

## COUNTY OF GREENVILLE DEBT SERVICE FUND

The Debt Service Fund reports current financial resources restricted for the payment of principal and interest for long-term debt. The Debt Service Fund is operated in accordance with the debt policy section of the County's financial policies.

### LONG-TERM DEBT

The following is a summary of change in general long-term debt for the year ended June 30, 2010.

Governmental Activities	General Obligation Bonds	Certificates of Participation	Special Source Revenue Bonds	Debt Security Deposit Agreement	Capital Leases Payable	Compensated Absences Payable	Total
Balance at June 30, 2009	\$ 72,150,000	\$ 71,000,000	\$ 24,815,000	\$ 956,630	\$ 2,364,856	\$ 5,947,788	\$ 177,234,274
Additions					750,000	4,285,882	5,035,882
Adjustments							
Retirements	(4,110,000)	(5,640,000)	(2,015,000)	(80,570)	(708,015)	(4,744,328)	(17,297,913)
Balance at June 30, 2010	\$ 68,040,000	\$ 65,360,000	\$ 22,800,000	\$ 876,060	\$ 2,406,841	\$ 5,489,342	\$ 164,972,243
Current Portion of Long-term obligations	\$ 4,245,000	\$ 5,860,000	\$ 2,100,000	\$ 80,570	\$ 833,438	\$ 549,333	\$ 13,668,341

Source Greenville County Comprehensive Annual Financial Report (FY2010)

### GENERAL OBLIGATION BONDS

General obligation bonds are used to finance a variety of public projects. The full faith and credit of the County backs these bonds. Article X, Section 14, of the constitution of the State of South Carolina, 1895, as amended (the "Constitution"), provides that counties shall have the power to incur bonded indebtedness in such a manner and upon such terms and conditions as the General Assembly shall prescribe by general law. General obligation debt may be incurred only for public and corporate purpose in an amount not exceeding 8% of the assessed value of all taxable property of such county. The County Bond Act provides that the governing bodies of the several counties of the State may issue general obligation bonds to defray the cost of any authorized purpose and for any amount not exceeding its applicable constitutional debt limit.

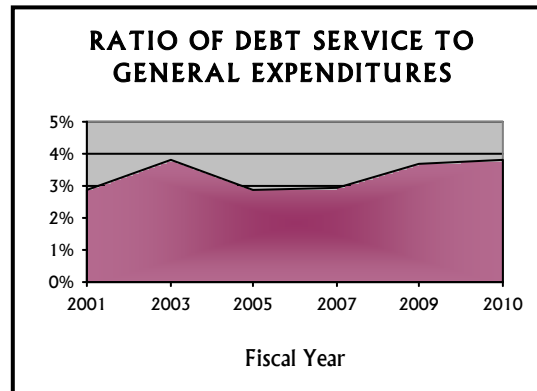
Under Article X, Section 14, of the Constitution, bonded indebtedness of the County existing on November 30, 1977, is not considered in determining the county's 8% debt limitation. General obligation debt authorized by a majority vote of the qualified electors of the county voting in a referendum may be incurred without limitation as to amount.

In addition, Article X, Section 12 and Section 13, of the Constitution provides that bonded indebtedness may be incurred by counties for sewage disposal or treatment, fire protection, street lighting, garbage collection and disposal, water service, or any other service or facility benefiting only a particular geographical section of a county, provided a special assessment, tax or service charge, in an amount designed to provide debt service on bonded indebtedness, incurred for such purpose, shall be imposed upon the area or persons receiving the benefit therefrom; and general obligation debt so incurred shall not be considered in computing the bonded indebtedness of counties under the 8% debt limitation. In addition to the state limitation that general obligation debt not exceed 8% of assessed valuation, the County Financial Policies require that annual debt service not exceed 15% of the combined operating and capital budgets.

COUNTY'S DEBT LIMITATION	
Assessed Value, FY2010	\$ 1,701,172,000
Constitutional Debt Limit (8%) Valuation of Taxable Property	136,093,760
Outstanding Debt Subject to Limit	77,885,000
Less Reserve for Debt Service	(5,209,000)
Net Amount of Debt Applicable to Limit	72,676,000
Debt Margin	\$ 63,417,760

Note: Outstanding Debt Subject to Limit includes certificates of participation issued after December 31, 1995.

YEAR ENDED JUNE 30	TOTAL DEBT SERVICE	TOTAL GENERAL EXPENDITURES
2001	\$ 4,334,343	\$ 150,623,519
2002	\$ 5,907,259	\$ 139,680,696
2003	\$ 5,941,396	\$ 155,787,000
2004	\$ 4,731,485	\$ 155,277,180
2005	\$ 4,567,557	\$ 159,441,000
2006	\$ 5,390,195	\$ 166,755,824
2007	\$ 5,676,509	\$ 194,609,509
2008	\$ 6,298,960	\$ 180,025,206
2009	\$ 6,943,342	\$ 188,918,019
2010	\$ 7,189,787	\$ 187,487,795



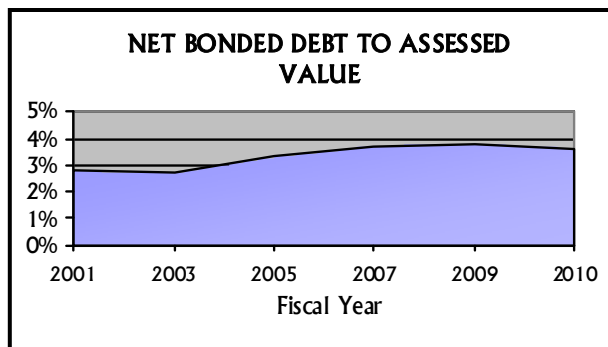
The County's general obligation debt service payments for FY2012 total \$6,471,326 and \$6,374,232 for FY2013. These payments include the following issues:

- FY2000 issue of \$6,915,000 for Greenville County for certain capital projects
- FY2001 issue of \$6,100,000 for road improvements
- FY2002 issue of \$7,935,000 for Greenville Technical College
- FY2003 issue of \$7,570,000 for road improvements
- FY2004 issue of \$16,660,000 for the partial refunding of Series 2000 GO
- FY2005 issue of \$4,000,000 for the partial refunding of Series 2001 GO
- FY2005 issue of \$11,565,000 for Greenville Technical College
- FY2006 issue of \$7,430,000 for the partial refunding of Series 1998 and Series 2002
- FY2006 issue of \$5,065,000 for road improvements
- FY2007 issue of \$10,085,000 for road improvements
- FY2008 issue of \$4,200,000 for Greenville Technical College, and
- FY2009 issue of \$10,000,000 for road improvements.

The following chart depicts the annual requirements to amortize the County's general obligation debt.

YEAR ENDING JUNE 30	PRINCIPAL	INTEREST/FISCAL CHARGES	TOTAL
2011	\$ 4,245,000	\$ 2,940,257	\$ 7,185,257
2012	\$ 3,840,000	\$ 2,631,326	\$ 6,471,326
2013	\$ 3,885,000	\$ 2,489,232	\$ 6,374,232
2014	\$ 4,025,000	\$ 2,624,326	\$ 6,649,326
2015	\$ 4,170,000	\$ 2,482,332	\$ 6,652,332
2016	\$ 4,025,000	\$ 2,332,233	\$ 6,357,233
2017	\$ 4,170,000	\$ 2,171,858	\$ 6,341,858
2018	\$ 4,495,000	\$ 2,008,058	\$ 6,503,058
2019	\$ 4,470,000	\$ 1,833,875	\$ 6,303,875
2020-2028	\$ 38,910,000	\$ 8,398,004	\$ 47,308,004
<b>TOTAL</b>	<b>\$ 76,235,000</b>	<b>\$ 29,911,501</b>	<b>\$ 106,146,501</b>

The following charts reflect the ratio of net general obligation debt to assessed value for the past ten fiscal years.



FISCAL YEAR	ASSESSED VALUE	NET BONDED DEBT
2001	\$ 1,285,599	\$ 35,974
2002	\$ 1,444,592	\$ 37,820
2003	\$ 1,528,377	\$ 41,456
2004	\$ 1,546,671	\$ 41,025
2005	\$ 1,552,755	\$ 51,282
2006	\$ 1,570,433	\$ 53,390
2007	\$ 1,623,108	\$ 60,446
2008	\$ 1,736,662	\$ 61,838
2009	\$ 1,816,181	\$ 69,294
2010	\$ 1,848,987	\$ 66,844

(000s omitted)

### CERTIFICATES OF PARTICIPATION

The following chart depicts the annual requirements to amortize all of the County's Certificates of Participation (COPs).

YEAR ENDING JUNE 30	PRINCIPAL	INTEREST/FISCAL CHARGES	TOTAL
2011	\$ 5,860,000	\$ 2,948,302	\$ 8,808,302
2012	\$ 6,110,000	\$ 2,707,692	\$ 8,817,692
2013	\$ 4,640,000	\$ 2,470,069	\$ 7,110,069
2014	\$ 4,840,000	\$ 2,262,179	\$ 7,102,179
2015-2028	\$ 43,910,000	\$ 13,171,477	\$ 57,081,477
<b>TOTAL</b>	<b>\$ 65,360,000</b>	<b>\$ 23,559,719</b>	<b>\$ 88,919,719</b>

These payments include the following issues:

- FY2000 issue of \$12,575,000 Series 1998 Refunding (Greenville Technical College project)
- FY2001 issue of \$13,380,000 Series 2001 Refunding (Courthouse project)
- FY2005 issue of \$13,290,000 Series 2005 Refunding (Courthouse project and Detention Center facilities project)
- FY2005 issue of \$11,740,000 Series 2005 Refunding Certificates of Participate (University Center project)
- FY2008 issue of \$35,710,000 through the Greenville County Tourism Public Facilities Corporation (Hospitality Tax COPs)

**SPECIAL SOURCE REVENUE BONDS**

The County issued Special Source Revenue Bonds beginning in 1996 to provide for specific county needs. These bonds are repaid primarily from fee-in-lieu-of-tax payments of certain designated properties located in multi-county parks within Greenville County. The annual requirements to amortize the County's Special Source Revenue Bonds are as follows:

YEAR ENDING JUNE 30	PRINCIPAL	INTEREST/FISCAL CHARGES	TOTAL
2011	\$ 2,100,000	\$ 989,634	\$ 3,089,634
2012	\$ 2,210,000	\$ 900,989	\$ 3,110,989
2013	\$ 1,645,000	\$ 800,159	\$ 2,445,159
2014	\$ 1,755,000	\$ 724,951	\$ 2,479,951
2015-2023	\$ 15,090,000	\$ 2,942,253	\$ 18,032,253
<b>TOTAL</b>	<b>\$ 22,800,000</b>	<b>\$ 6,357,986</b>	<b>\$ 29,157,986</b>

Each series is outlined below:

- Series 1996 issue for \$7,805,000 for parking facility improvements and communications equipment
- Series 1997 issue of \$3,860,000 for road improvements
- Series 1998 issue of \$8,315,000 for road improvements, communications equipment, and Donaldson runways and taxiways
- Series 2001 issue of \$6,265,000 for road improvements and various County projects
- Series 2003 issue of \$8,990,000 for road improvements and various County projects
- Series 2007 issue of \$7,545,000 for partial refunding of Series 1999 and 2001

**CAPITAL LEASES PAYABLE**

Greenville County's capital leases payable are a culmination of various contracts with a broad range of terms for machinery and equipment. The County's capital lease arrangement with a commercial bank was initiated in FY1993. On April 17, 1997, the County adopted a Master Lease Agreement. A total of twelve leases have been issued under the Master Lease Agreement, ten of which were for the acquisition of vehicles and equipment. Master leases 1-10 have been retired. The biennium budget includes debt service for master leases for FY2008 – FY2013, which include: FY2008 lease of \$1,500,000; FY2009 lease of \$1,500,000; FY2010 lease of \$750,000; FY2011 lease

of \$750,000; FY2012 lease of \$1,000,000; FY2013 lease of \$1,000,000. The following chart reflects the annual requirements to amortize the capital lease agreements for FY2011-FY2017:

YEAR ENDING JUNE 30	PRINCIPAL	INTEREST/FISCAL CHARGES	TOTAL
2011	\$ 920,002	\$ 92,396	\$ 1,012,398
2012	\$ 1,130,849	\$ 62,835	\$ 1,193,685
2013	\$ 1,213,769	\$ 35,161	\$ 1,248,930
2014	\$ 952,032	\$ 16,876	\$ 968,908
2015-2017	\$ 1,134,763	\$ 8,695	\$ 1,143,458
<b>TOTAL</b>	<b>\$ 5,351,416</b>	<b>\$ 215,964</b>	<b>\$ 5,567,379</b>

The following chart shows the total debt service obligations of the County.

	General Obligation Bonds	Certificates Of Participation	Special Source Revenue Bonds	Capital Leases	Total Debt Service
<b>Description</b>					
<b>Principal</b>					
2011	4,245,000	5,860,000	2,100,000	920,002	\$ 13,125,002
2012	3,840,000	6,110,000	2,210,000	1,130,849	13,290,849
2013	3,885,000	4,640,000	1,645,000	1,213,769	11,383,769
2014	4,025,000	4,840,000	1,755,000	952,032	11,572,032
2015-2028	60,240,000	43,910,000	15,090,000	1,134,763	120,374,763
<b>Total Principal</b>	<b>\$ 76,235,000</b>	<b>\$ 65,360,000</b>	<b>\$ 22,800,000</b>	<b>\$ 5,351,416</b>	<b>\$ 169,746,416</b>
<b>Interest</b>					
2011	2,940,257	2,948,302	989,634	92,396	\$ 6,970,589
2012	2,631,326	2,707,692	900,989	62,835	6,302,842
2013	2,489,232	2,470,069	800,159	35,161	5,794,621
2014	2,624,326	2,262,179	724,951	16,876	5,628,332
2015-2028	19,226,360	13,171,477	2,942,253	8,695	35,348,785
<b>Total Interest</b>	<b>\$ 29,911,501</b>	<b>\$ 23,559,719</b>	<b>\$ 6,357,986</b>	<b>\$ 215,964</b>	<b>\$ 60,045,170</b>
<b>Debt Service</b>					
2011	\$ 7,185,257	\$ 8,808,302	\$ 3,089,634	\$ 1,012,398	\$ 20,095,591
2012	6,471,326	8,817,692	3,110,989	1,193,685	19,593,692
2013	6,374,232	7,110,069	2,445,159	1,248,930	17,178,390
2014	6,649,326	7,102,179	2,479,951	968,908	17,200,364
2015-2028	79,466,360	57,081,477	18,032,253	1,143,458	155,723,548
<b>Total Debt Service</b>	<b>\$ 106,146,501</b>	<b>\$ 88,919,719</b>	<b>\$ 29,157,986</b>	<b>\$ 5,567,379</b>	<b>\$ 229,791,585</b>

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