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, Greenville County Tourism Public Facilities Corporation, and Greenville County Business Park Public Facilities Corporation are blended component units that were established in 1991, 2008 and 2015, 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. None of these entities had any activity during fiscal year 2016.

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 Business Park 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.

Note I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

1. Basis of Presentation

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.

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.

Capital Projects Reserve. This fund is used to accumulate funds that are set aside for use with specific projects that present a long-term capital investment or that may be related to a future capital expense.

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.

Note I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

1. Basis of Presentation

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.

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 $204,211,519 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).	$ 871,354,205
Less accumulated depreciation	(362,672,809)
Net capital assets (Net of Internal Service Funds of $208,836)	508,681,396
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 $94,101)	1,507,981
Deferred inflows for unearned tax revenues recorded in the fund statements.	5,312,000
Deferred outflows for unamortized amounts on refundings	6,140,105
Deferred inflows for pensions	(216,591)
Deferred outflows for pensions	17,885,326
Contribution of land	5,931,604
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	(146,493,098)
Net pension liability	(185,784,433)
Compensated absences (Net of Internal Service Fund $94,101)	(7,591,052)
Accrued interest payable	(1,161,719)
Subtotal	(341,030,302)
Total Adjustment	$ 204,211,519

Note I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

C. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS
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 $10,338,600 are as follows:

Capital outlay expenditures recorded in the fund statements but capitalized as assets in the statement of activities	$ 17,738,125
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.	2,980,719
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.	(19,458,334)
Gain (loss) on disposal of assets	(44,832)
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).	(306,498)
County's portion of collective pension expense	(14,757,107)
Contributions to the pension plan in the current fiscal year	12,069,897
Contributions of land	5,931,604
Difference in long-term debt and related items.	9,542,002
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.	(3,164,976)
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	(192,000)
Total Adjustment	$ 10,338,600

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.

Note I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

C. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS
Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

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 GASB Statement 62, "Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989, FASB and AICPA Pronouncements." 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, 2016 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

Note I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

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)		$ (2,176,152)
Prior period encumbrances paid in current year		1,061,457
Outstanding current year encumbrances	(1,248,192)	
Outstanding prior period encumbrances	246,334	
		(1,001,858)
Net change in fund balances – Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Major Governmental Funds (Budgetary basis)		$ (2,116,553)

Of the outstanding encumbrances as of June 30, 2016, the majority are related to community development and planning, as well as, boards, commissions & others and general services.

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	$	6,675,673
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		720,995
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		151,923
Fund balance - ending of Federal and State Grants without legally adopted budgets		7,779,833
Fund balance- ending - Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds - Federal and State Grant Fund	$	15,328,424

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	$	269,711
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		2,836,504
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		144,141
Fund balance – ending – Capital Projects Funds without legally adopted budgets		153,204
Fund balance - ending - Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Capital Projects Funds	$	3,403,560

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. Investment purchases and sales are recorded as of the trade date. Dividend income is recognized on the ex-dividend date. Other investment income is recognized when earned. Investments are reported at fair value. Fair value is the amount reasonably expected to be received for an investment in a current sale between a willing buyer and a willing seller. Fixed income securities are valued based on published market prices and quotations from national security exchanges and securities pricing services. The South Carolina State Investment Pool shares are valued at fair value. Net appreciation (depreciation) is determined by calculating the change in the fair value of investments between the beginning of the year and the end of the year, less purchases of investments at cost, plus sales of investments at fair value. Investment expenses consist of external expenses directly related to the County's investment operations.

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.

Note I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 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 seven and one-half 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. The Authority has experienced outstanding results in collecting these loans, with delinquency rates of approximately 6.0% and foreclosure rates of approximately 2.0%.

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. Property Held for Resale

Property held for resale is recorded as an asset at the lower of cost or estimated net realizable value. The County reported land held for resale in the Matrix Industrial Park at June 30, 2016 of $2,904,830 in the general fund and $8,836,434 in the governmental activities at the government-wide level.

8. 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.

9. 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 received prior to June 30, 2015 are recorded at their estimated fair market value at the date of donation. Donated capital assets received after June 30, 2015 are recorded at acquisition value at the date of donation.

Land, right-of-way easements, and construction in progress are not depreciated. Other capital assets of the County are

Note I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
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

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 2016.

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 thirty-nine 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

10. 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. The Authority includes the Brutontown Recreation Center as real property held for programs and has rented under a long-term lease at a nominal value.

11. 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.

Note I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
12. 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, 2016 was $7,867,869 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.

The Authority grants compensated annual leave for all employees in varying amounts based on length of service with a maximum vested accumulation of 37 days. All vacation pay is accrued when incurred int he government-wide financial statements.

13. 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.

14. 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.

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

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.

Note I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

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.

16. Capital Contributions

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

17. 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.

Note I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
18. New Pronouncements

The GASB has issued the following statements:

Statement No. 72, "Fair Value Measurement and Application." The requirements of this Statement are effective for the current fiscal year.

Statement No. 73, "Accounting and Financial Reporting for Pensions and Related Assets that are not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68." The requirements of this Statement are effective for the current fiscal year - except those provisions that address employers and governmental nonemployer contributing entities for pensions that are not within the scope of Statement 68, which are effective for fiscal years beginning after June 15, 2016. Earlier application is encouraged.

Statement No. 74, "Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans." The requirements of this Statement are effective for financial statements for fiscal years beginning after June 15, 2016.

Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions." The requirements of this Statement are effective for financial statements for fiscal years beginning after June 15, 2017.

Statement No. 76, "The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments." The requirements of this Statement are effective for the current fiscal year.

Statement No. 77, "Tax Abatement Disclosures." The requirements of this Statement are effective for financial statements for fiscal years beginning after December 15, 2015.

19. Subsequent Events

In preparing these financial statements, the County's management has evaluated events and transactions for potential recognition or disclosure through October 28, 2016, 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, 2016, the County's deposits had a carrying value of $50,764,775 and a bank balance of $69,544,805. Of the bank balance, $3,250,000 was covered by federal depository insurance while $66,294,805 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 maintains cash balances at three financial institutions and accounts at each institution are insured by Federal Deposit Insurance Corporation (FDIC) up to $250,000. 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, 2016 the Authority's carrying amount of deposits was $1,476,471 and the bank balance was $1,652,038, of which $1,227,504 was not covered by federal depository insurance. However, these deposits were collateralized. The Authority does not have formal investment policies limiting the amount it may invest in any one issuer, limiting its investments based on their credit rating, or limiting investment maturities as a means of managing exposure to fair value losses arising from rising interest rates.

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, 2016 cash on hand was $1,135.

2. Investments

As of June 30, 2016 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	$ 3,305,118	$ 3,305,118	$ -	$ -	$ -
Revenue Bonds	1,003,850	-	-	-	1,003,850
U.S Government Treasuries	29,795,023	2,503,736	2,001,796	14,146,757	11,142,734
U.S. Government Agencies	45,294,292	9,511,844	5,011,269	16,049,455	14,721,724
SC State Investment Pool	69,552,281	69,552,281	-	-	-
Total	$148,950,564	$ 84,872,979	$ 7,013,065	$ 30,196,212	$ 26,868,308

The County's investments measured and reported at fair value are classified according to the following hierarchy:

Level 1 - Investments reflect prices quoted in active markets.

Level 2 - Investments reflect prices that are based on a similar observable asset either directly or indirectly, which may include inputs in markets that are not considered to be active.

Level 3 - Investments reflect prices based upon unobservable sources.

The categorization of investments within the hierarchy is based upon the pricing transparency of the instrument and should not be perceived as the particular investment's risk. Money market mutual funds classified in Level 1 of the fair value hierarchy are valued directly from a predetermined primary external pricing vendor. Assets classified in Level 2 are subject to pricing by an alternative pricing source due to lack of information available by the primary vendor.

		Fair Value Measurements Using		
	June 30, 2016	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by Fair Value Level				
Money Markets	$ 3,305,118	$ 3,305,118	$ -	$ -
Revenue Bonds	1,003,850	-	1,003,850	-
US Government Treasuries	29,795,023	-	29,795,023	-
US Government Agencies	45,294,292	-	45,294,292	-
Total Investments by Fair Value Level	79,398,283	3,305,118	76,093,165	-
Investments Measured at the Net Asset Value (NAV)				
SC State Investment Pool	69,552,281			
Total Investments Measured at the NAV	69,552,281			
Total Investments	$ 148,950,564			

South Carolina Local Government Investment Pool ("SC State Investment Pool") investments are invested with the South Carolina State Treasurer's Office, which established the South Carolina Pool pursuant to Section 6-6-10 of the South Carolina Code. The Pool is an investment trust fund, in which public monies in excess of current needs, which are under the custody of any city treasurer or any governing body of a political subdivision of the State, may be deposited. In accordance with GASB Statement No. 31 "Accounting and Financial Reporting for Certain Investments and for External Investment Pools", investments are carried at fair value determined annually based upon quoted market prices for identical or similar investments. The total fair value of the Pool is apportioned to the entities with funds invested on an equal basis for each share owned, which are acquired at a cost of $1.00. Funds may be deposited by Pool participants at any time and may be withdrawn upon 24 hours' notice. Financial statements for the Pool may be obtained by writing the Office of State Treasurer, Local Government Investment Pool, Post Office Box 11778, Columbia, South Carolina 29211-1950.

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, 2016 Greenville County owned $45,294,292 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, 2016:

Cash and Investments	Fair and Carrying Value
Cash	$ 22,096
Deposits:	
Demand deposits	24,407,390
Certificates of deposits	26,357,385
Investments:	
Government securities	148,950,564
	$ 199,737,435

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

Carrying amount of deposits	$ 50,764,775
Cash on hand	22,096
Fair value of investments	148,950,564
	$ 199,737,435

Statement of Net Position:	
Cash and cash equivalents (governmental activities)	$ 99,328,006
Restricted assets – Investments (governmental activities)	3,305,118
Cash and cash equivalents (business type activities)	15,909,439
Statement of Fiduciary Net Position:	
Cash and equivalents (all fiduciary funds)	81,194,872
Total cash and investments	$ 199,737,435

Investments for the Library

As of June 30, 2016, the Library has the following investments and maturities:

Investment Type	Fair Value	Less than six months	6-12 months	1-3 years
Money Market	$ 9,214,903	$ 9,214,903	$ -	$ -
Totals	$ 9,214,903	$ 9,214,903	$ -	$ -

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	$ 13,797,172
Cash on hand	1,135
Fair value of investments	9,214,903
Cash and Investments	$ 23,013,210

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, 2016 was $2,184,257,373. The estimated market value was $41,712,350,995 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, 2016 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, 2016, was 8.5 mills per $1,000 of assessed valuation.

4. Receivables

	General Fund	Federal and State Grant Fund	Enterprise Funds	Parks, Recreation & Tourism	Capital Projects Reserve	Agencies - Greenville Technical College	Nonmajor Funds
Receivables							
Taxes receivable	$ 5,109,541	$ -	$ 290,431	$ 452,328	$ -	$ -	$ 1,343,342
Other receivables	1,554,919	1,286,837	912,314	78,352	7,107	14,082	30,893
Due from other governmental units	7,580,082	2,977,619	-	95,005	-	-	-
Total Receivables	$ 14,244,542	$ 4,264,456	$ 1,202,745	$ 625,685	$ 7,107	$ 14,082	$ 1,374,235

	Total	Adjustments to Full-Accrual	Total
Receivables			
Taxes receivable	$ 7,195,642	$ -	$ 7,195,642
Other receivables	3,884,504	61,797	3,946,301
Due from other governmental units	10,652,706	86,059	10,738,765
Total Receivables	$ 21,732,852	$ 147,856	$ 21,880,708

Adjustments to full-accrual include $147,856 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 $32,826,182 in taxes receivable 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, 2016 were as follows:

	Due from other Governments	Property Taxes	Accrued Fines	Other	Total
Governmental activities					
General	$ 214,594	$ 781,165	$ 1,046,940	$ 2,020	$ 2,044,719
Capital Projects	39,299	141,405	-	19,940	200,644
Total receivable	253,893	922,570	1,046,940	21,960	2,245,363
Allowance for doubtful accounts	-	(16,492)	(778,426)	-	(794,918)
Total governmental activities	$ 253,893	$ 906,078	$ 268,514	$ 21,960	$ 1,450,445

The Authority has $8,486,822 rehabilitation loans and advances receivable, $4,203,263 mortgage loans receivable, $300,482 other accounts receivable and $429,932 grants receivable at June 30, 2016.

5. Capital Assets

Primary Government

Capital asset activity for the governmental activities for the year ended June 30, 2016 was as follows:

	Beginning Balances	Increases	Decreases and Adjustments	Transfers	Ending Balances
Governmental activities:					
Capital assets not being depreciated					
Land	$ 22,669,984	$ 2,906,736	$ -	$ -	$ 25,576,720
Construction in progress	187,367	4,115,746	-	-	4,303,113
Software developed or obtained for internal use	476,335	722,080	-	-	1,198,415
Right-of-way easements	30,598,195	128,030	-	-	30,726,225
Total capital assets not being depreciated	53,931,881	7,872,592	-	-	61,804,473
Capital assets being depreciated:					
Buildings	118,565,466	1,755,190	-	-	120,320,656
Improvements	26,160,453	1,635,821	-	-	27,796,274
Equipment	21,091,225	1,206,888	(526,927)	-	21,771,186
Recreation equipment	3,053,374	69,484	-	-	3,122,858
Vehicles	17,690,391	2,815,336	(1,325,311)	-	19,180,416
Infrastructure	613,066,830	5,381,415	-	-	618,448,245
Total capital assets being depreciated	799,627,739	12,864,134	(1,852,238)	-	810,639,635
Less accumulated depreciation for:					
Buildings	34,443,135	2,765,339	-	-	37,208,474
Improvements	12,115,391	1,002,652	-	-	13,118,043
Equipment	15,392,116	1,136,225	(521,620)	-	16,006,721
Recreation equipment	732,831	350,651	-	-	1,083,482
Vehicles	13,269,540	1,958,559	(1,285,786)	-	13,942,313
Infrastructure	269,924,536	12,270,307	-	-	282,194,843
Total accumulated depreciation	345,877,549	$ 19,483,733	$ (1,807,406)	$ -	363,553,876
Total capital assets depreciated, net	453,750,190				447,085,759
Governmental activities capital assets, net	$ 507,682,071				$508,890,232

Primary Government

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

Administrative Services	$ 11,685
General Services	26,527
Community Development and Planning	14,660,913
Emergency Medical Services	486,219
Parks, Recreation & Tourism	2,114,691
Public Safety	244,225
Judicial Services	37,305
Fiscal Services	1,484
Law Enforcement Services	1,831,163
Boards, Commissions, & Others	69,521
Total Depreciation Expense	$ 19,483,733

Appropriations to date of approximately $27,559,577 exist for various renovation and construction projects for the County. At June 30, 2016, unspent appropriations related to construction contracts approximated $4,774,062.

Governmental activities donated assets for fiscal year 2016 included infrastructure additions of approximately $2,960,969, as well as, miscellaneous other assets of approximately $19,750.

Capital asset activity for the business-type activities for the year ended June 30, 2016, 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	14,271	-	-	4,760,702
Improvements	2,899,969	-	-	-	2,899,969
Equipment	9,405,307	980,545	(9,271)	-	10,376,581
Vehicles	1,096,595	-	(278,640)	-	817,955
Total capital assets being depreciated	18,148,302	994,816	(287,911)	-	18,855,207
Less accumulated depreciation for:					
Buildings	1,762,967	150,695	-	-	1,913,662
Improvements	1,507,667	77,375	-	-	1,585,042
Equipment	7,642,552	446,904	(9,271)	-	8,080,185
Vehicles	860,125	35,670	(278,640)	-	617,155
Total accumulated depreciation	11,773,311	$ 710,644	$ (287,911)	$ -	12,196,044
Total capital assets depreciated, net	6,374,991				6,659,163
Business-type activities capital assets, net	$ 12,355,746				$ 12,639,918

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	513,333	40,000	-	-	553,333
Total accumulated depreciation	513,333	$ 40,000	$ -	$ -	553,333
Total capital assets depreciated, net	1,486,667				1,446,667
Business-type activities capital assets, net	$ 2,546,667				$ 2,506,667

Stormwater Enterprise Fund:	Beginning Balances	Increases	Disposals and Adjustments	Transfers	Ending Balances
Capital assets, not being depreciated:					
Land	$ 2,415,072	$ 294,120	$ -	$ -	$ 2,709,192
Total capital assets not being depreciated	2,415,072	294,120	-	-	2,709,192
Capital assets being depreciated:					
Buildings	96,403	-	-	-	96,403
Improvements	228,296	-	-	-	228,296
Equipment	980,298	156,584	-	-	1,136,882
Vehicles	346,807	41,888	-	-	388,695
Infrastructure	6,930,527	596,417	-	-	7,526,944
Total capital assets being depreciated	8,582,331	794,889	-	-	9,377,220
Less accumulated depreciation for:					
Buildings	4,017	1,928	-	-	5,945
Improvements	79,898	15,219	-	-	95,117
Equipment	325,129	124,115	-	-	449,244
Vehicles	212,261	25,419	-	-	237,680
Infrastructure	427,433	139,606	-	-	567,039
Total accumulated depreciation	1,048,738	$ 306,287	$ -	$ -	1,355,025
Total capital assets being depreciated, net	7,533,593				8,022,195
Business-type activities capital assets, net	$ 9,948,665				$ 10,731,387

Discretely Presented Component Units

Capital asset activity for the Greenville County Redevelopment Authority for the year ended June 30, 2016 was as follows:

	Beginning Balances	Increases	Decreases	Ending Balance
Capital assets, being depreciated:				
Equipment and vehicles	$ 578,748	$ 4,191	$ (23,967)	$ 558,972
Buildings	-	1,491,621	-	1,491,621
Total capital assets being depreciated	578,748	1,495,812	(23,967)	2,050,593
Less accumulated depreciation for:				
Equipment and vehicles	192,967	72,360	(23,967)	241,360
Total accumulated depreciation	192,967	$ 72,360	$ (23,967)	241,360
Total capital assets being depreciated, net	$ 385,781			$ 1,809,233

Depreciation expense for the Authority for the year ended June 30, 2016 was $72,360 of which $65,848 was charged to housing services and $6,512 was charged to administration. The Authority is committed under various construction contracts for completion of ongoing projects in the amount of $773,208 as of June 30, 2016.

Capital asset activity for the Greenville County Library for the year ended June 30, 2016, 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	413,725	-	-	421,725
Total capital assets not being depreciated	3,671,636	413,725	-	-	4,085,361
Capital assets, being depreciated:					
Land improvements	516,867	-	-	-	516,867
Buildings	33,163,466	-	-	-	33,163,466
Furniture, equipment, and vehicles	1,958,668	125,863	(54,084)	-	2,030,447
Library materials	7,365,254	1,052,601	(864,386)	-	7,553,469
Signs	171,796	-	-	-	171,796
Total capital assets being depreciated	43,176,051	1,178,464	(918,470)	-	43,436,045
Less accumulated depreciation for:					
Land improvements	438,112	21,203	-	-	459,315
Buildings	10,509,172	781,112	-	-	11,290,284
Furniture and equipment	1,465,383	145,717	(54,084)	-	1,557,016
Library materials	4,118,366	1,107,387	(864,386)	-	4,361,367
Signs	171,796	-	-	-	171,796
Total accumulated depreciation:	16,702,829	$ 2,055,419	$ (918,470)	$ -	17,839,778
Total capital assets being depreciated, net	26,473,222				25,596,267
Capital assets, net	$ 30,144,858				$ 29,681,628

Depreciation expense for the Library for the year ended June 30, 2016 was $2,055,419.

B. LIABILITIES

1. Payables

Payables at the government-wide level at June 30, 2016 were as follows:

	Fund Financial Statements							Government-wide Financial Statements	
	General Fund	Federal and State Grant Fund	Parks, Recreation & Tourism	Agencies - Greenville Technical College	Nonmajor Governmental Funds	Enterprise Funds	Total	Adjustments to Full-Accrual	Total
Payables:									
Accounts payable	$ 1,087,930	$ 380,426	$ 406,187	$ 984,584	$ 1,547,763	$ 549,982	$ 4,956,872	$ 388,052	$ 5,344,924
Accrued liabilities	5,031,747	222,841	323,727	-	85,461	115,905	5,779,681	32,010	5,811,691
Accrued interest	-	-	-	-	-	-	-	1,161,719	1,161,719
Other liabilities	1,398,898	2,234	59,150	-	-	107,680	1,567,962	3,944,000	5,511,962
Total accounts payable and accrued liabilities	$ 7,518,575	$ 605,501	$ 789,064	$ 984,584	$ 1,633,224	$ 773,567	$ 12,304,515	$ 5,525,781	$ 17,830,296

Adjustments to Full-Accrual include $4,364,062 related to recording internal service funds and $1,161,719 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 $22,164,545 due to others. 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 (State Fiscal Accountability Authority effective July 1, 2015), which consists of five elected officials, also reviews certain PEBA Board decisions regarding the funding of the South Carolina Retirement Systems (Systems) and serves as a co-trustee of the Systems in conducting that review.

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

PEBA issues a Comprehensive Annual Financial Report (CAFR) containing financial statements and required supplementary information for the South Carolina Retirement Systems' Pension Trust Funds. The CAFR is publicly available through 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 SCRS 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 part of the retirement systems' trust funds 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 and a portion of the employer contribution (5 percent). A direct remittance is also required to SCRS for the remaining portion of the employer contribution and an incidental death benefit contribution, if applicable, which is retained by SCRS.

• 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. Upon recommendation by the actuary in the annual actuarial valuation, the PEBA Board may adopt and present to the Budget and Control Board for approval an increase in the SCRS and PORS employer and employee contribution rates, but any such increase may not result in a differential between the employee and total 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 (1) are as follows:

	Fiscal Year 2016	Fiscal Year 2015
SCRS		
Employee Class Two	8.16%	8.00%
Employee Class Three	8.16%	8.00%
State ORP		
Employee	8.16%	8.00%
PORS		
Employee Class Two	8.74%	8.41%
Employee Class Three	8.74%	8.41%

Required employer contribution rates (1) are as follows:

	Fiscal Year 2016	Fiscal Year 2015
SCRS		
Employer Class Two	10.91%	10.75%
Employer Class Three	10.91%	10.75%
Employer Incidental Death Benefit	.15%	.15%
State ORP		
Employer Contribution (2)	10.91%	10.75%
Employer Incidental Death Benefit	.15%	.15%
PORS		
Employer Class Two	13.34%	13.01%
Employer Class Three	13.34%	13.01%
Employer Incidental Death Benefit	.20%	.20%
Employer Accidental Death Program	.20%	.20%

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

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

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. NPL totals, as of June 30, 2015, for SCRS and PORS are presented below.

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	$44,097,310,230	$25,131,828,101	$18,965,482,129	57.0 %
PORS	6,151,321,222	3,971,824,838	2,179,496,384	64.6 %

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. Liability calculations performed by the Systems' actuary for the purpose of satisfying the requirements of GASB Nos. 67 and 68 are not applicable for other purposes, such as determining the plans' funding requirements.

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. Actuarial assumptions and methods used during the annual valuation process are subject to periodic revision, typically with an experience study, as actual results over an extended period of time 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, performed on data through June 30, 2015 is currently underway.

The June 30, 2015, total pension liability, net pension liability, and sensitivity information were determined by our consulting actuary, Gabriel, Roeder, Smith and Company (GRS) and are based on the July 1, 2014, actuarial valuations, as adopted by the PEBA Board and Budget and Control Board which utilized membership data as of July 1, 2014. The total pension liability was rolled-forward from the valuation date to the plan's fiscal year ended June 30, 2015, using generally accepted actuarial principles. Information included in the following schedules is based on the certification provided by GRS.

The following provides a summary of the actuarial assumptions and methods used in the July 1, 2014, valuations for SCRS and PORS.

	SCRS	PORS
Actuarial cost method	Entry age normal	Entry age normal
Actuarial assumptions:		
Investment rate of return (1)	7.5%	7.5%
Projected salary increases (1)	3.5% to 12.5% (varies by service)	4.0% to 10% (varies by service)
Benefit adjustments	lesser of 1% or $500 annually	lesser of 1% or $500 annually

(1) Includes inflation at 2.75%

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. Assumptions used in the July 1, 2014, valuations for SCRS and PORS are as follows:

Former Job Class	Males	Females
Educators	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 100%	RP-2000 Females multiplied by 90%
Public Safety and Firefighters	RP-2000 Males (with Blue Collar adjustment) multiplied by 115%	RP-2000 Females (with Blue Collar adjustment) multiplied by 115%

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments, as used in the July 1, 2014, actuarial valuations, was based upon the 30 year capital market outlook at the end of the fourth quarter 2013, as developed by the Retirement Systems Investment Commission in collaboration with its investment consultant, Aon Hewitt. The long-term expected rate of returns represent assumptions developed using an arithmetic building block approach, reflecting observable inflation and interest rate information available in the fixed income markets as well as Consensus Economics forecasts. Long-term assumptions for other asset classes are based on historical results, current market characteristics and professional judgment.

The expected returns, along with the expected inflation rate, form the basis for the target asset allocation as adopted by the Investment Commission for fiscal year 2015. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and by adding expected inflation and is summarized in the table on the following page. For actuarial purposes, the 7.50 percent assumed annual investment rate of return set in statute and 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 %	1.90 %	0.04 %
Short Duration	3 %	2.00 %	0.06 %
Domestic Fixed Income	**13 %**		
Core Fixed Income	7 %	2.70 %	0.19 %
Mixed Credit	6 %	3.80 %	0.23 %
Global Fixed Income	**9 %**		
Global Fixed Income	3 %	2.80 %	0.08 %
Emerging Markets Debt	6 %	5.10 %	0.31 %
Global Public Equity	**31 %**	7.10 %	2.20 %
Global Tactical Asset Allocation	**10 %**	4.90 %	0.49 %
Alternatives	**32 %**		
Hedge Funds (Low Beta)	8 %	4.30 %	0.34 %
Private Debt	7 %	9.90 %	0.69 %
Private Equity	9 %	9.90 %	0.89 %
Real Estate (Broad Market)	5 %	6.00 %	0.30 %
Commodities	3 %	5.90 %	0.18 %
Total Expected Real Return	100 %		6.00 %
Inflation for Actuarial Purposes			2.75 %
Total Expected Nominal Return			8.75 %

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 the funding policy specified in the South Carolina State Code of Laws will remain unchanged in future years. 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% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
SCRS	$ 156,956,352	$ 124,499,314	$ 97,293,699
PORS	90,554,540	66,475,054	44,949,294

Net Pension Liability

At June 30, 2016, the County reported liabilities of $124,499,314 and $66,475,054 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, 2015, the County's proportionate shares of the SCRS and PORS plans were 0.65645% and 3.05002% compared to 0.65522% and 3.00146% respectively, for June 30, 2014.

For fiscal year ended June 30, 2016, the Authority reported a net pension liability of $1,341,596 for its proportionate share of net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. At June 30, 2015 the Authority's proportion was .006227%.

At June 30, 2016, the Library reported a liability of $13,949,849 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Library's proportion of the net pension liability was based on a projection of the Library's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

Pension Expense

For the year ended June 30, 2016, the County recognized pension expense for the SCRS and PORS plans of $9,096,481 and $6,127,575, respectively. The Library and the Authority recognized pension expense of $1,017,212 and $90,207 respectively.

Deferred inflows of resources and deferred outflows of resources

At June 30, 2016, 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 $10,238,977 consisting of differences between expected and actual experience of $2,211,904, the net difference between projected and actual earnings on pension plan investments of $833,327, changes in proportion and differences between employer contributions and proportionate share of contributions of $167,560 and County contributions subsequent to the measurement date of $7,026,186. There were deferred inflows of resources of $222,641 for the SCRS plan consisting of differences between expected and actual experience.

For the PORS plan, there were total deferred outflows of resources of $8,168,443 consisting of differences between expected and actual experience of $1,317,543, the net difference between projected and actual earnings on pension plan investments of $727,350, changes in proportion and differences between employer contributions and proportionate share of contributions of $793,589 and County contributions subsequent to the measurement date of $5,329,961. There were no deferred inflows of resources consisting of differences between expected and actual earnings on pension plan investments for the PORS plan.

The $7,026,186 and $5,329,961 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, 2016 will be recognized as a reduction of the net pension liabilities in the year ending June 30, 2017.

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, ($585,960) will be recognized for the fiscal years 2017 and 2018. For fiscal year 2019, $173,794 will be recognized and ($1,992,024) will be recognized in 2020.

For the PORS plan, ($415,791) will be recognized for the fiscal years 2017 and 2018. For fiscal year 2019 ($357,601) will be recognized and ($1,649,299) will be recognized in 2020.

As of June 30, 2016, the Authority reported deferred outflows of resources, $186,882, and deferred inflows of resources, $376,740, related to pensions. $90,207 of deferred outflows of resources resulting from the Authority's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2017.

As of June 30, 2016, the Library reported deferred outflows of resources, $1,143,801, and deferred inflows of resources, $24,850, related to pensions. $752,936 of deferred outflows of resources resulting from the Library's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2017.

Covered Payroll and Contributions

The payroll for County employees covered by the SCRS totaled $63,527,893 and $61,528,241 for the year ended June 30, 2016 and 2015, while the payroll for PORS covered employees totaled $38,791,573 and $37,785,511, respectively. The County's total payroll, which includes some part-time employees not covered under either retirement system, was $102,319,466. Total employee salaries for the Library for the period ended June 30, 2016 were $6,928,619 of which $6,869,884 was for employees covered by SCRS. The Authority's total payroll for all employees was $841,869.

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

	Employer			**Employee**		
Year Ended	Percent	SCRS	PORS	Percent	SCRS	PORS
June 30, 2016	100 %	$ 7,026,186	$ 5,329,961	100 %	$ 5,183,877	$ 3,390,383
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

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

	SCRS	
	Employer	Employee
June 30, 2016	$ 90,207	$ 68,647
June 30, 2015	86,319	63,264
June 30, 2014	81,298	57,502

The Library's contributions to PORS for employer and employee portions expressed as a dollar amount in 2016 were $3,599 and $2,358 respectively.

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

	SCRS	
	Employer	Employee
June 30, 2016	$ 757,639	$ 566,666
June 30, 2015	738,513	548,310
June 30, 2014	691,741	496,465

b. Post Employment Benefits Other Than Pensions

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	$ 389,000
Interest on normal cost	18,330
Amortization payment	285,000
Interest on amortization payment	3,000
Annual Required Contribution	695,330
Interest on Net OPEB Obligation	124,927
Adjustment to Annual Required Contribution	(106,016)
Annual OPEB cost (expense)	714,241
Contributions and payments made	(460,968)
Increase in net OPEB Obligation	253,273
Net OPEB Obligation - July 1, 2015	2,776,149
Net OPEB Obligation - June 30, 2016	$ 3,029,422

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, 2014	$ 959,419	67 %	$ 2,570,335
June 30, 2015	681,949	70 %	2,776,149
June 30, 2016	714,241	65 %	3,029,422

Funded Status and Funding Progress: As of July 1, 2015, 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, 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 %
June 30, 2016	July 1, 2014	-	7,150,140	7,150,140	- %	102,319,466	7.0 %

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	$ 101,748
Interest on Net OPEB Obligation	8,670
Adjustment to Annual Required Contribution	(8,022)
Annual OPEB Cost (Expense)	102,396
Contributions and payments made	(62,741)
Increase in Net OPEB Obligation	39,655
Net OPEB Obligation - July 1, 2015	173,395
Net OPEB Obligation - June 30, 2016	$ 213,050

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, 2016	$ 102,396	61 %	$ 213,050
June 30, 2015	97,213	44 %	173,395
June 30, 2014	116,899	87 %	118,888

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 $6,971,419 and UAAL as a percentage of covered payroll was 12.38%.

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 $5.7 million liability reported as landfill closure and postclosure represents total costs to date, as of June 30, 2016. 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	8	100	1994	$ 320,000
Enoree Phase II	22	100	2007	984,280
Enoree C & D	23	100	2007	310,500
Blackberry Valley	1	100	1987	70,000
Piedmont I & II	1	100	1979	10,000
Piedmont III	5	100	1991	140,000
Simpsonville	1	100	1976	28,000
Twin Chimneys Unit 1	30	78	2007	3,533,400
Twin Chimneys C & D	30	33	2007	353,100
				$ 5,749,280

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)	$ 4,484,000	$ -
Taxes receivable, net (Parks, Recreation & Tourism Fund)	280,000	-
Taxes receivable, net (Special Revenue)	272,000	-
Taxes receivable, net (Debt Service)	276,000	-
Unearned revenue (Federal and State Grant Fund)	-	520,040
Total	$ 5,312,000	$ 520,040

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	$ 568,501	$ -
Property taxes - Capital projects fund	98,577	-
Total	$ 667,078	$ -

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 $29,591,990 for medical and dental claims in fiscal year 2016. 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 $1,980,367. 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, 2016:

	Workers' Compensation		Health and Dental	
	Year Ended June 30, 2016	Year Ended June 30, 2015	Year Ended June 30, 2016	Year Ended June 30, 2015
Unpaid claims, beginning of year	$ 2,300,000	$ 2,000,000	$ 2,200,000	$ 2,100,000
Claim payments	(1,980,367)	(1,506,800)	(29,591,990)	(27,380,462)
Incurred claims (including IBNR)	2,280,367	1,806,800	29,691,990	27,480,462
Unpaid claims, end of year	$ 2,600,000	$ 2,300,000	$ 2,300,000	$ 2,200,000
Current Portion	$ 1,690,000	$ 1,495,000	$ 2,254,000	$ 2,156,000

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, $1,376,758 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, 2016:

	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, 2015	$ 78,045,363	$ 51,750,000	$ 17,075,000	$ 473,210	$ 2,850,775	$ 5,695,488	$ 7,502,256	$163,392,092
Additions	10,080,000	-	6,846,000	-	688,119	3,974,500	6,041,180	27,629,799
Adjustments	4,614	-	-	-	-	14	-	4,628
Retirements	(15,824,977)	(6,075,000)	(6,408,000)	(80,570)	(255,356)	(2,346,082)	(5,858,283)	(36,848,268)
Balance at June 30, 2016	$ 72,305,000	$ 45,675,000	$ 17,513,000	$ 392,640	$ 3,283,538	$ 7,323,920	$ 7,685,153	$154,178,251
Current Portion of Long-term Obligations	$ 6,025,000	$ 6,265,000	$ 2,741,000	$ 80,570	$ 340,000	$ 2,536,424	$ 691,663	$ 18,679,657

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, 2015	$ 6,306,720	$ 191,229	$ 6,497,949
Additions	160,400	158,604	319,004
Retirements	(717,840)	(167,117)	(884,957)
Balance at June 30, 2016	$ 5,749,280	$ 182,716	$ 5,931,996
Current Portion of Long-term Obligations	$ 234,240	$ 16,445	$ 250,685

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 2016:

Governmental Activities:	
General obligation bond, series 2008C, Road Improvements (pays 2018)	$ 5,930,000
General obligation bond, series 2011A, Greenville Technical College (pays 2021)	3,555,000
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, 2016	$ 38,705,000

b. General Obligation Bonds

General obligation bonds payable at June 30, 2016 are comprised of the following individual issues:

$549,000 (2013D Greenville County General Obligation Bond due in annual installments of $30,000 through April 1, 2017; interest at 4.06%)	$ 30,000
$10,080,000 (2016A Greenville County General Obligation Refunding Bonds due in annual installments of $105,000 to $1,025,000 through April 2032; interest at 2% to 4%) A74	10,080,000
$4,200,000 (2007 General Obligation Bonds, Greenville Technical College Building Project; due in annual installments of $190,000 to $200,000 through April 1, 2018; interest at 4% to 4.5%) A65	390,000
$10,000,000 (2008C General Obligation Bonds, Road Improvements, due in annual installments of $455,000 to $470,000 through April 1, 2018; interest at 3% to 5%) A66	925,000
$5,615,000 (2011A General Obligation Bonds, Greenville Technical College, due in annual installments of $230,000 to $260,000 through April 1, 2021; interest at 2.5% to 4.125%) A67	1,220,000
$3,950,000 (2011D General Obligation Refunding Bonds, due in annual installments of $390,000 to $445,000 through April 1, 2022; interest at 2% to 4%) A68	2,490,000
$7,770,000 (2012 General Obligation Refunding Bonds, due in annual installments of $630,000 to $805,000 through April 1, 2026; interest at 2% to 3%) A69	7,150,000
$20,115,000 (2013A General Obligation Refunding Bonds due in annual installments of $2,165,000 to $1,265,000 through April 1, 2025; interest at 1.0% to 2.8%) A70	16,050,000
$2,445,000 (2013B General Obligation Refunding Bonds, due in annual installments of $380,000 to $410,000 through April 1, 2021; interest at 1% to 2.25%) A71	1,990,000
$25,000,000 (2014 General Obligation Bonds, Greenville Technical College, due in annual installments of $955,000 to $1,690,000 through April 2034; interest at 2.75% to 4.00%) A72	23,185,000
$8,880,000 (2014A General Obligation Refunding Bonds, due in annual installments of $495,000 to $950,000 through April 1, 2028; interest at 2% to 4.00%) A73	8,795,000
	$ 72,305,000

In March of 2016, Greenville County advance refunded and defeased a portion of the Series 2008C and Series 2011A and currently refunded all of the outstanding Series 2013D General Obligation Bonds. The County issued Series 2016A certificates in the aggregate principal amount of $10,080,000. The Series 2016A certificates are dated as of March 22, 2016 and bear interest at 2.00% to 4.00% payable semiannually on April 1 or October of each year, commencing October 1, 2016. The issuance of the 2016A refunding bonds resulted in an economic gain of $652,381. Additionally, the aggregate reacquisition price of the new debt exceeded the aggregate net carrying amount of the old debt by $91,541. This amount is presented as a deferred outflow of resources and amortized over the life of the old bonds.

In September 2015, the County issued $3,733,000 Recreation System Revenue Refunding Bonds, Series 2015A to currently refund all of the Series 2013 (Recreation System Revenue Bonds) and also issued $3,113,000 Series 2015B Recreation System Revenue Bonds for the purpose of defraying the costs of improvements, including operating costs and paying costs and expenses relating to the issuance of the Series 2015B bonds. Proceeds from the 2015B bonds are held and maintained by the trustee in a fund known as the "2015B Construction Fund." Interest on the 2015A bonds is 2.35% and interest on the 2015B bonds is 2.75% and is payable semiannually on April 1 and October 1, commencing April 1, 2016, respectively. The bonds mature in April, 2024 and April, 2025, respectively. The issuance of the 2015A refunding bonds resulted in no economic gain or loss. Additionally, the aggregate reacquisition price of the new debt was equal to the aggregate net carrying amount of the old debt.

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
2017	$ 6,025,000	$ 2,521,645	$ 8,546,645
2018	6,110,000	2,390,396	8,500,396
2019	5,890,000	1,964,671	7,854,671
2020	6,040,000	1,785,170	7,825,170
2021	6,230,000	1,595,915	7,825,915
2022	5,515,000	1,283,676	6,798,676
2023	5,240,000	1,097,138	6,337,138
2024	5,395,000	941,101	6,336,101
2025	5,165,000	786,694	5,951,694
2026	3,995,000	603,174	4,598,174
2027	3,285,000	474,124	3,759,124
2028	2,695,000	376,077	3,071,077
2029	1,760,000	298,288	2,058,288
2030	1,820,000	249,050	2,069,050
2031	1,880,000	198,138	2,078,138
2032	1,940,000	145,550	2,085,550
2033	1,630,000	91,300	1,721,300
2034	1,690,000	46,476	1,736,476
	$ 72,305,000	$ 16,848,583	$ 89,153,583

At June 30, 2016, 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, 2016, 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
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
	$ 45,675,000	$ 11,397,058	$ 57,072,058

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
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
	$ 3,000,000	$ 147,620	$ 3,147,620

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
2017	$ 1,670,000	$ 46,092	$ 1,716,092
	$ 1,670,000	$ 46,092	$ 1,716,092

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
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
	$ 24,280,000	$ 6,884,038	$ 31,164,038

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
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
	$ 3,760,000	$ 133,144	$ 3,893,144

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
2017	$ 1,615,000	$ 64,600	$ 1,679,600
	$ 1,615,000	$ 64,600	$ 1,679,600

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
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
	$ 11,350,000	$ 4,121,564	$ 15,471,564

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
2017	$ 2,741,000	$ 489,308	$ 3,230,308
2018	2,747,000	411,182	3,158,182
2019	2,617,000	330,908	2,947,908
2020	2,257,000	252,641	2,509,641
2021	2,303,000	188,924	2,491,924
2022	1,883,000	123,232	2,006,232
2023	1,934,000	75,754	2,009,754
2024	680,000	26,997	706,997
2025	351,000	9,653	360,653
	$ 17,513,000	$ 1,908,599	$ 19,421,599

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
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
	$ 3,330,000	$ 364,814	$ 3,694,814

SSRB 12/13 Recreation System Revenue Bonds

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. They have annual principal installments and semi-annual interest payments. The interest rate of the series 2011 refunding bonds is 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 is due in annual principal installments, bears an interest rate of 3.02%, and matures on April 1, 2024. Interest is payable semi-annually.

In September 2015, the County issued $3,733,000 Recreation System Revenue Refunding Bonds, Series 2015A to currently refund all of the Series 2013 (Recreation System Revenue Bonds) and also issued $3,113,000 Series 2015B Recreation System Revenue Bonds for the purpose of defraying the costs of improvements, including operating costs and paying costs and expenses relating to the issuance of the Series 2015B bonds. Interest on the 2015A bonds is 2.35% and interest on the 2015B bonds is 2.75% and is payable semiannually on April 1 and October 1, commencing April 1, 2016. The bonds mature in April, 2024 and April, 2025, respectively. The annual requirements to amortize the County's series 2015A Recreation System Revenue Refunding Bonds are as follows:

Year Ending June 30	Principal	Interest	Total
Series 2015A			
2017	$ 414,000	$ 83,073	$ 497,073
2018	427,000	73,344	500,344
2019	444,000	63,309	507,309
2020	456,000	52,875	508,875
2021	468,000	42,159	510,159
2022	485,000	31,161	516,161
2023	502,000	19,764	521,764
2024	339,000	7,967	346,967
	3,535,000	373,652	3,908,652
Series 2015B			
2017	$ 282,000	$ 78,045	$ 360,045
2018	290,000	70,290	360,290
2019	298,000	62,315	360,315
2020	306,000	54,120	360,120
2021	315,000	45,705	360,705
2022	323,000	37,043	360,043
2023	332,000	28,160	360,160
2024	341,000	19,030	360,030
2025	351,000	9,653	360,653
	2,838,000	404,361	3,242,361
Total recreation bonds	$ 6,373,000	$ 778,013	$ 7,151,013

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
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
	$ 6,565,000	$ 725,352	$ 7,290,352

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
2017	$ 770,000	$ 29,258	$ 799,258
2018	475,000	11,162	486,162
	$ 1,245,000	$ 40,420	$ 1,285,420

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 twenty-one leases have been issued under the Master Lease agreement, twenty of which were for the acquisition of vehicles and heavy equipment. Of the twenty-one issues, six remain outstanding. Additionally, the Greenville County Department of Parks, Recreation & Tourism has a total of seven 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, 2016 are as follows:

Governmental Activities

Year Ending June 30	Principal	Interest	Total
2017	$ 2,536,424	$ 100,606	$ 2,637,030
2018	2,165,685	66,264	2,231,949
2019	1,608,252	37,280	1,645,532
2020	798,067	15,479	813,546
2021-2023	215,492	12,705	228,197
	$ 7,323,920	$ 232,334	$ 7,556,254

Assets acquired under capital leases recorded in the accompanying government-wide statement of net position at June 30, 2016 were as follows: Vehicles and Equipment $23,619,651. Accumulated depreciation associated with these assets is approximately $16,048,565 resulting in net book value of approximately $7,571,086.

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, 2016 there were 15 Industrial Revenue Bonds outstanding, with an estimated principal payable of $372,451,262 .

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, 2016:

Long-term Obligations	Accrued General Leave
Balance at July 1, 2015	$ 273,241
Additions to general leave	448,825
Retirements	(273,241)
	448,825
Less: current portion	(187,787)
Balance at	$ 261,038

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, 2016 which are included in accrued liabilities in the financial statements.

	Accrued General Leave
Balance at July 1, 2015	$ 34,070
Net change in compensated absences	(10,575)
Balance at June 30, 2016	$ 23,495

C. Interfund Balances and Activity

	Payable Fund		
Receivable Fund	Capital Projects Reserve	Nonmajor Governmental Funds	Total
General Fund	$ 4,149,882	$ 1,445,350	$ 5,595,232
	$ 4,149,882	$ 1,445,350	$ 5,595,232

Loans made from the general fund to the capital projects reserve and three debt service funds to cover negative cash balances resulted in a balance of $5,595,232.

	Transfers In:					
Transfers Out:	General Fund	Federal and State Grant Fund	Parks, Recreation & Tourism	Capital Projects Reserve	Nonmajor Governmental Funds	
General Fund	$ -	$ 156,879	$ -	$ -	$ 4,044,728	$ 4,201,607
Parks, Recreation & Tourism	-	-	-	-	1,861,871	1,861,871
Capital Projects Reserve	-	-	-	15,865	915,343	931,208
Nonmajor Governmental	6,027,906	-	1,334,784	-	11,816,525	19,179,215
Enterprise Funds	-	-	-	-	247,050	247,050
Internal Service Funds	250,000	-	-	-	-	250,000
	$ 6,277,906	$ 156,879	$ 1,334,784	$ 15,865	$ 18,885,517	$ 26,670,951

The total $4,201,607 general fund transfers out are (1) $1,902,478 to debt service for capital lease debt service payments, (2) $2,142,250 to capital projects to cover ongoing information systems and construction management projects, and (3) $156,879 to cover matching grants. Transfers out of Parks, Recreation and Tourism totaling $1,861,871 were made to cover debt service payments of $954,871 and capital projects of $907,000. A transfer of $15,865 was made between two Capital Reserve sub-funds and $915,343 was transferred from the Capital Reserve to cover debt service. Transfers out of nonmajor governmental funds totaling $19,179,215 include: $4,000,000 from Infrastructure Bank to Road Maintenance, $3,849,856 from Hospitality Tax to cover hospitality tax certificates of participation debt service payments, $2,027,906 from Hospitality Tax to the General Fund to cover tourism related public safety expenses, $4,000,000 from Road Maintenance to the General Fund, $2,340,330 from Infrastructure Bank to cover debt service, $1,626,339 from debt service to capital projects for the ice rink and $1,334,784 from Hospitality Tax to Parks, Recreation and Tourism for quarterly operating expenses. Also, $247,050 was transferred from the Stormwater Fund for capital lease payments and $250,000 was transferred from the Health and Dental Fund to the General Fund.

D. Fund Deficits

The financial statements reflect negative fund balances as follows: Capital Projects Reserve ($3,689,495), Construction Management in Capital Projects ($186,113) and Health and Dental Fund ($354,763). 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 $301,879.

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, 2016, outstanding encumbrances were $2,879,973 for the federal and state grant fund, $1,762,815 for Parks, Recreation & Tourism, $18,850 for nonmajor debt service, $4,166,849 for nonmajor capital projects and $8,018,329 for nonmajor special revenue funds. Outstanding encumbrances for the General Fund can be found in on the balance sheet for Governmental Funds, as well as, in Note I. D. 1.

In October 2016, Greenville County Tourism Public Facilities Corporation issued certificates of participation, series 2016, refunding certificates to advance refund and defease the currently outstanding Greenville County Tourism Public Facilities Corporation, Certificates of Participation, Series 2010. The proceeds will also be used to purchase a surety bond to fund the 2016 reserve fund and defray the cost of issuance, including a municipal bond insurance premium. Interest on the series 2016 certificates is payable semiannually on April 1 and October 1 commencing April 1, 2017.

In September 2016, the County transferred the remaining acreage of undeveloped land in a business park known as "The Matrix" to the Greenville County Business Park Public Facilities Corporation (GCBP-PFC). Further, the park was renamed and rebranded as “Augusta Grove” and a new entity was created to own and manage it. The role of developer of the park and the GCBP-PFC's undeveloped land was transferred to Augusta Grove-Greenville, LLC in exchange for $4 million and a forty percent ownership interest in the LLC. Augusta-Grove Greenville, LLC is a member managed limited liability company comprised of the GCBP-PFC, private investors and developers.