

ANNUAL COMPREHENSIVE FINANCIAL REPORT



Beaufort County School District | Beaufort, SC
Frank Rodriguez, Ph.D., Superintendent

FOR FISCAL YEAR ENDED JUNE 30, 2023

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**BEAUFORT COUNTY SCHOOL DISTRICT
BEAUFORT, SOUTH CAROLINA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED
JUNE 30, 2023**

Prepared by:
Beaufort County School District
Finance Department

INTRODUCTORY SECTION

BEAUFORT COUNTY SCHOOL DISTRICT

ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2023

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BEAUFORT COUNTY SCHOOL DISTRICT

BOARD OF EDUCATION AND ADMINISTRATION FOR THE YEAR ENDED JUNE 30, 2023

Administrative Office

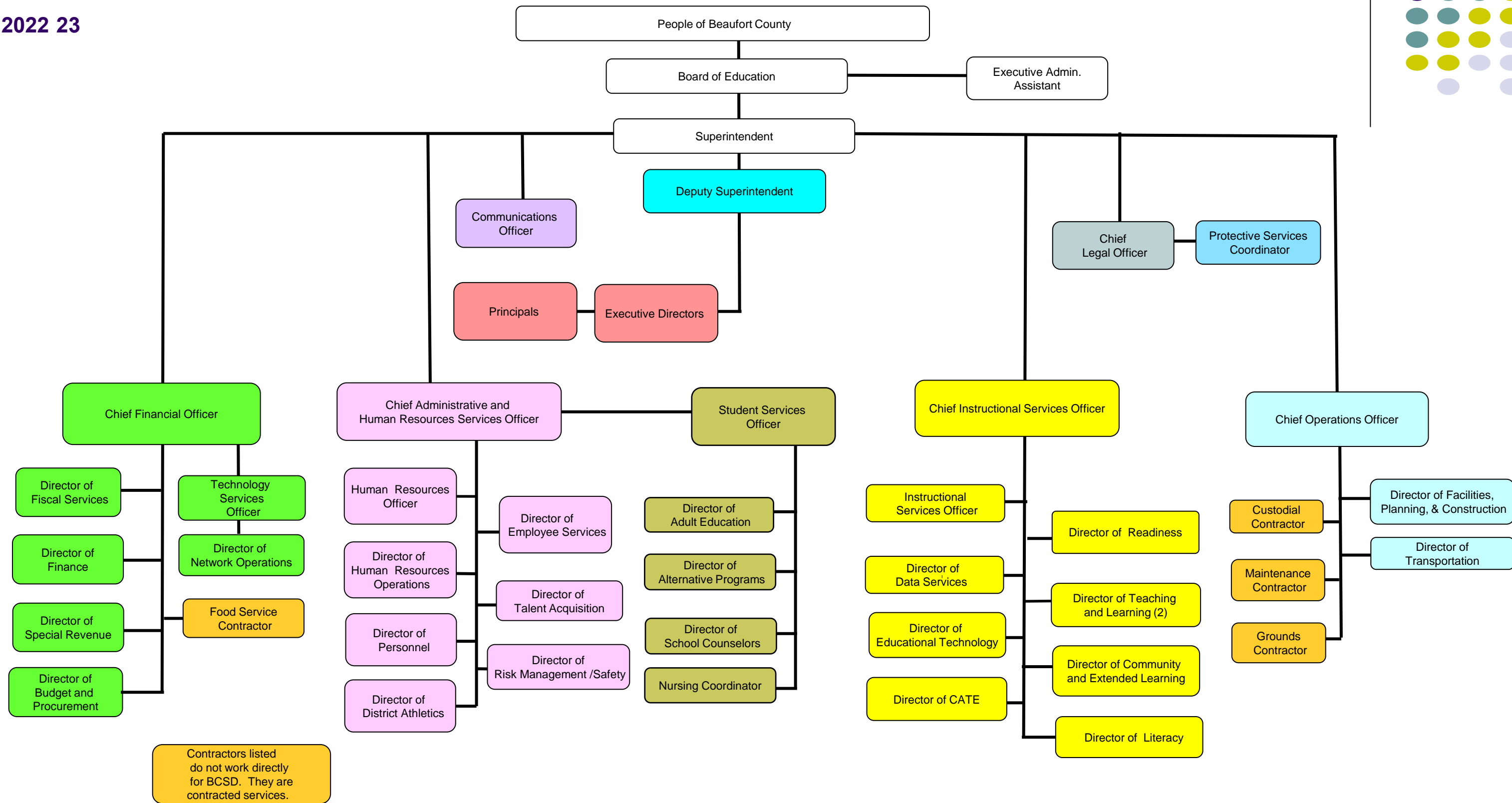
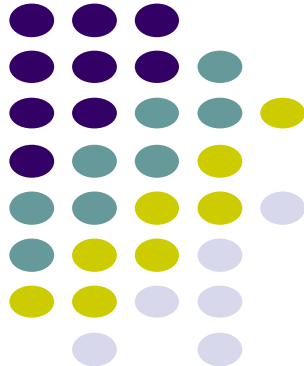
2900 Mink Point Boulevard
Beaufort, South Carolina 29902

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

Official Issuing Report

Ms. Tonya Crosby, CPA, CGFO, Chief Financial Officer





December 1, 2023

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

We are pleased to present the Annual Comprehensive Financial Report of the Beaufort County School District (BCSD) for the fiscal year ended June 30, 2023.

This report consists of management's representations concerning the finances of the 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 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 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 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 the 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. BCSD's MD&A can be found immediately following the report of independent auditors.

Relevant Financial Policies

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

Profile of the District

Beaufort County School District serves approximately 21,000 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 eleven members elected from single member districts. The chief executive officer is the Superintendent of Schools, Dr. Frank Rodriguez, appointed by and responsible to the Board. An updated organizational chart of the management of the District is included in the Introductory Section.

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

Factors Affecting Financial Conditions

Local Economy - The School District receives approximately 62% of its operating budget from Beaufort County property taxes. The remaining 38% is primarily received from the State - 45% of which is funded through sales tax reimbursement as a part of Act 388. The District's state support increased primarily due to a change in the state funding formula. The new formula combined Education Finance Act (EFA) funds and rolled up state EIA

funds into State Aid to Classrooms in the General Fund. The School District's state revenues in the General Fund increased by approximately \$3.9 million from the prior year. 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 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 in Beaufort and neighboring Jasper counties was \$2.3 billion and supported 19,060 jobs generating \$1.0 billion in labor income.

The most common industries in Beaufort are educational services (12.4%), health care (10.5%) and construction (10.4%). Tourism is also a 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." Beaufort County has rebounded quickly from the effects of the pandemic but residents and visitors continue to be effected by high costs of food, gasoline and materials due to inflation.

The county's unemployment rate at 3.3% is reported slightly above the State of South Carolina's rate of 3.1% as of June 2023. As of September 2023, Beaufort's rate improved to 2.5%, while the state's rate improved to 2.9%. The unemployment rate has continued to drop the past few years, with a pattern that mirrors pre-pandemic rates. 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 \$74,199 in 2021 dollars. This income level continually ranks the 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 USDA to expand from eleven to twenty-one Community Eligible Program (CEP) schools. Under this program, all students in these schools receive free breakfast and lunch meals. This program provides tremendous benefits to the District's highest poverty families by decreasing the 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 10% 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 District.

Major Initiatives – The top priority for FY 2023 was teacher recruitment and retention. The budget was developed with the intention of placing Beaufort's starting teacher salary at the highest in the state. The District implemented a 3% cost of living increase, a \$4,000 increase in salary and a step increase. These efforts allowed Beaufort to accomplish its goal, putting us \$500 above the next highest starting teacher salary in the state. This effort led to reductions in classroom vacancies across our 32 schools. The District also implemented a classified and administrative salary study, placing our compensation at more competitive rates. The investments we made in our employees made up \$19.5 million, which was 82% of our budget increases.

Enrollment – Enrollment on the 135th day of the 2022-2023 school year was reported at 21,395. This reflects an increase of 196 students over the prior year and an overall recovery of 24% of the students lost in the pandemic. The administration anticipates continued growth of about 1% per year, placing our enrollment projections for the 2023-2024 school year at 21,640.

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 6,769). This represents a growth of 80% over a thirteen-year period. Our school district currently has 37% Caucasian, 24% African American, 32% Hispanic and 7% other.

Accomplishments and Awards

Academic Achievements – The District continues to out-perform the state graduation rate of 84% with a 1-point increase from 86.2% for the Class of 2022 to 87.2% for the Class of 2023. That compares to 86.0% six years ago.

Showing the highest post-pandemic EOCEP scores, BCSD improved in all subject areas in comparison to previous years while also outperforming the state. BCSD also had the highest English scores in the district's history and a 98 percent middle school passing rate for Algebra 1.

Coosa Elementary, a nationally recognized Blue Ribbon School ranks in the top 5% of SC schools.

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 *thirty-three* 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.

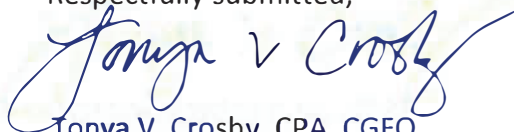
In addition to the award for excellence in financial reporting, the district has not had a negative finding in any of its annual independent audits in the past consecutive 22 years.

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 parents, 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, CGFO
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, 2022

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 Audit of 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, 2023 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, 2023 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, 2023. 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 12 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 ("MD&A") on pages 5 – 17, Schedule of the School District's Proportionate Share of the Net Pension Liability on pages 86 and 87, Schedule of the School District's Contributions – Pensions on pages 88 and 89, Schedule of the School District's Proportionate Share of the Net OPEB Liability on pages 90 and 91, Schedule of the School District's Contributions – OPEB on pages 92 and 93, and the Budgetary Comparison Schedules on pages 94 – 98 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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 Fund Financial Schedules, Detailed Schedule of Due to State Department of Education, Financial Analysis Model Location Reconciliation Schedule, 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 basic financial statements or to the basic 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 our report dated December 1, 2023 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, 2023

Beaufort County School District

Management's Discussion and Analysis

For the fiscal year ended June 30, 2023

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, 2023. 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, 2023, was \$19.6 million. This amount reflects an increase of \$55.9 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 \$463.9 million, other financing sources/(uses) totaled \$26.6 million, and expenditures totaled \$571.8 million for all Governmental Funds at the fund level. Fund balances decreased by \$81.4 million. This is largely attributable to the use of existing bond proceeds issued in prior years for the completion of major construction as we near the end of the 2019 referendum projects.

General Fund/Fund Balance - The School District's principal operating fund, the General Fund, had \$305.3 million in revenues and other financing sources and \$298.1 million in expenditures and other financing uses, generating a net increase in fund balance of \$7.2 million. This resulted in the General Fund's fund balance increasing from \$57.1 million to \$64.3 million, or 20.1% of budgeted FY 2024 General Fund expenditures.

General Fund Budget - Local tax collections were \$8,275,473 more than the amount budgeted, and total local sources of revenues were \$10,047,287 more than the budgeted amount. State revenues in the General Fund were \$4,294,506 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 \$7.2 million.

Debt - The School District sold \$25 million of long-term general obligation bonds in FY 2023. New bonds were issued to fund the 8% projects for repair and maintenance of School District facilities. The fund balance of the Debt Service Fund decreased by \$2.3 million to a total of \$18.0 million.

Major Capital Additions - The School District's capital assets for governmental activities increased by \$94.6 million, or 14.9%. 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, 2023

Proprietary Funds - The Enterprise Fund, the School District's Food Service Fund, ended the year with an increase in net position of \$757,518. This increase is primarily due to an decrease in program expenses. The Internal Service Fund, used as an Insurance Reserve Fund, had an increase in fund balance of \$53,859 to a net position of \$1,576,462. 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 ("MD&A") (this section), the basic financial statements, and required supplementary information. This MD&A is intended to serve as an introduction to the School District's basic financial statements. The School District's basic financial statements consist of three parts: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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

The government-wide financial statements include not only the School District itself (known as the primary government) but also the component unit Riverview Charter School, a charter school sponsored by the School District. Financial information for the charter school is reported separately from the financial information presented for the primary government itself. Additional information on the School District's component unit can be found beginning on page 145.

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

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

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

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

Beaufort County School District

Management's Discussion and Analysis

For the fiscal year ended June 30, 2023

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 18-21 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 32-85.

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

Beaufort County School District

Management's Discussion and Analysis

For the fiscal year ended June 30, 2023

Government-Wide Financial Analysis

The condensed Statement of Net Position describes the financial position of the School District on June 30, 2023. In the case of the School District's Primary Government, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$19.6 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 \$58.7 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 \$3.4 million (0.8%) from a \$405.2 million deficit at June 30, 2022, to a \$408.6 million deficit at June 30, 2023. The primary cause of the decrease in Unrestricted Net Position is the increase in pension obligations. A summary of the School District's net position for 2023 compared to 2022 is presented below:

Condensed Statement of Net Position

	Governmental activities		Business-type activities		Total School District		Total Percent Change
	2022	2023	2022	2023	2022	2023	2022-2023
Current and other assets	\$ 409,524,884	\$ 319,894,749	\$ 9,728,800	\$ 8,863,083	\$ 419,253,684	\$ 328,365,661	-21.7%
Capital assets	636,954,825	730,999,061	1,924,768	2,478,224	638,879,593	733,477,285	14.8%
Total assets	1,046,479,709	1,050,893,810	11,653,568	11,341,307	1,058,133,277	1,061,842,946	0.4%
Deferred outflows of resources	141,244,747	146,302,640	335,643	349,564	141,580,390	146,652,204	3.6%
Current liabilities	133,282,307	120,607,026	1,587,016	521,945	134,869,323	121,031,297	-10.3%
Long-term liabilities	1,039,254,164	959,523,527	1,408,228	1,322,810	1,040,657,392	960,846,337	-7.7%
Total liabilities	1,172,536,471	1,080,130,553	2,995,244	1,844,755	1,175,526,715	1,081,877,634	-8.0%
Deferred inflows of resources	60,128,401	106,871,493	327,285	416,916	60,455,686	107,288,409	77.5%
Net position							
Net investment in capital assets	328,510,725	387,218,967	1,924,768	2,478,224	330,435,493	389,697,191	17.9%
Restricted for:							
Capital projects	10,758,936	13,830,854	-	-	10,758,936	13,830,854	28.6%
Debt service	17,722,677	13,791,653	-	-	17,722,677	13,791,653	-22.2%
Food services	-	-	6,746,914	6,950,976	6,746,914	6,950,976	3.0%
Student activities	3,239,214	3,906,368	-	-	3,239,214	3,906,368	20.6%
Unrestricted	(405,171,968)	(408,553,438)	-	-	(405,171,968)	(408,553,438)	0.8%
Total net position	\$ (44,940,416)	\$ 10,194,404	\$ 8,671,682	\$ 9,429,200	\$ (36,268,734)	\$ 19,623,604	-154.1%

Beaufort County School District

Management's Discussion and Analysis

For the fiscal year ended June 30, 2023

The following table presents a summary of the changes in net position for the fiscal year ended June 30, 2023:

Changes in Net Position							Total Percent Change
	Governmental activities		Business-type activities		Total School District		
	2022	2023	2022	2023	2022	2023	2022-2023
REVENUES							
Program revenues							
Charges for sales and services	\$ 1,678,987	\$ 1,716,733	33,604	\$ 1,307,793	\$ 1,712,591	\$ 3,024,526	76.6%
Operating grants and contributions	104,969,680	116,455,217	16,149,483	10,407,423	121,119,163	126,862,640	4.7%
General revenues							
Property taxes	245,049,579	270,493,654	-	-	245,049,579	270,493,654	10.4%
Federal and state formula aid	60,019,402	61,326,605	-	-	60,019,402	61,326,605	2.2%
Other	2,628,364	14,049,732	1,482	2,801	2,629,846	14,052,533	434.3%
Total revenues	414,346,012	464,041,941	16,184,569	11,718,017	430,530,581	475,759,958	10.4%
EXPENSES							
Instruction	219,361,434	235,021,980	-	-	219,361,434	235,021,980	7.1%
Support services	143,337,181	159,488,437	-	-	143,337,181	159,488,437	11.3%
Community services	602,003	963,084	-	-	602,003	963,084	60.0%
Interest and other charges	9,029,570	13,416,918	-	-	9,029,570	13,416,918	48.6%
Food service	-	-	12,694,133	10,977,201	12,694,133	10,977,201	-13.5%
Total expenses	372,330,188	408,890,419	12,694,133	10,977,201	385,024,321	419,867,620	9.0%
Excess before transfers	42,015,824	55,151,522	3,490,436	740,816	45,506,260	55,892,338	22.8%
Transfers	(20,945)	(16,702)	20,945	16,702	-	-	- %
Increase in net position	41,994,879	55,134,820	3,511,381	757,518	45,506,260	55,892,338	22.8%
Net position, beginning of year	(86,935,295)	(44,940,416)	5,160,301	8,671,682	(81,774,994)	(36,268,734)	-55.6%
Net position, beginning of year as restated	(86,935,295)	(44,940,416)	5,160,301	8,671,682	(81,774,994)	(36,268,734)	-55.6%
Net position, end of year	\$ (44,940,416)	\$ 10,194,404	\$ 8,671,682	\$ 9,429,200	\$ (36,268,734)	\$ 19,623,604	-154.1%
Component Unit:							
Charter School							
Expenses					\$ 11,449,382		
Operating grants and contributions					11,159,446		
Other general revenues					660,541		
Increase in net position					370,605		
Net position, beginning of year					(6,287,752)		
Net position, end of year					\$ (5,917,147)		

Governmental Activities. Governmental activities increased the School District's net position by \$55.1 million. Key elements of the increase are as follows:

Capital Assets increased by \$94.6 million due primarily to the \$90.5 million increase in construction in progress during the period.

Long-term liabilities outstanding decreased by \$79.8 million (7.7%). As 2019 referendum construction began coming to completion, the need for additional bond issuances decreased. The principal debt payments made decreased the outstanding debt while less bonds were issued as the referendum began winding down. The School District issued \$25.0 million to fund ongoing capital improvements, subject to the 8% limitation. Principal payments of \$70.5 million were made, representing a decrease of \$17.2 million from the prior year.

Beaufort County School District

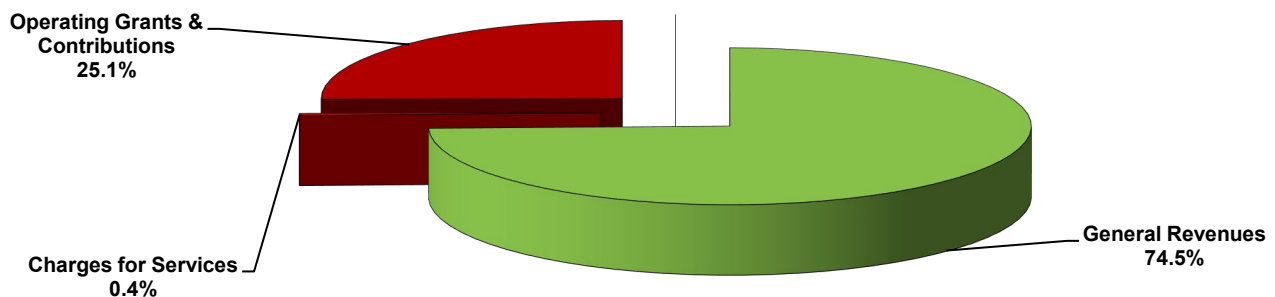
Management's Discussion and Analysis

For the fiscal year ended June 30, 2023

Beaufort County (the "County") is still considered one of the wealthiest counties in the state. The County's close proximity to the coast inherently causes property values to be higher than in other areas. An index of taxpaying ability has previously been used, however the state funding formula changed in fiscal year 2023. Despite the consolidation of multiple funds, the School District appears to have benefited from the new state funding formula.

The School District's dependence on local and state tax revenues for government activities is apparent as is demonstrated below. More than 74% 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.

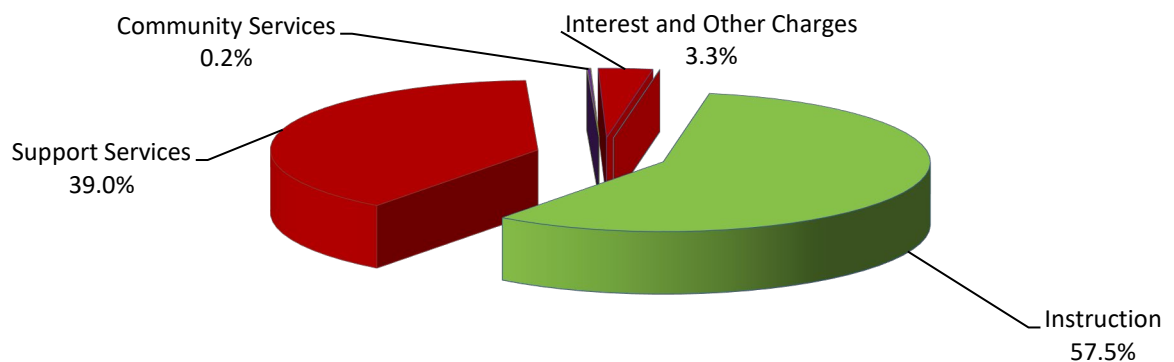
Revenues by Source - Governmental Activities



The total cost of governmental activity programs and services increased 9.8% to \$408.9 million. Instructional expenses increased \$15.7 million to \$235.0 million, and support expenses increased by \$16.1 million to \$159.5 million. Changes in instructional costs are attributable to a greater emphasis on recruiting and retaining instructional staff by increasing teacher's salaries and benefits.

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

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
	2022	2023	2022-2023	2022	2023	2022-2023
Instruction	\$ 219,361,434	\$ 235,021,980	7.1%	\$ 155,286,899	\$ 194,159,645	25.0%
Support services	143,337,181	159,488,437	11.3%	101,350,928	83,070,554	-18.0%
Community services	602,003	963,084	60.0%	14,124	71,352	405.2%
Interest and other charges	9,029,570	13,416,918	48.6%	9,029,570	13,416,918	48.6%
Total	\$ 372,330,188	\$ 408,890,419	9.8%	\$ 265,681,521	\$ 290,718,469	9.4%

The cost of all governmental activities this year was \$408.9 million.

The federal and state governments subsidized certain programs with grants and contributions (\$116.5 million).

Most of the School District's net costs (\$290.7 million), however, were financed by the School District and local taxpayers.

This portion of governmental activities was financed with \$270.5 million in property taxes, \$61.3 million from state and federal aid and \$14.1 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 an increase in classified and administrative salaries as a result of the implementation of a salary and compensation study.

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

Business Type Activities. The Net Position of business-type activities increased by \$757,518 from June 30, 2022 to June 30, 2023 to \$9.4 million. Key elements of the increase include:

Business-type expenses decreased by 13.5% to \$11.0 million due primarily to a return of students lunchroom service rather than classroom service meals that were a result of COVID. This decrease in expenses is also attributable to a change in vendor for student nutrition services.

Program Revenues – Charges for sales and service, which are primarily proceeds from meal sales, increased from \$33,604 to \$1,307,793 because of the change in USDA reimbursements in fiscal year 2023 when student nutrition programs were no longer funded to provide free meals for all students. The return to more normalized student payment of meals caused the increase in revenues.

Program Revenues – Operating Grants and Contributions, which are primarily federal reimbursements for meals served, decreased by 35.6% to \$10.4 million. Per the program revenue discussion, USDA reimbursements for meals decreased substantially.

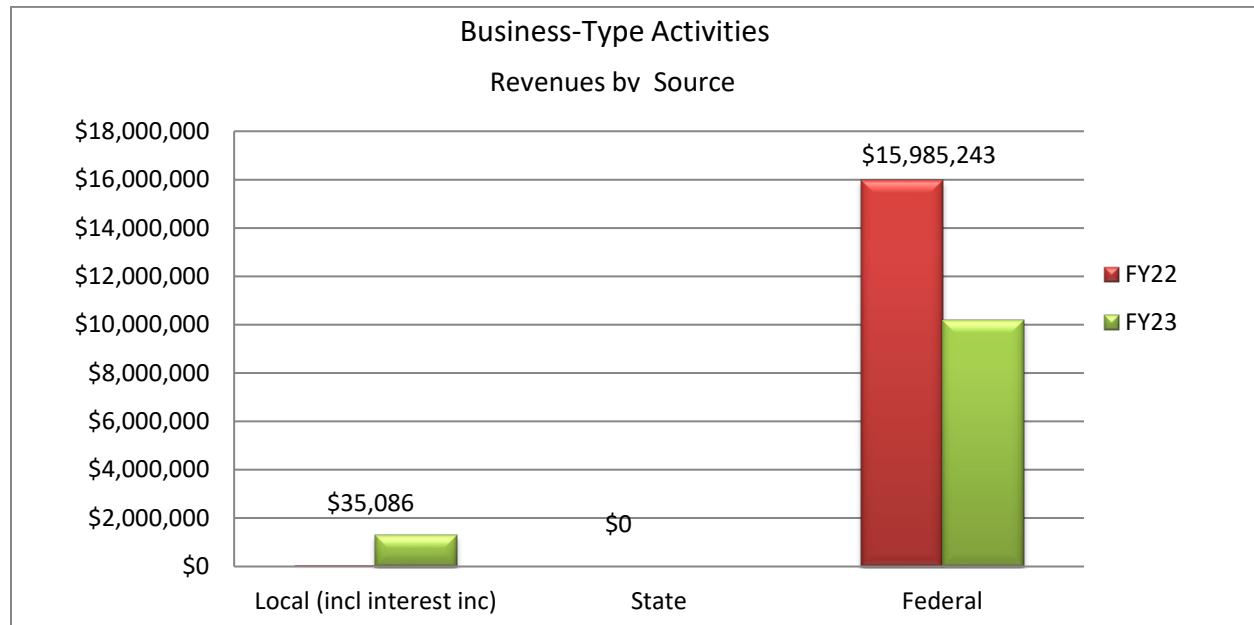
Beaufort County School District

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Food service operations produced a net gain of \$757,518 compared to the prior year's net gain of \$3.5 million. The decrease in net gain is attributed to a decrease in operating grants and contributions.

This operation receives no support from local property tax revenues. As demonstrated below, of the revenue received, 99.8% is from federal sources, representing a decrease of 28.2% of overall revenue from the prior year.



Financial Analysis of the School District's Funds

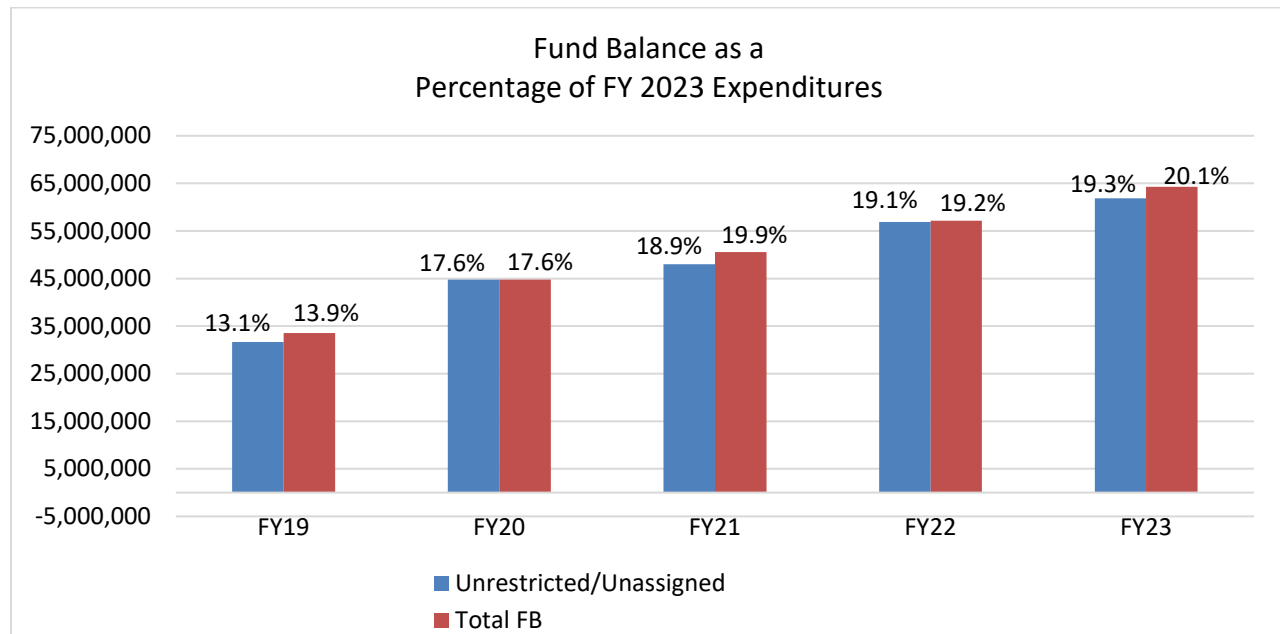
Governmental Funds. Information about the School District's major funds begins on page 94. These funds are accounted for using the modified accrual basis of accounting and include the following funds: General Fund, Special Projects, Special Projects-EIA, Special Projects-Pupil Activity Fund, Special 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 \$247.8 million - an \$81.4 million decrease from last year's ending fund balances. The net change in fund balance was most significant in the Capital Projects Fund (\$86.9 million decrease) and the General Fund (\$7.2 million increase). The Capital Projects Fund decrease is attributable to the execution and payment of multiple capital projects district-wide. The increased local tax collections is the primary reason 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

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For the fiscal year ended June 30, 2023



The graph above can be used to measure the overall financial health of the School District. The General Fund unassigned fund balance of \$61,831,155 at June 30, 2023 represents 19.3% of budgeted FY 2024 expenditures or approximately 70 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 2023, 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 \$7.2 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 \$6.6 million due to an allocation of COVID response funds, and total revenue for EIA funds decreased by \$4.9 million, 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 Educational Facilities Corporation ("EFC") Debt Service Fund. Both funds are used to account for the accumulation of funds for debt retirement. The debt millage rate remained at 36.3 mills in FY 2023, 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 decreased by \$2.3 million 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 \$2,819 to a total of \$2.3 million. 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

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Fund to the EFC Debt Service Fund. The amount of the short-term bonds issued are planned to equal the debt payments made from the EFC Debt Service Fund, so no material change in fund balance is expected.

The School District uses Capital Projects Funds to account for school construction and improvement projects which are primarily financed through bond referenda or 8% debt issues. The Capital Projects Fund balance decreased by \$86.9 million to a total of \$161.6 million. The relatively large change in fund balance is primarily due to the progress in the second phase of design and construction of the 2019 referendum projects and those subsequent payments for construction in progress. 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.

Fund balance in the Internal Service Fund increased from \$1,522,603 at June 30, 2022 to \$1,576,462 at June 30, 2023. This is the result of insurance proceeds recorded in FY 2023.

General Fund Budgetary Highlights

As always, the School District's budget was developed utilizing a long-term approach. It is essential to consider projected expenditures over the next five years, especially for a School District that has historically experienced an annual increase in enrollment.

The key revenue highlights for FY 2023 are as follows:

- Total actual property tax revenues for the General Fund of \$186.4 million were more than the final budgeted revenues of \$178.1 million. This \$8.3 million variance is primarily due to increased property values and taxes levied for tax year 2022 corresponding with an increase of 4.0 mills.
- State revenues exceeded the final budget by \$4.3 million primarily due to a change in the state funding formula.
- 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.

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For the fiscal year ended June 30, 2023

- A tax anticipation note ("TAN") in the amount of \$7.5 million was drawn down in the Fall of 2022 and repaid in January 2023. Since the fund balance is inadequate to support operational costs during periods of low revenue collections of local property taxes, the School District continued to be dependent on short-term borrowing. Once tax collections resume in January, the TAN is repaid.
- Prior to the GASB 87 lease entries, total spending in the General Fund was reported at 99.9% of the \$298.1 million budget. This represents under spending in the amount of \$304,407. Subsequent to the GASB 87 adjusting journal entries, capital outlay expenditures and other financing sources (lease revenue) were recorded in the amount of \$320,848, therefore, increasing total expenditures, resulting in a budget variance of (\$9,412).
- 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 \$2,378,301 from FY 2022 to FY 2023 due to increased local tax collections.

Capital Asset and Debt Administration

Capital Assets - At the end of fiscal year 2023, 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 \$4.0 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 \$26.6 million.

Capital Assets (net of accumulated depreciation)

	Governmental activities		Business-type activities		Percent Change 2022-2023
	2022	2023	2022	2023	
Land	\$ 41,269,484	\$ 42,174,169	\$ -	\$ -	2.2%
Improvements	135,082,615	132,581,788	-	-	-1.9%
Buildings	305,398,882	312,709,828	-	-	2.4%
Equipment	24,222,631	22,013,053	1,917,508	2,478,224	-6.3%
Lease equipment	557,431	644,364	-	-	15.6%
Construction/equipment in progress	130,423,782	220,875,859	7,260	-	69.3%
Total	\$ 636,954,825	\$ 730,999,061	\$ 1,924,768	\$ 2,478,224	14.8%

Capital expenditures consisted primarily of the completion of renovations of Battery Creek High School and Beaufort Elementary School, construction of a replacement facility for Robert Smalls Leadership Academy, safety and security upgrades to all facilities, design of upcoming referendum projects, as well as minor renovations and preventative maintenance of existing facilities. The new facilities and renovations were funded using 2019 referendum general obligation bonds issued in prior fiscal years. The School District also continues to develop and update an annual five-year capital improvement plan to cover the School District's prioritized capital renewal and new construction needs. Project priorities include the health and safety of children and staff, asset preservation, the adequacy of facilities for effective learning, the reduction of school overcrowding, and the completion of phased renovations and building modifications.

Long-Term Debt - At year-end, the School District had \$442,231,600 in bonds outstanding (excluding short-term debt obligations, deferred charges and unamortized premiums), a decrease of \$45.0 million. The School District did not issue referendum bonds as the projects and the 2019 referendum projects are

Beaufort County School District

Management's Discussion and Analysis

For the fiscal year ended June 30, 2023

near completion. More detailed information about long-term debt can be found in Note 7 of the financial statements.

Outstanding Long-Term Debt

	2022	2023	Percent Change 2022-2023
General obligation debt related to referenda	\$ 430,690,640	\$ 385,389,100	-10.5%
General obligation debt subject to 8%	39,801,060	42,308,500	6.3%
Installment purchase revenue bonds	16,975,000	14,765,000	-13.0%
Lease liabilities	459,985	513,751	11.7%
Total outstanding debt	<u>\$ 487,926,685</u>	<u>\$ 442,976,351</u>	<u>-9.2%</u>

State statutes limit the amount of general obligation debt a governmental entity may issue to 8% of its total assessed valuation. The current debt limitation for the School District is \$166.3 million which is in excess of the School District's applicable outstanding debt of \$42.3 million, leaving capacity of \$124.0 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 2022 Census estimates, Beaufort County has grown by 15.3% since the 2010 Census. The population of Beaufort County ranks as the tenth highest in South Carolina. Greenville, Richland and Charleston top the list for the most populated counties in the state. Since the 2010 Census, the student population has grown by 9.0% based on enrollment projected for the 2023-2024 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. 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 \$2.8 billion in tourist spending was done in Beaufort County in 2021. This is according to a report by the College of Charleston School of Business, entitled "Estimated Total Impact of Tourism in Hilton Head Island, 2021 on Beaufort County, South Carolina." In 2020, tourism was responsible for over 36,919 jobs, and approximately \$29.5 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 continue increasing in 2024 along with other areas in South Carolina.

During tax year 2022 (fiscal year 2023), Beaufort County Board of Education and Beaufort County Council approved an increase in the operating millage from 121.6 mills to 125.6 resulting in a positive variance in the amount of \$8.3 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

Beaufort County School District

Management's Discussion and Analysis

For the fiscal year ended June 30, 2023

policy. The current millage of 125.6 was rolled back to 117.4 because of the required county reassessment for tax year 2023, affecting taxes levied for fiscal year 2024 for the School District. The Board of Education and Beaufort County Council approved a 4.4 mill increase in the operating millage for fiscal year 2024. The new school operations millage for fiscal year 2024 is 121.8 mills.

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

The FY 2024 budget focused on compensation increases necessary to remain competitive in recruiting and retaining teachers, support staff and administrators. Local tax revenues for FY 2024 are based on a millage rate of 121.8. This represents a 3.8 mill reduction from the prior year as a result of a rollback during reassessment. The debt millage maintained a rate of 36.3 mills because of the ongoing debt payments associated with 8% funds and the 2019 referendum. The community recently approved a school bond referendum of \$439 million to address growth and aging buildings. Along with this long-range plan for improving facilities, the School District continues to work to maintain its excellent bond rating which ultimately saves interest costs for taxpayers of Beaufort.

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:

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, 2023

	Primary Government			Component Unit
	Governmental	Business-type	Total	
	Activities	Activities		
ASSETS				
Current Assets				
Cash and investments	\$ 40,569,703	\$ 1,736,001	\$ 42,305,704	\$ 4,028,411
Deposits with Beaufort County Treasurer	256,553,532	6,660,714	263,214,246	
Accounts receivable	234,690	318,046	552,736	30,177
Lease receivable	578,162	-	578,162	
Taxes receivable, net of allowances	7,343,475	-	7,343,475	-
Due from other governmental units	12,145,985	-	12,145,985	28,181
Internal balances	(92,477)	92,477	-	-
Prepaid items	2,542,087	26,234	2,568,321	19,689
Inventory	-	29,611	29,611	-
Restricted cash	19,592	-	19,592	-
Total Current Assets	319,894,749	8,863,083	328,757,832	4,106,458
Non-current Assets				
Deposits	-	-	-	10,000
Capital assets:				
Non-depreciable	263,050,028	-	263,050,028	-
Depreciable, net of accumulated depreciation and amortization	467,949,033	2,478,224	470,427,257	13,329,206
Total Non-current Assets	730,999,061	2,478,224	733,477,285	13,339,206
Total Assets	\$ 1,050,893,810	\$ 11,341,307	\$ 1,062,235,117	\$ 17,445,664
DEFERRED OUTFLOWS OF RESOURCES				
Deferred refunding of bonds	\$ 2,652,350	\$ -	\$ 2,652,350	\$ -
Deferred outflows related to pensions	48,875,419	118,934	48,994,353	1,738,913
Deferred outflows related to OPEB	94,774,871	230,630	95,005,501	2,667,073
Total Deferred Outflows of Resources	\$ 146,302,640	\$ 349,564	\$ 146,652,204	\$ 4,405,986
LIABILITIES				
Current Liabilities				
Accounts payable	\$ 29,477,310	\$ 510,421	\$ 29,987,731	\$ 222,028
Accrued liabilities	21,702,646	11,261	21,713,907	297,189
Short-term bonds payable	231,000	-	231,000	-
Retainage payable	5,897,462	-	5,897,462	-
Due to other governmental units	119,930	-	119,930	2,206
Accrued interest	5,561,167	-	5,561,167	-
Long-term liabilities, due within one year	57,617,511	263	57,617,774	263,012
Total Current Liabilities	120,607,026	521,945	121,128,971	784,435
Non-current Liabilities				
Long-term liabilities, net of current portion	418,575,558	6,460	418,582,018	8,603,058
Net pension liability	300,535,442	731,327	301,266,769	8,652,706
Net OPEB liability	240,412,527	585,023	240,997,550	6,828,483
Total Non-current Liabilities	959,523,527	1,322,810	960,846,337	24,084,247
Total Liabilities	\$ 1,080,130,553	\$ 1,844,755	\$ 1,081,975,308	\$ 24,868,682

(Continued)

BEAUFORT COUNTY SCHOOL DISTRICT

STATEMENT OF NET POSITION JUNE 30, 2023

	Primary Government			
	Governmental	Business-type		Component
	Activities	Activities	Total	Unit
DEFERRED INFLOWS OF RESOURCES				
Deferred refunding of bonds	\$ 32,790	\$ -	\$ 32,790	\$ -
Deferred revenue	6,169,695	173,349	6,343,044	53,955
Deferred inflows related to leases	576,579	-	576,579	-
Deferred inflows related to pensions	1,373,277	3,342	1,376,619	37,708
Deferred inflows related to OPEB	98,719,152	240,225	98,959,377	2,808,452
Total Deferred Inflows of Resources	\$ 106,871,493	\$ 416,916	\$ 107,288,409	\$ 2,900,115
NET POSITION				
Net investment in capital assets	\$ 387,218,967	\$ 2,478,224	\$ 389,697,191	\$ 4,463,136
Restricted for:				
Debt service	13,791,653	-	13,791,653	-
Capital projects	13,830,854	-	13,830,854	-
Food services	-	6,950,976	6,950,976	134,014
Student activities	3,906,368	-	3,906,368	-
Unrestricted	(408,553,438)	-	(408,553,438)	(10,514,297)
Total Net Position	\$ 10,194,404	\$ 9,429,200	\$ 19,623,604	\$ (5,917,147)

See Notes to Basic Financial Statements.

BEAUFORT COUNTY SCHOOL DISTRICT

STATEMENT OF ACTIVITIES FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Functions/Programs	Expenses	Program revenues		
		Charges for Sales and Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental activities:				
Instruction	\$ 235,021,980	\$ 1,716,733	\$ 39,145,602	\$ -
Support services	159,488,437	-	76,417,883	-
Community services	963,084	-	891,732	-
Interest and other charges	13,416,918	-	-	-
Total governmental activities	408,890,419	1,716,733	116,455,217	-
Business-type activities:				
Food service	10,977,201	1,307,793	10,407,423	-
Total	\$ 419,867,620	\$ 3,024,526	\$ 126,862,640	\$ -
Component unit:				
Charter school	\$ 11,449,382	\$ -	\$ 11,159,446	\$ -
Total component unit	\$ 11,449,382	\$ -	\$ 11,159,446	\$ -

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

Net position, end of year

See Notes to Basic Financial Statements.

Net (expense) revenue and changes in net position			
Primary Government			
Governmental Activities	Business-type Activities	Total	Component Unit
\$ (194,159,645)	\$ -	\$ (194,159,645)	\$ -
(83,070,554)	-	(83,070,554)	-
(71,352)	-	(71,352)	-
(13,416,918)	-	(13,416,918)	-
(290,718,469)	-	(290,718,469)	-
-	738,015	738,015	-
(290,718,469)	738,015	(289,980,454)	-
-	-	-	(289,936)
-	-	-	(289,936)
187,473,934	-	187,473,934	-
83,019,720	-	83,019,720	-
61,326,605	-	61,326,605	-
11,591,073	2,801	11,593,874	-
2,458,659	-	2,458,659	660,541
345,869,991	2,801	345,872,792	660,541
55,151,522	740,816	55,892,338	370,605
(16,702)	16,702	-	-
55,134,820	757,518	55,892,338	370,605
(44,940,416)	8,671,682	(36,268,734)	(6,287,752)
\$ 10,194,404	\$ 9,429,200	\$ 19,623,604	\$ (5,917,147)

BEAUFORT COUNTY SCHOOL DISTRICT

BALANCE SHEET GOVERNMENTAL FUNDS JUNE 30, 2023

		Special Revenue Funds			
		General	Special Projects	Education Improvement Act	Pupil Activity Fund
ASSETS					
Cash and investments	\$ 28,020,160	\$ 241,818	\$ -	\$ 4,060,289	\$ -
Deposits with Beaufort County Treasurer	55,098,070	-	8,099,814	-	-
Receivables:					
Accounts receivable, net	190,216	40,175	-	4,299	-
Taxes receivable, net	5,609,011	-	-	-	-
Lease receivable	578,162	-	-	-	-
Due from other governmental units	52,063	5,022,995	53,000	-	6,995,483
Due from other funds	4,809	-	-	16,623	-
Prepaid items	2,457,706	45,358	13,746	14,703	10,574
Restricted cash and cash equivalents	-	-	-	-	-
Total Assets	\$ 92,010,197	\$ 5,350,346	\$ 8,166,560	\$ 4,095,914	\$ 7,006,057
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ 3,405,268	\$ 3,781,843	\$ 1,617,416	\$ 183,960	\$ 5,784,282
Accrued salaries and benefits	18,743,875	1,172,214	563,331	777	1,221,775
Retainage payable	-	-	-	-	-
Short-term bonds payable	-	-	-	-	-
Due to other funds	-	-	92,477	4,809	-
Due to other governmental units	-	-	119,930	-	-
Total Liabilities	22,149,143	4,954,057	2,393,154	189,546	7,006,057
DEFERRED INFLOWS OF RESOURCES					
Deferred revenue	-	396,289	5,773,406	-	-
Unavailable revenue - property taxes	4,995,614	-	-	-	-
Leases	576,579	-	-	-	-
Total Deferred Inflows of Resources	5,572,193	396,289	5,773,406	-	-
FUND BALANCES					
Nonspendable	2,457,706	45,358	13,746	14,703	10,574
Restricted	-	-	119,930	3,891,665	-
Unassigned	61,831,155	(45,358)	(133,676)	-	(10,574)
Total Fund Balances	64,288,861	-	-	3,906,368	-
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 92,010,197	\$ 5,350,346	\$ 8,166,560	\$ 4,095,914	\$ 7,006,057

See Notes to Basic Financial Statements.

Debt Service - District	Capital Projects	Nonmajor	Total Governmental Funds
		Debt Service - EFC	
\$ -	\$ 6,412,787	\$ -	\$ 38,735,054
17,840,086	175,515,562	-	256,553,532
-	-	-	234,690
1,734,464	-	-	7,343,475
-	-	-	578,162
22,389	55	-	12,145,985
-	-	-	21,432
-	-	-	2,542,087
-	-	19,592	19,592
<u>\$ 19,596,939</u>	<u>\$ 181,928,404</u>	<u>\$ 19,592</u>	<u>\$ 318,174,009</u>
\$ 13,119	\$ 14,433,235	\$ -	\$ 29,219,123
-	674	-	21,702,646
-	5,897,462	-	5,897,462
231,000	-	-	231,000
-	16,623	-	113,909
-	-	-	119,930
<u>244,119</u>	<u>20,347,994</u>	<u>-</u>	<u>57,284,070</u>
-	-	-	6,169,695
1,348,196	-	-	6,343,810
-	-	-	576,579
<u>1,348,196</u>	<u>-</u>	<u>-</u>	<u>13,090,084</u>
-	-	-	2,542,087
18,004,624	161,580,410	19,592	183,616,221
-	-	-	61,641,547
<u>18,004,624</u>	<u>161,580,410</u>	<u>19,592</u>	<u>247,799,855</u>
<u>\$ 19,596,939</u>	<u>\$ 181,928,404</u>	<u>\$ 19,592</u>	<u>\$ 318,174,009</u>

BEAUFORT COUNTY SCHOOL DISTRICT

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION JUNE 30, 2023

Total governmental fund balances	\$ 247,799,855
Amounts reported for governmental activities in the Statement of Net Position are different because of the following:	
Capital and lease assets used in governmental activities are not financial resources and, therefore, are not reported in governmental funds. The cost of assets is \$1,165,598,030 and the accumulated depreciation and amortization is \$434,598,969.	730,999,061
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.	6,343,810
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.	1,576,462
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.	(5,561,167)
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	48,875,419
Deferred outflows of resources related to OPEB	94,774,871
Deferred inflows of resources related to pensions	(1,373,277)
Deferred inflows of resources related to OPEB	(98,719,152)
Some liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.	
Net pension liability	(300,535,442)
Net OPEB liability	(240,412,527)
Lease liabilities	(513,751)
Bonds payable	(442,231,600)
Bond premiums, net of accumulated amortization	(31,073,162)
Deferred gain/loss on refunding, net of accumulated amortization	2,619,560
Accrued compensated absences	(2,374,556)
Net position of governmental activities	<u>\$ 10,194,404</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, 2023

	General	Special Revenue Funds			
		Special Projects	Education Improvement Act	Pupil Activity Fund	COVID Related Funds
Revenues					
Local sources	\$ 189,915,693	\$ 1,909,236	\$ -	\$ 4,205,143	\$ -
State sources	109,775,834	3,943,189	9,045,610	-	-
Federal sources	657,374	19,694,085	-	-	28,555,974
Total revenues	300,348,901	25,546,510	9,045,610	4,205,143	28,555,974
Expenditures					
Current:					
Instruction	176,510,780	14,170,606	7,176,085	337,277	13,397,041
Support services	110,871,492	9,978,119	1,598,619	3,200,712	10,446,130
Community services	-	407,975	-	-	483,757
Intergovernmental expenditures	10,248,178	417,396	270,906	-	264,842
Debt service:					
Redemption of principal	267,083	-	-	-	-
Interest	135,472	-	-	-	-
Other objects	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	298,033,005	24,974,096	9,045,610	3,537,989	24,591,770
Excess (deficiency) of revenues over (under) expenditures	2,315,896	572,414	-	667,154	3,964,204
Other financing sources (uses)					
Proceeds from sale of capital assets	-	-	-	-	-
Premium on long-term bond sold	-	-	-	-	-
Premium on short-term bond sold	-	-	-	-	-
Issuance of long-term debt	-	-	-	-	-
Leases	320,849	-	-	-	-
Transfers in	4,629,916	-	-	-	-
Transfers out	(110,000)	(572,414)	-	-	(3,964,204)
Total other financing sources (uses)	4,840,765	(572,414)	-	-	(3,964,204)
Net change in fund balances	7,156,661	-	-	667,154	-
Fund balances, beginning of year	57,132,200	-	-	3,239,214	-
Fund balances, end of year	\$ 64,288,861	\$ -	\$ -	\$ 3,906,368	\$ -

See Notes to Basic Financial Statements.

Debt Service - District	Capital Projects	Nonmajor	Total Governmental Funds
		Debt Service - EFC	
\$ 83,209,455	\$ 10,229,171	\$ 12,412	\$ 289,481,110
1,669,522	-	-	124,434,155
-	1,067,089	-	49,974,522
84,878,977	11,296,260	12,412	463,889,787
-	-	-	211,591,789
-	-	-	136,095,072
-	-	-	891,732
-	-	-	11,201,322
68,025,100	-	2,210,000	70,502,183
16,455,936	-	506,283	17,097,691
29,268	-	9,300	38,568
-	124,404,620	-	124,404,620
84,510,304	124,404,620	2,725,583	571,822,977
368,673	(113,108,360)	(2,713,171)	(107,933,190)
-	9,564	-	9,564
-	1,224,917	-	1,224,917
21,540	-	-	21,540
-	25,000,000	-	25,000,000
-	-	-	320,849
-	-	2,710,352	7,340,268
(2,710,352)	-	-	(7,356,970)
(2,688,812)	26,234,481	2,710,352	26,560,168
(2,320,139)	(86,873,879)	(2,819)	(81,373,022)
20,324,763	248,454,289	22,411	329,172,877
\$ 18,004,624	\$ 161,580,410	\$ 19,592	\$ 247,799,855

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, 2023

Total net change in fund balances - governmental funds	\$ (81,373,022)
Amounts reported for governmental activities in the Statement of Activities are different because of the following:	
Capital outlays to purchase or build capital and lease 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 (\$120,718,403) exceeds depreciation and amortization expense (\$26,626,852) in the period.	94,091,551
The net effect of various miscellaneous transactions involving capital assets (i.e. sales and donations) is to decrease net position.	(47,315)
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	70,235,100
Bond proceeds	(25,000,000)
Lease proceeds	(320,849)
Lease liability payments	267,083
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 long-term bonds sold	(1,224,917)
Premiums on short-term bonds sold	(21,540)
Amortization of long-term bond premiums	5,910,574
Amortization of short-term bond premiums	21,540
Certain property tax revenues that are reported in the government-wide Statement of Activities do not provide current financial resources and, therefore, are not reported as revenues in the governmental funds' operating statement.	152,154
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.	(272,235)
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.	53,859
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.	(629,947)
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	134,628
OPEB related	(5,259,018)
Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.	(1,582,826)
Change in net position of governmental activities	\$ 55,134,820

See Notes to Basic Financial Statements.

BEAUFORT COUNTY SCHOOL DISTRICT

STATEMENT OF NET POSITION PROPRIETARY FUNDS JUNE 30, 2023

	Business-type Activities	Governmental Activities
	Enterprise Fund - Student Nutrition	Internal Service Fund
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 1,736,001	\$ 1,834,649
Deposits with Beaufort County Treasurer	6,660,714	-
Accounts receivable, net	318,046	-
Due from other funds	92,477	-
Prepays	26,234	-
Inventory	29,611	-
Total Current Assets	8,863,083	1,834,649
Non-current Assets		
Depreciable capital assets, net of accumulated depreciation	2,478,224	-
Total Assets	11,341,307	1,834,649
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to pensions	118,934	-
Deferred outflows related to OPEB	230,630	-
Total Deferred Outflows of Resources	349,564	-
LIABILITIES		
Current Liabilities		
Accounts payable	510,421	53,094
Accrued salaries and benefits	11,261	-
Current portion of compensated absences payable	263	-
Claims payable	-	205,093
Total Current Liabilities	521,945	258,187
Non-current Liabilities		
Non-current portion of compensated absences payable	6,460	-
Net pension liability	731,327	-
Net other post-employment benefit liability	585,023	-
Total Non-current Liabilities	1,322,810	-
Total Liabilities	1,844,755	258,187
DEFERRED INFLOWS OF RESOURCES		
Deferred revenue	173,349	-
Deferred inflows related to pensions	3,342	-
Deferred inflows related to OPEB	240,225	-
Total Deferred Inflows of Resources	416,916	-
NET POSITION		
Investment in capital assets	2,478,224	-
Restricted for food services	6,950,976	-
Unrestricted	-	1,576,462
Total Net Position	\$ 9,429,200	\$ 1,576,462

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, 2023

	Business-type Activities	Governmental Activities
	Enterprise Fund - Student Nutrition	Internal Service Fund
Operating revenues		
Meals sales	\$ 1,307,793	\$ -
Miscellaneous	-	1,525,809
	<hr/>	<hr/>
Total operating revenues	1,307,793	1,525,809
	<hr/>	<hr/>
Operating expenses		
Food costs	663,060	-
Salaries and benefits	417,211	1,418,215
Purchased services	8,366,524	50,713
Supplies and materials	899,613	3,022
Depreciation	278,666	-
Other operating costs	5,653	-
	<hr/>	<hr/>
Total operating expenses	10,630,727	1,471,950
	<hr/>	<hr/>
Operating income (loss)	(9,322,934)	53,859
	<hr/>	<hr/>
Non-operating revenues (expenses)		
Commodities received from USDA	663,060	-
USDA reimbursements	9,418,887	-
Revenue from other local sources	211,545	-
Revenue from other federal sources	113,931	-
Interest on investments	2,801	-
Loss on disposal of capital assets	(111,339)	-
Payments to charter school	(224,461)	-
Payments to other governmental units	(10,674)	-
	<hr/>	<hr/>
Total non-operating revenues	10,063,750	-
	<hr/>	<hr/>
Income before transfers	740,816	53,859
	<hr/>	<hr/>
Transfers		
Transfers in	110,000	-
Transfers out	(93,298)	-
	<hr/>	<hr/>
Total transfers	16,702	-
	<hr/>	<hr/>
Change in net position	757,518	53,859
	<hr/>	<hr/>
Net position, beginning of year	8,671,682	1,522,603
	<hr/>	<hr/>
Net position, end of year	<u>\$ 9,429,200</u>	<u>\$ 1,576,462</u>

See Notes to Basic Financial Statements.

BEAUFORT COUNTY SCHOOL DISTRICT

STATEMENT OF CASH FLOWS PROPRIETARY FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Business-type Activities	Governmental Activities
	Enterprise Fund - Student Nutrition	Internal Service Fund
Cash flows from operating activities:		
Payments received from customers and users	\$ 1,391,252	\$ -
Charges from other funds	-	1,525,809
Payments to employees for services	(416,266)	(1,582,125)
Payments to suppliers for goods and services	(10,976,324)	(978)
	<u>(10,001,338)</u>	<u>(57,294)</u>
Net cash used in operating activities		
	<u>(10,001,338)</u>	<u>(57,294)</u>
Cash flows from noncapital financing activities:		
USDA reimbursements	10,081,947	-
Local and federal grants	325,476	-
Transfers from other funds	110,000	-
Transfers to other funds	(93,298)	-
Payments to charter school	(224,461)	-
Payments to other governmental units	(10,674)	-
	<u>10,188,990</u>	<u>-</u>
Net cash provided by noncapital financing activities		
	<u>10,188,990</u>	<u>-</u>
Cash flows from capital and related financing activities:		
Proceeds from sale of capital assets	-	-
Acquisition of capital assets	(943,461)	-
	<u>(943,461)</u>	<u>-</u>
Net cash used in capital and related financing activities		
	<u>(943,461)</u>	<u>-</u>
Cash flows from investing activities:		
Interest income	2,801	-
	<u>2,801</u>	<u>-</u>
Net cash provided by investing activities		
	<u>2,801</u>	<u>-</u>
Net decrease in cash and cash equivalents	(753,008)	(57,294)
Cash and cash equivalents, beginning of year	<u>9,149,723</u>	<u>1,891,943</u>
Cash and cash equivalents, end of year	<u><u>\$ 8,396,715</u></u>	<u><u>\$ 1,834,649</u></u>
Classified as:		
Cash and cash equivalents	\$ 1,736,001	\$ 1,834,649
Deposits with Beaufort County Treasurer	6,660,714	-
	<u><u>\$ 8,396,715</u></u>	<u><u>\$ 1,834,649</u></u>

(Continued)

BEAUFORT COUNTY SCHOOL DISTRICT

STATEMENT OF CASH FLOWS PROPRIETARY FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Business-type Activities</u>	<u>Governmental Activities</u>
	<u>Enterprise Fund - Student Nutrition</u>	<u>Internal Service Fund</u>
Reconciliation of operating income (loss) to net cash		
used in operating activities:		
Operating income (loss)	\$ (9,322,934)	\$ 53,859
Adjustments to reconcile operating income (loss) to net cash		
used in operating activities:		
Depreciation expense	278,666	-
Changes in assets and liabilities:		
Accounts receivable	144,699	-
Due from other funds	(39,368)	-
Prepays	(26,002)	-
Inventory	33,380	-
Deferred outflows - pension	(15,745)	-
Deferred outflows - OPEB	1,824	-
Accounts payable	(1,048,852)	52,757
Accrued salaries and benefits	(14,226)	-
Claims payable	-	(163,910)
Unearned revenue	(21,872)	-
Net pension liability	104,364	-
Net OPEB liability	(189,476)	-
Accrued compensated absences	2,701	-
Deferred inflows - pension	(88,948)	-
Deferred inflows - OPEB	200,451	-
Net cash (used in) operating activities	<u>\$ (10,001,338)</u>	<u>\$ (57,294)</u>
Supplemental disclosure of non-cash capital		
and related financing activities:		
Non-cash commodities received from the USDA	\$ 663,060	\$ -
Loss on capital asset disposal	<u>(111,339)</u>	<u>-</u>
Total	<u>\$ 551,721</u>	<u>\$ -</u>

See Notes to Basic Financial Statements.

NOTES TO FINANCIAL STATEMENTS

BEAUFORT COUNTY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS FISCAL YEAR ENDED JUNE 30, 2023

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 GAAP.

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 fund). 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 (nonmajor 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, 2023, 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 lease 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 lease 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 lease 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 – Lessee (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 assets 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 assets 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, 2023, 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, 2023, the School District's unassigned General Fund balance was 20.7% of 2023 budgeted expenditures and 19.3% of 2024 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, 2023. 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, 2023 to total deposits is as follows:

Cash and cash equivalents - governmental funds	\$ 38,735,054
Restricted cash and cash equivalents - governmental funds	19,592
Cash and cash equivalents - enterprise fund	1,736,001
Cash and cash equivalents - internal service fund	1,834,649
Total	<u>\$ 42,325,296</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, 2023, the carrying amount of the School District's deposits was \$42,325,296 and the bank balance was \$40,598,793. 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 \$263,214,246.

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:

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 98.2% of the current tax levy for the year ended June 30, 2023.

The assessed value of real and other personal property, exclusive of vehicles (valued at \$137,690,480) is \$1,941,207,478. The School District's general operations millage is 125.60 mills (\$12.56 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, 2023 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	\$ 9,407,513	\$ -	\$ -	\$ -
Due from other governments	52,063	5,022,995	53,000	-
Other	190,216	40,175	-	4,299
Gross receivables	<u>9,649,792</u>	<u>5,063,170</u>	<u>53,000</u>	<u>4,299</u>
Less allowance for uncollectible property tax	<u>(3,798,502)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net receivables	<u><u>\$ 5,851,290</u></u>	<u><u>\$ 5,063,170</u></u>	<u><u>\$ 53,000</u></u>	<u><u>\$ 4,299</u></u>

	COVID Related Fund	Debt Service - District	Capital Projects	Food Service Program
Receivables:				
Property taxes	\$ -	\$ 2,869,532	\$ -	\$ -
Due from other governments	6,995,483	22,389	55	306,408
Other	-	-	-	11,638
Gross receivables	<u>6,995,483</u>	<u>2,891,921</u>	<u>55</u>	<u>318,046</u>
Less allowance for uncollectible property tax	<u>-</u>	<u>(1,135,068)</u>	<u>-</u>	<u>-</u>
Net receivables	<u><u>\$ 6,995,483</u></u>	<u><u>\$ 1,756,853</u></u>	<u><u>\$ 55</u></u>	<u><u>\$ 318,046</u></u>

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, 2023, the School District recognized \$17,109 in lease revenue. As of June 30, 2023, the School District's receivable for lease payments was \$578,162. 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, 2023, the balance of the deferred inflow of resources was \$576,579.

NOTES TO FINANCIAL STATEMENTS

NOTE 6. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2023 was as follows:

	Beginning Balance	Additions/ Transfers	Deductions/ Transfers	Ending Balance
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 41,269,484	\$ 904,685	\$ -	\$ 42,174,169
Construction in progress	130,423,782	113,796,811	(23,344,734)	220,875,859
Total	<u>171,693,266</u>	<u>114,701,496</u>	<u>(23,344,734)</u>	<u>263,050,028</u>
Capital assets, being depreciated:				
Buildings	547,035,149	-	18,399,733	565,434,882
Improvements	268,465,168	2,190,788	4,453,598	275,109,554
Equipment	58,133,947	3,505,270	(658,526)	60,980,691
Lease equipment	702,026	320,849	-	1,022,875
Total	<u>874,336,290</u>	<u>6,016,907</u>	<u>22,194,805</u>	<u>902,548,002</u>
Less accumulated depreciation and amortization for:				
Buildings	(241,636,267)	(11,088,787)	-	(252,725,054)
Improvements	(133,382,553)	(9,145,213)	-	(142,527,766)
Equipment	(33,911,316)	(6,158,936)	1,102,614	(38,967,638)
Lease equipment	(144,595)	(233,916)	-	(378,511)
Total	<u>(409,074,731)</u>	<u>(26,626,852)</u>	<u>1,102,614</u>	<u>(434,598,969)</u>
Total capital assets, being depreciated, net	<u>465,261,559</u>	<u>(20,609,945)</u>	<u>23,297,419</u>	<u>467,949,033</u>
Total capital assets, net	<u>\$ 636,954,825</u>	<u>\$ 94,091,551</u>	<u>\$ (47,315)</u>	<u>\$ 730,999,061</u>
	Beginning Balance	Increases	Deductions/ Transfers	Ending Balance
Business-type Activities:				
Capital assets, not being depreciated:				
Equipment in progress	\$ 7,260	\$ -	\$ (7,260)	\$ -
Total	<u>7,260</u>	<u>-</u>	<u>(7,260)</u>	<u>-</u>
Capital assets, being depreciated:				
Equipment	5,668,572	677,419	(509,397)	5,836,594
Vehicles	330,474	266,042	(21,712)	574,804
Total	<u>5,999,046</u>	<u>943,461</u>	<u>(531,109)</u>	<u>6,411,398</u>
Less accumulated depreciation for:				
Equipment	(3,872,114)	(252,158)	405,318	(3,718,954)
Vehicles	(209,424)	(26,508)	21,712	(214,220)
Total	<u>(4,081,538)</u>	<u>(278,666)</u>	<u>427,030</u>	<u>(3,933,174)</u>
Total capital assets, net	<u>\$ 1,924,768</u>	<u>\$ 664,795</u>	<u>\$ (111,339)</u>	<u>\$ 2,478,224</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 6. CAPITAL ASSETS (CONTINUED)

Depreciation and amortization expense was charged to governmental functions as follows:

Governmental activities:	
Instruction	\$ 4,910,675
Support Services	21,650,270
Community Services	<u>65,907</u>
Total depreciation expense - governmental activities	<u><u>\$ 26,626,852</u></u>

NOTE 7. LONG-TERM LIABILITIES

Changes in long-term liabilities for the year ended June 30, 2023 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	\$ 448,784,700	\$ 25,000,000	\$ (67,368,100)	\$ 406,416,600	\$ 52,123,400
Total bond indebtedness	<u>448,784,700</u>	<u>25,000,000</u>	<u>(67,368,100)</u>	<u>406,416,600</u>	<u>52,123,400</u>
Unamortized bond premiums	35,758,819	1,224,917	(5,910,574)	31,073,162	-
Total bonds payable	<u>484,543,519</u>	<u>26,224,917</u>	<u>(73,278,674)</u>	<u>437,489,762</u>	<u>52,123,400</u>
<u>Direct Borrowing/Direct Placement</u>					
General obligation bonds	21,707,000	-	(657,000)	21,050,000	2,624,000
IPRB bonds	16,975,000	-	(2,210,000)	14,765,000	2,275,000
Total	<u>38,682,000</u>	<u>-</u>	<u>(2,867,000)</u>	<u>35,815,000</u>	<u>4,899,000</u>
<u>Other liabilities</u>					
Lease liabilities	459,985	320,849	(267,083)	513,751	230,437
Net pension liability	257,647,614	74,553,977	(31,666,149)	300,535,442	-
Net OPEB liability	318,277,239	25,362,445	(103,227,157)	240,412,527	-
Compensated absences	2,102,321	1,499,724	(1,227,489)	2,374,556	364,674
Total other liabilities	<u>578,487,159</u>	<u>101,736,995</u>	<u>(136,387,878)</u>	<u>543,836,276</u>	<u>595,111</u>
Governmental activities:					
Long-term liabilities	<u>\$ 1,101,712,678</u>	<u>\$ 127,961,912</u>	<u>\$ (212,533,552)</u>	<u>\$ 1,017,141,038</u>	<u>\$ 57,617,511</u>
Business-type Activities:					
Net pension liability	\$ 626,963	\$ 181,421	\$ (77,057)	\$ 731,327	\$ -
Net OPEB liability	774,499	61,717	(251,193)	585,023	-
Compensated absences	4,022	12,679	(9,978)	6,723	263
Business-type activities:					
Long-term liabilities	<u>\$ 1,405,484</u>	<u>\$ 255,817</u>	<u>\$ (338,228)</u>	<u>\$ 1,323,073</u>	<u>\$ 263</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, 2023 are comprised of the following:

Date of Issue	Series	Interest Rates	Payment Dates	Maturity	Original Issue	Outstanding at June 30, 2023
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	14,275,000
March 1, 2014	2014B	1.25**	Sept./Mar.	2034	25,000,000	1,245,000
February 19, 2015	2015A	2.0-5.0*-	March	2025	95,945,000	14,495,000
March 31, 2015	2015B	3.5-5.0/	March	2032	62,500,000	47,810,000
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	5,675,000
April 15, 2020	2020A	3.0-5.0	March	2040	75,000,000	54,500,000
April 21, 2021	2021A	2.0-5.0	April	2041	130,000,000	117,000,000
July 8, 2021	2021C	1.25-5.00	March	2025	20,000,000	3,000,000
December 23, 2021	2021E	1.51	March	2034	17,217,100	16,533,000
March 1, 2022	2022A	0.99	March	2024	3,560,400	1,783,600
June 23, 2022	2022C	3.5-5.0	March	2041	139,610,000	117,385,000
September 1, 2022	2022D	5.0	March	2025	25,000,000	16,990,000
					<u>\$ 660,710,500</u>	<u>\$ 427,466,600</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, 2023 against these bonds totaled \$26,295,500.

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, 2023 against the \$162,700,000 in general obligation bonds totaled \$31,195,000.

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, 2023 totaled \$288,885,000.

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 \$39,013,600 at June 30, 2023. In addition, the 2016 EFC IPRB refunding bonds and the lease acquisition referenced are not subject to the 8% limitation.

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.

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 \$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 School District issued General Obligation Bonds Series 2022D on September 1, 2022 in the amount of \$25,000,000, maturing March 2025 and bearing interest at 5.00%, to fund construction projects. Debt outstanding against the \$25,000,000 in General Obligation Bonds totaled \$16,990,000.

The annual requirements to amortize the general obligation bonds outstanding at June 30, 2023, including interest payments over the life of the debt, are summarized as follows:

Year Ending June 30,	Principal	Premiums	Interest	Total
2024	\$ 52,123,400	\$ 4,860,453	\$ 15,207,215	\$ 72,191,068
2025	24,772,300	3,717,548	12,749,663	41,239,511
2026	23,417,600	3,212,416	11,630,109	38,260,125
2027	24,256,200	3,050,030	10,918,719	38,224,949
2028	26,107,800	2,723,638	9,760,748	38,592,186
2029 – 2033	113,091,300	8,994,177	33,328,690	155,414,167
2034 – 2038	94,763,000	3,755,364	14,636,418	113,154,782
2039 – 2043	47,885,000	759,536	2,654,900	51,299,436
Total	\$ 406,416,600	\$ 31,073,162	\$ 110,886,462	\$ 548,376,224

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)

Advance Refunding of IPRB 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, 2023, 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>
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	2,575,000	131,066	2,706,066
2029	2,660,000	44,289	2,704,289
Total	<u>\$ 14,765,000</u>	<u>\$ 1,490,785</u>	<u>\$ 16,255,785</u>

The annual requirements to amortize the direct borrowing/direct placement general obligation bonds outstanding at June 30, 2023, 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>
2024	\$ 230,437	18,002	248,439
2025	122,965	9,937	132,902
2026	94,487	5,633	100,120
2027	65,862	2,326	68,188
Total	<u>\$ 513,751</u>	<u>\$ 35,898</u>	<u>\$ 549,649</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 7. LONG-TERM LIABILITIES (CONTINUED)

Lease Liability

The future principal and interest lease payments as of June 30, 2023 are as follows:

Year Ending June 30,	Principal	Interest	Total
2024	\$ 230,437	18,002	248,439
2025	122,965	9,937	132,902
2026	94,487	5,633	100,120
2027	65,862	2,326	68,188
Total	<u>\$ 513,751</u>	<u>\$ 35,898</u>	<u>\$ 549,649</u>

NOTE 8. SHORT-TERM OBLIGATIONS

The School District's short-term obligations for the year ended June 30, 2023 consisted of the following activity:

	Beginning Balance	Additions	Reductions	Ending Balance
Governmental activities:				
General obligation bonds	\$ 277,000	\$ 10,210,000	\$ (10,256,000)	\$ 231,000
Tax anticipation note	-	7,500,000	(7,500,000)	-
Unamortized bond premiums	-	21,540	(21,540)	-
Governmental activities:				
Short-term liabilities	<u>\$ 277,000</u>	<u>\$ 17,731,540</u>	<u>\$ (17,777,540)</u>	<u>\$ 231,000</u>

The School District issued general obligation bonds through 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 EFC. The School District repaid the bonds, including interest of approximately \$44,000, in March 2023.

The School District issued general obligation bonds through SCAGO on May 17, 2023 in the amount of \$231,000, maturing in March 2024, bearing interest at 5.00%, for the purpose of making payments to EFC. Debt outstanding at June 30, 2023, against the general obligation bonds was \$231,000.

The School District issued a Tax Anticipation Note on September 29, 2022 in the amount of \$7,500,000, maturing in April 2023, bearing interest at 5.00%, to fund operations. The School District repaid the note, including interest of approximately \$203,000, in January 2023.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. SHORT-TERM OBLIGATIONS (CONTINUED)

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.

NOTE 9. INTERFUND TRANSFERS

Transfers from (to) other funds for the year ended June 30, 2023 consisted of the following:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 4,629,916	\$ 110,000
Special Projects Fund	-	572,414
COVID Related Fund	-	3,964,204
Debt Service - District	-	2,710,352
Nonmajor governmental fund	2,710,352	-
Total governmental funds	<u>7,340,268</u>	<u>7,356,970</u>
Food Service Fund	110,000	93,298
Total proprietary funds	<u>110,000</u>	<u>93,298</u>
Total	<u>\$ 7,450,268</u>	<u>\$ 7,450,268</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 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 10. INTERFUND RECEIVABLES AND PAYABLES

Interfund balances at June 30, 2023 consisted of the following individual fund receivables and payables:

<u>Fund</u>	<u>Receivables</u>	<u>Payables</u>
General Fund	\$ 4,809	\$ -
Education Improvement Act Fund	-	92,477
Pupil Activity Fund	16,623	4,809
Capital Projects	-	16,623
Total governmental funds	<u>21,432</u>	<u>113,909</u>
Food Service Fund	<u>92,477</u>	<u>-</u>
Total proprietary funds	<u>92,477</u>	<u>-</u>
Total	<u>\$ 113,909</u>	<u>\$ 113,909</u>

NOTE 11. FUND BALANCES AND NET POSITION

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

Governmental fund financial statements

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

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

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

Fund balances – Assigned – balances classified as assigned are intended to be used by the government for specific purposes, but do not meet the criteria to be classified as committed. Intent can be expressed by the Board or an official or body to which the Board delegates the authority. As of June 30, 2023, no such delegation of authority has been made.

NOTES TO FINANCIAL STATEMENTS

NOTE 11. FUND BALANCES AND NET POSITION (CONTINUED)

Governmental fund financial statements (Continued)

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

Government-wide and proprietary fund financial statements

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

Fund	Governmental Activities
Capital assets, net of accumulated depreciation/amortization	\$ 730,999,061
Unspent bond proceeds	147,749,556
Net deferred charges on refunding	2,619,560
Accounts and retainages payable	(20,330,697)
Lease liabilities	(513,751)
Bonds payable	(442,231,600)
Unamortized bond premiums	(31,073,162)
Total net investment in capital assets	<u>\$ 387,218,967</u>

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

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

NOTES TO FINANCIAL STATEMENTS

NOTE 11. FUND BALANCES AND NET POSITION (CONTINUED)

Government-wide and proprietary fund financial statements (Continued)

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

	General	Special Projects	Education Improvement Act	Pupil Activity Fund	COVID Related Fund
Nonspendable:					
Prepaid items	\$ 2,457,706	\$ 45,358	\$ 13,746	\$ 14,703	\$ 10,574
Restricted for:					
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Student activities	-	-	22,258	3,891,665	-
Unassigned	61,831,155	(45,358)	(36,004)	-	(10,574)
	<u>\$ 64,288,861</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,906,368</u>	<u>\$ -</u>

	Debt Service - District	Capital Projects	EFC Debt Service	Total
Nonspendable:				
Prepaid items	\$ -	\$ -	\$ -	\$ 2,542,087
Restricted for:				
Capital projects	-	161,580,410	-	161,580,410
Debt service	18,004,624	-	19,592	18,024,216
Student activities	-	-	-	3,913,923
Unassigned	-	-	-	61,739,219
	<u>\$ 18,004,624</u>	<u>\$ 161,580,410</u>	<u>\$ 19,592</u>	<u>\$ 247,799,855</u>

NOTE 12. FOOD SERVICE

Federal Guidelines

The School District's Food Service Fund administers the lunch programs in accordance with the United States Department of Agriculture ("USDA") guidelines. Revenues are provided from USDA reimbursements and cash collections. The meals served to pupils are classified as regular, reduced, or free by the Food Service Program. The type of meal served and classification of students determines the amount of reimbursement from the USDA. Reimbursements may be in the form of cash or commodities. The food service expenditures are inclusive of \$663,060 of commodities provided and consumed during the year ended June 30, 2023.

NOTES TO FINANCIAL STATEMENTS

NOTE 12. 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 13. 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

NOTES TO FINANCIAL STATEMENTS

NOTE 13. RETIREMENT PLANS (CONTINUED)

Description of the Entity (Continued)

PEBA is considered a division of the primary government of the state of South Carolina and, therefore, retirement trust fund financial information is also included in the ACFR of the state.

Plan Descriptions

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

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 first-term individuals elected to the South Carolina General Assembly. 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 13. RETIREMENT PLANS (CONTINUED)

Membership (Continued)

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

Benefits

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

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.

NOTES TO FINANCIAL STATEMENTS

NOTE 13. RETIREMENT PLANS (CONTINUED)

Benefits (Continued)

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.

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. The Retirement Funding and Administration Act of 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. 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. In accordance with the legislative funding schedule, employer contribution rates will continue to increase by one percentage point each year until reaching 18.56% for SCRS and 21.24% for PORS but may be increased further, if the scheduled contributions are not sufficient to meet the funding periods set for the applicable year. The Board shall increase the employer contribution rates as necessary to meet the amortization period set in statute.

NOTES TO FINANCIAL STATEMENTS

NOTE 13. RETIREMENT PLANS (CONTINUED)

Contributions (Continued)

Pension reform legislation modified statute such that the employer contribution rates for SCRS and PORS to be further increased, not to exceed one-half of 1% in any one year if necessary, in order to improve the funding of the plans. The statute set rates intended to reduce the unfunded liability of SCRS and PORS to the maximum amortization period of 20 years from 30 years over a ten-year schedule, as determined by the annual actuarial valuations of the plan. Finally, under the revised statute, the contribution rates for SCRS and PORS may not be decreased until the plans are at least 85% funded.

Required employee contribution rates are as follows:

	<u>Fiscal Year 2023</u>	<u>Fiscal Year 2022</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 2023</u>	<u>Fiscal Year 2022</u>
SCRS		
Employer Class Two	17.41%	16.41%
Employer Class Three	17.41%	16.41%
Employer incidental death benefit	0.15%	0.15%
PORS		
Employer Class Two	19.84%	18.84%
Employer Class Three	19.84%	18.84%
Employer incidental death benefit	0.20%	0.20%
Employer accidental death program	0.20%	0.20%

NOTES TO FINANCIAL STATEMENTS

NOTE 13. RETIREMENT PLANS (CONTINUED)

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.

The June 30, 2022, 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, 2021. The total pension liability was rolled-forward from the valuation date to the plans' fiscal year-end, June 30, 2022, using generally accepted actuarial principles. There was no legislation enacted during the 2022 legislative session that had a material change in the benefit provisions for any of the Systems.

The following table provides a summary of the actuarial assumptions and methods used to calculate the TPL as of June 30, 2022.

	SCRS	PORS
Actuarial cost method	Entry Age	Entry Age
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.

NOTES TO FINANCIAL STATEMENTS

NOTE 13. RETIREMENT PLANS (CONTINUED)

Actuarial Assumptions and Methods (Continued)

Assumptions used in the determination of the June 30, 2022 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 97%	2020 PRSC Females multiplied by 107%

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, 2022, for SCRS and PORS are presented below.

	SCRS	PORS
Total pension liability	\$ 56,454,779,872	\$ 8,937,686,946
Plan fiduciary net position	<u>32,212,626,932</u>	<u>5,938,707,767</u>
Employer's net pension liability	<u>\$ 24,242,152,940</u>	<u>\$ 2,998,979,179</u>
Plan fiduciary net position as a percentage of the total pension liability	57.1%	66.4%

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.

NOTES TO FINANCIAL STATEMENTS

NOTE 13. RETIREMENT PLANS (CONTINUED)

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 returns, along with the expected inflation rate, form the basis for the target asset allocation adopted at the beginning of the 2022 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 then adding the actuarial expected inflation and is summarized in the table below. 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.

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Expected Arithmetic Real Rate of Return</u>	<u>Long-term Expected Portfolio Real Rate of Return</u>
Public Entity	46.0%	6.79%	3.12%
Bonds	26.0%	-0.35%	-0.09%
Private Equity	9.0%	8.75%	0.79%
Private Debt	7.0%	6.00%	0.42%
Real assets	12.0%		
Real estate	9.0%	4.12%	0.37%
Infrastructure	3.0%	5.88%	0.18%
	<u>100%</u>		
Total expected real return			4.79%
Inflation for actuarial purposes			<u>2.25%</u>
Total expected nominal return			<u><u>7.04%</u></u>

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.

NOTES TO FINANCIAL STATEMENTS

NOTE 13. RETIREMENT PLANS (CONTINUED)

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	\$ 386,242,729	\$ 301,252,386	\$ 230,593,955
PORS	20,056	14,383	9,739

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, 2022, and the accounting valuation report as of June 30, 2022. Additional financial information supporting the preparation of the Schedules (including the unmodified audit opinion on the financial statements and required supplementary information) is available in the Systems' Annual Comprehensive Financial Report.

NOTES TO FINANCIAL STATEMENTS

NOTE 13. RETIREMENT PLANS (CONTINUED)

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

For the year ended June 30, 2023, the School District's pension expense was \$29,118,853 and (\$15,887) for SCRS and PORS, respectively. At June 30, 2023, 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	\$ 2,617,321	\$ 1,312,848
Changes of assumptions	9,661,872	-
Net difference between projected and actual earnings on pension plan investments	464,592	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	9,994,222	58,889
Employer contributions subsequent to the measurement date	26,245,227	-
Total	<u>\$ 48,983,234</u>	<u>\$ 1,371,737</u>
PORS	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 241	\$ 284
Changes of assumptions	599	-
Net difference between projected and actual earnings on pension plan investments	43	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	4,357	4,598
Employer contributions subsequent to the measurement date	5,879	-
Total	<u>\$ 11,119</u>	<u>\$ 4,882</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 13. RETIREMENT PLANS (CONTINUED)

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

School District contributions subsequent of the measurement date of \$26,245,227, and \$5,879 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, 2024.

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>
2024	\$ 10,504,272	\$ (1,840)
2025	7,797,348	927
2026	(4,791,820)	712
2027	7,856,470	559
Total	<u>\$ 21,366,270</u>	<u>\$ 358</u>

NOTE 14. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS

Overview

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

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

NOTES TO FINANCIAL STATEMENTS

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

Plan Description

The Other Post-Employment Benefits Trust Funds ("OPEB Trusts"), collectively refers to the South Carolina Retiree Health Insurance Trust Fund ("SCRHITF") 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.

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.

NOTES TO FINANCIAL STATEMENTS

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

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.

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, 2022 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 2022 totaled \$615,405,810. However, the covered payroll contributions total includes prior year covered payroll contribution adjustments and true-ups that net to a total of \$1,094,627.

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

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

NOTES TO FINANCIAL STATEMENTS

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

Contributions and Funding Policies (Continued)

PEBA – Insurance Benefits issues audited financial statements and required supplementary information for the OPEB Trust Funds. This information is publicly available through the PEBA – Insurance Benefits’ link on PEBA’s website at www.peba.sc.gov or a copy may be obtained by submitting a request to:

PEBA – Insurance Benefits
202 Arbor Lake Drive
Columbia, South Carolina 29223

PEBA is considered a division of the primary government of the state of South Carolina and, therefore, OPEB Trust fund financial information is also included in the Annual Comprehensive Financial Report of the state.

Actuarial Assumptions and Methods

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

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

NOTES TO FINANCIAL STATEMENTS

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

Contributions and Funding Policies (Continued)

Additional information as of the latest actuarial valuation for SCRHITF:

Valuation Date:	June 30, 2021
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:	3.69% as of June 30, 2022
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 multipliers based on plan experience; the rates are projected on a fully generational basis using 80% of the ultimate rates of Scale MP-2019 to account for future mortality improvements.
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.
Aging Factors:	Based on plan specific experience
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 1.92% as of June 30, 2021 to 3.69% as of June 30, 2022.

Roll Forward Disclosure

The actuarial valuation was performed as of June 30, 2021. Update procedures were used to roll forward the total OPEB liability to June 30, 2022 (measurement date used for the School District's reporting as of June 30, 2023).

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.

NOTES TO FINANCIAL STATEMENTS

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

Net OPEB Liability (Continued)

At June 30, 2023, the School District reported a liability for its proportionate share of the net OPEB liability of \$240,997,550. The net OPEB liability was measured as of June 30, 2022. The School District's proportion of the net OPEB liability was based on contributions to SCRHITF during the fiscal year ended June 30, 2022. At June 30, 2022, the School District's proportion of the total net OPEB liability was 1.584276%, which was an increase of 0.052081% from its proportion measured as of June 30, 2021.

Single Discount Rate

The Single Discount Rate of 3.69% 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%).

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%	0.95%	0.76%
Cash	20.00%	0.35%	0.07%
Total	100.00%		0.83%
		Total expected weighted real return	0.83%
		Inflation for actuarial purposes	2.25%
		Total expected nominal return	3.08%
		Investment return assumption	2.75%

NOTES TO FINANCIAL STATEMENTS

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

Sensitivity Analysis

The following table presents the SCRHITF's net OPEB liability calculated using a Single Discount Rate of 3.69%, 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 (2.69%) or 1-percentage-point higher (4.69%):

South Carolina Retiree Health Insurance Trust Fund Sensitivity of the Net OPEB Liability to Changes in the Discount Rate		
1% Decrease (2.69%)	Current Discount Rate (3.69%)	1% Increase (4.69%)
\$ 284,924,278	\$ 240,997,550	\$ 205,696,445

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

South Carolina Retiree Health Insurance Trust Fund Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate		
1% Decrease	Current Healthcare Cost Trend Rates	1% Increase
\$ 198,196,927	\$ 240,997,550	\$ 290,969,606

NOTES TO FINANCIAL STATEMENTS

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

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

For the year ended June 30, 2023, the School District recognized OPEB expense of \$16,572,578. At June 30, 2023, 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	\$ 5,172,720	\$ 21,190,463
Changes of assumptions	54,338,735	77,467,627
Net difference between projected and actual earnings on pension plan investments	1,894,943	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	11,651,332	301,287
Employer contributions subsequent to the measurement date	<u>21,947,771</u>	<u>-</u>
Total	<u><u>\$ 95,005,501</u></u>	<u><u>\$ 98,959,377</u></u>

School District contributions subsequent to the measurement date of \$21,947,771 will be recognized as a reduction of the net OPEB liability in the next fiscal year.

As of June 30, 2023, other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>SCRHITF</u>
<u>Year ending June 30,</u>
2024
2025
2026
2027
2028
Thereafter
<u><u>\$ (25,901,647)</u></u>

NOTES TO FINANCIAL STATEMENTS

NOTE 15. DEFERRED COMPENSATION PLAN

School District employees may participate in the 457 and/or 401(k) deferred compensation plans available to state and local governmental employees through the state public employee retirement system. These programs are administered by a state approved nongovernmental third-party. Contributions by School District employees under the 457 and 401(k) programs totaled \$480,900 for the year ended June 30, 2023.

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.

NOTE 16. RISK MANAGEMENT

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which the School District carries commercial insurance. During the year ended June 30, 2023, 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).

NOTES TO FINANCIAL STATEMENTS

NOTE 16. RISK MANAGEMENT (CONTINUED)

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 \$2,255,157, respectively.

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

Year	Beginning of Year Liability	Claims and Changes in Estimates	Claims Paid	End of Year Liability
2022	\$ 291,026	\$ 219,928	\$ (141,951)	\$ 369,003
2023	369,003	215,210	(379,120)	205,093

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, 2023 were \$33,244 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.

NOTES TO FINANCIAL STATEMENTS

NOTE 17. RELATED PARTY TRANSACTIONS

Related organizations – Beaufort-Jasper Academy for Career Excellence (the “Academy”) is a career center that was created by an agreement between the School District and Jasper County School District dated June 13, 1975, under the provisions of legislation enacted by the General Assembly of the State of South Carolina. The Academy operates as a vocational school for high school students in Beaufort and Jasper counties. The Academy's Board of Directors is comprised of three members from each of the Boards of Education of the respective two School Districts, along with the Superintendent of each School District as ex-officios. Budgetary controls are held by the Board of Education of the respective two School Districts. The agreement states that the responsibility for the Academy's general fund cost of maintenance, support, and operation of the Academy shall be borne jointly and on an enrollment ratio of two to one, respectively. The School District assumes the responsibility for two-thirds of these costs and Jasper County School District assumes the responsibility for one-third of these costs. During the year ended June 30, 2023, 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 2023 amounted to approximately \$11,100,000.

NOTE 18. COMMITMENTS AND CONTINGENCIES

Construction Commitments

The School District has entered into contracts for various construction projects. Outstanding obligations at June 30, 2023 are as follows:

	Contract Amount	Expended as of June 30, 2023	Remaining Contract
Ajax	\$ 30,469,520	\$ 9,841,654	\$ 20,627,866
Ce Bourne	1,907,843	1,277,297	630,546
Charles Perry Partners, Inc.	10,313,806	1,630,457	8,683,349
Contract Construction	14,335,049	12,550,780	1,784,269
J.E. Dunn	63,773,295	50,824,485	12,948,810
MB Kahn	105,105,977	85,415,359	19,690,618
Thompson Turner	95,731,724	49,418,848	46,312,876
	<u>\$ 321,637,214</u>	<u>\$ 210,958,880</u>	<u>\$ 110,678,334</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 18. COMMITMENTS AND CONTINGENCIES (CONTINUED)

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.

NOTE 19. SUBSEQUENT EVENTS

The School District issued General Obligation Bonds through Fidelity Investments on September 1, 2023 in the amount of \$30,000,000, maturing in March 2025, bearing interest at 5.00%, for the purpose of funding various 8% capital projects.

The School District issued General Obligation Bonds through South Carolina Association of Governmental Organizations ("SCAGO") on September 21, 2023 in the amount of \$2,516,000, maturing in March 2024, bearing interest at 5.00%, 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	2023	2022	2021	2020
School District's proportion of the net pension liability	1.24268%	1.19340%	1.17942%	1.18046%
School District's proportionate share of the net pension liability	\$ 301,252,386	\$ 258,267,487	\$ 301,363,300	\$ 269,548,505
School District's covered payroll	\$ 129,937,826	\$ 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	231.84%	218.16%	216.90%	205.16%
Plan fiduciary net position as a percentage of the total pension liability	57.10%	60.70%	50.70%	54.40%
POLICE OFFICERS' RETIREMENT SYSTEM				
School District's proportion of the net pension liability	0.00048%	0.000276%	0.000365%	0.000541%
School District's proportionate share of the net pension liability	\$ 14,383	\$ 7,090	\$ 12,105	\$ 15,502
School District's covered payroll	\$ 6,705	\$ 4,144	\$ 5,514	\$ 7,845
School District's proportionate share of the net pension liability as a percentage of its covered payroll	214.51%	171.09%	219.53%	197.60%
Plan fiduciary net position as a percentage of the total pension liability	66.40%	70.40%	58.80%	62.70%

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	2023	2022	2021	2020
Contractually required contribution	\$ 26,245,227	\$ 21,517,704	\$ 18,420,536	\$ 18,056,976
Contributions in relation to the contractually required contribution	<u>(26,245,227)</u>	<u>(21,517,704)</u>	<u>(18,420,536)</u>	<u>(18,056,976)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District's covered payroll	\$ 149,460,289	\$ 129,937,826	\$ 118,383,905	\$ 138,943,062
Contributions as a percentage of covered payroll	17.56%	16.56%	15.56%	13.00%
POLICE OFFICERS' RETIREMENT SYSTEM				
Contractually required contribution	\$ 5,879	\$ 1,445	\$ 747	\$ 995
Contributions in relation to the contractually required contribution	<u>(5,879)</u>	<u>(1,445)</u>	<u>(747)</u>	<u>(995)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District's covered payroll	\$ 29,337	\$ 6,705	\$ 4,144	\$ 5,514
Contributions as a percentage of covered payroll	20.04%	21.55%	18.03%	18.04%

2019	2018	2017	2016	2015	2014
\$ 16,942,106	\$ 15,370,022	\$ 13,784,757	\$ 12,321,935	\$ 11,648,817	\$ 11,280,173
<u>(16,942,106)</u>	<u>(15,370,022)</u>	<u>(13,784,757)</u>	<u>(12,321,935)</u>	<u>(11,648,817)</u>	<u>(11,280,173)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<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
<u>(761)</u>	<u>(4,012)</u>	<u>(11,684)</u>	<u>(7,913)</u>	<u>(9,653)</u>	<u>(6,872)</u>
<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	2023	2022	2021	2020
School District's proportion of the net OPEB liability	1.584276%	1.532195%	1.507388%	1.502368%
School District's proportionate share of the net OPEB liability	\$ 240,997,550	\$ 319,051,738	\$ 272,105,338	\$ 227,180,947
School District's covered payroll	\$ 129,944,531	\$ 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	185.46%	269.50%	195.83%	172.90%
Plan fiduciary net position as a percentage of the total OPEB liability	9.64%	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	2023	2022	2021	2020
Contractually required contribution	\$ 21,947,771	\$ 19,517,530	\$ 8,789,059	\$ 7,750,891
Contributions in relation to the contractually required contribution	(21,947,771)	(19,517,530)	(8,789,059)	(7,750,891)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
School District's covered payroll	\$ 149,489,626	\$ 129,944,531	\$ 118,388,049	\$ 138,948,576
Contributions as a percentage of covered payroll	14.68%	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, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Local sources	\$ 179,868,406	\$ 179,868,406	\$ 189,915,693	\$ 10,047,287
State sources	105,481,328	105,481,328	109,775,834	4,294,506
Federal sources	650,000	650,000	657,374	7,374
Total revenues	285,999,734	285,999,734	300,348,901	14,349,167
Expenditures				
Current:				
Instruction	174,578,312	174,933,966	176,510,780	(1,576,814)
Support services	113,511,043	113,155,389	110,871,492	2,283,897
Intergovernmental expenditures:				
Payments to other governmental units	9,914,238	9,914,238	10,248,178	(333,940)
Debt service	20,000	20,000	402,555	(382,555)
Total expenditures	298,023,593	298,023,593	298,033,005	(9,412)
Excess (deficiency) of revenues over (under) expenditures	(12,023,859)	(12,023,859)	2,315,896	14,339,755
Other financing sources (uses)				
Capital leases	-	-	320,849	320,849
Operating transfers in	12,133,859	12,133,859	4,629,916	(7,503,943)
Operating transfers out	(110,000)	(110,000)	(110,000)	-
Total other financing sources, net	12,023,859	12,023,859	4,840,765	(7,183,094)
Net change in fund balances	-	-	7,156,661	7,156,661
Fund balances, beginning of year	57,132,200	57,132,200	57,132,200	-
Fund balances, end of year	\$ 57,132,200	\$ 57,132,200	\$ 64,288,861	\$ 7,156,661

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, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Local sources	\$ 2,225,651	\$ 2,176,797	\$ 1,909,236	\$ (267,561)
State sources	3,960,078	3,950,456	3,943,189	(7,267)
Federal sources	26,606,427	19,815,548	19,694,085	(121,463)
Total revenues	32,792,156	25,942,801	25,546,510	(396,291)
Expenditures				
Current:				
Instruction	16,476,347	14,252,092	14,170,606	81,486
Support services	14,369,710	9,989,710	9,978,119	11,591
Community services	653,045	408,045	407,975	70
Intergovernmental expenditures:				
Payments to other governmental units	416,133	416,133	417,396	(1,263)
Total expenditures	31,915,235	25,065,980	24,974,096	91,884
Excess of revenues over expenditures	876,921	876,821	572,414	(304,407)
Other financing sources (uses)				
Operating transfers out	(876,921)	(876,821)	(572,414)	304,407
Total other financing sources (uses)	(876,921)	(876,821)	(572,414)	304,407
Net change in fund balances	-	-	-	-
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, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Local sources	\$ -	\$ 2,612,000	4,205,143	\$ 1,593,143
Total revenues	-	2,612,000	4,205,143	1,593,143
Expenditures				
Current:				
Instruction	-	310,000	337,277	(27,277)
Support services	-	2,302,000	3,200,712	(898,712)
Total expenditures	-	2,612,000	3,537,989	(925,989)
Net change in fund balances	-	-	667,154	667,154
Fund balances, beginning of year	3,239,214	3,239,214	3,239,214	-
Fund balances, end of year	<u>\$ 3,239,214</u>	<u>\$ 3,239,214</u>	<u>\$ 3,906,368</u>	<u>\$ 667,154</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, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Federal sources	\$ 50,150,472	\$ 50,150,472	\$ 28,555,974	\$ (21,594,498)
Total revenues	50,150,472	50,150,472	28,555,974	(21,594,498)
Expenditures				
Current:				
Instruction	21,276,865	21,276,865	13,397,041	7,879,824
Support services	20,844,459	20,844,459	10,446,130	10,398,329
Community services	1,080,535	1,080,535	483,757	596,778
Intergovernmental expenditures:				
Payments to other governmental units	264,842	264,842	264,842	-
Total expenditures	43,466,701	43,466,701	24,591,770	18,874,931
Excess of revenues over expenditures	6,683,771	6,683,771	3,964,204	(2,719,567)
Other financing sources (uses)				
Operating transfers out	(6,683,771)	(6,683,771)	(3,964,204)	2,719,567
Total other financing uses	(6,683,771)	(6,683,771)	(3,964,204)	2,719,567
Net change in fund balances	-	-	-	-
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, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
State sources	\$ 17,320,645	\$ 14,938,946	\$ 9,045,610	\$ (5,893,336)
Total revenues	17,320,645	14,938,946	9,045,610	(5,893,336)
Expenditures				
Current:				
Instruction	8,215,293	12,807,403	7,176,085	5,631,318
Support services	1,728,916	1,860,637	1,598,619	262,018
Intergovernmental expenditures				
Payments to other governmental units	149,673	270,906	270,906	-
Total expenditures	10,093,882	14,938,946	9,045,610	5,893,336
Excess of revenues over expenditures	7,226,763	-	-	-
Other financing uses				
Operating transfers out	(7,226,763)	-	-	-
Total other financing uses	(7,226,763)	-	-	-
Net change in fund balances	-	-	-	-
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, 2023

		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	\$ 178,132,206	\$ 178,132,206	\$ 186,407,679	\$ 8,275,473
1240	Penalties and interest on taxes	800,000	800,000	867,103	67,103
1280	Revenue in lieu of taxes	5,000	5,000	18,939	13,939
1300	Tuition				
1320	Tuition from other LEAs for regular day	50,000	50,000	47,211	(2,789)
1500	Earnings on investments				
1510	Interest on investments	381,700	381,700	1,746,472	1,364,772
1900	Other revenue from local sources				
1910	Rentals	93,500	93,500	167,168	73,668
1950	Refund of prior year's expenditures	6,000	6,000	489	(5,511)
1990	Miscellaneous local revenue				
1993	Receipt of insurance proceeds	-	-	60,114	60,114
1994	Receipt of legal settlement	-	-	107,859	107,859
1999	Revenue from other local sources	400,000	400,000	492,659	92,659
	Total local sources	179,868,406	179,868,406	189,915,693	10,047,287
3000	Revenue from state sources				
3100	Restricted State Funding				
3103	State aid to classrooms	-	-	40,541,937	40,541,937
3130	Special programs				
3131	Handicapped transportation	2,500	2,500	2,702	202
3160	School bus driver salary	1,301,910	1,301,910	1,427,135	125,225
3162	Transportation workers' compensation	72,410	72,410	76,616	4,206
3180	Fringe benefits employer contributions	-	-	-	-
3181	Retiree insurance	6,678,358	6,678,358	6,957,194	278,836
3186	State aid to classrooms - teacher salary increase	37,482,172	37,482,172	-	(37,482,172)
3199	Other restricted state grants	-	-	630	630
3300	Education Finance Act ("EFA")				
3350	Miscellaneous EFA Programs				
3392	NBC excess EFA formula	-	-	100,389	100,389

(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, 2023

		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	\$ 7,036,262	\$ 7,036,262	\$ 7,036,262	\$ -
3820	Homestead exemption	2,045,867	2,045,867	2,045,867	-
3825	Reimbursement for property tax relief	49,163,783	49,163,783	49,649,912	486,129
3830	Merchant's inventory tax	332,079	332,079	332,079	-
3890	Other state property tax revenues	107,947	107,947	396,930	288,983
3900	Other state revenue				
3993	PEBA on behalf payments	1,208,040	1,208,040	1,207,017	(1,023)
3999	Revenue from other state sources	50,000	50,000	1,164	(48,836)
	Total state sources	<u>105,481,328</u>	<u>105,481,328</u>	<u>109,775,834</u>	<u>4,294,506</u>
4000	Revenue from federal sources				
4100	Federally impacted areas				
4110	Maintenance and operations, P.L. 81-874	75,000	75,000	41,345	(33,655)
4900	Other federal sources				
4999	Revenue from other federal sources	575,000	575,000	616,029	41,029
	Total federal sources	<u>650,000</u>	<u>650,000</u>	<u>657,374</u>	<u>7,374</u>
	Total revenue all sources	<u>\$ 285,999,734</u>	<u>\$ 285,999,734</u>	<u>\$ 300,348,901</u>	<u>\$ 14,349,167</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, 2023

		Original Budget	Final Budget	Actual	Variance with Final Budget
Expenditures					
100	Instruction				
110	General instruction				
111	Kindergarten programs				
100	Salaries	\$ 7,448,845	\$ 7,105,698	\$ 7,138,437	\$ (32,739)
140	Terminal leave	-	12,326	12,209	117
200	Employee benefits	3,442,466	3,247,230	3,256,337	(9,107)
300	Purchased services	179,512	453,371	643,025	(189,654)
400	Supplies and materials	88,938	71,987	75,548	(3,561)
500	Capital outlay	-	-	16,815	(16,815)
		<u>11,159,761</u>	<u>10,890,612</u>	<u>11,142,371</u>	<u>(251,759)</u>
112	Primary programs				
100	Salaries	19,286,872	19,714,045	20,056,876	(342,831)
140	Terminal leave	-	8,294	8,294	-
200	Employee benefits	8,559,493	8,299,748	8,418,643	(118,895)
300	Purchased services	1,991,440	2,012,742	1,981,060	31,682
400	Supplies and materials	492,151	613,143	621,268	(8,125)
500	Capital outlay	-	-	82,597	(82,597)
600	Other objects	675	1,099	1,013	86
		<u>30,330,631</u>	<u>30,649,071</u>	<u>31,169,751</u>	<u>(520,680)</u>
113	Elementary programs				
100	Salaries	32,316,800	33,036,754	33,977,878	(941,124)
140	Terminal leave	-	81,031	81,030	1
200	Employee benefits	14,244,535	13,769,912	13,967,193	(197,281)
300	Purchased services	1,337,076	1,555,568	1,583,041	(27,473)
400	Supplies and materials	602,498	590,226	557,258	32,968
500	Capital outlay	-	-	63,392	(63,392)
600	Other objects	4,825	2,928	2,930	(2)
		<u>48,505,734</u>	<u>49,036,419</u>	<u>50,232,722</u>	<u>(1,196,303)</u>
114	High school programs				
100	Salaries	24,348,033	24,503,838	24,699,942	(196,104)
140	Terminal leave	-	2,316	64,976	(62,660)
200	Employee benefits	10,227,217	9,956,038	10,092,037	(135,999)
300	Purchased services	1,560,795	1,590,007	1,688,401	(98,394)
400	Supplies and materials	846,333	814,382	615,661	198,721
500	Capital outlay	-	418	111,561	(111,143)
600	Other objects	27,265	35,848	31,315	4,533
		<u>37,009,643</u>	<u>36,902,847</u>	<u>37,303,893</u>	<u>(401,046)</u>
115	Career and technology education (vocational) programs				
100	Salaries	3,437,032	3,714,785	3,753,417	(38,632)
200	Employee benefits	1,441,168	1,568,459	1,568,457	2
300	Purchased services	1,842,247	1,875,218	1,876,017	(799)
400	Supplies and materials	58,200	38,563	41,264	(2,701)
600	Other objects	2,800	1,066	1,065	1
		<u>6,781,447</u>	<u>7,198,091</u>	<u>7,240,220</u>	<u>(42,129)</u>
117	Driver education program				
100	Salaries	175,240	157,254	157,253	1
200	Employee benefits	64,299	60,473	60,374	99
300	Purchased services	2,030	2,521	2,646	(125)
400	Supplies and materials	970	1,498	2,278	(780)
		<u>242,539</u>	<u>221,746</u>	<u>222,551</u>	<u>(805)</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, 2023

		Original Budget	Final Budget	Actual	Variance with Final Budget
Expenditures (Continued)					
100	Instruction (Continued)				
110	General instruction (Continued)				
118	Montessori programs				
100	Salaries	817,481	803,812	803,741	71
200	Employee benefits	371,654	371,540	371,536	4
300	Purchased services	13,300	13,637	8,651	4,986
400	Supplies and materials	23,580	22,537	9,640	12,897
		<u>1,226,015</u>	<u>1,211,526</u>	<u>1,193,568</u>	<u>17,958</u>
	Total general instruction	<u>135,255,770</u>	<u>136,110,312</u>	<u>138,505,076</u>	<u>(2,394,764)</u>
120	Exceptional programs				
121	Educable mentally handicapped				
100	Salaries	\$ 1,083,801	\$ 949,941	\$ 876,622	\$ 73,319
200	Employee benefits	482,042	393,699	391,487	2,212
300	Purchased services	36,000	38,126	38,122	4
400	Supplies and materials	1,500	6,122	6,025	97
		<u>1,603,343</u>	<u>1,387,888</u>	<u>1,312,256</u>	<u>75,632</u>
122	Trainable mentally handicapped				
100	Salaries	466,554	477,304	474,934	2,370
200	Employee benefits	206,913	215,121	214,685	436
300	Purchased services	-	1,543	1,542	1
400	Supplies and materials	2,500	4,010	3,760	250
		<u>675,967</u>	<u>697,978</u>	<u>694,921</u>	<u>3,057</u>
123	Orthopedically handicapped				
100	Salaries	1,051,877	1,019,238	1,015,953	3,285
200	Employee benefits	435,596	448,097	447,915	182
300	Purchased services	-	28,315	26,829	1,486
400	Supplies and materials	2,250	12,030	11,977	53
600	Other objects	-	190	190	-
		<u>1,489,723</u>	<u>1,507,870</u>	<u>1,502,864</u>	<u>5,006</u>
124	Visually handicapped				
100	Salaries	91,782	96,782	96,506	276
200	Employee benefits	35,354	39,950	39,634	316
300	Purchased services	-	83,620	82,863	757
		<u>127,136</u>	<u>220,352</u>	<u>219,003</u>	<u>1,349</u>
125	Hearing handicapped				
100	Salaries	350,883	294,438	294,143	295
200	Employee benefits	140,231	119,189	118,749	440
300	Purchased services	-	808	803	5
400	Supplies and materials	200	205	205	-
		<u>491,314</u>	<u>414,640</u>	<u>413,900</u>	<u>740</u>
126	Speech handicapped				
100	Salaries	1,921,530	1,733,665	1,604,081	129,584
200	Employee benefits	763,267	686,092	684,673	1,419
300	Purchased services	200,600	598,864	598,009	855
400	Supplies and materials	5,515	6,083	5,368	715
600	Other objects	-	8,843	8,843	-
		<u>2,890,912</u>	<u>3,033,547</u>	<u>2,900,974</u>	<u>132,573</u>
127	Learning disabilities				
100	Salaries	8,019,606	7,386,377	7,127,840	258,537
200	Employee benefits	3,640,586	3,452,135	3,446,098	6,037
300	Purchased services	1,684,175	2,129,970	2,174,933	(44,963)
400	Supplies and materials	61,991	53,701	47,308	6,393
600	Other objects	100	4,960	285	4,675

(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, 2023

		Original Budget	Final Budget	Actual	Variance with Final Budget
Expenditures (Continued)					
100	Instruction (Continued)				
120	Exceptional programs (Continued)	13,406,458	13,027,143	12,796,464	230,679
128	Emotionally handicapped				
100	Salaries	1,155,614	1,164,614	1,122,647	41,967
140	Terminal leave	-	-	5,211	(5,211)
200	Employee benefits	479,365	487,731	487,650	81
300	Purchased services	45,000	3,419	1,717	1,702
400	Supplies and materials	300	300	300	-
		1,680,279	1,656,064	1,617,525	38,539
	Total exceptional programs	22,365,132	21,945,482	21,457,907	487,575
130	Preschool programs				
135	Preschool handicapped speech (3 and 4 year olds)				
100	Salaries	\$ 112,676	\$ 114,926	\$ 114,828	\$ 98
200	Employee benefits	44,650	45,860	45,609	251
300	Purchased services	-	188	188	-
		157,326	160,974	160,625	349
137	Preschool handicapped - self contained (3 and 4 year olds)				
100	Salaries	735,745	645,745	633,749	11,996
200	Employee benefits	312,108	295,682	251,495	44,187
300	Purchased services	25,000	214,554	213,653	901
		1,072,853	1,155,981	1,098,897	57,084
139	Early childhood programs				
100	Salaries	3,133,470	3,079,197	3,025,120	54,077
200	Employee benefits	1,435,689	1,452,979	1,415,664	37,315
300	Purchased services	110,000	201,783	289,477	(87,694)
400	Supplies and materials	42,230	28,964	28,375	589
		4,721,389	4,762,923	4,758,636	4,287
	Total preschool programs	5,951,568	6,079,878	6,018,158	61,720
140	Special programs				
141	Gifted and talented academic				
100	Salaries	2,360,364	2,361,645	2,355,398	6,247
200	Employee benefits	964,969	1,002,956	994,292	8,664
300	Purchased services	89,500	96,451	90,769	5,682
400	Supplies and materials	57,140	54,250	15,595	38,655
600	Other objects	6,710	3,900	125	3,775
		3,478,683	3,519,202	3,456,179	63,023
144	International baccalaureate				
100	Salaries	36,189	40,439	3,000	37,439
200	Employee benefits	18,415	18,713	2,733	15,980
300	Purchased services	12,000	41,252	41,432	(180)
400	Supplies and materials	13,000	15,813	15,173	640
600	Other objects	120,000	99,248	57,607	41,641
		199,604	215,465	119,945	95,520
145	Homebound				
100	Salaries	44,000	108,980	108,912	68
200	Employee benefits	13,400	34,225	34,219	6
300	Purchased services	77,742	35,555	35,549	6
		135,142	178,760	178,680	80
148	Gifted and talented artistic				
300	Purchased services	21,000	21,000	500	20,500
400	Supplies and materials	16,000	16,000	-	16,000
600	Other objects	19,000	19,000	453	18,547
		56,000	56,000	953	55,047
	Total special programs	3,869,429	3,969,427	3,755,757	213,670

(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, 2023

		Original Budget	Final Budget	Actual	Variance with Final Budget
Expenditures (Continued)					
100	Instruction (Continued)				
160	Other exceptional programs				
161	Autism				
100	Salaries	\$ 150,099	\$ 171,710	\$ 171,708	\$ 2
200	Employee benefits	59,032	71,956	62,796	9,160
300	Purchased services	1,000	18,434	16,343	2,091
400	Supplies and materials	150	-	-	-
		<u>210,281</u>	<u>262,100</u>	<u>250,847</u>	<u>11,253</u>
162	Limited English proficiency				
100	Salaries	4,774,814	4,567,905	4,567,904	1
140	Terminal leave	-	202	202	-
200	Employee benefits	1,840,097	1,696,660	1,696,658	2
300	Purchased services	60,850	54,830	27,749	27,081
400	Supplies and materials	50,650	48,331	31,547	16,784
600	Other objects	6,000	5,421	97	5,324
		<u>6,732,411</u>	<u>6,373,349</u>	<u>6,324,157</u>	<u>49,192</u>
	Total other exceptional programs	<u>6,942,692</u>	<u>6,635,449</u>	<u>6,575,004</u>	<u>60,445</u>
170	Summer school programs				
175	Instructional programs beyond regular school day				
100	Salaries	-	-	231	(231)
200	Employee benefits	-	-	73	(73)
400	Supplies and materials	1,150	560	320	240
600	Other objects	2,000	1,327	404	923
		<u>3,150</u>	<u>1,887</u>	<u>1,028</u>	<u>859</u>
	Total summer school programs	<u>3,150</u>	<u>1,887</u>	<u>1,028</u>	<u>859</u>
180	Adult/continuing education programs				
181	Adult Basic Education Programs				
100	Salaries	-	250	250	-
200	Employee benefits	-	19	19	-
		<u>-</u>	<u>269</u>	<u>269</u>	<u>-</u>
188	Parenting/family literacy				
100	Salaries	48,556	48,556	47,485	1,071
200	Employee benefits	21,876	21,876	22,537	(661)
		<u>70,432</u>	<u>70,432</u>	<u>70,022</u>	<u>410</u>
	Total adult/continuing education programs	<u>70,432</u>	<u>70,701</u>	<u>70,291</u>	<u>410</u>
190	Instructional pupil activity				
300	Purchased services	1,375	1,050	818	232
600	Other objects	118,764	119,780	126,741	(6,961)
	Total instructional pupil activity	<u>120,139</u>	<u>120,830</u>	<u>127,559</u>	<u>(6,729)</u>
	Total instruction	<u>174,578,312</u>	<u>174,933,966</u>	<u>176,510,780</u>	<u>(1,576,814)</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, 2023

		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	\$ 2,758,893	\$ 2,530,177	\$ 2,740,210	\$ (210,033)
140	Terminal leave	-	121	4,085	(3,964)
200	Employee benefits	1,296,774	1,264,321	1,261,123	3,198
300	Purchased services	68,783	73,624	63,988	9,636
400	Supplies and materials	23,530	24,871	19,160	5,711
600	Other objects	2,750	2,750	1,975	775
		<u>4,150,730</u>	<u>3,895,864</u>	<u>4,090,541</u>	<u>(194,677)</u>
212	Guidance services				
100	Salaries	4,826,610	5,367,212	5,367,210	2
140	Terminal leave	-	23,283	23,282	1
200	Employee benefits	1,996,436	2,298,696	2,309,374	(10,678)
300	Purchased services	36,030	39,836	29,870	9,966
400	Supplies and materials	44,245	41,468	43,635	(2,167)
600	Other objects	19,970	19,047	12,458	6,589
		<u>6,923,291</u>	<u>7,789,542</u>	<u>7,785,829</u>	<u>3,713</u>
213	Health services				
100	Salaries	1,819,700	1,556,342	1,556,341	1
200	Employee benefits	845,050	708,419	736,651	(28,232)
300	Purchased services	47,337	142,178	174,623	(32,445)
400	Supplies and materials	70,201	70,931	47,392	23,539
600	Other objects	1,231	2,163	1,484	679
		<u>2,783,519</u>	<u>2,480,033</u>	<u>2,516,491</u>	<u>(36,458)</u>
214	Psychological services				
100	Salaries	1,231,716	1,021,372	1,021,371	1
200	Employee benefits	489,020	432,143	432,399	(256)
300	Purchased services	46,000	96,000	93,580	2,420
400	Supplies and materials	21,400	21,400	3,371	18,029
600	Other objects	5,000	5,000	3,570	1,430
		<u>1,793,136</u>	<u>1,575,915</u>	<u>1,554,291</u>	<u>21,624</u>
217	Career specialist services				
100	Salaries	73,833	132,795	132,794	1
200	Employee benefits	30,604	56,663	56,661	2
300	Purchased Services	-	201	201	-
		<u>104,437</u>	<u>189,659</u>	<u>189,656</u>	<u>3</u>
	Total pupil services	<u>15,755,113</u>	<u>15,931,013</u>	<u>16,136,808</u>	<u>(205,795)</u>
220	Instructional staff services				
221	Improvement of instruction - curriculum development				
100	Salaries	6,368,608	6,402,402	6,169,689	232,713
140	Terminal leave	-	-	18,715	(18,715)
200	Employee benefits	2,420,927	2,441,340	2,438,822	2,518
300	Purchased services	887,900	689,744	389,168	300,576
400	Supplies and materials	523,500	504,322	369,190	135,132
500	Capital outlay	-	-	12,946	(12,946)
600	Other objects	190,500	172,551	102,501	70,050
		<u>10,391,435</u>	<u>10,210,359</u>	<u>9,501,031</u>	<u>709,328</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, 2023

		Original Budget	Final Budget	Actual	Variance with Final Budget
Expenditures (Continued)					
200	Support services (Continued)				
220	Instructional staff services (Continued)				
222	Library and media services				
100	Salaries	3,021,171	2,954,921	2,812,257	142,664
140	Terminal leave	-	-	18,595	(18,595)
200	Employee benefits	1,352,801	1,274,917	1,248,196	26,721
300	Purchased services	42,341	207,340	214,803	(7,463)
400	Supplies and materials	244,911	328,302	284,763	43,539
500	Capital outlay	1,773	-	-	-
600	Other objects	300	153	153	-
		<u>4,663,297</u>	<u>4,765,633</u>	<u>4,578,767</u>	<u>186,866</u>
223	Supervision of special programs				
100	Salaries	\$ 414,691	\$ 387,575	\$ 379,571	\$ 8,004
200	Employee benefits	176,841	145,286	142,327	2,959
300	Purchased services	133,721	107,638	80,669	26,969
400	Supplies and materials	42,900	49,010	66,236	(17,226)
500	Capital outlay	-	-	13,981	(13,981)
600	Other objects	3,400	1,740	1,739	1
		<u>771,553</u>	<u>691,249</u>	<u>684,523</u>	<u>6,726</u>
224	Improvement of instruction - in-service and staff training				
100	Salaries	254,349	271,270	270,018	1,252
200	Employee benefits	84,111	88,406	88,406	-
300	Purchased services	252,389	261,992	226,172	35,820
400	Supplies and materials	29,400	28,880	31,822	(2,942)
600	Other objects	43,065	38,540	36,318	2,222
		<u>663,314</u>	<u>689,088</u>	<u>652,736</u>	<u>36,352</u>
	Total instructional staff services	<u>16,489,599</u>	<u>16,356,329</u>	<u>15,417,057</u>	<u>939,272</u>
230	General administration services				
231	Board of Education				
100	Salaries	189,011	198,301	196,820	1,481
200	Employee benefits	69,308	79,227	78,394	833
300	Purchased services	333,442	333,097	183,189	149,908
318	Audit services	62,805	62,805	55,000	7,805
400	Supplies and materials	20,000	20,100	6,704	13,396
500	Capital outlay	-	-	1,576	(1,576)
600	Other objects	54,381	54,626	51,360	3,266
		<u>728,947</u>	<u>748,156</u>	<u>573,043</u>	<u>175,113</u>
232	Office of the Superintendent				
100	Salaries	296,394	297,144	314,113	(16,969)
200	Employee benefits	139,342	139,399	172,052	(32,653)
300	Purchased services	25,400	23,968	10,982	12,986
400	Supplies and materials	7,750	8,079	3,274	4,805
600	Other objects	7,000	8,103	6,844	1,259
		<u>475,886</u>	<u>476,693</u>	<u>507,265</u>	<u>(30,572)</u>
233	School administration				
100	Salaries	14,923,108	14,572,356	14,246,244	326,112
140	Terminal leave	-	76,996	147,586	(70,590)
200	Employee benefits	6,321,775	6,202,614	6,164,069	38,545
300	Purchased services	197,487	293,088	269,226	23,862
400	Supplies and materials	374,959	341,081	413,837	(72,756)
600	Other objects	22,765	28,620	21,016	7,604
		<u>21,840,094</u>	<u>21,514,755</u>	<u>21,261,978</u>	<u>252,777</u>
	Total general administration services	<u>23,044,927</u>	<u>22,739,604</u>	<u>22,342,286</u>	<u>397,318</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, 2023

				Original Budget	Final Budget	Actual	Variance with Final Budget
Expenditures (Continued)							
200	Support services (Continued)						
250	Finance and operations services						
252	Fiscal services						
100	Salaries			1,604,444	1,667,782	1,667,151	631
140	Terminal leave			-	50,055	50,055	-
200	Employee benefits			700,737	715,169	710,559	4,610
300	Purchased services			98,180	112,730	45,968	66,762
400	Supplies and materials			100,432	86,128	86,129	(1)
500	Capital outlay			-	-	2,447	(2,447)
600	Other objects			5,654	5,408	5,407	1
				<u>2,509,447</u>	<u>2,637,272</u>	<u>2,567,716</u>	<u>69,556</u>
253	Facilities acquisition and construction						
100	Salaries			\$ 6,000	\$ 8,429	\$ 8,429	\$ -
200	Employee benefits			6,447	6,645	6,968	(323)
300	Purchased services			17,700	13,700	10,981	2,719
400	Supplies and materials			11,000	17,200	16,078	1,122
600	Other objects			3,500	2,100	1,120	980
				<u>44,647</u>	<u>48,074</u>	<u>43,576</u>	<u>4,498</u>
254	Operation and maintenance of plant						
100	Salaries			416,011	452,836	452,835	1
200	Employee benefits			174,085	182,231	182,232	(1)
300	Purchased services			19,057,179	18,691,021	18,517,844	173,177
400	Supplies and materials			1,091,000	1,398,718	1,593,183	(194,465)
470	Energy			7,094,754	7,063,391	6,588,680	474,711
500	Capital outlay			5,000	97,313	181,452	(84,139)
600	Other objects			326,000	323,110	304,911	18,199
				<u>28,164,029</u>	<u>28,208,620</u>	<u>27,821,137</u>	<u>387,483</u>
255	Student transportation						
100	Salaries			4,970,861	4,883,100	4,729,290	153,810
140	Terminal leave			-	1,315	16,176	(14,861)
200	Employee benefits			2,240,051	2,223,283	2,223,283	-
300	Purchased services			345,900	431,216	513,532	(82,316)
400	Supplies and materials			377,100	364,100	23,928	340,172
500	Capital outlay			-	-	9,764	(9,764)
600	Other objects			2,400	3,400	2,174	1,226
				<u>7,936,312</u>	<u>7,906,414</u>	<u>7,518,147</u>	<u>388,267</u>
258	Security						
100	Salaries			101,921	110,788	110,786	2
200	Employee benefits			45,587	46,275	46,276	(1)
300	Purchased services			2,162,761	2,163,001	2,565,006	(402,005)
400	Supplies and materials			13,000	13,000	9,137	3,863
600	Other objects			19,435	19,435	4,872	14,563
				<u>2,342,704</u>	<u>2,352,499</u>	<u>2,736,077</u>	<u>(383,578)</u>
	Total finance and operations services						
				<u>40,997,139</u>	<u>41,152,879</u>	<u>40,686,653</u>	<u>466,226</u>
260	Central support services						
262	Planning						
300	Purchased services			4,900	4,900	2,053	2,847
400	Supplies and materials			500	-	-	-
600	Other objects			500	200	160	40
				<u>5,900</u>	<u>5,100</u>	<u>2,213</u>	<u>2,887</u>
263	Information services						
100	Salaries			339,366	350,162	350,161	1
200	Employee benefits			139,264	139,810	139,806	4
300	Purchased services			99,250	97,750	25,140	72,610
400	Supplies and materials			6,100	7,600	7,560	40
600	Other objects			3,400	3,400	2,815	585
				<u>587,380</u>	<u>598,722</u>	<u>525,482</u>	<u>73,240</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, 2023

		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	\$ 3,528,526	\$ 3,133,624	\$ 3,133,624	\$ -
140	Terminal leave	-	3,155	3,154	1
200	Employee benefits	1,220,168	1,222,999	1,215,743	7,256
300	Purchased services	608,617	546,924	511,088	35,836
400	Supplies and materials	132,750	181,833	171,035	10,798
500	Capital outlay	-	-	6,186	(6,186)
600	Other objects	11,500	15,610	10,604	5,006
		<u>5,501,561</u>	<u>5,104,145</u>	<u>5,051,434</u>	<u>52,711</u>
266	Technology and data processing services				
100	Salaries	2,847,622	2,849,113	2,805,495	43,618
140	Terminal leave	-	-	16,320	(16,320)
200	Employee benefits	1,222,285	1,222,562	1,191,745	30,817
300	Purchased services	2,423,401	2,498,401	2,225,910	272,491
400	Supplies and materials	118,700	158,700	149,719	8,981
500	Capital outlay	125,000	10,000	-	10,000
600	Other objects	1,500	1,500	1,342	158
		<u>6,738,508</u>	<u>6,740,276</u>	<u>6,390,531</u>	<u>349,745</u>
	Total central support services	<u>12,833,349</u>	<u>12,448,243</u>	<u>11,969,660</u>	<u>478,583</u>
270	Support Services - Pupil Activity				
271	Pupil service activities				
100	Salaries	2,210,324	2,163,935	2,096,878	67,057
200	Employee benefits	620,790	645,185	575,287	69,898
300	Purchased services	110,018	190,216	162,228	27,988
400	Supplies and materials	367,148	454,957	414,887	40,070
600	Other objects	1,082,636	1,073,028	1,069,748	3,280
		<u>4,390,916</u>	<u>4,527,321</u>	<u>4,319,028</u>	<u>208,293</u>
	Total support services - pupil activity	<u>4,390,916</u>	<u>4,527,321</u>	<u>4,319,028</u>	<u>208,293</u>
	Total support services	<u>113,511,043</u>	<u>113,155,389</u>	<u>110,871,492</u>	<u>2,283,897</u>
400	Other charges				
410	Intergovernmental expenditures				
412	Payments to other governmental units				
300	Purchased services	60,000	60,000	132,569	(72,569)
720	Transits	15,000	15,000	-	15,000
		<u>75,000</u>	<u>75,000</u>	<u>132,569</u>	<u>(57,569)</u>
416	LEA payments to public charter schools				
720	Transits	9,839,238	9,839,238	10,115,609	(276,371)
	Total intergovernmental expenditures	<u>9,914,238</u>	<u>9,914,238</u>	<u>10,248,178</u>	<u>(333,940)</u>
	Total other charges	<u>9,914,238</u>	<u>9,914,238</u>	<u>10,248,178</u>	<u>(333,940)</u>
500	Debt service				
610	Redemption of principal	-	-	267,083	(267,083)
620	Interest	20,000	20,000	135,472	(115,472)
	Total debt service	<u>20,000</u>	<u>20,000</u>	<u>402,555</u>	<u>(382,555)</u>
	Total expenditures	<u>298,023,593</u>	<u>298,023,593</u>	<u>298,033,005</u>	<u>(9,412)</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, 2023

		Original Budget	Final Budget	Actual	Variance with Final Budget
Other financing sources (uses)					
Interfund transfers, from (to) other funds:					
5220	Transfer from Special Revenue Fund (excludes indirect cost)	\$ 500,000	\$ 500,000	\$ -	\$ 500,000
5230	Transfer from special revenue EIA fund	6,633,859	6,633,859	-	6,633,859
5280	Transfer from other funds indirect costs	5,000,000	5,000,000	4,629,916	370,084
5500	Capital lease	-	-	320,849	(320,849)
425-710	Transfer to food service fund	(110,000)	(110,000)	(110,000)	-
	Total other financing sources, net	12,023,859	12,023,859	4,840,765	7,183,094
	Excess of revenues and other financing sources over expenditures and other financing uses	-	-	7,156,661	7,156,661
Fund balance, beginning of year		57,132,200	57,132,200	57,132,200	-
Fund balance, end of year		<u>\$ 57,132,200</u>	<u>\$ 57,132,200</u>	<u>\$ 64,288,861</u>	<u>\$ 7,156,661</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, 2023

		Title I (201/202/237)	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			
3156	Adult education	-	-	-
3190	Miscellaneous restricted state grants			
3193	Education license plates	-	-	-
3199	Other Restricted State Grants	-	-	-
3600	Education Lottery Act Revenue			
3699	Other State Lottery Programs			
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	6,920,642	-	-
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")	-	6,016,859	-
4520	Preschool grants ("IDEA")	-	-	179,716
4990	Other federal revenue			
4931	ARP IDEA	-	-	-
4933	ARP IDEA Preschool	-	-	-
4937	ARP Homeless I	-	-	-
4997	SSAE Title IV	-	-	-
4999	Revenues from other federal sources	-	-	-
	Total federal sources	6,920,642	6,016,859	179,716
	Total revenues	6,920,642	6,016,859	179,716

(Continued)

Occupational Education (207)	Adult Education (243)	* Other Restricted State Grants	* Other Special Revenue Programs	Total
\$ -	\$ -	\$ -	\$ 75	\$ 75
-	-	-	1,033,654	1,033,654
-	-	-	2,655	2,655
-	16,111	-	856,741	872,852
-	16,111	-	1,893,125	1,909,236
-	-	922,087	-	922,087
-	-	204,776	-	204,776
-	-	1,753,994	-	1,753,994
-	-	960,901	-	960,901
-	17,322	-	-	17,322
-	-	366	-	366
-	-	-	1,305	1,305
-	200	-	-	200
-	-	-	82,238	82,238
-	17,522	3,842,124	83,543	3,943,189
310,795	-	-	-	310,795
-	-	-	-	6,920,642
-	-	-	368,587	368,587
-	-	-	80,628	80,628
-	-	-	1,172,388	1,172,388
-	184,643	-	-	184,643
-	-	-	-	6,016,859
-	-	-	-	179,716
-	-	-	529,548	529,548
-	-	-	76,457	76,457
-	-	-	83,101	83,101
-	-	-	647,269	647,269
-	-	-	3,123,452	3,123,452
310,795	184,643	-	6,081,430	19,694,085
310,795	218,276	3,842,124	8,058,098	25,546,510

BEAUFORT COUNTY SCHOOL DISTRICT

SPECIAL PROJECTS FUND COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE FISCAL YEAR ENDED JUNE 30, 2023

		Title I (201/202/237)	IDEA (203)	Preschool Handicapped (205)
Expenditures				
100	Instruction			
110	General instruction			
111	Kindergarten programs			
100	Salaries	\$ 26,273	\$ -	\$ -
200	Employee benefits	8,265	-	-
300	Purchased services	9,663	-	-
400	Supplies and materials	53,280	-	-
112	Primary programs			
100	Salaries	744,078	-	-
140	Terminal leave	-	-	-
200	Employee benefits	301,811	-	-
300	Purchased services	74,012	-	-
400	Supplies and materials	295,813	-	-
500	Capital outlay	-	-	-
113	Elementary programs			
100	Salaries	788,416	-	-
200	Employee benefits	315,428	-	-
300	Purchased services	-	-	-
400	Supplies and materials	139,503	-	-
600	Other objects	-	-	-
114	High school programs			
100	Salaries	109,577	-	-
140	Terminal leave	-	-	-
200	Employee benefits	20,658	-	-
300	Purchased services	13,573	-	-
400	Supplies and materials	17,037	-	-
600	Other objects	-	-	-
115	Career and technology education programs			
100	Salaries		-	-
200	Employee benefits	-	-	-
300	Purchased services	-	-	-
400	Supplies and materials	-	-	-
500	Capital outlay	-	-	-
120	Exceptional programs			
121	Educable mentally handicapped			
100	Salaries	-	159,088	-
200	Employee benefits	-	78,914	-
300	Purchased services	-	2,770	-
400	Supplies and materials	-	903	-
122	Trainable mentally handicapped			
100	Salaries	-	156,876	-
200	Employee benefits	-	62,430	-
400	Supplies and materials	-	-	-
123	Orthopedically handicapped			
100	Salaries	-	39,678	-
200	Employee benefits	-	7,955	-
300	Purchased services	-	98,465	-
400	Supplies and materials	-	25,220	-
124	Visually handicapped			
100	Salaries	-	111,041	-
200	Employee benefits	-	61,465	-
300	Purchased services	-	14,562	-
400	Supplies and materials	-	11,607	-
600	Other objects	-	175	-

(Continued)

Occupational Education (207)	Adult Education (243)	* Other Restricted State Grants	* Other Special Revenue Programs	Total
\$ -	\$ -	\$ -	\$ -	\$ 26,273
-	-	-	-	8,265
-	-	-	-	9,663
-	-	-	1,004	54,284
-	-	137,666	339,521	1,221,265
-	-	-	19,141	19,141
-	-	59,307	153,625	514,743
-	-	-	35,072	109,084
-	-	366	203,833	500,012
-	-	-	6,000	6,000
-	-	-	158,424	946,840
-	-	-	76,469	391,897
-	-	-	65,773	65,773
-	-	-	170,449	309,952
-	-	-	190	190
-	-	-	449,834	559,411
-	-	-	805	805
-	-	-	156,887	177,545
-	-	-	57,785	71,358
-	-	-	109,472	126,509
-	-	-	686	686
-	-	-	139,883	139,883
-	-	-	58,498	58,498
180,279	-	-	-	180,279
78,139	-	-	48,425	126,564
-	-	-	6,765	6,765
-	-	-	-	159,088
-	-	-	-	78,914
-	-	-	-	2,770
-	-	-	-	903
-	-	-	50,000	206,876
-	-	-	46,469	108,899
-	-	-	1,305	1,305
-	-	-	130,540	170,218
-	-	-	45,164	53,119
-	-	-	-	98,465
-	-	-	-	25,220
-	-	-	133,088	244,129
-	-	-	49,286	110,751
-	-	-	-	14,562
-	-	-	-	11,607
-	-	-	-	175

BEAUFORT COUNTY SCHOOL DISTRICT

SPECIAL PROJECTS FUND COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE FISCAL YEAR ENDED JUNE 30, 2023

				Title I (201/202/237)	IDEA (203)	Preschool Handicapped (205)
Expenditures (Continued)						
100	Instruction (Continued)					
120	Exceptional programs (Continued)					
125	Hearing handicapped					
	100	Salaries		\$ -	\$ 149,658	\$ -
	200	Employee benefits		-	76,206	-
	300	Purchased services		-	847	-
	400	Supplies and materials		-	5,045	-
126	Speech handicapped					
	100	Salaries		-	397,535	-
	200	Employee benefits		-	184,959	-
	300	Purchased services		-	173,647	-
	400	Supplies and materials		-	5,468	-
	600	Other objects		-	358	-
127	Learning disabilities					
	100	Salaries		27,674	606,867	-
	200	Employee benefits		8,695	302,517	-
	300	Purchased services		34,000	34,676	-
	400	Supplies and materials		-	949	-
128	Emotionally handicapped					
	100	Salaries		-	104,419	-
	200	Employee benefits		-	41,513	-
130	Preschool programs					
132	Preschool handicapped itinerant (5 year olds)					
	100	Salaries		-	462	-
	200	Employee benefits		-	145	-
137	Preschool handicapped self-contained (3 and 4 year olds)					
	100	Salaries		-	153,283	107,832
	200	Employee benefits		-	66,650	45,268
	300	Purchased services		-	2,406	-
	400	Supplies and materials		-	5,749	-
	500	Capital outlay		-	-	10,000
139	Early childhood programs					
	100	Salaries		852,288	-	-
	200	Employee benefits		394,129	-	-
	400	Supplies and materials		-	-	-
140	Special programs					
149	Other special programs					
	100	Salaries		-	40,000	6,000
	200	Employee benefits		-	6,956	292
	300	Purchased services		-	67,292	-
	400	Supplies and materials		-	-	3,078
160	Other exceptional programs					
161	Autism					
	100	Salaries		35,363	60,457	-
	200	Employee benefits		15,093	16,014	-
	300	Purchased services		-	997,088	-
	400	Supplies and materials		-	104,700	-
	500	Capital outlay		-	84,495	-
162	Limited English proficiency					
	100	Salaries		32,439	-	-
	200	Employee benefits		15,969	-	-
170	Summer school programs					
175	Instructional programs beyond regular school day					
	100	Salaries		34,577	-	-
	200	Employee benefits		9,091	-	-
	300	Purchased services		-	-	-
	400	Supplies and materials		-	-	-

(Continued)

Occupational Education (207)	Adult Education (243)	* Other Restricted State Grants	* Other Special Revenue Programs	Total
\$ -	\$ -	\$ -	\$ 35,000	\$ 184,658
-	-	-	-	76,206
-	-	-	-	847
-	-	-	-	5,045
-	-	-	15,000	412,535
-	-	-	-	184,959
-	-	-	-	173,647
-	-	-	-	5,468
-	-	-	-	358
-	-	-	89,000	723,541
-	-	-	13,684	324,896
-	-	-	-	68,676
-	-	-	-	949
-	-	-	50,000	154,419
-	-	-	22,272	63,785
-	-	-	-	462
-	-	-	-	145
-	-	-	80,500	341,615
-	-	-	37,294	149,212
-	-	-	-	2,406
-	-	-	4,300	10,049
-	-	-	-	10,000
-	-	-	-	852,288
-	-	-	-	394,129
-	-	-	431	431
-	-	-	-	46,000
-	-	-	-	7,248
-	-	-	1,585	68,877
-	-	-	-	3,078
-	-	-	93,749	189,569
-	-	-	63,452	94,559
-	-	-	36,479	1,033,567
-	-	-	-	104,700
-	-	-	-	84,495
-	-	-	-	32,439
-	-	-	-	15,969
-	-	-	259	34,836
-	-	-	81	9,172
-	-	-	1,925	1,925
-	-	-	74	74

BEAUFORT COUNTY SCHOOL DISTRICT

SPECIAL PROJECTS FUND COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE FISCAL YEAR ENDED JUNE 30, 2023

		Title I (201/202/237)	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	-	-	-
400	Supplies and materials	-	-	-
183	Adult English literacy - ESL			
100	Salaries	-	-	-
200	Employee benefits	-	-	-
188	Parenting/family literacy			
100	Salaries	545,548	-	-
200	Employee benefits	258,206	-	-
300	Purchased services	96,738	-	-
400	Supplies and materials	41,119	-	-
600	Other objects	16,969	-	-
190	Instructional pupil activity			
600	Other objects	-	-	-
	Total instruction	<u>5,335,285</u>	<u>4,521,510</u>	<u>172,470</u>
200	Support services			
210	Pupil services			
211	Attendance and social work services			
100	Salaries	-	-	-
200	Employee benefits	-	-	-
300	Purchased services	-	-	-
212	Guidance services			
100	Salaries	-	-	-
200	Employee benefits	-	-	-
300	Purchased services	18,044	-	-
400	Supplies and materials	417	-	-
213	Health services			
100	Salaries	-	497	-
200	Employee benefits	-	156	-
300	Purchased services	-	35,128	-
214	Psychological services			
100	Salaries	-	140,512	-
200	Employee benefits	-	53,404	-
300	Purchased services	-	156,872	-
217	Career specialist services			
100	Salaries	-	-	-
200	Employee benefits	-	-	-
220	Instructional staff services			
221	Improvement of instruction - curriculum development			
100	Salaries	227,712	188,817	-
140	Terminal leave	-	778	-
200	Employee benefits	84,880	81,738	-
300	Purchased services	3,152	-	-
400	Supplies and materials	-	-	-
600	Other objects	-	-	-

(Continued)

Occupational Education (207)	Adult Education (243)	* Other Restricted State Grants	* Other Special Revenue Programs	Total
\$ -	\$ 41,891	\$ -	\$ -	\$ 41,891
-	18,467	-	-	18,467
-	17,689	-	-	17,689
-	28,908	-	-	28,908
-	23	-	-	23
-	27,861	-	-	27,861
-	12,887	-	-	12,887
-	1,052	-	-	1,052
-	27,861	-	-	27,861
-	12,887	-	-	12,887
-	-	-	-	545,548
-	-	-	-	258,206
-	-	-	163,832	260,570
-	-	-	68,932	110,051
-	-	-	-	16,969
-	-	-	3,816	3,816
258,418	189,526	197,339	3,496,058	14,170,606

-	-	-	49,035	49,035
-	-	-	21,101	21,101
-	-	-	58	58
-	-	94,542	-	94,542
-	-	43,090	-	43,090
-	-	-	11,633	29,677
-	-	-	18,615	19,032
-	-	647,999	233,742	882,238
-	-	290,917	64,347	355,420
-	-	-	56,291	91,419
-	-	-	-	140,512
-	-	-	-	53,404
-	-	-	-	156,872
-	-	553,826	-	553,826
-	-	230,628	-	230,628
-	-	1,197,650	1,017,250	2,631,429
-	-	-	-	778
-	-	497,084	426,119	1,089,821
-	-	-	3,040	6,192
-	-	-	9,246	9,246
-	-	-	911	911

BEAUFORT COUNTY SCHOOL DISTRICT

SPECIAL PROJECTS FUND COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE FISCAL YEAR ENDED JUNE 30, 2023

				Title I (201/202/237)	IDEA (203)	Preschool Handicapped (205)
Expenditures (Continued)						
200	Support services (Continued)					
220	Instructional staff services (Continued)					
223	Supervision of special programs					
	100	Salaries		\$ 112,643	\$ 167,775	\$ -
	140	Terminal leave		791	-	-
	200	Employee benefits		43,634	64,026	-
	300	Purchased services		23,266	129,746	-
	400	Supplies and materials		118	23,966	-
	600	Other objects		-	2,520	-
224	Improvement of instruction - in-service and staff training					
	100	Salaries		71,965	3,380	-
	200	Employee benefits		16,344	300	-
	300	Purchased services		663,851	96,116	-
	400	Supplies and materials		31,951	10,546	-
	600	Other objects		20,370	-	-
230	General administrative services					
233	School administration					
	300	Purchased services			-	-
	600	Other objects		-	-	-
250	Finance and operations services					
251	Student transportation (federal/district mandated)					
	300	Purchased services		11,000	3,973	-
	500	Capital outlay		-	-	-
253	Facilities acquisition and construction					
	500	Capital outlay		-	-	-
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		58,764	-	-
		Total support services		<u>1,388,902</u>	<u>1,160,250</u>	<u>-</u>
300	Community services					
350	Custody and care of children					
	100	Salaries		-	-	-
	200	Employee benefits		-	-	-
	300	Purchased services		-	-	-
	400	Supplies and materials		-	-	-
360	Welfare services					
	400	Supplies and materials		-	-	-
370	Non public school services					
	100	Salaries		956	-	-
	200	Employee benefits		311	-	-
	300	Purchased services		-	-	-
	400	Supplies and materials		3,730	-	-
390	Other community services					
	300	Purchased services		-	-	-
	400	Supplies and materials		-	-	-
		Total community services		<u>4,997</u>	<u>-</u>	<u>-</u>

(Continued)

Occupational Education (207)	Adult Education (243)	* Other Restricted State Grants	* Other Special Revenue Programs	Total
\$ -	\$ -	\$ -	\$ 165,255	\$ 445,673
-	-	-	944	1,735
-	-	-	65,729	173,389
-	5,360	-	390,335	548,707
-	1,043	-	10,353	35,480
-	993	-	-	3,513
-	12,425	-	42,640	130,410
-	1,253	-	13,402	31,299
28,377	7,676	-	664,106	1,460,126
-	-	-	17,747	60,244
-	-	-	540	20,910
-	-	-	24	24
-	-	-	13	13
-	-	-	1,617	16,590
-	-	-	154,200	154,200
-	-	-	340,000	340,000
-	-	-	5,535	5,535
-	-	-	666	666
-	-	-	955	955
24,000	-	-	6,655	89,419
52,377	28,750	3,555,736	3,792,104	9,978,119
-	-	-	241,072	241,072
-	-	-	104,143	104,143
-	-	-	89	89
-	-	-	502	502
-	-	-	7,872	7,872
-	-	-	-	956
-	-	-	-	311
-	-	-	33,359	33,359
-	-	-	2,557	6,287
-	-	-	12,743	12,743
-	-	-	641	641
-	-	-	402,978	407,975

BEAUFORT COUNTY SCHOOL DISTRICT

SPECIAL PROJECTS FUND COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Title I (201/202/237)	IDEA (203)	Preschool Handicapped (205)
Expenditures (Continued)			
400 Other charges			
410 Intergovernmental expenditures			
411-720 Payments to State Department of Education	\$ -	\$ -	\$ -
416-720 Payments to public charter schools	-	143,610	-
Total intergovernmental expenditures	-	143,610	-
Total expenditures	6,729,184	5,825,370	172,470
Other financing sources (uses)			
Interfund transfers from (to) other funds			
431-791 Special revenue fund indirect costs	(191,458)	(191,489)	(7,246)
Total other financing uses, net	(191,458)	(191,489)	(7,246)
Excess of revenues over expenditures and other financing uses	-	-	-
Fund balance, beginning of year	-	-	-
Fund balance, end of year	\$ -	\$ -	\$ -

Occupational Education (207)	Adult Education (243)	* Other Restricted State Grants	* Other Special Revenue Programs	Total
\$ -	\$ -	\$ -	\$ 178,278	\$ 178,278
-	-	89,049	6,459	239,118
-	-	89,049	184,737	417,396
310,795	218,276	3,842,124	7,875,877	24,974,096
-	-	-	(182,221)	(572,414)
-	-	-	(182,221)	(572,414)
-	-	-	-	-
-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -

BEAUFORT COUNTY SCHOOL DISTRICT

SPECIAL PROJECTS FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE FISCAL YEAR ENDED JUNE 30, 2023

*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
969	Misc. Adult Education	937	Student Health and Fitness
* Other Special Revenue Programs			
201	Title I Current Year	813	National Christian Foundation - RCE
202	Title I Prior Year	814	Women in Philanthropy
203	IDEA	816	SREB Grant
205	IDEA Preschool	817	AP Computer Science Grant - BHS
207	Federal Perkins Fund CTE	819	Growing Stem Grant
210	Title IV SSAE (Student Support and Acad. Enrich.)	821	Public Consulting Group
218	ESSER III	822	Cinderella Fella Ball
220	SC CARES ESSER	823	CTE Surplus Supplies
225	ESSER II	825	Jr. Jazz Foundation - BLMS
230	IDEA ARP	826	Transcripts
232	McKinney-Vento Homeless	827	Teacher Mini Grants
233	IDEA Preschool ARP	830	ELL Distance Learning
237	Title I ATSI	831	Farm to School LIES
239	Comprehensive Support and Improvement	832	MUSC Wellness Award
263	ARP Homeless I & II	833	Fresh Food Initiative Through Education
264	Title III (ML)	839	No Kid Hungry Grant
267	Improving Teacher Quality, Title II	844	Parker-Grant
285	Cooperaive Agreement for Emergency Response	845	SC Arts Commission - BMS
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
297	GenCyber Grant	857	Partners in Education - BLHS
299	Profiles Administration - BCHS	860	SC Arts Commission - MOES
801	Profound. Mentally Disabled	866	Dollar General Literacy - BLES
803	Senior Scholar Banquet	867	AIE/ABC HHSCA
804	National Christian Foundation - BLHS	870	Jr. Jazz Foundation - BLHS
805	HHMS Donation Grant	871	Summer Camps
806	African American History Annual Conference	872	MSAP Summer Camp
808	Emergency Connectivity Funding	873	Parenting Family Literacy
809	Back to School Expo	874	Jr. Jazz Foundation - BMS
810	COSY Grant	875	Traveling Preschool Bus
812	Reading Power Grant	876	Dollar General - BLES
		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, 2023

Subfund	Revenue	Programs	Revenues	Expenditures	Transfer In (Out)	Special Revenue Fund
						Unearned Revenue
919	3193	Education License Plates	\$ 366	\$ 366	\$ -	\$ 4,640
928	3118	EEDA Career Specialists	922,087	922,087	-	-
935	3135	Reading Coaches	1,753,994	1,753,994	-	-
936	3136	Student Health and Fitness - Nurses	960,901	960,901	-	-
937	3127	Student Health and Fitness - PE Teachers	204,776	204,776	-	-
		Total	<u>\$ 3,842,124</u>	<u>\$ 3,842,124</u>	<u>\$ -</u>	<u>\$ 4,640</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 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Revenues

1000	Revenue from local sources		
1500	Earnings on investments		
1510	Interest income	\$	4,623
1700	Pupil activities		
1730	Pupil organization membership dues and fees		451,838
1900	Other revenue from local sources		
1920	Contributions and donations from private sources		108,928
1999	Revenue from other local sources		3,639,754
	Total local sources		<u>4,205,143</u>
	Total revenues		<u>4,205,143</u>

Expenditures

100	Instruction		
190	Instructional pupil activity		
600	Other objects		337,277
	Total instruction		<u>337,277</u>
200	Support services		
270	Support services - pupil activity		
271	Pupil service activities		
600	Other objects		2,264,257
272	Pupil service activities		
600	Other objects		919,755
273	Pupil service activities		
600	Other objects		16,700
	Total support services		<u>3,200,712</u>
	Total expenditures		<u>3,537,989</u>
	Excess of revenues over expenditures		667,154

Fund balance, beginning of year	<u>3,239,214</u>
Fund balance, end of year	<u><u>\$ 3,906,368</u></u>

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 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Revenues

4000	Revenue from federal sources		
4900	Other federal revenue		
4973	Coronavirus Aid, Relief, and Economic Security Act (CARES Act)	\$	181,826
4974	CARES ESSER III		16,168,759
4977	CRRSA ESSER II		12,205,389
	Total federal sources		<u>28,555,974</u>
	Total revenues		<u>28,555,974</u>

Expenditures

100	Instruction		
110	General instruction		
111	Kindergarten programs		
100	Salaries		364,248
200	Employee benefits		49,361
400	Supplies and materials		128,691
112	Primary programs		
100	Salaries		1,628,909
200	Employee benefits		356,192
300	Purchased services		573,249
400	Supplies and materials		1,325,572
113	Elementary programs		
100	Salaries		1,308,446
200	Employee benefits		168,555
300	Purchased services		924,288
400	Supplies and materials		652,835
500	Capital outlay		5,705
114	High school programs		
100	Salaries		946,747
200	Employee benefits		126,543
300	Purchased services		491,924
400	Supplies and materials		140,360
500	Capital outlay		19,459
115	Career and technology education programs		
100	Salaries		112,000
200	Employee benefits		8,568
117	Driver education program		
100	Salaries		4,000
200	Employee benefits		306
118	Montessori programs		
100	Salaries		28,000
200	Employee benefits		2,142
120	Exceptional programs		
121	Educable mentally handicapped		
100	Salaries		50,000
200	Employee benefits		3,672
122	Trainable mentally handicapped		
100	Salaries		26,000
200	Employee benefits		1,989
123	Orthopedically handicapped		
100	Salaries		28,000
200	Employee benefits		2,142
124	Visually handicapped		
100	Salaries		8,000
200	Employee benefits		612
125	Hearing handicapped		
100	Salaries		16,000
200	Employee benefits		1,224
126	Speech handicapped		
100	Salaries		143,120
200	Employee benefits		36,458

(Continued)

BEAUFORT COUNTY SCHOOL DISTRICT

COVID RELATED FUNDS SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Expenditures (Continued)

100	Instruction (Continued)		
120	Exceptional programs (Continued)		
127	Learning disabilities		
	100 Salaries	\$	312,000
	200 Employee benefits		23,562
128	Emotionally handicapped		
	100 Salaries		46,000
	200 Employee benefits		3,519
130	Preschool programs		
135	Preschool handicapped speech (3 and 4 year olds)		
	100 Salaries		4,000
	200 Employee benefits		306
137	Preschool handicapped self-contained (3 and 4 year olds)		
	100 Salaries		88,088
	200 Employee benefits		27,334
139	Early childhood programs		
	100 Salaries		231,153
	200 Employee benefits		33,760
	300 Purchased services		434
	400 Supplies and materials		12,391
140	Special programs		
141	Gifted and talented academic		
	100 Salaries		64,000
	200 Employee benefits		4,896
160	Other exceptional programs		
161	Autism		
	100 Salaries		22,000
	200 Employee benefits		1,683
162	Limited English proficiency		
	100 Salaries		136,000
	200 Employee benefits		8,721
170	Summer school programs		
171	Primary program		
	100 Salaries		675,565
	200 Employee benefits		209,681
	400 Supplies and materials		2,943
172	Elementary summer school		
	100 Salaries		147,654
	200 Employee benefits		1,026
173	High school summer school program		
	100 Salaries		225,382
	200 Employee benefits		57,690
175	Instructional programs beyond regular school day		
	100 Salaries		513,677
	200 Employee benefits		146,618
	300 Purchased services		557,769
	400 Supplies and materials		24,194
	600 Other objects		4,000
180	Adult/continuing education programs		
181	Adult basic education programs		
	100 Salaries		22,228
	200 Employee benefits		6,993
188	Parenting/family literacy		
	100 Salaries		65,190
	200 Employee benefits		24,427
	300 Purchased services		8,840
	Total instruction		<u>13,397,041</u>

(Continued)

BEAUFORT COUNTY SCHOOL DISTRICT

COVID RELATED FUNDS SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Expenditures (Continued)

200	Support services			
210	Pupil services			
211	Attendance and social work services			
	100	Salaries	\$	581,121
	200	Employee benefits		204,439
	300	Purchased services		871,843
212	Guidance services			
	100	Salaries		235,862
	200	Employee benefits		37,516
	300	Purchased services		76,592
213	Health services			
	100	Salaries		214,581
	200	Employee benefits		69,510
	300	Purchased services		52,198
	400	Supplies and materials		618
214	Psychological services			
	100	Salaries		106,829
	200	Employee benefits		30,792
217	Career specialist services			
	100	Salaries		16,000
	200	Employee benefits		1,224
		Total pupil services		<u>2,499,125</u>
220	Instructional staff services			
221	Improvement of instruction - curriculum development			
	100	Salaries		734,262
	140	Terminal leave		2,679
	200	Employee benefits		245,852
	300	Purchased services		882
222	Library and media services			
	100	Salaries		102,000
	200	Employee benefits		7,803
223	Supervision of special programs			
	100	Salaries		41,347
	200	Employee benefits		9,021
	400	Supplies and materials		1,147
224	Improvement of instruction in-service and staff training			
	100	Salaries		277,316
	200	Employee benefits		28,474
	300	Purchased services		870,395
	400	Supplies and materials		3,098
		Total instructional staff services		<u>2,324,276</u>
230	General administration services			
231	Board of Education			
	100	Salaries		4,000
	200	Employee benefits		306
232	Office of the Superintendent			
	100	Salaries		4,000
	200	Employee benefits		182
233	School administration			
	100	Salaries		556,663
	200	Employee benefits		85,174
		Total general administration services		<u>650,325</u>
250	Finance and operations services			
251	Federal student transportation			
	100	Salaries		209,180
	200	Employee benefits		78,593
	300	Purchased services		134,939

(Continued)

BEAUFORT COUNTY SCHOOL DISTRICT

COVID RELATED FUNDS SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Expenditures (Continued)

200	Support services (Continued)		
250	Finance and operations services (Continued)		
252	Fiscal services		
100	Salaries	\$	103,988
200	Employee benefits		33,887
400	Supplies and materials		69
253	Facilities acquisition and construction		
100	Salaries		10,000
200	Employee benefits		765
400	Supplies and materials		561,526
500	Capital outlay		1,173,941
254	Operation and maintenance of plant		
100	Salaries		14,000
200	Employee benefits		1,071
300	Purchased services		682,901
255	Student transportation		
100	Salaries		310,000
200	Employee benefits		23,715
256	Food Services		
100	Salaries		10,000
200	Employee benefits		765
257	Internal services		
400	Supplies and materials		6,281
258	Security		
100	Salaries		2,000
200	Employee benefits		153
	Total finance and operations services		<u>3,357,774</u>
260	Central support services		
263	Information services		
100	Salaries		8,000
200	Employee benefits		612
300	Purchased services		41,743
264	Staff services		
100	Salaries		338,292
200	Employee benefits		107,851
300	Purchased services		51,266
266	Technology and data processing services		
100	Salaries		74,000
200	Employee benefits		5,661
300	Purchased services		710,422
500	Capital outlay		276,783
	Total central support services		<u>1,614,630</u>
	Total support services		<u>10,446,130</u>
300	Community services		
350	Custody and care of children		
100	Salaries		183,073
200	Employee benefits		52,543
300	Purchased services		248,141
	Total community services		<u>483,757</u>
400	Intergovernmental expenditures		
	416-720 LEA payments to public charter schools		<u>264,842</u>
	Total intergovernmental expenditures		<u>264,842</u>
	Total expenditures		24,591,770
	Excess of revenues over expenditures		<u>3,964,204</u>

(Continued)

BEAUFORT COUNTY SCHOOL DISTRICT

COVID RELATED FUNDS SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Other financing sources (uses)

Interfund transfers, from (to) other funds:

431-700 COVID funds indirect costs

\$ (3,964,204)

Total other financing uses

(3,964,204)

Net change in fund balances

-

Fund balance, beginning of year-**Fund balance, end of year**\$ -

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, 2023

Revenues

3000	Revenue from state sources		
3500	Education Improvement Act ("EIA")		
3502	ADEPT	\$	34,967
3503	State aid to classrooms		2,411,195
3509	Arts in education		8,432
3518	Formative assessment		86,398
3519	Grade 10 assessments		33,556
3526	Refurbishment of K-8 science kits		428,856
3528	Industry certificates		82,594
3529	EIA work-based learning center		465,511
3532	National board salary supplement		818,598
3533	Teacher of the Year awards		1,077
3536	Student health and fitness		18,614
3538	Students at risk of school failure		1,193,195
3540	Early childhood program		954,873
3556	Adult education		468,054
3557	Summer reading program		339,971
3571	Technical assistance - state priority schools		260,504
3577	Teacher supplies		550,800
3592	Work-based learning		58,648
3595	EEDA - supplies and materials		38,273
3597	Aid to districts		787,430
3599	Other EIA		4,064
	Total state sources	\$	9,045,610
	Total revenue all sources	\$	9,045,610

(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, 2023

Expenditures			
100	Instruction		
110	General instruction		
111	Kindergarten programs		
100	Salaries	\$	14,941
200	Employee benefits		4,694
400	Supplies and materials		46,286
			<u>65,921</u>
112	Primary programs		
100	Salaries		1,140,505
200	Employee benefits		484,426
300	Purchased services		83,501
400	Supplies and materials		370,812
			<u>2,079,244</u>
113	Elementary programs		
100	Salaries		847,915
200	Employee benefits		334,270
300	Purchased services		18,177
400	Supplies and materials		292,663
			<u>1,493,025</u>
114	High school programs		
100	Salaries		174,533
200	Employee benefits		54,832
300	Purchased services		799
400	Supplies and materials		247,085
			<u>477,249</u>
115	Career and technology education programs		
300	Purchased services		153,876
400	Supplies and materials		409,859
			<u>563,735</u>
117	Driver education programs		
400	Supplies and materials		300
			<u>300</u>
118	Montessori programs		
400	Supplies and materials		2,400
			<u>2,400</u>
120	Exceptional programs		
121	Educable mentally handicapped		
400	Supplies and materials		3,900
			<u>3,900</u>
122	Trainable mentally handicapped		
400	Supplies and materials		1,800
			<u>1,800</u>
123	Orthopedically handicapped		
100	Salaries		17,219
200	Employee benefits		6,119
400	Supplies and materials		300
			<u>23,638</u>
124	Visually handicapped		
400	Supplies and materials		600
			<u>600</u>
125	Hearing handicapped		
100	Salaries		37,150
200	Employee benefits		5,402
400	Supplies and materials		900
			<u>43,452</u>
126	Speech handicapped		
100	Salaries		18,902
200	Employee benefits		3,265
400	Supplies and materials		8,100
			<u>30,267</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, 2023

Expenditures (Continued)

100	Instruction (Continued)		
120	Exceptional programs (Continued)		
127	Learning disabilities		
100	Salaries	\$	403
200	Employee benefits		127
400	Supplies and materials		26,700
			<u>27,230</u>
128	Emotionally handicapped		
400	Supplies and materials		4,500
			<u>4,500</u>
130	Preschool programs		
135	Preschool handicapped speech (3 and 4 year olds)		
400	Supplies and materials		600
			<u>600</u>
137	Preschool handicapped self-contained (3 and 4 year olds)		
400	Supplies and materials		2,100
			<u>2,100</u>
139	Early childhood programs		
100	Salaries		651,236
200	Employee benefits		338,030
400	Supplies and materials		91,026
			<u>1,080,292</u>
140	Special programs		
141	Gifted and talented - academic		
400	Supplies and materials		7,800
			<u>7,800</u>
160	Other exceptional programs		
161	Autism		
300	Purchased services		116,705
			<u>116,705</u>
162	Limited English proficiency		
100	Salaries		294,410
200	Employee benefits		95,381
400	Supplies and materials		21,000
			<u>410,791</u>
170	Summer school programs		
171	Primary program		
300	Purchased services		3,448
400	Supplies and materials		81,146
			<u>84,594</u>
172	Elementary summer school		
100	Salaries		121,667
200	Employee benefits		78,710
			<u>200,377</u>
173	High school summer school		
100	Salaries		40,000
200	Employee benefits		15,000
			<u>55,000</u>
175	Instructional programs beyond regular school day		
100	Salaries		9,267
200	Employee benefits		2,754
			<u>12,021</u>
180	Adult/continuing education programs		
181	Adult basic education programs		
100	Salaries		119,560
200	Employee benefits		14,061
300	Purchased services		7,614
400	Supplies and materials		29,726
			<u>170,961</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, 2023

Expenditures (Continued)

100	Instruction (Continued)			
180	Adult/continuing education programs (Continued)			
182	Adult secondary education programs			
100	Salaries	\$	21,961	
200	Employee benefits		212	
400	Supplies and materials		1,288	
			<u>23,461</u>	
183	Adult English literacy			
100	Salaries		18,987	
200	Employee benefits		391	
			<u>19,378</u>	
188	Parenting/family literacy			
100	Salaries		62,304	
200	Employee benefits		25,088	
300	Purchased services		16,211	
400	Supplies and materials		67,606	
600	Other objects		3,535	
			<u>174,744</u>	
	Total instruction		<u>7,176,085</u>	
200	Support services			
210	Pupil services			
212	Guidance services			
300	Purchased services		617	
400	Supplies and materials		55,301	
			<u>55,918</u>	
213	Health services			
100	Salaries		22,996	
200	Employee benefits		7,235	
			<u>30,231</u>	
214	Psychological services			
100	Salaries		3,599	
200	Employee benefits		1,132	
300	Purchased services		3,330	
			<u>8,061</u>	
217	Career specialist services			
400	Supplies and materials		1,800	
			<u>1,800</u>	
220	Instructional staff services			
221	Improvement of instruction - curriculum development			
100	Salaries		460,335	
200	Employee benefits		177,934	
300	Purchased services		5,907	
400	Supplies and materials		148	
			<u>644,324</u>	
222	Literacy and media services			
400	Supplies and materials		8,700	
			<u>8,700</u>	
223	Supervision of special programs			
100	Salaries		289,077	
200	Employee benefits		92,767	
300	Purchased services		7,244	
400	Supplies and materials		2,360	
			<u>391,448</u>	
224	Improvement of instruction - in-service and staff training			
100	Salaries		29,081	
200	Employee benefits		9,470	
300	Purchased services		69,851	
400	Supplies and materials		15,609	
			<u>124,011</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, 2023

Expenditures (Continued)				
220	Instructional staff services (Continued)			
250	Finance and operations services			
252	Fiscal services			
100	Salaries	\$	30,281	
200	Employee benefits		12,255	
			<u>42,536</u>	
255	Student transportation			
300	Purchased services		40,007	
			<u>40,007</u>	
256	Food services			
600	Other objects		92,477	
			<u>92,477</u>	
260	Central support services			
264	Staff services			
100	Salaries		7,500	
200	Employee benefits		2,358	
400	Supplies and materials		20,077	
500	Capital outlay		13,651	
			<u>43,586</u>	
266	Technology and data processing services			
300	Purchased services		61,596	
400	Supplies and materials		51,643	
			<u>113,239</u>	
270	Support services - pupil activity			
271	Pupil service activities			
600	Other objects		2,281	
			<u>2,281</u>	
	Total support services			
			<u>1,598,619</u>	
400	Other charges			
410	Intergovernmental expenditures			
416-720	Payments to public charter schools		270,906	
	Total other charges		<u>270,906</u>	
	Total expenditures		<u>9,045,610</u>	
	Excess of revenues over expenditures and other financing uses			
			-	
	Fund balance, beginning of year			
			-	
	Fund balance, end of year			
		\$	<u>-</u>	

BEAUFORT COUNTY SCHOOL DISTRICT

EDUCATION IMPROVEMENT ACT FUND SUMMARY SCHEDULE BY PROGRAM FOR THE FISCAL YEAR ENDED JUNE 30, 2023

		Revenues	Expenditures	Transfers In (Out)	Unearned Revenue
3500	Education Improvement Act ("EIA")				
3502	ADEPT	\$ 34,967	\$ 34,967	\$ -	\$ -
3503	State aid to classrooms	2,411,195	2,411,195	-	4,605,179
3509	Arts in education	8,432	8,432	-	2,872
3518	Formative assessment	86,398	86,398	-	88,464
3519	Grade 10 assessments	33,556	33,556	-	48,760
3526	Refurbishment of K-8 science kits	428,856	428,856	-	104,963
3528	Industry certificates	82,594	82,594	-	62,793
3529	EIA work-based learning center	465,511	465,511	-	311,061
3532	National board salary supplement	818,598	818,598	-	-
3533	Teacher of the year awards	1,077	1,077	-	-
3536	Student health and fitness	18,614	18,614	-	-
3538	Students at risk of school failure	1,193,195	1,193,195	-	-
3540	Early childhood program	954,873	954,873	-	50,283
3556	Adult education	468,054	468,054	-	102,835
3557	Summer reading program	339,971	339,971	-	-
3571	Technical assistance - state priority schools	260,504	260,504	-	245,586
3577	Teacher supplies	550,800	550,800	-	-
3592	Work-based learning	58,648	58,648	-	8,659
3595	EEDA - supplies and materials	38,273	38,273	-	27,367
3597	Aid to districts	787,430	787,430	-	-
3599	E-Rate Category 2 match	4,064	4,064	-	114,584
	Total	<u>\$ 9,045,610</u>	<u>\$ 9,045,610</u>	<u>\$ -</u>	<u>\$ 5,773,406</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, 2023

Revenues			
1000	Revenue from local sources		
1200	Revenue from local governmental units other than LEAs		
1210	Ad valorem taxes - including delinquent taxes	\$	82,720,696
1240	Penalties and interest on taxes		321,609
1280	Revenue in lieu of taxes		5,474
1500	Earnings on investments		
1510	Interest on investments		161,676
	Total local sources		<u>83,209,455</u>
3000	Revenue from state sources		
3800	State revenue in lieu of taxes		
3820	Homestead exemption		1,397,342
3830	Merchant's inventory tax		86,438
3890	Other state property tax revenues		185,742
	Total state sources		<u>1,669,522</u>
	Total revenues all sources		<u>84,878,977</u>
Expenditures			
500	Debt service		
610	Redemption of principal		68,025,100
620	Interest		16,455,936
690	Other objects		29,268
	Total expenditures		<u>84,510,304</u>
	Excess of revenues over expenditures		<u>368,673</u>
Other financing sources (uses)			
5110	Premium on bonds sold		21,540
Interfund transfers, to other funds			
423-710	Transfer to EFC debt service fund		<u>(2,710,352)</u>
	Total other financing sources, net		<u>(2,688,812)</u>
	Deficiency of revenues and other financing sources under expenditures and other financing uses		(2,320,139)
Fund balance, beginning of year			<u>20,324,763</u>
Fund balance, end of year			<u>\$ 18,004,624</u>

BEAUFORT COUNTY SCHOOL DISTRICT

DEBT SERVICE FUND - EFC SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Revenues

1000	Revenue from local sources	
1500	Earnings on investments	
1510	Interest on investments	\$ 12,412
	Total local sources	<u>12,412</u>
	Total revenues all sources	<u>12,412</u>

Expenditures

500	Debt service	
610	Redemption of principal	2,210,000
620	Interest	506,283
690	Other objects	<u>9,300</u>
	Total expenditures	<u>2,725,583</u>
	Deficiency of revenues under expenditures	<u>(2,713,171)</u>

Other financing sources

	Interfund transfers, from other funds	
5240	Transfer from district debt service fund	<u>2,710,352</u>
	Total other financing sources	<u>2,710,352</u>
	Deficiency of revenues and other financing sources under expenditures	(2,819)

Fund balance, beginning of year	<u>22,411</u>
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Fund balance, end of year	<u><u>\$ 19,592</u></u>
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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, 2023

		Other Projects	Referenda Projects	Total
Revenues				
1000	Revenue from local sources			
1500	Earnings on investments			
1510	Interest on investments	\$ 920,850	\$ 8,745,040	\$ 9,665,890
1900	Other revenue from local sources			
1950	Refund of prior year's expenditures	3,276	-	3,276
1993	Insurance proceeds	1,400	-	1,400
1999	Revenue from other local sources	558,605	-	558,605
	Total local sources	<u>1,484,131</u>	<u>8,745,040</u>	<u>10,229,171</u>
4000	Revenue from federal sources			
4999	Revenue from other federal sources	1,067,089	-	1,067,089
	Total federal sources	<u>1,067,089</u>	<u>-</u>	<u>1,067,089</u>
	Total revenues all sources	<u>2,551,220</u>	<u>8,745,040</u>	<u>11,296,260</u>
Expenditures				
250	Fiscal services			
253	Facilities acquisition and construction			
100	Salaries	365,363	47,542	412,905
200	Employee benefits	143,642	21,967	165,609
300	Purchased services	2,844,846	5,318,980	8,163,826
400	Supplies and materials	2,987,403	1,838,383	4,825,786
500	Capital outlay			
510	Land	904,685	-	904,685
520	Building	7,204,255	67,922,136	75,126,391
530	Improvements other than buildings	431,420	10,595,164	11,026,584
540	Equipment	37,463	29,043	66,506
545	Technology equipment and software	79,041	19,103,090	19,182,131
550	Vehicles	137,675	-	137,675
580	Mobile classrooms	960,090	-	960,090
591	Adjustment for retainage	223,491	3,076,163	3,299,654
690	Other objects	132,778	-	132,778
	Total expenditures	<u>16,452,152</u>	<u>107,952,468</u>	<u>124,404,620</u>
	Deficiency of revenues under expenditures	<u>(13,900,932)</u>	<u>(99,207,428)</u>	<u>(113,108,360)</u>
Other financing sources				
5110	Premium on bond sold	1,224,917	-	1,224,917
5120	Proceeds from issuance of long-term debt	25,000,000	-	25,000,000
5300	Sale of capital assets	9,564	-	9,564
	Total other financing sources	<u>26,234,481</u>	<u>-</u>	<u>26,234,481</u>
	Excess (deficiency) of revenues and other financing sources over (under) expenditures	12,333,549	(99,207,428)	(86,873,879)
Fund balance, beginning of year		<u>28,501,603</u>	<u>219,952,686</u>	<u>248,454,289</u>
Fund balance, end of year		<u>\$ 40,835,152</u>	<u>\$ 120,745,258</u>	<u>\$ 161,580,410</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, 2023

Revenues			
1000	Revenue from local sources		
1500	Earnings on investments		
1510	Interest on investments	\$	2,801
1600	Food services		
1610	Lunch sales to pupils		851,001
1620	Breakfast sales to pupils		114,887
1630	Special sales to pupils		288,606
1640	Lunch sales to adults		17,868
1650	Breakfast sales to adults		2,241
1660	Special sales to adults		33,190
1900	Other revenue from local sources		
1999	Revenue from other local sources		211,545
	Total local sources		<u>1,522,139</u>
4000	Revenue from federal sources		
4800	USDA reimbursement		
4810	School lunch and after school snacks program		6,724,263
4820	Supply chain assistance funding		556,290
4830	School breakfast program		1,867,091
4860	Fresh fruits and vegetables		59,519
4880	Summer feeding program		207,500
4899	Child and adult core food program		4,224
4900	Other federal sources		
4991	USDA commodities (food distribution program)		663,060
4999	Revenue from other federal sources		113,931
	Total federal sources		<u>10,195,878</u>
	Total revenue all sources		<u>11,718,017</u>
Expenditures			
256	Food services		
100	Salaries		281,763
140	Terminal leave		6,027
200	Employee benefits		129,421
300	Purchased services		
323	Repairs and maintenance services		14,685
325	Rentals		4,279
332	Travel		1,113
345	Technology		17,462
360	Printing and binding		969
390	Other purchased services		8,328,016
400	Supplies and materials		
410	Supplies		417,571
445	Technology and software supplies		73,883
460	Food		380,214
461	USDA commodities		663,060
470	Energy		27,945
500	Capital outlay		
570	Depreciation		278,666
600	Other objects		
640	Dues and fees		248
670	Sales tax on adult meals		4,695
690	Other objects		112,049
	Total expenditures		<u>10,742,066</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, 2023

Other financing sources (uses)

Interfund transfers from (to) other funds		
5210	Transfer from general fund	\$ 110,000
432-791	Food service fund indirect costs	(93,298)
412-720	Payments to other governmental units	(10,674)
416-720	Payments to charter schools	<u>(224,461)</u>
	Total other financing (uses), net	<u>(218,433)</u>
	Excess of revenues and other financing sources over expenditures and other financing uses	757,518
Fund balance, beginning of year		<u>8,671,682</u>
Fund balance, end of year		<u><u>\$ 9,429,200</u></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, 2023

Revenues

1000	Revenue from local sources		
1900	Other revenue from local sources		
1993	Receipt of insurance proceeds	\$	53,859
1999	Revenue from other local sources		1,471,950
	Total local sources		<u>1,525,809</u>
	Total revenue all sources		<u>1,525,809</u>

Expenditures

100	Instruction		
110	General instruction		
111	Kindergarten programs		
200	Employee benefits		
270	Workers' compensation		1,490
112	Primary programs		
200	Employee benefits		
270	Workers' compensation		427,279
113	Elementary programs		
200	Employee benefits		
270	Workers' compensation		197,282
114	High school programs		
200	Employee benefits		
270	Workers' compensation		214,649
120	Exceptional programs		
126	Speech handicapped		
200	Employee benefits		
270	Workers' compensation		490
127	Learning disabilities		
200	Employee benefits		
270	Workers' compensation		296,032
160	Other exceptional programs		
161	Autism		
200	Employee benefits		
270	Workers' compensation		17
180	Adult/continuing education programs		
188	Parenting/family literacy		
200	Employee benefits		
270	Workers' compensation		459
	Total instruction		<u>1,137,698</u>
200	Support services		
210	Pupil services		
211	Attendance and social work services		
200	Employee benefits		
270	Workers' compensation		240
212	Guidance services		
200	Employee benefits		
270	Workers' compensation		81,476
213	Health services		
200	Employee benefits		
270	Workers' compensation		50,179
214	Psychological services		
200	Employee benefits		
270	Workers' compensation		310
220	Instructional staff services		
221	Improvement of instruction - curriculum development		
200	Employee benefits		
270	Workers' compensation		12,170

(Continued)

BEAUFORT COUNTY SCHOOL DISTRICT

INTERNAL SERVICE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Expenditures(Continued)

200	Support services (Continued)		
230	General administration services		
233	School administration		
200	Employee benefits		
	270 Workers' compensation	\$	80,239
250	Finance and operations services		
254	Operation and maintenance of plant		
300	Purchased services		49,193
500	Capital outlay		3,022
255	Student transportation		
200	Employee benefits		55,900
300	Purchased services		1,520
260	Central support services		
266	Technology and data processing services		
200	Employee benefits		
	270 Workers' compensation		3
	Total support services		<u>334,252</u>
	Total expenditures		<u>1,471,950</u>
	Excess of revenues over expenditures		<u>53,859</u>
	Fund balance, beginning of year		<u>1,522,603</u>
	Fund balance, end of year	\$	<u><u>1,576,462</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

DETAILED SCHEDULE OF DUE TO STATE DEPARTMENT OF EDUCATION JUNE 30, 2023

Program	Grant or Project Number and FY	Revenue & Subfund Codes	Description	Amount due to State Department of Education	Status of Amounts Due to Grantors
National Board Certified	N/A	3542 / 332	National Board Certified	\$ 97,672	Paid
CSI & Palmetto Priority	N/A	3571 / 371	CSI & Palmetto Priority	\$ 22,258	Paid

BEAUFORT COUNTY SCHOOL DISTRICT

FINANCIAL ANALYSIS MODEL LOCATION RECONCILIATION SCHEDULE FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Location Code	Location Description	Education Level	Cost Type	Total Expenditures
01	District Office	Non-Schools	Central	\$ 163,034,716
09	Right Choices	Alternative School	School	1,429,353
10	Academy For Career Excellence	Other Schools	School	1,917,763
15	St Helena Early Childhood	Other Schools	School	433,361
17	Hilton Head Early Childhood	Other Schools	School	7,155,921
20	Riverview Charter School	Other Schools	School	11,784,964
33	Beaufort Elementary	Elementary Schools	School	9,000,522
34	Coosa Elementary	Elementary Schools	School	7,805,962
35	Lady's Island Elementary	Elementary Schools	School	7,140,866
37	Mossy Oaks Elementary	Elementary Schools	School	10,198,618
38	Port Royal Elementary	Elementary Schools	School	4,791,314
39	St Helena Elementary	Elementary Schools	School	8,886,805
40	Broad River Elementary	Elementary Schools	School	8,988,193
44	Shanklin Elementary	Elementary Schools	School	9,394,790
54	Whale Branch Elementary	Elementary Schools	School	11,797,686
60	Daufuskie Elementary	Elementary Schools	School	538,149
62	Hilton Head Island Elementary	Elementary Schools	School	12,205,642
63	Hilton Head Island School For Creative Arts	Elementary Schools	School	9,875,903
70	Bluffton Elementary	Elementary Schools	School	12,905,874
72	Okatie Elementary	Elementary Schools	School	9,278,664
74	M.C. Riley Elementary	Elementary Schools	School	14,310,448
76	Red Cedar Elementary	Elementary Schools	School	9,067,932
78	Pritchardville Elementary	Elementary Schools	School	11,222,624
79	River Ridge Academy	PK-8 Schools	School	13,434,942
80	Beaufort Middle	Middle Schools	School	13,418,455
81	Lady's Island Middle	Middle Schools	School	7,866,289
83	Robert Smalls Intl Academy	PK-8 Schools	School	44,269,193
85	Whale Branch Middle	Middle Schools	School	7,953,849
87	Hilton Head Island Middle	Middle Schools	School	22,106,419
88	H.E. McCracken Middle	Middle Schools	School	12,831,613
89	Bluffton Middle School	Middle Schools	School	11,191,504
90	Beaufort High	High Schools	School	17,231,534
92	Battery Creek High	High Schools	School	29,737,528
94	Whale Branch Ec High School	High Schools	School	9,677,971
96	Hilton Head Island High	High Schools	School	17,291,937
97	May River High School	High Schools	School	17,809,136
98	Bluffton High	High Schools	School	23,735,956
				<u>\$ 591,722,396</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	\$ 298,143,005
Special Projects Fund	25,546,510
Special Projects EIA Fund	9,045,610
Pupil Activity Fund	3,537,989
COVID Related Funds	28,555,974
Proprietary Fund	11,070,499
Internal Service Fund	1,471,950
	<u>377,371,537</u>

Other funds

Debt Service Fund - District	87,220,656
Debt Service Fund - EFC	2,725,583
Capital Projects Funds	124,404,620
	<u>214,350,859</u>

Total expenditures / disbursements for all funds

\$ 591,722,396

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, 2023

		Original Budget	Final Budget	Actual	Variance with Budget
Revenues					
1000	Revenue from local sources				
1500	Earnings on investments				
1510	Interest on investments	\$ -	\$ -	\$ 1,537	\$ 1,537
1700	Pupil activities				
1740	Student fees	5,000	5,000	9,289	4,289
1790	Other pupil activity income	345,000	345,000	322,326	(22,674)
1900	Other revenue from local sources				
1920	Contributions and donations from private sources	170,000	170,000	175,151	5,151
1990	Miscellaneous local revenue				
1999	Revenue from other local sources	50,000	50,000	9,089	(40,911)
	Total revenue from local sources	570,000	570,000	517,392	(52,608)
3000	Revenue from state sources				
3100	Restricted state funding				
3103	State aid to classrooms	9,839,238	9,839,238	10,115,609	276,371
3900	Other state revenue				
3993	PEBA on-behalf	30,000	30,000	32,813	2,813
	Total revenue from state sources	9,869,238	9,869,238	10,148,422	279,184
	Total revenue from all sources	10,439,238	10,439,238	10,665,814	226,576
Expenditures					
100	Instruction				
110	General instruction				
111	Kindergarten programs				
100	Salaries	-	-	363,862	(363,862)
200	Employee benefits	-	-	142,057	(142,057)
400	Supplies and materials	-	-	18,620	(18,620)
		-	-	524,539	(524,539)
112	Primary programs				
100	Salaries	-	-	727,460	(727,460)
200	Employee benefits	-	-	384,858	(384,858)
400	Supplies and materials	-	-	27,346	(27,346)
500	Capital outlay	-	-	2,173	(2,173)
		-	-	1,141,837	(1,141,837)
113	Elementary programs				
100	Salaries	3,501,682	3,879,882	2,470,109	1,409,773
200	Employee benefits	1,722,127	1,773,822	1,124,671	649,151
300	Purchased services	25,000	25,000	16,587	8,413
400	Supplies and materials	120,000	120,000	132,535	(12,535)
500	Capital outlay	25,000	25,000	-	25,000
		5,393,809	5,823,704	3,743,902	2,079,802
120	Exceptional programs				
121	Educable mentally handicapped				
400	Supplies and materials	10,000	10,000	-	10,000
		10,000	10,000	-	10,000
126	Speech handicapped				
400	Supplies and materials	-	-	413	(413)
		-	-	413	(413)
127	Learning disabilities				
100	Salaries	-	-	276,783	(276,783)
200	Employee benefits	-	-	195,721	(195,721)
300	Purchased services	12,000	12,000	3,206	8,794
400	Supplies and materials	-	-	1,342	(1,342)
		12,000	12,000	477,052	(465,052)
128	Emotionally handicapped				
400	Supplies and materials	-	-	180	(180)
		-	-	180	(180)

(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, 2023

				Original Budget	Final Budget	Actual	Variance with Budget
Expenditures (Continued)							
100	Instruction (Continued)						
130	Preschool programs						
133	Preschool handicapped self-contained						
400	Supplies and materials			\$ -	\$ -	\$ 1,312	\$ (1,312)
				-	-	1,312	(1,312)
140	Special programs						
149	Other special programs						
300	Purchased services			-	-	465	(465)
				-	-	465	(465)
170	Summer school programs						
175	Instructional programs beyond regular day school						
100	Salaries			95,000	95,000	116,171	(21,171)
200	Employee benefits			39,397	39,397	31,459	7,938
300	Purchased services			61,175	61,175	27,486	33,689
400	Supplies and materials			11,000	11,000	8,439	2,561
600	Other objects			-	-	2,318	(2,318)
				206,572	206,572	185,873	20,699
190	Instructional pupil activity						
400	Supplies and materials			-	-	2,623	(2,623)
600	Other objects			140,000	140,000	125,266	14,734
				140,000	140,000	127,889	12,111
	Total instruction			5,762,381	6,192,276	6,203,462	(11,186)
200	Support services						
210	Pupil services						
212	Guidance services						
100	Salaries			-	-	255,991	(255,991)
200	Employee benefits			-	-	92,281	(92,281)
400	Supplies and materials			2,500	2,500	-	2,500
				2,500	2,500	348,272	(345,772)
213	Health services						
100	Salaries			-	-	61,641	(61,641)
200	Employee benefits			-	-	36,761	(36,761)
300	Purchased services			-	-	1,595	(1,595)
400	Supplies and materials			3,000	3,000	1,596	1,404
				3,000	3,000	101,593	(98,593)
214	Psychological services						
300	Purchased services			10,000	10,000	14,458	(4,458)
				10,000	10,000	14,458	(4,458)
215	Exceptional program services						
300	Purchased services			5,000	5,000	-	5,000
				5,000	5,000	-	5,000
220	Instructional staff services						
221	Improvement of instruction curriculum development						
100	Salaries			-	-	300,971	(300,971)
200	Employee benefits			-	-	128,586	(128,586)
400	Supplies and materials			-	-	140	(140)
				-	-	429,697	(429,697)
223	Supervision of special programs						
100	Salaries			-	-	26,890	(26,890)
200	Employee benefits			-	-	3,212	(3,212)
				-	-	30,102	(30,102)
224	Improvement of instruction and staff						
200	Employee benefits			-	-	10,818	(10,818)
300	Purchased services			50,000	50,000	42,353	7,647
400	Supplies and materials			-	-	34	(34)
				50,000	50,000	53,205	(3,205)

(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, 2023

				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			\$ 25,000	\$ 25,000	\$ 7,161	\$ 17,839
318	Audit services			12,000	12,000	25,775	(13,775)
400	Supplies and materials			62,500	62,500	59,493	3,007
600	Other objects			41,000	41,000	54,950	(13,950)
				<u>140,500</u>	<u>140,500</u>	<u>147,379</u>	<u>(6,879)</u>
233	School administration						
100	Salaries			1,230,502	1,272,502	421,320	851,182
200	Employee benefits			543,635	538,466	153,900	384,566
300	Purchased services			45,000	45,000	67,973	(22,973)
400	Supplies and materials			70,000	70,000	36,135	33,865
500	Capital outlay			-	-	49,129	(49,129)
600	Other objects			-	-	1,516	(1,516)
				<u>1,889,137</u>	<u>1,925,968</u>	<u>729,973</u>	<u>1,195,995</u>
250	Finance and operations services						
252	Fiscal services						
300	Purchased services			55,000	55,000	116,040	(61,040)
600	Other objects			16,000	16,000	13,618	2,382
				<u>71,000</u>	<u>71,000</u>	<u>129,658</u>	<u>(58,658)</u>
254	Operation and maintenance of plant						
100	Salaries			-	-	113,749	(113,749)
200	Employee benefits			-	-	31,708	(31,708)
300	Purchased services			270,500	270,500	119,244	151,256
321	Public utility services			10,000	10,000	7,670	2,330
400	Supplies and materials			2,000	2,000	18,158	(16,158)
470	Energy			115,000	115,000	128,583	(13,583)
				<u>397,500</u>	<u>397,500</u>	<u>419,112</u>	<u>(21,612)</u>
255	Student transportation						
300	Purchased services			80,000	80,000	85,140	(5,140)
600	Other objects			300	300	-	300
				<u>80,300</u>	<u>80,300</u>	<u>85,140</u>	<u>(4,840)</u>
258	Security						
300	Purchased services			8,500	8,500	10,228	(1,728)
				<u>8,500</u>	<u>8,500</u>	<u>10,228</u>	<u>(1,728)</u>
260	Central support services						
263	Information services						
300	Purchased services			19,500	19,500	44,956	(25,456)
				<u>19,500</u>	<u>19,500</u>	<u>44,956</u>	<u>(25,456)</u>
266	Technology and data processing services						
100	Salaries			-	-	84,000	(84,000)
200	Employee benefits			-	-	33,848	(33,848)
300	Purchased services			93,800	93,800	67,308	26,492
400	Supplies and materials			83,500	83,500	84,809	(1,309)
500	Capital outlay			-	-	61,887	(61,887)
				<u>177,300</u>	<u>177,300</u>	<u>331,852</u>	<u>(154,552)</u>
270	Support services - pupil activity						
271	Pupil service activities						
100	Salaries			50,000	50,000	39,685	10,315
300	Purchased services			10,000	10,000	19,804	(9,804)
500	Capital outlay			-	-	40,660	(40,660)
660	Pupil activity			-	-	1,908	(1,908)
				<u>60,000</u>	<u>60,000</u>	<u>102,057</u>	<u>(42,057)</u>
	Total support services			<u>2,914,237</u>	<u>2,951,068</u>	<u>2,977,682</u>	<u>(26,614)</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, 2023

				Original Budget	Final Budget	Actual	Variance with Budget
Expenditures (Continued)							
500	Debt services						
	610	Principal		\$ 253,347	\$ 253,347	\$ 253,347	\$ -
	620	Interest		337,653	337,653	337,653	-
				<u>591,000</u>	<u>591,000</u>	<u>591,000</u>	<u>-</u>
		Total expenditures		<u>9,267,618</u>	<u>9,734,344</u>	<u>9,772,144</u>	<u>(37,800)</u>
		Excess (deficiency) of revenues over (under) expenditures		<u>\$ 1,171,620</u>	<u>\$ 704,894</u>	<u>893,670</u>	<u>\$ 188,776</u>
Fund balance, beginning of year						<u>2,513,396</u>	
Fund balance, end of year						<u>\$ 3,407,066</u>	

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, 2023

		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				
1610	Lunch sales to pupils	\$ -	\$ -	\$ 107,213	\$ 107,213
1620	Breakfast sales to pupils	-	-	5,958	5,958
1630	Special sales to pupils	-	-	19,069	19,069
1640	Lunch sales to adults	-	-	8,212	8,212
1650	Breakfast sales to adults	-	-	36	36
1900	Other revenue from local sources				
1990	Revenue from other local sources	-	-	2,661	2,661
	Total revenue from local sources	-	-	143,149	143,149
3000	Revenue from state sources				
3100	Restricted state funding				
3120	General education				
3127	Student health and fitness - PE teachers	-	7,803	-	7,803
3130	Special Programs				
3135	Reading coaches	-	59,260	-	59,260
3136	Student health and fitness - nurses	-	21,985	-	21,985
	Total from state sources	-	89,048	-	89,048
4000	Revenue from federal sources				
4500	Programs for children with disabilities				
4510	Individuals with Disabilities Education Act ("IDEA")	143,610	-	-	143,610
4800	USDA reimbursement				
4810	School lunch and after school snacks program	-	-	224,461	224,461
4820	Supply chain assistance funding	-	-	28,898	28,898
4900	Other federal sources				
4974	ESSER III	-	-	32,819	32,819
4977	ESSER II	-	-	232,023	232,023
4999	Revenue from other federal sources	-	-	6,459	6,459
	Total from federal sources	143,610	-	524,660	668,270
	Total revenue all sources	143,610	89,048	667,809	900,467
Expenditures					
100	Instruction				
110	General instruction				
111	Kindergarten programs				
100	Salaries	-	-	17,000	17,000
200	Employee benefits	-	-	1,301	1,301
400	Supplies and materials	-	-	964	964
		-	-	19,265	19,265
112	Primary programs				
100	Salaries	-	-	42,500	42,500
200	Employee benefits	-	-	3,251	3,251
400	Supplies and materials	-	-	2,505	2,505
		-	-	48,256	48,256
113	Elementary programs				
100	Salaries	-	7,803	116,100	123,903
200	Employee benefits	-	-	6,120	6,120
400	Supplies and materials	-	-	19,644	19,644
		-	7,803	141,864	149,667

(Continued)

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, 2023

		IDEA (203/204)	Other Designated Restricted State Grants (800s/900s)	Other Special Revenue Programs (200s)	Total
Expenditures (Continued)					
100	Instruction (Continued)				
120	Exceptional programs				
127	Learning disabilities				
100	Salaries	\$ 143,610	\$ -	\$ 12,000	\$ 155,610
200	Employee benefits	-	-	918	918
		<u>143,610</u>	<u>-</u>	<u>12,918</u>	<u>156,528</u>
170	Summer school programs				
175	Instructional programs beyond regular school day				
100	Salaries	-	-	10,500	10,500
200	Employee benefits	-	-	803	803
		<u>-</u>	<u>-</u>	<u>11,303</u>	<u>11,303</u>
	Total instruction	<u>143,610</u>	<u>7,803</u>	<u>233,606</u>	<u>385,019</u>
200	Support services				
210	Pupil services				
213	Health services				
100	Salaries	-	21,985	6,459	28,444
		<u>-</u>	<u>21,985</u>	<u>6,459</u>	<u>28,444</u>
220	Instructional staff services				
221	Improvement of instruction curriculum development				
100	Salaries	-	59,260	8,000	67,260
200	Employee benefits	-	-	612	612
		<u>-</u>	<u>59,260</u>	<u>8,612</u>	<u>67,872</u>
230	General administrative services				
233	School administration				
100	Salaries	-	-	12,000	12,000
200	Employee benefits	-	-	918	918
500	Capital outlay	-	-	9,705	9,705
		<u>-</u>	<u>-</u>	<u>22,623</u>	<u>22,623</u>
250	Finance and operations services				
256	Food services				
100	Salaries	-	-	161,048	161,048
200	Employee benefits	-	-	65,423	65,423
300	Purchased services	-	-	3,754	3,754
400	Supplies and materials	-	-	215,551	215,551
		<u>-</u>	<u>-</u>	<u>445,776</u>	<u>445,776</u>
	Total support services	<u>-</u>	<u>81,245</u>	<u>483,470</u>	<u>564,715</u>
	Total expenditures	<u>143,610</u>	<u>89,048</u>	<u>717,076</u>	<u>949,734</u>
	Deficiency of revenues under expenditures	-	-	(49,267)	(49,267)
Fund balance, beginning of year		-	-	183,281	183,281
Fund balance, end of year		<u>\$ -</u>	<u>\$ -</u>	<u>\$ 134,014</u>	<u>\$ 134,014</u>

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, 2023

				Actual
Revenues				
3000	Revenue from state sources			
3500	Education Improvement Act ("EIA")			
3502	ADEPT		\$	564
3503	State aid to classrooms			189,029
3518	Adoption list of formative assessment			2,897
3532	National board salary supplement			40,000
3536	Student health and fitness			564
3577	Teacher supplies			19,800
3595	EEDA - supplies and materials			852
	Total state sources			253,706
	Total revenue all sources			253,706
Expenditures				
100	Instruction			
110	General instruction			
112	Primary programs			
100	Salaries			7,500
200	Employee benefits			574
113	Elementary programs			
100	Salaries			221,893
200	Employee benefits			588
400	Supplies and materials			2,896
	Total instruction			233,451
200	Support services			
210	Pupil services			
212	Guidance services			
400	Supplies and materials			484
213	Health services			
100	Salaries			564
220	Instructional staff services			
221	Improvement of instruction - curriculum development			
100	Salaries			17,500
200	Employee benefits			1,339
270	Support services - pupil activity			
271	Pupil service activities			
600	Other objects			368
	Total support services			20,255
	Total expenditures			253,706
	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			
	2014	2015	2016	2017
Governmental Activities				
Net investments in capital assets	\$ 150,154,713	\$ 159,361,786	\$ 190,512,542	\$ 217,792,997
Restricted	15,316,037	22,585,786	14,833,180	14,834,791
Unrestricted	(166,388,730)	(163,293,229)	(168,155,765)	(167,695,845)
Total governmental activities net position	(917,980)	18,654,343	37,189,957	64,931,943
Business-type activities				
Net investments in capital assets	2,086,574	2,254,153	2,145,718	2,164,530
Unrestricted	971,046	154,226	224,305	310,543
Total business-type activities net position	3,057,620	2,408,379	2,370,023	2,475,073
Total primary government net position	\$ 2,139,640	\$ 21,062,722	\$ 39,559,980	\$ 67,407,016

Fiscal Year					
2018	2019	2020	2021	2022	2023
\$ 233,115,201	\$ 255,368,095	\$ 277,456,822	\$ 316,578,409	\$ 328,510,725	\$ 387,218,967
42,920,096	49,461,773	30,620,894	27,276,026	31,720,827	31,528,875
(422,889,252)	(443,602,072)	(414,156,908)	(430,789,730)	(405,171,968)	(408,553,438)
(146,853,955)	(138,772,204)	(106,079,192)	(86,935,295)	(44,940,416)	10,194,404
2,254,971	2,112,047	2,152,058	2,019,631	1,924,768	2,478,224
(34,546)	275,014	680,855	3,140,670	6,746,914	6,950,976
2,220,425	2,387,061	2,832,913	5,160,301	8,671,682	9,429,200
\$ (144,633,530)	\$ (136,385,143)	\$ (103,246,279)	\$ (81,774,994)	\$ (36,268,734)	\$ 19,623,604

BEAUFORT COUNTY SCHOOL DISTRICT

CHANGES IN NET POSITION LAST TEN FISCAL YEARS (UNAUDITED)

	Fiscal Year			
	2014	2015	2016	2017
Expenses				
Governmental activities				
Instruction	\$ 121,231,760	\$ 126,607,032	\$ 135,602,252	\$ 151,483,408
Support services	118,366,308	119,251,308	112,368,481	116,167,136
Community services	241,004	458,345	443,619	389,610
Payments to component units	-	-	4,861,745	5,144,579
Intergovernmental	-	-	36,089	119,618
Interest on long-term obligations	11,420,726	8,341,909	9,595,327	7,660,445
Total governmental activities expenses	251,259,798	254,658,594	262,907,513	280,964,796
Business-type activities				
Food service	8,668,705	9,763,547	10,275,171	9,634,792
Total business-type activities expenses	8,668,705	9,763,547	10,275,171	9,634,792
Total primary government expenses	<u>\$ 259,928,503</u>	<u>\$ 264,422,141</u>	<u>\$ 273,182,684</u>	<u>\$ 290,599,588</u>
Program Revenues				
Governmental activities				
Charges for services:				
Instructional	\$ 51,618	\$ 9,610	\$ -	\$ 30,794
Operating grants and contributions:				
Instructional	24,638,467	28,569,716	27,478,141	36,690,142
Support services	16,812,220	15,697,568	13,898,651	19,380,034
Community services	241,004	301,238	306,390	234,504
Capital grants and contributions:				
Support services	-	30,349	4,688	1,966,192
Total governmental activities program revenues	41,743,309	44,608,481	41,687,870	58,301,666
Business-type activities				
Charges for services:				
Food service	1,871,116	2,130,431	1,937,992	1,747,524
Operating grants and contributions	6,751,656	7,417,528	8,287,106	7,993,920
Total business-type activities program revenues	8,622,772	9,547,959	10,225,098	9,741,444
Total primary government program revenues	50,366,081	54,156,440	51,912,968	68,043,110
Net (Expense)/Revenue				
Governmental activities	(209,516,489)	(210,050,113)	(221,219,643)	(222,663,130)
Business-type activities	(45,933)	(215,588)	(50,073)	106,652
Total primary government net (expense) revenue	<u>\$ (209,562,422)</u>	<u>\$ (210,265,701)</u>	<u>\$ (221,269,716)</u>	<u>\$ (222,556,478)</u>

(Continued)

Fiscal Year					
2018	2019	2020	2021	2022	2023
\$ 149,776,278	\$ 159,073,172	\$ 184,578,382	\$ 212,604,290	\$ 219,361,434	\$ 235,021,980
143,204,186	137,217,839	128,263,804	130,525,699	143,337,181	159,488,437
276,218	269,169	284,594	736,866	602,003	963,084
5,896,084	6,347,868	-	-	-	-
339,760	2,043,205	-	-	-	-
12,989,483	7,636,395	2,115,089	10,078,244	9,029,570	13,416,918
312,482,009	312,587,648	315,241,869	353,945,099	372,330,188	408,890,419
10,288,065	10,488,104	9,572,164	12,694,133	12,694,133	10,977,201
10,288,065	10,488,104	9,572,164	12,694,133	12,694,133	10,977,201
\$ 322,770,074	\$ 323,075,752	\$ 324,814,033	\$ 366,639,232	\$ 385,024,321	\$ 419,867,620
\$ 29,205	\$ 74,350	\$ 1,383,084	\$ 1,626,286	\$ 1,678,987	\$ 1,716,733
32,258,195	38,111,292	39,968,370	56,815,953	62,395,548	39,145,602
19,234,865	22,992,955	29,316,033	31,284,027	41,986,253	76,417,883
257,396	254,111	267,283	720,021	587,879	891,732
-	-	-	-	-	-
51,779,661	61,432,708	70,934,770	90,446,287	106,648,667	118,171,950
1,801,526	1,750,372	1,869,576	8,876	33,604	1,307,793
8,786,844	8,906,330	8,161,768	10,890,789	16,149,483	10,407,423
10,588,370	10,656,702	10,031,344	10,899,665	16,183,087	11,715,216
62,368,031	72,089,410	80,966,114	101,345,952	122,831,754	129,887,166
(260,702,348)	(251,154,940)	(244,307,099)	(263,498,812)	(265,681,521)	(290,718,469)
300,305	168,598	459,180	(1,794,468)	3,488,954	738,015
\$ (260,402,043)	\$ (250,986,342)	\$ (243,847,919)	\$ (265,293,280)	\$ (262,192,567)	\$ (289,980,454)

BEAUFORT COUNTY SCHOOL DISTRICT

CHANGES IN NET POSITION LAST TEN FISCAL YEARS (UNAUDITED)

	Fiscal Year			
	2014	2015	2016	2017
General Revenues and Other Changes in Net Position				
Governmental activities				
Taxes by source:				
Property tax - general purposes	\$ 112,688,812	\$ 119,531,622	\$ 124,334,713	\$ 135,910,793
Property tax - debt service	45,947,271	53,327,642	57,470,709	56,052,187
Unrestricted grants and contributions	55,209,520	55,031,870	55,725,768	56,498,536
Unrestricted investment earnings	501,633	499,042	605,285	575,147
Gain on sale of fixed assets	-	-	-	-
Miscellaneous	273	775,531	1,621,971	1,365,502
Transfers	11,437	2,618	(3,189)	2,951
Proceeds from settlement of lawsuit	760,610	-	-	-
Total governmental activities	215,119,556	229,168,325	239,755,257	250,405,116
Business-type activities				
Unrestricted investment earnings	20,469	23,076	6,427	1,349
Miscellaneous	3,941	-	2,101	-
Transfers	(11,437)	(2,618)	3,189	(2,951)
Total business-type activities	12,973	20,458	11,717	(1,602)
Total primary government	<u>\$ 215,132,529</u>	<u>\$ 229,188,783</u>	<u>\$ 239,766,974</u>	<u>\$ 250,403,514</u>
Change in Net Position				
Governmental activities	\$ 5,603,067	\$ 19,118,212	\$ 18,535,614	\$ 27,741,986
Business-type activities	(32,960)	(195,130)	(38,356)	105,050
Total primary government	<u>\$ 5,570,107</u>	<u>\$ 18,923,082</u>	<u>\$ 18,497,258</u>	<u>\$ 27,847,036</u>

Fiscal Year					
2018	2019	2020	2021	2022	2023
\$ 141,879,433	\$ 135,222,656	\$ 148,431,774	\$ 155,314,749	\$ 167,627,847	\$ 187,473,934
56,029,608	59,990,989	62,798,096	64,882,037	77,421,732	83,019,720
57,301,376	57,713,475	58,060,250	58,802,219	60,019,402	61,326,605
1,734,506	1,619,331	3,095,803	1,476,043	1,147,769	11,591,073
-	-	-	755,269	-	-
1,809,415	4,686,358	1,550,841	1,436,011	1,480,595	2,458,659
(7,904)	3,882	14,986	(23,619)	(20,945)	(16,702)
-	-	-	-	-	-
258,746,434	259,236,691	273,951,750	282,642,709	307,676,400	345,853,289
2,089	1,920	1,658	2,782	1,482	2,801
-	-	-	-	-	-
7,904	(3,882)	(14,986)	23,619	20,945	16,702
9,993	(1,962)	(13,328)	26,401	22,427	19,503
\$ 258,756,427	\$ 259,234,729	\$ 273,938,422	\$ 282,669,110	\$ 307,698,827	\$ 345,872,792
\$ (1,955,914)	\$ 8,081,751	\$ 29,644,651	\$ 19,143,897	\$ 41,994,879	\$ 55,134,820
310,298	166,636	445,852	(1,768,067)	3,511,381	757,518
\$ (1,645,616)	\$ 8,248,387	\$ 30,090,503	\$ 17,375,830	\$ 45,506,260	\$ 55,892,338

BEAUFORT COUNTY SCHOOL DISTRICT

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

	Fiscal Year			
	2014	2015	2016	2017
General Fund				
Nonspendable	\$ 1,246,961	\$ 776,668	\$ 106,736	\$ 3,198,133
Unassigned	26,381,212	30,909,347	28,517,909	33,064,996
Total General Fund	<u>27,628,173</u>	<u>31,686,015</u>	<u>28,624,645</u>	<u>36,263,129</u>
 All Other Governmental Funds				
Nonspendable	-	-	-	-
Restricted	64,933,634	96,022,442	46,279,167	41,422,157
Unassigned	-	-	-	-
Total All Other Governmental Funds	<u>64,933,634</u>	<u>96,022,442</u>	<u>46,279,167</u>	<u>41,422,157</u>
 Total All Governmental Funds	<u>\$ 92,561,807</u>	<u>\$ 127,708,457</u>	<u>\$ 74,903,812</u>	<u>\$ 77,685,286</u>

Fiscal Year					
2018	2019	2020	2021	2022	2023
\$ 44,507	\$ 1,885,406	\$ 35,201	\$ 2,535,260	\$ 274,018	\$ 2,457,706
39,562,392	31,661,366	44,742,602	48,015,034	56,858,182	61,831,155
39,606,899	33,546,772	44,777,803	50,550,294	57,132,200	64,288,861
-	-	75,197	443,703	71,146	84,381
42,920,096	49,461,773	117,992,861	202,995,947	272,039,635	183,616,221
-	-	(75,197)	(444,686)	(70,104)	(189,608)
42,920,096	49,461,773	117,992,861	202,994,964	272,040,677	183,510,994
\$ 82,526,995	\$ 83,008,545	\$ 162,770,664	\$ 253,545,258	\$ 329,172,877	\$ 247,799,855

BEAUFORT COUNTY SCHOOL DISTRICT

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

	Fiscal Year			
	2014	2015	2016	2017
Revenues				
Local:				
Property taxes	\$ 161,343,752	\$ 171,001,314	\$ 178,035,444	\$ 190,981,906
Interest	501,633	499,042	605,285	575,147
Other	2,644,310	2,877,648	3,692,842	2,821,286
	<u>164,489,695</u>	<u>174,378,004</u>	<u>182,333,571</u>	<u>194,378,339</u>
State sources	79,126,781	84,710,053	84,023,740	98,461,720
Federal sources	15,905,033	13,574,611	12,091,541	14,880,917
	<u>259,521,509</u>	<u>272,662,668</u>	<u>278,448,852</u>	<u>307,720,976</u>
Expenditures				
Current:				
Instruction	121,266,136	125,387,495	133,309,029	143,638,404
Support services	82,414,183	82,733,594	85,115,534	89,927,659
Community services	241,004	301,238	308,543	234,504
Intergovernmental	4,894,989	4,711,644	4,897,834	5,264,197
Debt service:				
Principal	46,037,485	35,088,000	32,801,000	41,021,000
Interest	14,855,872	13,615,374	15,438,347	14,213,018
Other	-	-	-	-
Capital outlay	19,990,166	70,126,046	66,377,876	32,390,626
Total Expenditures	<u>289,699,836</u>	<u>331,963,391</u>	<u>338,248,163</u>	<u>326,689,408</u>
Deficiency of revenues under expenditures	(30,178,327)	(59,300,723)	(59,799,311)	(18,968,432)
Other Financing Sources (Uses)				
Sale of capital assets	25,756	7,759	15,525	1,781
Capital leases	-	-	-	3,500,000
Premium on bonds sold	2,403,834	25,230,211	5,964,372	490,971
Issuance of debt	38,146,000	79,298,000	6,788,000	20,000,000
Refunding of debt	22,000,000	81,765,000	28,090,000	29,050,000
Payment to refunded debt escrow agent	(21,730,000)	(91,856,215)	(33,860,042)	(31,295,797)
Transfers in	11,409,351	9,676,829	23,374,957	8,749,423
Transfers out	(11,397,914)	(9,674,211)	(23,378,146)	(8,746,472)
	<u>40,857,027</u>	<u>94,447,373</u>	<u>6,994,666</u>	<u>21,749,906</u>
Total Other Financing Sources (Uses)	<u>40,857,027</u>	<u>94,447,373</u>	<u>6,994,666</u>	<u>21,749,906</u>
Special Item				
Proceeds from settlement of lawsuit	760,610	-	-	-
	<u>760,610</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ 11,439,310</u>	<u>\$ 35,146,650</u>	<u>\$ (52,804,645)</u>	<u>\$ 2,781,474</u>
Debt service as a percentage of noncapital expenditures*	22%	18%	17%	18%

* Noncapital expenditures are total expenditures less capital outlay (to the extent capitalized for the government-wide Statement of Net Position) and expenditures for capitalized assets included within the functional expenditure categories. This formula adds "functional" and "principal" and divides them by the "total expenditures" minus the "capital outlay". See the reconciling item for capital outlay on page 26.

Fiscal Year					
2018	2019	2020	2021	2022	2023
\$ 199,628,589	\$ 196,381,147	\$ 216,191,294	\$ 230,696,761	\$ 240,809,369	\$ 275,431,378
1,734,506	1,619,331	785,151	1,476,043	11,591,073	11,591,073
2,307,247	2,486,320	883,784	1,436,011	2,458,659	2,458,659
203,670,342	200,486,798	217,860,229	233,608,815	254,859,101	289,481,110
98,458,453	107,474,291	115,163,023	116,519,456	117,130,596	124,434,155
12,202,438	13,117,031	12,843,655	20,639,089	44,584,592	49,974,522
314,331,233	321,078,120	345,866,907	370,767,360	416,574,289	463,889,787
149,206,884	158,471,602	162,671,170	177,060,885	198,284,100	211,591,789
92,209,756	94,908,567	95,279,405	101,845,087	120,465,790	136,095,072
257,396	254,111	267,283	720,021	587,879	891,732
7,837,170	8,391,073	9,258,446	8,043,560	8,634,398	11,201,322
44,410,700	46,880,700	55,580,900	53,495,721	65,301,441	70,502,183
13,750,765	12,841,296	11,733,658	13,369,521	14,392,020	17,097,691
-	-	23,443	170,698	180,213	38,568
32,639,076	29,616,581	33,650,269	79,066,257	101,720,046	124,404,620
340,311,747	351,363,930	368,464,574	433,771,750	509,565,887	571,822,977
(25,980,514)	(30,285,810)	(22,597,667)	(63,004,390)	(92,991,598)	(107,933,190)
64,957	4,000	49,590	1,304,410	4,850	9,564
-	-	-	-	-	-
2,195,170	1,509,478	7,995,210	19,449,833	8,936,812	1,246,457
28,570,000	29,250,000	94,300,000	130,000,000	180,387,500	25,320,849
-	-	-	-	-	-
-	-	-	-	(20,689,000)	-
9,531,766	10,339,922	10,330,031	17,469,359	13,353,513	7,340,268
(9,539,670)	(10,336,040)	(10,315,045)	(17,492,978)	(13,374,458)	(7,356,970)
30,822,223	30,767,360	102,359,786	150,730,624	168,619,217	26,560,168
-	-	-	-	-	-
\$ 4,841,709	\$ 481,550	\$ 79,762,119	\$ 87,726,234	\$ 75,627,619	\$ (81,373,022)
18%	19%	20%	18%	19%	19%

BEAUFORT COUNTY SCHOOL DISTRICT

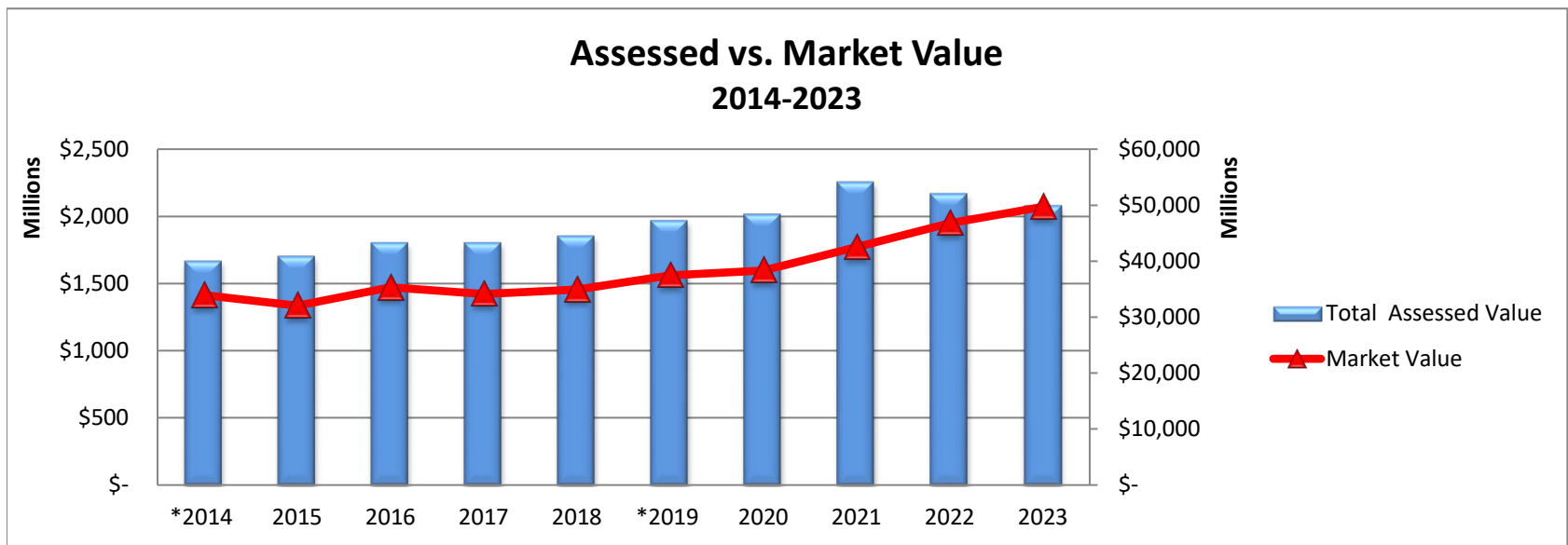
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY LAST TEN FISCAL YEARS (UNAUDITED)

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					
*2014	2013	\$ 1,473,195,546	\$ 196,428,055	\$ 1,669,623,601	129.2	\$ 33,909,090,279	**	4.9%
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%
2023	2022	1,811,587,738	267,310,220	2,078,897,958	161.9	49,700,310,940	**	4.2%

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
**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	64.8	499.8
2023	2022	125.6	36.3	161.9	64.8	518.5

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

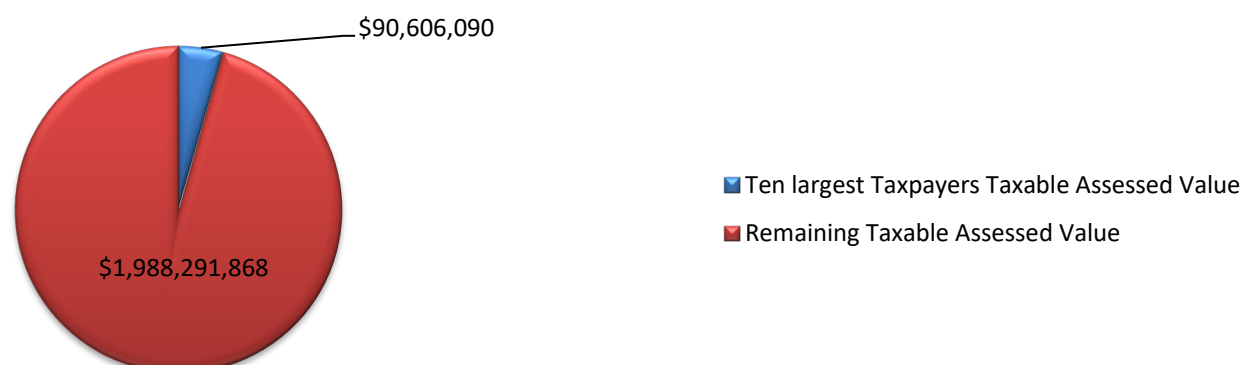
BEAUFORT COUNTY SCHOOL DISTRICT

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

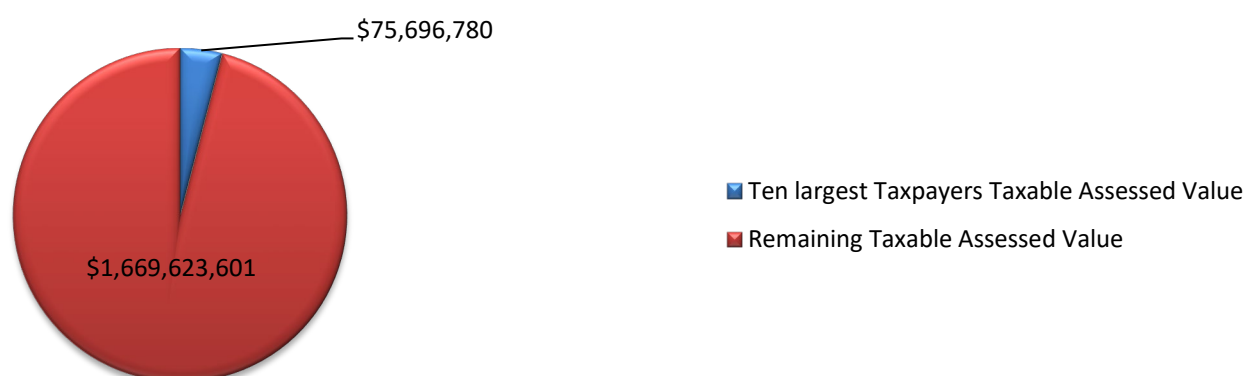
Taxpayer	2023			2014		
	Taxable Assessed Value	Rank	Percentage of Total Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Assessed Value
Dominion Energy South Carolina	\$ 27,932,240	1	1.42%	N/A		N/A
Marriott Ownership Resorts, Inc.	16,887,220	2	0.86%	\$ 19,965,370	2	1.14%
Palmetto Electric Coop, Inc.	11,530,240	3	0.59%	10,046,500	3	0.58%
Bluffton Telephone Company	7,458,440	4	0.38%	3,421,780	6	0.20%
Columbia Properties Hilton Head	5,019,710	5	0.25%	3,769,970	6	0.22%
Hargray Telephone Company	4,902,850	6	0.25%	N/A		N/A
SCG Hilton Head Property LLC	4,880,580	7	0.25%	4,764,090	4	0.27%
Passco One Hampton DST.	4,335,720	8	0.22%	4,260,000	5	0.24%
Sea Pines Resort	3,993,750	9	0.20%	1,877,630	10	0.11%
Shelter Cove II LLC	3,665,340	10	0.19%	N/A		N/A
Greenwood Development Corp.	N/A		N/A	3,669,380	7	0.21%
COROC/Hilton Head	N/A		N/A	2,484,570	9	0.14%
South Carolina Electric & Gas	N/A		N/A	21,437,490	1	1.23%
Total	\$ 90,606,090		4.61%	\$ 75,696,780		4.34%

Source: Beaufort County Auditor

Taxable Assessed Value - Fiscal Year 2023



Taxable Assessed Value - Fiscal Year 2014



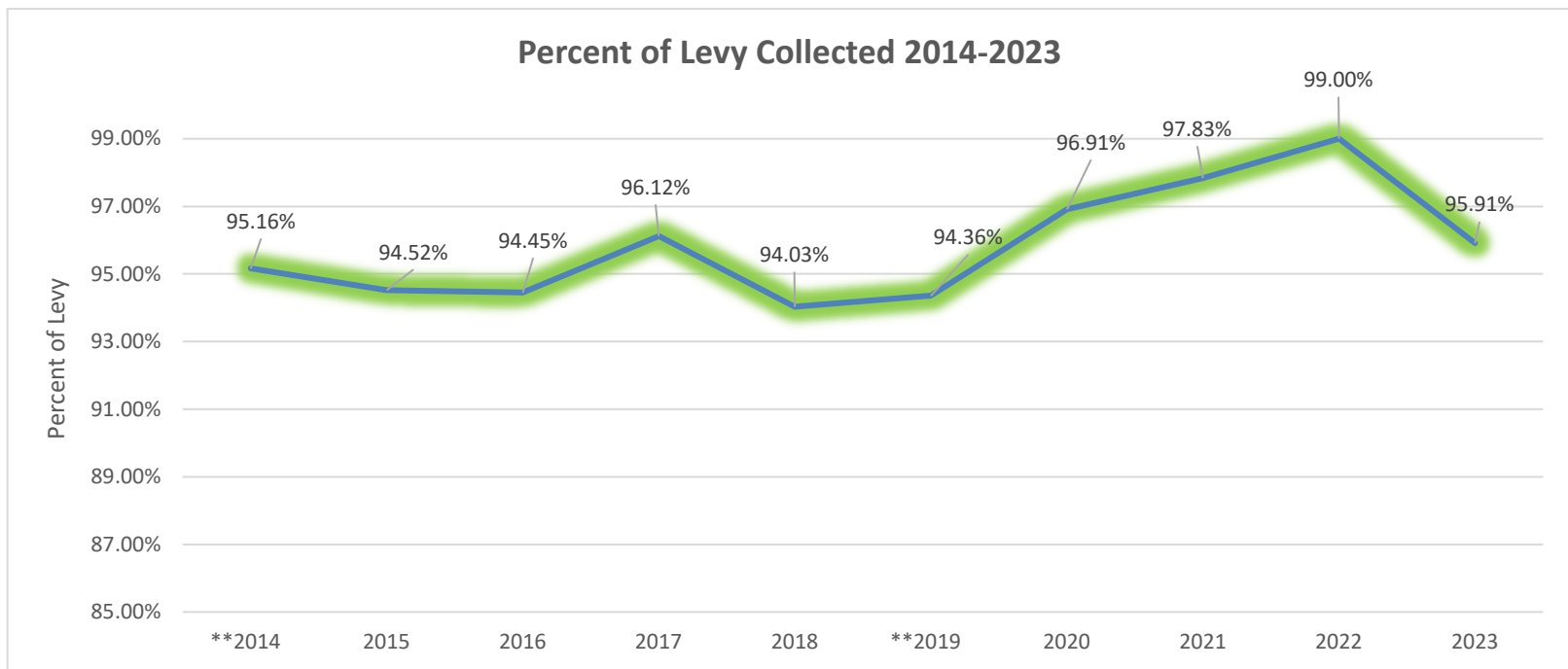
BEAUFORT COUNTY SCHOOL DISTRICT

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
**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%
2023	189,990,431	182,221,510	95.91%	4,437,774	186,659,284	98.20%

Source: Beaufort County Treasurer/Beaufort County Auditor

** Reassessment



BEAUFORT COUNTY SCHOOL DISTRICT

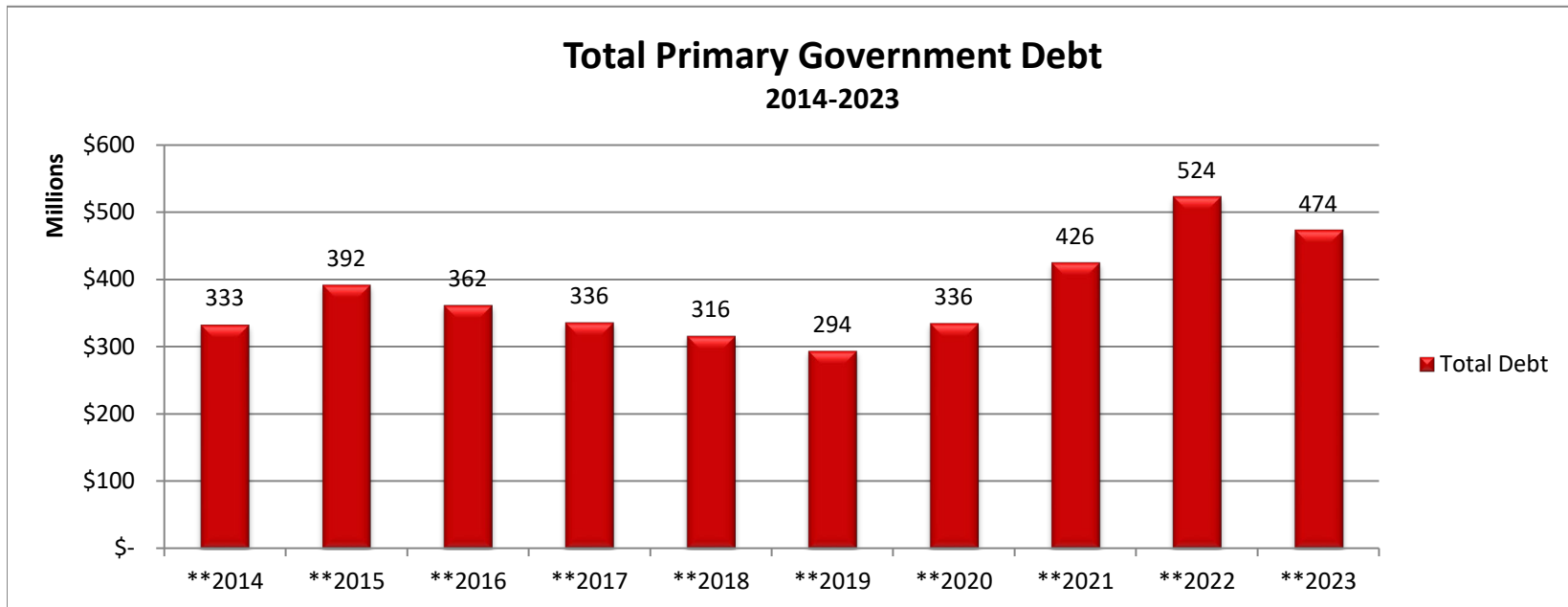
RATIOS OF OUTSTANDING DEBT BY TYPE LAST TEN FISCAL YEARS (UNAUDITED)

Fiscal Year	Governmental Activities				Total Primary Government
	General Obligation Bonds	Other Bonds/Notes	Financed Purchases	Lease Liabilities	
**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	-	459,985	523,685,504
**2023	458,539,762	14,765,000	-	513,751	473,818,513

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
2.33%	1,940
2.00%	2,284
2.48%	2,018
2.73%	1,837
3.17%	1,675
3.64%	1,532
3.18%	1,747
2.64%	2,275
3.43%	2,731
3.16%	2,413

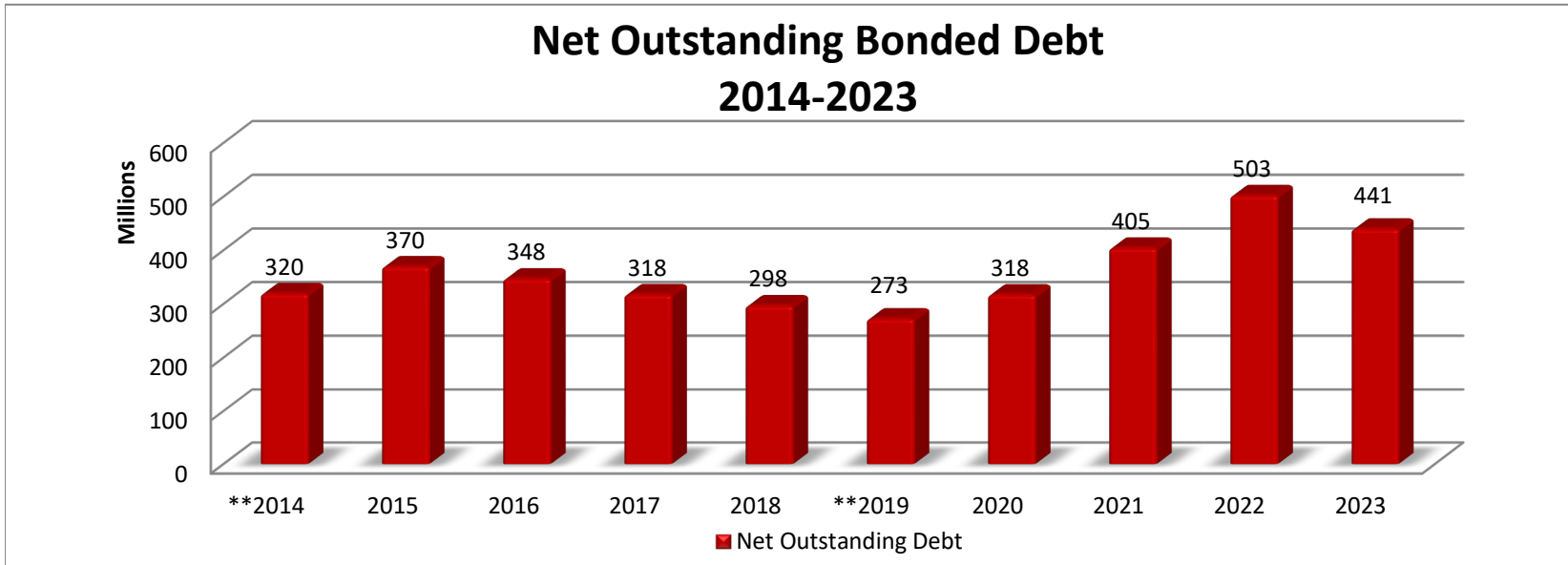
BEAUFORT COUNTY SCHOOL DISTRICT

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
**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
2023	196,371	458,539,762	18,024,216	440,515,546	2,078,897,958

Source: District records
Beaufort County Treasurer

** Reassessment



Percentage of Estimated Actual Taxable Value of Property	Per Capita
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
21.2%	2,243

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	\$ 164,609,853	100.00%	\$ 164,609,853
City of Beaufort	22,244,100	100.00%	22,244,100
Town of Bluffton	-	100.00%	-
Town of Hilton Head	92,714,698	100.00%	92,714,698
Town of Port Royal	2,704,000	100.00%	2,704,000
* Broad Creek PSD	-	-	-
* Fripp Island PSD	-	-	-
Hilton Head #1 PSD	5,910,000	100.00%	5,910,000
* Burton Fire	2,430,511	100.00%	2,430,511
* Bluffton Fire	16,126,511	100.00%	16,126,511
* Lady Island/St. Helena Fire	4,766,885	100.00%	4,766,885
* Sheldon Fire	1,233,219	100.00%	1,233,219
Subtotal, overlapping debt	<u>\$ 312,739,777</u>		<u>312,739,777</u>
Beaufort County School District Direct Debt			<u>458,539,762</u>
Total direct and overlapping			<u>\$ 771,279,539</u>

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			
	2014	2015	2016	2017
Debt Limit	\$ 133,569,888	\$ 136,462,413	\$ 144,392,133	\$ 145,451,525
Total net debt applicable to limit	32,037,621	93,377,621	88,025,621	90,015,621
Legal debt margin	<u>\$ 93,526,360</u>	<u>\$ 101,532,267</u>	<u>\$ 43,084,792</u>	<u>\$ 56,366,512</u>
Total net debt applicable to limit as a percentage of debt limit	24%	68%	61%	62%
Legal debt margin calculation				
Assessed value	<u>\$ 2,078,897,958</u>			
Debt limit (8% of assessed value)	<u>166,311,837</u>			
Debt applicable to limit:				
Total bonded debt	442,462,600			
Less: Bond issuances				
approved by referendum	(385,389,100)			
Less: Installment Purchase Revenue Bond	<u>(14,765,000)</u>			
Total net debt applicable to limit	<u>42,308,500</u>			
Legal debt margin	<u>\$ 124,003,337</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, 2023.

2018	2019	2020	2021	2022	2023
\$ 148,345,758	\$ 157,550,147	\$ 161,211,274	\$ 180,421,931	\$ 173,397,810	\$ 166,311,837
97,058,621	102,963,621	79,612,110	54,204,000	39,801,060	42,308,500
<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>	<u>\$ 124,003,337</u>
65%	65%	49%	30%	23%	25%

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
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	**	93.4%
2023	196,371	13,997,738	71,282	**	**

* in thousands

** Data not available

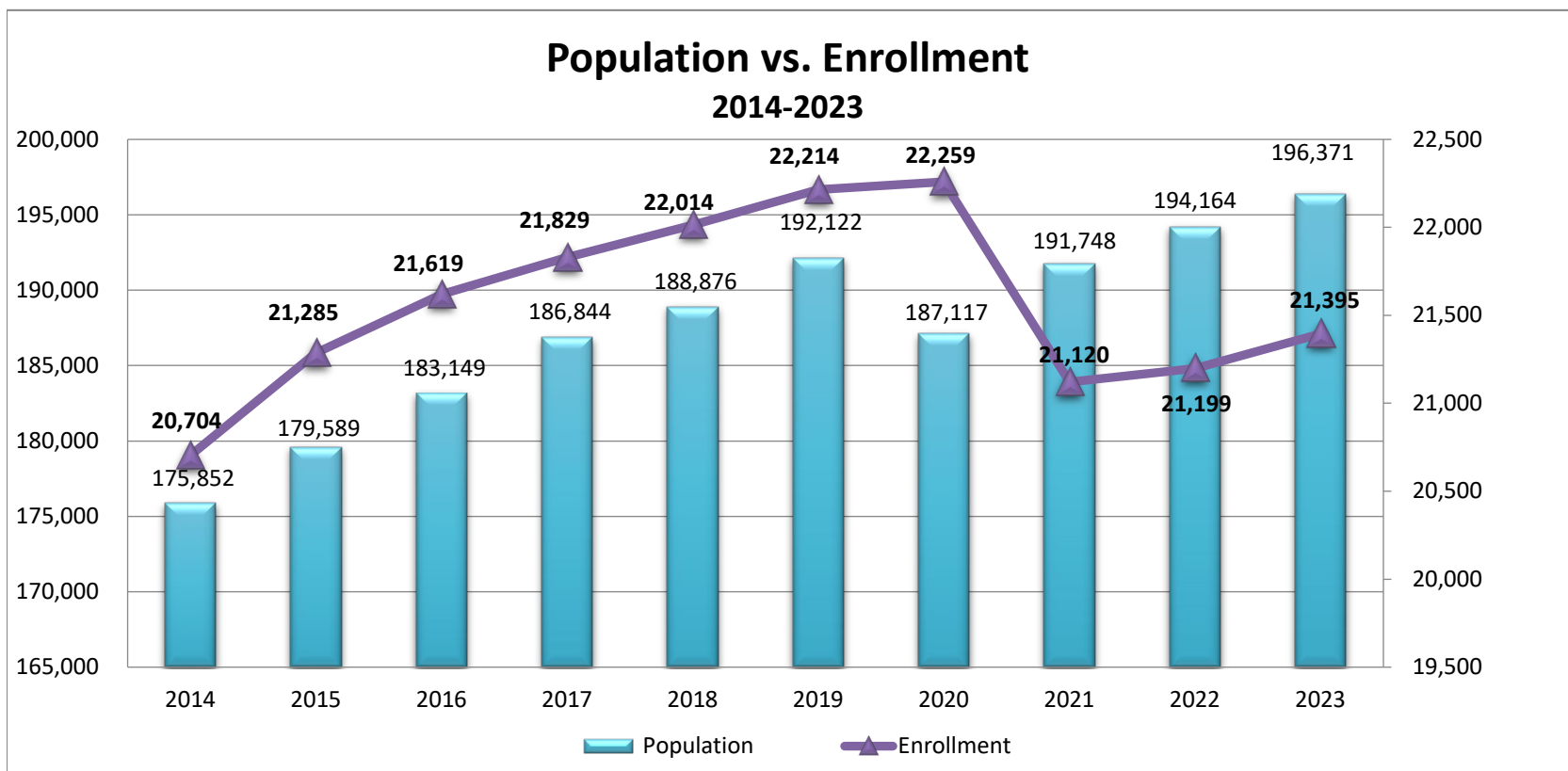
Population: U.S. Census 2021 Demographic Data Map/Estimated 2022.

Per Capita Income and Personal Income provided by the U.S. Department of Commerce, Bureau of Economic Analysis/Estimated 2022 and 2023.

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, 2023.

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



School Enrollment	Unemployment Rate	Live Births
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%	1,876
21,199	3.20%	**
21,395	3.40%	**

BEAUFORT COUNTY SCHOOL DISTRICT

PRINCIPAL EMPLOYERS CURRENT YEAR AND NINE YEARS AGO (UNAUDITED)

Employer (Listed Alphabetically)	2023			2014		
	Employees	Rank	Percentage of Total County Employment*	Employees	Rank	Percentage of Total County Employment
Atlantic Personnel Inc.	*	*	*	*	*	*
Beaufort County School District	2,870	*	*	3,161	*	*
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.	*	*	*	*	*	*

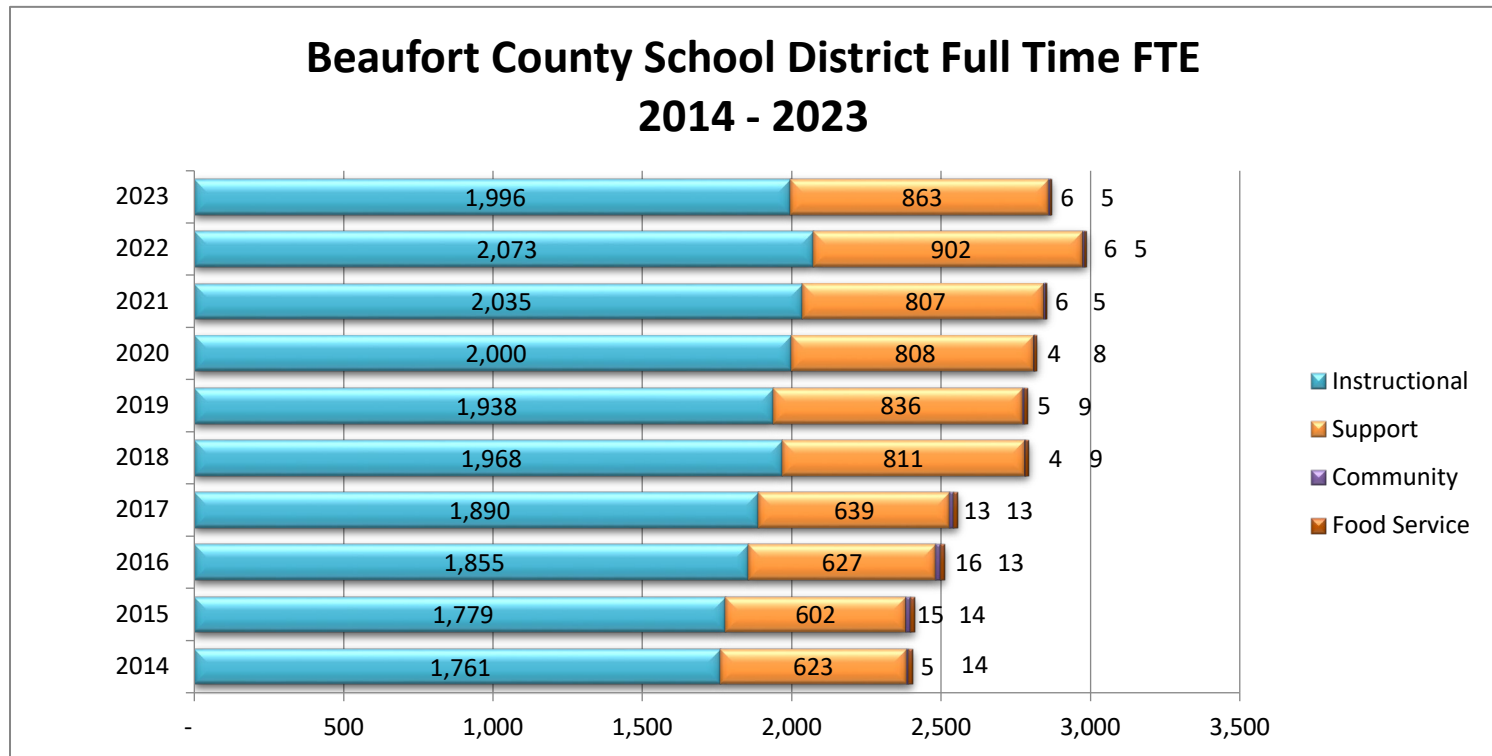
*Specific information related to those employers was deemed confidential by the
South Carolina Department of Employment and Workforce
List from Beaufort Regional Chamber of Commerce

BEAUFORT COUNTY SCHOOL DISTRICT

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

Function	Fiscal Year			
	2014	2015	2016	2017
Governmental activities				
Instruction	1,761	1,779	1,855	1,890
Support services	623	602	627	639
Community services	5	15	16	13
Business-type activities				
Food services	14	14	13	13
Total	2,403	2,410	2,511	2,555

Source: District Finance Department



Fiscal Year					
2018	2019	2020	2021	2022	2023
1,968	1,938	2,000	2,035	2,073	1,996
811	836	808	807	902	863
4	5	4	6	6	6
9	9	8	5	5	5
2,792	2,788	2,820	2,853	2,986	2,870

BEAUFORT COUNTY SCHOOL DISTRICT

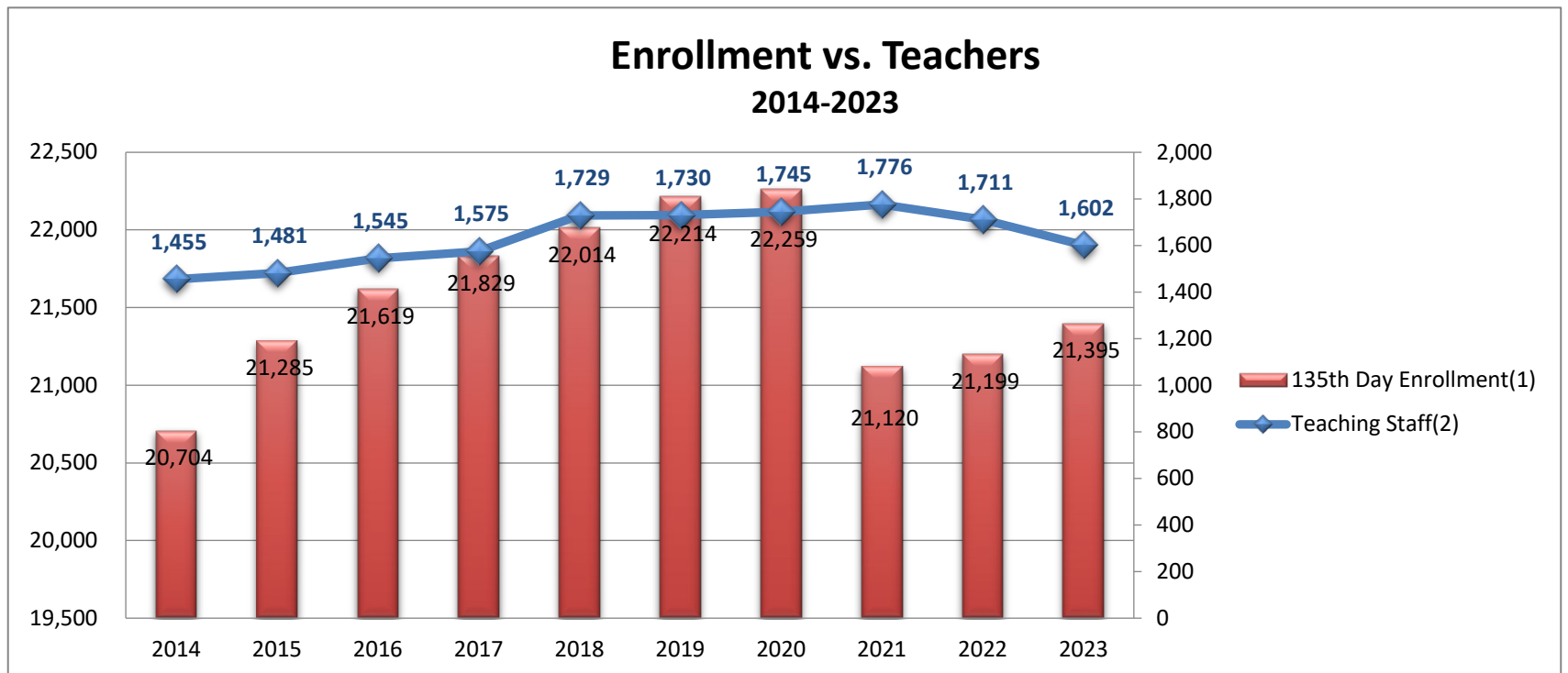
OPERATING STATISTICS LAST TEN FISCAL YEARS (UNAUDITED)

Fiscal Year	General Fund Expenditures ⁽¹⁾	135th Day Enrollment ⁽¹⁾	Cost per Pupil ⁽¹⁾	Percentage Change	Teaching Staff ⁽²⁾	Pupil/Teacher Ratio ⁽²⁾
2014	\$ 181,576,037.00	20,704	\$ 8,770.09	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
2023	297,822,153	21,395	13,920	8%	1,602	20.0 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⁾
96.7%	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%
94.2%	87.4%

BEAUFORT COUNTY SCHOOL DISTRICT

TEACHER SALARIES LAST TEN FISCAL YEARS (UNAUDITED)

Fiscal Year	Minimum Salary⁽¹⁾	Maximum Salary⁽¹⁾	District Average Salary⁽¹⁾	State-wide Average Salary⁽²⁾	Percentage of Expenditures for Teacher Salaries⁽²⁾
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%
2023	45,566	97,671	65,217	55,941	52.2%

Source: ⁽¹⁾ District records
⁽²⁾ South Carolina Department of Education Annual Report

* Data not available

Average Teacher Experience (in years) ⁽¹⁾	Teacher Attendance Rate ⁽²⁾
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%
8.2	94.2%

BEAUFORT COUNTY SCHOOL DISTRICT

SCHOOL BUILDING INFORMATION LAST TEN FISCAL YEARS

	Fiscal Year			
	2014	2015	2016	2017
Hilton Head Island Early Child Center (2006)				
Expanded (2016)				
Square feet	74,732	74,732	80,732	80,732
Capacity (students)	454	454	454	454
Enrollment	454	450	423	426
Beaufort Elementary School (1986)				
Square feet	106,537	106,537	106,537	106,537
Capacity (students)	867	867	867	867
Enrollment	617	542	519	486
Coosa Elementary School (1998)				
Square feet	70,337	70,337	70,337	70,337
Capacity (students)	576	576	576	576
Enrollment	465	480	473	500
Lady's Island Elementary (1963)				
Square feet	57,943	57,943	57,943	57,943
Capacity (students)	485	485	485	485
Enrollment	285	316	337	340
Mossy Oaks Elementary (1962)				
Square feet	62,098	62,098	62,098	62,098
Capacity (students)	493	493	493	493
Enrollment	430	405	404	429
Port Royal Elementary (1911)				
Square feet	49,151	49,151	49,151	49,151
Capacity (students)	306	306	306	306
Enrollment	222	231	214	212
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	429	441	434	431
Broad River Elementary (1957)				
Square feet	74,234	74,234	74,234	74,234
Capacity (students)	589	589	589	589
Enrollment	553	524	501	493
J. Shanklin Elementary (1994)				
Square feet	73,882	73,882	73,882	73,882
Capacity (students)	578	578	578	578
Enrollment	386	458	422	384
J.J. Davis Early Learning Center (1991)				
Square feet	65,045	65,045	65,045	65,045
Capacity (students)	512	512	512	512
Enrollment	85	98	178	170
Whale Branch Elementary (2000)				
Square feet	71,921	71,921	71,921	71,921
Capacity (students)	568	568	568	568
Enrollment	458	493	418	383

(Continued)

Fiscal Year					
2018	2019	2020	2021	2022	2023
80,732	80,732	80,732	80,732	80,732	80,732
454	454	454	454	454	454
434	418	377	343	368	321
106,537	106,537	106,537	106,537	106,537	106,537
867	867	867	867	867	867
495	476	473	373	346	362
70,337	70,337	70,337	70,337	70,337	70,337
576	576	576	576	576	576
527	497	512	436	436	443
57,943	57,943	57,943	57,943	57,943	57,943
485	485	485	485	485	485
337	298	266	222	220	229
62,098	62,098	62,098	62,098	62,098	62,098
493	493	493	493	493	493
424	413	383	341	364	370
49,151	49,151	49,151	49,151	49,151	49,151
306	306	306	306	306	306
204	225	208	171	162	166
118,482	118,482	118,482	118,482	118,482	118,482
819	819	819	819	819	819
396	391	350	353	334	351
74,234	74,234	74,234	74,234	74,234	74,234
589	589	589	589	589	589
488	560	500	450	445	473
73,882	73,882	73,882	73,882	73,882	73,882
578	578	578	578	578	578
371	393	394	409	435	440
65,045	65,045	65,045	65,045	65,045	65,045
512	512	512	512	512	512
161	172	143	111	93	123
71,921	71,921	71,921	71,921	71,921	71,921
568	568	568	568	568	568
356	317	316	275	252	248

BEAUFORT COUNTY SCHOOL DISTRICT

SCHOOL BUILDING INFORMATION LAST TEN FISCAL YEARS

	Fiscal Year			
	2014	2015	2016	2017
Daufuskie School (1935)				
Square feet	6,635	6,635	6,635	6,635
Capacity (students)	64	64	64	64
Enrollment	12	15	18	21
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	923	949	958	934
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	795	788	772	726
Bluffton Elementary (2000) ECC addition (2010)				
Square feet	128,237	128,237	128,237	128,237
Capacity (students)	946	946	946	946
Enrollment	728	832	617	670
Okatie Elementary (2004)				
Square feet	87,383	87,383	87,383	87,383
Capacity (students)	672	672	672	672
Enrollment	619	692	589	592
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	787	826	715	723
Red Cedar Elementary (2010)				
Square feet	97,000	97,000	97,000	97,000
Capacity (students)	764	764	764	764
Enrollment	778	780	698	687
Pritchardville Elementary (2011) mobiles in use				
Square feet	108,960	108,960	108,960	108,960
Capacity (students)	800	800	800	800
Enrollment	779	853	884	854
River Ridge Academy (2016) mobiles in use				
Square feet	-	143,742	143,742	143,742
Capacity (students)	-	1,013	1,013	1,013
Enrollment	-	-	952	1,090
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	616	559	533	495
** 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	734	536	522	555
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	611	745	713	717
Whale Branch Middle (2000)				
Square feet	112,512	112,512	112,512	112,512
Capacity (students)	864	864	864	864
Enrollment	396	415	401	386

(Continued)

Fiscal Year					
2018	2019	2020	2021	2022	2023
6,635	6,635	6,635	6,635	6,635	6,635
64	64	64	64	64	64
23	20	20	27	35	21
161,005	161,005	161,005	161,005	161,005	161,005
1,128	1,128	1,128	1,128	1,128	1,128
951	888	844	776	740	741
112,489	112,489	112,489	112,489	112,489	112,489
921	921	921	921	921	921
663	644	625	568	511	532
128,237	128,237	128,237	128,237	128,237	128,237
946	946	946	946	946	946
693	751	787	775	726	730
87,383	87,383	87,383	87,383	87,383	87,383
672	672	672	672	672	672
616	636	613	569	566	605
120,958	120,958	120,958	120,958	120,958	120,958
929	929	929	929	929	929
772	751	755	715	769	783
97,000	97,000	97,000	97,000	97,000	97,000
764	764	764	764	764	764
669	681	707	581	618	611
108,960	108,960	108,960	108,960	108,960	108,960
800	800	1,000	1,000	1,000	1,000
832	892	956	900	1,035	999
143,742	143,742	143,742	168,342	168,342	168,342
1,013	1,013	1,213	1,213	1,213	1,213
1,191	1,224	1,208	1,100	1,098	1,121
125,890	125,890	125,890	125,890	125,890	125,890
793	793	793	793	793	793
490	473	502	456	422	389
141,616	141,616	141,616	141,616	141,616	141,616
1,088	1,088	1,088	1,088	1,088	1,088
554	545	554	513	472	429
148,619	148,619	148,619	148,619	148,619	148,619
1,087	1,087	1,087	1,087	1,087	1,087
718	709	740	641	660	705
112,512	112,512	112,512	112,512	112,512	112,512
864	864	864	864	864	864
367	355	350	359	334	321

BEAUFORT COUNTY SCHOOL DISTRICT

SCHOOL BUILDING INFORMATION LAST TEN FISCAL YEARS

	Fiscal Year			
	2014	2015	2016	2017
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	976	989	977	1,012
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	976	1,121	1,074	661
Bluffton Middle (2011)				
Square feet	142,711	142,711	142,711	142,711
Capacity (students)	1,035	1,035	1,035	1,035
Enrollment	1,096	1,038	932	773
Beaufort High (2000)				
Square feet	217,234	217,234	217,234	217,234
Capacity (students)	1,595	1,595	1,595	1,595
Enrollment	1,328	1,338	1,305	1,301
Battery Creek High (1992) Cate Expansion (2016)				
Square feet	216,755	216,755	230,755	230,755
Capacity (students)	1,585	1,585	1,585	1,585
Enrollment	766	807	845	817
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	1,254	1,267	1,286	1,259
Bluffton High (2005)				
Square feet	218,418	218,418	218,418	218,418
Capacity (students)	1,434	1,434	1,434	1,434
Enrollment	1,126	1,253	1,392	1,201
Whale Branch Early College High (2011)				
Square feet	124,000	124,000	124,000	124,000
Capacity (students)	611	611	611	611
Enrollment	532	517	479	497
May River High (2017) mobiles in use				
Square feet	-	-	-	238,616
Capacity (students)	-	-	-	1,400
Enrollment	-	-	-	947
Islands Academy (Established 2016 in DESC building closed FY2018)				
Square feet	-	-	-	-
Capacity (students)	-	-	150	150
Enrollment	-	-	70	57
Riverview Charter School (2010) Addition (2017)				
Square feet	70,724	70,724	70,724	93,024
Capacity (students)	536	536	536	760
Enrollment	488	527	564	600
(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					
2018	2019	2020	2021	2022	2023
131,188	131,188	131,188	131,188	131,188	131,188
1,007	1,007	1,007	1,007	1,007	1,007
990	1,018	954	874	837	871
148,460	148,460	148,460	148,460	148,460	148,460
909	909	1,009	1,009	1,009	1,009
743	806	908	939	945	883
142,711	142,711	142,711	142,711	142,711	142,711
1,035	1,035	1,035	1,035	1,035	1,035
772	801	860	841	879	892
217,234	217,234	217,234	217,234	217,234	217,234
1,595	1,595	1,595	1,595	1,595	1,595
1,295	1,303	1,239	1,173	1,136	1,160
230,755	230,755	230,755	230,755	230,755	230,755
1,585	1,585	1,585	1,585	1,585	1,585
752	721	725	754	756	773
173,498	173,498	173,498	173,498	173,498	173,498
1,382	1,382	1,382	1,382	1,382	1,382
1,249	1,229	1,287	1,298	1,301	1,287
218,418	218,418	218,418	218,418	218,418	218,418
1,434	1,434	1,434	1,434	1,434	1,434
1,128	1,168	1,168	1,231	1,270	1,293
124,000	124,000	124,000	124,000	124,000	124,000
611	611	611	611	611	611
445	442	430	424	416	450
238,616	238,616	238,616	275,497	275,497	275,497
1,400	1,400	1,520	1,520	1,520	1,520
1,200	1,343	1,413	1,444	1,533	1,576
-	-	-	-	-	-
150	-	-	-	-	-
70	-	-	-	-	-
93,024	93,024	93,024	93,024	93,024	93,024
760	760	760	760	760	760
638	654	692	678	685	697

BEAUFORT COUNTY SCHOOL DISTRICT

MISCELLANEOUS STATISTICS

JUNE 30, 2022

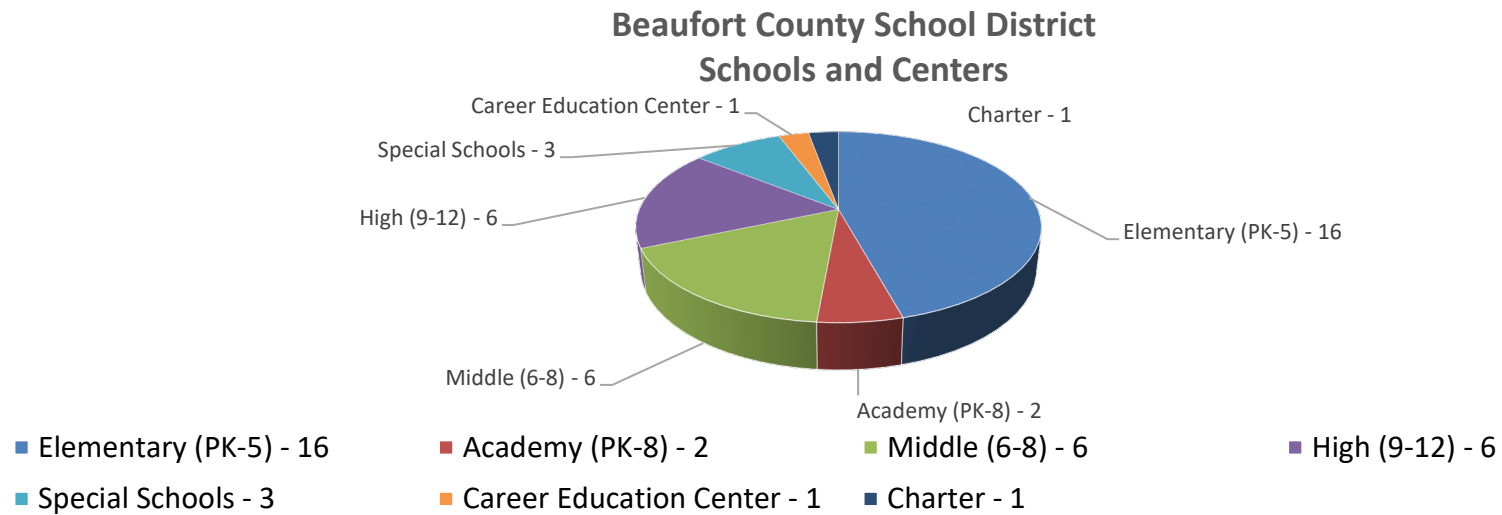
(UNAUDITED)

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: 21,395

Number of Full-Time Employees:

Teachers	1,602
Others	1,268

Average Bi-Weekly Payroll: \$7,707,616

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, 2023, 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, 2023. 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.

Mauldin & Jenkins, LLC

Savannah, Georgia
December 1, 2023



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, 2023. 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, 2023.

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 School 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 School 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 were not 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, 2023

BEAUFORT COUNTY SCHOOL DISTRICT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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	\$ - \$	663,060
600	School Breakfast Program	10.553	N/A	-	1,867,091
600	School Lunch Program	10.555	N/A	-	6,724,263
600	Summer Feeding Program	10.559	N/A	-	207,500
600	COVID-19 Supply Chain Assistance Fund	10.555	N/A	-	556,290
600	Fresh Fruits and Vegetable Grant	10.582	N/A	-	59,519
	Total Child Nutrition Cluster				10,077,723
	Subtotal U.S. Department of Agriculture				10,077,723
Passed through S.C. Department of Social Services					
600	Child and Adult Care Food Program	10.558	5SC300329	-	113,931
600	Child and Adult Care Food Program	10.558	5SC300329	-	4,224
	Total U.S. Department of Agriculture				10,195,878
U.S. Department of Education					
Passed through S.C. Department of Education					
	Title I:				
201	Title I - Current Year	84.010	H63010100123	-	5,246,349
202	Title I - Prior Year	84.010	H63010100122	-	1,229,061
202	Title I - Prior Year	84.010	H63010100121	-	154,415
202	Title I - Prior Year	84.010	H63010100120	-	7,060
237	Title I Targeted Support and Improvement ("ATSI")	84.010A	H63010100122	-	230,160
237	Title I Targeted Support and Improvement ("ATSI")	84.010A	H63010100121	-	53,597
					6,920,642
	Special Education ("IDEA") Cluster:				
203	Children with Disabilities IDEA	84.027	H63010100922	143,610	4,314,929
203	Children with Disabilities IDEA	84.027	H63010100922	-	1,701,930
205	IDEA Preschool Grants Handicapped Capacity	84.173	H63010100823	-	176,078
205	IDEA Preschool Grants Handicapped Capacity	84.173	H63010100822	-	3,638
230	COVID-19 IDEA/ARP	84.027X	H63010ARP922	-	529,548
233	COVID-19 IDEA Preschool/ARP	84.173X	H63010ARP822	-	76,457
				143,610	6,802,580
	Other Programs:				
100	Impact Aid	84.041	N/A	-	41,345
207	Occupational Education	84.048A	H63010107123	-	310,795
210	Title IV Student Support and Academic Enrichment	84.424A	H63010100323	-	298,821
210	Title IV Student Support and Academic Enrichment	84.424A	H63010100322	-	346,164
210	Title IV Student Support and Academic Enrichment	84.424A	H63010100321	-	2,283
218	COVID-19 - Education Stabilization Fund - ESSER III	84.425U	H63010497523	-	16,168,759
220	COVID-19 - Education Stabilization Fund - ESSER I	84.425D	H63010497520	-	181,826
225	COVID-19 - Education Stabilization Fund - ESSER II	84.425D	H63010497522	-	12,205,389
263	COVID-19 Education Stabilization Fund - ARP Homeless II	84.425W	H63010HCY721	-	83,101
232	Education of Homeless Children and Youth	84.196A	H63010108921	-	80,628
243	Adult Education	84.002	H63010101023	-	124,934
243	Adult Education - Institutionalized	84.002	H63010101023	-	42,000
243	Adult Education - Reverted Funds	84.002	H63010101022	-	2,659
243	Adult Education - Reverted Funds	84.002	H63010101021	-	15,050
264	Title III - Language Instr. for Limited English Proficient and Immigrant Students	84.365A	H63010006723	-	35,899
264	Title III - Language Instr. for Limited English Proficient and Immigrant Students	84.365A	H63010006722	-	307,610
264	Title III - Language Instr. for Limited English Proficient and Immigrant Students	84.365A	H63010006721	-	25,078
267	Supporting Effective Instruction - State Grants	84.367	H63010006823	-	751,660
267	Supporting Effective Instruction - State Grants	84.367	H63010006822	-	420,728
293	Med-Tech 7	84.165A	S165A210048-21A	-	2,259,914
	Total Other Programs				33,704,643
	Total of U.S. Department of Education			143,610	47,427,865
Department of Health and Human Services					
Direct Award					
285	Cooperative Agreement for Emergency Response	93.354	NU90TP922168	-	111,327
Passed through S.C. Department of Education					
299	YRBS/YTS Administration	93.079	N/A	-	300
	Total Department of Health and Human Services				111,627

(Continued)

BEAUFORT COUNTY SCHOOL DISTRICT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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	\$ -	\$ 420,596
296	Military Connected Local Education Agencies for Academic & Supporting Programs	12.556	HE1254211005	-	280,015
	Total U.S. Department of Defense			-	700,611
	Federal Communications Commission				
808	COVID-19 Emergency Connectivity Fund	32.009	N/A	-	51,300
	Total Federal Communications Commission			-	51,300
	Total expenditures of federal awards			\$ 143,610	\$ 58,487,281

BEAUFORT COUNTY SCHOOL DISTRICT

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2023

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, 2023.

BEAUFORT COUNTY SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2023

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 200.516(a)?

___ Yes X No

Identification of major programs:

AL Number

Name of Federal Program or Cluster

U.S. Department of Agriculture – Passed Through S.C.
Department of Education
Child Nutrition Cluster

10.553/10.555/10.559/10.582

U.S. Department of Education – Passed Through S.C.
Department of Education
COVID-19 - Education Stabilization Fund

84.425D/84.425U/84.425W

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

\$1,754,618

Auditee qualified as low-risk auditee?

X Yes ___ No

BEAUFORT COUNTY SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2023

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.