

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
ANNUAL FINANCIAL REPORT  
Fiscal Year Ended June 30, 2018**

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
ANNUAL FINANCIAL REPORT  
For the Fiscal Year Ended June 30, 2018**

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November 30, 2018

## INDEPENDENT AUDITOR'S REPORT

Honorable Members of the School District Council Williamsburg  
Kingstree, South Carolina

### Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the School District of Williamsburg County, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of D.P. Cooper Charter School, and as of the date of this report, the audited financial statements have not been provided and are not included in this report. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

## **Opinions**

In our opinion, 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 aggregate discretely presented component unit and each major fund of the School District of Williamsburg County, as of June 30, 2018, 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.

## ***Other Matters***

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information for the General Fund on pages 4 through 11 and 67, and the schedules of funding progress and employer contributions, schedule of District's proportionate share of liability and the schedule of the District's contributions for both the pension and OPEB on pages 68-70 be presented to supplement the basic financial statements.

Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District of Williamsburg County's basic financial statements. The combining and individual non-major fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Plan 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual non-major fund financial statements and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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. In our opinion, the combining and individual non-major 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 Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2018, on our consideration of School District of Williamsburg County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 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 School District of Williamsburg County's internal control over financial reporting and compliance.

*Sheheen, Hancock & Godwin, LLP*

Sheheen, Hancock and Godwin, LLP  
Camden, South Carolina

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended June 30, 2018**

**INTRODUCTION**

The discussion and analysis of School District of Williamsburg County's financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2018. We encourage readers to consider this information in conjunction with the additional information in the District's financial statements and the accompanying notes to those financial statements.

**FINANCIAL HIGHLIGHTS**

Student enrollment was 3,738 on the 135-day ADM for the 2017-2018 school years. We based our budget on \$2,425 base student cost. We had some cuts in Federal and State Restricted Funds. The School District of Williamsburg County's Board of Trustees did not have to approve any unpopular measures such as furloughs or rifts. Purchase orders were monitored very closely to reduce spending for supplies, equipment, travel, conferences and telephones. Additionally, the number of substitutes that were utilized was significantly reduced.

Other key financial aspects were as follows:

Net Position: The District's Total Net Position as of June 30, 2018, was \$(54,175,851).

Revenues and Expenditures: Revenues and other financing sources totaled \$56,166,219 and expenditures and other financing uses totaled \$54,687,753 for all Governmental Funds at the fund level. Accordingly, revenues and other financing sources exceeded expenditures and other financing uses by \$1,478,466.

General Fund/Fund Balance: On June 30, 2017, our principal operating fund, the General Fund, had a fund balance of \$3,061,493. The current year expenditures and other financing uses exceeded revenues and other financing sources creating a decrease for the year of \$41,118. This decreased the fund balance to \$3,020,375 as of June 30, 2018.

Debt Service: In 2006 the District issued \$22,500,000 in SCAGO General Obligation School (Installment Purchase) Bonds to build Hemingway Elementary School. In 2008, the District issued \$6,926,639 in QZAB Bonds to repair, renovate and upgrade facilities in the district. In 2016 the District issued \$17,625,000 in SCAGO Installment Purchase Refunding Bonds to refund the 2006 IPR bonds. The millage assessed to repay the debt service is 34.5. The District issued long-term debt during the year of \$2,100,000 in the form of General Obligation Bonds. As of June 30, 2018, the District had paid off \$1,066,000 in short-term debts and paid approximately \$1,507,000 against its long-term debt obligations.

**OVERVIEW OF FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements (General, Special Revenue, Special Revenue EIA, Debt Service, School Building, Fiduciary (Pupil Activity), Proprietary and 3) notes to the basic financial statements. This report also contains other supplementary information and a compliance section in addition to the basic financial statements themselves. A description of these statements and some related definitions follow:

Government-wide Financial Statements: The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private sector business.



**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY**  
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**(Continued)**

These statements outline functions of the District that are principally supported by property taxes and intergovernmental revenues (governmental activities) and functions principally supported by service charges (business-type activities).

The governmental activities of the District include instruction, support services, intergovernmental, debt service, and capital outlay expenditures. The government-wide financial statements can be found on pages 12 through 14 of this report.

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

**Statement of Activities:** The statement of activities presents information showing how the District'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 (e.g., uncollected taxes).

**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 District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into three categories: governmental, proprietary and fiduciary.

**Governmental Funds:** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows of spendable resources as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the District's near-term financing requirements. The modified accrual basis of accounting is used for governmental funds.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. These reconciliations are on pages 16 and 18.

The District maintains its accounting records in conformity with the South Carolina Department of Education's Financial Accounting Handbook. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General, Special Revenue, and EIA Funds which are required to be presented as major funds. The basic governmental funds financial statements can be found on pages 15 and 17 of this report.

**Proprietary Funds:** Proprietary (Enterprise) funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the stated intent is that of monitoring the cost of such programs for public policy.

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
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MANAGEMENT'S DISCUSSION AND ANALYSIS  
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Fiduciary Funds: Fiduciary (Pupil Activity) funds are used to account for resources held for the benefit of students and are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. The accrual basis of accounting is used for fiduciary funds.

The basic fiduciary fund financial statement can be found on page 23 of this report.

Notes to the Basic 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 basic financial statements can be found on pages 24 through 57 of this report.

Other information: In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's budget process. The District adopts an annual expenditure budget for the General Fund. A budgetary comparison statement has been provided for the General Fund as required supplementary information. The required supplementary information can be found on pages 67-70 of this report.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

Net position may serve over time as a useful indicator of a government's financial position. In the case of the District, liabilities exceeded assets by \$54,175,851 as of June 30, 2018.

By far, the largest portion of the District's net position (175%) reflects its investment in capital assets (e.g., land, buildings and improvements, vehicles, furniture and equipment), less any related debt used to acquire those assets that are still outstanding. The District uses these capital assets to provide services to its students; consequently, these assets are not available for future spending. Although the District's net investment in capital assets is reported net of related debt, 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 District's financial position is the product of several financial transactions including the net results of activities, the acquisition and payment of debt, the acquisition of capital assets, and the depreciation of capital assets.

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended June 30, 2018  
(Continued)**

The following table presents a summary of the District's net position for the fiscal years ended June 30, 2018, and, June 30, 2017.

	<u>2018</u>	<u>2017</u>	<u>Change</u>
Current and Other Assets	\$ 21,419,052	\$ 17,659,674	\$ 3,759,378
Capital Assets	49,284,270	50,860,689	(1,576,419)
Deferred Outflows	<u>4,737,457</u>	<u>4,673,098</u>	<u>64,359</u>
<b>Total Assets and Deferred Outflows</b>	<u>75,440,779</u>	<u>73,193,461</u>	<u>2,247,318</u>
Long Term Debt Outstanding	112,456,131	75,140,141	37,315,990
Other Liabilities	8,109,857	6,367,750	1,742,107
Deferred Inflows	<u>9,050,642</u>	<u>6,346,633</u>	<u>2,704,009</u>
<b>Total Liabilities and Deferred Inflows</b>	<u>129,616,630</u>	<u>87,854,524</u>	<u>41,762,106</u>
Net Investment in Capital Assets	23,507,625	25,677,044	(2,169,419)
Restricted	7,254,472	5,734,888	1,519,584
Unrestricted	<u>(84,937,948)</u>	<u>(46,072,995)</u>	<u>(38,864,953)</u>
<b>Total Net Position</b>	<u>\$ (54,175,851)</u>	<u>\$ (14,661,063)</u>	<u>\$ (39,514,788)</u>

The following are significant current-year transactions that have had an impact on the Statement of Net Position:

- \$2,159,323 in depreciation expense.
- \$2,410,605 in pension expense.
- \$600,000 in debt proceeds

Changes in net position: The District's total revenues for the fiscal year ended June 30, 2018, were \$52,788,702. The total cost of all programs and services was \$53,497,898. The following table presents a summary of the activity that resulted in changes in net position for the fiscal year ended June 30, 2018.

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
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MANAGEMENT'S DISCUSSION AND ANALYSIS  
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	Governmental <u>Activities</u>	Business-Type <u>Activities</u>	<u>Total</u>
<b>Revenues:</b>			
Program Fees:			
Fees, Fines and Charges for Services	\$ 331,443	\$ 235,184	\$ 566,627
Operating Grants	29,481,962	3,119,241	32,601,203
General Revenues:			
Property Taxes	12,324,845	-	12,324,845
Miscellaneous	491,222	-	491,222
Unrestricted Investment Earnings	134,515	-	134,515
Intergovernmental Revenues	6,670,290	-	6,670,290
Transfer - Food Service Fund	<u>357,449</u>	<u>(357,449)</u>	<u>-</u>
 Total Revenues	 <u>49,791,726</u>	 <u>2,996,976</u>	 <u>52,788,702</u>
 <b>Expenses:</b>			
Instruction	22,391,109	-	22,391,109
Support services	21,817,560	-	21,817,560
Community Services	69,198	-	69,198
Intergovernmental	4,153,036	-	4,153,036
Capital Outlay	1,511,962	-	1,511,962
Interest and Other Charges	869,382	-	869,382
Food Service	<u>-</u>	<u>2,685,651</u>	<u>2,685,651</u>
 Total Expenses	 <u>50,812,247</u>	 <u>2,685,651</u>	 <u>53,497,898</u>
 Change in Net Position	 (1,020,521)	 311,325	 (709,196)
 <b>Net Position, Beginning of Year, as Restated</b>	 <u>(53,971,326)</u>	 <u>504,671</u>	 <u>(53,466,655)</u>
 <b>Net Position, End of Year</b>	 <u>\$ (54,991,847)</u>	 <u>\$ 815,996</u>	 <u>\$ (54,175,851)</u>

Governmental activities: The following table presents the cost of the five major functional activities: instruction, support services, capital outlay, intergovernmental, and debt service. The table also shows each function's net cost (total cost, less charges for services generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden that was placed on the State and District's taxpayers by each of these functions.

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MANAGEMENT'S DISCUSSION AND ANALYSIS  
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	<u>2018</u>		<u>2017</u>	
	<u>Total Expenses</u>	<u>Net (Expense) Revenue</u>	<u>Total Expenses</u>	<u>Net (Expense) Revenue</u>
Instruction	\$ 22,391,109	\$ (3,479,454)	\$ 24,664,651	\$ (1,972,324)
Support services	21,817,560	(11,680,027)	20,751,471	(9,057,715)
Community Services	69,198	(69,198)	73,366	(122,423)
Intergovernmental	4,153,036	(3,388,819)	4,552,239	(3,305,226)
Interest and Other Charges	869,382	(869,382)	759,503	(2,852,665)
Capital Outlay/Depreciation	<u>1,511,962</u>	<u>(1,511,962)</u>	<u>524,276</u>	<u>(435,693)</u>
 Total Expenses	 <u>\$ 50,812,247</u>	 <u>\$ (20,998,842)</u>	 <u>\$ 51,325,506</u>	 <u>\$ (17,746,046)</u>

- The cost of all governmental activities this year was \$50,812,247.
- Net cost of governmental activities \$(20,998,842) was financed by general revenues which are made up primarily of property taxes \$12,390,847 and unrestricted federal and state aid \$6,670,290.

**FINANCIAL ANALYSIS OF THE DISTRICT FUNDS**

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds: The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

The financial performance of the District as a whole is reflected in its governmental funds. As the District completed the year, its governmental funds reported a combined fund balance of \$10,274,847, an increase of \$1,478,466. Approximately \$3,012,338 (or 29%) of the fund balance constitutes unassigned fund balance which is available for spending at the District's discretion.

The General Fund is the principal operating fund of the District. The decrease in the fund balance in the General Fund for the fiscal year was \$41,118.

Proprietary Fund: Proprietary Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The Food Service Fund is the only Proprietary Fund. The Fund had net income of \$311,325. Food Service operated a summer feeding program during 2018, which was profitable for the District.

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended June 30, 2018  
(Continued)**

GENERAL FUND BUDGETARY HIGHLIGHTS

This year Act 388 Property Tax Relief Bill stayed in effect, and we were one of the Districts receiving 2.5 million dollars. The District did not furlough teachers, administrators and other employees in this fiscal year. The District did not use substitutes as much as in prior years, instead having teachers cover for one another. We did not fill any position unless it was a must. The District attempted to reduce spending for supplies and equipment from the General Fund Budget and reduced travel and attendance at conferences. We were very fortunate this year because our employees were so willing to help the District in any way that they could so we could continue to try to cut spending and save jobs.

A schedule showing the original and final budget amounts compared to the District's actual financial activity for the General Fund is provided in this report as required supplementary information. The General Fund budget was not amended this year.

Capital Assets: As of June 30, 2018, the District had invested \$49,284,270 (net of related depreciation) in capital assets, including land, school buildings, athletic facilities, buses and other vehicles, computers, and other equipment. Total depreciation expense for the year was \$2,159,323.

The following schedule presents capital asset balances, net of depreciation, for the fiscal years ended June 30, 2018.

	Governmental Activities <u>2018</u>	Business -Type Activities <u>2018</u>	Total <u>2018</u>
Land	\$ 938,198	\$ -	\$ 938,198
Construction in Progress	433,148	-	433,148
Building and Improvements	86,075,538	-	86,075,538
Machinery and Equipment	5,535,806	1,358,303	6,894,109
Accumulated Depreciation	<u>(44,384,148)</u>	<u>(672,575)</u>	<u>(45,056,723)</u>
<b>Total Net Capital Assets</b>	<b><u>\$ 48,598,542</u></b>	<b><u>\$ 685,728</u></b>	<b><u>\$ 49,284,270</u></b>

Additional information on the District's capital assets can be found in Note 6 of this report.

Debt Administration: At year's end, the District had \$76,128,203 in general obligation bonds, capital leases, compensated absences and pension liability, of which \$2,108,569 is due within one year. The following table presents a summary of the District's outstanding long-term debt for the fiscal year ended June 30, 2018, and June 30, 2017.

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	Governmental Activities		Business-Type Activities		Total	
	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>
Long Term Bonds	\$ 24,144,534	\$ 25,094,534	\$ -	\$ -	\$ 24,144,534	\$ 25,094,534
Capital Lease	1,152,000	795,000	-	-	1,152,000	795,000
Compensated Absences	424,171	268,302	-	-	424,171	268,302
Net OPEB Liability	-	36,327,928	-	-	-	36,327,928
Net Pension Liability	<u>47,096,031</u>	<u>47,613,906</u>	<u>2,323,405</u>	<u>2,356,461</u>	<u>49,419,436</u>	<u>49,970,367</u>
<b>Total Net Assets</b>	<b><u>\$ 72,816,736</u></b>	<b><u>\$ 110,099,670</u></b>	<b><u>\$ 2,323,405</u></b>	<b><u>\$ 2,356,461</u></b>	<b><u>\$ 75,140,141</u></b>	<b><u>\$ 112,456,131</u></b>

State statutes currently limit the amount of general obligation debt a District may issue to 8 percent of its total assessed valuation, unless approved by voter referendum.

Additional information on the Districts' long-term debt can be found in Note 8 of this report.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

School District of Williamsburg County is a rural district located in the Lower Pee Dee Area of South Carolina. According to the 2010 Census Report, Williamsburg County has a population of 34,423, a decrease of 2,794 from the 2000 Census Report. Student enrollment has declined from 6,405 in 2000 to 3,738 students in 2017. There are very few industries in the county. All of the above has led to a significant decline in local revenues and the value of a tax mill.

Many factors were considered by the District's administration during the process of developing the 2017-2018 budget. The base student cost for 2017-2018 is \$2,425. The District's top priority is to ensure a high quality education for all students.

School District of Williamsburg County budgeted expenditures, in the General Fund, were decreased in an effort to balance the budget as revenue continues to decline. Some factors included in building the 2017-2018 budget were continued reductions in staff through attrition where possible, reductions in supplies, equipment, travel and telephone accounts.

**CONTACT THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, investors, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the resources it receives. If you have questions about this report or need additional information, contact the Finance Office at 423 School Street, Kingstree, South Carolina 29556 (telephone 843-355-5571).

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY**  
**KINGSTREE, SOUTH CAROLINA**  
**STATEMENT OF NET POSITION**  
**June 30, 2018**

	Governmental <u>Activities</u>	Business-Type <u>Activities</u>	<u>Total</u>
<b>Assets</b>			
Cash and Cash Equivalents	\$ 7,664,963	\$ 3,495	\$ 7,668,458
Cash and Cash Equivalents , Restricted	3,390,655	-	3,390,655
Cash with County Treasurer/Fiscal Agent	4,373,834	-	4,373,834
Property Taxes Receivable, Net	656,801	-	656,801
Due from other Governmental Units	5,093,569	-	5,093,569
Other Receivables	184,216	14,504	198,720
Internal Balances	(2,456,458)	2,456,458	-
Inventories - Supplies and Materials	8,037	28,978	37,015
Capital Assets:			
Land and Improvements	938,198	-	938,198
Construction in Progress	433,148	-	433,148
Buildings and Improvements	86,075,538	-	86,075,538
Vehicles and Equipment	5,535,806	1,358,303	6,894,109
Less: Accumulated Depreciation	<u>(44,384,148)</u>	<u>(672,575)</u>	<u>(45,056,723)</u>
Total Capital Assets, Net of Depreciation	<u>48,598,542</u>	<u>685,728</u>	<u>49,284,270</u>
 Total Assets	 <u>67,514,159</u>	 <u>3,189,163</u>	 <u>70,703,322</u>
<b>Deferred Outflows of Resources</b>			
Deferred OPEB Charges	62,422	-	62,422
Deferred Pension Chagres	<u>4,455,217</u>	<u>219,818</u>	<u>4,675,035</u>
 Total Deferred Outflows of Resources	 <u>4,517,639</u>	 <u>219,818</u>	 <u>4,737,457</u>
 <b>Total Assets and Deferred Outflows of Resources</b>	 <u>\$ 72,031,798</u>	 <u>\$ 3,408,981</u>	 <u>\$ 75,440,779</u>

The notes to the financial statements are an integral part of these statements.



**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY**  
**KINGSTREE, SOUTH CAROLINA**  
**STATEMENT OF NET POSITION**  
**June 30, 2018**  
**(Continued)**

	<u>Governmental</u> <u>Activities</u>	<u>Business-Type</u> <u>Activities</u>	<u>Total</u>
<b>Liabilities</b>			
Accounts Payable and Accrued Expenses	\$ 236,317	\$ -	\$ 236,317
Accrued Personnel Costs	3,586,736	-	3,586,736
Accrued Interest Payable	125,487	-	125,487
Unearned Revenue	4,161,317	-	4,161,317
Long-Term Liabilities:			
Due Within One Year:			
Capital Lease	378,569	-	378,569
G.O. Bonds	875,000	-	875,000
IPR Bonds	855,000	-	855,000
Due in More Than One Year:			
Compensated Absences	268,302	-	268,302
Arbitrage Payable	112,889	-	112,889
Capital Lease	416,431	-	416,431
Net Pension Liability	47,613,906	2,356,461	49,970,367
Net OPEB Liability	36,327,928	-	36,327,928
G.O. Bonds	1,522,000	-	1,522,000
IPR Bonds	16,145,000	-	16,145,000
QZAB Bonds	5,584,645	-	5,584,645
	<hr/>	<hr/>	<hr/>
Total Liabilities	118,209,527	2,356,461	120,565,988
<b>Deferred Inflows of Resources</b>			
Deferred Gain on Bond Refunding	391,083	-	391,083
Deferred OPEB Credits	3,434,574	-	3,434,574
Deferred Pension Credits	4,988,461	236,524	5,224,985
	<hr/>	<hr/>	<hr/>
Total Deferred Inflows of Resources	8,814,118	236,524	9,050,642
	<hr/>	<hr/>	<hr/>
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>127,023,645</b>	<b>2,592,985</b>	<b>129,616,630</b>
<b>Net Position</b>			
Net Investment in Capital Assets	22,821,897	685,728	23,507,625
Restricted for:			
Debt Service	2,709,650	-	2,709,650
Capital Projects	4,544,822	-	4,544,822
Unrestricted	(85,068,216)	130,268	(84,937,948)
	<hr/>	<hr/>	<hr/>
<b>Total Net Position</b>	<b>\$ (54,991,847)</b>	<b>\$ 815,996</b>	<b>\$ (54,175,851)</b>

The notes to the financial statements are an integral part of these statements.

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
STATEMENT ACTIVITIES  
For the Fiscal Year Ended June 30, 2018**

<u>Function/Programs</u>	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
<b>Primary Government</b>	<u>Expenses</u>	<u>Charges for Services and Sales</u>	<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Primary Government Business-Type Activities</u>	<u>Total</u>
Governmental Activities						
Instruction	\$ 22,391,109	\$ 51,272	\$ 18,860,383	(3,479,454)	\$ -	(3,479,454)
Support Services	21,817,560	280,171	9,857,362	(11,680,027)	-	(11,680,027)
Community Services	69,198	-	-	(69,198)	-	(69,198)
Intergovernmental	4,153,036	-	764,217	(3,388,819)	-	(3,388,819)
Interest and Other Charges	869,382	-	-	(869,382)	-	(869,382)
Capital Outlay	1,511,962	-	-	(1,511,962)	-	(1,511,962)
<b>Total Governmental Activities</b>	<b>50,812,247</b>	<b>331,443</b>	<b>29,481,962</b>	<b>(20,998,842)</b>	<b>-</b>	<b>(20,998,842)</b>
Business-Type Activities						
Food Service	2,685,651	235,184	3,119,241	-	668,774	668,774
<b>Total Business-Type Activities</b>	<b>2,685,651</b>	<b>235,184</b>	<b>3,119,241</b>	<b>-</b>	<b>668,774</b>	<b>668,774</b>
<b>Total Primary Government</b>	<b>\$ 53,497,898</b>	<b>\$ 566,627</b>	<b>\$ 32,601,203</b>	<b>(20,998,842)</b>	<b>668,774</b>	<b>(20,330,068)</b>
<b>General Revenues and Transfers</b>						
Property Taxes Levied for:						
General Purposes				8,872,463	-	8,872,463
Debt Service				3,452,382	-	3,452,382
Investment Earnings				134,515	-	134,515
Federal and State Aid Not Restricted to Specific Purposes				6,670,290	-	6,670,290
Other Local Sources				491,222	-	491,222
Premium on Bonds Sold				-	-	-
Transfers - Food Service				357,449	(357,449)	-
<b>Total General Revenues and Transfers</b>				<b>19,978,321</b>	<b>(357,449)</b>	<b>19,620,872</b>
<b>Change in Net Position</b>				<b>(1,020,521)</b>	<b>311,325</b>	<b>(709,196)</b>
<b>Net Position, Beginning of Year, as Restated</b>				<b>(53,971,326)</b>	<b>504,671</b>	<b>(53,466,655)</b>
<b>Net Position, End of Year</b>				<b>\$ (54,991,847)</b>	<b>\$ 815,996</b>	<b>\$ (54,175,851)</b>

The notes to the financial statements are an integral part of these statements.

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY**  
**KINGSTREE, SOUTH CAROLINA**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**June 30, 2018**

	<u>General</u>	<u>Special Revenue</u>	<u>EIA</u>	<u>Capital Projects District</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Assets</b>						
Cash and Cash Equivalents	\$ 7,664,963	\$ -	\$ -	\$ -	\$ -	\$ 7,664,963
Cash and Cash Equivalents, Restricted	-	-	-	2,998,071	392,584	3,390,655
Cash With County Treasurer/Fiscal Agent	-	-	-	1,626,826	2,747,008	4,373,834
Due from County Treasurer	978,272	-	-	-	-	978,272
Property Taxes Receivable, Net	475,431	-	-	-	181,370	656,801
Due from Other Funds	4,337,931	660,522	2,927,918	33,196	-	7,959,567
Due from Federal Government	38,580	3,467,117	-	-	-	3,505,697
Due from State Government	188,298	355,211	66,091	-	-	609,600
Accounts Receivable	112,120	71,559	537	-	-	184,216
Inventories - Supplies and Materials	8,037	-	-	-	-	8,037
<b>Total Assets</b>	<u>\$ 13,803,632</u>	<u>\$ 4,554,409</u>	<u>\$ 2,994,546</u>	<u>\$ 4,658,093</u>	<u>\$ 3,320,962</u>	<u>\$ 29,331,642</u>
<b>Liabilities</b>						
Accounts Payable and Accrued Expenses	\$ 236,317	\$ -	\$ -	\$ -	\$ -	\$ 236,317
Accrued Personnel Costs	3,586,736	-	-	-	-	3,586,736
Due to Other Funds	6,485,173	3,387,638	-	435,805	107,409	10,416,025
Unearned Revenue	-	1,166,771	2,994,546	-	-	4,161,317
<b>Total Liabilities</b>	<u>10,308,226</u>	<u>4,554,409</u>	<u>2,994,546</u>	<u>435,805</u>	<u>107,409</u>	<u>18,400,395</u>
<b>Deferred Inflows of Resources</b>						
Unavailable Revenue - Property Taxes	475,031	-	-	-	181,369	656,400
<b>Total Deferred Inflows of Resources</b>	<u>475,031</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>181,369</u>	<u>656,400</u>
<b>Fund Balances</b>						
Non-Spendable:						
Inventory	8,037	-	-	-	-	8,037
Restricted						
Debt Service	-	-	-	-	2,709,650	2,709,650
Capital Projects	-	-	-	4,222,288	322,534	4,544,822
Unassigned	3,012,338	-	-	-	-	3,012,338
<b>Total Fund Balances</b>	<u>3,020,375</u>	<u>-</u>	<u>-</u>	<u>4,222,288</u>	<u>3,032,184</u>	<u>10,274,847</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u>\$ 13,803,632</u>	<u>\$ 4,554,409</u>	<u>\$ 2,994,546</u>	<u>\$ 4,658,093</u>	<u>\$ 3,320,962</u>	<u>\$ 29,331,642</u>

The notes to the financial statements are an integral part of these statements.

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO  
THE STATEMENT OF NET POSITION  
June 30, 2018**

<b>Total Fund Balances - Governmental Funds (Exhibit C)</b>	\$ 10,274,847
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Receivables will be collected this year, but are not available soon enough to pay to pay for the current period's expenditures and, therefore, are deferred in the funds.	
Property Taxes	656,400
Capital assets used in governmental activities are not financial resources, and therefore, are not reported as assets in the governmental funds. The cost of the assets is \$92,982,690 and the accumulated depreciation is \$44,384,148.	
	48,598,542
Deferred refunding credits are amortized over the lives of the refunding bond in the Statement of Net Position; however, they are recognized in the year incurred in the governmental funds	(391,083)
Accrued Interest on long-term debt in governmental accounting was not due and payable in the current period and, therefore, has not been reported as a liability in the funds.	(125,487)
The District's proportionate share of deferred outflows and inflows of resources related to its participation in the State pension plans are not recorded in the governmental funds but are recorded in the Statement of Net Position.	(533,244)
The District's proportionate share of deferred outflows and inflows of resources related to its participation in the State OPEB plan is not recorded in the governmental funds but is recorded in the Statement of Net Position.	(3,372,152)
Long-term liabilities are not due and payable in the current period, and, therefore, are not reported as liabilities in the funds.	
Long-term liabilities at year-end consist of:	
General Obligation Bonds	(2,397,000)
Capital Lease	(795,000)
IPR Bonds	(17,000,000)
Compensated Absences	(268,302)
Arbitrage Rebate	(112,889)
QZAB Bonds	(5,584,645)
Net Pension Liability	(47,613,906)
Net OPEB Liability	<u>(36,327,928)</u>
<b>Total Net Position - Governmental Activities (Exhibit A)</b>	<b><u>\$ (54,991,847)</u></b>

The notes to the financial statements are an integral part of these statements.

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
For the Fiscal Year Ended June 30, 2018**

	General	Special Revenue	Education Improvement Act	Capital Projects District	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>						
Local Property Taxes	\$ 8,719,180	\$ -	\$ -	\$ -	\$ 3,452,382	\$ 12,171,562
Other Local	412,540	493,988	-	22,922	27,730	957,180
Total Local	9,131,720	493,988	-	22,922	3,480,112	13,128,742
State	21,834,823	2,464,147	3,664,075	-	503,473	28,466,518
Federal	-	7,685,734	-	-	-	7,685,734
Total Revenues	<u>30,966,543</u>	<u>10,643,869</u>	<u>3,664,075</u>	<u>22,922</u>	<u>3,983,585</u>	<u>49,280,994</u>
<b>Expenditures</b>						
Current:						
Instruction	13,482,421	5,776,075	1,690,822	-	-	20,949,318
Support Services	15,399,529	4,116,218	985,755	4,325	-	20,505,827
Community Services	69,198	-	-	-	-	69,198
Intergovernmental	3,416,065	464,875	272,096	-	-	4,153,036
Debt Service:						
Principal	-	-	-	59,000	1,448,000	1,507,000
Interest and Fees	-	-	-	3,840	821,407	825,247
Other Objects	-	-	-	-	60,904	60,904
Capital Outlay	-	-	-	2,189,447	-	2,189,447
Total Expenditures	<u>32,367,213</u>	<u>10,357,168</u>	<u>2,948,673</u>	<u>2,256,612</u>	<u>2,330,311</u>	<u>50,259,977</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(1,400,670)</u>	<u>286,701</u>	<u>715,402</u>	<u>(2,233,690)</u>	<u>1,653,274</u>	<u>(978,983)</u>
<b>Other Financing Sources (Uses)</b>						
Proceeds on General Obligation Bonds	-	-	-	-	2,100,000	2,100,000
Operating Transfers In	1,359,552	-	-	2,050,739	1,374,934	4,785,225
Operating Transfers Out	-	(286,701)	(715,402)	-	(3,425,673)	(4,427,776)
Total Other Financing Sources (Uses)	<u>1,359,552</u>	<u>(286,701)</u>	<u>(715,402)</u>	<u>2,050,739</u>	<u>49,261</u>	<u>2,457,449</u>
<b>Net Change in Fund Balances</b>	(41,118)	-	-	(182,951)	1,702,535	1,478,466
<b>Fund Balances, Beginning of Year</b>	<u>3,061,493</u>	<u>-</u>	<u>-</u>	<u>4,405,239</u>	<u>1,329,649</u>	<u>8,796,381</u>
<b>Fund Balances, End of Year</b>	<u>\$ 3,020,375</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,222,288</u>	<u>\$ 3,032,184</u>	<u>\$ 10,274,847</u>

The notes to the financial statements are an integral part of these statements.

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
For the Fiscal Year Ended June 30, 2018**

**Total Net Change In Fund Balances - Governmental Funds ( Exhibit E )** \$ 1,478,466

Amounts reported for governmental activities in the Statement of Activities are different because of the following:

Capital outlays are reported in the governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over the estimated useful lives as depreciation expense. This is the amount by which depreciation expense of (\$2,159,323) exceeds capital outlay of \$677,485 in the period. (1,481,838)

Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. 1,507,000

Bond proceeds are reported as other financing sources in the governmental funds and thus contribute to the change in fund balance. In the government-wide statements, however, issuing debt increases long-term liabilities in the Statement of Net Position and does not affect the Statement of Activities. (2,100,000)

Because some revenues will not be collected for several months after the District's fiscal year ends, they are not considered "available" revenues and are deferred in the governmental funds. Deferred tax revenue increased in the current year 153,283

Deferred advanced refunding gains are recorded in the year the debt is refunded in the governmental funds, but are amortized over the life of the refunding debt in the Statements of Activities. 27,934

Changes in the District's proportionate share of the net OPEB liability, deferred outflows/inflows of resources for the current year are not reported in the governmental funds, but reported in the Statements of Activities. (894,488)

In the Statement of Activities, compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures are measured by the amount of financial resources used. This year vacation earned exceeded the amount used by. 155,869

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, interest expense is recognized as the interest accrues, regardless of when it is due. Accrued interest payable increased during the year. (11,165)

Governmental funds report the District's pension contributions as expenditures. However, in the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as pension expense

District pension contributions	2,410,605	
Cost of benefits earned net of employee contributions (pension expense on benefit schedule)	(2,555,023)	
		144,418

**Change in Net Position of Governmental Activities ( Exhibit B )** **\$ (1,020,521)**

The notes to the financial statements are an integral part of these statements.

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
STATEMENT OF NET POSITION  
PROPRIETARY FUND  
June 30, 2018**

	<b>Enterprise Fund <u>Food Service</u></b>
<b>Assets</b>	
Current Assets:	
Cash	3,495
Due from General Fund	2,456,458
Other Receivables	14,504
Inventories:	
Purchased Food and Supplies	24,843
USDA Inventory	<u>4,135</u>
Total Current Assets	<u>2,503,435</u>
Non-Current Assets:	
Equipment	1,358,303
Less: Accumulated Depreciation	<u>(672,575)</u>
Total Non-Current Assets	<u>685,728</u>
Total Assets	<u>3,189,163</u>
<b>Deferred Outflows of Resources</b>	
Prepaid Pension Cost	<u>219,818</u>
<b>Total Assets and Deferred Outflows of Resources</b>	<u>3,408,981</u>
<b>Liabilities</b>	
Long-Term Liabilities:	
Net Pension Liability	<u>2,356,461</u>
<b>Total Liabilities</b>	<u>2,356,461</u>
<b>Deferred Inflows of Resources</b>	
Unavailable Revenue - Pension	<u>236,524</u>
<b>Net Position</b>	
Net Invested in Capital Assets	685,728
Unrestricted	<u>130,268</u>
<b>Total Net Position</b>	<u><u>\$ 815,996</u></u>

The notes to the financial statements are an integral part of these statements.

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION  
PROPRIETARY FUND  
For the Fiscal Year Ended June 30, 2018**

	<b>Enterprise Fund <u>Food Service</u></b>
<b>Operating Revenues</b>	
Proceeds From Sale of Meals	\$ 235,184
Total Operating Revenues	<u>235,184</u>
<b>Operating Expenses</b>	
Food Cost	1,104,500
Personnel Costs	1,114,221
Purchased Services	95,239
Supplies and Materials	254,681
Depreciation	111,442
Other Operating Costs	<u>5,568</u>
Total Operating Expenses	<u>2,685,651</u>
<b>Operating Income (Loss)</b>	<u>(2,450,467)</u>
<b>Non-Operating Revenues (Expenses)</b>	
Other Federal and State Aid	227
USDA Reimbursement	2,934,445
Commodities Received From USDA	<u>184,569</u>
Total Non-Operating Revenues	<u>3,119,241</u>
<b>Income Before Operating Transfers</b>	<u>668,774</u>
<b>Transfers In (Out)</b>	
Indirect Costs	(201,551)
Fringe Benefits	<u>(155,898)</u>
Total Transfers In (Out)	<u>(357,449)</u>
<b>Change in Net Position</b>	311,325
<b>Net Position, Beginning of Year</b>	<u>504,671</u>
<b>Net Position, End of Year</b>	<u><u>\$ 815,996</u></u>

The notes to the financial statements are an integral part of these statements.



**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUND  
For the Fiscal Year Ended June 30, 2018**

	<b>Enterprise Fund <u>Food Service</u></b>
<b>Cash Flows from Operating Activities:</b>	
Received from Patrons	\$ 211,366
Payments to Employees for Services	(1,123,439)
Payments to Suppliers for Goods and Services	<u>(1,275,418)</u>
Net Cash (Used) by Operating Activities	<u>(2,187,491)</u>
<b>Cash Flows From Non-Capital Financing Activities:</b>	
Received from USDA Reimbursements	2,934,445
(Increase) in Due from Other Fund	(370,633)
Operating Transfers to Other Funds	(357,449)
Non-Operating Grants Received	<u>227</u>
Net Cash Provided by Non-Capital Financing Activities	<u>2,206,590</u>
<b>Cash Flows From Capital and Related Financing Activities:</b>	
Acquisition of Capital Assets	<u>(16,861)</u>
Net Cash (Used) by Capital and Related Financing Activities	<u>(16,861)</u>
<b>Net Increase in Cash and Cash Equivalents</b>	<b>2,238</b>
<b>Cash and Cash Equivalents, Beginning of Year</b>	<b><u>1,257</u></b>
<b>Cash and Cash Equivalents, End of Year</b>	<b><u><u>\$ 3,495</u></u></b>

The notes to the financial statements are an integral part of these statements.

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUND  
For the Fiscal Year Ended June 30, 2018  
(Continued)**

**Reconciliation of Operating Income (Loss) to Net Cash Used by in Operating Activities:**

	<u>Enterprise Fund Food Service</u>
Operating Income (Loss)	\$ (2,450,467)
Adjustments to Reconcile Operating Income (Loss) to Net Cash	
Received From (Used) by Operating Activities:	
Depreciation	111,442
Commodities Used	184,569
Change in Assets and Liabilities:	
Decrease in Receivables	30,898
(Increase) in Deferred Costs	(117)
Increase in Net Pension Liability	33,056
(Decrease) in Unearned Revenue	(54,716)
(Decrease) in Deferred Inflows	<u>(42,157)</u>
 Net Cash (Used) by Operating Activities	 <u>\$ (2,187,491)</u>

**Noncash Transactions:**

During the year, the district received \$184,569 of food commodities

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
STATEMENT OF FIDUCIARY NET POSITION  
For the Fiscal Year Ended June 30, 2018**

	<u>Agency Funds</u>
<b>Assets</b>	
Cash and Cash Equivalents	\$ 227,351
<b>Total Assets</b>	<u>227,351</u>
<b>Liabilities</b>	
Due to Student Organizations	<u>227,351</u>
<b>Total Liabilities</b>	<u>\$ 227,351</u>

The notes to the financial statements are an integral part of these statements.

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2018**

**Note 1. Summary of Significant Accounting Policies**

The School District of Williamsburg County, Kingstree, South Carolina, and (the School District”) operate under the Board of Trustees form of government provided by the laws of the State of South Carolina. The current form of government was created by the General Assembly of South Carolina in 1980 by the Act No. 632 and subsequently amended. The School District receives funding from local, state and federal governmental sources and must comply with the related requirements of these funding source entities.

The financial statements of School District of Williamsburg County 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. In the government-wide financial statements and the fund financial statements for the proprietary funds, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, have been applied unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails. Following are the more significant of the School District’s accounting policies.

**A. Reporting Entity**

The School District receives funding from local, state and federal government sources and must comply with the related requirements of these funding source entities. As required by accounting principles generally accepted in the United States of America, these basic financial statements present the School District and its component units, entities for which the School District is considered to be financially accountable or for which exclusion of a component unit would render the financial statements incomplete or misleading. Blended component units are combined with the data of the primary government. Discretely presented component units, on the other hand, are reported in a separate column in the basic financial statements to emphasize that they are legally separate from the School District. The criteria for including organizations as component units within the School District’s reporting entity, as set forth in Section 2100 of GASB’s Codification of Governmental Accounting and Financial Reporting Standards, include whether:

- the organization is legally separate (can sue and be sued in their own name)
- the School District holds the corporate powers of the organization
- the School District appoints voting majority of the organization’s board
- the School District is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the School District
- there is a fiscal dependency by the organization on the School District

Based on the aforementioned criteria, the School District of Williamsburg County has one component unit.

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY**  
**KINGSTREE, SOUTH CAROLINA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2018**  
**(Continued)**

*Blended Component Units:* SCAGO Educational Facilities Corporation EFC (the “Corporation”) was created by the School District of Williamsburg County as a nonprofit 501(c)(3) organization under the laws of the State of South Carolina for the specific purpose of providing support for capital projects of the School District. The board members are appointed by the board of the School District. Because the Corporation exclusively benefits the School District, the Corporation’s financial information is blended with that of the School District in the basic financial statements. Separate financial statements for the Corporation are not issued.

*Discretely Presented Component Units:* D.P. Cooper Charter School (D.P. Cooper) is a charter school and as a charter school it is considered a public school and is considered part of the School District of Williamsburg County for the purposes of state law and state constitution. Because the charter school is fiscally dependent on the School District and because the nature and significance of the relationship between the School District and D.P. Cooper is such that the exclusion of D.P. Cooper would cause the School District’s basic financial statements to be incomplete, however the financial statements were not available, as of the date of this report, and have not been included in those of the School District. Separate financial statements can be obtained from D. P. Cooper Charter School, 4568 Seaboard Road, Salters, South Carolina 29590.

**B. Basis of Presentation**

The School District’s basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

*Government-Wide Financial 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, except for fiduciary funds. The statements distinguish between those activities of the School District that are governmental in nature and those that are considered business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Program revenues include charges paid by the recipients of goods or services offered by the program and grant and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues. Business-type activities are financed in whole or in part by fees charged to the external parties for goods or services.

The statement of activities presents a comparison between direct and program revenues for the different business-type activities of the School District and for each function of the School District’s governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. The School District does not allocate indirect cost.

*Fund Financial Statements*

Fund financial statements of the School District are organized into funds, each of which is considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its asset, liabilities, fund equity, revenues, and

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY**  
**KINGSTREE, SOUTH CAROLINA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2018**  
**(Continued)**

expenditures/expenses. Funds are organized into three major categories: governmental, proprietary and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories.

A fund is considered major if it is the primary operating fund of the School District or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category of type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined

The funds of the School District are described below:

**Governmental Funds**

Governmental funds are those through which most governmental functions of the School District are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The General Fund, Special Revenue Fund, EIA, and Capital Project Fund are the School District's major governmental funds.

***General Fund***

The *General Fund*, a major fund, is used to account for all financial resources except those required to be accounted for in another fund. All general tax revenues and other receipts that are not allocated by law or contractual agreement to other funds are accounted for in the General Fund. Primary sources of revenues are property taxes and state revenues received under the Education Finance Act.

***Special Revenue Fund***

The *Special Revenue Fund*, a major fund, is used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes other than debt service or capital projects. Primary sources of revenues are state and federal grants.

***Education Improvement Act (EIA) Fund***

The *EIA Fund*, a major fund, is a Special Revenue fund which accounts for all resources received under the Education Improvement Act as mandated by the South Carolina Department of Education.

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY**  
**KINGSTREE, SOUTH CAROLINA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2018**  
**(Continued)**

***Debt Service Fund***

The *Debt Service Fund*, is used to account for the accumulation of resources for and the payment of general long-term debt principal, interest and related cost of the School District other than debt service payments made by enterprise funds. These funds are administered by the Williamsburg County Treasurer.

The *Debt Service Fund – EFC*, is used to account for and report resources that restricted, committed, or assigned to principal, interest, and related costs for the long-term debt of the SCAGO Education Facilities Corporation (EFC) for the School District of Williamsburg County.

***Capital Projects Fund***

The *Capital Projects Fund*, a major fund, accounts for and report financial resources that are restricted, committed or assigned to expenditure for the expansion or improvement of the facilities of the School District. Primary sources of revenues are state aid based upon a per pupil allocation and general obligation bond sales.

The *Capital Projects Fund (School Building Fund) – EFC*, accounts for resources used for the expansion or improvement of the facilities of the SCAGO Education Facilities Corporation (EFC) for the School District of Williamsburg County.

**Proprietary Fund**

Proprietary Fund reporting focuses on the determination of operating income, changes in net position, financial position, and cash flows. The following is the School District's Proprietary Fund:

***Enterprise Fund***

The *Enterprise Fund* is used to account for business-like activities provided to the general public. These activities are financed primarily by user charges and the measurement of financial activity focuses on the net income measurement similar to the private sector.

The *Food Service Fund*, a major fund, accounts for operations (a) which are intended to be self-supporting through user charges or (b) where the State Department of Education has determined that periodic determination of net income is appropriate for management control. The food service fund which is used to record transactions of the operation of the school lunch program has been determined to be in this category.

**Fiduciary Funds**

Fiduciary Fund reporting focuses on net position and changes in net position. The Fiduciary Funds consist of Agency Funds.

***Agency Funds***

*Agency Funds* are used to account for assets held by the School District in a trustee capacity and do not involve measurement of results of operations.

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY**  
**KINGSTREE, SOUTH CAROLINA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2018**  
**(Continued)**

The *Pupil Activity Fund* is used to account for all revenues and expenditures of student groups and the operation of school functions directly supported by students.

**C. Measurement Focus and Basis of Accounting**

***Measurement Focus***

*Government-Wide Financial Statements*

The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets and liabilities associated with the operation of the School District are included on the statement of net position.

*Fund Financial Statements*

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reflect the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the fund financial statements for governmental funds.

Like the government-wide financial statements, the Proprietary Fund is accounted for using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of this fund are included on the statement of net position. The statement of revenues, expenses and changes in net position presents increases and decreases in total net position. The statement of cash flows reflects how the School District finances and meets the cash flow of its Proprietary Fund.

Agency funds are not involved in the measurement of results of operations; therefore, measurement focus is not applicable to them.

***Basis of Accounting***

In the government-wide statement of net position and statement of activities, both governmental and business-like activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset is used, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds and agency funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year-end. Items such as property taxes are considered to be susceptible to accrual. Expenditures (including



**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY**  
**KINGSTREE, SOUTH CAROLINA**  
**NOTES TO FINANCIAL STATEMENTS**  
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**(Continued)**

capital outlay) are recorded when the related fund liability is incurred, except for the general obligation bond principal and interest which are reported when due.

All Proprietary Funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

When both restricted and unrestricted resources are available for use, it is the School District's policy to use restricted resources first, then unrestricted resources as needed.

**D. Cash, Cash Equivalents and Investments**

*Cash and Cash Equivalents*

Cash and cash equivalents include cash on hand and amount in demand deposits.

*Investments*

Investment policies of the School District must operate within existing state statutes of the State of South Carolina, which authorizes what the School District may and may not invest in. State statutes authorize the School District to invest in obligations of the United States and agencies thereof, general obligations of the State of South Carolina or any of its political units, savings and loan associations to the extent that the same are insured by an agency of the Federal government, certificates of deposit where the certificates are collaterally secured by securities of the type described above, or deposit accounts with banking institutions. Statutes also allow the State Treasurer to assist local governments in investing funds. The School District is under no contractual agreements which restrict investment alternatives or violate legal provisions.

**E. Receivables**

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivable balances for the governmental activities include property taxes, franchise fees, state shared revenue and grants. Property taxes receivables are carried at cost less an allowance for uncollectible. Business-type activities report intergovernmental revenues for school lunch and breakfast programs as their major receivables.

In the fund financial statements, material receivables in governmental funds include revenue accruals for federal and state revenue if they are both measurable and available. Non-exchange transactions collectible but not available, such as property taxes, are deferred in the fund financial statements in accordance with modified accrual basis, but not deferred in the government wide financial statements in accordance with the accrual basis. Proprietary Fund material receivables consist of all revenues earned at year-end and not yet received.

Intergovernmental receivables compose the majority of proprietary fund receivables. No proprietary fund allowances for uncollectible accounts receivable are reported since the receivables are from federal and state governments.

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY**  
**KINGSTREE, SOUTH CAROLINA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2018**  
**(Continued)**

**F. Restricted Assets**

Assets are reported as restricted when limitations on their use change the nature of normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, laws of other governments, or imposed by enabling legislation.

**G. Prepaid Items/Inventories**

Prepaid items consist of payments made to vendors for services that will benefit periods beyond June 30, 2018.

Inventories are valued at cost, which approximates market, using first-in/first-out (FIFO) method and are subsequently charged to expenditures/expenses when consumed rather than when purchased. Inventories include school operating and cleaning supplies.

The Enterprise fund inventory included commodities received at no cost from the U.S. Department of Agriculture (USDA). These commodities are recorded at market value as determined by the USDA at the time of receipt but have not been consumed as of June 30, 2018.

**H. Capital Assets**

The accounting treatment over property, plant and equipment (fixed assets) depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

*Government-Wide Statements*

In the government-wide financial statements, fixed assets are accounted for as capital assets. All fixed assets are valued at historical cost, or estimated historical cost if actual is unavailable, except for donated fixed assets, which are reported at their estimated fair value at the date of donation. Estimated historical cost was used to value many of the assets acquired prior to July 1, 2002. The School District maintains a capitalization policy of \$5,000 for its capital assets. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. Interest incurred during construction is not capitalized for general capital assets.

Depreciation of all exhaustible fixed assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Buildings	25-50 years
Improvements	10-50 years
Equipment	5-25 years

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY**  
**KINGSTREE, SOUTH CAROLINA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2018**  
**(Continued)**

*Fund Financial Statements*

In the fund financial statements, fixed assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Fixed assets used in proprietary fund operations are accounted for the same as in the government-wide statements.

**I. Short-term Inter-fund Receivables/Payable**

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as “due from other funds” or “due to other funds” on the fund financial balance sheet. Inter-fund balances within governmental activities and within business-type activities are eliminated on the government-wide statement of net position.

**J. Compensated Absences**

The School District reports Compensated Absences in accordance with the provisions of GASB Statement No. 16, *Accounting for Compensated Absences*. The School District allows employees to accumulate 240 unused sick leave days. Earned vacation time is generally required to be used within one year of accrual. Upon retirement, the School District pays up to 90 days of accumulated sick leave at \$10 per day. Sick leave in excess of 90 days of accumulated sick leave or for termination other than retirement is not paid.

In the fund financial statements, governmental funds report only the compensated absence liability payable from expendable available financial resources. For the proprietary fund, the entire amount of compensated absences is reported as a fund liability.

**K. Deferred Outflows of Resources**

In addition to assets, The School District reports deferred outflows of resources in a separate section of its government wide and proprietary fund statements. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period. The School District has two deferred outflows: one is the deferred pension charges related to the GASB 68 pension liability, and the other is deferred OPEB charges related to the GASB 75 OPEB liability.

**L. Deferred Inflows of Resources**

In addition to liabilities, The School District reports deferred inflows of resources in a separate section of its government wide, governmental fund and proprietary fund statements. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period. The School District has four types of items which occur because governmental fund revenues are not recognized until available (collected no later than 60 days after the end of the School District’s fiscal year) under the modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, deferred property taxes are reported in the governmental fund balance sheet. The second item is future pension revenues related to the GASB 68 pension liability, the third is future OPEB revenues related to the GASB 75 OPEB liability, and the fourth is a deferred amount arising from the refunding of a bond in a previous year. This deferred refunding amount is being amortized over the remaining life of the refunding bond as part of interest expense.

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY**  
**KINGSTREE, SOUTH CAROLINA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2018**  
**(Continued)**

**M. Long-term Obligations**

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental and business-type resources is reported as a liability in the government-wide statements. Bond issuance costs are expensed in the fund, in the year incurred. The long-term debt consists primarily of bonds payable, capital leases, accrued compensated absences, and pension liability.

Long-term debt for governmental funds is not reported as a liability in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures. The accounting for proprietary funds is the same in the fund statements as it is in the government-wide statements.

**N. Equity Classifications**

*Government-Wide Statements*

Equity is classified as net position and displayed in three components:

- a. Net investment in capital assets. This consist of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes, capital leases or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.
- b. Restricted net position. This consists of net position with constraints placed on the use by either external groups such as creditors, grantors, contributors, or laws or regulations of other governments or law through constitutional provisions or enabling legislation.
- c. Unrestricted net position. All other net position that do not meet the definition of “restricted” or “net investment in capital assets” are classified as unrestricted.

The School District classifies governmental fund balances as follows:

- Non-spendable—Includes amounts that inherently cannot be spent either because they are not in a spendable form (i.e., prepaids, inventories, long-term loan receivables, etc.) or because they are legally or contractually required to be maintained intact (i.e., principal on an endowment, etc.).
- Restricted—Includes amounts that are constrained by specific purposes which are externally imposed by (a) other governments through laws and regulations, (b) grantors or contributions through agreements, (c) creditors through debt covenants or other contracts, or (d) imposed by law through constitutional provisions or enabling legislation.
- Committed—Includes amounts that are constrained for specific purposes that are internally imposed by the government through formal action made by School District Council, which is the highest level of decision making authority, before the end of the reporting period. Those committed

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY**  
**KINGSTREE, SOUTH CAROLINA**  
**NOTES TO FINANCIAL STATEMENTS**  
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**(Continued)**

amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action it employed to previously commit those amounts.

- **Assigned**—Includes amounts that are intended to be used for specific purposes that are neither considered restricted nor committed, designated by Council before the end of the reporting period.
  
- **Unassigned**—Includes amounts that do not qualify to be accounted for and reported in any of the other fund balance categories. This classification represents the amount of fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. The General Fund should be the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceeded the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

Proprietary fund equity is classified the same as in the government-wide statements.

The School District generally uses restricted amounts first when both restricted and unrestricted (committed, assigned and unassigned) fund balance is available unless there are legal documents, contracts, or agreements that prohibit doing such. Additionally, the School District would first use committed, then assigned and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

**O. Operating and Non-Operating Revenues and Expenses**

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities. Operating expenses for the proprietary fund include costs of sales, administrative expenses and depreciation of capital assets. All other expenses are reported as non-operating expenses.

**P. Capital Contributions**

Contributions of capital on government-wide and enterprise fund financial statements arise from outside contributions of capital assets, contributions from other funds or from grants or outside contributions of resources restricted to capital acquisition and construction.

**Q. Inter-fund Transactions**

Transactions between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues.

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 inter-fund transfers. Inter-fund transfers are reported as other financing sources/uses in the governmental funds and non-operating revenues/expenses in the enterprise fund. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2018  
(Continued)**

**R. Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the School District's management to make estimates and assumptions. The estimates and assumptions affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reported period. Actual results could differ from those estimates.

**S. Statement of Cash Flows**

For purposes of the statement of cash flows, the School District's proprietary fund considers cash and cash equivalents. Cash equivalents are defined as short-term, highly liquid investments that are readily convertible to known amounts of cash and are so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. Cash equivalents include certificates of deposits, treasury bills and money market funds.

**T. 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 additions to/deductions from SCRS's fiduciary net position have been determined on the same basis as they are reported by SCRS. 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.

**Note 2. Deposits and Investments**

***Deposits – Custodial Credit Risk***

Custodial credit risk is the risk that, in the event of a bank failure, the School District's deposits may not be recovered. The School District does not have a deposit policy for custodial credit risk. As of June 30, 2018, \$11,809,972 of the School District's bank balance of 12,462,651 which has a carrying value of \$10,859,584 was exposed to custodial credit risk as follows:

Uninsured by FDIC, but collateral held by pledging bank not in the School District's name	<u>\$ 11,809,972</u>
--	----------------------

***Investments***

As of June 30, 2018, the School District had the following investment and maturity:

<u>Investment Type</u>	<u>Credit Rating</u>	<u>Fair Value</u>	<u>Investment Maturity Less Than 1 Year</u>
SC Local Government Investment Pool	Unrated	\$ 6,684,409	\$ 6,684,409

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY**  
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*South Carolina Pooled Investment Fund* – The South Carolina Pooled Investment Fund (the “Pool”) are invested with the South Carolina State Treasurer’s Office, which established the Pool pursuant to Section 6-6-10 of the South Carolina Code. The Pool is an investment trust fund, in which public monies in excess of current needs, which are under the custody of any city/county treasurer or any governing body of a political subdivision of the State, may be deposited. The Pool is a 2a-7 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 2a-7 of the Investment Company Act of 1940. In accordance with GASB Statement No. 31, “*Accounting and Financial Reporting for Certain Investments and for External Investment Pools*”, investments are carried at fair value determined annually based upon quoted market prices. The total fair value of the Pool is apportioned to the entities with funds invested on an equal basis for each share owned, which are acquired at a cost of \$1.

*Interest Rate Risk* – The School District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

*Custodial Credit Risk for Investments*- Custodial credit risk for investments is the risk that, in the event of a bank failure, the government 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 deposit policy for custodial credit risk, but follows the investment policy statutes of the State of South Carolina. As of June 30, 2018, none of the School District’s investments were exposed to custodial credit risk.

*Concentration of Credit Risk for Investments* – The School District places no limit on the amount invested in any one issuer. Investments issued by or explicitly guaranteed by the U.S. Government and investments in mutual funds, external investment pools and other pooled investments are exempt from concentration of credit risk disclosures.

**Note 3. Property Taxes**

The School District assesses and levies property taxes in accordance with applicable laws of the State of South Carolina. Real property and personal property of every description owned and used in the School District, except that which is exempt from taxation under the Constitution and Laws of the State, is subject to taxation. An annual ordinance establishing the millage rate associated with the levy is adopted each year as a part of the budget adoption process.

Real property and all personal property other than vehicles are assessed for property tax purposes on January 1 of each year. All taxable property is assessed in proportion to its value on that date. The basis for value of taxable property within the School District is taken from the records of the Williamsburg County Auditor. Taxes are levied in October and are due and payable at that time. Property taxes are due by January 15, and penalties are imposed as follows: 3% prior to February 1, an additional 7% prior to March 15, and an additional 5% plus collection costs after March 15.

Property taxes on licensed motor vehicles are collected on a monthly basis in the month in which individual motor vehicles licenses are renewed and revenue is recognized as collected. Property taxes are billed by Williamsburg County and are recognized when collected and remitted to the School District by the County Treasurer. Real property taxes collected within 60 days after the fiscal year end are also recognized as revenue for the year.

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A summary of outstanding property taxes at June 30, 2018, is presented below.

	General <u>Fund</u>	Debt Service <u>Fund-District</u>
Taxes Receivable	\$ 903,857	\$ 336,072
Less Allowance for Doubtful Accounts	<u>(428,826)</u>	<u>(154,702)</u>
Net Taxes Receivable	<u>\$ 475,031</u>	<u>\$ 181,370</u>

**Note 4. Other Receivables**

Other governmental receivables at June 30, 2018, consist of intergovernmental revenues.

Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

**Note 5. Inter-fund Receivables and Payables**

Inter-fund balances at June 30, 2018, (all of which are expected to be received or paid within one year), consisted of the following individual fund receivables and payables:

	<u>Receivable</u>	<u>Payable</u>
General Fund	\$ -	\$ 2,147,242
Special Revenue Fund	-	2,727,116
Education Improvement Act	2,927,918	-
Debt Service	-	37,631
Capital Projects	-	402,610
Capital Projects-EFC	-	69,777
Food Service	<u>2,456,458</u>	<u>-</u>
Total	<u>\$ 5,384,376</u>	<u>\$ 5,384,376</u>

The General Fund receivable is a result of the Special Revenue Fund owing the General Fund for claims that were filed but not yet received.

The General Fund payable is a result of amounts received for claims paid for by the EIA Fund, amounts received for claims for the Food Service Fund, which will be transferred to the Food Service Fund during the next fiscal year, and various transactions for the Capital Projects Funds.



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**Note 6. Capital Assets**

Capital Asset activity for the year ended June 30, 2018, was as follows:

	<b><u>Beginning Balance</u></b>	<b><u>Increases</u></b>	<b><u>Decreases</u></b>	<b><u>Ending Balance</u></b>
<b>Governmental Activities:</b>				
Capital assets not being depreciated:				
Land	\$ 938,198	\$ -	\$ -	\$ 938,198
Construction in Progress	-	433,148	-	433,148
Other Capital assets:				
Buildings and Improvements	85,942,798	132,740	-	86,075,538
Vehicles and equipment	<u>5,424,209</u>	<u>111,597</u>	-	<u>5,535,806</u>
Total Cost	91,367,007	244,337	-	91,611,344
Less, accumulated depreciation	<u>(42,283,761)</u>	<u>(2,159,323)</u>	-	<u>(44,443,084)</u>
Net Capital assets	<u>\$ 50,021,444</u>	<u>\$ (1,481,838)</u>	<u>\$ -</u>	<u>\$ 48,539,606</u>

	<b><u>Beginning Balance</u></b>	<b><u>Increases</u></b>	<b><u>Decreases</u></b>	<b><u>Ending Balance</u></b>
<b>Business-type activities:</b>				
Equipment	\$ 786,701	\$ 16,861	\$ -	\$ 803,562
Buildings and Improvements	554,741	-	-	554,741
Less, accumulated depreciation	<u>(561,133)</u>	<u>(111,442)</u>	-	<u>(672,575)</u>
Net Capital assets	<u>\$ 780,309</u>	<u>\$ (94,581)</u>	<u>\$ -</u>	<u>\$ 685,728</u>

Depreciation expense was charged to governmental activities as follows:

Instruction	\$ 1,091,212
Support	<u>1,068,111</u>
Total Depreciation	<u>\$ 2,159,323</u>

Depreciation expense charged to separately identifiable business-type activities is evident on the face of the fund financial statement and, therefore, is not included here.

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**Note 7. Short Term Obligations**

The School District issued general obligation bonds for the purpose of providing funds to acquire school facilities and to pay the costs of issuance of the bonds.

The School District has continuous authority to issue general obligation bonds each calendar year, subject to a constitutional debt limit equal to 8% of the assessed valuation of property subject to levy by the School District, applicable to debt issued subsequent to November 30, 1982.

The following is a summary of changes in short-term debt for the year ended June 30, 2018.

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities:				
Series 2017A	\$ 1,066,000	\$ -	\$ 1,066,000	\$ -
Total	<u>\$ 1,066,000</u>	<u>\$ -</u>	<u>\$ 1,066,000</u>	<u>\$ -</u>

**Note 8. Long-term Debt**

***Governmental Activities:***

As of June 30, 2018, the governmental long-term debt consisted of general obligation bonds, installment purchase revenue bonds, capital leases, and compensated absences.

***General Obligation Bonds***

General obligation bonds are direct obligations and pledge the full faith and credit of the School District. These bonds are issued as serial bonds with varying amounts of principal maturing each year. As part of the Education Improvement Act approved by the State Legislature, school building aid programs are part of an entire package to provide for capital improvements or reduction of millage required to pay debt service and bonds issued for such purposes. Specifically, unless exempted, if the School District has issued bonds during the most recent five fiscal years, at least 50% of the school building aid funds must be used to reduce millage required to pay debt service on such outstanding bonds. The School District has been exempted from this provision.

On November 27, 2012, the School District issued Series 2012 General Obligation Refunding Bonds totaling \$2,397,000 with principal payments due each September 1 and semi-annual interest payments due March 1 and September 1 of each year. The bonds range in maturity dates from 2011 to 2018. The interest rate is fixed at 1.54%. The outstanding principal as of June 30, 2018, was \$457,000. This bond is applicable to the School District's 8% debt limit.

On August 18, 2017, the School District issued Series 2017B General Obligation Bonds totaling \$2,100,000 with principal payments due each March 1 and semi-annual interest payments due March 1 and September 1 of each year. The bonds range in maturity dates from 2018 to 2022. The interest rate is fixed at 1.95%. The outstanding principal as of June 30, 2018, was \$1,940,000. This bond is applicable to the School District's 8% debt limit.

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Annual debt service requirements to maturity for general obligation bonds are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2019	\$ 875,000	\$ 44,868
2020	491,000	29,679
2021	567,000	20,105
2022	<u>464,000</u>	<u>9,048</u>
	<u>\$ 2,397,000</u>	<u>\$ 103,700</u>

*Installment Revenue Bonds*

The installment purchase revenue bonds were issued by the SCAGO Educational Facilities Corporation (EFC) for School District of Williamsburg County bonds pursuant to a Purchase and Use Agreement. Upon each payment or prepayment of base payments, title to an undivided interest in the 2006 facilities equal to that percentage of the purchase price represented by such payment or prepayment will transfer to the School District. Under the terms of the agreement, each payment by the School District entitles it to the use and occupancy of all of the 2006 facilities during the applicable fiscal year. The School District expects to make the base payments from proceeds of general obligation bonds the School District would issue either annually or semi-annually for the purpose of making the payments.

On December 28, 2006, the SCAGO Educational Facilities Corporation (EFC) issued Series 2006 Installment Purchase Revenue Bonds totaling \$22,500,000 with principal payments due each December 1 and semi-annual interest payments due June 1 and December 1 of each year. The bonds range in maturity dates from 2014 to 2031. The interest rate ranges from 4.00% to 5.00%. This bond was refunded in March 2016 by the SCAGO Educational Facilities Corporation of Williamsburg School District Installment Purchase Refunding Revenue Bond Taxable Series 2016A and 2016B.

Interest paid on the debt issued by the School District is exempt from federal income tax. The School District sometimes temporarily reinvests the proceeds of such tax-exempt debt in materially higher-yielding taxable securities, primarily during construction projects. The federal tax code refers to this practice as arbitrage. Excess earnings resulting from arbitrage must be rebated to the federal government on the fifth anniversary of the issuance of the tax-exempt debt and every five years thereafter until the debt has been repaid, in accordance with the arbitrage regulations. The School District has recorded an arbitrage rebate of \$112,889 at June 30, 2018, which represents the positive arbitrage on the EFC indebtedness as of this date.

*Installment Purchase Refunding Revenue Bonds*

On March 1, 2016, the SCAGO Educational Facilities Corporation (EFC) issued Series 2016 Installment Purchase Refunding Revenue Bonds totaling \$17,625,000 with principal payments due each December 1 and semi-annual interest payments due June 1 and December 1 of each year. The bonds range in maturity dates from 2016 to 2031. The interest rate ranges from 1.35% to 4.00%. The outstanding principal as of June 30, 2018, was \$17,000,000.

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Annual debt service requirements to maturity for installment purchase refunding bonds are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2019	\$ 855,000	\$ 633,569
2020	975,000	611,525
2021	1,000,000	585,692
2023	1,065,000	506,431
2024-2028	6,170,000	1,664,555
2029-2032	<u>5,910,000</u>	<u>382,283</u>
	<u>\$ 17,000,000</u>	<u>\$ 4,936,704</u>

*Qualified Academy Zone Program*

On May 15, 2008, the School District issued Series 2008A Qualified Academy Zone Bonds totaling \$5,584,645 with principal payments due May 15, 2022, and annual interest payments due May 15 of each year. The bonds range in maturity dates from 2008 to 2022. The interest rate is fixed at 1.50%. The outstanding principal as of June 30, 2018, was \$5,584,645.

Annual debt service requirements to maturity for general obligation bonds are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2019	\$ -	\$ 83,770
2020	-	83,770
2021	-	83,770
2022	<u>5,584,645</u>	<u>83,770</u>
	<u>\$ 5,584,645</u>	<u>\$ 335,080</u>

*Capital Lease Payable*

On February 17, 2015, the School District entered into a capital lease arrangement with ENCORE to purchase information technology equipment the amount of \$1,500,000. The lease is payable in monthly installments beginning July 1, 2016, including interest at a rate of 1.944%. As of June 30, 2018, the District had an outstanding balance of \$614,000.

On May 18, 2016, the School District entered into a capital lease arrangement with BB&T to purchase transportation vehicles in the amount of \$300,000. The lease is payable in yearly installments beginning December 1, 2016, including interest at a rate of 1.60%. As of June 30, 2018, the District had an outstanding balance of \$181,000.

The following is a schedule of the future minimum lease payments under capital lease, and the present value of the net minimum lease payments at June 30, 2018.

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<u>Year Ending June 30,</u>		
2019	\$	378,832
2020		377,962
2021		<u>61,976</u>
Total minimum lease payments		818,770
Less: Amounts representing interest		<u>(23,770)</u>
Present value of future minimum lease payments	\$	<u><u>795,000</u></u>

**Note 9. Changes in Long-term Debt**

The following is a summary of changes in long-term debt for the year ended June 30, 2018.

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
General Obligation Bonds:					
Series 2012B	\$ 1,102,000		\$ 645,000	\$ 457,000	\$ 457,000
Series 2017B	-	2,100,000	160,000	1,940,000	418,000
Installment Purchase					
Revenue Bonds:					
Series 2016A	3,755,000	-	345,000	3,410,000	855,000
Series 2016B	13,590,000	-	-	13,590,000	-
Qualified Zone Academy					
Bond Program:					
Series 2008A	5,584,645	-	-	5,584,645	-
Capital Leases	1,152,000	-	357,000	795,000	378,569
Arbitrage Payable	112,889	-	-	112,889	-
Net Pension Liability	49,419,436	550,931	-	49,970,367	-
Net OPEB Liability	-	36,327,928	-	36,327,928	-
Compensated Absences	424,171	268,302	424,171	268,302	-
Total	<u>\$ 75,140,141</u>	<u>\$ 39,247,161</u>	<u>\$ 1,931,171</u>	<u>\$ 112,456,131</u>	<u>\$ 2,108,569</u>

**Note 10. Restricted Cash**

Certain resources, which have been set aside for future principal and interest payments and capital projects as restricted cash on the Debt and Capital Project's balance sheet because their use is limited. The amount of restricted cash held by the Debt Service Fund - EFC, Capital Projects - District and Capital Projects - EFC amounted to \$3,390,655 as of June 30, 2018.

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**Note 11. Debt Limitations**

The amount of legal debt margin as of June 30, 2018, is computed as follows:

Total Assessed Value	\$ <u>74,526,126</u>
Debt Limit 8% of assessed Value	\$ 5,962,090
Amount of Debt Applicable to debt Limit	<u>(2,397,000)</u>
Legal Debt Margin	<u>\$ 3,565,090</u>

**12. Employee Retirement Plans**

The School District participates in the State of south Carolina’s retirements plans, which are administered by the South Carolina Public Employee Benefit Authority (“PEBA”), which was created July 1, 2012, and administers the various retirement systems and retirement programs managed by its Retirement Division.

Effective July 1, 2017, the Retirement System Funding and Administration Act of 2017 assigned the PEBA Board of Directors as Custodian of the Retirement Trust Funds and assigned SC PEBA and the Retirement Systems Investment Commission (RSIC) as co-trustees of the Retirement Trust Funds.

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 generally accepted accounting principles (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 value.

The PEBA issues a Comprehensive Annual Financial Report (“CAFR”) containing financial statements and required supplementary information for Systems’ Pension Trust Funds. The CAFR is publicly available through the Retirement Benefits’ link on the PEBA’s website at [www.peba.sc.gov](http://www.peba.sc.gov), or a copy may be obtained by submitting a request to PEBA, PO Box 11960, Columbia, SC 29211-1960. The 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 comprehensive annual financial report of the state.

*Plan Description-* The South Carolina Retirement System (SCRS), a cost-sharing multiple-employer defined benefit pension plan, was established pursuant to the provisions of Section 9-1-20 of the South Carolina Code of Laws for the purpose of providing retirement allowances and other benefits for employees of the state, its public school districts, and political subdivisions.

The State Optional Retirement Program (ORP) is a defined contribution plan that is offered as an alternative to certain newly hired state, public school, and higher education employees. State ORP participants direct the investment of their funds into a plan administered by one of four investment providers.

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

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

State ORP – As an alternative to membership in SCRS, newly hired state, public school, and higher education employees and individuals newly elected to the S.C. General Assembly beginning with the November 2012 general elections have the option to participate in the State Optional Retirement Program (State ORP), which is a defined contribution plan. State ORP participants direct the investment of their funds into a plan administered by one of four investment providers. PEBA assumes no liability for State ORP benefits. Rather, the benefits are the liability of the investment providers. For this reason, State ORP programs are not part of the retirement systems' trust funds for financial statement purposes. Employee and Employer contributions to the State ORP are at the same rates as SCRS. A direct remittance is required from the employers to the member's account with investment providers for the employee contribution and a portion of the employer contributions (5 percent). A direct remittance is also required to SCRS for the remaining portion of the employer contribution and an identical death benefit contribution, if applicable, which is retained by SCRS

*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. A brief summary of 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 one percent or five hundred dollars 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.

*Contributions-* Contributions are prescribed in Title 9 of the South Carolina Code of Laws. The PEBA Board may increase the percentage in SCRS employer and employee contribution rates, but any such

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increase may not result in a differential between the employee and employer contribution rate that exceeds 2.9 percent of earnable compensation for SCRS. An increase in the contribution rates adopted by the Board may not provide for an increase of more than one-half of one percent in any one year. If the scheduled employee and employer contributions provided in statute or the rates last adopted by the board are insufficient to maintain a thirty-year amortization schedule of the unfunded liabilities of the plans, the Board shall increase the contribution rates in equal percentage amounts for the employer and employee as necessary to maintain the thirty-year amortization period; and, this increase is not limited to one-half of one percent per year, if the most recent annual actuarial valuation of the Systems for funding purposes shows a ratio of the actuarial value of the system assets to the actuarial accrued liability of the system (the funded ratio) that is equal to or greater than 90 percent.

The Retirement System Funding and Administration Act increases employer contribution rates to 13.56 percent for SCRS, effective July 1, 2017. It also removes the 2.9 percent and 5 percent differential and increases and establishes a ceiling on employee contribution rates at 9 percent for SCRS. The employer contribution rates will continue to increase annually by 1 percent through July 1, 2022. The legislation's ultimate scheduled employer rate is 18.56 percent for SCRS. The amortization period is scheduled to be reduced one year for each of the next 10 years to a twenty-year amortization schedule. The recent pension reform legislation also changes the long-term funded ratio requirement from ninety to eighty-five.

Required employee contribution rates for fiscal year 2017-2018 are as follows:

<b>SCRS</b>	<u>Fiscal Year 2018</u>	<u>Fiscal Year 2017</u>
Employee Class Two	9.00%	8.66%
Employee Class Three	9.00%	8.66%

Required employer contributions for fiscal year 2017-2018 are as follows:

<b>SCRS</b>	<u>Fiscal Year 2018</u>	<u>Fiscal Year 2017</u>
Employee Class Two	13.41%	11.41%
Employee Class Three	13.41%	11.41%
Employer Incidental Death Benefit	0.15%	0.15%

*Actuarial Assumptions and Methods-* Actuarial valuations 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. Actuarial assumptions and methods used during the annual evaluation process are subject to periodic revision, typically with an experienced study, as actual results over an extended period of time 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 as of July 1, 2015.

The June 30, 2017, total pension liability (TPL), net pension liability (NPL), and sensitivity information shown in this report were determined by Gabriel, Roeder, Smith and Company (GRS) and are based on an actuarial valuation performed as of July 1, 2016. The total pension liability was rolled-forward from the valuation date to the plans' fiscal year end, June 30, 2017, using generally accepted actuarial principles.



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The Retirement System Funding and Administration Act of 2017 was signed into law April 25, 2017, and included a provision to reduce the assumed rate of return from 7.50% to 7.25% effective July 1, 2017. As a result of this legislation, GRS made an adjustment to the calculation of the roll-forward total pension liability for this assumption change as of the measurement date of June 30, 2017.

The following table provides a summary of the actuarial assumptions and methods used to calculate TPL as of June 30, 2017.

	SCRS
Actuarial cost method	Entry age normal
Actuarial assumptions:	
Investment rate of return	7.5%
Projected salary increases	3.5% to 12.5% (Varies by service)
Includes inflation at	2.75%
Benefit adjustments	lesser of 1% or \$500 annually

The post-retiree mortality assumption is dependent upon the member's job category and gender. The base mortality assumptions, the 2016 Public Retirees of South Carolina Mortality table (2016 PRSC), was developed using the Systems' mortality experience. These base rates are adjusted for future improvement in mortality using published Scale AA projected from the year 2016. Assumptions used in July 1, 2017, valuations for SCRS are as follows:

Former Job Class	Males	Females
Educators and Judges	2016 PRSC males multiplied by 92%	2016 PRSC Females multiplied by 98%
General Employees and Members of the General Assembly	2016 PRSC Males multiplied by 100%	2016 PRSC Females multiplied by 111%
Public Safety and Firefighters	2016 PRSC Males multiplied by 125%	2016 PRSC Females multiplied by 111%

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*Net Pension Liability of the Plan* – The NPL is calculated separately for each system and represents that particular system’s total pension liability (TPL) determined in accordance with GASB No. 67 less that System’s fiduciary net position. NPL totals, as of June 30, 2017, for SCRS are as follows:

<b>System</b>	<b>Total Pension Liability</b>	<b>Plan Fiduciary Net Position</b>	<b>Employers' Net Pension Liability (Asset)</b>	<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>
SCRS	\$ 48,244,437,494	\$ 25,732,829,268	\$ 22,511,608,226	53.3%

Detailed information regarding the fiduciary net position of the plans administered by PEBA is available in the Systems’ audited financial statements for the fiscal year ended June 30, 2017, (including the unmodified audit opinion on the financial statements). Additional actuarial information is available in the accounting and financial reporting actuarial valuation as of June 30, 2017.

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’ noted to the financial statements and required supplementary information. Liability calculations performed by the Systems’ actuary for the purpose of satisfying the requirements of GASB Nos. 67 and 68 are not applicable for other purposes, such as determining the plans’ funding requirements.

*Long-term Expected Rate of Return*- The long-term expected rate of return on pension plan investments is based upon the 30-year capital market assumptions. The 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 2017 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 and is summarized in the table below. For actuarial purposes, the 7.25 percent assumed annual investment rate of return used in the calculation of the TPL includes a 5.00 percent real rate of return and a 2.25 percent inflation component.

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<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>
<b>Global Equity</b>	<b>45.0%</b>		
Global Public Equity	31.0%	6.70%	2.08%
Private Equity	9.0%	9.60%	0.86%
Equity Options Strategies	5.0%	5.91%	0.30%
<b>Real Assets</b>	<b>8.0%</b>		
Real Estate (Private)	5.0%	4.32%	0.22%
Real Estate (REITs)	2.0%	6.33%	0.13%
Infrastructure	1.0%	6.26%	0.06%
<b>Opportunistic</b>	<b>17.0%</b>		
GTAA/Risk Parity	10.0%	4.16%	0.42%
Hedge Funds (non-PA)	4.0%	3.82%	0.15%
Other Opportunistic Strategies	3.0%	4.16%	0.12%
<b>Diversified Credit</b>	<b>18.0%</b>		
Mixed Credit	6.0%	3.92%	0.24%
Emerging Markets Debt	5.0%	5.01%	0.25%
Private Debt	7.0%	4.37%	0.31%
<b>Conservative Fixed Income</b>	<b>12.0%</b>		
Core Fixed Income	10.0%	1.60%	0.16%
Cash and Short Duration (Net)	2.0%	0.92%	0.02%
Total Expected Real Return	100.0%		5.31%
Inflation for Actuarial Purposes			2.25%
Total Expected Nominal Return			7.56%

*Discount rate-* The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers in SCRS will be made based on the actuarially determined rates based on the provisions in the South Carolina 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 TPL.

*Sensitivity Analysis-* The following table presents the proportionate share of the NPL of the plan calculated using the discount rate of 7.25 percent, as well as what the School District's NPL would be if it were calculated using a discount rate that is 1.00 percent lower (6.25 percent) or 1.00 percent higher (8.25 percent) than the current rate.

<b>System</b>	<b><u>(6.50%)</u></b>	<b><u>(7.50%)</u></b>	<b><u>(8.50%)</u></b>
<b>SCRS</b>	\$ 62,998,354	\$ 49,970,367	\$ 39,051,257

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
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(Continued)**

*Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions-* At June 30, 2018, the School District reported a liability of \$49,970,367 for the SCRS proportionate share of the NPL. The NPL was measured as of June 30, 2017, and the TPL used to calculate the NPL was determined by an actuarial valuation as of that date. The School District's proportion of the NPL was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

For the year ended June 30, 2018, the School District recognized pension benefit of \$153,636. The benefit amount included actual employer contributions, changes in deferred outflows and/or inflows of resources related to changes in employers' proportionate share of the collective NPL, and differences between actual employer contributions and proportionate share of total plan employer contributions as reported by PEBA for the year ended June 30, 2017.

At June 30, 2018, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 222,768	\$ 27,697
Changes of assumptions	2,925,229	-
Net difference between projected and actual earnings on pension plan investments	1,394,938	5,197,288
Changes in proportion and differences between District contributions and proportionate share of contributions	-	-
District contributions subsequent to measurement date	<u>132,100</u>	<u>-</u>
Total	<u>\$ 4,675,035</u>	<u>\$ 5,224,985</u>

The amount of \$132,100 reported as deferred outflows of resources related to pensions resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows related to pensions will be recognized in the pension expense as follows:

Measurement Period Ending Year Ended June 30,	
2019	\$ (166,974)
2020	(249,199)
2021	(163,596)
2022	29,819
Thereafter	<u>-</u>
Net Balance of Deferred Outflow (Inflow) of Resources	<u>\$ (549,950)</u>

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY**  
**KINGSTREE, SOUTH CAROLINA**  
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**(Continued)**

*Payables to the Pension Plan-* The School District reported a payable to the SCRS as of June 30, 2018, in the amount of \$1,044,196.

**Note 13. Post-Employment Health Care Benefits**

The South Carolina Public Employee Benefit Authority (PEBA) was created by the South Carolina General Assembly as part of Act No. 278 effective July 1, 2012. PEBA 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 first 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 (SFFA), which consists of five elected officials, also reviews certain PEBA Board decisions in administering the State Health Plan and other post-employment benefits (OPEB).

*Plan Description:* The Other Post-Employment Benefits Trust Funds (OPEB Trusts), collectively refers to the South Carolina Retiree Health Insurance Trust Fund (SCRHITF) and the South Carolina Long-Term Disability Insurance Trust Fund (SCLTDITF), were established by the State of South Carolina as Act 195, which became effective on 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 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.

*Plan 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.

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**KINGSTREE, SOUTH CAROLINA**  
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**(Continued)**

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 related 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.

*Plan Contributions and Funding Policies:* Section 1-11-710 of the South Carolina Code of Laws of 1976, as amended, requires these postemployment and long-term disability benefits to be funded through annual appropriations by the General Assembly for active employees to the PEBA, Insurance Benefits and participating retirees to PEBA, except for the portion funded through the pension surcharge and provided from the other applicable sources of the PEBA, Insurance Benefits. For active employees who are not funded by State General Fund appropriations, participating employers are mandated by State statute to contribute at a rate assessed each year by the Department of Administration Executive Budget Office. The covered payroll surcharge for the year ended June 30, 2017 was 5.33 percent. The South Carolina Retirement System collects the monthly surcharge for all participating employers and remits it directly to the SCRHITF. Other sources of funding for the SCRHITF include mandatory transfers of accumulated PEBA, Insurance Benefits' reserves and income generated from investments. Employer contributions also include the implicit subsidy, or age-related subsidy inherent in the healthcare premiums structure. The implicit subsidy represents a portion of the health care expenditures paid on behalf of the employer's active employees. For purposes of GASB Statement No. 75, this expenditure on behalf of the active employee is reclassified as a retiree health care expenditure so that the employer's contributions towards the plan reflect the underlying age-adjusted, retiree benefit costs.

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.

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2018  
(Continued)**

PEBA, Insurance Benefits issues audited financial statements and required supplementary information for the OPEB Trust Funds. This information is publicly available through the Insurance Benefits' link on PEBA's website at [www.peba.sc.gov](http://www.peba.sc.gov) or a copy may be obtained by submitting a request to PEBA – Insurance Benefits, 202 Arbor Lake Drive, Columbia, SC 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 comprehensive annual 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. The schedules of funding progress, presented as required supplementary information following the notes to the financial statements, present multi-year trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

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. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

Additional information as of the latest actuarial valuation for SCRHITF:

Valuation Date:	June 30, 2016
Actuarial Cost Method:	Entry Age Normal
Inflation:	2.25%
Investment Rate of Return:	4.00, net of OPEB Plan investment expense; including inflation
Single Discount Rate:	3.56% as of June 30, 2017
Demographic Assumptions:	Based on the experience study performed for the South Carolina Retirement Systems for the 5-year period ending June 30, 2015
Mortality:	For healthy retirees, the 2016 Public Retirees of South Carolina Mortality Table for Males and the 2016 Public Retirees of South Carolina Mortality Table for Females are used with fully generational mortality projections based on Scale AA from the year 2016. Multipliers are applied to the base tables based on gender and employment type.
Health Care Trend Rate:	Initial trend starting at 7.00% and gradually decreasing to an ultimate trend rate of 4.15% over a period of 15 years
Aging Factors:	Based on plan specific experience
Retiree Participation:	79% for retirees who are eligible for funded premiums
Notes:	There were no benefit changes during the year; the discount rate changed from 2.92% as of June 30, 2016 to 3.56% as of June 30, 2017

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2018  
(Continued)**

*Roll Forward Disclosure:* The actuarial valuation was performed as of June 30, 2016. Update procedures were used to roll forward the total OPEB liability to June 30, 2017.

*Single Discount Rate:* The Single Discount Rate of 3.56% was used to measure the total OPEB liability for the SCRHITF. The accounting policy for this plan is to set the Single Discount Rate equal to the prevailing municipal bond rate. Due to the plan's investment and funding policies, the difference between a blended discount rate and the municipal bond rate would be less than several basis points (several hundredths of one percent).

Single Discount Rate of 3.87% was used to measure the total OPEB liability for the SCLTDITF. This Single Discount Rate was based on an expected rate of return on plan investments of 4.00% and a municipal bond rate of 3.56%. The projection of cash flows to determine this Single Discount Rate assumed that employer contributions will remain \$38.64 per year for each covered active employee. Based on these assumptions, the plan's Fiduciary Net Position and future contributions were sufficient to finance the benefit payments through the year 2037. As a result, the long-term expected rate of return on plan investments was applied to project benefit payments through the year 2037, and the municipal bond rate was applied to all benefit payments after that date.

*Long-term Expected Rate of Return:* The long-term expected rate of returns represent assumptions developed using an arithmetic building block approach primarily based on consensus expectations and market based inputs. The expected returns, along with the expected inflation rate, form the basis for the target asset allocation adopted at the beginning of the 2017 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:

<b>Asset Class</b>	<b>Target Asset Allocation</b>	<b>Expected Arithmetic Real Rate of Return</b>	<b>Allocation- Weighted Long- Term Expected Real Rate of Return</b>
U.S. Domestic Fixed Income	80.00%	2.09%	1.67%
Cash	20.00%	0.84%	0.17%
<b>Total</b>	<b>100.00%</b>		<b>1.84%</b>
Expected Inflation			2.25%
<b>Total Return</b>			<b>4.09%</b>
<b>Investment Return Assumption</b>			<b>4.00%</b>

*OPEB liability, OPEB Expense, and Deferred Outflows/Inflows of Resources Related to OPEB:* 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



**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
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NOTES TO FINANCIAL STATEMENTS  
June 30, 2018  
(Continued)**

The following table represents the components of the net OPEB liability as of June 30, 2017:

OPEB Trust	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability	Plan Fiduciary Net Position as a % of Total OPEB Liability
SCRHITF	\$ 14,659,610,970	\$ 1,114,774,760	\$ 13,544,836,210	7.60%
SCLTDITF	\$ 38,510,568	\$ 36,697,589	\$ 1,812,979	95.29%

The TOL is calculated by the Trusts' actuary, and each Trust's fiduciary net position is reported in the Trust's financial statements. The NOL is disclosed in accordance with the requirements of GASB No. 74 in the Trusts' notes to the financial statements and required supplementary information. Liability calculations performed by the Trusts' actuary for the purpose of satisfying the requirements of GASB Nos. 74 and 75 and are not applicable for other purposes, such as determining the Trusts' funding requirements.

At June 30, 2018, the School District reported a liability of \$26,327,928 for its proportionate share of the net OPEB liability for the SCRHITF. The net OPEB liability was measured as of June 30, 2017, and the total OPEB liability for the SCRHITF used to calculate the net OPEB liability was determined based on the most recent actuarial valuation report of June 30, 2016, that was projected forward to the measurement date. The School District's proportion of the net OPEB liability was based on a projection of the School District's long-term share of contributions to the SCRHITF relative to the projected contributions of all participating South Carolina state and local governmental employers, actuarially determined. At the June 30, 2017, measurement date, the School District proportion was .2682050 percent, there was no change from its proportion measured as of June 30, 2016.

For the year ended June 30, 2018, the School District recognized OPEB expense of \$894,488 for the SCRHITF. At June 30, 2018, the School District reported deferred outflows of resources (deferred OPEB charges) and deferred inflows of resources (deferred OPEB credits) related to OPEB's from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 15,767
Changes of assumptions	-	3,418,289
Net difference between projected and actual earnings on pension plan investments	62,422	518
Changes in proportion and differences between District contributions and proportionate share of contributions	-	-
District contributions subsequent to measurement date	-	-
Total	<u>\$ 62,422</u>	<u>\$ 3,434,574</u>

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the SCRHITF will increase (decrease) OPEB expense as follows:

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2018  
(Continued)**

Measurement Period Ending Year Ended June 30,	
2019	\$ (534,278)
2020	(534,278)
2021	(534,278)
2022	(534,278)
2023	(549,883)
Thereafter	(685,157)
Net Balance of Deferred Outflow (Inflow) of Resources	\$ (3,372,152)

The following table presents the sensitivity of the School District's net OPEB liability for the SCRHITF to changes in the discount rate, calculated using the discount rate of 3.56%, as well as what it would be if it were calculated using a discount rate that is 1% point lower (2.56%) or 1% point higher (4.56) than the current rate:

	1% Decrease <u>(2.56%)</u>	Current Discount Rate <u>(3.56%)</u>	1% Increase <u>(4.56%)</u>
Net OPEB Liability	\$ 42,784,031	\$ 36,327,928	\$ 31,122,728

*Sensitivity of the Net OPEB liability to Changes in the Healthcare Cost Trend Rate:* the following table presents the sensitivity of the School District's net OPEB liability to changes in the healthcare cost trend rate, calculated using the healthcare cost trend rate of 7.00% decreasing to 4.15%, as well as what it would be if it were calculated using a healthcare cost trend rate that is 1% point lower (6.00% decreasing to 3.15%) or 1% point higher (8.00% decreasing to 5.15%) than the current rate:

	1% Decrease (6% decreasing to <u>3.15%</u> )	Current Healthcare Cost Trend Rate (7% decreasing to <u>4.15%</u> )	1% Increase (8% decreasing to <u>5.15%</u> )
Net OPEB Liability	\$ 29,790,406	\$ 36,327,928	\$ 44,792,447

**Note 14. Commitments and Contingencies**

The School District receives state and federal grants for specific purposes that are subject to review and audit by state and federal agencies. Such audits could result in a request for reimbursement by the state and federal agencies for expenditures disallowed under the terms and conditions of the appropriate agency. In the opinion of School District management, such disallowances, if any, will not be significant.

Various claims and lawsuits are pending against the School District. As of the issuance of the financial statements, it is not known whether any unfavorable outcomes are likely, however, it appears that should there be any unfavorable outcomes, some cause of action may not be covered by insurance.

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2018  
(Continued)**

**Note 15. Insurance and Risk Management**

The School District is exposed to various risks of loss related to torts, theft, damage, destruction of assets, errors and omissions, injuries to employees and natural disasters. The School District maintains insurance covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured loss to the School District.

Settled claims have not exceeded this coverage in any of the past three years. There are no significant reductions in insurance coverage in the prior year.

The School District paid insurance premiums to the South Carolina Counties Property and Liability Trust totaling \$723,825 to cover risks that may occur in normal operations. These risks include loss of real property and contents, motor vehicles, errors and omissions, general liability and theft and dishonesty.

The School District paid insurance premiums to the South Carolina Counties Workers' Compensation Trust totaling \$582,204 for workers' compensation coverage.

**Note 16. Intergovernmental Revenues**

The School District receives funds from both the State of South Carolina and the federal government for various grants and projects. The majority of these funds are accounted for in the Special Revenue Funds with the major exception being grants from the federal government accounted for in the Proprietary Fund.

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2018  
(Continued)**

**Note 17. Inter-fund Transfers**

Transfers from (to) other funds for the year ended June 30, 2018, consist of the following:

Transfers from other funds:

From the EIA fund to the general fund to pay for salaries and fringe benefits	\$ 715,402
From the special revenue fund to the general fund for indirect cost reimbursement	286,701
From the food service fund to the general fund for indirect cost reimbursement	201,551
From the food service fund to the general fund for fringe benefits	<u>155,898</u>

Total transfers to the General Fund	<u>1,359,552</u>
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From debt service fund - district to capital projects funds	2,312,016
From debt service fund - EFC to capital projects funds	66,277
From the debt service fund - EFC to debt service fund - district	<u>918,657</u>

Total transfers from other funds	<u>3,296,950</u>
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<u>Transfers from other funds:</u>	<u>\$ 4,656,502</u>
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To the general fund from the special revenue fund for indirect cost reimbursement	\$ 286,701
Total transfers from special revenue funds	<u>286,701</u>

To the general fund from the EIA fund to pay for salaries and fringe benefits	715,402
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To the debt service fund - EFC from the debt service fund - district	918,657
To the capital projects fund - district from the debt service fund - district	<u>2,312,016</u>
Total transfers from debt service fund - district	<u>3,230,673</u>

To the capital projects fund - district from the debt service fund - EFC	<u>66,277</u>
Total transfers from debt service fund - EFC	<u>66,277</u>

To the general fund from the food service fund for fringe benefits	155,898
To the general fund from the food service fund for indirect cost reimbursement	<u>201,551</u>
Total transfers from food service fund	<u>357,449</u>

<u>Total transfers to other funds</u>	<u>\$ 4,656,502</u>
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**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY**  
**KINGSTREE, SOUTH CAROLINA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2018**  
**(Continued)**

**Note 18. Tax Abatements**

*District's Tax Abatements*

The School District does not have any of its own tax abatement agreements. The School District's received property tax revenues of \$1,366,370 under agreements entered into by Williamsburg County, South Carolina.

**Note 19. Restatement**

The School District adopted GASB Statement No. 75 "*Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*" for the year ended June 30, 2018. This Statement requires the District to recognize a net OPEB liability, any related deferred outflows/inflows of resources, and a more comprehensive measure of OPEB expense for any material amount related to its participation in the South Carolina Retiree Health Insurance Trust Fund, cost sharing multiple employer defined OPEB plans on financial statements prepared on the economic resources measurement focus and accrual basis of accounting and present more extensive note disclosures.

The adoption of this Statement resulted in the restatement of the School District's net position as of July 1, 2017, for its government-wide financial statements to reflect the reporting of a net OPEB liability and deferred outflows/inflows of resources in accordance with the provisions of this Statement. Net Position of the School District's government-wide financial statements as of July 1, 2017, was decreased by \$38,805,592, reflecting the cumulative change in accounting principle related to the adoption of this Statement. See Note 13 for more information regarding the School District's OPEB Plan.

**Note 20. Subsequent Events**

The School District has evaluated subsequent events through November 30, 2018, which is the date the financial statements were available to be issued. During this period, the County did have one material subsequent event that required recognition in the School District's disclosures to the financial statements at June 30, 2018.

On October 9, 2018, the School District issued Series 2018 General Obligation Bond in the amount of \$3,083,000.

SUPPLEMENTAL INFORMATION

## GENERAL FUND

The general fund is used to account for resources traditionally associated with government which are not required legally or by sound financial management to be accounted for in another fund.

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGET AND  
ACTUAL  
For the Fiscal Year Ended June 30, 2018**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>1000 Revenue from Local Sources</b>			
1100 Taxes:			
1110 Ad Valorem Taxes - Including Delinquent	\$ 6,256,933	\$ 6,763,063	\$ 506,130
1140 Penalties & Interest on Taxes	43,880	-	(43,880)
1200 Revenue from Local Governmental Units Other Than LEAs			
1280 Revenue in Lieu of Taxes	1,884,346	1,956,117	71,771
1300 Tuition			
1320 From Other LEAs for Regular Day School	36,599	49,953	13,354
1500 Earnings on Investments			
1510 Interest on Investments	12,615	101,067	88,452
1900 Other Revenue from Local Sources			
1990 Miscellaneous Local Revenue			
1999 Revenue from Other Local Sources	<u>55,162</u>	<u>261,520</u>	<u>206,358</u>
<b>Total Local Sources</b>	<u>8,289,535</u>	<u>9,131,720</u>	<u>842,185</u>
<b>3000 Revenue From State Sources</b>			
3100 Restricted State Funding			
3130 Special Programs			
3131 Handicapped Transportation	-	5,032	5,032
3160 School Bus Driver Salary			
3161 EAA Bus Driver	546,611	638,157	91,546
3162 Transportation Workers' Compensation	36,488	32,080	(4,408)
3180 Fringe Benefits Employer Contributions	4,720,227	4,342,337	(377,890)
3181 Retiree Insurance	1,112,856	1,031,001	(81,855.00)



**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGET AND  
ACTUAL  
For the Fiscal Year Ended June 30, 2018  
(Continued)**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
3300 Education Finance Act			
3310 Full-Time Programs			
3311 Kindergarten	\$ 481,395	\$ 400,784	\$ (80,611)
3312 Primary	1,450,392	1,344,791	(105,601)
3313 Elementary	2,341,320	2,114,548	(226,772)
3314 High School	329,966	415,047	85,081
3315 Trainable Mentally Handicapped	95,307	69,773	(25,534)
3316 Speech Handicapped	488,724	314,180	(174,544)
3317 Homebound	9,235	7,272	(1,963)
3320 Part-Time Programs			
3321 Emotionally Handicapped	48,700	53,625	4,925
3322 Educable Mentally Handicapped	232,846	239,343	6,497
3323 Learning Disabilities	1,136,280	1,185,858	49,578
3324 Hearing Handicapped	23,350	27,627	4,277
3325 Visually Handicapped	28,828	14,414	(14,414)
3326 Orthopedically Handicapped	18,190	11,048	(7,142)
3327 Vocational	2,024,982	1,778,457	(246,525)
3330 Other EFA Programs			
3331 Autism	215,871	220,870	4,999
3332 High Achieving Students	61,712	55,089	(6,623)
3334 Limited English Proficiency	5,440	7,360	1,920
3350 Residential Treatment Facilities (RTF)	-	133,132	133,132
3351 Academics Assistance	490,593	453,604	(36,989)
3352 Pupils in Poverty	1,446,616	1,336,131	(110,485)
3353 Dual Enrollment	38,381	41,926	3,545
3392 NBC Excess EFA Formula	-	39,083	39,083
3800 State Revenue in Lieu of Taxes			
3810 Reimb. for Local Residential Property Tax Relief (Tier 1)	1,306,370	1,366,370	60,000
3820 Homestead Exemption (Tier 2)	622,817	622,817	-
3827 \$2.5 Million Bonus	2,500,000	2,500,000	-
3830 Merchant's Inventory Tax	81,503	81,503	-
3840 Manufactures Depreciation Reimbursement	636,777	670,282	33,505
3890 Other State Property Tax Revenues	192,371	269,358	76,987
3900 Other State Revenue:			
3992 State Forest Commission Revenues	14,160	11,924	(2,236)
<b>Total State Sources</b>	<u>22,738,308</u>	<u>21,834,823</u>	<u>(903,485)</u>
<b>Total Revenue All Sources</b>	<u>31,027,843</u>	<u>30,966,543</u>	<u>(61,300)</u>

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGET AND  
ACTUAL  
For the Fiscal Year Ended June 30, 2018  
(Continued)**

<b>EXPENDITURES</b>			<b>Variance</b>
<b>100 Instruction</b>			<b>Positive</b>
	<u><b>Budget</b></u>	<u><b>Actual</b></u>	<u><b>(Negative)</b></u>
110 General Instruction			
111 Kindergarten Programs			
100 Salaries	\$ 706,810	\$ 654,786	\$ 52,024
200 Employee Benefits	294,060	284,693	9,367
300 Purchased Services	434	-	434
400 Supplies and Materials	4,597	3,719	878
112 Primary Programs			
100 Salaries	1,828,883	1,608,749	220,134
200 Employee Benefits	699,501	543,583	155,918
300 Purchased Services	593	159	434
400 Supplies and Materials	6,301	5,543	758
113 Elementary Programs			
100 Salaries	2,699,909	2,621,967	77,942
200 Employee Benefits	1,025,325	752,249	273,076
300 Purchased Services	123,965	123,994	(29)
400 Supplies and Materials	29,383	87,697	(58,314)
600 Other Objects	176.00	176	-
114 High School Programs			
100 Salaries	1,858,869	1,881,955	(23,086)
200 Employee Benefits	728,628	498,568	230,060
300 Purchased Services	32,005	27,630	4,375
400 Supplies and Materials	31,888	103,632	(71,744)
115 Career and Technology Education Programs			
100 Salaries	1,016,722	801,887	214,835
200 Employee Benefits	350,942	247,892	103,050
300 Purchased Services	61,679	17,373	44,306
400 Supplies and Materials	29,590	28,822	768
120 Exceptional Programs			
121 Educable Mentally Handicapped			
100 Salaries	265,723	261,995	3,728
200 Employee Benefits	110,401	93,462	16,939

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGET AND  
ACTUAL  
For the Fiscal Year Ended June 30, 2018  
(Continued)**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
122 Trainable Mentally Handicapped			
100 Salaries	\$ 485,929	\$ 532,817	\$ (46,888)
200 Employee Benefits	215,424	201,537	13,887
400 Supplies and Materials	622	511	111
123 Orthopedically Handicapped			
100 Salaries	35,454	40,005	(4,551)
200 Employee Benefits	27,093	20,166	6,927
125 Hearing Handicapped			
100 Salaries	28,952	36,982	(8,030)
200 Employee Benefits	11,847	52,195	(40,348)
126 Speech Handicapped			
100 Salaries	213,047	165,166	47,881
200 Employee Benefits	87,882	64,294	23,588
400 Supplies and Materials	200	100	100
127 Learning Disabilities			
100 Salaries	947,969	995,596	(47,627)
200 Employee Benefits	354,750	328,437	26,313
300 Purchased Services	191,144	89,693	101,451
400 Supplies and Materials	1,000	886	114
128 Emotionally Handicapped			
100 Salaries	-	26,876	(26,876)
200 Employee Benefits	-	5,654	(5,654)
400 Supplies and Materials	175	153	22.00
130 Pre-School Programs			
137 Pre-School Handicapped Self-Contained (3 & 4 yr. Olds)			
100 Salaries	6,482	7,079	(597)
200 Employee Benefits	2,345	245	2,100
139 Early Childhood Programs			
100 Salaries	600	-	600

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGET AND  
ACTUAL  
For the Fiscal Year Ended June 30, 2018  
(Continued)**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
140 Special Programs			
141 Gifted and Talented - Academic			
300 Purchased Services	\$ 9,825	\$ 6,503	\$ 3,322
400 Supplies and Materials	9,743	8,650	1,093
600 Other Objects	100	-	100.00
145 Homebound			
100 Salaries	50,423	56,156	(5,733)
200 Employee Benefits	15,369	11,637	3,732
300 Purchased Services	22,497	13,140	9,357
400 Supplies and Materials	130	89	41
147 CDEP			
100 Salaries	400	-	400
148 Gifted and Talented - Artistic			
100 Salaries	64,716	64,716	-
200 Employee Benefits	23,914	24,868	(954)
300 Purchased Services	34,839	31,686	3,153
400 Supplies and Materials	1,045	723	322
600 Other Objects	128	128	-
180 Adult/Continuing Educational Programs			
181 Adult Basic Education Programs			
300 Purchased Services	262	-	262
400 Supplies and Materials	339	-	339
188 Parenting/Family Literacy			
100 Salaries	19,363	19,799	(436)
200 Employee Benefits	8,867	9,361	(494)
300 Purchased Services	2,600	1,755	845.00
400 Supplies and Materials	2,400	2,326	74
190 Instructional Pupil Activity:			
100 Salaries	3,450	2,779	671
200 Employee Benefits	2,412	790	1,622
300 Purchased Services	663	176	487
400 Supplies and Materials	96	-	96
<b>Total Instruction</b>	<u>14,791,500</u>	<u>13,482,421</u>	<u>1,309,079</u>

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGET AND  
ACTUAL  
For the Fiscal Year Ended June 30, 2018  
(Continued)**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>200 Support Services</b>			
210 Pupil Services			
211 Attendance and Social Work Services:			
400 Supplies and Materials	\$ 100	\$ -	\$ 100
212 Guidance Services			
100 Salaries	722,427	670,446	51,981
200 Employee Benefits	274,056	280,816	(6,760)
400 Supplies and Materials	2,856	614	2,242
	5,831	5,391	440
213 Health Services			
100 Salaries	27,473.00	107,595	(80,122)
200 Employee Benefits	12,729	19,307	(6,578)
300 Purchased Services	157,895	150,956	6,939
214 Psychological Services			
100 Salaries	117,180	57,044	60,136
200 Employee Benefits	48,250	21,996	26,254
300 Purchased Services	94	-	94
216 Career and Technical Education Services:			
300 Purchased Services	180	-	180
400 Supplies and Materials	3,320	3,320	-
220 Instructional Staff Services			
221 Improvement of Instruction - Curriculum Development			
100 Salaries	441,517	485,864	(44,347)
200 Employee Benefits	166,804	180,662	(13,858)
300 Purchased Services	141,480	125,210	16,270
400 Supplies and Materials	80,675	69,005	11,670
500 Capital Outlay	6,560	6,560	-
600 Other Objects	2,423	2,402	21
222 Library and Media Services			
100 Salaries	427,742	377,876	49,866
200 Employee Benefits	166,292	165,292	1,000
400 Supplies and Materials	17,176	13,333	3,843

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGET AND  
ACTUAL  
For the Fiscal Year Ended June 30, 2018  
(Continued)**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
223 Supervision of Special Programs			
100 Salaries	\$ 276,697	\$ 291,664	\$ (14,967)
200 Employee Benefits	117,878	124,438	(6,560)
300 Purchased Services	36,349	28,886	7,463
400 Supplies and Materials	12,927	10,217	2,710
600 Other Objects	814	784	30.00
224 Improvement of Instruction - In-service and Staff Training			
300 Purchased Services	3,069	520	2,549
400 Supplies and Materials	1,478	1,007	471
230 General Administration Services			
231 Board of Education			
100 Salaries	15,120	56,922	(41,802)
140 Terminal Leave	20,800	-	20,800
200 Employee Benefits	163,374	53,031	110,343
300 Purchased Services Except:	218,250	224,924	(6,674)
318 Audit Services	49,002	49,002	-
400 Supplies and Materials	2,566	1,323	1,243
232 Office of the Superintendent			
100 Salaries	194,221	204,338	(10,117)
200 Employee Benefits	70,859	71,568	(709)
300 Purchased Services	28,745	23,470	5,275
400 Supplies and Materials	37,642	33,486	4,156
600 Other Objects	32,538	31,385	1,153
233 School Administration			
100 Salaries	1,994,065	2,094,312	(100,247)
200 Employee Benefits	771,966	1,022,303	(250,337)
300 Purchased Services	40,487	29,347	11,140
400 Supplies and Materials	13,974	9,690	4,284
600 Other Objects	4,215	2,810	1,405
250 Finance and Operations Services			
251 Student Transportation (Federal/District Mandated)			
300 Purchased Services	7,367	7,337	30
252 Fiscal Services			
100 Salaries	338,800	346,396	(7,596)
200 Employee Benefits	126,758	216,823	(90,065)
300 Purchased Services	148,021	118,831	29,190
400 Supplies and Materials	38,690	32,982	5,708
500 Capital Outlay	6,000	7,266	(1,266)
600 Other Objects	176	143,900	(143,724)

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGET AND  
ACTUAL  
For the Fiscal Year Ended June 30, 2018  
(Continued)**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
253 Facilities and Acquisition and Construction			
600 Other Objects	\$ -	\$ 4,200	\$ (4,200)
254 Operations and Maintenance of Plant			
100 Salaries	1,223,112	1,175,462	47,650
200 Employee Benefits	597,097	581,643	15,454
300 Purchased Services	1,098,472	1,114,323	(15,851)
321 Public Utilities	109,336	118,838	(9,502)
400 Supplies and Materials	531,017	512,459	18,558
470 Energy	888,829	1,000,260	(111,431)
255 Student Transportation			
100 Salaries	740,219	838,313	(98,094)
200 Employee Benefits	270,787	284,893	(14,106)
300 Purchased Services	65,208	(1,822)	67,030
400 Supplies and Materials	11,622	10,786	836
500 Capital Outlay	2,736	1,430	1,306
600 Other Objects	176	176	-
256 Food Service			
100 Salaries	-	14,326	(14,326)
200 Employee Benefits	628,700	401,439	227,261
258 Security			
100 Salaries	500	-	500
300 Purchased Services	240,660	264,556	(23,896)
400 Supplies and Materials	1,540	1,476	64
600 Other Objects	300	150.00	150
264 Staff Services			
100 Salaries	242,257	247,041	(4,784)
200 Employee Benefits	94,027	96,025	(1,998)
300 Purchased Services	7,098	7,097	1
400 Supplies and Materials	5,226	5,126	100
600 Other Objects	176	176	-
266 Technology and Data Processing Services			
100 Salaries	167,140	207,880	(40,740)
200 Employee Benefits	60,040	77,880	(17,840)
300 Purchased Services	183,001	145,203	37,798
400 Supplies and Materials	13,731	9,636	4,095
500 Capital Outlay	2,953	2,953	-

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGET AND  
ACTUAL  
For the Fiscal Year Ended June 30, 2018  
(Continued)**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
270 Support Service Pupil Activity			
271 Pupil Services Activities			
100 Salaries	\$ 102,770	\$ 218,523	\$ (115,753)
200 Employee Benefits	22,240	54,606	(32,366)
300 Purchased Services	<u>25,573</u>	<u>21,824</u>	<u>3,749</u>
<b>Total Support Services</b>	<u>14,932,451</u>	<u>15,399,529</u>	<u>(467,078)</u>
<b>300 Community Services</b>			
390 Other Community Services:			
100 Salaries	-	20,355	(20,355)
200 Employee Benefits	1,351	5,332	(3,981)
300 Purchased Services	41,191	39,889	1,302
400 Supplies and Materials	9,665	3,622	6,043
500 Capital Outlay	<u>1</u>	<u>-</u>	<u>1</u>
<b>Total Community Services</b>	<u>52,208</u>	<u>69,198</u>	<u>(16,990)</u>
<b>400 Other Charges:</b>			
<b>410 Intergovernmental Expenditures</b>			
412-720 Payments to Other Governmental Units	45,000	59,739	(14,739)
416-720 Payments to Public Charter Schools	<u>2,788,000</u>	<u>3,356,326</u>	<u>(568,326)</u>
<b>Total Intergovernmental Expenditures</b>	<u>2,833,000</u>	<u>3,416,065</u>	<u>(583,065)</u>
<b>Total Expenditures</b>	<u>32,609,159</u>	<u>32,367,213</u>	<u>241,946</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(1,581,316)</u>	<u>(1,400,670)</u>	<u>303,246</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
5230 Transfer from Special Revenue - EIA Fund	744,549	715,402	(29,147)
5250 Transfer from Capital Projects Fund	194,000	-	(194,000)
5260 Transfer from Food Service Fund (Excludes Indirect Cost)	173,725	155,898	(17,827)
5280 Transfer from Other Funds Indirect Cost	568,330	488,252	(80,078)
421-710 Transfer to Special Revenue Fund	<u>(99,288)</u>	<u>-</u>	<u>99,288</u>
<b>TOTAL OTHER FINANCING SOURCES</b>	<u>1,581,316</u>	<u>1,359,552</u>	<u>(221,764)</u>
<b>Net Change In Fund Balance</b>	-	(41,118)	(41,118)
<b>FUND BALANCE, July 1, 2017</b>	<u>3,061,493</u>	<u>3,061,493</u>	<u>-</u>
<b>FUND BALANCE, June 30, 2018</b>	<u>\$ 3,061,493</u>	<u>\$ 3,020,375</u>	<u>\$ (41,118)</u>



**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
For the Fiscal Year Ended June 30, 2018**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Local	\$ 8,289,535	\$ 8,289,535	\$ 9,131,720	\$ 842,185
State	<u>22,738,308</u>	<u>22,738,308</u>	<u>21,834,823</u>	<u>(903,485)</u>
Total Revenues	<u>31,027,843</u>	<u>31,027,843</u>	<u>30,966,543</u>	<u>(61,300)</u>
<b>EXPENDITURES</b>				
Current:				
Instruction	14,791,224	14,791,224	13,482,245	1,308,979
Support Services	14,903,586	14,903,586	15,374,547	(470,961)
Community Services	52,207	52,207	69,198	(16,991)
Intergovernmental	2,833,000	2,833,000	3,416,065	(583,065)
Capital Outlay	<u>29,142</u>	<u>29,142</u>	<u>25,158</u>	<u>3,984</u>
Total Expenditures	<u>32,609,159</u>	<u>32,609,159</u>	<u>32,367,213</u>	<u>241,946</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(1,581,316)</u>	<u>(1,581,316)</u>	<u>(1,400,670)</u>	<u>(303,246)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating Transfers In	1,680,604	1,680,604	1,359,552	(321,052)
Operating Transfers Out	<u>(99,288)</u>	<u>(99,288)</u>	<u>-</u>	<u>99,288</u>
Total Other Financing Sources	<u>1,581,316</u>	<u>1,581,316</u>	<u>1,359,552</u>	<u>(221,764)</u>
<b>Net Change In Fund Balance</b>	-	-	(41,118)	(41,118)
<b>Fund Balance, July 1, 2017</b>	<u>3,061,493</u>	<u>3,061,493</u>	<u>3,061,493</u>	<u>-</u>
<b>Fund Balance, June 30, 2018</b>	<u>\$ 3,061,493</u>	<u>\$ 3,061,493</u>	<u>\$ 3,020,375</u>	<u>\$ (41,118)</u>

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
REQUIRED SUPPLEMENTAL INFORMATION  
SCHEDULE OF THE SCHOOL DISTRICT'S PROPORTIONATE SHARE  
OF THE NET PENSION LIABILITY - SCRS  
For the Fiscal Year Ended June 30, 2018**

<b>SCRS</b>	<u><b>2018</b></u>	<u><b>2017</b></u>	<u><b>2016</b></u>	<u><b>2015</b></u>
District's proportion of the net pension liability (asset)	0.2219760%	0.2313660%	0.2674500%	0.277304%
District's proportionate share of the net pension liability (asset)	\$ 49,970,367	\$ 49,419,436	\$ 50,210,166	\$ 47,742,556
District's covered employee payroll	\$ 20,122,681	\$ 22,617,340	\$ 22,822,900	\$ 24,186,565
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	248%	219%	220%	197%
Plan fiduciary net position as a percentage of total pension liability	-92.24%	-342.96%	-444.34%	-362.00%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10- year trend is compiled, governments should present information for those years for which information is available

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
REQUIRED SUPPLEMENTAL INFORMATION  
SCHEDULE OF SCHOOL DISTRICT CONTRIBUTIONS - SCRS  
For the Fiscal Year Ended June 30, 2018**

	<u><b>2018</b></u>	<u><b>2017</b></u>	<u><b>2016</b></u>	<u><b>2015</b></u>	<u><b>2014</b></u>
Contractually required contribution	\$ 2,662,398	\$ 2,530,299	\$ 2,527,254	\$ 2,636,336	\$ 2,632,652
Contributions in relation to contractually required contribution	<u>2,662,398</u>	<u>2,530,299</u>	<u>2,527,254</u>	<u>2,636,336</u>	<u>2,632,652</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 20,122,681	\$ 22,617,340	\$ 22,822,900	\$ 24,186,565	\$ 24,836,332
Contributions as a percentage of covered-employee payroll	13.23%	11.19%	11.07%	10.90%	10.60%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10- year trend is compiled, governments should present information for those years for which information is available

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
REQUIRED SUPPLEMENTAL INFORMATION  
SCHEDULE OF SCHOOL DISTRICT'S PROPORTIONATE SHARE  
OF THE NET OPEB LIABILITY - SCRHTF  
For the Fiscal Year Ended June 30, 2018**

	<u>2018</u>	<u>2017</u>
District's proportion of the net OPEB liability (asset)	0.2682050%	0.2682050%
District's proportionate share of the net OPEB liability (asset)	\$ 36,327,928	\$ 38,805,592
District's covered employee payroll	\$ 20,516,050	\$ 22,394,276
District's proportionate share of the net OPEB liability (asset) as a percentage of its covered-employee payroll	177%	173%
Plan fiduciary net position as a percentage of total OPEB liability	-67.056%	-264.68%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10- year trend is compiled, governments should present information for those years for which information is available

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
REQUIRED SUPPLEMENTAL INFORMATION  
SCHEDULE OF SCHOOL DISTRICT CONTRIBUTIONS - SCRHTF  
For the Fiscal Year Ended June 30, 2018**

	<u>2018</u>	<u>2017</u>
Contractually required contribution	\$ 1,205,504	\$ 1,216,461
Contributions in relation to contractually required contribution	<u>1,205,540</u>	<u>1,216,461</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 20,516,050	\$ 22,394,276
Contributions as a percentage of covered-employee payroll	5.88%	5.43%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10- year trend is compiled, governments should present information for those years for which information is available

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
NOTES TO REQUIRED SUPPLEMENTAL INFORMATION  
June 30, 2017**

**Note 1. Budgets and Budgetary Accounting**

Budgets, except for the Special Revenue Fund, are adopted on a basis consistent with generally accepted accounting principles. The accounting system provides for appropriate budgetary control. Budgetary comparisons are included in the supplemental schedules for the General Fund. Unused appropriations for all annually budgeted funds lapse at the end of the year.

**Note 2. Legal Compliance – Budgets**

The School District Administrator submits a proposed operating budget for the fiscal year to the School District Council. The operating budget includes proposed expenditures and the means of financing them. Prior to July 1, the budget is legally enacted through passage of an ordinance. The School District Administrator is authorized to transfer budgeted amounts within departments as necessary to achieve the goals of the budget. Any revisions that alter the total expenditures of any fund must be approved by School District Council. Budgeted amounts reflected in the accompanying financial statements are the final authorized amounts as revised during the year.

The School District has not presented budget information for the Special Revenue Fund, since budgetary control is maintained on an individual grant basis. Since grant periods may differ from the School District's fiscal year, a comparison of budgetary information for the total Special Revenue Fund would not be meaningful and has not been presented in the accompanying financial statements.

The support services, community services, and intergovernmental has excess expenditures over appropriations in the amount of \$470,961, \$16,991, and \$583,065, respectively.

## SPECIAL REVENUE FUNDS

To account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. A separate fund is used to account for each restricted source. Examples of special revenue funds are:

Title I  
IDEA< Program for the Handicapped Occupational Education Preschool Handicapped  
CATE  
Drug Free Adult Education  
Designated Restricted State Grant

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
SPECIAL REVENUE FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
For the Fiscal Year Ended June 30, 2018**

	Title I BA Projects <u>201/202</u>	IDEA CA Projects <u>203/204</u>	Preschool Handicapped CG Projects <u>205/206</u>	CATE VA Projects <u>207</u>	Adult Education <u>243</u>	Other Designated Restricted State Grants <u>900s</u>	Other Special Revenue Programs <u>Total</u>
<b>REVENUES</b>							
<b>1000 Revenues From Local Sources</b>							
1300 Tuition:							
1330 From Patrons for Adult/Continuing Education	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,319
1900 Other Revenue From Local Sources							
1920 Contributions and Donations Private Sources	-	-	-	-	-	-	16,325
1930 Medicaid	-	-	-	-	-	-	280,171
1955 Refund of Prior Year's Expenditures	-	-	-	-	-	-	29,492
1990 Miscellaneous Local Revenue							
1999 Revenue from Other Local Sources	-	-	-	-	-	-	166,681
<b>Total Local Sources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>493,988</u>
<b>3000 Revenue From State Sources</b>							
3100 Restricted State Funding							
3110 Occupational Education							
3118 EEDA Career Specialist	-	-	-	-	-	182,641	-
3120 General Education							
3127 Student Health and Fitness - PE Teachers	-	-	-	-	-	36,902	-
3130 Special Programs							
3134 CDEP Expansion							
3135 Reading Coaches	-	-	-	-	-	30,990	-
3136 Reading Coaches	-	-	-	-	-	257,315	-
3155 DSS SNAP & E&T Program	-	-	-	-	-	1,450	-
3183 Teacher Recruiting and Retention	-	-	-	-	-	149,222	-
3190 Miscellaneous Restricted State Grants							
3193 Education License Plates	-	-	-	-	-	77	-
3199 Other Restricted State Grants	-	-	-	-	-	-	1,461,302
3556 Adult Education Literacy	-	-	-	-	-	44,803	-

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
SPECIAL REVENUE FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
For the Fiscal Year Ended June 30, 2018  
(Continued)**

	Title I BA Projects <u>201/202</u>	IDEA CA Projects <u>203/204</u>	Preschool Handicapped CG Projects <u>205/206</u>	CATE VA Projects <u>207</u>	Adult Education <u>243</u>	Other Designated Restricted State Grants <u>900s</u>	Other Special Revenue Programs	<u>Total</u>
3600 Education Lottery Act Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 102,349	\$ -	\$ 102,349
3630 Technology Initiative	-	-	-	-	-	27,618	-	27,618
3655 Classroom Libraries	-	-	-	-	-	60,712	-	60,712
3660 Mobile Device Access and Management	-	-	-	-	-	-	-	-
<b>Total State Sources</b>	-	-	-	-	-	<u>1,002,845</u>	<u>1,461,302</u>	<u>2,464,147</u>
<b>4000 Revenue From Federal Sources</b>								
4200 Occupational Education	-	-	-	131,324	-	-	-	131,324
4210 Perkins Aid, Title I	-	-	-	-	-	-	-	-
4300 Elementary and Secondary Education Act of 1965	3,290,844	-	-	-	-	-	119,276	3,410,120
4310 Title I, Basic State Grant Programs	-	-	-	-	-	-	44,209	44,209
4312 Rural and Low-Income School Program, Title VI	-	-	-	-	-	-	412,456	412,456
4351 Improving Teacher Quality	-	-	-	-	-	-	-	-
4400 Adult Education	-	-	-	-	38,550	-	-	38,550
4410 Basic Adult Education	-	-	-	-	-	-	-	-
4500 Programs for Children with Disabilities	-	1,788,591	-	-	-	-	-	1,788,591
4510 Individuals With Disabilities Education Act (IDEA)	-	-	45,041	-	-	-	-	45,041
4520 Pre-School Grants (IDEA)	-	-	-	-	-	-	-	-
4900 Other Federal Sources	-	-	-	-	-	-	1,158,956	1,158,956
4924 21st Century Community Learning Center (Title IV)	-	-	-	-	-	-	656,487	656,487
4999 Revenue from Other Federal Sources	-	-	-	-	-	-	-	-
<b>Total Federal Sources</b>	<u>3,290,844</u>	<u>1,788,591</u>	<u>45,041</u>	<u>131,324</u>	<u>38,550</u>	-	<u>2,391,384</u>	<u>7,685,734</u>
<b>TOTAL REVENUES ALL SOURCES</b>	<u>3,290,844</u>	<u>1,788,591</u>	<u>45,041</u>	<u>131,324</u>	<u>38,550</u>	<u>1,002,845</u>	<u>4,346,674</u>	<u>10,643,869</u>

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
SPECIAL REVENUE FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
For the Fiscal Year Ended June 30, 2018  
(Continued)**

	Title I BA Projects 201/202	IDEA CA Projects 203/204	Preschool Handicapped CG Projects 205/206	CATE VA Projects 207	Adult Education 243	Other Designated Restricted State Grants 900s	Other Special Revenue Programs	Total
<b>EXPENDITURES</b>								
<b>100 Instruction</b>								
110 General Instruction								
111 Kindergarten Programs								
100 Salaries	\$ 41,926	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 41,926
200 Employee Benefits	16,582	-	-	-	-	-	-	16,582
112 Primary Programs								
100 Salaries	76,359	-	-	-	-	-	-	76,359
200 Employee Benefits	74,430	-	-	-	-	-	-	74,430
300 Purchased Services	28,540	-	-	-	-	-	95,600	124,140
400 Supplies and Materials	22,052	-	-	-	-	-	858	22,910
113 Elementary Programs								
100 Salaries	420,647	-	-	-	-	158,456	58,328	637,431
200 Employee Benefits	155,850	-	-	-	-	73,560	22,748	252,158
300 Purchased Services	186,190	-	-	-	-	-	407,022	593,212
400 Supplies and Materials	252,452	-	-	-	-	-	137,444	389,896
500 Capital Outlay	-	-	-	-	-	-	5,512	5,512
114 High School Programs								
100 Salaries	327,846	-	-	-	-	-	143,296	471,142
200 Employee Benefits	138,938	-	-	-	-	-	-	138,938
300 Purchased Services	121,971	-	-	-	-	-	302,800	424,771
400 Supplies and Materials	88,831	-	-	-	-	-	28,743	117,574
115 Career and Technology Education Programs								
300 Purchased Services	-	-	-	30,341	-	-	50,200	80,541
400 Supplies and Materials	-	-	-	54,805	-	-	9,033	63,838



**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
SPECIAL REVENUE FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
For the Fiscal Year Ended June 30, 2018  
(Continued)**

	Title I BA Projects <u>201/202</u>	IDEA CA Projects <u>203/204</u>	Preschool Handicapped CG Projects <u>205/206</u>	CATE VA Projects <u>207</u>	Adult Education <u>243</u>	Other Designated Restricted State Grants <u>900s</u>	Other Special Revenue Programs	<u>Total</u>
120 Exceptional Programs								
121 Educable Mentally Handicapped								
100 Salaries	\$ -	72,788	-	-	-	-	-	72,788
200 Employee Benefits	-	32,731	-	-	-	-	-	32,731
122 Trainable Mentally Handicapped								
100 Salaries	-	70,322	26,187	-	-	-	-	96,509
200 Employee Benefits	-	20,084	12,272	-	-	-	-	32,356
300 Purchased Services	-	21,459	-	-	-	-	-	21,459
400 Supplies and Materials	-	40,813	-	-	-	-	-	40,813
123 Orthopedically Handicapped								
100 Salaries	-	13,710	-	-	-	-	-	13,710
200 Employee Benefits	-	6,898	-	-	-	-	-	6,898
126 Speech Handicapped								
100 Salaries	-	58,220	-	-	-	-	6,781	65,001
200 Employee Benefits	-	16,832	-	-	-	-	1,905	18,737
300 Purchased Services	-	1,956	-	-	-	-	-	1,956
400 Supplies and Materials	-	433	-	-	-	-	1,000	1,433
600 Other Objects	-	956	-	-	-	-	-	956
127 Learning Disabilities								
100 Salaries	-	150,996	-	-	-	-	-	150,996

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
SPECIAL REVENUE FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
For the Fiscal Year Ended June 30, 2018  
(Continued)**

	Title I BA Projects <u>201/202</u>	IDEA CA Projects <u>203/204</u>	Preschool Handicapped CG Projects <u>205/206</u>	CATE VA Projects <u>207</u>	Adult Education <u>243</u>	Other Designated Restricted State Grants <u>900s</u>	Other Special Revenue Programs	<u>Total</u>
129 Homebound								
200 Employee Benefits	\$ -	\$ 2,304	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,304
137 Preschool Handicapped Self Contained (3&4 Yr. Olds)								
100 Salaries	-	53,583	-	-	-	-	-	53,583
200 Employee Benefits	-	6,238	-	-	-	-	-	6,238
400 Supplies and Materials	-	-	394	-	-	-	-	394
139 Early Childhood Programs:								
100 Salaries	-	-	-	-	-	-	9,886	9,886
200 Employee Benefits	-	-	-	-	-	-	2,614	2,614
140 Special Programs								
148 Gifted and Talented Artistic:								
400 Supplies and Materials	-	-	-	-	-	-	334	334
149 Other Special Programs								
300 Purchased Services	-	7,751	-	-	-	-	-	7,751
170 Summer School Programs								
172 Elementary Summer School								
100 Salaries	-	4,523	-	-	-	-	-	4,523
200 Employee Benefits	-	1,291	-	-	-	-	-	1,291
173 High School Summer School								
100 Salaries	84,208	420.00	-	-	-	-	-	84,628
200 Employee Benefits	21,570	118	-	-	-	-	-	21,688

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
SPECIAL REVENUE FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
For the Fiscal Year Ended June 30, 2018  
(Continued)**

		Title I BA Projects <u>201/202</u>	IDEA CA Projects <u>203/204</u>	Preschool Handicapped CG Projects <u>205/206</u>	CATE VA Projects <u>207</u>	Adult Education <u>243</u>	Other Designated Restricted State Grants <u>900s</u>	Other Special Revenue Programs	<u>Total</u>
175 Instructional Programs Beyond Regular School Day	\$	-	-	\$	-	\$	-	\$	
100 Salaries								606,928	\$ 606,928
200 Employee Benefits								140,417	140,417
300 Purchased Services								75,361	75,361
400 Supplies and Materials								152,621	152,621
180 Adult/Continuing Educational Programs									
181 Adult Basic Education Programs									
100 Salaries						14,700	12,995	143	27,838
200 Employee Benefits						3,214	3,481	39	6,734
300 Purchased Services						-	-	64	64
400 Supplies and Materials						869	2,923	738	4,530
182 Adult Secondary Education Programs									
100 Salaries						16,700	14,783	-	31,483
200 Employee Benefits						3,067	6,077	-	9,144
188 Parenting/Family Literacy									
100 Salaries		103,668							103,668
200 Employee Benefits		60,200							60,200
300 Purchased Services		71,127							71,127
400 Supplies and Materials		22,318							22,318
<b>Total Instruction</b>		<u>2,315,705</u>	<u>662,481</u>	<u>38,853</u>	<u>85,146</u>	<u>38,550</u>	<u>272,275</u>	<u>2,363,065</u>	<u>5,776,075</u>
<b>200 Support Services</b>									
210 Pupil Services									
212 Guidance Services									
100 Salaries							125,063		125,063
200 Employee Benefits							57,578		57,578

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
SPECIAL REVENUE FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
For the Fiscal Year Ended June 30, 2018  
(Continued)**

	Title I BA Projects <u>201/202</u>	IDEA CA Projects <u>203/204</u>	Preschool Handicapped CG Projects <u>205/206</u>	CATE VA Projects <u>207</u>	Adult Education <u>243</u>	Other Designated Restricted State Grants <u>900s</u>	Other Special Revenue Programs	Total
213 Health Services								
100 Salaries	\$ -	-	\$ -	\$ -	-	\$ 72,000	\$ 89,221	\$ 161,221
200 Employee Benefits	-	-	-	-	-	36,766	1,649	38,415
300 Purchased Services	-	185,993	-	-	-	-	168,267	354,260
400 Supplies and Materials	-	-	-	-	-	-	3,468	3,468
600 Other Objects	-	-	-	-	-	-	-	-
214 Psychological Services								
100 Salaries	-	107,549	-	-	-	-	3,300	110,849
200 Employee Benefits	-	46,956	-	-	-	-	942	47,898
300 Purchased Services	-	2,280	-	-	-	-	-	2,280
400 Supplies and Materials	-	490	-	-	-	-	-	490
220 Instructional Staff Services								
221 Improvement of Instruction - Curriculum Development								
100 Salaries	140,898	202,780	-	-	-	-	-	343,678
200 Employee Benefits	44,872	78,943	-	-	-	-	-	123,815
300 Purchased Services	49,253	-	-	-	-	-	230,859	280,112
400 Supplies and Materials	4,151	-	-	-	-	129,250	240,975	374,376
600 Other Objects	-	-	-	-	-	-	176	176
222 Educational Media								
400 Supplies and Materials	-	-	-	-	-	-	4,865	4,865
223 Supervision of Special Programs								
100 Salaries	71,006	113,886	-	-	-	-	73,697	258,589
200 Employee Benefits	18,612	49,224	-	-	-	-	32,553	100,389
300 Purchased Services	23,422	61,322	-	-	-	1,508	2,853	89,105
400 Supplies and Materials	9,277	9,410	3,627	-	-	-	-	22,314
600 Other Objects	-	180	-	-	-	176	-	356

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
SPECIAL REVENUE FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
For the Fiscal Year Ended June 30, 2018  
(Continued)**

		Title I BA Projects <u>201/202</u>	IDEA CA Projects <u>203/204</u>	Preschool Handicapped CG Projects <u>205/206</u>	CATE VA Projects <u>207</u>	Adult Education <u>243</u>	Other Designated Restricted State Grants <u>900s</u>	Other Special Revenue Programs	<u>Total</u>
224 Improvement of Instruction - In-service and Staff Training	\$	63,011	-	\$ -	\$ -	\$ -	108,375	414,082	\$ 585,468
100 Salaries		27,482	-	-	-	-	26,904	87,177	141,563
200 Employee Benefits		46,136	-	-	20,304	-	-	238,169	304,609
300 Purchased Services		9,710	-	-	-	-	4,136	24,752	38,598
400 Supplies and Materials		-	-	-	-	-	-	28	28
600 Other Objects		-	-	-	-	-	-	-	-
230 General Administrative Services		-	-	-	-	-	-	22,962	22,962
233 School Administration		-	-	-	-	-	-	6,324	6,324
100 Salaries		-	-	-	-	-	-	-	-
200 Employee Benefits		-	-	-	-	-	-	-	-
250 Finance and Operations Services		-	52,702	-	-	-	-	-	52,702
251 Student Transportation		-	13,856	-	-	-	-	-	13,856
100 Salaries		19,872	-	-	-	-	-	132,603	152,475
200 Employee Benefits		-	-	-	-	-	-	-	-
300 Purchased Services		-	-	-	-	-	-	-	-
252 Fiscal Services		-	21,525	-	-	-	-	-	21,525
300 Purchased Services		-	-	-	-	-	-	-	-
254 Operation and Maintenance of Plant		10,962	-	-	-	-	4,187	-	15,149
300 Purchased Services		-	-	-	-	-	-	-	-

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
SPECIAL REVENUE FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
For the Fiscal Year Ended June 30, 2018  
(Continued)**

	Title I BA Projects 201/202	IDEA CA Projects 203/204	Preschool Handicapped CG Projects 205/206	CATE VA Projects 207	Adult Education 243	Other Designated Restricted State Grants 900s	Other Special Revenue Programs	<u>Total</u>
260 Central Support Services								
264 Staff Services								
300 Purchased Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 49,528	\$ 49,528
266 Technology and Data Processing Services								
100 Salaries							25,402	25,402
200 Employee Benefits							8,763	8,763
300 Purchased Services						66,647		66,647
400 Supplies and Materials						35,702		35,702
500 Capital Outlay							49,746	49,746
270 Support Service Activities - Pupil Activity								
271 Pupil Service Activities								
300 Purchased Services				24,896				24,896
400 Supplies and Materials				978				978
600 Other Objects								
<b>Total Support Services</b>	<u>538,664</u>	<u>947,096</u>	<u>3,627</u>	<u>46,178</u>	<u>-</u>	<u>668,292</u>	<u>1,912,361</u>	<u>4,116,218</u>
<b>410 Intergovernmental Expenditures</b>								
416 LEA Payments to Public Charter Schools								
720 Transits	287,156	110,587				62,278	4,854	464,875
<b>Total Intergovernmental Expenditures</b>	<u>287,156</u>	<u>110,587</u>				<u>62,278</u>	<u>4,854</u>	<u>464,875</u>
<b>TOTAL EXPENDITURES</b>	<u>3,141,525</u>	<u>1,720,164</u>	<u>42,480</u>	<u>131,324</u>	<u>38,550</u>	<u>1,002,845</u>	<u>4,280,280</u>	<u>10,357,168</u>

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
SPECIAL REVENUE FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
For the Fiscal Year Ended June 30, 2018  
(Continued)**

	Title I BA Projects <u>201/202</u>	IDEA CA, Projects <u>203/204</u>	Preschool Handicapped CG, Projects <u>205/206</u>	CATE VA Projects <u>207</u>	Adult Education <u>243</u>	Other Designated Restricted State Grants <u>900s</u>	Other Special Revenue Programs	<u>Total</u>
<b>OTHER FINANCING SOURCES (USES)</b>								
<b>Interfund Transfers, From (To) Other Funds:</b>								
5210 Transfer from General Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
431-791 Special Revenue Fund Indirect Cost	(149,319)	(68,427)	(2,561)	-	-	-	(66,394)	(286,701)
	<u>(149,319)</u>	<u>(68,427)</u>	<u>(2,561)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(66,394)</u>	<u>(286,701)</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>								
	-	-	-	-	-	-	-	-
<b>Excess of Revenues Over Expenditures</b>								
<b>Fund Balance, July 1, 2017</b>	-	-	-	-	-	-	-	-
<b>Fund Balance, June 30, 2018</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
 KINGSTREE, SOUTH CAROLINA  
 SPECIAL REVENUE FUND  
 SUPPLEMENTAL LISTING OF LEA SUBFUND CODES AND TITLES  
 For the Fiscal Year Ended June 30, 2018  
 OTHER SPECIAL REVENUE PROGRAMS**

Sub

Fund   Programs

- 221 Workforce Initiative
- 224 21st Century Community Learning Center Program
- 237 Title I Part A, School Improvement
- 239 Title I - Priority Schools
- 251 Rural and Low Income School Program, Title VI
- 267 Improving Teacher Quality
- 270 ROTC
- 285 Race To The Top Grant
- 800 SIG Activities
- 801 Sail Into Summer Grant
- 802 Computer Based Testing
- 803 DASH Mini Grant
- 804 Extended School Year
- 805 State Improvement Grant
- 806 Wal-Mart Grant
- 807 Career & Technology Fair
- 809 Health Fair
- 810 Gifted and Talented
- 811 HEAP
- 812 Mentoring
- 814 Low Country Food Bank
- 816 CCRS
- 817 Discover Brighter Futures
- 818 Save the Children
- 825 Flood Relief Donation
- 827 E-Rate
- 829 SC Teen Lead
- 831 Private Placement
- 833 Target Grant
- 834 REMS
- 835 BC/BS Mental Health
- 837 CCEL Sustainability
- 838 BC/BS Mental Health
- 842 Staff Development
- 844 MUSC
- 845 Rehabilitative Health
- 848 Strings
- 849 Adult Education
- 850 Adult Education Local
- 851 Teen Life - Capps
- 853 Parenting Grant
- 854 Clemson University/Reading Recovery
- 859 Lunch Program Aid
- 860 SC Gear Up
- 861 Telamon Corp Youth Commerce
- 862 Special Needs Transportation
- 863 Bright Ideas Grant
- 865 Project Hope
- 866 SAS Data Collection System (Equipment)



**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
SPECIAL REVENUE FUND  
SUPPLEMENTAL LISTING OF LEA SUBFUND CODES AND TITLES  
For the Fiscal Year Ended June 30, 2018  
(Continued)**

**OTHER SPECIAL REVENUE PROGRAMS**

Sub

Fund Programs

868 Before/After School Day Care  
869 Humanities Council Grant  
870 Medicaid  
872 Medicaid  
873 Teen Companion - Medicaid  
874 Medicaid - Nurses  
878 Fine Arts Grant  
879 MUSC Fitness Grant  
880 Teaching American History  
890 First Steps  
891 First Steps

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
SPECIAL REVENUE FUND  
SUMMARY SCHEDULE FOR DESIGNATED STATE RESTRICTED GRANTS  
For the Fiscal Year Ended June 30, 2018**

**OTHER DESIGNATED STATE RESTRICTED GRANTS**

Sub <u>Fund</u>	Revenue <u>Code</u>	<u>Programs</u>	<u>Revenues</u>	<u>Expenditures</u>	Other Fund Transfers In (Out)	Special Revenue Fund Unearned
903	3183	Teacher Recruitment and Retention	\$ 149,222	\$ 149,222	\$ -	\$ 6,401
914	3556	Adult Education Literacy	44,803	44,803	-	20,975
915	3105	Technology Technical Assistance	-	-	-	3,366
918	3198	Technology Professional Development (Carryover Only)	-	-	-	-
919	3193	Education License Plates	77	77	-	3,399
924	3134	Child Development Education Program - (CDEP)	30,990	30,990	-	30,064
926	3177	Summer Reading Camps	-	-	-	3,084
928	3118	EEDA Career Specialists	182,641	182,641	-	30,355
935	3135	Reading Coaches	257,315	257,315	-	-
936	3136	Student Health and Fitness - Nurses	108,766	108,766	-	-
937	3127	Student Health and Fitness - PE Teachers	36,902	36,902	-	-
939	3393	Capital Improvement	-	-	-	163,101
955	3155	DSS Snap & E&T Program	1,450	1,450	-	7,030
956	3156	Adult Education	-	-	-	9,862
963	3630	K-12 Technology Initiative	102,349	102,349	-	160,414
965	3194	Digital Instruction	-	-	-	24,884
966	3660	Mobile Device Access and Management	60,712	60,712	-	-
968	3655	Classroom Libraries	27,618	27,618	-	3,581
Totals			<u>\$ 1,002,845</u>	<u>\$ 1,002,845</u>	<u>\$ -</u>	<u>\$ 466,516</u>

## SPECIAL REVENUE FUND EDUCATION IMPROVEMENT ACT

Education Improvement Act (EIA) Fund is a Special Revenue fund which accounts for all resources received under the Education Improvement Act as mandated by the South Carolina Department of Education.

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
EDUCATION IMPROVEMENT ACT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
For the Fiscal Year Ended June 30, 2018**

**REVENUES**

**3000 Revenue From State Sources**

3500 Educational Improvement Act	
3502 ADEPT	\$ 4,747
3505 Technology Support	21,361
3507 Aid to District Technology	100,817
3509 Arts in Education	48,438
3511 Professional Development	53,897
3518 Formative Assessment	17,655
3526 Refurbishment of K-8 Science Kits	2,374
3527 Special Career and Technology Education Equipment	3,292
3528 Industry Certifications/Credentials	8,048
3529 Career and Technology Education	131,713
3532 National Board Salary Supplement	9,503
3533 Teacher of the Year Award	1,077
3538 Student At Risk of School Failure	538,763
3541 Child Development Education Pilot Program	635,144
3550 Teacher Salary Increase	692,907
3555 Teacher Salary Fringe	112,213
3556 Adult Education	151,551
3557 Summer Reading Program	69,085
3558 Reading	30,160
3571 Palmetto Priority Schools	224,100
3577 Teacher Supplies	76,450
3578 High Schools That Work/Making Middle Grades Work	9,160
3587 Maintenance of State Financial Support (MES) Tier I	249,358
3589 Maintenance of State Financial Support (MES) Tier II	49,763
3592 Worked-Based Learning	8,476
3593 Capital Improvement Plan	400,243
3595 EEDA - Supplies and Materials - Career Awareness	<u>13,780</u>

<b>Total State Sources</b>	<u>3,664,075</u>
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<b>TOTAL REVENUE ALL SOURCES</b>	<u>3,664,075</u>
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**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
EDUCATION IMPROVEMENT ACT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
For the Fiscal Year Ended June 30, 2018  
(Continued)**

**EXPENDITURES**

**100 Instruction**

110 General Instruction

112 Primary Programs

100 Salaries	\$ 35,341
200 Employee Benefits	15,153
400 Supplies and Materials	7,975

113 Elementary Programs

100 Salaries	215,260
200 Employee Benefits	62,930
300 Purchased Services	79,915
400 Supplies and Materials	77,008

114 High School Programs

100 Salaries	124,499
200 Employee Benefits	17,402
400 Supplies and Materials	23,586

115 Career and Technology Education Programs

300 Purchased Services	8,048
400 Supplies and Materials	136,655

120 Exceptional Programs

122 Trainable Mentally Handicapped

100 Salaries	1,800
300 Purchased Services	19,000

126 Speech Handicapped

100 Salaries	10,000
400 Supplies and Materials	825

127 Learning Disabilities

100 Salaries	13,200
400 Supplies and Materials	238,154

140 Special Programs

147 CDEPP

100 Salaries	361,243
200 Employee Benefits	164,869
400 Supplies and Materials	957

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
EDUCATION IMPROVEMENT ACT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
For the Fiscal Year Ended June 30, 2018  
(Continued)**

170 Summer School Program

171 Primary Summer School

100 Salaries	\$	43,917
200 Employee Benefits		11,198
300 Purchased Services		100
400 Supplies and Materials		12,218

175 Instructional Programs Beyond Regular School Day

100 Salaries		5,706
200 Employee Benefits		619

180 Adult/Continuing Educational Programs

181 Adult Basic Education Programs

100 Salaries		4,228
200 Employee Benefits		1,319
400 Supplies and Materials		151

182 Adult Secondary Education Programs

100 Salaries		(1,800)
200 Employee Benefits		(790)

188 Parenting/Family Literacy

400 Supplies and Materials		<u>136</u>
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**Total Instruction**

1,690,822

**200 Support Services**

210 Pupil Services

212 Guidance Services

300 Purchased Services		5,114
400 Supplies and Materials		8,666

213 Guidance Services

100 Salaries		13,281
200 Employee Benefits		9,756

214 Psychological Services

100 Salaries		15,000
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220 Instructional Staff Services

221 Improvement of Instruction - Curriculum Development

400 Supplies and Materials		17,655
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222 Library and Media

100 Salaries		7,500
200 Employee Benefits		2,003

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
EDUCATION IMPROVEMENT ACT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
For the Fiscal Year Ended June 30, 2018  
(Continued)**

223 Supervision of Special Programs		
100 Salaries	\$	111,592
200 Employee Benefits		44,028
300 Purchased Services		824
224 Improvement of Instruction - In-service and Staff Training		
100 Salaries		1,330
200 Employee Benefits		322
300 Purchased Services		98,898
400 Supplies and Materials		28,269
230 General Administrative Services		
233 School Administration		
100 Salaries		64,346
200 Employee Benefits		26,465
300 Purchased Services		7,810
250 Finance and Operations Services		
253 Facilities Acquisition and Construction		
500 Capital Outlay		400,242
254 Operation and Maintenance of Plant		
100 Salaries		75
200 Employee Benefits		20
300 Purchased Services		380
260 Central Support Services		
266 Technology and Data Processing Services		
300 Purchased Services		17,878
400 Supplies and Materials		3,484
500 Capital Outlay		100,817
		<hr/>
<b>Total Support Services</b>		<b><hr/>985,755</b>

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY**  
**KINGSTREE, SOUTH CAROLINA**  
**EDUCATION IMPROVEMENT ACT**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**For the Fiscal Year Ended June 30, 2018**  
**(Continued)**

**400 Other Charges**

410 Intergovernmental Expenditures

416 Payments to Public Charter Schools

720 Transits

\$ 272,096

**Total Intergovernmental**

272,096

**TOTAL EXPENDITURES**

2,948,673

**OTHER FINANCING SOURCES (USES)**

**Interfund Transfers, From (To) Other Funds:**

420-710 Transfer to General Fund

(715,402)

**TOTAL OTHER FINANCING SOURCES (USES)**

(715,402)

**Excess of Revenues Over Expenditures**

-

**Fund Balance, July 1, 2017**

-

**Fund Balance, June 30, 2018**

\$ -



**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
EDUCATION IMPROVEMENT ACT  
SUMMARY SCHEDULE BY PROGRAM  
For the Fiscal Year Ended June 30, 2018**

<b>PROGRAM</b>	<u>Revenues</u>	<u>Expenditures</u>	EIA Interfund Transfers <u>In/(Out)</u>	Other Fund Transfers <u>In/(Out)</u>	<u>Deferred Revenue</u>
3500 Educational Improvement Act					
3502 ADEPT	\$ 4,747	\$ 4,747	\$ -	\$ -	\$ 23,309
3505 Technology Support	21,361	21,361	-	-	-
3507 Aid to District Technology	100,817	100,817	-	-	3,939
3509 Arts in Education	48,438	48,438	-	-	6,064
3511 Professional Development	53,897	53,897	-	-	-
3512 Technology Professional Development	-	-	-	-	8,965
3518 Formative Assessment	17,655	17,655	-	-	25,651
3519 Grade 10 Assessments	-	-	-	-	8,735
3525 Career and Technology Education Equipment	-	-	-	-	71,532
3526 Refurbishment of K-8 Science Kits	2,374	2,374	-	-	79,016
3527 Special Career and Technology Education Equipment	3,292	3,292	-	-	8,280
3528 Industry Certifications/Credentials	8,048	8,048	-	-	24,189
3529 Career and Technology Education	131,713	131,713	-	-	4,418
3532 National Board Salary Supplement	9,503	9,503	-	-	-
3533 Teacher of the Year Award	1,077	1,077	-	-	-
3535 Reading Coaches	-	-	-	-	8,000
3538 Student At Risk of School Failure	538,763	538,763	-	-	191,561
3541 Child Development Education Pilot Program	635,144	635,144	-	-	142,242
3544 High Achieving Students	-	-	-	-	-
3550 Teacher Salary Increase	692,907	77,840	-	(615,067)	-
3555 Teacher Salary Fringe	112,213	11,878	-	(100,335)	-
3556 Adult Education	151,551	151,551	-	-	-
3557 Summer Reading Program	69,085	69,085	-	-	8,117
3558 Reading	30,160	30,160	-	-	-
3568 EAA Technical Assistance	-	-	-	-	-
3571 Palmetto Priority Schools	224,100	224,100	-	-	1,068,837
3577 Teacher Supplies	76,450	76,450	-	-	-
3578 High Schools That Work/Making Middle Grades Work	9,160	9,160	-	-	12,858
3587 Maintenance of State Financial Support (MES) Tier I	249,358	249,358	-	-	-
3589 Maintenance of State Financial Support (MES) Tier II	49,763	49,763	-	-	625,153
3592 Worked-Based Learning	8,476	8,476	-	-	-
3593 Capital Improvement Plan	400,243	400,243	-	-	599,758
3595 EEDA - Supplies and Materials - Career Awareness	13,780	13,780	-	-	1,044
3597 Aid to Districts	-	-	-	-	72,878
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>72,878</u>
<b>Total</b>	<u>\$ 3,664,075</u>	<u>\$ 2,948,673</u>	<u>\$ -</u>	<u>\$ (715,402)</u>	<u>\$ 2,994,546</u>

## DEBT SERVICE FUND

Debt Service Fund – District accounts for and reports resources that are restricted, committed or assigned to expenditure for principal and interest on general long- term debt. These funds are administered by the Williamsburg County Treasurer.

Debt Service Fund – EFC accounts for and reports resources that restricted, committed, or assigned to principal, interest, and related costs for the long-term debt of the SCAGO Education Facilities Corporation (EFC) for School District of Williamsburg County.

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
DEBT SERVICE FUND- DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
For the Fiscal Year Ended June 30, 2018**

**REVENUES**

**1000 Revenues From Local Sources**

1100 Taxes		
1110 Ad Valorem Taxes - Including Delinquent	\$	2,662,075
1140 Penalties and Interest on Taxes		232,792
1200 Revenue From Local Governmental Units Other Than LEA		
1280 Revenue in Lieu of Taxes		557,515
1500 Earnings on Investments		
1510 Interest on Investments		<u>7,934</u>
<b>Total Local Sources</b>		<u>3,460,316</u>

**3000 Revenues From State Sources**

3800 State Revenue in Lieu of Taxes		
3820 Homestead Exemption (Tier 2)		246,202
3830 Merchant Inventory Tax		13,584
3840 Manufacturers Depreciation Reimbursement		228,361
3890 Other State Property Tax Revenues		<u>15,326</u>
<b>Total State Sources</b>		<u>503,473</u>

<b>TOTAL REVENUES ALL SOURCES</b>		<u>3,963,789</u>
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**EXPENDITURES**

500 Debt Service		
610 Redemption of Principal		1,103,000
620 Interest		174,951
690 Other Objects		<u>47,881</u>
<b>Total Debt Service</b>		<u>1,325,832</u>

<b>TOTAL EXPENDITURES</b>		<u>1,325,832</u>
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**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY**  
**KINGSTREE, SOUTH CAROLINA**  
**DEBT SERVICE FUND- DISTRICT**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**For the Fiscal Year Ended June 30, 2018**  
**(Continued)**

**OTHER FINANCING SOURCES (USES)**

5120 Proceeds of General Obligation Bonds	\$	2,100,000
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**Interfund Transfers, From (To) Other Funds:**

423-710 Transfer to Debt Service - EFC Fund		(918,657)
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424-710 Transfer to Capital Projects Fund		(2,312,016)
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<b>TOTAL OTHER FINANCING SOURCES (USES)</b>		<u>(1,130,673)</u>
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<b>Excess of Revenues Over Expenditures</b>		1,507,284
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<b>Fund Balance, July 1, 2017</b>		<u>1,202,094</u>
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<b>Fund Balance, June 30, 2018</b>	\$	<u><u>2,709,378</u></u>
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**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
DEBT SERVICE FUND- EFC  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
For the Fiscal Year Ended June 30, 2018**

**REVENUES**

**1000 Revenues From Local Sources**

1500 Earnings on Investments	
1510 Interest on Investments	\$ 2,468
1900 Other Revenue from Local Sources	
1999 Revenue from Other Local Sources	<u>17,204</u>
<b>Total Local Sources</b>	<u>19,672</u>

<b>TOTAL REVENUES ALL SOURCES</b>	<u>19,672</u>
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**EXPENDITURES**

500 Debt Service	
610 Redemption of Principal	345,000
620 Interest	646,456
690 Other Objects	<u>13,023</u>
<b>Total Debt Service</b>	<u>1,004,479</u>

<b>TOTAL EXPENDITURES</b>	<u>1,004,479</u>
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**OTHER FINANCING SOURCES (USES)**

**Interfund Transfers, From (To) Other Funds:**

5240 Transfer from Debt Service Fund - District	918,657
5250 Transfer from Capital Projects Fund	261,277
424-710 Transfer to Capital Projects Fund	<u>(195,000)</u>

<b>TOTAL OTHER FINANCING SOURCES</b>	<u>984,934</u>
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<b>Excess of Revenues Over Expenditures</b>	127
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<b>Fund Balance, July 1, 2017</b>	<u>145</u>
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<b>Fund Balance, June 30, 2018</b>	<u><u>\$ 272</u></u>
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## CAPITAL PROJECT FUNDS

Capital Projects Fund (School Building Fund) accounts for and report financial resources that are restricted, committed or assigned to expenditure for the expansion or improvement of the facilities of the School District. Primary sources of revenues are state aid based upon a per pupil allocation and general obligation bond sales.

Capital Projects Fund (School Building Fund) – EFC accounts for resources used for the expansion or improvement of the facilities of the SCAGO Education Facilities Corporation (EFC) for School District of Williamsburg County.

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
CAPITAL PROJECTS FUND-DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
For the Fiscal Year Ended June 30, 2018**

	<u>State</u>	<u>QZAB 2008A</u>	<u>QZAB 2008B</u>	<u>TOTAL</u>
<b>REVENUES</b>				
<b>1000 Revenues From Local Sources</b>				
1100 Taxes:				
1110 Ad Valorem Taxes - Including Delinquent				
1140 Penalties & Interest on Taxes				
1500 Earnings on Investments				
1510 Interest on Investments	\$ 20	\$ 22,820	\$ 82	\$ 22,922
<b>TOTAL REVENUES ALL SOURCES</b>	<u>20</u>	<u>22,820</u>	<u>82</u>	<u>22,922</u>
<b>EXPENDITURES</b>				
250 Finance and Operations Services				
253 Facilities Acquisition & Construction				
400 Supplies and Materials	4,325	-	-	4,325
500 Capital Outlay	2,189,447	-	-	2,189,447
500 Debt Service				
610 Redemption of Principal	59,000	-	-	59,000
620 Interest	3,840	-	-	3,840
<b>TOTAL EXPENDITURES</b>	<u>2,256,612</u>	<u>-</u>	<u>-</u>	<u>2,256,612</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
<b>Interfund Transfers, From (To) Other Funds:</b>				
5240 Transfer from Debt Service	1,628,571	422,168	-	2,050,739
<b>TOTAL OTHER FINANCING SOURCES</b>	<u>1,628,571</u>	<u>422,168</u>	<u>-</u>	<u>2,050,739</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	(628,021)	444,988	82	(182,951)
<b>Fund Balance, July 1, 2017</b>	<u>1,618,008</u>	<u>2,777,776</u>	<u>9,455</u>	<u>4,405,239</u>
<b>Fund Balance, June 30, 2018</b>	<u>\$ 989,987</u>	<u>\$ 3,222,764</u>	<u>\$ 9,537</u>	<u>\$ 4,222,288</u>

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
CAPITAL PROJECTS FUND-EFC  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
For the Fiscal Year Ended June 30, 2018**

**REVENUES**

**1000 Revenues From Local Sources**

1500 Earnings on Investments	
1510 Interest on Investments	\$ 124

<b>Total Local Sources</b>	<u>124</u>
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<b>TOTAL REVENUES ALL SOURCES</b>	<u>124</u>
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**EXPENDITURES**

250 Finance and Operations Services	
253 Facilities Acquisition & Construction	
300 Purchased Services	<u>-</u>

<b>TOTAL EXPENDITURES</b>	<u>-</u>
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**OTHER FINANCING SOURCES (USES)**

<b>Interfund Transfers, From (To) Other Funds:</b>	
5240 Transfer from School Debt Service Fund - District	<u>195,000</u>

<b>TOTAL OTHER FINANCING SOURCES</b>	<u>195,000</u>
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<b>Excess of Revenues Over Expenditures</b>	195,124
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<b>Fund Balance, July 1, 2017</b>	<u>127,410</u>
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<b>Fund Balance, June 30, 2018</b>	<u><u>\$ 322,534</u></u>
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## ENTERPRISE FUND

The enterprise fund is used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the government's council is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the government's council has decided that periodic determination of net income is appropriate for accountability purposes. The enterprise fund accounts for the revenues and expenditures of the school lunch program.

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
FOOD SERVICE FUND  
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
For the Fiscal Year Ended June 30, 2018**

**REVENUES**

**1000 Revenue From Local Sources**

1600 Food Service		
1610 Lunch Sales to Pupils	\$	7
1620 Breakfast Sales to Pupils		4
1630 Special Sales to Pupils		12,852
1640 Lunch Sales to Adults		54,117
1650 Breakfast Sales to Adults		6,375
1660 Special Sales to Adults		34,213
1900 Other Revenue from Local Sources		
1999 Revenue from Other Local Sources		<u>127,616</u>
<b>Total Revenue From Local Sources</b>		<u>235,184</u>

**3000 Revenues From State Sources**

3100 State Revenue in Lieu of Taxes		
3140 School Lunch		
3142 Program Aid		<u>227</u>
<b>Total Revenue From State Sources</b>		<u>227</u>

**4000 Revenue From Federal Sources**

4800 USDA Reimbursement		
4810 School Lunch Program		1,956,932
4830 School Breakfast Program		874,686
4860 Fresh Fruits and Vegetables Program		102,827
4900 Other Federal Sources		
4991 USDA Commodities		<u>184,569</u>
<b>Total Revenue From Federal Sources</b>		<u>3,119,014</u>
<b>TOTAL REVENUE ALL SOURCES</b>		<u>3,354,425</u>

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
FOOD SERVICE FUND  
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
For the Fiscal Year Ended June 30, 2018  
(Continued)**

**EXPENSES**

256 Food Service	
100 Salaries	\$ 1,120,353
200 Employee Benefits	(6,130)
300 Purchased Services	95,239
400 Supplies and Materials	1,359,180
500 Capital Outlay	111,441
600 Other Objects	<u>5,568</u>
 <b>TOTAL EXPENSES</b>	 <u>2,685,651</u>

**OTHER FINANCING SOURCES (USES)**

**Interfund Transfers, From (To) Other Funds**

420-710 Transfer to General Fund (Excludes Indirect Costs)	(155,898)
432-791 Food Service Indirect Cost	<u>(201,551)</u>

<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(357,449)</u>
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<b>Change in Net Position</b>	311,325
<b>Net Position, July 1, 2017</b>	<u>504,671</u>
<b>Net Position, June 30, 2018</b>	<u><u>\$ 815,996</u></u>

## FIDUCIARY FUNDS

Agency funds are used to account for revenues and expenditures of student groups and the operations of school functions directly supported by students.

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY**  
**KINGSTREE, SOUTH CAROLINA**  
**AGENCY FUND**  
**PUPIL ACTIVITY FUNDS**  
**SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN DUE TO STUDENT**  
**ORGANIZATIONS**  
**For the Fiscal Year Ended June 30, 2018**

**RECEIPTS**

**1000 Receipts From Local Sources**

1400 Transportation Fees	
1410 Transportation Fee from Patrons for Regular Day School	\$ 15,999
1500 Earnings on Investments	
1510 Interest on Investments	342
1700 Pupil Activities	
1710 Admissions	277,123
1720 Bookstore Sales	72,472
1730 Pupil Organization Membership	142,549
1740 Student Fees	21,995
1790 Other	<u>301,696</u>

<b>Total Receipts From Local Sources</b>	<u>832,176</u>
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<b>TOTAL RECEIPTS ALL SOURCES</b>	<u>832,176</u>
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**DISBURSEMENTS**

190 Instructional Pupil Activity	
660 Pupil Activity	39,077
270 Supporting Services Pupil Activity	
271 Pupil Service Activities	
660 Pupil Activity	684,236
272 Enterprise Activities	
660 Pupil Activity	<u>96,479</u>

<b>TOTAL DISBURSEMENTS</b>	<u>819,792</u>
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<b>Excess of Revenues Over Expenditures</b>	12,384
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<b>Due to Student Organizations, July 1, 2017</b>	<u>214,967</u>
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<b>Due to Student Organizations, June 30, 2018</b>	<u><u>\$ 227,351</u></u>
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MISCELLANEOUS SCHEDULES

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
LOCATION RECONCILIATION  
June 30, 2018**

<u>Location ID</u>	<u>Location Description</u>	<u>Education Level</u>	<u>Cost Type</u>	<u>Total Expenditures</u>
0	Districtwide	Non-Schools	Central	\$ 6,104,332
11	KSHE	High Schools	School	4,783,567
12	KMS	Middle Schools	School	3,153,738
13	St. Mark	Non-Schools	Central	-
15	KGES	Elementary Schools	School	3,086,574
16	WMAES	Elementary Schools	School	3,567,466
17	Special Service	Non-Schools	Central	2,450,785
18	HES	Elementary Schools	School	3,563,032
20	HHS	High Schools	School	3,158,726
21	MS of the A	Elementary Schools	School	100,963
22	HAM	Middle Schools	School	1,458,552
27	DP Cooper	Elementary Schools	School	4,999,089
30	GES	Elementary Schools	School	2,201,630
31	CEMHS	High Schools	School	5,057,554
32	Finance	Non-Schools	Central	4,088,821
33	Instruction Dept	Non-Schools	Central	4,464,411
35	HCTC	Non-Schools	Central	666,181
38	Supt/County Board	Non-Schools	Central	671,036
40	KAA	Non-Schools	Central	3,493,122
41	Maintenance	Non-Schools	Central	1,418,846
<b>TOTAL EXPENDITURES/DISBURSEMENTS FOR ALL FUNDS</b>				<b>\$ 58,488,425</b>

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

General Fund	\$ 35,365,350
Special Revenue Fund	7,685,734
Special Revenue EIA Fund	3,664,075
Debt Service Funds	5,755,984
Capital Project Funds	2,256,612
Food Service Fund	2,940,878
Pupil Activity Fund	819,792
<b>TOTAL EXPENDITURES/DISBURSEMENTS FOR ALL FUNDS</b>	<b>\$ 58,488,425</b>

## COMPLIANCE SECTION



**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Fiscal Year Ended June 30, 2018**

LEA Subfund Code	Federal Grantor/ Pass-Through Grantor Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Total Expenditures
<b>U.S. DEPARTMENT OF EDUCATION</b>				
Passed Through SDE:				
201	Title I	84.010	H63010100118	\$ 3,290,844
221	Title I State Program Improvement	84.010	H63010100118	4,431
238	Title I State Program Improvement	84.010	H63010100117	114,845
	TOTAL 84.010			\$ 3,410,120
203	IDEA	84.027	H63010100918 *	1,788,591
205	IDEA Preschool	84.173	H63010100818 *	45,041
	TOTAL 84.027 and 84.173			\$ 1,833,632
207	Perkins Aid, Title I (Subprogram 01)	84.048	H63010107118	
207	Perkins Aid, Title I (Subprogram 04)	84.048	H63010107118	
207	Perkins Aid, Title I (Subprogram 05)	84.048	H63010107118	
207	Perkins Aid, Title I (Subprogram 06)	84.048	H63010107118	
207	Perkins Aid, Title I (Subprogram 10)	84.048	H63010107118	
207	Perkins Aid, Title I (Subprogram 14)	84.048	H63010107118	
	TOTAL 84.048			132,627
251	Rural and Low Income School Program, Title VI	84.358	H63010007018	44,209
	TOTAL 84.358			\$ 44,209
267	Improving Teacher Quality	84.367A	H63010006818	412,456
	TOTAL 84.367A			\$ 412,456
243	Adult Education	84.002	H63010101018	38,550
224	21st Century Learning	84.287	H63010006918 *	1,158,956
285	South Carolina GEAR UP	84.335	N/A	<u>513,191</u>
	<b>TOTAL U.S. DEPARTMENT OF EDUCATION</b>			<u>7,543,741</u>

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Fiscal Year Ended June 30, 2018  
(Continued)**

<u>LEA Subfund Code</u>	<u>Federal Grantor/ Pass-Through Grantor Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>Total Expenditures</u>
<b>OTHER FEDERAL ASSISTANCE</b>				
<b>U.S. DEPARTMENT OF AGRICULTURE</b>				
Passed Through SDE:				
600	Commodities/Food Distribution	10.550	N/A *	\$ 184,569
600	School Breakfast Program	10.553	N/A *	915,120
600	School Lunch & After School Snacks Program	10.555	N/A *	1,916,499
600	USDA Fresh Fruits and Vegetables	10.582	N/A *	<u>102,826</u>
<b>TOTAL U.S. DEPARTMENT OF AGRICULTURE</b>				<u>3,119,014</u>
<b>U.S. DEPARTMENT OF DEFENSE</b>				
Direct Program:				
270	Army ROTC	12.000	N/A	<u>168,328</u>
<b>TOTAL U. S. DEPARTMENT OF DEFENSE</b>				<u>168,328</u>
<b>TOTAL FEDERAL ASSISTANCE EXPENDED</b>				<u>\$ 10,831,083</u>

\* Tested as Major Program

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY**  
**KINGSTREE, SOUTH CAROLINA**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the Fiscal Year Ended June 30, 2018**

- Note 1. The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal award programs of School District of Williamsburg County for the year ended June 30, 2018. All federal awards received directly from federal agencies as well as those passed through other government agencies are included on the Schedule.
- Note 2. The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in the notes to the School District's basic financial statements.
- Note 3. Federal award expenditures are reported in the School District's basic financial statements as expenditures in the Special Revenue Fund and Proprietary Fund.
- Note 4. Non-monetary assistance is reported in the schedule at the fair market value of the commodities received and disbursed.
- Note 5. Differences between the amount of revenue received from federal awards and the related expenditures are recognized as either deferred revenue or receivables in the basic financial statements. The amounts recorded on the Schedule of Expenditures of Federal Awards agree with the amounts recorded in the basic financial statements.

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November 30, 2018

## **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***

Honorable Members of the School District Council Williamsburg  
Kingstree, South Carolina

We have audited, in accordance with the 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, each major fund, and the aggregate remaining fund information of School District of Williamsburg County, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise School District of Williamsburg County's basic financial statements and have issued our report thereon dated November 30, 2018.

### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered School District of Williamsburg County internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of School District of Williamsburg County internal control. Accordingly, we do not express an opinion on the effectiveness of School District of Williamsburg County 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 as that there is a reasonable possibility that a material misstatement of the entity'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 to those charged with governance.

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

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether School District of Williamsburg County's financial statements are free of 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 determination of financial statement amounts. 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*.

### **School District of Williamsburg County Response to Findings**

School District of Williamsburg County response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. School District of Williamsburg County response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### **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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Sheheen, Hancock & Godwin, LLP*

Sheheen, Hancock and Godwin, LLP  
Camden, South Carolina

**SHEHEEN, HANCOCK & GODWIN, LLP**

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November 30, 2018

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

Honorable Members of the School District Council Williamsburg  
Kingstree, South Carolina

**Report on Compliance for Each Major Federal Program**

We have audited School District of Williamsburg County compliance with the types of compliance requirements described in the *OMB Circular Compliance Supplement* that could have a direct and material effect on each of School District of Williamsburg County major federal programs for the year ended June 30, 2017. School District of Williamsburg County major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Managements is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal programs.

***Auditor's Responsibility***

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

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

### ***Opinion on Each Major Federal Program***

In our opinion, School District of Williamsburg County's, 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, 2018.

### **Report on Internal Control Over Compliance**

Management of School District of Williamsburg County is responsible for establishing and maintaining effective internal control over compliance with the types of requirements referred to above. In planning and performing our audit, we considered School District of Williamsburg County internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of School District of Williamsburg County internal control over compliance.

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

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

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

*Sheheen, Hancock & Godwin, LLP*

Sheheen, Hancock and Godwin, LLP  
Camden, South Carolina

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For the Fiscal Year Ended June 30, 2018**

**A. SUMMARY OF RESULTS**

1. The financial statement opinion is unqualified.
2. No significant deficiency in internal control over financial reporting were disclosed by the audit of the financial statements. Four deficiencies were considered to be a material weaknesses.
3. The audit disclosed no instances of noncompliance to the financial statements for the School District of Williamsburg County.
4. No material weaknesses in internal control over major programs were disclosed by the audit. No significant deficiencies in internal control over major programs were disclosed by the audit.
5. We have issued an unqualified report on compliance for major programs.
6. The audit disclosed no audit findings.
7. Major programs are as follows:  
  
**U. S. Department of Education:**  
IDEA Cluster – CFDA 84.027  
21<sup>st</sup> Century Learning – CFDA 84.287  
School Breakfast – CFDA 10.553  
School Lunch – CFDA 10.555  
Commodities – CFDA 10.550  
Fresh Fruit and Vegetables – CFDA 10.582
8. Type A programs are those exceeding \$750,000. Type B programs are those not exceeding \$750,000.
9. School District of Williamsburg County did not qualify as a low-risk auditee.



**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
SUMMARY SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For the Fiscal Year Ended June 30, 2018  
(Continued)**

**B. FINDINGS RELATED TO FINANCIAL STATEMENTS**

**NONE**

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY  
KINGSTREE, SOUTH CAROLINA  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
For the Fiscal Year Ended June 30, 2018**

**A. FINDINGS – FINANCIAL STATEMENTS AUDIT**

*17-1 Oversight of Compliance Regulations regarding CATE Program*

The School District did not maintain detail property records of all Career and Technology Education Equipment during the fiscal year, in accordance with SC Department of Education guidelines. In addition, a physical inventory has not been taken on all Career and Technology Education Equipment in some time.

Corrective Action was taken.

*17-2 Procurement Policies*

All purchase orders should be prepared before an item is ordered.

Corrective Action was taken.

*17-3 Oversight of the Financial Reporting Process*

The School District should have a system of internal controls that would enable management to conclude that the financial statements and the related disclosures are complete and presented in accordance with generally accepted accounting principles.

Corrective Action was taken.