

BARNWELL COUNTY CAREER CENTER
A COMPONENT UNIT OF BARNWELL COUNTY
BARNWELL, SOUTH CAROLINA
FINANCIAL STATEMENTS
AND SUPPLEMENTAL INFORMATION
FOR THE YEAR ENDED JUNE 30, 2021

**BARNWELL COUNTY CAREER CENTER
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FINANCIAL STATEMENTS AND
SUPPLEMENTAL INFORMATION
FOR THE YEAR ENDED JUNE 30, 2021**

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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees
Barnwell County Career Center
Blackville, South Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Barnwell County Career Center as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Barnwell County Career Center'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 from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Barnwell County Career Center, as of June 30, 2021, and the respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the sis and budgetary comparison information, pension schedules and OPEB schedules on pages 30-38 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.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, are required by the Governmental Accounting Standards Board, who considers it to be an essential part of the financial reporting for placing the basic financial statements in appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 12, 2021, on our consideration of the Barnwell County Career Center's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Barnwell County Career Center's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Barnwell County Career Center's internal control over financial reporting and compliance.



Dooley and Company, LLC

Lexington, South Carolina

November 12, 2021

BARNWELL COUNTY CAREER CENTER
A COMPONENT UNIT OF BARNWELL COUNTY
BLACKVILLE, SOUTH CAROLINA
STATEMENT OF NET POSITION
JUNE 30, 2021

	Primary Government	
	Governmental Activities	Total
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 1,198,361	\$ 1,198,361
Property Taxes Receivable (net)	4,150	4,150
Total Current Assets	1,202,511	1,202,511
Noncurrent Assets:		
Buildings	304,437	304,437
Building Improvements	195,007	195,007
Equipment	212,538	212,538
Less: Accumulated Depreciation	(348,134)	(348,134)
Total Capital Assets, Net of Depreciation	363,847	363,847
Total Assets	1,566,358	1,566,358
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Outflows Related to Pensions	363,400	363,400
Deferred Outflows Related to OPEB	408,947	408,947
Total Deferred Outflows of Resources	772,347	772,347
LIABILITIES		
Current Liabilities:		
Accounts Payable	49,732	49,732
Payroll Liabilities	96,053	96,053
Due to Fiduciary Fund	1,259	1,259
Deferred Revenue	26,895	26,895
Total Current Liabilities	173,939	173,939
Long-Term Liabilities:		
Net OPEB Liability	1,943,780	1,943,780
Net Pension Liability	2,273,341	2,273,341
Total Long-Term Liabilities	4,217,121	4,217,121
Total Liabilities	4,391,060	4,391,060
DEFERRED INFLOWS OF RESOURCES		
Deferred Infows Relating to Pensions	121,378	121,378
Deferred Inflows Relating to OPEB	216,560	216,560
Total Deferred Inflows of Resources	337,938	337,938
NET POSITION		
Invested in Capital Assets, Net of Related Debt	363,847	363,847
Unrestricted	(2,754,139)	(2,754,139)
TOTAL NET POSITION	\$ (2,390,292)	\$ (2,390,292)

The accompanying notes are an integral part of these financial statements.

**BARNWELL COUNTY CAREER CENTER
A COMPONENT UNIT OF BARNWELL COUNTY
BLACKVILLE, SOUTH CAROLINA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021**

Functions/Programs	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expenses) Revenue and Changes to Net Position</u>	
		<u>Charges for Services and Sales</u>	<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Total</u>
Governmental Activities:					
Instruction	\$ 1,194,984	\$ 253,016	\$ 266,478	\$ (675,490)	\$ (675,490)
Support Services	690,563			(690,563)	(690,563)
Total Governmental Activities	<u>1,885,547</u>	<u>253,016</u>	<u>266,478</u>	<u>(1,366,053)</u>	<u>(1,366,053)</u>
Total School District	\$ 1,885,547	\$ 253,016	266,478	(1,366,053)	(1,366,053)
General Revenues:					
Property Taxes Levied for:					
General Purpose				1,465,195	1,465,195
Unrestricted Investment Earnings				1,474	1,474
Miscellaneous				775	775
Total General Revenues				<u>1,467,444</u>	<u>1,467,444</u>
Change in Net Position				101,391	101,391
Net Position, Beginning of Year				<u>(2,491,683)</u>	<u>(2,491,683)</u>
Net Position, End of Year				<u>\$ (2,390,292)</u>	<u>\$ (2,390,292)</u>

The accompanying notes are an integral part of these financial statements.

**BARNWELL COUNTY CAREER CENTER
A COMPONENT UNIT OF BARNWELL COUNTY
BLACKVILLE, SOUTH CAROLINA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2021**

	General	Special Revenue	Education Improvement Act	Totals (Memorandum Only)
ASSETS				
Cash on Deposit	\$ 1,198,361			\$ 1,198,361
Due from County Treasurer	4,150			4,150
Due from General Fund		\$ 6,805	\$ 20,090	26,895
TOTAL ASSETS	1,202,511	6,805	20,090	1,229,406
LIABILITIES & FUNDS BALANCES				
LIABILITIES				
Accounts Payable	49,732			49,732
Accrued Salaries & Benefits	96,053			96,053
Due to Special Revenue Fund	6,805			6,805
Due to EIA	20,090			20,090
Due to Fiduciary Fund	1,259			1,259
Revenue Received in Advance		6,805	20,090	26,895
TOTAL LIABILITIES	173,939	6,805	20,090	200,834
FUND BALANCES				
Fund Balances:				
Restricted For:				
Unassigned	1,028,572	-	-	1,028,572
TOTAL FUND BALANCES	1,028,572	-	-	1,028,572
TOTAL LIABILITIES & FUND BALANCES	\$ 1,202,511	\$ 6,805	\$ 20,090	\$ 1,229,406
TOTAL GOVERNMENTAL FUND BALANCES				\$ 1,028,572

Amounts reported for governmental activities in the Statement of Net Position are different because:

Some liabilities, including net pension obligations and other post employment benedits, are not due and payable in the in the current period and, therefore, are not reported in the funds

Net Pension Liability	(2,273,341)
Net OPEB Liability	(1,943,780)

Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds

Deferred outflows of resources related to pensions of \$363,400 =	363,400
\$220,586 deferred outflows of resources relating to pensions + \$142,814	
deferred outflow of 20-21 employer contributions related to pensions	
Deferred outflows of resources related to OPEB of \$408,947 = \$347,465+	408,947
deferred outflows of resources relating to OPEB + \$61,482 deferred outflows	
of 20-21 employer contributions relating to retiree health insurance	
Deferred inflows of resources related to pensions	(121,378)
Deferred inflows of resources related to OPEB	(216,560)

Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds. The cost of the assets is \$711,982 and the accumulated depreciation is \$348,134.

Total net position of governmental activities	<u>\$ (2,390,292)</u>
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The accompanying notes are an intergral part of these financial statements.

**BARNWELL COUNTY CAREER CENTER
A COMPONENT UNIT OF BARNWELL COUNTY
BLACKVILLE, SOUTH CAROLINA
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

	<u>Special Revenue Funds</u>			Total Governmental Funds
	<u>General Fund</u>	<u>Special Projects</u>	<u>Education Improvement Act</u>	
REVENUES				
Local	\$ 1,565,668	\$ -		\$ 1,565,668
State	251,243	11,966	\$ 134,009	397,218
Federal		24,051		24,051
TOTAL REVENUES	1,816,911	36,017	134,009	1,986,937
EXPENDITURES				
Instruction	1,010,621	13,394	79,203	1,103,218
Supporting Services	633,888	22,623	-	656,511
TOTAL EXPENDITURES	1,644,509	36,017	79,203	1,759,729
OTHER FINANCING SOURCES (USES)				
Operating Transfers In	54,806			54,806
Operating Transfers Out			(54,806)	(54,806)
TOTAL OTHER FINANCING SOURCES (USES)	54,806	-	(54,806)	-
NET CHANGE IN FUND BALANCES	227,208	-	-	227,208
FUND BALANCE - July 1, 2020	801,364	-	-	801,364
FUND BALANCE - June 30, 2021	\$ 1,028,572	\$ -	\$ -	\$ 1,028,572

The accompanying notes are an integral part of these financial statements.

**BARNWELL COUNTY CAREER CENTER
A COMPONENT UNIT OF BARNWELL COUNTY
BLACKVILLE, SOUTH CAROLINA
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES OF GOVERNMENTAL FUNDS TO THE THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021**

Total net change in fund balance - governmental funds **\$ 227,208**

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

Governmental funds report pension contributions as expenditures. (35,147)
However in the Statement of Activities, the cost of pension benefits earned (\$178,771) net of employee contributions is reported as pension expense (\$142,814)

Governmental funds report retiree health insurance payments as expenditures (56,127)
when incurred. However, in the Statement of Activities, the cost of retiree health insurance benefits earned (\$117,609) net of employer contributions is reported as health insurance expense (\$61,482).

Capital outlays are reported in 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. This is the amount by which depreciation (\$34,544) exceeded capital outlays (\$-) in the period. (34,544)

Change in net position of governmental activities **\$ 101,390**

The accompanying notes are an integral part of these financial statements.

**BARNWELL COUNTY CAREER CENTER
A COMPONENT UNIT OF BARNWELL COUNTY
BLACKVILLE, SOUTH CAROLINA
STATEMENT OF FIDUCIARY NET POSITION
FUDICIARY FUND
JUNE 30, 2021**

	Custodial Funds
ASSETS	
Cash on Deposit	\$ 53,718
Due from General Fund	1,259
TOTAL ASSETS	54,977
LIABILITIES	
TOTAL LIABILITIES	-
NET POSITION	
Restricted for:	
Individuals and organizations	54,977
Total Net Position, Restated	\$ 54,977

The accompanying notes are an integral part of these financial statements.

**BARNWELL COUNTY CAREER CENTER
A COMPONENT UNIT OF BARNWELL COUNTY
BLACKVILLE, SOUTH CAROLINA
STATEMENT OF CHANGES FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

	Custodial Funds
REVENUES	
1000 Local Sources	
1500 Earnings on Investments:	
1510 Interest on Investments	\$ 297
1700 Pupil Activities:	
1730 Pupil Organization Membership	7,323
1740 Student Fees	7,658
TOTAL REVENUE	15,278
DISBURSEMENTS	
270 Supporting Services Pupil Activity:	
272 Enterprise Activities:	
660 Pupil Activity	20,087
TOTAL DISBURSEMENTS	20,087
EXCESS OF RECEIPTS OVER DISBURSEMENTS	(4,809)
Net Position - July 1, 2020, Restated	59,786
Net Position - June 30, 2021	\$54,977

The accompanying notes are an integral part of these financial statements.

**BARNWELL COUNTY CAREER CENTER
A COMPONENT UNIT OF BARNWELL COUNTY
BLACKVILLE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Barnwell County Career Center (Career Center) is considered a component unit of Barnwell County due to several factors. Barnwell County is responsible for financing deficits, is entitled to surpluses, is responsible for any debts of the Career Center, appoints the Board of Trustees, approves the budget, and levies property tax for the operation of the Career Center.

The component unit financial statements of the Career Center have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied through governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Career Center also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, to its governmental and proprietary funds provided they do not conflict with or contradict GASB pronouncements. The following is a summary of the more significant policies.

A. Reporting Entity

The Career Center's component unit financial statements include all funds over which the Board is considered to be financially accountable. The Career Center receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities.

B. Basis of Presentation

The statements of the Career Center are presented as follows:

Government-wide Financial Statements – The Statement of Net Position and the Statement of Activities display information about the Career Center as a whole. These statements include the financial activities of the Career Center, except for fiduciary funds. For the most part, the effect of the interfund activity has been removed from these statements. The statements distinguished between those activities of the Career Center that are governmental and those that are considered business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in part by fees charged to external parties.

The government-wide statements are prepared using economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better justify the relationship between the government-wide statements and the statements for governmental funds.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the Career Center and for each function or program of the Career Center's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues, including taxes, which are not classified as program revenues are presented as general revenues of the Career Center, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the Career Center.

Fund Financial Statements – Fund financial statements report detailed information about the Career Center. The focus of the governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. The Career Center has no nonmajor funds. Fiduciary funds are reported by fund type.

**BARNWELL COUNTY CAREER CENTER
A COMPONENT UNIT OF BARNWELL COUNTY
BLACKVILLE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation (Continued)

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets and current liabilities, and a statement of revenues, expenditures and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

Fiduciary funds are reported using the economic resources measurement focus.

C. Measurement Focus and Basis of Accounting

Fund Accounting

The Career Center uses funds to maintain its financial records during the fiscal year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain Career Center functions or activities. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The various funds of the Career Center are grouped into the categories governmental, proprietary and fiduciary.

Governmental Funds

Governmental funds focus on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is separated as fund balance. The following are the Career Center's major governmental funds:

General Fund – to account for all financial transactions not properly accounted for in another fund. The Career Center uses this fund to account for expenditures principally for administration, instruction, pupil services, operation and maintenance of plant and related fixed charges.

Special Revenue Funds – to account for the proceeds of specific revenue sources (other than debt service or major capital projects) requiring separate accounting because of legal or regulatory provisions or administrative action. The Career Center has two special revenue funds:

- (1) The Education Improvement Act (EIA) Fund, a budgeted fund used to account for the revenue from the Education Improvement Act of 1984 and legally required to be accounted for as a specific revenue source.
- (2) Special Projects Fund, a budgeted fund used to account for financial resources provided by federal, state, and local projects and grants.

Fiduciary Funds

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. The Career Center's fiduciary funds consist of custodial funds which are used to report fiduciary activities that are not required to be reported in pension trust funds, investment trust funds, or private purpose trust funds. The Center holds assets as an agent in a trustee capacity for various classes, clubs and other such purposes.

**BARNWELL COUNTY CAREER CENTER
A COMPONENT UNIT OF BARNWELL COUNTY
BLACKVILLE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

C. Measurement Focus and Basis of Accounting – (Continued)

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds also use the accrual basis of accounting. On the accrual basis accounting, revenues are recognized when earned and expenses are recognized when incurred. Under the modified accrual basis of accounting, revenues and expenditures are recognized when they become both measurable and available.

Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, are recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenues is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the Career Center, available means expected to be received within sixty days from fiscal year-end.

The Career Center follows Governmental Accounting Standards Board (GASB) Statement Number 33, *Accounting and Financial Reporting for Non-Exchange Transactions* to account for non-exchange revenues. Nonexchange transactions, in which the Career Center receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied (see Note 2). Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the Career Center must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Career Center on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized. Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: property taxes available as an advance, interest, tuition, grants, student fees and rentals.

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Delinquent property taxes and property taxes for which there is an enforceable legal claim as of June 30, 2021, but which have not met the revenue recognition criteria, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue. On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred revenue.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation, are not recognized in governmental funds.

**BARNWELL COUNTY CAREER CENTER
A COMPONENT UNIT OF BARNWELL COUNTY
BLACKVILLE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

D. Assets, Liabilities and Equity – (Continued)

Cash and Investments – South Carolina statutes authorize investments in certificates of deposit, savings accounts, repurchase agreements, the State Treasurer’s Local Governmental Investment Pool (invested in governmental guaranteed securities), obligations of the U.S. Government, and governmental agencies unconditionally guaranteed by the U.S. Government. Investments are recorded at fair market value.

The Barnwell County Treasurer invests in authorized instruments on behalf of the Career Center. At June 30, 2020, amounts on deposit with the Barnwell County Treasurer totaled \$140,551 stated at cost, which approximates market value. The Barnwell County Treasurer invests Career Center and other entity funds on a pooled basis with the Treasurer of the State of South Carolina. The State Treasurer invests in certificates of deposit, insured savings accounts, repurchase agreements, obligations of the United States government and government agencies guaranteed by the United States government.

Receivables and Payables – During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. On fund financial statements, these receivables and payables, if containing a balance at the end of the fiscal year, are classified as “due from other funds” or “due to other funds” on the balance sheet. These amounts are eliminated in the governmental and business-type activities columns of the statements of net position, except for net residual amounts due between governmental and business-type activities, which are presented as internal balances. No amounts are anticipated to be uncollectible or not paid.

Prepaid Expenses – Payments made to vendors for services benefiting future periods are recorded as prepaid expenses, using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

Capital Assets – General capital assets are those assets not specifically related to activities reported in the enterprise fund. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the enterprise fund are reported both in the business-type activities column of the government-wide statement of net position and in the respective fund.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The cost and accumulated depreciation of property sold or retired are removed from the accounts, and gains or losses, if any, are reflected in revenue or expenditures/expenses for the year. Donated fixed assets are recorded in their fair market values as of the date received. The Career Center maintains a capitalization threshold of \$5,000. The Career Center does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset’s life are expensed.

All reported capital assets are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>
Land improvement	15 - 40 years
Buildings and improvements	15 - 50 years
Furniture and equipment	5 - 20 years
Vehicles	5 - 10 years

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

D. Assets, Liabilities and Equity – (Continued)

Accrued Liabilities and Long-Term Obligations – All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources. However, claims and judgments, the noncurrent portion of capital leases and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they will be paid with current, expendable, available financial resources. In general, payments made within sixty days after year end are considered to have been made with current available financial resources. Bonds and other long-term obligations that will be paid from governmental funds are not recognized as a liability in the fund financial statements until due.

Deferred Outflows and Inflows of Resources – In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *Deferred Outflows of Resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense) until then. The Center's one item that meets the criteria for this category is. This item is deferrals relating to pensions (See Note 4).

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial section, *Deferred Inflows of Resources*, represents acquisition of net position that applies to future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The Center's one item that qualify for reporting in this category is deferrals relating to pensions (See Note 4).

Pensions – For the 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 pension plan's fiduciary net position and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported in the plan. 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.

Fund Balances, Equity and Net Position – Fund balance is divided into five classifications based primarily on the extent to which the Center is bound to observe constraints imposed upon the use of the resources in the applicable governmental fund. The classifications are as follows:

Nonspendable: The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form (e.g., inventories and prepaid amounts), or are legally or contractually required to be maintained intact.

Restricted: Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the Center to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the Center can be compelled by an external party such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for the purposes specified by the legislation.

Committed: The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (ordinance or resolution) of the Board of Trustees.

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

D. Assets, Liabilities and Equity – (Continued)

Those committed amounts cannot be used for any other purpose unless Board of Trustees removes or changes the specified use by taking the same type of action (ordinance or resolution) it employed to commit those amounts previously. In contrast to fund balance that is restricted by enabling legislation, committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by the Board of Trustees, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints is not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned: Amounts in the assigned fund balance classification are intended to be used by the Center for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by the Board or by a Center official or body to which the Board has delegated the authority to assign amounts to be used for specific purposes.

Unassigned: Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit fund balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The Center applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net position invested in capital assets, net or related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances or any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Career Center or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The Career Center applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

Interfund Activity – Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Transfers between governmental funds and enterprise balances are eliminated.

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

Operating Revenues and Expenses – Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds.

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

D. Assets, Liabilities and Equity – (Continued)

Use of Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United State of America requires management to make estimates and assumptions that affect the Career Center’s financial position and results of operations and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Accounting – The Career Center follows these procedures in establishing the budgetary data reflected in these financial statements:

- (a) Prior to September 1, the Career Center submits to the Barnwell County Council 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 September 1, the General Fund budget is legally enacted through passage of an ordinance.
- (d) Budgets are adopted on a basis consistent with Generally Accepted Accounting Principles.
- (e) The annual budgets for the Vocational Education and restricted state grants Special Revenue Funds are not legally adopted by the Board of Trustees, but are approved in the individual grant documents by the State Department of Education. The Education Improvement Act Special Revenue Funds budgets are equal to the amount of revenue received.
- (f) The General Fund budget is approved for total appropriations only by the Barnwell County Council. The Career Center’s Board of Trustees is authorized to amend budget amounts within the General Fund. The Special Revenue Funds budgets cannot be exceeded by more than 10% on a line item basis.
- (g) Unused appropriation for all of the annually budgeted funds lapse at year-end.
- (h) The budget amounts shown in the financial statements are the final authorized amounts. The budget was not amended during the year.

Encumbrances – Encumbrance accounting, under which purchase orders, contracts, and other commitments for expenditures of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the Career Center.

III. IMPLEMENTATION OF NEW ACCOUNTING STANDARD

In 2021, the Center implemented the provisions of Governmental Accounting Standards Board (GASB) Statement No. 84, Fiduciary Activities accounting standard. This statement provides guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The implementation of this standard required that the Center present a Statement of Changes in Fiduciary Net Position for Custodial Funds for 2021. The implementation of this standard required the Center to reclassify previously reported agency funds as custodial funds.

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IV. DETAILED NOTES ON ALL FUNDS AND OTHER INFORMATION

NOTE 1 - CASH AND INVESTMENTS:

At June 30, 2021, the carrying amount of the Career Center's deposits was \$1,198,361 and the bank balance was \$1,297,808. Of the bank balance, \$250,000 was covered by Federal Depository Insurance, \$1,047,808 was collateralized by securities.

Interest rate risk. In accordance with its investment policy, the Center manages its exposure to declines in interest by limiting the maturity of its certificates of deposit to short periods of time.

Credit risk. The Center limits its credit risk by limiting its investments to certificates of deposit.

Custodial credit risk-deposits. In the case of deposits, this is the risk that in the event of a bank failure, the Center's deposits may not be returned to it. It is the policy of the Center to obtain adequate collateralization on all deposits that exceed FDIC insurance coverage. As of June 30, 2021, no funds were exposed to custodial credit risk.

NOTE 2 – PROPERTY TAXES

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.

III. DETAILED NOTES ON ALL FUNDS AND OTHER INFORMATION (Continued)

NOTE 2 – PROPERTY TAXES (Continued)

Taxes are levied on October 1, and are due and payable at that time. All unpaid taxes levied October 1 become delinquent March 17 of the following year. Penalties are added as follows: 4% on January 16, 6% on February 2, and 7.5% on March 17.

Property tax revenues are recognized when they become available. Available means when due or past due and receivable within the current period and collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. Delinquent tax payments, received throughout the year, are recognized as revenue in the year received, except for those received within 60 days of year-end, which are recognized as revenue as of June 30, 2021.

NOTE 3 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2021 was as follows:

	Balance July 1, 2020	Additions	Deletions	Balance June 30, 2021
Governmental activities:				
Buildings	\$ 304,437			\$ 304,437
Building Improvements	195,007			195,007
Equipment	212,538			212,538
Totals at historical cost	711,982			711,982
Less accumulated depreciation				
Buildings	39,649	3,297		42,946
Building Improvements	140,511	17,444		157,955
Equipment	133,430	13,803		147,233
Total accumulated depreciation	313,590	34,544		348,134
Governmental activities capital assets, net	\$398,392			\$363,847

Depreciation expense for governmental activities was \$34,544 for the year ended June 30, 2021.

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III. DETAILED NOTES ON ALL FUNDS AND OTHER INFORMATION (Continued)

NOTE 4 – FEDERAL AND STATE ADMINISTERED GRANT RECEIVABLES

Federal and state administered grant receivables consist of receivables for reimbursement of expenditures under various programs and grants. All amounts are expected to be collected within the next year.

NOTE 5 – INTERFUND RECEIVABLES AND PAYABLES:

Interfund balances at June 30, 2021, consisted of the following individual fund receivables and payables:

Fund	Interfund Receivables	Interfund Payables
General Fund:		
Due to Special Revenue Fund		\$ 6,805
Due to EIA Fund		20,090
Due to Fiduciary Fund		1,259
Special Revenue Fund:		
Due from General Fund	\$ 6,805	
EIA Fund:		
Due from General Fund	20,090	
Fiduciary Fund:		
Due from General Fund	1,259	
Total	<u>\$ 28,154</u>	<u>\$ 28,154</u>

NOTE 6 – RETIREMENT BENEFITS

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

For purposes of measuring the net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Systems and additions to/deductions from the Systems fiduciary net position have been determined on the accrual basis of accounting as they are reported by the Systems in accordance with generally accepted accounting principles (GAAP). For this purpose, revenues are recognized when earned and expenses are recognized when incurred. Benefit and refund expenses are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value.

PEBA issues a Comprehensive Annual Financial Report (CAFR) containing financial statements and required supplementary information for the Systems' Pension Trust Funds. The CAFR is publicly available through PEBA's website at www.peba.sc.gov, or a copy may be obtained by submitting a request to PEBA, 202 Arbor Lake Drive, Columbia, SC 29223. PEBA is considered a division of the primary government of the state of South Carolina and therefore, retirement trust fund financial information is also included in the comprehensive annual financial report of the state

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NOTE 6 – RETIREMENT BENEFITS (Continued)

Plan Descriptions

The South Carolina Retirement System (SCRS), a cost-sharing multiple-employer defined benefit pension plan, was established July 1, 1945, pursuant to the provisions of Section 9-1-20 of the South Carolina Code of Laws for the purpose of providing retirement and other benefits for teachers and employees of the state and its political subdivisions. SCRS covers employees of state agencies, public school districts, higher education institutions, other participating local subdivisions of government and individuals newly elected to the South Carolina General Assembly at or after the 2012 general election.

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

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.

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 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, certain newly hired state, public school, and higher education employees and individuals first elected to the S.C. General Assembly at or after the November 2012 general election have the option to participate in the State ORP. Contributions to the State ORP are at the same rates as SCRS. A direct remittance is required from the employer to the member's account with the ORP service provider for the employee contribution and a portion of the employer contribution (5 percent). A direct remittance is also required to SCRS for the remaining portion of the employer contribution and an incidental death benefit contribution, if applicable, which is retained by SCRS.

Benefits

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

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

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NOTE 6 – RETIREMENT BENEFITS (Continued)

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.

The 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.

Contributions

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

Additionally, the Board is prohibited from decreasing the SCRS and PORS contribution rates until the funded ratio is at least 85 percent. If the most recent annual actuarial valuation of the Systems for funding purposes shows a ratio of the actuarial value of system assets to the actuarial accrued liability of the system (the funded ratio) that is equal to or greater than 85 percent, then the board, effective on the following July 1, may decrease the then current contribution rates upon making a finding that the decrease will not result in a funded ratio of less than 85 percent. If contribution rates are decreased pursuant to this provision, and the most recent annual actuarial valuation of the system shows a funded ratio of less than 85 percent, then effective on the following July 1, and annually thereafter as necessary, the board shall increase the then current contribution rates until a subsequent annual actuarial valuation of the system shows a funded ratio that is equal to or greater than 85 percent.

Required employee contribution rates¹ for fiscal years 2020 and 2021 are as follows:

SCRS	
Employee Class Two	9.00%
Employee Class Three	9.00%
State ORP	
Employee	9.00%

Required employer contribution rates¹ are as follows:

SCRS	
Employer Class Two	15.41%
Employer Class Three	15.41%
Employer Incidental Death Benefit	0.15%
State ORP	
Employer Copntribution ²	15.41%
Employer Incidental Death Benefit	0.15%

¹ Calculated on earnable compensation as defined in Title 9 of the South Carolina Code of Laws.

² Of this 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 the SCRS.

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NOTE 6 – RETIREMENT BENEFITS (Continued)

Actuarial Assumptions and Methods

Actuarial valuations of the 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 for the period ending June 30, 2019 for first use in the July 1, 2021 actuarial valuation.

The June 30, 2019, total pension liability (TPL), net pension liability (NPL), and sensitivity information shown in this report were determined by our consulting actuary, Gabriel, Roeder, Smith and Company (GRS) and are based on an actuarial valuation performed as of July 1, 2019. The total pension liability was rolled-forward from the valuation date to the plans' fiscal year end, June 30, 2020, using generally accepted actuarial principles.

The following table provides a summary of the actuarial assumptions and methods used to calculate the TPL as of June 30, 2020 for the SCRS:

Actuarial Cost Method	Entry Age Normal
Investment Rate or Return	7.25%
Projected Salary Increases	3.0% to 12.5% (varies by service) – includes inflation at 2.25%
Benefit Adjustments	Lesser of 1% or \$500 annually

The post-retiree mortality assumption is dependent upon the member's job category and gender. This 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 for the June 30, 2020, 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 and Firefighters	2016 PRSC Males multiplied by 125%	2016 PRSC Females multiplied by 111%

Net Pension Liability

The NPL of the Center is .008897% of the total NPL of the SCRS. The TPL is calculated by the Systems' actuary, and each plan's fiduciary net position is reported in the Systems' financial statements. The NPL is disclosed in accordance with the requirements of GASB 67 in the Systems' 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.

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NOTE 6 – RETIREMENT BENEFITS (Continued)

Long-term Expected Rate of Return

The long-term expected rate of return on pension plan investments is based upon the 20 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 as adopted at the beginning of the 2020 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 by adding expected inflation and is summarized in the table below. For actuarial purposes, the 7.25 percent assumed annual investment rate of return set in statute and used in the calculation of the TPL includes a 5.00 percent real rate of return and a 2.25 percent inflation component.

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Expected Arithmetic Real Rate of Return</u>	<u>Long-Term Expected Portfolio Real Rate of Return</u>
Rate Sensitive	14.0%		
Cash and Short Duration (Net)	1.0%	0.56%	0.01%
Core Fixed Income ¹	13.0%	1.60%	0.21%
Credit	15.0%		
Emerging Markets Debt	4.0%	3.44%	0.14%
High Yield Bonds/Bank Loans ^{1,2}	4.0%	4.21%	0.17%
Private Debt ^{2,3}	7.0%	5.79%	0.40%
Global Equity	51.0%		
Global Public Equity ^{1,2}	35.0%	7.81%	2.73%
Private Equity ^{2,3}	9.0%	8.91%	0.80%
Equity Options Strategies ¹	7.0%	5.09%	0.36%
Real Assets	12.0%		
Real Estate (Private) ^{2,3}	8.0%	5.55%	0.44%
Real Estate (REITs) ²	1.0%	7.78%	0.08%
Infrastructure (Private) ^{2,3}	2.0%	4.88%	0.10%
Infrastructure (Public) ²	1.0%	7.05%	0.07%
Opportunistic	8.0%		
Global Tactical Asset Allocation ¹	7.0%	3.56%	0.25%
Other Opportunistic Strategies	1.0%	4.41%	0.04%
Total Expected Real Return⁴	100.0%		5.80%
Inflation for Actuarial Purposes			2.25%
Total Expected Nominal Return			8.05%

¹ Portable Alpha Strategies will be capped at 12% of total assets; Hedge funds (including all hedge funds used in portable alpha implementation) capped at 20% of total assets.

² The target weights to Private Equity, Private Debt, Private Infrastructure and Private Real Estate will be equal to their actual weights as of prior month end. Private Equity and Public Equity combine for 44 percent of entire portfolio. Private Debt and High Yield/Bank Loans combine for 11 percent of the entire portfolio. Private Infrastructure and Public Infrastructure combine for 3 percent of the entire portfolio. Private Real Estate and Real Estate (REITs) combine for 9 percent of entire portfolio.

³ RSIC staff and Consultant will notify the Commission if Private Markets assets exceed 25% of total assets.

⁴ The expected return for each of the Portable Alpha asset classes includes the expected return attributed to the Overlay Program. For benchmarking purposes there is a 10% weight assigned to Portable Alpha Hedge Funds in the Policy Benchmark.

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NOTE 6 – RETIREMENT BENEFITS (Continued)

Discount Rate

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

Sensitivity Analysis

The following table presents the collective net pension liability of the participating employers calculated using the discount rate of 7.25 percent, as well as what the employers’ net pension liability would be if it were calculated using a discount rate that is 1.00 percent lower (6.25 percent) or 1.00 percent higher (8.25 percent) than the current rate.

<u>Plan</u>	<u>1% Decrease (6.25%)</u>	<u>Current Rate (7.25%)</u>	<u>1% Increase (8.25%)</u>
SCRS	\$ 2,817,527	\$ 2,273,341	\$ 1,818,938

Since certain expense items are recognized over closed periods each year, the deferred portions of these items must be tracked annually. If the amounts will increase Pension Expense they are labeled Deferred Outflows of Resources. If they serve to reduce Pension Expense they are labeled Deferred Inflows of Resources. The recognition of these amounts is accomplished on a level dollar basis, with no interest included in the deferred amounts. Experience gains/losses and the impact of changes in actuarial assumptions or inputs and investment gains and losses are recognized over a fixed five year period.

The following table provides a summary of the Deferred Outflows of Resources and Deferred Inflows of Resources as of June 30, 2020:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Liability Experience	\$ 26,231	\$ 8,596
Assumption Changes	2,785	-
Investment Experience	191,570	24,347
Contributions after the measurement date	142,814	-
Change in Proportion & Differences Between Employer Contributions and Proportionate Share of Plan Contributions	-	88,435
Total	\$ 363,400	\$ 121,378

Amounts reported as Deferred Outflows of Resources and Deferred Inflows of Resources related to Pension benefits will be recognized in Pension Expense as follows:

Measurement Ended June 30:	Period	
2021		\$ (9,117)
2022		25,355
2023		40,299
2024		42,671
Total		\$ 99,208

**BARNWELL COUNTY CAREER CENTER
A COMPONENT UNIT OF BARNWELL COUNTY
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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 7 - OTHER POST-EMPLOYMENT BENEFITS

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

The governing board of PEBA is a board of 11 members. The membership composition is three members appointed by the Governor, two members appointed by the President Pro Tempore of the Senate, two members appointed by the Chairman of the Senate Finance Committee, two members appointed by the Speaker of the House of Representatives and two members appointed by the Chairman of the House Ways and Means Committee. Individuals appointed to the PEBA board must possess certain qualifications. Members of the PEBA board serve for terms of two years and until their successors are appointed and qualify. Terms commence on July first of even numbered years. The PEBA board appoints the Executive Director. The laws of the State and the policies and procedures specified by the State for State agencies are applicable to all activities of PEBA. By law, the State Fiscal Accountability Authority (SFFA), which consists of five elected officials, also reviews certain PEBA Board decisions in administering the State Health Plan and other post-employment benefits (OPEB).

Plan Descriptions

The Other Post-employment Benefits Trust Funds (“OPEB Plan”) collectively refers to the South Carolina Retiree Health Insurance Trust Fund (“SCRHITF”) and the South Carolina Long- Term Disability Insurance Trust Fund (“SCLTDITF”) which were established by the State of South Carolina as Act 195 which became effective in 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 (“BLTD”) 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 PEBA Board 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 City employees and their covered dependents.

Plan Benefits

The SCRHITF is a healthcare plan that covers retired employees of the State of South Carolina, including all agencies, and public school and all participating local government entities. 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 and all participating local governmental entities. The SCLTDITF provides disability payments to eligible employees that have been approved for disability. Since the employer contribution/premium paid and the proportionate share of the net OPEB liability and related deferred outflows and inflows of resources related to the SCLTDITF are not material to the Center, no SCLTDITF OPEB amounts have been recorded in these financial statements and only limited note disclosures have been provided related to these benefits.

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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 7 - OTHER POST-EMPLOYMENT BENEFITS (Continued)

Plan Contributions and Funding Policies

Section 1-11-710 of the South Carolina Code of Laws of 1976, as amended, requires the postemployment and long-term disability benefits to be funded through non-employer and employer contributions for active employees and retirees to the PEBA – Insurance Benefits. Non-employer contributions consist of an annual appropriation by the General Assembly and the statutorily required transfer from PEBA – Insurance Benefits reserves.

The SCRHITF is funded through participating employers that are mandated by State statute to contribute at a rate assessed each year by the Department of Administration Executive Budget Office on active employee covered payroll. The covered payroll surcharge for the year ended June 30, 2020 was 6.25 percent. The South Carolina Retirement System collects the monthly covered payroll surcharge for all participating employers and remits it directly to the SCRHITF. Other sources of funding for the SCRHITF also include the implicit subsidy, or age-related subsidy inherent in the healthcare premiums structure. The implicit subsidy represents a portion of the health care expenditures paid on behalf of the employer's active employees. For purposes of GASB Statement No. 75, this expenditure on behalf of the active employee is reclassified as a retiree health care expenditure so that the employer's contributions towards the plan reflect the underlying age-adjusted, retiree benefit costs. Non-employer contributions include the mandatory transfer of accumulated PEBA – Insurance Benefits' reserves and the annual appropriation budgeted by the General Assembly. It is also funded through investment income.

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

For purposes of measuring the net OPEB liability, deferred outflows and inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the OPEB Trusts, and additions to and deductions from the OPEB Trusts fiduciary net position have been determined on the same basis as they were reported by the OPEB Trusts. For this purpose, revenues are recognized when earned and expenses are recognized when incurred. Therefore, benefit and administrative expenses are recognized when due and payable. Investments are reported at fair value.

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

Actuarial Assumptions and Methods

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plans (as understood by the employer and plan participants) and include the types of benefits provided at the time the valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point.

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BLACKVILLE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 7 - OTHER POST-EMPLOYMENT BENEFITS (Continued)

The following table provides a summary of the actuarial assumptions and methods used in the latest valuation for the SCRHITF.

Valuation Date:	June 30, 2019
Actuarial Cost Method:	Entry Age Normal
Inflation:	2.25%
Investment Rate of Return:	2.75%, net of OPEB Plan investment expense; including inflation
Single Discount Rate:	2.45% as of June 30, 2020
Demographic Assumptions:	Based on the experience study performed for the South Carolina Retirement System 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 6.40% and gradually decreasing to an ultimate trend rate of 4.00% over a period of 15 years.
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 3.13% as of June 30, 2019 to 2.45% as of June 30, 2020; minor updates were made to the healthcare trend rate assumption, including an adjustment to reflect the repeal of the "Cadillac Tax".

Roll Forward Disclosures

The actuarial valuations were performed as of June 30, 2019. Update procedures were used to roll forward the total OPEB liabilities to June 30, 2020.

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 2018 fiscal year. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and adding expected inflation. This information is summarized the following table:

Asset Class	Target Asset Allocation	Expected Arithmetic Real Rate of Return	Long-Term Expected Portfolio Real Rate of Return
U. S. Domestic Fixed Income	80.0%	0.60%	0.48%
Cash equivalents	<u>20.0%</u>	0.35%	<u>0.07%</u>
Total	<u>100.0%</u>		<u>0.55%</u>
Expected Inflation			<u>2.25%</u>
Total Return			<u>2.80%</u>
Investment Return Assumption			<u>2.75%</u>

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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 7 - OTHER POST-EMPLOYMENT BENEFITS (Continued)

Single Discount Rate

The Single Discount Rate of 2.45% 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 SCRHITF'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).

OPEB Liability, OPEB Expense, and Deferred Outflows/Inflows of Resources Related to OPEB

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

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

Fiscal Year Ending June 30,	Plan's Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability	Plan Fiduciary Net Position as a % of Total Liability	Center's percentage of Net OPEB Liability	Center's portion of Net OPEB Liability
2017	\$14,659,610,970	\$1,114,774,760	\$13,544,836,210	7.60%	.01156%	\$1,565,106
2018	\$15,387,115,010	\$1,216,530,062	\$14,170,584,948	7.91%	.011267%	\$1,596,600
2019	\$16,516,264,617	\$1,394,740,049	\$15,121,524,568	8.44%	.011129%	\$1,682,874
2020	\$19,703,745,672	\$1,652,299,185	\$18,051,446,487	8.39%	.010768%	1,943,780

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

At June 30, 2020, the Center reported deferred outflows of resources (deferred OPEB charges) and deferred inflows of resources (deferred OPEB credits) related to OPEBs from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 55,594	\$ 44,267
Change in Assumptions	289,259	77,411
Net Difference Between Projected and Actual Earnings	2,612	7,146
OPEB Plan Investments	61,482	
Contributions after measurement date		
Changes in Proportion and Differences Between the Employer's Contributions and Proportionate Share Contributions	-	87,736
Total	408,947	216,560

**BARNWELL COUNTY CAREER CENTER
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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 7 - OTHER POST-EMPLOYMENT BENEFITS (Continued)

The amount of \$408,947 that was reported as deferred outflows of resources related to the Center's contributions subsequent to the measurement date to the SCRHITF, will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources (deferred OPEB charges) and deferred inflows of resources (deferred OPEB credits) related to the SCRHITF will increase (decrease) OPEB expense as follows:

Year Ended June 30,	Increase (Decrease) OPEB Expense
2021	\$ 11,183
2022	10,557
2023	9,567
2024	26,793
2025	36,504
Thereafter	36,301
Total	<u>\$ 130,905</u>

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following table presents the sensitivity of the Center's net OPEB liability for the SCRHITF to changes in the Single Discount Rate, calculated using the Single Discount Rate of 3.13%, as well as what it would be if it were calculated using a Single Discount Rate that is 1% point lower (1.45%) or 1% point higher (3.45%) than the current rate:

	1% Decrease 1.45%	Current Single Discount Rate Assumption 2.45%	1% Increase 3.45%
Net OPEB Liability	\$2,319,319	\$1,943,780	\$1,643,695

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate

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

	1% Decrease	Current Healthcare Cost Trend Rate Assumption	1% Increase
Net OPEB Liability	\$1,573,303	\$1,943,780	\$2,430,322

OPEB Expense – Components of collective OPEB expense reported in the Schedule of OPEB Amounts by Employer for the fiscal year ended June 30, 2020 are presented below:

Description	SCRHITF
Service Cost	\$ 68,512
Interest on the Total OPEB Liability	55,811
Projected Earnings on Plan Investments	(4,359)
OPEB Plan Administrative Expense	110
Recognition of Outflow (Inflow) of Resources due to Liabilities	28,133
Recognition of Outflow (Inflow) of Resources due to Assets	(313)
Total Aggregate OPEB Expense	<u>\$ 147,895</u>

**BARNWELL COUNTY CAREER CENTER
A COMPONENT UNIT OF BARNWELL COUNTY
BLACKVILLE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 7 - OTHER POST-EMPLOYMENT BENEFITS (Continued)

Detailed information regarding the fiduciary net position of the OPEB Plans administered by the PEBA is available in the separately issued financial statements and required supplementary information for the South Carolina Public Employee Benefit Authority, Insurance Benefits and Other Post Employment Benefits Trust Funds. This information is publicly available through the Insurance Benefits' link on the PEBA's website at www.peba.sc.gov or a copy may be obtained by submitting a request to the PEBA – Insurance Benefits, 202 Arbor Lake Drive, Columbia, SC 29223.

NOTE 8 – CONTINGENCIES

Federal grant programs in which the Career Center participates were audited in accordance with South Carolina Department of Education guidelines. In addition, these grants are subject to financial and compliance audits by the federal government which may result in disallowed expenditures. In the opinion of management, future disallowances of current grant program expenditures, if any, would be immaterial.

NOTE 9 – RISK MANAGEMENT

The Career Center is exposed to various risks of loss. The Career Center is insured through the South Carolina Budget and Control Board, Office of Insurance Services for losses related to torts; theft, damage, or destruction of assets; errors or omissions; acts of God; and accident insurance. The Career Center is insured with the State Workers Compensation Fund for job-related illnesses. Surety bonds are provided through commercial insurance. Health insurance benefits are administered through PEBA as the plan sponsor for the State Health Plan for which the Center utilizes. PEBA uses BlueCross BlueShield of South Carolina to process the State Health Plan's medical claims.

NOTE 10 – TAX ABATEMENTS

To encourage specific development or spending, Barnwell County may offer certain tax abatements. Users of these financial statements should review the County's notes to financial statements for specific details on current abatement agreements.

NOTE 11 - SUBSEQUENT EVENTS

The Barnwell County Career Center evaluated the effects subsequent events would have on the financial statements through the date of the auditors' report, which is the date the financial statements were available for issuance.

NOTE 12 – IMPLEMENTATION OF NEW STANDARD AND RESTATEMENT

As of June 30, 2021, the Center implemented GASB Statement No. 84, *Fiduciary Activities* (GASB 84). The Center restated the net position of the Fiduciary Funds, as presented below, to appropriately reflect the July 1, 2020 balance.

Fiduciary Funds Net Position at June 30, 2020, as previously stated	\$ -
Restatement – Implementation of GASB 84	54,978
Fiduciary Funds Net Position at July 1, 2020, as restated	<u>\$ 54,978</u>

**BARNWELL COUNTY CAREER CENTER
PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
SOUTH CAROLINA RETIREMENT SYSTEM
LAST SEVEN FISCAL YEARS**

Only seven years of information is presented as only seven years of data were available.

	Year Ended June 30,						
	2021	2020	2019	2018	2017	2016	2015
Center's Proportion of the Net Pension Liability (NPL)	0.008897%	0.009217%	0.009376%	0.00966%	0.01038%	0.01066%	0.010782%
Center's Proportionate Share of the NPL	2,273,341	2,104,732	2,100,846	2,174,141	2,217,153	2,022,479	1,856,353
Center's Covered-Employee Payroll	992,581	995,581	971,606	972,214	1,005,134	999,833	978,857
Center's Proportionate Share of the NPL as a Percentage of its Covered-Employee Payroll	229%	211%	216%	223.63%	220.58%	202.28%	189.64%
Plan Fiduciary Net Position as a Percentage of the NPL	54.400%	54.400%	54.100%	53.390%	52.910%	56.990%	59.900%

Notes to Required Supplementary Information

Note 1 - Presentation and Applicability

The Career Center implemented GASB 68/71 during the year ended June 30, 2015. Information before 2015 is not available.

The amounts presented for each fiscal year were determined as of June 30th of the preceding year.

Note 2 - Changes in Benefit Terms

There were no changes in benefit terms during the year of initial adoption - year June 30, 2015.

Note 3 - Changes of Significant Assumptions

The discount rate used in computations remained 7.25% ,unchanged from year ended June 30, 2020. (Valuation date of 6/30/2019).

Note 4 - Covered Payroll During Measurement Period

The covered payroll shown is for the year preceding the fiscal year being reported on since the liability is computed as of that year.

See Independent Auditors' Report

**BARNWELL COUNTY CAREER CENTER
SCHEDULE OF CONTRIBUTIONS
SOUTH CAROLINA RETIREMENT SYSTEM
LAST SEVEN FISCAL YEARS**

Only seven years of information is presented as only seven years of data were available.

	Year Ended June 30,						
	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	\$ 142,814	\$ 154,446	\$ 141,718	\$ 121,497	\$ 112,644	\$ 111,168	\$ 108,982
Contributions in Relation to the Contractually Required Contribution	142,814	154,446	141,718	121,497	112,644	111,168	108,982
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Center's Covered-Employee Payroll	\$ 992,581	\$ 995,581	\$ 973,340	\$ 971,606	\$ 972,214	1,005,134	999,833
Contributions as a Percentage of Covered-Employee Payroll	14.39%	15.51%	14.56%	12.50%	11.59%	11.06%	10.90%

Notes to Required Supplementary Information

Note 1 - Presentation and Applicability

The Career Center implemented GASB 68/71 during the year ended June 30, 2015. Information before 2015 is not available.

Note 2 - Changes in Employer Contribution Rates

The contractually required contribution rate was increased from 14.61% to 15.51% of eligible payroll for the year ended June 30, 2020.

See Independent Auditors' Report

**SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
OF THE SOUTH CAROLINA RETIREE HEALTH INSURANCE TRUST FUND
LAST FOUR FISCAL YEARS**

Only five years of information is presented as only five years of data were available.

	Year Ended June 30,				
	2021	2020	2019	2018	2017
Center's Proportion of the Net OPEB Liability	0.011129%	0.011129%	0.011267%	0.01156%	0.01186%
Center's Proportionate Share of the Net OPEB Liability	1,943,780	1,682,874	1,596,600	1,565,106	1,671,850
Center's Covered Payroll During the Measurement Period	992,581	995,581	971,606	972,214	1,005,134
Center's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Employee Payroll	196%	169%	164%	160.98%	166.33%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	8.440%	8.440%	7.910%	7.600%	6.600%

Notes to Required Supplementary Information

Note 1 - Presentation and Applicability

The Career Center implemented GASB 75 during the year ended June 30, 2018. Information before 2017 is not available.

The amounts presented for each fiscal year were determined as of June 30th of the preceding year (measurement date).

Note 2 - Changes in Benefit Terms

There were no changes in benefit terms during the year of initial adoption - year June 30, 2018.

Note 3 - Changes of Significant Assumptions

The discount rate used in computations was set at 3.13% for the June 30, 2020 measurement date.

Note 4 - Covered Payroll During Measurement Period

The covered payroll shown is for the year preceding the fiscal year being reported on since the liability is computed as of that year.

See Independent Auditors' Report

**BARNWELL COUNTY CAREER CENTER
SCHEDULE OF CONTRIBUTIONS TO THE
OF THE SOUTH CAROLINA RETIREE HEALTH INSURANCE TRUST FUND
LAST FOUR FISCAL YEARS**

Only five years of information is presented as only five years of data were available.

	Year Ended June 30,				
	2021	2020	2019	2018	2017
Contractually Required Contribution	\$ 61,482	\$ 62,036	\$ 58,887	\$ 53,438	\$ 51,819
Contributions in Relation to the Contractually Required Contribution	61,482	62,036	58,887	53,438	51,819
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Center's Covered-Employee Payroll	\$ 992,581	\$ 995,581	\$ 973,340	\$ 971,606	\$ 972,214
Contributions as a Percentage of Covered-Employee Payroll	6.19%	6.23%	6.05%	5.50%	5.33%

Notes to Required Supplementary Information

Note 1 - Presentation and Applicability

The Career Center implemented GASB 75 during the year ended June 30, 2018. Information before 2017 is not available.

Note 2 - Changes in Employer Contribution Rates

The contractually required contribution rate was increased from 6.05% to 6.23% of eligible payroll for the year ended June 30, 2020.

See Independent Auditors' Report

**BARNWELL COUNTY CAREER CENTER
A COMPONENT UNIT OF BARNWELL COUNTY
BLACKVILLE, SOUTH CAROLINA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>With Final Budget</u>
REVENUES				
1000 Revenue From Local Sources				
1200 Revenue From Local Governmental Units:				
1210 Ad Valorem Taxes	\$1,237,376	\$1,237,376	\$1,310,404	\$73,028
1300 Tuition:				
1320 Regular Day School from other LEA's	250,424	250,424	253,016	2,592
1500 Earnings on Investments:				
1510 Interest on Investments	500	500	1,474	974
1900 Other Revenue From Local Sources:				
1999 Revenue from Other Local Sources	450	450	775	325
Total Local Sources	1,488,750	1,488,750	1,565,670	76,919
3000 Revenue From State Sources				
3180 Fringe Benefits Employer Contributions				
3181 Retiree Insurance	44,636	44,636	47,878	3,242
3186 State Classroom Aid	-	-	48,574	48,574
3800 State Revenue in Lieu of Taxes:				
3820 Homestead Exemption	80,000	80,000	85,084	5,084
3830 Merchant's Inventory Tax	8,400	8,400	8,429	29
3840 Manufacturer's Depreciation Reimbursement	24,000	24,000	29,895	5,895
3890 Other State Property Tax Revenues	18,000	18,000	31,383	13,383
Total State Sources	175,036	175,036	251,243	76,207
TOTAL REVENUES - ALL SOURCES	1,663,786	1,663,786	1,816,913	153,126
EXPENDITURES				
100 INSTRUCTION				
110 General Instruction:				
115 Vocational Programs:				
100 Salaries	698,716	698,716	701,155	(2,439)
200 Employee Benefits	313,359	313,359	303,382	9,977
300 Purchased Services	5,000	5,000	909	4,091
400 Supplies & Materials	30,400	30,400	5,177	25,223
TOTAL INSTRUCTION	1,047,475	1,047,475	1,010,623	36,852

**BARNWELL COUNTY CAREER CENTER
A COMPONENT UNIT OF BARNWELL COUNTY
BLACKVILLE, SOUTH CAROLINA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>With Final Budget</u>
200 SUPPORTING SERVICES				
210 Pupil Services				
212 Guidance:				
100 Salaries	53,105	53,105	48,913	-
200 Employee Benefits	28,550	28,550	28,515	35
300 Purchased Services	2,000	2,000	1,200	800
400 Supplies & Materials	3,000	3,000	2,683	317
220 Instructional Staff Services				
224 Improvement of Instruction:				
300 Purchased Services	200	200	-	200
400 Supplies & Materials	500	500	-	500
230 General Administration Services				
231 Board of Education:				
300 Purchased Services	20,850	20,850	12,610	8,240
400 Supplies & Materials	410	410	263	147
233 School Administration:				
100 Salaries	95,700	95,700	88,841	6,859
200 Employee Benefits	31,734	31,734	28,928	2,806
300 Purchased Services	4,000	4,000	534	3,466
400 Supplies & Materials	1,000	1,000	709	291
500 Capital Outlay	10,000	10,000	2,102	7,898
600 Other Objects	1,200	1,200	1,200	-
250 Finance & Operation Services				
252 Fiscal Services:				
100 Salaries	89,639	89,639	81,529	8,110
200 Employee Benefits	33,157	33,157	32,773	384
300 Purchased Services	3,000	3,000	2,099	901
400 Supplies & Materials	3,000	3,000	3,958	(958)
254 Operations & Maintenance of Plant:				
100 Salaries	49,165	49,165	49,090	75
200 Employee Benefits	35,859	35,859	26,556	9,303
300 Purchased Services	41,128	41,128	41,070	58
321 Public Utilities	2,000	2,000	1,380	620
400 Supplies & Materials	10,500	10,500	7,389	3,111
470 Energy	57,000	57,000	55,061	1,939
500 Capital Outlay	46,448	46,448	19,332	27,116
600 Other Objects	3,000	3,000	313	2,687

**BARNWELL COUNTY CAREER CENTER
A COMPONENT UNIT OF BARNWELL COUNTY
BLACKVILLE, SOUTH CAROLINA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>With Final Budget</u>
257 Internal Services:				
200 Employee Benefits	29,602	29,602	10,944	18,658
258 School Security:				
300 Purchased Services	30,000	30,000	46,483	(16,483)
400 Supplies & Materials	500	500	-	500
260 Central Support Services				
266 Technology and Data Processing Services:				
300 Purchased Services	20,500	20,500	23,082	(2,582)
TOTAL SUPPORTING SERVICES	<u>706,747</u>	<u>706,747</u>	<u>633,889</u>	<u>68,666</u>
TOTAL EXPENDITURES	<u>1,754,222</u>	<u>1,754,222</u>	<u>1,644,511</u>	<u>105,518</u>
OTHER FINANCING SOURCES (USES)				
Interfund Transfers, From (To) Other Funds:				
5230 Transfer from Special Revenue EIA Fund	51,115	51,115	54,806	3,691
TOTAL OTHER FINANCING SOURCES (USES)	<u>51,115</u>	<u>51,115</u>	<u>54,806</u>	<u>3,691</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	<u>\$ (39,321)</u>	<u>\$ (39,321)</u>	227,208	<u>\$262,335</u>
FUND BALANCE July 1, 2020			<u>801,364</u>	
FUND BALANCE June 30, 2021			<u>\$1,028,572</u>	

**BARNWELL COUNTY CAREER CENTER
A COMPONENT UNIT OF BARNWELL COUNTY
BLACKVILLE, SOUTH CAROLINA
BUDGETARY COMPARISON SCHEDULE
SPECIAL PROJECTS FUND
FOR THE YEAR ENDED JUNE 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Local	\$ -	\$ -	\$ -	\$ -
State	11,966	11,966	11,966	-
Federal	24,051	24,051	24,051	-
TOTAL REVENUES	36,017	36,017	36,017	-
EXPENDITURES				
Instruction	13,394	13,394	13,394	-
Supporting Services	22,623	22,623	22,623	-
TOTAL EXPENDITURES	36,017	36,017	36,017	-
NET CHANGE IN FUND BALANCE	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - July 1, 2020	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - June 30, 2021	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

**BARNWELL COUNTY CAREER CENTER
A COMPONENT UNIT OF BARNWELL COUNTY
BLACKVILLE, SOUTH CAROLINA
BUDGETARY COMPARISON SCHEDULE
EDUCATION IMPROVEMENT ACT
FOR THE YEAR ENDED JUNE 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
State	\$ 134,009	\$ 134,009	\$ 134,009	\$ -
TOTAL REVENUES	134,009	134,009	134,009	-
 EXPENDITURES				
Instruction	79,203	79,203	79,203	-
TOTAL EXPENDITURES	79,203	79,203	79,203	-
 OTHER FINANCING SOURCES (USES)				
Operating Transfers Out	(54,806)	(54,806)	(54,806)	-
TOTAL OTHER FINANCING SOURCES (USES)	(54,806)	(54,806)	(54,806)	-
 NET CHANGE IN FUND BALANCE	-	-	-	-
 FUND BALANCE - July 1, 2020	-	-	-	-
 FUND BALANCE - June 30, 2021	\$ -	\$ -	\$ -	\$ -

**BARNWELL COUNTY CAREER CENTER
A COMPONENT UNIT OF BARNWELL COUNTY
BLACKVILLE, SOUTH CAROLINA
BALANCE SHEET
GENERAL FUND
JUNE 30, 2021**

ASSETS

Cash on Deposit	\$1,198,361
Due from County Treasurer	4,150
	<u>4,150</u>

TOTAL ASSETS	1,202,511
	<u><u>1,202,511</u></u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts Payable	49,732
Accrued Salaries & Benefits	96,053
Due to EIA	20,090
Due to Pupil Activity	1,259
Due to Special Revenue	6,805
	<u>173,939</u>

TOTAL LIABILITIES	173,939
--------------------------	----------------

FUND BALANCE

Unassigned	1,028,572
	<u>1,028,572</u>

TOTAL FUND BALANCE	1,028,572
	<u><u>1,028,572</u></u>

TOTAL LIABILITIES & FUND BALANCE	\$1,202,511
	<u><u>\$1,202,511</u></u>

**BARNWELL COUNTY CAREER CENTER
A COMPONENT UNIT OF BARNWELL COUNTY
BLACKVILLE, SOUTH CAROLINA
COMBINING BALANCE SHEET
SPECIAL REVENUE FUNDS
JUNE 30, 2021**

	<u>Special Projects Fund</u>	<u>Education Improvement Act Fund</u>	<u>Total</u>
ASSETS			
Due from General Fund	<u>\$ 6,805</u>	<u>\$ 20,090</u>	<u>\$ 26,895</u>
TOTAL ASSETS	<u>6,805</u>	<u>20,090</u>	<u>26,895</u>
LIABILITIES			
Revenue Received in Advance	<u>6,805</u>	<u>20,090</u>	<u>26,895</u>
TOTAL LIABILITIES	<u>6,805</u>	<u>20,090</u>	<u>26,895</u>
TOTAL FUND BALANCE	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES & FUND BALANCE	<u>\$ 6,805</u>	<u>\$ 20,090</u>	<u>\$ 26,895</u>

**BARNWELL COUNTY CAREER CENTER
A COMPONENT UNIT OF BARNWELL COUNTY
BLACKVILLE, SOUTH CAROLINA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
SPECIAL PROJECTS FUND
FOR THE YEAR ENDED JUNE 30, 2021**

	<u>Occupational Education</u>	<u>Restricted State Grants</u>	<u>Other Special Revenue Programs</u>	<u>Total</u>
REVENUES				
1000 Revenue From Local Sources				
1900 Other Revenue From Local Sources:				
1990 Miscellaneous Local Revenue			\$ -	\$ -
Total Local Sources	-	-	-	-
3000 Revenue From State Sources				
3100 Restricted Grants				
3120 General Education:				
3113 12 Month Agriculture Program			11,966	\$ 11,966
Total State Sources	\$ -	\$ -	11,966	11,966
4000 Revenue From Federal Sources				
4200 Occupational Education:				
4210 Vocational Aid	24,051			24,051
Total Federal Sources	24,051	-	-	24,051
TOTAL REVENUE ALL SOURCES	24,051	-	11,966	36,017
EXPENDITURES				
100 INSTRUCTION				
110 General Instruction				
115 Vocational Programs:				
100 Salaries	-		11,966	11,966
300 Purchased Services	210			210
500 Capital Outlay	1,218			1,218
TOTAL INSTRUCTION	1,428	-	11,966	13,394

**BARNWELL COUNTY CAREER CENTER
A COMPONENT UNIT OF BARNWELL COUNTY
BLACKVILLE, SOUTH CAROLINA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
SPECIAL PROJECTS FUND
FOR THE YEAR ENDED JUNE 30, 2021**

	<u>Occupational Education</u>	<u>Restricted State Grants</u>	<u>Other Special Revenue Programs</u>	<u>Total</u>
200 SUPPORTING SERVICES				
210 Pupil Services				
212 Guidance:				
100 Salaries	17,518			17,518
220 Instructional Staff Services				
221 Improvement of Instruction:				
300 Purchased Services	5,105			5,105
TOTAL SUPPORTING SERVICES	<u>22,623</u>	-	-	<u>22,623</u>
TOTAL EXPENDITURES	<u>24,051</u>	-	11,966	<u>36,017</u>
Excess(Deficiency) of Revenue Over Expenditures	-	-	-	-
Fund Balance July 1, 2020	-	-	-	-
Fund Balance June 30, 2021	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**BARNWELL COUNTY CAREER CENTER
A COMPONENT UNIT OF BARNWELL COUNTY
BLACKVILLE, SOUTH CAROLINA
SUMMARY SCHEDULE FOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2021**

FEDERAL OCCUPATIONAL EDUCATION PROGRAMS

<u>SUBFUND</u>	<u>REVENUE</u>	<u>PROGRAMS</u>	<u>REVENUES</u>	<u>EXPENDITURES</u>	<u>DEFERRED</u>
207	4210	Vocational Aid	\$ 24,051	\$ 24,051	\$ -

OTHER SPECIAL REVENUE GRANTS

<u>SUBFUND</u>	<u>REVENUE</u>	<u>PROGRAMS</u>	<u>REVENUES</u>	<u>EXPENDITURES</u>	<u>DEFERRED</u>
220	3113	12 Month Agriculture Program	\$ 11,966	\$ 11,966	\$ -
806	1990	MCASA	\$ -	\$ -	\$ 6,386
807	1990	Tractors Supply Grant	\$ -	\$ -	\$ 419

**BARNWELL COUNTY CAREER CENTER
A COMPONENT UNIT OF BARNWELL COUNTY
BLACKVILLE, SOUTH CAROLINA
EDUCATION IMPROVEMENT ACT
COMBINING SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND
BALANCE
FOR THE YEAR ENDED JUNE 30, 2021**

REVENUES

3000 Revenue from State Sources

3500 Education Improvement Act:

3528 Industry Certification	\$ 32,424
3529 Career and Technology Education	43,204
3550 Teacher Salary Increase	44,080
3555 School Employer Contributions	10,726
3577 Teacher Supplies	3,575
	134,009
Total State Sources	134,009

TOTAL REVENUE ALL SOURCES

134,009

EXPENDITURES

100 INSTRUCTION

110 General Instruction

115 Vocational Programs:

300 Purchased Services	8,243
400 Supplies & Materials	55,583
500 Capital Outlay	15,377
	79,203

TOTAL INSTRUCTION

79,203

TOTAL EXPENDITURES

79,203

OTHER FINANCING SOURCES (USES)

Transfers, From (To) Other Funds:

420-710 Transfer to General Fund	(54,806)
	(54,806)

TOTAL OTHER FINANCING SOURCES (USES)

(54,806)

**EXCESS(DEFICIENCY) OF REVENUES AND OTHER SOURCES
OVER EXPENDITURES AND OTHER USES**

-

FUND BALANCE July 1, 2020

-

FUND BALANCE June 30, 2021

-

**BARNWELL COUNTY CAREER CENTER
A COMPONENT UNIT OF BARNWELL COUNTY
BLACKVILLE, SOUTH CAROLINA
EDUCATION IMPROVEMENT ACT
SUMMARY SCHEDULE BY PROGRAM
FOR THE YEAR ENDED JUNE 30, 2021**

PROGRAM	<u>Revenues</u>	<u>Expenditures</u>	<u>Other Fund Transfers In/(Out)</u>	<u>Deferred Revenue</u>
3500 Education Improvement Act:				
3528 Industry Certification	\$ 32,424	\$ 32,424		\$ 10,013
3529 Career and Technology Education	43,204	43,204		10,077
3550 Teacher Salary Increase	44,080	-	\$ (44,080)	
3555 School Employer Contributions	10,726	-	(10,726)	
3577 Teacher Supplies	3,575	\$3,575		
TOTALS	<u>\$ 134,009</u>	<u>\$ 79,203</u>	<u>(\$54,806)</u>	<u>\$ 20,090</u>

BARNWELL COUNTY CAREER CENTER
A COMPONENT UNIT OF BARNWELL COUNTY
BLACKVILLE, SOUTH CAROLINA
DETAILED SCHEDULE TO BE DUE TO STATE DEPARTMENT OF EDUCATION/
FEDERAL GOVERNMENT
JUNE 30, 2021

Program	Grant or Project Number	Revenue & Subfund Codes	Description	Amount due to State Department of Education
None				

**BARNWELL COUNTY CAREER CENTER
A COMPONENT UNIT OF BARNWELL COUNTY
BLACKVILLE, SOUTH CAROLINA
DETAILED SCHEDULE OF DEFERRED REVENUE IN THE SPECIAL REVENUE FUNDS
JUNE 30, 2021**

<u>Program</u>	<u>Revenue Code</u>	<u>Deferred Revenue</u>
Special Projects Fund:		
MCASA Grant	1990	\$ 6,386
Tractors Supply Grant	1990	<u>419</u>
Total		\$ 6,805

**BARNWELL COUNTY CAREER CENTER
A COMPONENT UNIT OF BARNWELL COUNTY
BLACKVILLE, SOUTH CAROLINA
LOCATION RECONCILIATION SCHEDULE
JUNE 30, 2021**

<u>Name of District Served</u>	<u>Name of School Served</u>	<u>Number of Students Served</u>
District #19	Blackville-Hilda High School	59
District #29	Williston-Elko High School	84
District #45	Barnwell High School	229
N/A	Other	4
TOTAL EXPENDITURES/DISBURSEMENTS FOR ALL FUNDS		376

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

General Fund (Subfund 100's)	\$1,644,509
Special Revenue Fund (Subfunds 200's, 800's and 900's)	36,017
Special Revenue EIA Fund (Subfund 300's)	79,203
Trust and Agency Fund (Pupil Activity) (Subfund 700's)	20,087
TOTAL EXPENDITURES/DISBURSEMENTS FOR ALL FUNDS	\$1,779,816

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 County Career Center
Blackville, South Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standard* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Barnwell County Career Center, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Barnwell County Career Center's basic financial statements, and have issued our report thereon dated November 12, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Barnwell County Career Center's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Barnwell County Career Center's internal control. Accordingly, we do not express an opinion on the effectiveness of the Barnwell County Career Center's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Barnwell County Career Center'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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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



Dooley and Company, LLC

Lexington, South Carolina
November 12, 2021

**BARNWELL COUNTY CAREER CENTER
BLACKVILLE, SOUTH CAROLINA
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2021**

I. SUMMARY OF INDEPENDENT AUDITORS' REPORTS

Financial Statements

Type of Report Issued Unmodified

Internal Control over financial reporting:

Material Weakness identified? No

Significant deficiencies indentified that are not considered to be material weaknesses? No

Non-compliance material to financial statements noted? No

II. FINANCIAL STATEMENTS FINDINGS

NONE

III. SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS

NONE