

BARNWELL SCHOOL DISTRICT #19
BLACKVILLE, SOUTH CAROLINA
FINANCIAL STATEMENTS
AS OF AND FOR YEAR ENDED JUNE 30, 2019

BARNWELL SCHOOL DISTRICT #19

BLACKVILLE, SOUTH CAROLINA

FINANCIAL STATEMENTS

AS OF AND FOR YEAR ENDED JUNE 30, 2019

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Barnwell School District #19
Blackville, South Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Barnwell School District #19, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We 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 of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Barnwell School District #19, as of June 30, 2019, and the respective changes in financial position and, where applicable, cash flows, and the respective budgetary comparison for the General Fund for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

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Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the pension schedules, and the OPEB schedules as listed in the table of content 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.

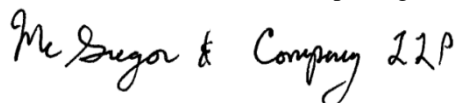
Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Barnwell School District #19's basic financial statements. The combining and individual nonmajor fund financial schedules and other schedules required by the South Carolina Department of Education are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial schedules, other schedules required by the South Carolina Department of Education, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the 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 combining and individual nonmajor fund financial schedules, other schedules required by the South Carolina Department of Education, and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 21, 2019, on our consideration of Barnwell School District #19's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Barnwell School District #19's internal control over financial reporting and compliance.



Barnwell, South Carolina
November 21, 2019

BARNWELL SCHOOL DISTRICT # 19
BLACKVILLE, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
YEAR ENDED JUNE 30, 2019

Introduction

This narrative overview gives an analysis of the financial activities of Barnwell County School District No. 19 for the fiscal year ended June 30, 2019. Our purpose is to inform our citizens of the effect of our district's operations and to present our financial position.

Financial Highlights

Net Position: The Total Net Position (Deficit) as of June 30, 2019, was (\$8,954,795).

Revenues and Expenditures: Revenues and Other Financing Sources totaled \$9,696,372 and Expenditures and Other Financing Uses totaled \$9,085,656 for all Governmental Funds at the fund level. Accordingly, revenues and other financing sources exceeded expenditures and other financing uses by \$610,716.

General Fund/Fund Balance: Our principal operating fund, the General Fund, had \$5,791,551 in fiscal year 2019 revenues and other financing sources, which primarily consisted of state aid and property taxes. The General Fund's expenditures totaled \$5,118,615, resulting in an increase in fund balance of \$672,936 and leaving an ending balance of \$539,448 as of June 30, 2019.

Debt: The District retired \$605,000 in principal on its general obligation bonds and \$55,000 on its acquisition, security, & use agreements. The 2009 Series General Obligation Refunding Bond was fully paid during the year and the balance of the 2016 Series General Obligation Bond debt was \$609,000 as of June 30, 2019. The balance of the 2016 Series Acquisition, Security & Use Agreement debt was \$95,592 and the balance of the 2018 Series Acquisition, Security & Use Agreement debt was \$154,947 as of June 30, 2019. The fund balance of the Debt Service fund decreased by \$78,898, leaving an ending fund balance of \$179,638 as of June 30, 2019. The fund balance of the School Building fund increased by \$8, leaving an ending fund balance of \$2,363 as of June 30, 2019.

OVERVIEW OF FINANCIAL STATEMENTS

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

Government-wide Financial Statements: The government-wide financial statements are designed to provide readers with a broad overview of the district's finances, in a manner similar to a private sector business. These statements outline functions of the district that are principally supported by property taxes and intergovernmental revenues (governmental

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YEAR ENDED JUNE 30, 2019

activities) and functions principally supported by user charges (business-type activities). The governmental activities of the district include instruction, support services and inter-governmental expenditures. The government-wide financial statements can be found on pages 10-11, and 12 of this report.

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

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

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

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. These reconciliations are on pages 14 and 16.

The District maintains its accounting records in conformity with the South Carolina Department of Education's Financial Accounting Handbook. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General, Special Revenue, and EIA Funds

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MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
YEAR ENDED JUNE 30, 2019**

which are required to be presented as major funds. The Debt Service fund also meets the criteria for classification as a major fund. For the sake of consistency, the District has elected to show the School Building Fund as a major fund. The basic governmental funds financial statements can be found on pages 13 and 15 of this report.

Proprietary Funds: Proprietary (Enterprise) funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the stated intent is that of monitoring the cost of such programs for public policy. The proprietary fund financial statements can be found on pages 17-19 of this report.

Fiduciary Funds: Fiduciary (Pupil Activity) funds are used to account for resources held for the benefit of students and are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. The accrual basis of accounting is used for fiduciary funds. The basic fiduciary fund financial statements can be found on pages 20 and 21 of this report.

Notes to the Financial Statement: The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 23-47 of this report.

Government-Wide Financial Analysis

Net position may serve over time as a useful indicator of a government's financial position. In the case of the District, liabilities and deferred inflows of resources exceeded assets and deferred outflows by \$8,954,795 as of June 30, 2019. A large portion of the District's net position (deficit) reflects its recognition of the allocated percentage of the collective net pension liability, its allocated percentage of the collective net OPEB liability, and related deferred outflows and inflows.

The District's financial position is the product of several financial transactions, including the net results of activities, the acquisition and payment of debt, the acquisition of capital assets, the depreciation of capital assets, and the reporting of liabilities, deferred outflows, and deferred inflows related to pensions.

The following table presents a summary of the District's net position for the fiscal year ended June 30, 2019, with comparative data listed for the fiscal year ended June 30, 2018.

	2019	2018
Current assets	\$ 2,627,823	\$ 2,922,616
Capital assets, net	<u>7,657,624</u>	<u>7,438,044</u>
Total assets	<u>10,285,447</u>	<u>10,360,660</u>

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BLACKVILLE, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
YEAR ENDED JUNE 30, 2019**

Deferred Outflows of Resources	\$ 1,467,736	\$ 1,780,572
Current liabilities	1,910,655	3,079,236
Long-term debt outstanding	<u>17,574,014</u>	<u>17,832,171</u>
Total liabilities	<u>19,484,669</u>	<u>20,911,407</u>
Deferred Inflows of Resources	<u>1,223,309</u>	<u>1,369,392</u>
Net position:		
Net investment in capital assets	\$ 6,798,085	\$ 6,073,452
Restricted	182,001	260,891
Unrestricted (Deficit)	<u>(15,934,881)</u>	<u>(16,473,910)</u>
Total net position (Deficit)	<u>\$ (8,954,795)</u>	<u>\$ (10,139,567)</u>

Changes in net position: The District's total revenues for the fiscal year ended June 30, 2019, were \$9,839,888. The total cost of all programs and services was \$8,655,116. The following table presents a summary of the activity that resulted in changes in net assets for the fiscal years ended June 30, 2019 and June 30, 2018.

	2019	2018
Revenues:		
Program Revenues:		
Charges for services	\$ 114,472	\$ 96,435
Operating grants and contributions	<u>6,452,170</u>	<u>6,745,751</u>
	<u>6,566,642</u>	<u>6,842,186</u>
General Revenues:		
Property taxes	2,482,599	2,336,482
Unrestricted federal and state aid	727,270	815,200
Investment earnings	5,501	4,319
Miscellaneous	<u>57,876</u>	<u>143,272</u>
	<u>3,273,246</u>	<u>3,299,273</u>
Total Revenues	<u>9,839,888</u>	<u>10,141,459</u>

**BARNWELL SCHOOL DISTRICT # 19
BLACKVILLE, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
YEAR ENDED JUNE 30, 2019**

	2019	2018
Expenses:		
Instruction	\$ 3,559,278	\$ 4,364,000
Supporting Services	4,065,759	4,749,374
Intergovernmental	105,989	74,895
Interest and other charges	46,404	61,542
Depreciation	360,906	315,660
Food service	<u>516,780</u>	<u>533,033</u>
 Total Expenses	 <u>8,655,116</u>	 <u>10,098,504</u>
 Increase in net position	 <u>\$ 1,184,772</u>	 <u>\$ 42,955</u>

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

	2019		2018	
	Total Expenses	Net (Expense) Revenue	Total Expenses	Net (Expense) Revenue
Instruction	\$ 3,559,278	\$ 382,286	\$ 4,364,000	\$ (324,794)
Supporting services	4,065,759	(2,049,051)	4,749,374	(2,543,003)
Intergovernmental	105,989	(105,989)	74,895	(74,895)
Interest and other charges (on long-term debt)	46,404	(46,404)	61,542	(61,542)
Depreciation	<u>360,906</u>	<u>(360,906)</u>	<u>315,660</u>	<u>(315,660)</u>
 Total expenses	 <u>\$8,138,336</u>	 <u>\$(2,180,064)</u>	 <u>\$9,565,471</u>	 <u>\$(3,319,894)</u>

- The cost of all governmental activities this year was \$8,138,336.
- Net cost of governmental activities for FY 2019 (\$2,180,064) was financed by general revenues, which are made up primarily of property taxes \$2,482,599 and unrestricted federal and state aid \$727,270. Investment earnings accounted for \$5,501 of funding.

BARNWELL SCHOOL DISTRICT # 19
BLACKVILLE, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
YEAR ENDED JUNE 30, 2019

Financial Analysis of the District's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The financial performance of the District as a whole is reflected in its governmental funds. In particular, unreserved fund balance may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

The General Fund is the principal operating fund of the District. Proprietary Funds are used to account for operations that are operated in a manner similar to private business enterprises. The School Food Service Fund is the only Proprietary Fund. The fund had an increase in net position of \$26,842.

Budgetary Highlights

A schedule showing the District budget amounts compared to the actual financial activity for the General Fund is provided in this report as a basic financial statement. The District's General Fund budget is an estimate of expected revenues and expenditures intended to be a guide for administering the District's financial plan. Events and circumstances occur during the school year that either increase or decrease a need for instructional or supportive services and/or materials.

Capital Assets and Debt Administration

Capital Assets: As of June 30, 2019, the District had invested \$14,429,309 in capital assets, including school buildings, athletic facilities, buses, and other vehicles and equipment. Total depreciation for the year was \$377,673. The following schedule presents capital asset balances, net of depreciation for the fiscal year ended June 30, 2019.

Land	\$ 63,126
Improvements	1,854,163
Buildings	10,960,987
Machinery and equipment	1,331,965
Vehicles	<u>219,068</u>
	14,429,309
Less Accumulated Depreciation	<u>(6,771,685)</u>
Total	<u>\$ 7,657,624</u>

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MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED)
YEAR ENDED JUNE 30, 2019**

Additional information on the District’s capital assets can be found in Note 3 of this report.

Debt Administration: At year-end the District had \$609,000 in general obligation bonds of which \$302,000 is due within one year.

General Obligation Bonds-Series 2016	<u>\$ 609,000</u>
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The District had a balance of \$250,539 at year-end in acquisition, security & use agreements of which \$104,703 is due within one year.

Acquisition, Security & Use Agreement – Series 2016	\$ 95,592
Acquisition, Security & Use Agreement – Series 2018	<u>154,947</u>
	<u>\$250,539</u>

Economic Factors and Next Year’s Budget

Barnwell School District #19 is located in a small, rural county with a high percentage of free lunch eligibility. Industrial development in our District is negligible, and the value of a mill is currently approximately \$10,251. The budget for 2019-20, as currently approved by the Board, is balanced.

Due to the current economic climate, the District has approved a GO Bond in the 2019-2020 year in the amount of \$210,000 to help assist with the cash flow of operations (Note 15). The District administration and school board is currently planning and will continue to plan for possible budget reductions to continue to build up the fund balance.

State revenues under the Supplemental Appropriation 11-11-156 B (3827) along with the Legal Residence (Tier 1), Homestead Exemption (Tier 2) and Tax Credit (Tier 3) continue to be advantageous to the District.

Contacting the District’s Financial Management

This financial report is designed to provide the citizens of the District with a general overview of the District’s finances. If you have any questions about this report or need additional information, contact the finance office at 446 Country Club Road, P. O. Box 185, Blackville, South Carolina 29817.

BARNWELL SCHOOL DISTRICT #19
BLACKVILLE, SOUTH CAROLINA
STATEMENT OF NET POSITION
JUNE 30, 2019

	<u>GOVERNMENTAL ACTIVITIES</u>	<u>BUSINESS-TYPE ACTIVITY</u>	<u>TOTAL</u>
ASSETS			
CURRENT ASSETS:			
CASH AND INVESTMENTS	\$ 1,484,776	\$ 47	\$ 1,484,823
TAXES RECEIVABLE	346,528	-	346,528
ACCOUNTS RECEIVABLE	-	1,965	1,965
DUE FROM COUNTY GOVERNMENT	199,959	-	199,959
DUE FROM STATE DEPARTMENT OF EDUCATION	88,259	-	88,259
DUE FROM OTHER STATE AGENCIES	29,470	-	29,470
DUE FROM FEDERAL GOVERNMENT	442,140	-	442,140
DUE FROM TRUST AND AGENCY FUND	2,100	-	2,100
INTERNAL BALANCES	(39,813)	39,813	-
INVENTORY	-	32,579	32,579
TOTAL CURRENT ASSETS	<u>2,553,419</u>	<u>74,404</u>	<u>2,627,823</u>
NONCURRENT ASSETS:			
CAPITAL ASSETS:			
NON-DEPRECIABLE	63,126	-	63,126
DEPRECIABLE, NET OF ACCUMULATED DEPRECIATION	7,511,116	83,382	7,594,498
TOTAL NONCURRENT ASSETS	<u>7,574,242</u>	<u>83,382</u>	<u>7,657,624</u>
TOTAL ASSETS	<u>10,127,661</u>	<u>157,786</u>	<u>10,285,447</u>
DEFERRED OUTFLOWS OF RESOURCES			
NET DEFERRED OUTFLOWS RELATED TO PENSIONS	558,854	-	558,854
NET DEFERRED OUTFLOWS RELATED TO OTHER			
POST-EMPLOYMENT BENEFITS	139,694	-	139,694
TOTAL CONTRIBUTIONS SUBSEQUENT TO THE			
MEASUREMENT DATE FOR PENSIONS	541,123	-	541,123
TOTAL CONTRIBUTIONS SUBSEQUENT TO THE			
MEASUREMENT DATE FOR OTHER POST-EMPLOYMENT			
BENEFITS	228,065	-	228,065
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>1,467,736</u>	<u>-</u>	<u>1,467,736</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE BASIC FINANCIAL STATEMENTS.

**BARNWELL SCHOOL DISTRICT #19
BLACKVILLE, SOUTH CAROLINA
STATEMENT OF NET POSITION
JUNE 30, 2019**

	<u>GOVERNMENTAL ACTIVITIES</u>	<u>BUSINESS-TYPE ACTIVITY</u>	<u>TOTAL</u>
LIABILITIES			
CURRENT LIABILITIES			
ACCOUNTS PAYABLE	\$ 197,156	\$ -	\$ 197,156
DUE TO TRUST AND AGENCY FUND	38,102	-	38,102
DUE TO STATE DEPARTMENT OF EDUCATION	55,763	-	55,763
DUE TO FEDERAL GOVERNMENT	39,144	-	39,144
ACCRUED SALARIES PAYABLE	377,287	-	377,287
ACCRUED PAYROLL TAXES, RETIREMENT, AND WITHHOLDING PAYABLE	294,524	-	294,524
ACCRUED HEALTH INSURANCE PAYABLE	105,130	-	105,130
ACCRUED INTEREST	4,649	-	4,649
UNEARNED REVENUE	392,197	-	392,197
CURRENT PORTION OF LONG-TERM OBLIGATIONS	406,703	-	406,703
TOTAL CURRENT LIABILITIES	<u>1,910,655</u>	<u>-</u>	<u>1,910,655</u>
NONCURRENT LIABILITIES			
NONCURRENT PORTION OF LONG-TERM OBLIGATIONS	452,836	-	452,836
AGGREGATE NET PENSION LIABILITY	9,742,160	-	9,742,160
AGGREGATE NET OTHER POST-EMPLOYMENT BENEFIT LIABILITY	7,379,018	-	7,379,018
TOTAL NONCURRENT LIABILITIES	<u>17,574,014</u>	<u>-</u>	<u>17,574,014</u>
TOTAL LIABILITIES	<u>19,484,669</u>	<u>-</u>	<u>19,484,669</u>
DEFERRED INFLOWS OF RESOURCES			
NET DEFERRED INFLOWS RELATED TO PENSIONS	548,556	-	548,556
NET DEFERRED INFLOWS RELATED TO OTHER POST-EMPLOYMENT BENEFITS	674,753	-	674,753
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>1,223,309</u>	<u>-</u>	<u>1,223,309</u>
NET POSITION			
NET INVESTMENT IN CAPITAL ASSETS	6,714,703	83,382	6,798,085
RESTRICTED FOR:			
DEBT SERVICE	179,638	-	179,638
SCHOOL BUILDING	2,363	-	2,363
UNRESTRICTED (DEFICIT)	(16,009,285)	74,404	(15,934,881)
TOTAL NET POSITION (DEFICIT)	<u>\$ (9,112,581)</u>	<u>\$ 157,786</u>	<u>\$ (8,954,795)</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE BASIC FINANCIAL STATEMENTS.

**BARNWELL SCHOOL DISTRICT #19
BLACKVILLE, SOUTH CAROLINA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2019**

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITY	TOTAL
GOVERNMENTAL ACTIVITIES							
INSTRUCTION	\$ 3,559,278	\$ 54,694	\$ 3,886,870	\$ -	\$ 382,286		\$ 382,286
SUPPORTING SERVICES	4,065,759	148	2,016,560	-	(2,049,051)		(2,049,051)
INTERGOVERNMENTAL	105,989	-	-	-	(105,989)		(105,989)
INTEREST AND OTHER CHARGES	46,404	-	-	-	(46,404)		(46,404)
DEPRECIATION (NOTE 3)	360,906	-	-	-	(360,906)		(360,906)
TOTAL GOVERNMENTAL ACTIVITIES	8,138,336	54,842	5,903,430	-	(2,180,064)		(2,180,064)
BUSINESS-TYPE ACTIVITY:							
FOOD SERVICE	516,779	59,630	548,740	-	-	\$ 91,591	91,591
TOTAL BUSINESS-TYPE ACTIVITY	516,779	59,630	548,740	-	-	91,591	91,591
TOTAL SCHOOL DISTRICT	\$ 8,655,115	\$ 114,472	\$ 6,452,170	\$ -	(2,180,064)	91,591	(2,088,473)
GENERAL REVENUES:							
TAXES							
PROPERTY TAXES, LEVIED FOR GENERAL PURPOSES							
					1,886,140	-	1,886,140
PROPERTY TAXES, LEVIED FOR DEBT SERVICE							
					596,458	-	596,458
FEDERAL AND STATE AID NOT RESTRICTED TO SPECIFIC PURPOSES							
					727,270	-	727,270
UNRESTRICTED INVESTMENT EARNINGS							
GENERAL							
					5,317	-	5,317
DEBT SERVICE							
					184	-	184
MISCELLANEOUS							
					57,876	-	57,876
TOTAL GENERAL REVENUES					3,273,245	-	3,273,245
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE TRANSFERS					1,093,181	91,591	1,184,772
TRANSFERS BETWEEN GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES					64,749	(64,749)	-
CHANGE IN NET POSITION					1,157,930	26,842	1,184,772
NET POSITION (DEFICIT), JULY 1, 2018					(10,270,511)	130,944	(10,139,567)
NET POSITION (DEFICIT), JUNE 30, 2019					\$ (9,112,581)	\$ 157,786	\$ (8,954,795)

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE BASIC FINANCIAL STATEMENTS.

**BARNWELL SCHOOL DISTRICT #19
BLACKVILLE, SOUTH CAROLINA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2019**

	GENERAL	SPECIAL REVENUE	EIA	DEBT SERVICE	SCHOOL BUILDING	TOTAL GOVERNMENTAL FUNDS
ASSETS						
CASH AND INVESTMENTS	\$ 1,484,776	\$ -	\$ -	\$ -	\$ -	\$ 1,484,776
TAXES RECEIVABLE	247,071	-	-	99,457	-	346,528
DUE FROM OTHER FUNDS	809,460	-	223,243	-	2,363	1,035,066
DUE FROM TRUST AND AGENCY FUND	2,100	-	-	-	-	2,100
DUE FROM COUNTY GOVERNMENT	31,630	-	-	168,329	-	199,959
DUE FROM SC DEPT OF EDUCATION	42,491	44,212	1,556	-	-	88,259
DUE FROM OTHER STATE AGENCIES	-	29,470	-	-	-	29,470
DUE FROM FEDERAL GOVERNMENT	-	442,140	-	-	-	442,140
TOTAL ASSETS	\$ 2,617,528	\$ 515,822	\$ 224,799	\$ 267,786	\$ 2,363	\$ 3,628,298
LIABILITIES						
ACCOUNTS PAYABLE	\$ 197,156	\$ -	\$ -	\$ -	\$ -	\$ 197,156
DUE TO OTHER FUNDS	838,032	236,847	-	-	-	1,074,879
DUE TO TRUST AND AGENCY FUND	38,102	-	-	-	-	38,102
DUE TO SC DEPT OF EDUCATION	-	6,000	49,763	-	-	55,763
DUE TO FEDERAL GOVERNMENT	-	39,144	-	-	-	39,144
ACCRUED SALARIES	377,287	-	-	-	-	377,287
RETIREMENT AND PAYROLL WITHHOLDINGS	59,985	-	-	-	-	59,985
ACCRUED SOCIAL SECURITY	26,878	-	-	-	-	26,878
ACCRUED RETIREMENT	207,661	-	-	-	-	207,661
ACCRUED HEALTH INSURANCE	105,130	-	-	-	-	105,130
UNEARNED REVENUE	-	217,161	175,036	-	-	392,197
TOTAL LIABILITIES	1,850,231	499,152	224,799	-	-	2,574,182
DEFERRED INFLOWS						
UNAVAILABLE REVENUE	227,849	-	-	88,148	-	315,997
TOTAL DEFERRED INFLOWS	227,849	-	-	88,148	-	315,997
FUND BALANCES						
RESTRICTED FOR:						
SPECIAL REVENUE	-	16,672	-	-	-	16,672
DEBT SERVICE	-	-	-	179,638	-	179,638
CAPITAL CONSTRUCTION	-	-	-	-	2,363	2,363
UNASSIGNED (DEFICIT)	539,448	-	-	-	-	539,448
TOTAL FUND BALANCES	539,448	16,670	-	179,638	2,363	738,119
TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES	\$ 2,617,528	\$ 515,822	\$ 224,799	\$ 267,786	\$ 2,363	\$ 3,628,298

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE BASIC FINANCIAL STATEMENTS.

**BARNWELL SCHOOL DISTRICT #19
BLACKVILLE, SOUTH CAROLINA
RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET
WITH THE STATEMENT OF NET POSITION
JUNE 30, 2019**

TOTAL FUND BALANCES - GOVERNMENTAL FUNDS	\$	738,119
AMOUNTS REPORTED FOR GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION ARE DIFFERENT BECAUSE OF THE FOLLOWING:		
CAPITAL ASSETS USED IN GOVERNMENTAL ACTIVITIES ARE NOT FINANCIAL RESOURCES AND THEREFORE ARE NOT REPORTED AS ASSETS IN THE GOVERNMENTAL FUNDS.		
THE COST OF CAPITAL ASSETS IS	\$ 13,712,021	
ACCUMULATED DEPRECIATION IS	<u>(6,137,779)</u>	7,574,242
PROPERTY TAXES RECEIVABLE ARE NOT AVAILABLE TO PAY FOR CURRENT PERIOD EXPENDITURES AND THEREFORE ARE CONSIDERED UNAVAILABLE REVENUES IN THE FUNDS		
		315,997
LONG-TERM LIABILITIES, INCLUDING BONDS PAYABLE, ARE NOT DUE AND PAYABLE IN THE CURRENT PERIOD AND THEREFORE ARE NOT REPORTED AS LIABILITIES IN THE FUNDS. LONG-TERM LIABILITIES AT YEAR END CONSIST OF:		
BONDS PAYABLE	(609,000)	
ACQUISITION, SECURITY & USE AGREEMENT	(250,539)	
ACCRUED INTEREST	<u>(4,649)</u>	(864,188)
PENSION RELATED AMOUNTS, INCLUDING THE PROPORTIONATE SHARE OF THE COLLECTIVE NET PENSION LIABILITY, DEFERRED OUTFLOWS OF RESOURCES, AND DEFERRED INFLOWS OF RESOURCES, ARE NOT DUE AND PAYABLE IN THE CURRENT PERIOD AND THEREFORE ARE NOT REPORTED AS LIABILITIES IN THE FUNDS. PENSION AMOUNTS AT YEAR END CONSISTS OF:		
AGGREGATE PROPORTIONATE SHARE OF COLLECTIVE NET PENSION LIABILITY	(9,742,160)	
DEFERRED OUTFLOWS OF RESOURCES RELATED TO PENSIONS	1,099,977	
DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS	<u>(548,556)</u>	(9,190,739)
OTHER POST-EMPLOYMENT BENEFIT (OPEB) RELATED AMOUNTS, INCLUDING THE PROPORTIONATE SHARE OF THE COLLECTIVE NET OPEB LIABILITY, DEFERRED OUTFLOWS OF RESOURCES, AND DEFERRED INFLOWS OF RESOURCES, ARE NOT DUE AND PAYABLE IN THE CURRENT PERIOD AND THEREFORE ARE NOT REPORTED AS LIABILITIES IN THE FUNDS. OPEB AMOUNTS AT YEAR END CONSISTS OF:		
AGGREGATE PROPORTIONATE SHARE OF COLLECTIVE NET OPEB LIABILITY	(7,379,018)	
DEFERRED OUTFLOWS OF RESOURCES RELATED TO PENSIONS	367,759	
DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS	<u>(674,753)</u>	<u>(7,686,012)</u>
TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES	\$	<u><u>(9,112,581)</u></u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE BASIC FINANCIAL STATEMENTS.

**BARNWELL SCHOOL DISTRICT #19
BLACKVILLE, SOUTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2019**

	<u>GENERAL</u>	<u>SPECIAL REVENUE</u>	<u>EIA</u>	<u>DEBT SERVICE</u>	<u>SCHOOL BUILDING</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
REVENUE						
LOCAL	\$ 1,980,299	\$ 94,088	\$ -	\$ 611,290	\$ 8	\$ 2,685,685
INTERGOVERNMENTAL	-	121,439	-	-	-	121,439
STATE	3,544,466	504,513	954,702	4,049	-	5,007,730
FEDERAL	-	1,459,785	-	-	-	1,459,785
TOTAL REVENUES	<u>5,524,765</u>	<u>2,179,825</u>	<u>954,702</u>	<u>615,339</u>	<u>8</u>	<u>9,274,639</u>
EXPENDITURES						
CURRENT						
INSTRUCTION	2,336,128	777,236	350,584	-	-	3,463,948
SUPPORTING SERVICES	2,730,356	1,242,640	480,043	-	-	4,453,039
OTHER CHARGES						
INTERGOVERNMENTAL EXPENDITURES	40,672	65,317	-	-	-	105,989
DEBT SERVICE						
PRINCIPAL	-	-	-	660,000	-	660,000
INTEREST	11,459	-	-	34,167	-	45,626
OTHER OBJECTS	-	-	-	70	10,000	10,070
CAPITAL OUTLAY	-	-	-	-	144,947	144,947
TOTAL EXPENDITURES	<u>5,118,615</u>	<u>2,085,193</u>	<u>830,627</u>	<u>694,237</u>	<u>154,947</u>	<u>8,883,619</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	<u>406,150</u>	<u>94,632</u>	<u>124,075</u>	<u>(78,898)</u>	<u>(154,939)</u>	<u>391,020</u>
OTHER FINANCING SOURCES (USES):						
PROCEEDS FROM GENERAL OBLIGATION BONDS	-	-	-	-	154,947	154,947
OPERATING TRANSFERS IN	266,786	-	-	-	-	266,786
OPERATING TRANSFERS OUT	-	(77,962)	(124,075)	-	-	(202,037)
TOTAL OTHER FINANCING SOURCES (USES)	<u>266,786</u>	<u>(77,962)</u>	<u>(124,075)</u>	<u>-</u>	<u>154,947</u>	<u>219,696</u>
EXCESS (DEFICIENCY) OF REVENUE AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	<u>672,936</u>	<u>16,670</u>	<u>-</u>	<u>(78,898)</u>	<u>8</u>	<u>610,716</u>
FUND BALANCE JULY 1, 2018	<u>(133,488)</u>	<u>-</u>	<u>-</u>	<u>258,536</u>	<u>2,355</u>	<u>127,403</u>
FUND BALANCE JUNE 30, 2019	<u>\$ 539,448</u>	<u>\$ 16,670</u>	<u>\$ -</u>	<u>\$ 179,638</u>	<u>\$ 2,363</u>	<u>\$ 738,119</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE BASIC FINANCIAL STATEMENTS.

**BARNWELL SCHOOL DISTRICT #19
BLACKVILLE, SOUTH CAROLINA
RECONCILIATION OF GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES WITH THE DISTRICT-WIDE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2019**

TOTAL NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS	\$	610,716
AMOUNTS REPORTED FOR GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES ARE DIFFERENT BECAUSE OF THE FOLLOWING:		
CAPITAL OUTLAYS ARE REPORTED IN THE GOVERNMENTAL FUNDS AS EXPENDITURES. HOWEVER, IN THE STATEMENT OF ACTIVITIES, THE COST OF THOSE ASSETS IS ALLOCATED OVER THEIR ESTIMATED USEFUL LIVES AS DEPRECIATION EXPENSE.		
CAPITAL OUTLAYS	\$ 597,253	
DEPRECIATION EXPENSE	<u>(360,906)</u>	236,347
CAPITAL LEASE PROCEEDS ARE REPORTED AS FINANCING SOURCES IN GOVERNMENTAL FUND AND THUS CONTRIBUTE TO THE CHANGE IN FUND BALANCE. IN THE GOVERNMENT-WIDE STATEMENTS, HOWEVER, ISSUING DEBT INCREASES LONG-TERM LIABILITIES IN THE STATEMENT OF NET POSITION AND DOES NOT AFFECT THE STATEMENT OF ACTIVITIES		
CAPITAL LEASE PROCEEDS		(154,947)
REPAYMENT OF BOND PRINCIPAL IS AN EXPENDITURE IN THE GOVERNMENTAL FUNDS, BUT THE REPAYMENT REDUCES LONG-TERM LIABILITIES IN THE STATEMENT OF NET POSITION.		
		660,000
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 INTEREST ACCRUES, REGARDLESS OF WHEN IT IS DUE. ACCRUED INTEREST ON BONDS DECREASED BY:		
		9,292
BECAUSE SOME PROPERTY TAXES WILL NOT BE COLLECTED FOR SEVERAL MONTHS AFTER THE DISTRICT'S FISCAL YEAR ENDS, THEY ARE NOT CONSIDERED "AVAILABLE" REVENUES AND ARE UNAVAILABLE IN THE GOVERNMENTAL FUNDS. UNAVAILABLE TAX REVENUES DECREASED BY THIS AMOUNT THIS YEAR.		
		(43,126)
PENSION EXPENSE IN THE STATEMENT OF ACTIVITIES DIFFERS FROM THE AMOUNT REPORTED IN THE GOVERNMENTAL FUNDS BECAUSE THE PROPORTIONATE SHARES OF COLLECTIVE NET PENSION EXPENSES ARE REQUIRED TO BE REPORTED AND ANY CONTRIBUTIONS MADE SUBSEQUENT TO THE MEASUREMENT DATE ARE TO BE SHOWN AS DEFERRED OUTFLOWS RATHER THAN EXPENSES.		
CHANGE IN AGGREGATE PROPORTIONATE SHARE OF COLLECTIVE NET PENSION EXPENSE	53,723	
CHANGE IN CONTRIBUTIONS MADE SUBSEQUENT TO THE MEASUREMENT DATE	<u>(67,172)</u>	(13,449)
OPEB EXPENSE IN THE STATEMENT OF ACTIVITIES DIFFERS FROM THE AMOUNT REPORTED IN THE GOVERNMENTAL FUNDS BECAUSE THE PROPORTIONATE SHARES OF COLLECTIVE NET OPEB EXPENSES ARE REQUIRED TO BE REPORTED AND ANY CONTRIBUTIONS MADE SUBSEQUENT TO THE MEASUREMENT DATE ARE TO BE SHOWN AS DEFERRED OUTFLOWS RATHER THAN EXPENSES.		
CHANGE IN AGGREGATE PROPORTIONATE SHARE OF COLLECTIVE NET OPEB EXPENSE	(124,446)	
CHANGE IN CONTRIBUTIONS MADE SUBSEQUENT TO THE MEASUREMENT DATE	<u>(22,457)</u>	(146,903)
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$	<u>1,157,930</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE BASIC FINANCIAL STATEMENTS.

**BARNWELL SCHOOL DISTRICT #19
BLACKVILLE, SOUTH CAROLINA
STATEMENT OF FUND NET POSITION
PROPRIETARY FUND
JUNE 30, 2019**

	<u>ENTERPRISE FUND- FOOD SERVICE</u>
ASSETS	
CURRENT ASSETS:	
CASH AND CASH EQUIVALENTS	\$ 47
DUE FROM OTHER FUNDS	39,813
OTHER RECEIVABLES	1,965
INVENTORY - PURCHASED FOOD AND SUPPLIES	<u>32,579</u>
TOTAL CURRENT ASSETS	<u>74,404</u>
NONCURRENT ASSETS:	
MACHINERY AND EQUIPMENT	717,288
LESS: ACCUMULATED DEPRECIATION	<u>(633,906)</u>
TOTAL NONCURRENT ASSETS	<u>83,382</u>
TOTAL ASSETS	<u>157,786</u>
NET POSITION	
NET INVESTMENT IN CAPITAL ASSETS	83,382
UNRESTRICTED	<u>74,404</u>
TOTAL NET POSITION	<u><u>\$ 157,786</u></u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE BASIC FINANCIAL STATEMENTS.

**BARNWELL SCHOOL DISTRICT #19
BLACKVILLE, SOUTH CAROLINA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUND
FOR THE YEAR ENDED JUNE 30, 2019**

	ENTERPRISE FUND- FOOD SERVICE
OPERATING REVENUES:	
PROCEEDS SALE OF MEALS	\$ 59,630
TOTAL OPERATING REVENUES	<u>59,630</u>
OPERATING EXPENSES:	
FOOD COSTS	280,568
SALARIES AND BENEFITS	146,918
PAYMENTS TO OTHER GOVERNMENTAL UNITS	16,944
SUPPLIES AND MATERIALS	23,906
DEPRECIATION	16,767
OTHER OPERATING COSTS	31,676
TOTAL OPERATING EXPENSES	<u>516,779</u>
OPERATING INCOME (LOSS)	<u>(457,149)</u>
NON-OPERATING REVENUES (EXPENSES):	
USDA REIMBURSEMENTS	521,029
COMMODITIES RECEIVED FROM USDA	27,711
TOTAL NON-OPERATING REVENUES (EXPENSES)	<u>548,740</u>
INCOME BEFORE OPERATING TRANSFERS	91,591
OPERATING TRANSFERS IN (OUT)	<u>(64,749)</u>
CHANGE IN NET POSITION	26,842
TOTAL NET POSITION - JULY 1, 2018	<u>130,944</u>
TOTAL NET POSITION - JUNE 30, 2019	<u><u>\$ 157,786</u></u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE BASIC FINANCIAL STATEMENTS.

**BARNWELL SCHOOL DISTRICT #19
BLACKVILLE, SOUTH CAROLINA
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED JUNE 30, 2019**

CASH FLOWS FROM OPERATING ACTIVITIES:

CASH RECEIVED FROM PATRONS	\$ 59,630
CASH PAYMENTS TO SUPPLIERS FOR GOODS AND SERVICES	(379,759)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	<u>(163,862)</u>
NET CASH USED BY OPERATING ACTIVITIES	<u>(483,991)</u>

CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:

CASH RECEIVED FROM USDA REIMBURSEMENTS	521,029
COMMODITIES RECEIVED	27,711
OPERATING TRANSFERS - OUT TO OTHER FUNDS	<u>(64,749)</u>
NET CASH PROVIDED BY NON-CAPITAL FINANCING ACTIVITIES	<u>483,991</u>

CASH AND CASH EQUIVALENTS - JULY 1, 2018	<u>47</u>
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CASH AND CASH EQUIVALENTS - JUNE 30, 2019	<u><u>\$ 47</u></u>
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RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:

OPERATING INCOME (LOSS)	\$ (457,149)
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ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:

DEPRECIATION	16,767
CHANGE IN ASSETS AND LIABILITIES:	
(INCREASE) DECREASE IN DUE FROM OTHER FUNDS	(42,802)
(INCREASE) DECREASE IN INVENTORY AND SUPPLIES	<u>(807)</u>

NET CASH USED BY OPERATING ACTIVITIES	<u><u>\$ (483,991)</u></u>
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THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE BASIC FINANCIAL STATEMENTS.

**BARNWELL SCHOOL DISTRICT #19
BLACKVILLE, SOUTH CAROLINA
STATEMENT OF FIDUCIARY NET POSITION -
FIDUCIARY FUND
JUNE 30, 2019**

	PRIVATE PURPOSE TRUST FUNDS	AGENCY FUNDS	TOTAL
ASSETS			
CASH AND CASH EQUIVALENTS	\$ 30,587	\$ -	\$ 30,587
DUE FROM GENERAL FUND	-	38,102	38,102
	<hr/>	<hr/>	<hr/>
TOTAL ASSETS	30,587	38,102	68,689
	<hr/>	<hr/>	<hr/>
LIABILITIES			
DUE TO GENERAL FUND	2,100	-	2,100
	<hr/>	<hr/>	<hr/>
TOTAL LIABILITIES	2,100	-	2,100
	<hr/>	<hr/>	<hr/>
NET POSITION			
RESERVED FOR SCHOLARSHIP ACTIVITIES	28,487	-	28,487
RESERVED FOR PUPIL ACTIVITIES	-	38,102	38,102
	<hr/>	<hr/>	<hr/>
TOTAL NET POSITION	\$ 28,487	\$ 38,102	\$ 66,589
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE BASIC FINANCIAL STATEMENTS.

**BARNWELL SCHOOL DISTRICT #19
BLACKVILLE, SOUTH CAROLINA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION -
FIDUCIARY FUND
FOR THE YEAR ENDED JUNE 30, 2019**

	PRIVATE PURPOSE TRUST FUNDS
ADDITIONS	
INVESTMENT EARNINGS	\$ 99
TOTAL ADDITIONS	99
CHANGE IN NET POSITION	99
NET POSITION JULY 1, 2018	28,388
NET POSITION JUNE 30, 2019	\$ 28,487

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE BASIC FINANCIAL STATEMENTS.

**BARNWELL SCHOOL DISTRICT #19
BLACKVILLE, SOUTH CAROLINA
BUDGETARY COMPARISON SCHEDULE FOR THE GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2019**

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
	ORIGINAL	AMENDED		
REVENUES				
LOCAL	\$ 1,816,846	\$ 1,625,846	\$ 1,980,299	\$ 354,453
STATE	3,165,923	3,165,924	3,544,466	378,542
TOTAL REVENUES	<u>4,982,769</u>	<u>4,791,770</u>	<u>5,524,765</u>	<u>732,995</u>
EXPENDITURES				
CURRENT				
INSTRUCTION	2,547,818	2,312,074	2,336,128	(24,054)
SUPPORTING SERVICES	2,636,639	2,711,586	2,730,356	(18,770)
INTERGOVERNMENTAL	61,000	61,000	40,672	20,328
DEBT SERVICE				
PRINCIPAL AND INTEREST	7,000	7,000	11,459	(4,459)
TOTAL EXPENDITURES	<u>5,252,457</u>	<u>5,091,660</u>	<u>5,118,615</u>	<u>(26,955)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(269,688)</u>	<u>(299,890)</u>	406,150	<u>706,040</u>
OTHER FINANCING SOURCES (USES):				
OPERATING TRANSFERS IN	299,889	299,890	266,786	(33,104)
TOTAL OTHER FINANCING SOURCES (USES)	<u>299,889</u>	<u>299,890</u>	<u>266,786</u>	<u>(33,104)</u>
EXCESS OF REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES	<u>\$ 30,201</u>	<u>\$ -</u>	672,936	<u>\$ 672,936</u>
FUND BALANCE JULY 1, 2018			<u>(133,488)</u>	
FUND BALANCE JUNE 30, 2019			<u>\$ 539,448</u>	

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE BASIC FINANCIAL STATEMENTS.

BARNWELL SCHOOL DISTRICT #19
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. General Statement

The accounting and reporting policies of the School District relating to the accompanying financial statements conform to generally accepted accounting principles applicable to state and local governments. Generally accepted accounting principles for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB), the American Institute of Certified Public Accountants in the publication entitled *Audits of State and Local Governmental Units*, and by the Financial Accounting Standard Board (when applicable). As allowed in Section P80 of GASB's *Codification of Governmental Accounting and Financial Reporting Standards*, the School District has elected not to apply to its proprietary activities Financial Accounting Standards Board Statements and Interpretation, Accounting Principles Board Opinions, and Accounting Research Bulletins of the Committee of Accounting Procedures issued after November 30, 1989. The more significant accounting policies of the School District are described below.

B. Financial Reporting Entity

The School District's financial statements include the accounts of all School District operations. The criteria for including organizations as component units within the School District's reporting entity, as set forth in Section 2100 of GASB's *Governmental Accounting and Financial Reporting Standards*, include whether:

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

Based on the aforementioned criteria, the School District has no component units.

C. Fund Accounting

The accounts for the School District are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are recorded in a separate set of self-balancing accounts which comprise its assets, liabilities, fund balance, revenues, and expenditures. The following funds are used by the School District:

Governmental Funds

General Fund

This fund accounts for and reports all financial resources not accounted for and reported in another fund. This is the principal fund of the School District and accounts for the primary operation of the School District.

Special Revenue Fund

This fund accounts for and reports the proceeds of specific sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

BARNWELL SCHOOL DISTRICT #19
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

C. Fund Accounting (Cont'd)

EIA Fund

The EIA fund is used to account for the proceeds of the additional one percent sales and use tax that are restricted to expenditures for the Education Improvement Act strategies.

Debt Service Fund

The purpose of this fund is to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

Capital Projects Fund (School Building Fund)

The purpose of this fund is to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlay.

Proprietary Funds

Enterprise Fund (Food Service Fund)

The purpose of this fund is to account for activities of the food service operations of the School District, including collections for meals from students and teachers, USDA reimbursement, and all related expenditures.

Fiduciary Funds

Agency Funds (Pupil Activity Fund)

These funds are used to account for funds the School District holds as an agent for others. The Pupil Activity Funds account for the various activities of the individual schools.

Private Purpose Trust Fund (Scholarship Funds)

The purpose of this fund is to account for assets held by the School District in a trustee capacity.

D. Government-wide and Fund Financial Statements

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. As a general rule, the effect of interfund activity has been eliminated 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 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 within a specific function or segment. Program revenues include charges to customers who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment. In addition, program revenues include 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.

BARNWELL SCHOOL DISTRICT #19
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

D. Government-wide and Fund Financial Statements (Cont'd)

Fund financial statements are also provided in the report for all of the governmental funds, proprietary funds, and the fiduciary funds of the School District. Fiduciary funds are reported by fund type. Since the resources in the fiduciary funds cannot be used for District operations, they are not included in the district-wide statements.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary fund's principal ongoing operations. The principal operating revenues of the School District's enterprise fund are food service charges. Operating expenses for the School District's enterprise fund include food production costs, supplies, administrative costs, and depreciation on capital assets. All revenues or expenses meeting this definition are reported as nonoperating revenues and expenses.

Inter-fund activities between governmental funds and between governmental funds and proprietary funds appear as due to/due from on the Governmental Fund Balance Sheet and Proprietary Fund Statement of Net Position and as other financing sources and uses on the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balance and on the Proprietary Fund Statement of Revenue, Expenses, and Changes in Fund Net Position. All inter-fund transactions between governmental funds are eliminated on the government-wide statements. Inter-fund activities between governmental funds and fiduciary funds remain as due to/due from on the government-wide Statement of Net Position.

The District reports the General Fund, Special Revenue Fund, Education Improvement Act Fund, Debt Service Fund and School Building Fund as major governmental funds, which are reported as separate columns in the fund financial statements.

E. Measurement Focus and Basis of Accounting

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting as do the proprietary fund and the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing or related cash flows. Property taxes are recognized as revenues in the year for which they are appropriated by the County. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Net position (total assets less total liabilities) are used as a practical measure of economic resources and the operating statement includes all transactions and events that increased or decreased net position. Depreciation is charged as expense against current operations and accumulated depreciation is reported on the Statement of Net Position.

The 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. Property taxes are considered "measurable" when transferred to the District's account by the County Treasurer and are recognized at that time. Revenue from federal, state and other grants designated for payment of specific School District expenditures is recognized when the related expenditures are incurred: accordingly, when such funds are received, they are recorded as deferred revenues until earned.

BARNWELL SCHOOL DISTRICT #19
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

F. Inventory

Inventory held by the Food Service Fund is recorded at cost, with cost being determined by the first-in, first-out method. Inventories are not recognized in any of the governmental funds and are considered to be immaterial.

G. Operation of School District

The School District has an elected Board of Trustees. This Board is the decision-making body of the School District and is responsible for the operations of the School District. The School District Superintendent is hired by the Board of Trustees and has the responsibility of carrying out their decisions.

H. Budgets and Budgetary Accounting

The School District follows these procedures in establishing the budgetary data reflected in these financial statements:

- (a) Prior to July 1, the School District Superintendent submits to the Barnwell School District #19 Board of Trustees a proposed operating budget for the General Fund for the fiscal year commencing July 1.
- (b) Public hearings are conducted to obtain taxpayer comments.
- (c) Prior to July 1, the General Fund budget is legally enacted through passage of an ordinance.
- (d) Budgets are adopted on a basis consistent with GAAP.
- (e) The General Fund budget is approved for total appropriations only. The School District Board of Trustees is authorized to transfer budget amounts within the General Fund.
- (f) Unused appropriations lapse at year end.
- (g) The budget amounts shown in the financial statements are the original and final authorized amounts.

I. Net Position and Fund Balance

Government-Wide Financial Statements

When the District incurs an expense for which it may use either restricted or unrestricted assets, it uses restricted assets first. Net position on the Statement of Net Position includes the following:

Net Investment in Capital Assets – The component of net position that reports the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt that is directly attributable to the acquisition, construction, or improvement of these capital assets.

BARNWELL SCHOOL DISTRICT #19
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

I. Net Position and Fund Balance (Cont'd)

Restricted – The component of net position that is limited as to the manner in or purpose for which it may be used. Restrictions on net position imposed by external persons or bodies, through constitutional provision, or via enabling legislation. None of the restricted assets reported in the Statement of Net Position is restricted through enabling legislation.

Unrestricted – The difference between the assets and liabilities that is not reported in Net Position for Net Investment in Capital Assets, Net Position Restricted for Debt Service, Net Position for School Building, or Net Position Restricted for Special Revenue.

Fund Financial Statements

In accordance with Government Accounting Standards Board Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the District classifies governmental fund balances as follows:

Non-spendable – Funds are a) not in a spendable form (i.e. inventories, prepaid items, long-term loans and notes receivable) or b) legally or contractually required to be maintained intact (i.e. corpus of a permanent fund).

Restricted – Constraints placed on the use of resources are either a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or b) imposed by law through constitutional provisions of enabling legislation.

Committed – Constraints on use are imposed by formal action by the District's Board of Trustees and can only be removed by the same type of action (i.e. resolution or ordinance).

Assigned – Amounts constrained by the District's intent that they be used for a specific purpose, but are neither restricted nor committed.

Unassigned – Residual amounts not falling into any of the above categories.

Management is authorized to assign fund balance amounts for specified purposes as needed.

The District uses restricted amounts first when both restricted and unrestricted fund balances are available, unless there are legal documents/contracts that prohibit doing this, such as a grant agreement requiring dollar for dollar spending. Additionally, the District would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

The District does not have a formal minimum fund balance policy.

J. Inter-fund Activity

Inter-fund Receivables and Payables

During the course of operations, numerous transactions occur between funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as "due to and from other funds." Inter-fund receivables and payables between funds are eliminated in the Statement of Net Position.

BARNWELL SCHOOL DISTRICT #19
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

J. Inter-fund Activity (cont'd)

Inter-fund Transfers

Permanent reallocations of resources between funds of the reporting entity are classified as inter-fund transfers. For the purpose of the statement of activities, all inter-fund transfers between individual governmental funds have been eliminated. All transfers between funds are routine in nature and consistent with the activities of the fund making the transfer.

K. Pensions

The Governmental Accounting Standards Board (GASB) issued Statement No. 68 entitled Accounting and Financial Reporting for Pension Plans in June 2012. The disclosure requirements applicable to employers participating in the South Carolina Retirement System are prescribed in paragraphs 48 through 82 of GASB 68. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the South Carolina Retirement System and additions to/deductions from the South Carolina Retirement System's fiduciary net position have been determined on the same basis as they are reported by the South Carolina Retirement System. 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.

L. Other Postemployment Benefits (OPEB)

The Governmental Accounting Standards Board (GASB) issued Statement No. 75 entitled Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions in June 2015. This statement replaced the requirements of Statement No. 45 and Statement No. 57. This statement was adopted by the District beginning in fiscal year 2018.

The District prepares its financial statements using the economic resources measurement focus and accrual basis of accounting, and thus is required to recognize a liability for its proportionate share of the net OPEB liability (of all employers for benefits provided through the OPEB plan) – the collective net OPEB liability. The District is also required to recognize OPEB expense and report deferred outflows of resources and deferred inflows of resources related to OPEB for its proportionate shares of collective OPEB expense and collective deferred outflows of resources and deferred inflows of resources related to OPEB. The effects of changes in the District's proportion of the collective net OPEB liability and differences during the measurement period between certain of the District's contributions and its proportionate share of the total of certain contributions from employers included in the collective net OPEB liability are required to be determined. These effects are required to be recognized in the District's OPEB expense in a systematic and rational manner over a closed period equal to the average of the expected remaining service lives of all employees that are provide with OPEB through the OPEB plan (active employees and inactive employees). The portions of the effects not recognized in the District's OPEB expense are required to be reported as deferred outflows of resources or deferred inflows of resources related to OPEB. District contributions to the OPEB plan subsequent to the measurement date of the collective net OPEB liability also are required to be reported as deferred outflows of resources related to OPEB.

BARNWELL SCHOOL DISTRICT #19
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 2 - PROPERTY TAX

Property tax revenues are recognized when they become available. Available means when due or past due and receivable within the current period, collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. The property taxes receivable amount consists of all delinquent property taxes. Estimated uncollectible taxes are amounts not collected within 60 days and are not available to meet current obligations at the end of the year.

Property taxes, excluding personal property taxes on motor vehicles, attach as an enforceable lien on property as of January 1, and are billed and collected by Barnwell County. Taxes are levied on October 1, and are due and payable January 15. All unpaid taxes levied October 1, become delinquent March 17, of the following year. Penalties are assessed as follows: 3% on January 16, 10% on February 2, and 15% on March 17.

NOTE 3 - CAPITAL ASSETS

Capital assets, which include property and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the School District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. In addition, capital assets purchased with long-term debt may be capitalized regardless of the thresholds established. Property and equipment acquired or constructed prior to June 30, 2002, were recorded at cost or estimated historical cost. Acquisitions subsequent to June 30, 2002, have been recorded at historical cost. Donated capital assets are recorded at estimated fair market value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized.

All reported capital assets are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	25-60
Improvements	15
Equipment	5-10
Vehicles	5-10

Proprietary Fund equipment purchases are capitalized in the Proprietary Fund at cost and depreciated on a straight-line basis over 12 years. Depreciation expense for all capital assets, governmental activities is reported as a separate line item in the statement of activities.

BARNWELL SCHOOL DISTRICT #19
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 3 - CAPITAL ASSETS (CONT'D)

The following is a summary of changes in the capital assets, governmental activities for the fiscal year:

	Balance July 1, 2018	Additions	Retirements	Balance June 30, 2019
Non depreciable:				
Land	\$ 63,126	\$ -	\$ -	\$ 63,126
Depreciable:				
Buildings	10,960,987	-	-	10,960,987
Improvements	1,500,451	353,712	-	1,854,163
Equipment	371,136	243,541	-	614,677
Vehicles	219,068	-	-	219,068
	<u>13,114,768</u>	<u>597,253</u>	<u>-</u>	<u>13,712,021</u>
Less accumulated depreciation	<u>(5,776,873)</u>	<u>(360,906)</u>	<u>-</u>	<u>(6,137,779)</u>
Governmental activities capital assets, net	<u>\$ 7,337,895</u>	<u>\$ 236,347</u>	<u>\$ -</u>	<u>\$ 7,574,242</u>

The following is a summary of changes in the capital assets, business-type activities for the fiscal year:

	Balance July 1, 2018	Additions	Retirements	Balance June 30, 2019
Equipment	\$ 717,288	\$ -	\$ -	\$ 717,288
Less accumulated depreciation	<u>(617,139)</u>	<u>(16,767)</u>	<u>-</u>	<u>(633,906)</u>
Business-type activities capital assets, net	<u>\$ 100,149</u>	<u>\$ (16,767)</u>	<u>\$ -</u>	<u>\$ 83,382</u>

NOTE 4 – INTERFUND TRANSFERS

Transfers between various funds for the fiscal year are as follows:

Fund	Transfers In	Transfers Out
General Fund	\$ 266,786	\$ -
Special Revenue Funds	-	77,962
Special Revenue EIA	-	124,075
Food Service Fund	-	<u>64,749</u>
Total	<u>\$ 266,786</u>	<u>\$ 266,786</u>

The Special Revenue Funds include transfers of indirect costs and excess Medicaid funds to the General Fund. The EIA Fund includes allowable transfers of EIA specified revenue to the General Fund. The Food Service Fund includes transfers of indirect costs to the General Fund.

**BARNWELL SCHOOL DISTRICT #19
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019**

NOTE 5 - CASH AND CASH EQUIVALENTS

For the purpose of the statement of cash flows, the Food Service Fund considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

NOTE 6 - DEPOSITS

Custodial credit risk for deposits is the risk that in the event of a bank failure, the School District's deposits may not be returned or the School District will not be able to recover collateral securities in the possession of an outside party. The School District does not have a formal policy regarding custodial credit risk.

The cash on deposit under the direction of the School District consists solely of funds held in checking accounts and certificates of deposit maintained at one regional financial institution.

At June 30, 2019, the carrying amount (reconciled balance) of the School District's deposits was \$1,515,363 and the bank balance was \$1,666,967. Of the bank balance, \$280,588 was covered by federal depository insurance, and the remaining amount was covered by collateral held by the bank's bond department pledged in the School District's name, which covers the entire bank balance.

Statutes authorized the School District to invest in obligations of the U.S. government or agencies thereof, obligations of the State of South Carolina or political subdivisions thereof, and certificates of deposit collateralized by the aforementioned obligations or insured by an agency of the federal government.

NOTE 7 – LONG-TERM DEBT

The following is a summary of governmental activities long-term debt transactions for the year ended June 30, 2019:

	General Obligation Bonds	Acquisition, Security and Use Agreement	Total
Balance at July 1, 2018	\$ 1,214,000	\$ 150,592	\$ 1,364,592
Issued during year	-	154,947	154,947
Retired during year	<u>(605,000)</u>	<u>(55,000)</u>	<u>(660,000)</u>
Balance at June 30, 2019	<u>\$ 609,000</u>	<u>\$ 250,539</u>	<u>\$ 859,539</u>

Details of long-term debt at June 30, 2019, are as follows:

General Obligation Bond

\$800,000 General Obligation Bond of 2016,
dated August 18, due in annual installments of \$62,000
to \$307,000 each March 1, through 2021, with an interest
rate of 1.55%.

\$ 609,000

The annual requirements to amortize the General Obligation Bonds outstanding as of June 30, 2019, including bond interest payments are as follows:

Year Ending June 30,	General Obligation Bonds		
	Principal	Interest	Total
2020	\$ 302,000	\$ 9,440	\$ 311,440
2021	<u>307,000</u>	<u>4,759</u>	<u>311,759</u>
	<u>\$ 609,000</u>	<u>\$ 14,199</u>	<u>\$ 623,199</u>

**BARNWELL SCHOOL DISTRICT #19
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019**

NOTE 7 – LONG-TERM DEBT (CONT'D)

Acquisition, Security and Use Agreement

\$220,000 Acquisition, Security and Use Agreement, Series 2016, dated October 12, due in annual installments of \$55,000 each December 1, through 2020, with an interest rate of 1.73%.

\$ 95,592

The annual requirements to amortize the Acquisition, Security and Use Agreement as of June 30, 2019, including interest payments are as follows:

Year Ending June 30,	<u>Acquisition, Security and Use Agreement</u>		
	Principal	Interest	Total
2020	\$ 55,000	\$ 1,654	\$ 56,654
2021	<u>40,592</u>	<u>702</u>	<u>41,294</u>
	<u>\$ 95,592</u>	<u>\$ 2,356</u>	<u>\$ 97,948</u>

Acquisition, Security and Use Agreement

\$154,947 Acquisition, Security and Use Agreement, Series 2018, dated November 15, due in annual installments every December 1, through 2022, with an interest rate of 3.54%.

\$ 154,947

The annual requirements to amortize the Acquisition, Security and Use Agreement as of June 30, 2019, including interest payments are as follows:

Year Ending June 30,	<u>Acquisition, Security and Use Agreement</u>		
	Principal	Interest	Total
2020	\$ 49,703	\$ 5,729	\$ 55,432
2021	51,707	3,726	55,433
2022	<u>53,537</u>	<u>1,895</u>	<u>55,432</u>
	<u>\$ 154,947</u>	<u>\$ 11,350</u>	<u>\$ 166,297</u>

Interest on long-term debt is included as a separate line item in the statement of activities. The total amount of interest charged to expense in the statement of activities for the year ended June 30, 2019 was \$46,404. No interest on long-term debt has been allocated directly to a specific function.

NOTE 8 – RETIREMENT PLAN

General Information about the Pension Plans

Barnwell School District #19 participates in the South Carolina Retirement System (SCRS) and the State Optional Retirement Program (State ORP). The South Carolina Public Employee Benefit Authority (PEBA), which was created July 1, 2012, 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 South Carolina Retirement Systems (Systems) and serves as a co-trustee of the Systems in conducting the review.

BARNWELL SCHOOL DISTRICT #19
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 8 – RETIREMENT PLAN (CONT'D)

PEBA issues a Comprehensive Annual Financial Report (CAFR) containing financial statements and required supplementary information for the Systems' Pension Trust Funds. The CAFR is publicly available of 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, SC 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.

Plan Descriptions

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

Membership

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

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

State ORP – As an alternative to membership in SCRS, newly hired state, public school, and higher education employees and individuals newly elected in the S.C. General Assembly beginning with the November 2012 general election have the option to participate in the State Optional Retirement Program (State ORP), which is a defined contribution plan. State ORP participants direct the investment of their funds into a plan administered by one of four investment providers. PEBA assumes no liability for State ORP benefits. Rather, the benefits are the liability of the investment providers. For this reason, State ORP programs are not considered part of the retirement systems for financial statement purposes.

Benefits Provided

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 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

BARNWELL SCHOOL DISTRICT #19
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 8 – RETIREMENT PLAN (CONT'D)

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 90 years. Both Class Two and Class Three members are eligible to receive a reduced deferred annuity at age 60 if they satisfy the five- or eight-year earned service requirement, respectively. An incidental death benefit is also available to beneficiaries of active and retired members of employers who participate in the death benefit program.

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

Contributions

Contributions are prescribed in Title 9 of the South Carolina Code of Laws. The PEBA Board may increase the SCRS employer and employee contribution rates on a 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% percent of earnable compensation for SCRS. An increase in the contribution rates adopted by the board may not provide for an increase of more than one-half of one percent in any one year. If the scheduled employee or employer contributions provided in the statute or the rates last adopted by the board are insufficient to maintain a thirty year amortization schedule of the unfunded liabilities of the plans, the board shall increase the contribution rates in equal percentage amounts for the employer and employee as necessary to maintain the thirty-year amortization period; and, this increase is not limited to one-half of one percent per year.

If the most recent annual actuarial valuation of the Systems for funding purposes shows a ratio of the actuarial value of system assets to the actuarial accrued liability of the system (the funded ratio) that is equal to or greater than ninety percent, then the board, effective on the following July first, may decrease the then current contribution rates upon making a finding that the decrease will not result in a funded ratio of less than ninety percent. Any decrease in contribution rates must maintain the 2.9 percent differentials between the SCRS employer and employee contribution rates. If contribution rates are decreased pursuant to this provision, and the most recent annual actuarial valuation of the system shows a funded ratio of less than ninety percent, then effective on the following July first, and annually thereafter as necessary, the board shall increase the then current contribution rates until a subsequent annual actuarial valuation of the system shows a funded ratio that is equal to or greater than 90 percent.

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

BARNWELL SCHOOL DISTRICT #19
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 8 – RETIREMENT PLAN (CONT'D)

- Required employee contribution rates for fiscal year 2018-19 are as follows:
 SCRS

Employee Class Two	9.00% of earnable compensation
Employee Class Three	9.00% of earnable compensation
State ORP Employee	9.00% of earnable compensation

- Required employer contribution rates for fiscal year 2018-19 are as follows:
 SCRS

Employer Class Two	14.41% of earnable compensation
Employer Class Three	14.41% of earnable compensation
Employer Incidental Death Benefit	0.15% of earnable compensation
State ORP Employee	
Employer Contribution	14.41% of earnable compensation
Employer Incidental Death Benefit	0.15% of earnable compensation

Of the employer contribution, 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 remainder of the employer contribution remitted to SCRS.

The governmental unit’s contributions to the SCRS for the last three fiscal years were as follows:

SCRS	2019	2018	2017
Employee Contributions	\$ 331,978	\$ 403,046	\$ 385,677
Employer Contributions	\$ 754,697	\$ 600,718	\$ 508,149
Employer Group Life Contributions	\$ 5,597	\$ 6,719	\$ 6,582
Total	\$ 1,092,272	\$ 1,010,483	\$ 900,408

The governmental unit contributed 100% of the required contributions for the current year and each of the two preceding years.

In an effort to help offset a portion of the burden of the increased contribution requirements for employers, the State General Assembly (“State”) funded one percent of the SCRS contribution increases for the year. The States budget appropriated these funds directly to the PEBA for the South Carolina Retirement System Trust Fund. For fiscal year 2018-2019, the District recognized \$46,706 in on-behalf payments that were appropriated to PEBA for the Retirement Trust Funds.

Actuarial Assumptions

Actuarial valuations of the ongoing plan 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 regarding the net pension liability 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. An experience report on the Systems was most recently issued as of July 1, 2015.

BARNWELL SCHOOL DISTRICT #19
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 8 – RETIREMENT PLAN (CONT'D)

The net pension liability of each defined benefit pension plan was therefore determined by PEBA’s consulting actuary, Gabriel, Roeder, Smith and Company (GRS), based on the July 1, 2017 actuarial valuations, projected forward to the end of the plan’s fiscal year, June 30, 2018, using generally accepted actuarial procedures.

The following table provides a summary of the actuarial assumptions and methods used to calculate the Total Pension Liability as of June 30, 2018:

Actuarial Cost Method	SCRS
Actuarial Assumptions:	Entry Age Normal
Investment rate of return	7.5%
Projected salary increases	3.5% -12.5%
Includes inflation at	2.75%
Benefits adjustments	Lesser of 1% or \$500

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

Assumptions used in the determination of the June 30, 2018, TPL are as follows:

Former Job Class	Males	Females
Educators	2016 PRSC Males multiplied by 92%	2016 PRSC Females multiplied by 98%
General Employees and Members of the General Assembly	2016 PRSC Males multiplied by 100%	2016 PRSC Females multiplied by 111%
Public Safety, Firefighters, and members of the South Carolina National Guard	2016 PRSC Males multiplied by 125%	2016 PRSC Females multiplied by 111%

Net Pension Liability

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 No. 67 less that System’s fiduciary net position. As of June 30, 2018, NPL amounts for SCRS are presented below:

<u>System</u>	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Employers’ Net Pension Liability (Asset)</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
SCRS	\$48,821,730,067	\$26,414,916,370	\$22,406,813,697	54.1%

BARNWELL SCHOOL DISTRICT #19
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 8 – RETIREMENT PLAN (CONT'D)

The total pension liability is calculated by the Systems' actuary and the plan's fiduciary net position is reported in the Systems' financial statements. The net pension liability is disclosed in accordance with the requirements of GASB 67 in the Systems' notes to the financial statements and required supplementary information. Liability calculations performed by the Systems' actuary for the purpose of satisfying the requirements of GASB Nos. 67 and 68 are not applicable for other purposes, such as determining the plans' funding requirements.

Long-term Expected Rate of Return

The long-term expected rate of return on pension plan investments is based upon 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.

The expected returns, along with the expected inflation rate, form the basis for the target asset allocation adopted at the beginning of the 2018 fiscal year. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and adding expected inflation 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.

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

	Target	Expected	Long-Term
	Asset	Arithmetic	Expected
Asset Class	Allocation	Real Rate of	Portfolio Real
Global Equity	47.0%	Return	Rate of Return
Global Public Equity	33.0%	6.99%	2.31%
Private Equity	9.0%	8.73%	0.79%
Equity Options Strategies	5.0%	5.52%	0.28%
Real Assets	10.0%		
Real Estate (Private)	6.0%	3.54%	0.21%
Real Estate (REITs)	2.0%	5.46%	0.11%
Infrastructure	2.0%	5.09%	0.10%
Opportunistic	13.0%		
GTAA/Risk Parity	8.0%	3.75%	0.30%
Hedge Funds (non-PA)	2.0%	3.45%	0.07%
Other Opportunistic Strategies	3.0%	3.75%	0.11%
Diversified Credit	18.0%		
Mixed Credit	6.0%	3.05%	0.18%
Emerging Markets Debt	5.0%	3.94%	0.20%
Private Debt	7.0%	3.89%	0.27%
Conservative Fixed Income	12.0%		
Core Fixed Income	10.0%	0.94%	0.09%
Cash and Short Duration (Net)	2.0%	0.34%	0.01%
Total Expected Real Return	100.0%		5.03%
Inflation for Actuarial Purposes			2.25%
Total Expected Nominal Return			7.28%

BARNWELL SCHOOL DISTRICT #19
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 8 – RETIREMENT PLAN (CONT'D)

Discount Rate

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

Sensitivity Analysis

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

Sensitivity of the Net Pension Liability to Changes in the Discount Rate			
System	1.00% Decrease (6.50%)	Current Discount Rate (7.50%)	1.00% Increase (8.50%)
SCRS	\$ 12,448,797	9,742,160	\$ 7,807,343

Payables to the Pension Plan

As of June 30, 2019, the District had \$207,661 in payables outstanding to the pension plans for its legally required contributions.

Pension Liabilities

At June 30, 2019, the District reported a liability of \$9,742,259 for its proportionate share of the net pension liability for the SCRS. The net pension liability of the defined benefit plan was determined based on the most recent actuarial valuation as of July 1, 2017, using membership as of that date projected forward to the end of the fiscal year, and financial information of the pension trust funds as of June 30, 2018. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental units, actuarially determined. At June 30, 2019 the District's proportion was 0.043479 percent.

For the year ended June 30, 2019 the District recognized pension expense of \$765,844.

At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

SCRS	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 17,586	\$ 57,330
Net Difference Between Projected and Actual Earnings On Pension Plan Investments	154,754	-
Changes in Proportions and Differences Between District Contributions and Proportionate Share of Contributions	-	491,226
Assumption Changes	386,514	-
Direct Contributions Subsequent to the Measurement Date	541,123	-
Totals	\$ 1,099,977	\$ 548,556

BARNWELL SCHOOL DISTRICT #19
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 8 – RETIREMENT PLAN (CONT'D)

The amount of \$541,123 reported as deferred outflows of resources related to pensions resulting from the District's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	
2020	\$ 115,800
2021	78,275
2022	(163,870)
2024	(19,907)
	\$ 10,298

Additional Financial and Actuarial Information

Information contained in these Notes to the Schedule of Employer Allocations and the Schedule of Pension Amounts by Employer (Schedules) was extracted from the audited financial statements of the South Carolina Retirement Systems for the fiscal year ended June 30, 2018. Additional financial information supporting the preparation of the Schedules (including the unqualified audit opinion on the financial statements and required supplementary information) is located in the Comprehensive Annual Financial Report (CAFR) containing financial statements and required supplementary information for SCRS. The CAFR of the Pension Trust Funds is publicly available on PEBA's Retirement Benefits' website at www.retirement.sc.gov, or a copy may be obtained by submitting a request to PEBA, PO Box 11960, Columbia, SC 29211-1960.

NOTE 9 – DEFERRED COMPENSATION PLANS

Several optional deferred compensation plans are available to School District employees. Some employees have elected to participate. The multiple-employer plans, created under Internal Revenue Code Sections 457 and 401(k), are accounted for as agency funds of the State of South Carolina and are included in the Comprehensive Annual Financial Report of the State of South Carolina. Employees may withdraw the current value of their contributions when they terminate employment. Employees may also withdraw contributions prior to termination, if they meet requirements specified by the applicable plan. Compensation deferred under Section 401(k) is placed in trust for the contributing employee. The State has no liability for losses under the plans.

NOTE 10 – INTERFUND RECEIVABLES AND PAYABLES

Individual fund interfund receivable and payable balances at June 30, 2019, were:

Fund	Interfund Receivables	Interfund Payables
General Fund	\$ 811,560	\$ 876,134
Special Revenue	-	236,847
EIA Special Revenue	223,243	-
Food Service Fund	39,813	-
School Building Fund	2,363	-
Agency Fund	38,102	2,100
	\$ 1,115,081	\$ 1,115,081

BARNWELL SCHOOL DISTRICT #19
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 11 – RISK MANAGEMENT

The School District is exposed to various risks of loss. The School District is insured through the South Carolina School Board Insurance Trust for losses related to torts; theft, damage, or destruction of assets; business interruption; errors or omissions; and acts of God. The School District pays premiums to the State Workmen’s Compensation Fund for job-related illnesses and to Blue Cross/Blue Shield for health insurance. Surety bonds are provided through commercial insurance.

NOTE 12 – NET POSITION BALANCES

Following is a list of all restrictions on District net position and a brief description of each:

- (A) Restricted for Debt Service – used to segregate a portion of net position for debt service resources legally restricted to the payment of long-term debt principal and interest amounts maturing in future years.
- (B) Restricted for School Building – used to segregate a portion of net position to be used for the acquisition and improvement of capital facilities.

The District’s unrestricted net position represents the remainder of the equity in governmental activity funds.

NOTE 13 – POST EMPLOYMENT BENEFITS

The South Carolina Public Employee Benefit Authority (PEBA) was created by the South Carolina General Assembly as part of Act No. 278 effective July 1, 2012. PEBA is a state agency responsible for the administration and management of the state’s employee insurance programs, other post-employment benefits trusts and retirement systems and is part of the State of South Carolina primary government.

Plan Description

The Other Post-Employment Benefits Trust Funds (OPEB Trusts), collectively refers to the South Carolina Retiree Health Insurance Trust Fund (SCRHITF) and the South Carolina Long-Term Disability Insurance Trust Fund (SCLTDITF), were established by the State of South Carolina as Act 195, which became effective on May 2008. The SCRHITF was created to fund and account for the employer costs of the State’s retiree health and dental plans. The SCLTDITF was created to fund and account for the employer costs of the State’s Basic Long-Term Disability Income Benefit Plan.

In accordance with Act 195, the OPEB Trusts are administered by the PEBA, Insurance Benefits and the State Treasurer is the custodian of the funds held in trust. The Board of Directors of PEBA has been designated as the Trustee.

The OPEB Trusts are cost-sharing multiple-employer defined benefit plans. Article 5 of the State Code of Laws defines the two plans and authorizes the Trustee to at any time adjust the plans, including its benefits and contributions, as necessary to insure the fiscal stability of the plans. In accordance with the South Carolina Code of Laws and the annual Appropriations Act, the State provides post-employment health and dental and long-term disability benefits to retired State and school district employees and their covered dependents.

BARNWELL SCHOOL DISTRICT #19
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 13 – POST EMPLOYMENT BENEFITS (CONT'D)

Benefits Provided

The SCRHITF is a healthcare plan that covers retired employees of the State of South Carolina, including all agencies, and public school districts. The SCRHITF provides health and dental insurance benefits to eligible retirees. Generally, retirees are eligible for the health and dental benefits if they have established at least ten years of retirement service credit. For new hires beginning employment May 2, 2008 and after, retirees are eligible for benefits if they have established 25 years of service for 100% employer funding and 15-24 years of service for 50% employer funding.

The SCLTDITF is a long-term disability plan that covers employees of the State of South Carolina, including all agencies and public school districts and all participating local governmental entities. The SCLTDITF provides disability payments to eligible employees that have been approved for disability.

Contributions and Funding Policy

Section 1-11-710 of the South Carolina Code of Laws of 1976, as amended, requires these postemployment and long-term disability benefits to be funded through non-employer and employer contributions for active employees and retiree to the PEBA – Insurance Benefits. Non-employer contributions consist of an annual appropriations by the General Assembly and the statutorily required transfer from PEBA – Insurance Benefits reserves. The District's portion of this annual appropriation was \$55,680. That amount has been reported as a revenue and payment to other governments in a special revenue fund.

For active employees who are not funded by State General Fund appropriations, participating employers are mandated by State statute to contribute at a rate assessed each year by the Department of Administration Executive Budget Office. The covered payroll surcharge for the years ended June 30, 2018 and 2019 was 5.50 and 6.05 percent, or \$246,931 and \$225,730, respectively. The South Carolina Retirement System collects the monthly surcharge for all participating employers and remits it directly to the SCRHITF. Other sources of funding for the SCRHITF include mandatory transfers of accumulated PEBA, Insurance Benefits' reserves and income generated from investments. Employer contributions also include the implicit subsidy, or age-related subsidy inherent in the healthcare premiums structure. The implicit subsidy represents a portion of the health care expenditures paid on behalf of the employer's active employees. For purposes of GASB Statement No. 75, this expenditure on behalf of the active employee is reclassified as a retiree health care expenditure so that the employer's contributions towards the plan reflect the underlying age-adjusted, retiree benefit costs.

BLTD benefits are funded through a person's premium charged to State agencies, public school districts and other participating local governments. The monthly premium per active employee was \$3.22 for the fiscal year ended June 30, 2018. Total premiums paid for the fiscal year ended June 30, 2018 and June 30, 2019 were \$3,591 and \$3,152, respectively. The SCLTDITF premium is billed monthly by PEBA, Insurance Benefits and transferred monthly to the SCLTDITF. It is also funded through investment income.

PEBA, Insurance Benefits issues audited financial statements and required supplementary information for the OPEB Trust Funds. This information is publicly available through the Insurance Benefits' link on PEBA's website at www.peba.sc.gov or a copy may be obtained by submitting a request to PEBA – Insurance Benefits, 202 Arbor Lake Drive, Columbia, SC 29223. PEBA is considered a division of the primary government of the state of South Carolina and therefore, OPEB Trust fund financial information is also included in the comprehensive annual financial report of the state.

BARNWELL SCHOOL DISTRICT #19
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 13 – POST EMPLOYMENT BENEFITS (CONT'D)

Actuarial Assumptions and Methods

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedules of funding progress, presented as required supplementary information following the notes to the financial statements, present multi-year trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plans (as understood by the employer and plan participants) and include the types of benefits provided at the time the valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

Additional information as of the latest actuarial valuation for SCRHITF:

Valuation Date:	June 30, 2017
Actuarial Cost Method:	Entry Age Normal
Inflation:	2.25%
Investment Rate of	4.00, net of OPEB Plan investment expense; including inflation
Single Discount Rate:	3.62% as of June 30, 2018
Demographic Assumptions:	Based on the experience study performed for the South Carolina Retirement Systems for the 5-year period ending June 30, 2015
Mortality:	For healthy retirees, the 2016 Public Retirees of South Carolina Mortality Table for Males and the 2016 Public Retirees of South Carolina Mortality Table for Females are used with fully generational mortality projections based on Scale AA from the year 2016. Multipliers are applied to the base tables based on gender and employment type.
Health Care Trend Rate:	Initial trend starting at 6.75% and gradually decreasing to an ultimate trend rate of 4.15%
Aging Factors:	Based on plan specific experience
Retiree Participation:	79% for retirees who are eligible for funded premiums 59% participation for retirees who are eligible for Partial Funded Premiums 20% participation for retirees who are eligible for Non-Funded Premiums
Notes:	There were no benefit changes during the year; the discount rate changed from 3.56% as of June 30, 2017 to 3.62% as of June 30, 2018

BARNWELL SCHOOL DISTRICT #19
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 13 – POST EMPLOYMENT BENEFITS (CONT'D)

Additional information as of the latest actuarial valuation for SCLTDITF:

Valuation Date:	June 30, 2017
Actuarial Cost Method:	Entry Age Normal
Inflation:	2.25%
Investment Rate of	4.00% , net of Plan investment expense;including inflation
Single Discount Rate:	3.91% as of June 30, 2018
Salary, Termination, and	Based on the experience study performed for the South Carolina
Disability Incidence:	The rates used in the valuation are based on the rates developed for the South Carolina Retirement Systems pension plans
Disability Recovery:	For participants in payment, 1987 CGDT Group Disability; for active employees, 60% were assumed to recover after the first year and 92% were assumed to recover after the first two years
Offsets:	40% are assumed to be eligible for Social Security benefits; assumed percentage who will be eligible for a pension plan offset varies based on employee group
Notes:	The discount rate changed from 3.87% as of June 30, 2017 to 3.91% as of June 30, 2018

Roll Forward Disclosure

The actuarial valuation was performed as of June 30, 2017. Update procedures were used to roll forward the total OPEB liability to June 30, 2018.

Single Discount Rate

The Single Discount Rate of 3.62% was used to measure the total OPEB liability for the SCRHITF. The accounting policy for this plan is to set the Single Discount Rate equal to the prevailing municipal bond rate. Due to the plan's investment and funding policies, the difference between a blended discount rate and the municipal bond rate would be less than several basis points (several hundredths of one percent).

A Single Discount Rate of 3.91% was used to measure the total OPEB liability for the SCLTDITF. This Single Discount Rate was based on an expected rate of return on plan investments of 4.00% and a municipal bond rate of 3.62%. The projection of cash flows to determine this Single Discount Rate assumed that employer contributions will remain \$38.64 per year for each covered active employee. Based on these assumptions, the plan's Fiduciary Net Position and future contributions were sufficient to finance the benefit payments through the year 2037. As a result, the long-term expected rate of return on plan investments was applied to project benefit payments through the year 2037, and the municipal bond rate was applied to all benefit payments after that date.

Long-term Expected Rate of Return

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

**BARNWELL SCHOOL DISTRICT #19
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019**

NOTE 13 – POST EMPLOYMENT BENEFITS (CONT'D)

		Expected	Allocation-
	Target	Arithmetic	Weighted Long-
	Asset	Real Rate of	Term Expected Real
Asset Class	Allocation	Return	Rate of Return
U.S. Domestic Fixed Income	80.0%	2.09%	1.67%
Cash	20.0%	0.84%	0.17%
Total	100.0%		1.84%
Expected Inflation			2.25%
Total Return			4.09%
Investment Return Assumption			4.00%

Sensitivity Analysis

The following table presents the SCRHITF's net OPEB liability calculated using a Single Discount Rate of 3.62%, as well as what the plan's net OPEB liability would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

System	1.00% Decrease	Current Discount	1.00% Increase
SCRHITF Net OPEB Liability	\$ 8,691,392	\$ 7,377,490	\$ 6,318,381

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

System	1.00% Decrease	Current Healthcare	1.00% Increase
SCRHITF Net OPEB Liability	\$ 6,070,483	\$ 7,377,490	\$ 9,067,208

The following table presents the SCLTDITF's net OPEB liability calculated using a Single Discount Rate of 3.87%, 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:

System	1.00% Decrease (2.91%)	Current Discount Rate (3.91%)	1.00% Increase (4.91%)
SCLTDITF Net OPEB Liability	\$ 2,281	\$ 1,528	\$ 790

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The Net OPEB Liability (NOL) is calculated separately for each OPEB Trust Fund and represents that particular Trust's Total OPEB Liability (TOL) determined in accordance with GASB No. 74 less that Trust's fiduciary net position. The allocation of each employer's proportionate share of the collective Net OPEB Liability and collective OPEB Expense was determined using the employer's payroll-related contributions over the measurement period.

**BARNWELL SCHOOL DISTRICT #19
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019**

NOTE 13 – POST EMPLOYMENT BENEFITS (CONT'D)

The following table represents the components of the net OPEB liability as of June 30, 2018:

<u>OPEB Trust</u>	<u>Total OPEB Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net OPEB Liability</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability</u>
SCRHITF	\$15,387,115,010	\$1,216,530,062	\$14,170,584,948	7.91%
SCLTDITF	\$39,261,091	\$36,199,863	\$3,061,228	92.20%

At June 30, 2019 the District reported a liability of \$7,379,018 for its proportionate share of the net OPEB liability. The net OPEB liability of each defined benefit plan was determined based on the most recent actuarial valuation as of June 30, 2017, and rolled forward to June 30, 2018.

The District's proportion of the net OPEB liability was based on a projection of the District's long-term share of contributions to the SCRHITF and the SCLTDITF relative to the projected contributions of all participating South Carolina state and local governmental employers, actuarially determined. At June 30, 2018, the District's proportions were 0.052062% for SCRHITF and 0.04986% for SCLTDITF.

For the year ended June 30, 2019, the District recognized OPEB expense of \$375,787.

Deferred Outflows and Inflows of Resources

As discussed in paragraph 86 of GASB Statement No. 75, differences between expected and actual experience and changes in assumptions are recognized in OPEB expense using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided OPEB through the OPEB plan (active and inactive members) determined as of the beginning of the measurement period.

Additionally, differences between projected and actual earnings on OPEB plan investments should be recognized in OPEB expense using a systematic and rational method over a closed five- year period. For this purpose, the deferred outflows and inflows of resources are recognized in the OPEB expense as a level dollar amount over the closed period identified above.

The schedules on the following pages reflect the amortization of collective deferred outflows/(inflows) of resources related to OPEB outstanding at June 30, 2018. As a reminder, in addition to recognizing a proportionate share of the deferred outflows and inflows shown on the following page, employers will also need to establish:

- Deferred outflows and inflows related to changes in proportionate shares and differences between contributions and proportionate share of contributions;
- A deferred outflow related to contributions made after the measurement date. This deferred outflow should include payroll-related surcharge contributions and implicit subsidies.

BARNWELL SCHOOL DISTRICT #19
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 13 – POST EMPLOYMENT BENEFITS (CONT'D)

At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred	Deferred
	Outflows of	Inflows of
	Resources	Resources
SCRHITF		
Liability Experience	\$ 110,518	\$ 2,571
Differences Between Expected and Actual Investment Experience	28,288	-
Deferred Amounts from Changes in Proportionate Share and Differences Between Employer Contributions & Proportionate Share of Total Plan Employer Contributions	-	71,108
Assumption Changes	-	600,750
Contributions Subsequent to the Measurement Date	224,913	-
Totals	\$ 363,719	\$ 674,429
SCLTDITF		
Differences Between Expected and Actual Investment Experience	\$ 888	\$ -
Liability Experience	-	93
Assumption Changes	-	100
Outstanding Inflow Balance Between Employer Contributions & Proportionate Share of Plan Contributions	-	131
Contributions Subsequent to the Measurement Date	3,152	-
Totals	\$ 4,040	\$ 324

The amount of \$228,065 reported as deferred outflows of resources related to OPEB resulting from the District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2019.

June 30,	SCRHITF	SCLTDITF	Total
2019	\$ (99,550)	\$ 212	\$ (99,338)
2020	(99,550)	212	(99,338)
2021	(99,550)	212	(99,338)
2022	(102,579)	103	(102,476)
2023	(107,379)	(37)	(107,416)
Thereafter	(27,015)	(138)	(27,153)
TOTAL	\$ (535,623)	\$ 564	\$ (535,059)

**BARNWELL SCHOOL DISTRICT #19
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019**

NOTE 13 – POST EMPLOYMENT BENEFITS (CONT'D)

OPEB Expense

Components of collective OPEB expense reported in the Allocation of the OPEB Expense and Deferred Outflows and Inflows of Resources Related to OPEB for the fiscal year ended June 30, 2018 are presented below.

Description	SCRHITF	SCLTDITF
Service Cost	\$ 271,331	\$ 3,767
Interest on the Total OPEB Liability	272,211	739
Current-Period Benefit Changes	-	-
Employee Contributions	-	-
Projected Earnings on Plan Investments	(24,269)	(726)
OPEB Plan Administrative Expense	34	5
Other Changes in Fiduciary Net Position	-	-
Recognition of Outflow (Inflow) of Resources due to Liabilities	(95,911)	(22)
Recognition of Outflow (Inflow) of Resources due to Assets	-	-
	7,829	249
	<u>\$ 431,225</u>	<u>\$ 4,012</u>

Payables to the OPEB Plan

As of June 30, 2019, the District had \$37,942 in payables outstanding to the pension plans for its legally required contributions.

Additional items included in total aggregate OPEB expense are the current period amortized portions of deferred outflows and/or inflows of resources related to changes in employers' proportionate share of collective NOL and differences between actual employer contributions and proportionate share of total plan employer contributions.

NOTE 14 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

For the fiscal year ended June 30, 2019, General Fund expenditure totaled \$5,118,615 and exceeded the appropriated final budget of \$5,091,660, resulting in a negative variance of \$26,955.

NOTE 15 – SUBSEQUENT EVENTS

On August 19, 2019, the District authorized the issuance and sale of a \$210,000 General Obligation Bond (GO Bond), through the South Carolina Association of Governmental Organizations (SCAGO) with an interest rate of 1.168%. Bond proceeds were received September 25, 2019.

**BARNWELL SCHOOL DISTRICT #19
BLACKVILLE, SOUTH CAROLINA
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE COLLECTIVE NET PENSION LIABILITY (SCRS)
LAST 10 FISCAL YEARS
YEAR ENDED JUNE 30, 2019**

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
District's proportion of the net pension liability (asset)	0.043479%	0.044418%	0.046730%	0.048572%	0.052021%	NA*	NA*	NA*	NA*	NA*
District's proportionate share of the net pension liability (asset)	\$ 9,742,160	\$9,999,206	\$9,981,459	\$ 9,211,914	\$ 8,956,292	NA*	NA*	NA*	NA*	NA*
District's covered-employee payroll	\$ 4,489,653	\$4,502,962	\$4,581,679	\$ 4,581,671	\$ 4,711,605	NA*	NA*	NA*	NA*	NA*
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	216.99%	222.06%	217.86%	201.06%	190.09%	NA*	NA*	NA*	NA*	NA*
Plan fiduciary net position as a percentage of the total pension liability	54.10%	53.34%	52.90%	57.00%	59.90%	NA*	NA*	NA*	NA*	NA*

NA* - Not Available

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

THE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY SCHEDULE ARE AN INTEGRAL PART OF THIS SCHEDULE.

**BARNWELL SCHOOL DISTRICT #19
BLACKVILLE, SOUTH CAROLINA
SCHEDULE OF DISTRICT CONTRIBUTIONS (SCRS)
LAST 10 FISCAL YEARS
YEAR ENDED JUNE 30, 2019**

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Contractually required contribution	\$ 564,252	\$ 518,071	\$ 500,480	\$ 496,412	\$ 500,624	NA*	NA*	NA*	NA*	NA*
Contributions in relation to the contractually required contribution	(564,252)	(518,071)	(500,480)	(496,412)	(500,624)	NA*	NA*	NA*	NA*	NA*
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 4,489,653	\$ 4,502,962	\$ 4,581,679	\$ 4,581,671	\$ 4,711,605	NA*	NA*	NA*	NA*	NA*
Contributions as a percentage of covered-employee payroll	12.57%	11.51%	10.92%	10.83%	10.63%	NA*	NA*	NA*	NA*	NA*

NA* - Not Available

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THE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY SCHEDULE ARE AN INTEGRAL PART OF THIS SCHEDULE.

BARNWELL SCHOOL DISTRICT #19
BARNWELL, SOUTH CAROLINA
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
LAST 10 FISCAL YEARS
YEAR ENDED JUNE 30, 2019

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
District's proportion of the net OPEB liability - SC Retiree Health Insurance	0.052062%	0.052621%	0.052621%	NA*	NA*	NA*	NA*	NA*	NA*	NA*
District's proportion of the net OPEB liability - SC Long-term Disability Insurance	0.049860%	0.052135%	0.052135%	NA*	NA*	NA*	NA*	NA*	NA*	NA*
District's proportionate share of the net OPEB liability (asset):										
SC Retiree Health Insurance	\$ 7,377,490	\$ 7,127,428	\$ 7,613,538	NA*	NA*	NA*	NA*	NA*	NA*	NA*
SC Long-term Disability Insurance	1,528	945	362	NA*	NA*	NA*	NA*	NA*	NA*	NA*
Total OPEB Liability	\$ 7,379,018	\$ 7,128,373	\$ 7,613,900	NA*	NA*	NA*	NA*	NA*	NA*	NA*
District's covered-employee payroll	\$ 4,489,653	\$ 4,502,962	\$ 4,581,679	NA*	NA*	NA*	NA*	NA*	NA*	NA*
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	164.36%	158.30%	166.18%	NA*	NA*	NA*	NA*	NA*	NA*	NA*
Plan fiduciary net position as a percentage of the total OPEB liability - SC Retiree Health Insurance	7.91%	7.60%	NA*	NA*	NA*	NA*	NA*	NA*	NA*	NA*
Plan fiduciary net position as a percentage of the total OPEB liability - SC Long-term Disability Insurance	95.20%	95.29%	NA*	NA*	NA*	NA*	NA*	NA*	NA*	NA*

NA* - Not Available

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

THE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY SCHEDULE ARE AN INTEGRAL PART OF THIS SCHEDULE.

BARNWELL SCHOOL DISTRICT #19
BARNWELL, SOUTH CAROLINA
SCHEDULE OF DISTRICT CONTRIBUTIONS (OPEB)
LAST 10 FISCAL YEARS
YEAR ENDED JUNE 30, 2019

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
SC Retiree Health Insurance										
Contractually required contribution	\$ 246,931	\$ 240,008	\$ 244,203	NA*	NA*	NA*	NA*	NA*	NA*	NA*
Contributions in relation to the contractually required contribution	(246,931)	(240,008)	(244,203)	NA*	NA*	NA*	NA*	NA*	NA*	NA*
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
SC Long-term Disability Insurance										
Contractually required contribution	\$ 3,635	\$ 3,825	\$ 3,666	NA*	NA*	NA*	NA*	NA*	NA*	NA*
Contributions in relation to the contractually required contribution	(3,635)	(3,825)	(3,666)	NA*	NA*	NA*	NA*	NA*	NA*	NA*
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Contributions	\$ 250,566	\$ 243,833	\$ 247,869	NA*	NA*	NA*	NA*	NA*	NA*	NA*
District's covered-employee payroll	\$ 4,489,653	\$ 4,502,962	\$ 4,581,679	NA*	NA*	NA*	NA*	NA*	NA*	NA*
Contributions as a percentage of covered-employee payroll	5.58%	5.41%	5.41%	NA*	NA*	NA*	NA*	NA*	NA*	NA*

NA* - Not Available

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.
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THE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY SCHEDULE ARE AN INTEGRAL PART OF THIS SCHEDULE.

BARNWELL SCHOOL DISTRICT #19
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2019

NOTE 1 - BUDGETS – MAJOR SPECIAL REVENUE FUNDS

The District is legally required to adopt a budget only for the General Fund. Budgets for major special revenue funds are approved by the South Carolina Department of Education. The District maintains budgetary control over these special revenue funds as the fiscal agent providing statements of revenues and expenditures, budget and actual, and other financial reports as requested by the grantor.

NOTE 2 -PENSIONS

On April 25, 2017, Governor Henry McMaster signed into law the Retirement Funding and Administration Act of 2017 which became effective on July 1, 2017. This legislation increased the employer and employee contribution rates, established a ceiling on the employee contribution rate, lowered the assumed rate of return, required a scheduled reduction of the funding period, and addressed various governance issues including the assignment of the PEBA Board as custodian of the retirement trust funds and assignment of the Retirement System Investment Commission (RSIC) and PEBA as co-trustees.

The recent legislation lowers the assumed rate of return to 7.25 percent effective July 1, 2017. The new rate was included in the calculation of the roll-forward pension liability as of the measurement date of June 30, 2018.

The inflation rate used in the current calculation of the pension liability was 2.25%.

NOTE 3 - OTHER POSTEMPLOYMENT BENEFITS

For the SCRHITF, the discount rate changed from 3.56% as of June 30, 2017 to 3.62% as of June 30, 2018 measurement date.

For the SCLTDITF, the discount rate changed from 3.87% as of June 30, 2017 to 3.91% as of June 30, 2018 measurement date.

**BARNWELL SCHOOL DISTRICT #19
BLACKVILLE, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2019**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
1000 REVENUE FROM LOCAL SOURCES			
1100 TAXES:			
1110 AD VALOREM TAXES	\$ 1,215,932	\$ 1,256,996	\$ 41,064
1140 PENALTIES & INTEREST ON TAXES	914	-	(914)
1200 REVENUE FROM LOCAL GOVERNMENTAL UNITS OTHER THAN LEA'S:			
1280 REVENUE IN LIEU OF TAXES	409,000	657,623	248,623
1300 TUITION:			
1320 REGULAR DAY SCHOOL FROM OTHER LEA'S	-	2,500	2,500
1500 EARNINGS ON INVESTMENTS:			
1510 INTEREST ON INVESTMENTS	-	5,309	5,309
1900 OTHER REVENUE FROM LOCAL SOURCES			
1920 CONTRIBUTIONS & DONATIONS PRIVATE SOURCES	-	2,070	2,070
1990 MISCELLANEOUS LOCAL REVENUE			
1993 RECEIPT OF INSURANCE PROCEEDS	-	6,458	6,458
1999 REVENUE FROM OTHER LOCAL SOURCES	-	49,343	49,343
TOTAL LOCAL SOURCES	<u>1,625,846</u>	<u>1,980,299</u>	<u>354,453</u>
3000 REVENUE FROM STATE SOURCES			
3130 SPECIAL PROGRAMS:			
3131 HANDICAPPED TRANSPORTATION	-	663	663
3160 SCHOOL BUS DRIVERS SALARY	-	57,167	57,167
3161 EAA BUS DRIVERS	-	135	135
3162 TRANSPORTATION WORKERS' COMPENSATION	-	4,232	4,232
3180 FRINGE BENEFITS EMPLOYER CONTRIBUTIONS	760,302	766,114	5,812
3181 RETIREE INSURANCE	185,219	205,793	20,574
3300 EDUCATION FINANCE ACT			
3310 FULL-TIME PROGRAMS:			
3311 KINDERGARTEN	81,075	93,727	12,652
3312 PRIMARY	239,121	229,728	(9,393)
3313 ELEMENTARY	413,009	380,953	(32,056)
3314 HIGH SCHOOL	85,918	76,064	(9,854)
3315 TRAINABLE MENTALLY HANDICAPPED	8,372	4,194	(4,178)
3316 SPEECH HANDICAPPED (PART-TIME PROGRAM)	85,774	90,674	4,900
3317 HOMEBOUND	4,371	3,552	(819)

BARNWELL SCHOOL DISTRICT #19
BLACKVILLE, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2019

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
3000 REVENUE FROM STATE SOURCES			
3320 PART-TIME PROGRAMS:			
3321 EMOTIONALLY HANDICAPPED	\$ 3,899	\$ 1,271	\$ (2,628)
3322 EDUCABLE MENTALLY HANDICAPPED	17,853	16,434	(1,419)
3323 LEARNING DISABILITIES	148,135	179,340	31,205
3326 ORTHOPEDICALLY HANDICAPPED	4,186	2,090	(2,096)
3327 VOCATIONAL	323,706	320,668	(3,038)
3330 OTHER EFA PROGRAMS:			
3331 AUTISM	15,821	12,479	(3,342)
3332 HIGH ACHIEVING STUDENTS	8,311	7,377	(934)
3334 LIMITED ENGLISH PROFICIENCY	6,156	6,557	401
3351 ACADEMIC ASSISTANCE	80,336	73,031	(7,305)
3352 PUPILS IN POVERTY	219,566	229,892	10,326
3353 DUAL CREDIT ENROLLMENT	6,649	9,303	2,654
3395 EFA HOLD HARMLESS	-	3,101	3,101
3800 STATE REVENUE IN LIEU OF TAXES:			
3810 REIMBURSEMENT FOR LOCAL PROPERTY TAX RELIEF	-	183,447	183,447
3820 HOMESTEAD EXEMPTION	-	104,349	104,349
3825 REIMBURSEMENT FOR PROPERTY TAX RELIEF - TIER III	376,146	338,600	(37,546)
3827 \$2.5 MILLION BONUS	91,999	43,815	(48,184)
3830 MERCHANT'S INVENTORY TAX	-	4,578	4,578
3840 MANUFACTURER DEPRECIATION REIMBURSEMENT	-	10,700	10,700
3890 OTHER STATE PROPERTY TAX REVENUE	-	37,732	37,732
3900 OTHER STATE REVENUE			
3999 REVENUE FROM OTHER STATE SOURCES	-	46,706	46,706
TOTAL STATE SOURCES	<u>3,165,924</u>	<u>3,544,466</u>	<u>378,542</u>
TOTAL REVENUE ALL SOURCES	<u>4,791,770</u>	<u>5,524,765</u>	<u>732,995</u>
EXPENDITURES			
100 INSTRUCTION			
110 GENERAL INSTRUCTION			
111 KINDERGARTEN PROGRAMS:			
100 SALARIES	135,433	136,577	(1,144)
200 EMPLOYEE BENEFITS	72,723	100,187	(27,464)
300 PURCHASED SERVICES	4,900	5,551	(651)
400 SUPPLIES AND MATERIALS	1,500	-	1,500
112 PRIMARY PROGRAMS:			
100 SALARIES	115,997	89,715	26,282
200 EMPLOYEE BENEFITS	36,910	42,154	(5,244)
300 PURCHASED SERVICES	3,900	2,672	1,228
400 SUPPLIES AND MATERIALS	500	1,100	(600)
600 OTHER OBJECTS	900	900	-

**BARNWELL SCHOOL DISTRICT #19
BLACKVILLE, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2019**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
113 ELEMENTARY PROGRAMS:			
100 SALARIES	\$ 706,933	\$ 708,209	\$ (1,276)
200 EMPLOYEE BENEFITS	281,991	326,657	(44,666)
300 PURCHASED SERVICES	21,597	17,430	4,167
400 SUPPLIES AND MATERIALS	2,500	2,338	162
600 OTHER OBJECTS	900	900	-
114 HIGH SCHOOL PROGRAMS:			
100 SALARIES	366,318	338,732	27,586
200 EMPLOYEE BENEFITS	160,602	179,535	(18,933)
300 PURCHASED SERVICES	7,070	8,525	(1,455)
400 SUPPLIES AND MATERIALS	2,000	1,801	199
600 OTHER OBJECTS	900	900	-
115 VOCATIONAL PROGRAMS:			
100 SALARIES	48,201	48,124	77
200 EMPLOYEE BENEFITS	23,155	23,101	54
300 PURCHASED SERVICES	55,079	51,079	4,000
500 CAPITAL OUTLAY	657	-	657
116 VOCATIONAL PROGRAMS - MIDDLE SCHOOLS:			
100 SALARIES	-	1,389	(1,389)
117 DRIVER EDUCATION PROGRAM			
300 PURCHASED SERVICES	3,150	3,325	(175)
120 EXCEPTIONAL PROGRAMS			
127 LEARNING DISABILITIES:			
100 SALARIES	178,188	149,410	28,778
200 EMPLOYEE BENEFITS	71,255	65,689	5,566
130 PRE-SCHOOL PROGRAMS			
137 PRESCHOOL HANDICAPPED - SELF-CONTAINED:			
300 PURCHASED SERVICES	3,000	5,519	(2,519)

**BARNWELL SCHOOL DISTRICT #19
BLACKVILLE, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2019**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
140 SPECIAL PROGRAMS			
141 GIFTED AND TALENTED-ACADEMIC:			
100 SALARIES	\$ 1,500	\$ 1,500	\$ -
200 EMPLOYEE BENEFITS	-	115	(115)
300 PURCHASED SERVICES	250	123	127
145 HOMEBOUND:			
100 SALARIES	2,000	5,775	(3,775)
200 EMPLOYEE BENEFITS	565	1,644	(1,079)
300 PURCHASED SERVICES	500	-	500
147 CDEPP:			
100 SALARIES	-	8,166	(8,166)
149 OTHER SPECIAL PROGRAMS:			
100 SALARIES	-	4,378	(4,378)
200 EMPLOYEE BENEFITS	-	2,528	(2,528)
160 OTHER EXCEPTIONAL PROGRAMS			
161 AUTISM:			
300 PURCHASED SERVICES	1,000	-	1,000
170 SUMMER SCHOOL PROGRAM			
172 ELEMENTARY SUMMER SCHOOL:			
200 EMPLOYEE BENEFITS	-	124	(124)
175 INSTRUCTIONAL PROGRAMS BEYOND REG SCHOOL DAY			
200 EMPLOYEE BENEFITS	-	164	(164)
180 ADULT/CONTINUING EDUCATIONAL PROGRAMS			
188 PARENTING/FAMILY LITERACY:			
200 EMPLOYEE BENEFITS	-	89	(89)
TOTAL INSTRUCTION	<u>2,312,074</u>	<u>2,336,128</u>	<u>(24,054)</u>

**BARNWELL SCHOOL DISTRICT #19
BLACKVILLE, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2019**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
200 SUPPORTING SERVICES			
210 PUPIL SERVICES			
211 ATTENDANCE AND SOCIAL WORK SERVICES:			
100 SALARIES	\$ -	\$ 1,279	\$ (1,279)
200 EMPLOYEE BENEFITS	-	403	(403)
212 GUIDANCE SERVICES:			
100 SALARIES	122,397	122,333	64
200 EMPLOYEE BENEFITS	50,262	49,125	1,137
300 PURCHASED SERVICES	600	409	191
213 HEALTH SERVICES:			
100 SALARIES	-	10,293	(10,293)
200 EMPLOYEE BENEFITS	-	11,186	(11,186)
300 PURCHASED SERVICES	700	326	374
400 SUPPLIES AND MATERIALS	900	628	272
217 CAREER SPECIALIST SERVICES:			
400 SUPPLIES AND MATERIALS	-	80	(80)
220 INSTRUCTIONAL STAFF SERVICES			
221 IMPROVEMENT OF INSTRUCTION - CURRICULUM DEVELOPMENT:			
100 SALARIES	18,584	10,871	7,713
200 EMPLOYEE BENEFITS	6,857	3,891	2,966
300 PURCHASED SERVICES	-	301	(301)
222 LIBRARY AND MEDIA SERVICES:			
100 SALARIES	56,994	51,000	5,994
200 EMPLOYEE BENEFITS	21,384	19,869	1,515
400 SUPPLIES AND MATERIALS	3,000	2,508	492
223 SUPERVISION OF SPECIAL PROGRAMS:			
100 SALARIES	4,522	4,872	(350)
200 EMPLOYEE BENEFITS	1,652	5,664	(4,012)
300 PURCHASED SERVICES	1,500	162	1,338
400 SUPPLIES AND MATERIALS	-	-	-
224 IMPROVEMENT OF INSTRUCTION - INSERVICE & STAFF TRAINING:			
100 SALARIES	-	13,795	(13,795)
200 EMPLOYEE BENEFITS	-	3,439	(3,439)
300 PURCHASED SERVICES	-	971	(971)
230 GENERAL ADMINISTRATION SERVICES			
231 BOARD OF EDUCATION:			
200 EMPLOYEE BENEFITS	7,000	2,536	4,464
300 PURCHASED SERVICES	20,000	20,846	(846)
318 AUDIT SERVICES	64,000	63,555	445
600 OTHER OBJECTS	26,500	23,472	3,028

**BARNWELL SCHOOL DISTRICT #19
BLACKVILLE, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2019**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
232 OFFICE OF THE SUPERINTENDENT:			
100 SALARIES	\$ 160,975	\$ 160,975	\$ -
200 EMPLOYEE BENEFITS	63,472	59,453	4,019
300 PURCHASED SERVICES	12,000	13,092	(1,092)
400 SUPPLIES AND MATERIALS	4,000	2,896	1,104
600 OTHER OBJECTS	3,500	4,057	(557)
233 SCHOOL ADMINISTRATION:			
100 SALARIES	287,574	248,044	39,530
200 EMPLOYEE BENEFITS	122,609	104,761	17,848
250 FINANCE AND OPERATIONS SERVICES			
252 FISCAL SERVICES:			
100 SALARIES	108,070	106,348	1,722
200 EMPLOYEE BENEFITS	45,659	47,079	(1,420)
300 PURCHASED SERVICES	25,400	11,052	14,348
400 SUPPLIES AND MATERIALS	30,000	22,834	7,166
600 OTHER OBJECTS	-	955	(955)
253 FACILITIES ACQUISITION AND CONSTRUCTION			
300 PURCHASED SERVICES	700	623	77
254 OPERATION AND MAINTENANCE OF PLANT:			
100 SALARIES	184,274	184,058	216
200 EMPLOYEE BENEFITS	107,858	97,216	10,642
300 PURCHASED SERVICES	145,200	123,776	21,424
321 PUBLIC UTILITIES	34,200	38,731	(4,531)
400 SUPPLIES AND MATERIALS	53,500	30,036	23,464
470 ENERGY	262,000	204,899	57,101
600 OTHER OBJECTS	45,000	41,590	3,410
255 STUDENT TRANSPORTATION:			
100 SALARIES	57,195	76,810	(19,615)
200 EMPLOYEE BENEFITS	32,899	36,200	(3,301)
300 PURCHASED SERVICES	17,000	4,059	12,941
600 OTHER OBJECTS	1,500	880	620
256 FOOD SERVICE:			
200 EMPLOYEE BENEFITS	86,842	93,481	(6,639)
258 SECURITY:			
300 PURCHASED SERVICES	64,500	79,619	(15,119)

BARNWELL SCHOOL DISTRICT #19
BLACKVILLE, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2019

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
264 STAFF SERVICES:			
100 SALARIES	\$ 26,236	\$ 53,000	\$ (26,764)
200 EMPLOYEE BENEFITS	-	3,940	(3,940)
300 PURCHASED SERVICES	-	29,420	(29,420)
400 SUPPLIES AND MATERIALS	-	210	(210)
266 TECHNOLOGY AND DATA PROCESSING SERVICES:			
100 SALARIES	124,995	114,745	10,250
200 EMPLOYEE BENEFITS	50,850	50,197	653
300 PURCHASED SERVICES	94,500	95,189	(689)
400 SUPPLIES AND MATERIALS	6,300	818	5,482
500 CAPITAL OUTLAY	-	5,685	(5,685)
270 SUPPORT SERVICES - PUPIL ACTIVITY			
271 PUPIL SERVICE ACTIVITIES:			
100 SALARIES	15,292	94,796	(79,504)
200 EMPLOYEE BENEFITS	4,134	26,617	(22,483)
300 PURCHASED SERVICES	6,500	14,215	(7,715)
400 SUPPLIES AND MATERIALS	10,000	2,061	7,939
600 OTHER OBJECTS	10,000	22,125	(12,125)
TOTAL SUPPORTING SERVICES	<u>2,711,586</u>	<u>2,730,356</u>	<u>(18,770)</u>
400 OTHER CHARGES			
410 INTERGOVERNMENTAL EXPENDITURES			
412 PAYMENTS TO OTHER GOVERNMENTAL UNITS			
720 TRANSITS	61,000	40,672	20,328
TOTAL INTERGOVERNMENTAL EXPENDITURES	<u>61,000</u>	<u>40,672</u>	<u>20,328</u>
500 DEBT SERVICE			
620 INTEREST	7,000	11,459	(4,459)
TOTAL DEBT SERVICE	<u>7,000</u>	<u>11,459</u>	<u>(4,459)</u>
TOTAL EXPENDITURES	<u>5,091,660</u>	<u>5,118,615</u>	<u>(26,955)</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES	<u>(299,890)</u>	<u>406,150</u>	<u>706,040</u>

**BARNWELL SCHOOL DISTRICT #19
BLACKVILLE, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2019**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
INTERFUND TRANSFERS, FROM (TO) OTHER FUNDS:			
5230 TRANSFER FROM SPECIAL REVENUE EIA FUND	\$ 230,029	\$ 124,075	\$ (105,954)
5280 TRANSFER FROM OTHER FUNDS INDIRECT COSTS	<u>69,861</u>	<u>142,711</u>	<u>72,850</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>299,890</u>	<u>266,786</u>	<u>(33,104)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ -</u>	672,936	<u>\$ 672,936</u>
FUND BALANCE JULY 1, 2018		<u>(133,488)</u>	
FUND BALANCE JUNE 30, 2019		<u>\$ 539,448</u>	

BARNWELL SCHOOL DISTRICT #19
BLACKVILLE, SOUTH CAROLINA
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2019

	TITLE I (BA PROJECTS) (201/202)	IDEA (CA PROJECTS) (203/204)	PRESCHOOL HANDICAPPED (CG PROJECTS) (205/206)	CATE (VA PROJECTS) (207/208)	OTHER DESIGNATED RESTRICTED STATE GRANTS	OTHER SPECIAL REVENUE PROGRAMS	TOTAL
REVENUES							
1000 REVENUE FROM LOCAL SOURCES							
1930 MEDICAID	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,961	\$ 45,961
1931 THERAPY ADJUSTMENT - MEDICAID	-	-	-	-	-	6,381	6,381
1999 REVENUE FROM OTHER LOCAL SOURCES	-	-	-	-	-	41,746	41,746
TOTAL LOCAL SOURCES	-	-	-	-	-	94,088	94,088
2000 INTERGOVERNMENTAL REVENUE							
2300 PAYMENTS FROM NON-PROFIT ENTITIES	-	-	-	-	-	121,439	121,439
TOTAL INTERGOVERNMENTAL REVENUE	-	-	-	-	-	121,439	121,439
3000 REVENUE FROM STATE SOURCES							
3100 RESTRICTED STATE FUNDING:							
3110 OCCUPATIONAL EDUCATION:							
3118 EEDA CAREER SPECIALIST	-	-	-	-	97,143	-	97,143
3120 GENERAL EDUCATION:							
3127 STUDENT HEALTH AND FITNESS - PE TEACHERS	-	-	-	-	1,128	-	1,128
3130 SPECIAL PROGRAMS:							
3134 CHILD DEVELOPMENT EDUCATION PILOT PROGRAM	-	-	-	-	90,172	-	90,172
3135 DSS SNAP & E&T PROGRAM	-	-	-	-	53,814	-	53,814
3136 STUDENT HEALTH AND FITNESS - NURSES	-	-	-	-	29,097	-	29,097
3190 MISCELLANEOUS RESTRICTED STATE GRANTS:							
3193 EDUCATION LICENSE PLATES	-	-	-	-	419	-	419
3199 OTHER RESTRICTED STATE GRANTS	-	-	-	-	-	562	562
3300 EDUCATION FINANCE ACT (EFA):							
3393 CAPITAL IMPROVEMENT PLAN - ADDITIONAL	-	-	-	-	172,932	-	172,932
3600 EDUCATION LOTTERY ACT REVENUE:							
3670 SCHOOL SAFETY UPGRADES	-	-	-	-	3,566	-	3,566
3900 OTHER STATE REVENUE							
3994 PEBA NONEMPLOYER CONTRIBUTIONS	-	-	-	-	55,680	-	55,680
TOTAL STATE SOURCES	-	-	-	-	503,951	562	504,513

**BARNWELL SCHOOL DISTRICT #19
BLACKVILLE, SOUTH CAROLINA
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2019**

	TITLE I (BA PROJECTS) (201/202)	IDEA (CA PROJECTS) (203/204)	PRESCHOOL HANDICAPPED (CG PROJECTS) (205/206)	CATE (VA PROJECTS) (207/208)	OTHER DESIGNATED RESTRICTED STATE GRANTS	OTHER SPECIAL REVENUE PROGRAMS	TOTAL
4000 REVENUE FROM FEDERAL SOURCES							
4200 OCCUPATIONAL EDUCATION:							
4210 VOCATIONAL AID, TITLE I	\$ -	\$ -	\$ -	\$ 30,133	\$ -	\$ -	\$ 30,133
4300 ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965:							
4310 TITLE I, BASIC STATE GRANT PROGRAMS	461,916	-	-	-	-	76,767	538,683
4312 RURAL & LOW - INCOME S/P TITLE VI	-	-	-	-	-	18,506	18,506
4314 SCHOOL IMPROVEMENT GRANT	-	-	-	-	-	108,109	108,109
4351 IMPROVING TEACHER QUALITY	-	-	-	-	-	33,788	33,788
4353 TEACHER INCENTIVE FUND (TIF) 4	-	-	-	-	-	74,850	74,850
4500 PROGRAMS FOR CHILDREN WITH DISABILITIES							
4510 INDIVIDUALS WITH DISABILITIES EDUCATION ACT (IDEA)	-	483,162	-	-	-	-	483,162
4520 PRE-SCHOOL GRANTS	-	-	6,121	-	-	-	6,121
4900 OTHER FEDERAL SOURCES:							
4924 21st CENTURY COMMUNITY LEARNING CENTER PROGRAM	-	-	-	-	-	141,795	141,795
4997 COMMUNITY SERVICE LEARNING GRANT	-	-	-	-	-	24,638	24,638
TOTAL FEDERAL SOURCES	461,916	483,162	6,121	30,133	-	478,453	1,459,785
TOTAL REVENUE ALL SOURCES	461,916	483,162	6,121	30,133	503,951	694,542	2,179,825
EXPENDITURES							
100 INSTRUCTION							
113 ELEMENTARY PROGRAMS:							
100 SALARIES	117,633	-	-	-	-	-	117,633
200 EMPLOYEE BENEFITS	55,612	-	-	-	-	-	55,612
300 PURCHASED SERVICES	19,147	-	-	-	-	6,400	25,547
400 SUPPLIES AND MATERIALS	20,300	-	-	-	1,128	11,662	33,090
114 HIGH SCHOOL PROGRAMS:							
100 SALARIES	-	-	-	-	-	12,813	12,813
200 EMPLOYEE BENEFITS	-	-	-	-	-	6,047	6,047
300 PURCHASED SERVICES	-	-	-	-	-	3,767	3,767
400 SUPPLIES AND MATERIALS	-	-	-	-	419	2,245	2,664

BARNWELL SCHOOL DISTRICT #19
BLACKVILLE, SOUTH CAROLINA
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2019

	TITLE I (BA PROJECTS) (201/202)	IDEA (CA PROJECTS) (203/204)	PRESCHOOL HANDICAPPED (CG PROJECTS) (205/206)	CATE (VA PROJECTS) (207/208)	OTHER DESIGNATED RESTRICTED STATE GRANTS	OTHER SPECIAL REVENUE PROGRAMS	TOTAL
115 VOCATIONAL PROGRAMS:							
400 SUPPLIES AND MATERIALS	\$ -	\$ -	\$ -	\$ 1,531	\$ -	\$ -	\$ 1,531
500 CAPITAL OUTLAY	-	-	-	3,181	-	-	3,181
120 EXCEPTIONAL PROGRAMS							
122 TRAINABLE MENTALLY HANDICAPPED:							
300 PURCHASED SERVICES	-	50,000	-	-	-	17,187	67,187
123 ORTHOPEDICALLY HANDICAPPED:							
400 SUPPLIES AND MATERIALS	-	783	-	-	-	-	783
127 LEARNING DISABILITIES:							
100 SALARIES	-	47,228	-	-	-	-	47,228
200 EMPLOYEE BENEFITS	-	17,910	-	-	-	-	17,910
300 PURCHASED SERVICES	-	1,097	-	-	-	-	1,097
400 SUPPLIES AND MATERIALS	-	11,632	-	-	-	3	11,635
130 PRESCHOOL PROGRAMS							
137 PRESCHOOL HANDICAPPED SELF-CONTAINED (3 & 4 YEAR OLDS):							
300 PURCHASED SERVICES	-	-	6,121	-	-	-	6,121
139 EARLY CHILDHOOD PROGRAMS:							
100 SALARIES	-	-	-	-	-	17,820	17,820
200 EMPLOYEE BENEFITS	-	-	-	-	-	14,353	14,353
300 PURCHASED SERVICES	-	-	-	-	-	2,678	2,678
400 SUPPLIES AND MATERIALS	-	-	-	-	-	1,080	1,080
140 SPECIAL PROGRAMS							
147 FULL DAY 4K:							
100 SALARIES	-	-	-	-	55,510	-	55,510
200 EMPLOYEE BENEFITS	-	-	-	-	34,360	-	34,360
300 PURCHASED SERVICES	-	-	-	-	40	-	40
400 SUPPLIES AND MATERIALS	-	-	-	-	72	-	72
600 OTHER OBJECTS	-	-	-	-	189	-	189
149 OTHER SPECIAL PROGRAMS:							
100 SALARIES	-	-	-	-	-	30,642	30,642
200 EMPLOYEE BENEFITS	-	-	-	-	-	8,444	8,444
300 PURCHASED SERVICES	-	-	-	-	-	1,950	1,950

**BARNWELL SCHOOL DISTRICT #19
BLACKVILLE, SOUTH CAROLINA
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2019**

	TITLE I (BA PROJECTS) (201/202)	IDEA (CA PROJECTS) (203/204)	PRE-SCHOOL HANDICAPPED (CG PROJECTS) (205/206)	CATE (VA PROJECTS) (207/208)	OTHER DESIGNATED RESTRICTED STATE GRANTS	OTHER SPECIAL REVENUE PROGRAMS	TOTAL
170 SUMMER SCHOOL PROGRAMS							
172 ELEMENTARY SUMMER SCHOOL:							
100 SALARIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,563	\$ 15,563
200 EMPLOYEE BENEFITS	-	-	-	-	-	3,522	3,522
300 PURCHASED SERVICES	-	-	-	-	-	7,727	7,727
400 SUPPLIES AND MATERIALS	-	-	-	-	-	507	507
173 HIGH SCHOOL SUMMER SCHOOL:							
100 SALARIES	-	-	-	-	-	14,760	14,760
200 EMPLOYEE BENEFITS	-	-	-	-	-	4,275	4,275
400 SUPPLIES AND MATERIALS	-	-	-	-	-	4,762	4,762
175 INSTRUCTIONAL PROGRAMS BEYOND REGULAR SCHOOL DAY:							
100 SALARIES	-	-	-	-	-	86,415	86,415
200 EMPLOYEE BENEFITS	-	-	-	-	-	20,391	20,391
300 PURCHASED SERVICES	-	-	-	-	-	5,430	5,430
400 SUPPLIES AND MATERIALS	-	-	-	-	-	11,842	11,842
180 ADULT/CONTINUING EDUCATIONAL PROGRAMS							
188 PARENTING/FAMILY LITERACY:							
100 SALARIES	10,000	-	-	-	-	-	10,000
200 EMPLOYEE BENEFITS	2,855	-	-	-	-	-	2,855
300 PURCHASED SERVICES	5,704	-	-	-	-	-	5,704
400 SUPPLIES AND MATERIALS	2,390	-	-	-	-	109	2,499
TOTAL INSTRUCTION	233,641	128,650	6,121	4,712	91,718	312,394	777,236
200 SUPPORTING SERVICES							
210 PUPIL SERVICES							
211 ATTENDANCE AND SOCIAL WORK:							
100 SALARIES	14,549	-	-	-	-	915	15,464
200 EMPLOYEE BENEFITS	8,184	-	-	-	-	250	8,434

**BARNWELL SCHOOL DISTRICT #19
BLACKVILLE, SOUTH CAROLINA
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2019**

	TITLE I (BA PROJECTS) (201/202)	IDEA (CA PROJECTS) (203/204)	PRESCHOOL HANDICAPPED (CG PROJECTS) (205/206)	CATE (VA PROJECTS) (207/208)	OTHER DESIGNATED RESTRICTED STATE GRANTS	OTHER SPECIAL REVENUE PROGRAMS	TOTAL
212 GUIDANCE:							
300 PURCHASED SERVICES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,125	\$ 5,125
400 SUPPLIES AND MATERIALS	989	-	-	2,500	-	360	3,849
213 HEALTH SERVICES:							
100 SALARIES	-	-	-	-	29,097	-	29,097
300 PURCHASED SERVICES	-	96,695	-	-	-	847	97,542
400 SUPPLIES AND MATERIALS	-	1,545	-	-	-	444	1,989
214 PSYCHOLOGICAL SERVICES:							
300 PURCHASED SERVICES	-	53,894	-	-	-	-	53,894
400 SUPPLIES AND MATERIALS	-	3,388	-	-	-	-	3,388
216 CAREER AND TECHNICAL EDUCATION PLACEMENT SERVICES:							
300 PURCHASED SERVICES	-	-	-	10,000	-	-	10,000
217 CAREER SPECIALIST SERVICES:							
100 SALARIES	-	-	-	-	67,624	-	67,624
200 EMPLOYEE BENEFITS	-	-	-	-	29,519	-	29,519
220 INSTRUCTIONAL STAFF SERVICES							
221 IMPROV OF INSTRUCTION - CURRICULUM DEVELOPMENT:							
100 SALARIES	27,446	-	-	-	37,236	-	64,682
200 EMPLOYEE BENEFITS	10,196	-	-	-	16,579	-	26,775
300 PURCHASED SERVICES	5,000	-	-	-	-	1,925	6,925
400 SUPPLIES AND MATERIALS	1,006	-	-	-	-	-	1,006
223 SUPERVISION OF SPECIAL PROGRAMS:							
100 SALARIES	92,576	119,236	-	1,292	-	42,550	255,654
200 EMPLOYEE BENEFITS	33,752	40,304	-	99	-	16,517	90,672
300 PURCHASED SERVICES	2,009	6,378	-	-	-	371	8,758
400 SUPPLIES AND MATERIALS	210	3,341	-	-	-	-	3,551
224 IMPROVEMENT OF INSTRUCTION - INSERVICE TRAINING:							
100 SALARIES	-	-	-	-	-	9,299	9,299
200 EMPLOYEE BENEFITS	-	-	-	-	-	1,399	1,399
300 PURCHASED SERVICES	1,858	-	-	4,000	-	96,192	102,050
400 SUPPLIES AND MATERIALS	129	-	-	-	-	11,172	11,301

**BARNWELL SCHOOL DISTRICT #19
BLACKVILLE, SOUTH CAROLINA
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2019**

	TITLE I (BA PROJECTS) (201/202)	IDEA (CA PROJECTS) (203/204)	PRESCHOOL HANDICAPPED (CG PROJECTS) (205/206)	CATE (VA PROJECTS) (207/208)	OTHER DESIGNATED RESTRICTED STATE GRANTS	OTHER SPECIAL REVENUE PROGRAMS	TOTAL
230 GENERAL ADMINISTRATION SERVICES							
233 SCHOOL ADMINISTRATION:							
100 SALARIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 37,875	\$ 37,875
200 EMPLOYEE BENEFITS	-	-	-	-	-	14,756	14,756
250 FINANCE AND OPERATIONS SERVICES							
251 STUDENT TRANSPORTATION (FEDERAL/DISTRICT MANDATED):							
100 SALARIES	-	9,024	-	-	-	570	9,594
200 EMPLOYEE BENEFITS	-	692	-	-	-	158	850
300 PURCHASED SERVICES	-	-	-	-	-	4,018	4,018
254 OPERATION AND MAINTENANCE OF PLANT:							
500 CAPITAL OUTLAY	-	-	-	-	172,932	-	172,932
255 STUDENT TRANSPORTATION:							
100 SALARIES	-	-	-	-	-	12,270	12,270
200 EMPLOYEE BENEFITS	-	-	-	-	-	3,453	3,453
300 PURCHASED SERVICES	-	-	-	-	-	4,831	4,831
258 SECURITY:							
400 SUPPLIES AND MATERIALS	-	-	-	-	3,566	-	3,566
260 CENTRAL SUPPORT SERVICES							
264 STAFF SERVICES:							
100 SALARIES	-	-	-	-	-	54,059	54,059
200 EMPLOYEE BENEFITS	-	-	-	-	-	4,021	4,021
300 PURCHASED SERVICES	-	-	-	-	-	562	562
266 TECHNOLOGY AND DATA PROCESSING SERVICES:							
500 CAPITAL OUTLAY	-	3,450	-	-	-	-	3,450
270 SUPPORT SERVICES - PUPIL ACTIVITY							
271 PUPIL SERVICE ACTIVITIES:							
300 PURCHASED SERVICES	-	-	-	-	-	876	876
600 OTHER OBJECTS	-	-	-	7,530	-	-	7,530
TOTAL SUPPORTING SERVICES	197,904	337,947	-	25,421	356,553	324,815	1,242,640

BARNWELL SCHOOL DISTRICT #19
BLACKVILLE, SOUTH CAROLINA
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2019

	TITLE I (BA PROJECTS) (201/202)	IDEA (CA PROJECTS) (203/204)	PRESCHOOL HANDICAPPED (CG PROJECTS) (205/206)	CATE (VA PROJECTS) (207/208)	OTHER DESIGNATED RESTRICTED STATE GRANTS	OTHER SPECIAL REVENUE PROGRAMS	TOTAL
400 INTERGOVERNMENTAL EXPENDITURES							
414 MEDICAID PAYMENTS TO SDE 720 TRANSITS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,637	\$ 9,637
419 PAYMENTS FROM NONEMPLOYER CONTRIBUTIONS 720 TRANSITS	-	-	-	-	55,680	-	55,680
TOTAL INTERGOVERNMENTAL EXPENDITURES	-	-	-	-	55,680	9,637	65,317
TOTAL EXPENDITURES	431,545	466,597	6,121	30,133	503,951	646,846	2,085,193
EXCESS/(DEFICIENCY) OF REVENUES OVER EXPENDITURES	30,371	16,565	-	-	-	47,696	94,632
OTHER FINANCING SOURCES (USES)							
INTERFUND TRANSFERS, FROM (TO) OTHER FUNDS:							
431-791 SPECIAL REVENUE FUND INDIRECT COSTS	(30,371)	(16,565)	-	-	-	(31,026)	(77,962)
TOTAL OTHER FINANCING SOURCES (USES)	(30,371)	(16,565)	-	-	-	(31,026)	(77,962)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND USES	-	-	-	-	-	16,670	16,670
FUND BALANCE JULY 1, 2018	-	-	-	-	-	-	-
FUND BALANCE JUNE 30, 2019	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,670	\$ 16,670

**BARNWELL SCHOOL DISTRICT #19
BLACKVILLE, SOUTH CAROLINA
SPECIAL REVENUE FUND
SUMMARY SCHEDULE FOR DESIGNATED STATE RESTRICTED GRANTS
FOR THE YEAR ENDED JUNE 30, 2019**

<u>SUBFUND</u>	<u>REVENUE CODE</u>	<u>PROGRAMS</u>	<u>REVENUES</u>	<u>EXPENDITURES</u>	<u>SPECIAL REVENUE</u>		<u>SPECIAL REVENUE FUND UNEARNED REVENUE</u>
					<u>INTERFUND TRANSFERS IN/(OUT)</u>	<u>OTHER FUND TRANSFERS IN/(OUT)</u>	
904	3126	REFURBISHMENT OF K-8 SCIENCE KITS	\$ -	\$ -	\$ -	\$ -	\$ 1,498
919	3193	EDUCATION LICENSE PLATES	419	419	-	-	-
924	3134	CHILD DEVELOPMENT EDUCATION PILOT PROGRAM	90,172	90,172	-	-	-
928	3118	EEDA CAREER SPECIALIST	97,143	97,143	-	-	54,898
935	3135	READING COACHES	53,814	53,814	-	-	7,238
936	3136	STUDENT HEALTH AND FITNESS-NURSES	29,097	29,097	-	-	-
937	3127	STUDENT HEALTH AND FITNESS-PE TEACHERS	1,128	1,128	-	-	3,040
939	3393	CAPITAL IMPROVEMENT PLAN - ADDITIONAL	172,932	172,932	-	-	14,145
970	3670	SCHOOL SAFETY UPGRADES	3,566	3,566	-	-	136,342
994	3994	NONEMPLOYEE CONTRIBUTIONS	55,680	55,680	-	-	-
			<u>\$ 503,951</u>	<u>\$ 503,951</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 217,161</u>

**BARNWELL SCHOOL DISTRICT #19
BLACKVILLE, SOUTH CAROLINA
LISTING OF LEA SUBFUND CODES AND TITLES
FOR THE YEAR ENDED JUNE 30, 2019**

OTHER DESIGNATED RESTRICTED STATE GRANTS

904	REFURBISHMENT OF K-8 SCIENCE KITS
919	EDUCATION LICENSE PLATES
924	CDEP EXPANSION
928	EEDA CAREER SPECIALIST
935	READING COACHES
936	STUDENT HEALTH AND FITNESS-NURSES
937	STUDENT HEALTH AND FITNESS-PE TEACHERS
939	CAPITAL IMPROVEMENT PLAN - ADDITIONAL
968	CLASSROOM LIBRARIES
970	SCHOOL SAFETY - FACILITY AND INFRASTRUCTURE SAFETY UPGRADES
994	PEBA NONEMPLOYER CONTRIBUTIONS

OTHER SPECIAL REVENUE PROGRAMS

150	FIRST STEPS
188	MEDICAID
190	RURAL RECRUITMENT (CERRA)
210	TITLE IV SSAE
224	AFTER SCHOOL LEARNING PROGRAM
234	SCHOOL IMPROVEMENT GRANT
239	TITLE I PRIORITY
240	DIRECT STUDENT SERVICES
251	RURAL & LOW INCOME SCHOOL PROGRAM, TITLE VI
262	TEACHER INCENTIVE FUND (TIF) 4
267	IMPROVING TEACHER QUALITY
804	SAVE THE CHILDREN
808	SUMMER STEM INSTITUTE

**BARNWELL SCHOOL DISTRICT #19
BLACKVILLE, SOUTH CAROLINA
EDUCATION IMPROVEMENT ACT
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - ALL PROGRAMS
FOR THE YEAR ENDED JUNE 30, 2019**

REVENUES

3000 REVENUE FROM STATE SOURCES

3500 EDUCATION IMPROVEMENT ACT:

3507 SCHOOL INNOVATION FUNDS	\$ 16,495
3511 PROFESSIONAL DEVELOPMENT	2,727
3518 FORMATIVE ASSESSMENT	1,817
3519 GRADE 10 ASSESSMENTS	4,717
3526 REFURBISHMENT OF K-8 SCIENCE KITS	7,123
3529 EAA RETRAINING FUNDS	50,528
3533 TEACHER OF THE YEAR AWARDS	1,077
3538 STUDENTS AT RISK OF SCHOOL FAILURE	89,166
3541 CHILD DEVELOPMENT EDUCATION PILOT PROGRAM (CDEPP)	40,000
3550 TEACHER SALARY INCREASE	102,955
3555 SCHOOL EMPLOYER CONTRIBUTIONS	21,120
3557 SUMMER READING PROGRAM	10,121
3558 READING	3,131
3577 TEACHER SUPPLIES	9,625
3587 IDEA MOE TIER I	40
3589 MAINTENANCE OF STATE FINANCIAL SUPPORT (MES) TIER II	279,702
3593 CAPITAL IMPROVEMENT PLAN	294,311
3597 AID TO DISTRICTS	20,047

TOTAL STATE SOURCES

954,702

TOTAL REVENUE ALL SOURCES

954,702

EXPENDITURES

100 INSTRUCTION

112 PRIMARY PROGRAMS:

100 SALARIES	20,047
400 SUPPLIES AND MATERIALS	5,775

113 ELEMENTARY PROGRAMS:

400 SUPPLIES AND MATERIALS	23,617
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114 HIGH SCHOOL PROGRAMS:

100 SALARIES	50,498
200 EMPLOYEE BENEFITS	6,554
400 SUPPLIES AND MATERIALS	8,837

**BARNWELL SCHOOL DISTRICT #19
BLACKVILLE, SOUTH CAROLINA
EDUCATION IMPROVEMENT ACT
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - ALL PROGRAMS
FOR THE YEAR ENDED JUNE 30, 2019**

115 CAREER AND TECHNOLOGY EDUCATION PROGRAMS:	
100 SALARIES	\$ 400
300 PURCHASED SERVICES	5,659
400 SUPPLIES AND MATERIALS	7,711
500 CAPITAL OUTLAY	34,739
120 EXCEPTIONAL PROGRAMS	
127 LEARNING DISABILITIES:	
400 SUPPLIES AND MATERIALS	136,626
147 CDEPP:	
300 PURCHASED SERVICES	40,000
170 SUMMER SCHOOL PROGRAM	
172 ELEMENTARY SUMMER SCHOOL:	
100 SALARIES	5,220
200 EMPLOYEE BENEFITS	1,511
400 SUPPLIES AND MATERIALS	3,390
	350,584
TOTAL INSTRUCTION	350,584
200 SUPPORTING SERVICES	
210 PUPIL SERVICES	
211 ATTENDANCE AND SOCIAL WORK:	
300 PURCHASED SERVICES	3,333
212 GUIDANCE SERVICES:	
300 PURCHASED SERVICES	852
220 INSTRUCTIONAL STAFF SERVICES	
221 IMPROVEMENT OF INSTRUCTION - CURRICULUM DEVELOPMENT:	
100 SALARIES	18,564
200 EMPLOYEE BENEFITS	5,860
400 SUPPLIES AND MATERIALS	21,907
223 SUPERVISION OF SPECIAL PROGRAMS:	
300 PURCHASED SERVICES	300
400 SUPPLIES AND MATERIALS	11,801
224 IMPROVEMENT OF INSTRUCTION - INSERVICE AND STAFF TRAINING:	
100 SALARIES	5,490
200 EMPLOYEE BENEFITS	402
300 PURCHASED SERVICES	110,461
400 SUPPLIES AND MATERIALS	27

**BARNWELL SCHOOL DISTRICT #19
BLACKVILLE, SOUTH CAROLINA
EDUCATION IMPROVEMENT ACT
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - ALL PROGRAMS
FOR THE YEAR ENDED JUNE 30, 2019**

233 SCHOOL ADMINISTRATION:	
100 SALARIES	\$ 3,785
200 EMPLOYEE BENEFITS	1,764
250 FINANCE AND OPERATIONS SERVICES	
254 OPERATION AND MAINTENANCE OF PLANT:	
500 CAPITAL OUTLAY	198,998
258 SECURITY:	
500 CAPITAL OUTLAY	95,313
260 CENTRAL SUPPORT SERVICES	
264 STAFF SERVICES:	
100 SALARIES	1,000
200 EMPLOYEE BENEFITS	77
271 PUPIL SERVICE ACTIVITIES:	
600 OTHER OBJECTS	109
TOTAL SUPPORTING SERVICES	480,043
TOTAL EXPENDITURES	830,627
EXCESS OF REVENUES OVER EXPENDITURES	124,075
OTHER FINANCING SOURCES (USES)	
INTERFUND TRANSFERS, FROM (TO) OTHER FUNDS:	
420-710 TRANSFER TO GENERAL FUND	(124,075)
TOTAL OTHER FINANCING SOURCES (USES)	(124,075)
EXCESS OF REVENUES OVER EXPENDITURES AND OTHER FINANCING USES	-
FUND BALANCE JULY 1, 2018	-
FUND BALANCE JUNE 30, 2019	\$ -

**BARNWELL SCHOOL DISTRICT #19
BLACKVILLE, SOUTH CAROLINA
EDUCATION IMPROVEMENT ACT
SUMMARY SCHEDULE BY PROGRAM
FOR THE YEAR ENDED JUNE 30, 2019**

PROGRAM	REVENUES	EXPENDITURES	OTHER FUND TRANSFERS IN/(OUT)	EIA FUND UNEARNED REVENUE
3500 EDUCATION IMPROVEMENT ACT:				
3502 ADEPT	\$ -	\$ -	\$ -	\$ 494
3507 AID TO DISTRICTS - TECHNOLOGY	16,495	16,495	-	16,983
3511 PROFESSIONAL DEVELOPMENT	2,727	2,727	-	-
3518 FORMATIVE ASSESSMENT	1,817	1,817	-	3,564
3519 GRADE 10 ASSESSMENTS	4,717	4,717	-	-
3526 REFURBISHMENT OF K-8 SCIENCE KITS	7,123	7,123	-	11,643
3528 INDUSTRY CERTIFICATIONS/CREDENTIALS	-	-	-	10,000
3529 CAREER AND TECHNOLOGY EDUCATION	50,528	50,528	-	49,472
3533 TEACHER OF THE YEAR AWARD	1,077	1,077	-	-
3538 STUDENTS AT RISK OF SCHOOL FAILURE	89,166	89,166	-	-
3541 CHILD DEVELOPMENT EDUCATION PILOT PROGRAM	40,000	40,000	-	-
3550 TEACHER SALARY INCREASE	102,955	-	(102,955)	-
3555 SCHOOL EMPLOYER CONTRIBUTIONS	21,120	-	(21,120)	-
3557 SUMMER READING PROGRAM	10,121	10,121	-	12,904
3558 READING	3,131	3,131	-	-
3577 TEACHER SUPPLIES	9,625	9,625	-	-
3587 IDEA MOE TIER I	40	40	-	-
3589 MAINTENANCE OF STATE FINANCIAL SUPPORT (MES) TIER II	279,702	279,702	-	-
3593 CAPITAL IMPROVEMENT PLAN	294,311	294,311	-	69,053
3595 EEDA - SUPPLIES AND MATERIALS - CAREER AWARENESS	-	-	-	923
3597 AID TO DISTRICTS	20,047	20,047	-	-
TOTALS	\$ 954,702	\$ 830,627	\$ (124,075)	\$ 175,036

**BARNWELL SCHOOL DISTRICT #19
BLACKVILLE, SOUTH CAROLINA
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2019**

REVENUES

1000 REVENUE FROM LOCAL SOURCES

1100 TAXES:

1110 AD VALOREM TAXES	\$	611,106
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1500 EARNINGS ON INVESTMENTS:

1510 INTEREST ON INVESTMENTS		184
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TOTAL LOCAL SOURCES		<u>611,290</u>
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3000 REVENUE FROM STATE SOURCES

3800 STATE REVENUE IN LIEU OF TAXES:

3840 MANUFACTURERS DEPRECIATION REIMBURSEMENT		4,049
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TOTAL STATE SOURCES		<u>4,049</u>
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TOTAL REVENUE ALL SOURCES		<u>615,339</u>
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EXPENDITURES

500 DEBT SERVICE:

610 REDEMPTION OF PRINCIPAL		660,000
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620 INTEREST		34,167
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690 OTHER OBJECTS		70
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TOTAL EXPENDITURES		<u>694,237</u>
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EXCESS REVENUES OVER (UNDER) EXPENDITURES		(78,898)
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FUND BALANCE JULY 1, 2018		<u>258,536</u>
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FUND BALANCE JUNE 30, 2019	\$	<u><u>179,638</u></u>
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**BARNWELL SCHOOL DISTRICT #19
BLACKVILLE, SOUTH CAROLINA
SCHOOL BUILDING FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2019**

REVENUES

1000 REVENUE FROM LOCAL SOURCES

1500 EARNINGS ON INVESTMENTS:

1510 INTEREST ON INVESTMENTS \$ 8

TOTAL LOCAL SOURCES 8

TOTAL REVENUE ALL SOURCES 8

EXPENDITURES

250 FINANCE AND OPERATIONS

254 OPERATION AND MAINTENANCE OF PLANT:

500 CAPITAL OUTLAY

540 EQUIPMENT 144,947

TOTAL SUPPORTING SERVICES 144,947

500 DEBT SERVICE

690 OTHER OBJECTS 10,000

TOTAL DEBT SERVICE 10,000

TOTAL EXPENDITURES 154,947

EXCESS REVENUES OVER (UNDER) EXPENDITURES (154,939)

OTHER FINANCING SOURCES (USES)

5120 PROCEEDS OF GENERAL OBLIGATION BONDS 154,947

TOTAL OTHER FINANCING SOURCES (USES) 154,947

**EXCESS (DEFICIENCY) OF REVENUES
OVER EXPENDITURES** 8

FUND BALANCE JULY 1, 2018 2,355

FUND BALANCE JUNE 30, 2019 \$ 2,363

**BARNWELL SCHOOL DISTRICT #19
BLACKVILLE, SOUTH CAROLINA
FOOD SERVICE FUND
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS
FOR THE YEAR ENDED JUNE 30, 2019**

REVENUES

1000 REVENUE FROM LOCAL SOURCES

1600 FOOD SERVICE:

1610 LUNCH SALES TO PUPILS	\$ 9,539
1620 BREAKFAST SALES TO PUPILS	11,527
1630 SPECIAL SALES TO PUPILS	25,390
1640 LUNCH SALES TO ADULTS	11,078
1650 BREAKFAST SALES TO ADULTS	1,343
1660 SPECIAL SALES TO ADULTS	753

TOTAL LOCAL SOURCES	<u>59,630</u>
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4000 REVENUE FROM FEDERAL SOURCES

4800 USDA REIMBURSEMENT:

4810 SCHOOL LUNCH AND AFTER SCHOOL SNACKS PROGRAM	330,328
4830 SCHOOL BREAKFAST PROGRAM	179,201
4860 FRESH FRUITS & VEGETABLES PROGRAM	11,500

4900 OTHER FEDERAL SOURCES:

4991 USDA COMMODITIES	<u>27,711</u>
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TOTAL FEDERAL SOURCES	<u>548,740</u>
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TOTAL REVENUE ALL SOURCES	<u>608,370</u>
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**BARNWELL SCHOOL DISTRICT #19
BLACKVILLE, SOUTH CAROLINA
FOOD SERVICE FUND
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS
FOR THE YEAR ENDED JUNE 30, 2019**

EXPENSES

256 FOOD SERVICE:

100 SALARIES	\$	146,918
300 PURCHASED SERVICES		27,555
400 SUPPLIES AND MATERIALS		304,474
500 CAPITAL OUTLAY		20,368
600 OTHER OBJECTS		520
		520

TOTAL FOOD SERVICE EXPENSES 499,835

INTERGOVERNMENTAL EXPENSES

412 PAYMENTS TO OTHER GOVERNMENTAL UNITS:

720 TRANSITS		16,944
		16,944

TOTAL EXPENSES 516,779

INCOME BEFORE OTHER FINANCING SOURCES (USES) 91,591

OTHER FINANCING SOURCES (USES)

INTERFUND TRANSFERS, FROM (TO) OTHER FUNDS:

432-791 FOOD SERVICE FUND INDIRECT COSTS		(64,749)
		(64,749)

TOTAL OTHER FINANCING SOURCES (USES) (64,749)

NET PROFIT (LOSS) 26,842

RETAINED EARNINGS JULY 1, 2018 130,944

RETAINED EARNINGS JUNE 30, 2019 \$ 157,786

**BARNWELL SCHOOL DISTRICT #19
BLACKVILLE, SOUTH CAROLINA
PUPIL ACTIVITY FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2019**

REVENUES

1000 REVENUES FROM LOCAL SOURCES

1100 TAXES LEVIED/ASSESSED BY THE LEA

1190 OTHER TAXES (INDEPENDENT) \$ 22,194

1700 PUPIL ACTIVITIES:

1730 PUPIL ORGANIZATION MEMBERSHIP 155,721

TOTAL REVENUES FROM LOCAL SOURCES 177,915

TOTAL RECEIPTS ALL SOURCES 177,915

EXPENDITURES

270 SUPPORT SERVICES PUPIL ACTIVITY:

271 FISCAL SERVICES:

200 EMPLOYEE BENEFITS 148

600 OTHER OBJECTS 164,269

660 PUPIL ACTIVITY 21,148

TOTAL EXPENDITURES 185,565

**EXCESS / DEFICIENCY OF REVENUES OVER (UNDER)
EXPENDITURES** (7,650)

FUND BALANCE JULY 1, 2018 45,752

FUND BALANCE JUNE 30, 2019 \$ 38,102

**BARNWELL SCHOOL DISTRICT #19
BLACKVILLE, SOUTH CAROLINA
TRUST FUND - SOL BLATT, JR. SCHOLARSHIP FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2019**

REVENUES	
1000 REVENUE FROM LOCAL SOURCES	
1500 EARNINGS ON INVESTMENTS	
1510 INTEREST ON INVESTMENTS	\$ 41
EXPENDITURES	<u>-</u>
EXCESS / DEFICIENCY OF REVENUES OVER (UNDER) EXPENDITURES	41
BEGINNING FUND BALANCE	<u>10,398</u>
ENDING FUND BALANCE	<u><u>\$ 10,439</u></u>

**BARNWELL SCHOOL DISTRICT #19
BLACKVILLE, SOUTH CAROLINA
TRUST FUND - D. FRED COHOON SCHOLARSHIP FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2019**

REVENUES	
1000 REVENUE FROM LOCAL SOURCES	
1500 EARNINGS ON INVESTMENTS	
1510 INTEREST ON INVESTMENTS	\$ 6
EXPENDITURES	<u>-</u>
EXCESS / DEFICIENCY OF REVENUES OVER (UNDER) EXPENDITURES	6
BEGINNING FUND BALANCE	<u>1,442</u>
ENDING FUND BALANCE	<u><u>\$ 1,448</u></u>

**BARNWELL SCHOOL DISTRICT #19
 BLACKVILLE, SOUTH CAROLINA
 TRUST FUND - DANNY STOUDEMIRE SCHOLARSHIP FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 FOR THE YEAR ENDED JUNE 30, 2019**

REVENUES	
1000 REVENUES FROM LOCAL SOURCES	
1500 EARNINGS ON INVESTMENTS	
1510 INTEREST ON INVESTMENTS	\$ 49
EXPENDITURES	<u>-</u>
EXCESS / DEFICIENCY OF REVENUES OVER (UNDER) EXPENDITURES	49
BEGINNING FUND BALANCE	<u>13,404</u>
ENDING FUND BALANCE	<u><u>\$ 13,453</u></u>

**BARNWELL SCHOOL DISTRICT #19
 BLACKVILLE, SOUTH CAROLINA
 TRUST FUND - HAWKS HIT HARDER SCHOLARSHIP FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 FOR THE YEAR ENDED JUNE 30, 2019**

REVENUES	
1000 REVENUES FROM LOCAL SOURCES	
1500 EARNINGS ON INVESTMENTS	
1510 INTEREST ON INVESTMENTS	\$ 3
EXPENDITURES	<u>-</u>
EXCESS / DEFICIENCY OF REVENUES OVER (UNDER)	
EXPENDITURES	3
BEGINNING FUND BALANCE	<u>3,144</u>
ENDING FUND BALANCE	<u><u>\$ 3,147</u></u>

**BARNWELL SCHOOL DISTRICT #19
BLACKVILLE, SOUTH CAROLINA
DETAILED SCHEDULE OF
DUE TO STATE DEPARTMENT OF EDUCATION/FEDERAL GOVERNMENT
FOR THE YEAR ENDED JUNE 30, 2019**

<u>PROGRAM</u>	<u>GRANT OR PROJECT NUMBER</u>	<u>REVENUE & SUBFUND CODE</u>	<u>DESCRIPTION</u>	<u>AMOUNT DUE TO SDE/FEDERAL GOVERNMENT</u>
TITLE I	84.010 / H63010100117	4310 / 239	OVERCLAIMED FUNDS	\$ 6,345.13
IDEA - REGULAR	84.027 / H63010100917	4510 / 203	OVERCLAIMED FUNDS	4,817.18
21ST CENTURY	84.287 / H63010006918	4924 / 224	OVERCLAIMED FUNDS	10,326.00
SCHOOL IMPROVEMENT GRANT	84.377 / H63010010415	4314 / 231	OVERCLAIMED FUNDS	17,655.34
AIDE TO DISTRICTS TECHNOLOGY	EIA	3507 / 307	NON-EXPENDED FUNDS	80.46
PROFESSIONAL DEVELOPMENT	EIA	3511 / 311	NON-EXPENDED FUNDS	3,729.47
FORMATIVE ASSESSMENT	EIA	3518 / 318	NON-EXPENDED FUNDS	1,621.05
REFURBISH OF K-8 SCIENCE KITS	EIA	3526 / 326	NON-EXPENDED FUNDS	4,713.34
INDUSTRY CERTIFICATIONS / CREDENTIALS	EIA	3528 / 328	NON-EXPENDED FUNDS	22,996.85
EEDA SUPPLIES AND MATERIALS	EIA	3595 / 395	NON-EXPENDED FUNDS	1,322.29
OTHER EIA	EIA	3599 / 399	NON-EXPENDED FUNDS	15,300.00
CLASSROOM LIBRARY	STATE RESTRICTED	3665 / 968	NON-EXPENDED FUNDS	6,000.00
				<u>\$ 94,907.11</u>

**BARNWELL SCHOOL DISTRICT #19
BLACKVILLE, SOUTH CAROLINA
LOCATION RECONCILIATION SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2019**

LOCATION			COST	TOTAL
ID	LOCATION DESCRIPTION	EDUCATION LEVEL	TYPE	EXPENDITURES
00	DISTRICT-WIDE	NON-SCHOOLS	CENTRAL	\$ 2,916,658
01	BLACKVILLE-HILDA HIGH SCHOOL	HIGH SCHOOLS	SCHOOL	2,384,612
03	MACEDONIA ELEMENTARY SCHOOL	ELEMENTARY SCHOOLS	SCHOOL	3,318,394
04	BLACKVILLE-MIDDLE SCHOOL	MIDDLE SCHOOL	SCHOOL	811,968
08	FIRST STEPS-OLD MIDDLE SCHOOL	NON-SCHOOLS	CENTRAL	41,321
12	BUS DRIVERS	NON-SCHOOLS	CENTRAL	113,010
TOTAL EXPENDITURES/DISBURSEMENTS FOR ALL FUNDS				\$ 9,585,963

THE ABOVE EXPENDITURES ARE RECONCILED TO THE DISTRICT'S FINANCIAL STATEMENTS AS FOLLOWS:

GENERAL FUND (SUBFUND 100'S)	\$ 5,118,615
SPECIAL REVENUE FUND (SUBFUND 200'S, 900'S, SOME 800'S)	2,085,193
SPECIAL REVENUE EIA FUND (SUBFUND 300'S)	830,627
DEBT SERVICE FUND (SUBFUND 400'S)	694,237
CAPITAL PROJECTS FUND (SCHOOL BUILDING) (SUBFUND 500'S)	154,947
PROPRIETARY FUND (FOOD SERVICE) (SUBFUND 600'S)	516,779
TRUST AND AGENCY FUND (PUPIL ACTIVITY) (SUBFUND 700'S, SOME 800'S)	185,565
TOTAL EXPENDITURES/DISBURSEMENTS FOR ALL FUNDS	\$ 9,585,963

**BARNWELL SCHOOL DISTRICT #19
BLACKVILLE, SOUTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2019**

LEA Subfund Code	Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Total Expenditures
U.S. DEPARTMENT OF AGRICULTURE				
Passed Through S. C. Department of Education:				
Child Nutrition Cluster:				
Non-Cash Assistance (Commodities):				
600	National School Lunch Program	10.555	N/A	\$ 27,711
Cash Assistance:				
600	School Breakfast Program	10.553	N/A	179,201
600	National School Lunch Program	10.555	N/A	330,328
Cash Assistance Subtotal				509,529
Child Nutrition Cluster Total				537,240
600	USDA Fresh Fruits and Vegetables	10.582	N/A	11,500
TOTAL U.S. DEPARTMENT OF AGRICULTURE				548,740
U.S. DEPARTMENT OF EDUCATION				
Passed Through S.C. Department of Education:				
201	Title I - Regular	84.010	H63010100119	397,658
201	Title I - Carryover from Prior Year	84.010	H63010100118	64,258
239	Title I - Priority	84.010	H63010100117	11,783
240	Title I - Direct Student Services	84.010	H63010100118	64,984
Total Title I Program				538,683
203	IDEA - Regular	84.027	H63010100917	92,015
203	IDEA - Regular	84.027	H63010100918	391,148
205	Handicapped Preschool Grant	84.173	H63010100819	6,121
Total IDEA Cluster				489,284

THE ACCOMPANYING NOTE IS AN INTEGRAL PART OF THIS SCHEDULE.

**BARNWELL SCHOOL DISTRICT #19
BLACKVILLE, SOUTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2019**

LEA Subfund Code	Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Total Expenditures
<u>U.S. DEPARTMENT OF EDUCATION (cont'd)</u>				
207	Occupational Education (Subprogram 01)	84.048	H63010107119	\$ 1,531
207	Occupational Education (Subprogram 04)	84.048	H63010107119	4,000
207	Occupational Education (Subprogram 09)	84.048	H63010107119	12,500
207	Occupational Education (Subprogram 10)	84.048	H63010107119	7,530
207	Occupational Education (Subprogram 12)	84.048	H63010107119	3,181
207	Occupational Education (Subprogram 15)	84.048	H63010107119	1,391
				<u>30,133</u>
210	Student Support and Academic Enrichment Grants	84.424A	H63010100318	14,847
210	Student Support and Academic Enrichment Grants	84.424A	H63010100319	9,791
224	21st Century Program (Subprogram 50)	84.287	H63010006918	141,795
234	School Improvement Grant - 18	84.377	H63010010414	19,360
234	School Improvement Grant - 19	84.377	H63010010415	88,749
251	Rural & Low Income Schools	84.358	H63010007018	7,143
251	Rural & Low Income Schools - Mini Grant	84.358	H63010007018	3,117
251	Rural & Low Income Schools	84.358	H63010007019	8,246
262	Teacher Incentive Program	84.374	H63010013813	74,850
267	Improving Teacher Quality	84.367	H63010006818	7,210
267	Supporting Effective Instruction	84.367	H63010006819	26,579
				<u>401,687</u>
TOTAL U.S. DEPARTMENT OF EDUCATION				<u>1,459,787</u>
TOTAL FEDERAL FINANCIAL ASSISTANCE EXPENDED				<u>\$ 2,008,527</u>

THE ACCOMPANYING NOTE IS AN INTEGRAL PART OF THIS SCHEDULE.

**BARNWELL SCHOOL DISTRICT #19
BLACKVILLE, SOUTH CAROLINA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2019**

1. GENERAL

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") presents the activity of all federal award programs of Barnwell School District #19, Blackville, South Carolina (the "School District") for the year ended June 30, 2019. All federal awards received directly from federal agencies, as well as those passed through other government agencies, are included on the Schedule.

2. BASIS OF ACCOUNTING

The accompanying Schedule is presented using the modified accrual basis of accounting.

3. RELATIONSHIP TO FINANCIAL STATEMENTS

Federal award expenditures are reported in the School District's financial statements as expenditures in the Special Revenue Fund and operating expenses in the Proprietary Fund.

4. RELATIONSHIP TO FEDERAL FINANCIAL REPORTS

Amounts reported in the accompanying Schedule agree with the amounts reported in the related federal financial reports except for timing differences relating to expenditures made subsequent to the filing of the federal financial reports.

5. DE MINIMIS INDIRECT COST RATE

The District has not elected to use the 10% de minimis indirect cost rate.

PARTNERS

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1906–1968

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C.W. Bolen, CPA
D.C. Scott, CPA
G.F. Huntley, CPA

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

To the Board of Trustees
Barnwell School District #19
Blackville, South Carolina

We have audited, 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, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Barnwell School District #19 as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise Barnwell School District #19’s basic financial statements and have issued our report thereon dated November 21, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Barnwell School District #19’s internal control over financial reporting (internal control) to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Barnwell School District #19’s internal control. Accordingly, we do not express an opinion on the effectiveness of Barnwell School District #19’s internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as 2019-001 through 2019-002 to be material weaknesses.

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

(continued)

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit the attention by those charged with governance. We consider the deficiency described in the accompanying schedule of findings and questioned costs as 2019-003 to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Barnwell School District #19's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 2019-004.

Barnwell School District #19's Response to Findings

Management's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. Barnwell School District #19's responses were not subjected to the auditing procedures applied in the audit of the financial statement and, accordingly, we express no opinion on them.

Purpose of this Report

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

Mc Sugar & Company LLP

Barnwell, South Carolina
November 21, 2019

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

To the Board of Trustees
Barnwell School District #19
Blackville, South Carolina

Report on Compliance for Each Major Federal Program

We have audited Barnwell School District #19’s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Barnwell School District #19’s major federal programs for the year ended June 30, 2019. Barnwell School District #19’s major federal programs are identified in the summary of auditor’s results section of the accompanying Schedule of Findings and Questioned Costs.

Management’s Responsibility

Management is responsible for compliance with the requirements of federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs

Auditor’s Responsibility

Our responsibility is to express an opinion on compliance for each of Barnwell School District #19’s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Barnwell School District #19’s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Barnwell School District #19’s compliance.

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

Opinion on Each Major Federal Program

In our opinion, Barnwell School District #19 complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019.

Report on Internal Control over Compliance

Management of Barnwell School District #19 is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Barnwell School District #19's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program in order to determine the auditing procedures for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Barnwell School District #19's internal control over compliance.

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

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

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

Mc Sugar & Company LLP

Barnwell, South Carolina
November 21, 2019

**BARNWELL SCHOOL DISTRICT #19
BLACKVILLE, SOUTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2019**

A. SUMMARY OF AUDIT RESULTS

Financial Statements

Type of Auditors' Report Issued: Unmodified

Internal Control Over Financial Reporting:

Material Weakness(es) Identified?	<u> X </u>	Yes	<u> </u>	No
Significant Deficiencies Identified That Are Not Considered To Be Material Weaknesses	<u> X </u>	Yes	<u> </u>	None Reported
Noncompliance Material to Financial Statements Noted	<u> </u>	Yes	<u> X </u>	No

Federal Awards

Internal Control Over Major Federal Programs:

Material Weakness(es) Identified?	<u> </u>	Yes	<u> X </u>	No
Significant Deficiencies Identified That Are Not Considered To Be Material Weaknesses	<u> </u>	Yes	<u> X </u>	None Reported

Type of Auditors' Report Issued on Compliance for Major Federal Programs: Unmodified for All Major Programs

Any Audit Findings Disclosed That are Required To be Reported in Accordance With The Uniform Guidance	<u> </u>	Yes	<u> X </u>	No
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Identification of Major Federal Programs:

<u>Name of Federal Program</u>	<u>CFDA</u>
Title I Program	84.010, 84.013
Food Service Cluster	10.555, 10.553, 10.582

Dollar Threshold Used to Distinguish Between Type A and Type B Programs: \$750,000.

Auditee qualified as low-risk auditee?	<u> </u>	Yes	<u> X </u>	No
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**BARNWELL SCHOOL DISTRICT #19
BLACKVILLE, SOUTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2019**

B. FINDINGS – FINANCIAL STATEMENTS AUDIT

Finding 2019-001 (Internal Control – Material Weakness)

Preparation of Financial Statements

Condition: The District did not prepare its own financial statements and note disclosures.

Criteria: Entities should be able to prepare the financial statements and note disclosures in accordance with generally accepted accounting principles (GAAP) and Governmental Accounting Standards Board's (GASB) statements.

Cause: The District does not have the personnel with the necessary knowledge, qualifications, and experience to apply GAAP and GASB standards in the preparation of its financial statements and note disclosures.

Identification of a Repeat Finding: Repeat finding from the previous audit, 2018-001

Auditee Response: Management has made a cost/benefit analysis and determined that the present methods used to prepare its financial statements and note disclosures are adequate for its needs.

Finding 2019-002 (Internal Control – Material Weakness)

Reconciliation of Bank Accounts

Condition: The District's bank accounts were not properly reconciled to the general ledger and reconciliations were not being completed in a timely manner. It was noted that many months went by before bank reconciliations were attempted.

Criteria: Proper internal controls and sound fiscal management require that bank accounts be reconciled to the general ledger on a timely basis, preferably monthly, and that any unusual reconciling items be reviewed and corrected. Adjustments to the general ledger need to be made.

Effect of Condition: Without timely and accurate reconciliations of bank accounts to the general ledger, management cannot guarantee that its books and records are accurate and that all transactions have been properly recorded.

Cause: The internal controls in place are inadequate to assure that accounts are reconciled.

Identification of a Repeat Finding: Repeat finding from the previous audit, 2018-002

Recommendation: The District should prepare bank reconciliations each month and at least by the close of the following month to remedy any errors on a timely basis. District personnel should investigate any unusual reconciling items and make all the necessary journal entries to maintain an accurate general ledger.

Auditee Response: Management agrees with the auditor's recommendations. The Finance Director will make an effort to complete bank reconciliations by the close of the following month to remedy any errors on a timely basis.

Finding 2019-003 (Internal Control – Significant Deficiency)

Payroll Liabilities

Condition: We found that electronic fund drafts were not made on time to pay payroll liabilities. We also found that amounts that were still due for the month of May were not properly accrued.

**BARNWELL SCHOOL DISTRICT #19
BLACKVILLE, SOUTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2019**

FINDINGS – FINANCIAL STATEMENTS AUDIT (CONT'D)

Finding 2019-003 (Internal Control – Significant Deficiency) (CONT'D)

Criteria: Payroll liabilities and payments for payroll liabilities should be reconciled and reviewed regularly. Payroll liabilities need to be paid on time.

Effect of Condition: The errors resulted in incorrect liability balances at year-end and tax deposit penalties.

Cause: Payroll liabilities were not properly reconciled or reviewed at year-end resulting in undetected errors.

Identification of a Repeat Finding: Repeat finding from the previous audit, 2018-004

Recommendation: Payroll liabilities need to be periodically reviewed for accuracy and should be reconciled to payroll system reports. Internal controls need to be implemented to allow for detection of such errors and for the timely payment of payroll liabilities.

Auditee Response: Management agrees with the auditor’s recommendation. The Finance Director will review payroll liabilities periodically for accuracy and reconcile to payroll system reports. Internal controls will be implemented to allow for detection of such errors.

COMPLIANCE AND OTHER MATTERS

Finding 2019-004 (Noncompliance)

Fiscal Practices and Budgetary Conditions

Condition: The District failed to meet the criteria set forth in Act 23 of 2017, to be codified at S.C. Code of Laws Section 59-20-90(A)(1)(2017), to maintain a general reserve fund (unrestricted general fund balance) of at least one month of general operating expenditures of the previous two completed fiscal years. (This finding was impossible for the district to resolve in one year.)

Criteria: The District should maintain a general reserve fund (unrestricted general fund balance) of at least one month of general operating expenditures of the previous two completed fiscal years.

Cause: Unrestricted general fund balance is too low to meet the requirements.

Identification of a Repeat Finding: Repeat finding from the previous audit, 2018-008

Effect of Condition: The State Superintendent of Education declared a state of “fiscal caution” for the District and the District Board was required to submit a financial recovery plan.

Recommendation: The District should be proactive in developing a plan to increase the general reserve fund to a level of at least one month of general operating expenditures.

Auditee Response: District has a positive increase in the current year and has eliminated the deficit fund balance. The District is in compliance for this year of having one month of general operating expenditures in its fund balance. The Districts continued improvement will eliminate this finding in future years.

C. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

NONE

**BARNWELL SCHOOL DISTRICT #19
BLACKVILLE, SOUTH CAROLINA
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2019**

FINDINGS – FINANCIAL STATEMENTS AUDIT

**Finding 2018-001
Preparation of Financial Statements**

Condition: The District did not prepare its own financial statements and note disclosures

Current Status: Sustained in current year. Repeated as Finding 2019-001.

**Finding 2018-002
Reconciliation of Bank Accounts**

Condition: The District's bank accounts were not properly reconciled to the general ledger and reconciliations were not being completed in a timely manner. It was noted that many months went by before bank reconciliations were attempted.

Recommendation: The District should prepare bank reconciliations each month and at least by the close of the following month to remedy any errors on a timely basis. District personnel should investigate any unusual reconciling items and make all the necessary journal entries to maintain an accurate general ledger.

Current Status: Sustained in current year. Repeated as Finding 2019-002.

**Finding 2018-003
Accounts Payable**

Condition: It was noted that accrued accounts payable from the prior year was not reversed out properly in the current year.

Recommendation: District personnel should review year-end liability accounts to see if amounts appear reasonable.

Current Status: Not sustained in current year.

**Finding 2018-004
Payroll Liabilities**

Condition: Payroll liabilities were not reconciled or reviewed at year-end resulting in undetected errors. Electronic fund drafts were not properly recorded between FICA payable, FICA expenses, and federal withholding. We found an entry made twice in June 2017 that not only affected the withholding accounts, but also made the payroll bank account materially incorrect.

Recommendation: Payroll liabilities need to be periodically reviewed for accuracy and should be reconciled to payroll system reports. Internal controls need to be implemented to allow for detection of such errors

Current Status: Partially sustained in current year. Downgraded to a Significant Deficiency. Listed as Finding 2019-003

**Finding 2018-005
South Carolina Retirement System quarterly reports**

Condition: A SC Retirement System quarterly report was incorrectly filled out for the quarter ended March 31, 2017. Total liabilities for the quarter were understated. Electronic drafts after year end for retirement accounts were not recorded, so liability accounts at June 30th were never cleared out.

Recommendation: Quarterly forms are to be filled out properly and any variances listed on the form should be examined. Electronic drafts need to be recorded monthly.

Current Status: Not sustained in current year.

**BARNWELL SCHOOL DISTRICT #19
BLACKVILLE, SOUTH CAROLINA
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2019**

FINDINGS – FINANCIAL STATEMENTS AUDIT (CONT'D)

Finding 2018-006

Receivables, Deferrals, Federal and State Revenues

Condition: Upon initial review of the general ledger, it was noted that receivable accounts were never reversed from prior year, current receivables were not recorded, and deferred revenue was not adjusted. We also noted errors in the recording of revenue such as federal revenues were posted using the incorrect revenue code.

Recommendation: District personnel should study, review, and become familiar with the South Carolina Department of Education's funding manual and accounting code manual. District personnel should also ensure that all revenues are recorded in the proper period, proper fund, and proper account; and that receivable accounts reflect revenues earned but not yet received.

Current Status: Not sustained in current year.

Finding 2018-007

CDL Drug and Alcohol Testing Programs

Condition: The District is not in compliance with the Commercial Driver's License Drug and Alcohol Testing Program.

Recommendation: The District should have all bus drivers tested before driving. A sample of drivers needs to be tested for alcohol. Complete documentation for all drivers is needed.

Current Status: Not sustained in current year.

Finding 2018-008

Fiscal Practices and Budgetary Conditions

Condition: The District failed to meet the criteria set forth in Act 23 of 2017, to be codified at S.C. Code of Laws Section 59-20-90(A)(1)(2017), for maintain a general reserve fund (unrestricted general fund balance) of at least one month of general operating expenditures of the previous two completed fiscal years.

Recommendation: The District should be proactive in developing a plan to increase the general reserve fund to a level of at least one month of general operating expenditures

Current Status: Sustained in current year. Repeated as Finding 2019-004