



Quarterly Financial Report

For the Twelve Months Ended

June 30, 2022

OE-6.6 and OE 6.1 (SN)

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Beaufort County School District
4th Quarter FY 21 Financial Summary
OE 6.6 and OE 6.1(SN)
September 8, 2022
(Unaudited)

A summary of the unaudited financial reports for the School District funds for the twelve months ended June 30, 2022 is attached. This summary is provided to the public and board members on a quarterly basis to keep them informed of the District's current financial condition. This report demonstrates the revenues and expenditures in a condensed format. Since these statements are prepared prior to our external audit, changes may occur.

The attached report is divided into the following areas:

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

General Fund Revenues- Schedule A

Total General Fund revenues received are estimated at 101.9% (FY21 revenue collections were 101.3%):

Local Revenues

- Unaudited local property tax collections are 102.5%; prior year collections were 101.5%. FY 2022 tax collections (including delinquent) of \$167.5M were greater than the budgeted amount by \$4.1M at June 30, 2022.
- Total estimated tax revenues are \$14.5M more than audited tax revenues for FY 2021. This is primarily due to an increase in assessed property values, the millage rate and the value of the mill.
- Delinquent taxes and penalties on taxes collected during July and August after each fiscal year are accrued into the prior fiscal year. The total amounts of the general fund accrual for delinquent taxes and penalties on taxes for FY 2021 were \$2.1 million and are estimated to be \$1.5 million for FY 2022. At the time of this report, August delinquent taxes and penalties were not available.
- The final interest allocation was also not available from the County as of the date of this report. Based on historical information, we are estimating \$125k in additional interest income when the final allocation is received.

State, Federal and Other Revenues

- State revenues are estimated at 100.3% of the final budget at the end of June; prior year collections were 100.7%.
 - The largest difference was in Reimbursement for Local Property Taxes revenue where actual revenue was more than budgeted revenue by \$993,077. Actual Retiree Insurance funding was \$127,976 greater than budgeted. The budgeted amounts were based on data provided by the state during the budget preparation process and were adjusted by the state during the fiscal year.
- Federal revenue collections finished at 99.8% of the FY 2022 budget. Federal Impact Aid and E-Rate funds primarily make up this revenue source.

General Fund Expenditures-Schedule B

- Total spending is reported at 99.7% of the \$274.2M budget, prior year spending was 99.2%. This represents under spending of \$750,671 (0.3% of budget).
 - By the end of the fourth quarter, instructional spending in the General Fund amounted to 99.8% of the annual budget. Prior year spending was 98.6%.
 - The mid-year 3% COLA retroactive salary increase allowed the District to utilize savings from vacancies and reallocate those funds to District employees.
 - Support programs and intergovernmental transfers reported spending of 99.2% and 106.1%, respectively, of the annual budget. Charter School payments are categorized as intergovernmental transfers and exceeded the budget due to an increase in student enrollment.

Chart A listed below summarizes the FY 2021-22 activities of the General Fund.

CHART A

	FY 2021-22 Final Budget	FY 2021-22 Projected Actual*	FY 2021-22 Unaudited Actual	Amount Variance	Percent Variance
Total Revenues	\$274,274,600	\$276,666,239	\$279,373,798	\$ 5,099,198	1.9%
Total Expenditures	\$274,274,600	\$274,274,600	\$273,523,929	\$ (750,671)	-0.3%
Incr/(Decr) in Fund Balance	\$ -	\$ 2,391,639	\$ 5,849,869	\$ 5,849,869	
% of Next Year's Budget	17.0%	17.8%	18.9%		

* Projections presented on 05/3/22 - Beaufort County Board of Education

Fund Balance

Audited FY 2021	Budget FY 2022	Unaudited FY 2022
\$50,550,294	\$50,550,294	\$56,400,163

The FY 2021-22 approved budget was a balanced budget with no planned use of fund balance. The current projected fund balance increase is \$5.8M. The \$5.8M difference between the budgeted and projected increase in fund balance is primarily due to increased local revenues.

Government Finance Officers Association best practices recommends 60 days of expenditures on hand. The unaudited results reflect 69 days, which is a three-day increase from the prior year.

The projected increase in fund balance for FY 2021-2022 allowed the District to reduce its request for a Tax Anticipation Note (TAN) from \$15 million in FY 2021-2022 to \$7.5 million in FY 2022-2023.

All Funds- See Schedule C attached.

**BEAUFORT COUNTY SCHOOL DISTRICT
BEAUFORT, SOUTH CAROLINA
GENERAL FUND REVENUE DETAIL
YEAR ENDED JUNE 30, 2022
UNAUDITED**

	Budgeted Amounts		Unaudited Actual	Variance with Final Budget	
	Original	Final			
LOCAL					
Ad Valorem Taxes-Including Delinquent	\$ 163,467,115	\$ 163,467,115	\$ 167,535,591	\$ 4,068,476	102.5%
Penalties and Interest on taxes	\$ 800,000	\$ 800,000	\$ 920,915	\$ 120,915	115.1%
Other	\$ 963,500	\$ 963,500	\$ 986,749	\$ 23,249	102.4%
Total Local Revenues	<u>\$ 165,230,615</u>	<u>\$ 165,230,615</u>	<u>\$ 169,443,255</u>	<u>\$ 4,212,640</u>	102.5%
STATE					
Retiree Insurance	\$ 5,762,741	\$ 5,762,741	\$ 5,890,717	\$ 127,976	102.2%
Fringe Benefits Employer Contribution	\$ 8,648,812	\$ 8,648,812	\$ 7,976,192	\$ (672,620)	92.2%
Reimb. For Local Property Taxes	\$ 47,448,832	\$ 47,448,832	\$ 48,441,909	\$ 993,077	102.1%
Education Finance Act (EFA)	\$ 24,227,978	\$ 24,227,978	\$ 23,850,222	\$ (377,756)	98.4%
School Bus Driver Salary	\$ 1,374,320	\$ 1,374,320	\$ 1,517,902	\$ 143,582	110.4%
Reimbursement Local Property Tax Relief	\$ 7,036,261	\$ 7,036,261	\$ 7,036,261	\$ 0	100.0%
Merchant's Inventory Tax	\$ 332,079	\$ 332,079	\$ 359,820	\$ 27,741	108.4%
Homestead Exemption	\$ 2,045,867	\$ 2,045,867	\$ 2,045,867	\$ 0	100.0%
PEBA-On Behalf Payment	\$ 1,206,425	\$ 1,206,425	\$ 1,207,231	\$ 806	100.1%
Other State Sources	\$ 225,000	\$ 225,000	\$ 274,999	\$ 49,999	122.2%
Total State Revenues	<u>\$ 98,308,315</u>	<u>\$ 98,308,315</u>	<u>\$ 98,601,120</u>	<u>\$ 292,805</u>	100.3%
FEDERAL	\$ 660,000	\$ 660,000	\$ 658,373	\$ (1,627)	99.8%
Transfers In	\$ 10,075,670	\$ 10,075,670	\$ 10,671,050	\$ 595,380	
TOTAL REVENUE	<u><u>\$ 274,274,600</u></u>	<u><u>\$ 274,274,600</u></u>	<u><u>\$ 279,373,798</u></u>	<u><u>\$ 5,099,198</u></u>	101.9%

**BEAUFORT COUNTY SCHOOL DISTRICT
BEAUFORT, SOUTH CAROLINA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual	Variance with Final Budget	
	Original	Final			
REVENUES					
Local	\$ 165,230,615	\$ 165,230,615	\$ 169,443,255	\$ 4,212,640	102.5%
State	\$ 98,308,315	\$ 98,308,315	\$ 98,601,120	\$ 292,805	100.3%
Federal	\$ 660,000	\$ 660,000	\$ 658,373	\$ (1,627)	99.8%
Total Revenues	<u>\$ 264,198,930</u>	<u>\$ 264,198,930</u>	<u>\$ 268,702,748</u>	<u>\$ 4,503,818</u>	<u>101.7%</u>
EXPENDITURES					
Current					
Instruction	\$ 163,418,630	\$ 162,769,746	\$ 162,398,717	\$ 371,029	99.8%
Support services	\$ 103,096,296	\$ 103,745,180	\$ 102,913,332	\$ 831,848	99.2%
Payments to other governmental units	\$ 7,584,674	\$ 7,584,674	\$ 8,050,361	\$ (465,687)	106.1%
Debt service-interest	\$ 65,000	\$ 65,000	\$ 51,519	\$ 13,481	79.3%
Total Expenditures	<u>\$ 274,164,600</u>	<u>\$ 274,164,600</u>	<u>\$ 273,413,929</u>	<u>\$ 750,671</u>	<u>99.7%</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (9,965,670)</u>	<u>\$ (9,965,670)</u>	<u>\$ (4,711,181)</u>	<u>\$ 5,254,489</u>	<u>99.7%</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	10,075,670	10,075,670	10,671,050	595,380	105.9%
Transfers out	(110,000)	(110,000)	(110,000)	-	105.9%
Total other financing sources (uses)	<u>9,965,670</u>	<u>9,965,670</u>	<u>10,561,050</u>	<u>595,380</u>	<u>106.0%</u>
Net change in fund balances	-	-	5,849,869	5,849,869	106.0%
FUND BALANCES, BEGINNING OF YEAR	<u>50,550,294</u>	<u>50,550,294</u>	<u>50,550,294</u>	<u>-</u>	
FUND BALANCES, END OF YEAR	<u>\$ 50,550,294</u>	<u>\$ 50,550,294</u>	<u>\$ 56,400,163</u>	<u>\$ 5,849,869</u>	<u>111.6%</u>
Total Expenditures + Transfers Out	\$ 274,274,600	\$ 274,274,600	\$ 273,523,929	\$ 750,671	99.7%
Next Year's Budgeted Expenditures			\$ 298,133,593		
Percentage of Next Year's Budgeted Expenditures			18.9%		

	General Fund	Special Projects Funds	EIA	Capital Projects	Debt Service Fund	Internal Service Fund	Food Service Fund	Student Activity Fund	Total
REVENUES									
Local									
Property Taxes	167,535,591	-	-	-	77,599,461	-	-	-	245,135,052
Interest	23,322	-	-	867,088	53,919	-	1,484	1,186	946,999
Insurance Proceeds	-	-	-	-	-	49,300	-	-	49,300
Other	1,884,342	1,379,831	-	767,395	-	1,480,233	197,845	3,506,392	9,216,038
Total Local	169,443,255	1,379,831	-	1,634,483	77,653,380	1,529,533	199,329	3,507,578	255,347,389
State	98,601,120	2,946,699	13,975,078	-	1,607,699	-	-	-	117,130,596
Federal	658,373	43,897,483	-	6,302	-	-	15,581,479	-	60,143,637
Total Revenues	268,702,748	48,224,013	13,975,078	1,640,785	79,261,079	1,529,533	15,780,808	3,507,578	432,621,622
EXPENDITURES									
Current									
Instruction	162,398,717	30,346,998	13,975,078	-	-	1,360,685	-	-	208,081,478
Support services	102,913,332	17,877,016	-	97,735,517	-	119,548	12,562,756	3,083,256	234,291,425
Community services	-	-	-	-	-	-	-	-	-
Intergovernmental services	8,050,361	-	-	-	-	-	-	-	8,050,361
Debt service									
Principal	-	-	-	-	72,061,400	-	-	-	72,061,400
Interest	51,519	-	-	-	14,360,576	-	-	-	14,412,095
Other objects	-	-	-	427,800	135,413	-	-	-	563,213
Total Expenditures	273,413,929	48,224,014	13,975,078	98,163,317	86,557,389	1,480,233	12,562,756	3,083,256	537,459,972
Excess (deficiency) of revenues over (under) expenditures	(4,711,181)	-	-	(96,522,532)	(7,296,310)	49,300	3,218,052	424,322	(104,838,350)
OTHER FINANCING SOURCES (USES)									
Transfers in	10,671,050	-	-	-	2,723,462	-	110,000	-	13,504,512
Transfers out	(110,000)	-	-	-	(2,723,462)	-	-	-	(2,833,462)
Sale of capital assets	-	-	-	4,512	-	-	6,934	-	11,446
Transits	-	-	-	-	(16,915,309)	-	-	-	(16,915,309)
Proceeds of Refunding Debt	-	-	-	-	20,777,500	-	-	-	20,777,500
Premium on general obligations bonds	-	-	-	8,405,128	40,423	-	-	-	8,445,551
Proceeds of Gen Obligation Bonds	-	-	-	159,610,000	-	-	-	-	159,610,000
TOAL OTHER FINANCING SOURCES (USES)	10,561,050	-	-	168,019,640	3,902,614	-	116,934	-	182,600,238
Net change in fund balances	5,849,869	-	-	71,497,108	(3,393,696)	49,300	3,334,986	424,322	77,761,889
FUND BALANCE JULY 1, 2021	50,550,294	-	-	180,211,412	19,957,690	1,473,311	5,160,301	2,825,862	260,178,870
FUND BALANCE AT JUNE 30, 2022	\$ 56,400,163	\$ -	\$ -	\$ 251,708,520	\$ 16,563,994	\$ 1,522,611	\$ 8,495,287	\$ 3,250,184	\$ 337,940,759
Percentage of Next Year's Budget	18.9%								