

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
ANNUAL FINANCIAL REPORT
Fiscal Year Ended June 30, 2017**

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended June 30, 2017**

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November 29, 2017

INDEPENDENT AUDITOR'S REPORT

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

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the School District of Williamsburg County, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of D.P. Cooper Charter School, which represent 3.86 percent, 3.60 percent and 8.44 percent, respectively, of the assets, net position and revenues of the School District of Williamsburg County. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for D.P. Cooper Charter School is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in

the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component unit and each major fund of the School District of Williamsburg County, as of June 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information for the General Fund on pages 4 through 11 and 61, and the schedules of funding progress and employer contributions, schedule of District's proportionate share of net pension liability and the schedule of the District's contributions on pages 62-63 be presented to supplement the basic financial statements.

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

Other Information

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

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

accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 29, 2017, 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, 2017**

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, 2017. We encourage readers to consider this information in conjunction with the additional information in the District's financial statements and the accompanying notes to those financial statements.

FINANCIAL HIGHLIGHTS

Student enrollment was 3,964 on the 135-day ADM for the 2016-2017 school years. We based our budget on \$2,350 base student cost. We had some cuts in Federal and State Restricted Funds. The School District of Williamsburg County's Board of Trustees did not have to approve any unpopular measures such as furloughs or rifts. Purchase orders were monitored very closely to reduce spending for supplies, equipment, travel, conferences and telephones. Additionally, the number of substitutes that were utilized was significantly reduced.

Other key financial aspects were as follows:

Net Position: The District's Total Net Position as of June 30, 2017, was \$(14,661,063).

Revenues and Expenditures: Revenues and other financing sources totaled \$53,237,648 and expenditures and other financing uses totaled \$53,810,821 for all Governmental Funds at the fund level. Accordingly, expenditures and other financing uses exceeded revenues and other financing sources by \$544,810.

General Fund/Fund Balance: On June 30, 2016, our principal operating fund, the General Fund, had a fund balance of \$3,500,232. The current year expenditures and other financing uses exceeded revenues and other financing sources creating a decrease for the year of \$438,739. This decreased the fund balance to \$3,061,493 as of June 30, 2017.

Debt Service: In 2006 the District issued \$22,500,000 in SCAGO General Obligation School (Installment Purchase) Bonds to build Hemingway Elementary School. In 2008, the District issued \$6,926,639 in QZAB Bonds to repair, renovate and upgrade facilities in the district. In 2016 the District issued \$17,625,000 in SCAGO Installment Purchase Refunding Bonds to refund the 2006 IPR bonds. The millage assessed to repay the debt service is 34.5. The District issued short-term debt during the year of \$3,979,000 in the form of General Obligation Bonds. As of June 30, 2017, the District had paid off \$3,052,000 in short-term debts and paid approximately \$1,039,000 against its long-term debt obligations.

OVERVIEW OF FINANCIAL STATEMENTS

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

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

SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
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For the Fiscal Year Ended June 30, 2017
(Continued)

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

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

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

Statement of Activities: The statement of activities presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes).

Fund Financial Statements: A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into three categories: governmental, proprietary and fiduciary.

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

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

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

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

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
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MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year Ended June 30, 2017
(Continued)**

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

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

Notes to the Basic Financial Statements: The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 24 through 50 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 61-63 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 \$14,661,063 as of June 30, 2016. ⁷

By far, the largest portion of the District's net position (175%) reflects its investment in capital assets (e.g., land, buildings and improvements, vehicles, furniture and equipment), less any related debt used to acquire those assets that are still outstanding. The District uses these capital assets to provide services to its students; consequently, these assets are not available for future spending. Although the District's net investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The District's financial position is the product of several financial transactions including the net results of activities, the acquisition and payment of debt, the acquisition of capital assets, and the depreciation of capital assets.

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year Ended June 30, 2017
(Continued)**

The following table presents a summary of the District's net position for the fiscal years ended June 30, 2017, and, June 30, 2016.

	<u>2017</u>	<u>2016</u>	<u>Change</u>
Current and Other Assets	\$ 17,659,674	\$ 18,176,225	\$ (516,551)
Capital Assets	50,860,689	52,154,685	(1,293,996)
Deferred Outflows	<u>4,673,098</u>	<u>3,755,398</u>	<u>917,700</u>
Total Assets and Deferred Outflows	<u>73,193,461</u>	<u>74,086,308</u>	<u>(892,847)</u>
Long Term Debt Outstanding	75,140,141	76,967,468	(1,827,327)
Other Liabilities	6,367,750	6,146,091	221,659
Deferred Inflows	<u>6,346,633</u>	<u>2,272,621</u>	<u>4,074,012</u>
Total Liabilities and Deferred Inflows	<u>87,854,524</u>	<u>85,386,180</u>	<u>2,468,344</u>
Net Investment in Capital Assets	25,677,044	25,932,040	(254,996)
Restricted	5,734,888	5,841,314	(106,426)
Unrestricted	<u>(46,072,995)</u>	<u>(43,073,226)</u>	<u>(2,999,769)</u>
Total Net Position	<u>\$ (14,661,063)</u>	<u>\$ (11,299,872)</u>	<u>\$ (3,361,191)</u>

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

- \$2,100,387 in depreciation expense.
- \$2,239,741 in pension expense.

Changes in net position: The District's total revenues for the fiscal year ended June 30, 2017, were \$50,904,955. The total cost of all programs and services was \$54,266,146. The following table presents a summary of the activity that resulted in changes in net position for the fiscal year ended June 30, 2017.

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MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year Ended June 30, 2017
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	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Revenues:			
Program Fees:			
Fees, Fines and Charges for Services	\$ 319,782	\$ 191,510	\$ 511,292
Operating Grants	29,160,914	3,167,982	32,328,896
General Revenues:			
Property Taxes	11,651,071	-	11,651,071
Miscellaneous	437,115	-	437,115
Unrestricted Investment Earnings	57,476	-	57,476
Intergovernmental Revenues	5,919,105	-	5,919,105
Transfer - Food Service Fund	<u>403,995</u>	<u>(403,995)</u>	<u>-</u>
 Total Revenues	 <u>47,949,458</u>	 <u>2,955,497</u>	 <u>50,904,955</u>
 Expenses:			
Instruction	24,664,651	-	24,664,651
Support services	20,751,471	-	20,751,471
Community Services	73,366	-	73,366
Intergovernmental	4,552,239	-	4,552,239
Capital Outlay	524,276	-	524,276
Interest and Other Charges	759,503	-	759,503
Food Service	<u>-</u>	<u>2,940,640</u>	<u>2,940,640</u>
 Total Expenses	 <u>51,325,506</u>	 <u>2,940,640</u>	 <u>54,266,146</u>
 Change in Net Position	 (3,376,048)	 14,857	 (3,361,191)
 Net Position, Beginning of Year	 <u>(11,789,686)</u>	 <u>489,814</u>	 <u>(11,299,872)</u>
 Net Position, End of Year	 <u>\$ (15,165,734)</u>	 <u>\$ 504,671</u>	 <u>\$ (14,661,063)</u>

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

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MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year Ended June 30, 2017
(Continued)**

	<u>2017</u>		<u>2016</u>	
	<u>Total</u>	<u>Net (Expense)</u>	<u>Total</u>	<u>Net (Expense)</u>
	<u>Expenses</u>	<u>Revenue</u>	<u>Expenses</u>	<u>Revenue</u>
Instruction	\$ 24,664,651	\$ (5,311,060)	\$ 21,051,582	\$ (1,972,324)
Support services	20,751,471	(11,105,752)	18,704,975	(9,057,715)
Community Services	73,366	(73,366)	122,423	(122,423)
Intergovernmental	4,552,239	(4,070,853)	4,193,124	(3,305,226)
Interest and Other Charges	759,503	(759,503)	2,852,665	(2,852,665)
Capital Outlay/Depreciation	<u>524,276</u>	<u>(524,276)</u>	<u>435,693</u>	<u>(435,693)</u>
 Total Expenses	 <u>\$ 51,325,506</u>	 <u>\$ (21,844,810)</u>	 <u>\$ 47,360,462</u>	 <u>\$ (17,746,046)</u>

- The cost of all governmental activities this year was \$51,325,506.
- Net cost of governmental activities \$(21,844,810) was financed by general revenues which are made up primarily of property taxes \$11,651,071 and unrestricted federal and state aid \$5,919,105.

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 \$8,796,381, a decrease of \$544,810. Approximately \$2,784,798 (or 32%) of the fund balance constitutes unassigned fund balance which is available for spending at the District's discretion.

The General Fund is the principal operating fund of the District. The decrease in the fund balance in the General Fund for the fiscal year was \$438,739.

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 \$14,857. Food Service operated a summer feeding program during 2017, 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, 2017
(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, 2017, the District had invested \$50,860,689 (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 \$2,164,801.

The following schedule presents capital asset balances, net of depreciation, for the fiscal years ended June 30, 2017.

	Governmental Activities <u>2017</u>	Business -Type Activities <u>2017</u>	Total <u>2017</u>
Land	\$ 938,198	\$ -	\$ 938,198
Building and Improvements	85,942,798	554,741	86,497,539
Machinery and Equipment	5,424,209	786,701	6,210,910
Accumulated Depreciation	<u>(42,224,825)</u>	<u>(561,133)</u>	<u>(42,785,958)</u>
Total Net Capital Assets	<u>\$ 50,080,380</u>	<u>\$ 780,309</u>	<u>\$ 50,860,689</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 \$75,140,141 in general obligation bonds, capital leases, compensated absences and pension liability, of which \$1,347,000 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, 2017, and June 30, 2016.

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

	Governmental Activities		Business-Type Activities		Total	
	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>
Long Term Bonds	\$ 24,831,534	\$ 24,144,534	\$ -	\$ -	\$ 24,831,534	\$ 24,144,534
Capital Lease	1,504,000	1,152,000	-	-	1,504,000	1,152,000
Compensated Absences	421,768	424,171	-	-	421,768	424,171
Net Pension Liability	<u>47,892,479</u>	<u>47,096,031</u>	<u>2,317,687</u>	<u>2,323,405</u>	<u>50,210,166</u>	<u>49,419,436</u>
Total Net Assets	\$ <u>74,649,781</u>	\$ <u>72,816,736</u>	\$ <u>2,317,687</u>	\$ <u>2,323,405</u>	\$ <u>76,967,468</u>	\$ <u>75,140,141</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 8 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

School District of Williamsburg County is a rural district located in the Lower Pee Dee Area of South Carolina. According to the 2010 Census Report, Williamsburg County has a population of 34,423, a decrease of 2,794 from the 2000 Census Report. Student enrollment has declined from 6,405 in 2000 to 3,964 students in 2017. There are very few industries in the county. All of the above has led to a significant decline in local revenues and the value of a tax mill.

Many factors were considered by the District's administration during the process of developing the 2016-2017 budget. The base student cost for 2016-2017 is \$2,350. 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 2016-2017 budget were continued reductions in staff through attrition where possible, reductions in supplies, equipment, travel and telephone accounts.

CONTACT THE DISTRICT'S FINANCIAL MANAGEMENT

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

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
STATEMENT OF NET POSITION
June 30, 2017**

	Governmental Activities	Business-Type Activities	Total	Component Unit <u>Charter School</u>
Assets				
Cash and Cash Equivalents	\$ 6,196,217	\$ 1,257	\$ 6,197,474	\$ 407,868
Cash and Cash Equivalents, Restricted	3,040,366	-	3,040,366	-
Cash with County Treasurer/Fiscal Agent	2,249,097	-	2,249,097	-
Property Taxes Receivable, Net	707,662	-	707,662	-
Due from other Governmental Units	5,068,448	43,620	5,112,068	299,198
Prepaid Expense	268,658	-	268,658	5,275
Other Receivables	45,550	1,782	47,332	-
Internal Balances	(2,085,825)	2,085,825	-	-
Inventories - Supplies and Materials	8,037	28,980	37,017	-
Capital Assets:				
Land and Improvements	938,198	-	938,198	-
Buildings and Improvements	85,942,798	554,741	86,497,539	109,111
Vehicles and Equipment	5,424,209	786,701	6,210,910	224,479
Less: Accumulated Depreciation	(42,224,825)	(561,133)	(42,785,958)	(77,290)
Total Capital Assets, Net of Depreciation	<u>50,080,380</u>	<u>780,309</u>	<u>50,860,689</u>	<u>256,300</u>
Total Assets	<u>65,578,590</u>	<u>2,941,773</u>	<u>68,520,363</u>	<u>968,641</u>
Deferred Outflows of Resources				
Prepaid Pension Cost	<u>4,453,397</u>	<u>219,701</u>	<u>4,673,098</u>	<u>1,857,055</u>
Total Deferred Outflows of Resources	<u>4,453,397</u>	<u>219,701</u>	<u>4,673,098</u>	<u>1,857,055</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 70,031,987</u>	<u>\$ 3,161,474</u>	<u>\$ 73,193,461</u>	<u>\$ 2,825,696</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, 2017
(Continued)**

			<u>Component</u>	
	<u>Governmental</u>	<u>Business-Type</u>	<u>Total</u>	<u>Unit</u>
Liabilities	<u>Activities</u>	<u>Activities</u>		<u>Charter School</u>
Accounts Payable and Accrued Expenses	\$ 223,815	\$ -	\$ 223,815	\$ 413,521
Due to Federal Government - JROTC	10,674	-	10,674	-
Accrued Personnel Costs	3,147,589	-	3,147,589	-
Accrued Interest Payable	114,322	-	114,322	-
Unearned Revenue	1,750,634	54,716	1,805,350	-
Short Term General Obligation Bond Payable	1,066,000	-	1,066,000	-
Long-Term Liabilities:				
Due Within One Year:				
Capital Lease	357,000	-	357,000	-
G.O. Bonds	645,000	-	645,000	-
IPR Bonds	345,000	-	345,000	-
Notes Payable	-	-	-	1,034
Due in More Than One Year:				
Compensated Absences	424,171	-	424,171	13,952
Arbitrage Payable	112,889	-	112,889	-
Capital Lease	795,000	-	795,000	-
Net Pension Liability	47,096,031	2,323,405	49,419,436	2,921,173
G.O. Bonds	457,000	-	457,000	-
IPR Bonds	17,000,000	-	17,000,000	-
QZAB Bonds	5,584,645	-	5,584,645	-
Total Liabilities	<u>79,129,770</u>	<u>2,378,121</u>	<u>81,507,891</u>	<u>3,349,680</u>
Deferred Inflows of Resources				
Deferred Gain on Bond Refunding	419,017	-	419,017	-
Unavailable Revenue - Pension	5,648,934	278,682	5,927,616	3,172
Total Deferred Inflows of Resources	<u>6,067,951</u>	<u>278,682</u>	<u>6,346,633</u>	<u>3,172</u>
Total Liabilities and Deferred Inflows of Resources	<u>85,197,721</u>	<u>2,656,803</u>	<u>87,854,524</u>	<u>3,352,852</u>
Net Position				
Net Investment in Capital Assets	24,896,735	780,309	25,677,044	255,266
Restricted for:				
Debt Service	1,202,239	-	1,202,239	-
Capital Projects	4,532,649	-	4,532,649	-
Unrestricted	(45,797,357)	(275,638)	(46,072,995)	(782,422)
Total Net Position	<u>\$ (15,165,734)</u>	<u>\$ 504,671</u>	<u>\$ (14,661,063)</u>	<u>\$ (527,156)</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, 2017**

Function/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Assets			Component Unit
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Governmental Activities	Primary Government Business-Type Activities	Total	
Primary Government							
Governmental Activities							
Instruction	\$ 24,664,651	\$ -	\$ 19,353,591	(5,311,060)	\$ -	\$ (5,311,060)	
Support Services	20,751,471	319,782	9,325,937	(11,105,752)	-	(11,105,752)	
Community Services	73,366	-	-	(73,366)	-	(73,366)	
Intergovernmental	4,532,339	-	481,386	(4,070,853)	-	(4,070,853)	
Interest and Other Charges	759,503	-	-	(759,503)	-	(759,503)	
Capital Outlay	524,276	-	-	(524,276)	-	(524,276)	
Total Governmental Activities	51,325,506	319,782	29,160,914	(21,844,810)	-	(21,844,810)	
Business-Type Activities							
Food Service	2,940,640	191,510	3,167,982	-	418,852	418,852	
Total Business-Type Activities	2,940,640	191,510	3,167,982	-	418,852	418,852	
Total Primary Government	54,266,146	511,292	32,328,896	(21,844,810)	418,852	(21,425,958)	
Component Unit							
D.P. Cooper Charter School	\$ 5,021,309	\$ -	\$ 4,241,730	-	-	-	\$ (779,579)
Total Component Unit	5,021,309	-	4,241,730	-	-	-	(779,579)
General Revenues and Transfers							
Property Taxes Levied for:							
General Purposes				8,584,989	-	8,584,989	-
Debt Service				3,066,082	-	3,066,082	-
Investment Earnings				57,476	-	57,476	-
Federal and State Aid Not Restricted to Specific Purposes				5,919,105	-	5,919,105	-
Other Local Sources				402,029	-	402,029	55,807
Premium on Bonds Sold				35,086	-	35,086	-
Transfers - Food Service				403,995	(403,995)	-	-
Total General Revenues and Transfers				18,468,762	(403,995)	18,064,767	55,807
Change in Net Position				(3,376,048)	14,857	(3,361,191)	(733,772)
Net Position, Beginning of Year				(11,789,686)	489,814	(11,299,872)	196,616
Net Position, End of Year				(15,165,734)	504,671	(14,661,063)	(527,156)

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, 2017**

	<u>General</u>	<u>Special Revenue</u>	<u>EIA</u>	<u>Capital Projects District</u>	<u>Debt Service District</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets							
Cash and Cash Equivalents	\$ 6,196,217	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,196,217
Cash and Cash Equivalents, Restricted	-	-	-	2,843,034	-	197,332	3,040,366
Cash With County Treasurer/Fiscal Agent	-	-	-	-	2,249,097	-	2,249,097
Due from County Treasurer	1,268,951	-	-	-	-	-	1,268,951
Property Taxes Receivable, Net	518,374	-	-	-	189,288	-	707,662
Due from Other Funds	-	581,594	807,904	1,562,205	-	-	2,951,703
Due from Federal Government	-	3,387,255	-	-	-	-	3,387,255
Due from State Government	93,012	227,510	91,720	-	-	-	412,242
Prepaid Expense	268,658	-	-	-	-	-	268,658
Accounts Receivable	3,644	41,106	800	-	-	-	45,550
Inventories - Supplies and Materials	8,037	-	-	-	-	-	8,037
Total Assets	\$ 8,356,893	\$ 4,237,465	\$ 900,424	\$ 4,405,239	\$ 2,438,385	\$ 197,332	\$ 20,535,738
Liabilities							
Accounts Payable and Accrued Expenses	\$ 223,815	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 223,815
Accrued Personnel Costs	3,147,589	-	-	-	-	-	3,147,589
Due to Federal Government - JROTC	-	10,674	-	-	-	-	10,674
Due to Other Funds	1,553,540	3,376,581	-	-	37,631	69,777	5,037,529
Unearned Revenue	-	850,210	900,424	-	-	-	1,750,634
Short Term GO Bonds Payable	-	-	-	-	1,066,000	-	1,066,000
Total Liabilities	4,924,944	4,237,465	900,424	-	1,103,631	69,777	11,236,241
Deferred Inflows of Resources							
Unavailable Revenue - Property Taxes	370,456	-	-	-	132,660	-	503,116
Total Deferred Inflows of Resources	370,456	-	-	-	132,660	-	503,116
Fund Balances							
Non-Spendable:							
Inventory	8,037	-	-	-	-	-	8,037
Prepaid Expenses	268,658	-	-	-	-	-	268,658
Restricted							
Debt Service	-	-	-	-	1,202,094	145	1,202,239
Capital Projects	-	-	-	4,405,239	-	127,410	4,532,649
Unassigned	2,784,798	-	-	-	-	-	2,784,798
Total Fund Balances	3,061,493	-	-	4,405,239	1,202,094	127,555	8,796,381
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 8,356,893	\$ 4,237,465	\$ 900,424	\$ 4,405,239	\$ 2,438,385	\$ 197,332	\$ 20,535,738

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, 2017**

Total Fund Balances - Governmental Funds (Exhibit C)	\$ 8,796,381
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	503,117
Capital assets used in governmental activities are not financial resources, and therefore, are not reported as assets in the governmental funds. The cost of the assets is \$92,305,205 and the accumulated depreciation is \$42,224,825.	50,080,380
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	(419,017)
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.	(114,322)
Deferred outflows and inflows of resources related to pension expense are applicable to future periods and, therefore, are not reported in the funds. Deferred outflows of resources related to pension of \$4,453,397 equals \$4,450,495 deferred outflows of pension expense (from pension schedule) plus \$2,902 deferred outflows of 2017 employer contributions relating to pensions	4,453,397
Deferred inflows of resources related to pensions (from pension schedule)	(5,648,934)
Long-term liabilities are not due and payable in the current period, and, therefore, are not reported as liabilities in the funds. Long-term liabilities at year-end consist of:	
General Obligation Bonds	(1,102,000)
Capital Lease	(1,152,000)
IPR Bonds	(17,345,000)
Compensated Absences	(424,171)
Arbitrage Rebate	(112,889)
QZAB Bonds	(5,584,645)
Net Pension Liability	<u>(47,096,031)</u>
Total Net Position - Governmental Activities (Exhibit A)	<u>\$ (15,165,734)</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, 2017

	General	Special Revenue	Education Improvement Act	Capital Projects District	Debt Service District	Other Governmental Funds	Total Governmental Funds
Revenues							
Local Property Taxes	\$ 8,862,118	\$ -	\$ -	\$ -	\$ 3,066,082	\$ -	\$ 11,928,200
Other Local	168,234	600,213	-	3,479	4,625	2,736	779,287
Total Local	9,030,352	600,213	-	3,479	3,070,707	2,736	12,707,487
State	22,616,273	1,538,939	3,373,908	-	435,552	-	27,964,672
Federal	-	7,115,347	-	-	-	-	7,115,347
Total Revenues	31,646,625	9,254,499	3,373,908	3,479	3,506,259	2,736	47,787,506
Expenditures							
Current:							
Instruction	15,567,360	4,807,142	1,831,721	-	-	-	22,206,223
Support Services	14,755,461	3,531,693	565,788	4,116	-	10,310	18,867,368
Community Services	73,366	-	-	-	-	-	73,366
Intergovernmental	4,087,296	365,778	99,165	-	-	-	4,552,239
Debt Service:							
Principal	-	-	-	62,400	699,000	280,000	1,041,400
Interest and Fees	-	-	-	-	157,114	651,572	808,686
Other Objects	-	-	-	525	26,546	10,313	37,384
Capital Outlay	55,440	307,367	74,476	749,848	-	-	1,187,131
Total Expenditures	34,538,923	9,011,980	2,571,150	816,889	882,660	952,195	48,773,797
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,892,298)	242,519	802,758	(813,410)	2,623,599	(949,459)	(986,291)
Other Financing Sources (Uses)							
Premium on Bonds Sold	-	-	-	-	37,486	-	37,486
Operating Transfers In	2,498,559	-	-	1,623,452	-	1,328,131	5,450,142
Operating Transfers Out	(45,000)	(242,164)	(802,758)	-	(3,566,225)	(390,000)	(5,046,147)
Total Other Financing Sources (Uses)	2,453,559	(242,164)	(802,758)	1,623,452	(3,528,739)	938,131	441,481
Net Change in Fund Balances	(438,739)	355	-	810,042	(905,140)	(11,328)	(544,810)
Fund Balances, Beginning of Year	3,500,232	(355)	-	3,595,197	2,107,234	138,883	9,341,191
Fund Balances, End of Year	\$ 3,061,493	\$ -	\$ -	\$ 4,405,239	\$ 1,202,094	\$ 127,555	\$ 8,796,381

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, 2017**

Total Net Change In Fund Balances - Governmental Funds (Exhibit E) **\$ (544,810)**

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 (\$2,100,387) exceeds capital outlay of (\$662,855) in the period. (1,437,532)

Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. 1,039,000

Because some revenues will not be collected for several months after the District's fiscal year ends, they are not considered "available" revenues and are deferred in the governmental funds. Deferred tax revenue decreased in the current year (277,129)

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

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 leave earned exceeded the amount used by. (2,403)

Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, interest expense is recognized as the interest accrues, regardless of when it is due. Accrued interest payable increased during the year. 58,633

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

District pension contributions	2,411,340	
Cost of benefits earned net of employee contributions (pension expense on benefit schedule)	(171,599)	
		(2,239,741)

Change in Net Position of Governmental Activities (Exhibit B) **\$ (3,376,048)**

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, 2017**

	Enterprise Fund <u>Food Service</u>
Assets	
Current Assets:	
Cash	1,257
Due from General Fund	2,085,825
Due from State and Federal Governments	43,620
Other Receivables	1,782
Inventories:	
Purchased Food and Supplies	24,845
USDA Inventory	4,135
Total Current Assets	<u>2,161,464</u>
Non-Current Assets:	
Building Improvements	554,741
Equipment	786,701
Less: Accumulated Depreciation	<u>(561,133)</u>
Total Non-Current Assets	<u>780,309</u>
Total Assets	<u>2,941,773</u>
Deferred Outflows of Resources	
Prepaid Pension Cost	<u>219,701</u>
Total Assets and Deferred Outflows of Resources	<u>3,161,474</u>
Liabilities	
Current Liabilities:	
Unearned Revenue	54,716
Long-Term Liabilities:	
Net Pension Liability	<u>2,323,405</u>
Total Liabilities	<u>2,378,121</u>
Deferred Inflows of Resources	
Unavailable Revenue - Pension	<u>278,682</u>
Net Position	
Net Invested in Capital Assets	780,309
Unrestricted	<u>(275,638)</u>
Total Net Position	<u>\$ 504,671</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, 2017**

	<u>Enterprise Fund</u> <u>Food Service</u>
Operating Revenues	
Proceeds From Sale of Meals	\$ 191,510
Total Operating Revenues	<u>191,510</u>
Operating Expenses	
Food Cost	1,193,718
Personnel Costs	1,312,956
Purchased Services	134,894
Supplies and Materials	242,423
Depreciation	51,531
Other Operating Costs	<u>5,118</u>
Total Operating Expenses	<u>2,940,640</u>
Operating Income (Loss)	<u>(2,749,130)</u>
Non-Operating Revenues (Expenses)	
Other Federal and State Aid	225
USDA Reimbursement	3,089,126
Commodities Received From USDA	<u>78,631</u>
Total Non-Operating Revenues	<u>3,167,982</u>
Income Before Operating Transfers	<u>418,852</u>
Transfers In (Out)	
Indirect Costs	(211,223)
Fringe Benefits	<u>(192,772)</u>
Total Transfers In (Out)	<u>(403,995)</u>
Change in Net Position	14,857
Net Position, Beginning of Year	<u>489,814</u>
Net Position, End of Year	<u>\$ 504,671</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, 2017**

	Enterprise Fund <u>Food Service</u>
Cash Flows from Operating Activities:	
Received from Patrons	\$ 191,644
Payments to Employees for Services	(1,159,181)
Payments to Suppliers for Goods and Services	<u>(1,497,523)</u>
Net Cash (Used) by Operating Activities	<u>(2,465,060)</u>
Cash Flows From Non-Capital Financing Activities:	
Received from USDA Reimbursements	3,089,126
(Increase) in Due from Other Fund	(25,627)
Operating Transfers to Other Funds	(403,995)
Non-Operating Grants Received	<u>225</u>
Net Cash Provided by Non-Capital Financing Activities	<u>2,659,729</u>
Cash Flows From Capital and Related Financing Activities:	
Acquisition of Capital Assets	<u>(195,067)</u>
Net Cash (Used) by Capital and Related Financing Activities	<u>(195,067)</u>
Net Decrease in Cash and Cash Equivalents	(398)
Cash and Cash Equivalents, Beginning of Year	<u>1,655</u>
Cash and Cash Equivalents, End of Year	<u><u>\$ 1,257</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, 2017
(Continued)**

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

	Enterprise Fund Food Service
Operating Income (Loss)	\$ (2,749,130)
Adjustments to Reconcile Operating Income (Loss) to Net Cash	
Received From (Used) by Operating Activities:	
Depreciation	51,531
Commodities Used	78,631
Change in Assets and Liabilities:	
Decrease in Receivables	134
(Increase) in Deferred Costs	(46,353)
Increase in Net Pension Liability	5,718
Increase in Deferred Inflows	194,410
Net Cash (Used) by Operating Activities	\$ (2,465,060)

Noncash Transactions:

During the year, the district received \$78,631 of food commodities from the U. S. Department of Agriculture.

SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION TRUST FUNDS
For the Fiscal Year Ended June 30, 2017

	<u>Agency Funds</u>
Assets	
Cash and Cash Equivalents	\$ <u>214,967</u>
Total Assets	<u><u>214,967</u></u>
Liabilities	
Due to Student Organizations	<u>214,967</u>
Total Liabilities	<u><u>\$ 214,967</u></u>

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

SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2017

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 School District is governed by a seven member Board of Trustees (the “Board”).

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 of Williamsburg County, (the “School District”) is controlled by a Board of Trustees (the “Board”), which has oversight responsibility over the public school education activities in the School District. 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 two component units.

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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.

Discretely Presented Component Units: D.P. Cooper Charter School (D.P. Cooper) is a charter school and as a charter school it is considered a public school and is considered part of the School District of Williamsburg County for the purposes of state law and state constitution. Because the charter school is fiscally dependent on the School District and because the nature and significance of the relationship between the School District and D.P. Cooper is such that the exclusion of D.P. Cooper would cause the School District's basic financial statements to be incomplete, the financial statements of the D.P. Cooper have been included in those of the School District. Separate financial statements can be obtained from D. P. Cooper Charter School, 4568 Seaboard Road, Salters, South Carolina 29590.

B. Basis of Presentation

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

Government-Wide Financial Statements

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

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

Fund Financial Statements

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

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

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

The funds of the School District are described below:

Governmental Funds

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

General Fund

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

Special Revenue Fund

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

Education Improvement Act (EIA) Fund

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

Debt Service Fund

The *Debt Service Fund*, a major 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.

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

Capital Projects Fund

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

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

Proprietary Fund

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

Enterprise Fund

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

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

Fiduciary Funds

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

Agency Funds

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

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

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C. Measurement Focus and Basis of Accounting

Measurement Focus

Government-Wide Financial Statements

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

Fund Financial Statements

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

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

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

Basis of Accounting

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

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

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

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

D. Cash, Cash Equivalents and Investments

Cash and Cash Equivalents

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

Investments

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

E. Receivables

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

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

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

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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, 2017.

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, 2017.

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

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Fund Financial Statements

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

I. Short-term Inter-fund Receivables/Payable

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

J. Compensated Absences

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

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

K. Deferred Outflows of Resources

In addition to assets, The School District reports deferred outflows of resources in a separate section of its government wide and proprietary fund statements. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period. The School District only has one deferred outflow: is prepaid cost related to the GASB 68 pension 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 three 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, and the third 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.

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M. Long-term Obligations

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

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

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

N. Equity Classifications

Government-Wide Statements

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

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

The School District classifies governmental fund balances as follows:

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

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

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

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

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

O. Operating and Non-Operating Revenues and Expenses

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

P. Capital Contributions

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

Q. Inter-fund Transactions

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

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as inter-fund transfers. Inter-fund transfers are reported as other financing sources/uses in the governmental funds and non-operating revenues/expenses in the enterprise fund. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

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R. Use of Estimates

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

S. Statement of Cash Flows

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

T. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the South Carolina Retirement System (SCRS) and additions to/deductions from SCRS's fiduciary net position have been determined on the same basis as they are reported by SCRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Note 2. Deposits and Investments

Deposits – Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, the School District's deposits may not be recovered. The School District does not have a deposit policy for custodial credit risk. As of June 30, 2017, \$10,698,119 of the School District's bank balance of 11,629,615, which has a carrying value of \$9,452,627 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>10,698,119</u>
Uninsured by FDIC	\$ <u>40,002</u>

Investments

As of June 30, 2017, the School District had the following investment and maturity:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturity Less Than 1 Year</u>
SC Local Government Investment Pool	\$ 5,204,130	\$ 5,204,130

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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, 2017, 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, 2017, is presented below.

	General Fund	Debt Service Fund-District
Taxes Receivable	\$ 1,091,314	\$ 367,550
Less Allowance for Doubtful Accounts	<u>(572,940)</u>	<u>(178,262)</u>
Net Taxes Receivable	<u>\$ 518,374</u>	<u>\$ 189,288</u>

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Note 4. Other Receivables

Other governmental receivables at June 30, 2017, 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, 2017, (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	\$ -	\$ 1,553,540
Special Revenue Fund	-	2,794,987
Education Improvement Act	807,904	-
Debt Service	-	37,631
Capital Projects	1,562,206	-
Capital Projects-EFC	-	69,777
Food Service	<u>2,085,825</u>	<u>-</u>
 Total	 <u>\$ 4,455,935</u>	 <u>\$ 4,455,935</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, 2017, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 688,198	\$ 250,000	\$ -	\$ 938,198
Construction in Progress	102,343	-	(102,343)	-
Other Capital assets:				
Buildings and Improvements	85,681,867	260,931	-	85,942,798
Vehicles and equipment	<u>5,169,943</u>	<u>254,266</u>	<u>-</u>	<u>5,424,209</u>
Total Cost	90,851,810	515,197	-	91,367,007
Less, accumulated depreciation				
Net other capital assets	<u>(40,124,438)</u>	<u>(2,100,387)</u>	<u>-</u>	<u>(42,224,825)</u>
Net Capital assets	<u>\$ 51,517,913</u>	<u>\$ (1,335,190)</u>	<u>\$ (102,343)</u>	<u>\$ 50,080,380</u>

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type activities:				
Equipment	\$ 631,126	\$ 207,950	\$ (52,375)	\$ 786,701
Buildings and Improvements	554,741	-	-	554,741
Less, accumulated depreciation	<u>(549,094)</u>	<u>(64,414)</u>	<u>52,375</u>	<u>(561,133)</u>
Net Capital assets	<u>\$ 636,773</u>	<u>\$ 143,536</u>	<u>\$ -</u>	<u>\$ 780,309</u>

Depreciation expense was charged to governmental activities as follows:

Instruction	\$ 1,135,469
Support	<u>964,918</u>
Total Depreciation	<u>\$ 2,100,387</u>

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

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Note 7. Short Term Obligations

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

The School District issued \$3,979,000 of general obligation bonds during the fiscal year for the primary purpose of making debt service payments for the EFC with excess funds being used for capital projects. These bonds were retired utilizing debt service fund property tax revenues. The School District has continuous authority to issue general obligation bonds each calendar year, subject to a constitutional debt limit equal to 8% of the assessed valuation of property subject to levy by the School District, applicable to debt issued subsequent to November 30, 1982. The outstanding principal as of June 30, 2017, was \$1,066,000. This bond is applicable to the School District's 8% debt limit.

The following is a summary of changes in short-term debt for the year ended June 30, 2017.

	Beginning <u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	Ending <u>Balance</u>
Governmental Activities:				
Series 2016A	\$ 139,000	\$ -	\$ 139,000	\$ -
Series 2016C	-	1,117,000	1,117,000	-
Series 2016D	-	1,796,000	1,796,000	-
Series 2017A	-	1,066,000	-	1,066,000
Total	<u>\$ 139,000</u>	<u>\$ 3,979,000</u>	<u>\$ 3,052,000</u>	<u>\$ 1,066,000</u>

Note 8. Long-term Debt

Governmental Activities:

As of June 30, 2017, the governmental long-term debt consisted of general obligation bonds, installment purchase revenue bonds, capital leases, and compensated absences.

General Obligation Bonds

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

On November 27, 2012, the School District issued Series 2012 General Obligation Refunding Bonds totaling \$2,397,000 with principal payments due each September 1 and semi-annual interest payments due March 1 and September 1 of each year. The bonds range in maturity dates from 2011 to 2018. The interest rate is fixed at 1.54%. The outstanding principal as of June 30, 2017, was \$1,102,000. This bond is applicable to the School District's 8% debt limit.

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

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2018	\$ 645,000	\$ 22,823
2019	<u>457,000</u>	<u>9,974</u>
	<u>\$ 1,102,000</u>	<u>\$ 32,797</u>

Installment Revenue Bonds

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

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

Interest paid on the debt issued by the School District is exempt from federal income tax. The School District sometimes temporarily reinvests the proceeds of such tax-exempt debt in materially higher-yielding taxable securities, primarily during construction projects. The federal tax code refers to this practice as arbitrage. Excess earnings resulting from arbitrage must be rebated to the federal government on the fifth anniversary of the issuance of the tax-exempt debt and every five years thereafter until the debt has been repaid, in accordance with the arbitrage regulations. The School District has recorded an arbitrage rebate of \$112,889 at June 30, 2017, which represents the positive arbitrage on the EFC indebtedness as of this date.

Installment Purchase Refunding Revenue Bonds

On March 1, 2016, the SCAGO Educational Facilities Corporation (EFC) issued Series 2016 Installment Purchase Refunding Revenue Bonds totaling \$17,625,000 with principal payments due each December 1 and semi-annual interest payments due June 1 and December 1 of each year. The bonds range in maturity dates from 2016 to 2031. The interest rate ranges from 1.35% to 4.00%. The outstanding principal as of June 30, 2017, was \$17,345,000.

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

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2018	\$ 345,000	\$ 646,456
2019	855,000	633,569
2020	975,000	611,525
2021	1,000,000	585,692
2022	1,025,000	552,649
2023-2027	5,880,000	1,959,031
2028-2032	7,265,000	594,240
	<u>\$ 17,345,000</u>	<u>\$ 5,583,162</u>

Qualified Academy Zone Program

On May 15, 2008, the School District issued Series 2008A Qualified Academy Zone Bonds totaling \$5,584,645 with principal payments due May 15, 2022, and annual interest payments due May 15 of each year. The bonds range in maturity dates from 2008 to 2022. The interest rate is fixed at 1.50%. The outstanding principal as of June 30, 2017, was \$5,584,645.

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

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2018	\$ -	\$ 83,770
2019	-	83,770
2020	-	83,770
2021	-	83,770
2022	5,584,645	83,770
	<u>\$ 5,584,645</u>	<u>\$ 418,850</u>

Capital Lease Payable

On February 17, 2015, the School District entered into a capital lease arrangement with ENCORE to purchase information technology equipment the amount of \$1,500,000. The lease is payable in monthly installments beginning July 1, 2016, including interest at a rate of 1.944%. As of June 30, 2017, the District had an outstanding balance of \$912,000.

On May 18, 2016, the School District entered into a capital lease arrangement with BB&T to purchase transportation vehicles in the amount of \$300,000. The lease is payable in yearly installments beginning December 1, 2016, including interest at a rate of 1.60%. As of June 30, 2017, the District had an outstanding balance of \$240,000.

The following is a schedule of the future minimum lease payments under capital lease, and the present value of the net minimum lease payments at June 30, 2017.

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<u>Year Ending June 30,</u>	
2018	\$ 378,569
2019	378,832
2020	377,962
2021	<u>61,976</u>
Total minimum lease payments	1,197,339
Less: Amounts representing interest	<u>(45,339)</u>
Present value of future minimum lease payments	<u>\$ 1,152,000</u>

Note 9. Changes in Long-term Debt

The following is a summary of changes in long-term debt for the year ended June 30, 2017.

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
General Obligation Bonds:					
Series 2012B	\$ 1,509,000	\$ -	\$ 407,000	\$ 1,102,000	\$ 645,000
Installment Purchase					
Revenue Bonds:					
Series 2006 (EFC)	-	-	-	-	-
Series 2016A	4,035,000	-	280,000	3,755,000	345,000
Series 2016B	13,590,000	-	-	13,590,000	-
Qualified Zone Academy					
Bond Program:					
Series 2008A	5,584,645	-	-	5,584,645	-
Capital Leases	1,504,000	-	352,000	1,152,000	357,000
Arbitrage Payable	112,889	-	-	112,889	-
Compensated Absences	<u>421,768</u>	<u>424,171</u>	<u>421,768</u>	<u>424,171</u>	<u>-</u>
Total	<u>\$ 26,757,302</u>	<u>\$ 424,171</u>	<u>\$ 1,460,768</u>	<u>\$ 25,720,705</u>	<u>\$ 1,347,000</u>

Note 10. Restricted Cash

Certain resources, which have been set aside for future principal and interest payments and capital projects as restricted cash on the Debt and Capital Project's balance sheet because their use is limited. The amount of restricted cash held by the Debt Service Fund - EFC, Capital Projects - District and Capital Projects - EFC amounted to \$3,040,366 as of June 30, 2017.

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Note 11. Debt Limitations

The amount of legal debt margin as of June 30, 2017, is computed as follows:

Total Assessed Value	\$ <u>74,526,126</u>
Debt Limit 8% of assessed Value	\$ 5,962,090
Amount of Debt Applicable to debt Limit	<u>(2,168,000)</u>
 Legal Debt Margin	 \$ <u>3,794,090</u>

Note 12. Employee Retirement Plans

Plan Description- The South Carolina Retirement System (SCRS), a cost-sharing multiple-employer defined benefit pension plan, was established effective 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 allowances and other benefits for employees of the state, its public school districts, and political subdivisions. The State Optional Retirement Program (ORP) is a defined contribution plan that is offered as an alternative to certain newly hired state, public school, and higher education employees. State ORP participants direct the investment of their funds into a plan administered by one of four investment providers.

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.

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

SCRS - A Class Two member who has separated from service with at least five or more years of earned service is eligible for a monthly pension at age 65 or with 28 years credited service regardless of age. A member may elect early retirement with reduced pension benefits payable at age 55 with 25 years of service credit. A Class Three member who has separated from service with at least eight or more years of earned service is eligible for a monthly pension upon satisfying the Rule of 90 requirement that the total of the member's age and the member's creditable service equals at least 90 years. Both Class Two and Class Three members are eligible to receive a reduced deferred annuity at age 60 if they satisfy the five- or eight-year earned service requirement, respectively. An incidental death benefit is also available to beneficiaries of active and retired members of employers who participate in the death benefit program.

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The annual retirement allowance of eligible retirees or their surviving annuitants is increased by the lesser of one percent or five hundred dollars every July 1. Only those annuitants in receipt of a benefit on July 1 of the preceding year are eligible to receive the increase. Members who retire under the early retirement provisions at age 55 with 25 years of service are not eligible for the benefit adjustment until the second July 1 after reaching age 60 or the second July 1 after the date they would have had 28 years of service credit had they not retired.

Contributions- Contributions are prescribed in Title 9 of the South Carolina Code of Laws. Upon recommendation by the actuary in the annual actuarial valuation, The PEBA Board may adopt and present to the Budget and Control Board for approval and increase the SCRS employer and employee contribution rates, but any such increase may not result in a differential between the employee and employer contribution rate that exceeds 2.9 percent of earnable compensation for SCRS. An increase in

the contribution rates adopted by the board may not provide for an increase of more than one-half of one percent in any one year. If the scheduled employee and employer contributions provided in statute or the rates last adopted by the board are insufficient to maintain a thirty year amortization schedule of the unfunded liabilities of the plans, the board shall increase the contribution rates in equal percentage amounts for the employer and employee as necessary to maintain the thirty-year amortization period; and, this increase is not limited to one- half of one percent per year.

Required employee contribution rates for fiscal year 2016-2017 are as follows:

SCRS

Employee Class Two	8.66 % of earnable compensation
Employee Class Three	8.66 % of earnable compensation

Required employer contributions for fiscal year 2016-2017 are as follows:

SCRS

Employee Class Two	11.41 % of earnable compensation
Employee Class Three	11.41 % of earnable compensation
Employer Incidental Death Benefit	0.15 % of earnable compensation

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions- At June 30, 2017, the School District reported a liability of \$49,419,436 for the SCRS proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The School District's proportion of the net pension liability 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 state entities, actuarially determined. At June 30, 2017, the School District's proportion was 0.231366 percent for the SCRS.

For the year ended June 30, 2017, the School District recognized pension expense of \$4,923,814, plus employer's amortization of change in proportionate share and difference between employer contributions and proportionate share or contributions and deferred outflows and inflows of resources, of \$2,530,289. At June 30, 2017, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 512,291	\$ 53,670
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	4,157,762	5,873,945
Changes in proportion and differences between District contributions and proportionate share of contributions	-	-
District contributions subsequent to measurement date	<u>3,045</u>	<u>-</u>
Total	<u>\$ 4,673,098</u>	<u>\$ 5,927,615</u>

The amount of \$3,045 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, 2017. Other amounts reported as deferred outflows of resources and deferred inflows related to pensions will be recognized in the pension expense as follows:

Year Ended June 30,	
2018	\$ (333,674)
2019	(333,674)
2020	(640,083)
2021	49,869

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. The last experience study was performed on data through June 30, 2010, and the next experience study, performed on data through June 30, 2017, is currently underway.

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The following table provides a summary of the actuarial assumptions and methods used in the July 1, 2015, valuations for SCRS.

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

The post-retiree mortality assumption is dependent upon the member's job category and gender. This assumption includes base rates which are automatically adjusted for future improvement in mortality using published Scale AA projected from the year 2000. Assumptions are used in July 1, 2015, valuations for SCRS are as follows:

Former Job Class	Males	Females
Educators and Judges	RP-2000 Males (with White Collar adjustment) multiplied by 110%	RP-2000 Females (with White Collar adjustment) multiplied by 95%
General Employees and Members of the General Assembly	RP-2000 Males multiplied by 100%	RP-2000 Females multiplied by 90%
Public Safety, Firefighters and members of the South Carolina National Guard	RP-2000 Males (with Blue Collar adjustment) multiplied by 115%	RP-2000 Females (with Blue Collar adjustment) multiplied by 115%

The long-term expected rate of return on pension plan investments, as used in the July 1, 2015, actuarial valuations, was based upon the 30 year capital market outlook at the end of the fourth quarter 2015, as developed by the Retirement Systems Investment Commission (RSIC) in collaboration with its investment consultant, Aon Hewitt. The long-term expected rates of return represent assumptions developed using an arithmetic building block approach, reflecting observable inflation and interest rate information available in the fixed income markets as well as Consensus Economic forecasts. Long-term assumptions for other asset classes are based on historical results, current market characteristics and professional judgment.

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The expected returns, along with the expected inflation rate, form the basis for the target asset allocation as adopted by the RSIC for the fiscal year 2016. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and by adding the expected inflation and is summarized in the table below. For actuarial purposes, the 7.50 percent assumed annual investment rate of return used set in statute and used in the calculation of the total pension liability includes a 4.75 percent real rate of return and a 2.75 percent inflation component.

Asset Class	Target Asset Allocation	Expected Arithmetic Real Rate of Return	Long Term Expected Portfolio Real Rate of Return
Short Term	5.0%		
Cash	2.0%	1.90%	0.04%
Short Duration	3.0%	2.00%	0.06%
Domestic Fixed Income	13.0%		
Core Fixed Income	7.0%	2.70%	0.19%
Mixed Credit	6.0%	3.80%	0.23%
Global Fixed Income	9.0%		
Global Fixed Income	3.0%	2.80%	0.08%
Emerging Markets Debt	6.0%	5.10%	0.31%
Global Public Equity	31.0%	7.10%	2.20%
Global Tactical Asset Allocation	10.0%	4.90%	0.49%
Alternatives	32.0%		
Hedge Funds (Low Beta)	8.0%	4.30%	0.34%
Private Debt	7.0%	9.90%	0.69%
Private Equity	9.0%	9.90%	0.89%
Real Estate (Broad Market)	5.0%	6.00%	0.30%
Commodities	3.0%	5.90%	0.18%
Total Expected Real Return	100.0%		6.00%
Inflation for Actuarial Purposes			2.75%
Total Expected Nominal Return			8.75%

Discount rate- The discount rate used to measure the total pension liability was 7.5 percent. The projection of cash flows used to determine the discount rate assumed that the funding policy specified in the South Carolina State Code of Laws will remain unchanged in future years. Based on those assumptions, each System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity Analysis- The following table presents the collective net pension liability of the participating employers calculated using the discount rate of 7.5 percent, as well as what the employers' net pension liability would be if it were calculated using a discount rate that is 1.00 percent lower (6.5 percent) or 1.00 percent higher (8.5 percent) than the current rate.

System	<u>(6.50%)</u>	<u>(7.50%)</u>	<u>(8.50%)</u>
SCRS	\$ 62,303,787	\$ 49,419,436	\$ 38,620,711

Pension Plan Fiduciary Net Position- Detailed information regarding the fiduciary net position of the plans administered by PEBA is available in the separately issued CAFR containing financial statements and required supplementary information for SCRS. The CAFR of the Pension Trust Funds is publicly available on PEBA's Retirement Benefits' website at www.retirement.sc.gov, or a copy may be obtained by submitting a request to PEBA, PO Box 11960, Columbia, SC 29211-1960.

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Payables to the Pension Plan- The School District reported a payable to the SCRS as of June 30, 2017, in the amount of \$661,222.

Note 13. Post-Employment Health Care Benefits

Plan Description: The South Carolina Health Insurance Trust Fund and the South Carolina Long-Term Disability Insurance Trust Fund were established by the State of South Carolina as Act 195, which became effective on May 1, 2008. These trusts were established to fund and account for the employer costs of the State's retiree health and dental plans and the State's basic long-term disability plan in compliance with Governmental Accounting Standards Board Statements No. 43, Financial Reporting for Post-Employment Benefit Plans Other Than Pension Plans, and No. 45, Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions.

The Employee Insurance Program administers both trusts and the State Budget and Control Board acts as Trustee. The State Treasurer is custodian of the funds and invests the funds in accordance with State statutes. The Trustee for these trusts has determined them to be cost-sharing multiple-employer defined benefit plans that cover employees of the State, including all agencies and public school districts. The South Carolina Health Insurance Trust Fund provides health and dental insurance benefits to eligible retirees and the South Carolina Long-Term Disability Insurance Trust Fund provides disability payments to eligible employees as defined in Article 5 of the State Code of Laws (the Code). Article 5 of the Code authorizes the Trustee of both Plans to at any time adjust the Plan, including the benefits and contributions, as necessary to insure the fiscal stability of the Plans.

Both Plans issue a publicly available financial report that includes financial statements and required information for the Plans. These reports may be obtained by writing to Phyllis Buie, Finance Officer, Employee Insurance Program, 1201 Main Street, Suite 360, Columbia, SC 29201.

Funding Policy: Article 5 of the Code provides that contribution requirements of the Plan members and the participating employers are established and may be amended by the Trustee. Participating employers are contractually required to contribute at rates assessed each year by the State Budget and Control Board, currently 5.33% of annual covered payroll for health insurance. The State Budget and Control Board sets the employer contribution rate based on the annual required contribution of the employers (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents the level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan for a period not to exceed thirty years. The School District's contributions to the SC Retiree Health Insurance Trust Fund for the year ended June 30, 2017, were \$1,216,461 which equaled the required contributions for that year.

Note 14. Commitments and Contingencies

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

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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 15. Insurance and Risk Management

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

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

The School District paid insurance premiums to the South Carolina Counties Property and Liability Trust totaling \$690,642 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 \$449,539 for workers' compensation coverage.

Note 16. Intergovernmental Revenues

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

Note 17. Inter-fund Transfers

Transfers from (to) other funds for the year ended June 30, 2017, consist of the following:

Interfund Transfers

Interfund transfers for the year ended June 30, 2017, consisted of the following:

Transfers from other funds:

From the EIA fund to the general fund to pay for salaries and fringe benefits	\$ 720,527
From the special revenue fund to the general fund to pay for salaries and fringe benefits	136,353
From the special revenue fund to the general fund for indirect cost reimbursement	242,165
From the capital projects fund to the general fund	195,000
From the debt service fund to the general fund	800,519
From the food service fund to the general fund for indirect cost reimbursement	211,223
From the food service fund to the general fund for fringe benefits	<u>192,772</u>

Total transfers to the General Fund	<u>2,498,559</u>
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From debt service fund - district to capital projects funds	1,623,451
From debt service fund - district to capital projects - EFC	195,000
From the debt service fund - EFC to debt service fund - district	<u>1,133,132</u>
 Total transfers from other funds	 <u>2,951,583</u>
 <u>Transfers from other funds:</u>	 <u>\$ 5,450,142</u>
 To the debt service fund - district from the general fund	 <u>45,000</u>
Total transfers from the general fund	<u>45,000</u>
 To the general fund from the special revenue fund for indirect cost reimbursement	 <u>242,164</u>
Total transfers from special revenue funds	<u>242,164</u>
 To the general fund from the EIA fund to pay for salaries and fringe benefits	 802,758
 To the debt service fund - EFC from the debt service fund - district	 1,133,132
To the general fund from debt service fund - district	809,642
To the capital projects fund - district from the debt service fund - district	<u>1,623,451</u>
Total transfers from debt service fund - district	<u>3,566,225</u>
 To the capital projects fund - district from the debt service fund - EFC	 <u>195,000</u>
Total transfers from debt service fund - EFC	<u>195,000</u>
 To the general fund from capital projects - EFC	 <u>195,000</u>
Total transfers from capital projects - EFC	<u>195,000</u>
 To the general fund from the food service fund for fringe benefits	 192,772
To the general fund from the food service fund for indirect cost reimbursement	<u>211,223</u>
Total transfers from food service fund	<u>403,995</u>
 <u>Total transfers to other funds</u>	 <u>\$ 5,450,142</u>

Note 18. Pending Implementation of GASB Statements

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pension*, establishes new accounting and financial reporting requirements for governments whose employees are provided with OPEB, as well as for certain non-employer governments that have a legal obligation to provide financial support for OPEB provided to the employees of other entities. The provisions in Statement 75 are effective for fiscal years beginning after June 15, 2017, which the School District will implement with the 2018 financial statements. Management has not yet determined the impact of implementing this standard will have on the School District's financial statements, if any.

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2017
(Continued)**

Note 19. Subsequent Events

The School District has evaluated subsequent events through November 29, 2017, 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
KINGSTREE, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGET TO
ACTUAL
For the Fiscal Year Ended June 30, 2017**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
1000 Revenue from Local Sources			
1100 Taxes:			
1110 Ad Valorem Taxes - Including Delinquent	\$ 6,654,297	\$ 6,871,094	\$ 216,797
1140 Penalties & Interest on Taxes	69,035	55,425	(13,610)
1200 Revenue from Local Governmental Units Other Than LEAs			
1280 Revenue in Lieu of Taxes	1,884,346	1,935,599	51,253
1300 Tuition			
1320 From Other LEAs for Regular Day School	36,599	(49,253)	(85,852)
1500 Earnings on Investments			
1510 Interest on Investments	12,615	46,636	34,021
1700 Pupil Activities			
1790 Other Pupil Activity Income	41,280	32,792	(8,488)
1900 Other Revenue from Local Sources			
1910 Rentals	600	480	(120)
1920 Contributions and Donations from Private Sources	3,000	4,014	1,014
1950 Refund of Prior Year's Expenditures	-	25,052	25,052
1990 Miscellaneous Local Revenue			
1999 Revenue from Other Local Sources	<u>287,162</u>	<u>158,323</u>	<u>(128,839)</u>
Total Local Sources	<u>8,988,934</u>	<u>9,080,162</u>	<u>91,228</u>
3000 Revenue From State Sources			
3100 Restricted State Funding			
3130 Special Programs			
3131 Handicapped Transportation	392	16,970	16,578
3160 School Bus Driver Salary			
3161 EAA Bus Driver	511,121	641,572	130,451
3162 Transportation Workers' Compensation	35,490	35,490	-
3180 Fringe Benefits Employer Contributions	4,434,160	4,565,428	131,268
3181 Retiree Insurance	1,112,856	1,112,856	-

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
GENERAL FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGET TO
ACTUAL
For the Fiscal Year Ended June 30, 2017
(Continued)**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
3300 Education Finance Act			
3310 Full-Time Programs			
3311 Kindergarten	\$ 4,028,949	\$ 721,656	\$ (3,307,293)
3312 Primary	1,460,440	2,228,280	767,840
3313 Elementary	2,371,535	3,595,260	1,223,725
3314 High School	346,375	321,025	(25,350)
3315 Trainable Mentally Handicapped	91,761	92,724	963
3316 Speech Handicapped	503,093	702,799	199,706
3317 Homebound	6,589	15,296	8,707
3320 Part-Time Programs			
3321 Emotionally Handicapped	50,705	47,381	(3,324)
3322 Educable Mentally Handicapped	228,595	276,147	47,552
3323 Learning Disabilities	1,113,802	1,418,275	304,473
3324 Hearing Handicapped	28,328	22,717	(5,611)
3325 Visually Handicapped	24,123	28,047	3,924
3326 Orthopedically Handicapped	19,148	39,116	19,968
3327 Vocational	1,969,287	1,970,111	824
3330 Other EFA Programs			
3331 Autism	228,257	214,903	(13,354)
3332 High Achieving Students	60,504	65,972	5,468
3334 Limited English Proficiency	4,149	5,293	1,144
3350 Residential Treatment Facilities (RTF)	-	76,882	76,882
3351 Academics Assistance	488,766	689,288	200,522
3352 Pupils in Poverty	1,455,259	1,948,360	493,101
3353 Dual Enrollment	37,620	37,341	(279)
3800 State Revenue in Lieu of Taxes			
3810 Reimb. for Local Residential Property Tax Relief (Tier 1)	1,366,370	1,366,370	-
3820 Homestead Exemption (Tier 2)	622,817	622,817	-
3827 \$2.5 Million Bonus	2,500,000	2,500,000	-
3830 Merchant's Inventory Tax	81,503	81,503	-
3840 Manufactures Depreciation Reimbursement	527,801	673,696	145,895
3890 Other State Property Tax Revenues	195,515	239,167	43,652
3900 Other State Revenue:			
3992 State Forest Commission Revenues	14,160	12,597	(1,563)
Total State Sources	<u>25,919,470</u>	<u>26,385,339</u>	<u>465,869</u>
Total Revenue All Sources	<u>34,908,404</u>	<u>35,465,501</u>	<u>557,097</u>

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
GENERAL FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGET TO
ACTUAL
For the Fiscal Year Ended June 30, 2017
(Continued)**

EXPENDITURES			Variance
100 Instruction			Positive
	<u>Budget</u>	<u>Actual</u>	<u>(Negative)</u>
110 General Instruction			
111 Kindergarten Programs			
100 Salaries	\$ 2,311,032	\$ 814,493	\$ 1,496,539
200 Employee Benefits	871,554	374,574	496,980
300 Purchased Services	15,000	-	15,000
400 Supplies and Materials	48,087	2,988	45,099
500 Capital Outlay	65,000	-	65,000
112 Primary Programs			
100 Salaries	1,790,523	1,881,756	(91,233)
200 Employee Benefits	748,441	760,818	(12,377)
300 Purchased Services	80,000	29,850	50,150
400 Supplies and Materials	7,139	6,140	999
113 Elementary Programs			
100 Salaries	2,704,806	3,862,019	(1,157,213)
200 Employee Benefits	1,117,830	1,378,982	(261,152)
300 Purchased Services	210,228	181,464	28,764
400 Supplies and Materials	26,825	107,251	(80,426)
500 Capital Outlay	-	80,810	(80,810)
114 High School Programs			
100 Salaries	1,740,679	2,160,301	(419,622)
200 Employee Benefits	717,401	684,038	33,363
300 Purchased Services	193,317	153,621	39,696
400 Supplies and Materials	26,704	34,570	(7,866)
115 Career and Technology Education Programs			
100 Salaries	943,159	1,121,072	(177,913)
200 Employee Benefits	369,802	404,129	(34,327)
300 Purchased Services	62,848	57,512	5,336
400 Supplies and Materials	34,309	33,241	1,068
120 Exceptional Programs			
121 Educable Mentally Handicapped			
100 Salaries	158,984	225,018	(66,034)
200 Employee Benefits	115,839	109,892	5,947
400 Supplies and Materials	1,522	750	772

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGET TO
ACTUAL
For the Fiscal Year Ended June 30, 2017
(Continued)**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
122 Trainable Mentally Handicapped			
100 Salaries	\$ 338,223	\$ 462,046	\$ (123,823)
200 Employee Benefits	159,132	192,210	(33,078)
400 Supplies and Materials	622	283	339
123 Orthopedically Handicapped			
100 Salaries	25,454	19,496	5,958
200 Employee Benefits	18,314	7,628	10,686
125 Hearing Handicapped			
100 Salaries	28,952	31,023	(2,071)
200 Employee Benefits	11,847	28,232	(16,385)
126 Speech Handicapped			
100 Salaries	194,585	199,127	(4,542)
200 Employee Benefits	81,101	78,439	2,662
400 Supplies and Materials	280	180	100
127 Learning Disabilities			
100 Salaries	1,188,375	1,196,726	(8,351)
200 Employee Benefits	475,739	417,695	58,044
300 Purchased Services	299,143	291,470	7,673
400 Supplies and Materials	1,100	651	449
128 Emotionally Handicapped			
100 Salaries	6,000	8,203	(2,203)
200 Employee Benefits	1,376	(543)	1,919
400 Supplies and Materials	245	212	33.00
130 Pre-School Programs			
137 Pre-School Handicapped Self-Contained (3 & 4 yr. Olds)			
100 Salaries	6,482	5,927	555
200 Employee Benefits	2,370	952	1,418
139 Early Childhood Programs			
100 Salaries	600	169	431
200 Employee Benefits	-	134	(134)

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGET TO
ACTUAL
For the Fiscal Year Ended June 30, 2017
(Continued)**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
140 Special Programs			
141 Gifted and Talented - Academic			
200 Employee Benefits	\$ -	\$ 16	\$ (16)
300 Purchased Services	10,807	7,481	3,326
400 Supplies and Materials	12,696	11,658	1,038
600 Other Objects	100	100	-
145 Homebound			
100 Salaries	45,423	47,208	(1,785)
200 Employee Benefits	15,369	9,007	6,362
300 Purchased Services	20,000	14,223	5,777
400 Supplies and Materials	130	91	39
147 CDEP			
100 Salaries	400	155,921	(155,521)
200 Employee Benefits	-	54,109	(54,109)
148 Gifted and Talented - Artistic			
100 Salaries	64,716	64,716	-
200 Employee Benefits	23,861	21,359	2,502
300 Purchased Services	31,029	24,256	6,773
400 Supplies and Materials	1,048	1,039	9
600 Other Objects	125	125	-
149 Other Special Programs:			
300 Purchased Services	13,000	-	13,000
180 Adult/Continuing Educational Programs			
181 Adult Basic Education Programs			
400 Supplies and Materials	339	-	339
188 Parenting/Family Literacy			
100 Salaries	23,552	29,819	(6,267)
200 Employee Benefits	11,904	9,631	2,273
400 Supplies and Materials	5,000	8,878	(3,878)
190 Instructional Pupil Activity:			
100 Salaries	3,450	4,479	(1,029)
200 Employee Benefits	2,412	(1,937)	4,349
300 Purchased Services	1,444	938	506
400 Supplies and Materials	96	-	96
Total Instruction	17,487,870	17,868,666	(380,796)

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGET TO
ACTUAL
For the Fiscal Year Ended June 30, 2017
(Continued)**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
200 Support Services			
210 Pupil Services			
212 Guidance Services			
100 Salaries	\$ 795,688	\$ 766,657	\$ 29,031
200 Employee Benefits	311,431	298,984	12,447
400 Supplies and Materials	3,379	2,814	565
213 Health Services			
100 Salaries	25,645.00	62,483	(36,838)
200 Employee Benefits	10,537	17,416	(6,879)
300 Purchased Services	38,044	36,109	1,935
400 Supplies and Materials	-	476	(476)
214 Psychological Services			
200 Employee Benefits	40,254	17,827	22,427
300 Purchased Services	5,000	-	5,000
216 Career and Technical Education Services:			
300 Purchased Services	180	120	60
400 Supplies and Materials	3,682	3,677	5
220 Instructional Staff Services			
221 Improvement of Instruction - Curriculum Development			
100 Salaries	437,670	542,145	(104,475)
200 Employee Benefits	146,915	169,931	(23,016)
300 Purchased Services	80,919	77,380	3,539
400 Supplies and Materials	101,669	78,906	22,763
600 Other Objects	1,400	1,241	159
222 Library and Media Services			
100 Salaries	426,612	484,585	(57,973)
200 Employee Benefits	186,533	203,428	(16,895)
400 Supplies and Materials	19,767	18,548	1,219

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGET TO
ACTUAL
For the Fiscal Year Ended June 30, 2017
(Continued)**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
223 Supervision of Special Programs			
100 Salaries	\$ 360,897	\$ 312,232	\$ 48,665
200 Employee Benefits	149,754	136,568	13,186
300 Purchased Services	12,270	9,346	2,924
400 Supplies and Materials	19,063	17,951	1,112
600 Other Objects	270	270	-
224 Improvement of Instruction - In-service and Staff Training			
300 Purchased Services	3,208	2,019	1,189
400 Supplies and Materials	11,300	12,078	(778)
230 General Administration Services			
231 Board of Education			
100 Salaries	15,120	66,650	(51,530)
101 Terminal Leave	20,800	-	20,800
200 Employee Benefits	163,374	67,597	95,777
300 Purchased Services Except:	194,257	200,748	(6,491)
318 Audit Services	69,654	68,160	1,494
400 Supplies and Materials	29,357	36,889	(7,532)
600 Other Objects	171,694	131,716	39,978
232 Office of the Superintendent			
100 Salaries	211,264	201,925	9,339
200 Employee Benefits	74,873	68,722	6,151
300 Purchased Services	120,060	102,542	17,518
400 Supplies and Materials	44,869	38,608	6,261
600 Other Objects	28,297	28,297	-
233 School Administration			
100 Salaries	2,293,172	2,282,979	10,193
200 Employee Benefits	874,275	892,821	(18,546)
300 Purchased Services	32,334	33,719	(1,385)
400 Supplies and Materials	20,308	26,486	(6,178)
500 Capital Outlay	4,000	13,773	(9,773)
600 Other Objects	3,706	2,209	1,497
250 Finance and Operations Services			
252 Fiscal Services			
100 Salaries	234,431	294,448	(60,017)
200 Employee Benefits	75,645	129,789	(54,144)
300 Purchased Services	173,264	178,235	(4,971)
400 Supplies and Materials	44,298	27,965	16,333
500 Capital Outlay	15,000	-	15,000
600 Other Objects	3,576	4,156	(580)

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
GENERAL FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGET TO
ACTUAL
For the Fiscal Year Ended June 30, 2017
(Continued)**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
253 Facilities and Acquisition and Construction			
300 Purchased Services	\$ -	\$ 30	\$ (30)
500 Capital Outlay	-	86,006	(86,006)
254 Operations and Maintenance of Plant			
100 Salaries	1,299,907	1,295,428	4,479
200 Employee Benefits	634,657	636,270	(1,613)
300 Purchased Services	1,024,268	1,011,812	12,456
321 Public Utilities	112,801	119,112	(6,311)
400 Supplies and Materials	485,006	478,712	6,294
470 Energy	1,044,636	1,086,859	(42,223)
500 Capital Outlay	9,752	9,752	-
255 Student Transportation			
100 Salaries	893,148	1,064,326	(171,178)
200 Employee Benefits	318,081	265,390	52,691
300 Purchased Services	122,201	78,574	43,627
400 Supplies and Materials	6,607	5,200	1,407
500 Capital Outlay	5,320	26,046	(20,726)
600 Other Objects	3,491	384	3,107
256 Food Service			
100 Salaries	-	2,515	(2,515)
200 Employee Benefits	624,189	498,007	126,182
258 Security			
100 Salaries	500	-	500
300 Purchased Services	226,500	261,368	(34,868)
400 Supplies and Materials	2,000	1,945	55
500 Capital Outlay	25,000	-	25,000
260 Central Support Services			
263 Information Services			
300 Purchased Services	5,000	14,057	(9,057)
264 Staff Services			
100 Salaries	318,373	329,670	(11,297)
200 Employee Benefits	131,548	130,475	1,073
300 Purchased Services	9,465	9,615	(150)
400 Supplies and Materials	2,035	1,855	180
266 Technology and Data Processing Services			
100 Salaries	181,523	216,660	(35,137)
200 Employee Benefits	63,636	73,615	(9,979)
300 Purchased Services	104,133	80,218	23,915
400 Supplies and Materials	23,909	17,709	6,200
500 Capital Outlay	41,773	40,992	781

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGET TO
ACTUAL
For the Fiscal Year Ended June 30, 2017
(Continued)**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
270 Support Service Pupil Activity			
271 Pupil Services Activities			
100 Salaries	\$ 176,609	\$ 278,072	\$ (101,463)
200 Employee Benefits	48,750	70,416	(21,666)
300 Purchased Services	90,489	52,978	37,511
400 Supplies and Materials	25,000	-	25,000
660 Pupil Activity	-	54,063	(54,063)
	<u>16,170,022</u>	<u>16,469,756</u>	<u>(299,734)</u>
Total Support Services			
300 Community Services			
390 Other Community Services:			
100 Salaries	6,055	24,990	(18,935)
200 Employee Benefits	1,351	6,388	(5,037)
300 Purchased Services	43,438	40,911	2,527
400 Supplies and Materials	6,734	1,077	5,657
	<u>57,578</u>	<u>73,366</u>	<u>(15,788)</u>
Total Community Services			
400 Other Charges:			
410 Intergovernmental Expenditures			
412-720 Payments to Other Governmental Units	-	282,957	(282,957)
416-720 Payments to Public Charter Schools	3,100,000	3,804,339	(704,339)
	<u>3,100,000</u>	<u>4,087,296</u>	<u>(987,296)</u>
Total Intergovernmental Expenditures			
500 Debt Service			
610 Principal	-	5,908	(5,908)
	<u>-</u>	<u>5,908</u>	<u>(5,908)</u>
Total Debt Service			
	<u>-</u>	<u>5,908</u>	<u>(5,908)</u>
Total Expenditures	<u>36,815,470</u>	<u>38,504,992</u>	<u>(1,689,522)</u>

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
GENERAL FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGET TO
ACTUAL
For the Fiscal Year Ended June 30, 2017
(Continued)**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
OTHER FINANCING SOURCES (USES)			
Interfold Transfers, From (To) Other Funds			
5220 Transfer from Special Revenue Fund	\$ 52,271	\$ 54,121	\$ 1,850
5230 Transfer from Special Revenue - EIA Fund	802,325	802,758	433
5240 Transfer from Debt Service Fund	-	800,519	800,519
5250 Transfer from Capital Projects Fund	194,000	195,000	1,000
5260 Transfer from Food Service Fund (Excludes Indirect Cost)	173,725	192,772	19,047
5280 Transfer from Other Funds Indirect Cost	536,355	453,389	(82,966)
421-710 Transfer to Special Revenue Fund	(98,125)	(12,320)	85,805
426-710 Transfer to Debt Service Fund	(45,000)	(45,000)	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>1,615,551</u>	<u>2,441,239</u>	<u>825,688</u>
Excess (Deficit) of Revenues Over (Under) Expenditures	(291,515)	(598,252)	(306,737)
FUND BALANCE, July 1, 2016	<u>3,958,565</u>	<u>3,958,565</u>	<u>-</u>
FUND BALANCE, June 30, 2017	<u>\$ 3,667,050</u>	<u>\$ 3,360,313</u>	<u>\$ (306,737)</u>

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
For the Fiscal Year Ended June 30, 2017**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>Positive (Negative)</u>
REVENUES				
Local	\$ 8,988,934	\$ 8,988,934	\$ 9,080,162	\$ 91,228
State	<u>25,919,470</u>	<u>25,919,470</u>	<u>26,385,339</u>	<u>465,869</u>
Total Revenues	<u>34,908,404</u>	<u>34,908,404</u>	<u>35,465,501</u>	<u>557,097</u>
EXPENDITURES				
Current:				
Instruction	17,487,770	17,487,770	17,787,756	(299,986)
Support Services	16,078,410	16,078,410	16,374,418	(296,008)
Community Services	57,578	57,578	73,366	(15,788)
Intergovernmental	3,100,000	3,100,000	4,087,296	(987,296)
Debt Service	-	-	5,908	(5,908)
Capital Outlay	<u>91,712</u>	<u>91,712</u>	<u>176,248</u>	<u>(84,536)</u>
Total Expenditures	<u>36,815,470</u>	<u>36,815,470</u>	<u>38,504,992</u>	<u>(1,689,522)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,907,066)</u>	<u>(1,907,066)</u>	<u>(3,039,491)</u>	<u>2,246,619</u>
OTHER FINANCING SOURCES (USES)				
Operating Transfers In	1,758,676	1,758,676	2,498,559	739,883
Operating Transfers Out	<u>(143,125)</u>	<u>(143,125)</u>	<u>(57,320)</u>	<u>85,805</u>
Total Other Financing Sources (Uses)	<u>1,615,551</u>	<u>1,615,551</u>	<u>2,441,239</u>	<u>825,688</u>
Net Change In Fund Balance	(291,515)	(291,515)	(598,252)	(306,737)
Fund Balance, July 1, 2016	<u>3,958,565</u>	<u>3,958,565</u>	<u>3,958,565</u>	<u>-</u>
Fund Balance, June 30, 2017	<u>\$ 3,667,050</u>	<u>\$ 3,667,050</u>	<u>\$ 3,360,313</u>	<u>\$ (306,737)</u>

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
 KINGSTREE, SOUTH CAROLINA
 REQUIRED SUPPLEMENTAL INFORMATION
 OTHER POST EMPLOYMENT BENEFIT PLAN- DEFINED BENEFIT HEALTHCARE PLAN
 SCHEDULE OF EMPLOYER CONTRIBUTIONS AND FUNDING PROGRESS
 For the Fiscal Year Ended June 30, 2017**

SCRS	<u>2017</u>	<u>2016</u>	<u>2015</u>
District's proportion of the net pension liability (asset)	0.2313660%	0.2674500%	0.277304%
District's proportionate share of the net pension liability (asset)	\$ 49,419,436	\$ 50,210,166	\$ 47,742,556
District's covered employee payroll	\$ 22,617,340	\$ 22,822,900	\$ 24,186,565
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	219%	220%	197%
Plan fiduciary net position as a percentage of total pension liability	-337.08%	-444.34%	-362.00%

<p>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</p>
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**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF SCHOOL DISTRICT CONTRIBUTIONS
For the Fiscal Year Ended June 30, 2017**

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

<p>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</p>

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

Note 1. Budgets and Budgetary Accounting

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

Note 2. Legal Compliance – Budgets

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

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

The instructions, support services, community services, and intergovernmental has excess expenditures over appropriations in the amount of \$519,687, \$118,626, \$15,788, and \$704,339, 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, 2017

	Title I	IDEA	Preschool	CATE	Adult	Other	Other	Total
	BA Projects	CA Projects	CG Projects	VA Projects	Education	Designated Restricted State Grants	Special Revenue Programs	
	201/202	203/204	205/206	207	243	900s		
REVENUES								
1000 Revenues From Local Sources								
1300 Tuition:								
1310 From Patrons for Regular Day School	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,050	\$ 14,050
1330 From Patrons for Adult/Continuing Education	-	-	-	-	-	-	2,678	2,678
1600 Food Services:								
1610 Lunch Sales to Pupils	-	-	-	-	-	-	5,997	5,997
1900 Other Revenue From Local Sources								
1920 Contributions and Donations Private Sources	-	-	-	-	-	2,485	15,649	18,134
1930 Medicaid	-	-	-	-	-	-	352,307	352,307
1990 Miscellaneous Local Revenue	-	-	-	-	-	-	213,044	213,044
1999 Revenue from Other Local Sources	-	-	-	-	-	2,485	603,725	606,210
Total Local Sources	-	-	-	-	-	-	-	-
3000 Revenue From State Sources								
3100 Restricted State Funding	-	-	-	-	-	135,802	-	135,802
3105 Technology/ Technical Assistance	-	-	-	-	-	-	-	-
3110 Occupational Education	-	-	-	-	-	164,227	-	164,227
3118 EEDA Career Specialist	-	-	-	-	-	3,913	-	3,913
3120 General Education	-	-	-	-	-	-	-	-
3127 Student Health and Fitness - PE Teachers	-	-	-	-	-	-	-	-
3130 Special Programs	-	-	-	-	-	-	41	41
3131 Handicapped Transportation - Bus Driver Adles	-	-	-	-	-	385,045	-	385,045
3135 Reading Coaches	-	-	-	-	-	3,968	-	3,968
3137 Student Health and Fitness - PE Teachers	-	-	-	-	-	6,857	-	6,857
3155 DSS SNAP & E&T Program	-	-	-	-	-	25,999	-	25,999
3177 Summer Reading Camps	-	-	-	-	-	9,204	-	9,204
3183 Teacher Recruiting and Retention	-	-	-	-	-	303	-	303
3190 Miscellaneous Restricted State Grants	-	-	-	-	-	106	-	106
3193 Education License Plates	-	-	-	-	-	-	-	-
3198 Technology Professional Development	-	-	-	-	-	-	542,359	542,359
3199 Other Restricted State Grants	-	-	-	-	-	-	-	-

**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, 2017
(Continued)**

	Title I BA Projects 201/202	IDEA CA Projects 203/204	Preschool Handicapped CG Projects 205/206	CATE VA Projects 207	Adult Education 243	Other Designated Restricted State Grants 900s	Other Special Revenue Programs	Total
3600 Education Lottery Act Revenue								
3630 Technology Initiative								
Total State Sources						\$ 332,943	\$ -	\$ 332,943
4000 Revenue From Federal Sources						1,068,367	542,400	1,610,767
4200 Occupational Education								
4210 Perkins Act, Title I				115,477				115,477
4300 Elementary and Secondary Education Act of 1965								
4310 Title I, Basic State Grant Programs	3,246,796						176,889	3,423,685
4312 Rural and Low-Income School Program, Title VI							91,671	91,671
4351 Improving Teacher Quality							532,357	532,357
4400 Adult Education								
4410 Basic Adult Education					49,588			49,588
4500 Programs for Children with Disabilities								
4510 Individuals With Disabilities Education Act (IDEA)		1,116,467						1,116,467
4520 Pre-School Grants (IDEA)			42,736					42,736
4900 Other Federal Sources								
4924 21st Century Community Learning Center (Title IV)							1,259,003	1,259,003
4999 Revenue from Other Federal Sources							775,274	775,274
Total Federal Sources	3,246,796	1,116,467	42,736	115,477	49,588	-	2,835,194	7,406,258
TOTAL REVENUES ALL SOURCES	3,246,796	1,116,467	42,736	115,477	49,588	1,070,852	3,981,319	9,623,235

**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, 2017

(Continued)

	Title I BA Projects <u>201/202</u>	IDEA CA Projects <u>203/204</u>	Preschool Handicapped CG Projects <u>205/206</u>	CATE VA Projects <u>207</u>	Adult Education <u>243</u>	Other Designated Restricted State Grants <u>900s</u>	Other Special Revenue Programs <u>Programs</u>	<u>Total</u>
110 General Instruction								
111 Kindergarten Programs								
100 Salaries	\$ 41,005	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 41,005
200 Employee Benefits	18,613	-	-	-	-	-	-	18,613
112 Primary Programs								
100 Salaries	69,682	-	-	-	-	55,963	-	125,645
200 Employee Benefits	36,142	-	-	-	-	6,104	-	42,246
300 Purchased Services	21,854	-	-	-	-	-	-	21,854
400 Supplies and Materials	37,767	-	-	-	-	-	-	37,767
113 Elementary Programs								
100 Salaries	551,845	-	-	-	-	203,924	130,198	885,967
200 Employee Benefits	165,079	-	-	-	-	64,391	43,919	273,389
300 Purchased Services	127,955	-	-	-	-	-	70,114	198,069
400 Supplies and Materials	148,726	-	-	-	-	5,405	101,588	255,719
114 High School Programs								
100 Salaries	298,877	-	-	-	-	-	204,278	503,155
200 Employee Benefits	111,049	-	-	-	-	-	34,760	145,809
300 Purchased Services	161,400	-	-	-	-	-	14,173	175,573
400 Supplies and Materials	62,289	-	-	-	-	-	17,656	79,945
115 Career and Technology Education Programs								
300 Purchased Services	-	-	-	22,235	-	-	-	22,235
400 Supplies and Materials	-	-	-	43,841	-	-	-	43,841
500 Capital Outlay	-	-	-	6,798	-	-	-	6,798

**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, 2017
(Continued)**

	Title I BA Projects 201/202	IDEA CA Projects 203/204	Preschool Handicapped CG Projects 205/206	CATTE VA Projects 207	Adult Education 243	Other Designated Restricted State Grants 900s	Other Special Revenue Programs	Total
120 Exceptional Programs								
121 Educable Mentally Handicapped								
100 Salaries	-	1,568	-	-	-	-	7,730	9,298
200 Employee Benefits	-	37,503	-	-	-	-	2,032	39,535
300 Purchased Services	-	-	-	-	-	-	5,778	5,778
400 Supplies and Materials	-	716	-	-	-	-	19,020	19,736
122 Trainable Mentally Handicapped								
100 Salaries	-	16,544	30,175	-	-	-	-	46,719
200 Employee Benefits	-	7,877	11,903	-	-	-	-	19,780
400 Supplies and Materials	-	3,797	-	-	-	-	-	3,797
123 Orthopedically Handicapped								
100 Salaries	-	20,626	-	-	-	-	-	20,626
200 Employee Benefits	-	9,752	-	-	-	-	-	9,752
400 Supplies and Materials	-	645	-	-	-	-	-	645
125 Hearing Handicapped								
300 Purchased Services	-	14,185	-	-	-	-	-	14,185
126 Speech Handicapped								
100 Salaries	-	60,596	-	-	-	-	69,536	130,132
200 Employee Benefits	-	33,522	-	-	-	-	23,258	56,780
300 Purchased Services	-	3,928	-	-	-	-	-	3,928
400 Supplies and Materials	-	218	-	-	-	-	-	218
600 Other Objects	-	1,480	-	-	-	-	-	1,480
127 Learning Disabilities								
100 Salaries	-	84,910	-	-	-	-	-	84,910
200 Employee Benefits	-	24,829	-	-	-	-	-	24,829
400 Supplies and Materials	-	-	-	-	-	35,580	-	35,580

**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, 2017

(Continued)

	Title I BA Projects 201/202	IDEA C/A Projects 203/204	Preschool Handicapped C/G Projects 205/206	CATIE V/A Projects 207	Adult Education 243	Other Designated Restricted State Grants 900s	Other Special Revenues Programs	Total
129 Homebound								
100 Salaries		31,923						31,923
200 Employee Benefits		12,817						12,817
137 Preschool/Handicapped Self-Contained (3&4 Yr. Olds)								
100 Salaries		17,324						17,324
200 Employee Benefits		21,286						21,286
139 Early Childhood Programs:								
100 Salaries							3,996	3,996
200 Employee Benefits							1,003	1,003
300 Purchased Services							850	850
400 Supplies and Materials						1,632		1,632
140 Special Programs								
145 Remedial Education								
100 Salaries		(136)						(136)
148 Gifted and Talented Artistic:								
400 Supplies and Materials							361	361
149 Other Special Programs								
300 Purchased Services		7,729						7,729
170 Summer School Programs								
171 Primary Summer School								
100 Salaries						12,288	10,000	22,288
200 Employee Benefits						4,200	4,435	8,635
300 Purchased Services						899		899
173 High School Summer School								
100 Salaries	113,372							113,372
200 Employee Benefits	30,172							30,172
400 Supplies and Materials	1,778							1,778

**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, 2017
(Continued)**

	Title I BA Projects 201/202	IDEA CA Projects 203/204	Preschool Handicapped CG Projects 205/206	CATTE VA Projects 207	Adult Education 243	Other Designated Restricted State Grants 9005	Other Special Revenue Programs	Total
175 Instructional Programs Beyond Regular School Day								
100 Salaries	-	-	-	-	-	-	612,451	612,451
200 Employee Benefits	-	-	-	-	-	-	142,197	142,197
300 Purchased Services	-	-	-	-	-	-	138,449	138,449
400 Supplies and Materials	-	-	-	-	-	-	180,588	180,588
180 Adult/Continuing Educational Programs								
181 Adult Basic Education Programs								
100 Salaries	-	-	-	-	16,501	4,220	491	21,212
200 Employee Benefits	-	-	-	-	3,031	435	221	3,687
300 Purchased Services	-	-	-	-	-	217	1,037	1,254
400 Supplies and Materials	-	-	-	-	1,496	377	1,739	3,612
182 Adult Secondary Education Programs								
100 Salaries	-	-	-	-	21,889	-	-	21,889
200 Employee Benefits	-	-	-	-	4,571	-	-	4,571
188 Parenting/Family Literacy								
100 Salaries	118,287	-	-	-	-	-	-	118,287
200 Employee Benefits	64,101	-	-	-	-	-	-	64,101
300 Purchased Services	72,506	-	-	-	-	-	-	72,506
400 Supplies and Materials	37,530	-	-	-	-	-	7,933	45,463
Total Instruction	2,290,029	413,639	42,078	72,874	47,488	396,485	1,848,941	5,111,534
200 Support Services								
210 Pupil Services								
212 Guidance Services	-	-	-	-	-	-	-	108,109
100 Salaries	-	-	-	-	-	-	-	56,119
200 Employee Benefits	-	-	-	-	-	-	-	56,119

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, 2017
(Continued)

	Title I BA Projects 201/202	IDEA CA Projects 203/204	Preschool Handicapped CG Projects 205/206	CATE VA Projects 207	Adult Education 243	Other Designated Restricted State Grants 900s	Other Special Revenue Programs	Total
213 Health Services								
100 Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 136,036	\$ 136,036
200 Employee Benefits	-	-	-	-	-	-	31,049	31,049
300 Purchased Services	-	161,652	-	-	-	-	41,140	202,792
400 Supplies and Materials	-	-	-	-	-	-	2,977	2,977
600 Other Objects	-	-	-	-	-	-	116	116
214 Psychological Services								
100 Salaries	-	8,915	-	-	-	-	-	8,915
200 Employee Benefits	-	27,227	-	-	-	-	71	27,298
300 Purchased Services	-	4,254	-	-	-	-	-	4,254
400 Supplies and Materials	-	912	-	-	-	-	-	912
220 Instructional Staff Services								
221 Improvement of Instruction - Curriculum Development								
100 Salaries	160,496	49,935	-	-	-	-	91,969	302,400
200 Employee Benefits	38,889	47,990	-	-	-	106	28,091	115,076
300 Purchased Services	27,767	84,475	-	-	-	-	284,457	396,699
400 Supplies and Materials	1,542	-	-	-	1,000	399	276,999	279,940
223 Supervision of Special Programs								
100 Salaries	68,505	70,626	-	-	-	-	81,394	220,525
200 Employee Benefits	22,635	49,785	-	-	-	-	34,177	106,597
300 Purchased Services	48,476	23,569	-	-	100	450	359	72,954
400 Supplies and Materials	8,270	6,703	-	-	-	398	1,650	17,021
600 Other Objects	531	199	-	-	-	-	-	730

**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, 2017

(Continued)

	Title 1	IDEA	Preschool Handicapped	CATE	Adult Education	Other Designated Restricted State Grants	Other Special Revenue Programs	Total
	BA Projects 201/202	CA Projects 203/204	CG Projects 205/206	VA Projects 207	243	900s	Programs	
224 Improvement of Instruction - In-service and Staff Training								
100 Salaries	\$ 61,999	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 320,688	\$ 382,687
200 Employee Benefits	27,230	-	-	-	-	-	74,105	101,335
300 Purchased Services	54,203	-	-	13,900	-	-	209,503	277,606
400 Supplies and Materials	13,653	-	-	-	-	8,746	51,952	74,351
600 Other Objects	-	-	-	-	-	-	22	22
230 General Administrative Services								
233 School Administration								
100 Salaries	-	-	-	-	-	-	20,160	20,160
200 Employee Benefits	-	-	-	-	-	-	5,418	5,418
250 Finance and Operations Services								
251 Student Transportation								
100 Salaries	-	54,454	-	-	-	-	-	54,454
200 Employee Benefits	-	18,702	-	-	-	-	-	18,702
300 Purchased Services	-	355	-	-	-	-	154,341	154,696
254 Operation and Maintenance of Plant								
300 Purchased Services	-	-	-	-	1,000	-	74,397	75,397
400 Supplies and Materials	-	-	-	-	-	362	-	362
255 Pupil Transportation								
300 Purchased Services	-	-	-	-	-	-	41	41
256 Food Service								
300 Purchased Services	-	-	-	-	-	-	18,317	18,317

**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, 2017

(Continued)

	Title I BA Projects 201/202	IDEA CA Projects 203/204	Preschool Handicapped CG Projects 205/206	CATE VA Projects 207	Adult Education 243	Other Designated Restricted State Grants 900s	Other Special Revenue Programs	Total
260 Central Support Services								
264 Staff Services								
300 Purchased Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,927	\$ 21,927
266 Technology and Data Processing Services								
100 Salaries	-	-	-	-	-	-	68,500	68,500
200 Employee Benefits	-	-	-	-	-	-	22,616	22,616
300 Purchased Services	-	-	-	-	-	-	32,097	161,498
400 Supplies and Materials	-	-	-	-	-	-	3,002	3,002
500 Capital Outlay	-	-	-	-	-	-	300,569	300,569
270 Support Service Activities - Pupil Activity								
271 Pupil Service Activities								
300 Purchased Services	-	34,689	-	27,712	-	-	-	62,401
400 Supplies and Materials	-	-	-	991	-	-	-	991
600 Other Objects	-	-	-	-	-	153	-	153
Total Support Services	<u>534,196</u>	<u>644,442</u>	<u>-</u>	<u>42,603</u>	<u>2,100</u>	<u>607,814</u>	<u>2,084,569</u>	<u>3,915,724</u>
410 Intergovernmental Expenditures								
416 LEA Payments to Public Charter Schools								
720 Transits	290,911	-	-	-	-	66,553	8,314	365,778
Total Intergovernmental Expenditures	<u>290,911</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>66,553</u>	<u>8,314</u>	<u>365,778</u>
TOTAL EXPENDITURES	<u>3,115,136</u>	<u>1,058,081</u>	<u>42,078</u>	<u>115,477</u>	<u>49,588</u>	<u>1,070,852</u>	<u>3,941,824</u>	<u>9,393,036</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, 2017
(Continued)**

			Preschool	CATE	Adult	Other	Other	Other	Other	Other	Other	Total			
						Designated	Restricted	State Grants	Revenue	Special	Programs				
						900s	207	243	205/206	203/204	201/202				
OTHER FINANCING SOURCES (USES)															
Interfund Transfers, From (To) Other Funds:															
5210 Transfer from General Fund	\$	-	\$	-	\$	-	\$	-	\$	-	\$	12,320	\$	12,320	
431-791 Special Revenue Fund Indirect Cost	(131,660)	(58,386)	(658)	-	-	-	-	-	-	-	-	(51,460)	-	(242,164)	
TOTAL OTHER FINANCING SOURCES (USES)	(131,660)	(58,386)	(658)	-	-	-	-	-	-	-	-	(39,140)	-	(229,844)	
Excess of Revenues Over Expenditures															
Fund Balance, July 1, 2016	-	-	-	-	-	-	-	-	-	-	-	-	-	355	355
Fund Balance, June 30, 2017	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	(355)	(355)

**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, 2017**

OTHER SPECIAL REVENUE PROGRAMS

Sub

Fund Programs

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

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
SPECIAL REVENUE FUND
SUPPLEMENTAL LISTING OF LEA SUBFUND CODES AND TITLES
For the Fiscal Year Ended June 30, 2017
(Continued)**

OTHER SPECIAL REVENUE PROGRAMS

Sub

Fund Programs

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

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
SPECIAL REVENUE FUND
SUMMARY SCHEDULE FOR DESIGNATED STATE RESTRICTED GRANTS
For the Fiscal Year Ended June 30, 2017**

OTHER DESIGNATED STATE RESTRICTED GRANTS

Sub Fund	Revenue Code	Programs	Revenues	Expenditures	Other Fund Transfers In (Out)	Special Revenue Fund Unearned
903	3183	Teacher Recruitment and Retention	\$ 8,976	\$ 8,976	\$ -	\$ 155,622
914	3194	Adult Education Literacy	-	-	-	65,778
915	3105	Technology Technical Assistance	135,608	135,608	-	3,366
918	3198	Technology Professional Development (Carryover Only)	106	106	-	-
919	3193	Education License Plates	150	150	-	2,355
924	3134	Child Development Education Program - (CDEP)	-	-	-	20,033
926	3177	Summer Reading Camps	20,823	20,823	-	3,084
928	3118	EEDA Career Specialists	164,227	164,227	-	24,385
935	3135	Reading Coaches	322,977	322,977	-	8,512
937	3127	Student Health and Fitness - PE Teachers	3,913	3,913	-	-
955	3155	DSS Snap & E&T Program	6,857	6,857	-	8,480
963	3630	K-12 Technology Initiative	332,943	332,943	-	172,850
965	3605	Digital Instructional Material	-	-	-	24,884
966	3660	Mobile Device Access and Management	-	-	-	60,712
		Subtotal	996,580	996,580	-	550,061
XX		Public Charter School	71,787	71,787	-	-
		Totals	\$ 1,068,367	\$ 1,068,367	\$ -	\$ 550,061

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, 2017**

REVENUES

3000 Revenue From State Sources

3100 Restricted State Funding		
3161 EAA Bus Driver Salary and Fringe	\$	3
3500 Educational Improvement Act		
3502 ADEPT		11,357
3509 Arts in Education		48,930
3511 Professional Development		20,448
3512 Technology Professional Development		39,387
3518 Formative Assessment		74,508
3525 Career and Technology Education Equipment		149,916
3526 Refurbishment of K-8 Science Kits		61
3527 Special Career and Technology Education Equipment		135,428
3533 Teacher of the Year Award		1,076
3538 Student At Risk of School Failure		705,666
3541 Child Development Education Pilot Program		544,240
3550 Teacher Salary Increase		751,677
3555 Teacher Salary Fringe		111,034
3556 Adult Education		183,719
3557 Summer Reading Program		61,798
3558 Reading		29,559
3571 Palmetto Priority Schools		257,359
3577 Teacher Supplies		82,675
3578 High Schools That Work/Making Middle Grades Work		30,998
3581 Student Health and Fitness - Nurses		116,297
3592 Worked-Based Learning		18,695
3594 EEDA At Risk Supplemental Programs		3,442
3595 EEDA - Supplies and Materials - Career Awareness		21,844
3597 Aid to Districts		<u>83,716</u>

Total State Sources	<u>3,483,833</u>
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TOTAL REVENUE ALL SOURCES	<u>3,483,833</u>
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**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
 KINGSTREE, SOUTH CAROLINA
 EDUCATION IMPROVEMENT ACT
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 For the Fiscal Year Ended June 30, 2017
 (Continued)**

EXPENDITURES

100 Instruction

110 General Instruction

112 Primary Programs

100 Salaries	\$ 3,463
200 Employee Benefits	905
400 Supplies and Materials	8,250

113 Elementary Programs

100 Salaries	548,830
200 Employee Benefits	134,241
300 Purchased Services	114,503
400 Supplies and Materials	101,188
500 Capital Outlay	27,966

114 High School Programs

100 Salaries	96,187
200 Employee Benefits	17,161
400 Supplies and Materials	16,325

115 Career and Technology Education Programs

300 Purchased Services	750
400 Supplies and Materials	247,736
500 Capital Outlay	38,783

120 Exceptional Programs

126 Speech Handicapped

400 Supplies and Materials	1,650
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128 Emotionally Handicapped

400 Supplies and Materials	825
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140 Special Programs

147 CDEPP

100 Salaries	359,035
200 Employee Benefits	158,615
300 Purchased Services	97
400 Supplies and Materials	23,785
500 Capital Outlay	1,354

**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, 2017
 (Continued)**

170 Summer School Program

171 Primary Summer School		
100 Salaries	\$	37,197
200 Employee Benefits		8,509
300 Purchased Services		3,088
400 Supplies and Materials		12,087

172 Elementary Summer School

100 Salaries		8,621
200 Employee Benefits		1,814
300 Purchased Services		1,047
400 Supplies and Materials		377

180 Adult/Continuing Educational Programs

181 Adult Basic Education Programs

100 Salaries		8,138
200 Employee Benefits		2,422
300 Purchased Services		700
400 Supplies and Materials		1,118

182 Adult Secondary Education Programs

100 Salaries		6,970
200 Employee Benefits		1,700

184 Post Secondary Education Programs

400 Supplies and Materials		1,000
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188 Parenting/Family Literacy

400 Supplies and Materials		<u>2,251</u>
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Total Instruction

1,998,688

200 Support Services

210 Pupil Services

212 Guidance Services

100 Salaries		
200 Employee Benefits		
300 Purchased Services		11,258
400 Supplies and Materials		10,586

213 Guidance Services:

100 Salaries		80,610
200 Employee Benefits		58,724

220 Instructional Staff Services

221 Improvement of Instruction - Curriculum Development

300 Purchased Services		60,300
400 Supplies and Materials		1,000

**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, 2017
 (Continued)**

223 Supervision of Special Programs	
100 Salaries	\$ 121,734
200 Employee Benefits	40,204
300 Purchased Services	2,363
400 Supplies and Materials	750
600 Other Objects	2,400
224 Improvement of Instruction - In-service and Staff Training	
100 Salaries	648
200 Employee Benefits	162
300 Purchased Services	146,140
400 Supplies and Materials	11,017
230 General Administrative Services	
231 General Administrative Services	
300 Purchased Services	810
233 School Administration	
300 Purchased Services	14,236
250 Finance and Operations Services	
251 Student Transportation	
300 Purchased Services	6,265
254 Operation and Maintenance of Plant	
100 Salaries	1,500
200 Employee Benefits	351
300 Purchased Services	2,708
400 Supplies and Materials	677
500 Capital Outlay	7,727
270 Support Services - Pupil Activities	
271 Pupil Services Activities	
300 Purchased Services	<u>1,052</u>
Total Support Services	<u><u>583,222</u></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, 2017
(Continued)

400 Other Charges

410 Intergovernmental Expenditures	
416 Payments to Public Charter Schools	
720 Transits	\$ 99,165
	<u>99,165</u>
Total Intergovernmental	<u>99,165</u>
TOTAL EXPENDITURES	<u>2,681,075</u>
 OTHER FINANCING SOURCES (USES)	
Interfund Transfers, From (To) Other Funds:	
420-710 Transfer to General Fund	<u>(802,758)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(802,758)</u>
Excess of Revenues Over Expenditures	-
Fund Balance, July 1, 2016	<u>-</u>
Fund Balance, June 30, 2017	<u>\$ -</u>

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
EDUCATION IMPROVEMENT ACT
SUMMARY SCHEDULE BY PROGRAM
For the Fiscal Year Ended June 30, 2017**

PROGRAM	<u>Revenues</u>	<u>Expenditures</u>	<u>EIA Interfund Transfers In/(Out)</u>	<u>Other Fund Transfers In/(Out)</u>	<u>Deferred Revenue</u>
3500 Educational Improvement Act					
3502 ADEPT	\$ 11,357	\$ 11,357	\$ -	\$ -	\$ 13,466
3505 Technology Support	-	-	-	-	21,361
3509 Arts in Education	48,930	48,930	-	-	6,232
3511 Professional Development	17,210	17,210	-	-	12,386
3512 Technology Professional Development	33,890	33,890	-	-	8,965
3518 Formative Assessment	74,508	74,508	-	-	20,769
3525 Career and Technology Education Equipment	149,916	149,916	-	-	71,532
3526 Refurbishment of K-8 Science Kits	30	30	-	-	59,788
3527 Special CATE Equipment	135,428	116,644	-	(18,784)	11,572
3533 Teacher of the Year Award	1,076	1,076	-	-	-
3535 Reading Coaches	-	-	-	-	8,000
3538 Student At Risk of School Failure	697,494	697,494	-	-	133,236
3541 Child Development Education Pilot Program	542,886	542,886	-	-	141,208
3550 Teacher Salary Increase	679,803	66,012	-	(613,791)	-
3555 School Employer Contributions	99,054	11,101	-	(87,953)	-
3556 Adult Education	183,719	183,719	-	-	-
3557 Summer Reading Program	61,745	61,745	-	-	19,502
3558 Reading	29,305	29,305	-	-	10,027
3571 Palmetto Priority Schools	257,359	257,359	-	-	63,508
3577 Teacher Supplies	76,175	76,175	-	-	-
3578 High Schools That Work/Making Middle Grades Work	30,998	30,998	-	-	22,018
3581 Student Health and Fitness - Nurses	116,135	116,135	-	-	-
3592 Worked-Based Learning	18,695	18,695	-	-	8,476
3594 EEDA At Risk Supplemental Programs	3,442	3,442	-	-	-
3595 EEDA - Supplies and Materials - Career Awareness	21,844	21,844	-	-	6,567
3597 Aid to Districts	82,906	676	-	(82,230)	-
Subtotal	3,373,905	2,571,147	-	(802,758)	638,613
Public Charter School	109,925	109,925	-	-	-
Total	\$ 3,483,830	\$ 2,681,072	\$ -	\$ (802,758)	\$ 638,613

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, 2017**

REVENUES

1000 Revenues From Local Sources

1100 Taxes	
1110 Ad Valorem Taxes - Including Delinquent	\$ 2,564,937
1140 Penalties and Interest on Taxes	24,048
1200 Revenue From Local Governmental Units Other Than LEA	
1280 Revenue in Lieu of Taxes	477,097
1500 Earnings on Investments	
1510 Interest on Investments	<u>4,625</u>
Total Local Sources	<u>3,070,707</u>

3000 Revenues From State Sources

3800 State Revenue in Lieu of Taxes	
3820 Homestead Exemption (Tier 2)	212,743
3830 Merchant Inventory Tax	13,584
3840 Manufacturers Depreciation Reimbursement	195,614
3890 Other State Property Tax Revenues	<u>13,611</u>
Total State Sources	<u>435,552</u>

TOTAL REVENUES ALL SOURCES	<u>3,506,259</u>
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EXPENDITURES

500 Debt Service	
610 Redemption of Principal	699,000
620 Interest	157,114
690 Other Objects	<u>26,546</u>
Total Debt Service	<u>882,660</u>

TOTAL EXPENDITURES	<u>882,660</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, 2017
(Continued)

OTHER FINANCING SOURCES (USES)

5110 Premium on Bonds Sold	\$	37,486
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Interfund Transfers, From (To) Other Funds:

423-710 Transfer to General Fund		(809,642)
423-710 Transfer to Debt Service - EFC Fund		(1,133,131)
424-710 Transfer to Capital Projects Fund		<u>(1,623,452)</u>

TOTAL OTHER FINANCING SOURCES (USES)		<u>(3,528,739)</u>
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Excess (Deficiency) of Revenues Over (Under) Expenditures		(905,140)
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Fund Balance, July 1, 2016		<u>2,107,234</u>
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Fund Balance, June 30, 2017	\$	<u><u>1,202,094</u></u>
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**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
DEBT SERVICE FUND- EFC
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Fiscal Year Ended June 30, 2017**

REVENUES

1000 Revenues From Local Sources

1500 Earnings on Investments	
1510 Interest on Investments	\$ 2,736

TOTAL REVENUES ALL SOURCES	<u>2,736</u>
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EXPENDITURES

500 Debt Service	
610 Redemption of Principal	280,000
620 Interest	651,572
690 Other Objects	<u>10,313</u>

Total Debt Service	<u>941,885</u>
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TOTAL EXPENDITURES	<u>941,885</u>
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OTHER FINANCING SOURCES (USES)

Interfund Transfers, From (To) Other Funds:

5240 Transfer from Debt Service Fund - District	1,133,131
424-710 Transfer to Capital Projects Fund	<u>(195,000)</u>

TOTAL OTHER FINANCING SOURCES (USES)	<u>938,131</u>
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Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,018)
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Fund Balance, July 1, 2016	<u>1,163</u>
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Fund Balance, June 30, 2017	<u>\$ 145</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
June 30, 2017**

	<u>State</u>	<u>QZAB 2008A</u>	<u>QZAB 2008B</u>	<u>TOTAL</u>
REVENUES				
1000 Revenues From Local Sources				
1100 Taxes:				
1110 Ad Valorem Taxes - Including Delinquent				
1140 Penalties & Interest on Taxes				
1500 Earnings on Investments				
1510 Interest on Investments	\$ 920	\$ 2,547	\$ 12	\$ 3,479
TOTAL REVENUES ALL SOURCES	<u>920</u>	<u>2,547</u>	<u>12</u>	<u>3,479</u>
EXPENDITURES				
250 Finance and Operations Services				
253 Facilities Acquisition & Construction				
400 Supplies and Materials	4,116	-	-	4,116
500 Capital Outlay	749,848	-	-	749,848
500 Debt Service				
610 Redemption of Principal	62,400	-	-	62,400
690 Other Objects	525	-	-	525
TOTAL EXPENDITURES	<u>816,889</u>	<u>-</u>	<u>-</u>	<u>816,889</u>
OTHER FINANCING SOURCES (USES)				
Interfund Transfers, From (To) Other Funds:				
5240 Transfer from Debt Service	1,000,504	622,948	-	1,623,452
TOTAL OTHER FINANCING SOURCES	<u>1,000,504</u>	<u>622,948</u>	<u>-</u>	<u>1,623,452</u>
Excess of Revenues Over Expenditures	184,535	625,495	12	810,042
Fund Balance, July 1, 2016	<u>1,433,473</u>	<u>2,152,281</u>	<u>9,443</u>	<u>3,595,197</u>
Fund Balance, June 30, 2017	<u>\$ 1,618,008</u>	<u>\$ 2,777,776</u>	<u>\$ 9,455</u>	<u>\$ 4,405,239</u>

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
CAPITAL PROJECTS FUND-EFC
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
June 30, 2017**

REVENUES

1000 Revenues From Local Sources

1500 Earnings on Investments	
1510 Interest on Investments	\$ -
	<hr/>

Total Local Sources	-
	<hr/>

TOTAL REVENUES ALL SOURCES	-
	<hr/>

EXPENDITURES

250 Finance and Operations Services	
253 Facilities Acquisition & Construction	
300 Purchased Services	10,310
	<hr/>

TOTAL EXPENDITURES	10,310
	<hr/>

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	(195,000)
	<hr/>

TOTAL OTHER FINANCING SOURCES (USES)	-
	<hr/>

Excess (Deficiency) of Revenues Over (Under) Expenditures	(10,310)
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Fund Balance, July 1, 2016	137,720
	<hr/>

Fund Balance, June 30, 2017	\$ 127,410
	<hr/> <hr/>

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, 2017**

REVENUES

1000 Revenue From Local Sources

1600 Food Service		
1610 Lunch Sales to Pupils	\$	12,722
1620 Breakfast Sales to Pupils		257
1630 Special Sales to Pupils		13,775
1640 Lunch Sales to Adults		44,427
1650 Breakfast Sales to Adults		6,662
1660 Special Sales to Adults		32,252
1900 Other Revenue from Local Sources		
1999 Revenue from Other Local Sources		<u>81,415</u>
Total Revenue From Local Sources		<u>191,510</u>

3000 Revenues From State Sources

3100 State Revenue in Lieu of Taxes		
3140 School Lunch		
3142 Program Aid		<u>225</u>
Total Revenue From State Sources		<u>225</u>

4000 Revenue From Federal Sources

4800 USDA Reimbursement		
4810 School Lunch Program		1,305,241
4830 School Breakfast Program		1,578,436
4860 Fresh Fruits and Vegetables Program		205,449
4900 Other Federal Sources		
4991 USDA Commodities		<u>78,631</u>
Total Revenue From Federal Sources		<u>3,167,757</u>
TOTAL REVENUE ALL SOURCES		<u>3,359,492</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, 2017
 (Continued)**

EXPENSES

256 Food Service	
100 Salaries	\$ 1,156,958
200 Employee Benefits	155,999
300 Purchased Services	134,894
400 Supplies and Materials	1,428,154
500 Capital Outlay	59,517
600 Other Objects	<u>5,118</u>
TOTAL EXPENSES	<u>2,940,640</u>

OTHER FINANCING SOURCES (USES)

Interfund Transfers, From (To) Other Funds

420-710 Transfer to General Fund (Excludes Indirect Costs)	(192,772)
432-791 Food Service Indirect Cost	<u>(211,223)</u>

TOTAL OTHER FINANCING SOURCES (USES) (403,995)

Change in Net Position	14,857
Net Position, July 1, 2016	<u>489,814</u>
Net Position, June 30, 2017	<u>\$ 504,671</u>

FIDUCIARY FUNDS

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

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
 KINGSTREE, SOUTH CAROLINA
 AGENCY FUND
 PUPIL ACTIVITY FUNDS
 SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN DUE TO STUDENT
 ORGANIZATIONS
 June 30, 2017**

RECEIPTS

1000 Receipts From Local Sources

1400 Transportation Fees		
1410 Transportation Fee from Patrons for Regular Day School	\$	36,300
1500 Earnings on Investments		
1510 Interest on Investments		315
1700 Pupil Activities		
1710 Admissions		283,157
1720 Bookstore Sales		73,135
1730 Pupil Organization Membership		171,761
1740 Student Fees		21,402
1790 Other		<u>286,136</u>

Total Receipts From Local Sources	<u>872,206</u>
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TOTAL RECEIPTS ALL SOURCES	<u>872,206</u>
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DISBURSEMENTS

190 Instructional Pupil Activity		
660 Pupil Activity		23,915
270 Supporting Services Pupil Activity		
271 Pupil Service Activities		
660 Pupil Activity		814,925
272 Enterprise Activities		
660 Pupil Activity		<u>67,639</u>

TOTAL DISBURSEMENTS	<u>906,479</u>
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Excess (Deficiency) of Revenues Over (Under) Expenditures	(34,273)
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Due to Student Organizations, July 1, 2016	<u>249,240</u>
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Due to Student Organizations, June 30, 2017	<u>\$ 214,967</u>
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MISCELLANEOUS SCHEDULES

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
 KINGSTREE, SOUTH CAROLINA
 DETAILED SCHEDULE OF DUE TO STATE AND FEDERAL GOVERNMENTS
 June 30, 2017**

<u>Program</u>	<u>Project/Grant Number</u>	<u>Revenue & Subfund Codes</u>	<u>Description</u>	<u>Amount Due to State/Fed</u>	<u>Status</u>
Army ROTC	ROTC	4990/270	Error in Reimbursement	\$ <u>10,674</u>	(1)
	Subtotal			\$ <u>10,674</u>	

(1) Reimbursement Made Subsequent to End of Fiscal Year

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
LOCATION RECONCILIATION
June 30, 2017**

<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	\$ 2,338,924
11	KSHE	High Schools	School	4,580,580
12	KMS	Middle Schools	School	3,621,974
13	St. Mark	Non-Schools	Central	619
15	KGES	Elementary Schools	School	3,397,367
16	WMAES	Elementary Schools	School	3,298,812
17	Special Service	Non-Schools	Central	1,516,285
18	HES	Elementary Schools	School	3,996,662
20	HHS	High Schools	School	3,208,730
21	MS of the A	Elementary Schools	School	111,987
22	HAM	Middle Schools	School	1,622,892
27	DP Cooper	Elementary Schools	School	4,792,181
30	GES	Elementary Schools	School	2,470,706
31	CEMHS	High Schools	School	3,619,259
32	Finance	Non-Schools	Central	4,060,198
33	Instruction Dept	Non-Schools	Central	4,945,990
35	HCTC	Non-Schools	Central	789,148
38	Supt/County Board	Non-Schools	Central	700,780
40	KAA	Non-Schools	Central	2,252,359
41	Maintenance	Non-Schools	Central	1,295,463
TOTAL EXPENDITURES/DISBURSEMENTS FOR ALL FUNDS				\$ 52,620,916

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

General Fund	\$ 34,538,923
Special Revenue Fund	9,011,980
Special Revenue EIA Fund	2,571,150
Debt Service Funds	1,824,545
Capital Project Funds	827,199
Food Service Fund	2,940,640
Pupil Activity Fund	906,479
TOTAL EXPENDITURES/DISBURSEMENTS FOR ALL FUNDS	\$ 52,620,916

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
BALANCE SHEET – D.P. COOPER (CHARTER SCHOOL)
June 30, 2017**

	General	Special Revenue		Total
		Special Projects	EIA	
Assets				
Cash	\$ 407,868	\$ -	\$ -	\$ 407,868
Due from Other Governmental Units	275,386	23,812	-	299,198
Due from Other Funds	23,812	-	-	23,812
Prepaid Expenses	5,275	-	-	5,275
	<u>712,341</u>	<u>23,812</u>	<u>-</u>	<u>736,153</u>
Total Assets	\$ 712,341	\$ 23,812	\$ -	\$ 736,153
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$ 27,454	\$ -	\$ -	\$ 27,454
Accrued Liabilities	386,067	-	-	386,067
Due to Other Funds	-	23,812	-	23,812
	<u>413,521</u>	<u>23,812</u>	<u>-</u>	<u>437,333</u>
Total Liabilities	413,521	23,812	-	437,333
Fund Deficit				
Nonspendable	5,275	-	-	5,275
Unassigned	293,545	-	-	293,545
	<u>298,820</u>	<u>-</u>	<u>-</u>	<u>298,820</u>
Total Fund Balances	298,820	-	-	298,820
Total Liabilities and Fund Balances	\$ 712,341	\$ 23,812	\$ -	\$ 736,153

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN D.P. COOPER
(CHARTER SCHOOL) GENERAL FUND BALANCE-BUDGET TO ACTUAL
For the Fiscal Year Ended June 30, 2017**

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
1000 Revenue from Local Sources			
1700 Pupil Activities			
1790 Other Pupil Activity Income	\$ 41,280	\$ 32,792	\$ (8,488)
1900 Other Revenue from Local Sources			
1910 Rentals	600	480	(120.00)
1920 Contributions and Donations from Private Sources	3,000	4,014	1,014
1990 Miscellaneous Local Revenue			
1999 Revenue from Other Local Sources	<u>32,000</u>	<u>12,524</u>	<u>(19,476)</u>
Total Local Sources	<u>76,880</u>	<u>49,810</u>	<u>(27,070)</u>
3000 Revenue from State Sources			
3100 Restricted State Funding			
3131 Handicapped Transportation	392	-	(392)
3310 Full-Time Programs			
3311 Kindergarten	3,549,157	253,305	(3,295,852)
3312 Primary	-	817,189	817,189
3313 Elementary	-	1,318,654	1,318,654
3316 Speech Handicapped (Part-Time)	-	227,318	227,318
3317 Homebound	-	5,040	5,040
3320 Part-Time Programs			
3322 Educable Mentally Handicapped	-	49,611	49,611
3323 Learning Disabilities	-	312,785	312,785
3326 Orthopedically Handicapped	-	21,419	21,419
3330 Other EFA Programs			
3331 Autism	-	4,882	4,882
3332 High Achieving Students	-	5,932	5,932
3351 Academics Assistance	-	211,988	211,988
3352 Pupils in Poverty	<u>-</u>	<u>540,943</u>	<u>540,943</u>
Total State Sources	<u>3,549,549</u>	<u>3,769,066</u>	<u>219,517</u>
TOTAL REVENUES ALL SOURCES	<u>3,626,429</u>	<u>3,818,876</u>	<u>192,447</u>

SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN D.P. COOPER
(CHARTER SCHOOL) GENERAL FUND BALANCE-BUDGET TO ACTUAL
For the Fiscal Year Ended June 30, 2017
(Continued)

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
EXPENDITURES			
100 Instruction			
110 General Instruction			
111 Kindergarten Programs			
100 Salaries	\$ 1,621,095	\$ 38,230	\$ 1,582,865
200 Employee Benefits	575,668	19,469	556,199
300 Purchased Services	15,000	-	15,000
400 Supplies and Materials	45,000	275	44,725
500 Capital Outlay	65,000	-	65,000
112 Primary Programs			
100 Salaries	-	96,071	(96,071)
200 Employee Benefits	-	63,810	(63,810)
113 Elementary Programs			
100 Salaries	-	1,023,742	(1,023,742)
200 Employee Benefits	-	402,943	(402,943)
300 Purchased Services	-	56,758	(56,758)
400 Supplies and Materials	-	83,609	(83,609)
500 Capital Outlay	-	80,810	(80,810)
113 Elementary Programs			
400 Supplies and Materials	-	70	(70)
120 Exceptional Programs			
127 Learning Disabilities			
100 Salaries	73,310	162,316	(89,006)
200 Employee Benefits	31,306	45,680	(14,374)
300 Purchased Services	6,000	-	6,000
140 Special Programs			
147 Full day 4K			
100 Salaries	-	155,921	(155,921)
200 Employee Benefits	-	53,310	(53,310)
180 Adult/Continuing Educational Programs			
188 Parenting/Family Literacy			
100 Salaries	4,635	10,368	(5,733)
200 Employee Benefits	3,183	3,066	117
400 Supplies and Materials	-	4,858	(4,858)
Total Instruction	<u>2,440,197</u>	<u>2,301,306</u>	<u>138,891</u>

SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN D.P. COOPER
(CHARTER SCHOOL) GENERAL FUND BALANCE-BUDGET TO ACTUAL
For the Fiscal Year Ended June 30, 2017
(Continued)

200 Support Services	<u>Budget</u>	<u>Actual</u>	<u>Variance</u> Positive (Negative)
210 Pupil Services			
212 Guidance Services			
100 Salaries	\$ 75,594	\$ 48,434	\$ 27,160
200 Employee Benefits	34,735	34,390	345
213 Health Services			
100 Salaries	25,645	25,220	425
200 Employee Benefits	10,537	10,390	147
300 Purchased Services	2,000	65	1,935
400 Supplies and Materials	-	476	(476)
214 Psychological Services			
300 Purchased Services	5,000	-	5,000
220 Instructional Staff Services			
221 Improvement of Instruction In-service and Staff Training			
100 Salaries	-	13,166	(13,166)
200 Employee Benefits	-	4,163	(4,163)
224 Improvement of Instruction - In-service and Staff Training			
300 Purchased Services	10,000	11,040	(1,040)
230 General Administration Services			
231 Board of Education			
300 Purchased Services	9,000	2,049	6,951
318 Audit Services	18,000	16,550	1,450
400 Supplies and Materials	19,000	27,314	(8,314)
600 Other Objects	11,694	11,716	(22)
233 School Administration			
100 Salaries	374,740	335,784	38,956
200 Employee Benefits	123,080	110,415	12,665
300 Purchased Services	2,000	9,218	(7,218)
400 Supplies and Materials	12,000	19,757	(7,757)
500 Capital Outlay	4,000	13,773	(9,773)

SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN D.P. COOPER
(CHARTER SCHOOL) GENERAL FUND BALANCE-BUDGET TO ACTUAL
For the Fiscal Year Ended June 30, 2017
(Continued)

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u> <u>Positive</u> <u>(Negative)</u>
250 Finance and Operations Services			
252 Fiscal Services			
300 Purchased Services	\$ 60,000	\$ 68,135	\$ (8,135)
600 Other Objects	3,400	3,980	(580)
253 Facilities Acquisition and Construction			
300 Purchased Services	-	30	(30)
500 Capital Outlay	-	86,006	(86,006)
254 Operations and Maintenance of Plant			
100 Salaries	58,681	70,591	(11,910)
200 Employee Benefits	31,924	34,229	(2,305)
300 Purchased Services	77,271	39,355	37,916
321 Public Utilities	2,000	900	1,100
400 Supplies and Materials	40,000	79,448	(39,448)
470 Energy	87,000	92,057	(5,057)
255 Student Transportation			
100 Salaries	152,929	186,450	(33,521)
200 Employee Benefits	47,320	23,130	24,190
300 Purchased Services	40,000	62,762	(22,762)
500 Capital Outlay	-	21,350	(21,350)
600 Other Objects	3,491	384	3,107
258 Security			
300 Purchased Services	-	51,693	(51,693)
500 Capital Outlay	25,000	-	25,000
260 Central Support Services			
263 Information Services			
300 Purchased Services	5,000	14,057	(9,057)
266 Technology and Data Processing Services			
300 Purchased Services	26,000	17,624	8,376

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN D.P. COOPER
(CHARTER SCHOOL) GENERAL FUND BALANCE-BUDGET TO ACTUAL
For the Fiscal Year Ended June 30, 2017
(Continued)**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
270 Support Services Pupil Activity			
271 Pupil Services Activities			
100 Salaries	\$ 34,120	\$ 37,929	\$ (3,809)
200 Employee Benefits	16,086	16,660	(574)
300 Purchased Services	5,500	4,102	1,398
400 Supplies and Materials	25,000	-	25,000
600 Other Objects	-	54,063	(54,063)
	<u> </u>	<u> </u>	<u> </u>
Total Support Services	<u>1,477,747</u>	<u>1,658,855</u>	<u>(181,108)</u>
500 Debt Service			
610 Principal	-	5,908	5,908
	<u> </u>	<u> </u>	<u> </u>
Total Debt Service	<u> </u>	<u>5,908</u>	<u>5,908</u>
TOTAL EXPENDITURES	<u>3,917,944</u>	<u>3,966,069</u>	<u>(36,309)</u>
OTHER FINANCING SOURCES (USES)			
Interfund Transfers, From (To) Other Funds			
421-710 Transfer to Special Revenue Fund	-	(12,320)	12,320
	<u> </u>	<u> </u>	<u> </u>
TOTAL OTHER FINANCING SOURCES (USES)	<u> </u>	<u>(12,320)</u>	<u>12,320</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ (291,515)</u>	<u>(159,513)</u>	<u>\$ 132,002</u>
Fund Balance, July 1, 2016		<u>458,333</u>	
Fund Balance, June 30, 2017		<u>\$ 298,820</u>	

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN D.P. COOPER
(CHARTER SCHOOL) SPECIAL REVENUE FUND BALANCE
For the Fiscal Year Ended June 30, 2017**

	Special Revenue		
	Special Projects	EIA	Total
1000 Revenues From Local Sources			
1600 Food Services:			
1610 Lunch Sales to Pupils	\$ 5,997	\$ -	\$ 5,997
Total Local Sources	<u>5,997</u>	<u>-</u>	<u>5,997</u>
3000 Revenue From State Sources			
3100 Restricted State Funding			
3105 Technology Technical Assistance	194	-	194
3130 Special Programs			
3131 Handicapped Transportation-Bus Driver Aides	41	-	41
3135 Reading Coaches	62,067	-	62,067
3137 Student Health and Fitness-PE Teachers	3,968	-	3,968
3177 Summer Reading Camps	5,176	-	5,176
3183 Teacher Recruiting and Retention	229	-	229
3190 Miscellaneous Restricted State Grants			
3193 Education License Plates	153	-	153
3500 Educational Improvement Act			
3511 Professional Development	-	3,238	3,238
3512 Technology Professional Development	-	5,497	5,497
3526 Refurbishment of K-8 Science Kits	-	31	31
3538 Student At Risk of School Failure	-	8,172	8,172
3541 Child Development Education Pilot Program	-	1,354	1,354
3550 Teacher Salary Increase	-	71,874	71,874
3555 School Employer Contributions	-	11,980	11,980
3557 Summer Reading	-	53	53
3558 Reading	-	254	254
3577 Teacher Supplies	-	6,500	6,500
3581 Student Health and Fitness - Nurses	-	162	162
3597 Aid to Districts	-	810	810
Total State Sources	<u>71,828</u>	<u>109,925</u>	<u>181,753</u>

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN D.P. COOPER
SPECIAL REVENUE FUND BALANCE
For the Fiscal Year Ended June 30, 2017
(Continued)**

	Special Revenue		Total
	Special Projects	EIA	
4000 Revenue From Federal Sources			
4300 Elementary and Secondary Education Act of 1965 (ESEA)			
4310 Title I	\$ 290,911	\$ -	\$ 290,911
	290,911	-	290,911
Total Federal Sources			
	290,911	-	290,911
TOTAL REVENUES	368,736	109,925	478,661
EXPENDITURES			
100 Instruction			
110 General Instruction			
112 Primary Programs			
100 Salaries	55,963	-	55,963
200 Employee Benefits	6,104	-	6,104
113 Elementary Programs (4-8)			
100 Salaries	200,312	80,046	280,358
200 Employee Benefits	-	11,980	11,980
300 Purchases Services	-	6,500	6,500
400 Supplies and Materials	5,405	338	5,743
140 Special Programs			
147 CDEPP			
500 Capital Outlay	-	1,354	1,354

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN D.P. COOPER
SPECIAL REVENUE FUND BALANCE
For the Fiscal Year Ended June 30, 2017
(Continued)**

	Special Revenue		Total
	Special Projects	EIA	
180 Adult/Continuing Educational Programs			
188 Parenting/Family Literacy			
100 Salaries	\$ 20,500	\$ -	\$ 20,500
200 Employee Benefits	9,310	-	9,310
Total Instruction	<u>297,594</u>	<u>100,218</u>	<u>397,812</u>
200 Supporting Services			
210 Pupil Services			
213 Health Services			
100 Salaries	-	162	162
220 Instructional Staff Services			
221 Improvement of Instruction - Curriculum Development			
100 Salaries	46,990	-	46,990
300 Purchased Services	17,767	-	17,767
224 Improvement of Instruction In-service and Staff Training			
300 Purchased Services	-	8,494	8,494
230 General Administration Services			
231 Board of Education			
300 Purchased Services	-	810	810
233 School Administration			
300 Purchased Services	-	241	241
250 Finance and Operations Services			
255 Student Transportation			
300 Purchased Services	41	-	41

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN D.P. COOPER
SPECIAL REVENUE FUND BALANCE
For the Fiscal Year Ended June 30, 2017
(Continued)**

	Special Revenue		
	Special Projects	EIA	Total
256 Food Service			
300 Purchased Services	\$ 18,317	\$ -	\$ 18,317
260 Central Support Services			
266 Technology and Data Processing Services			
300 Purchased Services	194	-	194
270 Support Service Activities - Pupil Activity			
271 Pupil Service Activities			
600 Other Objects	153	-	153
Total Support Services	83,462	9,707	93,169
TOTAL EXPENDITURES	381,056	109,925	490,981
OTHER FINANCING SOURCES (USES)			
Interfund Transfers, From (To) Other Funds:			
5210 Transfer from General Fund	12,320	-	12,320
TOTAL OTHER FINANCING SOURCES (USES)	12,320	-	12,320
Excess of Revenues Over Expenditures	-	-	-
Fund Balance, July 1, 2016	-	-	-
Fund Balance, June 30, 2017	\$ -	\$ -	\$ -

COMPLIANCE SECTION

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2017**

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	17-BA088 *	\$ 2,955,885
221	Title I State Program Improvement	84.010	17-BM088 *	42,093
238	Title I State Program Improvement	84.010	17-BM088 *	134,796
	TOTAL 84.010			\$ 3,132,774
203	IDEA	84.027.	17-CA088	1,116,467
205	IDEA Preschool	84.173	17-CG088	42,736
	TOTAL 84.027 and 84.173			\$ 1,159,203
207	Perkins Aid, Title I (Subprogram 01)	84.048	16-VA088	1,500
207	Perkins Aid, Title I (Subprogram 04)	84.048	16-VA088	14,500
207	Perkins Aid, Title I (Subprogram 05)	84.048	16-VA088	7,929
207	Perkins Aid, Title I (Subprogram 06)	84.048	16-VA088	48,115
207	Perkins Aid, Title I (Subprogram 10)	84.048	16-VA088	27,800
207	Perkins Aid, Title I (Subprogram 14)	84.048	17-VA088	15,631
	TOTAL 84.048			\$ 115,475
251	Rural and Low Income School Program, Title VI	84.358	17-BS088	91,671
	TOTAL 84.358			\$ 91,671
267	Improving Teacher Quality	84.367A	17-TQ088 *	532,358
	TOTAL 84.367A			\$ 532,358
243	Adult Education	84.002	17-EA088	49,588
224	21st Century Learning	84.287	17-CL088	1,259,003
285	South Carolina GEAR UP	84.335	N/A *	<u>664,220</u>
	TOTAL U.S. DEPARTMENT OF EDUCATION			<u>7,004,292</u>

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2017
(Continued)**

<u>LEA Subfund Code</u>	<u>Federal Grantor/ Pass-Through Grantor Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>Total Expenditures</u>
OTHER FEDERAL ASSISTANCE				
U.S. DEPARTMENT OF AGRICULTURE				
Passed Through SDE:				
600	Commodities/Food Distribution	10.550	N/A	\$ 205,449
600	School Breakfast Program	10.553	N/A	1,578,436
600	School Lunch & After School Snacks Program	10.555	N/A	1,315,241
600	USDA Fresh Fruits and Vegetables	10.582	N/A	<u>78,631</u>
TOTAL U.S. DEPARTMENT OF AGRICULTURE				<u>3,177,757</u>
U.S. DEPARTMENT OF DEFENSE				
Direct Program:				
270	Army ROTC	12.000	N/A	<u>111,057</u>
TOTAL U. S. DEPARTMENT OF DEFENSE				<u>111,057</u>
TOTAL FEDERAL ASSISTANCE EXPENDED				<u>\$ 10,293,106</u>

* Tested as Major Program

SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2017

- 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, 2017. 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

CERTIFIED PUBLIC ACCOUNTANTS

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November 29, 2017

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of School District of Williamsburg County, as of and for the year ended June 30, 2017, 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 29, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered School District of Williamsburg County internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of School District of Williamsburg County internal control. Accordingly, we do not express an opinion on the effectiveness of School District of Williamsburg County internal control.

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified two deficiencies in internal control that we consider to be material weakness.

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. We consider the deficiency described in the accompanying schedule of findings and questioned costs as items 17-2 and 17-3 to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether School District of Williamsburg County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards*. We consider the deficiency described in the accompanying schedule of findings and questioned costs as items 17-1 to be a compliance issue.

School District of Williamsburg County Response to Findings

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Sheheen, Hancock & Godwin, LLP

Sheheen, Hancock and Godwin, LLP
Camden, South Carolina

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November 29, 2017

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

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

Report on Compliance for Each Major Federal Program

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

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, School District of Williamsburg County's, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2017.

Report on Internal Control Over Compliance

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

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

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

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

Sheheen, Hancock & Godwin, LLP

Sheheen, Hancock and Godwin, LLP
Camden, South Carolina

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2017**

A. SUMMARY OF RESULTS

1. The financial statement opinion is unqualified.
2. No significant deficiency in internal control over financial reporting were disclosed by the audit of the financial statements. Four deficiencies were considered to be a material weaknesses.
3. The audit disclosed one instance 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 audit findings as described on pages 112-113.
7. Major programs are as follows:

U. S. Department of Education:
Title I Cluster – CFDA 84.010
Improve Teacher Quality – CFDA 84.367A
South Carolina Gear Up – CFDA 84.335
8. Type A programs are those exceeding \$750,000. Type B programs are those not exceeding \$750,000.
9. School District of Williamsburg County did not qualify as a low-risk auditee.

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
SUMMARY SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2017
(Continued)**

B. FINDINGS RELATED TO FINANCIAL STATEMENTS

**17-1 Oversight of Compliance Regulations regarding CATE Program
Repeat Finding from Prior Year: Yes**

Condition: The School District did not maintain a complete detailed property records of all Career and Technology Education Equipment during the fiscal year, in accordance with SC Department of Education guidelines.

Criteria: According to SC Department of Education guidelines, detail property records should be maintained on all Career and Technology Education Equipment that include a description of the property, serial number, vendor name, acquisition date, amount, location of the property, and disposal dates, if any.

Context and Effect: The School District did not maintain a complete detailed fixed asset report.

Cause: Oversight on School District personnel.

Questioned Cost: Unknown

Recommendations: We recommend that the School District complete the detailed property record listing with the information required by the SC Department of Education guidelines, and verify the information with the fixed asset records currently in Excel.

View of Responsible Official and Planned Corrective Action: Management agrees with this finding and will start working on completing the detailed property record listing in accordance with the SC Department of Education guidelines.

**17-2 Procurement Policies
Repeat Finding from Prior Year: Yes**

Condition: Instances were found where purchase orders were prepared on or after the invoices were received.

Criteria: All purchase orders should be prepared before an item is ordered

Context and Effect: The School District did not prepare purchase orders timely. This can cause disbursements to not be approved and expenditures to be over budget.

Cause: Oversight on School District personnel.

Questioned Cost: Unknown

Recommendations: The District should require that purchase orders be obtained before an item is purchased.

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
SUMMARY SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2017
(Continued)**

View of Responsible Official and Planned Corrective Action: Management agrees with this finding and will look into disciplinary action for those not following procedures for obtaining purchase orders.

17-5 Oversight of the Financial Reporting Process

Condition: Management requested us to assist in identifying adjustments to the accounting records and prepare the complete year-end financial statements including related footnote disclosures in accordance with generally accepted accounting principles. The outsourcing of these services is not unusual in Districts of the School District's size and is a result of management's cost benefit decision to rely on our accounting expertise rather than incurring the internal resource cost.

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

Context and Effect: The School District does not have the expertise to write the year-end financial statements.

Cause: The School District does not have the expertise to write the year-end financial statements.

Recommendations: We recommend that the School District continue to evaluate the cost benefit of outsourcing these services versus incurring the internal resource cost.

View of Responsible Official and Planned Corrective Action: Management agrees with this finding and believes that, in the best interest of the School District, to continue outsourcing of this service due to staffing and budget constraints.

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the Fiscal Year Ended June 30, 2017**

A. FINDINGS – FINANCIAL STATEMENTS AUDIT

16-1 Oversight of Compliance Regulations regarding CATE Program

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

Corrective Action was not taken.

16-2 Procurement Policies

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

Corrective Action was not taken.

16-3 Payroll

Segregation of duties issue exist in payroll as the payroll clerk can setup new employees, process payroll and print checks. Also, no oversight is being provided to review the payroll registers before check are printed.

Corrective Action was taken.

16-4 Reconciliation of Balance Sheet Accounts

The School District did not reconcile all bank accounts and several liability accounts on a monthly basis.

Corrective Action was taken.

16-5 Capital Assets

The School District did not follow the capitalization policy and numerous assets were disposed of without any proper documentation or reason.

Corrective Action was taken.