

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
ANNUAL FINANCIAL REPORT
Fiscal Year Ended June 30, 2022**

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended June 30, 2022**

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November 30, 2022

INDEPENDENT AUDITOR'S REPORT

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

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, 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, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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, each major fund, and the aggregate remaining fund information of the School District of Williamsburg County as of June 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the School District of Williamsburg County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair

presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information for the General Fund on pages 4 through 11 and 65, 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 66-67 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.

Supplementary 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 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 nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2022, 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, 2022**

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, 2022. 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

We based our budget on \$2,425 base student cost. We had some cuts in Federal and State Restricted Funds. 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, 2022, was \$(34,631,195).

Revenues and Expenditures: Revenues and other financing sources totaled \$64,672,891 and expenditures and other financing uses totaled \$66,929,031 for all Governmental Funds at the fund level. Accordingly, expenditures and other financing uses exceeded revenues and other financing sources by \$2,256,140.

General Fund/Fund Balance: On June 30, 2021, our principal operating fund, the General Fund, had a fund balance of \$9,301,330. The current year revenues and other financing sources exceeded expenditures and other financing uses creating an increase for the year of \$2,168,605. This increased the fund balance to \$11,469,935 as of June 30, 2022

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. As of June 30, 2022, the District had paid off approximately \$7,073,645 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, 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
KINGSTREE, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year Ended June 30, 2022
(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 two categories: governmental and proprietary.

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
KINGSTREE, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year Ended June 30, 2022
(Continued)**

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 23 through 55 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 65-67 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 \$34,631,195 as of June 30, 2022.

By far, the largest portion of the District's net position (185%) 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, 2022
(Continued)**

The following table presents a summary of the District's net position for the fiscal years ended June 30, 2022, and, June 30, 2021

	<u>2022</u>	<u>2021</u>	<u>Change</u>
Current and Other Assets	\$ 31,381,074	\$ 24,385,764	\$ 6,995,310
Capital Assets	42,543,121	44,933,668	(2,390,547)
Deferred Outflows	<u>16,237,761</u>	<u>13,874,899</u>	<u>2,362,862</u>
Total Assets and Deferred Outflows	<u>90,161,956</u>	<u>83,194,331</u>	<u>6,967,625</u>
Long Term Debt Outstanding	95,255,341	104,176,932	(8,921,591)
Other Liabilities	14,364,721	5,558,281	8,806,440
Deferred Inflows	<u>15,173,089</u>	<u>12,903,658</u>	<u>2,269,431</u>
Total Liabilities and Deferred Inflows	<u>124,793,151</u>	<u>122,638,871</u>	<u>2,154,280</u>
Net Investment in Capital Assets	29,398,121	24,715,023	4,683,098
Restricted	2,078,470	6,068,289	(3,989,819)
Unrestricted	<u>(66,107,786)</u>	<u>(70,227,852)</u>	<u>4,120,066</u>
Total Net Position	<u>\$ (34,631,195)</u>	<u>\$ (39,444,540)</u>	<u>\$ 4,813,345</u>

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

- \$2,417,626 in depreciation expense.
- \$1,345,682 in pension expense.
- \$7,073,645 in principal payments

Changes in net position: The District's total revenues for the fiscal year ended June 30, 2022, were \$60,618,600. The total cost of all programs and services was \$55,805,255. The following table presents a summary of the activity that resulted in changes in net position for the fiscal year ended June 30, 2022.

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year Ended June 30, 2022
(Continued)**

	Governmental <u>Activities</u>	Business-Type <u>Activities</u>	<u>Total</u>
Revenues:			
Program Fees:			
Fees, Fines and Charges for Services	\$ 927,225	\$ 63,650	\$ 990,875
Operating Grants	34,853,846	2,840,141	37,693,987
General Revenues:			
Property Taxes	14,593,659	-	14,593,659
Miscellaneous	518,521	-	518,521
Unrestricted Investment Earnings	42,073	-	42,073
Intergovernmental Revenues	6,779,485	-	6,779,485
Transfer - Food Service Fund	<u>365,098</u>	<u>(365,098)</u>	<u>-</u>
 Total Revenues	 <u>58,079,907</u>	 <u>2,538,693</u>	 <u>60,618,600</u>
 Expenses:			
Instruction	29,970,841	-	29,970,841
Support services	22,092,290	-	22,092,290
Community Services	89,274	-	89,274
Intergovernmental	95,112	-	95,112
Capital Outlay	828,346	-	828,346
Interest and Other Charges	622,449	-	622,449
Food Service	<u>-</u>	<u>2,106,943</u>	<u>2,106,943</u>
 Total Expenses	 <u>53,698,312</u>	 <u>2,106,943</u>	 <u>55,805,255</u>
 Change in Net Position	 4,381,595	 431,750	 4,813,345
 Net Position, Beginning of Year	 <u>(40,511,805)</u>	 <u>1,067,265</u>	 <u>(39,444,540)</u>
 Net Position, End of Year	 <u>\$ (36,130,210)</u>	 <u>\$ 1,499,015</u>	 <u>\$ (34,631,195)</u>

Governmental activities: The following table presents the cost of the six major functional activities: instruction, support services, community 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.

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year Ended June 30, 2022
(Continued)**

	<u>2022</u>		<u>2021</u>	
	Total	Net (Expense)	Total	Net (Expense)
	<u>Expenses</u>	<u>Revenue</u>	<u>Expenses</u>	<u>Revenue</u>
Instruction	\$ 29,970,841	\$ (9,193,596)	\$ 25,081,701	\$ (6,109,760)
Support services	22,092,290	(7,088,464)	21,535,885	(11,536,662)
Community Services	89,274	(89,274)	59,854	(59,854)
Intergovernmental	95,112	(95,112)	267,011	(267,011)
Interest and Other Charges	622,449	(622,449)	724,765	(724,765)
Capital Outlay/Depreciation	<u>828,346</u>	<u>(828,346)</u>	<u>429,916</u>	<u>(429,916)</u>
 Total Expenses	 <u>\$ 53,698,312</u>	 <u>\$ (17,917,241)</u>	 <u>\$ 48,099,132</u>	 <u>\$ (19,127,968)</u>

- The cost of all governmental activities this year was \$53,698,312.
- Net cost of governmental activities \$(17,917,241) was financed by general revenues which are made up primarily of property taxes \$14,593,659 and unrestricted federal and state aid \$6,779,485.

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 \$13,322,526, a decrease of \$2,256,140. Approximately \$11,464,230 (or 86%) 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 increase in the fund balance in the General Fund for the fiscal year was \$2,168,605.

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 \$431,750. Food Service operated a summer feeding program during 2022, 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, 2022
(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, 2022, the District had invested \$42,543,121 (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 \$2,417,626.

The following schedule presents capital asset balances, net of depreciation, for the fiscal years ended June 30, 2022.

	Governmental Activities <u>2022</u>	Business -Type Activities <u>2022</u>	Total <u>2022</u>
Land	\$ 938,198	\$ -	\$ 938,198
Building and Improvements	88,496,922	-	88,496,922
Machinery and Equipment	6,991,052	1,261,716	8,252,768
Accumulated Depreciation	<u>(54,223,515)</u>	<u>(921,252)</u>	<u>(55,144,767)</u>
Total Net Capital Assets	<u>\$ 42,202,657</u>	<u>\$ 340,464</u>	<u>\$ 42,543,121</u>

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 \$95,255,341 in general obligation bonds, capital leases, compensated absences, OPEB liability and pension liability, of which \$1,065,000 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, 2022, and June 30, 2021.

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year Ended June 30, 2022
(Continued)**

	Governmental Activities		Business-Type Activities		Total	
	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>
Long Term Bonds	\$ 20,331,534	\$ 13,257,889	\$ -	\$ -	\$ 20,331,534	\$ 13,257,889
Compensated Absences	199,695	171,296	-	-	199,695	171,296
Net OPEB Liability	38,662,949	44,153,057	-	-	38,662,949	44,153,057
Net Pension Liability	<u>42,830,522</u>	<u>35,740,157</u>	<u>2,152,232</u>	<u>1,932,942</u>	<u>44,982,754</u>	<u>37,673,099</u>
Total Net Assets	<u>\$ 102,024,700</u>	<u>\$ 93,322,399</u>	<u>\$ 2,152,232</u>	<u>\$ 1,932,942</u>	<u>\$ 104,176,932</u>	<u>\$ 95,255,341</u>

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 7 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 2020. 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 2021-2022 budget. The base student cost for 2022-2023 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 2022-2023 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 500 N. Academy Street, Kingstree, South Carolina 29556 (telephone 843-355-5571).

SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
STATEMENT OF NET POSITION
June 30, 2022

	<u>Governmental</u> <u>Activities</u>	<u>Business-Type</u> <u>Activities</u>	<u>Total</u>
Assets			
Cash and Cash Equivalents	\$ 19,594,190	\$ 1,934	\$ 19,596,124
Cash and Cash Equivalents , Restricted	232,472	-	232,472
Cash with County Treasurer/Fiscal Agent	2,120,768	-	2,120,768
Property Taxes Receivable, Net	800,546	-	800,546
Due from other Governmental Units	7,931,306	61,441	7,992,747
Prepaid Expense	219,761	-	219,761
Other Receivables	328,381	61,296	389,677
Internal Balances	(3,046,883)	3,046,883	-
Inventories - Supplies and Materials	-	28,979	28,979
Capital Assets:			
Land and Improvements	938,198	-	938,198
Buildings and Improvements	88,496,922	-	88,496,922
Vehicles and Equipment	6,991,052	1,261,716	8,252,768
Less: Accumulated Depreciation	<u>(54,223,515)</u>	<u>(921,252)</u>	<u>(55,144,767)</u>
Total Capital Assets, Net of Depreciation	<u>42,202,657</u>	<u>340,464</u>	<u>42,543,121</u>
 Total Assets	 <u>70,383,198</u>	 <u>3,540,997</u>	 <u>73,924,195</u>
Deferred Outflows of Resources			
Deferred OPEB Charges	9,960,778	-	9,960,778
Deferred Pension Chagres	<u>5,932,008</u>	<u>344,975</u>	<u>6,276,983</u>
 Total Deferred Outflows of Resources	 <u>15,892,786</u>	 <u>344,975</u>	 <u>16,237,761</u>
 Total Assets and Deferred Outflows of Resources	 <u>\$ 86,275,984</u>	 <u>\$ 3,885,972</u>	 <u>\$ 90,161,956</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, 2022
(Continued)

	<u>Governmental</u> <u>Activities</u>	<u>Business-Type</u> <u>Activities</u>	<u>Total</u>
Liabilities			
Accounts Payable and Accrued Expenses	\$ 1,035,098	\$ -	\$ 1,035,098
Accrued Personnel Costs	3,440,146	-	3,440,146
Accrued Interest Payable	42,203	-	42,203
Unearned Revenue	9,686,189	-	9,686,189
Due to Other Governmental Units	161,085	-	161,085
Long-Term Liabilities:			
Due Within One Year:			
IPR Bonds	1,065,000	-	1,065,000
Due in More Than One Year:			
Compensated Absences	171,296	-	171,296
Arbitrage Payable	112,889	-	112,889
Net Pension Liability	35,740,157	1,932,942	37,673,099
Net OPEB Liability	44,153,057	-	44,153,057
IPR Bonds	<u>12,080,000</u>	<u>-</u>	<u>12,080,000</u>
 Total Liabilities	 <u>107,687,120</u>	 <u>1,932,942</u>	 <u>109,620,062</u>
 Deferred Inflows of Resources			
Deferred Gain on Bond Refunding	279,347	-	279,347
Unavailable Revenue - Grant	-	125,065	125,065
Deferred OPEB Credits	6,980,840	-	6,980,840
Deferred Pension Credits	<u>7,458,887</u>	<u>328,950</u>	<u>7,787,837</u>
 Total Deferred Inflows of Resources	 <u>14,719,074</u>	 <u>454,015</u>	 <u>15,173,089</u>
 Total Liabilities and Deferred Inflows of Resources	 <u>122,406,194</u>	 <u>2,386,957</u>	 <u>124,793,151</u>
 Net Position			
Net Investment in Capital Assets	29,057,657	340,464	29,398,121
Restricted for:			
Debt Service	2,078,470	-	2,078,470
Unrestricted	<u>(67,266,337)</u>	<u>1,158,551</u>	<u>(66,107,786)</u>
 Total Net Position	 <u>\$ (36,130,210)</u>	 <u>\$ 1,499,015</u>	 <u>\$ (34,631,195)</u>

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, 2022

<u>Function/Programs</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Assets</u>		
Primary Government	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Primary Government		
				Governmental Activities	Business-Type Activities	Total
Governmental Activities						
Instruction	\$ 29,970,841	\$ 38,350	\$ 20,738,895	\$ (9,193,596)	\$ -	\$ (9,193,596)
Support Services	22,092,290	888,875	14,114,951	(7,088,464)	-	(7,088,464)
Community Services	89,274	-	-	(89,274)	-	(89,274)
Intergovernmental	95,112	-	-	(95,112)	-	(95,112)
Interest and Other Charges	622,449	-	-	(622,449)	-	(622,449)
Capital Outlay	828,346	-	-	(828,346)	-	(828,346)
Total Governmental Activities	53,698,312	927,225	34,853,846	(17,917,241)	-	(17,917,241)
Business-Type Activities						
Food Service	2,106,943	63,650	2,840,141	-	796,848	796,848
Total Business-Type Activities	2,106,943	63,650	2,840,141	-	796,848	796,848
Total Primary Government	\$ 55,805,255	\$ 990,875	\$ 37,693,987	(17,917,241)	796,848	(17,120,393)
General Revenues and Transfers						
Property Taxes Levied for:						
General Purposes				10,704,949	-	10,704,949
Debt Service				3,888,710	-	3,888,710
Investment Earnings				42,073	-	42,073
Federal and State Aid Not Restricted to Specific Purposes				6,779,485	-	6,779,485
Other Local Sources				518,521	-	518,521
Transfers - Food Service				365,098	(365,098)	-
Total General Revenues and Transfers				22,298,836	(365,098)	21,933,738
Change in Net Position				4,381,595	431,750	4,813,345
Net Position, Beginning of Year				(40,511,805)	1,067,265	(39,444,540)
Net Position, End of Year				\$ (36,130,210)	\$ 1,499,015	\$ (34,631,195)

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, 2022

	<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>
Assets						
Cash and Cash Equivalents	\$ 19,380,134	\$ 214,056	\$ -	\$ -	\$ -	\$ 19,594,190
Cash and Cash Equivalents, Restricted	-	-	-	-	232,472	232,472
Cash With County Treasurer/Fiscal Agent	31,102	-	-	-	2,089,666	2,120,768
Due from County Treasurer	1,311,501	-	-	-	-	1,311,501
Property Taxes Receivable, Net	557,478	-	-	-	243,068	800,546
Due from Other Funds	6,424,721	7,711,947	1,209,258	-	-	15,345,926
Due from Federal Government	213,344	4,702,830	-	-	-	4,916,174
Due from State Government	124,426	1,189,660	389,545	-	-	1,703,631
Prepaid Expense	219,761	-	-	-	-	219,761
Other Receivables	8,177	125,204	-	-	195,000	328,381
Total Assets	<u>\$ 28,270,644</u>	<u>\$ 13,943,697</u>	<u>\$ 1,598,803</u>	<u>\$ -</u>	<u>\$ 2,760,206</u>	<u>\$ 46,573,350</u>
Liabilities						
Accounts Payable and Accrued Expenses	\$ 1,035,098	\$ -	\$ -	\$ -	\$ -	\$ 1,035,098
Accrued Personnel Costs	3,440,146	-	-	-	-	3,440,146
Due to State Government	30,249	130,836	-	-	-	161,085
Due to Other Funds	11,968,088	5,487,836	23,583	792,540	120,762	18,392,809
Unearned Revenue	-	8,110,969	1,575,220	-	-	9,686,189
Total Liabilities	<u>16,473,581</u>	<u>13,729,641</u>	<u>1,598,803</u>	<u>792,540</u>	<u>120,762</u>	<u>32,715,327</u>
Deferred Inflows of Resources						
Unavailable Revenue - Property Taxes	327,128	-	-	-	208,369	535,497
Total Deferred Inflows of Resources	<u>327,128</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>208,369</u>	<u>535,497</u>
Fund Balances						
Non-Spendable:						
Prepaid Expenses	219,761	-	-	-	-	219,761
Restricted						
Debt Service	-	-	-	-	2,078,470	2,078,470
Capital Projects	-	-	-	(792,540)	352,605	(439,935)
Unassigned	11,250,174	214,056	-	-	-	11,464,230
Total Fund Balances	<u>11,469,935</u>	<u>214,056</u>	<u>-</u>	<u>(792,540)</u>	<u>2,431,075</u>	<u>13,322,526</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 28,270,644</u>	<u>\$ 13,943,697</u>	<u>\$ 1,598,803</u>	<u>\$ -</u>	<u>\$ 2,760,206</u>	<u>\$ 46,573,350</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, 2022**

Total Fund Balances - Governmental Funds (Exhibit C)	\$ 13,322,526
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	535,497
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 \$96,426,172 and the accumulated depreciation is \$54,223,515.	42,202,657
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	(279,347)
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.	(42,203)
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.	(1,526,879)
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.	2,979,938
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:	
IPR Bonds	(13,145,000)
Compensated Absences	(171,296)
Arbitrage Rebate	(112,889)
Net Pension Liability	(35,740,157)
Net OPEB Liability	<u>(44,153,057)</u>
Total Net Position - Governmental Activities (Exhibit A)	<u>\$ (36,130,210)</u>

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, 2022

	General	Special Revenue	Education Improvement Act	Capital Projects District	Other Governmental Funds	Total Governmental Funds
Revenues						
Local Property Taxes	\$ 10,845,586	\$ -	\$ -	\$ -	\$ 3,888,710	\$ 14,734,296
Other Local	230,585	1,250,333	-	966	5,935	1,487,819
Total Local	11,076,171	1,250,333	-	966	3,894,645	16,222,115
State	19,918,149	2,645,159	2,996,151	-	711,416	26,270,875
Federal	-	15,362,456	-	-	-	15,362,456
Total Revenues	30,994,320	19,257,948	2,996,151	966	4,606,061	57,855,446
Expenditures						
Current:						
Instruction	16,262,215	12,008,137	1,456,530	-	-	29,726,882
Support Services	15,375,011	5,595,401	752,043	144,136	-	21,866,591
Community Services	89,085	189	-	-	-	89,274
Intergovernmental	18,213	37,899	-	-	-	56,112
Debt Service:						
Principal	-	-	-	5,584,645	1,489,000	7,073,645
Interest and Fees	-	-	-	83,770	573,697	657,467
Other Objects	-	-	-	5,200	43,228	48,428
Capital Outlay	-	-	-	919,285	-	919,285
Total Expenditures	31,744,524	17,641,626	2,208,573	6,737,036	2,105,925	60,437,684
Excess (Deficiency) of Revenues Over (Under) Expenditures	(750,204)	1,616,322	787,578	(6,736,070)	2,500,136	(2,582,238)
Other Financing Sources (Uses)						
Operating Transfers In	2,957,809	-	-	1,882,128	1,977,508	6,817,445
Operating Transfers Out	(39,000)	(1,610,132)	(787,578)	(11,516.00)	(4,043,121)	(6,491,347)
Total Other Financing Sources (Uses)	2,918,809	(1,610,132)	(787,578)	1,870,612	(2,065,613)	326,098
Net Change in Fund Balances	2,168,605	6,190	-	(4,865,458)	434,523	(2,256,140)
Fund Balances, Beginning of Year	9,301,330	207,866	-	4,072,918	1,996,552	15,578,666
Fund Balances, End of Year	\$ 11,469,935	\$ 214,056	\$ -	\$ (792,540)	\$ 2,431,075	\$ 13,322,526

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, 2022**

Total Net Change In Fund Balances - Governmental Funds (Exhibit E) \$ (2,256,140)

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 (\$2,417,626) exceeds capital outlay of \$90,939 in the period.	(2,326,687)
Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.	7,073,645
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 decreased in the current year	(140,637)
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.	(1,345,682)
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.	28,399
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 decreased during the year.	55,512
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	3,456,808
Cost of benefits earned net of employee contributions (pension expense on benefit schedule)	<u>(6,722,059)</u>
	<u>3,265,251</u>
Change in Net Position of Governmental Activities (Exhibit B)	<u>\$ 4,381,595</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
PROPRIETARY FUND
June 30, 2022**

	Enterprise Fund <u>Food Service</u>
Assets	
Current Assets:	
Cash	\$ 1,934
Due from General Fund	3,046,883
Due from State and Federal Governments	61,441
Other Receivables	61,296
Inventories:	
Purchased Food and Supplies	24,844
USDA Inventory	<u>4,135</u>
Total Current Assets	<u>3,200,533</u>
Non-Current Assets:	
Equipment	1,261,716
Less: Accumulated Depreciation	<u>(921,252)</u>
Total Non-Current Assets	<u>340,464</u>
Total Assets	<u>3,540,997</u>
Deferred Outflows of Resources	
Prepaid Pension Cost	<u>344,975</u>
Total Assets and Deferred Outflows of Resources	<u>3,885,972</u>
Liabilities	
Current Liabilities	
	<u>-</u>
Long-Term Liabilities:	
Net Pension Liability	<u>1,932,942</u>
Total Liabilities	<u>1,932,942</u>
Deferred Inflows of Resources	
Deferred Pension Credits	328,950
Unavailable Revenue - Grant	<u>125,065</u>
Total Deferred Inflows of Resources	<u>454,015</u>
Net Position	
Net Invested in Capital Assets	340,464
Unrestricted	<u>1,158,551</u>
Total Net Position	<u>\$ 1,499,015</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, 2022**

	Enterprise Fund <u>Food Service</u>
Operating Revenues	
Proceeds From Sale of Meals	\$ <u>63,650</u>
Total Operating Revenues	<u>63,650</u>
Operating Expenses	
Food Cost	961,338
Personnel Costs	720,281
Purchased Services	86,643
Supplies and Materials	270,707
Depreciation	63,861
Other Operating Costs	<u>4,113</u>
Total Operating Expenses	<u>2,106,943</u>
Operating Income (Loss)	<u>(2,043,293)</u>
Non-Operating Revenues (Expenses)	
USDA Reimbursement	2,539,468
Commodities Received From USDA	<u>234,316</u>
Total Non-Operating Revenues	<u>2,840,141</u>
Income Before Operating Transfers	<u>796,848</u>
Transfers In (Out)	
Indirect Costs	(197,247)
Fringe Benefits	<u>(167,851)</u>
Total Transfers In (Out)	<u>(365,098)</u>
Change in Net Position	431,750
Net Position, Beginning of Year	<u>1,067,265</u>
Net Position, End of Year	<u><u>\$ 1,499,015</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, 2022**

	Enterprise Fund <u>Food Service</u>
Cash Flows from Operating Activities:	
Received from Patrons	\$ 123,245
Payments to Employees for Services	(685,757)
Payments to Suppliers for Goods and Services	<u>(1,088,485)</u>
Net Cash (Used) by Operating Activities	<u>(1,650,997)</u>
Cash Flows From Non-Capital Financing Activities:	
Received from USDA Reimbursements	2,539,468
(Increase) in Due from Other Fund	(590,830)
Operating Transfers to Other Funds	<u>(365,098)</u>
Net Cash Provided by Non-Capital Financing Activities	<u>1,649,897</u>
Net Decrease in Cash and Cash Equivalents	(1,100)
Cash and Cash Equivalents, Beginning of Year	<u>3,034</u>
Cash and Cash Equivalents, End of Year	<u><u>\$ 1,934</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, 2022
(Continued)**

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

	<u>Enterprise Fund Food Service</u>
Operating Income (Loss)	\$ (2,043,293)
Adjustments to Reconcile Operating Income (Loss) to Net Cash	
Received From (Used) by Operating Activities:	
Depreciation	63,861
Commodities Used	234,316
Change in Assets and Liabilities:	
Decrease in Receivables	59,595
Decrease in Deferred Costs	22,359
(Decrease) in Net Pension Liability	(219,290)
Increase in Deferred Inflows	<u>231,455</u>
 Net Cash (Used) by Operating Activities	 <u>\$ (1,650,997)</u>

Noncash Transactions:

During the year, the district received \$234,316 of food commodities from the U. S. Department of Agriculture.

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2022**

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.

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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.

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 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

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- 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.

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.

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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.

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.

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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 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

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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.

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, 2022.

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, 2022.

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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

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.

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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.

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.

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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 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.

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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.

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.

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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, 2022, \$21,233,903 of the School District’s bank balance of \$21,884,550 which has a carrying value of \$19,828,597 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>21,233,903</u>
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Investments

As of June 30, 2022, 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	\$ 20,092,793	\$ 20,092,793

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

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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, 2022, 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.

A summary of outstanding property taxes at June 30, 2022, is presented below.

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	<u>General Fund</u>	<u>Debt Service Fund-District</u>	
Taxes Receivable	\$ 1,393,709	\$ 486,135	
Less Allowance for Doubtful Accounts	<u>(836,226)</u>	<u>(243,067)</u>	
Net Taxes Receivable	<u>\$ 557,483</u>	<u>\$ 243,068</u>	

Note 4. Other Receivables

Other governmental receivables at June 30, 2022, 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, 2022, (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	\$ 6,424,721	\$ 11,968,088	
Special Revenue Fund	7,711,947	5,487,836	
Education Improvement Act	1,209,258	23,583	
Debt Service	-	37,755	
Debt Service-EFC	-	13,353	
Capital Projects	-	792,540	
Capital Projects-EFC	-	69,654	
Food Service	<u>3,046,883</u>	<u>-</u>	
 Total	 <u>\$ 18,392,809</u>	 <u>\$ 18,392,809</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, 2022, was as follows:

Capital Assets And Depreciation

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 938,198	\$ -	\$ -	\$ 938,198
Other Capital assets:				
Buildings and Improvements	88,496,922	-	-	88,496,922
Vehicles and equipment	<u>6,900,113</u>	<u>90,939</u>	-	<u>6,991,052</u>
Total Cost	95,397,035	90,939	-	95,487,974
Less, accumulated depreciation	<u>(51,805,889)</u>	<u>(2,417,626)</u>	-	<u>(54,223,515)</u>
Net Capital assets	<u>\$ 44,529,344</u>	<u>\$ (2,326,687)</u>	<u>\$ -</u>	<u>\$ 42,202,657</u>

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type activities:				
Equipment	\$ 706,974	\$ -	\$ -	\$ 706,974
Buildings and Improvements	554,742	-	-	554,742
Less, accumulated depreciation	<u>(857,391)</u>	<u>(63,861)</u>	-	<u>(921,252)</u>
Net Capital assets	<u>\$ 404,325</u>	<u>\$ (63,861)</u>	<u>\$ -</u>	<u>\$ 340,464</u>

Depreciation expense was charged to governmental activities as follows:

Instruction	\$ 1,392,976
Support	<u>1,024,650</u>
Total Depreciation	<u>\$ 2,417,626</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. Long-term Debt

Governmental Activities:

As of June 30, 2022, 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 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%. This bond was paid off during the year ended June 30, 2022.

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, 2022, which represents the positive arbitrage on the EFC indebtedness as of this date.

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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, 2022, was \$13,145,000.

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>
2023	\$ 1,065,000	\$ 506,431
2024	1,115,000	451,931
2025	1,175,000	394,681
2026	1,230,000	334,556
2027	1,295,000	271,431
2028-2032	<u>7,265,000</u>	<u>594,240</u>
	<u>\$ 13,145,000</u>	<u>\$ 2,553,270</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%. This bond was paid off during the fiscal year ended June 30, 2022

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Note 8. Changes in Long-term Debt

The following is a summary of changes in long-term debt for the year ended June 30, 2022.

	<u>Beginning</u> <u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending</u> <u>Balance</u>	<u>Due Within</u> <u>One Year</u>
General Obligation Bonds:					
Series 2017B	\$ 464,000	\$ -	\$ 464,000	\$ -	\$ -
Installment Purchase					
Revenue Bonds:					
Series 2016A	580,000	-	580,000	-	-
Series 2016B	13,590,000	-	445,000	13,145,000	1,065,000
Qualified Zone Academy Bond Program:					
Series 2008A	5,584,645	-	5,584,645	-	-
Arbitrage Payable	112,889	-	-	112,889	-
Net Pension Liability	44,982,754	-	7,309,655	37,673,099	-
Net OPEB Liability	38,662,949	5,490,108	-	44,153,057	-
Compensated Absences	199,695	171,296	199,695	171,296	-
Total	<u>\$ 104,176,932</u>	<u>\$ 5,661,404</u>	<u>\$ 14,582,995</u>	<u>\$ 95,255,341</u>	<u>\$ 1,065,000</u>

Note 9. 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 and Capital Projects - EFC amounted to \$232,472 as of June 30, 2022.

Note 10. Debt Limitations

The amount of legal debt margin as of June 30, 2022, 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>-</u>
Legal Debt Margin	<u>\$ 5,962,090</u>

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Note 11. Employee Retirement Plans

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

For purposes of measuring the net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Systems and additions to/deductions from the systems fiduciary net position have been determined on the accrual basis of accounting as they are reported by the Systems in accordance with 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 fair value.

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, or a copy may be obtained by submitting a request to PEBA, 202 Arbor Lake Drive, Columbia, SC 29223. PEBA is considered a division of the primary government of the State of South Carolina and therefore, retirement trust fund financial information is also included in the 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 July 1, 1945, pursuant to the provisions of Section 9-1-20 of the South Carolina Code of Laws for the purpose of providing retirement and other benefits for teachers and employees of the state and its political subdivisions. SCRS covers employees of state agencies, public school districts, higher education institutions, other participating local subdivisions of government and individuals newly elected to the South Carolina General Assembly at or after the 2012 general election.

The State Optional Retirement Program (ORP) is a defined contribution plan that is offered as an alternative to SCRS to certain newly hired employees of state agencies, institutions of higher education, public school districts and individuals first elected to the General Assembly at or after the general election in November 2012. State ORP participants direct the investment of their funds into an account administered by one of the four third party service providers. PEBA assumes no liability for State ORP benefits. Rather, the benefits are the liability of the four third party service providers. For this reason, State ORP assets are not part of the retirement systems' trust funds for financial statement purposes.

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In addition to the plans described above, PEBA also administers three single employer defined benefit pension plans, which are not covered in this report. They are the Retirement System for Members of the General Assembly of the State of South Carolina (GARS), the Retirement System for Judges and Solicitors of the State of South Carolina (JSRS), and the South Carolina National Guard Supplemental Retirement Plan (SCNG).

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 ORP. Contributions to the State ORP are at the same rate as SCRS. A direct remittance is required from the employer to the member's account with the ORP service provider for the employee contribution and a portion of the employer contribution (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/current annual salary. 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.

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Contributions- Actuarial valuations are performed annually by an external consulting actuary to ensure applicable contribution rates satisfy the funding parameters specified in Title 9 of the South Carolina Code of Laws. Under these provisions, SCRS and PORS contribution requirements must be sufficient to maintain an amortization period for the financing of the unfunded actuarial accrued liability (UAAL) over a period that does not exceed the number of years scheduled in state statute. Legislation in 2017 increased, but also established a ceiling for SCRS and PORS employee contribution rates. Effective July 1, 2017, employee rates were increased to a capped rate of 9.00 percent for SCRS and 9.75 percent for PORS. The legislation also increased employer contribution rates beginning July 1, 2017, for both SCRS and PORS by two percentage points and further scheduled employer contribution rates to increase by a minimum of one percentage point each year in accordance with state statute. However, the General Assembly postponed the one percent increase in the SCRS and PORS employer contribution rates that was scheduled to go into effect beginning July 1, 2020. If the scheduled contributions are not sufficient to meet the funding periods set in state statute, the board shall increase the employer contribution rates as necessary to meet the funding periods set for the applicable year. The maximum funding period of SCRS and PORS is scheduled to be reduced over a ten-year schedule from 30 years beginning fiscal year 2018 to 20 years by fiscal year 2028.

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

Required employee contribution rates for fiscal year 2021-2022 are as follows:

SCRS	<u>Fiscal Year 2022</u>	<u>Fiscal Year 2021</u>
Employee Class Two	9.00%	9.00%
Employee Class Three	9.00%	9.00%
State ORP		
Employee	9.00%	9.00%

Required employer contributions for fiscal year 2021-2022 are as follows:

SCRS	<u>Fiscal Year 2022</u>	<u>Fiscal Year 2021</u>
Employee Class Two	16.41%	15.41%
Employee Class Three	16.41%	15.41%
Employer Incidental Death Benefit	0.15%	0.15%
State ORP		
Employer Contribution	16.41%	15.41%
Employer Incidental Death Benefit	0.15%	0.15%

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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 for the period ending June 30, 2019.

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

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

	SCRS
Actuarial cost method	Entry age normal
Investment rate of return ¹	7%
Projected salary increases	3.0% to 11.0% (varies by service) ¹
Benefit adjustments	lesser of 1% or \$500 annually
¹ Includes inflation at 2.25%	

The post-retiree mortality assumption is dependent upon the member's job category and gender. The base mortality assumptions, the 2020 Public Retirees of South Carolina Mortality table (2020 PRSC), was developed using the Systems' mortality experience. These base rates are adjusted for future improvement in mortality using 80% of Scale UMP projected from the year 2020.

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

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Former Job Class	Males	Females
Educators	2020 PRSC Males multiplied by 95%	2020 PRSC Females multiplied by 94%
General Employees and Members of the General Assembly	2020 PRSC Males multiplied by 97%	2020 PRSC Females multiplied by 107%
Public Safety and Firefighters	2020 PRSC Males multiplied by 127%	2020 PRSC Females multiplied by 107%

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, 2021, for SCRS are as follows:

System	Total Pension Liability	Plan Fiduciary Net Position	Employers' Net Pension Liability (Asset)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
SCRS	\$ 55,131,579,363	\$ 33,490,305,970	\$ 21,641,273,393	60.7%

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 20-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 2021 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 percent assumed annual investment rate of return used in the calculation of the TPL includes a 4.75 percent real rate of return and a 2.25 percent inflation component.

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Allocation / Exposure	Policy Target	Expected Arithmetic Real Rate of Return	Long Term Expected Portfolio Real Rate of Return
Public Equity ¹	46.0%	6.87%	3.16%
Bonds	26.0%	0.27%	0.07%
Private Equity ^{1,2}	9.0%	9.68%	0.87%
Private Debt ²	7.0%	5.47%	0.39%
Real Assets	12.0%		
Real Estate ²	9.0%	6.01%	0.54%
Infrastructure ²	3.0%	5.08%	0.15%
Total Expected Return ³	100.0%		5.18%
Inflation for Actuarial Purposes			2.25%
			7.43%

¹ The target weight to Private Equity will be equal to its actual weight, reported by the custodial bank, as of prior month end. When flows have occurred, flow adjusted weights are used to more accurately reflect the impact of the asset class weight. Private Equity and Public Equity combine for 55% of the entire portfolio.

² Staff and Consultant will notify the Commission if Private Markets assets exceed 25% of total assets.

³ Portable Alpha Strategies, which are not included in the Policy Target, will be capped at 12% of total assets; hedge funds (including all hedge funds used in portable alpha implementation) are capped at 20% of total assets.

Discount rate- The discount rate used to measure the TPL was 7 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 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 percent) or 1.00 percent higher (8 percent) than the current rate.

System	<u>(6.00%)</u>	<u>(7.00%)</u>	<u>(8.00%)</u>
SCRS	\$ 49,347,070	\$ 37,673,099	\$ 27,969,615

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions- At June 30, 2022, the School District reported a liability of \$37,673,099 for the SCRS proportionate share of the NPL. The NPL was measured as of June 30, 2021, 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.

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For the year ended June 30, 2022, the School District recognized pension benefit of \$3,265,251. 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, 2021.

At June 30, 2022, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 641,718	\$ 50,845
Changes of assumptions	2,062,102	-
Net difference between projected and actual earnings on pension plan investments	-	5,472,515
Changes in proportion and differences between District contributions and proportionate share of contributions	-	2,264,477
District contributions subsequent to measurement date	<u>3,573,161</u>	<u>-</u>
Total	<u>\$ 6,276,981</u>	<u>\$ 7,787,837</u>

The amount of \$3,573,161 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, 2022. 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,	
2022	\$ (1,404,096)
2023	(1,050,007)
2024	(582,166)
2025	(2,047,748)
Thereafter	<u>-</u>
Net Balance of Deferred Outflow (Inflow) of Resources	<u>\$ (5,084,017)</u>

Payables to the Pension Plan- The School District reported a payable to the SCRS as of June 30, 2022, in the amount of \$876,094. This amount is included in Accrued Personnel Costs on the financial statements and represents the required employer and employee contributions for the month of June 2022.

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Note 12. 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 – Insurance Benefits is a state agency responsible for the administration and management of the state’s employee insurance programs, other post-employment benefits trust 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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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.

Plan Contributions and Funding Policies: Section 1-11-710 of the South Carolina Code of Laws of 1976, as amended, requires the postemployment and long-term disability benefits to be funded through non-employer and employer contributions for active employees and retirees to PEBA – Insurance Benefits.

The SCRHITF is funded through participating employers that are mandated by State statute to contribute at a rate assessed each year by the Department of Administration Executive Budget Office on active employee covered payroll. The covered payroll surcharge for the year ended June 30, 2021, was 6.25 percent. The South Carolina Retirement System collects the monthly covered payroll surcharge for all participating employers and remits it directly to the SCRHITF. Other sources of funding for the SCRHITF also include the implicit subsidy, or age-related subsidy inherent in the healthcare premiums structure. The implicit subsidy represents a portion of the health care expenditures paid on behalf of the employer's active employees. For purposes of GASB Statement No. 75, this expenditure on behalf of the active employee is reclassified as a retiree health care expenditure so that the employer's contributions towards the plan reflect the underlying age-adjusted, retiree benefit costs. Non-employer contributions consist of an annual appropriation by the General Assembly and the statutorily required transfer of accumulated PEBA – Insurance Benefits reserves, the General Assembly has indefinitely suspended the statutorily required transfer until further notice. The SCRHITF is also funded through investment income.

The SCLTDITF is funded through employer contributions for active employees that elect health insurance coverage. For this group of active employees, PEBA – Insurance Benefits bills and collects premiums charged to State agencies, public school districts and other participating local governments. The monthly premium per active employee was \$3.22 for the fiscal year ended June 30, 2021. The SCLTDITF premium is billed monthly by PEBA – Insurance Benefits and transferred monthly to the SCLTDITF. It is also funded through investment income.

The allocation percentage of the OPEB amounts are calculated differently for each OPEB Trust. For the SCRHITF, the allocation percentage is based on the covered payroll surcharge contribution for each employer. Please note that actual covered payroll contributions received from SCRS for the fiscal year 2021 totaled \$585,482,183. However, the covered payroll contributions total includes prior year covered payroll contribution adjustments and true-ups that net to a total of \$2,619,984.

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

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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.

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 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.

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, 2020
Actuarial Cost Method:	Individual Entry - Age Normal
Inflation:	2.25%
Investment Rate of Return:	2.75%, net of OPEB Plan investment expense; including inflation
Single Discount Rate:	1.92% as of June 30, 2021
Demographic Assumptions:	Based on the experience study performed for the South Carolina Retirement Systems for the 5-year period ending June 30, 2019
Mortality:	For healthy retirees, the gender-distinct South Carolina Retirees 2020 are used with fully generational mortality projections based on a fully generational basis by the 80% of Scale UMP to account for future mortality improvements and adjusted with multipliers based on plan experience.
Health Care Trend Rate:	Initial trend starting at 6.00% and gradually decreasing to an ultimate trend rate of 4.00% over a period of 15 years
Aging Factors:	Based on plan specific experience
Retiree Participation:	79% for retirees who are eligible for funded premiums 59% participation for retirees who are eligible for Partial Funded Premiums 20% participation for retirees who are eligible for Non-Funded Premiums

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Notes: The discount rate changed from 2.45% as of June 30, 2020, to 1.92% as of June 30, 2021; demographic and salary increases assumptions were updated to reflect the 2020 SCRS experience study and the health care trend rates were reset to better reflect the plan's anticipated experience.

Roll Forward Disclosure: The actuarial valuation was performed as of June 30, 2020. Update procedures were used to roll forward the total OPEB liability to June 30, 2021.

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

The following table represents the components of the net OPEB liability as of June 30, 2021, 2020, 2019, 2018 and 2017:

SOUTH CAROLINA RETIREE HEALTH INSURANCE TRUST FUND					
Fiscal Year					Plan Fiduciary
Ending	Total OPEB Liability	Plan Fiduciary Net		Net OPEB Liability	Net Position as a
		Position			% of Total OPEB
					Liability
June 30, 2021	\$ 22,506,597,989	\$ 1,683,416,992		\$ 20,823,180,997	7.48%
June 30, 2020	\$ 19,703,745,672	\$ 1,652,299,185		\$ 18,051,446,487	8.39%
June 30, 2019	\$ 16,516,264,617	\$ 1,394,740,049		\$ 15,121,524,568	8.44%
June 30, 2018	\$ 15,387,115,010	\$ 1,216,530,062		\$ 14,170,584,948	7.91%
June 30, 2017	\$ 14,659,610,970	\$ 1,114,774,760		\$ 13,544,836,210	7.60%

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.

Single Discount Rate: The Single Discount Rate of 1.92% was used to measure the total OPEB liability for the SCRHITF. The accounting policy for this plan is to set the Single Discount Rate equal to the prevailing municipal bond rate. Due to the plan's investment and funding policies, the difference between a blended discount rate and the municipal bond rate would be less than several basis points (several hundredths of one percent).

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A Single Discount Rate of 2.48% 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 3.00% and a municipal bond rate of 1.92%. 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 return represents assumptions developed using an arithmetic building block approach primarily based on consensus expectations and market based inputs. The expected returns, along with the expected inflation rate, form the basis for the target asset allocation adopted at the beginning of the 2018 fiscal year. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and adding expected inflation. This information is summarized in the following table:

SOUTH CAROLINA RETIREE HEALTH INSURANCE TRUST FUND			
Asset Class	Target Asset Allocation	Expected Arithmetic Real Rate of Return	Allocation- Weighted Long- Term Expected Real Rate of Return
U.S. Domestic Fixed Income	80.00%	0.60%	0.48%
Cash equivalents	20.00%	0.35%	0.07%
Total	100.00%		0.55%
Expected Inflation			2.25%
Total Return			2.80%
Investment Return Assumption			2.75%

Sensitivity of the Net OPEB liability to Changes in the Healthcare Cost Trend Rate: The following table presents the School District's net OPEB liability for the SCRHITF calculated using a Single Discount Rate of 3.62%, as well as what the plan's net OPEB liability would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

	1% Decrease <u>(0.92%)</u>	Current Discount Rate <u>(1.92%)</u>	1% Increase <u>(2.92%)</u>
Net OPEB Liability	\$ 53,215,354	\$ 44,153,057	\$ 37,008,551

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

	<u>1% Decrease</u>	<u>Current Healthcare Cost Trend Rate</u>	<u>1% Increase</u>
Net OPEB Liability	\$ 35,422,635	\$ 44,153,057	\$ 55,786,054

OPEB Expense, Deferred Outflows and Inflows of Resources: At June 30, 2022, the School District reported a liability of \$44,153,057 for its proportionate share of the net OPEB liability for the SCRHITF. The net OPEB liability was measured as of June 30, 2021, 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, 2021, 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, 2021, measurement date, the School District proportion was .212038 percent, there was no change from its proportion measured as of June 30, 2021.

For the year ended June 30, 2022, the School District recognized OPEB expense of \$1,345,682 for the SCRHITF. At June 30, 2022, 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	\$ 893,519	\$ 1,131,712
Changes of assumptions	8,976,526	1,063,147
Net difference between projected and actual earnings on pension plan investments	90,733	102,672
Changes in proportion and differences between District contributions and proportionate share of contributions	-	4,683,309
District contributions subsequent to measurement date	-	-
Total	<u>\$ 9,960,778</u>	<u>\$ 6,980,840</u>

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

Measurement Period Ending Year Ended June 30,	\$
2022	20,900
2023	1,350
2024	340,604
2025	1,009,917
2026	999,805
Thereafter	<u>607,362</u>
Net Balance of Deferred Outflow (Inflow) of Resources	<u>\$ 2,979,938</u>

Note 13. 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.

Note 14. 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 \$752,985 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 \$575,792 for workers' compensation coverage.

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

Note 15. 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.

Note 16. Short-Term Debt

The following is a summary of changes in short-term debt for the year ended June 30, 2022:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities:				
Series 2022	\$ -	\$ 3,700,000	\$ 3,700,000	\$ -
Total	<u>\$ -</u>	<u>\$ 3,700,000</u>	<u>\$ 3,700,000</u>	<u>\$ -</u>

Note 17. Inter-fund Transfers

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

Transfers from other funds:		
From the EIA fund to the general fund to pay for salaries and fringe benefits	\$	787,578
From the special revenue fund to the general fund for indirect cost reimbursement		251,836
From the food service fund to the general fund for indirect cost reimbursement		201,642
From the food service fund to the general fund for fringe benefits		<u>171,071</u>
Total transfers to the General Fund		<u>1,412,127</u>
From debt service fund - district to capital projects funds		1,761,142
From the debt service fund - EFC to debt service fund - district		1,782,508
From debt service fund - district to capital projects funds - EFC		390,000
From general fund to special revenue fund for athletic transportation		<u>60,000</u>
Total transfers from other funds		<u>3,993,650</u>
<u>Transfers from other funds:</u>	\$	<u>5,405,777</u>
To the special revenue fund from the general fund for athletic transportation	\$	60,000
Total transfers from the general fund		<u>60,000</u>
To the general fund from the special revenue fund for indirect cost reimbursement		<u>251,836</u>
Total transfers from special revenue funds		<u>251,836</u>
To the general fund from the EIA fund to pay for salaries and fringe benefits		787,578
To the debt service fund - EFC from the debt service fund - district		1,782,508
To the capital projects fund - district from the debt service fund - district		1,761,142
To the capital projects fund - EFC from the debt service fund - District		<u>390,000</u>
Total transfers from debt service fund - district		<u>3,933,650</u>
To the general fund from the food service fund for fringe benefits		171,071
To the general fund from the food service fund for indirect cost reimbursement		<u>201,642</u>
Total transfers from food service fund		<u>372,713</u>
<u>Total transfers to other funds</u>	\$	<u>5,405,777</u>

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(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 \$2,261,989 under agreements entered into by Williamsburg County, South Carolina.

Note 19. Subsequent Events

The School District has evaluated subsequent events through November 30, 2022, which is the date the financial statements were available to be issued.

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
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GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGET AND
ACTUAL
For the Fiscal Year Ended June 30, 2022**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
1000 Revenue from Local Sources			
1100 Taxes			
1110 Ad Valorem Taxes - Including Delinquent	\$ 7,453,735	\$ 8,483,597	\$ 1,029,862
1200 Revenue from Local Governmental Units Other Than LEAs			
1280 Revenue in Lieu of Taxes	2,261,989	2,361,989	100,000
1300 Tuition			
1320 Tuition From Other LEAs for Regular Day School	63,219	21,451	(41,768)
1500 Earnings on Investments			
1510 Interest on Investments	14,113	35,316	21,203
1900 Other Revenue from Local Sources:			
1990 Miscellaneous Local Revenue			
1999 Revenue from Other Local Sources	50,000	173,818	123,818
Total Local Sources	<u>9,843,056</u>	<u>11,076,171</u>	<u>1,233,115</u>
3000 Revenue From State Sources			
3100 Restricted State Funding			
3130 Special Programs			
3131 Handicapped Transportation	-	678	678
3160 School Bus Driver Salary	534,902	574,415	39,513
3161 EAA Bus Driver Salary and Fringe	-	1,315	1,315
3162 Transportation Workers' Compensation	26,165	26,165	-
3180 Fringe Benefits Employer Contributions	4,115,173	3,615,818	(499,355)
3181 Retiree Insurance	936,903	940,521	3,618
3186 State Aid to Classrooms - Teacher Salary Increase	845,890	810,517	(35,373)

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SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGET AND
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For the Fiscal Year Ended June 30, 2022
(Continued)**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
3300 State Aid to Classrooms - Education Finance Act			
3310 Full-Time Programs			
3311 Kindergarten	\$ 363,491	\$ 312,524	\$ (50,967)
3312 Primary	979,570	904,077	(75,493)
3313 Elementary	1,859,262	1,602,750	(256,512)
3314 High School	230,099	215,113	(14,986)
3315 Trainable Mentally Handicapped	120,193	45,216	(74,977)
3316 Speech Handicapped	525,529	461,481	(64,048)
3317 Homebound	1,843	3,795	1,952
3320 Part-Time Programs			
3321 Emotionally Handicapped	37,275	32,674	(4,601)
3322 Educable Mentally Handicapped	52,575	87,457	34,882
3323 Learning Disabilities	882,734	765,685	(117,049)
3324 Hearing Handicapped	9,383	14,199	4,816
3325 Visually Handicapped	36,334	15,537	(20,797)
3326 Orthopedically Handicapped	11,282	14,538	3,256
3327 Pre-Career and Career Technology	1,563,279	1,534,897	(28,382)
3330 Miscellaneous EFA Programs			
3331 Autism	304,482	264,421	(40,061)
3332 High Achieving Students	30,103	28,808	(1,295)
3334 Limited English Proficiency	5,162	4,703	(459)
3351 Academics Assistance	408,360	337,216	(71,144)
3352 Pupils in Poverty	1,040,219	937,286	(102,933)
3353 Dual Credit Enrollment	49,367	28,256	(21,111)
3392 NBC Excess EFA Formula	-	21,265	21,265
3800 State Revenue in Lieu of Taxes			
3810 Reimb. for Local Residential Property Tax Relief (Tier 1)	1,366,369	1,366,370	1
3820 Homestead Exemption (Tier 2)	622,817	622,817	-
3827 \$2.5 Million Tax Bonus	2,500,000	2,705,094	205,094
3830 Merchant's Inventory Tax	81,504	81,504	-
3840 Manufactures Depreciation Reimbursement	243,767	915,092	671,325
3890 Other State Property Tax Revenues	434,091	377,192	(56,899)
3900 Other State Revenue:			
3992 State Forest Commission Revenues	12,768	15,966	3,198
3993 PEBA on-Behalf	-	232,787	232,787
	<u>20,230,891</u>	<u>19,918,149</u>	<u>(312,742)</u>
Total State Sources			
	<u>20,230,891</u>	<u>19,918,149</u>	<u>(312,742)</u>
Total Revenue All Sources	<u>30,073,947</u>	<u>30,994,320</u>	<u>920,373</u>

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GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGET AND
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For the Fiscal Year Ended June 30, 2022
(Continued)**

EXPENDITURES			Variance
100 Instruction			Positive
	<u>Budget</u>	<u>Actual</u>	<u>(Negative)</u>
110 General Instruction			
111 Kindergarten Programs			
100 Salaries	\$ 537,234	\$ 1,026,118	\$ (488,884)
200 Employee Benefits	242,755	281,668	(38,913)
300 Purchased Services	150	-	150
400 Supplies and Materials	2,650	570	2,080
112 Primary Programs			
100 Salaries	1,587,433	1,544,967	42,466
200 Employee Benefits	566,171	554,864	11,307
300 Purchased Services	108,473	108,173	300
400 Supplies and Materials	5,827	1,145	4,682
113 Elementary Programs			
100 Salaries	2,774,618	2,727,395	47,223
200 Employee Benefits	1,008,450	1,000,574	7,876
300 Purchased Services	810,561	726,555	84,006
400 Supplies and Materials	25,050	11,639	13,411
600 Other Objects	200	-	200
114 High School Programs			
100 Salaries	2,062,247	1,882,894	179,353
200 Employee Benefits	659,512	600,964	58,548
300 Purchased Services	658,395	604,244	54,151
400 Supplies and Materials	128,232	103,793	24,439
115 Career and Technology Education Programs			
100 Salaries	1,061,812	950,765	111,047
200 Employee Benefits	366,306	335,433	30,873
300 Purchased Services	18,654	10,523	8,131
400 Supplies and Materials	30,349	23,867	6,482
500 Capital Outlay	-	367	(367)
600 Other Objects	150	122	28
120 Exceptional Programs			
121 Educable Mentally Handicapped			
100 Salaries	410,638	381,897	28,741
200 Employee Benefits	192,307	161,117	31,190

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SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGET AND
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For the Fiscal Year Ended June 30, 2022
(Continued)**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
122 Trainable Mentally Handicapped			
100 Salaries	\$ 317,412	\$ 285,466	\$ 31,946
200 Employee Benefits	148,822	146,416	2,406
123 Orthopedically Handicapped			
100 Salaries	251,872	231,327	20,545
200 Employee Benefits	89,193	84,138	5,055
125 Hearing Handicapped			
300 Purchased Services	95,412	95,412	-
126 Speech Handicapped			
100 Salaries	83,128	96,316	(13,188)
200 Employee Benefits	36,546	33,231	3,315
300 Purchased Services	37,974	38,838	(864)
400 Supplies and Materials	200	-	200
127 Learning Disabilities			
100 Salaries	1,280,507	1,237,123	43,384
200 Employee Benefits	423,753	385,282	38,471
300 Purchased Services	119,674	118,674	1,000
400 Supplies and Materials	75,350	49,867	25,483
128 Emotionally Handicapped			
100 Salaries	-	23,085	(23,085)
200 Employee Benefits	-	5,219	(5,219)
130 Pre-School Programs			
137 Pre-School Handicapped Self-Contained (3 & 4 yr. Olds)			
100 Salaries	56,809	24,119	32,690
200 Employee Benefits	2,848	11,272	(8,424)
400 Supplies and Materials	12,000	4,985	7,015
139 Early Childhood Programs			
100 Salaries	600	-	600

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SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGET AND
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(Continued)**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
140 Special Programs			
141 Gifted and Talented - Academic			
100 Salaries	\$ 3,000	\$ 3,000	\$ -
200 Employee Benefits	1,401	914	487
300 Purchased Services	11,019	2,304	8,715
400 Supplies and Materials	6,050	390	5,660
600 Other Objects	150	-	150
145 Homebound			
100 Salaries	50,423	53,421	(2,998)
200 Employee Benefits	15,369	10,918	4,451
300 Purchased Services	15,753	3,557	12,196
400 Supplies and Materials	100	-	100
147 CERDEP			
100 Salaries	400	-	400
148 Gifted and Talented Artistic			
100 Salaries	84,433	89,187	(4,754)
200 Employee Benefits	33,507	35,406	(1,899)
300 Purchased Services	34,500	32,257	2,243
400 Supplies and Materials	1,500	1,160	340
600 Other Objects	125	-	125
149 Other Special Programs:			
300 Purchased Services	5,000	-	5,000
160 Other Exceptional Programs			
161 Autism			
100 Salaries	32,200	32,200	-
200 Employee Benefits	-	15,675	(15,675)
170 Summer School Programs			
172 Elementary Summer School			
100 Salaries	17,237	-	17,237
200 Employee Benefits	9,063	9,063	-
180 Adult/Continuing Educational Programs			
181 Adult Basic Education Programs			
100 Salaries	5,000	6,475	(1,475)
200 Employee Benefits	582	857	(275)
400 Supplies and Materials	12,655	12,655	-
188 Parenting/Family Literacy			
100 Salaries	23,294	23,294	-
200 Employee Benefits	12,129	12,772	(643)
300 Purchased Services	2,500	968	1,532
400 Supplies and Materials	2,500	1,016	1,484
190 Instructional Pupil Activity			
100 Salaries	2,950	3,400	(450)
200 Employee Benefits	2,323	784	1,539
300 Purchased Services	950	118	832
400 Supplies and Materials	100	-	100
Total Instruction	<u>16,676,487</u>	<u>16,262,215</u>	<u>414,272</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, 2022
(Continued)**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
200 Support Services			
210 Pupil Services			
211 Attendance and Social Work Services			
300 Purchased Services	\$ 1,000	\$ -	\$ 1,000
400 Supplies and Materials	100	-	100
212 Guidance Services			
100 Salaries	768,308	750,333	17,975
200 Employee Benefits	327,252	323,476	3,776
300 Purchased Services	8,449	5,449	3,000
400 Supplies and Materials	9,655	8,946	709
213 Health Services			
100 Salaries	122,963	125,183	(2,220)
200 Employee Benefits	77,987	94,327	(16,340.00)
300 Purchased Services	170,349	124,653	45,696
214 Psychological Services			
100 Salaries	40,559	8,265	32,294
200 Employee Benefits	41,176	2,848	38,328
300 Purchased Services	500	-	500
216 Career and Technical Education Placement Services			
300 Purchased Services	200	-	200
400 Supplies and Materials	3,000	-	3,000
220 Instructional Staff Services			
221 Improvement of Instruction Curriculum Development			
100 Salaries	421,715	394,793	26,922
200 Employee Benefits	163,536	151,870	11,666
300 Purchased Services	104,887	93,787	11,100
400 Supplies and Materials	66,804	61,658	5,146
600 Other Objects	1,509	782	727
222 Library and Media Services			
100 Salaries	519,459	500,590	18,869
200 Employee Benefits	235,151	227,854	7,297
400 Supplies and Materials	17,600	12,714	4,886

**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, 2022
(Continued)**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
223 Supervision of Special Programs			
100 Salaries	\$ 219,217	\$ 213,176	\$ 6,041
200 Employee Benefits	101,262	99,031	2,231
300 Purchased Services	11,600	10,938	662
400 Supplies and Materials	16,900	5,062	11,838
600 Other Objects	1,110	587	523
224 Improvement of Instruction Inservice and Staff Training			
100 Salaries	-	2,450	(2,450)
200 Employee Benefits	-	834	(834)
300 Purchased Services	2,628	404	2,224
400 Supplies and Materials	1,525	480	1,045
600 Other Objects	450	450	-
230 General Administration Services			
231 Board of Education			
100 Salaries	71,999	56,063	15,936
200 Employee Benefits	177,065	26,089	150,976
300 Purchased Services Except:	158,390	29,803	128,587
318 Audit Services	55,000	41,843	13,157
400 Supplies and Materials	1,000	427	573
232 Office of the Superintendent			
100 Salaries	182,500	181,478	1,022
200 Employee Benefits	60,273	58,637	1,636
300 Purchased Services	35,500	18,032	17,468
400 Supplies and Materials	36,200	30,784	5,416
600 Other Objects	53,020	44,810	8,210
233 School Administration			
100 Salaries	2,257,768	2,171,210	86,558
200 Employee Benefits	953,102	939,406	13,696
300 Purchased Services	40,270	34,234	6,036
400 Supplies and Materials	12,642	10,170	2,472
600 Other Objects	2,400	180	2,220
250 Finance and Operations Services			
251 Student Transportation (Federal/District Mandated)			
100 Salaries	55,155	48,646	6,509
200 Employee Benefits	45,553	15,165	30,388
300 Purchased Services	9,822	11,058	(1,236)
252 Fiscal Services			
100 Salaries	375,431	294,848	80,583
200 Employee Benefits	128,865	126,071	2,794
300 Purchased Services	75,611	37,670	37,941
400 Supplies and Materials	50,921	17,488	33,433
500 Capital Outlay	10,000	-	10,000
600 Other Objects	5,000	4,641	359

**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, 2022
(Continued)**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
254 Operations and Maintenance of Plant			
100 Salaries	\$ 1,302,689	\$ 1,281,503	\$ 21,186
200 Employee Benefits	648,791	639,779	9,012
300 Purchased Services	1,225,075	1,286,617	(61,542)
321 Public Utilities	106,000	113,599	(7,599)
400 Supplies and Materials	366,960	358,331	8,629
470 Energy	1,061,475	1,026,188	35,287
255 Student Transportation			
100 Salaries	950,243	942,750	7,493
200 Employee Benefits	379,459	382,299	(2,840)
300 Purchased Services	92,662	24,480	68,182
400 Supplies and Materials	6,485	6,320	165
600 Other Objects	200	200	-
256 Food Service			
200 Employee Benefits	490,178	432,096	58,082
258 Security			
100 Salaries	500	-	500
300 Purchased Services	100,000	-	100,000
400 Supplies and Materials	732	732	-
260 Central Support Services			
264 Staff Services			
100 Salaries	405,549	388,597	16,952
200 Employee Benefits	166,346	155,976	10,370
300 Purchased Services	93,746	79,287	14,459
400 Supplies and Materials	4,000	3,842	158
600 Other Objects	400	-	400
266 Technology and Data Processing Services			
100 Salaries	217,991	217,051	940
200 Employee Benefits	80,268	80,180	88
300 Purchased Services	197,125	160,378	36,747
400 Supplies and Materials	173,696	24,203	149,493

**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, 2022
(Continued)**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
270 Support Service Pupil Activity			
271 Pupil Services Activities			
100 Salaries	\$ 259,308	\$ 245,023	\$ 14,285
200 Employee Benefits	64,987	74,476	(9,489)
300 Purchased Services	<u>33,910</u>	<u>31,411</u>	<u>2,499</u>
Total Support Services	<u>16,739,113</u>	<u>15,375,011</u>	<u>1,364,102</u>
300 Community Services			
390 Other Community Services:			
100 Salaries	-	45,545	(45,545)
200 Employee Benefits	1,351	11,834	(10,483)
300 Purchased Services	41,250	29,706	11,544
400 Supplies and Materials	<u>3,000</u>	<u>2,000</u>	<u>1,000</u>
Total Community Services	<u>45,601</u>	<u>89,085</u>	<u>(43,484)</u>
400 Other Charges:			
410 Intergovernmental Expenditures			
412-720 Payments to Other Governmental Units	<u>-</u>	<u>18,213</u>	<u>(18,213)</u>
Total Intergovernmental Expenditures	<u>-</u>	<u>18,213</u>	<u>(18,213)</u>
Total Expenditures	<u>33,461,201</u>	<u>31,744,524</u>	<u>1,716,677</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(3,387,254)</u>	<u>(750,204)</u>	<u>796,304</u>
Interfold Transfers, From (To) Other Funds			
5220 Transfer from Special Revenue Fund	500,000	-	(500,000)
5230 Transfer from Special Revenue - EIA Fund	821,216	787,578	(33,638)
5250 Transfer from Capital Projects Fund	195,000	195,000	-
5260 Transfer from Food Service Fund (Excludes Indirect Cost)	182,772	167,851	(14,921)
5280 Transfer from Other Funds Indirect Cost	1,837,166	1,807,380	(29,786)
421-710 Transfer to Special Revenue Fund	<u>(148,900)</u>	<u>(39,000)</u>	<u>109,900</u>
TOTAL OTHER FINANCING SOURCES	<u>3,387,254</u>	<u>2,918,809</u>	<u>(468,445)</u>
Net Change In Fund Balance	-	2,168,605	2,168,605
FUND BALANCE, July 1, 2021	<u>9,301,330</u>	<u>9,301,330</u>	<u>-</u>
FUND BALANCE, June 30, 2022	<u>\$ 9,301,330</u>	<u>\$ 11,469,935</u>	<u>\$ 2,168,605</u>

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
For the Fiscal Year Ended June 30, 2022**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>Positive (Negative)</u>
REVENUES				
Local	\$ 9,843,056	\$ 9,843,056	\$ 11,076,171	\$ 1,233,115
State	<u>20,230,891</u>	<u>20,230,891</u>	<u>19,918,149</u>	<u>(312,742)</u>
Total Revenues	<u>30,073,947</u>	<u>30,073,947</u>	<u>30,994,320</u>	<u>920,373</u>
EXPENDITURES				
Current:				
Instruction	16,676,137	16,676,137	16,262,215	413,922
Support Services	16,711,513	16,711,513	15,362,297	1,349,216
Community Services	42,601	42,601	87,085	(44,484)
Intergovernmental	-	-	18,213	(18,213)
Capital Outlay	<u>30,950</u>	<u>30,950</u>	<u>14,714</u>	<u>16,236</u>
Total Expenditures	<u>33,461,201</u>	<u>33,461,201</u>	<u>31,744,524</u>	<u>1,716,677</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(3,387,254)</u>	<u>(3,387,254)</u>	<u>(750,204)</u>	<u>(796,304)</u>
OTHER FINANCING SOURCES (USES)				
Operating Transfers In	3,536,154	3,536,154	2,957,809	(578,345)
Operating Transfers Out	<u>(148,900)</u>	<u>(148,900)</u>	<u>(39,000)</u>	<u>109,900</u>
Total Other Financing Sources	<u>3,387,254</u>	<u>3,387,254</u>	<u>2,918,809</u>	<u>(468,445)</u>
Net Change In Fund Balance	-	-	2,168,605	2,168,605
Fund Balance, July 1, 2021	<u>9,301,330</u>	<u>9,301,330</u>	<u>9,301,330</u>	<u>-</u>
Fund Balance, June 30, 2022	<u>\$ 9,301,330</u>	<u>\$ 9,301,330</u>	<u>\$ 11,469,935</u>	<u>\$ 2,168,605</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, 2022**

SCRS	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
District's proportion of the net pension liability (asset)	0.1740800%	0.1760460%	0.1911100%	0.1934600%	0.2219760%	0.2313660%	0.2674500%
District's proportionate share of the net pension liability (asset)	\$ 37,673,099	\$ 44,982,754	\$ 43,638,383	\$ 43,348,329	\$ 49,970,367	\$ 49,419,436	\$ 50,210,166
District's covered employee payroll	\$ 22,082,515	\$ 19,774,210	\$ 19,742,950	\$ 20,288,507	\$ 20,122,681	\$ 22,617,340	\$ 22,822,900
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	171%	227%	221%	214%	248%	219%	220%
Plan fiduciary net position as a percentage of total pension liability	-108.78%	-114.04%	-101.44%	-91.66%	-92.34%	-342.96%	-444.34%

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, 2022**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 3,573,161	\$ 3,001,127	\$ 2,993,149	\$ 2,878,369	\$ 2,662,398	\$ 2,530,299	\$ 2,527,254	\$ 2,636,336
Contributions in relation to contractually required contribution	3,573,161	3,001,127	2,993,149	2,878,369	2,662,398	2,530,299	2,527,254	2,636,336
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 22,082,515	\$ 19,774,210	\$ 19,742,950	\$ 20,288,507	\$ 20,122,681	\$ 22,617,340	\$ 22,822,900	\$ 24,186,565
Contributions as a percentage of covered-employee payroll	16.18%	15.18%	15.16%	14.19%	13.23%	11.19%	11.07%	10.90%

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, 2022**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
District's proportion of the net OPEB liability (asset)	0.2120380%	0.2141820%	0.2319780%	0.2333410%	0.2682050%
District's proportionate share of the net OPEB liability (asset)	\$ 44,153,057	\$ 38,662,949	\$ 35,078,610	\$ 33,065,785	\$ 36,327,928
District's covered employee payroll	\$ 19,774,210	\$ 22,176,058	\$ 22,746,691	\$ 20,122,681	\$ 20,516,050
District's proportionate share of the net OPEB liability (asset) as a percentage of its covered-employee payroll	223%	174%	154%	164%	177%
Plan fiduciary net position as a percentage of total OPEB liability	-122.205%	-95.436%	-81.540%	-76.861%	-67.056%

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, 2022**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually required contribution	\$ 1,227,504	\$ 1,233,934	\$ 1,236,762	\$ 1,075,676	\$ 1,205,504
Contributions in relation to contractually required contribution	<u>1,227,504</u>	<u>1,233,934</u>	<u>1,236,762</u>	<u>1,075,676</u>	<u>1,205,540</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 19,774,210	\$ 22,176,058	\$ 22,746,691	\$ 20,122,681	\$ 20,516,050
Contributions as a percentage of covered-employee payroll	6.21%	5.56%	5.44%	5.35%	5.88%

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, 2022**

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 community services and intergovernmental had excess expenditures over appropriations in the amount of \$44,484 and \$18,213, 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, 2022**

	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	Student Activity Funds 700s	Total
REVENUES									
1000 Revenues From Local Sources									
1300 Tuition									
1330 Tuition From Patrons for Adult/Continuing Education	\$	-	-	-	-	-	4,899	-	\$ 4,899
1400 Transportation Fee									
1410 Transportation Fees from Patrons for Regular School Day								12,000	12,000
1500 Earnings on Investments									
1510 Interest on Investments	-	-	-	-	-	-	-	307	307
1520 Dividends on Investments	-	-	-	-	-	-	-	(451)	(451)
1700 Pupil Activities									
1710 Admissions								149,576	149,576
1720 Bookstore Sales								70,366	70,366
1730 Pupil Organization Membership Dues and Fees								61,224	61,224
1740 Student Fees								16,210	16,210
1790 Other Pupil Activity Income								272,460	272,460
1900 Other Revenue From Local Sources									
1920 Contributions and Donations From Private Sources							62,706	-	62,706
1930 Special Needs Transportation-Medicaid							319,039	-	319,039
1990 Miscellaneous Local Revenue									
1999 Revenue from Other Local Sources							281,997	-	281,997
Total Local Sources	-	-	-	-	-	-	668,641	581,692	1,250,333
3000 Revenue From State Sources									
3100 Restricted State Funding									
3110 Occupational Education									
3118 EEDA Career Specialist						168,450			168,450
3120 General Education									
3127 Student Health and Fitness - PE Teachers						21,484			21,484
3130 Special Programs									
3134 Child Early Reading Development and Education Program (CERDEP)									
3135 Reading Coaches						136,046			136,046
3136 Student Health and Fitness - Nurses						264,178			264,178
3143 GEER CERDEP Summer						131,272			131,272
3155 DSS SNAP & E&T Program						46,247			46,247
3171 Consolidation & Capital Improvement						755			755
3190 Miscellaneous Restricted State Grants						655,203			655,203
3193 Education License Plates									
						3,168			3,168

**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, 2022
(Continued)**

	Title I BA Projects <u>201/202</u>	IDEA C/A 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	Student Activity Funds <u>700s</u>	Total
EXPENDITURES									
100 Instruction									
110 General Instruction									
111 Kindergarten Programs									
100 Salaries	\$ 67,948	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	67,948
200 Employee Benefits	32,728	-	-	-	-	-	-	-	32,728
112 Primary Programs									
100 Salaries	82,325	-	-	-	-	43,269	176,183	-	301,777
200 Employee Benefits	102,990	-	-	-	-	21,645	22,817	-	147,452
300 Purchased Services	1,369	-	-	-	-	-	520	-	1,889
400 Supplies and Materials	40,774	-	-	-	-	2,765	121,524	-	165,063
113 Elementary Programs									
100 Salaries	842,065	-	-	-	-	147,716	751,556	-	1,741,337
200 Employee Benefits	456,302	-	-	-	-	73,031	291,828	-	821,161
300 Purchased Services	86,744	-	-	-	-	-	454,644	-	541,388
400 Supplies and Materials	368,643	-	-	-	-	13,825	2,802,620	-	3,185,088
114 High School Programs									
100 Salaries	466,122	-	-	-	-	-	566,321	-	1,032,443
200 Employee Benefits	132,361	-	-	-	-	-	176,864	-	309,225
300 Purchased Services	30,441	-	-	-	-	-	75,007	-	105,448
400 Supplies and Materials	62,695	-	-	-	-	8,295	455,629	-	526,619
115 Career and Technology Education Programs									
300 Purchased Services	-	-	-	64,689	-	-	-	-	64,689
400 Supplies and Materials	-	-	-	94,526	-	-	16,304	-	110,830
500 Capital Outlay	-	-	-	28,394	-	-	-	-	28,394

**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, 2022
(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	Student Activity Funds <u>700s</u>	Total
EXPENDITURES									
100 Instruction									
110 General Instruction									
111 Kindergarten Programs									
100 Salaries	\$ 67,948	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 67,948
200 Employee Benefits	32,728	-	-	-	-	-	-	-	32,728
112 Primary Programs									
100 Salaries	82,325	-	-	-	-	43,269	176,183	-	301,777
200 Employee Benefits	102,990	-	-	-	-	21,645	22,817	-	147,452
300 Purchased Services	1,369	-	-	-	-	-	520	-	1,889
400 Supplies and Materials	40,774	-	-	-	-	2,765	121,524	-	165,063
113 Elementary Programs									
100 Salaries	842,065	-	-	-	-	147,716	751,556	-	1,741,337
200 Employee Benefits	456,302	-	-	-	-	73,031	291,828	-	821,161
300 Purchased Services	86,744	-	-	-	-	-	454,644	-	541,388
400 Supplies and Materials	368,643	-	-	-	-	13,825	2,802,620	-	3,185,088
114 High School Programs									
100 Salaries	466,122	-	-	-	-	-	566,321	-	1,032,443
200 Employee Benefits	132,361	-	-	-	-	-	176,864	-	309,225
300 Purchased Services	30,441	-	-	-	-	-	75,007	-	105,448
400 Supplies and Materials	62,695	-	-	-	-	8,295	455,629	-	526,619
115 Career and Technology Education Programs									
300 Purchased Services	-	-	-	64,689	-	-	-	-	64,689
400 Supplies and Materials	-	-	-	94,526	-	-	16,304	-	110,830
500 Capital Outlay	-	-	-	28,394	-	-	-	-	28,394

**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, 2022
(Continued)**

	Title I BA Projects <u>201/202</u>	CA Projects 203/204 <u>203/204</u>	IDEA 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	Student Activity Funds <u>700s</u>	Total
120 Exceptional Programs										
121 Educable Mentally Handicapped										
100 Salaries	\$ -	\$ -	(11,535)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	(11,535)
200 Employee Benefits	-	-	(6,412)	-	-	-	-	-	-	(6,412)
122 Trainable Mentally Handicapped										
100 Salaries	-	-	27,508	31,600	-	-	-	-	-	59,108
200 Employee Benefits	-	-	13,856	11,801	-	-	-	-	-	25,657
125 Hearing Handicapped										
300 Purchased Services	-	-	547,667	-	-	-	-	-	-	547,667
126 Speech Handicapped										
300 Purchased Services	-	-	184,431	-	-	-	-	-	-	184,431
400 Supplies and Materials	-	-	1,591	-	-	-	-	-	-	1,591
127 Learning Disabilities										
100 Salaries	-	-	18,149	-	-	-	-	46,220	-	64,369
200 Employee Benefits	-	-	10,348	-	-	-	-	10,945	-	21,293
300 Purchased Services	-	-	52,253	-	-	-	-	3,044	-	55,297
400 Supplies and Materials	-	-	18,181	-	-	-	-	22,255	-	40,436

**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, 2022
(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	Student Activity Funds <u>700s</u>	Total
128 Emotionally Handicapped									
100 Salaries	\$ -	\$ 5,563	-	\$ -	\$ -	\$ -	-	\$ 5,563	
200 Employee Benefits	-	1,039	-	-	-	-	-	1,039	
130 Preschool Programs									
137 Preschool Handicapped Self Contained (3&4 Yr. Olds)									
400 Supplies and Materials	-	-	1,820	-	-	-	-	1,820	
139 Early Childhood Programs:									
100 Salaries	-	-	-	-	-	-	8,836	8,836	
200 Employee Benefits	-	-	-	-	-	-	2,654	2,654	
140 Special Programs									
147 CERDEP									
300 Purchased Services	-	-	-	-	-	90,000	-	-	90,000
400 Supplies and Materials	-	-	-	-	-	18,000	-	-	18,000
149 Other Special Programs									
300 Purchased Services	-	24,764	-	-	-	-	-	-	24,764
170 Summer School Programs									
171 Primary Summer School									
100 Salaries	18,750	-	-	-	-	23,813	-	-	42,563
200 Employee Benefits	4,535	-	-	-	-	7,042	-	-	11,577
400 Supplies and Materials	-	-	-	-	-	43,438	2,492	-	45,930
172 Elementary Summer School									
100 Salaries	28,704	59,469	-	-	-	-	34,870	-	123,043
200 Employee Benefits	7,866	15,317	-	-	-	-	8,818	-	32,001
400 Supplies and Materials	80	5,403	-	-	-	-	15,441	-	20,924
173 High School Summer School									
100 Salaries	134,818	-	-	-	-	-	19,597	-	154,415
200 Employee Benefits	15,960	-	-	-	-	-	4,967	-	20,927
400 Supplies and Materials	1,500	-	-	-	-	-	7,475	-	8,975

**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, 2022
(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	Student Activity Funds 700s	Total
175 Instructional Programs Beyond Regular School Day										
100 Salaries	\$	-	-	-	-	-	-	-	-	\$ 505,585
200 Employee Benefits										146,484
300 Purchased Services										31,777
400 Supplies and Materials										87,052
180 Adult/Continuing Education Programs										
181 Adult Basic Education Programs										
100 Salaries						12,717	235	400		13,352
200 Employee Benefits						4,327	71	381		4,779
300 Purchased Services										280
400 Supplies and Materials						3,533	449	1,447		5,429
182 Adult Secondary Education Programs										
100 Salaries						16,470		2,700		19,170
200 Employee Benefits						6,042				6,042
188 Parenting/Family Literacy										
100 Salaries		184,349								184,349
200 Employee Benefits		86,090								86,090
300 Purchased Services		63,972								63,972
400 Supplies and Materials		66,289								66,289
190 Instructional Pupil Activity										
660 Pupil Activity									9,075	9,075
Total Instruction		<u>3,386,420</u>	<u>967,592</u>	<u>45,221</u>	<u>187,609</u>	<u>43,089</u>	<u>493,594</u>	<u>6,875,537</u>	<u>9,075</u>	<u>12,008,137</u>
200 Support Services										
210 Pupil Services										
212 Guidance Services										
100 Salaries							109,853			109,853
200 Employee Benefits							58,597			58,597

**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, 2022
(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	Student Activity Funds <u>700s</u>	<u>Total</u>
213 Health Services									
100 Salaries	-	82,470	-	-	-	89,061	413,517	-	\$ 585,048
200 Employee Benefits	-	37,681	-	-	42,211	-	66,327	-	146,219
300 Purchased Services	-	101,294	-	-	-	-	15,971	-	117,265
400 Supplies and Materials	-	-	-	-	-	-	19,204	-	19,204
500 Capital Outlay	-	-	-	-	-	-	32,032	-	32,032
214 Psychological Services									
300 Purchased Services	-	60,390	-	-	-	-	-	-	60,390
220 Instructional Staff Services									
221 Improvement of Instruction Curriculum Development									
100 Salaries	-	278,006	-	-	-	-	31,870	-	309,876
200 Employee Benefits	-	109,620	-	-	-	-	16,188	-	125,808
300 Purchased Services	-	-	-	-	559	-	31,609	-	32,168
400 Supplies and Materials	1,000	-	-	-	3,862	3,168	2,650	-	10,680
223 Supervision of Special Programs									
100 Salaries	157,241	168,336	-	-	-	-	119,020	-	444,597
200 Employee Benefits	63,846	72,115	-	-	-	-	54,310	-	190,271
300 Purchased Services	3,408	18,880	-	-	-	-	3,906	-	26,194
400 Supplies and Materials	-	45,658	233	-	-	-	-	-	45,891
600 Other Objects	-	455	-	-	-	-	80	-	535

**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, 2022
(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	Student Activity Funds 700s	Total
224 Improvement of Instruction Inservice and Staff Training									
100 Salaries	\$ 6,030	\$ -	\$ -	\$ -	\$ 800	\$ -	\$ 67,272	\$ -	\$ 74,102
200 Employee Benefits	1,918	-	-	-	273	-	14,621	-	16,812
300 Purchased Services	133,222	11,267	-	36,897	-	-	174,484	-	355,870
400 Supplies and Materials	8,662	-	-	-	-	-	18,500	-	27,162
230 General Administrative Services									
233 School Administration									
100 Salaries	-	-	-	-	-	-	24,732	-	24,732
200 Employee Benefits	-	-	-	-	-	-	7,695	-	7,695
250 Finance and Operations Services									
251 Student Transportation (Federal/District Mandated)									
300 Purchased Services	10,516	204	-	-	-	-	51,685	-	62,405
253 Facilities Acquisition and Construction									
500 Capital Outlay	-	-	-	-	-	-	32,500	-	32,500
254 Operation and Maintenance of Plant									
300 Purchased Services	8,882	-	-	-	750	77,250	416,889	-	503,771
400 Supplies and Materials	-	-	-	-	-	577,953	900,273	-	1,478,226
255 Pupil Transportation (State Mandated)									
100 Salaries	-	-	-	-	-	-	48,129	-	48,129
300 Purchased Services	-	-	-	-	-	-	6,445	-	6,445
256 Food Services									
400 Supplies and Materials	-	-	-	-	-	-	1,242	-	1,242

**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, 2022
(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	Student Activity Funds <u>700s</u>	<u>Total</u>
260 Central Support Services										
264 Staff Services										
300 Purchased Services	\$	-	-	-	-	-	-	-	-	2,880
400 Supplies and Materials										5,669
266 Technology and Data Processing Services										
300 Purchased Services										48,950
400 Supplies and Materials							731			8,707
270 Support Services - Pupil Activity										
271 Pupil Service Activities										
200 Employee Benefits	408									408
300 Purchased Services	8,641									8,641
660 Pupil Activity									441,071	441,071
272 Enterprise Activities										
660 Pupil Activity									125,356	125,356
Total Support Services		<u>403,774</u>	<u>986,376</u>	<u>233</u>	<u>36,897</u>	<u>6,244</u>	<u>958,824</u>	<u>2,636,626</u>	<u>566,427</u>	<u>5,595,401</u>
300 Community Services										
390 Other Community Services										
400 Supplies and Materials										189
Total Community Services										189
410 Intergovernmental Expenditures										
411 Payments to State Department of Education										
720 Transits										37,899
Total Intergovernmental Expenditures										37,899
TOTAL EXPENDITURES		<u>3,790,194</u>	<u>1,953,968</u>	<u>45,454</u>	<u>224,506</u>	<u>49,333</u>	<u>1,452,418</u>	<u>9,550,251</u>	<u>575,502</u>	<u>17,641,626</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, 2022
(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	Student Activity Funds 700s	Total
OTHER FINANCING SOURCES (USES)										
Interfund Transfers, From (To) Other Funds:										
5210 Transfer from General Fund		-	-	-	-	-	-	-	-	-
431-791 Special Revenue Fund Indirect Cost	\$	(176,923)	(72,935)	(2,471)	-	-	-	(1,357,803)	-	(1,610,132)
		(176,923)	(72,935)	(2,471)	-	-	-	(1,357,803)	-0-	(1,610,132)
Excess of Revenues Over Expenditures		-	-	-	-	-	-	-	6,190	6,190
Fund Balance, July 1, 2021		-	-	-	-	-	-	-	207,866	207,866
Fund Balance, June 30, 2022	\$	-	-	-	-	-	-	-	\$ 214,056	\$ 214,056

**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, 2022**

OTHER SPECIAL REVENUE PROGRAMS

Sub

Fund Programs

210 Title IV SSAE
217 LEAP Grant
218 SC Reading First
220 CARES
221 Workforce Initiative
224 21st Century Community Learning Center Program
225 ESSER II
237 Title I Part A, School Improvement
251 Rural and Low Income School Program, Title VI
267 Title II - Improving Teacher Quality
270 JROTC
800 Special Needs Transportation
801 GT Professional Learning
809 Health Fair
811 HEAP
812 Mentoring
813 Parenting
814 Low Country Food Bank
818 Save the Children
824 United Phosphorus Grant
826 RTF Residential Treasury
834 WCAEOP
837 CCEL Sustainability
841 BC/BS Mental Health
842 Staff Development
844 MUSC
847 Duke Energy Grant
848 Strings
850 Adult Education Local
851 Teen Life - Capps
858 Unsung Hero's Award
859 Lunch Program Aid
860 SC Gear Up
861 Telamon Corp Youth Commerce
862 Special Needs Transportation
863 Bright Ideas Grant
865 Project Hope

**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, 2021
(Continued)**

OTHER SPECIAL REVENUE PROGRAMS

Sub

Fund Programs

870 Medicaid

872 Medicaid

873 Teen Companion - Medicaid

874 Medicaid - Nurses

875 Project Lead the Way

877 Reading for Education

878 Fine Arts Grant

879 MUSC Fitness Grant

881 Teaching American History

890 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, 2022**

OTHER DESIGNATED STATE RESTRICTED GRANTS

<u>Sub Fund</u>	<u>Revenue Code</u>	<u>Programs</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Other Fund Transfers In (Out)</u>	<u>Special Revenue Fund Unearned</u>
919	3193	Education License Plates	\$ 3,168.00	\$ 3,168.00	\$ -	\$ -
924	3134	Child Early Reading Development and Education	182,293	182,293	-	62,963
928	3118	EEDA Career Specialists	168,450	168,450	-	44,690
935	3135	Reading Coaches	264,178	264,178	-	-
936	3136	Student Health and Fitness - Nurses	131,272	131,272	-	-
937	3127	Student Health and Fitness - PE Teachers	21,484	21,484	-	-
955	3155	DSS Snap & E&T Program	755	755	-	2,808
956	3156	Adult Education	-	-	-	2,103
963	3699	Miscellaneous Lottery	731	731	-	-
965	3194	Digital Instruction	24,884	24,884	-	-
971	3171	District Consolidation	655,203	655,203	-	7,001,047
Totals			<u>\$ 1,452,418</u>	<u>\$ 1,452,418</u>	<u>\$ -</u>	<u>\$ 7,113,611</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, 2022**

REVENUES

3000 Revenue From State Sources

3500 Educational Improvement Act	
3507 Aid to Districts - Technology	\$ 1,707
3509 Arts in Education	33,309
3518 Adoption List of Formative Assessment	9,862
3528 Industry Certifications/Credentials	25,568
3529 Career and Technical Education	96,576
3532 National Board Salary Supplement	19,569
3533 Teacher of the Year Awards	1,077
3536 Student Health & Fitness	32,083
3538 Student At Risk of School Failure	468,248
3541 Child Early Reading Development and Education Program	478,224
3550 Teacher Salary Increase	635,035
3555 Teacher Salary Fringe	152,543
3556 Adult Education	198,200
3557 Summer Reading Program	80,246
3571 CSI and State Priority Schools	557,080
3577 Teacher Supplies	56,925
3578 High Schools That Work/Making Middle Grades Work	15,819
3592 Worked-Based Learning	10,545
3595 EEDA - Supplies and Materials	3,332
3597 Aid to Districts	109,956
3599 Other EIA	<u>10,247</u>
Total State Sources	<u>2,996,151</u>
TOTAL REVENUE ALL SOURCES	<u>2,996,151</u>

**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, 2022
 (Continued)**

EXPENDITURES

100 Instruction

110 General Instruction

112 Primary Programs

100 Salaries	\$ 61,126
200 Employee Benefits	20,341
400 Supplies and Materials	7,150

113 Elementary Programs

100 Salaries	216,367
200 Employee Benefits	65,540
300 Purchased Services	42,217
400 Supplies and Materials	105,512

114 High School Programs

100 Salaries	91,017
200 Employee Benefits	44,427
300 Purchased Services	19,090
400 Supplies and Materials	81,867

115 Career and Technology Education Programs

300 Purchased Services	25,568
400 Supplies and Materials	84,548
500 Capital Outlay	13,677

140 Special Programs

141 Gifted and Talented - Academic

400 Supplies and Materials	747
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147 CERDEP

100 Salaries	286,412
200 Employee Benefits	119,573
400 Supplies and Materials	72,239

**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, 2022
(Continued)**

170 Summer School Program

171 Primary Summer School

100 Salaries	\$	48,493
200 Employee Benefits		13,014
300 Purchased Services		3,304
400 Supplies and Materials		13,812

172 Elementary Summer School

100 Salaries		260
200 Employee Benefits		90

173 High School Summer School

100 Salaries		1,113
200 Employee Benefits		339

180 Adult/Continuing Educational Programs

181 Adult Basic Education Programs

100 Salaries		13,187
200 Employee Benefits		4,372
400 Supplies and Materials		<u>1,128</u>

Total Instruction

1,456,530

200 Support Services

210 Pupil Services

212 Guidance Services

300 Purchased Services		1,192
400 Supplies and Materials		2,140

213 Guidance Services

100 Salaries		48,665
200 Employee Benefits		11,571

220 Instructional Staff Services

221 Improvement of Instruction Curriculum Development

300 Purchased Services		73,655
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222 Library and Media

100 Salaries		15,000
200 Employee Benefits		4,569
400 Supplies and Materials		20,000

**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, 2022
(Continued)**

223 Supervision of Special Programs		
100 Salaries	\$	244,832
200 Employee Benefits		101,732
400 Supplies and Materials		423
224 Improvement of Instruction Inservice and Staff Training		
100 Salaries		443
200 Employee Benefits		133
300 Purchased Services		9,847
400 Supplies and Materials		13,972
230 General Administrative Services		
233 School Administration		
100 Salaries		49,486
200 Employee Benefits		20,975
250 Finance and Operations Services		
251 Student Transportation (Federal/District Mandated)		
300 Purchased Services		1,718
252 Fiscal Services		
300 Purchased Services		112,802
255 Student Transportation (State Mandated)		
100 Salaries		2,980
200 Employee Benefits		826
300 Purchased Services		2,830
260 Central Support Services		
266 Technology and Data Processing Services		
300 Purchased Services		1,707
270 Support Services - Pupil Activities		
271 Pupil Services Activities		
300 Purchased Services		<u>10,545</u>
Total Support Services		<u>752,043</u>
TOTAL EXPENDITURES		<u>2,208,573</u>
OTHER FINANCING SOURCES (USES)		
Interfund Transfers, From (To) Other Funds:		
420-710 Transfer to General Fund		<u>(787,578)</u>
TOTAL OTHER FINANCING SOURCES (USES)		<u>(787,578)</u>
Excess of Revenues Over Expenditures		-
Fund Balance, July 1, 2021		<u>-</u>
Fund Balance, June 30, 2022	\$	<u><u>-</u></u>

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
EDUCATION IMPROVEMENT ACT
SUMMARY SCHEDULE BY PROGRAM
For the Fiscal Year Ended June 30, 2022**

PROGRAM	<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	\$ -	\$ -	\$ -	\$ -	\$ 9,355
3507 Aid to District Technology	1,707	1,707	-	-	-
3509 Arts in Education	33,309	33,309	-	-	13,991
3518 Adoption List of Formative Assessment	9,862	9,862	-	-	69,325
3519 Grade 10 Assessment	-	-	-	-	17,904
3525 Career and Technology Education Equipment	-	-	-	-	71,532
3526 Refurbishment of Science Kits	-	-	-	-	156,466
3528 Industry Certifications/Credentials	25,568	25,568	-	-	33,349
3529 Career and Technology Education	96,576	96,576	-	-	144,679
3532 National Board Salary Supplement	19,569	19,569	-	-	-
3533 Teacher of the Year Award	1,077	1,077	-	-	-
3536 Student Health & Fitness	32,083	32,083	-	-	-
3538 Student At Risk of School Failure	468,248	468,248	-	-	24,488
3541 Child Early Reading Development and Education Program	478,224	478,224	-	-	265,189
3550 Teacher Salary Increase	635,035	635,035	-	-	-
3555 Teacher Salary Fringe	152,543	152,543	-	-	-
3556 Adult Education	198,200	198,200	-	-	5,534
3557 Summer Reading Program	80,246	80,246	-	-	36,866
3571 CSI and State Priority Schools	557,080	557,080	-	-	560,412
3577 Teacher Supplies	56,925	56,925	-	-	2,475
3578 High Schools That Work/Making Middle Grades Work	15,819	15,819	-	-	181
3592 Worked-Based Learning	10,545	10,545	-	-	1,455
3595 EEDA - Supplies and Materials - Career Awareness	3,332	3,332	-	-	10,661
3597 Aid to Districts	109,956	109,956	-	-	150,358
3599 Other EIA	10,247	10,247	-	-	1,000
Total	<u>\$ 2,996,151</u>	<u>\$ 2,996,151</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,575,220</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, 2022**

REVENUES

1000 Revenues From Local Sources

1100 Taxes	
1110 Ad Valorem Taxes - Including Delinquent	\$ 3,202,915
1200 Revenue From Local Governmental Units Other Than LEA	
1280 Revenue in Lieu of Taxes	685,795
1500 Earnings on Investments	
1510 Interest on Investments	<u>5,721</u>
Total Local Sources	<u>3,894,431</u>

3000 Revenues From State Sources

3800 State Revenue in Lieu of Taxes	
3820 Homestead Exemption (Tier 2)	255,301
3830 Merchant Inventory Tax	13,584
3840 Manufacturers Depreciation Reimbursement	286,781
3890 Other State Property Tax Revenues	<u>155,750</u>
Total State Sources	<u>711,416</u>

TOTAL REVENUES ALL SOURCES	<u>4,605,847</u>
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EXPENDITURES

500 Debt Service	
610 Redemption of Principal	464,000
620 Interest	21,048
690 Other Objects	<u>34,536</u>
Total Debt Service	<u>519,584</u>

TOTAL EXPENDITURES	<u>519,584</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, 2022
(Continued)

OTHER FINANCING SOURCES (USES)

Interfund Transfers, From (To) Other Funds:

5250 Transfer from Capital Projects Fund	\$	496
423-710 Transfer to Debt Service - EFC Fund		(1,782,508)
424-710 Transfer to Capital Projects Fund		<u>(1,871,109)</u>

TOTAL OTHER FINANCING SOURCES (USES) (3,653,121)

Excess of Revenues Over Expenditures 433,142

Fund Balance, July 1, 2021 1,653,468

Fund Balance, June 30, 2022 \$ 2,086,610

**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, 2022**

REVENUES

1000 Revenues From Local Sources

1500 Earnings on Investments	
1510 Interest on Investments	\$ 214

Total Local Sources	<u>214</u>
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TOTAL REVENUES ALL SOURCES	<u>214</u>
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EXPENDITURES

500 Debt Service	
610 Redemption of Principal	1,025,000
620 Interest	552,649
690 Other Objects	<u>8,667</u>

Total Debt Service	<u>1,586,316</u>
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TOTAL EXPENDITURES	<u>1,586,316</u>
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OTHER FINANCING SOURCES (USES)

Interfund Transfers, From (To) Other Funds:

5240 Transfer from Debt Service Fund - District	1,782,508
424-710 Transfer to Capital Projects Fund	<u>(195,000)</u>

TOTAL OTHER FINANCING SOURCES	<u>1,587,508</u>
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Excess of Revenues Over Expenditures	1,406
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Fund Balance, July 1, 2021	<u>(9,546)</u>
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Fund Balance, June 30, 2022	<u>\$ (8,140)</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, 2022**

	<u>State</u>	<u>QZAB 2008A</u>	<u>QZAB 2008B</u>	<u>TOTAL</u>
REVENUES				
1000 Revenues From Local Sources				
1500 Earnings on Investments				
1510 Interest on Investments	\$ 3	\$ 962	\$ 1	\$ 966
Total Local Sources	<u>3</u>	<u>962</u>	<u>1</u>	<u>966</u>
TOTAL REVENUES ALL SOURCES	<u>3</u>	<u>962</u>	<u>1</u>	<u>966</u>
EXPENDITURES				
250 Finance and Operations Services				
253 Facilities Acquisition & Construction				
400 Supplies and Materials	144,136	-	-	144,136
500 Capital Outlay	895,295	-	-	895,295
254 Operation and Maintenance of Plant				
500 Capital Outlay	23,990	-	-	23,990
500 Debt Service				
610 Redemption of Principal	-	5,584,645	-	5,584,645
620 Interest	-	83,770	-	83,770
690 Other Objects	5,200	-	-	5,200
TOTAL EXPENDITURES	<u>1,068,621</u>	<u>5,668,415</u>	<u>-</u>	<u>6,737,036</u>
OTHER FINANCING SOURCES (USES)				
Interfund Transfers, From (To) Other Funds:				
5240 Transfer from Debt Service	1,227,447	643,661	-	1,871,108
5250 Transfer from Capital Projects Fund	-	11,020	-	11,020
423-710 Transfer to Debt Service Funds	-	(496)	-	(496)
424-710 Transfer to School Building Funds	(1,185)	-	(9,835)	(11,020)
TOTAL OTHER FINANCING SOURCES	<u>1,226,262</u>	<u>654,185</u>	<u>(9,835.00)</u>	<u>1,870,612</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	157,644	(5,013,268)	(9,834)	(4,865,458)
Fund Balance, July 1, 2021	<u>(950,184)</u>	<u>5,013,268</u>	<u>9,834</u>	<u>4,072,918</u>
Fund Balance, June 30, 2022	<u>\$ (792,540)</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ (792,540)</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, 2022**

REVENUES

1000 Revenues From Local Sources

1900 Earnings on Investments	
1993 Receipt of Insurance Proceeds	\$ -

Total Local Sources	<u>-</u>
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TOTAL REVENUES ALL SOURCES	<u>-</u>
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EXPENDITURES

500 Debt Service	
690 Other Objects (Including Fees for Servicing Bonds)	<u>25</u>

TOTAL EXPENDITURES	<u>25</u>
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OTHER FINANCING SOURCES (USES)

Interfund Transfers, From (To) Other Funds:

5240 Transfer from School Debt Service Fund - District	195,000
420-710 Transfer to General Fund	<u>(195,000)</u>

TOTAL OTHER FINANCING SOURCES	<u>-</u>
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Excess (Deficiency) of Revenues Over (Under) Expenditures	(25)
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Fund Balance, July 1, 2021	<u>352,630</u>
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Fund Balance, June 30, 2022	<u><u>\$ 352,605</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, 2022**

REVENUES

1000 Revenue From Local Sources

1600 Food Service	
1610 Lunch Sales to Pupils	\$ 10
1630 Special Sales to Pupils	35,552
1640 Lunch Sales to Adults	12,599
1650 Breakfast Sales to Adults	1,186
1660 Special Sales to Adults	11,469
1900 Miscellaneous Local Revenue	
1999 Revenue from Other Local Sources	<u>2,834</u>
Total Revenue From Local Sources	<u>63,650</u>

4000 Revenue From Federal Sources

4800 USDA Reimbursement	
4810 School Lunch and After School Snacks Program, and Special Milk Program	1,711,789
4830 School Breakfast Program	743,255
4860 Fresh Fruits and Vegetables Program	84,424
4890 Healthy Meals - USDA	66,357
4900 Other Federal Sources	
4991 USDA Commodities	<u>234,316</u>
Total Revenue From Federal Sources	<u>2,840,141</u>
TOTAL REVENUE ALL SOURCES	<u>2,903,791</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, 2022
(Continued)**

EXPENSES

256 Food Service	
100 Salaries	\$ 809,913
200 Employee Benefits	(89,632)
300 Purchased Services	86,643
400 Supplies and Materials	1,176,217
500 Capital Outlay	119,689
600 Other Objects	<u>4,113</u>
 TOTAL EXPENSES	 <u>2,106,943</u>

OTHER FINANCING SOURCES (USES)

Interfund Transfers, From (To) Other Funds

420-710 Transfer to General Fund (Excludes Indirect Costs)	(167,851)
432-791 Food Service Indirect Cost	<u>(197,247)</u>

TOTAL OTHER FINANCING SOURCES (USES)	<u>(365,098)</u>
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Change in Net Position	431,750
Net Position, July 1, 2021	<u>1,067,265</u>
Net Position, June 30, 2022	<u><u>\$ 1,499,015</u></u>

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
 KINGSTREE, SOUTH CAROLINA
 DETAIL SCHEDULE OF DUE TO SC DEPARTMENT OF EDUCATION/FEDERAL GOVERNMENT
 June 30, 2022**

<u>Program</u>	Project/Grant <u>Number</u>	Revenue & Subfund <u>Codes</u>	<u>Description</u>	Amount Due to <u>State/Fed</u>	<u>Status</u>
21st Century Learning	21st Century	4924/224	Overclaimed Cost Reimbursement	\$ 130,836	Recouped by SCDE on 10/21/22

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
LOCATION RECONCILIATION
June 30, 2022**

<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	\$ 11,817,463
11	KSHE	High Schools	School	5,497,042
12	KMS	Middle Schools	School	3,502,075
15	KGES	Elementary Schools	School	3,011,075
16	WMAES	Elementary Schools	School	3,714,631
17	Special Service	Non-Schools	Central	3,149,010
18	HES	Elementary Schools	School	3,061,489
20	HHS	High Schools	School	2,938,331
22	HAM	Middle Schools	School	1,762,907
30	GES	Elementary Schools	School	2,730,603
31	CEMHS	High Schools	School	2,864,934
32	Finance	Non-Schools	Central	4,495,877
33	Instruction Dept	Non-Schools	Central	12,742,328
35	HCTC	Non-Schools	Central	242,780
36	CEMMS	Middle Schools	School	1,123,998
38	Supt/County Board	Non-Schools	Central	513,255
40	KAA	Non-Schools	Central	3,261,959
41	Maintenance	Non-Schools	Central	2,971,315
TOTAL EXPENDITURES/DISBURSEMENTS FOR ALL FUNDS				\$ 69,401,072

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

General Fund	\$ 31,783,524
Special Revenue Fund	19,251,758
Special Revenue EIA Fund	2,996,151
Debt Service Funds	5,954,517
Capital Project Funds	6,943,081
Food Service Fund	2,472,041
TOTAL EXPENDITURES/DISBURSEMENTS FOR ALL FUNDS	\$ 69,401,072

COMPLIANCE SECTION

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2022**

LEA Subfund Code	Federal Grantor/ Pass-Through Grantor Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Total Expenditures
U.S. DEPARTMENT OF EDUCATION				
Passed Through SDE:				
201	Title I	84.010	22 Title I	\$ 3,973,849
237	Title I State Program Improvement	84.010	22 Title I	159,525
221	Title I State Program Improvement	84.010	22 Title I	81,394
	TOTAL 84.010			\$ 4,214,768
203	IDEA	84.027A	ESY Revenue	1,529,118
204	IDEA	84.027A	ESY Revenue - PY	401,898
862	IDEA Preschool	84.027A		46,649
205	IDEA Preschool	84.173A	22-CG048 1 Preschool IDEA	47,925
	TOTAL 84.027A and 84.173A			\$ 2,025,590
207	Perkins Aid, Title I (Subprogram 01)	84.048	22 CATE Federal	
207	Perkins Aid, Title I (Subprogram 04)	84.048	22 CATE Federal	
207	Perkins Aid, Title I (Subprogram 05)	84.048	22 CATE Federal	
207	Perkins Aid, Title I (Subprogram 06)	84.048	22 CATE Federal	
207	Perkins Aid, Title I (Subprogram 10)	84.048	22 CATE Federal	
207	Perkins Aid, Title I (Subprogram 14)	84.048	22 CATE Federal	
264	Perkins Aid, Title I	84.048	22 CATE Federal	
	TOTAL 84.048			224,506
251	Rural and Low Income School Program, Title VI	84.358	20 Title VI	102,783
	TOTAL 84.358			\$ 102,783
267	Improving Teacher Quality	84.367A	18 Title II Improving Teacher Quality	270,706
	TOTAL 84.367A			\$ 270,706
243	Adult Education	84.002	20 Adult Education	49,333
224	21st Century Learning	84.287	20 21st Century	* 828,918
210	Title IV Student Support & Academic Enrichment Grant	84.424A	20 Title IV (SSAE)	283,878
	TOTAL 84.424A			\$ 283,878
217	SC CARES (Covid-19 Emergency Funding)	84.425D		* 2,282
218	SC CARES (Covid-19 Emergency Funding)	84.425D		* 2,411,894
220	SC CARES (Covid-19 Emergency Funding)	84.425D		* 84,640
225	SC CARES (Covid-19 Emergency Funding)	84.425D	N/A	* <u>5,003,248</u>
	TOTAL 84.424D			\$ 7,502,064
TOTAL U.S. DEPARTMENT OF EDUCATION				<u>15,502,546</u>

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2022
(Continued)**

LEA Subfund Code	Federal Grantor/ Pass-Through Grantor Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Total Expenditures
OTHER FEDERAL ASSISTANCE				
U.S. DEPARTMENT OF AGRICULTURE				
Passed Through SDE:				
600	Commodities/Food Distribution	10.565	N/A	\$ 234,316
600	School Breakfast Program	10.553	N/A	743,255
600	School Lunch & After School Snacks Program	10.555	N/A	1,774,856
600	USDA Fresh Fruits and Vegetables	10.582	N/A	<u>84,424</u>
TOTAL U.S. DEPARTMENT OF AGRICULTURE				<u>2,836,851</u>
U.S. DEPARTMENT OF DEFENSE				
Direct Program:				
270	Army ROTC	12.000	N/A	<u>75,661</u>
TOTAL U. S. DEPARTMENT OF DEFENSE				<u>75,661</u>
TOTAL FEDERAL ASSISTANCE EXPENDED				<u>\$ 18,415,058</u>
* Tested as Major Program				<u>\$ 18,415,058</u>

SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2022

- 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, 2022. 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.

SHEHEEN, HANCOCK & GODWIN, LLP

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November 30, 2022

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 of Williamsburg County
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, 2022, 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, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the 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 the School District of Williamsburg County's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such 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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School District 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*.

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, 2022

**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 of Williamsburg County
Kingstree, South Carolina

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the School District of Williamsburg County's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the School District of Williamsburg County's major federal programs for the year ended June 30, 2022. The 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.

In our opinion, the 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, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).¹ Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the School District of Williamsburg County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each

major federal program. Our audit does not provide a legal determination of the School District of Williamsburg County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the 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.

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

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

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, 2022**

A. SUMMARY OF RESULTS

1. The financial statement opinion is unmodified.
2. No significant deficiency in internal control over financial reporting were disclosed by the audit of the financial statements.
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:
21st Century Learning – CFDA 84.287
SC Cares – CFDA 84.425D
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 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, 2022
(Continued)**

B. FINDINGS RELATED TO FINANCIAL STATEMENTS

NONE

C. FINDINGS RELATED TO FEDERAL AWARDS

NONE

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the Fiscal Year Ended June 30, 2022**

A. FINDINGS – FINANCIAL STATEMENTS AUDIT

NONE
