

CHARLESTON COUNTY SCHOOL DISTRICT

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED JUNE 30, 2018

**CHARLESTON COUNTY SCHOOL DISTRICT
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**CHARLESTON COUNTY SCHOOL DISTRICT
PRINCIPAL OFFICIALS
YEAR ENDED JUNE 30, 2018**

Board of Trustees

Kate Darby, Board Chairperson

Eric Mack, Board Vice-Chairperson

Cindy Bohn Coats

Chris Collins

Todd Garrett

Kevin Hollinshead

Priscilla Jeffery

Michael Miller

Chris Staubes

Superintendent

Dr. Gerrita Postlewait

INDEPENDENT AUDITORS' REPORT

Board of Trustees
Charleston County School District
Charleston, South Carolina

Report on the Financial Statements

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

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.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of James Island Charter High School, Charleston Development Academy, Inc., East Cooper Montessori Charter School, Orange Grove Elementary Charter School, Charleston Charter School for Math and Science, Pattison's Academy of Comprehensive Education, Carolina Voyager Charter School, Greg Mathis Charter High School, Prestige Preparatory Academy, Allegro Music School, and Meeting Street Elementary at Brentwood, which represent 100% of the assets and deferred outflows of resources, net position, and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the other amounts included for the aggregate discretely presented component units, is based solely on the reports 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 auditors' 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 opinion.

Opinion

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the School District as of June 30, 2018, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

During fiscal year ended June 30, 2018, the School District adopted GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. As a result of the implementation of GASB Statement No. 75, the School District reported a restatement for the change in accounting principle (see Note 17). Our auditors' opinion was not modified with respect to the restatement.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedules, and pension and OPEB schedules, as listed in the table of contents, 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's basic financial statements. The supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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 supplementary information is 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 28, 2018, on our consideration of the School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Columbia, South Carolina
November 28, 2018

**CHARLESTON COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2018**

The Management's Discussion and Analysis (MD&A) provides an objective analysis of the Charleston County School District's (the School District or CCSD) financial condition based on facts known as of the date of the auditors' report. While the accompanying financial statements are for the year ended June 30, 2018, the MD&A presents both a short-term and long-term analysis of the School District's financial status.

FINANCIAL HIGHLIGHTS

- The General Operating Fund ("GOF") total fund balance at June 30, 2018 was \$70.2 million, an increase of \$28.1 million from the balance at June 30, 2017. This was primarily due to a \$7.5 million planned contribution to fund balance, revenues exceeding budget by \$3 million and expenditures below budget by \$17.4 million. The excess revenue is due to \$3 million increase in state funding reimbursement for PEBA retirement and revenue in lieu of taxes exceeding budget projections. Expenditures below budget are primarily due to \$19.1 million in salaries and benefits, netted with \$1.9 million increase in purchased services costs (substitute teachers, transportation, workers compensation, additional costs associated with two storms during the year) and \$2.6 million additional allocations to charter schools. Salaries and fringe benefits were below budget due to unfilled vacant positions and lapsed salaries.
- Non-spendable GOF fund balance was \$4.1 million or 1% of total General Fund expenditures for the year ended June 30, 2018. This includes inventory and prepaid items. Committed GOF fund balance was \$36.9 million or 8.1% of total General Fund expenditures for the year ended June 30, 2018. This meets the one month operating expenditures requirement using fiscal year 2018 total operating budget of \$458.2 million and fiscal year 2017 total operating budget of \$422.5 million. Assigned GOF fund balance was \$9.4 million or 2.1% of total General Fund expenditures for the year ended June 30, 2018. This includes \$1,145,689 for Early College Program, \$2,516,497 to increase starting teacher salaries, \$3 million for academic growth, and \$2.8 million in future years' expenditures. Unassigned GOF fund balance was \$19.7 million or 4.3% can be used for any purpose at the District's discretion.
- The School District's revenues for governmental funds increased \$74.6 million or 10.2% to \$802.5 million in fiscal year 2018. The major changes were a \$50.3 million increase in local property taxes, a \$13.2 million increase in state revenues, a \$4.8 million increase in local one cent sales tax revenues, and a \$2.9 million increase in federal revenues.
- Property taxes and other local revenues (including the Local One Cent Sales Tax revenues) accounted for 64.4% of the School District's governmental funds' revenue. The State revenue contribution was 26.9%; the Federal was 8.6% and other sources were less than one percent.
- The amount of Education Finance Act ("EFA") revenues sent to the School District increased \$3.2 million in fiscal year 2018 primarily due to changes in student categories and index of taxpaying ability. The School District remains the wealthiest in the State with regards to property value; however, Act 388 of 2008 revamped how school districts receive their funding for operating expenses which has severely limited growth in local tax millage.

**CHARLESTON COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2018**

FINANCIAL HIGHLIGHTS (CONTINUED)

- The State formula starts with a target of 70% State funding and 30% local funding. The School District receives a much lower percentage from the State than most other districts. The table below outlines the last five years' state support percentages for the School District.

FY2014	32 percent
FY2015	32 percent
FY2016	34 percent
FY2017	31 percent
FY2018	32 percent

- This discussion and analysis focuses on the primary government; however, the District sponsored ten charter schools in fiscal year 2018, which are reflected as discretely presented component units.
- The 7-day enrollment decreased 527 students from 50,203 in fiscal year 2017 to 49,676 in fiscal year 2018. These figures include all students in classes for child development through grade 12 as well as charter school students. The decrease in 7-day enrollment represents a 1.1% decrease.
- The Average Daily Membership (ADM) of students in the School District as of the 135th day decreased from 46,468 in fiscal year 2017 to 46,140 in fiscal year 2018, a 0.7% decrease in the 135th day ADM. The 135th day ADM does not include child development enrollment, only students in kindergarten through grade 12. The 7-day enrollment and the 135th day average daily membership continue to fluctuate each year. The District did not maintain the number of students from the beginning of the year to the end of the year in FY18.
- Total revenues and other financing sources for all governmental funds exceeded expenditures and other financing uses by \$44.8 million. This net change was due to changes in several funds as follows:
 - \$28.1 million increase in the General Fund as explained above
 - \$1.2 million increase in the Special Revenue Fund due to the carryover of fund balance in several funds and funds transfer from the General Fund to alleviate historical deficits
 - \$41.6 million increase the Capital Projects – District Fund due to debt issuance in advance of capital projects
 - \$25.7 million decrease in Debt Service-District due to budgeted use of available sinking fund balance.
 - \$0.4 million decrease in Food Service Fund

**CHARLESTON COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2018**

FINANCIAL HIGHLIGHTS (CONTINUED)

- Many capital projects were underway during the current fiscal year. The projects are indicated below.
 - Completed construction on several sites including:
 - Angel Oak Elementary School
 - Pinehurst Elementary School
 - Emergency Operations Center @ Bridge View
 - District Wide Athletic Improvements
 - NEW Carolina Park Elementary School
 - District 2 Stadium
 - St James-Santee Elementary School
 - Trailer Purchases (Angel Oak Elementary School and District Wide Athletic Improvements)
 - Continued work on building sites including:
 - Lowcountry Tech @ Burke High School
 - District 3 Bus Lot
 - District 4 Bus Lot
 - Stono Park Elementary School
 - Mary Ford Elementary School
 - Northwoods Middle School
 - C E Williams Academic Magnet
 - West Ashley Middle School
 - Dunston Elementary School
 - Garrett Academy
 - St Andrews Middle School
 - Burns Elementary School
 - C E Williams Middle School
 - Center for Advanced Studies @ West Ashley High School
 - NEW Lucy G Beckham High School
 - NEW Camp Road Middle School (Ft Johnson)
 - District 4 Stadium
 - Dunston Elementary School
 - Center for Advanced Studies @ North Charleston
 - Moultrie Middle School
 - Hursey Elementary School
 - Continued Modernization projects that included:
 - 1:1 student devices, wireless network upgrades and support equipment
 - Computer replacement program (administration, general lab and CTE lab)
 - Video distribution systems
 - Classroom sound enhancement
 - Technology software
 - Media Center upgrades

**CHARLESTON COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2018**

FINANCIAL HIGHLIGHTS (CONTINUED)

- Continued Fixed Cost of Ownership projects that included:
 - Mobile classroom relocation
 - Roof replacement, repairs and restoration
 - HVAC replacement and chill water piping system
 - Playgrounds
 - Security (Surveillance and access control)
 - Emergency communication
 - Furniture
 - Arts
 - Athletics
 - CTE equipment furnishings
 - Operational Planning
 - Transportation

OVERVIEW OF THE FINANCIAL STATEMENTS

The School District's financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains supplementary information designed to enhance the readers' understanding of the financial statements.

The School District's government-wide financial statements, which can be found as listed in the table of contents, include the statement of net position and the statement of activities. These two statements do not focus on the financial activities of the District's individual subprograms, but rather report information about the overall financial condition of the District's operation.

As described in the notes to the financial statements, other entities' activities are included in this report because of the relationship of these legally separate entities to the School District. Financial information of the Charleston Development Academy, Inc., James Island Charter High School, East Cooper Montessori Charter School, Orange Grove Charter Elementary, Charleston School for Math and Science Charter School, Gregg Mathis Charter High School, Pattison's Academy for Comprehensive Education, Carolina Voyager Charter School, Allegro Music School, and Prestige Charter School, is included in the District's financial statements. In addition to the traditional charter schools, the District maintains a public/private partnership with the Meeting Street Elementary Group, MSEG. The District funds the partnership at the same per pupil expenditure of three similar schools in the District. All schools are collectively referred to in the financial statements as those of the discretely-presented component units.

The School District's fund financial statements can be found as listed in the table of contents. Unlike the government-wide financial statements, which consolidate financial data, the purpose of the School District's fund financial statements is to present detailed financial information about the District's operations. Included in these statements are the District's general operating fund, special revenue funds, education improvement act funds, debt service fund, capital projects fund, and the nonmajor permanent fund.

**CHARLESTON COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2018**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

The notes to the financial statements provide additional information that may be necessary for understanding the data contained in both the government-wide and the fund financial statements. The notes to the financial statements can be found as listed in the table of contents of this report.

ANALYSIS OF THE DISTRICT'S GOVERNMENT-WIDE STATEMENTS

Government-wide financial statements report transactions that are considered governmental type activities. Such activities are funded primarily through local property taxes and state and federal revenues. Governmental activities account for the School District's basic services such as regular and special education, school bus transportation, school building maintenance, and administration.

An important question that should be asked about the School District's finances is, "Is the School District, as a whole, better off or worse off as a result of this year's activities?" The Statement of Net Position and the Statement of Activities present consolidated financial information about the School District as a whole and that helps answer the question. These statements report the District's financial data using the accrual basis of accounting, which is similar to the accounting method used by most private-sector companies. The Statement of Net Position includes all of the School District's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position (equity). All of the current year's revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid.

The two government-wide statements report the School District's net position and how it has changed from one year to the next. Net position – which is the School District's assets and deferred outflows of resources less the School District's liabilities and deferred inflows of resource – are one way to measure the School District's financial health or position. Over time, increases or decreases in the School District's net position indicate whether its financial position is improving or deteriorating. To assess the School District's overall health, additional economic factors, such as changes in the School District's property tax base, the condition of school buildings and other facilities, and changes in state and federal revenue should be considered. These factors are addressed in this report.

Our analysis below focuses on total net position (Figure A-1) and changes in net position (Figure A-2) of the School District's governmental activities.

**CHARLESTON COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2018**

ANALYSIS OF THE DISTRICT'S GOVERNMENT-WIDE STATEMENTS (CONTINUED)

**Figure A - 1
Condensed Statement of Net Position
(in Millions of Dollars)**

	Governmental Activities		
	2017*	2018	Difference
Assets			
Current and Other Assets	\$ 317.4	\$ 413.4	\$ 96.0
Capital Assets, Net	1,354.1	1,390.1	36.0
Total Assets	<u>1,671.5</u>	<u>1,803.5</u>	<u>132.0</u>
Deferred Outflows of Resources			
Deferred Pension Charges	96.7	93.0	(3.7)
Deferred OPEB Charges	-	15.8	15.8
Advance Refunding Charges	47.7	43.0	(4.7)
Total Deferred Outflows of Resources	<u>144.4</u>	<u>151.8</u>	<u>7.4</u>
Liabilities			
Long-Term Liabilities	1,301.5	1,633.0	331.5
Other Liabilities	199.0	248.6	49.6
Total Liabilities	<u>1,500.5</u>	<u>1,881.6</u>	<u>381.1</u>
Deferred Inflows of Resources			
Deferred Pension Credits	4.6	49.9	45.3
Deferred OPEB Credits	-	39.0	39.0
Total Deferred Inflows of Resources	<u>4.6</u>	<u>88.9</u>	<u>84.3</u>
Net Position			
Net Investment in Capital Assets	683.9	763.6	79.7
Restricted	55.4	36.0	(19.4)
Unrestricted	(428.5)	(814.7)	(386.2)
Total Net Position	<u>\$ 310.8</u>	<u>\$ (15.1)</u>	<u>\$ (325.9)</u>

* Does not include the effects of GASB 75, *Accounting & Financial Reporting for Post Employment Benefits Other Than Pensions*

The School District's assets increased by \$132 million, deferred outflows of resources increased by \$7.4 million, liabilities increased by \$380.4 million, and total deferred inflows of resources increased \$84.3 million resulting in a \$325.9 million decrease in net position. The overall increase in assets is due to a \$36 million increase in capital assets and a \$96 million increase in current and other assets. Net capital assets increased by \$75.2 million and decreased by \$39.2 million for depreciation expense and disposals. Current and other assets increased primarily due to a \$79 million increase in cash and investments. Cash and investments increased due to proceeds of short-term bonds issued during the year partially offset by capital asset acquisitions. The primary reason for the increase in liabilities, deferred inflows of resources, deferred outflows of resources is primarily due to the School District implemented GASB 75, *Accounting & Financial Reporting for Post-Employment Benefits Other Than Pensions* during fiscal year 2018.

**CHARLESTON COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2018**

ANALYSIS OF THE SCHOOL DISTRICT'S GOVERNMENT-WIDE STATEMENTS (CONTINUED)

**Figure A - 2
Changes in Net Position from Operating Results
(in Millions of Dollars)**

	Governmental Activities	
	2017*	2018
Revenues		
Program Revenues:		
Charges for Services	\$ 4.7	\$ 5.0
Operating Grants	184.8	201.4
General Revenue:		
Property Taxes	340.4	391.3
Local One Cent Sales Tax	100.8	105.6
Revenue in Lieu of Taxes	95.2	96.0
Other	11.2	4.6
Total Revenues	737.1	803.9
Program Expenses		
Instruction	266.8	282.8
Support Services	264.4	299.1
Community Services	8.9	10.1
Payments to Component Units	38.8	44.7
Interest and Fiscal Charges	33.6	26.7
Depreciation Unallocated	38.0	39.2
Total Program Expenses	650.5	702.6
Change in Net Position	86.6	101.3
Net Position - Beginning of Year*	224.2	(116.4)
Net Position - End of Year	\$ 310.8	\$ (15.1)

* Does not include the effects of GASB 75, Accounting & Financial Reporting for Post Employment Benefits Other Than Pensions

Expense categories:

Instruction – face-to-face direct classroom expenditures

Support Services – those expenditures that support the classroom including media center, guidance, health services, professional development, food service, student transportation, maintenance, and administrative costs.

Community Services – those expenditures that are an extension of the regular school day to include Adult Education, Community Education, and After-School child care.

Payment to Component Units – those expenditures that reflect payments to the charter schools and alternative schools that the School District sponsors.

Interest and Fiscal Charges – those expenditures that reflect the interest due on short- and long-term borrowing to include debt service interest payments due under alternative financing.

Depreciation Unallocated – the depreciation on buildings and property not included in the instruction, support services or community services categories.

**CHARLESTON COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2018**

ANALYSIS OF THE SCHOOL DISTRICT'S GOVERNMENT-WIDE STATEMENTS (CONTINUED)

Revenues increased 9.1 percent, or \$66.8 million primarily due to a \$50.9 million increase in property taxes as a result of increased assessed values and an operating millage increase of 2.9 mills, a \$16.6 million increase in grants and other contributions, a \$4.8 million increase in local one cent sales tax revenues partially due to continued economic growth in the area, and a \$.8 million increase in revenue in lieu of taxes.

Expenses increased approximately 7.9 percent, or \$51.5 million. Instruction expenses increased 6.0 percent, or \$16.0 million, support expenses increased 13.1 percent, or \$34.7 million, community services expenses increased 13.5 percent, or \$1.2 million, and unallocated depreciation expense increased 3.2 percent, or \$1.2 million. The increase in instructional and support expenses is primarily due to an increase in salaries and fringe from a step increase and 2% cost of living adjustment and increases in employer contribution rates for health insurance and retirement contributions.

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS

The fund financial statements, which can be found as listed in the table of contents, provide more detailed information about the School District's funds, focusing on its significant funds – not the School District as a whole. Funds are accounting devices that the School District uses to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by state law and by bond covenants.
- The School District establishes other funds to control and manage money for particular purposes (such as repaying its long-term debts) or to show that it is properly using certain revenues (such as federal grants).

The School District has two kinds of funds:

- **Governmental Funds:** The School District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the School District's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, additional information follows the governmental funds statements, in the form of a reconciliation, to explain the relationship (or differences) between them.
- **Fiduciary Funds:** The School District is the trustee, or fiduciary, for assets that belong to others, such as the scholarships and the student activities funds. The School District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The School District excludes these activities from district-wide financial statements because it cannot use these assets to finance its operations.

**CHARLESTON COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2018**

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS (CONTINUED)

Governmental Funds

For the year ended June 30, 2018, the School District's governmental funds reported a *combined* fund balance of \$158.4 million, as compared to \$113.6 million for the prior year. This increase of \$44.8 million was primarily due to changes in several funds as follows: \$28.1 million increase in the General Fund, \$1.2 million increase in the Special Revenue Fund, a \$.4 million decrease in the Food Service Fund, a \$41.6 million increase in the Capital Projects – District Fund, and a \$25.7 decrease in the Debt Service-District Fund.

At June 30, 2018, the School District's non-spendable fund balance for all governmental funds was \$4.5 million, which includes \$3.9 million related to prepaid items, \$0.3 million related to inventories in the General Fund, \$0.3 million related to inventories in the Food Service Fund, and less than \$0.1 million related to principal on endowments. The total restricted fund balance (all funds) was \$136.4 million including restrictions for debt service of \$.4 million, capital projects of \$124.6 million, food services of \$8.1 million, special revenue of \$3.3 million and endowments and scholarships of \$0.1 million. The total committed fund balance (all funds) was \$36.9 million in the General Fund to meet the District's policy and state statutes requiring one month operating expenditures using an average of the last two fiscal years' total expenditures. The total assigned fund balance (all funds) was \$9.4 million in the General Fund related to \$2.7 million for future years' expenditures and \$6.6 million for instruction. The total unassigned fund balance (all funds) was a negative \$28.9 million, which includes \$19.7 million reported in the General Fund as well as a deficit of \$48.5 million reported in the Debt Service – District Fund. This deficit was due to the timing of tax receipts for the Debt Service Fund.

The General Fund is the chief operating fund of the School District. At the end of the current fiscal year, total fund balance of the General Fund was \$70.2 million. The total non-spendable fund balance was \$4.1 million for inventory and prepaid items. The total assigned fund balance was \$9.4 million which includes \$6.7 million for instructional purposes to support Early College Program at \$1.1 million, increase starting teacher salaries at \$2.5 million and support academic growth at \$3 million and \$2.8 million for future years' expenditures. The total unassigned fund balance was \$19.7 million.

The School District's fund balance policy requires the District to maintain at least one month of general fund operating expenditures of the previous two completed fiscal years in the General Fund operating budget as committed fund balance. The committed fund balance is \$36.9 million as of June 30, 2018, and meets the one month operating expenditures requirement using fiscal year 2018 total operating budget of \$458.2 million and fiscal year 2017 total operating budget of \$422.5 million.

The School District's Governmental Funds include the General Fund, as described above, Special Revenue, Special Revenue – EIA, Food Service, Debt Service – District, Debt Service – CEEF, Capital Projects – District, Capital Projects – CEEF, and Medals and Awards Permanent Fund.

**CHARLESTON COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2018**

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS (CONTINUED)

Governmental Funds (Continued)

The School District's Special Revenue Funds and EIA are used to account for revenues derived from the State of South Carolina and the Federal Government and various other special revenue programs. The Special Revenue Fund reported an ending fund balance of \$3.3 million, an increase of \$1.2 million, as the revenues and other financing sources of \$65.6 million exceeded expenditures and other financing uses of \$64.4 million. The EIA fund reports no fund balance as any unspent allocations received from the State Department of Education as of year-end are considered to be unearned revenues. As a result, revenues and other financing sources of \$30.8 million equaled expenditures and other financing uses of \$30.8 million.

The School District accounts for its United States Department of Agriculture's approved school breakfast and lunch programs in a separate Food Service (special revenue) fund. The fund balance at the end of the fiscal year was \$8.4 million, a decrease of \$0.4 million from the prior year, due to expenditures exceeding revenues by this amount.

Two Debt Service funds are shown in the accompanying financial statements of the School District, the regular School District Debt Service fund and the CEEF Debt Service Fund. Both funds are used to account for the accumulation of funds for debt retirement. The District Debt Service fund balance at the end of the current fiscal year was a deficit of \$48.5 million, a decrease of \$25.7 million from the prior year deficit fund balance of \$22.8 million. The change in fund balance is primarily due to the District issuing short-term debt that is outstanding as of June 30, 2018, which is recorded as a liability as opposed to other financing source if it were long-term debt. This short term debt is issued in the spring of each year to fund fixed cost of ownership projects and make payments on the CEEF financing, and is retired in the fall. The CEEF Debt Service fund balance at the end of the current fiscal year of \$0.4 million accounts for accumulated resources for payment on the CEEF Installment Purchase Revenue Bonds sold by the non-profit organization. The fund balance remained the same due to the use of a portion of accumulated debt service funds to retire CEEF debt.

The Capital Projects – District Fund is used to account for the School District's capital project expenditures. The fund balance in the Capital Projects – District Fund increased by \$41.6 million to \$124.6 million at June 30, 2018, due primarily to transfers from the District's Debt Service Fund (representing proceeds from short-term borrowings to be used in construction projects) needed due to planned construction-related expenditures exceeding revenues from the one cent local sales tax as previously discussed.

**CHARLESTON COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2018**

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS (CONTINUED)

General Fund Budgetary Highlights

The School District's budgeted expenditures for the General Fund including other financing uses were approximately \$458.2 million and the budget anticipated that revenues would exceed expenditures by \$7.5 million. Revenues exceed expenditures by \$28.1 million. This increase was \$20.6 million more than the budgeted increase of \$7.5 million. This was due to several areas as indicated below:

- State retirement reimbursements were \$3 million higher than expected for the allocated funding of the PEBA retirement increase.
- Expenditures were below budget primarily due to \$19.3 million in unexpended salaries and benefits associated with vacant positions. Purchased services expenditures were over budget by \$1.2 million due to increased costs in substitute teachers, transportation, workers compensation and additional costs associated with two storms during the year.
- Payments to component units were over budget by \$2.6 million. Charter school payments are based on the previous year's audited revenue and student counts.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The School District has invested \$1.844 billion in a broad range of capital assets including land, school buildings, athletic facilities, equipment, and administrative offices. Accumulated depreciation on these assets as of June 30, 2018, was \$454.1 million.

Total depreciation expense for the year was \$39.2 million while additions to capital assets amounted to \$75.8 million.

**Figure A - 3
Capital Assets at Year-End
(Net of Depreciation, in Millions of Dollars)**

	Governmental Activities	
	2017	2018
Land	\$ 43.4	\$ 55.4
Construction in Progress	82.8	44.2
Building and Improvements	1,552.8	1,629.8
Improvements Other than Buildings	50.8	74.1
Furniture and Fixtures	36.7	38.2
Food Service Equipment	2.5	2.5
Less: Accumulated Depreciation	(414.9)	(454.1)
Totals	\$ 1,354.1	\$ 1,390.1

Major additions primarily included construction projects, which were discussed in detail above.

**CHARLESTON COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2018**

CAPITAL ASSET AND DEBT ADMINISTRATION (CONTINUED)

Long-Term Debt

As of June 30, 2018, the School District had \$619 million in general obligation bonds and other long-term obligations, a decrease of \$32.4 million or 5.0% from June 30, 2017, as shown in Figure A-4. The District's bond rating as of October 2018 was Aa1 (Enhanced)/Aa3 (Underlying) by Moody's.

**Figure A - 4
Outstanding Debt at Year-End
(in Millions of Dollars)**

	Governmental Activities	
	2017	2018
General Obligation Bonds	\$ 165.2	\$ 153.2
Installment Revenue Bonds	486.2	465.8
Totals	\$ 651.4	\$ 619.0

In addition, the School District had \$148.7 million in outstanding General Obligation Bond Anticipation Notes ("BAN") at June 30, 2018. Subsequent to year end in August 2018, the School District issued a short-term Tax Anticipation Note ("TAN") in the amount of \$65.4 million to defray the operations and maintenance of the School District pending the collection of ad valorem taxes and State aid collections. Principal and interest on the TAN are due in full on March 30, 2019. The School District issued a General Obligation Bond ("GOB") in November 2018 in the amount of \$95.2 million to fund the installments of purchase price coming due under Facilities Agreements entered into with CEEF, to repay the outstanding Series 2018A BAN, to fund capital projects and to provide for the costs of issuance of the bonds. The principal is due March 1, 2019.

More detailed information on capital assets and long-term debt is provided in the accompanying notes to the financial statements.

FACTORS BEARING ON THE SCHOOL DISTRICT'S FUTURE

At the time these financial statements were prepared, the School District was aware of existing circumstances that could significantly affect its financial health in the future:

- The fiscal year 2019 budget was developed in a manner that was conservative in its revenue projections and frugal in its expenditure allocations. The budget continues to represent a focused effort to ensure that resources are directed to the most appropriate uses. The conservative budgeting process is in recognition of the revenue generating limitations imposed by South Carolina Legislative Act 388.
- The fiscal year 2019 budget was approved by the School Board in May 2018 with a 3.96 millage increase to the operating budget.

CONTACTING THE SCHOOL DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide the School District's citizens, taxpayers, customers, and investors and creditors with a general overview of the School District's finances and to demonstrate the School District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Financial Services Office, Charleston County School District, 3999 Bridge View Drive, Charleston, South Carolina 29406.

**CHARLESTON COUNTY SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2018**

ASSETS	<u>Primary Government Governmental Activities</u>	<u>Charter Schools Component Units</u>
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 116,426,845	\$ 13,429,591
Investments	-	5,686,422
Restricted Cash and Cash Equivalents	191,987,777	-
Restricted Investments	5,241,297	-
Accounts Receivable, Net	4,034,590	84,249
Property Taxes Receivable, Net	13,786,850	-
Local Sales Tax Receivable, Net	29,205,872	-
Due from Governmental Agencies	47,495,679	74,396
Due from Agency Fund	166,890	-
Due from Primary Government	-	56,772
Due from Others	575,395	-
Other assets	-	57,791
Inventory	591,075	-
Prepaid Expenses	3,867,907	284,994
Total Current Assets	413,380,177	19,674,215
NONCURRENT ASSETS		
Capital Assets:		
Capital Assets - Not Being Depreciated	99,585,287	1,718,224
Capital Assets - Net of Accumulated Depreciation	1,290,493,154	8,137,538
Total Noncurrent Assets	1,390,078,441	9,855,762
Total Assets	1,803,458,618	29,529,977
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Pension Charges	93,009,798	7,840,591
Deferred OPEB Charges	15,857,099	1,091,745
Advance Refunding Charges	42,957,228	-
Total Deferred Outflows of Resources	\$ 151,824,125	\$ 8,932,336

See accompanying Notes to Financial Statements.

**CHARLESTON COUNTY SCHOOL DISTRICT
STATEMENT OF NET POSITION (CONTINUED)
JUNE 30, 2018**

	Primary Government Governmental Activities	Charter Schools Component Units
LIABILITIES		
CURRENT LIABILITIES		
Accounts Payable	\$ 34,822,464	\$ 1,272,347
Contracts Payable - Retainage	2,184,067	-
Unearned Revenue	3,439,752	98,464
Due to Governmental Agencies	117,086	-
Due to Primary Government	-	2,598,464
Accrued Compensation and Related Benefits	46,710,812	39,263
Accrued Interest Payable	5,051,981	-
Other Accrued Expenses	7,505,716	654,376
Bond Anticipation Expenses	148,720,000	-
Total Current Liabilities	248,551,878	4,662,914
NONCURRENT LIABILITIES		
Net Pension Liability	526,856,628	33,928,595
Net OPEB Liability	412,761,832	27,875,937
Long-Term Obligations, Due Within One Year	42,442,477	250,140
Long-Term Obligations, Due in More Than One Year	650,903,361	215,263
Total NonCurrent Liabilities	1,632,964,298	62,269,935
Total Liabilities	1,881,516,176	66,932,849
DEFERRED INFLOWS OF RESOURCES		
Deferred Pension Credits	49,878,686	4,403,315
Deferred OPEB Credits	39,024,014	2,635,493
Total Deferred Inflows of Resources	\$ 88,902,700	\$ 7,038,808
NET POSITION (DEFICIT)		
Net Investment in Capital Assets	763,602,091	9,629,879
Restricted for:		
Capital Projects	27,573,422	1,450,000
Food Service	8,393,615	-
Unrestricted	(814,705,261)	(46,589,223)
Total Net Deficit	\$ (15,136,133)	\$ (35,509,344)

See accompanying Notes to Financial Statements.

**CHARLESTON COUNTY SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2018**

Functions/Programs	Program Revenues			Net Revenue (Expense) and Change in Net Position	
	Expenses	Charges for Services	Operating Grants and Contributions	Primary Government Governmental Activities	Component Units
PRIMARY GOVERNMENT					
Governmental Activities:					
Instruction	\$ 282,851,810	\$ -	\$ 107,179,446	\$ (175,672,364)	\$ -
Support Services	299,075,207	5,043,786	38,767,039	(255,264,382)	-
Community Services	10,135,436	-	10,819,609	684,173	-
Payments to Component Units	44,661,880	-	44,661,880	-	-
Interest and Other Charges	26,693,463	-	-	(26,693,463)	-
Depreciation - Unallocated	39,247,142	-	-	(39,247,142)	-
Total Primary Government	<u>\$ 702,664,938</u>	<u>\$ 5,043,786</u>	<u>\$ 201,427,974</u>	<u>\$ (496,193,178)</u>	<u>\$ -</u>
COMPONENT UNITS					
Alternative School	\$ 10,674,406	\$ -	\$ 7,087,830	\$ -	\$ (3,586,576)
Charter Schools	47,010,457	734,615	44,780,902	-	(1,494,940)
Total Component Units	<u>\$ 57,684,863</u>	<u>\$ 734,615</u>	<u>\$ 51,868,732</u>	<u>\$ -</u>	<u>\$ (5,081,516)</u>
GENERAL REVENUES					
Property Taxes Levied for:					
General Purposes				\$ 294,414,755	\$ -
Debt Service				96,848,165	-
Revenue in Lieu of Taxes				96,018,420	-
Local One Cent Sales Tax				105,567,815	-
Miscellaneous Revenue				535,847	2,892,030
Grants and Contributions Not Restricted to Specific Programs				998,622	4,521,895
Payments from Other Governmental Units				221,515	-
Gain (Loss) on Disposal of Capital Assets				(611,871)	2,563,702
Investment Income				3,469,156	6,708
Total General Revenue				<u>597,462,424</u>	<u>9,984,335</u>
CHANGE IN NET POSITION				101,269,246	4,902,819
Net Position - Beginning of Year - As Restated				<u>(116,405,379)</u>	<u>(40,412,163)</u>
NET POSITION - END OF YEAR				<u>\$ (15,136,133)</u>	<u>\$ (35,509,344)</u>

**CHARLESTON COUNTY SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2018**

	General	Special Revenue	EIA	Food Service	Debt Service- District
ASSETS					
Cash and Cash Equivalents	\$ 116,370,619	\$ -	\$ -	\$ 56,226	\$ -
Restricted Cash and Cash Equivalents	-	764,526	-	-	310
Restricted Investments	-	-	-	-	5,241,297
Accounts Receivable, Net	3,908,593	-	125,997	-	-
Property Taxes Receivable, Net	10,458,744	-	-	-	3,328,106
Local Sales Tax Receivable, Net	-	-	-	-	-
Due from Other Funds	9,454,155	-	4,561,564	9,248,617	113,741
Due from Agency Fund	166,418	472	-	-	-
Due from County Treasurer	3,057,187	-	-	-	18,386,035
Due from State Department of Education	284,990	5,542	265,946	-	-
Due from Other Agencies	7,294,894	87,076	-	-	-
Due from Federal Agencies	-	17,801,957	-	312,052	-
Due from Fiscal Agent	280,236	295,159	-	-	-
Inventory	263,679	-	-	327,396	-
Prepaid Items	3,867,907	-	-	-	-
Total Assets	<u>\$ 155,407,422</u>	<u>\$ 18,954,732</u>	<u>\$ 4,953,507</u>	<u>\$ 9,944,291</u>	<u>\$ 27,069,489</u>
LIABILITIES					
Accounts Payable	\$ 13,598,710	\$ 2,299,998	\$ 290,288	\$ 103,414	\$ 2,001
Contracts Payable - Retainage	794,251	-	-	-	-
Unearned Revenue	-	111,066	3,098,316	230,270	-
Due to Other Funds	14,781,835	9,454,155	-	-	-
Due to State Department of Education	-	32,499	75,003	-	-
Due to Other Governments	-	-	9,584	-	-
Accrued Compensation and Related Benefits	40,424,695	3,770,804	1,298,321	1,216,992	-
Other Accrued Expenditures	5,742,389	32,058	181,995	-	-
Bond Anticipation Notes	-	-	-	-	72,520,000
Total Liabilities	<u>75,341,880</u>	<u>15,700,580</u>	<u>4,953,507</u>	<u>1,550,676</u>	<u>72,522,001</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue - Property Taxes	9,914,748	-	-	-	3,078,580
Total Liabilities and Deferred Inflows of Resources	<u>85,256,628</u>	<u>15,700,580</u>	<u>4,953,507</u>	<u>1,550,676</u>	<u>75,600,581</u>
FUND BALANCES (DEFICIT)					
Nonspendable:					
Inventory	263,679	-	-	327,396	-
Prepaid Items	3,867,907	-	-	-	-
Principal on Endowments	-	-	-	-	-
Restricted for:					
Food Service	-	-	-	8,066,219	-
Debt Service	-	-	-	-	-
Special Revenue Programs	-	3,254,152	-	-	-
Capital Projects	-	-	-	-	-
Endowments and Scholarships	-	-	-	-	-
Committed	36,916,027	-	-	-	-
Assigned for:					
Instruction Purposes	6,662,186	-	-	-	-
Future Years' Expenditures	2,761,442	-	-	-	-
Unassigned	19,679,553	-	-	-	(48,531,092)
Total Fund Balances (Deficit)	<u>70,150,794</u>	<u>3,254,152</u>	<u>-</u>	<u>8,393,615</u>	<u>(48,531,092)</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficit)	<u>\$ 155,407,422</u>	<u>\$ 18,954,732</u>	<u>\$ 4,953,507</u>	<u>\$ 9,944,291</u>	<u>\$ 27,069,489</u>

See accompanying Notes to Financial Statements.

**CHARLESTON COUNTY SCHOOL DISTRICT
BALANCE SHEET (CONTINUED)
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2018**

	Debt Service-CEEF	Capital Projects- District	Nonmajor Medals and Awards Permanent Fund	Total Governmental Funds
ASSETS				
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ 116,426,845
Restricted Cash and Cash Equivalents	-	191,085,564	137,377	191,987,777
Restricted Investments	-	-	-	5,241,297
Accounts Receivable, Net	-	-	-	4,034,590
Property Taxes Receivable, Net	-	-	-	13,786,850
Local Sales Tax Receivable, Net	-	29,205,872	-	29,205,872
Due from Other Funds	412,198	405,370	40,345	24,235,990
Due from Agency Fund	-	-	-	166,890
Due from County Treasurer	-	-	-	21,443,222
Due from State Department of Education	-	-	-	556,478
Due from Other Agencies	-	-	-	7,381,970
Due from Federal Agencies	-	-	-	18,114,009
Due from Fiscal Agent	-	-	-	575,395
Inventory	-	-	-	591,075
Prepaid Items	-	-	-	3,867,907
Total Assets	<u>\$ 412,198</u>	<u>\$ 220,696,806</u>	<u>\$ 177,722</u>	<u>\$ 437,616,167</u>
LIABILITIES				
Accounts Payable	\$ -	\$ 18,528,053	\$ -	\$ 34,822,464
Contracts Payable - Retainage	-	1,389,816	-	2,184,067
Unearned Revenue	-	-	100	3,439,752
Due to Other Funds	-	-	-	24,235,990
Due to State Department of Education	-	-	-	107,502
Due to Other Governments	-	-	-	9,584
Accrued Compensation and Related Benefits	-	-	-	46,710,812
Other Accrued Expenditures	-	-	-	5,956,442
Bond Anticipation Notes	-	76,200,000	-	148,720,000
Total Liabilities	<u>-</u>	<u>96,117,869</u>	<u>100</u>	<u>266,186,613</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue - Property Taxes	-	-	-	12,993,328
Total Liabilities and Deferred Inflows of Resources	<u>-</u>	<u>96,117,869</u>	<u>100</u>	<u>279,179,941</u>
FUND BALANCES (DEFICIT)				
Nonspendable:				
Inventory	-	-	-	591,075
Prepaid Items	-	-	-	3,867,907
Principal on Endowments	-	-	27,947	27,947
Restricted for:				
Food Service	-	-	-	8,066,219
Debt Service	412,198	-	-	412,198
Special Revenue Programs	-	-	-	3,254,152
Capital Projects	-	124,578,937	-	124,578,937
Endowments and Scholarships	-	-	149,675	149,675
Committed	-	-	-	36,916,027
Assigned for:				
Instruction Purposes	-	-	-	6,662,186
Future Years' Expenditures	-	-	-	2,761,442
Unassigned	-	-	-	(28,851,539)
Total Fund Balances (Deficit)	<u>412,198</u>	<u>124,578,937</u>	<u>177,622</u>	<u>158,436,226</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficit)	<u>\$ 412,198</u>	<u>\$ 220,696,806</u>	<u>\$ 177,722</u>	<u>\$ 437,616,167</u>

See accompanying Notes to Financial Statements.

**CHARLESTON COUNTY SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE
SHEET TO THE STATEMENT OF NET POSITION
JUNE 30, 2018**

Total Fund Balances - Governmental Funds		\$ 158,436,226
<p>Amounts reported for the governmental activities in the Statement of Net Position are different because:</p>		
<p>Property taxes receivable will be collected but are not available soon enough to pay for the current period's expenditures and therefore are considered unavailable revenues in the funds.</p>		12,993,328
<p>Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of the assets was \$1,844,131,449 and the accumulated depreciation was \$454,053,008.</p>		1,390,078,441
<p>The School District's proportionate shares of the net pension liability, deferred outflows of resources, and deferred inflows of resources related to its participation in the State pension plans are not recorded in the governmental funds but are recorded in the statement of net position.</p>		(483,725,516)
<p>The School District's proportionate shares of the net OPEB liability, deferred outflows of resources, and deferred inflows of resources related to its participation in the State OPEB plans are not recorded in the governmental funds but are recorded in the statement of net position.</p>		(435,928,747)
<p>Advance refunding charges are amortized over the lives of the bonds; however, in governmental accounting, advance refunding charges are expenditures or other financing uses the year they are incurred. The advance refunding charges of \$69,465,114 have been shown net of accumulated amortization expense of \$26,507,886.</p>		42,957,228
<p>Accrued interest on outstanding long-term obligations in governmental accounting is not due and payable in the current period and therefore has not been reported as a liability in the funds.</p>		(5,051,981)
<p>The long-term portion of workers compensation claims payable in governmental accounting is not due and payable in the current period and therefore has not been reported as a liability in the funds.</p>		(1,549,274)
<p>Long-term obligations, including debt premiums and discounts, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term obligations consisted of:</p>		
Long-Term Debt	\$ (618,990,000)	
Premiums, Net of Accumulated Amortization	(69,754,189)	
Compensated Absences	<u>(4,601,649)</u>	<u>(693,345,838)</u>
Total Net Deficit - Governmental Activities		<u>\$ (15,136,133)</u>

See accompanying Notes to Financial Statements.

**CHARLESTON COUNTY SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2018**

	General	Special Revenue	EIA	Food Service	Debt Service- District
REVENUES					
Local Property Taxes	\$ 293,305,834	\$ -	\$ -	\$ -	\$ 95,711,757
Local One Cent Sales Tax	-	-	-	-	-
Other Local	2,256,074	13,157,047	-	5,043,786	(69,976)
Total Local	295,561,908	13,157,047	-	5,043,786	95,641,781
State	176,828,911	6,367,757	30,808,525	1,908	1,912,322
Federal	388,489	45,749,617	-	22,358,727	649,468
Intergovernmental	175,808	-	-	-	-
Total Revenue All Sources	472,955,116	65,274,421	30,808,525	27,404,421	98,203,571
EXPENDITURES					
Current:					
Instruction	227,624,303	28,829,772	9,756,085	-	-
Support Services	180,881,328	22,737,226	8,541,198	27,025,018	-
Community Services	745,947	9,018,199	-	-	-
Intergovernmental	6,075,545	564,840	-	-	-
Payments to Component Units	40,996,431	1,547,871	2,117,578	-	-
Capital Outlay	363,794	5,517	172,577	150,972	-
Debt Service:					
Principal	-	-	-	-	12,020,000
Interest and Other Charges	427,566	-	-	-	7,450,865
Total Expenditures	457,114,914	62,703,425	20,587,438	27,175,990	19,470,865
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	15,840,202	2,570,996	10,221,087	228,431	78,732,706
OTHER FINANCING SOURCES (USES)					
Sale of Capital Assets	-	16,938	-	-	-
Premium on Bonds Sold	-	-	-	-	-
Proceeds from Bonds Sold	-	-	-	-	-
Payment to Refunded Debt Escrow Agent	-	-	-	-	-
Transfers In	13,311,447	331,309	-	825,000	-
Transfers Out	(1,060,000)	(1,738,793)	(10,221,087)	(1,447,876)	(104,456,552)
Total Other Financing Sources (Uses)	12,251,447	(1,390,546)	(10,221,087)	(622,876)	(104,456,552)
NET CHANGE IN FUND BALANCES	28,091,649	1,180,450	-	(394,445)	(25,723,846)
Fund Balances - Beginning of Year	42,059,145	2,073,702	-	8,788,060	(22,807,246)
FUND BALANCES - END OF YEAR	<u>\$ 70,150,794</u>	<u>\$ 3,254,152</u>	<u>\$ -</u>	<u>\$ 8,393,615</u>	<u>\$ (48,531,092)</u>

See accompanying Notes to Financial Statements.

**CHARLESTON COUNTY SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES (CONTINUED)
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2018**

	Debt Service-CEEF	Capital Projects- District	Nonmajor Medals and Awards Permanent Fund	Governmental Funds
REVENUES				
Local Property Taxes	\$ -	\$ -	\$ -	\$ 389,017,591
Local One Cent Sales Tax	-	105,567,815	-	105,567,815
Other Local	-	2,206,898	24,035	22,617,864
Total Local	-	107,774,713	24,035	517,203,270
State	-	-	-	215,919,423
Federal	-	-	-	69,146,301
Intergovernmental	-	45,707	-	221,515
Total Revenue All Sources	-	107,820,420	24,035	802,490,509
EXPENDITURES				
Current:				
Instruction	-	-	-	266,210,160
Support Services	-	54,218,829	-	293,403,599
Community Services	-	-	7,040	9,771,186
Intergovernmental	-	-	-	6,640,385
Payments to Component Units	-	-	-	44,661,880
Capital Outlay	-	74,995,855	-	75,688,715
Debt Service:				
Principal	20,400,000	-	-	32,420,000
Interest and Other Charges	22,393,480	(1,342,329)	-	28,929,582
Total Expenditures	42,793,480	127,872,355	7,040	757,725,507
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(42,793,480)	(20,051,935)	16,995	44,765,002
OTHER FINANCING SOURCES (USES)				
Sale of Capital Assets	-	1,500	-	18,438
Premium on Bonds Sold	-	-	-	-
Proceeds from Bonds Sold	-	-	-	-
Payment to Refunded Debt Escrow Agent	-	-	-	-
Transfers In	42,793,480	61,663,072	-	118,924,308
Transfers Out	-	-	-	(118,924,308)
Total Other Financing Sources (Uses)	42,793,480	61,664,572	-	18,438
NET CHANGE IN FUND BALANCES	-	41,612,637	16,995	44,783,440
Fund Balances - Beginning of Year	412,198	82,966,300	160,627	113,652,786
FUND BALANCES - END OF YEAR	<u>\$ 412,198</u>	<u>\$ 124,578,937</u>	<u>\$ 177,622</u>	<u>\$ 158,436,226</u>

See accompanying Notes to Financial Statements.

**CHARLESTON COUNTY SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT
OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2018**

Total Net Change in Fund Balances - Governmental Funds	\$	44,783,440
Amounts reported for governmental activities in the statement of activities are different because:		
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. This amount represents the change in unavailable revenues for the year.		2,245,329
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		32,420,000
Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. This amount represents the net change in accrued interest for the year.		(414,991)
Advance refunding charges are expenditures or other financing uses the year they are incurred in governmental funds, but are amortized over the lives of the bonds in the statement of activities. This amount represents the current year amortization expense for advance refunding charges.		(4,787,523)
Bond premiums are revenues the year they are received in governmental funds but are amortized over the lives of the bonds in the statement of activities. This amount represents the current year amortization expense on premiums, net of premiums received in the current year.		7,438,633
Changes in the School District's proportionate share of the net pension liability, deferred outflows of resources, and deferred inflows of resources for the current year are not reported in the governmental funds but are reported in the statement of activities.		(7,027,825)
Changes in the School District's proportionate share of the net OPEB liability, deferred outflows of resources, and deferred inflows of resources for the current year are not reported in the governmental funds but are reported in the statement of activities.		(8,674,340)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. This amount represents the change in compensated absences for the year.		(520,544)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. This amount represents the change in long term claims liabilities for the year.		(174,344)
In the statement of activities the loss on the sale of capital assets is reported, whereas in the governmental funds, proceeds from the disposal of capital assets increase financial resources. Thus, the change in net position differs from the change in fund balance by the net book value of the assets disposed.		(611,871)
Governmental funds report asset additions as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital asset additions of \$75,840,424 exceeded depreciation expense of \$39,247,142 in the current year.		36,593,282
Change in Net Position of Governmental Activities	\$	<u>101,269,246</u>

See accompanying Notes to Financial Statements.

**CHARLESTON COUNTY SCHOOL DISTRICT
STATEMENT OF ASSETS AND LIABILITIES
FIDUCIARY FUNDS
JUNE 30, 2018**

	<u>Private - Purpose Trusts</u>	<u>Agency Funds</u>
ASSETS		
Cash and Cash Equivalents	\$ -	\$ 4,430,145
Restricted Cash and Cash Equivalents	259,246	-
Total Assets	<u>\$ 259,246</u>	<u>\$ 4,430,145</u>
LIABILITIES		
Accounts Payable	\$ -	\$ 94,412
Accrued Compensation and Related Benefits	-	24,175
Due to Other Funds	-	166,890
Due to Student Organizations	-	4,144,668
Total Liabilities	-	<u>\$ 4,430,145</u>
NET POSITION		
Held in Trust for Other Purposes	<u>\$ 259,246</u>	
Total Net Position	<u>\$ 259,246</u>	

See accompanying Notes to Financial Statements.

**CHARLESTON COUNTY SCHOOL DISTRICT
STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS
YEAR ENDED JUNE 30, 2018**

	Private - Purpose Trust
ADDITIONS	
Interest	\$ 3,826
Total Additions	<u>3,826</u>
CHANGES IN NET POSITION	3,826
Net Position - Beginning of Year	<u>255,420</u>
NET POSITION - END OF YEAR	<u><u>\$ 259,246</u></u>

See accompanying Notes to Financial Statements.

**CHARLESTON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Reporting Entity

Charleston County School District (the School District) was created in July, 1968 through the merger of eight former school districts (which became constituent districts) to form a single county-wide district. The School District operates 48 elementary schools (grades K-5), 13 middle schools (grades 6-8), 11 high schools (grades 9-12), 4 Montessori schools, 7 multi-level combination schools, 8 special programs, 10 charter schools, and 1 public/private partnership school.

The financial statements of the School District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP), as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the School District's accounting policies are described below.

The School District is the government which has responsibility for and control over all activities related to public school education in Charleston County, South Carolina. The School District receives funding from local, state, and federal government sources and must comply with the related requirements of these funding source entities. The School District is governed by a nine member Board of Trustees (the Board). The Board determines the operating policies of the School District and such policies are implemented by the School District Superintendent.

As required by GAAP, the financial statements must present the School District's financial information with any of its component units. The primary criterion for determining inclusion or exclusion of a legally separate entity (component unit) is financial accountability, which is presumed to exist if the School District both appoints a voting majority of the entity's governing body, and either 1) the School District is able to impose its will on the entity or, 2) there is a potential for the entity to provide specific financial benefits to, or impose specific financial burdens on the School District. If either or both of the foregoing conditions are not met, the entity could still be considered a component unit if it is fiscally dependent on the School District and there is a potential that the entity could either provide specific financial benefits to, or to impose specific financial burdens on the School District.

In order to be considered fiscally independent, an entity must have the authority to do all of the following: (a) determine its budget without the School District having the authority to approve or modify that budget; (b) levy taxes or set rates or charges without approval by the School District; and (c) issue bonded debt without approval by the School District. An entity has a financial benefit or burden relationship with the School District if, for example, any one of the following conditions exists: (a) the School District is legally entitled to or can otherwise access the entity's resources, (b) the School District is legally obligated or has otherwise assumed the obligation to finance the deficits, or provide financial support to the entity, or (c) the School District is obligated in some manner for the debt of the entity. Finally, an entity could be a component unit even if it met all the conditions described above if excluding it would cause the School District's financial statements to be misleading.

**CHARLESTON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Reporting Entity (Continued)

Blended component units, although legally separate entities, are in substance, part of the government's operations and data from these units are combined with data of the primary government in the fund financial statements. Discretely presented component units, on the other hand, are reported in a separate column in the government-wide financial statements to emphasize they are legally separate from the School District. Based on the criteria above, the School District has two blended component units and several discretely presented component units as discussed below.

Blended Component Units. The Charleston County School District Development Corporation (the Corporation) and the Charleston Educational Excellence Financing Corporation (CEEF), nonprofit organizations, were formed to acquire, construct, and lease facilities to be used by the School District. A voting majority of the Corporation's and CEEF's Board of Directors are appointed by the School District, and the School District has the ability to modify or approve the Corporation's and CEEF's budgets. The Corporation is reported as a nonmajor governmental fund, but has been inactive for the last several years. The School District has a financial burden to the CEEF in that it is obligated for lease payments equaling the amount of debt to be relieved and associated interest payments. Activities of CEEF are reported as major capital projects and debt service funds. The CEEF's capital project fund met all obligations in 2016 was not active during 2018 and reported no assets, liabilities or fund balance at June 30, 2018. As such, no activity is reported in the financial statements. Separate financial statements for CEEF are not issued.

Discretely Presented Component Units. A charter school is considered a public school, and these schools are a part of the School District for the purposes of state law and state constitution. Because the charter schools are fiscally dependent on the School District and because the nature and significance of the relationship between the School District and the charter schools is such that exclusion of the charter schools would cause the School District's financial statements to be incomplete, the financial statements of the charter schools are included in those of the School District.

**CHARLESTON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Reporting Entity (Continued)

The following charter schools were established under the South Carolina Charter Schools Act by a charter granted by the School District:

Charleston Development Academy, Inc. (CDA) 233 Line Street, P. O. Box 20518 Charleston, SC 29413	East Cooper Montessori Charter School (ECMCS) 188 Civitas Street Mt. Pleasant, SC 29464
James Island Charter High School (JICHHS) 1000 Fort Johnson Road Charleston, SC 29412	Orange Grove Elementary Charter (OGEC) 1225 Orange Branch Road Charleston, SC 29407
Greg Mathis Charter High School (GMCHS) 7555 N. Spartan Boulevard North Charleston, SC 29420	Pattison's Academy for Comprehensive Education (PACE) 2383 Highway 41 Mt. Pleasant, SC 29466
Charleston Charter School for Math and Science (CCSMS) 1002 King Street Charleston, SC 29403	Carolina Voyager Charter School (CVCS) 30 Race Street Charleston, SC 29403
Prestige Preparatory Academy 2415 Avenue F North Charleston, SC 29405	Allegro Charter School of Music (ACSM) 120 Broad Street Charleston, SC 29401

Meeting Street Elementary at Brentwood (MSEB) is an alternative school choice for the residents of the School District. Because MSEB is fiscally dependent on the School District and because the nature and significance of the relationship between the School District and MSEB is such that exclusion of the school would cause the School District's financial statements to be incomplete, the financial statements of MSEB are included in those of the School District. MSEB is located at 2685 Leeds Avenue, North Charleston, South Carolina 29405.

Complete financial statements for each of the discretely presented component units may be obtained at the respective school's administrative offices. The School District paid a total of \$44,402,865 to the component units during the year ended June 30, 2018. These expenditures are included in payments to component units in the statement of revenues, expenditures, and changes in fund balances.

Combining schedules for the discretely presented component units have been provided as Schedule F series in the supplementary information to assist in providing information to the South Carolina Department of Education (SDE). The information in these schedules was provided to the School District by the individual schools.

CHARLESTON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting, and Basis of Presentation

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the School District (the primary government) and its component units. The effect of interfund activity has been removed from these statements.

Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. The School District does not have any business-type activities. Likewise, the *primary government* (the School District) is reported separately from certain legally separate *component units* which are fiscally dependent on the School District.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the School District.

Government-wide financial statements (which exclude fiduciary activities) are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the Fiduciary Fund financial statements. Revenues are recognized and recorded when earned and expenses are recorded when a liability is incurred, 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.

The government-wide financial statements are prepared using a different measurement focus from the manner in which governmental fund financial statements are prepared (see further detail below). Governmental fund financial statements, therefore, include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

**CHARLESTON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued)

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues with the exception of grants to be available if they are collected within 60 days of the end of the current fiscal period. Grant related revenues are considered to be available if they are collected within one year of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, federal and state grant programs, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

Fund financial statements report detailed information about the School District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Fiduciary funds are reported by fund type.

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 generally would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

The accounts of the government are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. There are a minimum number of funds maintained to keep the accounts consistent with legal and managerial requirements.

The following major funds and fund types are used by the School District:

Governmental fund types are those through which most governmental functions of the School District are financed. The School District's expendable financial resources and related assets and liabilities are accounted for through governmental funds. Governmental funds are accounted for using a current financial resources measurement focus and the modified accrual basis of accounting. The following are the School District's major and nonmajor governmental fund types:

**CHARLESTON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued)

The General Fund, a major fund and a budgeted fund, is the general operating fund of the School District and accounts for all revenues and expenditures of the School District except those required to be accounted for in other funds. 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. All general tax revenues and other receipts that (a) are not allocated by law or contractual agreement to other funds or (b) that have not been restricted, committed, or assigned to other funds are accounted for in the General Fund. General operating expenditures and the capital improvement costs that are not paid through other funds are paid from the General Fund.

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources (that are expected to continue to comprise a substantial portion of the inflows of the fund) that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The School District has three Special Revenue Funds:

1. **The Special Revenue Fund, a major fund** and a budgeted fund, is used to account for and report the financial resources provided by federal, state, and local projects and grants that are restricted, committed, or assigned for specific educational programs.
2. **The Education Improvement Act (EIA) Fund, a major fund** and a budgeted fund, is used to account for and report the revenue from the South Carolina Education Improvement Act of 1984 (which is legally required by the state to be accounted for as a specific revenue source), which are restricted for specific programs authorized or mandated by EIA.
3. **The Food Service Fund, a major fund** and a budgeted fund, is used to account for and report the financial resources received that are restricted for the operation and improvement of the food service program. These revenues primarily consist of resources received (a) from breakfast, lunch, and other food sales and (b) from the United States Department of Agriculture's (USDA) approved school breakfast and lunch programs.

The Debt Service Fund-District, a major fund and a budgeted fund, is used to account for and report the accumulation of financial resources that are restricted, committed, or assigned for the payment of all long-term debt principal, interest, and related costs for the School District except those accounted for in the CEEF Debt Service Fund.

The Debt Service Fund-CEEF, a major fund and a budgeted fund, is used to account for and report the accumulation of financial resources that are restricted, committed, or assigned for the payment of all long-term debt principal, interest, and related costs for CEEF.

**CHARLESTON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued)

The Capital Projects Fund-District, a major fund and a budgeted fund, is used to account for and report financial resources that are restricted, committed, or assigned for expenditures of capital outlay related to equipment, site acquisitions, construction, renovation of capital facilities, and other capital assets of the School District except for those accounted for by the CEEF Capital Projects Fund.

The Permanent Fund, a nonmajor fund and an unbudgeted fund, is used to account for financial resources endowed to the School District in trust, for which only the interest earnings may be used by the School District for various restricted purposes as specified by the private donors. The School District reports the following permanent fund:

- The *Medals and Awards Fund* accounts for amounts contributed to the School District for the purpose of providing monies from which medals and awards may be purchased. Initial contributions to this fund are recorded as principal and may not be expended. Earnings from investments are recorded as income and are available for the stated fund purposes. Since it is the only nonmajor governmental fund, it is shown in a separate column in the fund financial statements.

Fiduciary Fund types are used to account for expendable assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds and include agency funds and private-purpose trust funds. Fiduciary Fund types include the following funds:

- The *Agency Funds* account for the receipt and disbursement of monies to and from student activity organizations. These funds have no equity (assets are equal to liabilities) and do not include revenues and expenditures for general operation of the School District. This accounting reflects the agency relationship of the School District with the student activity organizations. Agency funds do not have a measurement focus.

The Private Purpose Trust Funds are used to account for assets held in trust for other purposes. The School District reports the following private-purpose trust funds:

- The William C. Bradley Fund accounts for monies given to the School District to fund engineering scholarships to students graduating from Wando High School. The fund principal balance may not be expended. Earnings from investments are recorded as income and are available for the stated fund purpose.
- The Heidel L. Lentz Memorial Trust provides awards to the James Island Charter High School science fair winners. Both the principal and interest may be spent.

**CHARLESTON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued)

Cash and Cash Equivalents

The School District considers all highly liquid investments (including restricted assets) with original maturities of three months or less when purchased and investments in the South Carolina Pooled Investment Fund to be cash equivalents. Securities with an initial maturity of more than three months (when initially purchased) that are not purchased from the South Carolina Pooled Investment Fund are reported as investments.

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Equity

Investments

The School District's investment policy is designed to operate within existing statutes (which are identical for all funds, fund types, and component units within the state of South Carolina) that authorize the School District to invest in the following:

1. Obligations of the United States and its agencies, the principal and interest of which is fully guaranteed by the United States.
2. Obligations issued by the Federal Financing Bank, Federal Farm Credit Bank, the Bank of Cooperatives, the Federal Intermediate Credit Bank, the Federal Land Banks, the Federal Home Loan Banks, the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Housing Administration, and the Farmers Home Administration, if, at the time of investment, the obligor has a long-term, unenhanced, unsecured debt rating in one of the top two ratings categories, without regard to a refinement or gradation of rating category by numerical modifier or otherwise, issued by at least two nationally recognized credit rating organizations.
3. (i) General obligations of the state of South Carolina or any of its political units; or (ii) revenue obligations of the state of South Carolina or its political units, if at the time of investment, the obligor has a long-term, unenhanced, unsecured debt rating in one of the top two ratings categories, without regard to a refinement or gradation of rating category by numerical modifier or otherwise, issued by at least two nationally recognized credit rating organizations.

**CHARLESTON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Equity (Continued)
Investments (Continued)

4. Savings and Loan Associations to the extent that the same are insured by an agency of the federal government.
5. Certificates of deposit where the certificates are collaterally secured by securities of the type described in (a) and (b) above held by a third party as escrow agent or custodian, of a market value not less than the amount of the certificates of deposit so secured, including interest; provided however, such collateral shall not be required to the extent the same are insured by an agency of the federal government.
6. Repurchase agreements when collateralized by securities as set forth in this section.
7. No load open-end or closed-end management type investment companies or investment trusts registered under the Investment Company Act of 1940, as amended, where the investment is made by a bank or trust company or savings and loan association or other financial institution when acting as trustee or agent for a bond or other debt issue of that local government unit, political subdivision, or county treasurer if the particular portfolio of the investment company or investment trust in which the investment is made (i) is limited to obligations described in items (a), (b), (c), and (f) of this subsection, and (ii) has among its objectives the attempt to maintain a constant net asset value of \$1 a share and to that end, value its assets by the amortized cost method.

The School District's investment objectives are preservation of capital, liquidity, and yield. The School District reports its investments at fair value.

CHARLESTON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Equity (Continued)
Investments (Continued)

The School District has used the following investments in the past year:

- Open-end mutual funds, primarily money market funds which invest in short-term obligations of the United States and related agencies.
- Obligations of the United States and its agencies as described in (a) above.
- Obligations of agencies described in (b) above.
- South Carolina Pooled Investment Fund (SC Pool) investments are invested with the South Carolina State Treasurer's Office, which established the South Carolina Pool pursuant to Section 6-6-10 of the South Carolina Code. The Pool is an investment trust fund, in which public monies in excess of current needs, which are under the custody of any city treasurer or any governing body of a political subdivision of the State, may be deposited. The Pool is a 2a 7-like pool which is not registered with the Securities and Exchange Commission (SEC) as an investment company, but has a policy that it will operate in a manner consistent with the SEC's Rule 2a 7 of the Investment Company Act of 1940.
- Overnight repurchase agreements primarily investing in obligations of agencies described in (b) above.

Receivables and Payables

Transactions between funds that are representative of reimbursement arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds." These amounts are eliminated in the governmental activities column of the statement of net position.

All trade and property taxes receivable are shown net of an allowance for uncollectible amounts, if any, based on historical collection data.

Under the system of accounting for inventories, materials and supplies are carried in an inventory account at cost, determined using the first-in, first-out method, and are subsequently charged to expenditures/expenses when consumed rather than when purchased. Inventories in the General Fund include operating and instructional supplies. The Food Service Special Revenue Fund inventory includes an amount for commodities/fresh fruits and vegetables received from the USDA that are recorded at fair market value at the time of receipt but have not been consumed as of the end of the fiscal year.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

**CHARLESTON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Equity (Continued)

Restricted Assets

The School District established certain accounts for assets restricted for specific purposes, typically by outside parties or legal agreements. Certain bond indentures and related agreements require the establishment of (i) maximum annual principal and interest payments, unless a surety bond was provided; (ii) the next succeeding principal and accrued interest payment; (iii) bond proceeds to be used for construction purposes as required in the bond agreement; and (iv) sinking fund accounts for the accumulation of funds for future debt service payments. Also, the accumulated appreciation on assets of the Permanent and Private-Purpose Trust funds are classified as restricted assets because their use is restricted by donors.

Capital Assets

General capital assets, which include land, buildings, furniture, equipment and improvements to land and buildings, generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements.

All capital assets are recorded at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The School District maintains a capitalization threshold of \$5,000. The School District's infrastructure assets are immaterial and have been reported with the buildings and improvements. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. Interest incurred during the construction of capital assets is not capitalized.

All reported capital assets except land and construction in progress are depreciated. Construction projects are depreciated once they are complete, at which time the complete costs of the project are transferred to the appropriate capital asset category. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	40
Furniture and Fixtures	5-17
Print Shop Equipment	15
Food Service Equipment	12
Improvement Other than Buildings	10-20
Leasehold Improvements	Over the Term of the Lease

CHARLESTON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Equity (Continued)

Compensated Absences

School District employees are granted vacation and sick leave in varying amounts. Upon termination of employment, an employee is reimbursed for accumulated vacation days; unused sick leave is not reimbursed. The entire compensated absences liability and expense is reported on the governmental-wide financial statements.

The School District's policy on compensated absences is as follows: Employees are entitled to vacation if employed on a 12-month basis. Vacation allowance shall not be cumulative. Vacation days are earned during the fiscal year and shall be used by the end of the succeeding year. A 60-day grace period is automatically allowed. Employees are allowed to accumulate up to 45 days of vacation in the last five years prior to retirement.

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements. In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources. However, claims and judgments, contractually required pension contributions and special termination benefits that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they will be paid with current, expendable, available financial resources. In general, payments made within 60 days after year-end are considered to have been made with current available financial resources. Bonds and other long-term obligations that will be paid from governmental funds are not recognized as a liability in the fund financial statements until due.

Salaries and employee benefits of teachers and certain other instructional employees are based on elections by those employees, paid over a 12-month period from August to July, but are earned by those employees over the school year of August through May. Salaries and certain related employee benefits earned but not paid because of such employee elections have been accrued and recorded in the financial statements as Accrued Compensation and Related Benefits.

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities on the statement of net position. If material, bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Amortization of premiums, discounts, and advance refunding charges are included in interest expense. Bonds payable are reported net of the applicable bond premiums and discounts. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenses in the period incurred. If applicable, estimated arbitrage payable is also reflected in long-term obligations.

**CHARLESTON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Equity (Continued)

Accrued Liabilities and Long-Term Obligations (Continued)

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the period received or incurred. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

Deferred Outflows and Inflows of Resources

A deferred outflow of resources represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expenditure) until the future period. The School District recognized two types of deferred outflows of resources: (1) The School District reports advance refunding charges in its government-wide statement of net position. Advance refunding charges, which are the differences between the reacquisition prices and the net carrying amount of the defeased debt, are deferred and amortized over the life of the old debt or the new debt, whichever is shorter. Amortization of advanced refunding charges is included in interest expense in the statement of activities. (2) The School District also reports deferred pension charges in its statement of net position in connection with its participation in the South Carolina Retirement System and the South Carolina Police Officers Retirement System. These deferred pension charges are either (a) recognized in the subsequent period as a reduction of the net pension liability (which includes pension contributions made after the measurement date) or (b) amortized in a systematic and rational method as pension expense in future periods in accordance with GAAP. (3) The School District also reports deferred OPEB charges in its statement of net position in connection with its participation in the South Carolina Retiree Health Insurance Trust Fund. These deferred OPEB charges are either (a) recognized in the subsequent period as a reduction of the net OPEB liability (which includes OPEB contributions made after the measurement date) or (b) amortized in a systematic and rational method as OPEB expense in future periods in accordance with GAAP.

A deferred inflows of resources represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until the future period. The School District recognized two types of deferred inflows of resources: (1) The School District reports unavailable revenue – property taxes only in the governmental funds balance sheet; it is deferred and recognized as an inflow of resources (property tax revenues) in the period the amounts become available. (2) The School District also reports deferred pension credits in its statement of net position in connection with its participation in the South Carolina Retirement System and the South Carolina Police Officers Retirement System. These deferred pension credits are amortized in a systematic and rational method and recognized as a reduction of pension expense in future periods in accordance with GAAP. (3) The School District also reports deferred OPEB credits in its statement of net position in connection with its participation in the South Carolina Retiree Health Insurance Trust Fund. These deferred OPEB credits are amortized in a systematic and rational method and recognized as a reduction of OPEB expense in future periods in accordance with GAAP.

**CHARLESTON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Equity (Continued)

Fund Balance

In accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54), which established new fund balance classifications for governmental fund types and clarifies the definitions of the governmental fund types the School District classifies governmental fund balances as follows:

Nonspendable – Includes amounts that inherently cannot be spent either because they are not in spendable form (i.e. prepaids, inventories, etc.) or because of legal or contractual requirements (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 the highest level of decision making authority before the end of the reporting period. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. Committed amounts for the School District consist of amounts approved by a majority vote of the Board of Trustees.

Assigned – Includes amounts that are intended to be used for specific purposes that are neither considered restricted or committed and that such assignments are made before the report issuance date. The Board of Trustees allows the Superintendent and the Chief Financial Officer the right to make assignments of fund balance for the School District.

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 is the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceeded the amounts of restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

**CHARLESTON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Equity (Continued)

Net Position

The government-wide financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted, and unrestricted.

Net Investment in Capital Assets – This category groups all capital assets including infrastructure into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributed to the acquisition, construction, or improvement of these assets reduce the balance in this category.

Restricted Net Position – This category presents net position with external restrictions imposed by creditors, grantors, or laws and regulations of other governments.

Unrestricted Net Position – This category presents the net position of the School District, not restricted for any purpose.

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 fiduciary net position of the South Carolina Retirement System and Police Officer's Retirement System (Systems) and additions to/deductions from the Systems' fiduciary net position have been determined on the same basis as they are reported by the Systems. 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.

Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about fiduciary net position of the South Carolina Retiree Health Insurance Trust (the Trust) and additions to/deductions from the Trust's fiduciary net position have been determined on the same basis as they are reported by the Trust. 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.

Accounting Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions. Those estimates and assumptions affect the reported amounts of assets and deferred outflows of resources and liabilities and deferred inflows of resources and disclosure of these balances as of the date of the financial statements. In addition, they affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates and assumptions.

**CHARLESTON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

Budgetary Practices – Budgets are presented as required supplementary information for the General Fund, Special Revenue Fund, Education Improvement Act Fund, and the Food Service Fund.

Each budget is presented on the modified accrual basis of accounting, which is consistent with GAAP.

The School District's policies allow funds to be transferred between functions. The legal level of control is at the fund level. During the year, the School District revised the budget.

The following procedures are followed in establishing the budgetary data reflected in the financial statements:

1. In the fall of the preceding year, the School District begins its budget process for the next succeeding fiscal year beginning on July 1.
2. After the School District's budget committee reviews all requests and allocation requirements and related revenue, it presents a tentative proposed budget to the Superintendent for her review and adjustment.
3. The Superintendent then presents a proposed budget to the Board of Trustees, which reviews the proposed budget, in a series of workshops, and makes any additions or deletions as deemed necessary.
4. Prior to July 1, the Board legally enacts the budget through passage of a resolution.

The administration has discretionary authority to make transfers between appropriation accounts. The revised budget amounts are as amended by the administration. All annual appropriations lapse at fiscal year-end.

Encumbrance accounting is employed in governmental funds. Encumbrances outstanding at year-end do not constitute expenditures or liabilities because the commitments will be re-appropriated and honored during the subsequent year.

NOTE 3 DEPOSITS AND INVESTMENTS

Deposits

Custodial Credit Risk for Deposits – Custodial credit risk for deposits is the risk that, in the event of a bank failure, the School District's deposits might not be recovered. The School District does not have a deposit policy for custodial credit risk but follows the investment policy statutes of the state of South Carolina. As of June 30, 2018, none of the School District's bank balances of \$31,934,428, which had a carrying amount of \$24,217,050, were exposed to custodial credit risk.

**CHARLESTON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)

Investments

As of June 30, 2018, the School District had the following investments:

Investment Type	Fair Value	Credit Ratings		Weighted Average Maturity
		S&P	Moody's	
SC Local Government Investment Pool	\$ 288,886,963	Unrated	Unrated	<1 Year
Resolution Funding Corporation Coupon Strips	1,822,852	Unrated	Unrated	>5 Years
United States Treasury Note	3,418,445	Unrated	Unrated	>5 Years
Total	<u>\$ 294,128,260</u>			

At June 30, 2018, the School District had investments totaling \$288,886,963 in the South Carolina Local Government Investment Pool, which is under the administration of the State Treasurer. The South Carolina Local Government Investment Pool is a 2a7 like pool, which is not registered with the Securities and Exchange Commission, but generally operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940 (Rule 2a7). Unit value is computed using the amortized cost method and maintains a \$1 per share value.

The School District's investments are reported at fair value. The School District categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America, as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the School District has the ability to access.

Level 2 – Inputs to the valuation methodology include: quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; inputs that are derived principally from or corroborated by observable market data by correlation of other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

**CHARLESTON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)

The School District has the following recurring fair value measurements as of June 30, 2018:

Investment Type	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
SC Local Government Investment Pool	\$ -	\$ -	\$ -	\$ -
Resolution Funding Corporation Coupon Strips	-	1,822,852	-	1,822,852
United States Treasury Note	-	3,418,445	-	3,418,445
Total	<u>\$ -</u>	<u>\$ 5,241,297</u>	<u>\$ -</u>	<u>\$ 5,241,297</u>

Debt securities and repurchase agreements classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Interest Rate Risk – Fair value fluctuates with interest rates, and increasing rates could cause fair value to decline below original cost. The School District does not have a formal policy limiting investment maturities that would help manage its exposure to fair value losses from increasing interest rates.

Credit Risk for Investments – Credit risk for investments is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The School District does not have an investment policy for credit risk, but follows the investment policy statutes of the state of South Carolina.

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 an investment policy for custodial credit risk but follows the investment policy statutes of the state of South Carolina. At June 30, 2018, none of the School District's investments were exposed to custodial credit risk.

Concentration of Credit Risk for Investments – The School District places no limit on the amount it may invest in any one issuer. Investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds and external investment pools are excluded from this disclosure requirement.

**CHARLESTON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)

A reconciliation of cash and investments as shown in the financial statements for all fund types follows:

<u>Financial Statement Totals</u>		<u>Footnotes</u>	
Balance Sheet - Governmental Funds:			
Cash and Cash Equivalents	\$ 116,426,845	Carrying Amount of Deposits	\$ 24,217,050
Restricted Cash and Cash Equivalents	191,987,777		
Restricted Investments	5,241,297		
Total Balance Sheet - Governmental Funds	313,655,919	Fair Value of Investments	294,128,260
Statement of Assets and Liabilities - Fiduciary Funds:			
Cash and Cash Equivalents	4,430,145		
Restricted Cash and Cash Equivalents	259,246		
Total Statement of Assets and Liabilities - Fiduciary Funds	4,689,391		
Total	\$ 318,345,310	Total	\$ 318,345,310

NOTE 4 PROPERTY TAXES AND OTHER RECEIVABLES

Charleston County, South Carolina (the County) is responsible for levying and collecting sufficient property taxes to meet funding obligations for the School District. The property taxes are considered both measurable and available for purposes of recognizing revenue and a receivable from the County at the time they are collected by the County.

Property taxes are levied and billed by the County on real and personal properties (excluding vehicles, merchants inventory and TIF District properties) on October 1 based on an assessed value of approximately \$3,520,000,000 at rates of 119.2 mills and 26.0 mills for the General Fund and Debt Service Fund, respectively. These taxes are due without penalty through January 15. Penalties are added to taxes depending on the date paid as follows:

January 16 Through February 1	3% of Tax
February 2 Through March 16	10% of Tax
After March 16	15% of Tax

Current year real and personal property taxes become delinquent on March 17. The levy date for motor vehicles is the first day of the month in which the motor vehicle license expires. These taxes are due by the last day of the same month.

Taxes receivable include an allowance for uncollectible amounts of \$5,151,321 for the General Fund and \$411,339 for the Debt Service – District Fund and at June 30, 2018. Significant allowances for uncollectible amounts were not necessary for the other receivable accounts, which are expected to be collected within the availability period.

**CHARLESTON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 4 PROPERTY TAXES AND OTHER RECEIVABLES (CONTINUED)

Unearned Revenues and Deferred Inflows of Resources

Governmental funds report deferred inflows of resources and unearned revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Also, both the government-wide financial statements and governmental funds do not recognize revenue in connection with resources that have been received, but not yet earned. At June 30, 2018, the various components of deferred inflows and unearned revenue were as follows:

Deferred Inflows:

Delinquent Property Taxes Receivable (General Fund)	\$ 9,914,748
Delinquent Property Taxes Receivable (Debt Service - District Fund)	3,078,580
Total Deferred Inflows for Governmental Funds	<u>\$ 12,993,328</u>

Unearned Revenues:

Revenue Collected, but Unearned (Special Revenue Fund)	\$ 111,066
Revenue Collected, but Unearned (Special Revenue - EIA Fund)	3,098,316
Revenue Collected, but Unearned (Special Revenue - Food Service Fund)	230,270
Revenue Collected, but Unearned (Medals and Awards Permanent Fund)	100
Total Unearned Revenues for Both Government-Wide Financial Statements and Governmental Funds	<u>\$ 3,439,752</u>

**CHARLESTON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 5 CAPITAL ASSETS

Capital asset activity for the School District's Primary Government for the year ended June 30, 2018 is as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental Activities					
Capital Assets, Not Being Depreciated:					
Land	\$ 43,427,231	\$ 11,994,314	\$ -	\$ -	\$ 55,421,545
Construction in Progress	82,838,964	60,928,362	-	(99,603,584)	44,163,742
Total Capital Asset, Not Being Depreciated	126,266,195	72,922,676	-	(99,603,584)	99,585,287
Capital Assets, Being Depreciated:					
Buildings and Improvements	1,552,748,202	-	-	77,065,606	1,629,813,808
Improvements Other than Buildings	50,789,030	868,391	(89,246)	22,537,978	74,106,153
Furniture and Fixtures	36,678,491	2,049,357	(586,808)	-	38,141,040
Food Service Equipment	2,491,061	-	(5,900)	-	2,485,161
Total Capital Assets Being Depreciated	1,642,706,784	2,917,748	(681,954)	99,603,584	1,744,546,162
Less: Accumulated Depreciation for:					
Buildings	(346,858,998)	(35,952,875)	-	-	(382,811,873)
Improvements Other than Buildings	(38,603,741)	(1,470,893)	-	-	(40,074,634)
Furniture and Fixtures	(27,146,292)	(1,823,374)	48,683	-	(28,920,983)
Food Service Equipment	(2,248,480)	-	2,962	-	(2,245,518)
Total Accumulated Depreciation	(414,857,511)	(39,247,142)	51,645	-	(454,053,008)
Total Capital Assets, Being Depreciated, Net	1,227,849,273	(36,329,394)	(630,309)	99,603,584	1,290,493,154
Total Governmental Activities Capital Assets, Net	<u>\$ 1,354,115,468</u>	<u>\$ 36,593,282</u>	<u>\$ (630,309)</u>	<u>\$ -</u>	<u>\$ 1,390,078,441</u>

One Percent Educational Capital Improvement Sales and Use Tax

In August 2010, the School District's Board approved a motion to place a 1% Educational Capital Improvement Sales and Use Tax on the November 2, 2010 Ballot for Consideration, with the proceeds to be used for rebuilding and renovating a number of schools. In November 2010, the voters of Charleston County approved this referendum, and the new tax became effective March 1, 2011. A six-year extension of this program was approved by the voters of Charleston County on November 4, 2014. A list of the projects was included on the ballot and a Citizen's Advisory Committee was established to work with the School District on prioritization, design and community engagement into the program. The South Carolina Department of Revenue collects the tax and disburses it to Charleston County, who disburses it to the School District. The School District recognized \$105,567,815 in revenues from this funding source in the year ended June 30, 2018.

**CHARLESTON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 6 INTERFUND RECEIVABLES AND PAYABLES

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

<u>Fund</u>	<u>Receivables</u>	<u>Payables</u>
General Fund	\$ 9,454,155	\$ 14,781,835
Special Revenue Funds:		
Special Revenue	-	9,454,155
EIA	4,561,564	-
Food Service	9,248,617	-
Debt Service Fund - District	113,741	-
Debt Service Fund - CEEF	412,198	-
Capital Projects Fund - District	405,370	-
Nonmajor Medals and Awards Permanent Fund	40,345	-
Totals	<u>\$ 24,235,990</u>	<u>\$ 24,235,990</u>

The General Fund receivable is the result of amounts due from the Special Revenue Fund. The General Fund pays the expenditures of other funds throughout the year and is reimbursed when claims or other deposits are received. The General Fund payable is the result of amounts due to the Special Revenue – EIA Fund, the Special Revenue – Food Service Fund, the Debt Service Fund – District, and the Debt Service Fund – CEEF, Capital Projects Fund – District, and Non-Major Fund. Deposits are generally made into the General Fund central depository account, which reflects the amounts as due to other funds. These due to balances are reduced as expenditures are processed for the other funds.

The net payables in the Special Revenue Fund are a result of expenditures paid by the General Fund, with the cash transferred to the General Fund subsequent to year-end when claims or other deposits were received.

The Special Revenue – EIA Fund, Special Revenue – Food Service Fund, Debt Service Fund – District, and Debt Service Fund – CEEF, Capital Projects Fund – District, and Non-Major Fund net receivables are primarily a result of revenues received and recorded as cash in the General Fund.

**CHARLESTON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 6 INTERFUND RECEIVABLES AND PAYABLES (CONTINUED)

Transfers From and To Other Funds

Transfers from and to other funds for the year ended June 30, 2018 consisted of the following:

Transfers From	Transfers To		
	<u>General Fund</u>		
Special Revenue	\$ -	Special Revenue	\$ 235,000
EIA	10,124,778	Food Service	825,000
Special Revenue - Indirect Costs	1,738,793		-
Food Service - Indirect Costs	1,447,876		-
Total	<u>\$ 13,311,447</u>	Total	<u>\$ 1,060,000</u>
	<u>Special Revenue Fund</u>		
General Fund	\$ 235,000	General Fund - Indirect Co	\$ 1,738,793
EIA	96,309		-
Total	<u>\$ 331,309</u>	Total	<u>\$ 1,738,793</u>
	<u>EIA Fund</u>		
None	\$ -	General Fund	\$ 10,124,778
	-	Special Revenue	96,309
Total	<u>\$ -</u>	Total	<u>\$ 10,221,087</u>
	<u>Food Service</u>		
General Fund	<u>\$ 825,000</u>	General Fund - Indirect Co	<u>\$ 1,447,876</u>
	<u>Capital Projects - District</u>		
Debt Service - District	<u>\$ 61,663,072</u>	None	<u>\$ -</u>
	<u>Debt Service - District</u>		
None	\$ -	Debt Service - CEEF	\$ 42,793,480
	-	Capital Projects - District	61,663,072
Total	<u>\$ -</u>	Total	<u>\$ 104,456,552</u>
	<u>Debt Service - CEEF</u>		
Debt Service - District	<u>\$ 42,793,480</u>	None	<u>\$ -</u>
Total	<u>\$ 118,924,308</u>	Total	<u>\$ 118,924,308</u>

General Fund

Transfers from:

Funds were transferred to the General Fund from other funds to cover EIA raises for teachers and the corresponding fringe benefits increase related to the EIA raise for teachers, transfers of e-rate funding from the Special Revenue Funds, and indirect costs for federal programs and food services.

Transfers to:

Funds were transferred from the General Fund into other funds to cover funding shortfalls in Special Revenue programs and for the Food Service benefit shortfall.

**CHARLESTON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 6 INTERFUND RECEIVABLES AND PAYABLES (CONTINUED)

Transfers From and To Other Funds (Continued)

Special Revenue/EIA Funds

Transfers from:

Funds were transferred from the General Fund to cover funding shortfalls.

Transfers to:

Funds were transferred from Special Revenue and EIA funds to other funds to cover indirect costs on federal programs, the EIA raise for teachers, EIA school employer contributions, and to provide e-rate funding for use in the General Fund as budgeted.

Food Service Fund

Transfer from:

Funds were transferred from the General Fund for the fringe benefit shortfall.

Transfer to:

Funds were transferred to the General Fund for indirect costs.

Capital Projects Funds

Transfers from:

Funds were transferred from the Debt Service – District Fund to the Capital Projects – District Fund to partially fund the capital projects program.

Debt Service Funds

Transfers from:

Funds were transferred from the Debt Service – District Fund to the Debt Service – CEEF Fund to make the base lease payments as defined in the acquisition agreement. Funds were transferred from Debt Service – District Fund to the Debt Service – CEEF Fund to fund the principal and interest payment on the long-term debt.

Transfers to:

Funds were transferred from the Debt Service – District Fund to the Capital Projects – District Fund to partially fund the capital projects program and to the Debt Service – CEEF Fund to make the base lease payments as defined in the acquisition agreement.

**CHARLESTON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 7 SHORT-TERM OBLIGATIONS

The School District's short-term debt activity is as follows:

<u>Description</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
General Obligation Bond:				
Anticipation Note, Series 2017A, Issued May 2017, with Interest at 2.00%, Matures November 2017	\$ 42,935,000	\$ -	\$ (42,935,000)	\$ -
Anticipation Note, Series 2017B, Issued May 2017, with Interest at 2.00%, Matures November 2017	67,405,000	-	(67,405,000)	-
Series 2017, Issued November 2017, with Interest at 5.00%, Matures March 2018	-	74,290,000	(74,290,000)	-
Anticipation Note, Series 2017C, Issued November 2017, with Interest at 2.00%, Matures May 2018	-	67,890,000	(67,890,000)	-
Anticipation Note, Series 2018A, Issued May 2018, with Interest at 2.50%, Matures May 2019	-	72,520,000	-	72,520,000
Anticipation Note, Series 2018B, Issued May 2018, with Interest at 5.00%, Matures November 2018	-	76,200,000	-	76,200,000
Tax Anticipation Note, Issued August 2017, with Interest at 5.00%, Matures March 2018	-	74,000,000	(74,000,000)	-
Total	<u>\$ 110,340,000</u>	<u>\$ 364,900,000</u>	<u>\$ (326,520,000)</u>	<u>\$ 148,720,000</u>

All of the outstanding short-term debt is backed by the full faith and credit of the School District and matures within one year. The General Obligation Bond Anticipation Notes – Series 2017C were issued for the purposes of paying the installments coming due under the lease agreements with CEEF, repaying the outstanding Series 2017A General Obligation Bond Anticipation Notes, and paying the cost of issuance of the bonds. The General Obligation Bond Anticipation Notes – Series 2017C were issued for the purposes of providing funds to pay the principal and interest due on the outstanding 2017B General Obligation Bond Anticipation Notes, pay a portion of the cost of construction, renovation, and equipping of the Sales Tax Projects – Phase IV, and pay the costs of issuance of the notes. The General Obligation Bond Anticipation Notes – Series 2018A were issued for the purposes of providing funds to pay a portion of the purchase price coming due under the 2004 Facilities Agreement and 2013A, 2013B and 2014 Supplemental Facilities Agreement entered into with CEEF, and provide funding for certain land acquisition and improvements to the facilities of the School District.

**CHARLESTON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 7 SHORT-TERM OBLIGATIONS (CONTINUED)

The General Obligation Bond Anticipation Notes – Series 2018B were issued for the purposes of providing funds to pay the principal and interest due on the outstanding 2017C General Obligation Bond Anticipation Notes, pay a portion of the cost of construction, renovation, and equipping of the Sales Tax Projects – Phase IV, and pay the costs of issuance of the notes. The Tax Anticipation Notes were issued for the purpose of providing funds to pay the operational expenses of the District pending collection of ad valorem taxes and the receipt of certain State funds.

The General Obligation Bond Anticipation Notes – Series 2018A and 2018B are due in November 2018 and May 2019, respectively, and were outstanding as of June 30, 2018. The balance of short-term obligations outstanding has appropriately been reflected as a liability on the governmental funds balance sheet.

NOTE 8 LONG-TERM OBLIGATIONS

The following is a summary of changes in School District long-term obligations for the year ended June 30, 2018:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
General Obligation Bonds:					
Series 2009B QSCB - Subject to 8%	\$ 11,265,000		\$ (1,125,000)	\$ 10,140,000	\$ 1,125,000
Series 2010A Refunding GO Bonds - (Voter Referendum)	38,575,000		(5,100,000)	33,475,000	5,305,000
Series 2010B QSCB - Subject to 8%	14,510,000		-	14,510,000	-
Series 2011A Refunding GO Bonds - (Voter Referendum)	64,025,000		-	64,025,000	9,970,000
Series 2012A Refunding GO Bonds - (Voter Referendum)	29,100,000		(5,795,000)	23,305,000	6,025,000
Series 2016 GO Bonds - Subject to 8%	7,700,000		-	7,700,000	3,755,000
Total General Obligation Bonds	165,175,000	-	(12,020,000)	153,155,000	26,180,000
Installment Revenue Bonds					
Series 2013A Refunding Bonds	31,250,000	-	(20,400,000)	10,850,000	10,850,000
Series 2013B Refunding Bonds	343,420,000	-	-	343,420,000	2,000,000
Series 2014C Refunding Bonds	111,565,000	-	-	111,565,000	-
Total Installment Sale Revenue Bonds	486,235,000	-	(20,400,000)	465,835,000	12,850,000
Total Premiums, Net	77,192,822		(7,438,633)	69,754,189	-
Compensated Absences	4,081,105	3,557,144	(3,036,600)	4,601,649	3,412,477
Total Long-Term Obligations	<u>\$ 732,683,927</u>	<u>\$ 3,557,144</u>	<u>\$ (42,895,233)</u>	<u>\$ 693,345,838</u>	<u>\$ 42,442,477</u>

General Fund resources typically have been used in prior years to liquidate compensated absences payable. The Debt Service Funds have been used to liquidate all other long-term obligations.

CHARLESTON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 8 LONG-TERM OBLIGATIONS (CONTINUED)

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, especially during construction projects. The federal tax code refers to this practice as arbitrage. Excess earnings (the difference between the interest on the debt and the investment earnings received) 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 does not have positive arbitrage on any of its indebtedness as of June 30, 2018.

The CEEF bonds were issued pursuant to a School Facilities Purchase and Occupancy Agreement (the Facilities Agreement) and evidence proportionate interests of the owners in certain rental payments to be made by the School District under the terms of a Base Lease Agreement between the School District and CEEF dated March 15, 2002. The School District will purchase the Capital Projects from CEEF pursuant to the Facilities Agreement, which will obligate the School District to make semiannual installment payments to CEEF in amounts calculated to be sufficient to enable CEEF to pay the principal and interest on the outstanding bonds. The School District's obligations under the Facilities Agreement are from year to year only and do not constitute a mandatory payment obligation of the School District in any fiscal year in which funds are not appropriated by the School District to pay the installment payments of purchase price due in such fiscal year. However, the School District would forfeit possession of the Facilities for the remainder of the term of the Lease. It is anticipated that the payments will be funded by the School District by the future issuance of short-term general obligation bonds. Upon the termination/completion of the School Facilities Purchase and Occupancy Agreements, the School District will own all of the capital assets financed by the Installment Sale Revenue Bonds.

The CEEF bonds are not a debt of the School District; however, as CEEF is blended with the operations of the School District, the debt of CEEF is included with the School District's other obligations as required by GAAP.

**CHARLESTON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 8 LONG-TERM OBLIGATIONS (CONTINUED)

Details for each debt issue outstanding as of June 30, 2018 are as follows:

General Obligation Bonds

\$13,515,000 Series 2009B (QSCB), with Interest at 1.05%, Maturing through September 2026	\$ 10,140,000
\$62,655,000 Series 2010A Refunding, with Interest from 2.0% to 5.0%, Maturing through February 2025	33,475,000
\$15,075,000 Series 2010B (QSCB), with Interest at 4.8%, Maturing through August 2027	14,510,000
\$64,200,000 Series 2011A Refunding, with Interest from 2.0% to 5.0%, Maturing through February 1, 2023	64,025,000
\$44,965,000 Series 2012A Refunding, with Interest of 4.0%, Maturing through February 2024	23,305,000
\$73,960,000 Series 2016, with Interest of 5.0% to 2.0%, Maturing through March 2020	7,700,000
Total General Obligation Bonds	<u>\$ 153,155,000</u>

Installment Revenue Bonds

\$76,000,000 Series 2013A Refunding, with Interest at 1.16%, Maturing through December 2018	\$ 10,850,000
\$343,420,000 Series 2013B Refunding, with Interest from 2.0% to 5.0%, Maturing through December 2018	343,420,000
\$111,565,000 Series 2014C Refunding, with Interest at 5.0%, Maturing through December 2031	111,565,000
Total Installment Revenue Bonds	<u>\$ 465,835,000</u>

2010 Qualified School Construction Bonds

In October 2010, the School District issued its Series 2010B General Obligation Bonds (Taxable Qualified School Construction Bonds) with a par amount of \$15,075,000 to provide funds to pay for improvements to School District facilities and to pay for the costs of issuance of the bonds. Interest payments are due semi-annually beginning on February 1, 2011 at a coupon rate of approximately 4.80% with \$5,000 in principal due on August 1, 2015 and the remaining \$15,070,000 due on August 1, 2027. The Federal Government is subsidizing 100% of the interest payments. The School District entered into a Paying Agent and Registrar Agreement with Wells Fargo Bank in October 2010 for the purpose of

**CHARLESTON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 8 LONG-TERM OBLIGATIONS (CONTINUED)

2010 Qualified School Construction Bonds (Continued)

establishing a sinking fund to accumulate assets to be used for the retirement of this debt at maturity. In accordance with the terms of this agreement, the District directed and will direct the U. S. Department of the Treasury to send the interest subsidy to Wells Fargo Bank to be held by them in a sinking fund until maturity. The District anticipates that amounts on deposit plus the expected yield (investment earnings) of these funds on deposit will produce an amount equal to the required principal payment due in August 2027 of \$15,070,000. The balance in the escrow sinking fund account at June 30, 2018 was approximately \$5,241,000 and is included in the restricted investments in the financial statements.

Annual Debt Service Requirements

Annual debt service requirements to maturity for all long-term debt as of June 30, 2018 are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2019	\$ 39,030,000	\$ 28,671,232	\$ 67,701,232
2020	39,805,000	26,996,664	66,801,664
2021	37,405,000	25,151,952	62,556,952
2022	38,905,000	23,424,365	62,329,365
2023	40,530,000	21,574,416	62,104,416
2024 - 2028	244,150,000	74,847,089	318,997,089
2029 - 2032	179,165,000	14,524,150	193,689,150
Total	<u>\$ 618,990,000</u>	<u>\$ 215,189,868</u>	<u>\$ 834,179,868</u>

The School District is subject to a statutory millage limit on the amount of ad valorem taxes it may annually levy to fund operations and does not presently have sufficient unused capacity under its operating millage limit to levy additional ad valorem taxes to fund the installment payments of purchase price due under the Facilities Agreement. The School District is, however, authorized to levy an unlimited ad valorem tax to pay its general obligation debt and has covenanted and agreed in the Facilities Agreement to exercise its best efforts to issue its general obligation debt from time to time to provide funds to make installment payments of purchase price due under the Facilities Agreement as well as base payments to CEEF.

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. As of November 30, 1982, the constitutional debt limit was decreased from 20% to 8% of the assessed valuation under the provisions of Section 15, Article X of the South Carolina Constitution. Of the outstanding general obligation debt at June 30, 2018, \$120,805,000 was approved through voter referendum. Therefore, \$181,070,000 including the \$148,720,000 in short-term General Obligation Bond Anticipation Notes

**CHARLESTON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 8 LONG-TERM OBLIGATIONS (CONTINUED)

Annual Debt Service Requirements (Continued)

outstanding at June 30, 2018, is subject to the 8% limitation. Based on an assessed value of approximately \$3,520,000,000 at June 30, 2018 (which includes merchant's inventory and TIF District amounts), the School District had available capacity to issue approximately \$100,530,000 of additional general obligation debt. However, subsequent to year-end, the School District issued \$95,165,000 of short-term general obligation bonds, decreasing the available capacity to approximately \$5,365,000 at the time of financial statement issuance.

NOTE 9 DEFICIT NET POSITION AND FUND BALANCE

As of June 30, 2018, the Governmental Activities of the School District had a deficit net position of \$15,136,133. The deficit is primarily a result of the District's long-term debt, including net pension and net OPEB liabilities, exceeding the assets of School District. The net pension liability and net OPEB liability are the School District's proportionate share of state-wide plans, and will fluctuate year to year as a result of changes in the valuation, investment results, and funding status of the plan.

As of June 30, 2018, the Debt Service-District Fund had a deficit fund balance of \$48,531,092. The deficit in the Debt Service-District Fund is a result of the District's short-term debt issuances, the related payment of outstanding debt, payment on the CEEF financing, and transfers to fund capital projects being in excess of the proceeds from new bond issuances and the levy of local property taxes by the fund. This short-term debt is issued in the spring of each year to fund fixed cost of ownership projects and make payments on the CEEF financing and is retired in the fall using proceeds of additional debt.

NOTE 10 RETIREMENT PLANS

State Retirement Plans

The School District participates in the state of South Carolina's retirement plans, which are administered by the South Carolina Public Employee Benefit Authority (PEBA), which was created on July 1, 2012 and administers the various retirement systems and retirement programs managed by its Retirement Division. PEBA has an 11-member Board of Directors, appointed by the Governor and General Assembly leadership, which serves as co-trustee and co-fiduciary of the systems and the trust funds. By law, the Budget and Control Board, which consists of five elected officials, also reviews certain PEBA Board decisions regarding the funding of the Systems and serves as a co-trustee of the Systems in conducting that review. PEBA issues a Comprehensive Annual Financial Report (CAFR) containing financial statements and required supplementary information for the South Carolina Retirement Systems' Pension Trust Funds. The CAFR is publicly available on the Retirement Benefits' link on PEBA's website at www.peba.sc.gov, or a copy may be obtained by submitting a request to PEBA, PO Box 11960, Columbia, South Carolina 29211-1960. PEBA is considered a division of the primary government of the state of South Carolina and therefore, retirement trust fund financial information is also included in the comprehensive annual financial report of the State.

**CHARLESTON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 10 RETIREMENT PLANS (CONTINUED)

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.

The South Carolina Police Officers Retirement System (PORS), a cost-sharing multiple-employer defined benefit pension plan, was established effective July 1, 1962, pursuant to the provisions of Section 9-11-20 of the South Carolina Code of Laws for the purpose of providing retirement allowances and other benefits for police officers and firemen of the state and its political subdivisions.

Plan Membership

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

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

- State ORP – As an alternative to membership in SCRS, newly hired state, public school, and higher education employees and individuals newly elected to the S.C. General Assembly beginning with the November 2012 general election have the option to participate in the State ORP, which is a defined contribution plan. State ORP participants direct the investment of their funds into a plan administered by one of four investment providers. PEBA assumes no liability for State ORP benefits. Rather, the benefits are the liability of the investment providers. For this reason, State ORP programs are not considered part of the retirement systems for financial statement purposes. Employee and Employer contributions to the State ORP are at the same rates as SCRS. A direct remittance is required from the employers to the member's account with investment providers for the employee contribution (8.16%) and a portion of the employer contribution (5%). A direct remittance is also required to SCRS for the remaining portion of the employer contribution (5.91%) and an incidental death benefit contribution (.15%), if applicable, which is retained by SCRS.

**CHARLESTON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 10 RETIREMENT PLANS (CONTINUED)

Plan Membership (Continued)

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

Plan Benefits

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

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

The annual retirement allowance of eligible retirees or their surviving annuitants is increased by the lesser of 1% or \$500 every July 1. Only those annuitants in receipt of a benefit on July 1 of the preceding year are eligible to receive the increase. Members who retire under the early retirement provisions at age 55 with 25 years of service are not eligible for the benefit adjustment until the second July 1 after reaching age 60 or the second July 1 after the date they would have had 28 years of service credit had they not retired.

**CHARLESTON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 10 RETIREMENT PLANS (CONTINUED)

Plan Benefits (Continued)

- PORS – A Class Two member who has separated from service with at least five or more years of earned service is eligible for a monthly pension at age 55 or with 25 years of service regardless of age. A Class Three member who has separated from service with at least eight or more years of earned service is eligible for a monthly pension at age 55 or with 27 years of service regardless of age. Both Class Two and Class Three members are eligible to receive a deferred annuity at age 55 with five or eight years of earned service, respectively. An incidental death benefit is also available to beneficiaries of active and retired members of employers who participate in the death benefit program. Accidental death benefits are also provided upon the death of an active member working for a covered employer whose death was a natural and proximate result of an injury incurred while in the performance of duty.
- The retirement allowance of eligible retirees or their surviving annuitants is increased by the lesser of 1% or \$500 every July 1. Only those annuitants in receipt of a benefit on July 1 of the preceding year are eligible to receive the increase.

Plan Contributions

Contributions are prescribed in Title 9 of the South Carolina Code of Laws. The Board may increase the SCRS and PORS employer and employee contribution rates on the basis of the actuarial valuations, but any such increase may not result in a differential between the employee and employer contribution rate that exceeds 2.9% of earnable compensation for the SCRS and 5% for the PORS. 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 30-year amortization period; and, this increase is not limited to one half of one percent per year.

The Retirement System Funding and Administration Act increases employer contribution rates to 13.56 percent for SCRS and 16.24 percent for PORS, effective July 1, 2017. It also removes the 2.9 percent and 5 percent differential and increases and establishes a ceiling on employee contribution rates at 9 percent and 9.75 percent for SCRS and PORS respectively. The employer contribution rates will continue to increase annually by 1 percent through July 1, 2022. The legislation's ultimate scheduled employer rate is 18.56 percent for SCRS and 21.24 percent for PORS. The amortization period is scheduled to be reduced one year for each of the next 10 years to a twenty year amortization schedule. The recent pension reform legislation also changes the long term funded ratio requirement from ninety to eighty-five.

**CHARLESTON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 10 RETIREMENT PLANS (CONTINUED)

Plan Contributions (Continued)

As noted above, both employees and the School District are required to contribute to the Plans at rates established and as amended by the PEBA. The School District's contributions are actuarially determined but are communicated to and paid by the School District as a percentage of the employees' annual eligible compensation as follows for the past three years:

	SCRS and State ORP Rates			PORS Rates		
	2016	2017	2018	2016	2017	2018
Employer Rate:						
Retirement*	10.91 %	11.41 %	13.41 %	13.34 %	13.84 %	15.84 %
Incidental Death Benefit	0.15	0.15	0.15	0.20	0.20	0.20
Accidental Death						
Contributions	-	-	-	0.20	0.20	0.20
Total	<u>11.06 %</u>	<u>11.56 %</u>	<u>13.56 %</u>	<u>13.74 %</u>	<u>14.24 %</u>	<u>16.24 %</u>
Employee Rate	<u>8.16 %</u>	<u>8.66 %</u>	<u>9.00 %</u>	<u>8.74 %</u>	<u>9.24 %</u>	<u>9.75 %</u>

* Of the rate for the State ORP Plan 5% of earnable compensation must be remitted by the employer directly to the ORP vendor to be allocated to the member's account with the remitted to the SCRS.

The required contributions and percentages of amounts contributed by the School District to the Plans for the past three years were as follows:

<u>Year Ended June 30,</u>	SCRS Contributions		State ORP Contributions		PORS Contributions	
	Required	Contributed	Required	Contributed	Required	Contributed
2018	\$ 31,012,284	100 %	\$ 4,723,282	100 %	\$ 22,653	100 %
2017	24,581,408	100	3,170,095	100	16,884	100
2016	25,704,328	100	3,273,810	100	26,425	100

Eligible payrolls of the School District covered under the Plans for the past three years were as follows:

<u>Year Ended June 30,</u>	State ORP			
	SCRS Payroll	Payroll	PORS Payroll	Total Payroll
2018	\$ 228,704,166	\$ 55,808,529	\$ 139,489	\$ 284,652,184
2017	215,437,406	49,455,451	121,989	265,014,846
2016	235,603,367	55,394,430	198,086	291,195,883

Pension Liabilities, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions

The most recent annual actuarial valuation reports adopted by the PEBA Board and Budget and Control Board are as of July 1, 2016. The net pension liability of each defined benefit pension plan was therefore determined based on the July 1, 2016 actuarial valuations, using membership data as of July 1, 2016, projected forward to the end of the fiscal year, and financial information of the pension trust funds as of June 30, 2017, using generally accepted actuarial procedures. Information included in the following schedules is based on the certification provided by PEBA's consulting actuary, Gabriel, Roeder, Smith and Company.

**CHARLESTON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 10 RETIREMENT PLANS (CONTINUED)

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

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 fiduciary net position of the SCRS and PORS and additions to/deductions from the SCRS's and PORS's fiduciary net position have been determined on the same basis as they are reported by SCRS and PORS.

The net pension liability (NPL) is calculated separately for each system and represents that particular system's total pension liability determined in accordance with GASB Statement No. 67 less that System's fiduciary net position. For the year ended June 30, 2017, NPL amounts and the change in NPL amounts for SCRS and PORS are as follows:

System	Total Pension Liability	Plan Fiduciary Net Position	Employers' Net Pension Liability (Asset)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
SCRS	\$ 48,244,437,494	\$ 25,732,829,268	\$ 22,511,608,226	53.3 %
PORS	7,013,684,001	4,274,123,178	2,739,560,823	60.9

At June 30, 2018, the School District reported liabilities of approximately \$526,608,000 and \$248,000 for its proportionate shares of the net pension liabilities for the SCRS and PORS (Plans), respectively. The net pension liabilities were measured as of June 30, 2017, and the total pension liabilities for the Plans used to calculate the net pension liabilities were determined based on the most recent actuarial valuation report as of July 1, 2016 that was projected forward to the measurement date. The School District's proportion of the net pension liabilities were based on a projection of the School District's long-term share of contributions to the Plans relative to the projected contributions of all participating South Carolina state and local governmental employers, actuarially determined. At June 30, 2017, the School District's SCRS proportion was 2.339%, representing an decrease of .322% from the School District's proportion of 2.661% at June 30, 2016. At June 30, 2017, the School District's PORS proportion was .009%, representing a decrease of .005% from the School District's proportion of .016% at June 30, 2016.

**CHARLESTON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 10 RETIREMENT PLANS (CONTINUED)

**Pension Liabilities, Pension Expense, and Deferred Outflows/Inflows of Resources
Related to Pensions (Continued)**

For the year ended June 30, 2018, the School District recognized pension expense of approximately \$54,007,000 and \$30,600 for the SCRS and PORS, respectively. At June 30, 2018, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
SCRS		
Differences Between Expected and Actual Experience	\$ 2,347,619	\$ 291,881
Differences Between Actual and Proportionate Share of Employer Contributions	10,274,302	49,405,725
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	14,700,435	-
Assumption Changes	30,827,271	-
School District's Contributions Subsequent to the Measurement Date	34,795,356	-
Total SCRS	<u>92,944,983</u>	<u>49,697,606</u>
PORS		
Differences Between Expected and Actual Experience	2,213	-
Differences Between Actual and Proportionate Share of Employer Contributions	7,547	181,080
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	8,845	-
Assumption Changes	23,557	-
School District's Contributions Subsequent to the Measurement Date	22,653	-
Total PORS	<u>64,815</u>	<u>181,080</u>
Total SCRS and PORS	<u>\$ 93,009,798</u>	<u>\$ 49,878,686</u>

Approximately \$34,795,000 and \$23,000 that were reported as deferred outflows of resources related to the School District's contributions subsequent to the measurement date to the SCRS and PORS, respectively, will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the SCRS and PORS will be recognized in pension expense as follows:

<u>Year Ending June 30,</u>	SCRS	PORS	Totals
2019	\$ 2,062,805	\$ (43,099)	\$ 2,019,706
2020	11,440,877	(39,993)	11,400,884
2021	140,878	(39,111)	101,767
2022	(5,192,539)	(16,715)	(5,209,254)
Total	<u>\$ 8,452,021</u>	<u>\$ (138,918)</u>	<u>\$ 8,313,103</u>

**CHARLESTON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 10 RETIREMENT PLANS (CONTINUED)

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. Amounts determined during the valuation process are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. South Carolina state statute requires that an actuarial experience study be completed at least once in each five-year period. The last experience study was performed as of July 1, 2015.

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

<u>Description</u>	<u>SCRS</u>	<u>PORS</u>
Actuarial Cost Method	Entry Age	Entry Age
Actuarial Assumptions:		
Investment Rate of Return	7.25%	7.25%
Salary Increases	3.0% to 12.5%	3.5% to 9.5%
Includes Inflation at	2.25%	2.25%
Benefit Adjustments	Lesser of 1% or \$500	Lesser of 1% or \$500

The postretiree 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.

<u>Former Job Class</u>	<u>Males</u>	<u>Females</u>
Educators and Judges	2016 PRSC Males Multiplied by 92%	2016 PRSC Females Multiplied by 98%
General Employees and Members of the General	2016 PRSC Males Multiplied by 100%	2016 PRSC Females Multiplied by 111%
Public Safety and Firefighters	2016 PRSC Males Multiplied by 125%	2016 PRSC Females Multiplied by 111%

The long-term expected rate of return on pension plan investments is based upon 30 year capital market assumptions. The long-term expected rate of returns represent assumptions developed using an arithmetic building block approach primarily based on consensus expectations and market based inputs. Expected returns are net of investment fees.

**CHARLESTON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 10 RETIREMENT PLANS (CONTINUED)

Actuarial Assumptions and Methods (Continued)

The expected returns, along with the expected inflation rate, form the basis for the target asset allocation adopted at the beginning of the 2017 fiscal year. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and adding expected inflation and is summarized in the table on the following page. For actuarial purposes, the 7.25 percent assumed annual investment rate of return used in the calculation of the TPL includes a 5.00 percent real rate of return and a 2.25 percent inflation component.

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Expected Arithmetic Real Rate of Return</u>	<u>Long-Term Expected Portfolio Real Rate of Return</u>
Global Equity			
Global Private Equity	31.0 %	6.72%	2.08 %
Private Equity	9.0	9.60%	0.86
Equity Options Strategies	5.0	5.91%	0.30
Real Assets			
Real Estate (Private)	5.0	4.32%	0.22
Real Estate (REITs)	2.0	6.33%	0.13
Infrastructure	1.0	6.26%	0.06
Opportunistic			
GTAA/Risk Parity	10.0	4.16%	0.42
Hedge Funds (non-PA)	4.0	3.82%	0.15
Other Opportunistic Strategies	3.0	4.16%	0.12
Diversified Credit			
Mixed Credit	6.0	3.92%	0.24
Emerging Markets Debt	5.0	5.01%	0.25
Private Debt	7.0	4.37%	0.31
Conservative Fixed Income			
Core Fixed Income	10.0	1.60%	0.16
Cash and Short Duration (Net)	2.0	0.92%	0.02
Total Expected Real	<u>100 %</u>		<u>5.32</u>
Inflation for Actuarial Purposes			<u>2.25</u>
Total Expected Nominal			<u>7.57 %</u>

Discount Rate

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers in SCRS and PORS will be made based on the actuarially determined rates based on provisions in the South Carolina State Code of Laws. Based on those assumptions, each System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**CHARLESTON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 10 RETIREMENT PLANS (CONTINUED)

Discount Rate (Continued)

The following table presents the sensitivity of the School District's proportionate share of the net pension liability of the Plans to changes in the discount rate, calculated using the discount rate of 7.25%, as well as what it would be if it were calculated using a discount rate that is 1% point lower (6.25%) or 1% point higher (8.25%) than the current rate:

<u>System</u>	<u>1% Decrease (6.25%)</u>	<u>Current Discount Rate (7.25%)</u>	<u>1% Increase (8.25%)</u>
The School District's proportionate share of the net pension liability of the SCRS	\$ 678,727,370	\$ 526,608,423	\$ 434,309,776
The School District's proportionate share of the net pension liability of the PORS	335,123	248,205	179,740

Plans' 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 the SCRS and PORS. The CAFR of the Pension Trust Funds is publicly available on PEBA's website at <http://www.peba.sc.gov>.

NOTE 11 CONTINGENT LIABILITIES

Litigation

Various claims and lawsuits are pending against the School District. Although the outcome of these other claims and lawsuits is not presently determinable, it is the opinion of the School District's counsel that resolution of these matters will not have a material adverse effect on the financial condition of the School District.

Grants

The School District participates in a number of federally assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The amount of program expenditures which may be disallowed by the granting agencies cannot be determined at this time although the School District expects such amounts, if any, to be immaterial.

**CHARLESTON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 12 RISK MANAGEMENT

The School District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees' and natural disasters. The School District continues to carry commercial insurance for employee health and dental coverage and is partially self-insured for workers' compensation and general liability, auto, and property and casualty. Because of the high cost of insurance, the School District has partnered with the South Carolina School Boards Insurance Trust (SCSBIT) in order to obtain property and casualty insurance at the best rate. The School District is insured through SCSBIT for property and casualty insurance and has a service agreement with SCBIT for risk management services; however, the School District does not participate in SCSBIT's property and casualty insurance pool but contracts independently with Willis, the same broker for SCSBIT, for brokerage services. As a result, the School District is not liable for any shortages related to SCSBIT's property and casualty pool. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years and there has been no significant reduction in insurance coverage.

As noted above, the School District is self-insured related to risks associated with workers' compensation. The School District has a \$750,000 per claim deductible with the insurance provider paying claims that are in excess of \$750,000 per claim. The School District has recorded an estimated liability of \$3,633,230 for incurred but unpaid claims at June 30, 2018, which is based on GASB Statement No. 10 which requires that a liability for claims be recorded if information prior to the issuance of the financial statements indicate that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. This amount is included in Other Accrued Expenses in the statement of net position.

Changes in the balances of estimated unpaid claims for workers' compensation during the two years ended June 30 are as follows:

<u>Year Ending June 30.</u>	Unpaid Claims at Beginning of Fiscal Year	Current-Year Claims and Changes in Estimates	Claim Payments	Unpaid Claims at End of Fiscal Year
2017	\$ 5,079,423	\$ 4,693,037	\$ (5,504,764)	\$ 4,267,696
2018	4,267,696	3,599,353	(2,684,545)	5,182,504

The School District is also self-insured related to risks associated with general liability, auto, and property and casualty. For general liability and auto coverage, the School District has a \$75,000 per claim deductible with the insurance provider paying claims that are in excess of \$75,000 per claim; for property and casualty coverage, the School District has a \$100,000 per claim deductible with the insurance provider paying claims that are in excess of \$100,000 per claim. In the event of a wind storm (hurricane), the District will incur the greater of a deductible of 2% of the total loss or \$100,000. The School District has recorded an estimated liability of \$2,109,158 for incurred but not reported claims at June 30, 2018, which is based on GASB Statement No. 10 which requires that a liability for claims be recorded if information prior to the issuance of the basic financial statements indicate that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. This amount is included in Other Accrued Expenses in the statement of net position.

**CHARLESTON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 12 RISK MANAGEMENT (CONTINUED)

Changes in the balances of estimated unpaid claims for property damage, auto, and general liability claims during the two years ended June 30, 2018 are as follows:

<u>Year Ending June 30,</u>	Unpaid Claims at Beginning of Fiscal Year	Current-Year Claims and Changes in Estimates	Claim Payments	Unpaid Claims at End of Fiscal Year
2017	\$ 2,177,322	\$ (14,594)	\$ (430,531)	\$ 1,732,197
2018	1,732,197	2,109,158	(1,732,197)	2,109,158

NOTE 13 SERVICE CONTRACTS AND OPERATING LEASES

The School District is party to the following contracts for services which are funded by the General, Special Revenue, EIA Funds, and Capital Projects Funds.

In June 2008, the School District contracted for student transportation services with Durham Services. The original contract period was from July 2008 through June 2012. The School District extended the contract with Durham Services during fiscal year 2012 for an additional two-year period with the second year based on Durham meeting certain goals to get the extension. In fiscal year 2014, the School District extended the contract with Durham Services for one year through the end of fiscal year 2015. In July 2015, the School District extended the contract through June 2020. The School District pays a base payment which is calculated per bus per day based on bus routes.

In April 2017, the School District contracted with Cummings/SMG for Program Management Services for the 2017-2022 Capital Program. The contract period runs through August 2022 and the total fee associated with this contract is \$28,588,741. This Capital Program is funded by the penny sales tax approved in November 2010.

In July 2016, the School District entered into a five-year contract with Ricoh USA, Inc. (Ricoh) for managed document services, equipment repair and maintenance, supplies, and software support related to copiers and printers throughout the School District.

Future required annual payments under the contracts for services are as follows:

<u>Fiscal Year</u>	Cummings/ SMG	Durham	Ricoh	Total
2019	\$ 6,519,948	\$ 13,791,521	\$ 788,136	\$ 21,099,605
2020	5,891,252	14,066,451	788,136	20,745,839
2021	4,750,608	-	788,136	5,538,744
2022	3,560,668	-	-	3,560,668
2023	1,281,792	-	-	1,281,792
Total	<u>\$ 22,004,268</u>	<u>\$ 27,857,972</u>	<u>\$ 2,364,408</u>	<u>\$ 52,226,648</u>

**CHARLESTON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 14 OTHER POSTEMPLOYMENT BENEFITS

Plan Description

In accordance with the South Carolina Code of Laws and the annual Appropriations Act, the state of South Carolina (State) provides health and dental benefits to retired State and school district employees and their covered dependents through the South Carolina Retiree Health Insurance Trust Fund (SCRHITF), referred to as the OPEB plan. The OPEB plan has been determined to be a cost-sharing multiple-employer defined benefit plans and is administered by the South Carolina Public Employee Benefit Authority (PEBA). Article 5 of the State Code of Laws defines the plan and authorizes PEBA to at any time adjust the plan, including its benefits and contributions, as necessary to ensure the fiscal stability of the plans. Generally, retirees are eligible for the health and dental benefits if they have established at least ten years of retirement service credit. For new hires on May 2, 2008 and after, retirees are eligible for benefits if they have established twenty-five years of service for 100% employer funding and fifteen through twenty-four years of service for 50% employer funding. Benefits become effective when the former employee retires under a State retirement system.

Funding Policy

Sections 1-11-705 through 1-11-710 of the South Carolina Code of Laws of 1976, as amended, requires these postemployment healthcare benefits be funded through annual appropriations by the General Assembly for active employees and participating retirees except the portion funded through the pension surcharge and provided from other applicable sources for active employees who are not funded by State appropriations.

Employers participating in the healthcare plan are mandated by State statute to contribute at a rate assessed each year by the Office of the Executive Budget, 5.50% of annual covered payroll for fiscal year 2018. PEBA sets the employer contribution rate based on a pay-as-you-go basis. The School District paid \$15,621,220 applicable to the surcharge included with the employer contribution for retirement benefits for the fiscal year ended June 30, 2018.

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

At June 30, 2018, the School District reported a liability of \$412,761,832 for its proportionate share of the net SCRHITF OPEB. The net OPEB liabilities were determined using a valuation date of June 30, 2016 and projected forward to a measurement date of June 30, 2017. At June 30, 2017, the School District's proportion of the SCRHITF net OPEB liability was 3.047%.

**CHARLESTON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 14 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

OPEB Liability, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources (Continued)

For the year ended June 30, 2018, the School District recognized OPEB expense of approximately \$25,907,000. At June 30, 2018, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ -	\$ 179,143
Differences Between Actual and Proportionate Share of Employer Contributions	-	5,903
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	709,241	-
Assumption Changes	-	38,838,968
School District's Contributions Subsequent to the Measurement Date	15,147,858	-
Total	<u>15,857,099</u>	<u>39,024,014</u>

\$15,147,858 that is reported as deferred outflows of resources related to the School District's contributions subsequent to the measurement date will be recognized as a reduction of the net pension OPEB in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the SCRS and PORS will be recognized in pension expense as follows:

<u>Year Ending June 30,</u>	
2019	\$ (6,070,530)
2020	(6,070,530)
2021	(6,070,530)
2022	(6,064,987)
Thereafter	(14,038,196)
Total	<u>\$ (38,314,773)</u>

Actuarial Assumptions and Methods

The total OPEB liability in the June 30, 2016 valuation were determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Cost Method: Entry Age Normal

Inflation: 2.25%

Investment Rate of Return: 4.00, net of OPEB Plan investment expense; including inflation

Single Discount Rate: 3.56% as of June 30, 2017

Demographic Assumptions: Based on the experience study performed for the South Carolina Retirement Systems for the 5-year period ending June 30, 2015

**CHARLESTON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 14 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Actuarial Assumptions and Methods (Continued)

Mortality: For healthy retirees, the 2016 Public Retirees of South Carolina Mortality Table for Males and the 2016 Public Retirees of South Carolina Mortality Table for Females are used with fully generational mortality projections based on Scale AA from the year 2016. Multipliers are applied to the base tables based on gender and employment type.

Health Care Trend Rate: Initial trend starting at 7.00% and gradually decreasing to an ultimate trend rate of 4.15% over a period of 15 years

Aging Factors: Based on plan specific experience

Retiree Participation: 79% for retirees who are eligible for funded premiums

The long-term expected rate of returns represent assumptions developed using an arithmetic building block approach primarily based on consensus expectations and market based inputs. The expected returns, along with the expected inflation rate, form the basis for the target asset allocation adopted at the beginning of the 2017 fiscal year. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and adding expected inflation. This information is summarized in the following table:

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

Discount Rate

The Single Discount Rate of 3.56% was used to measure the total OPEB liability for the SCRHITF. The SCRHITF's accounting policy for this plan is to set the Single Discount Rate equal to the prevailing municipal bond rate. The Fidelity "20-Year Municipal GO AA Index" for fixed-income municipal bonds with 20 years to maturity that include only federal tax-exempt municipal bonds was used for reporting as of June 30, 2017. Due to the plan's investment and funding policies, the difference between a blended discount rate and the municipal bond rate would be less than several basis points (several hundredths of one percent).

**CHARLESTON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 14 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Sensitivity Analysis

The following table presents the School District's proportionate share of SCRHITF's net OPEB liability calculated using a Single Discount Rate of 3.56%, as well as what the plan's net OPEB liability would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

	1% Decrease (2.56%)	Current Discount Rate (3.56%)	1% Increase (4.56%)
The School District's proportionate share of the net OPEB liability of the SCRHITF	\$ 486,120,902	\$ 412,761,832	\$ 353,622,798

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

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
The School District's proportionate share of the net OPEB liability of the SCRHITF	\$ 338,484,682	\$ 412,761,832	\$ 508,940,935

Plans' Fiduciary Net Position

Detailed information regarding the fiduciary net position of the SCRHITF administered by PEBA is available in the separately issued financial statements and required supplementary information for the SCRS and PORS. The CAFR of the Pension Trust Funds is publicly available on PEBA's website at <http://www.peba.sc.gov>.

NOTE 15 TAX ABATEMENTS

As of June 30, 2018, the School District is impacted by tax abatements provided by Charleston County through Fee In Lieu of Taxes (FILOT) Programs and Special Source Revenue Credits (SSRC).

The County has entered into negotiated FILOT agreements pursuant to the authority granted by Title 12/Chapter 44, Title 4/Chapter 29, and/or Title 4/Chapter 12 of the Code of Laws of South Carolina, 1976, as amended. Property subject to a FILOT agreement is exempt from ad valorem property tax and is instead subject to an amount equal to the product of the appraised value of the property times the assessment ratio (generally no lower than 6%, but may be as low as 4% for extraordinary projects that satisfy the statutory definition of an "enhanced investment"), times the millage rate. The millage rate is either fixed for the life of the agreement or is adjusted every five years based on the trailing five-year average.

**CHARLESTON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 15 TAX ABATEMENTS (CONTINUED)

The County provides special source revenue credits (SSRC), generally in conjunction with FILOT agreements, pursuant to the authority granted by Sections 4-29-68 and 4-1-170 of the Code of Laws of South Carolina, 1976, as amended. SSRC, often referred to as "Infrastructure Credits," are reductions to a taxpayer's payments in lieu of taxes. Property that receives SSRC is added to the "Multi-County-Industrial-Park" (MCIP) pursuant to Sections 4-1-170 through 4-1-175 of the Code of Laws of South Carolina, 1976, as amended. Most MCIP agreements allocate a set percentage of property tax (or fee in lieu of tax) revenue to a partner county.

As a result of the County programs having a direct effect on the total tax levy of the School District, the School District incurred tax abatements under the FILOT and SSRC programs in the amount of \$30,297,939.

NOTE 16 SUBSEQUENT EVENTS

In August 2018, the School District issued a short-term Tax Anticipation Note (TAN) with a par amount of \$65,350,000 at a coupon rate of 5.00% and received a premium of \$1,210,936. Principal and interest are due in full on March 29, 2019 and will be paid using operating tax collections. The TAN was issued for the purpose of providing funds to pay the operational expenditures of the School District during fiscal year 2019 until tax revenues are received.

In October 2018, the School District issued a Series 2018 General Obligation Bonds with a par amount of \$95,165,000 at a coupon rate of 5% and received a premium of \$2,398,169. Principal and interest are due through March 1, 2023 and will be paid using debt service tax collections. The Bonds were issued for the purpose of paying the installments coming due under the lease agreements with CEEF, repaying the outstanding Series 2018A GO BAN, and paying the cost of issuance of the bonds.

**CHARLESTON COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 17 RESTATEMENT

The School District adopted GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which improves accounting and financial reporting by state and local government employers whose employees are provided benefits through pensions. The School District is now required to record a liability for future other postemployment benefits in excess of accumulated plan contributions. This pronouncement requires the restatement of the June 30, 2017 net position of the governmental activities and the aggregate discretely presented component units.

	Governmental Activities	Aggregate Discretely Presented Component Units
Net Position, June 30, 2017, as previously stated	\$ 310,849,028	\$ (11,482,049)
Cumulative Affect of Application of GASB 75	(427,254,407)	(28,930,114)
Net Position, June 30, 2017, Restated	\$ (116,405,379)	\$ (40,412,163)

NOTE 18 GOING CONCERN – COMPONENT UNITS

For the year ended June 30, 2018, the financial statements of Prestige Preparatory Academy (Prestige), a discretely presented component unit of the School District, have been prepared assuming that Prestige will continue as a going concern. Prestige has responded by analyzing its existing staffing and overhead to determine the most efficient means to deliver its services. Prestige is also working to ensure the surrounding community becomes more aware of its mission and the educational opportunities it affords. Prestige has undertaken a number of enrollment initiatives. Management remains confident in the School's ability to increase its enrollment so as to more clearly match revenues with expenses. The School District conducted a heard of charter revocation in March 2018, representing that Prestige was in violation of provisions of the charter contract relating to finances and to academic performance. Following the hearing, the School District did not revoke the charter, but did establish specific conditions for Prestige to remain open. Prestige has complied with these conditions to date. Due to these issues, substantial doubt remains regarding the ability of Prestige to continue as a going concern.

**CHARLESTON COUNTY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGETS AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
	Original	Final		
REVENUES				
Local Property Taxes	\$ 293,599,973	\$ 293,744,061	\$ 293,305,834	\$ (438,227)
Other Local	670,000	1,355,000	2,256,074	901,074
Total Local	<u>294,269,973</u>	<u>295,099,061</u>	<u>295,561,908</u>	<u>462,847</u>
State	174,491,073	174,586,221	176,828,911	2,242,690
Federal	106,861	234,536	388,489	153,953
Intergovernmental	9,000	135,000	175,808	40,808
Total Revenues	<u>468,876,907</u>	<u>470,054,818</u>	<u>472,955,116</u>	<u>2,900,298</u>
EXPENDITURES				
Current:				
Instruction	236,437,705	239,750,350	227,624,303	12,126,047
Support Services	184,463,937	188,545,117	180,881,328	7,663,789
Community Services	1,021,028	1,214,390	745,947	468,443
Intergovernmental	6,015,315	5,013,200	6,075,545	(1,062,345)
Payments to Component Units	39,144,257	39,437,723	40,996,431	(1,558,708)
Capital Outlay	175,816	317,929	363,794	(45,865)
Debt Service:				
Interest and Other Fiscal Charges	100,000	100,000	427,566	(327,566)
Total Expenditures	<u>467,358,058</u>	<u>474,378,709</u>	<u>457,114,914</u>	<u>17,263,795</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,518,849	(4,323,891)	15,840,202	20,164,093
OTHER FINANCING SOURCES (USES)				
Transfers In	11,691,152	12,883,906	13,311,447	427,541
Transfers Out	(1,060,000)	(1,060,000)	(1,060,000)	-
Total Other Financing Sources	<u>10,631,152</u>	<u>11,823,906</u>	<u>12,251,447</u>	<u>427,541</u>
NET CHANGES IN FUND BALANCES	12,150,001	7,500,015	28,091,649	20,591,634
Fund Balance - Beginning of Year	<u>42,059,145</u>	<u>42,059,145</u>	<u>42,059,145</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 54,209,146</u>	<u>\$ 49,559,160</u>	<u>\$ 70,150,794</u>	<u>\$ 20,591,634</u>

**CHARLESTON COUNTY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGETS AND ACTUAL
SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
	Original	Final		
REVENUES				
Other Local	\$ 11,460,750	\$ 15,236,975	\$ 13,157,047	\$ (2,079,928)
State	5,647,164	6,430,853	6,367,757	(63,096)
Federal	40,842,824	54,790,667	45,749,617	(9,041,050)
Total Revenues	<u>57,950,738</u>	<u>76,458,495</u>	<u>65,274,421</u>	<u>(11,184,074)</u>
EXPENDITURES				
Current:				
Instruction	22,931,445	33,469,414	28,829,772	4,639,642
Support Services	22,182,109	29,343,680	22,737,226	6,606,454
Community Services	10,325,196	10,588,836	9,018,199	1,570,637
Intergovernmental	422,599	422,599	564,840	(142,241)
Payments to Component Units	1,002,887	1,538,732	1,547,871	(9,139)
Capital Outlay	7,340	76,263	5,517	70,746
Total Expenditures	<u>56,871,576</u>	<u>75,439,524</u>	<u>62,703,425</u>	<u>12,736,099</u>
EXCESS OF REVENUES OVER EXPENDITURES	1,079,162	1,018,971	2,570,996	1,552,025
OTHER FINANCING SOURCES (USES)				
Use of Fund Balance	507,927	820,313	-	(820,313)
Sale of Capital Assets	-	16,938	16,938	-
Transfers In	235,000	235,000	455,424	220,424
Transfers Out	(1,822,089)	(2,121,221)	(1,862,908)	258,313
Total Other Financing Sources (Uses)	<u>(1,079,162)</u>	<u>(1,048,970)</u>	<u>(1,390,546)</u>	<u>478,737</u>
NET CHANGES IN FUND BALANCES	-	(29,999)	1,180,450	2,030,762
Fund Balance - Beginning of Year	<u>2,073,702</u>	<u>2,073,702</u>	<u>2,073,702</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 2,073,702</u></u>	<u><u>\$ 2,043,703</u></u>	<u><u>\$ 3,254,152</u></u>	<u><u>\$ 2,030,762</u></u>

**CHARLESTON COUNTY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGETS AND ACTUAL
EDUCATION IMPROVEMENT ACT FUND
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
	Original	Final		
REVENUES				
State	\$ 26,304,422	\$ 33,519,376	\$ 30,808,525	\$ (2,710,851)
EXPENDITURES				
Current:				
Instruction	8,868,089	10,991,449	9,756,085	1,235,364
Support Services	5,686,932	10,019,823	8,541,198	1,478,625
Payments to Component Units	1,707,662	2,104,064	2,117,578	(13,514)
Capital Outlay	49,659	182,815	172,577	10,238
Total Expenditures	<u>16,312,342</u>	<u>23,298,151</u>	<u>20,587,438</u>	<u>2,710,713</u>
EXCESS OF REVENUES OVER EXPENDITURES	9,992,080	10,221,225	10,221,087	138
OTHER FINANCING SOURCES (USES)				
Transfers Out	<u>(9,992,080)</u>	<u>(10,221,225)</u>	<u>(10,221,087)</u>	<u>(138)</u>
NET CHANGES IN FUND BALANCES	-	-	-	-
Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CHARLESTON COUNTY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGETS AND ACTUAL
FOOD SERVICE FUND
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
	Original	Final		
REVENUES				
Other Local	\$ 4,790,874	\$ 4,790,874	\$ 5,043,786	\$ 252,912
State	-	-	1,908	1,908
Federal	23,192,327	23,192,327	22,358,727	(833,600)
Total Revenues	<u>27,983,201</u>	<u>27,983,201</u>	<u>27,404,421</u>	<u>(578,780)</u>
EXPENDITURES				
Current:				
Support Services	27,184,440	27,165,940	27,025,018	140,922
Capital Outlay	141,500	160,000	150,972	9,028
Total Expenditures	<u>27,325,940</u>	<u>27,325,940</u>	<u>27,175,990</u>	<u>149,950</u>
EXCESS OF REVENUES OVER EXPENDITURES	657,261	657,261	228,431	428,830
OTHER FINANCING SOURCES (USES)				
Transfers In	825,000	825,000	825,000	-
Transfers Out	(1,482,261)	(1,482,261)	(1,447,876)	34,385
Total Other Financing Sources (Uses)	<u>(657,261)</u>	<u>(657,261)</u>	<u>(622,876)</u>	<u>34,385</u>
NET CHANGES IN FUND BALANCES	-	-	(394,445)	(394,445)
Fund Balance - Beginning of Year	<u>8,788,060</u>	<u>8,788,060</u>	<u>8,788,060</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 8,788,060</u>	<u>\$ 8,788,060</u>	<u>\$ 8,393,615</u>	<u>\$ (394,445)</u>

**CHARLESTON COUNTY SCHOOL DISTRICT
SCHEDULE OF CHARLESTON COUNTY SCHOOL DISTRICT'S PROPORTIONATE
SHARE OF NET PENSION LIABILITY
SOUTH CAROLINA RETIREMENT SYSTEM**

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Proportion of the Net Pension Liability	2.339 %	2.661 %	2.540 %	2.595 %	2.595 %
Proportionate Share of the Net Pension Liability	\$ 526,608,423	\$ 568,364,147	\$ 481,685,824	\$ 446,724,975	\$ 465,400,428
Covered Payroll	\$ 284,512,695	\$ 264,892,857	\$ 290,997,797	\$ 211,165,412	\$ 212,227,347
Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	185.09 %	214.56 %	165.53 %	211.55 %	219.29 %
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	53.3%	52.9%	57.0%	59.9%	56.4%

Note to Schedule:

The amounts for each fiscal year were determined as of June 30th of the preceding year. Only five years of data were available; thus, only five years were presented.

**CHARLESTON COUNTY SCHOOL DISTRICT
SCHEDULE OF CHARLESTON COUNTY SCHOOL DISTRICT'S CONTRIBUTIONS
SOUTH CAROLINA RETIREMENT SYSTEM
LAST TEN FISCAL YEARS**

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 35,735,566	\$ 27,751,503	\$ 28,978,138	\$ 28,617,697	\$ 22,496,099
Contributions in Relation to the Contractually Required Contributions	<u>35,735,566</u>	<u>27,751,503</u>	<u>28,978,138</u>	<u>28,617,697</u>	<u>22,496,099</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Charleston County School District's Covered Payroll	\$ 284,512,695	\$ 264,892,857	\$ 290,997,797	\$ 262,544,956	\$ 212,227,347
Contributions as a Percentage of Covered Payroll	12.56 %	10.48 %	9.96 %	10.90 %	10.60 %

Note to Schedule:

Only four years of data were available; thus, only five years were presented.

**CHARLESTON COUNTY SCHOOL DISTRICT
SCHEDULE OF CHARLESTON COUNTY SCHOOL DISTRICT'S PROPORTIONATE
SHARE OF NET PENSION LIABILITY
POLICE OFFICERS' RETIREMENT SYSTEM**

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Proportion of the Net Pension Liability	0.010 %	0.016 %	0.021 %	0.020 %	0.020 %
Proportionate Share of the Net Pension Liability	\$ 248,177	\$ 394,168	\$ 463,731	\$ 388,763	\$ 420,959
Covered Payroll	\$ 139,489	\$ 121,989	\$ 198,086	\$ 263,586	\$ 244,244
Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	177.92 %	323.12 %	234.11 %	147.49 %	172.35 %
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	60.9 %	60.4 %	64.6 %	67.6 %	63.0 %

Note to Schedule:

The amounts for each fiscal year were determined as of June 30th of the preceding year. Only five years of data were available; thus, only five years were presented.

**CHARLESTON COUNTY SCHOOL DISTRICT
SCHEDULE OF CHARLESTON COUNTY SCHOOL DISTRICT'S CONTRIBUTIONS
POLICE OFFICERS' RETIREMENT SYSTEM
LAST TEN FISCAL YEARS**

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 22,653	\$ 16,884	\$ 26,425	\$ 35,347	\$ 31,361
Contributions in Relation to the Contractually Required Contributions	<u>22,653</u>	<u>16,884</u>	<u>26,425</u>	<u>35,347</u>	<u>31,361</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Charleston County School District's Covered Payroll	\$ 139,489	\$ 121,989	\$ 198,086	\$ 263,586	\$ 244,244
Contributions as a Percentage of Covered Payroll	16.24%	13.84%	13.34%	13.41%	12.84%

Note to Schedule:

Only five years of data were available; thus, only five years were presented.

**CHARLESTON COUNTY SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
SOUTH CAROLINA RETIREMENT SYSTEM AND POLICE OFFICERS' RETIREMENT SYSTEM
JUNE 30, 2018**

NOTE 1 CHANGES IN BENEFIT TERMS

There were no benefit changes during the year.

NOTE 2 CHANGES IN ASSUMPTIONS

The discount rate changed from 7.50% as of June 30, 2016 to 7.25% as of June 30, 2017

**CHARLESTON COUNTY SCHOOL DISTRICT
SCHEDULE OF CHARLESTON COUNTY SCHOOL DISTRICT'S PROPORTIONATE
SHARE OF NET OPEB LIABILITY
SOUTH CAROLINA RETIREE HEALTH INSURANCE TRUST FUND**

	<u>2018</u>
Proportion of the Net OPEB Liability	3.047 %
Proportionate Share of the Net OPEB Liability	\$ 412,761,832
Covered Payroll	\$ 265,014,846
Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	155.75 %
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	7.6 %

Note to Schedule:

The amounts for each fiscal year were determined as of June 30th of the preceding year. Only one year of data was available; thus, only one year were presented.

**CHARLESTON COUNTY SCHOOL DISTRICT
SCHEDULE OF CHARLESTON COUNTY SCHOOL DISTRICT'S CONTRIBUTIONS
SOUTH CAROLINA RETIREE HEALTH INSURANCE TRUST FUND
LAST TEN FISCAL YEARS**

	<u>2018</u>	<u>2017</u>
Contractually Required Contribution	\$ 15,147,858	\$ 14,125,292
Contributions in Relation to the Contractually Required Contributions	<u>15,147,858</u>	<u>14,125,292</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>
Charleston County School District's Covered Payroll	\$ 284,652,184	\$ 265,014,846
Contributions as a Percentage of Covered Payroll	5.32%	5.33%

Note to Schedule:

Only two years of data were available; thus, only two years were presented.

**CHARLESTON COUNTY SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
SOUTH CAROLINA RETIREE HEALTH INSURANCE TRUST FUND
JUNE 30, 2018**

NOTE 1 CHANGES IN BENEFIT TERMS

There were no benefit changes during the year.

NOTE 2 CHANGES IN ASSUMPTIONS

The discount rate changed from 2.92% as of June 30, 2016 to 3.56% as of June 30, 2017

**CHARLESTON COUNTY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
REVISED BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2018**

	Revised Budget	Actual	Variance
REVENUES			
1000 Revenue from Local Sources:			
1100 Taxes:			
1110 Ad Valorem Taxes-Including Delinquent (Independent)	\$ 278,441,873	\$ 276,027,989	\$ (2,413,884)
1140 Penalties and Interest on Taxes (Independent)	7,860,000	8,240,153	380,153
1200 Revenue from Local Governmental Units Other than LEA's:			
1280 Revenue in Lieu of Taxes (Independent and Dependent)	7,442,188	9,037,692	1,595,504
1300 Tuition:			
1310 Tuition from Patrons for Regular Day School	150,000	262,040	112,040
1500 Earnings on Investments:			
1510 Interest on Investments	500,000	1,268,606	768,606
1900 Other Revenue from Local Sources:			
1910 Rentals	350,000	530,747	180,747
1912 Repayment of Payroll Overpayment	-	3,777	3,777
1950 Refund of Prior Year's Expenditures	50,000	45,173	(4,827)
1993 Receipt of Insurance Proceeds	50,000	37,106	(12,894)
1999 Revenue from Other Local Sources	255,000	108,625	(146,375)
Total Revenue from Local Sources	<u>295,099,061</u>	<u>295,561,908</u>	<u>462,847</u>
2000 Intergovernmental Revenue:			
2100 Payments from Other Governmental Units	75,000	122,211	47,211
2200 Payments from Public Charter School	60,000	53,597	(6,403)
Total Intergovernmental Revenue	<u>135,000</u>	<u>175,808</u>	<u>40,808</u>
3000 Revenue from State Sources:			
3100 Restricted State Funding:			
3130 Special Programs:			
3131 Handicapped Transportation - Bus Driver Aides	15,000	8,480	(6,520)
3132 Home Schooling (No Carryover Position)	-	4,850	4,850
3160 School Bus Driver's Salary (Includes Hazardous Condition Transportation):	1,979,210	2,405,543	426,333
3161 EAA Bus Driver Salary and Fringe	10,000	8,356	(1,644)
3162 Transportation Workers' Compensation	150,000	144,665	(5,335)
3180 Fringe Benefits Employer Contributions (No Carryover Provision):	20,133,481	20,303,566	170,085
3181 Retiree Insurance (No Carryover Provision)	9,931,467	9,427,147	(504,320)
3300 Education Finance Act:			
3310 Full-Time Programs:			
3311 Kindergarten	2,822,481	2,751,446	(71,035)
3312 Primary	8,747,201	8,227,770	(519,431)
3313 Elementary	12,809,050	12,662,542	(146,508)
3314 High School	4,846,813	4,938,722	91,909
3315 Trainable Mentally Handicapped	221,802	186,096	(35,706)
3316 Speech Handicapped (Part-Time Program)	923,209	921,375	(1,834)

CHARLESTON COUNTY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (CONTINUED)
REVISED BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2018

	Revised Budget	Actual	Variance
REVENUES (CONTINUED)			
3317 Homebound	\$ 62,445	\$ 56,301	\$ (6,144)
3320 Part-Time Programs:			
3321 Emotionally Handicapped	208,434	182,587	(25,847)
3322 Educable Mentally Handicapped	258,393	262,224	3,831
3323 Learning Disabilities	2,982,009	2,689,586	(292,423)
3324 Hearing Handicapped	108,588	93,206	(15,382)
3325 Visually Handicapped	48,270	80,812	32,542
3326 Orthopedically Handicapped	63,838	65,401	1,563
3327 Vocational	5,320,764	5,065,215	(255,549)
3330 Other EFA Programs:			
3331 Autism	930,553	938,245	7,692
3332 High Achieving Students	1,269,704	1,397,892	128,188
3334 Limited English Proficiency	473,397	482,630	9,233
3350 Residential Treatment Facilities	-	77,123	77,123
3351 Academic Assistance	1,470,685	1,602,126	131,441
3352 Pupils in Poverty	4,587,530	4,462,012	(125,518)
3353 Dual	245,662	120,024	(125,638)
3392 NBSC Excess	-	182,743	182,743
3800 State Revenue in Lieu of Taxes:			
3810 Reimbursement for Local Residential Property Tax Relief	16,955,781	16,955,782	1
3820 Homestead Exemption	3,557,362	3,557,262	(100)
3825 Reimbursement for Property Tax Relief (Tier 3)	70,764,755	70,825,778	61,023
3830 Merchant's Inventory Tax	1,948,337	1,948,337	-
3840 Manufacturers Depreciation Reimbursement	740,000	818,939	78,939
Total Revenue from State Sources	174,586,221	173,854,783	(731,438)
3900 Other State Revenue:			
3993 PEBA	-	2,967,628	2,967,628
3999 Revenue from Other State Sources	-	6,500	6,500
Total Revenue from Other State Sources	-	2,974,128	2,974,128
4000 Revenue from Federal Sources:			
4100 Federally Impacted Areas:			
4110 Maintenance and Operations (P.L. 874)	95,536	100,629	5,093
4900 Revenue From Other Fed Sources			
4999 Revenue From Other Fed Sources	139,000	287,860	148,860
Total Revenue from Federal Sources	234,536	388,489	153,953
Total Revenue All Sources	470,054,818	472,955,116	2,900,298
EXPENDITURES			
100 Instruction:			
110 General Instruction:			
111 Kindergarten Programs:			
100 Salaries	12,254,123	11,641,401	612,722
200 Employee Benefits	5,102,967	4,909,876	193,091
300 Purchased Services	500	340	160
400 Supplies and Materials	93,921	92,464	1,457
112 Primary Programs:			
100 Salaries	29,214,694	27,410,733	1,803,961
200 Employee Benefits	11,408,266	10,903,660	504,606
300 Purchased Services	1,728,845	3,707,950	(1,979,105)
400 Supplies and Materials	362,036	346,021	16,015

CHARLESTON COUNTY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (CONTINUED)
REVISED BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2018

EXPENDITURES (CONTINUED)	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
113 Elementary Programs:			
100 Salaries	\$ 48,273,613	\$ 45,933,370	\$ 2,340,243
140 Terminal Leave	750,000	-	750,000
200 Employee Benefits	18,884,018	18,418,127	465,891
300 Purchased Services	2,477,734	1,340,237	1,137,497
400 Supplies and Materials	819,245	825,723	(6,478)
600 Other Objects	1,720	827	893
114 High School Programs:			
100 Salaries	28,240,007	27,343,168	896,839
140 Terminal Leave	-	34,419	(34,419)
200 Employee Benefits	10,932,477	11,069,452	(136,975)
300 Purchased Services	1,443,201	2,058,376	(615,175)
400 Supplies and Materials	343,045	304,568	38,477
600 Other Objects	481,427	1,042	480,385
115 Vocational Programs:			
100 Salaries	7,073,654	6,524,713	548,941
200 Employee Benefits	2,739,691	2,606,523	133,168
300 Purchased Services	94,760	82,374	12,386
400 Supplies and Materials	272,485	221,353	51,132
600 Other Objects	235,231	90	235,141
118 Montessori Programs:			
100 Salaries	4,274,212	4,123,697	150,515
200 Employee Benefits	1,731,421	1,710,355	21,066
300 Purchased Services	28,987	45,010	(16,023)
400 Supplies and Materials	38,225	36,151	2,074
600 Other Objects	109,072	-	109,072
120 Exceptional Programs:			
121 Educable Mentally-Handicapped:			
100 Salaries	5,329,923	4,804,896	525,027
200 Employee Benefits	2,336,481	2,055,072	281,409
122 Trainable Mentally Handicapped:			
100 Salaries	1,011,913	1,012,789	(876)
200 Employee Benefits	382,649	402,748	(20,099)
400 Supplies and Materials	-	1,047	(1,047)
123 Orthopedically Handicapped:			
100 Salaries	69,434	80,744	(11,310)
200 Employee Benefits	23,855	27,017	(3,162)
124 Visually Handicapped:			
100 Salaries	123,514	142,462	(18,948)
200 Employee Benefits	47,204	47,756	(552)
300 Purchased Services	17,500	2,605	14,895

CHARLESTON COUNTY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (CONTINUED)
REVISED BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2018

EXPENDITURES (CONTINUED)	Revised Budget	Actual	Variance
125 Hearing Handicapped:			
100 Salaries	\$ 590,858	\$ 612,975	\$ (22,117)
200 Employee Benefits	269,642	272,733	(3,091)
126 Speech Handicapped:			
100 Salaries	2,556,120	2,472,721	83,399
200 Employee Benefits	1,012,543	971,895	40,648
127 Learning Disabilities:			
100 Salaries	8,684,136	7,633,982	1,050,154
200 Employee Benefits	3,267,214	3,006,794	260,420
400 Supplies and Materials	500	618	(118)
128 Emotionally Handicapped:			
100 Salaries	1,471,590	1,112,974	358,616
200 Employee Benefits	520,539	420,224	100,315
300 Purchased Services	-	20,933	(20,933)
130 Pre-School Programs:			
132 Pre-School Handicapped Itinerant (5-Yr. Olds):			
100 Salaries	1,488,270	1,508,354	(20,084)
200 Employee Benefits	627,534	620,357	7,177
400 Supplies and Materials	250	132	118
137 Pre-School Handicapped Self-Contained (3 & 4- Yr. Olds):			
100 Salaries	288,413	248,948	39,465
200 Employee Benefits	124,944	114,312	10,632
400 Supplies and Materials	-	9,948	(9,948)
139 Early Childhood Programs:			
100 Salaries	5,339,989	5,378,081	(38,092)
200 Employee Benefits	2,325,019	2,333,149	(8,130)
300 Purchased Services	1,765	1,050	715
400 Supplies and Materials	66,203	19,358	46,845
140 Special Programs:			
141 Gifted and Talented - Academic:			
100 Salaries	2,820,003	2,757,606	62,397
200 Employee Benefits	1,082,472	1,078,529	3,943
300 Purchased Services	50,000	34,433	15,567
145 Homebound:			
100 Salaries	457,399	288,857	168,542
200 Employee Benefits	125,325	73,973	51,352
300 Purchased Services	50,000	23,795	26,205
148 Gifted and Talented - Artistic:			
100 Salaries	-	120	(120)
200 Employee Benefits	-	34	(34)
300 Purchased Services	98,775	74,834	23,941
400 Supplies and Materials	193,311	110,845	82,466
600 Other Objects	21,366	-	21,366
149 Other Special Programs:			
100 Salaries	-	735	(735)
200 Employee Benefits	-	206	(206)

CHARLESTON COUNTY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (CONTINUED)
REVISED BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2018

	Revised Budget	Actual	Variance
EXPENDITURES (CONTINUED)			
160 Other Exceptional Programs:			
161 Autism:			
100 Salaries	\$ 944,284	\$ 734,937	\$ 209,347
200 Employee Benefits	410,336	314,581	95,755
162 Limited English Proficiency:			
100 Salaries	2,701,856	2,782,395	(80,539)
200 Employee Benefits	1,012,627	1,070,712	(58,085)
300 Purchased Services	29,000	8,283	20,717
170 Summer School Programs:			
172 Elementary Summer School:			
100 Salaries	48,421	7,613	40,808
200 Employee Benefits	13,146	2,150	10,996
300 Purchased Services	1,600	1,590	10
400 Supplies and Materials	17,043	4,503	12,540
173 High School Summer School:			
100 Salaries	56,045	65,452	(9,407)
200 Employee Benefits	14,904	18,363	(3,459)
174 Gifted and Talented Summer School:			
100 Salaries	93,706	30,197	63,509
200 Employee Benefits	26,294	7,610	18,684
175 Instructional Programs Beyond Regular School Day:			
100 Salaries	1,000	3,410	(2,410)
200 Employee Benefits	281	896	(615)
180 Adult/Continuing Educational Programs:			
181 Adult Basic Education Programs:			
100 Salaries	31,935	32,004	(69)
200 Employee Benefits	8,528	9,051	(523)
300 Purchased Services	1,000	14,428	(13,428)
188 Parenting/Family Literacy:			
100 Salaries	30,148	27,247	2,901
200 Employee Benefits	15,323	11,699	3,624
190 Instructional Pupil Activity:			
100 Salaries	1,587,525	783,648	803,877
200 Employee Benefits	419,118	220,873	198,245
Total Instruction	<u>239,750,350</u>	<u>227,624,303</u>	<u>12,126,047</u>

CHARLESTON COUNTY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (CONTINUED)
REVISED BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2018

	Revised Budget	Actual	Variance
EXPENDITURES (CONTINUED)			
200 Support Services:			
210 Pupil Services:			
211 Attendance and Social Work Services:			
100 Salaries	\$ 198,916	\$ 195,138	\$ 3,778
140 Terminal Leave	-	28,033	(28,033)
200 Employee Benefits	68,129	75,212	(7,083)
300 Purchased Services	168,845	149,002	19,843
400 Supplies and Materials	3,298	2,173	1,125
212 Guidance Services:			
100 Salaries	8,199,339	7,760,130	439,209
140 Terminal Leave	-	27,875	(27,875)
200 Employee Benefits	3,134,953	3,064,987	69,966
300 Purchased Services	79,517	65,559	13,958
400 Supplies and Materials	4,350	10	4,340
213 Health Services:			
100 Salaries	3,490,075	3,433,623	56,452
140 Terminal Leave	-	21,887	(21,887)
200 Employee Benefits	1,251,663	1,273,731	(22,068)
300 Purchased Services	164,010	72,175	91,835
400 Supplies and Materials	87,660	71,811	15,849
600 Other Objects	1,700	1,665	35
214 Psychological Services:			
100 Salaries	948,855	1,911,819	(962,964)
200 Employee Benefits	358,484	747,951	(389,467)
300 Purchased Services	69,600	152,708	(83,108)
400 Supplies and Materials	3,808	3,329	479
215 Exceptional Program Services:			
100 Salaries	722,663	329,982	392,681
200 Employee Benefits	268,597	130,159	138,438
300 Purchased Services	41,500	8,553	32,947
400 Supplies and Materials	49,500	5,973	43,527
220 Instructional Staff Services:			
221 Improvement of Instruction-Curriculum Development:			
100 Salaries	8,897,622	6,891,039	2,006,583
140 Terminal Leave	-	146,988	(146,988)
180 Head of Organizational Unit Salaries	-	188,713	(188,713)
200 Employee Benefits	3,197,633	2,508,426	689,207
280 Head of Organizational Unit Employee Benefits	-	51,852	(51,852)
300 Purchased Services	2,006,522	1,361,115	645,407
400 Supplies and Materials	934,708	778,447	156,261
600 Other Objects	118,208	98,155	20,053
222 Library and Media Services:			
100 Salaries	4,510,101	4,351,339	158,762
200 Employee Benefits	1,716,899	1,629,147	87,752
300 Purchased Services	-	89,639	(89,639)
400 Supplies and Materials	140,723	133,547	7,176
600 Other Objects	30,965	-	30,965

CHARLESTON COUNTY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (CONTINUED)
REVISED BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2018

EXPENDITURES (CONTINUED)	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
223 Supervision of Special Programs:			
100 Salaries	\$ 1,785,769	\$ 1,355,256	\$ 430,513
140 Terminal Leave	-	67,307	(67,307)
200 Employee Benefits	693,094	524,608	168,486
300 Purchased Services	203,347	155,805	47,542
400 Supplies and Materials	56,716	52,534	4,182
600 Other Objects	1,833	1,368	465
224 Improvement of Instruction-Inservice and Staff Training:			
100 Salaries	54,556	598,569	(544,013)
140 Terminal Leave	-	28,600	(28,600)
200 Employee Benefits	19,300	243,606	(224,306)
300 Purchased Services	27,186	6,749	20,437
400 Supplies and Materials	3,500	1,861	1,639
600 Other Objects	1,880	1,880	-
230 General Administrative Services:			
231 Board of Education:			
100 Salaries	298,515	174,418	124,097
140 Terminal Leave	-	39,451	(39,451)
180 Head of Organizational Unit Salaries	-	148,578	(148,578)
200 Employee Benefits	104,456	74,395	30,061
280 Head of Organizational Unit Employee Benefits	-	51,252	(51,252)
300 Purchased Services	627,462	426,549	200,913
318 Audit Services	-	97,690	(97,690)
400 Supplies and Materials	31,646	22,962	8,684
600 Other Objects	53,476	48,660	4,816
232 Office of Superintendent:			
100 Salaries	376,697	387,367	(10,670)
140 Terminal Leave	-	1,414	(1,414)
200 Employee Benefits	141,734	106,684	35,050
300 Purchased Services	39,684	35,604	4,080
400 Supplies and Materials	20,246	12,092	8,154
600 Other Objects	12,684	3,403	9,281
233 School Administration:			
100 Salaries	25,285,856	24,157,440	1,128,416
140 Terminal Leave	-	257,179	(257,179)
200 Employee Benefits	9,263,274	9,216,884	46,390
300 Purchased Services	1,222,869	1,276,675	(53,806)
400 Supplies and Materials	436,604	412,949	23,655
600 Other Objects	36,339	29,655	6,684
250 Finance and Operations Services:			
251 Student Transportation (Federal/District Mandated):			
100 Salaries	50,000	-	50,000
200 Employee Benefits	12,575	-	12,575

CHARLESTON COUNTY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (CONTINUED)
REVISED BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2018

EXPENDITURES (CONTINUED)	Revised Budget	Actual	Variance
252 Fiscal Services:			
100 Salaries	\$ 2,578,569	\$ 2,371,622	\$ 206,947
140 Terminal Leave	-	59,864	(59,864)
180 Head of Organizational Unit Salaries	159,511	25,845	133,666
200 Employee Benefits	964,045	861,896	102,149
280 Head of Organizational Employee Benefits	-	7,819	(7,819)
300 Purchased Services	275,905	137,323	138,582
380 Head of Organizational Unit Travel	3,600	561	3,039
400 Supplies and Materials	64,492	63,483	1,009
600 Other Objects	62,447	7,022	55,425
253 Facilities Acquisition and Construction:			
100 Salaries	46,503	10,259	36,244
180 Head of Organizational Unit Salaries	-	37,661	(37,661)
200 Employee Benefits	13,487	4,014	9,473
280 Head of Organizational Employee Benefits	-	10,122	(10,122)
300 Purchased Services	48,376	48,065	311
400 Supplies and Materials	1,200	1,433	(233)
600 Other Objects	351	351	-
254 Operation and Maintenance of Plant:			
100 Salaries	6,298,092	5,606,024	692,068
140 Terminal Leave	-	63,753	(63,753)
200 Employee Benefits	2,429,136	2,240,003	189,133
300 Purchased Services	26,557,663	27,872,280	(1,314,617)
321 Public Utilities (Excludes Gas, Oil, Elec. And Other Heating Fuels)	1,992,900	1,733,873	259,027
400 Supplies and Materials	2,788,779	2,827,520	(38,741)
470 Energy (Includes Gas, Oil, Elec. and Other Heating Fuels)	13,814,650	13,509,870	304,780
500 Capital Outlay	189,039	222,884	(33,845)
600 Other Objects	347,772	344,439	3,333
255 Student Transportation (State Mandated):			
100 Salaries	515,175	554,662	(39,487)
140 Terminal Leave	-	6,739	(6,739)
200 Employee Benefits	182,706	195,333	(12,627)
300 Purchased Services	19,762,606	20,214,859	(452,253)
400 Supplies and Materials	180,000	258,468	(78,468)
257 Internal Services:			
100 Salaries	1,002,173	918,424	83,749
140 Terminal Leave	-	7,370	(7,370)
200 Employee Benefits	403,095	356,949	46,146
300 Purchased Services	1,799,410	2,187,954	(388,544)
400 Supplies and Materials	94,447	86,758	7,689
600 Other Objects	4,336	3,514	822
258 Security:			
100 Salaries	583,408	559,925	23,483
200 Employee Benefits	215,088	215,221	(133)
300 Purchased Services	1,503,672	1,453,040	50,632
400 Supplies and Materials	92,566	83,997	8,569
600 Other Objects	176	176	-

CHARLESTON COUNTY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (CONTINUED)
REVISED BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2018

EXPENDITURES (CONTINUED)	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
259 Internal Auditing Services:			
100 Salaries	\$ 440,875	\$ 392,848	\$ 48,027
140 Terminal Leave	-	4,282	(4,282)
200 Employee Benefits	143,741	143,306	435
300 Purchased Services	268,490	32,067	236,423
380 Head of Organizational Unit Travel	2,600	1,424	1,176
400 Supplies and Materials	5,534	2,289	3,245
480 Head of Organizational Unit Supplies	11	11	
600 Other Objects	1,050	735	315
260 Central Support Services:			
262 Planning, Research, Development, and Evaluation:			
100 Salaries	1,440,180	1,150,936	289,244
140 Terminal Leave	-	12,384	(12,384)
180 Head of Organizational Unit Salaries	140,000	51,470	88,530
200 Employee Benefits	536,963	417,690	119,273
280 Head of Organizational Employee Benefits	-	15,766	(15,766)
300 Purchased Services	400,372	162,845	237,527
400 Supplies and Materials	25,044	39,619	(14,575)
500 Capital Outlay	-	24,037	(24,037)
600 Other Objects	1,800	2,156	(356)
263 Information Services:			
100 Salaries	604,686	528,684	76,002
140 Terminal Leave	-	14,160	(14,160)
180 Head of Organizational Unit Salaries	130,588	131,808	(1,220)
200 Employee Benefits	231,251	210,355	20,896
280 Head of Organizational Employee Benefits	29,692	37,059	(7,367)
300 Purchased Services	878,660	802,225	76,435
400 Supplies and Materials	122,283	145,433	(23,150)
600 Other Objects	5,528	4,433	1,095
264 Staff Services:			
100 Salaries	3,650,391	3,154,510	495,881
140 Terminal Leave	-	57,452	(57,452)
180 Head of Organizational Unit Salaries	151,644	150,643	1,001
200 Employee Benefits	2,330,535	1,664,986	665,549
280 Head of Organizational Employee Benefits	-	45,984	(45,984)
300 Purchased Services	650,848	436,472	214,376
380 Head of Organizational Unit Travel	10,000	8,075	1,925
400 Supplies and Materials	96,304	50,302	46,002
480 Head of Organizational Unit Supplies	2,000	1,243	757
500 Capital Outlay	1,152	-	1,152
600 Other Objects	1,234,233	1,061,949	172,284

CHARLESTON COUNTY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (CONTINUED)
REVISED BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2018

	Revised Budget	Actual	Variance
EXPENDITURES (CONTINUED)			
266 Technology and Data Processing Services:			
100 Salaries	\$ 3,317,909	\$ 2,585,100	\$ 732,809
140 Terminal Leave	-	50,498	(50,498)
200 Employee Benefits	1,174,970	924,453	250,517
300 Purchased Services	1,283,988	1,053,172	230,816
400 Supplies and Materials	454,061	420,481	33,580
500 Capital Outlay	128,890	116,873	12,017
600 Other Objects	852	739	113
270 Support Services Pupil Activity:			
271 Pupil Services Activities:			
100 Salaries (Optional)	1,593,302	1,455,274	138,028
200 Employee Benefits (Optional)	341,414	405,400	(63,986)
300 Purchased Services (Optional)	281,689	280,457	1,232
400 Supplies and Materials (Optional)	44,000	19,214	24,786
600 Other Objects (Optional)	-	21,112	(21,112)
Total Support Services	<u>188,863,046</u>	<u>181,245,122</u>	<u>7,617,924</u>
300 Community Services:			
330 Civic Services:			
100 Salaries	227,456	279,937	(52,481)
200 Employee Benefits	97,502	98,310	(808)
390 Other Community Services:			
100 Salaries	294,403	159,996	134,407
200 Employee Benefits	98,829	55,534	43,295
300 Purchased Services	225,000	91,082	133,918
400 Supplies and Materials	271,200	61,088	210,112
Total Community Services	<u>1,214,390</u>	<u>745,947</u>	<u>468,443</u>

**CHARLESTON COUNTY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (CONTINUED)
REVISED BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2018**

	Revised Budget	Actual	Variance
EXPENDITURES (CONTINUED)			
400 Other Charges:			
410 Intergovernmental Expenditures:			
412 Payments to Other Governmental Units:			
720 Transits	\$ 313,200	\$ 179,733	\$ 133,467
416 Payments to Public Charter Schools:			
720 Transits	39,437,723	40,996,431	(1,558,708)
417 Payments to Nonprofit Entities (Other Than for First Steps):			
720 Transits	4,700,000	5,895,812	(1,195,812)
Total Intergovernmental Expenditures	44,450,923	47,071,976	(2,621,053)
500 Debt Service:			
620 Interest	100,000	427,566	(327,566)
Total Expenditures	474,378,709	457,114,914	17,263,795
OTHER FINANCING SOURCES (USES)			
Interfund Transfers from (to) Other Funds:			
5230 Transfer from Special Revenue EIA Fund	9,878,785	10,124,778	245,993
5280 Transfer from Other Funds Indirect Costs	3,005,121	3,186,669	181,548
421-710 Transfer to Special Revenue Fund	(235,000)	(235,000)	-
425-710 Transfer to Food Service Fund	(825,000)	(825,000)	-
Total Other Financing Sources	11,823,906	12,251,447	427,541
EXCESS OF REVENUES AND EXPENDITURES	7,500,015	28,091,649	20,591,634
Fund Balance - Beginning of Year	42,059,145	42,059,145	-
FUND BALANCE - END OF YEAR	\$ 49,559,160	\$ 70,150,794	\$ 20,591,634

**CHARLESTON COUNTY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2018**

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	Preschool Handicapped (CG Projections) (205/206)	CATE (VA Projects) (207/208)	Adult Education (EA Projects)	Other Designated Restricted State Grants (900s)	Other Special Revenue Programs (200s/800s)	Totals
REVENUES								
1000 Revenue from Local Sources:								
1300 Tuition:								
1310 Tuition from Patrons for Regular Day School	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,220	\$ -	\$ 25,220
1900 Other Revenue from Local Sources:								
1910 Rentals	-	-	-	-	-	-	5,100	5,100
1920 Contributions and Donations Private Sources	-	-	-	-	-	-	976,614	976,614
1930 Medicaid	-	-	-	-	-	-	2,337,851	2,337,851
1990 Miscellaneous Local Revenue:								
1999 Revenue from Other Local Sources	-	-	-	-	-	-	9,812,262	9,812,262
Total Revenue from Local Sources	-	-	-	-	-	25,220	13,131,827	13,157,047
3000 Revenue from State Sources:								
3100 Restricted State Funding:								
3110 Occupational Education:								
3118 EEDA Career Specialist	-	-	-	-	-	2,357,650	-	2,357,650
3120 General Education:								
3127 Student Health and Fitness - PE Teachers	-	-	-	-	-	478,741	-	478,741
3136 Student Health and Fitness - Nurses	-	-	-	-	-	1,468,339	-	1,468,339
3156 Adult Education	-	-	-	-	-	53,239	-	53,239
3177 Summer Reading Camps	-	-	-	-	-	395,972	-	395,972
3190 Miscellaneous Restricted State Grants:								
3193 Education License Plates	-	-	-	-	-	4,977	-	4,977
3199 Other Restricted State Grants	-	-	-	-	-	-	19,531	19,531
3630 K-12 Technology Initiative	-	-	-	-	-	1,518,239	-	1,518,239
3900 Other State Revenue:								
3999 Revenue from Other State Sources	-	-	-	-	-	-	71,069	71,069
Total Revenue from State Sources	-	-	-	-	-	6,277,157	90,600	6,367,757

CHARLESTON COUNTY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (CONTINUED)
SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2018

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	Preschool Handicapped (CG Projections) (205/206)	CATE (VA Projects) (207/208)	Adult Education (EA Projects)	Other Designated Restricted State Grants (900s)	Other Special Revenue Programs (200s/800s)	Totals
REVENUES (CONTINUED)								
4000 Revenue from Federal Sources:								
4200 Occupational Education:								
4210 Perkins Aid, Title I	\$ -	\$ -	\$ -	\$ 846,839	\$ -	\$ -	\$ -	\$ 846,839
4300 Elementary and Secondary Education Act of 1965 (ESEA):								
4310 Title I, Basic State Grant Programs (Carryover Provision)	16,195,197	-	-	-	-	-	1,173,163	17,368,360
4314 School Improvement Grant	-	-	-	-	-	-	2,753,043	2,753,043
4341 Language Instruction for Limited English Proficient and Immigrant Students, Title III (Carryover Provision)	-	-	-	-	-	-	231,064	231,064
4343 McKinney-Vento	-	-	-	-	-	-	69,316	69,316
4351 Improving Teacher Quality (Carryover Provision)	-	-	-	-	-	-	2,566,664	2,566,664
4400 Adult Education:								
4410 Basic Adult Education	-	-	-	-	212,488	-	-	212,488
4430 State Literacy Resource	-	-	-	-	7,051	-	-	7,051
4500 Programs for Children with Disabilities:								
4510 Individuals with Disabilities Education Act (IDEA) (Carryover Provision)	-	8,828,541	-	-	-	-	-	8,828,541
4520 Preschool Grants (IDEA) (Carryover Provision)	-	-	226,539	-	-	-	-	226,539
4560 IDEA - SSIP	-	-	-	-	-	-	213,923	213,923
4900 Other Federal Sources:								
4924 21st Century Community Learning Center Program (Title IV, 21st Century Schools)	-	-	-	-	-	-	845,577	845,577
4999 Revenue from Other Federal Sources	-	-	-	-	-	-	11,580,212	11,580,212
Total Revenue from Federal Sources	<u>16,195,197</u>	<u>8,828,541</u>	<u>226,539</u>	<u>846,839</u>	<u>219,539</u>	<u>-</u>	<u>19,432,962</u>	<u>45,749,617</u>
Total Revenue All Sources	16,195,197	8,828,541	226,539	846,839	219,539	6,302,377	32,655,389	65,274,421

**CHARLESTON COUNTY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (CONTINUED)
SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2018**

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	Preschool Handicapped (CG Projections) (205/206)	CATE (VA Projects) (207/208)	Adult Education (EA Projects)	Other Designated Restricted State Grants (900s)	Other Special Revenue Programs (200s/800s)	Totals
EXPENDITURES								
100 Instruction:								
110 General Instruction:								
111 Kindergarten Program:								
100 Salaries	\$ 21,349	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,349
200 Employee Benefits	6,137	-	-	-	-	-	-	6,137
400 Supplies and Materials	-	-	-	-	-	298	-	298
112 Primary Programs:								
100 Salaries	822,759	-	-	-	-	-	659,662	1,482,421
200 Employee Benefits	350,651	-	-	-	-	-	230,808	581,459
300 Purchased Services	700	-	-	-	-	-	30,035	30,735
400 Supplies and Materials	13,826	-	-	-	-	875	185,217	199,918
500 Capital Outlay	-	-	-	-	-	-	60	60
113 Elementary Programs:								
100 Salaries	2,542,731	-	-	-	-	323,063	873,265	3,739,059
200 Employee Benefits	1,005,953	-	-	-	-	126,307	328,231	1,460,491
300 Purchased Services	271,318	-	-	-	-	-	510,782	782,100
400 Supplies and Materials	832,643	-	-	-	-	2,908	859,068	1,694,619
500 Capital Outlay	-	-	-	-	-	-	5,457	5,457
114 High School Programs:								
100 Salaries	825,447	-	-	-	-	-	927,015	1,752,462
200 Employee Benefits	270,354	-	-	-	-	-	28,381	298,735
300 Purchased Services	43,228	-	-	-	-	-	70,086	113,314
400 Supplies and Materials	92,556	-	-	-	-	896	135,280	228,732
115 Vocational Programs:								
100 Salaries	-	14,585	-	8,934	-	-	15,559	39,078
200 Employee Benefits	-	9,628	-	2,507	-	-	4,333	16,468
300 Purchased Services	-	-	-	18,304	-	-	9,396	27,700
400 Supplies and Materials	-	-	-	439,627	-	-	27,647	467,274
118 Montessori Programs:								
400 Supplies and Materials	-	-	-	-	-	-	425	425
120 Exceptional Programs:								
121 Educable Mentally Handicapped:								
100 Salaries	-	649,219	-	-	-	-	12,152	661,371
200 Employee Benefits	-	251,559	-	-	-	-	3,402	254,961
400 Supplies and Materials	-	4,511	-	-	-	-	-	4,511

**CHARLESTON COUNTY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (CONTINUED)
SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2018**

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	Preschool Handicapped (CG Projections) (205/206)	CATE (VA Projects) (207/208)	Adult Education (EA Projects)	Other Designated Restricted State Grants (900s)	Other Special Revenue Programs (200s/800s)	Totals
EXPENDITURES (CONTINUED)								
122 Trainable Mentally Handicapped:								
100 Salaries	\$ -	\$ 252,387	\$ -	\$ -	\$ -	\$ -	\$ 3,930	\$ 256,317
200 Employee Benefits	-	120,320	-	-	-	-	1,102	121,422
300 Purchased Services	-	3,030	-	-	-	-	-	3,030
400 Supplies and Materials	-	6,721	-	-	-	-	-	6,721
123 Orthopedically Handicapped:								
100 Salaries	-	30,047	-	-	-	-	-	30,047
200 Employee Benefits	-	10,812	-	-	-	-	-	10,812
124 Visually Handicapped:								
300 Purchased Services	-	2,202	-	-	-	-	-	2,202
125 Hearing Handicapped:								
300 Purchased Services	-	5,679	-	-	-	-	-	5,679
400 Supplies and Materials	-	-	-	-	-	-	332	332
126 Speech Handicapped:								
100 Salaries	-	131,865	-	-	-	-	655	132,520
200 Employee Benefits	-	52,993	-	-	-	-	268	53,261
300 Purchased Services	-	3,116	-	-	-	-	-	3,116
400 Supplies and Materials	-	6,294	-	-	-	-	-	6,294
127 Learning Disabilities:								
100 Salaries	-	1,674,738	-	-	-	-	26,748	1,701,486
200 Employee Benefits	-	638,982	-	-	-	-	7,445	646,427
300 Purchased Services	-	74,371	-	-	-	-	-	74,371
400 Supplies and Materials	-	81,937	-	-	-	-	404	82,341
129 Coordinated Early Intervening Services (CEIS):								
100 Salaries	-	-	-	-	-	-	45,022	45,022
200 Employee Benefits	-	-	-	-	-	-	17,134	17,134
300 Purchased Services	-	-	-	-	-	-	4,926	4,926
400 Supplies and Materials	-	-	-	-	-	-	66,012	66,012
130 Pre-School Programs:								
132 Pre-School Handicapped Itinerant (5-Yr. Olds):								
100 Salaries	-	129,270	79,883	-	-	-	-	209,153
200 Employee Benefits	-	60,889	33,426	-	-	-	-	94,315
300 Purchased Services	-	1,763	-	-	-	-	-	1,763
400 Supplies and Materials	-	-	33,527	-	-	-	-	33,527
136 Preschool Handicapped Itinerant (3- and 4- Yr.-Olds):								
300 Purchased Services	-	-	6,380	-	-	-	-	6,380
400 Supplies and Materials	-	-	9,930	-	-	-	-	9,930
139 Early Childhood Programs:								
100 Salaries	99,249	-	-	-	-	19,645	2,590,150	2,709,044
200 Employee Benefits	16,986	-	-	-	-	5,512	1,104,044	1,126,542
300 Purchased Services	-	-	-	-	-	63	43,234	43,297
400 Supplies and Materials	7,648	-	-	-	-	-	93,206	100,854
600 Other Objects	-	-	-	-	-	-	28	28

**CHARLESTON COUNTY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (CONTINUED)
SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2018**

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	Preschool Handicapped (CG Projections) (205/206)	CATE (VA Projects) (207/208)	Adult Education (EA Projects)	Other Designated Restricted State Grants (900s)	Other Special Revenue Programs (200s/800s)	Totals
EXPENDITURES (CONTINUED)								
140 Special Programs:								
141 Gifted and Talented Academic:								
100 Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,536	\$ 4,536
200 Employee Benefits	-	-	-	-	-	-	1,272	1,272
149 Other Special Programs:								
400 Supplies and Materials	-	753	958	-	-	-	-	1,711
160 Other Exceptional Programs:								
161 Autism:								
100 Salaries	-	149,812	-	-	-	-	472	150,284
200 Employee Benefits	-	70,483	-	-	-	-	132	70,615
300 Purchased Services	-	12,634	-	-	-	-	-	12,634
162 Limited English Proficiency:								
100 Salaries	-	-	-	-	-	-	62,491	62,491
200 Employee Benefits	-	-	-	-	-	-	30,607	30,607
400 Supplies and Materials	-	-	-	-	-	-	5,825	5,825
170 Summer School Programs:								
171 Primary Summer School:								
100 Salaries	56,033	-	-	-	-	224,893	15,855	296,781
200 Employee Benefits	14,964	-	-	-	-	63,080	3,712	81,756
300 Purchased Services	1,438,430	-	-	-	-	70,930	30,766	1,540,126
400 Supplies and Materials	2,438	-	-	-	-	16,482	1,819	20,739
172 Elementary Summer School:								
100 Salaries	28,990	-	-	-	-	13,145	188,958	231,093
200 Employee Benefits	7,821	-	-	-	-	3,528	52,583	63,932
300 Purchased Services	-	-	-	-	-	-	83,289	83,289
400 Supplies and Materials	-	-	-	-	-	-	5,078	5,078
173 High School Summer School:								
100 Salaries	79,474	-	-	-	-	-	78,506	157,980
200 Employee Benefits	18,554	-	-	-	-	-	22,028	40,582
174 Gifted and Talented Summer School:								
100 Salaries	-	-	-	-	-	-	92,551	92,551
200 Employee Benefits	-	-	-	-	-	-	24,034	24,034
300 Purchased Services	-	-	-	-	-	-	42,727	42,727
400 Supplies and Materials	-	-	-	-	-	-	28,577	28,577

CHARLESTON COUNTY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (CONTINUED)
SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2018

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	Preschool Handicapped (CG Projections) (205/206)	CATE (VA Projects) (207/208)	Adult Education (EA Projects)	Other Designated Restricted State Grants (900s)	Other Special Revenue Programs (200s/800s)	Totals
EXPENDITURES (CONTINUED)								
170 Summer School Programs (Continued):								
175 Instructional Programs Beyond Regular School Day: 100 Salaries								
100 Salaries	\$ 180,884	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 721,282	\$ 902,166
200 Employee Benefits	50,630	-	-	-	-	-	188,347	238,977
300 Purchased Services	-	-	-	-	-	-	323,936	323,936
400 Supplies and Materials	-	-	-	-	-	-	34,001	34,001
180 Adult/Continuing Educational Programs:								
181 Adult Basic Education Programs:								
100 Salaries	-	-	-	-	106,101	-	47,701	153,802
200 Employee Benefits	-	-	-	-	40,352	-	13,023	53,375
182 Adult Secondary Education Programs:								
100 Salaries	-	-	-	-	-	13,275	93,779	107,054
200 Employee Benefits	-	-	-	-	-	3,725	27,443	31,168
300 Purchased Services	-	-	-	-	-	-	4,604	4,604
400 Supplies and Materials	-	-	-	-	-	-	13,436	13,436
183 Adult English Literacy (ESL):								
100 Salaries	-	-	-	-	45,000	-	7,276	52,276
200 Employee Benefits	-	-	-	-	12,627	-	1	12,628
300 Purchased Services	-	-	-	-	1,701	-	-	1,701
400 Supplies and Materials	-	-	-	-	5,071	-	274	5,345
188 Parenting/Family Literacy:								
100 Salaries	1,278,342	-	-	-	-	-	154,832	1,433,174
200 Employee Benefits	517,765	-	-	-	-	-	50,284	568,049
300 Purchased Services	86,302	-	-	-	-	-	112,237	198,539
400 Supplies and Materials	136,210	-	-	-	-	-	7,489	143,699
600 Other Objects	34,700	-	-	-	-	-	-	34,700
Total Instruction	<u>11,155,072</u>	<u>4,450,600</u>	<u>164,104</u>	<u>469,372</u>	<u>210,852</u>	<u>888,625</u>	<u>11,496,664</u>	<u>28,835,289</u>

CHARLESTON COUNTY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (CONTINUED)
SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2018

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	Preschool Handicapped (CG Projections) (205/206)	CATE (VA Projects) (207/208)	Adult Education (EA Projects)	Other Designated Restricted State Grants (900s)	Other Special Revenue Programs (200s/800s)	Totals
EXPENDITURES (CONTINUED)								
200 Support Services:								
210 Pupil Services:								
211 Attendance and Social Work Services:								
100 Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 629,064	\$ 629,064
200 Employee Benefits	-	-	-	-	-	-	248,757	248,757
300 Purchased Services	-	-	-	-	-	-	33,247	33,247
400 Supplies and Materials	-	-	-	-	-	-	13,606	13,606
212 Guidance Services:								
100 Salaries	-	-	-	81,965	-	1,605,894	279,487	1,967,346
200 Employee Benefits	-	-	-	33,643	-	610,297	111,887	755,827
300 Purchased Services	-	-	-	6,683	-	-	136,289	142,972
400 Supplies and Materials	-	-	-	1,717	-	-	32,567	34,284
600 Other Objects	-	-	-	-	-	-	285	285
213 Health Services:								
100 Salaries	5,525	-	-	-	-	996,302	617,004	1,618,831
200 Employee Benefits	1,651	-	-	-	-	396,545	240,746	638,942
300 Purchased Services	13,734	-	-	-	-	-	49,539	63,273
400 Supplies and Materials	-	-	-	-	-	-	11,478	11,478
214 Psychological Services:								
100 Salaries	977	36,889	-	-	-	-	90,125	127,991
200 Employee Benefits	274	13,063	-	-	-	-	36,077	49,414
300 Purchased Services	288,673	5,199	-	-	-	-	19,011	312,883
400 Supplies and Materials	-	28,321	-	-	-	-	-	28,321
215 Exceptional Program Services:								
100 Salaries	-	1,266,592	-	-	-	-	-	1,266,592
200 Employee Benefits	-	482,486	-	-	-	-	-	482,486
300 Purchased Services	-	76,618	-	-	-	-	60,574	137,192
400 Supplies and Materials	-	146,455	-	-	-	-	-	146,455

**CHARLESTON COUNTY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (CONTINUED)
SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2018**

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	Preschool Handicapped (CG Projections) (205/206)	CATE (VA Projects) (207/208)	Adult Education (EA Projects)	Other Designated Restricted State Grants (900s)	Other Special Revenue Programs (200s/800s)	Totals
EXPENDITURES (CONTINUED)								
220 Instructional Staff Services:								
221 Improvement of Instruction - Curriculum Development:								
100 Salaries	\$ 1,206,015	\$ 61,168	\$ -	\$ 15,049	\$ -	\$ 2,000	\$ 472,275	\$ 1,756,507
140 Terminal Leave	-	-	-	-	-	-	5,041	5,041
200 Employee Benefits	425,926	20,009	-	4,186	-	558	159,415	610,094
300 Purchased Services	665,756	7,852	-	180,974	-	-	371,154	1,225,736
400 Supplies and Materials	19,124	50,922	-	-	-	-	99,923	169,969
600 Other Objects	-	-	-	-	-	-	2,661	2,661
222 Library and Media:								
400 Supplies and Materials	-	-	-	-	-	-	2,740	2,740
223 Supervision of Special Programs:								
100 Salaries	494,392	791,362	33,048	-	-	28,298	838,741	2,185,841
200 Employee Benefits	184,615	305,445	20,029	-	-	7,941	280,097	798,127
300 Purchased Services	94,528	68,888	-	-	-	-	107,207	270,623
400 Supplies and Materials	384,035	6,121	-	-	-	-	34,889	425,045
224 Improvement of Instruction - Inservice and Staff Training:								
100 Salaries	-	-	-	-	-	1,320	1,190,179	1,191,499
200 Employee Benefits	-	-	-	-	-	365	302,785	303,150
300 Purchased Services	-	-	-	-	-	92,317	1,276,343	1,368,660
400 Supplies and Materials	-	-	-	-	-	1,520,540	85,310	1,605,850
600 Other Objects	-	-	-	-	-	-	300	300
232 Office of the Superintendent:								
400 Supplies and Materials	-	-	-	-	-	-	73	73
600 Other Objects	-	-	-	-	-	-	12,979	12,979

**CHARLESTON COUNTY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (CONTINUED)
SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2018**

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	Preschool Handicapped (CG Projections) (205/206)	CATE (VA Projects) (207/208)	Adult Education (EA Projects)	Other Designated Restricted State Grants (900s)	Other Special Revenue Programs (200s/800s)	Totals
EXPENDITURES (CONTINUED)								
230 General Administration Services:								
233 School Administration:								
100 Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 109,328	\$ 109,328
200 Employee Benefits	-	-	-	-	-	-	30,669	30,669
300 Purchased Services	-	-	-	-	-	-	26,548	26,548
400 Supplies and Materials	-	-	-	-	-	-	17,383	17,383
600 Other Objects	-	-	-	-	-	-	255	255
250 Finance and Operations Services:								
251 Student Transportation (Federal/District Mandated):								
100 Salaries	-	-	-	-	-	-	14,940	14,940
200 Employee Benefits	-	-	-	-	-	-	4,108	4,108
300 Purchased Services	111,442	-	-	-	-	-	151,158	262,600
400 Supplies and Materials	-	-	-	-	-	-	1,093	1,093
252 Fiscal Services:								
100 Salaries	-	-	-	-	-	-	75,225	75,225
200 Employee Benefits	-	-	-	-	-	-	27,844	27,844
300 Purchased Services	-	-	-	-	-	-	22,000	22,000
253 Facilities Acquisition and Construction:								
300 Purchased Services	-	-	-	-	-	-	32,314	32,314
400 Supplies and Materials	-	-	-	-	-	-	114,575	114,575
254 Operation and Maintenance of Plant:								
300 Purchased Services	-	-	-	-	-	-	344,440	344,440
321 Public Utilities (Exclude Gas, Oil, Electric a	-	-	-	-	-	-	4,418	4,418
400 Supplies and Materials	-	-	-	-	-	-	73,572	73,572
470 Energy (Electric, Gas, and Other)	-	-	-	-	-	-	15,689	15,689
255 Student Transportation (State Mandated):								
300 Purchased Services	-	35,653	-	-	-	-	43,645	79,298

**CHARLESTON COUNTY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (CONTINUED)
SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2018**

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	Preschool Handicapped (CG Projections) (205/206)	CATE (VA Projects) (207/208)	Adult Education (EA Projects)	Other Designated Restricted State Grants (900s)	Other Special Revenue Programs (200s/800s)	Totals
EXPENDITURES (CONTINUED)								
257 Internal Services:								
100 Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 216	\$ 216
200 Employee Benefits	-	-	-	-	-	-	61	61
258 Security:								
300 Purchased Services	-	-	-	-	-	-	6,720	6,720
260 Central Support Services:								
262 Planning:								
300 Purchased Services	-	-	-	-	-	-	810	810
400 Supplies and Materials	-	-	-	-	-	-	255	255
263 Information Services:								
100 Salaries	-	-	-	-	-	-	58,925	58,925
200 Employee Benefits	-	-	-	-	-	-	21,124	21,124
264 Staff Services:								
100 Salaries	-	-	-	-	-	-	193,946	193,946
200 Employee Benefits	-	-	-	-	-	-	71,616	71,616
300 Purchased Services	-	-	-	-	-	-	11,230	11,230
400 Supplies and Materials	-	-	-	-	-	-	1,321	1,321
266 Technology and Data Processing Services:								
100 Salaries	-	-	-	-	-	-	208,158	208,158
140 Terminal Leave	-	-	-	-	-	-	5,955	5,955
200 Employee Benefits	-	-	-	-	-	-	80,819	80,819
300 Purchased Services	-	-	-	-	-	-	9,932	9,932
400 Supplies and Materials	-	-	-	-	-	-	729	729
600 Other Objects	-	-	-	-	-	-	24,334	24,334
270 Support Services - Pupil Activity:								
271 Pupil Services Activities:								
300 Purchased Services	62,731	-	-	3,909	-	-	73,625	140,265
400 Supplies and Materials	316	-	-	-	-	-	54	370
Total Support Services	<u>3,959,714</u>	<u>3,403,043</u>	<u>53,077</u>	<u>328,126</u>	<u>-</u>	<u>5,262,377</u>	<u>9,730,889</u>	<u>22,737,226</u>

CHARLESTON COUNTY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (CONTINUED)
SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2018

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	Preschool Handicapped (CG Projections) (205/206)	CATE (VA Projects) (207/208)	Adult Education (EA Projects)	Other Designated Restricted State Grants (900s)	Other Special Revenue Programs (200s/800s)	Totals
EXPENDITURES (CONTINUED)								
300 Community Services:								
350 Custody and Care of Children:								
100 Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,917,455	\$ 5,917,455
200 Employee Benefits	-	-	-	-	-	-	1,615,716	1,615,716
300 Purchased Services	-	-	-	-	-	-	858,755	858,755
400 Supplies and Materials	-	-	-	-	-	-	598,744	598,744
600 Other Objects	-	-	-	-	-	-	1,120	1,120
370 Non Public School Services:								
300 Purchased Services	-	-	-	-	-	-	25,499	25,499
390 Other Community Services:								
100 Salaries	-	-	-	-	-	-	183	183
200 Employee Benefits	-	-	-	-	-	-	41	41
300 Purchased Services	-	-	-	-	-	-	443	443
400 Supplies and Materials	-	-	-	-	-	-	243	243
Total Community Services	-	-	-	-	-	-	9,018,199	9,018,199
410 Intergovernmental Expenditures:								
411 Payments to SDE								
720 Transits	-	-	-	-	-	-	564,840	564,840
416 Payments to Public Charter Schools								
720 Transits	198,667	650,001	-	18,380	-	333,982	87,826	1,288,856
417 Payments to Nonprofit Entities (Other Than for First Steps)								
720 Transits	259,015	-	-	-	-	-	-	259,015
Total Intergovernmental Expenditures	457,682	650,001	-	18,380	-	333,982	652,666	2,112,711
Total Expenditures	15,572,468	8,503,644	217,181	815,878	210,852	6,484,984	30,898,418	62,703,425

**CHARLESTON COUNTY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (CONTINUED)
SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2018**

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	Preschool Handicapped (CG Projections) (205/206)	CATE (VA Projects) (207/208)	Adult Education (EA Projects)	Other Designated Restricted State Grants (900s)	Other Special Revenue Programs (200s/800s)	Totals
OTHER FINANCING SOURCES (USES)								
5300 Sale of Fixed Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,938	\$ 16,938
Interfund Transfers, from (to) Other Funds:								
5210 Transfer from General Fund (Exclude Indirect Costs)	-	-	-	-	-	-	235,000	235,000
5220 Transfer from Special Revenue Fund (Exclude Indirect Costs)	-	-	-	-	-	182,607	37,817	220,424
421-710 Transfer to Special Revenue Fund	-	-	-	-	-	-	(124,115)	(124,115)
431-791 Special Revenue Fund Indirect Costs (Use Only for Transfer of Indirect Costs to General Fund)	(622,729)	(324,897)	(9,358)	(30,961)	(8,687)	-	(742,161)	(1,738,793)
Total Other Financing Sources (Uses)	<u>(622,729)</u>	<u>(324,897)</u>	<u>(9,358)</u>	<u>(30,961)</u>	<u>(8,687)</u>	<u>182,607</u>	<u>(576,521)</u>	<u>(1,390,546)</u>
EXCESS OF REVENUES AND EXPENDITURES	-	-	-	-	-	-	1,180,450	1,180,450
Fund Balance - Beginning of Year	-	-	-	-	-	-	2,073,702	2,073,702
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,254,152</u>	<u>\$ 3,254,152</u>

**CHARLESTON COUNTY SCHOOL DISTRICT
SUMMARY SCHEDULE FOR OTHER DESIGNATED RESTRICTED STATE GRANTS
SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2018**

Subfund	Revenue	Programs	Revenues	Expenditures	Special Revenue		Special Revenue Fund Unearned Revenue
					Interfund Transfers In (Out)	Other Fund Transfers In (Out)	
918	3198	Technology Professional Development	\$ -	\$ 96,310	\$ -	\$ 96,310	\$ -
919	3193	Education License Plates	4,977	4,977	-	-	-
926	3177	Summer Reading Camps	395,972	395,972	-	-	-
928	3118	EEDA Career Specialists	2,357,650	2,357,650	-	-	-
936	3136	Student Health and Fitness - Nurses	1,468,339	1,554,636	86,297	-	-
937	3127	Student Health and Fitness - PE Teachers	478,741	478,741	-	-	-
956	3156	Adult Education	53,239	53,239	-	-	-
963	3630	K-12 Technology Initiative	1,518,239	1,518,239	-	-	-
980	1310	Early Childhood	25,220	25,220	-	-	-
Total			<u>\$ 6,302,377</u>	<u>\$ 6,484,984</u>	<u>\$ 86,297</u>	<u>\$ 96,310</u>	<u>\$ -</u>

**CHARLESTON COUNTY SCHOOL DISTRICT
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE – ALL PROGRAMS
 SPECIAL REVENUE FUND – EDUCATION IMPROVEMENT ACT
 YEAR ENDED JUNE 30, 2018**

REVENUES	<u>Actual</u>
3000 Revenue from State Sources:	
3500 Education Improvement Act:	
3502 Assisting, Developing, and Evaluating Professional Teaching (ADEPT)	\$ 61,804
3507 Aid to Districts – Technology	137,622
3509 Arts in Education	18,813
3511 Professional Development	404,723
3512 Technology Professional Development	96,310
3518 Adoption List of Formative Assessment	27,183
3519 Grade 10 Assessments	190,236
3525 Career and Technology Education Equipment	86,398
3526 Refurbishment of K-8 Science Kits	135,971
3528 Industry Certifications/Credentials	69,089
3529 Career and Technology Education	906,036
3532 National Board Certification (NBC) Salary Supplement (No Carryover Provision)	2,706,367
3533 Teacher of the Year Awards (No Carryover Provision)	1,077
3535 Reading Coaches	2,818,228
3538 Students at Risk of School Failure	4,638,484
3540 Early Childhood Program (4K Programs Serving Four-Year-Old Children)	1,693,449
3550 Teacher Salary Increase (No Carryover Provision)	9,669,058
3555 School Employer Contributions (No Carryover Provision)	1,565,862
3556 Adult Education	434,938
3557 Summer Reading Program	50,038
3558 Reading	116,768
3571 Palmetto Priority Technical Assistance	1,040,240
3577 Teacher Supplies (No Carryover Provision)	977,350
3578 High Schools That Work/Making Middle Grades Work	1,558,206
3592 Work-Based Learning	723
3594 EEDA Supplemental Programs	149,501
3595 EEDA Supplies and Materials	121,911
3597 Aid to Districts	849,607
3599 Other EIA	282,533
Total Revenue All Sources	<u>30,808,525</u>

EXPENDITURES

100 Instruction:	
110 General Instruction:	
111 Kindergarten Programs:	
100 Salaries	140,313
200 Employee Benefits	39,257
400 Supplies and Materials	12,277
112 Primary Programs:	
100 Salaries	379,650
200 Employee Benefits	108,945
300 Purchased Services	5,458
400 Supplies and Materials	525,414

**CHARLESTON COUNTY SCHOOL DISTRICT
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE – ALL PROGRAMS (CONTINUED)
 SPECIAL REVENUE FUND – EDUCATION IMPROVEMENT ACT
 YEAR ENDED JUNE 30, 2018**

EXPENDITURES (CONTINUED)	<u>Actual</u>
113 Elementary Programs:	
100 Salaries	\$ 869,193
200 Employee Benefits	296,959
300 Purchased Services	352,981
400 Supplies and Materials	670,504
600 Other Objects	396
114 High School Programs:	
100 Salaries	683,864
200 Employee Benefits	206,133
300 Purchased Services	28,532
400 Supplies and Materials	531,149
600 Other Objects	800
115 Vocation Programs:	
100 Salaries	42,187
200 Employee Benefits	11,774
300 Purchased Services	32,252
400 Supplies and Materials	728,158
500 Capital Outlay	172,577
600 Other Objects	13,000
118 Montessori Programs	
100 Salaries	15,000
200 Employee Benefits	4,200
120 Exceptional Programs:	
121 Educable Mentally Handicapped:	
400 Supplies and Materials	15,875
122 Trainable Mentally Handicapped:	
100 Salaries	4,079
200 Employee Benefits	1,144
125 Hearing Handicapped:	
100 Salaries	15,069
200 Employee Benefits	4,210
126 Speech Handicapped:	
100 Salaries	35,000
200 Employee Benefits	9,757
300 Purchased Services	44
400 Supplies and Materials	550
127 Learning Disabilities:	
100 Salaries	150,936
200 Employee Benefits	49,023
300 Purchased Services	2,371
400 Supplies and Materials	199,267
128 Emotionally Handicapped:	
100 Salaries	8,690
200 Employee Benefits	2,267
400 Supplies and Materials	6,482

**CHARLESTON COUNTY SCHOOL DISTRICT
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE – ALL PROGRAMS (CONTINUED)
 SPECIAL REVENUE FUND – EDUCATION IMPROVEMENT ACT
 YEAR ENDED JUNE 30, 2018**

EXPENDITURES (CONTINUED)	<u>Actual</u>
130 Pre-School Programs:	
132 Preschool Handicapped Itinerant (5-Yr. Olds):	
100 Salaries	\$ 8,671
200 Employee Benefits	2,428
139 Early Childhood Programs:	
100 Salaries	2,108,066
200 Employee Benefits	859,062
140 Special Programs:	
141 Gifted and Talented Academic:	
100 Salaries	55,750
200 Employee Benefits	15,555
160 Other Exceptional Programs:	
162 Limited English Proficiency:	
100 Salaries	13,000
200 Employee Benefits	3,642
170 Summer School Programs:	
171 Primary Summer School:	
300 Purchased Services	50,038
172 Elementary Summer School:	
100 Salaries	25,273
200 Employee Benefits	6,394
173 High School Summer School:	
100 Salaries	55,344
200 Employee Benefits	15,228
300 Purchased Services	5,988
400 Supplies and Materials	23,790
175 Instructional Programs Beyond Regular School Day:	
100 Salaries	109,460
200 Employee Benefits	29,418
600 Other Objects	200
180 Adult/Continuing Educational Programs:	
181 Adult Basic Education Programs:	
100 Salaries	87,043
200 Employee Benefits	29,213
400 Supplies and Materials	1,000
182 Adult Secondary Education Programs:	
100 Salaries	22,485
200 Employee Benefits	6,309
300 Purchased Services	2,000
400 Supplies and Materials	1,000
188 Parenting/Family Literacy:	
100 Salaries	3,291
200 Employee Benefits	1,255
190 Instructional Pupil Activity:	
100 Salaries	9,388
200 Employee Benefits	2,634
Total Instruction	9,928,662

**CHARLESTON COUNTY SCHOOL DISTRICT
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE – ALL PROGRAMS (CONTINUED)
 SPECIAL REVENUE FUND – EDUCATION IMPROVEMENT ACT
 YEAR ENDED JUNE 30, 2018**

EXPENDITURES (CONTINUED)	<u>Actual</u>
200 Support Services:	
210 Pupil Services:	
212 Guidance Services:	
100 Salaries	\$ 166,450
200 Employee Benefits	58,115
300 Purchased Services	69,108
400 Supplies and Materials	54,774
600 Other Objects	438
215 Exceptional Program Services:	
300 Purchased Services	1,803
400 Supplies and Materials	106,820
220 Instructional Staff Services:	
221 Improvement of Instruction-Curriculum Development:	
100 Salaries	3,296,379
140 Terminal Leave	31,963
200 Employee Benefits	1,258,103
300 Purchased Services	371,756
400 Supplies and Materials	645,391
600 Other Objects	3,880
222 Library and Media:	
100 Salaries	34,989
200 Employee Benefits	9,683
400 Supplies and Materials	1,383
223 Supervision of Special Programs:	
100 Salaries	223,606
200 Employee Benefits	99,338
300 Purchased Services	243,000
400 Supplies and Materials	1,000
224 Improvement of Instruction - Inservice and Staff Training:	
100 Salaries	155,416
200 Employee Benefits	43,632
300 Purchased Services	1,045,563
400 Supplies and Materials	55,979
600 Other Objects	54
230 General Administration Services:	
233 School Administration:	
100 Salaries	103,930
200 Employee Benefits	39,974

**CHARLESTON COUNTY SCHOOL DISTRICT
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE – ALL PROGRAMS (CONTINUED)
 SPECIAL REVENUE FUND – EDUCATION IMPROVEMENT ACT
 YEAR ENDED JUNE 30, 2018**

	Actual
EXPENDITURES (CONTINUED)	
266 Technology and Data Processing Services:	
300 Purchased Services	\$ 218,669
400 Supplies and Materials	128,065
270 Support Services - Pupil Activity:	
271 Pupil Services Activities:	
300 Purchased Services	71,937
Total Support Services	8,541,198
410 Intergovernmental Expenditures:	
416 Payments to Public Charter Schools:	
720 Transits	2,117,578
Total Expenditures	20,587,438
 OTHER FINANCING SOURCES (USES)	
Interfund Transfers, from (to) Other Funds:	
420-710 Transfer to General Fund (Exclude Indirect Costs)	(10,124,778)
421-710 Transfer to Special Revenue Fund	(96,309)
Total Other Financing Uses	(10,221,087)
 EXCESS OF REVENUES AND EXPENDITURES	-
 Fund Balance - Beginning of Year	-
 FUND BALANCE - END OF YEAR	\$ -

**CHARLESTON COUNTY SCHOOL DISTRICT
SUMMARY SCHEDULE BY PROGRAM
SPECIAL REVENUE FUND – EDUCATION IMPROVEMENT ACT
YEAR ENDED JUNE 30, 2018**

Program	Revenues	Expenditures	EIA Interfund Transfers In (Out)	Other Fund Transfers In (Out)	EIA Fund Unearned Revenue
3500 Education Improvement Act:					
3502 Assisting, Developing, and Evaluating Professional Teaching (ADEPT)	\$ 61,804	\$ 61,804	\$ -	\$ -	\$ 10,298
3507 Aid to Districts – Technology	137,622	137,622	-	-	476,437
3509 Arts in Education	18,813	18,813	-	-	-
3511 Professional Development	404,723	404,723	-	-	290,237
3512 Technology Professional Development	96,310	1	-	(96,309)	-
3518 Adoption List of Formative Assessment	27,183	27,183	-	-	222,153
3519 Grade 10 Assessments	190,236	190,236	-	-	-
3525 Career and Technology Education Equipment	86,398	86,398	-	-	-
3526 Refurbishment of K-8 Science Kits	135,971	135,971	-	-	10,048
3528 Industry Certifications/Credentials	69,089	69,089	-	-	82,342
3529 Career and Technology Education	906,036	906,036	-	-	144,838
3532 National Board Certification (NBC) Salary Supplement (No Carryover Provision)	2,706,367	2,706,367	-	-	-
3533 Teacher of the Year Awards (No Carryover Provision)	1,077	1,077	-	-	-
3535 Reading Coaches	2,818,228	2,818,228	-	-	20,833
3538 Students at Risk of School Failure	4,638,484	4,638,484	-	-	221,049
3540 Early Childhood Program (4K Programs Serving Four-Year-Old Children)	1,693,449	1,693,449	-	-	-
3550 Teacher Salary Increase (No Carryover Provision)	9,669,058	876,129	-	(8,792,929)	-
3555 School Employer Contributions (No Carryover Provision)	1,565,862	234,013	-	(1,331,849)	-
3556 Adult Education	434,938	434,938	-	-	-
3557 Summer Reading Program	50,038	50,038	-	-	392,323
3558 Reading	116,768	116,768	-	-	206,461
3571 Palmetto Priority Technical Assistance	1,040,240	1,040,240	-	-	463,425
3577 Teacher Supplies (No Carryover Provision)	977,350	977,350	-	-	-
3578 High Schools That Work/Making Middle Grades Work	20,298	20,298	-	-	-
3587 IDEA MOE Settlement	1,537,908	1,537,908	-	-	-
3592 Work-Based Learning	723	723	-	-	-
3594 EEDA Supplemental Programs	149,501	149,501	-	-	-
3595 EEDA Supplies and Materials	121,911	121,911	-	-	88,043
3597 Aid to Districts	849,607	849,607	-	-	332,084
3599 Other EIA	282,533	282,533	-	-	137,745
Total	<u>\$ 30,808,525</u>	<u>\$ 20,587,438</u>	<u>\$ -</u>	<u>\$ (10,221,087)</u>	<u>\$ 3,098,316</u>

**CHARLESTON COUNTY SCHOOL DISTRICT
 DETAILED SCHEDULE OF DUE TO STATE DEPARTMENT
 OF EDUCATION/FEDERAL GOVERNMENT
 YEAR ENDED JUNE 30, 2018**

Program	Project/Grant Number	Revenue and Subfund Code	Description	Amount Due to State Department of Education or Federal Government	Status of Amount Due to Grantors
Medicaid	NA	803/4230	Medicaid Match	\$ 17,839	
Cornerstone Medicaid Nurses	NA	881/4230	Medicaid Match	14,660	
Teacher Supplies	NA	377/3577	Unexpended Funds	37,950	
High Schools That Work/Making Middle Grades Work	NA	378/3578	Unexpended Funds	<u>37,053</u>	
Total				<u>\$ 107,502</u>	

**CHARLESTON COUNTY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOOD SERVICE FUND
YEAR ENDED JUNE 30, 2018**

	Actual
REVENUES	
1000 Revenue from Local Sources:	
1500 Earnings on Investments:	
1510 Interest on Investments	\$ 92,600
1600 Food Service:	
1610 Lunch Sales to Pupils	2,431,132
1620 Breakfast Sales to Pupils	120,870
1630 Special Sales to Pupils	1,683,332
1640 Lunch Sales to Adults	187,297
1650 Breakfast Sales to Adults	10,687
1660 Special Sales to Adults	103,176
1900 Other Revenue from Local Sources:	
1992 Canteen Operations	173,326
1999 Revenue from Other Local Sources	241,366
Total Revenue from Local Sources	5,043,786
3000 Revenue from State Sources:	
3100 Restricted State Funding:	
3140 School Lunch:	
3142 Program Aid	1,908
4000 Revenue from Federal Sources:	
4800 USDA Reimbursement:	
4810 School Lunch and After School Snacks Program	13,405,372
4830 School Breakfast Program	5,446,304
4860 Fresh Fruit and Vegetable Program (FFVP) (Carryover Provision)	416,658
4900 Other Federal Sources:	
4991 USDA Commodities (Food Distribution Program) (Carryover Provision)	1,608,892
4999 Revenue from Other Federal Sources	1,481,501
Total Revenue from Federal Sources	22,358,727
Total Revenue All Sources	27,404,421

CHARLESTON COUNTY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (CONTINUED)
FOOD SERVICE FUND
YEAR ENDED JUNE 30, 2018

	Actual
EXPENDITURES	
200 Support Services:	
256 Food Service:	
100 Salaries	\$ 8,381,889
200 Employee Benefits	3,652,284
300 Purchased Services (Exclude Gas, Oil, Electricity, Other Heating Fuels, and Direct Purchased Services)	2,194,246
400 Supplies and Materials (Include Gas, Oil, Electricity and Other Heating Fuels)	12,770,304
500 Capital Outlay	150,972
600 Other Objects	26,295
Total Food Services Expenditures	27,175,990
Total Expenditures	27,175,990
 OTHER FINANCING SOURCES (USES)	
Interfund Transfers, from (to) Other Funds:	
5210 Transfer from General Fund (Excludes Indirect Costs)	825,000
432-791 Food Service Fund Indirect Costs	(1,447,876)
Total Other Financing Uses	(622,876)
 DEFICIENCY OF REVENUES AND EXPENDITURES	(394,445)
 Fund Balance - Beginning of Year	8,788,060
 FUND BALANCE - END OF YEAR	\$ 8,393,615

**CHARLESTON COUNTY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2018**

	Actual
REVENUES	
1000 Revenue from Local Sources:	
1100 Taxes:	
1110 Ad Valorem Taxes-Including Delinquent (Fiscally Independent LEA)(Independent)	\$ 90,873,588
1140 Penalties and Interest on Taxes	2,805,747
1200 Revenue from Local Government Units Other than LEAs:	
1280 Revenue In Lieu of Taxes (Independent and Dependent)	2,032,422
1500 Earnings on Investments:	
1530 Gain or Loss on Sale of Investments	(69,976)
Total Revenue from Local Sources	95,641,781
3000 Revenue from State Sources:	
3800 State Revenue in Lieu of Taxes:	
3820 Homestead Exemption	1,224,305
3830 Merchant's Inventory Tax	445,953
3840 Manufacturers Depreciation Reimbursement	198,956
3890 Other State Property Tax Revenues (Includes Motor Carrier Vehicle Tax)	43,108
Total Revenue from State Sources	1,912,322
4000 Revenue from Federal Sources:	
4900 Other Federal Sources:	
4999 Revenue from Other Federal Sources	649,468
Total Revenue from Federal Sources	649,468
Total Revenue All Sources	98,203,571
EXPENDITURES	
500 Debt Service:	
315 Management Services	73,786
319 Legal Services	43,676
610 Redemption of Principal	12,020,000
620 Interest	7,333,403
Total Debt Service	19,470,865
Total Expenditures	19,470,865
OTHER FINANCING SOURCES (USES)	
Interfund Transfers, from (to) Other Funds:	
423-710 Transfer to Debt Service Fund - CEEF	(61,663,072)
424-710 Transfer to Capital Projects Fund - District	(42,793,480)
Total Other Financing Uses	(104,456,552)
DEFICIENCY OF REVENUES AND EXPENDITURES	(25,723,846)
Fund Balance - Beginning of Year	(22,807,246)
FUND BALANCE - END OF YEAR	\$ (48,531,092)

**CHARLESTON COUNTY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
DEBT SERVICE FUND – CEEF
YEAR ENDED JUNE 30, 2018**

	Actual
REVENUES	
Total Revenue All Sources	\$ -
EXPENDITURES	
500 Debt Service:	
610 Redemption of Principal	20,400,000
620 Interest	22,393,480
Total Debt Service	42,793,480
OTHER FINANCING SOURCES (USES)	
Interfund Transfers, from (to) Other Funds:	
5240 Transfer from Debt Service Fund - District	42,793,480
EXCESS OF REVENUES AND EXPENDITURES	-
Fund Balance - Beginning of Year	412,198
FUND BALANCE - END OF YEAR	\$ 412,198

**CHARLESTON COUNTY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
CAPITAL PROJECTS – DISTRICT
YEAR ENDED JUNE 30, 2018**

	Actual
REVENUES	
1000 Revenue from Local Sources:	
1100 Taxes:	
1190 Other Taxes (Independent)	\$ 105,567,815
1500 Earnings on Investments:	
1510 Interest on Investments	2,175,898
1900 Miscellaneous Local Revenue:	
1999 Revenue from Other Local Sources	31,000
Total Revenue from Local Sources	107,774,713
2000 Intergovernmental Revenue:	
2200 Payments from Public Charter Schools	45,707
Total Revenue All Sources	107,820,420
EXPENDITURES	
250 Finance and Operations:	
253 Facilities Acquisition, and Construction:	
100 Salaries:	1,832,030
180 Head of Organizational Unit Salaries	123,827
200 Employee Benefits	631,416
280 Head of Organizational Unit Employee Benefits	31,341
300 Purchased Services	24,607,102
380 Head of Organizational Unit Travel	1,203
400 Supplies and Materials	26,990,281
500 Capital Outlay:	
510 Land	11,925,044
520 Construction Services	38,844,690
530 Improvements Other Than Buildings	831,267
540 Equipment	2,863,587
545 Technology, Equipment, and Software	3,174,462
550 Vehicles	478,313
580 Mobile Classrooms	2,223,950
590 Other Capital Outlay	14,654,542
600 Other Objects:	
640 Organization Membership Dues and Fees (Professional)	1,279
254 Operation and Maintenance of Plant:	
300 Purchased Services	350
Total Support Services	129,214,684
500 Debt Service:	
620 Interest	(1,342,329)
Total Expenditures	127,872,355

**CHARLESTON COUNTY SCHOOL DISTRICT
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (CONTINUED)
 CAPITAL PROJECTS – DISTRICT
 YEAR ENDED JUNE 30, 2018**

	Actual
OTHER FINANCING SOURCES (USES)	
5300 Sale of Fixed Assets	\$ 1,500
Interfund Transfers, from (to) Other Funds:	
5240 Transfer from Debt Service Fund - District	61,663,072
Total Other Financing Sources	61,664,572
EXCESS OF REVENUES AND EXPENDITURES	41,612,637
Fund Balance - Beginning of Year	82,966,300
FUND BALANCE - END OF YEAR	\$ 124,578,937

**CHARLESTON COUNTY SCHOOL DISTRICT
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES
IN DUE TO STUDENT ORGANIZATIONS
PUPIL ACTIVITY FUND
YEAR ENDED JUNE 30, 2018**

	Actual
REVENUES	
1000 Revenue from Local Sources:	
1500 Earnings on Investments:	
1510 Interest on Investments	\$ 12,942
1700 Pupil Activities:	
1710 Admissions	2,682,117
1720 Bookstore Sales	233,633
1730 Pupil Organization Membership Dues and Fees	80,649
1740 Student Fees	1,816,013
1790 Other	3,242,981
1900 Other Revenue from Local Sources:	
1999 Revenue from Other Local Sources	626,356
Total Receipts from Local Sources	8,694,691
DISBURSEMENTS	
190 Instructional Pupil Activity:	
660 Pupil Activity	3,707,864
270 Support Services Pupil Activity:	
271 Pupil Service Activities:	
100 Salaries (Optional)	389,427
200 Employee Benefits (Optional)	108,062
300 Purchased Services (Optional)	744,896
400 Supplies and Materials (Optional)	1,221,600
500 Capital Outlay	19,231
600 Other Objects	25,679
660 Pupil Activity	(1,839,570)
272 Enterprise Activities:	
660 Pupil Activity	3,250,387
273 Trust and Agency Activities:	
660 Enterprise Activity	1,048,570
Total Pupil Activity Expenditures	8,676,146
EXCESS OF RECEIPTS AND DISBURSEMENTS	18,545
Due to Student Organizations - Beginning of Year	4,411,600
DUE TO STUDENT ORGANIZATIONS - END OF YEAR	\$ 4,430,145

**CHARLESTON COUNTY SCHOOL DISTRICT
COMBINING SCHEDULE OF NET POSITION
DISCRETELY PRESENTED COMPONENT UNITS
JUNE 30, 2018**

	James Island Charter High School	Charleston Development Academy, Inc.	East Cooper Montessori Charter School	Orange Grove Elementary Charter School	Charleston Charter School for Math and Science	Pattison's Academy of Comprehensive Education	Carolina Voyager Charter School	Greg Mathis Charter High School	Prestige Preparatory Academy	Allegro Music School	Meeting Street Elementary at Brentwood	Totals
ASSETS												
Cash and Cash Equivalents	\$ 2,613,937	\$ 526,109	\$ 999,524	\$ 4,776,104	\$ 1,006,775	\$ 180	\$ 2,360,215	\$ 32,841	\$ 24,591	\$ 500,785	\$ 588,530	\$ 13,429,591
Investments	3,633,203	-	743,567	1,309,652	-	-	-	-	-	-	-	5,686,422
Accounts Receivable	59,870	10,161	812	-	3,820	-	6,738	-	2,848	-	-	84,249
Due from Governmental Agencies	31,482	-	17,692	6,680	-	492	-	16,692	498	860	-	74,396
Due from Primary Government	-	-	-	-	-	-	-	-	-	-	56,772	56,772
Prepaid Expenses	41,058	22,090	24,512	510	66,876	1,000	-	10,747	9,616	33,616	74,969	284,994
Other Assets	-	4,570	-	-	-	-	53,221	-	-	-	-	57,791
Capital Assets, Net of Accumulated Depreciation	2,372,522	472,138	15,040	1,927,093	332,010	-	140,327	1,884	-	325,949	4,268,799	9,855,762
Total Assets	8,752,072	1,035,068	1,801,147	8,020,039	1,409,481	1,672	2,560,501	62,164	37,553	861,210	4,989,070	29,529,977
DEFERRED OUTFLOWS OF RESOURCES												
Deferred Pension Charges	3,626,937	-	948,118	2,123,983	1,141,553	-	-	-	-	-	-	7,840,591
Deferred OPEB Charges	495,536	-	114,525	317,396	164,288	-	-	-	-	-	-	1,091,745
Total Deferred Outflows of Resources	4,122,473	-	1,062,643	2,441,379	1,305,841	-	-	-	-	-	-	8,932,336
LIABILITIES												
Accounts Payable and Accrued Liabilities	298,405	104,897	373,388	283,173	258,958	13,494	14,391	52,717	73,785	35,364	418,151	1,926,723
Unearned Revenue	16,424	17,076	6,175	-	-	-	-	9,786	49,003	-	-	98,464
Accrued Compensation and Related Benefits	31,657	-	-	-	-	-	-	7,606	-	-	-	39,263
Due to Primary Government	2,073,166	-	-	-	-	1,375	29,404	-	-	-	494,519	2,598,464
Long-Term Liabilities:	-	-	-	-	-	-	-	-	-	-	-	-
Net Pension Liability	16,464,540	-	3,265,309	8,454,009	5,744,737	-	-	-	-	-	-	33,928,595
Net OPEB Liability	12,905,099	-	2,860,263	7,660,553	4,450,022	-	-	-	-	-	-	27,875,937
Due Within One Year	32,513	72,058	-	-	34,505	20,000	-	-	39,575	-	-	198,651
Due in More than One Year	-	153,825	-	-	36,633	26,369	-	49,925	-	-	-	266,752
Total Liabilities	31,821,804	347,856	6,505,135	16,397,735	10,524,855	61,238	43,795	120,034	162,363	35,364	912,670	66,932,849
DEFERRED INFLOWS OF RESOURCES												
Deferred Pension Credits	2,422,472	-	174,087	1,803,572	3,184	-	-	-	-	-	-	4,403,315
Deferred OPEB Credits	1,220,095	-	270,420	724,256	420,722	-	-	-	-	-	-	2,635,493
Total Deferred Inflows of Resources	3,642,567	-	444,507	2,527,828	423,906	-	-	-	-	-	-	7,038,808
NET POSITION												
Net Investment in Capital Assets	2,372,522	246,255	15,040	1,927,093	332,010	-	140,327	1,884	-	325,949	4,268,799	9,629,879
Restricted	-	-	-	-	-	-	1,450,000	-	-	-	-	1,450,000
Unrestricted	(24,962,348)	440,957	(4,100,892)	(10,391,238)	(8,565,449)	(59,566)	926,379	(59,754)	(124,810)	499,897	(192,399)	(46,589,223)
Total Net Position	\$ (22,589,826)	\$ 687,212	\$ (4,085,852)	\$ (8,464,145)	\$ (8,233,439)	\$ (59,566)	\$ 2,516,706	\$ (57,870)	\$ (124,810)	\$ 825,846	\$ 4,076,400	\$ (35,509,344)

**CHARLESTON COUNTY SCHOOL DISTRICT
COMBINING SCHEDULE OF ACTIVITIES
DISCRETELY PRESENTED COMPONENT UNITS
YEAR ENDED JUNE 30, 2018**

	James Island Charter High School	Charleston Development Academy, Inc.	East Cooper Montessori Charter School	Orange Grove Elementary Charter School	Charleston Charter School for Math and Science	Pattison's Academy of Comprehensive Education	Carolina Voyager Charter School	Greg Mathis Charter High School	Prestige Preparatory Academy	Allegro Music School	Meeting Street Elementary at Brentwood	Totals
FUNCTIONS/PROGRAMS												
Governmental Activities:												
Instruction :												
Expenses	\$ (9,932,283)	\$ (1,046,440)	\$ (2,749,002)	\$ (6,934,482)	\$ (3,520,507)	\$ (726,649)	\$ (1,251,554)	\$ (587,828)	\$ (487,953)	\$ (968,231)	\$ (6,627,156)	\$ (34,832,085)
Revenues												
Charges for Services	-	-	-	610,212	97,634	-	26,769	-	-	-	-	734,615
Operating Grants and Contributions	16,510,445	1,768,946	3,249,028	10,304,260	5,866,734	1,004,629	2,216,779	1,164,928	460,716	1,756,787	7,087,830	51,391,082
Support Services												
Expenses	(6,156,937)	(882,976)	(3,511,225)	(2,389,752)	(2,751,833)	(420,149)	(645,649)	(564,459)	(503,579)	(934,101)	(3,975,925)	(22,736,585)
Revenues												
Operating Grants and Contributions	-	-	-	-	-	-	-	-	475,468	-	-	475,468
Community Services Expenses	-	-	(15,207)	-	-	-	-	-	-	-	(71,325)	(86,532)
Interest Expense and Other Charges	(2,260)	(9,702)	(3,670)	-	(6,392)	(5,326)	-	-	(2,311)	-	-	(29,661)
Total Governmental	418,965	(170,172)	(3,030,076)	1,590,238	(314,364)	(147,495)	346,345	12,641	(57,659)	(145,545)	(3,586,576)	(5,083,698)
GENERAL REVENUES												
Miscellaneous Revenue	312,265	55,060	2,989,152	249,494	59,780	129,523	1,509,620	30,165	26,314	350,829	4,265,425	9,977,627
Investment Earnings	-	3,466	-	-	1,289	-	1,953	-	2,182	-	-	8,890
Total General Revenues	312,265	58,526	2,989,152	249,494	61,069	129,523	1,511,573	30,165	28,496	350,829	4,265,425	9,986,517
CHANGE IN NET POSITION	731,230	(111,646)	(40,924)	1,839,732	(253,295)	(17,972)	1,857,918	42,806	(29,163)	205,284	678,849	4,902,819
Net Position - Beginning of Year - As Reported	(9,927,929)	798,858	(1,076,498)	(2,353,627)	(3,361,837)	(41,594)	658,788	(100,676)	(95,647)	620,562	3,397,551	(11,482,049)
Restatement - See Note 17	(13,393,127)	-	(2,968,430)	(7,950,250)	(4,618,307)	-	-	-	-	-	-	(28,930,114)
Net Position, Beginning of Year - As Restated	(23,321,056)	798,858	(4,044,928)	(10,303,877)	(7,980,144)	(41,594)	658,788	(100,676)	(95,647)	620,562	3,397,551	(40,412,163)
NET POSITION - END OF YEAR	<u>\$ (22,589,826)</u>	<u>\$ 687,212</u>	<u>\$ (4,085,852)</u>	<u>\$ (8,464,145)</u>	<u>\$ (8,233,439)</u>	<u>\$ (59,566)</u>	<u>\$ 2,516,706</u>	<u>\$ (57,870)</u>	<u>\$ (124,810)</u>	<u>\$ 825,846</u>	<u>\$ 4,076,400</u>	<u>\$ (35,509,344)</u>

**CHARLESTON COUNTY SCHOOL DISTRICT
LOCATION RECONCILIATION SCHEDULE
YEAR ENDED JUNE 30, 2018**

Location ID	Location Description	Education Level	Cost Type	Total Expenditures
0000	Debt Service	Nonschool	Central	\$ 61,349,582
0100	Board of Trustees	Nonschool	Central	334,376
0101	Superintendent's Office	Nonschool	Central	585,127
0102	Middle School Learning Collaborative	Nonschool	Central	-
0103	Facilities and Asset Management	Nonschool	Central	699,035
0104	Chief Academic Office	Nonschool	Central	2,752,074
0105	Payroll Office	Nonschool	Central	642,592
0106	Accounting Office	Nonschool	Central	894,161
0107	Expanded Learning	Nonschool	Central	1,128,711
0108	Employee Relations	Nonschool	Central	460,607
0109	Bus Lots	Nonschool	Central	706,280
0111	Maintenance Department	Nonschool	Central	5,015,273
0112	School Food Services	Nonschool	Central	5,558,031
0113	Capital Improvement	Nonschool	Central	5,235,579
0115	Communications	Nonschool	Central	2,252,155
0116	Construction Procurement	Nonschool	Central	223,001
0117	Office of General Counsel	Nonschool	Central	596,288
0118	Gifted & Talented Office	Nonschool	Central	705,919
0119	Plant Operations	Nonschool	Central	522,117
0120	Federal Programs Office	Nonschool	Central	4,490,257
0121	Fine Arts Office	Nonschool	Central	221,817
0122	English As A Second Language	Nonschool	Central	222,884
0123	Adult Education	Nonschool	Central	1,406,424
0124	Office of Teacher Effectiveness	Nonschool	Central	1,592,631
0125	Curriculum and Instruction	Nonschool	Central	2,241,991
0126	Operational Planning	Nonschool	Central	1,054,262
0127	Various Schools	Other Schools	School	33,091,218
0128	Professional Development	Nonschool	Central	2,225,666
0130	Human Capital Dev Office	Nonschool	Central	234
0132	Community Outreach	Nonschool	Central	13,052
0133	Alternative Programs	Nonschool	Central	2,701,064
0134	Nurse Services Office	Nonschool	Central	1,284,796
0135	Career & Technology Education	Nonschool	Central	1,599,230
0136	Pupil Accounting Office	Nonschool	Central	207,081
0137	Business Intelligence	Nonschool	Central	1,148,684
0138	Copy Center	Nonschool	Central	2,635
0139	Archives & Records Office	Nonschool	Central	271,018
0140	Public Safety Office	Nonschool	Central	988,498
0141	Internal Audit	Nonschool	Central	693,771
0142	Social Studies Office	Nonschool	Central	114,757
0143	Science Office	Nonschool	Central	338,474
0144	Procurement Services	Nonschool	Central	643,179
0145	English/Language Arts Office	Nonschool	Central	96,728
0146	Math Office	Nonschool	Central	259,124
0147	Capital Projects	Nonschool	Central	305,800
0148	Foreign Language	Nonschool	Central	39,950
0149	Department of School Support	Nonschool	Central	162,790
0150	Child Development Office	Nonschool	Central	468,309
0151	Headstart/Ehs/Preschool	Nonschool	Central	2,968,509
0152	Technology & Information Systems	Nonschool	Central	2,007,137
0153	IT Network Operations	Nonschool	Central	5,299,001
0154	Student Transportation	Nonschool	Central	546,505
0155	Innovation & Learning	Nonschool	Central	7,688,781

**CHARLESTON COUNTY SCHOOL DISTRICT
LOCATION RECONCILIATION SCHEDULE (CONTINUED)
YEAR ENDED JUNE 30, 2018**

Location ID	Location Description	Education Level	Cost Type	Total Expenditures
0156	IT Customer Support	Nonschool	Central	\$ 2,462,231
0157	Human Resources	Nonschool	Central	4,702,281
0158	Budgeting Office	Nonschool	Central	891,884
0159	Bridge View Drive	Nonschool	Central	2,615,758
0160	HVAC Shop	Nonschool	Central	2,351,189
0161	Energy Services	Nonschool	Central	473,046
0162	Plumbing Shop	Nonschool	Central	2,141,209
0164	Carpentry Shop	Nonschool	Central	2,116,706
0165	Central Media Services	Nonschool	Central	583,801
0166	Risk Management	Nonschool	Central	228,282
0167	Guidance & Counseling	Nonschool	Central	1,374,567
0169	Special Education Department	Nonschool	Central	7,980,587
0170	Assessment & Evaluation	Nonschool	Central	1,413,560
0171	Contracts/Procurement Srvs	Nonschool	Central	215,159
0172	Electrical Shop	Nonschool	Central	1,476,907
0173	Chief Information Office	Nonschool	Central	310,768
0180	Chief Financial Office	Nonschool	Central	153,901
0181	Title I District Wide	Nonschool	Central	1,051,926
0182	Video Services	Nonschool	Central	3,082
0183	Jenkins Orphanage	Nonschool	Central	10,003
0193	General Services	Nonschool	Central	1,214,840
0194	Carolina Youth Development	Nonschool	Central	61,815
0195	Financial Services	Nonschool	Central	1,516,883
0196	Admin Building (75 Calhoun St.)	Nonschool	Central	580,042
0199	Buffer	Nonschool	Central	71,275
0200	Elementary Learning Comm	Nonschool	Central	822,826
0202	Mt Pleasant Academy	Elementary	School	5,191,396
0203	Mamie P Whitesides Elementary	Elementary	School	6,359,411
0204	Sullivan's Island Elementary	Elementary	School	468,895
0205	Belle Hall Elementary	Elementary	School	6,489,644
0207	Jennie Moore Elementary	Elementary	School	8,586,720
0208	Charles Pinckney Elementary	Elementary	School	6,357,316
0209	Laurel Hill Primary	Other Schools	School	6,265,395
0210	Gov James B Edwards Elementary	Elementary	School	7,376,647
0212	Old Whitesides Site	Elementary	School	25,770
0213	Carolina Park Elementary	Elementary	School	13,046,297
0239	Montessori Mt Pleasant Charter	Other Schools	School	3,413,402
0242	Laing Middle	Middle School	School	8,516,979
0245	Moultrie Middle	Middle School	School	7,351,884
0247	Cario Middle	Middle School	School	9,066,960
0252	Old Wando High School Site	Nonschool	Central	13,774
0253	New District 2 High School	High School	School	5,686,770
0257	Wando High School	High School	School	33,901,571
0258	Wando Community School	Other Schools	School	102,046
0268	Windwood Farms Program	Nonschool	Central	385,477
0300	Old District 3 Learn Comm	Nonschool	Central	13,043
0303	Riverland Terrace Shop	Nonschool	Central	8,715
0304	Harbor View Elementary	Elementary	School	5,047,146

**CHARLESTON COUNTY SCHOOL DISTRICT
LOCATION RECONCILIATION SCHEDULE (CONTINUED)
YEAR ENDED JUNE 30, 2018**

Location ID	Location Description	Education Level	Cost Type	Total Expenditures
0305	Stiles Point Elementary	Elementary	School	5,775,646
0309	Murray-Lasaine Elementary	Elementary	School	3,713,802
0310	James Island Elementary	Elementary	School	5,500,243
0342	James Island Middle	Middle School	School	417,956
0343	Fort Johnson Middle	Middle School	School	1,074,053
0344	Camp Road Middle School	Middle School	School	8,088,449
0350	James Island Charter High	Other Schools	School	17,163,377
0351	James Is Hi Community School	Other Schools	School	72,602
0359	Septima P Clark Academy	High School	School	1,939,603
0384	Student Intervention Services	Nonschool	Central	268,004
0400	District 4 Constituent Office	Nonschool	Central	62,381
0410	McNair Building	Nonschool	Central	202,411
0411	Child & Family Development Ctr	Nonschool	Central	1,038,391
0412	Chicora Elementary	Elementary	School	5,550,572
0413	E A Burns Elementary	Elementary	School	8,718,444
0414	Lambs Elementary	Elementary	School	4,527,346
0415	Ladson Elementary	Elementary	School	7,123,766
0416	Pinehurst Elementary	Elementary	School	9,399,946
0418	North Charleston Elementary	Elementary	School	6,722,627
0419	North Chas Creative Arts Elem	Elementary	School	5,086,244
0420	Malcolm C Hursey Elementary	Elementary	School	4,378,137
0421	W B Goodwin Elementary	Elementary	School	5,770,793
0422	Matilda F Dunston Elementary	Elementary	School	6,794,044
0424	Hunley Park Elementary	Elementary	School	4,750,711
0425	A C Corcoran Elementary	Elementary	School	6,252,568
0426	Midland Park Primary School	Other Schools	School	5,388,851
0428	Deer Park Middle	Elementary	School	5,641,497
0435	Mary Ford Elementary	Elementary	School	4,911,308
0436	Pepperhill Elementary	Elementary	School	5,305,366
0437	Prestige Charter	Other Schools	School	680,155
0439	Meeting Street @ Brentwood	Middle School	School	9,550,038
0441	Northwoods Middel School	Middle School	School	8,210,465
0442	Brentwood Middle	High School	School	5,828
0444	Morningside Middle	Other Schools	School	6,380,326
0445	Military Magnet Academy	High School	School	8,114,085
0446	Zucker Middle School	High School	School	5,507,635
0450	Charleston County School of the Arts	High School	School	10,634,180
0451	Garrett Academy of Technology	High School	School	7,531,050
0452	North Charleston High	Other Schools	School	8,852,006
0453	Garrett Community Ed	Other Schools	School	31,118
0454	RB Stall High	Middle School	School	14,439,123
0455	Stall Community Ed	Nonschool	Central	63
0458	Academic Magnet High School	High School	School	6,480,318
0460	Charlestowne Academy	Other Schools	School	18,834
0461	Greg Mathis Charter	Other Schools	School	1,033,952

**CHARLESTON COUNTY SCHOOL DISTRICT
LOCATION RECONCILIATION SCHEDULE (CONTINUED)
YEAR ENDED JUNE 30, 2018**

Location ID	Location Description	Education Level	Cost Type	Total Expenditures
0463	Daniel Jenkins Academy	Middle School	School	3,719,645
0464	Juvenile Detention Ctr Twin Ri	Nonschool	Central	282,336
0465	Summit Program	Nonschool	Central	(196)
0466	Charleston Place	Nonschool	Central	5,638
0467	Department of Juvenile Justice	Other Schools	School	2,025
0468	Liberty Hill Academy	Nonschool	Central	3,493,140
0491	Hyde Avenue	Nonschool	Central	573
0504	St James-Santee Elementary	Other Schools	School	7,142,505
0541	Mcclellanville Middle	Middle School	School	75,765
0542	New Lincoln Middle	Middle School	School	32
0554	Lincoln High	High School	School	296,610
0600	District 10 Constituent Office	Nonschool	Central	19,576
0601	Plant Operations/Quality Assurance	Nonschool	Central	109,153
0603	St. Andrew's Elementary	Elementary	School	6,341,710
0605	Stono Park Elementary	Elementary	School	5,665,666
0606	Oakland Elementary	Elementary	School	5,531,897
0607	Orange Grove Charter Elmentary	Elementary	School	10,797,682
0608	Ashley River Elementary	Elementary	School	6,673,700
0611	Springfield Elementary	Elementary	School	5,948,116
0612	Montessori Community Schl Chas	Other Schools	School	2,593,753
0616	Drayton Hall Elementary	Elementary	School	7,139,304
0642	C E Williams Academic Magnet	Middle School	School	8,484,188
0646	West Ashley Middle	Middle School	School	175,665
0647	Advanced Studies West Ashley	Middle School	School	6,799,761
0648	St. Andrew's Middle	Middle School	School	1,141,791
0653	West Ashley High School	High School	School	16,603,718
0655	WA Head Start	Nonschool	Central	1,113,630
0661	Pattison's Academy Charter	Other Schools	School	1,091,706
0681	Materials Resource Center	Nonschool	Central	2,466
0700	High School Learning Community	High School	School	808,207
0701	Plant Operations	Nonschool	Central	1,348,839
0705	Charleston Progressive School	Elementary	School	3,918,013
0706	Memminger Elementary	Elementary	School	4,438,079
0707	James Simons Elementary	Elementary	School	4,294,108
0708	Archer Building	Elementary	School	50,006
0709	Buist Academy Elementary	Elementary	School	4,696,585
0710	W J Fraser Elementary	Elementary	School	95,846
0712	Julian Mitchell Elementary	Elementary	School	4,081,689
0714	Sanders-Clyde Elementary	Elementary	School	6,318,451
0739	Charleston Development Academy	Other Schools	School	1,770,844
0743	Low County Tech	Nonschool	Central	277,422
0744	Simmons-Pinckney Middle	Middle School	School	3,119,985
0749	Carolina Voyager Charter	Alternative School	School	2,218,355
0750	Florence Crittenton	Nonschool	Central	22,157
0752	Thomas Myers II	Nonschool	Central	122,360
0755	Burke High	High School	School	7,954,357
0756	Burke Community Ed	Nonschool	Central	21,381

**CHARLESTON COUNTY SCHOOL DISTRICT
LOCATION RECONCILIATION SCHEDULE (CONTINUED)
YEAR ENDED JUNE 30, 2018**

Location ID	Location Description	Education Level	Cost Type	Total Expenditures
0760	Early College High School	High School	School	1,138,720
0761	Chas Math & Science Charter	Other Schools	School	5,950,333
0762	Allegro Charter School	Other Schools	School	1,759,676
0777	Chs County Human Services	Nonschool	Central	125
0784	Child Find	Nonschool	Central	118,745
0800	Middle School Learning Community	Nonschool	Central	210,778
0808	C C Blaney Elementary	Elementary	School	593,906
0809	Jane Edwards Elementary	Elementary	School	1,907,388
0810	E B Ellington Elementary	Elementary	School	4,215,848
0811	Minnie Hughes Elementary	Elementary	School	3,755,960
0843	R D Schroder Middle	Middle School	School	163,170
0851	Baptist Hill High	High School	School	8,619,052
0902	Angel Oak Elementary	Elementary	School	10,203,249
0906	Mt Zion Elementary	Elementary	School	3,378,518
0907	Edith Frierson Elementary	Elementary	School	1,967,344
0944	Haut Gap Middle	Middle School	School	4,643,653
0951	St John's High	High School	School	5,301,684
0952	St Johns Comm Ed	Other Schools	School	-
0999	School-Wide Accounts	Nonschool	Central	-
Total Expenditures/Disbursements for All Funds				<u><u>\$ 766,401,653</u></u>

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

General Fund	\$ 457,114,914
Special Revenue Fund (Subfunds 200s, 800s, 900s)	62,703,425
Special Revenue EIA Fund (Subfunds 300s)	20,587,438
Special Revenue Food Service Fund (Subfund 600)	27,175,990
Debt Service - District Fund (Subfunds 401 and 418)	19,470,865
Debt Service - CEEF Fund (Subfunds 415, 416, 417)	42,793,480
Capital Projects - District Fund (Subfunds 500s)	127,872,355
Medals and Awards Permanent Fund (Subfund 702 and 705)	7,040
Agency Fund (Pupil Activity) (Subfunds 706 and 709)	8,676,146
Total Expenditures/Disbursements For All Funds	<u><u>\$ 766,401,653</u></u>