Employer contributions subsequent to the measurement date	<u>19,517,530</u>	<u>-</u>
Total	<u>\$ 95,756,800</u>	<u>\$ 16,384,671</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 15. 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 \$19,517,530 will be recognized as a reduction of the net OPEB liability in the next fiscal year.

As of June 30, 2022, 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	
<u>Year ending June 30,</u>	
2023	\$ 9,452,738
2024	9,311,469
2025	11,762,825
2026	12,582,904
2027	11,090,818
Thereafter	5,653,845
	<u>\$ 59,854,599</u>

NOTE 16. 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 \$480,691 for the year ended June 30, 2022.

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 17. 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, 2022, 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.

NOTES TO FINANCIAL STATEMENTS

NOTE 17. RISK MANAGEMENT (CONTINUED)

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
2021	\$ 149,306	\$ 416,260	\$ (274,540)	\$ 291,026
2022	291,026	219,928	(141,951)	369,003

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, 2022 were \$16,665 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 18. 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, 2022, the School District's expenses related to this agreement were approximately \$1,800,000 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 2022 amounted to approximately \$7,500,000.

NOTES TO FINANCIAL STATEMENTS

NOTE 19. COMMITMENTS AND CONTINGENCIES

Construction Commitments

The School District has entered into contracts for various construction projects. Outstanding obligations at June 30, 2022 are as follows:

	<u>Contract Amount</u>	<u>Expended as of June 30, 2022</u>	<u>Remaining Contract</u>
Ajax	\$ 4,436,633	\$ 314,599	\$ 4,122,034
Ce Bourne	600,400	384,861	215,539
Charles Perry Partners, Inc.	712,904	-	712,904
Contract Construction	15,028,454	10,502,101	4,526,353
H.G. Reynolds	26,449,229	23,851,390	2,597,839
J.E. Dunn	61,698,567	18,835,891	42,862,676
MB Kahn	92,125,881	52,549,595	39,576,286
Southeast Roofing Solution	230,000	-	230,000
Thompson Turner	61,775,785	21,030,409	40,745,376
	<u>\$ 263,057,853</u>	<u>\$ 127,468,846</u>	<u>\$ 135,589,007</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 20. SUBSEQUENT EVENTS

The School District issued a Tax Anticipation Note through South Carolina Association of Governmental Organizations ("SCAGO") on September 29, 2022 in the amount of \$7,500,000, maturing in April 2023, bearing interest at 5.00%, to facilitate operating cash flow needs until the collection of future levied property taxes.

The School District issued General Obligation Bonds through Fidelity Investments on September 1, 2022 in the amount of \$25,000,000, maturing in March 2025, bearing interest at 5.00%, for the purpose of making payments to the EFC and various 8% capital projects.

The School District issued General Obligation Bonds through South Carolina Association of Governmental Organizations ("SCAGO") on September 22, 2022 in the amount of \$2,479,000, maturing in March 2023, bearing interest at 4.00%, for the purpose of making payments to the EFC.

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,

SOUTH CAROLINA RETIREMENT SYSTEM	2022	2021	2020
School District's proportion of the net pension liability	1.19340%	1.17942%	1.18046%
School District's proportionate share of the net pension liability	\$ 258,267,487	\$ 301,363,300	\$ 269,548,505
School District's covered payroll	\$ 118,383,905	\$ 138,943,062	\$ 131,386,738
School District's proportionate share of the net pension liability as a percentage of its covered payroll	218.16%	216.90%	205.16%
Plan fiduciary net position as a percentage of the total pension liability	60.70%	50.70%	54.40%
POLICE OFFICERS' RETIREMENT SYSTEM			
School District's proportion of the net pension liability	0.000276%	0.000365%	0.000541%
School District's proportionate share of the net pension liability	\$ 7,090	\$ 12,105	\$ 15,502
School District's covered payroll	\$ 4,144	\$ 5,514	\$ 7,845
School District's proportionate share of the net pension liability as a percentage of its covered payroll	171.09%	219.53%	197.60%
Plan fiduciary net position as a percentage of the total pension liability	70.40%	58.80%	62.70%

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 School District will present information for those years for which information is available.

2019	2018	2017	2016	2015	2014
1.17962%	1.18180%	1.15049%	1.13980%	1.17216%	1.17216%
\$ 264,315,046	\$ 266,042,861	\$ 245,743,607	\$ 216,168,376	\$ 201,806,920	\$ 210,243,511
\$ 128,517,247	\$ 126,181,528	\$ 118,268,860	\$ 113,294,579	\$ 112,911,730	\$ 99,991,462
205.67%	210.84%	207.78%	190.80%	178.73%	181.94%
54.10%	53.30%	52.91%	57.00%	59.90%	56.39%
0.00205%	0.00635%	0.00452%	0.00581%	0.00544%	N/A
\$ 58,038	\$ 174,017	\$ 114,573	\$ 126,629	\$ 104,144	N/A
\$ 28,351	\$ 82,048	\$ 57,592	\$ 71,983	\$ 53,518	N/A
204.71%	212.09%	198.94%	175.92%	194.60%	N/A
61.70%	60.90%	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,

SOUTH CAROLINA RETIREMENT SYSTEM	2022	2021	2020
Contractually required contribution	\$ 21,517,704	\$ 18,420,536	\$ 18,056,976
Contributions in relation to the contractually required contribution	<u>(21,517,704)</u>	<u>(18,420,536)</u>	<u>(18,056,976)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District's covered payroll	\$ 129,937,826	\$ 118,383,905	\$ 138,943,062
Contributions as a percentage of covered payroll	16.56%	15.56%	13.00%
 POLICE OFFICERS' RETIREMENT SYSTEM			
Contractually required contribution	\$ 1,445	\$ 747	\$ 995
Contributions in relation to the contractually required contribution	<u>(1,445)</u>	<u>(747)</u>	<u>(995)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District's covered payroll	\$ 6,705	\$ 4,144	\$ 5,514
Contributions as a percentage of covered payroll	21.55%	18.03%	18.04%

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 School District will present information for those years for which information is available.

2019	2018	2017	2016	2015	2014
\$ 16,942,106	\$ 15,370,022	\$ 13,784,757	\$ 12,321,935	\$ 11,648,817	\$ 11,280,173
(16,942,106)	(15,370,022)	(13,784,757)	(12,321,935)	(11,648,817)	(11,280,173)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 131,386,738	\$ 128,517,247	\$ 126,181,528	\$ 118,268,860	\$ 113,294,579	\$ 112,911,730
12.89%	11.96%	10.92%	10.42%	10.28%	9.99%
\$ 761	\$ 4,012	\$ 11,684	\$ 7,913	\$ 9,653	\$ 6,872
(761)	(4,012)	(11,684)	(7,913)	(9,653)	(6,872)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 7,845	\$ 28,351	\$ 82,048	\$ 57,592	\$ 71,983	\$ 53,518
9.70%	14.15%	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	2022	2021	2020
School District's proportion of the net OPEB liability	1.532195%	1.507388%	1.502368%
School District's proportionate share of the net OPEB liability	\$ 319,051,738	\$ 272,105,338	\$ 227,180,947
School District's covered payroll	\$ 118,388,049	\$ 138,948,576	\$ 131,394,583
School District's proportionate share of the net OPEB liability as a percentage of its covered payroll	269.50%	195.83%	172.90%
Plan fiduciary net position as a percentage of the total OPEB liability	7.48%	8.44%	7.91%

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 School District will present information for those years for which information is available.

2019	2018	2017
1.490590%	0.540623%	0.540623%
\$ 211,225,322	\$ 202,804,666	\$ 216,636,496
\$ 128,545,598	\$ 126,263,576	\$ 118,326,452
164.32%	160.62%	183.08%
7.97%	7.60%	6.62%

BEAUFORT COUNTY SCHOOL DISTRICT

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

SCRHITF	2022	2021	2020
Contractually required contribution	\$ 19,517,530	\$ 8,789,059	\$ 7,750,891
Contributions in relation to the contractually required contribution	<u>(19,517,530)</u>	<u>(8,789,059)</u>	<u>(7,750,891)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District's covered payroll	\$ 129,944,531	\$ 118,388,049	\$ 138,948,576
Contributions as a percentage of covered payroll	15.02%	7.42%	5.58%

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 School District will present information for those years for which information is available.

2019	2018	2017
\$ 7,750,891	\$ 6,502,595	\$ 6,729,849
(7,750,891)	(6,502,595)	(6,729,849)
\$ -	\$ -	\$ -
\$ 131,394,583	\$ 128,545,598	\$ 126,263,576
5.90%	5.06%	5.33%

BEAUFORT COUNTY SCHOOL DISTRICT

BUDGETARY COMPARISON SCHEDULE GENERAL FUND FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Local sources	\$ 165,230,615	\$ 165,230,615	\$ 170,311,795	\$ 5,081,180
State sources	98,308,315	98,308,315	98,601,120	292,805
Federal sources	660,000	660,000	658,373	(1,627)
Total revenues	264,198,930	264,198,930	269,571,288	5,372,358
Expenditures				
Current:				
Instruction	163,418,630	163,276,646	162,117,220	1,159,426
Support services	103,096,296	103,238,280	102,978,908	259,372
Intergovernmental expenditures:				
Payments to other governmental units	7,584,674	7,584,674	8,099,611	(514,937)
Debt service	65,000	65,000	552,044	(487,044)
Total expenditures	274,164,600	274,164,600	273,747,783	416,817
Deficiency of revenues under expenditures	(9,965,670)	(9,965,670)	(4,176,495)	5,789,175
Other financing sources (uses)				
Premium on bonds sold	-	-	238,350	238,350
Operating transfers in	10,075,670	10,075,670	10,630,051	554,381
Operating transfers out	(110,000)	(110,000)	(110,000)	-
Total other financing sources, net	9,965,670	9,965,670	10,758,401	792,731
Excess of revenues and other financing sources over expenditures and other financing (uses)	-	-	6,581,906	6,581,906
Fund balances, beginning of year	50,550,294	50,550,294	50,550,294	-
Fund balances, end of year	\$ 50,550,294	\$ 50,550,294	\$ 57,132,200	\$ 6,581,906

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 FISCAL YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Local sources	\$ 930,292	\$ 1,366,673	\$ 1,379,832	\$ 13,159
State sources	3,580,417	2,835,056	2,778,379	(56,677)
Federal sources	23,949,877	21,331,880	21,329,422	(2,458)
Total revenues	28,460,586	25,533,609	25,487,633	(45,976)
Expenditures				
Current:				
Instruction	16,455,320	16,223,077	16,223,077	-
Support services	6,570,832	7,858,925	7,849,355	9,570
Community services	1,586,421	338,413	334,423	3,990
Intergovernmental expenditures:				
Payments to other governmental units	1,269,343	355,114	355,114	-
Total expenditures	25,881,916	24,775,529	24,761,969	13,560
Excess of revenues over expenditures	2,578,670	758,080	725,664	(32,416)
Other financing sources (uses)				
Operating transfers out	(2,578,670)	(758,080)	(725,664)	32,416
Total other financing uses	(2,578,670)	(758,080)	(725,664)	32,416
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, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Local sources	\$ -	\$ 3,200,748	3,509,250	\$ 308,502
Total revenues	-	3,200,748	3,509,250	308,502
Expenditures				
Current:				
Instruction	-	310,152	667,573	(357,421)
Support services	-	2,890,596	2,428,325	462,271
Total expenditures	-	3,200,748	3,095,898	104,850
Deficiency of revenues under expenditures	-	-	413,352	413,352
Fund balances, beginning of year	2,825,862	2,825,862	2,825,862	-
Fund balances, end of year	<u>\$ 2,825,862</u>	<u>\$ 2,825,862</u>	<u>\$ 3,239,214</u>	<u>\$ 413,352</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 COVID RELATED FUND FOR THE YEAR ENDED JUNE 30, 2022

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues				
State sources	\$ -	\$ 168,320	\$ 168,320	\$ -
Federal sources	21,092,742	72,740,967	22,590,495	(50,150,472)
Total revenues	21,092,742	72,909,287	22,758,815	(50,150,472)
Expenditures				
Current:				
Instruction	10,933,578	37,480,967	14,146,355	23,334,612
Support services	3,961,685	24,529,761	5,740,435	18,789,326
Community services	379,809	421,844	253,456	168,388
Intergovernmental expenditures:				
Payments to other governmental units	-	-	30,000	(30,000)
Total expenditures	15,275,072	62,432,572	20,170,246	42,262,326
Excess of revenues over expenditures	5,817,670	10,476,715	2,588,569	(7,888,146)
Other financing uses				
Operating transfers out	(5,817,670)	(10,476,715)	(2,588,569)	7,888,146
Total other financing uses	(5,817,670)	(10,476,715)	(2,588,569)	7,888,146
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 FUND FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
State sources	\$ 17,397,128	\$ 17,320,645	\$ 13,975,078	\$ (3,345,567)
Total revenues	17,397,128	17,320,645	13,975,078	(3,345,567)
Expenditures				
Current:				
Instruction	8,794,091	8,215,293	5,129,875	3,085,418
Support services:	1,373,222	1,728,916	1,468,767	260,149
Payments to other governmental units	136,808	149,673	149,673	-
Total expenditures	10,304,121	10,093,882	6,748,315	3,345,567
Excess of revenues over expenditures	7,093,007	7,226,763	7,226,763	-
Other financing uses				
Operating transfers out	(7,093,007)	(7,226,763)	(7,226,763)	-
Total other financing uses	(7,093,007)	(7,226,763)	(7,226,763)	-
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.

OTHER SUPPLEMENTARY INFORMATION

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 FISCAL YEAR ENDED JUNE 30, 2022

		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	\$ 163,467,115	\$ 163,467,115	\$ 168,337,422	\$ 4,870,307
1240	Penalties and interest on taxes	800,000	800,000	1,003,118	203,118
1280	Revenue in lieu of taxes	5,000	5,000	16,743	11,743
1300	Tuition				
1320	Tuition from other LEAs for regular day school	50,000	50,000	71,288	21,288
1500	Earnings on investments				
1510	Interest on investments	250,000	250,000	225,576	(24,424)
1900	Other revenue from local sources				
1910	Rentals	93,500	93,500	166,838	73,338
1950	Refund of prior year's expenditures	-	-	12,496	12,496
1990	Miscellaneous local revenue				
1999	Revenue from other local sources	565,000	565,000	478,314	(86,686)
	Total local sources	165,230,615	165,230,615	170,311,795	5,081,180
3000	Revenue from state sources				
3100	Restricted State Funding				
3130	Special programs				
3131	Handicapped transportation	2,159	2,159	2,710	551
3160	School bus driver salary	1,301,910	1,301,910	1,445,492	143,582
3162	Transportation workers' compensation	72,410	72,410	72,410	-
3180	Fringe benefits employer contributions	8,648,812	8,648,812	7,976,192	(672,620)
3181	Retiree insurance	5,762,741	5,762,741	5,890,717	127,976
3186	State aid to classrooms	7,191,453	7,191,453	7,437,249	245,796
3199	Other restricted state grants	-	-	1,985	1,985
3300	Education Finance Act ("EFA")				
3310	Full-time programs				
3311	Kindergarten	762,557	762,557	765,556	2,999
3312	Primary	2,401,808	2,401,808	2,305,651	(96,157)
3313	Elementary	4,369,259	4,369,259	4,086,454	(282,805)
3314	High school	1,573,317	1,573,317	1,514,348	(58,969)
3315	Trainable mentally handicapped	37,942	37,942	34,714	(3,228)
3316	Speech handicapped	854,748	854,748	864,292	9,544
3317	Homebound	-	-	5,617	5,617
3320	Part-time programs				
3321	Emotionally handicapped	42,163	42,163	35,049	(7,114)
3322	Educable mentally handicapped	18,551	18,551	17,810	(741)
3323	Learning disabilities	1,122,709	1,122,709	1,141,147	18,438
3324	Hearing handicapped	39,079	39,079	42,840	3,761
3325	Visually handicapped	37,656	37,656	36,118	(1,538)
3326	Orthopedically handicapped	28,539	28,539	27,452	(1,087)
3327	Vocational	2,708,489	2,708,489	2,609,858	(98,631)
3330	Miscellaneous EFA programs				
3331	Autism	235,839	235,839	279,981	44,142
3332	High achieving students	362,116	362,116	317,263	(44,853)
3334	Limited English proficiency	367,049	367,049	353,587	(13,462)
3350	Miscellaneous EFA Programs				
3351	Academic assistance	564,843	564,843	558,981	(5,862)
3352	Pupils in poverty	1,428,958	1,428,958	1,340,401	(88,557)
3353	Dual credit enrollment	28,745	28,745	30,484	1,739
3392	NBC excess EFA formula	-	-	45,733	45,733

(Continued)

BEAUFORT COUNTY SCHOOL DISTRICT

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2022

		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	47,448,832	47,448,832	48,441,909	993,077
3830	Merchant's inventory tax	332,079	332,079	332,079	-
3890	Other state property tax revenues	225,000	225,000	296,524	71,524
3900	Other state revenue				
3993	PEBA on behalf payments	1,206,425	1,206,425	1,207,231	806
3999	Revenue from other state sources	49,999	49,999	1,158	(48,841)
	Total state sources	<u>98,308,315</u>	<u>98,308,315</u>	<u>98,601,120</u>	<u>292,805</u>
4000	Revenue from federal sources				
4100	Federally impacted areas				
4110	Maintenance and operations, P.L. 81-874	40,000	40,000	77,155	37,155
4900	Other federal sources				
4999	Revenue from other federal sources	620,000	620,000	581,218	(38,782)
	Total federal sources	<u>660,000</u>	<u>660,000</u>	<u>658,373</u>	<u>(1,627)</u>
	Total revenue all sources	<u>\$264,198,930</u>	<u>\$264,198,930</u>	<u>\$269,571,288</u>	<u>\$ 5,372,358</u>

BEAUFORT COUNTY SCHOOL DISTRICT

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2022

		Original Budget	Final Budget	Actual	Variance with Final Budget
Expenditures					
100	Instruction				
110	General instruction				
111	Kindergarten programs				
100	Salaries	\$ 8,268,275	\$ 6,709,499	\$ 6,568,393	\$ 141,106
140	Terminal leave	-	-	937	(937)
200	Employee benefits	3,056,261	2,971,978	2,860,976	111,002
300	Purchased services	187,992	233,825	227,927	5,898
400	Supplies and materials	98,206	116,077	112,979	3,098
		<u>11,610,734</u>	<u>10,031,379</u>	<u>9,771,212</u>	<u>260,167</u>
112	Primary programs				
100	Salaries	19,476,330	18,626,062	18,619,495	6,567
140	Terminal leave	-	-	2,235	(2,235)
200	Employee benefits	7,270,498	8,097,378	7,850,939	246,439
300	Purchased services	2,121,240	2,040,458	1,918,579	121,879
400	Supplies and materials	518,941	742,111	740,512	1,599
600	Other objects	3,050	2,491	2,220	271
		<u>29,390,059</u>	<u>29,508,500</u>	<u>29,133,980</u>	<u>374,520</u>
113	Elementary programs				
100	Salaries	31,626,325	31,588,510	31,585,177	3,333
140	Terminal leave	-	-	1,618	(1,618)
200	Employee benefits	12,605,853	12,475,762	12,472,882	2,880
300	Purchased services	1,341,290	1,729,580	1,659,227	70,353
400	Supplies and materials	643,291	712,255	711,336	919
600	Other objects	6,150	4,400	4,275	125
		<u>46,222,909</u>	<u>46,510,507</u>	<u>46,434,515</u>	<u>75,992</u>
114	High school programs				
100	Salaries	23,581,170	22,852,508	22,825,386	27,122
140	Terminal leave	-	-	8,845	(8,845)
200	Employee benefits	9,698,254	8,871,545	8,864,703	6,842
300	Purchased services	1,586,755	2,031,908	1,959,724	72,184
400	Supplies and materials	920,179	705,710	704,096	1,614
600	Other objects	51,200	18,491	15,833	2,658
		<u>35,837,558</u>	<u>34,480,162</u>	<u>34,378,587</u>	<u>101,575</u>
115	Career and technology education (vocational) programs				
100	Salaries	2,480,877	3,136,124	3,134,451	1,673
140	Terminal leave	-	-	590	(590)
200	Employee benefits	1,234,683	1,269,525	1,268,680	845
300	Purchased services	1,842,940	1,854,496	1,854,488	8
400	Supplies and materials	40,450	45,397	42,939	2,458
600	Other objects	2,800	492	493	(1)
		<u>5,601,750</u>	<u>6,306,034</u>	<u>6,301,641</u>	<u>4,393</u>
117	Driver education program				
100	Salaries	151,838	166,385	165,690	695
140	Terminal leave	-	-	433	(433)
200	Employee benefits	59,123	59,202	58,872	330
300	Purchased services	1,608	1,695	1,694	1
400	Supplies and materials	850	934	933	1
600	Other objects	-	500	266	234
		<u>213,419</u>	<u>228,716</u>	<u>227,888</u>	<u>828</u>
118	Montessori programs				
100	Salaries	719,998	762,840	762,130	710
200	Employee benefits	312,302	334,694	334,321	373
300	Purchased services	13,697	24,758	23,856	902
400	Supplies and materials	10,250	10,857	10,683	174
		<u>1,056,247</u>	<u>1,133,149</u>	<u>1,130,990</u>	<u>2,159</u>
	Total general instruction	<u>129,932,676</u>	<u>128,198,447</u>	<u>127,378,813</u>	<u>819,634</u>

(Continued)

BEAUFORT COUNTY SCHOOL DISTRICT

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2022

		Original Budget	Final Budget	Actual	Variance with Final Budget
Expenditures (Continued)					
100	Instruction (Continued)				
120	Exceptional programs				
121	Educable mentally handicapped				
100	Salaries	\$ 1,032,578	\$ 921,524	\$ 920,798	\$ 726
200	Employee benefits	460,272	411,189	410,875	314
300	Purchased services	36,504	52,125	51,881	244
400	Supplies and materials	1,545	1,295	1,197	98
		<u>1,530,899</u>	<u>1,386,133</u>	<u>1,384,751</u>	<u>1,382</u>
122	Trainable mentally handicapped				
100	Salaries	1,208,066	1,218,298	1,217,808	490
200	Employee benefits	501,273	518,946	518,682	264
300	Purchased services	-	2,789	2,787	2
400	Supplies and materials	5,100	3,846	3,741	105
		<u>1,714,439</u>	<u>1,743,879</u>	<u>1,743,018</u>	<u>861</u>
123	Orthopedically handicapped				
100	Salaries	190,888	186,645	185,990	655
200	Employee benefits	74,571	64,264	63,951	313
300	Purchased services	-	16,500	15,961	539
400	Supplies and materials	2,990	1,904	1,742	162
		<u>268,449</u>	<u>269,313</u>	<u>267,644</u>	<u>1,669</u>
124	Visually handicapped				
100	Salaries	74,780	97,321	96,055	1,266
200	Employee benefits	30,061	36,409	35,608	801
300	Purchased services	-	225	221	4
		<u>104,841</u>	<u>133,955</u>	<u>131,884</u>	<u>2,071</u>
125	Hearing handicapped				
100	Salaries	258,414	332,464	331,847	617
200	Employee benefits	101,913	127,075	126,852	223
300	Purchased services	-	1,645	1,512	133
400	Supplies and materials	700	730	527	203
		<u>361,027</u>	<u>461,914</u>	<u>460,738</u>	<u>1,176</u>
126	Speech handicapped				
100	Salaries	1,674,322	1,558,106	1,556,527	1,579
140	Terminal leave	-	-	855	(855)
200	Employee benefits	671,573	622,982	622,544	438
300	Purchased services	200,700	157,654	157,216	438
400	Supplies and materials	6,033	3,282	2,823	459
		<u>2,552,628</u>	<u>2,342,024</u>	<u>2,339,965</u>	<u>2,059</u>
127	Learning disabilities				
100	Salaries	6,219,542	7,519,953	7,516,405	3,548
140	Terminal leave	-	-	2,031	(2,031)
200	Employee benefits	3,478,042	3,539,880	3,538,926	954
300	Purchased services	97,074	919,741	918,847	894
400	Supplies and materials	63,711	56,643	55,999	644
600	Other objects	100	1,544	1,072	472
		<u>9,858,469</u>	<u>12,037,761</u>	<u>12,033,280</u>	<u>4,481</u>
128	Emotionally handicapped				
100	Salaries	1,049,218	1,045,298	1,043,674	1,624
140	Terminal leave	-	-	640	(640)
200	Employee benefits	425,057	421,588	421,032	556
300	Purchased services	45,630	2,461	2,458	3
400	Supplies and materials	300	300	-	300
		<u>1,520,205</u>	<u>1,469,647</u>	<u>1,467,804</u>	<u>1,843</u>
	Total exceptional programs	<u>17,910,957</u>	<u>19,844,626</u>	<u>19,829,084</u>	<u>15,542</u>

(Continued)

BEAUFORT COUNTY SCHOOL DISTRICT

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2022

				Original Budget	Final Budget	Actual	Variance with Final Budget
Expenditures (Continued)							
100	Instruction (Continued)						
130	Preschool programs						
135	Preschool handicapped speech (3 and 4 year olds)						
100		Salaries		\$ 97,779	\$ 102,657	\$ 102,515	\$ 142
200		Employee benefits		37,581	39,802	39,662	140
300		Purchased services		-	650	650	-
				<u>135,360</u>	<u>143,109</u>	<u>142,827</u>	<u>282</u>
137	Preschool handicapped - self contained (3 and 4 year olds)						
100		Salaries		731,565	581,989	579,169	2,820
200		Employee benefits		319,748	280,475	248,839	31,636
300		Purchased services		22,815	39,429	39,423	6
				<u>1,074,128</u>	<u>901,893</u>	<u>867,431</u>	<u>34,462</u>
139	Early childhood programs						
100		Salaries		3,177,889	3,127,558	2,967,770	159,788
140		Terminal leave		-	-	371	(371)
200		Employee benefits		1,356,525	1,300,637	1,296,056	4,581
300		Purchased services		109,511	61,593	61,576	17
400		Supplies and materials		41,000	43,117	38,548	4,569
				<u>4,684,925</u>	<u>4,532,905</u>	<u>4,364,321</u>	<u>168,584</u>
	Total preschool programs			<u>5,894,413</u>	<u>5,577,907</u>	<u>5,374,579</u>	<u>203,328</u>
140	Special programs						
141	Gifted and talented academic						
100		Salaries		2,077,507	2,215,720	2,214,817	903
140		Terminal leave		-	-	155	(155)
200		Employee benefits		833,532	880,445	880,035	410
300		Purchased services		89,189	20,344	20,115	229
400		Supplies and materials		57,400	85,747	85,626	121
600		Other objects		6,709	3,260	2,550	710
				<u>3,064,337</u>	<u>3,205,516</u>	<u>3,203,298</u>	<u>2,218</u>
144	International baccalaureate						
100		Salaries		31,606	45,751	45,434	317
200		Employee benefits		15,949	20,348	20,122	226
300		Purchased services		50,000	4,450	3,942	508
400		Supplies and materials		17,000	7,001	6,878	123
600		Other objects		68,275	42,000	41,798	202
				<u>182,830</u>	<u>119,550</u>	<u>118,174</u>	<u>1,376</u>
145	Homebound						
100		Salaries		40,000	110,900	110,305	595
200		Employee benefits		5,000	33,616	33,475	141
300		Purchased services		77,742	39,342	39,068	274
				<u>122,742</u>	<u>183,858</u>	<u>182,848</u>	<u>1,010</u>
148	Gifted and talented artistic						
300		Purchased services		19,000	500	144	356
400		Supplies and materials		16,000	14,400	14,326	74
600		Other objects		19,000	4,125	3,619	506
				<u>54,000</u>	<u>19,025</u>	<u>18,089</u>	<u>936</u>
	Total special programs			<u>3,423,909</u>	<u>3,527,949</u>	<u>3,522,409</u>	<u>5,540</u>

(Continued)

BEAUFORT COUNTY SCHOOL DISTRICT

GENERAL FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2022

				Original Budget	Final Budget	Actual	Variance with Final Budget
Expenditures (Continued)							
100	Instruction (Continued)						
160	Other exceptional programs						
161	Autism						
	100	Salaries		\$ 163,136	\$ 94,886	\$ 94,466	\$ 420
	200	Employee benefits		73,838	37,564	37,190	374
	300	Purchased services		913	34,907	34,645	262
	400	Supplies and materials		150	185	92	93
				<u>238,037</u>	<u>167,542</u>	<u>166,393</u>	<u>1,149</u>
	162	Limited English proficiency					
	100	Salaries		4,169,626	4,093,699	4,064,524	29,175
	140	Terminal leave		-	-	727	(727)
	200	Employee benefits		1,595,368	1,617,785	1,556,943	60,842
	300	Purchased services		51,689	18,734	15,387	3,347
	400	Supplies and materials		43,214	34,511	33,150	1,361
	600	Other objects		6,000	350	280	70
				<u>5,865,897</u>	<u>5,765,079</u>	<u>5,671,011</u>	<u>94,068</u>
		Total other exceptional programs		<u>6,103,934</u>	<u>5,932,621</u>	<u>5,837,404</u>	<u>95,217</u>
170	Summer school programs						
175	Instructional programs beyond regular school day						
	400	Supplies and materials		1,150	1,500	1,316	184
	600	Other objects		11,100	6,865	185	6,680
				<u>12,250</u>	<u>8,365</u>	<u>1,501</u>	<u>6,864</u>
		Total summer school programs		<u>12,250</u>	<u>8,365</u>	<u>1,501</u>	<u>6,864</u>
180	Adult/continuing education programs						
181	Adult Basic Education Programs						
	400	Supplies and materials		-	250	109	141
				<u>-</u>	<u>250</u>	<u>109</u>	<u>141</u>
	188	Parenting/family literacy					
	100	Salaries		19,500	58,877	58,649	228
	200	Employee benefits		2,414	21,116	20,985	131
	300	Purchased services		-	2,150	2,036	114
	400	Supplies and materials		-	1,300	1,137	163
				<u>21,914</u>	<u>83,443</u>	<u>82,807</u>	<u>636</u>
		Total adult/continuing education programs		<u>21,914</u>	<u>83,693</u>	<u>82,916</u>	<u>777</u>
190	Instructional pupil activity						
	300	Purchased services		7,015	2,344	2,222	122
	400	Supplies and materials		158	1,861	1,856	5
	600	Other objects		111,404	98,833	86,436	12,397
		Total instructional pupil activity		<u>118,577</u>	<u>103,038</u>	<u>90,514</u>	<u>12,524</u>
		Total instruction		<u>163,418,630</u>	<u>163,276,646</u>	<u>162,117,220</u>	<u>1,159,426</u>

(Continued)

BEAUFORT COUNTY SCHOOL DISTRICT

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2022

		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	\$ 2,678,520	\$ 2,564,569	\$ 2,519,056	\$ 45,513
140	Terminal leave	-	-	562	(562)
200	Employee benefits	1,272,551	1,161,242	1,130,248	30,994
300	Purchased services	50,953	38,076	37,194	882
400	Supplies and materials	32,865	23,767	18,802	4,965
600	Other objects	2,750	950	950	-
		<u>4,037,639</u>	<u>3,788,604</u>	<u>3,706,812</u>	<u>81,792</u>
212	Guidance services				
100	Salaries	4,408,892	4,298,695	4,296,655	2,040
200	Employee benefits	1,752,690	1,770,750	1,769,669	1,081
300	Purchased services	35,040	29,312	29,145	167
400	Supplies and materials	43,665	52,273	52,008	265
600	Other objects	15,040	12,421	12,247	174
		<u>6,255,327</u>	<u>6,163,451</u>	<u>6,159,724</u>	<u>3,727</u>
213	Health services				
100	Salaries	1,662,080	1,583,262	1,556,081	27,181
200	Employee benefits	745,878	829,078	808,131	20,947
300	Purchased services	20,672	73,850	73,810	40
400	Supplies and materials	41,467	43,090	42,206	884
600	Other objects	620	396	232	164
		<u>2,470,717</u>	<u>2,529,676</u>	<u>2,480,460</u>	<u>49,216</u>
214	Psychological services				
100	Salaries	1,051,155	936,517	935,719	798
140	Terminal leave	-	-	634	(634)
200	Employee benefits	442,497	369,935	369,786	149
300	Purchased services	53,200	22,180	22,015	165
400	Supplies and materials	20,300	19,540	19,324	216
600	Other objects	2,500	2,710	2,710	-
		<u>1,569,652</u>	<u>1,350,882</u>	<u>1,350,188</u>	<u>694</u>
217	Career specialist services				
100	Salaries	-	64,373	63,705	668
200	Employee benefits	-	25,927	25,790	137
		<u>-</u>	<u>90,300</u>	<u>89,495</u>	<u>805</u>
	Total pupil services	<u>14,333,335</u>	<u>13,922,913</u>	<u>13,786,679</u>	<u>136,234</u>
220	Instructional staff services				
221	Improvement of instruction - curriculum development				
100	Salaries	6,000,770	5,592,247	5,591,807	440
200	Employee benefits	2,148,864	2,108,782	2,108,512	270
300	Purchased services	607,363	236,777	234,172	2,605
400	Supplies and materials	751,401	524,655	525,380	(725)
500	Capital outlay	10,000	1,050	-	1,050
600	Other objects	169,000	143,358	142,186	1,172
		<u>9,687,398</u>	<u>8,606,869</u>	<u>8,602,057</u>	<u>4,812</u>
222	Library and media services				
100	Salaries	2,739,284	2,841,357	2,839,297	2,060
140	Terminal leave	-	-	663	(663)
200	Employee benefits	1,204,688	1,222,211	1,221,982	229
300	Purchased services	80,102	62,358	61,913	445
400	Supplies and materials	272,712	346,123	345,162	961
500	Capital outlay	-	48	-	48
600	Other objects	6,210	170	153	17
		<u>4,302,996</u>	<u>4,472,267</u>	<u>4,469,170</u>	<u>3,097</u>

(Continued)

BEAUFORT COUNTY SCHOOL DISTRICT

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2022

		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	\$ 197,745	\$ 329,106	\$ 327,246	\$ 1,860
200	Employee benefits	91,517	128,349	125,341	3,008
300	Purchased services	23,371	52,751	51,761	990
400	Supplies and materials	19,000	37,200	22,809	14,391
600	Other objects	950	2,950	2,730	220
		<u>332,583</u>	<u>550,356</u>	<u>529,887</u>	<u>20,469</u>
224	Improvement of instruction - in-service and staff training				
100	Salaries	-	42,241	41,297	944
200	Employee benefits	-	31,071	30,909	162
300	Purchased services	248,387	288,587	287,791	796
400	Supplies and materials	28,250	54,898	53,580	1,318
500	Capital outlay	50,000	-	-	-
600	Other objects	42,900	22,036	21,597	439
		<u>369,537</u>	<u>438,833</u>	<u>435,174</u>	<u>3,659</u>
	Total instructional staff services	<u>14,692,514</u>	<u>14,068,325</u>	<u>14,036,288</u>	<u>32,037</u>
230	General administration services				
231	Board of Education				
100	Salaries	180,451	188,246	187,730	516
200	Employee benefits	73,312	76,479	76,015	464
300	Purchased services	361,109	169,989	183,201	(13,212)
318	Audit services	62,805	66,925	53,400	13,525
400	Supplies and materials	20,000	26,000	25,006	994
600	Other objects	54,881	51,381	50,856	525
		<u>752,558</u>	<u>579,020</u>	<u>576,208</u>	<u>2,812</u>
232	Office of the Superintendent				
100	Salaries	261,902	291,642	291,489	153
200	Employee benefits	128,811	155,888	155,467	421
300	Purchased services	15,910	21,627	20,943	684
400	Supplies and materials	7,500	4,854	4,157	697
600	Other objects	7,450	4,379	3,738	641
		<u>421,573</u>	<u>478,390</u>	<u>475,794</u>	<u>2,596</u>
233	School administration				
100	Salaries	12,702,985	12,773,629	12,707,716	65,913
140	Terminal leave	-	-	43,390	(43,390)
200	Employee benefits	5,293,527	5,245,384	5,244,519	865
300	Purchased services	220,532	209,317	209,113	204
400	Supplies and materials	431,318	970,265	968,135	2,130
600	Other objects	30,215	19,286	18,872	414
		<u>18,678,577</u>	<u>19,217,881</u>	<u>19,191,745</u>	<u>26,136</u>
	Total general administration services	<u>19,852,708</u>	<u>20,275,291</u>	<u>20,243,747</u>	<u>31,544</u>
250	Finance and operations services				
252	Fiscal services				
100	Salaries	1,487,051	1,514,839	1,511,342	3,497
140	Terminal leave	19,487	19,487	22,410	(2,923)
200	Employee benefits	596,201	609,723	609,403	320
300	Purchased services	43,588	94,116	93,754	362
400	Supplies and materials	155,000	84,850	84,349	501
600	Other objects	5,678	5,300	3,473	1,827
		<u>2,307,005</u>	<u>2,328,315</u>	<u>2,324,731</u>	<u>3,584</u>

(Continued)

BEAUFORT COUNTY SCHOOL DISTRICT

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2022

		Original Budget	Final Budget	Actual	Variance with Final Budget
Expenditures (Continued)					
200	Support services (Continued)				
250	Finance and operations services (Continued)				
253	Facilities acquisition and construction				
100	Salaries	\$ 6,000	\$ 11,702	\$ 10,750	\$ 952
200	Employee benefits	6,448	8,305	7,856	449
300	Purchased services	17,700	14,980	14,738	242
400	Supplies and materials	11,000	15,400	15,255	145
600	Other objects	3,500	1,820	706	1,114
		<u>44,648</u>	<u>52,207</u>	<u>49,305</u>	<u>2,902</u>
254	Operation and maintenance of plant				
100	Salaries	446,097	354,892	348,894	5,998
140	Terminal leave	-	-	3,922	(3,922)
200	Employee benefits	269,449	138,071	136,082	1,989
300	Purchased services	18,332,142	18,386,934	18,384,361	2,573
400	Supplies and materials	860,000	1,724,299	1,205,284	519,015
470	Energy	7,094,754	5,856,266	6,374,409	(518,143)
500	Capital outlay	5,000	657,283	654,366	2,917
600	Other objects	326,000	307,000	306,680	320
		<u>27,333,442</u>	<u>27,424,745</u>	<u>27,413,998</u>	<u>10,747</u>
255	Student transportation				
100	Salaries	4,547,086	4,937,466	4,915,781	21,685
140	Terminal leave	-	-	18,918	(18,918)
200	Employee benefits	2,074,950	2,170,524	2,169,507	1,017
300	Purchased services	345,900	233,104	232,816	288
400	Supplies and materials	377,100	135,350	134,761	589
600	Other objects	2,400	1,400	1,168	232
		<u>7,347,436</u>	<u>7,477,844</u>	<u>7,472,951</u>	<u>4,893</u>
258	Security				
100	Salaries	93,000	98,631	98,630	1
200	Employee benefits	40,787	42,274	42,127	147
300	Purchased services	2,163,061	1,749,684	1,749,227	457
400	Supplies and materials	2,000	146,876	146,545	331
600	Other objects	20,135	4,661	4,282	379
		<u>2,318,983</u>	<u>2,042,126</u>	<u>2,040,811</u>	<u>1,315</u>
	Total finance and operations services	<u>39,351,514</u>	<u>39,325,237</u>	<u>39,301,796</u>	<u>23,441</u>
260	Central support services				
262	Planning				
100	Salaries	82,744	72,726	71,672	1,054
200	Employee benefits	35,324	30,953	30,379	574
300	Purchased services	3,402	2,702	2,211	491
400	Supplies and materials	500	1,200	1,158	42
600	Other objects	500	500	-	500
		<u>122,470</u>	<u>108,081</u>	<u>105,420</u>	<u>2,661</u>
263	Information services				
100	Salaries	273,336	291,936	291,899	37
200	Employee benefits	110,732	118,431	117,623	808
300	Purchased services	34,370	29,278	28,952	326
400	Supplies and materials	5,250	11,600	11,495	105
600	Other objects	1,400	2,700	2,552	148
		<u>425,088</u>	<u>453,945</u>	<u>452,521</u>	<u>1,424</u>

(Continued)

BEAUFORT COUNTY SCHOOL DISTRICT

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2022

				Original Budget	Final Budget	Actual	Variance with Final Budget
Expenditures (Continued)							
200	Support services (Continued)						
260	Central support services (Continued)						
264	Staff services						
100		Salaries		\$ 2,480,545	\$ 2,689,500	\$ 2,705,327	\$ (15,827)
140		Terminal leave		25,000	25,000	2,284	22,716
200		Employee benefits		1,019,902	1,191,587	1,186,264	5,323
300		Purchased services		648,596	453,904	450,266	3,638
400		Supplies and materials		187,855	130,248	129,648	600
600		Other objects		10,120	10,470	5,559	4,911
				<u>4,372,018</u>	<u>4,500,709</u>	<u>4,479,348</u>	<u>21,361</u>
266	Technology and data processing services						
100		Salaries		2,654,485	2,573,242	2,595,812	(22,570)
140		Terminal leave		25,000	25,000	1,112	23,888
200		Employee benefits		1,122,634	1,088,457	1,087,946	511
300		Purchased services		2,100,765	1,916,765	1,911,303	5,462
400		Supplies and materials		113,700	158,374	157,432	942
500		Capital outlay		125,960	217,960	217,234	726
600		Other objects		1,500	500	152	348
				<u>6,144,044</u>	<u>5,980,298</u>	<u>5,970,991</u>	<u>9,307</u>
		Total central support services		<u>11,063,620</u>	<u>11,043,033</u>	<u>11,008,280</u>	<u>34,753</u>
270	Support Services - Pupil Activity						
271	Pupil service activities						
100		Salaries		1,883,024	2,002,737	2,002,286	451
200		Employee benefits		588,553	517,368	517,078	290
300		Purchased services		88,195	135,209	135,078	131
400		Supplies and materials		308,333	349,635	349,341	294
500		Capital outlay		-	568,501	568,450	51
600		Other objects		934,500	1,030,031	1,029,885	146
				<u>3,802,605</u>	<u>4,603,481</u>	<u>4,602,118</u>	<u>1,363</u>
		Total support services - pupil activity		<u>3,802,605</u>	<u>4,603,481</u>	<u>4,602,118</u>	<u>1,363</u>
		Total support services		<u>103,096,296</u>	<u>103,238,280</u>	<u>102,978,908</u>	<u>259,372</u>
400	Other charges						
410	Intergovernmental expenditures						
412	Payments to other governmental units						
300		Purchased services		60,000	60,000	148,151	(88,151)
720		Transits		15,000	15,000	2,700	12,300
				<u>75,000</u>	<u>75,000</u>	<u>150,851</u>	<u>(75,851)</u>
416	LEA payments to public charter schools						
720		Transits		7,509,674	7,509,674	7,948,760	(439,086)
		Total intergovernmental expenditures		<u>7,584,674</u>	<u>7,584,674</u>	<u>8,099,611</u>	<u>(514,937)</u>
		Total other charges		<u>7,584,674</u>	<u>7,584,674</u>	<u>8,099,611</u>	<u>(514,937)</u>
500	Debt service						
610		Redemption of principal		-	-	242,041	(242,041)
620		Interest		65,000	65,000	265,134	(200,134)
690		Other objects		-	-	44,869	(44,869)
		Total debt service		<u>65,000</u>	<u>65,000</u>	<u>552,044</u>	<u>(487,044)</u>
		Total expenditures		<u>274,164,600</u>	<u>274,164,600</u>	<u>273,747,783</u>	<u>416,817</u>

(Continued)

BEAUFORT COUNTY SCHOOL DISTRICT

GENERAL FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
Other financing sources (uses)				
5110 Premium on bond sold	\$ -	\$ -	\$ 238,350	\$ (238,350)
Interfund transfers, from (to) other funds:				
5220 Transfer from Special Revenue Fund (excludes indirect cost)	2,451,600	2,451,600	-	2,451,600
5230 Transfer from special revenue EIA fund	7,124,070	7,124,070	7,226,763	(102,693)
5280 Transfer from other funds indirect costs	500,000	500,000	3,403,288	(2,903,288)
425-710 Transfer to food service fund	(110,000)	(110,000)	(110,000)	-
Total other financing sources, net	9,965,670	9,965,670	10,758,401	(792,731)
Excess of revenues and other financing sources over expenditures and other financing uses	-	-	6,581,906	6,581,906
Fund balance, beginning of year	50,550,294	50,550,294	50,550,294	-
Fund balance, end of year	<u>\$ 50,550,294</u>	<u>\$ 50,550,294</u>	<u>\$ 57,132,200</u>	<u>\$ 6,581,906</u>

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

SPECIAL REVENUE FUNDS – 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 FISCAL YEAR ENDED JUNE 30, 2022

		Title I (201/202)	IDEA (203)	Preschool Handicapped (205)
Revenues				
1000	Revenue from local sources			
1900	Other revenue from local sources			
1920	Contributions and donations from private sources	\$ -	\$ -	\$ -
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	-	-	-
3120	General education			
3127	Student health and fitness - PE teachers	-	-	-
3130	Special programs			
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	-	-	-
3990	Other state 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	8,285,116	-	-
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")	-	4,866,125	-
4520	Preschool grants ("IDEA")	-	-	292,925
4990	Other federal revenue			
4931	ARP IDEA	-	-	-
4933	ARP IDEA Preschool	-	-	-
4997	SSAE Title IV	-	-	-
4999	Revenues from other federal sources	-	-	-
	Total federal sources	8,285,116	4,866,125	292,925
	Total revenues	8,285,116	4,866,125	292,925

(Continued)

Occupational Education (207)	Adult Education (243)	* Other Restricted State Grants	* Other Special Revenue Programs	Total
\$ -	\$ -	\$ -	\$ 160	\$ 160
-	-	-	859,216	859,216
-	-	-	10,129	10,129
-	8,644	-	501,683	510,327
-	8,644	-	1,371,188	1,379,832
-	-	1,105,176	-	1,105,176
-	-	138,990	-	138,990
-	-	972,622	-	972,622
-	-	409,530	-	409,530
-	499	-	-	499
-	74,387	-	-	74,387
-	-	3,511	-	3,511
-	-	-	73,664	73,664
-	74,886	2,629,829	73,664	2,778,379
295,927	-	-	-	295,927
-	-	-	-	8,285,116
-	-	-	278,922	278,922
-	-	-	22,199	22,199
-	-	-	903,311	903,311
-	173,121	-	-	173,121
-	-	-	-	4,866,125
-	-	-	-	292,925
-	-	-	539,669	539,669
-	-	-	16,396	16,396
-	-	-	644,450	644,450
-	-	-	5,011,261	5,011,261
295,927	173,121	-	7,416,208	21,329,422
295,927	256,651	2,629,829	8,861,060	25,487,633

BEAUFORT COUNTY SCHOOL DISTRICT

SPECIAL PROJECTS FUND COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE FISCAL YEAR ENDED JUNE 30, 2022

		Title I (201/202)	IDEA (203)	Preschool Handicapped (205)
Expenditures				
100	Instruction			
110	General instruction			
111	Kindergarten programs			
100	Salaries	\$ 29,158	\$ -	\$ -
200	Employee benefits	8,882	-	-
300	Purchased services	3,813	-	-
400	Supplies and materials	52,570	-	-
112	Primary programs			
100	Salaries	1,019,425	-	-
200	Employee benefits	418,340	-	-
300	Purchased services	35,816	-	-
400	Supplies and materials	243,399	-	-
600	Other objects	-	-	-
113	Elementary programs			
100	Salaries	1,177,796	-	-
200	Employee benefits	499,055	-	-
300	Purchased services	26,125	-	-
400	Supplies and materials	168,589	-	-
600	Other objects	-	-	-
114	High school programs			
100	Salaries	197,502	-	-
140	Terminal leave	-	-	-
200	Employee benefits	44,497	-	-
300	Purchased services	7,015	-	-
400	Supplies and materials	2,552	-	-
115	Career and technology education programs			
200	Employee benefits	-	-	-
300	Purchased services	-	-	-
400	Supplies and materials	-	-	-
120	Exceptional programs			
121	Educable mentally handicapped			
100	Salaries	-	111,088	-
200	Employee benefits	-	55,633	-
300	Purchased services	-	1,264	-
400	Supplies and materials	-	516	-
122	Trainable mentally handicapped			
100	Salaries	-	52,848	-
200	Employee benefits	-	32,575	-
300	Purchased services	-	60,127	-
400	Supplies and materials	-	3,962	-
123	Orthopedically handicapped			
100	Salaries	-	103,419	-
200	Employee benefits	-	28,336	-
300	Purchased services	-	63,168	-
400	Supplies and materials	-	19,476	-
600	Other objects	-	500	-
124	Visually handicapped			
100	Salaries	-	163,395	-
200	Employee benefits	-	75,394	-
300	Purchased services	-	25,661	-
400	Supplies and materials	-	34,447	-
125	Hearing handicapped			
100	Salaries	-	163,840	-
200	Employee benefits	-	61,060	-
300	Purchased services	-	1,465	-
400	Supplies and materials	-	7,491	-

(Continued)

Occupational Education (207)	Adult Education (243)	* Other Restricted State Grants	* Other Special Revenue Programs	Total
\$ -	\$ -	\$ -	\$ -	\$ 29,158
-	-	-	-	8,882
-	-	-	-	3,813
-	-	-	4,463	57,033
-	-	94,677	259,394	1,373,496
-	-	36,363	103,771	558,474
-	-	-	70,546	106,362
-	-	1,154	49,269	293,822
-	-	-	426	426
-	-	-	107,645	1,285,441
-	-	-	50,056	549,111
-	-	-	157,472	183,597
-	-	808	2,886,062	3,055,459
-	-	-	180	180
-	-	-	303,536	501,038
-	-	-	2,988	2,988
-	-	-	94,456	138,953
-	-	-	270,603	277,618
-	-	1,549	184,156	188,257
-	-	-	45	45
194,464	-	-	-	194,464
50,331	-	-	-	50,331
-	-	-	-	111,088
-	-	-	-	55,633
-	-	-	-	1,264
-	-	-	-	516
-	-	-	-	52,848
-	-	-	-	32,575
-	-	-	-	60,127
-	-	-	-	3,962
-	-	-	82,360	185,779
-	-	-	25,242	53,578
-	-	-	-	63,168
-	-	-	-	19,476
-	-	-	-	500
-	-	-	33,434	196,829
-	-	-	12,635	88,029
-	-	-	-	25,661
-	-	-	-	34,447
-	-	-	-	163,840
-	-	-	-	61,060
-	-	-	-	1,465
-	-	-	-	7,491

BEAUFORT COUNTY SCHOOL DISTRICT

SPECIAL PROJECTS FUND COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE FISCAL YEAR ENDED JUNE 30, 2022

		Title I (201/202)	IDEA (203)	Preschool Handicapped (205)
Expenditures (Continued)				
100	Instruction (Continued)			
120	Exceptional programs (Continued)			
126	Speech handicapped			
100	Salaries	\$ -	\$ 215,225	\$ -
200	Employee benefits	-	91,003	-
300	Purchased services	-	299,379	-
400	Supplies and materials	-	9,866	-
600	Other objects	-	6,927	-
127	Learning disabilities			
100	Salaries	42,897	392,617	-
200	Employee benefits	25,456	191,072	-
300	Purchased services	-	34,746	-
400	Supplies and materials	-	48,274	-
128	Emotionally handicapped			
100	Salaries	-	116,811	-
200	Employee benefits	-	55,669	-
130	Preschool programs			
137	Preschool handicapped self-contained (3 and 4 year olds)			
100	Salaries	-	34,048	167,714
200	Employee benefits	-	17,992	75,344
300	Purchased services	-	250	-
400	Supplies and materials	-	49,714	10,268
139	Early childhood programs			
100	Salaries	726,386	-	-
200	Employee benefits	320,149	-	-
400	Supplies and materials	-	-	-
140	Special programs			
145	Homebound			
300	Purchased services	-	9,997	-
149	Other special programs			
100	Salaries	-	29,742	-
200	Employee benefits	-	15,405	-
160	Other exceptional programs			
161	Autism			
100	Salaries	17,384	69,719	-
200	Employee benefits	4,109	33,871	-
300	Purchased services	-	537,039	-
400	Supplies and materials	-	81,146	-
500	Capital outlay	-	8,406	-
162	Limited English proficiency			
100	Salaries	141,649	-	-
200	Employee benefits	65,289	-	-
163	Comprehensive Coordinated Early Intervening Services			
300	Purchased services	-	406,110	27,146
400	Supplies and materials	-	23,830	-
170	Summer school programs			
171	Primary summer school			
100	Salaries	-	-	-
200	Employee benefits	-	-	-
175	Instructional programs beyond regular school day			
100	Salaries	33,397	-	-
200	Employee benefits	9,038	-	-
300	Purchased services	-	-	-
400	Supplies and materials	4,922	-	-

(Continued)

Occupational Education (207)	Adult Education (243)	* Other Restricted State Grants	* Other Special Revenue Programs	Total
\$ -	\$ -	\$ -	\$ -	\$ 215,225
-	-	-	-	91,003
-	-	-	-	299,379
-	-	-	122	9,988
-	-	-	-	6,927
-	-	-	240,000	675,514
-	-	-	97,104	313,632
-	-	-	-	34,746
-	-	-	50,884	99,158
-	-	-	-	116,811
-	-	-	-	55,669
-	-	-	-	201,762
-	-	-	-	93,336
-	-	-	-	250
-	-	-	16,396	76,378
-	-	-	-	726,386
-	-	-	-	320,149
-	-	-	748	748
-	-	-	-	9,997
-	-	-	4,908	34,650
-	-	-	2,102	17,507
-	-	-	30,001	117,104
-	-	-	14,042	52,022
-	-	-	-	537,039
-	-	-	-	81,146
-	-	-	-	8,406
-	-	-	-	141,649
-	-	-	-	65,289
-	-	-	-	433,256
-	-	-	-	23,830
-	-	-	12,670	12,670
-	-	-	3,986	3,986
-	-	-	67,436	100,833
-	-	-	19,736	28,774
-	-	-	9,819	9,819
-	-	-	5,407	10,329

BEAUFORT COUNTY SCHOOL DISTRICT

SPECIAL PROJECTS FUND COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE FISCAL YEAR ENDED JUNE 30, 2022

		Title I (201/202)	IDEA (203)	Preschool Handicapped (205)
Expenditures (Continued)				
100	Instruction (Continued)			
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			
100	Salaries	-	-	-
200	Employee benefits	-	-	-
300	Purchased services	-	-	-
400	Supplies and materials	-	-	-
183	Adult English literacy - ESL			
100	Salaries	-	-	-
200	Employee benefits	-	-	-
188	Parenting/family literacy			
100	Salaries	494,204	-	-
200	Employee benefits	228,678	-	-
300	Purchased services	54,158	-	-
400	Supplies and materials	86,185	-	-
600	Other Objects	6,813	-	-
190	Instructional pupil activity			
600	Other Objects	-	-	-
	Total instruction	<u>6,195,248</u>	<u>3,844,523</u>	<u>280,472</u>
200	Support services			
210	Pupil services			
211	Attendance and social work services			
100	Salaries	-	212	-
200	Employee benefits	-	16	-
212	Guidance services			
100	Salaries	-	-	-
200	Employee benefits	-	-	-
300	Purchased services	-	-	-
400	Supplies and materials	11,394	-	-
213	Health services			
100	Salaries	-	35,688	-
140	Terminal leave	-	-	-
200	Employee benefits	-	10,870	-
300	Purchased services	-	41,678	-
400	Supplies and materials	-	-	-
214	Psychological services			
100	Salaries	-	48,662	-
200	Employee benefits	-	16,192	-
300	Purchased services	-	113,349	-
400	Supplies and materials	-	4,390	-
600	Other objects	-	440	-
220	Instructional staff services			
221	Improvement of instruction - curriculum development			
100	Salaries	478,264	133,944	-
200	Employee benefits	192,895	57,639	-
300	Purchased services	1,768	-	-
400	Supplies and materials	-	-	-
222	Library and media			
400	Supplies and materials	-	-	-

(Continued)

Occupational Education (207)	Adult Education (243)	* Other Restricted State Grants	* Other Special Revenue Programs	Total
\$ -	\$ 81,130	\$ -	\$ -	\$ 81,130
-	25,297	-	-	25,297
-	19,039	-	-	19,039
-	13,432	-	-	13,432
-	225	-	-	225
-	20,000	-	-	20,000
-	6,092	-	-	6,092
-	5,800	-	-	5,800
-	7,065	-	-	7,065
-	13,000	-	-	13,000
-	3,960	-	-	3,960
-	-	-	-	494,204
-	-	-	-	228,678
-	-	-	4,950	59,108
-	-	-	47,798	133,983
-	-	-	-	6,813
-	-	-	1,600	1,600
244,795	195,040	134,551	5,328,448	16,223,077

-	-	-	44,222	44,434
-	-	-	18,751	18,767
-	-	778,501	-	778,501
-	-	326,675	-	326,675
-	-	-	44,124	44,124
-	-	-	14,871	26,265
-	-	263,811	128,338	427,837
-	-	875	-	875
-	-	112,695	56,096	179,661
-	-	-	166,812	208,490
-	-	-	488	488
-	-	-	80,000	128,662
-	-	-	32,368	48,560
-	-	-	-	113,349
-	-	-	-	4,390
-	-	-	-	440
-	-	670,574	182,344	1,465,126
-	-	302,048	65,511	618,093
-	-	-	34,650	36,418
-	-	-	25,299	25,299
-	-	-	1,124	1,124

BEAUFORT COUNTY SCHOOL DISTRICT

SPECIAL PROJECTS FUND COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE FISCAL YEAR ENDED JUNE 30, 2022

		Title I (201/202)	IDEA (203)	Preschool Handicapped (205)
Expenditures (Continued)				
200	Support services (Continued)			
220	Instructional staff services (Continued)			
223	Supervision of special programs			
100	Salaries	\$ 130,387	\$ 94,465	\$ -
200	Employee benefits	49,978	36,942	-
300	Purchased services	14,827	14,522	-
400	Supplies and materials	-	15,628	-
600	Other objects	195	1,660	-
224	Improvement of instruction - in-service and staff training			
100	Salaries	29,246	5,439	-
200	Employee benefits	8,269	481	-
300	Purchased services	711,987	49,801	-
400	Supplies and materials	41,667	-	-
600	Other objects	31,397	144	-
230	General administrative services			
233	School administration			
400	Supplies and materials	-	-	-
250	Finance and operations services			
251	Student transportation (federal/district mandated)			
300	Purchased services	10,575	10,228	-
253	Facilities acquisition and construction			
500	Capital outlay	-	-	-
255	Pupil transportation services			
100	Salaries	-		-
200	Employee benefits	-		-
300	Purchased services	-		-
600	Other objects	-		-
256	Food service			
300	Purchased services	-	-	-
260	Central support services			
263	Information services			
300	Purchased services	-	-	-
400	Supplies and materials	-	-	-
600	Other objects	-	-	-
270	Support services - pupil activity			
271	Pupil service activities			
600	Other objects	26,560	-	-
	Total support services	1,739,409	692,390	-
300	Community services			
350	Custody and care of children			
100	Salaries	-	-	-
200	Employee benefits	-	-	-
300	Purchased services	-	-	-
400	Supplies and materials	-	-	-
600	Other objects	-	-	-
370	Non public school services			
300	Purchased services	-	-	-
	Total community services	-	-	-
400	Other charges			
410	Intergovernmental expenditures			
411-720	Payments to State Department of Education	-	-	-
416-720	Payments to public charter schools	-	125,267	-
	Total intergovernmental expenditures	-	125,267	-
	Total expenditures	7,934,657	4,662,180	280,472

(Continued)

Occupational Education (207)	Adult Education (243)	* Other Restricted State Grants	* Other Special Revenue Programs	Total
\$ -	\$ 28,408	\$ -	\$ 163,938	\$ 417,198
-	10,413	-	71,488	168,821
-	9,533	-	480,273	519,155
-	10,056	-	1,024	26,708
-	460	-	4,125	6,440
-	1,787	-	197,362	233,834
-	30	-	44,835	53,615
22,564	924	-	948,500	1,733,776
-	-	-	3,603	45,270
-	-	-	-	31,541
-	-	-	336	336
-	-	-	3,030	23,833
-	-	-	12,000	12,000
-	-	-	8,000	8,000
-	-	-	2,129	2,129
-	-	-	1,335	1,335
-	-	-	160	160
-	-	-	1,827	1,827
-	-	-	287	287
-	-	-	232	232
-	-	-	2,086	2,086
28,568	-	-	8,066	63,194
51,132	61,611	2,455,179	2,849,634	7,849,355
-	-	-	227,526	227,526
-	-	-	98,960	98,960
-	-	-	165	165
-	-	-	911	911
-	-	-	436	436
-	-	-	6,425	6,425
-	-	-	334,423	334,423
-	-	40,099	157,333	197,432
-	-	-	32,415	157,682
-	-	40,099	189,748	355,114
295,927	256,651	2,629,829	8,702,253	24,761,969

BEAUFORT COUNTY SCHOOL DISTRICT

SPECIAL PROJECTS FUND COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Title I (201/202)	IDEA (203)	Preschool Handicapped (205)
Other financing sources (uses)			
Interfund transfers from (to) other funds			
431-791 Special revenue fund indirect costs	\$ (350,459)	\$ (203,945)	\$ (12,453)
Total other financing uses, net	<u>(350,459)</u>	<u>(203,945)</u>	<u>(12,453)</u>
Excess of revenues over expenditures and other financing uses	-	-	-
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

Occupational Education (207)	Adult Education (243)	* Other Restricted State Grants	* Other Special Revenue Programs	Total
\$ -	\$ -	\$ -	\$ (158,807)	\$ (725,664)
-	-	-	(158,807)	(725,664)
-	-	-	-	-
-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -

BEAUFORT COUNTY SCHOOL DISTRICT

SPECIAL PROJECTS FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE FISCAL YEAR ENDED JUNE 30, 2022

*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	811	Culinary Scholarships
202	Title I Prior Year	812	Reading Power Grant
203	IDEA	813	National Christian Foundation - RCE
205	IDEA Preschool	814	Women in Philanthropy
207	Federal Perkins Fund CTE	816	SREB Grant
210	Title IV SSAE (Student Support and Acad. Enrich.)	819	Growing Stem Grant
217	Coronavirus Relief Funds (LEAP, Hotspots)	821	Public Consulting Group
218	ESSER III	822	Cinderella Fella Ball
220	SC CARES ESSER	823	CTE Surplus Supplies
225	ESSER II	826	Transcripts
232	McKinney-Vento Homeless	827	Teacher Mini Grants
237	Title I ATSI	831	Farm to School LIES
263	ARP Homeless I & II	832	MUSC Wellness Award
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
296	MCASP Grant	855	First Steps
801	Profound. Mentally Disabled	866	Dollar General Literacy - BLES
803	Senior Scholar Banquet	867	AIE/ABC HHSCA
804	National Christian Foundation - BLHS	871	Summer Camps
805	HHMS Donation Grant	873	Parenting Family Literacy
808	Mission Endowment Fund - OES	875	Traveling Preschool Bus
809	Back to School Expo	876	Dollar General - BLES
810	COSY Grant	886	Special Needs Transportation

BEAUFORT COUNTY SCHOOL DISTRICT

SPECIAL PROJECTS FUND SUMMARY SCHEDULE FOR DESIGNATED STATE RESTRICTED GRANTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Subfund	Revenue	Programs	Revenues	Expenditures	Transfer In (Out)	Special Revenue Fund Unearned Revenue
919	3193	Education License Plates	\$ 3,511	\$ 3,511	\$ -	\$ 3,232
928	3118	EEDA Career Specialists	1,105,176	1,105,176	-	120,473
935	3135	Reading Coaches	972,622	972,622	-	509,525
936	3136	Student Health and Fitness - Nurses	409,530	409,530	-	235,387
937	3127	Student Health and Fitness - PE Teachers	138,990	138,990	-	57,384
		Total	<u>\$ 2,629,829</u>	<u>\$ 2,629,829</u>	<u>\$ -</u>	<u>\$ 926,001</u>

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 FISCAL YEAR ENDED JUNE 30, 2022

Revenues

1000	Revenue from local sources		
1500	Earnings on investments		
1510	Interest income	\$	1,187
1700	Pupil activities		
1730	Pupil organization membership dues and fees		317,958
1900	Other revenue from local sources		
1920	Contributions and donations from private sources		118,550
1999	Revenue from other local sources		3,071,555
	Total local sources		<u>3,509,250</u>
	Total revenues		<u>3,509,250</u>

Expenditures

100	Instruction		
190	Instructional pupil activity		
600	Other objects		667,573
	Total instruction		<u>667,573</u>
200	Support services		
270	Support services - pupil activity		
271	Pupil service activities		
500	Capital outlay		17,646
600	Other objects		1,756,155
272	Pupil service activities		
100	Salaries		299
600	Other objects		639,888
273	Pupil service activities		
600	Other objects		14,337
	Total support services		<u>2,428,325</u>
	Total expenditures		<u>3,095,898</u>
	Excess of revenues over expenditures and other financing uses		413,352

Fund balance, beginning of year	<u>2,825,862</u>
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Fund balance, end of year	<u><u>\$ 3,239,214</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 FISCAL YEAR ENDED JUNE 30, 2022

Revenues

3000	Revenue from state sources		
3900	Other state revenue		
3995	LEAP	\$	168,320
	Total state sources		168,320
4000	Revenue from federal sources		
4900	Other state revenue		
4974	CARES ESSER III		13,347,849
4975	Coronavirus Aid, Relief, and Economic Security Act (CARES Act)		659,853
4977	CRRSA ESSER II		8,582,793
	Total federal sources		22,590,495
	Total revenues		22,758,815

Expenditures

100	Instruction		
110	General instruction		
111	Kindergarten programs		
100	Salaries		187,686
200	Employee benefits		20,967
300	Purchased services		155,494
400	Supplies and materials		4,897
112	Primary programs		
100	Salaries		969,783
200	Employee benefits		139,521
300	Purchased services		2,506,400
400	Supplies and materials		1,564,366
113	Elementary programs		
100	Salaries		1,221,422
200	Employee benefits		119,548
300	Purchased services		739,110
400	Supplies and materials		697,858
114	High school programs		
100	Salaries		707,520
200	Employee benefits		64,005
300	Purchased services		707,693
400	Supplies and materials		201,649
115	Career and technology education programs		
100	Salaries		98,900
200	Employee benefits		7,566
117	Driver education program		
100	Salaries		3,500
200	Employee benefits		268
118	Montessori programs		
100	Salaries		22,650
200	Employee benefits		1,733
120	Exceptional programs		
121	Educable mentally handicapped		
100	Salaries		14,950
200	Employee benefits		1,144
122	Trainable mentally handicapped		
100	Salaries		10,600
200	Employee benefits		811
124	Visually handicapped		
100	Salaries		3,000
200	Employee benefits		230
125	Hearing handicapped		
100	Salaries		5,350
200	Employee benefits		409
126	Speech handicapped		
100	Salaries		61,896
200	Employee benefits		11,352

(Continued)

BEAUFORT COUNTY SCHOOL DISTRICT

COVID RELATED FUNDS COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Expenditures (Continued)

100	Instruction (Continued)			
120	Exceptional programs (Continued)			
127	Learning disabilities			
100	Salaries	\$	162,000	
200	Employee benefits		12,317	
128	Emotionally handicapped			
100	Salaries		25,000	
200	Employee benefits		1,913	
130	Preschool programs			
135	Preschool handicapped speech (3 and 4 year olds)			
100	Salaries		3,250	
200	Employee benefits		249	
137	Preschool handicapped self-contained (3 and 4 year olds)			
100	Salaries		16,300	
200	Employee benefits		1,247	
139	Early childhood programs			
100	Salaries		91,723	
200	Employee benefits		12,590	
140	Special programs			
141	Gifted and talented academic			
100	Salaries		69,700	
200	Employee benefits		5,332	
160	Other exceptional programs			
162	Limited English proficiency			
100	Salaries		103,600	
200	Employee benefits		7,734	
300	Purchased services		219,000	
170	Summer school programs			
171	Primary program			
100	Salaries		916,561	
200	Employee benefits		284,330	
400	Supplies and materials		17,467	
172	Elementary summer school			
100	Salaries		412,903	
200	Employee benefits		125,192	
400	Supplies and materials		18,370	
173	High school summer school program			
100	Salaries		350,660	
200	Employee benefits		104,719	
300	Purchased services		1,355	
400	Supplies and materials		63,502	
175	Instructional programs beyond regular school day			
100	Salaries		453,262	
200	Employee benefits		134,489	
300	Purchased services		213,734	
400	Supplies and materials		9,780	
180	Adult/continuing education programs			
181	Adult basic education programs			
100	Salaries		23,508	
200	Employee benefits		7,183	
188	Parenting/family literacy			
100	Salaries		19,250	
200	Employee benefits		5,857	
	Total instruction		<u>14,146,355</u>	
200	Support services			
210	Pupil services			
211	Attendance and social work services			
100	Salaries		190,617	
200	Employee benefits		85,191	
300	Purchased services		338,885	

(Continued)

BEAUFORT COUNTY SCHOOL DISTRICT

COVID RELATED FUNDS COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Expenditures (Continued)

200	Support services (Continued)		
210	Pupil services		
212	Guidance services		
100	Salaries	\$	167,630
200	Employee benefits		33,248
213	Health services		
100	Salaries		184,573
200	Employee benefits		64,158
300	Purchased services		17,127
400	Supplies and materials		157,682
500	Capital outlay		179,360
214	Psychological services		
100	Salaries		14,000
200	Employee benefits		1,071
217	Career specialist services		
100	Salaries		1,250
200	Employee benefits		96
	Total pupil services		<u>1,434,888</u>
220	Instructional staff services		
221	Improvement of instruction - curriculum development		
100	Salaries		139,333
200	Employee benefits		31,018
222	Library and media services		
100	Salaries		46,350
200	Employee benefits		3,546
223	Supervision of special programs		
100	Salaries		21,655
200	Employee benefits		8,414
400	Supplies and materials		3,514
224	Improvement of instruction in-service and staff training		
100	Salaries		2,589
200	Employee benefits		196
300	Purchased services		662,083
	Total instructional staff services		<u>918,698</u>
230	General administration services		
233	School administration		
100	Salaries		153,489
200	Employee benefits		54,298
	Total general administration services		<u>207,787</u>
250	Finance and operations services		
251	Federal student transportation		
100	Salaries		153,535
200	Employee benefits		52,581
300	Purchased services		118,444
252	Fiscal services		
100	Salaries		54,463
200	Employee benefits		26,735
400	Supplies and materials		3,349
253	Facilities acquisition and construction		
300	Purchased services		755,288
254	Operation and maintenance of plant		
300	Purchased services		548,844
257	Internal services		
400	Supplies and materials		408,950
	Total finance and operations services		<u>2,122,189</u>

(Continued)

BEAUFORT COUNTY SCHOOL DISTRICT

COVID RELATED FUNDS COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Expenditures (Continued)

200	Support services (Continued)		
260	Central support services		
264	Staff services		
100	Salaries	\$	188,806
200	Employee benefits		61,263
300	Purchased services		80,256
266	Technology and data processing services		
300	Purchased services		340,784
400	Supplies and materials		281
500	Capital outlay		385,483
	Total central support services		<u>1,056,873</u>
	Total support services		<u>5,740,435</u>
300	Community services		
350	Custody and care of children		
100	Salaries		59,191
200	Employee benefits		17,328
300	Purchased services		154,903
370	Non public school services		
100	Salaries		2,129
200	Employee benefits		163
400	Supplies and materials		19,742
	Total community services		<u>253,456</u>
400	Intergovernmental expenditures		
416-720	LEA payments to public charter schools		30,000
	Total intergovernmental expenditures		<u>30,000</u>
	Total expenditures		20,170,246
	Excess of revenues over expenditures		<u>2,588,569</u>
	Other financing sources (uses)		
	Interfund transfers, from (to) other funds:		
431-700	COVID funds indirect costs		(2,588,569)
	Total other financing uses		<u>(2,588,569)</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.

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

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 FISCAL YEAR ENDED JUNE 30, 2022

Revenues

3000	Revenue from state sources		
3500	Education Improvement Act ("EIA")		
3502	ADEPT	\$	19,706
3509	Arts in education		8,985
3518	Formative assessment		3,788
3519	Grade 10 assessments		94,878
3526	Refurbishment of K-8 science kits		66,807
3528	Industry certificates		84,678
3529	EIA work-based learning center		426,284
3532	National board salary supplement		927,962
3533	Teacher of the Year awards		1,077
3535	Reading coaches		259,096
3536	Student health and fitness		146,664
3538	Students at risk of school failure		1,774,242
3540	Early childhood program		859,740
3550	Teacher salary increase		5,827,035
3555	Teacher salary fringe		1,399,728
3556	Adult education		392,134
3557	Summer reading program		10,000
3571	Technical assistance - state priority schools		346,877
3577	Teacher supplies		496,375
3592	Work-based learning		54,889
3595	EEDA - supplies and materials		32,687
3597	Aid to districts		737,057
3599	Other EIA		4,389
	Total state sources	\$	13,975,078
	Total revenue all sources	\$	13,975,078

BEAUFORT COUNTY SCHOOL DISTRICT

EDUCATION IMPROVEMENT ACT FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Expenditures

100	Instruction				
110	General instruction				
111	Kindergarten programs				
100	Salaries		\$	7,500	
200	Employee benefits			2,283	
400	Supplies and materials			23,100	
				<u>32,883</u>	
112	Primary programs				
100	Salaries			974,477	
200	Employee benefits			382,820	
400	Supplies and materials			156,423	
				<u>1,513,720</u>	
113	Elementary programs				
100	Salaries			773,667	
200	Employee benefits			265,292	
400	Supplies and materials			176,727	
				<u>1,215,686</u>	
114	High school programs				
100	Salaries			160,999	
200	Employee benefits			48,724	
400	Supplies and materials			190,578	
500	Capital outlay			5,500	
				<u>405,801</u>	
115	Career and technology education programs				
300	Purchased services			134,416	
400	Supplies and materials			312,903	
500	Capital outlay			75,250	
				<u>522,569</u>	
117	Driver education programs				
400	Supplies and materials			550	
				<u>550</u>	
118	Montessori programs				
400	Supplies and materials			2,475	
				<u>2,475</u>	
120	Exceptional programs				
121	Educable mentally handicapped				
400	Supplies and materials			3,025	
				<u>3,025</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			550	
				<u>550</u>	
125	Hearing handicapped				
400	Supplies and materials			1,100	
				<u>1,100</u>	
126	Speech handicapped				
100	Salaries			8,877	
200	Employee benefits			702	
400	Supplies and materials			6,875	
				<u>16,454</u>	
127	Learning disabilities				
100	Salaries			5,567	
200	Employee benefits			1,258	
400	Supplies and materials			25,025	
				<u>31,850</u>	

(Continued)

BEAUFORT COUNTY SCHOOL DISTRICT

EDUCATION IMPROVEMENT ACT FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Expenditures (Continued)

100	Instruction (Continued)		
120	Exceptional programs (Continued)		
128	Emotionally handicapped		
400	Supplies and materials	\$	3,575
			<u>3,575</u>
130	Preschool programs		
135	Preschool handicapped speech (3 and 4 year olds)		
400	Supplies and materials		550
			<u>550</u>
137	Preschool handicapped self-contained (3 and 4 year olds)		
400	Supplies and materials		1,925
			<u>1,925</u>
139	Early childhood programs		
100	Salaries		612,377
200	Employee benefits		303,101
400	Supplies and materials		89,457
			<u>1,004,935</u>
140	Special programs		
141	Gifted and talented - academic		
400	Supplies and materials		7,150
			<u>7,150</u>
160	Other exceptional programs		
162	Limited English proficiency		
100	Salaries		4,947
200	Employee benefits		1,506
400	Supplies and materials		16,775
			<u>23,228</u>
170	Summer school programs		
171	Primary program		
400	Supplies and materials		10,000
			<u>10,000</u>
175	Instructional programs beyond regular school day		
100	Salaries		21,539
200	Employee benefits		6,437
			<u>27,976</u>
180	Adult/continuing education programs		
181	Adult basic education programs		
100	Salaries		86,604
200	Employee benefits		13,258
300	Purchased services		1,559
400	Supplies and materials		2,229
			<u>103,650</u>
182	Adult secondary education programs		
100	Salaries		27,854
200	Employee benefits		4,040
			<u>31,894</u>
183	Adult English literacy		
100	Salaries		11,234
200	Employee benefits		609
			<u>11,843</u>
184	Post-secondary education programs		
100	Salaries		21,053
200	Employee benefits		1,611
			<u>22,664</u>

(Continued)

BEAUFORT COUNTY SCHOOL DISTRICT

EDUCATION IMPROVEMENT ACT FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Expenditures (Continued)

100	Instruction (Continued)			
180	Adult/continuing education programs (Continued)			
188	Parenting/family literacy			
100	Salaries	\$	45,554	
200	Employee benefits		22,109	
300	Purchased services		23,913	
400	Supplies and materials		40,182	
600	Other objects		689	
			<u>132,447</u>	
	Total instruction		<u>5,129,875</u>	
200	Support services			
210	Pupil services			
212	Guidance services			
300	Purchased services		1,053	
400	Supplies and materials		47,605	
			<u>48,658</u>	
213	Health services			
100	Salaries		119,785	
200	Employee benefits		36,632	
			<u>156,417</u>	
220	Instructional staff services			
221	Improvement of instruction - curriculum development			
100	Salaries		586,285	
200	Employee benefits		191,628	
300	Purchased services		2,515	
400	Supplies and materials		302	
			<u>780,730</u>	
222	Literacy and media services			
400	Supplies and materials		7,700	
			<u>7,700</u>	
223	Supervision of special programs			
100	Salaries		270,693	
200	Employee benefits		91,914	
300	Purchased services		212	
400	Supplies and materials		988	
			<u>363,807</u>	
224	Improvement of instruction - in-service and staff training			
100	Salaries		22,501	
200	Employee benefits		5,224	
300	Purchased services		35,039	
400	Supplies and materials		939	
			<u>63,703</u>	
250	Finance and operations services			
255	Student transportation			
300	Purchased services		23,439	
			<u>23,439</u>	
260	Central support services			
264	Staff services			
100	Salaries		15,000	
200	Employee benefits		4,567	
			<u>19,567</u>	
266	Technology and data processing services			
300	Purchased services		1,000	
400	Supplies and materials		3,389	
			<u>4,389</u>	
270	Support services - pupil activity			
271	Pupil service activities			
600	Other objects		357	
			<u>357</u>	
	Total support services		<u>1,468,767</u>	

(Continued)

BEAUFORT COUNTY SCHOOL DISTRICT

**EDUCATION IMPROVEMENT ACT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Expenditures (Continued)

400 Other charges	
410 Intergovernmental expenditures	
416-720 Payments to public charter schools	\$ 149,673
Total other charges	149,673
Total expenditures	6,748,315

Other financing uses

Interfund transfers, to other funds	
420-710 Transfer to general fund	(7,226,763)
Total other financing uses	(7,226,763)
Excess of revenues over expenditures and other financing uses	-

Fund balance, beginning of year	-
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Fund balance, end of year	\$ -
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BEAUFORT COUNTY SCHOOL DISTRICT

EDUCATION IMPROVEMENT ACT FUND SUMMARY SCHEDULE BY PROGRAM FOR THE FISCAL YEAR ENDED JUNE 30, 2022

		Revenues	Expenditures	Transfers In (Out)	Unearned Revenue
3500	Education Improvement Act ("EIA")				
3502	ADEPT	\$ 19,706	\$ 19,706	\$ -	\$ -
3509	Arts in education	8,985	8,985	-	3,131
3518	Formative assessment	3,788	3,788	-	83,501
3519	Grade 10 assessments	94,878	94,878	-	29,751
3526	Refurbishment of K-8 science kits	66,807	66,807	-	27,687
3528	Industry certificates	84,678	84,678	-	53,037
3529	EIA work-based learning center	426,284	426,284	-	175,502
3532	National board salary supplement	927,962	927,962	-	88,072
3533	Teacher of the year awards	1,077	1,077	-	-
3535	Reading coach	259,096	259,096	-	-
3536	Student health and fitness	146,664	146,664	-	-
3538	Students at risk of school failure	1,774,242	1,774,242	-	1,193,197
3540	Early childhood program	859,740	859,740	-	262,364
3550	Teacher salary increase	5,827,035	-	(5,827,035)	-
3555	Teacher salary fringe	1,399,728	-	(1,399,728)	-
3556	Adult education	392,134	392,134	-	129,367
3557	Summer reading program	10,000	10,000	-	188,915
3571	Technical assistance - state priority schools	346,877	346,877	-	285,348
3577	Teacher supplies	496,375	496,375	-	-
3592	Work-based learning	54,889	54,889	-	15,034
3595	EEDA - supplies and materials	32,687	32,687	-	20,666
3597	Aid to districts	737,057	737,057	-	787,430
3599	E-Rate Category 2 match	4,389	4,389	-	2,564
	Total	<u>\$ 13,975,078</u>	<u>\$ 6,748,315</u>	<u>\$ (7,226,763)</u>	<u>\$ 3,345,566</u>

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, 2022

Revenues

1000	Revenue from local sources		
1200	Revenue from local governmental units other than LEAs		
1210	Ad valorem taxes - including delinquent taxes	\$	77,527,881
1240	Penalties and interest on taxes		387,694
1280	Revenue in lieu of taxes		4,998
1500	Earnings on investments		
1510	Interest on investments		53,807
	Total local sources		<u>77,974,380</u>
3000	Revenue from state sources		
3800	State revenue in lieu of taxes		
3820	Homestead exemption		1,372,935
3830	Merchant's inventory tax		85,988
3890	Other state property tax revenues		148,776
	Total state sources		<u>1,607,699</u>
	Total revenues all sources		<u>79,582,079</u>

Expenditures

500	Debt service		
610	Redemption of principal		62,909,400
620	Interest		13,558,559
690	Other objects		121,742
	Total expenditures		<u>76,589,701</u>
	Excess of revenues over expenditures		<u>2,992,378</u>

Other financing sources (uses)

5110	Premium on bonds sold		40,423
5130	Proceeds of refunding debt		20,777,500
441-720	Payment to refunded debt escrow agent		(20,689,000)

Interfund transfers, to other funds

423-710	Transfer to EFC debt service fund		(2,723,462)
	Total other financing sources, net		<u>(2,594,539)</u>
	Excess of revenues and other financing sources over expenditures and other financing uses		397,839

Fund balance, beginning of year		<u>19,926,924</u>
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Fund balance, end of year	\$	<u><u>20,324,763</u></u>
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BEAUFORT COUNTY SCHOOL DISTRICT

DEBT SERVICE FUND - EFC SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Revenues

1000	Revenue from local sources	
1500	Earnings on investments	
1510	Interest on investments	\$ 112
	Total local sources	112
	Total revenues all sources	112

Expenditures

500	Debt service	
610	Redemption of principal	2,150,000
620	Interest	568,327
690	Other objects	13,602
	Total expenditures	2,731,929
	Deficiency of revenues under expenditures	(2,731,817)

Other financing sources

	Interfund transfers, from other funds	
5240	Transfer from district debt service fund	2,723,462
	Total other financing sources	2,723,462
	Deficiency of revenues and other financing sources under expenditures	(8,355)

	Fund balance, beginning of year	30,766
	Fund balance, end of year	\$ 22,411

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, 2022

		Other Projects	Referenda Projects	Total
Revenues				
1000	Revenue from local sources			
1500	Earnings on investments			
1510	Interest on investments	\$ 87,985	\$ 779,102	\$ 867,087
1900	Other revenue from local sources			
1999	Revenue from other local sources	816,645	-	816,645
	Total local sources	<u>904,630</u>	<u>779,102</u>	<u>1,683,732</u>
4000	Revenue from federal sources			
4999	Revenue from other federal sources	6,302	-	6,302
	Total federal sources	<u>6,302</u>	<u>-</u>	<u>6,302</u>
	Total revenues all sources	<u>910,932</u>	<u>779,102</u>	<u>1,690,034</u>
Expenditures				
250	Fiscal services			
253	Facilities acquisition and construction			
100	Salaries	344,212	44,076	388,288
200	Employee benefits	128,726	20,485	149,211
300	Purchased services	2,727,144	6,470,240	9,197,384
400	Supplies and materials	6,130,002	1,708,911	7,838,913
500	Capital outlay			
520	Building	6,737,777	50,227,909	56,965,686
530	Improvements other than buildings	55,486	9,929,110	9,984,596
540	Equipment	69,531	-	69,531
545	Technology equipment and software	23,244	14,512,173	14,535,417
550	Vehicles	45,768	-	45,768
580	Mobile classrooms	309,395	-	309,395
591	Adjustment for retainage	182,746	1,372,400	1,555,146
690	Other objects	97,825	-	97,825
620	Bond issuance costs	-	582,886	582,886
	Total expenditures	<u>16,851,856</u>	<u>84,868,190</u>	<u>101,720,046</u>
	Deficiency of revenues under expenditures	<u>(15,940,924)</u>	<u>(84,089,088)</u>	<u>(100,030,012)</u>
Other financing sources				
5110	Premium on bond sold	693,285	7,964,754	8,658,039
5120	Proceeds from issuance of long-term debt	20,000,000	139,610,000	159,610,000
5300	Sale of capital assets	4,850	-	4,850
	Total other financing sources	<u>20,698,135</u>	<u>147,574,754</u>	<u>168,272,889</u>
	Excess of revenues and other financing sources over expenditures	4,757,211	63,485,666	68,242,877
Fund balance, beginning of year		<u>23,744,392</u>	<u>156,467,020</u>	<u>180,211,412</u>
Fund balance, end of year		<u>\$ 28,501,603</u>	<u>\$ 219,952,686</u>	<u>\$ 248,454,289</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, 2022

Revenues

1000	Revenue from local sources		
1500	Earnings on investments		
1510	Interest on investments	\$	1,482
1600	Food services		
1610	Lunch sales to pupils		19,874
1620	Breakfast sales to pupils		46
1630	Special sales to pupils		10,711
1640	Lunch sales to adults		2,889
1650	Breakfast sales to adults		10
1660	Special sales to adults		74
1900	Other revenue from local sources		
1999	Revenue from other local sources		164,240
	Total local sources		<u>199,326</u>
4000	Revenue from federal sources		
4800	USDA reimbursement		
4810	School lunch and after school snacks program		10,298,878
4820	Supply chain assistance funding		390,887
4830	School breakfast program		3,317,196
4860	Fresh fruits and vegetables		31,363
4880	Summer feeding program		277,728
4890	Healthy meals - USDA		403,765
4899	Child and adult core food program		76,304
4900	Other federal sources		
4991	USDA commodities (food distribution program)		844,805
4999	Revenue from other federal sources		344,317
	Total federal sources		<u>15,985,243</u>
	Total revenue all sources		<u>16,184,569</u>

Expenditures

256	Food services		
100	Salaries		229,779
200	Employee benefits		111,318
300	Purchased services		
323	Repairs and maintenance services		35,503
325	Rentals		8,259
332	Travel		1,226
345	Technology		37,462
350	Advertising		1,391
360	Printing and binding		4,682
390	Other purchased services		9,877,255
400	Supplies and materials		
410	Supplies		604,896
445	Technology and software supplies		90,330
460	Food		98,410
461	USDA commodities		844,805
470	Energy		26,037
500	Capital outlay		
570	Depreciation		265,280
600	Other objects		
640	Dues and fees		141
670	Sales tax on adult meals		4,195
	Total expenditures		<u>12,240,969</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, 2022

Other financing sources (uses)		
5300	Sale of fixed assets	\$ 6,934
Interfund transfers from (to) other funds		
5210	Transfer from general fund	110,000
432-791	Food service fund indirect costs	(89,055)
412-720	Payments to other governmental units	(33,937)
416-720	Payments to charter schools	(426,161)
Total other financing (uses), net		(432,219)
Excess of revenues and other financing sources over expenditures and other financing uses		3,511,381
Fund balance, beginning of year		5,160,301
Fund balance, end of year		<u>\$ 8,671,682</u>

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

INTERNAL SERVICE FUND

The Internal Service Fund records the expenses of the School 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, 2022

Revenues

1000	Revenue from local sources		
1900	Other revenue from local sources		
1993	Receipt of insurance proceeds	\$	49,300
1999	Revenue from other local sources		<u>1,558,210</u>
	Total local sources		<u>1,607,510</u>
	Total revenue all sources		<u>1,607,510</u>

Expenditures

100	Instruction		
110	General instruction		
112	Primary programs		
200	Employee benefits		
	270 Workers' compensation		505,565
113	Elementary programs		
200	Employee benefits		
	270 Workers' compensation		67,739
114	High school programs		
200	Employee benefits		
	270 Workers' compensation		118,170
400	Supplies and materials		
	410 Supplies and materials		1,310
120	Exceptional programs		
126	Speech handicapped		
200	Employee benefits		
	270 Workers' compensation		435
127	Learning disabilities		
200	Employee benefits		
	270 Workers' compensation		<u>391,331</u>
	Total instruction		<u>1,084,550</u>
200	Support services		
210	Pupil services		
211	Attendance and social work services		
200	Employee benefits		
	270 Workers' compensation		2,050
212	Guidance services		
200	Employee benefits		
	270 Workers' compensation		45,318
213	Health services		
200	Employee benefits		
	270 Workers' compensation		126,490
220	Instructional staff services		
221	Improvement of instruction - curriculum development		
200	Employee benefits		
	270 Workers' compensation		29,121
230	General administration services		
233	School administration		
200	Employee benefits		
	270 Workers' compensation		57,143

(Continued)

BEAUFORT COUNTY SCHOOL DISTRICT

INTERNAL SERVICE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Expenditures(Continued)

200	Support services (Continued)		
250	Finance and operations services		
254	Operation and maintenance of plant		
300	Purchased services	\$	29,490
400	Supplies and materials		2,253
500	Capital outlay		83,314
255	Student transportation		
200	Employee benefits		82,206
300	Purchased services		3,181
260	Central support services		
266	Technology and data processing services		
200	Employee benefits		
270	Workers' compensation		13,103
	Total support services		<u>473,669</u>
	Total expenditures		<u>1,558,219</u>
	Excess of revenues over expenditures		<u>49,291</u>
	Fund balance, beginning of year		<u>1,473,312</u>
	Fund balance, end of year	\$	<u><u>1,522,603</u></u>

NOTE: This schedule is presented in the format prescribed by South Carolina Department of Education, which varies in presentation from the 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, 2022

Location Code	Location Description	Education Level	Cost Type	Total Expenditures
01	District Office	Non-Schools	Central	\$ 180,427,443
09	Right Choices	Alternative School	School	1,343,886
10	Academy For Career Excellence	Other Schools	School	2,007,503
15	St Helena Early Childhood	Other Schools	School	434,984
17	Hilton Head Early Childhood	Other Schools	School	6,378,297
20	Riverview Charter School	Other Schools	School	8,916,492
33	Beaufort Elementary	Elementary Schools	School	12,473,017
34	Coosa Elementary	Elementary Schools	School	6,879,915
35	Lady's Island Elementary	Elementary Schools	School	4,581,133
37	Mossy Oaks Elementary	Elementary Schools	School	6,444,936
38	Port Royal Elementary	Elementary Schools	School	4,141,116
39	St Helena Elementary	Elementary Schools	School	7,322,837
40	Broad River Elementary	Elementary Schools	School	7,677,980
44	Shanklin Elementary	Elementary Schools	School	7,127,435
54	Whale Branch Elementary	Elementary Schools	School	11,231,997
60	Daufuskie Elementary	Elementary Schools	School	444,069
62	Hilton Head Island Elementary	Elementary Schools	School	12,892,588
63	Hilton Head Island School For Creative Arts	Elementary Schools	School	8,257,289
70	Bluffton Elementary	Elementary Schools	School	11,713,981
72	Okatie Elementary	Elementary Schools	School	7,016,223
74	M.C. Riley Elementary	Elementary Schools	School	11,449,096
76	Red Cedar Elementary	Elementary Schools	School	8,561,233
78	Pritchardville Elementary	Elementary Schools	School	9,409,259
79	River Ridge Academy	PK-8 Schools	School	12,767,772
80	Beaufort Middle	Middle Schools	School	7,966,143
81	Lady's Island Middle	Middle Schools	School	7,817,647
83	Robert Smalls Intl Academy	PK-8 Schools	School	30,187,262
85	Whale Branch Middle	Middle Schools	School	9,300,457
87	Hilton Head Island Middle	Middle Schools	School	11,210,872
88	H.E. McCracken Middle	Middle Schools	School	13,564,741
89	Bluffton Middle School	Middle Schools	School	9,390,712
90	Beaufort High	High Schools	School	20,971,459
92	Battery Creek High	High Schools	School	38,539,992
94	Whale Branch Ec High School	High Schools	School	7,381,541
96	Hilton Head Island High	High Schools	School	16,626,734
97	May River High School	High Schools	School	14,887,329
98	Bluffton High	High Schools	School	20,225,382
				<u>\$ 557,970,752</u>

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

Funds used in Per Pupil Cost calculation	
General Fund	\$ 273,857,783
Special Projects Fund	25,487,633
Special Projects EIA Fund	13,975,078
Pupil Activity Fund	3,095,898
COVID Related Funds	22,758,815
Proprietary Fund	12,783,188
Internal Service Fund	1,558,219
	<u>353,516,614</u>
Other funds	
Debt Service Fund - District	100,002,163
Debt Service Fund - EFC	2,731,929
Capital Projects Funds	101,720,046
	<u>204,454,138</u>
Total expenditures / disbursements for all funds	<u>\$ 557,970,752</u>

BEAUFORT COUNTY SCHOOL DISTRICT

**DETAILED SCHEDULE OF DUE TO STATE DEPARTMENT OF EDUCATION
JUNE 30, 2022**

Program	Grant or Project Number and FY	Revenue & Subfund Codes	Description	Amount due to State Department of Education	Status of Amounts Due to Grantors
None					

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, 2022

				Original Budget	Final Budget	Actual	Variance with Budget
Revenues							
1000	Revenue from local sources						
1700	Pupil activities						
1740	Student fees			\$ 50,000	\$ 5,000	\$ 5,160	\$ 160
1790	Other pupil activity income			424,200	422,500	235,206	(187,294)
1900	Other revenue from local sources						
1920	Contributions and donations from private sources			60,000	70,000	130,559	60,559
1990	Miscellaneous local revenue						
1993	Receipt of insurance proceeds			-	-	20,680	20,680
1999	Revenue from other local sources			-	-	22,895	22,895
	Total revenue from local sources			534,200	497,500	414,500	(83,000)
3000	Revenue from state sources						
3300	Education Finance Act ("EFA")						
3313	Elementary			7,121,807	7,727,349	7,948,760	221,411
3900	Other state revenue						
3993	PEBA on-behalf			30,053	30,000	30,297	297
	Total revenue from state sources			7,151,860	7,757,349	7,979,057	221,708
	Total revenue from all sources			7,686,060	8,254,849	8,393,557	138,708
Expenditures							
100	Instruction						
110	General instruction						
111	Kindergarten programs						
100	Salaries			-	-	305,787	(305,787)
200	Employee benefits			-	-	117,736	(117,736)
400	Supplies and materials			-	-	18,698	(18,698)
				-	-	442,221	(442,221)
112	Primary programs						
100	Salaries			-	-	637,076	(637,076)
200	Employee benefits			-	-	350,523	(350,523)
400	Supplies and materials			-	-	1,758	(1,758)
500	Capital outlay			-	-	112,140	(112,140)
				-	-	1,101,497	(1,101,497)
113	Elementary programs						
100	Salaries			3,103,713	3,357,862	1,968,916	1,388,946
200	Employee benefits			1,428,906	1,561,994	825,938	736,056
300	Purchased services			19,500	19,500	25,464	(5,964)
400	Supplies and materials			122,455	75,000	149,827	(74,827)
500	Capital outlay			30,250	25,000	48,445	(23,445)
				4,704,824	5,039,356	3,018,590	2,020,766
120	Exceptional programs						
121	Educable mentally handicapped						
400	Supplies and materials			1,500	1,500	5,800	(4,300)
				1,500	1,500	5,800	(4,300)
122	Trainable mentally handicapped						
400	Supplies and materials			-	-	117	(117)
				-	-	117	(117)
126	Speech handicapped						
300	Purchased services			-	-	48	(48)
400	Supplies and materials			-	-	1,370	(1,370)
				-	-	1,418	(1,418)
127	Learning disabilities						
100	Salaries			-	-	131,565	(131,565)
200	Employee benefits			-	-	132,515	(132,515)
300	Purchased services			12,000	12,000	6,755	5,245
400	Supplies and materials			-	-	883	(883)
				12,000	12,000	271,718	(259,718)

(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, 2022

				Original Budget	Final Budget	Actual	Variance with Budget
Expenditures (Continued)							
100	Instruction (Continued)						
140	Special programs						
149	Other special programs						
300	Purchased services			\$ -	\$ -	\$ 673	\$ (673)
				-	-	673	(673)
170	Summer school programs						
175	Instructional programs beyond regular day school						
100	Salaries			88,051	92,000	42,191	49,809
200	Employee benefits			29,886	29,740	29,976	(236)
300	Purchased services			63,225	63,225	44,104	19,121
400	Supplies and materials			9,000	9,000	6,287	2,713
500	Capital outlay			-	-	3,319	(3,319)
				190,162	193,965	125,877	68,088
190	Instructional pupil activity						
400	Supplies and materials			-	-	8	(8)
600	Other objects			194,950	192,750	111,654	81,096
				194,950	192,750	111,662	81,088
	Total instruction			5,103,436	5,439,571	5,079,573	359,998
200	Support services						
210	Pupil services						
212	Guidance services						
100	Salaries			-	-	200,551	(200,551)
200	Employee benefits			-	-	74,708	(74,708)
400	Supplies and materials			2,170	2,500	1,660	840
				2,170	2,500	276,919	(274,419)
213	Health services						
100	Salaries			-	-	15,164	(15,164)
200	Employee benefits			-	-	12,644	(12,644)
400	Supplies and materials			2,750	3,000	991	2,009
				2,750	3,000	28,799	(25,799)
214	Psychological services						
300	Purchased services			-	1,000	21,886	(20,886)
				-	1,000	21,886	(20,886)
215	Exceptional program services						
300	Purchased services			-	5,000	-	5,000
				-	5,000	-	5,000
220	Instructional staff services						
221	Improvement of instruction curriculum development						
100	Salaries			-	-	222,205	(222,205)
200	Employee benefits			-	-	83,815	(83,815)
400	Supplies and materials			-	-	112	(112)
				-	-	306,132	(306,132)
222	Library and media services						
400	Supplies and materials			-	-	154	(154)
				-	-	154	(154)
223	Supervision of special programs						
100	Salaries			-	-	67,495	(67,495)
200	Employee benefits			-	-	20,217	(20,217)
				-	-	87,712	(87,712)
224	Improvement of instruction and staff training						
100	Salaries			-	-	131,197	(131,197)
200	Employee benefits			-	-	49,257	(49,257)
300	Purchased services			-	-	45,556	(45,556)
400	Supplies and materials			-	-	139	(139)
				-	-	226,149	(226,149)

(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, 2022

				Original Budget	Final Budget	Actual	Variance with Budget
Expenditures (Continued)							
200	Support services (Continued)						
230	General administration services						
231	Board of Education						
	300	Purchased services		\$ 20,000	\$ 25,000	\$ 15,734	\$ 9,266
	318	Audit services		12,000	12,000	18,375	(6,375)
	400	Supplies and materials		60,500	60,500	55,627	4,873
	600	Other objects		32,500	32,500	46,730	(14,230)
				<u>125,000</u>	<u>130,000</u>	<u>136,466</u>	<u>(6,466)</u>
233	School administration						
	100	Salaries		939,780	977,372	334,469	642,903
	200	Employee benefits		404,880	431,000	125,312	305,688
	300	Purchased services		30,000	30,000	50,903	(20,903)
	400	Supplies and materials		19,500	22,000	32,758	(10,758)
				<u>1,394,160</u>	<u>1,460,372</u>	<u>543,442</u>	<u>916,930</u>
250	Finance and operations services						
252	Fiscal services						
	300	Purchased services		55,000	55,000	65,079	(10,079)
	600	Other objects		16,000	16,000	4,922	11,078
				<u>71,000</u>	<u>71,000</u>	<u>70,001</u>	<u>999</u>
253	Facilities acquisition and construction						
	500	Capital outlay		-	-	5,344	(5,344)
				<u>-</u>	<u>-</u>	<u>5,344</u>	<u>(5,344)</u>
254	Operation and maintenance of plant						
	300	Purchased services		857,654	850,500	234,773	615,727
	321	Public utility services		8,500	10,000	7,683	2,317
	400	Supplies and materials		-	-	1,753	(1,753)
	470	Energy		115,000	115,000	128,175	(13,175)
				<u>981,154</u>	<u>975,500</u>	<u>372,384</u>	<u>603,116</u>
255	Student transportation						
	300	Purchased services		60,000	60,000	78,223	(18,223)
	600	Other objects		300	300	-	300
				<u>60,300</u>	<u>60,300</u>	<u>78,223</u>	<u>(17,923)</u>
258	Security						
	300	Purchased services		8,500	8,500	6,002	2,498
				<u>8,500</u>	<u>8,500</u>	<u>6,002</u>	<u>2,498</u>
260	Central support services						
263	Information services						
	300	Purchased services		19,500	19,500	13,454	6,046
				<u>19,500</u>	<u>19,500</u>	<u>13,454</u>	<u>6,046</u>
266	Technology and data processing services						
	100	Salaries		-	-	76,000	(76,000)
	200	Employee benefits		-	-	30,333	(30,333)
	300	Purchased services		61,315	52,500	55,091	(2,591)
	400	Supplies and materials		52,710	90,405	86,830	3,575
	500	Capital outlay		-	-	4,007	(4,007)
				<u>114,025</u>	<u>142,905</u>	<u>252,261</u>	<u>(109,356)</u>
270	Support services - pupil activity						
271	Pupil service activities						
	100	Salaries		21,500	21,500	27,850	(6,350)
	200	Employee benefits		2,500	2,500	679	1,821
	660	Pupil activity		-	-	748	(748)
				<u>24,000</u>	<u>24,000</u>	<u>29,277</u>	<u>(5,277)</u>
	Total support services			<u>2,802,559</u>	<u>2,903,577</u>	<u>2,454,605</u>	<u>448,972</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, 2022

				Original Budget	Final Budget	Actual	Variance with Budget
Expenditures (Continued)							
500	Debt services						
	610	Principal		-	-	244,037	(244,037)
	620	Interest		-	-	346,993	(346,993)
				-	-	591,030	(591,030)
		Total expenditures		7,905,995	8,343,148	8,125,208	217,940
		Excess (deficiency) of revenues over (under) expenditures		\$ (219,935)	\$ (88,299)	268,349	\$ 356,648
Fund balance, beginning of year						2,245,047	
Fund balance, end of year						\$ 2,513,396	

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, 2022

		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	\$ -	\$ -	\$ 18,806	\$ 18,806
1640	Lunch sales to adults	-	-	7,006	7,006
1650	Breakfast sales to adults	-	-	89	89
1900	Other revenue from local sources				
1990	Revenue from other local sources	-	-	1,209	1,209
	Total revenue from local sources	-	-	27,110	27,110
3000	Revenue from state sources				
3100	Restricted state funding				
3120	General education				
3127	Student health and fitness - PE teachers	-	7,950	-	7,950
3130	Special Programs				
3136	Student health and fitness - nurses	-	32,148	-	32,148
	Total from state sources	-	40,098	-	40,098
4000	Revenue from federal sources				
4500	Programs for children with disabilities				
4510	Individuals with Disabilities Education Act ("IDEA")	157,682	-	-	157,682
4800	USDA reimbursement				
4810	School lunch and after school snacks program	-	-	408,607	408,607
4900	Other federal sources				
4977	ESSER III	-	-	30,000	30,000
4999	Revenue from other federal sources	-	-	17,554	17,554
	Total from federal sources	157,682	-	456,161	613,843
	Total revenue all sources	157,682	40,098	483,271	681,051
Expenditures					
100	Instruction				
110	General instruction				
113	Elementary programs				
100	Salaries	-	7,950	-	7,950
		-	7,950	-	7,950
120	Exceptional programs				
127	Learning disabilities				
100	Salaries	157,682	-	-	157,682
		157,682	-	-	157,682
170	Summer school programs				
175	Instructional programs beyond regular school day				
100	Salaries	-	-	30,000	30,000
		-	-	30,000	30,000
	Total instruction	157,682	7,950	30,000	195,632
200	Support services				
210	Pupil Services				
213	Health services				
100	Salaries	-	31,016	-	31,016
200	Employee benefits	-	1,132	-	1,132
		-	32,148	-	32,148

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, 2022

		IDEA (203/204)	Other Designated Restricted State Grants (800s/900s)	Other Special Revenue Programs (200s)	Total
Expenditures (Continued)					
200	Support services (Continued)				
250	Finance and operations services				
256	Food services				
100	Salaries	-	-	123,181	123,181
200	Employee benefits	-	-	46,845	46,845
300	Purchased services	-	-	3,883	3,883
400	Supplies and materials	-	-	187,232	187,232
		-	-	361,141	361,141
	Total support services	-	32,148	361,141	393,289
	Total expenditures	157,682	40,098	391,141	588,921
	Excess of revenues over expenditures	-	-	92,130	92,130
	Fund balance, beginning of year	-	-	91,151	91,151
	Fund balance, end of year	\$ -	\$ -	\$ 183,281	\$ 183,281

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, 2022

				Actual
Revenues				
3000	Revenue from state sources			
	3500	Education Improvement Act ("EIA")		
		3518	Adoption list of formative assessment	\$ 3,788
		3532	National board salary supplement	40,000
		3538	Students at risk of school failure	53,040
		3577	Teacher supplies	17,600
		3595	EEDA - supplies and materials	1,512
		3597	Aid to districts	32,207
			Total state sources	148,147
			Total revenue all sources	148,147
Expenditures				
100	Instruction			
	110	General instruction		
		111	Kindergarten programs	
			400 Supplies and materials	1,100
		112	Primary programs	
			400 Supplies and materials	3,575
		113	Elementary programs	
			100 Salaries	125,247
			400 Supplies and materials	10,175
	120	Exceptional Programs		
		127	Learning disabilities	
			400 Supplies and materials	1,375
	170	Summer school programs		
		175	Instructional programs beyond regular school day	
			400 Supplies and materials	275
			Total instruction	141,747
200	Support services			
	210	Pupil services		
		212	Guidance services	
			400 Supplies and materials	2,612
	260	Central support services		
		266	Technology and data processing	
			300 Purchased services	3,788
			Total support services	6,400
			Total expenditures	148,147
			Excess of revenues over expenditures	-
Fund balance, beginning of year				-
Fund balance, end of year				\$ -

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.

Contents

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Financial Trends.....152 – 161

These schedules contain trend information to help the reader understand how the School District's financial performance and well-being have changed over time.

Revenue Capacity162 – 165

These schedules contain information to help the reader assess the School District's most significant local revenue sources.

Debt Capacity166 – 172

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.

Demographic and Economic Information.....173 – 175

These schedules offer demographic and economic indicators to help the reader understand the environment within which the School District's financial activities take place.

Operating Information176 – 188

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.

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			
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Governmental Activities				
Net investments in capital assets	\$ 133,805,522	\$ 150,154,713	\$ 159,361,786	\$ 190,512,542
Restricted	18,962,817	15,316,037	22,585,786	14,833,180
Unrestricted	42,960,903	(166,388,730)	(163,293,229)	(168,155,765)
Total governmental activities net position	<u>195,729,242</u>	<u>(917,980)</u>	<u>18,654,343</u>	<u>37,189,957</u>
Business-type activities				
Net investments in capital assets	1,570,635	2,086,574	2,254,153	2,145,718
Unrestricted	1,519,945	971,046	154,226	224,305
Total business-type activities net position	<u>3,090,580</u>	<u>3,057,620</u>	<u>2,408,379</u>	<u>2,370,023</u>
Total primary government net position	<u>\$ 198,819,822</u>	<u>\$ 2,139,640</u>	<u>\$ 21,062,722</u>	<u>\$ 39,559,980</u>

Fiscal Year					
2017	2018	2019	2020	2021	2022
\$ 217,792,997	\$ 233,115,201	\$ 255,368,095	\$ 277,456,822	\$ 316,578,409	\$ 328,510,725
14,834,791	42,920,096	49,461,773	30,620,894	27,276,026	31,720,827
(167,695,845)	(422,889,252)	(443,602,072)	(414,156,908)	(430,789,730)	(405,171,968)
64,931,943	(146,853,955)	(138,772,204)	(106,079,192)	(86,935,295)	(44,940,416)
2,164,530	2,254,971	2,112,047	2,152,058	2,019,631	1,924,768
310,543	(34,546)	275,014	680,855	3,140,670	6,746,914
2,475,073	2,220,425	2,387,061	2,832,913	5,160,301	8,671,682
\$ 67,407,016	\$ (144,633,530)	\$ (136,385,143)	\$ (103,246,279)	\$ (81,774,994)	\$ (36,268,734)

BEAUFORT COUNTY SCHOOL DISTRICT

CHANGES IN NET POSITION LAST TEN FISCAL YEARS (UNAUDITED)

	Fiscal Year			
	2013	2014	2015	2016
Expenses				
Governmental activities				
Instruction	\$ 122,652,714	\$ 121,231,760	\$ 126,607,032	\$ 135,602,252
Support services	111,028,257	118,366,308	119,251,308	112,368,481
Community services	472,116	241,004	458,345	443,619
Payments to component units	-	-	-	4,861,745
Intergovernmental	-	-	-	36,089
Interest on long-term obligations	11,970,192	11,420,726	8,341,909	9,595,327
Total governmental activities expenses	246,123,279	251,259,798	254,658,594	262,907,513
Business-type activities				
Food service	9,059,767	8,668,705	9,763,547	10,275,171
Total business-type activities expenses	9,059,767	8,668,705	9,763,547	10,275,171
Total primary government expenses	<u>\$ 255,183,046</u>	<u>\$ 259,928,503</u>	<u>\$ 264,422,141</u>	<u>\$ 273,182,684</u>
Program Revenues				
Governmental activities				
Charges for services:				
Instructional	\$ 35,622	\$ 51,618	\$ 9,610	\$ -
Operating grants and contributions:				
Instructional	26,649,899	24,638,467	28,569,716	27,478,141
Support services	18,322,028	16,812,220	15,697,568	13,898,651
Community services	47,467	241,004	301,238	306,390
Capital grants and contributions:				
Support services	-	-	30,349	4,688
Total governmental activities program revenues	45,055,016	41,743,309	44,608,481	41,687,870
Business-type activities				
Charges for services:				
Food service	2,223,602	1,871,116	2,130,431	1,937,992
Operating grants and contributions	6,781,241	6,751,656	7,417,528	8,287,106
Capital grants and contributions	-	-	-	-
Total business-type activities program revenues	9,004,843	8,622,772	9,547,959	10,225,098
Total primary government program revenues	<u>54,059,859</u>	<u>50,366,081</u>	<u>54,156,440</u>	<u>51,912,968</u>
Net (Expense)/Revenue				
Governmental activities	(201,068,263)	(209,516,489)	(210,050,113)	(221,219,643)
Business-type activities	(54,924)	(45,933)	(215,588)	(50,073)
Total primary government net (expense) revenue	<u>\$ (201,123,187)</u>	<u>\$ (209,562,422)</u>	<u>\$ (210,265,701)</u>	<u>\$ (221,269,716)</u>

(Continued)

Fiscal Year					
2017	2018	2019	2020	2021	2022
\$ 151,483,408	\$ 149,776,278	\$ 159,073,172	\$ 184,578,382	\$ 212,604,290	\$ 219,361,434
116,167,136	143,204,186	137,217,839	128,263,804	130,525,699	143,337,181
389,610	276,218	269,169	284,594	736,866	602,003
5,144,579	5,896,084	6,347,868	-	-	-
119,618	339,760	2,043,205	-	-	-
7,660,445	12,989,483	7,636,395	2,115,089	10,078,244	9,029,570
280,964,796	312,482,009	312,587,648	315,241,869	353,945,099	372,330,188
9,634,792	10,288,065	10,488,104	9,572,164	12,694,133	12,694,133
9,634,792	10,288,065	10,488,104	9,572,164	12,694,133	12,694,133
\$ 290,599,588	\$ 322,770,074	\$ 323,075,752	\$ 324,814,033	\$ 366,639,232	\$ 385,024,321
\$ 30,794	\$ 29,205	\$ 74,350	\$ 1,383,084	\$ 1,626,286	\$ 1,678,987
36,690,142	32,258,195	38,111,292	39,968,370	56,815,953	62,395,548
19,380,034	19,234,865	22,992,955	29,316,033	31,284,027	41,986,253
234,504	257,396	254,111	267,283	720,021	587,879
1,966,192	-	-	-	-	-
58,301,666	51,779,661	61,432,708	70,934,770	90,446,287	106,648,667
1,747,524	1,801,526	1,750,372	1,869,576	8,876	33,604
7,993,920	8,786,844	8,906,330	8,161,768	10,890,789	16,149,483
-	-	-	-	-	-
9,741,444	10,588,370	10,656,702	10,031,344	10,899,665	16,183,087
68,043,110	62,368,031	72,089,410	80,966,114	101,345,952	122,831,754
(222,663,130)	(260,702,348)	(251,154,940)	(244,307,099)	(263,498,812)	(265,681,521)
106,652	300,305	168,598	459,180	(1,794,468)	3,488,954
\$ (222,556,478)	\$ (260,402,043)	\$ (250,986,342)	\$ (243,847,919)	\$ (265,293,280)	\$ (262,192,567)

BEAUFORT COUNTY SCHOOL DISTRICT

CHANGES IN NET POSITION LAST TEN FISCAL YEARS (UNAUDITED)

	Fiscal Year			
	2013	2014	2015	2016
General Revenues and Other Changes in Net Position				
Governmental activities				
Taxes by source:				
Property tax - general purposes	\$ 115,312,797	\$ 112,688,812	\$ 119,531,622	\$ 124,334,713
Property tax - debt service	51,139,540	45,947,271	53,327,642	57,470,709
Unrestricted grants and contributions	50,696,910	55,209,520	55,031,870	55,725,768
Unrestricted investment earnings	918,119	501,633	499,042	605,285
Gain on sale of fixed assets	-	-	-	-
Miscellaneous	123,178	273	775,531	1,621,971
Transfers	134,124	11,437	2,618	(3,189)
Proceeds from settlement of lawsuit	-	760,610	-	-
Total governmental activities	218,324,668	215,119,556	229,168,325	239,755,257
Business-type activities				
Unrestricted investment earnings	25,289	20,469	23,076	6,427
Miscellaneous	-	3,941	-	2,101
Transfers	(134,124)	(11,437)	(2,618)	3,189
Total business-type activities	(108,835)	12,973	20,458	11,717
Total primary government	<u>\$ 218,215,833</u>	<u>\$ 215,132,529</u>	<u>\$ 229,188,783</u>	<u>\$ 239,766,974</u>
Change in Net Position				
Governmental activities	\$ 17,256,405	\$ 5,603,067	\$ 19,118,212	\$ 18,535,614
Business-type activities	(163,759)	(32,960)	(195,130)	(38,356)
Total primary government	<u>\$ 17,092,646</u>	<u>\$ 5,570,107</u>	<u>\$ 18,923,082</u>	<u>\$ 18,497,258</u>

Fiscal Year					
2017	2018	2019	2020	2021	2022
\$ 135,910,793	\$ 141,879,433	\$ 135,222,656	\$ 148,431,774	\$ 155,314,749	\$ 167,627,847
56,052,187	56,029,608	59,990,989	62,798,096	64,882,037	77,421,732
56,498,536	57,301,376	57,713,475	58,060,250	58,802,219	60,019,402
575,147	1,734,506	1,619,331	3,095,803	1,476,043	1,147,769
-	-	-	-	755,269	-
1,365,502	1,809,415	4,686,358	1,550,841	1,436,011	1,480,595
2,951	(7,904)	3,882	14,986	(23,619)	(20,945)
-	-	-	-	-	-
250,405,116	258,746,434	259,236,691	273,951,750	282,642,709	307,676,400
1,349	2,089	1,920	1,658	2,782	1,482
-	-	-	-	-	-
(2,951)	7,904	(3,882)	(14,986)	23,619	20,945
(1,602)	9,993	(1,962)	(13,328)	26,401	22,427
\$ 250,403,514	\$ 258,756,427	\$ 259,234,729	\$ 273,938,422	\$ 282,669,110	\$ 307,698,827
\$ 27,741,986	\$ (1,955,914)	\$ 8,081,751	\$ 29,644,651	\$ 19,143,897	\$ 41,994,879
105,050	310,298	166,636	445,852	(1,768,067)	3,511,381
\$ 27,847,036	\$ (1,645,616)	\$ 8,248,387	\$ 30,090,503	\$ 17,375,830	\$ 45,506,260

BEAUFORT COUNTY SCHOOL DISTRICT

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

	Fiscal Year			
	2013	2014	2015	2016
General Fund				
Nonspendable	\$ 1,388,252	\$ 1,246,961	\$ 776,668	\$ 106,736
Unassigned	29,115,123	26,381,212	30,909,347	28,517,909
Total General Fund	<u>30,503,375</u>	<u>27,628,173</u>	<u>31,686,015</u>	<u>28,624,645</u>
 All Other Governmental Funds				
Nonspendable	-	-	-	-
Restricted	44,768,645	64,933,634	96,022,442	46,279,167
Unassigned	5,850,477	-	-	-
Total All Other Governmental Funds	<u>50,619,122</u>	<u>64,933,634</u>	<u>96,022,442</u>	<u>46,279,167</u>
 Total All Governmental Funds	<u>\$ 81,122,497</u>	<u>\$ 92,561,807</u>	<u>\$ 127,708,457</u>	<u>\$ 74,903,812</u>

Fiscal Year					
2017	2018	2019	2020	2021	2022
\$ 3,198,133	\$ 44,507	\$ 1,885,406	\$ 35,201	\$ 2,535,260	\$ 274,018
33,064,996	39,562,392	31,661,366	44,742,602	48,015,034	56,858,182
36,263,129	39,606,899	33,546,772	44,777,803	50,550,294	57,132,200
-	-	-	75,197	443,703	71,146
41,422,157	42,920,096	49,461,773	117,992,861	202,995,947	272,039,635
-	-	-	(75,197)	(444,686)	(70,104)
41,422,157	42,920,096	49,461,773	117,992,861	202,994,964	272,040,677
\$ 77,685,286	\$ 82,526,995	\$ 83,008,545	\$ 162,770,664	\$ 253,545,258	\$ 329,172,877

BEAUFORT COUNTY SCHOOL DISTRICT

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

	Fiscal Year			
	2013	2014	2015	2016
Revenues				
Local:				
Property taxes	\$ 165,427,081	\$ 161,343,752	\$ 171,001,314	\$ 178,035,444
Interest	369,704	501,633	499,042	605,285
Other	3,114,576	2,644,310	2,877,648	3,692,842
	168,911,361	164,489,695	174,378,004	182,333,571
State sources	74,724,325	79,126,781	84,710,053	84,023,740
Federal sources	18,579,295	15,905,033	13,574,611	12,091,541
	262,214,981	259,521,509	272,662,668	278,448,852
Expenditures				
Current:				
Instruction	122,202,918	121,266,136	125,387,495	133,309,029
Support services	84,015,526	82,414,183	82,733,594	85,115,534
Community services	217,662	241,004	301,238	308,543
Intergovernmental	4,575,781	4,894,989	4,711,644	4,897,834
Debt service:				
Principal	37,230,198	46,037,485	35,088,000	32,801,000
Interest	15,937,208	14,855,872	13,615,374	15,438,347
Other	188,300	-	-	-
Capital outlay	5,966,462	19,990,166	70,126,046	66,377,876
Total Expenditures	270,334,055	289,699,836	331,963,391	338,248,163
Deficiency of revenues under expenditures	(8,119,074)	(30,178,327)	(59,300,723)	(59,799,311)
Other Financing Sources (Uses)				
Sale of capital assets	50,922	25,756	7,759	15,525
Capital leases	-	-	-	-
Premium on bonds sold	798,929	2,403,834	25,230,211	5,964,372
Issuance of debt	12,616,000	38,146,000	79,298,000	6,788,000
Refunding of debt		22,000,000	81,765,000	28,090,000
Payment to refunded debt escrow agent		(21,730,000)	(91,856,215)	(33,860,042)
Transfers in	10,762,374	11,409,351	9,676,829	23,374,957
Transfers out	(10,628,250)	(11,397,914)	(9,674,211)	(23,378,146)
Total Other Financing Sources (Uses)	13,599,975	40,857,027	94,447,373	6,994,666
Special Item				
Proceeds from settlement of lawsuit	-	760,610	-	-
Net Change in Fund Balance	\$ 5,480,901	\$ 11,439,310	\$ 35,146,650	\$ (52,804,645)
Debt service as a percentage of noncapital expenditures*	20%	22%	18%	17%

* 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 26](#).

Fiscal Year					
2017	2018	2019	2020	2021	2022
\$ 190,981,906	\$ 199,628,589	\$ 196,381,147	\$ 216,191,294	\$ 230,696,761	\$ 252,230,737
575,147	1,734,506	1,619,331	785,151	1,476,043	1,147,769
2,821,286	2,307,247	2,486,320	883,784	1,436,011	1,480,595
194,378,339	203,670,342	200,486,798	217,860,229	233,608,815	254,859,101
98,461,720	98,458,453	107,474,291	115,163,023	116,519,456	117,130,596
14,880,917	12,202,438	13,117,031	12,843,655	20,639,089	44,584,592
307,720,976	314,331,233	321,078,120	345,866,907	370,767,360	416,574,289
143,638,404	149,206,884	158,471,602	162,671,170	177,060,885	198,284,100
89,927,659	92,209,756	94,908,567	95,279,405	101,845,087	120,465,790
234,504	257,396	254,111	267,283	720,021	587,879
5,264,197	7,837,170	8,391,073	9,258,446	8,043,560	8,634,398
41,021,000	44,410,700	46,880,700	55,580,900	53,495,721	65,301,441
14,213,018	13,750,765	12,841,296	11,733,658	13,369,521	14,392,020
-	-	-	23,443	170,698	180,213
32,390,626	32,639,076	29,616,581	33,650,269	79,066,257	101,720,046
326,689,408	340,311,747	351,363,930	368,464,574	433,771,750	509,565,887
(18,968,432)	(25,980,514)	(30,285,810)	(22,597,667)	(63,004,390)	(92,991,598)
1,781	64,957	4,000	49,590	1,304,410	4,850
3,500,000	-	-	-	-	-
490,971	2,195,170	1,509,478	7,995,210	19,449,833	8,936,812
20,000,000	28,570,000	29,250,000	94,300,000	130,000,000	180,387,500
29,050,000	-	-	-	-	-
(31,295,797)	-	-	-	-	(20,689,000)
8,749,423	9,531,766	10,339,922	10,330,031	17,469,359	13,353,513
(8,746,472)	(9,539,670)	(10,336,040)	(10,315,045)	(17,492,978)	(13,374,458)
21,749,906	30,822,223	30,767,360	102,359,786	150,730,624	168,619,217
-	-	-	-	-	-
\$ 2,781,474	\$ 4,841,709	\$ 481,550	\$ 79,762,119	\$ 87,726,234	\$ 75,627,619
18%	18%	19%	20%	18%	19%

BEAUFORT COUNTY SCHOOL DISTRICT

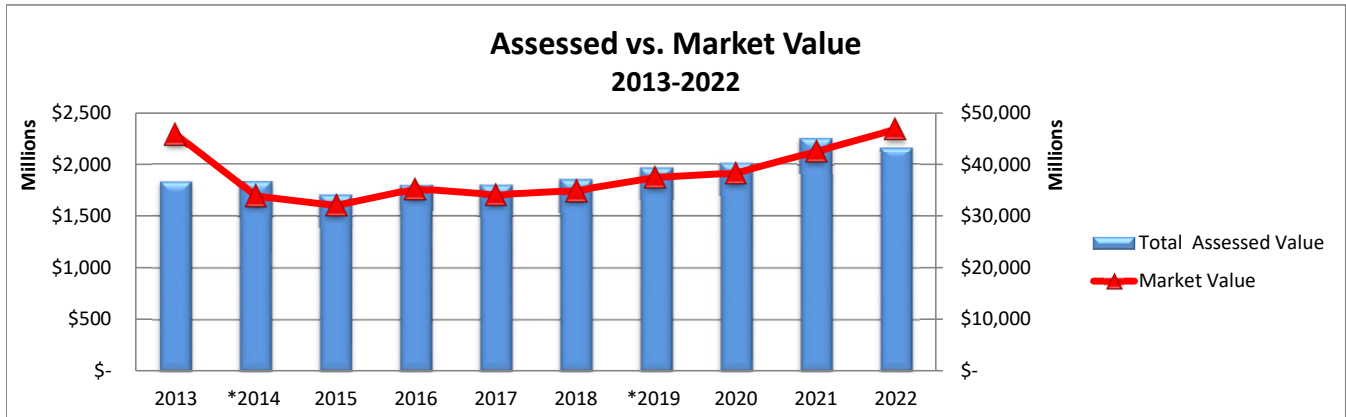
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY LAST TEN FISCAL YEARS (UNAUDITED)

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				
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%
2022	2021	1,916,321,610	251,151,020	2,167,472,630	157.9	46,804,017,170 **	4.6%

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 School District	Beaufort County	Other Districts
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
2022	2021	121.6	36.3	157.9	53.9	499.8

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

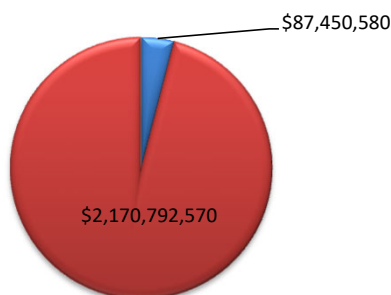
BEAUFORT COUNTY SCHOOL DISTRICT

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

Taxpayer	2022			2013		
	Taxable Assessed Value	Rank	Percentage of Total Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Assessed Value
Dominion Energy South Carolina	\$ 26,802,040	1	1.45%	N/A		N/A
Marriott Ownership Resorts, Inc.	16,887,220	2	0.91%	\$ 20,437,270	1	1.12%
Palmetto Electric Coop, Inc.	11,031,900	3	0.59%	10,110,690	3	0.55%
Bluffton Telephone Company	6,657,340	4	0.36%	2,460,000	6	0.13%
Columbia Properties Hilton Head	4,880,580	5	0.26%	4,540,030	4	0.25%
Hargray Telephone Company	5,112,420	6	0.28%	2,923,390	9	0.16%
SCG Hilton Head Property LLC	4,335,720	7	0.23%	N/A	5	N/A
Passco One Hampton DST.	3,665,340	8	0.20%	N/A		N/A
Sea Pines Resort	5,082,790	9	0.27%	3,719,950	8	0.20%
Shelter Cove II LLC	2,995,230	10	0.16%	N/A		N/A
Greenwood Development Corp.	N/A		N/A	2,837,830	7	0.15%
COROC/Hilton Head	N/A		N/A	2,131,240	10	0.12%
South Carolina Electric & Gas	N/A		N/A	20,381,990	2	1.11%
Total	\$ 87,450,580		4.71%	\$ 69,542,390		3.79%

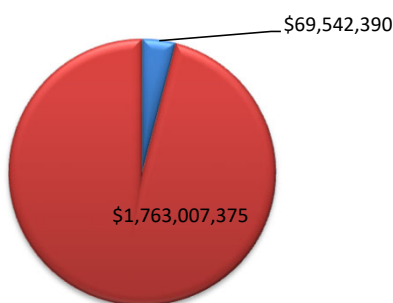
Source: Beaufort County Auditor

Taxable Assessed Value - Fiscal Year 2022



■ Ten largest Taxpayers Taxable Assessed Value
■ Remaining Taxable Assessed Value

Taxable Assessed Value - Fiscal Year 2013



■ Ten largest Taxpayers Taxable Assessed Value
■ Remaining Taxable Assessed Value

BEAUFORT COUNTY SCHOOL DISTRICT

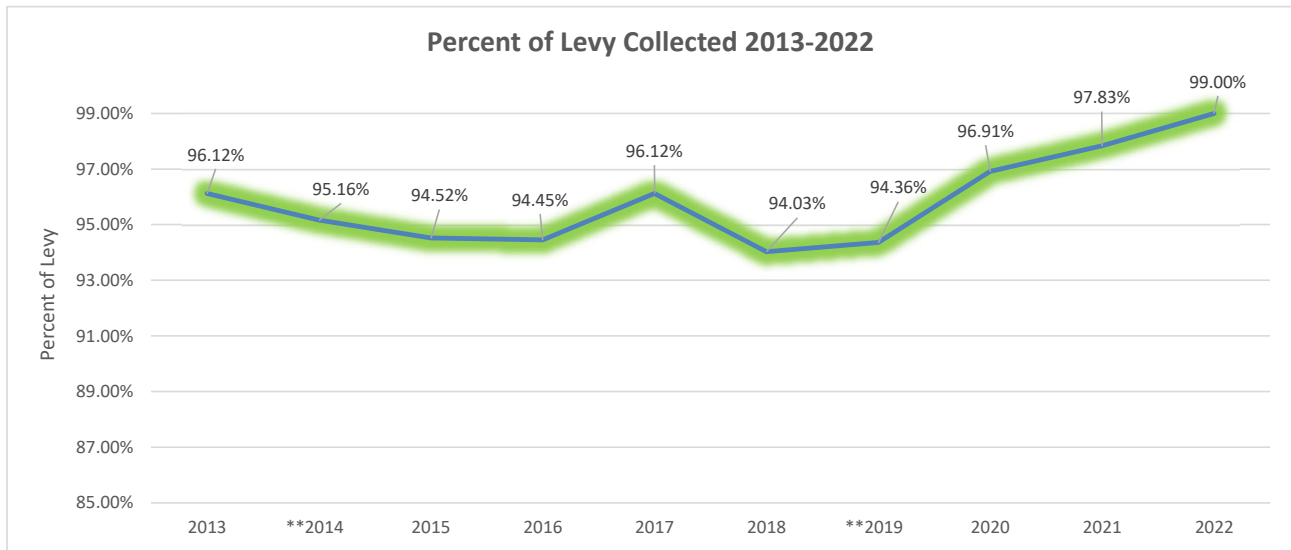
PROPERTY TAX LEVIES AND COLLECTIONS LAST TEN FISCAL YEARS (UNAUDITED)

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
2013	\$ 114,419,644	\$ 109,975,723	96.12%	\$ 3,127,422	\$ 113,103,145	98.85%
**2014	114,942,235	109,379,367	95.16%	5,064,150	114,443,517	99.57%
2015	121,822,183	115,145,623	94.52%	4,701,603	119,847,226	98.38%
2016	128,765,601	121,617,583	94.45%	2,659,288	124,276,871	96.51%
2017	137,766,145	132,422,893	96.12%	3,053,091	135,475,984	98.34%
2018	144,430,003	135,808,833	94.03%	5,578,708	141,387,541	97.89%
**2019	138,394,227	130,583,688	94.36%	2,642,023	133,225,711	96.27%
2020	152,537,494	147,826,820	96.91%	2,066,434	149,893,254	98.27%
2021	155,247,591	151,886,449	97.83%	2,071,940	153,958,389	99.17%
2022	169,144,681	167,458,373	99.00%	801,834	168,260,207	99.48%

Source: Beaufort County Treasurer/Beaufort County Auditor

* Not Available

** Reassessment



BEAUFORT COUNTY SCHOOL DISTRICT

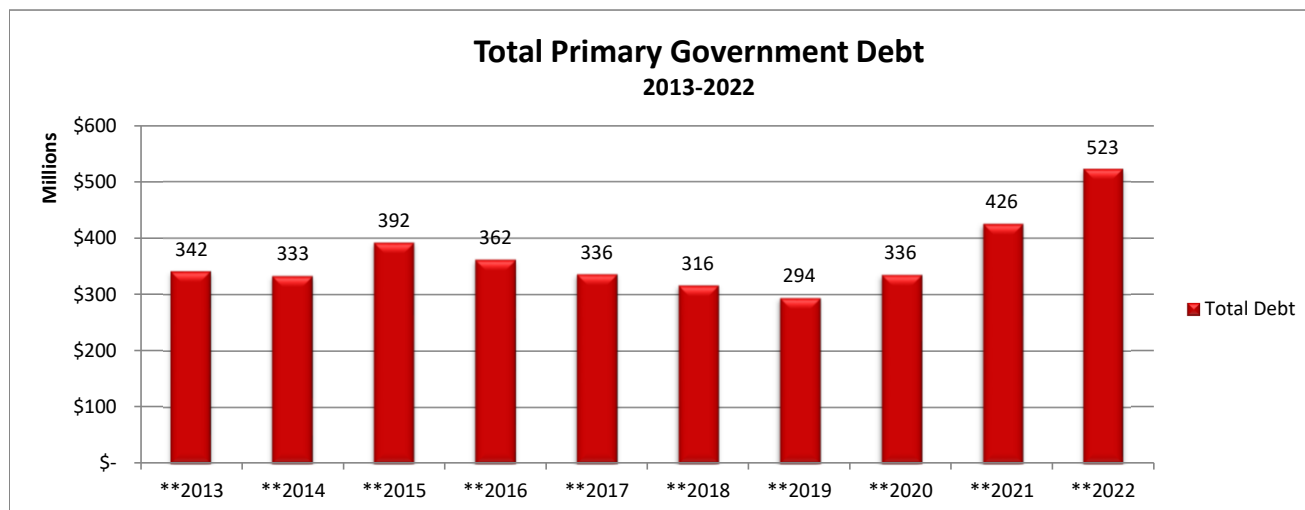
RATIOS OF OUTSTANDING DEBT BY TYPE LAST TEN FISCAL YEARS (UNAUDITED)

Fiscal Year	Governmental Activities			Total Primary Government
	General Obligation Bonds	Other Bonds/Notes	Capital Leases	
**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
**2022	506,250,519	16,975,000	-	523,225,519

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
2.27%	\$ 2,033
2.43%	1,940
2.29%	2,284
2.53%	2,018
2.99%	1,837
3.38%	1,675
3.62%	1,532
3.42%	1,747
2.83%	2,275
2.41%	2,729

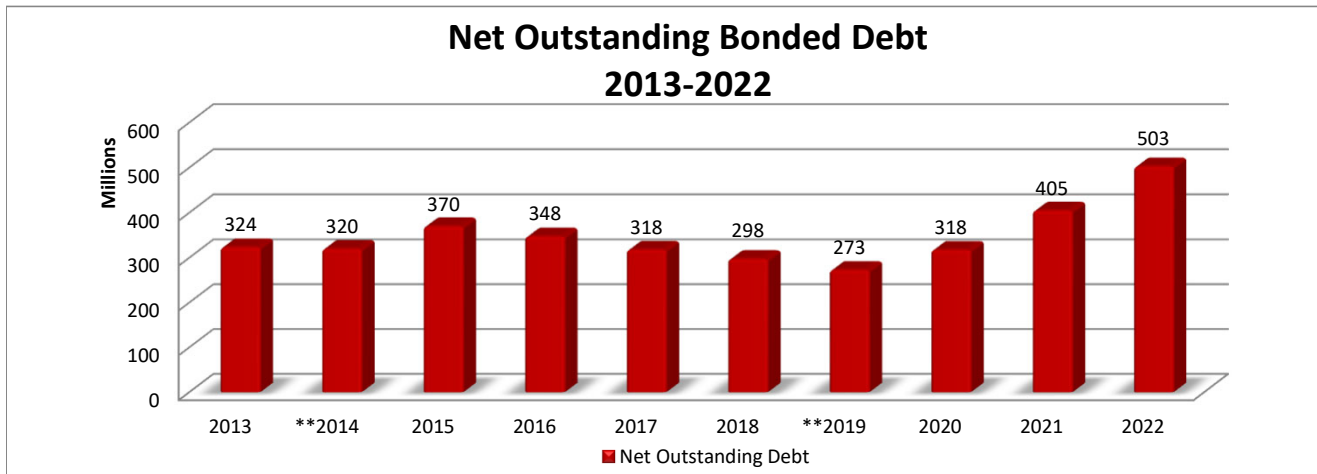
BEAUFORT COUNTY SCHOOL DISTRICT

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
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
2022	191,748	523,225,519	20,347,174	502,878,345	2,167,472,630

Source: District records
Beaufort County Treasurer

** Reassessment



Percentage of Estimated Actual Taxable Value of Property		Per Capita
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
23.2%		2,623

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	\$ 186,534,853	100.00%	\$ 186,534,853
City of Beaufort	24,205,383	100.00%	24,205,383
Town of Bluffton	11,815,300	100.00%	11,815,300
Town of Hilton Head	109,554,935	100.00%	109,554,935
Town of Port Royal	144,708	100.00%	144,708
* Broad Creek PSD	-	-	-
* Fripp Island PSD	-	-	-
Hilton Head #1 PSD	7,295,000	100.00%	7,295,000
* Burton Fire	-	100.00%	-
* Bluffton Fire	-	100.00%	-
* Lady Island/St. Helena Fire	-	100.00%	-
* Sheldon Fire	-	100.00%	-
Subtotal, overlapping debt	339,550,179		339,550,179
Beaufort County School District Direct Debt			523,225,519
Total direct and overlapping			\$ 862,775,698

Source: Finance Department of each entity

* Data not available.

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.

BEAUFORT COUNTY SCHOOL DISTRICT

LEGAL DEBT MARGIN LAST TEN FISCAL YEARS (UNAUDITED)

	Fiscal Year			
	2013	2014	2015	2016
Debt Limit	\$ 146,630,981	\$ 133,569,888	\$ 136,462,413	\$ 144,392,133
Total net debt applicable to limit	53,104,621	32,037,621	93,377,621	88,025,621
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	36%	24%	68%	61%
Legal debt margin calculation				
Assessed value	<u>\$ 2,167,472,630</u>			
Debt limit (8% of assessed value)	<u>173,397,810</u>			
Debt applicable to limit:				
Total bonded debt	487,466,700			
Less: Bond issuances				
approved by referendum	(430,690,640)			
Less: Installment Purchase Revenue Bond	<u>(16,975,000)</u>			
Total net debt applicable to limit	<u>39,801,060</u>			
Legal debt margin	<u>\$ 133,596,750</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, 2022.

2017	2018	2019	2020	2021	2022
\$ 145,451,525	\$ 148,345,758	\$ 157,550,147	\$ 161,211,274	\$ 180,421,931	\$ 173,397,810
90,015,621	97,058,621	102,963,621	79,612,110	54,204,000	39,801,060
<u>\$ 56,366,512</u>	<u>\$ 55,435,904</u>	<u>\$ 54,586,526</u>	<u>\$ 81,599,163</u>	<u>\$ 81,599,163</u>	<u>\$ 133,596,750</u>
62%	65%	65%	49%	30%	23%

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
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	59,318	47.2	92.9%
2020	187,117	11,469,898	61,298	**	92.8%
2021	191,748	12,054,622	62,867	40.2	92.0%
2022	194,164	12,602,020	64,904	**	**

* in thousands

** Data not available

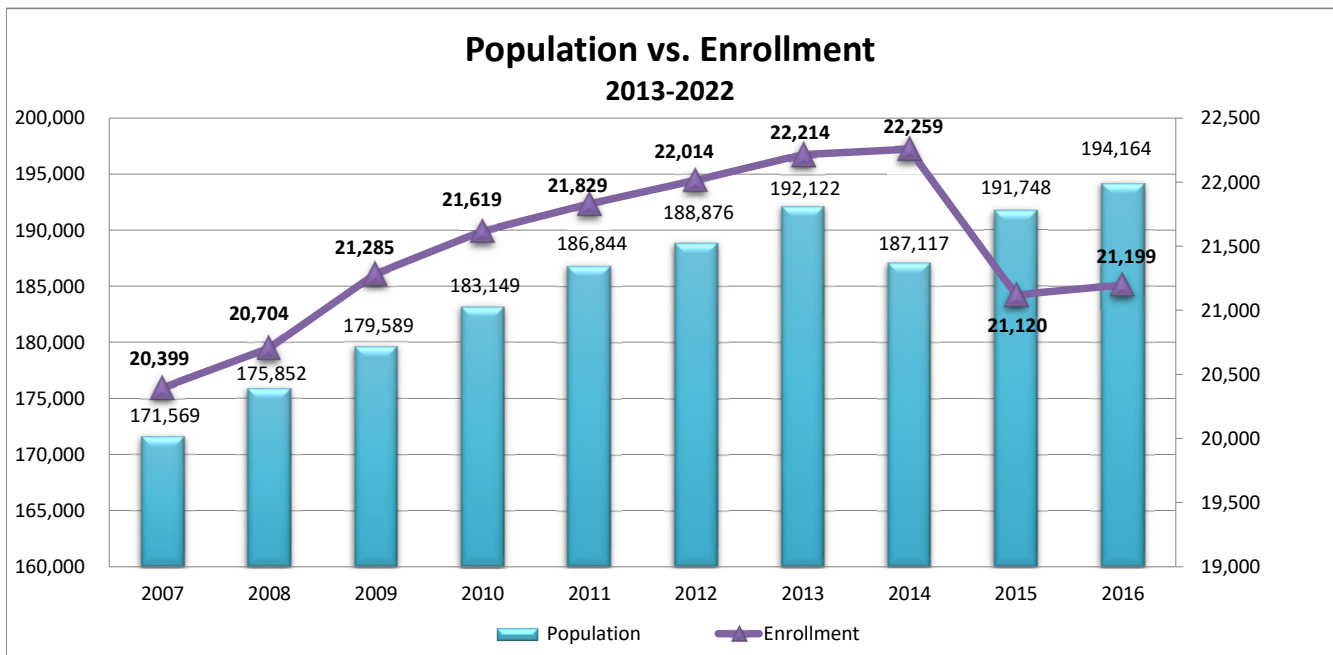
Population: U.S. Census 2021 Demographic Data Map/Estimated 2022.

Per Capita Income and Personal Income provided by the U.S. Department of Commerce, Bureau of Economic Analysis/Estimated 2021 and 2022.

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, 2022.

Live births provided by South Carolina Department of Health and Environmental Control.



School Enrollment	Unemployment Rate	Live Births
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%	**
21,199	3.20%	**

BEAUFORT COUNTY SCHOOL DISTRICT

PRINCIPAL EMPLOYERS CURRENT YEAR AND NINE YEARS AGO (UNAUDITED)

Employer (Listed Alphabetically)	2022			2013		
	Employees	Rank	Percentage of Total County Employment*	Employees	Rank	Percentage of Total County Employment
Beaufort County School District	2,986	*	*	2,286	*	*
Beaufort Memorial Hospital	*	*	*	*	*	*
Carecore National, LLC	*	*	*	*	*	*
County of Beaufort	*	*	*	*	*	*
Department of Defense	*	*	*	*	*	*
Evicore Healthcare MSI, LLC	*	*	*	*	*	*
Gregory M Parker, Inc	*	*	*	*	*	*
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	*	*	*	*	*	*
Sitel Operating Corporation	*	*	*	*	*	*
Tenet Physician Services of Hilton Head	*	*	*	*	*	*
The Greenery, Inc.	*	*	*	*	*	*
The Kroger Company	*	*	*	*	*	*
University of SC	*	*	*	*	*	*
Wal-Mart Associates, Inc.	*	*	*	*	*	*

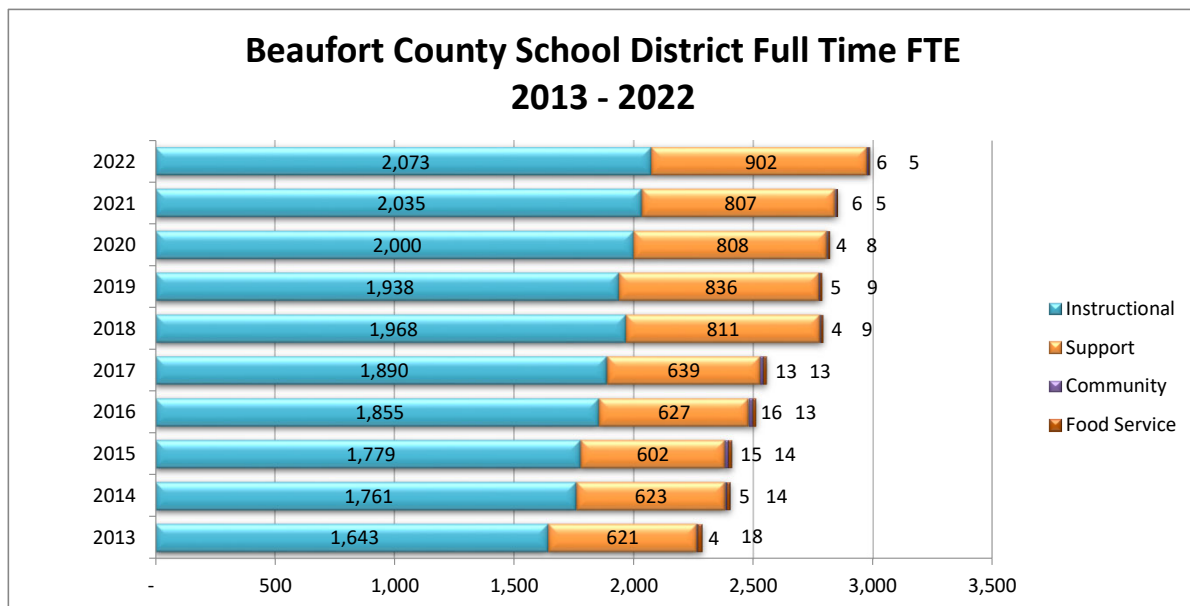
*Specific information related to those employers was deemed confidential by the South Carolina Department of Employment and Workforce - 2021 Q4.

BEAUFORT COUNTY SCHOOL DISTRICT

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

Function	Fiscal Year			
	2013	2014	2015	2016
Governmental activities				
Instruction	1,643	1,761	1,779	1,855
Support services	621	623	602	627
Community services	4	5	15	16
Business-type activities				
Food services	18	14	14	13
Total	2,286	2,403	2,410	2,511

Source: District Finance Department



Fiscal Year					
2017	2018	2019	2020	2021	2022
1,890	1,968	1,938	2,000	2,035	2,073
639	811	836	808	807	902
13	4	5	4	6	6
13	9	9	8	5	5
2,555	2,792	2,788	2,820	2,853	2,986

BEAUFORT COUNTY SCHOOL DISTRICT

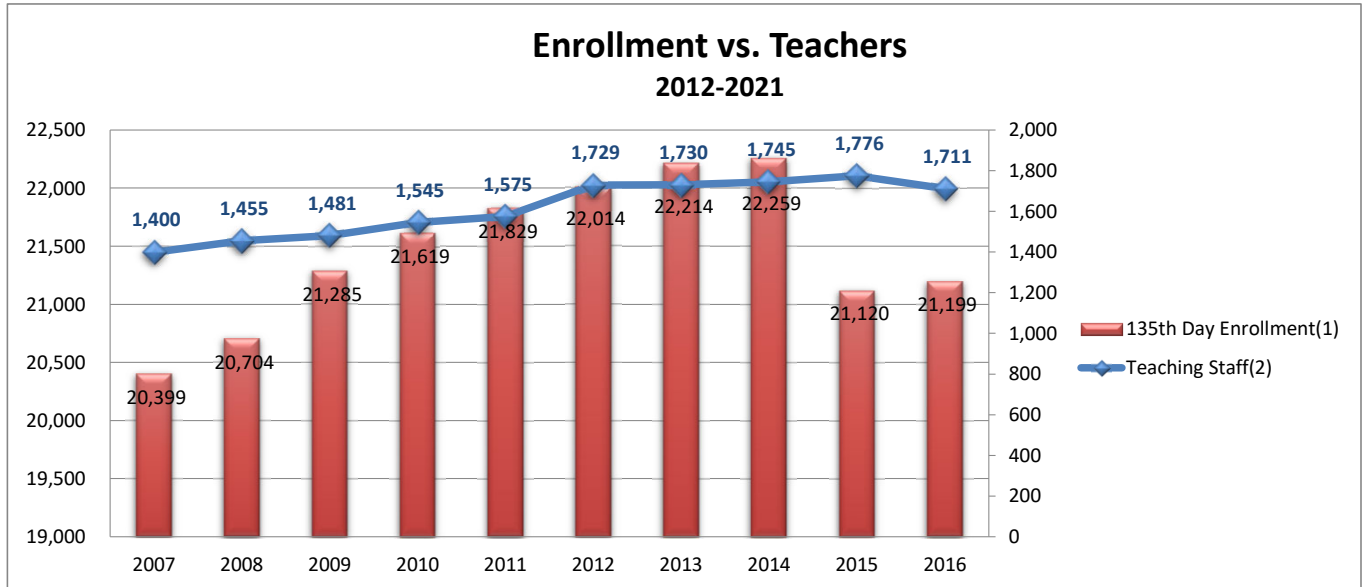
OPERATING STATISTICS LAST TEN FISCAL YEARS (UNAUDITED)

Fiscal Year	General Fund Expenditures ⁽¹⁾	135th Day Enrollment ⁽¹⁾	Cost per Pupil ⁽¹⁾	Percentage Change	Teaching Staff ⁽²⁾	Pupil/Teacher Ratio ⁽²⁾
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	4%	1,730	13.9 to 1
2020	242,679,136	22,259	10,903	2%	1,745	*
2021	252,409,092	21,120	11,951	10%	1,776	22.4 to 1
2022	273,747,783	21,199	12,913	8%	1,711	22.6 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⁾
96.5%	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%
90.0%	83.5%

BEAUFORT COUNTY SCHOOL DISTRICT

TEACHER SALARIES LAST TEN FISCAL YEARS (UNAUDITED)

Fiscal Year	Minimum Salary ⁽¹⁾	Maximum Salary ⁽¹⁾	District Average Salary ⁽¹⁾	Statewide Average Salary ⁽²⁾	Percentage of Expenditures for Teacher Salaries ⁽²⁾
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%
2022	39,066	89,647	56,357	53,081	54.6%

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⁾
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%
9.1	91.6%

BEAUFORT COUNTY SCHOOL DISTRICT

SCHOOL BUILDING INFORMATION LAST TEN FISCAL YEARS

	Fiscal Year			
	2013	2014	2015	2016
Hilton Head Island Early Child Center (2006)				
Expanded (2016)				
Square feet	74,732	74,732	74,732	80,732
Capacity (students)	454	454	454	454
Enrollment	463	454	450	423
Beaufort Elementary School (1986)				
Square feet	106,537	106,537	106,537	106,537
Capacity (students)	867	867	867	867
Enrollment	672	617	542	519
Coosa Elementary School (1998)				
Square feet	70,337	70,337	70,337	70,337
Capacity (students)	576	576	576	576
Enrollment	474	465	480	473
Lady's Island Elementary (1963)				
Square feet	57,943	57,943	57,943	57,943
Capacity (students)	485	485	485	485
Enrollment	303	285	316	337
Mossy Oaks Elementary (1962)				
Square feet	62,098	62,098	62,098	62,098
Capacity (students)	493	493	493	493
Enrollment	436	430	405	404
Port Royal Elementary (1911)				
Square feet	49,151	49,151	49,151	49,151
Capacity (students)	306	306	306	306
Enrollment	280	222	231	214
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	463	429	441	434
Broad River Elementary (1957)				
Square feet	74,234	74,234	74,234	74,234
Capacity (students)	589	589	589	589
Enrollment	570	553	524	501
J. Shanklin Elementary (1994)				
Square feet	73,882	73,882	73,882	73,882
Capacity (students)	578	578	578	578
Enrollment	408	386	458	422
J.J. Davis Early Learning Center (1991)				
Square feet	65,045	65,045	65,045	65,045
Capacity (students)	512	512	512	512
Enrollment	171	85	98	178
Whale Branch Elementary (2000)				
Square feet	71,921	71,921	71,921	71,921
Capacity (students)	568	568	568	568
Enrollment	349	458	493	418

(Continued)

Fiscal Year					
2017	2018	2019	2020	2021	2022
80,732	80,732	80,732	80,732	80,732	80,732
454	454	454	454	454	454
426	434	418	377	343	368
106,537	106,537	106,537	106,537	106,537	106,537
867	867	867	867	867	867
486	495	476	473	373	346
70,337	70,337	70,337	70,337	70,337	70,337
576	576	576	576	576	576
500	527	497	512	436	436
57,943	57,943	57,943	57,943	57,943	57,943
485	485	485	485	485	485
340	337	298	266	222	220
62,098	62,098	62,098	62,098	62,098	62,098
493	493	493	493	493	493
429	424	413	383	341	364
49,151	49,151	49,151	49,151	49,151	49,151
306	306	306	306	306	306
212	204	225	208	171	162
118,482	118,482	118,482	118,482	118,482	118,482
819	819	819	819	819	819
431	396	391	350	353	334
74,234	74,234	74,234	74,234	74,234	74,234
589	589	589	589	589	589
493	488	560	500	450	445
73,882	73,882	73,882	73,882	73,882	73,882
578	578	578	578	578	578
384	371	393	394	409	435
65,045	65,045	65,045	65,045	65,045	65,045
512	512	512	512	512	512
170	161	172	143	111	93
71,921	71,921	71,921	71,921	71,921	71,921
568	568	568	568	568	568
383	356	317	316	275	252

BEAUFORT COUNTY SCHOOL DISTRICT

SCHOOL BUILDING INFORMATION LAST TEN FISCAL YEARS

	Fiscal Year			
	2013	2014	2015	2016
Daufuskie School (1935)				
Square feet	6,635	6,635	6,635	6,635
Capacity (students)	64	64	64	64
Enrollment	15	12	15	18
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	859	923	949	958
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	799	795	788	772
Bluffton Elementary (2000) ECC addition (2010)				
Square feet	128,237	128,237	128,237	128,237
Capacity (students)	946	946	946	946
Enrollment	637	728	832	617
Okatie Elementary (2004)				
Square feet	87,383	87,383	87,383	87,383
Capacity (students)	672	672	672	672
Enrollment	640	619	692	589
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	754	787	826	715
Red Cedar Elementary (2010)				
Square feet	97,000	97,000	97,000	97,000
Capacity (students)	764	764	764	764
Enrollment	824	778	780	698
Pritchardville Elementary (2011) mobiles in use				
Square feet	108,960	108,960	108,960	108,960
Capacity (students)	800	800	800	800
Enrollment	688	779	853	884
River Ridge Academy (2016) mobiles in use				
Square feet	-	-	143,742	143,742
Capacity (students)	-	-	1,013	1,013
Enrollment	-	-	-	952
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	631	616	559	533
** 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	733	734	536	522
Robert Smalls International Academy (1984)				
Square feet	148,619	148,619	148,619	148,619
Capacity (students)	1,087	1,087	1,087	1,087
Enrollment	618	611	745	713
Whale Branch Middle (2000)				
Square feet	112,512	112,512	112,512	112,512
Capacity (students)	864	864	864	864
Enrollment	400	396	415	401

(Continued)

Fiscal Year					
2017	2018	2019	2020	2021	2022
6,635	6,635	6,635	6,635	6,635	6,635
64	64	64	64	64	64
21	23	20	20	27	35
161,005	161,005	161,005	161,005	161,005	161,005
1,128	1,128	1,128	1,128	1,128	1,128
934	951	888	844	776	740
112,489	112,489	112,489	112,489	112,489	112,489
921	921	921	921	921	921
726	663	644	625	568	511
128,237	128,237	128,237	128,237	128,237	128,237
946	946	946	946	946	946
670	693	751	787	775	726
87,383	87,383	87,383	87,383	87,383	87,383
672	672	672	672	672	672
592	616	636	613	569	566
120,958	120,958	120,958	120,958	120,958	120,958
929	929	929	929	929	929
723	772	751	755	715	769
97,000	97,000	97,000	97,000	97,000	97,000
764	764	764	764	764	764
687	669	681	707	581	618
108,960	108,960	108,960	108,960	108,960	108,960
800	800	800	1,000	1,000	1,000
854	832	892	956	900	1,035
143,742	143,742	143,742	143,742	168,342	168,342
1,013	1,013	1,013	1,213	1,213	1,213
1,090	1,191	1,224	1,208	1,100	1,098
125,890	125,890	125,890	125,890	125,890	125,890
793	793	793	793	793	793
495	490	473	502	456	422
141,616	141,616	141,616	141,616	141,616	141,616
1,088	1,088	1,088	1,088	1,088	1,088
555	554	545	554	513	472
148,619	148,619	148,619	148,619	148,619	148,619
1,087	1,087	1,087	1,087	1,087	1,087
717	718	709	740	641	660
112,512	112,512	112,512	112,512	112,512	112,512
864	864	864	864	864	864
386	367	355	350	359	334

BEAUFORT COUNTY SCHOOL DISTRICT

SCHOOL BUILDING INFORMATION LAST TEN FISCAL YEARS

	Fiscal Year			
	2013	2014	2015	2016
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	945	976	989	977
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	925	976	1,121	1,074
Bluffton Middle (2011)				
Square feet	142,711	142,711	142,711	142,711
Capacity (students)	1,035	1,035	1,035	1,035
Enrollment	1,010	1,096	1,038	932
Beaufort High (2000)				
Square feet	217,234	217,234	217,234	217,234
Capacity (students)	1,595	1,595	1,595	1,595
Enrollment	1,363	1,328	1,338	1,305
Battery Creek High (1992) Cate Expansion (2016)				
Square feet	216,755	216,755	216,755	230,755
Capacity (students)	1,585	1,585	1,585	1,585
Enrollment	748	766	807	845
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	1,188	1,254	1,267	1,286
Bluffton High (2005)				
Square feet	218,418	218,418	218,418	218,418
Capacity (students)	1,434	1,434	1,434	1,434
Enrollment	1,095	1,126	1,253	1,392
Whale Branch Early College High (2011)				
Square feet	124,000	124,000	124,000	124,000
Capacity (students)	611	611	611	611
Enrollment	485	532	517	479
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)	-	-	-	150
Enrollment	-	-	-	70
Riverview Charter School (2010) Addition (2017)				
Square feet	70,724	70,724	70,724	70,724
Capacity (students)	536	536	536	536
Enrollment	453	488	527	564
(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					
2017	2018	2019	2020	2021	2022
131,188	131,188	131,188	131,188	131,188	131,188
1,007	1,007	1,007	1,007	1,007	1,007
1,012	990	1,018	954	874	837
148,460	148,460	148,460	148,460	148,460	148,460
909	909	909	1,009	1,009	1,009
661	743	806	908	939	945
142,711	142,711	142,711	142,711	142,711	142,711
1,035	1,035	1,035	1,035	1,035	1,035
773	772	801	860	841	879
217,234	217,234	217,234	217,234	217,234	217,234
1,595	1,595	1,595	1,595	1,595	1,595
1,301	1,295	1,303	1,239	1,173	1,136
230,755	230,755	230,755	230,755	230,755	230,755
1,585	1,585	1,585	1,585	1,585	1,585
817	752	721	725	754	756
173,498	173,498	173,498	173,498	173,498	173,498
1,382	1,382	1,382	1,382	1,382	1,382
1,259	1,249	1,229	1,287	1,298	1,301
218,418	218,418	218,418	218,418	218,418	218,418
1,434	1,434	1,434	1,434	1,434	1,434
1,201	1,128	1,168	1,168	1,231	1,270
124,000	124,000	124,000	124,000	124,000	124,000
611	611	611	611	611	611
497	445	442	430	424	416
238,616	238,616	238,616	238,616	275,497	275,497
1,400	1,400	1,400	1,520	1,520	1,520
947	1,200	1,343	1,413	1,444	1,533
-	-	-	-	-	-
150	150	-	-	-	-
57	70	-	-	-	-
93,024	93,024	93,024	93,024	93,024	93,024
760	760	760	760	760	760
600	638	654	692	678	685

BEAUFORT COUNTY SCHOOL DISTRICT

MISCELLANEOUS STATISTICS

JUNE 30, 2022

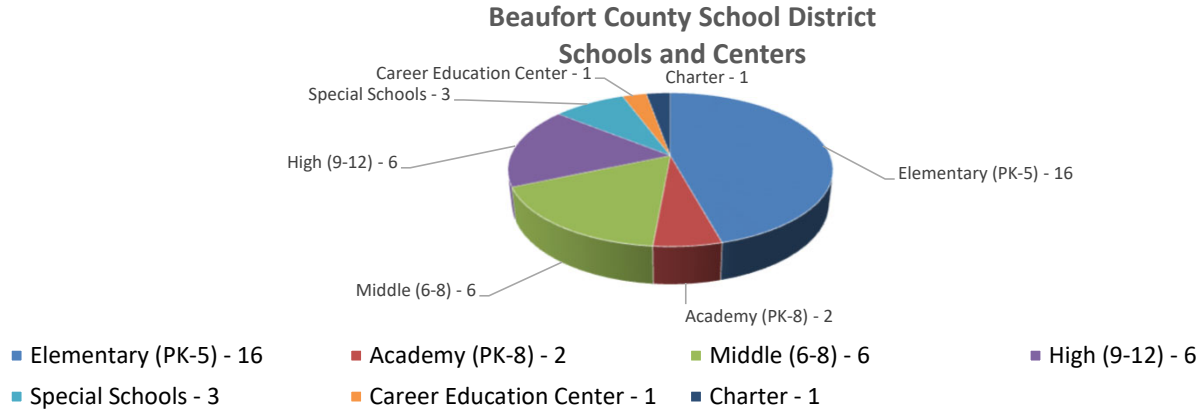
(UNAUDITED)

Beaufort County was created by the Legislative Act in 1785.

Area: 588 square miles

Form of County Government: County Council consisting of 11 elected members with an appointed full-time County Administrator.

Board of Education: Consisting of 11 elected members with an appointed Superintendent.



Accreditation:

State of South Carolina - All schools accredited

Southern Association of Schools and Colleges - All schools accredited

135th Day Enrollment: 21,199

Number of Full-Time Employees:

Teachers	1,711
Others	1,275

Average Bi-Weekly Payroll: \$6,797,100

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 Members of the Board of Trustees
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, 2022, 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 December 1, 2022. Our report includes a reference to other auditors who audited the 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.

Report on 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 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.

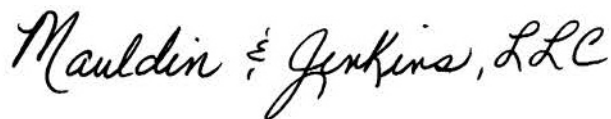
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not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

Report on 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 signature is written in a cursive, flowing style.

Savannah, Georgia
December 1, 2022



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

To the Members of the Board of Trustees
Beaufort County School District
Beaufort, South Carolina

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the **Beaufort County School District's** (the "School District") compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the School District's major federal programs for the year ended June 30, 2022. 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.

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 major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

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* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

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

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

Report on 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that have not been identified.

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

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
December 1, 2022

BEAUFORT COUNTY SCHOOL DISTRICT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

LEA Subfund Fund Code	Fed. Grantor/Pass-Through Grantor/Program Title	Federal AL 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	\$ -	\$ 844,805
600	School Breakfast Program	10.553	N/A	-	3,317,196
600	School Lunch Program	10.555	N/A	-	10,298,877
600	Summer Feeding Program	10.559	N/A	-	277,728
600	COVID-19 Supply Chain Assistance Fund	10.555	N/A	-	390,887
600	COVID-19 Child Nutrition Emergency Operational Costs				
	Reimbursement Program	10.568	N/A	-	403,765
600	Fresh Fruits and Vegetable Grant	10.582	N/A	-	31,363
	Total Child Nutrition Cluster			-	15,564,621
	Subtotal U.S. Department of Agriculture			-	15,564,621
Passed through S.C. Department of Social Services					
600	Child and Adult Care Food Program	10.558	5SC300329	-	345,357
600	Child and Adult Care Food Program	10.558	5SC300329	-	75,265
	Total U.S. Department of Agriculture			-	15,985,243
U.S. Department of Education					
Passed through S.C. Department of Education					
201	Title I - Current Year	84.010	H63010100122	-	5,502,284
202	Title I - Prior Year	84.010	H63010100121	-	2,404,536
202	Title I - Prior Year	84.010	H63010100120	-	52,191
237	Title I Targeted Support and Improvement ("ATSI")	84.010A	H63010100121	-	242,675
237	Title I Targeted Support and Improvement ("ATSI")	84.010A	H63010100120	-	83,430
				-	8,285,116
Special Education ("IDEA") Cluster:					
203	Children with Disabilities IDEA	84.027	H63010100922	125,267	2,416,823
203	Children with Disabilities IDEA	84.027	H63010100921	-	2,052,269
203	Children with Disabilities IDEA - 19 Carryover	84.027	H63010100920	-	364,428
203	Children with Disabilities IDEA Supplemental	84.027	H63010100919	-	32,605
230	COVID-19 IDEA/ARP	84.027X	H63010ARP922	-	539,669
205	IDEA Preschool Grants Handicapped Capacity	84.173	H63010100822	-	177,184
205	IDEA Preschool Grants Handicapped Capacity	84.173	H63010100821	-	115,741
230	COVID-19 IDEA Preschool/ARP	84.173X	H63010ARP822	-	16,396
				125,267	5,715,115
Other Programs:					
100	Impact Aid	84.041	N/A	-	77,155
207	Occupational Education	84.048A	H63010107122	-	295,927
210	Title IV Student Support and Academic Enrichment	84.424A	H63010100322	-	169,975
210	Title IV Student Support and Academic Enrichment	84.424A	H63010100321	-	404,753
210	Title IV Student Support and Academic Enrichment	84.424A	H63010100320	-	69,721
218	COVID-19 American Rescue Plan (ARP/ESSER III)	84.425U	H63010497523	-	13,347,849
220	COVID-19 - Education Stabilization Fund - ESSER I	84.425D	H63010497520	-	659,853
225	COVID-19 - Education Stabilization Fund - ESSER II	84.425D	H63010497522	-	8,582,793
232	McKinney-Vento Homeless	84.196A	H63010108921	-	3,290
232	McKinney-Vento Homeless	84.196A	H63010108920	-	18,909
243	Adult Education	84.002	H63010101022	-	121,808
243	Adult Education - Institutionalized	84.002	H63010101022	-	28,000
243	Adult Education - Reverted Funds	84.002	H63010101022	-	14,170
243	Adult Education - Reverted Funds	84.002	H63010101021	-	9,143
264	Title III - Language Instr. for Limited English Proficient and Immigrant Students	84.365A	H63010006722	-	20,782
264	Title III - Language Instr. for Limited English Proficient and Immigrant Students	84.365A	H63010006721	-	233,704
264	Title III - FY20 Immigrant Grant	84.365A	H63010006720	-	17,594
264	Title III - FY19 Immigrant Grant	84.365A	H63010006719	-	6,841
267	Improving Teacher Quality	84.367	H63010006822	-	393,671
267	Improving Teacher Quality	84.367	H63010006821	-	435,543
267	Improving Teacher Quality	84.367A	H63010006820	-	74,097
293	Med-Tech 7	84.165A	S165A210048-21A	-	2,041,808
	Total Other Programs			-	27,027,386
	Total of U.S. Department of Education			125,267	41,027,617
Department of Health and Human Services					
Passed through S.C. Department of Education					
290	YRBS/YTS Administration	93.079	N/A	-	605
	Total Department of Health and Human Services			-	605

BEAUFORT COUNTY SCHOOL DISTRICT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

LEA Subfund Fund Code	Fed. Grantor/Pass-Through Grantor/Program Title	Federal AL Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
	U. S. Department of Defense Direct Program				
295	ROTC	12.000	N/A	\$ -	\$ 400,980
296	Military Connected Local Education Agencies for Academic & Supporting Programs	12.556	HE1254211005	-	39,089
	Total U.S. Department of Defense			-	440,069
	Federal Emergency Management Assistance				
100	FEMA Disaster Assistance	97.036	N/A	-	4,998
	Total Federal Emergency Management Assistance			-	4,998
	Federal Communications Commission				
808	Emergency Connectivity Fund	32.009	N/A	-	2,528,778
	Total Federal Communications Commission			-	2,528,778
	Total expenditures of federal awards			\$ 125,267	\$ 59,987,310

BEAUFORT COUNTY SCHOOL DISTRICT

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2022

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, 2022.

BEAUFORT COUNTY SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2022

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 X No

Significant deficiencies identified?

___ Yes X None Reported

Noncompliance material to financial statements noted?

___ Yes X No

Federal Awards

Internal control over major federal programs:

Material weaknesses identified?

___ Yes X No

Significant deficiencies identified?

___ Yes X 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 X No

Identification of major programs:

CFDA Number

84.165A

84.027/84.173

84.425D/84.425U

32.009

Name of Federal Program or Cluster

U.S. Department of Education – Passed Through S.C.

Department of Education

Med-Tech 7

Special Education ("IDEA") Cluster

COVID-19 - Education Stabilization Fund - ESSER I and II/

American Rescue Plan – ESSER III

Federal Communications Commission

Emergency Connectivity Fund

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

\$1,799,619

Auditee qualified as low-risk auditee?

X Yes ___ No

BEAUFORT COUNTY SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2022

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.