Notes to the Financial Statements, Required Supplementary Information and Supplemental Data

Greenville County Human Relations, working with numerous partners, provides an outstanding community service presenting multiple financial literacy workshops in various locations throughout the County. The foundational classes teach financial goal setting and include lessons on starting a savings plan, learning how to do a family budget, and monitoring credit. Graduates receive a certificate of completion and the promise of continued support in achieving financial security.

Note I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

1. Reporting Entity

The County of Greenville, South Carolina was organized in 1786 and is governed by an elected twelve member council. The County operates under a Council/Administrator form of government as provided in Title 14 of the 1962 Code of Laws of South Carolina as amended (Home Rule Act). As required by accounting principles generally accepted in the United States of America, these financial statements present the County and its component units, legally separate entities for which the County is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the government's operations. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government. Blended and discretely presented component units are discussed below.

2. Component Units

The Greenville County Public Facilities Corporation and Greenville County Tourism Public Facilities Corporation are blended component units that were established in 1991 and 2008, respectively, for the purpose of holding title, owning, leasing, constructing, acquiring and operating land, buildings, equipment and facilities functionally related thereto and to perform any other lawful purpose related to the furtherance of the governmental powers of Greenville County. These Corporations have a December 31 year-end and all of their financial transactions are processed through the County's financial system and are a part of the County's audit. They operate as departments of the County and exist for its benefit. On February 5, 2015, The Greenville County Public Facilities Corporation refunded the University Center Public Facilities Corporation Refunding Certificates of Participation Series 2005 and authorized the issuance of the University Center Public Facilities Corporation Refunding Certificates of Participation Series 2015. Additionally, on July 8, 2014, Greenville County Tourism Public Facilities Corporation refunded the Greenville County Tourism Public Facilities Corporation Certificates of Participation, Series 2008 and authorized the issuance of the Greenville County Tourism Public Facilities Corporation Refunding Certificates of Participation, Series 2014. The details of the refundings can be found in Note II.B.7 in the Notes to the Financial Statements.

The Greenville County Redevelopment Authority (the Authority) a discretely presented component unit was established in 1969 under the provisions of Act 516 of the South Carolina General Assembly. Its mission is to improve the quality of life for low and moderate-income citizens of Greenville County through improved affordable housing. The Authority is also involved in redevelopment work, including public improvements to streets and rights of way throughout Greenville County. The Greenville County Council appoints all board members, approves federal grant requests and is financially accountable for any deficits. The Authority has a June 30 year-end.

The Greenville County Library System (the Library) a discretely presented component unit was created by County Council in 1979 and has a June 30 year-end. The Library is governed by an eleven member board appointed by the Greenville County Council. The debt of the Library is carried on the County's books, so exclusion of the Library would cause the financial statements for the County to be misleading.

Note I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

Component Unit	Reporting Method	Criteria for Inclusion	Separate Financial Statements
Greenville County Public Facilities Corporation	Blended	The Board of Directors of the Corporation consists of the Greenville County Council members and the Greenville County Administrator.	None issued
Greenville County Tourism Public Facilities Corporation	Blended	The Board of Directors of the Corporation consists of two Greenville County Council members and the Greenville County Administrator.	None Issued
Greenville County Redevelopment Authority	Discretely Presented	The Redevelopment Authority is governed by a twelve-member board appointed by the Greenville County Council.	Greenville County Administrative Office
Greenville County Library	Discretely Presented	The Library is governed by an eleven-member board appointed by the Greenville County Council.	Greenville County Administrative Office

B. BASIS OF PRESENTATION, MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

1. Basis of Presentation

Government-wide Statements: The statement of net position and the statement of activities display information about the primary government (the County) and its component units. These statements include the financial activities of the overall government, except for fiduciary activities. As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments received from outside the County for participation in the health and dental program and for services of the vehicle service center. The government-wide statements distinguish between the *governmental* and *business-type activities* of the County. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the County and for each function of the County's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the County's funds, including its fiduciary funds and blended component units. Separate statements for each fund category – *governmental, proprietary, and fiduciary* – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as non-major funds.

Note I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.

The County reports the following major governmental funds:

General Fund. This fund is the County's primary operating fund. It accounts for all financial resources except those accounted for in another fund.

Special Revenue Fund - Federal and State Grants. This fund is used to account for the proceeds of specific federal and state revenue sources that are restricted or committed to expenditure for specified purposes other than debt or capital projects.

Special Revenue Fund - Parks, Recreation & Tourism. This fund is used to account for the operations of parks, recreation and tourism related activities. It is funded primarily through property taxes and fees charged for the use of facilities.

Agencies - Greenville Technical College Capital Project Fund. This fund is used to account for financial resources to be used for the acquisition or construction projects for Greenville Technical College.

The County reports the following major enterprise funds:

Solid Waste Fund. This fund accounts for the operation, maintenance, and development of various landfills and disposal sites for the citizens on a cost-reimbursement basis.

Stormwater Fund. This fund accounts for all storm-water related costs and is funded through a stormwater fee.

Additionally, the County reports the following fund types:

Internal Service Funds. The County has a Vehicle Service Fund, Workers' Compensation Fund, and Health and Dental Fund. These funds are used to account for the services provided by one department or agency to other departments or agencies of the County on a cost-reimbursement basis.

Agency Funds. The County's only Fiduciary Fund type is its Agency Funds. Agency Funds are custodial in nature and do not involve the measurement of operating results. Agency Funds are used to account for assets held by the County on behalf of others. The County maintains the following agency funds: the Property Tax Fund, which accounts for tax collections accumulated and distributed for the County schools, tax districts and various municipalities; the Special District Debt Service Fund, which accounts for the accumulation of funds (primarily tax receipts to pay principal and interest on bond issues); the Family Court Fund, which accounts for the processing of court settlement claims; the Master in Equity Fund, which accounts for settlement claims due to others; the Clerk of Court Fund, which accounts for bond postings and restitution payments; the Pre-Trial Intervention Fund, which accounts for repayments to victims; and the Special Districts Fund, which accounts for the temporary holding of tax district monies.

Note I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
C. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

1. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position:

The governmental fund balance sheet includes a reconciliation between fund balance – total governmental funds and net position – governmental activities as reported in the government-wide statement of net position. The net adjustment of $193,872,919 consists of several elements as follows:

Capital assets used in governmental activities are not financial resources and are therefore not reported in the funds (total capital assets on governmental activities column).	$ 852,487,599
Less accumulated depreciation	(345,021,881)
Net capital assets (Net of Internal Service Funds of $216,353)	507,465,718
Internal service funds are used by management to charge the costs of the vehicle service center, worker's compensation, and health and dental costs to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. (Includes compensated absences of $82,395)	4,672,957
Deferred inflows for unearned tax revenues recorded in the fund statements.	5,504,000
Deferred outflows for unamortized amounts on refundings	6,143,546
Deferred inflows for pensions	(15,726,937)
Deferred outflows for pensions	16,062,164
Liabilities that, because they are not due and payable in the current period, do not require current resources to pay and are therefore not recorded in the fund statements:	
Long-term debt	(155,889,836)
Net pension liability	(165,763,716)
Compensated absences (Net of Internal Service Fund $82,395)	(7,419,861)
Accrued interest payable	(1,175,116)
Subtotal	(330,248,529)
Total Adjustment	$ 193,872,919

Note I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities:

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. Elements of that total adjustment of $3,615,464 are as follows:

Capital outlay expenditures recorded in the fund statements but capitalized as assets in the statement of activities	$	9,691,174
Donations of capital assets that increase net position in the statement of activities, but do not appear in the governmental funds because they are not financial resources.		4,719,646
Depreciation expense, the allocation of those assets over their useful lives, which is recorded on the statement of activities but not in the fund statements.		(18,847,682)
Gain (loss) on disposal of assets		32,557
Expenses reported in the statement of activities that do not require the use of current resources to pay are not recorded as expenditures in the fund statements.		
Difference in interest expense between fund statements (modified accrual) and government-wide statements (full accrual).		13,765
County's portion of collective pension expense		(12,587,705)
Contributions to the pension plan in the current fiscal year		11,458,810
Difference in long-term debt and related items.		13,632,764
The internal service fund is used by management to charge the cost of the vehicle service center, worker's compensation, and health and dental cost.		(3,944,865)
Revenues reported in the statement of activities that do not provide current resources are not recorded as revenues in the fund statements:		
Increase (decrease) in accrued taxes receivable		(553,000)
Total Adjustment	$	3,615,464

3. Measurement Focus and Basis of Accounting

In accordance with South Carolina General Statutes, all funds of the County are maintained during the year using the modified accrual basis of accounting.

Government-wide, Proprietary, and Fiduciary Fund Financial Statements. The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus. The agency funds, which are fiduciary funds, have no measurement focus. The government-wide, proprietary fund, and fiduciary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, 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. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Note I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Amounts reported as program revenues include (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County enterprise funds are fees to customers for services. Expenses for enterprise funds include the cost of goods to provide services, administrative expenses, operating expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Governmental Fund Financial Statements. Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, which is recorded when due, and compensated absences, which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property tax revenue is recognized in compliance with the National Council on Governmental Accounting (NCGA) Interpretation 3, "Revenue Recognition – Property Taxes". This interpretation states that property tax revenue is recorded when it becomes available. "Available" means when due, or past due and receivable within the current period or expected to be collected soon enough thereafter, not to exceed 60 days, to be used to pay liabilities of the current period. Net receivables estimated to be collectible in more than 60 days subsequent to June 30, 2015 are reported as deferred inflows of resources.

Intergovernmental revenues and fees are not susceptible to accrual because generally they are not measurable until received in cash. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been satisfied.

Under the terms of grant agreements, the County funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there is both restricted and unrestricted net position available to finance the program. It is the County's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

D. BUDGETARY DATA

1. Budgetary Data

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

Greenville County's biennium budget provides the financial framework for the programs and services that the government will be undertaking over the next two years. Approximately 60 days prior to June 30, the County Administrator submits to County Council a proposed detailed, line-item operating budget for the General Fund, Special Revenue Funds (Accommodations Tax, E-911, Infrastructure Bank, Charity Hospitalizations, Hospitality Tax, Road Maintenance Program and Victim's Bill of Rights and Parks, Recreation & Tourism), Capital Project Funds (Information Technology, Ortho Photography) and Debt Service Funds (General Obligation Bonds, Certificates of Participation , Special Source Revenue Bonds, Capital Leases) for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them by function and activity. A public hearing is conducted to obtain citizen comments on the proposed budget, which is later legally adopted through passage of an appropriation ordinance by County Council. The legal level of budgetary control is at the department level. The County Administrator is authorized to transfer budgeted amounts within a department, except for the purchase of non-budgeted equipment and hiring of personnel. County Council must approve any revisions which alter the total expenditures of any department. Unencumbered budget amounts lapse at the end of each year.

Note I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The County prepares its Fund budgets on a basis of accounting that differs from accounting principles generally accepted in the United States. The actual results of operations are presented in the Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual (Budget Basis) – Major Governmental Funds on the budgetary basis to provide a meaningful comparison of actual results with the budget. The difference between budgetary basis of accounting for the funds and GAAP is that encumbrances are recorded as the equivalent of expenditures (budget) as opposed to a reservation of fund balance (GAAP).

Adjustments necessary to convert the results of operations from the GAAP basis of accounting to the budgetary basis of accounting are as follows.

General Fund		Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses
Net change in fund balances - Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds (GAAP basis)		$ 432,727
Prior period encumbrances paid in current year		806,359
Outstanding current year encumbrances	(1,461,648)	
Outstanding prior period encumbrances	576,982	
		(884,666)
Net change in fund balances – Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Major Governmental Funds (Budgetary basis)		$ 354,420

Of the outstanding encumbrances as of June 30, 2015, the majority are related to public safety and community development and planning.

Note I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Federal and State Grant subfunds with legally adopted budgets are presented in the Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual (Budget Basis) – Subfunds of Federal and State Grant Fund with Legally Adopted Budgets. There are additional subfunds within this fund which do not have legally adopted budgets. The reconciliation for the entity difference is as follows:

Fund balance - ending - Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Budget Basis) - Subfunds of Federal and State Grant Fund with Legally Adopted Budgets - E-911	$	4,242,546
Fund balance – ending – Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual (Budget Basis) – Subfunds of Federal and State Grant Fund with Legally Adopted Budgets – Accommodations Tax		572,411
Fund balance - ending - Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Budget Basis) - Subfunds of Federal and State Grant Fund with Legally Adopted Budgets - Victim's Bill of Rights		218,953
Fund balance - ending of Federal and State Grants without legally adopted budgets		5,582,578
Fund balance- ending - Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds - Federal and State Grant Fund	$	10,616,488

The Capital Projects funds with legally adopted budgets are presented in the Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual (Budget Basis) – Nonmajor Funds with Legally Adopted Budgets. There are additional funds within this fund which do not have legally adopted budgets. The reconciliation for the entity difference is as follows:

Fund balance – ending – Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual (Budget Basis) – Nonmajor Funds with Legally Adopted Budgets – Information Technology	$	(16,916)
Fund balance – ending – Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual (Budget Basis) – Nonmajor Funds with Legally Adopted Budgets – Parks, Recreation & Tourism		2,308,818
Fund balance – ending – Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual (Budget Basis) – Nonmajor Funds with Legally Adopted Budgets – Ortho Photography		305,863
Fund balance – ending – Capital Projects Funds without legally adopted budgets		2,169,511
Fund balance - ending - Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Capital Projects Funds	$	4,767,276

Note I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
E. ASSETS, LIABILITIES, AND FUND EQUITY

1. Deposits and Investments

The deposits and investments of the County, the Authority and the Library are invested pursuant to statutes established by the State of South Carolina. The statutes allow for the investment of money in the following investments:

(a) Obligations of the United States and its agencies.

(b) General obligations of the State of South Carolina or any of its political units.

(c) Savings and loan association deposits to the extent they are insured by the Federal Deposit Insurance Corporation.

(d) Certificates of deposit which are collaterally secured by securities of the type described above held by a third party as escrow agent or custodian, or a market value not less than the amount of certificates of deposit so secured, including interest; provided however, such collateral shall not be required to the extent the same are insured by an agency of the federal government.

(e) Collateralized repurchase agreements which are collateralized by securities as set forth in (a) and (b) above and held by the County, the Authority, or the Library or a third party as escrow agent or custodian.

(f) South Carolina Pooled Investment Fund established and maintained by the State Treasurer.

Finally, no load open-end or closed-end management type investment companies or investment trusts registered under the Investment Company Act of 1940, as amended, where the investment is made by a bank or trust company or savings and loan association or other financial institution when acting as trustee or agent for a bond or other debt issue of that local government unit, political subdivision, or county treasurer if the particular portfolio of the investment company or investment trust in which the investment is made by the County is limited to obligations of the United States, State of South Carolina, or repurchase agreements collateralized by the aforementioned country or state, and has among its objectives the attempt to maintain a constant net asset value of one dollar a share and to that end, value its assets by the amortized cost method. Investments are stated at cost.

2. Cash and Cash Equivalents

The Library and the Authority consider demand deposits and investments purchased with an original maturity of three months or less which are not limited as to use, to be cash and cash equivalents. The County, however, considers investments and demand deposits, regardless of maturity dates, to be cash and cash equivalents.

3. Restricted Assets

All funds in the Debt Service Fund are shown as restricted, as well as, special revenue funds and federal and state grant funds restricted to a specified purpose.

4. Ad Valorem Taxes Receivable

The County's property tax is levied each September (except automobiles which are annually assessed on the first day of the month the automobiles were registered) on the assessed value as of the prior December 31 for all real and personal property located in the County. Taxes are due in one payment on or before January 15. A three percent penalty is added on January 16. If taxes remain unpaid on February 2, a seven percent penalty is added to the total of taxes plus penalties. If taxes remain unpaid on the March 17 lien date, an additional five percent penalty is added to the total of taxes and penalties plus a $15 delinquent execution charge. If taxes are not paid prior to the first Monday in November, the property will be sold, at public auction, for taxes due. The County bills and collects its own property taxes and also those for the County School District, seven

Note I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

municipalities and approximately thirty other special taxing authorities and activities which are accounted for in the Property Tax Agency Fund.

5. Rehabilitation Loans and Advances Receivable

Loans for the Authority are recorded at the principal receivable and are repaid by the recipients in equal monthly installments. Loan terms are for five to thirty years at interest rates ranging from zero to ten percent. Advances do not bear interest and become payable upon the recipients' death or upon the sale or transfer of the property. There is a concentration of credit risk on the rehabilitation loans made by the Authority. The loans have been made primarily to lower and moderate income level individuals in the non-incorporated, economically deprived areas of Greenville County.

6. Allowances for Doubtful Accounts

Management considers all accounts receivable to be fully collectible and accordingly no allowance for doubtful accounts is required. Property tax receivable represents delinquent and unpaid real and personal property taxes for the proceeding ten years less an allowance for amounts estimated to be uncollectible.

7. Inventories and Prepaid Items

Inventory is valued at the lower of cost or market (first in, first out) and consists of expendable supplies held for consumption. The cost of inventory is recorded as an expense at the time individual inventory items are consumed. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements for the County, the Authority, and the Library. The County uses the consumption method when accounting for these prepaid items.

8. Capital Assets

Purchased or constructed capital assets are reported at cost or estimated historical cost. Minimum capitalization costs are $5,000 for all asset categories except for infrastructure assets, which has a minimum of $100,000 and intangible assets, which has a minimum of $250,000. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Donated capital assets are recorded at estimated fair market value at the date of donation.

Land and construction in progress are not depreciated. Other capital assets of the County are depreciated or amortized on a straight-line basis over the following estimated useful lives:

	Years
Buildings	20-50
Improvements	20-50
Infrastructure	50
Furniture and equipment	5-12
Recreation equipment	7-15
Vehicles	4-8
Software	3

Any interest incurred during the construction phase of business-type activities capital assets is reflected in the capitalized value of the asset constructed. There was no interest capitalized in 2015 .

Note I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital assets for the Authority are defined as assets with an initial, individual cost of more than $1,000, and an estimated useful life in excess of two years. Equipment and vehicles of the Authority are depreciated using the straight-line method over their estimated useful lives of three to seven years.

Capital assets of the Library are defined as assets with an initial cost of at least $5,000 and are depreciated on a straight-line basis over the following estimated useful lives:

	Years
Buildings	30-50
Land Improvements	15-30
Furniture, equipment and vehicles	2-10
Library materials	5
Signs	7

9. Real Property Held for Programs

Real property is stated at the lower of cost or estimated net realizable value and is comprised of properties acquired for the purpose of rehabilitation and subsequent resale or rental at fair market or nominal values.

10. Long-term Obligations

In the government-wide financial statements and in the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

In the fund financial statements for governmental fund types, the face amount of debt issued is reported as an other financing source.

11. Compensated Absences

It is the County's policy to vest unused annual leave with its employees up to a maximum number of hours and recognize compensated absences as expenditures in the period earned rather than the period such benefit is paid. The balance of earned, vested compensated absences not taken at June 30, 2015 was $7,693,485 for the governmental and business type funds.

Library employees earn vacation in varying amounts. In the event of resignation or retirement, an employee is reimbursed for accumulated vacation up to 225 hours. All vacation pay is accrued when earned in the government-wide statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

12. Net Position and Fund Balances

Net Position and Policies

Net position in government-wide and proprietary fund financial statements are classified as net investment in capital assets, restricted, and unrestricted. Restricted net position represents constraints on resources that are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through state statute. It is the

Note I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

County's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Deferred Outflows and Inflows of Resources

The statement of net position must report deferred outflows of resources following the assets section and deferred inflows of resources following the liabilities section. Deferred outflows of resources represents a consumption of net position that applies to future periods and will not be recognized as an expenditure until then. Deferred inflows of resources represents an acquisition of net position that applies to future periods and will not be recognized as revenue until that time. Changes in net pension liability not included in pension expense are reported as deferred outflows of resources or deferred inflows of resources. Employer contributions subsequent to the measurement date of the net pension liability are reported as deferred outflows of resources.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the South Carolina Retirement System (SCRS) and the South Carolina Police Officers Retirement System (PORS) and additions to/deductions from SCRS's and PORS' fiduciary net position have been determined on the same basis as they are reported by SCRS or PORS. 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 and Policies

In the governmental fund financial statements fund balance represents amounts that are not appropriable, are legally segregated for a specific purpose or are available for use. Classifications of fund balance represent constraints by which the County is obligated for specified purposes and comprise five categories as follows:

Nonspendable – Amounts that cannot be spent because they are either (1) nonspendable in form, such as inventories, prepaid items or long-term receivables or (2) legally or contractually required to remain intact.

Restricted – Amounts that are externally constrained by third-parties, enabling legislation, or by law through constitutional provisions. These amounts are restricted in use to their specified purpose as defined by law, legislation, contract or constitution. These are the same restrictions used to determine restricted net position in the government-wide and proprietary fund financial statements.

Committed – Amounts that are internally constrained by the County's highest level of decision-making authority, County Council. These amounts are committed by County Council ordinance to be used for specified purposes and remain binding unless removed by the same authority.

Assigned – Amounts that are constrained by the County's Administrator and/or Deputy County Administrator with the intent to be used for specified purposes. Authorization to assign fund balance is given to these individuals by County Council ordinance. The amounts are neither restricted nor committed.

Unassigned – Amounts that are not reported as nonspendable, restricted, committed or assigned. The general fund is the only fund that may report a positive unassigned fund balance amount. However, in governmental funds, other than the general fund, it may be necessary to report a negative unassigned fund balance if expenditures incurred for specific purposes exceed the amounts that are restricted, committed or assigned to those purposes.

The County considers restricted amounts spent first when both restricted and unrestricted fund balance is available unless legally/contractually prohibited. Of the unrestricted fund balance, the County uses committed, then assigned, and lastly unassigned amounts when expenditures are made.

Note I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Contingency Plan – The general fund budget shall provide for a contingency equivalent to two percent of estimated annual operating revenues. This contingency shall only be used when one of the following conditions arises and shall be restored in full within the next two fiscal years.

1. To mitigate damage caused by a natural disaster

2. To address an urgent event that jeopardizes the safety of the public

Minimum Fund Balance – To maintain a AAA County credit rating and meet seasonal cash flow shortfalls, the general fund budget shall provide for an anticipated undesignated fund balance between twenty-five and thirty-five percent of estimated annual revenues. This policy is an integral part of the County's plan to maintain service levels and eliminate the need for tax increases during periods of revenue decline. In the event the general fund balance falls below the required minimum, the County will rebuild the balance within one year.

13. Capital Contributions

The County received donations of land, rights of way, roads and bridges and other infrastructure from contractors. The County accounts for these contributions under GASB Statement No. 33, *Accounting and Financial Reporting for NonExchange Transactions* (GASB 33).

14. Accounting Estimates

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

15. New Pronouncements

The GASB issued *Statement No. 67, "Financial Reporting for Pension Plans; an amendment of GASB Statement No. 25,"* which replaces the requirements of Statements No. 25 and No. 50 related to pension plans that are administered through trusts or equivalent arrangements. The requirements of Statements No. 25 and No. 50 remain applicable to pension plans that are not administered through trust or equivalent arrangements. The requirements of this Statement were effective for financial statements for fiscal years beginning after June 15, 2013.

The GASB issued *Statement No. 68, "Accounting and Financial Reporting for Pensions; an amendment of GASB Statement No. 27*." This Statement replaces the requirements of Statements No. 27 and No. 50 related to pension plans that are administered through trusts and equivalent arrangements. The requirements of Statements No. 27 and No. 50 remain applicable for pensions that are not administered as trusts or equivalent arrangements. This statement was implemented during the current fiscal year. As a result of this implementation, the County will now report its portion of the State of South Carolina's net pension liability. Since the information for the restatement of beginning balances of deferred inflows of resources or deferred outflows of resources is not available for the earliest period presented, the cumulative effect of the statement implementation will be shown as restatement to ending net position as of June 30, 2014. The effect of this implementation is discussed further in the notes.

The GASB also issued *Statement No. 69, "Government Combinations and Disposals of Government Operations."* This Statement established accounting and financial reporting standards for mergers, acquisitions, and transfers of operations (i.e., government combinations). The Statement also provided guidance on how to determine the gain or loss on a disposal of government operations. This Statement applied to all state and local governmental entities. The requirements of this Statement should have been applied prospectively and were effective for government combinations and disposals of government operations occurring in financial reporting periods beginning after December 15, 2013. However, earlier application of the

Note I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
Statement was encouraged.

The GASB issued *Statement No. 70, "Accounting and Financial Reporting for Nonexchange Financial Guarantees."* This Statement establishes accounting and financial reporting standards for situations where a state or local government, as a guarantor, agrees to indemnify a third-party obligation holder under specified conditions (i.e., nonexchange financial guarantees). The issuer of the guaranteed obligation can be a legally separate entity or individual, including a blended or discretely presented component unit. Guidance is provided for situations where a state or local government extends or receives a nonexchange financial guarantee. The requirements of this Statement were effective for financial statements for reporting periods beginning after June 15, 2013.

Another Statement issued by the GASB was *Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date; an amendment of GASB Statement No. 68."* The provisions of this Statement were required to be applied simultaneously with the provisions of Statement No. 68. The requirements of this Statement are effective for the current fiscal year.

16. Subsequent Events

In preparing these financial statements, the County's management has evaluated events and transactions for potential recognition or disclosure through October 26, 2015, the date the financial statements were available for issuance. Please refer to footnote II.H for a discussion of subsequent events.

Note II. DETAILED NOTES ON ALL FUNDS

A. ASSETS

1. Deposits

All of the County's deposits are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits exceeding the federal depository insurance coverage level are collateralized with securities held by the County's agents in the County's name. Under the pooling method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agents in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the County, these deposits are considered to be held by the County's agents in the County's name.

At June 30, 2015, the County's deposits had a carrying value of $53,470,392 and a bank balance of $68,346,286. Of the bank balance, $2,500,000 was covered by federal depository insurance while $65,846,286 was covered by collateral held under the Dedicated Method.

Deposits for the Authority

The State of South Carolina General Statutes permit the Authority to invest in certain types of financial instruments. Cash may be maintained in demand deposits or savings accounts, certificates of deposit, repurchase agreements, or U.S. Government Securities. There were no deposit or investment transactions during the year that were in violation of either the state statutes or the Authority's policies.

Custodial credit risk for deposits is the risk that, in the event of a bank failure, the Authority's deposits may not be returned to it fully. The Authority's policy is that all deposits in excess of federal insurance amounts must be collateralized with securities held by the pledging financial institution's trust department or agent in the Authority's name. At June 30, 2015 the Authority's carrying amount of deposits was $1,020,367 and the bank balance was $1,141,794, of which $630,582 was not covered by federal depository insurance. However, these deposits were collateralized.

Deposits for the Library

Of the bank balance, $250,000 was covered by federal depository insurance while the remainder of Library deposits were covered by collateral held by the Library's or County's agents in the Library's or County's name. As of June 30, 2015 cash on hand was $1,135.

2. Investments

As of June 30, 2015 the County had the following investments and maturities:

Instrument Type	Fair Value	Less than six months	6-12 months	1-3 years	More than 3 years
Money Markets	$ 1,793,963	$ 1,793,963	$ -	$ -	$ -
Revenue Bonds	425,478	425,478	-	-	-
U.S Government Treasuries	27,920,547	1,001,953	3,000,079	9,993,985	13,924,530
U.S. Government Agencies	50,972,141	8,023,616	4,031,672	26,033,536	12,883,317
SC State Investment Pool	75,831,369	75,831,369	-	-	-
Total	$ 156,943,498	$ 87,076,379	$ 7,031,751	$ 36,027,521	$ 26,807,847

The Treasurer of Greenville County implements investment policies which are included as a section of the County's Financial Policies. These policies enhance the guidelines provided by the State of South Carolina and incorporate the Government Finance Officers Association's recommendation on treatment of Collateralized Mortgage Obligations. While operating under adopted financial policies, the County can, if necessary to prevent a loss, hold all investments until their maturity. The fair value of the South Carolina pooled investment is the same as the value of the pooled shares. Regulatory oversight is provided by the South Carolina State Treasurer.

Interest Rate Risk. As a means of limiting it's exposure to fair value losses arising from rising interest rates, the County's investment policies allow for building the investment portfolio so that securities mature to meet on going operations, thereby avoiding the need to sell securities on the open market prior to maturity. Risk is also minimized by investing in shorter-term securities, generally with maturities of less than five years.

Credit Risk. Included in the County's investment policies are policies relating to the credit risk of investments. The primary objective of the County's investment activities is the preservation of capital and the protection of investment principal by mitigating credit risk. These policies state that credit risk will be mitigated by (a) limiting investments to the safest types of securities, (b) diversifying the investment portfolio in order to minimize losses on individual securities, and (c) doing business with a selected few financial institutions, brokers/dealers.

In accordance with the investment policies of the County, all investment instruments used by the Treasurer are those authorized by current State statute, or any permissible investment as redefined by the State legislature. The County's investments in US Agencies including Federal Home Loan Bank (FHLB), Federal National Mortgage Association (FNMA), Federal Home Loan Mortgage Corporation (FHLMC), and US Treasuries are rated AA+ by Standard and Poor's and Aaa by Moody's Investors Service. As of June 30, 2015 Greenville County owned $50,972,141 government sponsored agency debt securities. These bonds are the direct obligation of FNMA, FHLMC, FHLB, FAMC and FFCB which are rated AA+ or higher by all rating agencies. The investments are either directly or indirectly guaranteed by the US Treasury. The South Carolina Local Government Investment Pool is classified as risk category "A". All money market accounts are rated AAA.

Custodial Credit Risk. For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the County will not be able to recover the value of its investment or collateral that is in the possession of an outside party. The

County's investments, with the exception of treasury bills, are fully collateralized by securities that are either in the County's name or held by their agent in the County's name. The County follows Section 6-5-15, South Carolina Code of Law, 1976 (as amended) as its policy for custodial credit risk which states that to the extent that these deposits exceed the amount of insurance coverage provided by the Federal Deposit Insurance Corporation, the bank or savings and loan association at the time of deposit must: (1) furnish an indemnity bond in a responsible surety company authorized to do business in this state; or (2) pledge as collateral: (a) obligations of the United States; (b) obligations fully guaranteed both as to principal and interest by the United States; (c) general obligations of this State or any political subdivision of this State; or (d) obligations of the Federal National Mortgage Association, the Federal Home Loan Bank, Federal Farm Credit Bank, or the Federal Home Loan Mortgage Corporation, in which the local entity is named as beneficiary and the letter of credit otherwise meets the criteria established and prescribed by the local entity.

Following are the components of the County's book and fair values for cash and investments at June 30, 2015:

Cash and Investments	Fair and Carrying Value
Cash	$ 20,593
Deposits:	
Demand deposits	29,217,740
Certificates of deposits	24,252,652
Investments:	
Government securities	156,943,498
	$210,434,483

A reconciliation of cash and investments for the County as shown in the statement of net position is as follows:

Carrying amount of deposits	$ 53,470,392
Cash on hand	20,593
Fair value of investments	156,943,498
	$210,434,483

Statement of Net Position:	
Cash and cash equivalents (governmental activities)	$115,607,942
Restricted assets – Investments (governmental activities)	1,794,179
Cash and cash equivalents (business type activities)	15,981,679
Statement of Fiduciary Net Position:	
Cash and equivalents (all fiduciary funds)	77,050,683
Total cash and investments	$210,434,483

Investments for the Library

As of June 30, 2015, the Library has the following investments and maturities:

Investment Type	Fair Value	Less than six months	6-12 months	1-3 years
Money Market	$ 6,384,154	$ 6,384,154	$ -	$ -
Totals	$ 6,384,154	$ 6,384,154	$ -	$ -

Interest Rate Risk: As a means of limiting its exposure to fair value losses arising from rising interest rates, the Library maintains short-term securities with maturities of six months or less.

Credit Risk: All investment instruments used are those authorized by the current State statute, or any permissible investment as redefined by the State legislature. The credit quality of the money market fund is unrated.

Custodial Credit Risk: For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the Library will not be able to recover the value of its investment or collateral that is in the possession of an outside party. All of the Library's investments are uninsured and unregistered investments for which the securities were held by the counterparty's trust department or agent in the Library's name.

Concentration of Credit Risk: The investment policy of the Library places no limit on the amount that the Library may invest in any one issuer. All of the Library's investments are in Money Markets, which are collaterally secured, at one financial institution.

A detail of cash and investments as shown on the statement of net position follows:

Carrying amount of deposits	$ 12,334,957
Cash on hand	1,135
Fair value of investments	6,384,154
Cash and Investments	$ 18,720,246

3. Property Tax

Assessed values are established by the County Assessor and the South Carolina Department of Revenue at various rates between 4 and 10.5 percent of the estimated market value. The assessed value as of June 30, 2015 was $2,101,997,397. The estimated market value was $40,048,394,880 making the assessed value approximately 5.2% of the estimated market value. The County is permitted under the Home Rule Act to levy taxes without limit. The combined tax rate to finance general government services and principal and interest on long-term debt for the year ended June 30, 2015 was 51.9 mills per $1,000 of assessed valuation. The combined tax rate to finance general services and principal and interest on long-term debt for the Library for the year ended June 30, 2015 was 7.4 mills per $1,000 of assessed valuation.

4. Receivables

	General Fund	Federal and State Grant Fund	Enterprise Funds	Parks, Recreation & Tourism	Agencies - Greenville Technical College	Nonmajor Funds	Total
Receivables							
Taxes receivable	$ 5,354,864	$ -	$ 305,620	$ 406,346	$ -	$ 1,428,548	$ 7,495,378
Other receivables	1,617,116	1,225,903	752,902	83,465	24,605	23,121	3,727,112
Due from other governmental units	4,068,731	3,260,297	-	212,586	-	-	7,541,614
Total Receivables	$ 11,040,711	$ 4,486,200	$ 1,058,522	$ 702,397	$ 24,605	$ 1,451,669	$ 18,764,104

	Adjustments to Full-Accrual	Total
Receivables		
Taxes receivable	$ -	$ 7,495,378
Other receivables	124,797	3,851,909
Due from other governmental units	46,961	7,588,575
Total Receivables	$ 171,758	$ 18,935,862

Adjustments to full-accrual include $171,758 related to amounts recorded for the internal service funds. Internal service funds predominately serve the governmental funds, but are included in both the governmental and business-type activities on the accompanying government-wide financial statements. The Fiduciary fund financial statements include $33,401,610 in taxes receivable and $9,516 in other receivables recorded in the agency funds. These amounts are excluded from the forgoing schedule and represent the amount of receivables held in a custody relationship for other governments and individuals.

Receivables for the Library at the government-wide level at June 30, 2015 were as follows:

	Due from other Governments	Property Taxes	Accrued Fines	Other	Total
Governmental activities					
General	$ 193,908	$ 683,059	$ 1,098,876	$ 16,066	$ 1,991,909
Capital Projects	41,147	145,570	-	14,536	201,253
Total receivable	235,055	828,629	1,098,876	30,602	2,193,162
Allowance for doubtful accounts	-	(16,574)	(811,519)	-	(828,093)
Total governmental activities	$ 235,055	$ 812,055	$ 287,357	$ 30,602	$ 1,365,069

The Authority has $13,347,052 rehabilitation loans, $312,376 other accounts receivable and $715,124 grants receivable at June 30, 2015.

5. Capital Assets

Primary Government

Capital asset activity for the governmental activities for the year ended June 30, 2015 was as follows:

	Beginning Balances	Increases	Decreases and Adjustments	Transfers	Ending Balances
Governmental activities:					
Capital assets not being depreciated					
Land	$ 21,215,540	$ 1,454,444	$ -	$ -	$ 22,669,984
Construction in progress	-	187,367	-	-	187,367
Software developed or obtained for internal use	476,335	-	-	-	476,335
Right-of-way easements	27,723,609	2,874,586	-	-	30,598,195
Total capital assets not being depreciated	49,415,484	4,516,397	-	-	53,931,881
Capital assets being depreciated:					
Buildings	118,547,390	18,076	-	-	118,565,466
Improvements	26,138,766	21,687	-	-	26,160,453
Equipment	18,961,845	2,503,213	(373,833)	-	21,091,225
Recreation equipment	3,053,374	-	-	-	3,053,374
Vehicles	17,311,510	2,123,097	(1,744,216)	-	17,690,391
Infrastructure	607,776,980	5,289,850	-	-	613,066,830
Total capital assets being depreciated	791,789,865	9,955,923	(2,118,049)	-	799,627,739
Less accumulated depreciation for:					
Buildings	31,679,342	2,763,793	-	-	34,443,135
Improvements	11,133,210	982,181	-	-	12,115,391
Equipment	14,860,411	905,538	(373,833)	-	15,392,116
Recreation equipment	365,996	366,835	-	-	732,831
Vehicles	13,294,907	1,689,906	(1,715,273)	-	13,269,540
Infrastructure	257,760,178	12,164,358	-	-	269,924,536
Total accumulated depreciation	329,094,044	$ 18,872,611	$ (2,089,106)	$ -	345,877,549
Total capital assets depreciated, net	462,695,821				453,750,190
Governmental activities capital assets, net	$ 512,111,305				$507,682,071

Primary Government

Depreciation expense was charged to functions/programs of the primary government as follows:

Administrative Services	$ 11,138
General Services	26,057
Community Development and Planning	14,476,622
Emergency Medical Services	349,704
Parks, Recreation & Tourism	2,146,795
Public Safety	226,871
Judicial Services	30,540
Fiscal Services	2,958
Law Enforcement Services	1,534,548
Boards, Commissions, & Others	67,378
Total Depreciation Expense	$ 18,872,611

Appropriations to date of approximately $211,356,928 exist for various renovation and construction projects for the County. At June 30, 2015, unspent appropriations related to construction contracts approximated $1,965,877.

Governmental activities donated assets for fiscal year 2015 included infrastructure additions of approximately $4,719,646, as well as, the Anderson Ridge and Worley Road properties and various vehicles. The value of the additional donations approximates $950,570.

Capital asset activity for the business-type activities for the year ended June 30, 2015 was as follows:

Solid Waste Enterprise Fund:	Beginning Balances	Increases	Disposals and Adjustments	Transfers	Ending Balances
Capital assets not being depreciated:					
Land	$ 5,980,755	$ -	$ -	$ -	$ 5,980,755
Total capital assets not being depreciated	5,980,755	-	-	-	5,980,755
Capital assets being depreciated:					
Buildings	4,746,431	-	-	-	4,746,431
Improvements	2,899,969	-	-	-	2,899,969
Equipment	8,676,774	785,913	(57,380)	-	9,405,307
Vehicles	1,096,595	-	-	-	1,096,595
Total capital assets being depreciated	17,419,769	785,913	(57,380)	-	18,148,302
Less accumulated depreciation for:					
Buildings	1,612,391	150,576	-	-	1,762,967
Improvements	1,426,639	81,028	-	-	1,507,667
Equipment	7,345,471	354,461	(57,380)	-	7,642,552
Vehicles	824,455	35,670	-	-	860,125
Total accumulated depreciation	11,208,956	$ 621,735	$ (57,380)	$ -	11,773,311
Total capital assets depreciated, net	6,210,813				6,374,991
Business-type activities capital assets, net	$ 12,191,568				$ 12,355,746

Parking Enterprise Fund:	Beginning Balances	Increases	Disposals and Adjustments	Transfers	Ending Balances
Capital assets, not being depreciated:					
Land	$ 1,060,000	$ -	$ -	$ -	$ 1,060,000
Total capital assets not being depreciated	1,060,000	-	-	-	1,060,000
Capital assets, being depreciated:					
Buildings	2,000,000	-	-	-	2,000,000
Total capital assets being depreciated	2,000,000	-	-	-	2,000,000
Less accumulated depreciation for:					
Buildings	473,333	40,000	-	-	513,333
Total accumulated depreciation	473,333	$ 40,000	$ -	$ -	513,333
Total capital assets depreciated, net	1,526,667				1,486,667
Business-type activities capital assets, net	$ 2,586,667				$ 2,546,667

Stormwater Enterprise Fund:	Beginning Balances	Increases	Disposals and Adjustments	Transfers	Ending Balances
Capital assets, not being depreciated:					
Land	$ 1,995,092	$ 419,980	$ -	$ -	$ 2,415,072
Total capital assets not being depreciated	1,995,092	419,980	-	-	2,415,072
Capital assets being depreciated:					
Buildings	96,403	-	-	-	96,403
Improvements	228,296	-	-	-	228,296
Equipment	897,441	94,121	(11,264)	-	980,298
Vehicles	346,807	-	-	-	346,807
Infrastructure	5,910,932	1,019,595	-	-	6,930,527
Total capital assets being depreciated	7,479,879	1,113,716	(11,264)	-	8,582,331
Less accumulated depreciation for:					
Buildings	2,089	1,928	-	-	4,017
Improvements	64,679	15,219	-	-	79,898
Equipment	233,987	102,406	(11,264)	-	325,129
Vehicles	188,936	23,325	-	-	212,261
Infrastructure	307,514	119,919	-	-	427,433
Total accumulated depreciation	797,205	$ 262,797	$ (11,264)	$ -	1,048,738
Total capital assets being depreciated, net	6,682,674				7,533,593
Business-type activities capital assets, net	$ 8,677,766				$ 9,948,665

Discretely Presented Component Units

Capital asset activity for the Greenville County Redevelopment Authority for the year ended June 30, 2015 was as follows:

	Beginning Balances	Increases	Decreases	Ending Balance
Capital assets, being depreciated:				
Equipment and vehicles	$ 408,833	$ 169,915	$ -	$ 578,748
Total capital assets being depreciated	408,833	169,915	-	578,748
Less accumulated depreciation for:				
Equipment and vehicles	176,671	16,296	-	192,967
Total accumulated depreciation	176,671	$ 16,296	$ -	192,967
Total capital assets being depreciated, net	$ 232,162			$ 385,781

The Authority is committed under various construction contracts for the completion of various ongoing projects in the amount of $926,173.

Capital asset activity for the Greenville County Library for the year ended June 30, 2015, was as follows:

	Beginning Balances	Additions	Disposals	Transfers/ Adjustments	Ending Balances
Governmental activities					
Capital assets, not being depreciated:					
Land	$ 3,432,294	$ -	$ -	$ -	$ 3,432,294
Art Collection	231,342	-	-	-	231,342
Construction in progress	-	8,000	-	-	8,000
Total capital assets not being depreciated	3,663,636	8,000	-	-	3,671,636
Capital assets, being depreciated:					
Land improvements	516,867	-	-	-	516,867
Buildings	33,156,141	7,325	-	-	33,163,466
Furniture, equipment, and vehicles	1,951,065	80,312	(72,709)	-	1,958,668
Library materials	7,454,450	1,083,865	(1,173,061)	-	7,365,254
Signs	171,796	-	-	-	171,796
Total capital assets being depreciated	43,250,319	1,171,502	(1,245,770)	-	43,176,051
Less accumulated depreciation for:					
Land improvements	416,784	21,328	-	-	438,112
Buildings	9,730,525	778,647	-	-	10,509,172
Furniture and equipment	1,314,534	223,558	(72,709)	-	1,465,383
Library materials	4,208,501	1,082,926	(1,173,061)	-	4,118,366
Signs	171,796	-	-	-	171,796
Total accumulated depreciation:	15,842,140	$ 2,106,459	$ (1,245,770)	$ -	16,702,829
Total capital assets being depreciated, net	27,408,179				26,473,222
Capital assets, net	$ 31,071,815				$ 30,144,858

Depreciation expense for the Library for the year ended June 30, 2015 was $2,106,459.

B. LIABILITIES

1. Payables

Payables at the government-wide level at June 30, 2015 were as follows:

	Government-wide Financial Statements								
	Fund Financial Statements								
	General Fund	Federal and State Grant Fund	Parks, Recreation & Tourism	Agencies - Greenville Technical College	Nonmajor Governmental Funds	Proprietary Funds	Total	Adjustments to Full-Accrual	Total
Payables:									
Accounts payable	$ 849,310	$ 432,099	$ 282,576	$ 1,012,379	$ 817,765	$ 237,319	$ 3,631,448	$ 481,040	$ 4,112,488
Accrued liabilities	3,652,207	181,896	229,604	-	70,980	81,505	4,216,192	23,818	4,240,010
Accrued interest	-	-	-	-	-	-	-	1,175,116	1,175,116
Other liabilities	1,048,798	1,730	89,231	-	-	113,505	1,253,264	3,651,000	4,904,264
Total accounts payable and accrued liabilities	$ 5,550,315	$ 615,725	$ 601,411	$ 1,012,379	$ 888,745	$ 432,329	$ 9,100,904	$ 5,330,974	$ 14,431,878

Adjustments to Full-Accrual include $4,155,858 related to recording internal service funds and $1,175,116 related to recording accrued interest on long-term debt. Internal service funds predominately serve the governmental funds, but are included in both the governmental and business-type activities on the accompanying government-wide financial statements.

Finally, the Fiduciary fund financial statements include $21,526,756 due to others and $9,516 in matured interest payable. These amounts are excluded from the foregoing schedule.

2. Pension Plan Obligations

a. Local Governmental Employees' Retirement System

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

Plan Description

The South Carolina Retirement System (SCRS), a cost–sharing multiple-employer defined benefit pension plan, was established effective July 1, 1945, pursuant to the provisions of Section 9-1-20 of the South Carolina Code of Laws for the purpose of providing retirement allowances and other benefits for employees of the state, its public school districts, and political subdivisions.

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

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

Membership

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

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

• State ORP - As an alternative to membership in SCRS, newly hired state, public school, and higher education employees and individuals newly elected to the S.C. General Assembly beginning with the November 2012 general election have the option to participate in the State Optional Retirement Program (State ORP), which is a defined contribution plan. State ORP participants direct the investment of their funds into a plan administered by one of four investment providers. PEBA assumes no liability for State ORP benefits. Rather, the benefits are the liability of the investment providers. For this reason, State ORP programs are not considered part of the retirement systems for financial statement purposes. Employee and Employer contributions to the State ORP are at the same rates as SCRS. A direct remittance is required from the employers to the member's account with investment providers for the employee contribution (8 percent) 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 (5.75 percent) and an incidental death benefit contribution (.15 percent), if applicable, which is retained by SCRS.

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

Benefits

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

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

The annual retirement allowance of eligible retirees or their surviving annuitants is increased by the lesser of 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.

• PORS - A Class Two member who has separated from service with at least five or more years of earned service is eligible for a monthly pension at age 55 or with 25 years of service regardless of age. A Class Three member who has separated from service with at least eight or more years of earned service is eligible for a monthly pension at age 55 or with 27 years of service regardless of age. Both Class Two and Class Three members are eligible to receive a deferred annuity at age 55 with five or eight years of earned service, respectively. An incidental death benefit is also available to beneficiaries of active and retired members of employers who participate in the death benefit program. Accidental death benefits are also provided upon the death of an active member working for a covered employer whose death was a natural and proximate result of an injury incurred while in the performance of duty.

The retirement allowance of eligible retirees or their surviving annuitants is increased by the lesser of 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

Contributions are prescribed in Title 9 of the South Carolina Code of Laws. The PEBA Board may increase the SCRS and PORS employer and employee contribution rates on the basis of the actuarial valuations, but any such increase may not result in a differential between the employee and employer contribution rate that exceeds 2.9 percent of earnable compensation for SCRS and 5 percent for PORS. An increase in the contribution rates adopted by the board may not provide for an increase of more than one-half of one percent in any one year. If the scheduled employee and employer contributions provided in statute or the rates last adopted by the board are insufficient to maintain a thirty year amortization schedule of the unfunded liabilities of the plans, the board shall increase the contribution rates in equal percentage amounts for the employer and employee as necessary to maintain the thirty-year amortization period; and, this increase is not limited to one-half of one percent per year.

Required employee contribution rates for fiscal year 2015 are as follows:

SCRS	
Employee Class Two	8.00% of earnable compensation
Employee Class Three	8.00% of earnable compensation
State ORP Employee	8.00% of earnable compensation
PORS	
Employee Class One	$21 per month
Employee Class Two	8.41% of earnable compensation
Employee Class Three	8.41% of earnable compensation

Required employer contributions for fiscal year 2015 are as follows:

SCRS	
Employer Class Two	10.75% of earnable compensation
Employer Class Three	10.75% of earnable compensation
Employer Incidental Death Benefit	0.15% of earnable compensation
State ORP	
Employer Contribution	10.75% of earnable compensation (1)
Employer Incidental Death Benefit	0.15% of earnable compensation
PORS	
Employer Class One	7.80% of earnable compensation
Employer Class Two	13.01% of earnable compensation
Employer Class Three	13.01% of earnable compensation
Employer Incidental Death Benefit	0.20% of earnable compensation
Employer Accidental Death Program	0.20% of earnable compensation

(1) Of this employer contribution of 10.75% of earnable compensation, 5% of earnable compensation must be remitted by the employer directly to the ORP vendor to be allocated to the member's account with the remainder of the employer contribution remitted to SCRS.

Pension Plan Fiduciary Net Position

The net pension liability (NPL) is calculated separately for each system and represents that particular system's total pension liability determined in accordance with GASB No. 67 less that System's fiduciary net position. As of June 30, 2014, NPL amounts for SCRS and PORS are as follows (amounts expressed in thousands):

System	Total Pension Liability	Plan Fiduciary Net Position	Employers' Net Pension Liability (Asset)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
SCRS	$42,955,205,796	$25,738,521,026	$17,216,684,770	59.900 %
PORS	5,899,529,434	3,985,101,996	1,914,427,438	67.500 %

Change in the Net Pension Liability	SCRS	PORS
Total Pension Liability		
Service Cost	$ 739,021,148	$ 149,605,726
Interest	3,021,003,664	417,950,110
Benefit Changes	-	-
Difference between actual and expected experience	638,744,910	64,336,408
Assumption Changes	-	-
Benefit Payments	(2,571,048,582)	(331,783,332)
Net Change in Total Pension Liability	1,827,721,140	300,108,912
Total Pension Liability - Beginning 06/30/2013	41,127,484,656	5,599,420,522
Total Pension Liability - Ending 06/30/2014 (a)	$ 42,955,205,796	$ 5,899,529,434
Plan Fiduciary Net Position	-	-
Contributions - Employer	$ 962,798,170	$ 155,608,079
Contributions - Member	652,630,491	96,004,134
Refunds of contributions to members	(90,250,597)	(16,183,410)
Retirement benefits	(2,461,557,940)	(311,593,217)
Death benefits	(19,240,045)	(4,006,705)
Net Investment Income	3,517,324,405	538,385,289
Administrative Expense	(11,765,475)	(1,820,433)
Net transfers to affiliated systems	(2,469,905)	2,260,246
Other	-	-
Net Change in Plan Fiduciary Net Position	2,547,469,104	458,653,983
Plan Fiduciary Net Position - Beginning 06/30/2013	23,191,051,922	3,526,448,013
Plan Fiduciary Net Position - Ending 06/30/2014 (b)	$ 25,738,521,026	$ 3,985,101,996
Net Pension Liability 06/30/2014 (a) - (b)	$ 17,216,684,770	$ 1,914,427,438

The total pension liability is calculated by the System's actuary, and each plan's fiduciary net position is reported in the System's financial statements. The net pension liability is disclosed in accordance with the requirements of GASB 67 in the System's notes to the financial statements and required supplementary information.

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

Actuarial Assumptions and Methods

Actuarial valuations involve estimates of the reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and future salary increases. Amounts determined during the valuation process are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. South Carolina state statute requires that an actuarial experience study be completed at least once in each five-year period. The last experience study was performed on data through June 30, 2010, and the next experience study is scheduled to be conducted after the June 30, 2015 annual valuation is complete.

The most recent annual actuarial valuation reports adopted by the PEBA Board and Budget and Control Board are as of July 1, 2013. The net pension liability of each defined benefit pension plan was therefore determined based on the July 1, 2013 actuarial valuations, using membership data as of July 1, 2013, projected forward to the end of the fiscal year, and financial information of the pension trust funds as of June 30, 2014, using generally accepted actuarial procedures. Information included in the following schedules is based on the certification provided by the consulting actuary, Gabriel, Roeder, Smith and Company.

The following table provides a summary of the actuarial assumptions and methods used in the July 1, 2013, valuations for SCRS and PORS plans administered by PEBA.

	SCRS	PORS
Actuarial cost method	Entry age	Entry age
Actuarial assumptions:		
Investment rate of return	7.5%	7.5%
Projected salary increases	levels off at 3.5%	levels off at 4.0%
Includes inflation at	2.75%	2.75%
Benefit adjustments	lesser of 1% or $500	lesser of 1% or $500

The post-retiree mortality assumption is dependent upon the member's job category and gender. This assumption includes base rates which are automatically adjusted for future improvement in mortality using published Scale AA projected from the year 2000.

Former Job Class	Males	Females
Educators and Judges	RP-2000 Males (with White Collar adjustment) multiplied by 110%	RP-2000 Females (with White Collar adjustment) multiplied by 95%
General Employees and Members of the General Assembly	RP-2000 Males multiplied by 10%	RP-2000 Females multiplied by 90%
Public Safety, Firefighters and members of the South Carolina National Guard	RP-2000 Males (with Blue Collar adjustment) multiplied by 115%	RP-2000 Females (with Blue Collar adjustment) multiplied by 115%

The long-term expected rate of return on pension plan investments for actuarial purposes is based upon the 30 year capital market outlook at the end of the third quarter 2012. The actuarial long-term expected rates of return represent best estimates of arithmetic real rates of return for each major asset class and were developed in coordination with the investment consultant for the Retirement System Investment Commission (RSIC) using a building block approach, reflecting observable inflation and interest rate information available in the fixed income markets as well as Consensus Economic forecasts. The actuarial long-term assumptions for other asset classes are based on historical results, current market characteristics and professional judgment.

The RSIC has exclusive authority to invest and manage the retirement trust funds' assets. As co-fiduciary of the Systems, statutory provisions and governance policies allow the RSIC to operate in a manner consistent with a long-term investment time horizon. The expected real rates of investment return, along with the expected inflation rate, form the basis for the target asset allocation adopted annually by the RSIC. For actuarial purposes, the long-term expected rate of return is calculated by weighting the expected future real rates of return by the target allocation percentage and then adding the actuarial expected inflation which is summarized in the table on the following page. For actuarial purposes, the 7.50 percent assumed annual investment rate of return used in the calculation of the total pension liability includes a 4.75 percent real rate of return and a 2.75 percent inflation component.

Asset Class	Target Asset Allocation	Expected Arithmetic Real Rate of Return	Long Term Expected Portfolio Real Rate of Return
Short Term	5 %		
Cash	2 %	0.3	0.01
Short Duration	3 %	0.6	0.02
Domestic Fixed Income	13 %		
Core Fixed Income	7 %	1.1	0.08
High Yield	2 %	3.5	0.07
Bank Loans	4 %	2.8	0.11
Global Fixed Income	9 %		
Global Fixed Income	3 %	0.8	0.02
Emerging Markets Debt	6 %	4.1	0.25
Global Public Equity	31 %	7.8	2.42
Global Tactical Asset Allocation	10 %	5.1	0.51
Alternatives	32 %		
Hedge Funds (Low Beta)	8 %	4	0.32
Private Debt	7 %	10.2	0.71
Private Equity	9 %	10.2	0.92
Real Estate (Broad Market)	5 %	5.9	0.29
Commodities	3 %	5.1	0.15
Total Expected Real Return	100 %		5.88
Inflation for Actuarial Purposes			2.75
Total Expected Nominal Return			8.63

Discount Rate

The discount rate used to measure the total pension liability was 7.5 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers in SCRS and PORS will be made based on the actuarially determined rates based on provisions in the South Carolina State Code of Laws. Based on those assumptions, each System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity Analysis

The following table presents the County's proportionate share of the net pension liabilities of the respective plans calculated using the discount rate of 7.50 percent, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1.00 percent lower (6.50 percent) or 1.00 percent higher (8.50 percent) than the current rate.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate			
System	1.00% Decrease (6.50%)	Current Discount Rate (7.50%)	1.00% Increase (8.50%)
SCRS	$ 145,978,333	$ 112,805,452	$ 85,131,310
PORS	80,299,939	57,512,542	38,563,262

Restatement for Change in Accounting Principle

The County implemented Governmental Accounting Standards Board (GASB) Statement 68, Accounting and Financial Reporting for Pensions (an amendment of GASB Statement No. 27), in the fiscal year ended June 30, 2015. The implementation of the statement required the County to record beginning net pension liability and the effects on unrestricted net position of contributions made by the County during the measurement period (fiscal year ended June 30, 2014). As a result, ending unrestricted net position for the County for the year ended June 30, 2014 decreased by $164,299,594 and $4,514,052 for the governmental and business-type activities, respectively. This decrease resulted in the restatement of unrestricted net position to a deficit balance of $181,541,512 for the governmental activities and a restatement of unrestricted net position to $5,511,142 for business-type activities for the year ended June 30, 2014.

Net Pension Liability

At June 30, 2015, the County reported liabilities of $112,805,452 and $57,512,542 for its proportionate shares of the SCRS and PORS net pension liabilities, respectively. The net pension liabilities were measured as of July 1, 2014, and the total pension liabilities used to calculate the net pension liabilities were determined by an actuarial valuation as of that date. The County's proportionate shares of the net pension liabilities were based on a projection of the County's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2014, the County's proportionate shares of the SCRS and PORS plans were 0.65522% and 3.00146%, which was the same as its proportionate shares of the net pension liabilities measured as of June 30, 2013, respectively.

Pension Expense

For the year ended June 30, 2015, the County recognized pension expense for the SCRS and PORS plans of $7,905,439 and $5,027,107, respectively.

Deferred inflows of resources and deferred outflows of resources

At June 30, 2015, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources for each of the respective plans:

For the SCRS plan, there were total deferred outflows of resources of $9,903,054 consisting of differences between expected and actual experience of $3,196,456 and County contributions subsequent to the measurement date of $6,706,598. There were deferred inflows of resources of $9,510,394 for the SCRS plan consisting of the net difference between projected and actual earnings on pension plan investments.

For the PORS plan, there were total deferred outflows of resources of $6,600,410 consisting of differences between expected and actual experience of $1,533,373 and County contributions subsequent to the measurement date of $5,067,037. There were deferred inflows of resources of $6,648,633 for the PORS plan consisting of the net difference between projected and actual earnings on pension plan investments.

The $6,706,578 and $5,067,037 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date for the SCRS and PORS plans, respectively, during the year ended June 30, 2015 will be recognized as a reduction of the net pension liabilities in the year ending June 30, 2016.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows for the SCRS and PORS plans, respectively:

For the SCRS plan, ($1,338,909) will be recognized for the fiscal years 2016, 2017 and 2018. For fiscal year 2019, ($2,147,234) will be recognized and nothing will be recognized in 2020.

For the PORS plan, ($1,264,142) will be recognized for the fiscal years 2016, 2017 and 2018. For fiscal year 2019 ($1,321.456) will be recognized and nothing will be recognized in 2020.

All full-time Greenville County employees participate in the South Carolina Retirement System (SCRS) or the South Carolina Police Officers Retirement System (PORS), both of which are cost-sharing multiple employer defined benefit pension plans administered by the retirement division of the South Carolina Public Employee Benefit Authority (PEBA), a public employee retirement system. Both retirement systems offer retirement and disability benefits, cost of living adjustments on an ad-hoc basis, life insurance benefits and survivor benefits. The SCRS plan provides a life-time monthly retirement annuity benefit to members, as well as, disability, survivor options, annual benefit adjustments, death benefits and incidental benefits to eligible employees and retired members. The PORS is available to all full-time employees whose principal duties are the preservation of public order or the protection or prevention and control of property destruction by fire. This plan provides lifetime monthly annuity benefits, as well as, disability, survivor benefits and incidental benefits to eligible employees and retirees. Participating employers in the PORS contribute to the accidental death fund which provides annuity benefits to beneficiaries of police officers and firemen killed in the actual performance of their duties. These benefits are independent of any other retirement benefit available to the beneficiary.

The payroll for County employees covered by the SCRS totaled $61,528,241 and $59,429,599 for the year ended June 30, 2015 and 2014, while the payroll for PORS covered employees totaled $37,785,511 and $36,156,297, respectively. The County's total payroll, which includes some part-time employees not covered under either retirement system, was $99,313,752. Total employee salaries for the Library for the period ended June 30, 2015 were $6,928,619 of which $6,869,884 was for employees covered by SCRS.

All full time employees are required to participate in the SCRS or PORS and make contributions as a condition of employment. All SCRS participants receive a monthly pension benefit that is payable to eligible employees at age 65 or upon attaining 28 years of credited service for Class II participants or 30 years of credited service for Class III participants, regardless of age. A reduced pension benefit is payable as early as age 55 for Class II participants or 60 for Class III participants. All PORS participants receive a monthly retirement benefit that is payable to eligible employees at age 55 or upon attaining 25 years of credited service for Class II participants or 27 years of credited service for Class III participants, regardless of age. A reduced pension benefit is payable as early as age 50 for both Class II and Class III participants.

Article X, Section 16, of the South Carolina Constitution requires that all State-operated retirement systems be funded on a sound actuarial basis. Title 9 of the South Carolina Code of Laws of 1976, as amended, prescribes requirements relating to membership, benefit, and employee/employer contributions for each retirement system.

As of January 1, 2001, Section 9-1-2210 of the South Carolina Code of Laws allows employees who are active members participating in SCRS, and are eligible for service retirement, to participate in the Teacher and Employee Retention Incentive (TERI) program. The TERI program allows employees to retire and begin accumulating their retirement benefit on a deferred basis without terminating employment. This option is available to all SCRS employees at the time of retirement and may defer receipt of retirement benefits for up to sixty months. Upon termination of employment or at the end of the TERI period, whichever is earlier, participants will begin receiving monthly service retirement benefits which will include any cost of living adjustments granted during the TERI period. The TERI program will end effective June 30, 2018.

Employees of the County, the Authority, and the Library are required to contribute to the plans at rates established under authority of Title 9 of the Code of Laws. Employee required contributions to the SCRS are 8.00% of salary. The employee required contributions to PORS Class II is 8.41% of salary. Greenville County is required to contribute to the SCRS at the rate of 10.75% of salaries and the PORS Class II at the rate of 13.01%. In addition to the above rates, participating employers of the SCRS contribute 0.15% of payroll to provide a group life insurance benefit for their participants. Participating employers under the PORS also contribute 0.20% of payroll to provide a group life insurance benefit and 0.20% of payroll to provide an accidental death benefit for their participants. The above percentages apply to the three years discussed below.

The County's contributions to SCRS and PORS are summarized as follows:

	Employer			**Employee**		
Year Ended	Percent	SCRS	PORS	Percent	SCRS	PORS
June 30, 2015	100 %	$ 6,706,598	$ 5,067,037	100 %	$ 4,922,259	$ 3,177,761
June 30, 2014	100 %	6,299,538	4,642,469	100 %	4,457,220	2,806,632
June 30, 2013	100 %	5,630,336	4,229,301	100 %	3,718,147	2,406,920

The Authority's contributions to SCRS are summarized as follows:

	SCRS	
	Employer	Employee
June 30, 2015	$ 86,319	$ 63,264
June 30, 2014	81,298	57,502
June 30, 2013	77,879	51,430

The Library's contributions to the SCRS for employer and employee portions expressed as a dollar amount and as a percentage of covered payrolls in 2015 were $738,513 and 10.75% and $548,310 and 7.98%, respectively, and the Library's contributions to PORS for employer and employee portions expressed as a dollar amount and as a percentage of covered payrolls in 2015 were $3,996 and 13.01% and $2,576 and 8.39%, respectively.

The Library's contributions to SCRS are summarized as follows:

	SCRS	
	Employer	Employee
June 30, 2015	$ 738,513	$ 548,310
June 30, 2014	691,741	496,465
June 30, 2013	668,622	447,881

The Library's contributions to the SCRS and PORS provide a group life insurance benefit for their participants. The contribution expressed as a dollar amount and as a percentage of covered payroll was $10,366 and 0.15% of annual earnings.

b. <u>Post Employment Benefits Other Than Pensions</u>

Greenville County administers a retiree insurance program. The County Administrator has the authority to establish/amend the plan's provisions and contribution requirements.

Medical/Prescription Drug

Eligible retirees of the County receive health care coverage through one of three medical PPO plans: Standard, Plus and Premium. Employees who retired prior to January 1, 2004 are eligible to enroll in any of the three plans, while employees who retired on or after January 1, 2004 are only eligible to enroll in the Standard plan. Employees who retired prior to January 1, 2004 are eligible to remain on the County's plan upon reaching Medicare eligibility. Employees who retired on or after January 1, 2004 are eligible for a fully-insured Medicare supplement plan.

Dental

Eligible retired employees have the option to remain on the County's dental insurance plan. The County provides a subsidy to offset some of the cost for this benefit.

Life Insurance

Retiree life insurance is available to retirees until age 65 on a contributory basis. Retirees who choose this benefit receive $40,000 worth of coverage.

Required Monthly Contributions

Contributions are required for both retiree and dependent coverage. Depending on the plan selected, date of retirement, and years of service, the County provides a subsidy to offset the full cost of coverage. The County's contribution (subsidy) will remain constant in the future and is summarized in the following chart:

		Medical Benefit		
Retired Date	Years of Service	<65	65+	Dental
Prior to 2004	<20	$ 138.56	$ 213.56	$ 3.17
Prior to 2004	20+	$ 213.56	$ 288.56	$ 3.17
2004 and after	<20	$ 138.56	$ 75.00	$ 3.17
2004 and after	20+	$ 213.56	$ 75.00	$ 3.17

Plan Descriptions: The County's postemployment benefit plan is a single employer defined benefit plan that is self funded for medical / prescription drug and fully insured for life insurance to eligible retirees and their dependents. The postemployment medical benefit plan is administered by Planned Administrators Incorporated. There is no separate audited GAAP basis post-employment benefit plan report.

Funding Policy: The required contribution is based on pay-as-you-go financing requirements.

Annual OPEB Cost and Net OPEB Obligation: The County's annual other post employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the County's annual OPEB cost for the year, the amount actually contributed to the plan, and the changes on the County's net OPEB obligation to the postemployment benefit plan:

Normal Cost	$ 372,919
Interest on normal cost	16,781
Amortization payment	273,050
Interest on amortization payment	2,638
Annual Required Contribution	665,388
Interest on Net OPEB Obligation	115,665
Adjustment to Annual Required Contribution	(99,104)
Annual OPEB cost (expense)	681,949
Contributions and payments made	(476,135)
Increase in net OPEB Obligation	205,814
Net OPEB Obligation - July 1, 2014	2,570,335
Net OPEB Obligation - June 30, 2015	$ 2,776,149

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the current fiscal year and the two preceding years are as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
June 30, 2013	$ 925,620	69 %	$ 2,251,650
June 30, 2014	959,419	67 %	2,570,335
June 30, 2015	681,949	70 %	2,776,149

Funded Status and Funding Progress: As of July 1, 2014, the plan was 0% funded. The actuarial accrued liability for benefits was $7,150,140 and the actuarial value of assets was $0 resulting in an unfunded actuarial accrued liability (UAAL) of $7,150,140.

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. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

OPEB Funding Status and Progress:

Fiscal Year Ended	Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Payroll (a/b)	Covered Payroll (c)	UAAL as a Percent of Covered Payroll ((b-a)/c)
June 30, 2013	July 1, 2012	$ -	$ 10,357,917	$ 10,357,917	- %	$ 87,500,939	11.8 %
June 30, 2014	July 1, 2012	-	10,357,917	10,357,917	- %	98,542,745	10.5 %
June 30, 2015	July 1, 2014	-	7,150,140	7,150,140	- %	99,313,752	7.2 %

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

In the July 1, 2014 actuarial valuation (the most recent valuation), projected unit credit method was used. The actuarial assumptions included a 4.5% investment rate of return which is based on the expected long term investment return of the employer's own investments used to pay plan benefits and an annual healthcare cost trend rate of 8.5% reduced by decrements of .5% to an ultimate rate of 5.5%. The UAAL is being amortized as a level percentage of projected payroll on an open basis. The amortization of UAAL is done over a period of thirty years and the underlying inflation rate is 3%.

The Library's annual other post employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of applicable accounting standards. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

The following table shows the components of the Library's annual OPEB cost for the year, the amount actually contributed to the plan, and the changes on the Library's net OPEB obligation to the Retiree Health Plan:

Annual Required Contribution	$ 96,903
Interest on Net OPEB Obligation	5,944
Adjustment to Annual Required Contribution	(5,634)
Annual OPEB Cost (Expense)	97,213
Contributions and payments made	(42,706)
Increase in Net OPEB Obligation	54,507
Net OPEB Obligation - July 1, 2014	118,888
Net OPEB Obligation - June 30,2015	$ 173,395

The Library's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the current fiscal year and the two preceding years are as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
June 30, 2015	$ 97,213	44 %	$ 173,395
June 30, 2014	116,899	87 %	118,888
June 30, 2013	111,838	87 %	103,239

Funded Status and Funding Progress: As of July 1, 2014, the most recent valuation date, the plan was unfunded. The actuarial accrued liability for benefits was $863,278, and the actuarial value of assets is zero resulting in an unfunded actuarial liability (UAAL) of $863,278. Covered payroll was $5,995,080 and UAAL as a percentage of covered payroll was 14.4%.

3. Closure and Postclosure Care Costs - Solid Waste Landfills

On October 9, 1991, Federal regulations issued by the Environmental Protection Agency (EPA) placed specific requirements pertaining to the closing of municipal solid waste landfills as well as postclosure maintenance for a period of thirty years after closure. The $6.3 million liability reported as landfill closure and postclosure represents total costs to date, as of June 30, 2015. Actual cost for closure and postclosure care may vary due to inflation, developments in technology, or changes in laws and regulations. The following table shows the landfills, which Greenville County owns, and the remaining number of years, out of thirty, each has to be maintained in accordance with the 1991 EPA ruling.

Landfill	Postclosure Years Remaining	% Used	Open/Close Year	Closure/Postclosure Costs
Enoree Phase I	9	100	1994	$ 288,000
Enoree Phase II	23	100	2007	1,075,019
Enoree C & D	24	100	2007	324,000
Blackberry Valley	2	100	1987	178,000
Piedmont I & II	1	100	1979	10,000
Piedmont III	6	100	1991	168,000
Simpsonville	1	100	1976	28,000
Twin Chimneys Unit 1	30	70	2007	4,011,000
Twin Chimneys C & D	30	21	2007	224,700
				$ 6,306,719

4. Deferred Inflows of Resources/Unearned Revenues

The balance in deferred inflows of resources on the governmental fund financial statements and unearned revenues on the government-wide statements at year-end is composed of the following elements:

Primary Government

	Deferred Inflows of Resources	Unearned Revenue
Taxes receivable, net (General)	$ 4,651,000	$ -
Taxes receivable, net (Special Revenue)	544,000	-
Taxes receivable and deposits received, net (Debt Service)	309,000	-
Unearned revenue (Special Revenue)	-	608,314
Total	$ 5,504,000	$ 608,314

Greenville County Redevelopment Authority

	Deferred Inflows of Resources	Unearned Revenue
Greenville County Redevelopment Authority	$ -	$ 300,000

Greenville County Library System

	Deferred Inflows of Resources	Unearned Revenue
Property taxes/Grant revenue - General fund	$ 612,071	$ -
Property taxes - Capital projects fund	130,442	-
Total	$ 742,513	$ -

5. Risk Management

The County operates two separate Internal Service Funds self-insurance programs for health and workers' compensation. Funds are appropriated in the General Fund, the Vehicle Service Fund, the Solid Waste Fund and certain Special Revenue Funds to cover claims, administrative costs and other liabilities. The County's health insurance program is to provide medical and dental coverage to its full-time employees. Full-time employees can select from three self-insured medical plans. Ninety-nine percent of County employees participate in these self-insured medical plans, making them the predominant participants in the plans. Revenues and expenditures for the self-insured program for health are accounted for in the Internal Service Fund within the Proprietary Fund types. Coverage in the medical self-insurance program is extended to include various other Greenville County agencies including the Art Museum, Redevelopment Authority, County Library and several fire districts.

The County expended $27,380,462 for medical and dental claims in fiscal year 2015. The basis for estimating claims not reported at year-end is the monthly average paid in claims. The self-insurance fund collects interfund premiums from insured funds and departments and pays claim settlements. Premiums for employees are based on maximum claim level activity and all other premiums in the fund are based on the expected claim level as provided by the actuarial estimate by the reinsurer. Medical claims exceeding $300,000 per insured are covered through a private insurance carrier.

The self-insurance program for workers' compensation is also accounted for within the activity of the Internal Service Fund. The Workers' Compensation program serves personnel of Greenville County. The County has contracted with a professional firm to administer this fund. Claims paid during the current fiscal year totaled $1,506,800. Premium increases and decreases for both programs are reviewed and recommended annually by the County's contract administrators.

The table below shows the reconciliation of unpaid claims for fiscal year ended June 30, 2015:

	Workers' Compensation		Health and Dental	
	Year Ended June 30, 2015	Year Ended June 30, 2014	Year Ended June 30, 2015	Year Ended June 30, 2014
Unpaid claims, beginning of year	$ 2,000,000	$ 1,250,000	$ 2,100,000	$ 1,900,000
Claim payments	(1,506,800)	(2,301,829)	(27,380,462)	(25,923,561)
Incurred claims (including IBNR)	1,806,800	3,051,829	27,480,462	26,123,561
Unpaid claims, end of year	$ 2,300,000	$ 2,000,000	$ 2,200,000	$ 2,100,000
Current Portion	$ 1,495,000	$ 1,300,000	$ 2,156,000	$ 2,058,000

The Authority participates in the self-insurance fund of Greenville County for health insurance. The health insurance program provides medical and dental coverage to full-time employees who can select from these medical plans: Blue Cross Premium Plan, Blue Cross Plus Plan or Blue Cross Standard Plan.

Revenues and expenditures for the self-insured plan are accounted for in the internal service fund of Greenville County. The basis for estimating claims not reported at year-end is twice the monthly average paid in claims. The self-insurance fund collects a monthly premium for the Authority and pays claim settlements. Premiums for employees are based on maximum claim level activity and all other premiums in the fund are based on the historical claim level as provided by the actuarial estimate by the reinsurer. Medical claims exceeding $250,000 per insured are covered through a private insurance carrier.

The Library participates in the County's health insurance program to provide medical and dental coverage to its full-time employees. Payments are remitted to the County on a monthly basis based on the number of employees participating. In the current fiscal year, $1,375,767 was remitted to the County. The Library also has a purchased workers' compensation policy that is handled by a third-party administrator for a fee based on the salaries of employees employed during the year.

6. Contingent Liabilities

There are many tort claims against the County that are insured by the Insurance Trust Fund. None of the cases are expected to exceed the limits of the fund. The cases for which the Insurance Trust Fund has denied coverage will have little impact on the County financially.

The Authority must apply for renewals of contracts and grants. Funding is subject to both increases and reductions at the discretion of the contractors and some agreements call for termination by either party contingent upon certain conditions. Expenditures recorded under various contracts and grants are subject to further examination by the contractors, with reimbursements being requested for questioned costs.

7. Long-Term Obligations

a. Changes in Long-term Obligations

The following is a summary of the changes in the County's long-term obligations as of June 30, 2015:

	General Obligation Bonds	Certificates of Participation	Special Source Revenue Bonds	Debt Security Deposit Agreement	Unamortized Premium/ Discount	Capital Lease Payable	Compensated Absences Payable	Total
Governmental Activities								
Balance at June 30, 2014	$ 84,034,034	$ 56,165,000	$ 19,290,000	$ 553,780	$ 497,221	$ 5,520,744	$ 7,231,006	$173,291,785
Additions	8,880,000	29,770,000	-	-	2,420,077	2,000,000	5,784,454	48,854,531
Retirements	(14,868,671)	(34,185,000)	(2,215,000)	(80,570)	(66,523)	(1,825,256)	(5,513,204)	(58,754,224)
Balance at June 30, 2015	$ 78,045,363	$ 51,750,000	$ 17,075,000	$ 473,210	$ 2,850,775	$ 5,695,488	$ 7,502,256	$163,392,092
Current Portion of Long-term Obligations	$ 5,959,081	$ 6,075,000	$ 2,330,000	$ 80,570	$ 340,000	$ 1,848,304	$ 675,203	$ 17,308,158

The general fund and special revenue funds have typically been used in prior periods to liquidate compensated absences.

	Accrued Closure and Postclosure Costs	Compensated Absences Payable	Total
Business-type Activities:			
Balance at June 30, 2014	$ 5,307,309	$ 185,225	$ 5,492,534
Additions	1,220,900	139,717	1,360,617
Retirements	(221,489)	(133,713)	(355,202)
Balance at June 30, 2015	$ 6,306,720	$ 191,229	$ 6,497,949
Current Portion of Long-term Obligations	$ 247,240	$ 17,211	$ 264,451

In current and prior years, the County defeased several outstanding debt issues by issuing new debt, and has deposited with escrow agents in irrevocable trusts amounts sufficient to meet the debt service requirements of these bonds. For financial reporting purposes, the trust account assets and the liabilities for the in-substance defeased bonds are not part of the financial statements. Debt considered defeased consists of the following as of 2015:

Governmental Activities:	
General obligation bond, series 2005, Greenville Tech (pays 2016)	$ 7,320,000
General obligation bond, Roads and Greenville Technical College 2006 and 2007 (pays 2016)	8,975,000
Certificates of Participation Greenville Technical College 2005 (pays 2019)	5,890,000
Certificates of Participation Hospitality Tax 2008 (pays 2017)	23,330,000
Balance at June 30, 2015	$ 45,515,000

b. General Obligation Bonds

General obligation bonds payable at June 30, 2015 are comprised of the following individual issues:

$549,000 (2013D Greenville County General Obligation Bond due in annual installments of $30,000 to $182,000 through April 1, 2017; interest at 4.06%)	$ 212,000
$470,550 (2013C Greenville County General Obligation Bond due in annual installments of $12,360 to $48,076 through April 2025; interest at 4.52% to 4%)	408,363
$10,085,000 (2006 General Obligation Bonds, Road Improvements; due in annual installments of $460,000 April 1, 2016; interest at 5%) A64	460,000
$4,200,000 (2007 General Obligation Bonds, Greenville Technical College Building Project; due in annual installments of $185,000 to $200,000 through April 1, 2018; interest at 4% to 4.5%) A65	575,000
$10,000,000 (2008C General Obligation Bonds, Road Improvements, due in annual installments of $435,000 to $715,000 through April 1, 2028; interest at 3% to 5%) A66	7,290,000
$5,615,000 (2011A General Obligation Bonds, Greenville Technical College, due in annual installments of $220,000 to $380,000 through April 1, 2032; interest at 2.5% to 4.125%) A67	4,995,000
$3,950,000 (2011D General Obligation Refunding Bonds, due in annual installments of $380,000 to $445,000 through April 1, 2022; interest at 2% to 4%) A68	2,870,000
$7,770,000 (2012 General Obligation Refunding Bonds, due in annual installments of $620,000 to $805,000 through April 1, 2026; interest at 2% to 3%) A69	7,770,000
$20,115,000 (2013A General Obligation Refunding Bonds due in annual installments of $1,265,000 to $2,190,000 through April 1, 2025; interest at 1.0% to 2.8%) A70	18,195,000
$2,445,000 (2013B General Obligation Refunding Bonds, due in annual installments of $375,000 to $410,000 through April 1, 2021; interest at 1% to 2025%) A71	2,365,000
$25,000,000 (2014 General Obligation Bonds, Greenville Technical College, due in annual installments of $925,000 to $1,690,000 through April 2034; interest at 2.75% to 4.00%) A72	24,110,000
$8,880,000 (2014A General Obligation Refunding Bonds, due in annual installments of $290,000 to $950,000 through April 1, 2028; interest at 2% to 4.00%) A73	8,795,000
	$ 78,045,363

In July of 2014, Greenville County Tourism Public Facilities Corporation advance refunded and defeased the callable maturities of the Series 2008 Greenville County Tourism Public Facilities Corporation Hospitality Tax Certificates of Participation equaling $23,330,000 which are maturing or subject to mandatory redemption on April 1, 2018 through 2028. The County issued Series 2014 Certificates in the aggregate principal amount of $24,815,000. The Series 2014 Certificates are dated as of July 8, 2014 and bear interest at 2.00% to 4.00% payable semiannually on April 1 or October of each year, commencing October 1, 2014. The proceeds of the Series 2014 Certificates will be used to advance refund and defease the Refunded Certificates, to fund the 2014 Reserve Fund through the purchase of a surety bond and to defray the costs of issuance of the Series 2014 Certificates, including a municipal bond insurance premium. The scheduled payment of principal and interest on the Series 2014 Certificates when due will be guaranteed under a municipal bond insurance policy to be issued concurrently with the delivery of the Series 2014 Certificates by Build America Mutual Assurance Company. The issuance of the 2014 refunding bonds resulted in an economic gain of $623,655. Additionally, the aggregate reacquisition price of the new debt exceeded the aggregate net carrying amount of the old debt by $3,207,121. This amount is presented as a deferred outflow of resources and amortized over the life of the refunding bonds.

On December 16, 2014, the County issued $8,880,000 General Obligation Refunding Bonds, Series 2014A to advance refund and defease a portion of the Series 2006 (Roads) and 2007 (Greenville Technical College) general obligation bonds. A portion of the proceeds of the Series 2014A bonds were deposited with the escrow agent to provide for the defeasance and redemption of the series 2006 and 2007 refunded bonds. As a result, the series 2006 and 2007 liability for those bonds have been removed from the statement of net position. Interest on the 2014A bonds is 2% to 4% and is payable semiannually on April 1 and October 1, commencing April 1, 2015. The bonds mature on April 1, 2015 through April 1, 2028. The issuance of the 2014A refunding bonds resulted in an economic gain of $656,178. Additionally, the aggregate reacquisition price of the new debt exceeded the aggregate net carrying amount of the old debt by $658,346. This amount is presented as a deferred outflow of resources and amortized over the life of the refunding bonds.

In February of 2015, Greenville County Public Facilities Corporation advance refunded and defeased the callable maturities of the Series 2005 Greenville County Public Facilities Corporation University Center Certificates of Participation equaling $5,890,000 which were maturing through April 2019. The County issued Series 2015 Certificates in the aggregate principal amount of $4,955,000. The Series 2015 Certificates are dated as of February 5, 2015 and bear interest at 1.76% payable semiannually on April 1 or October of each year, commencing October 1, 2015. The proceeds of the Series 2015 Certificates will be used to advance refund and defease the Refunded Certificates and to defray the costs of issuance. The issuance of the 2015 refunding bonds resulted in an economic gain of $184,819. Additionally, the aggregate reacquisition price of the new debt exceeded the aggregate net carrying amount of the old debt by $33,643. This amount is presented as a deferred outflow of resources and amortized over the life of the refunding bonds.

The annual requirements to amortize the General Obligation Bonds mentioned above can be found in the Supplementary Data section of the Comprehensive Annual Financial Report. Information on the amount of defeased debt deposited with escrow agents in an irrevocable trust can be found in the notes to the financial statements.

The total of all General Obligation Bonds is summarized as follows:

	Governmental Activities		
Year Ending June 30	Principal	Interest	Total
2016	$ 5,959,081	$ 2,367,122	$ 8,326,203
2017	5,953,556	2,228,407	8,181,963
2018	6,055,098	2,096,335	8,151,433
2019	5,856,712	1,917,195	7,773,907
2020	6,003,399	1,740,031	7,743,430
2021	6,195,165	1,552,010	7,747,175
2022	5,492,011	1,372,689	6,864,700
2023	5,213,942	1,189,520	6,403,462
2024	5,375,963	1,026,744	6,402,707
2025	5,163,076	855,150	6,018,226
2026	3,992,360	671,064	4,663,424
2027	3,290,000	532,586	3,822,586
2028	2,720,000	413,483	3,133,483
2029	1,770,000	314,914	2,084,914
2030	1,830,000	261,926	2,091,926
2031	1,895,000	207,164	2,102,164
2032	1,960,000	150,426	2,110,426
2033	1,630,000	91,300	1,721,300
2034	1,690,000	46,476	1,736,476
	$ 78,045,363	$ 19,034,542	$ 97,079,905

At June 30, 2015, the County was permitted by the South Carolina Constitution to incur general obligation bonded indebtedness in an amount not exceeding 8% of the assessed value of all taxable property of the County. At June 30, 2015, the County was within the limits of this requirement. (Refer to the statistical section.)

c. Certificates of Participation

The total of all Certificates of Participation is summarized as follows:

	Governmental Activities		
Year Ending June 30	Principal	Interest	Total
2016	$ 6,075,000	$ 1,827,814	$ 7,902,814
2017	6,265,000	1,635,924	7,900,924
2018	4,730,000	1,458,044	6,188,044
2019	4,855,000	1,335,694	6,190,694
2020	2,635,000	1,204,944	3,839,944
2021	2,720,000	1,122,419	3,842,419
2022	2,825,000	1,015,419	3,840,419
2023	2,925,000	915,019	3,840,019
2024	3,045,000	798,019	3,843,019
2025	3,175,000	670,181	3,845,181
2026	3,335,000	513,544	3,848,544
2027	3,485,000	352,325	3,837,325
2028	3,620,000	227,563	3,847,563
2029	1,005,000	97,850	1,102,850
2030	1,055,000	50,113	1,105,113
	$ 51,750,000	$ 13,224,872	$ 64,974,872

Individual Issuances

COPS #11

In October 2010, Greenville County issued $8,290,000 of Refunding Certificates of Participation, series 2010 to currently refund the series 1998 Refunding Certificates of Participation (Greenville Technical College Project). The reacquisition price exceeded the net carrying amount of the old debt by $133,300. This amount is being amortized over the life of the new debt. The refunding resulted in an economic gain of $760,503. The interest rate of the series 2010 refunding bonds is 2.44%. Interest is payable semi-annually on April 1 and October 1 of each year commencing April 1, 2011. The annual requirements to amortize the County's series 2010 Refunding Certificates of Participation are as follows:

Year Ending June 30	Principal	Interest	Total
2016	$ 950,000	$ 96,380	$ 1,046,380
2017	975,000	73,200	1,048,200
2018	1,000,000	49,410	1,049,410
2019	1,025,000	25,010	1,050,010
	$ 3,950,000	$ 244,000	$ 4,194,000

COPS #12

In January 2011, Greenville County issued $9,300,000 of Junior Lien Refunding Certificates of Participation, series 2011 to currently refund the series 2001 Refunding Certificates of Participation (Courthouse Project). The reacquisition price exceeded the net carrying amount of the old debt by $225,200. This amount is being amortized over the life of the new debt. The refunding resulted in an economic gain of $356,935. The interest rate of the series 2011 refunding bonds is 2.76%. Interest is payable semi-annually on April 1 and October 1 of each year commencing October 1, 2011. The annual requirements to amortize the County's series 2011 Refunding Certificates of Participation are as follows:

Year Ending June 30	Principal	Interest	Total
2016	$ 1,620,000	$ 90,804	$ 1,710,804
2017	1,670,000	46,092	1,716,092
	$ 3,290,000	$ 136,896	$ 3,426,896

COPS #13

In July of 2014, Greenville County Tourism Public Facilities Corporation advance refunded and defeased the callable maturities of the Series 2008 Greenville County Tourism Public Facilities Corporation Hospitality Tax Certificates of Participation equaling $23,330,000 which are maturing or subject to mandatory redemption on April 1, 2018 through 2028. The County issued Series 2014 Certificates in the aggregate principal amount of $24,815,000. The Series 2014 Certificates are dated as of July 8, 2014 and bear interest at 2.00% to 4.00% payable semiannually on April 1 or October of each year, commencing October 1, 2014. The proceeds of the Series 2014 Certificates will be used to advance refund and defease the Refunded Certificates, to fund the 2014 Reserve Fund through the purchase of a surety bond and to defray the costs of issuance of the Series 2014 Certificates, including a municipal bond insurance premium. The annual requirements to amortize the County's series 2011 Refunding Certificates of Participation are as follows:

Year Ending June 30	Principal	Interest	Total
2016	$ 150,000	$ 910,650	$ 1,060,650
2017	150,000	907,650	1,057,650
2018	1,830,000	904,650	2,734,650
2019	1,890,000	849,750	2,739,750
2020	1,940,000	793,050	2,733,050
2021	2,000,000	734,850	2,734,850
2022	2,080,000	654,850	2,734,850
2023	2,150,000	584,250	2,734,250
2024	2,240,000	498,250	2,738,250
2025	2,330,000	408,650	2,738,650
2026	2,450,000	292,150	2,742,150
2027	2,565,000	169,650	2,734,650
2028	2,655,000	86,288	2,741,288
	$ 24,430,000	$ 7,794,688	$ 32,224,688

COPS #14

In February of 2015, Greenville County Public Facilities Corporation advance refunded and defeased the callable maturities of the Series 2005 Greenville County Public Facilities Corporation University Center Certificates of Participation equaling $5,890,000 which were maturing through April 2019. The County issued Series 2015 Certificates in the aggregate principal amount of $4,955,000. The Series 2015 Certificates are dated as of February 5, 2015 and bear interest at 1.76% payable semiannually on April 1 or October of each year, commencing October 1, 2015. The proceeds of the Series 2015 Certificates will be used to advance refund and defease the Refunded Certificates and to defray the costs of issuance. The annual requirements to amortize the County's 2005 University Center refunding series COPS are as follows:

Year Ending June 30	Principal	Interest	Total
2016	$ 1,195,000	$ 100,774	$ 1,295,774
2017	1,230,000	66,176	1,296,176
2018	1,255,000	44,528	1,299,528
2019	1,275,000	22,440	1,297,440
	$ 4,955,000	$ 233,918	$ 5,188,918

COPS #9

In March 2008, the County, through Greenville County Tourism Public Facilities Corporation, issued $35,710,000 Series 2008 Certificates of Participation; interest rate 4% to 5%. The Series 2008 Certificates were issued to provide funds to acquire, construct and equip various tourism-related capital improvement projects (collectively, the “2008 Project”). Interest on the Series 2008 Certificates is payable on each April 1 and October 1 commencing October 1, 2008. The annual requirements to amortize the County’s 2008 Hospitality Tax series COPS are as follows:

Year Ending June 30	Principal	Interest	Total
2016	$ 1,555,000	$ 126,800	$ 1,681,800
2017	1,615,000	64,600	1,679,600
	$ 3,170,000	$ 191,400	$ 3,361,400

COPS #10

In August 2010, the County, through Greenville County Tourism Public Facilities Corporation, issued $14,680,000 Series 2010 Certificates of Participation; interest rate 2% to 4.75%. The Series 2010 Certificates were issued to provide funds to acquire, construct and equip various tourism-related capital improvement projects. Interest on the Series 2010 Certificates is payable on each April 1 and October 1 commencing April 1, 2011. The annual requirements to amortize the County’s 2010 Hospitality Tax series COPS are as follows:

Year Ending June 30	Principal	Interest	Total
2016	$ 605,000	$ 502,406	$ 1,107,406
2017	625,000	478,206	1,103,206
2018	645,000	459,456	1,104,456
2019	665,000	438,494	1,103,494
2020	695,000	411,894	1,106,894
2021	720,000	387,569	1,107,569
2022	745,000	360,569	1,105,569
2023	775,000	330,769	1,105,769
2024	805,000	299,769	1,104,769
2025	845,000	261,531	1,106,531
2026	885,000	221,394	1,106,394
2027	920,000	182,675	1,102,675
2028	965,000	141,275	1,106,275
2029	1,005,000	97,850	1,102,850
2030	1,055,000	50,113	1,105,113
	$ 11,955,000	$ 4,623,970	$ 16,578,970

d. Special Source Revenue Bonds

The annual requirements to amortize the County's Special Source Revenue Bonds are as follows:

Governmental Activities

Year Ending June 30	Principal	Interest	Total
2016	$ 2,330,000	$ 505,526	$ 2,835,526
2017	2,435,000	437,061	2,872,061
2018	2,435,000	364,641	2,799,641
2019	2,300,000	290,146	2,590,146
2020	1,935,000	217,673	2,152,673
2021	1,975,000	159,799	2,134,799
2022	1,550,000	100,026	1,650,026
2023	1,595,000	58,483	1,653,483
2024	520,000	15,704	535,704
	$ 17,075,000	$ 2,149,059	$ 19,224,059

Individual Issuances

SSRB #8

In March 2007, Greenville County issued $7,545,000 of Special Source Revenue Refunding Bonds, Series 2007, interest 3.625% to 4.125%, to refund a portion of the Special Source Revenue Bonds, Series 1999 (Roads Project) and a portion of the Special Source Revenue Bonds, Series 2001(Roads Improvement Project). The Refunded bonds were issued to finance the costs of constructing roads, bridges and other infrastructure. Interest is payable semi-annually on April 1 and October 1 of each year commencing October 1, 2007. The annual requirements to amortize the County's series 2007 Special Revenue Bonds are as follows:

Year Ending June 30	Principal	Interest	Total
2016	$ 740,000	$ 160,588	$ 900,588
2017	765,000	132,838	897,838
2018	800,000	103,194	903,194
2019	830,000	71,194	901,194
2020	460,000	37,994	497,994
2021	475,000	19,594	494,594
	$ 4,070,000	$ 525,402	$ 4,595,402

SSRB PRT

The original principal amount of $5,330,000 of the Series 2011 Greenville County Recreation District (the District) Refunding Revenue Bonds were issued October 20, 2011 due in annual principal installments and semi-annual interest payments. The interest rate of the series 2011 refunding bonds are 3.02%. The proceeds of this issue were used to refund the Series 2009 revenue bond which was issued to build the Pleasant Ridge Camp and Retreat Center and the Staunton Bridge Road Community Center. The series 2009 bonds were currently refunded resulting in no defeased debt.

The County agreed to execute and deliver to the Lender a substitute bond with respect to the 2011 Revenue Bond, issued as the Greenville County Recreation System Revenue Bond, Series 2013. Principal amount of $4,685,000 due in annual principal installments and with an interest rate of 3.02% maturing on April 1, 2024. Interest payable semi-annually.

Year Ending June 30	Principal	Interest	Total
2016	$ 375,000	$ 120,196	$ 495,196
2017	390,000	108,871	498,871
2018	405,000	97,093	502,093
2019	425,000	84,862	509,862
2020	440,000	72,027	512,027
2021	455,000	58,739	513,739
2022	475,000	44,998	519,998
2023	495,000	30,653	525,653
2024	520,000	15,704	535,704
	$ 3,980,000	$ 633,143	$ 4,613,143

SSRB #10

In January 2012, Greenville County issued $7,835,000 Series 2012 Special Source Revenue Refunding Bonds, interest 2.53%. Proceeds of the Series 2012 Bonds are issued to advance refund a portion of the Series 2003, Special Source Revenue Bonds. The requisition price exceeded the net carrying amount of the old debt by $306,612. This amount is being amortized over the life of the new debt. The refunding resulted in an economic gain of $481,824. The interest rate of the series 2012 refunding bonds are 2.53%. Interest on the Series 2012 Bonds is payable initially on October 1, 2012, and semi-annually on each April 1 and October 1 thereafter until maturity or early redemption. The annual requirements to amortize the County's series 2010 Refunding Special Source Revenue Bonds are as follows:

Year Ending June 30	Principal	Interest	Total
2016	$ 465,000	$ 177,860	$ 642,860
2017	510,000	166,094	676,094
2018	755,000	153,192	908,192
2019	1,045,000	134,090	1,179,090
2020	1,035,000	107,652	1,142,652
2021	1,045,000	81,466	1,126,466
2022	1,075,000	55,028	1,130,028
2023	1,100,000	27,830	1,127,830
	$ 7,030,000	$ 903,212	$ 7,933,212

SSRB #9

In October 2010, Greenville County issued $6,770,000 of Refunding Special Source Revenue Bonds, series 2010 to currently refund the series 1996, 1997 and 1998 Special Source Revenue Bonds. The reacquisition price exceeded the net carrying amount of the old debt by $86,200. This amount is being amortized over the life of the new debt. The refunding resulted in an economic gain of $541,949. The interest rate of the series 2010 refunding bonds is 2.35%. Interest is payable semi-annually on April 1 and October 1 of each year commencing April 1, 2011. The annual requirements to amortize the County's series 2010 Refunding Special Source Revenue Bonds are as follows:

Year Ending June 30	Principal	Interest	Total
2016	$ 750,000	$ 46,882	$ 796,882
2017	770,000	29,258	799,258
2018	475,000	11,162	486,162
	$ 1,995,000	$ 87,302	$ 2,082,302

e. Capital Lease Payable

Greenville County's capital leases payable are a culmination of various contracts with a broad range for machinery and equipment. In 1997, the County adopted a Master Lease Agreement. A total of nineteen leases have been issued under the Master Lease agreement, eighteen of which were for the acquisition of vehicles and heavy equipment. Of the nineteen issues, six remain outstanding. Additionally, the Greenville County Department of Parks, Recreation & Tourism has a total of eight outstanding leases which were used for equipment lease financings and real estate lease financings.

The annual requirements to amortize all of the lease agreements outstanding as of June 30, 2015 are as follows:

	Governmental Activities		
Year Ending June 30	Principal	Interest	Total
2016	$ 1,848,304	$ 85,900	$ 1,934,204
2017	1,572,545	59,065	1,631,610
2018	1,170,595	37,628	1,208,223
2019	599,791	22,015	621,806
2020	288,761	12,921	301,682
2021-2023	215,492	12,705	228,197
	$ 5,695,488	$ 230,234	$ 5,925,722

Assets acquired under capital leases recorded in the accompanying government-wide statement of net position at June 30, 2015 were as follows: Vehicles and Equipment $20,421,862. Accumulated depreciation associated with these assets is approximately $15,914,422 resulting in net book value of approximately $4,507,440.

f. Debt Security Deposit Agreement

In July 1998 and March 2008, the County entered into a Debt Security Deposit Agreement with certain financial institutions which provides for the County to receive $1,148,400 and $463,000, respectively, from the institutions. In return, the County agrees to deposit, with a trustee, its bond principal and interest payments earlier than the normal due dates over a twenty year period beginning in fiscal years 1999 and 2010 and ending in 2018 and 2029. The normal due date for principal is April 1. Interest payments are due April 1 and October 1. According to the agreement, the principal and both interest payments will be made to the trustee on February 1 of each year. In the event the agreement is terminated early, a pro-rated termination amount is to be returned to the institution based upon market rates at that time. The income from this agreement will be recognized using the interest method over the life of the agreement.

g. Industrial Revenue Bonds

Greenville County issues limited-obligation revenue bonds (Industrial Revenue Bonds) to private sector entities for the purpose of providing financing assistance for acquisitions and construction of industrial and/or commercial facilities. The County only extends Industrial Revenue Bonds to private sector entities that are public interest driven. Under no circumstances would Greenville County, the state, or any subdivision be obligated to repay the bonds. All Industrial Revenue Bonds are omitted from the accompanying financial statements. As of June 30, 2015 there were 17 Industrial Revenue Bonds outstanding, with an estimated principal payable of $388,541,120 .

h. Long-term Obligations (The Library)

The following is a summary of changes in long-term obligations at the government-wide level for the year ended June 30, 2015:

Long-term Obligations	Accrued General Leave
Balance at July 1, 2014	$ 279,428
Additions to general leave	454,384
Retirements	(279,428)
	454,384
Less: current portion	(181,143)
Balance at	$ 273,241

i. Long-Term Obligations (The Authority)

The following is a summary of the changes in long-term obligations at the government-wide level for the year ended June 30, 2015 which are included in accrued liabilities in the financial statements.

	Accrued General Leave
Balance at July 1, 2014	$ 29,975
Net change in compensated absences	4,095
Balance at June 30, 2015	$ 34,070
Current Portion of Long-term Obligations	$ 2,073

C. Interfund Balances and Activity

	Payable Fund		
Receivable Fund	Proprietary Funds	Nonmajor Governmental Funds	Total
General Fund	$ 5,950	$ 1,763,659	$ 1,769,609
Nonmajor Governmental Funds	-	1,289,485	1,289,485
	$ 5,950	$ 3,053,144	$ 3,059,094

Loans made from the general fund to the parking enterprise fund and two debt service funds to cover negative cash balances resulted in a balance of $1,769,609. Also, negative cash in two capital project funds of $1,289,485 was covered by the capital project reserve fund.

	Transfers In:					
Transfers Out:	General Fund	Federal and State Grant Fund	Parks, Recreation & Tourism	Agencies - Greenville Technical College	Nonmajor Governmental Funds	Total
General Fund	$ -	$ 127,799	$ -	$ -	$ 1,483,841	$ 1,611,640
Parks, Recreation & Tourism	-	-	-	-	3,372,307	3,372,307
Nonmajor Governmental	6,495,986	285,600	1,334,784	-	12,236,098	20,352,468
	$ 6,495,986	$ 413,399	$ 1,334,784	$ -	$ 17,092,246	$ 25,336,415

The total $1,611,640 general fund transfers out are (1) $1,483,841 to debt service for capital lease debt service payments and (2) $127,799 to cover matching grants. Transfers out of Parks, Recreation and Tourism totaling $3,372,307 were made to cover debt service payments of $950,743 and capital projects of $2,421,564. Transfers out of nonmajor governmental funds totaling $18,258,729 include: $3,500,000 from Infrastructure Bank to Road Maintenance, $3,896,375 from Hospitality Tax to cover hospitality tax certificates of participation debt service payments, $1,595,986 from Hospitality Tax to General Fund to cover tourism related public safety expenses, $500,000 from Charity Hospitalization to General Fund, $3,500,000 from Road Maintenance to General Fund, $2,293,785 from Infrastructure Bank to cover debt service, $285,600 from Hospitality tax to E-911 for false alarm billings, $452,199 from Capital Projects to cover debt service, $2,093,739 from Capital Projects Reserve to cover negative cash in Capital Projects Information Technology and $1,334,784 from Hospitality Tax to Parks, Recreation and Tourism for quarterly operating expenses. Also, $900,000 was transferred from the Worker's Compensation fund to the General Fund.

D. Fund Deficits

The financial statements reflect negative fund balances as follows: Information Technology in Capital Projects ($16,916), Capital Leases in Capital Projects ($419,501) and Facilities Projects in Capital Projects ($890,627). The County is developing a plan to make these funds solvent in the future.

E. Commitments Under Operating Leases

The County has commitments for periodic payments under various equipment and office space leases, various landfill leases, equipment maintenance agreements and data processing service contracts and recreational and community centers. All the agreements are cancelable or have remaining terms of less than one year, except for the leases related to recreation and community centers, which have lease terms that range from ten through ninety-nine years. During the current fiscal year, total expenditures under these agreements amounted to $276,557.

The Authority leases office space and certain equipment under noncancelable operating leases. The Authority renewed its lease agreement for office space through June 2015 and anticipates continuing this lease agreement on a year by year basis. Lease expense under noncancelable leases for the current fiscal year was $73,201.

F. Economic Dependency

Greenville County Redevelopment Authority's revenues are derived primarily from various federal, state and local governmental agencies.

G. Contingent Liabilities

Federal and State Assisted Programs

The County and the Authority have received proceeds from several federal and state grants. Entitlement to grant resources is generally conditioned upon compliance with terms and conditions of the grant agreements and applicable federal regulations, including the expenditure of the resources for eligible purposes. Expenditures recorded under various contracts and grants are subject to further examination in the form of financial and compliance audits by the contractors, with reimbursements being requested for questioned costs. Management anticipates that no material liabilities will result from any compliance or financial audits.

H. Subsequent Events

At June 30, 2015,outstanding encumbrances were $528,456 for the federal and state grant fund, $316,888 for Parks, Recreation & Tourism, $2,500 for nonmajor debt service, $550,066 for nonmajor capital projects and $755,749 for nonmajor special revenue funds. Outstanding encumbrances for the General Fund can be found in Note I. D. 1.

On September 21, 2015, the County issued $3,733,000 Recreation System Revenue Refunding Bond, Series 2015A and the $3,113,000 Recreation System Revenue Bond, Series 2015B. The series 2015A bears interest annually at a rate of 2.35% payable semiannually on April and October 1 of each year commencing April 1, 2016. The series 2015A is a current refunding of the series 2013 revenue refunding bond. The series 2015B revenue bond bears interest annually at the rate of 2.75% payable semiannually on April and October 1 of each year commencing April 1, 2016. The proceeds from the 2015B revenue bond will be used for the cost of work, material or supplies in connection with the acquisition, construction or installation of improvements of government facilities.

On October 6, 2015, the County established the Greenville County Business Park Public Facilities Corporation. This blended component unit will own, lease, finance, construct, acquire, develop and operate land, buildings and equipment, and facilities functionally related thereto and perform any other lawful purpose related to the furtherance of the governmental powers of Greenville County.