

**Greenville County, South Carolina**  
**Management's Discussion and Analysis**  
**June 30, 2020**

This discussion and analysis of Greenville County's (the "County") financial performance provides an overview of the County's financial activities for the fiscal year ended June 30, 2020. The intent of this discussion and analysis is to look at the County's financial performance as a whole. Readers should also review the transmittal letter, notes to the basic financial statements, financial statements, statistical section and single audit section to enhance their understanding of the County's financial performance.

## **Financial Highlights**

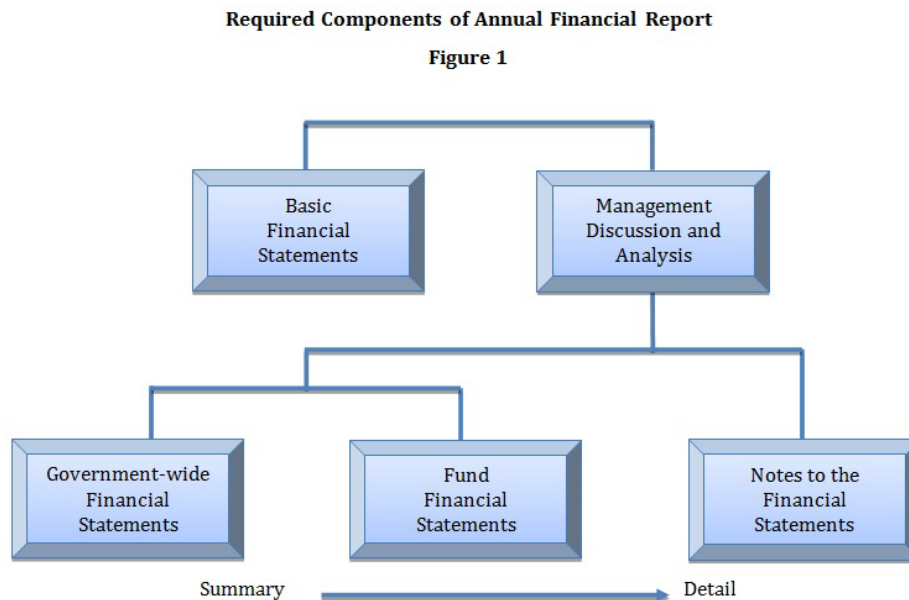
Key financial highlights for fiscal year 2020 are as follows:

- ⇒ The assets and deferred outflows of resources of the County's primary government exceeded its liabilities and deferred inflows of resources at the close of the current fiscal year by \$321,509,152 compared to \$334,033,973 for fiscal year 2019. The net position in the governmental activities increased from \$309,297,120 in 2019 compared to \$315,100,403 in 2020. The net position in the business-type activities decreased from \$24,736,853 in 2019 to \$6,408,749 in 2020.
- ⇒ The County's change in net position, for the primary government decreased by \$12,524,821 due to an increase of \$5,803,283 in net position in the governmental activities and a decrease of \$18,328,104 in the business-type activities.
- ⇒ As of the close of the current fiscal year, Greenville County's governmental funds reported combined ending fund balances of \$56,839,077 compared to \$92,698,200 for fiscal year 2019 resulting in a decrease of \$(35,859,123).
- ⇒ At the end of the current fiscal year, unassigned fund balance for the County's General Fund was \$46,109,705 or 26 percent of total General Fund expenditures. The unassigned fund balance is available for spending at the discretion of the County. Approximately 12 percent of General Fund balance, or \$6,279,285, is nonspendable or committed.
- ⇒ In March 2020, the Greenville County Redevelopment Corporation issued a short-term obligation in the form of a bond anticipation note. The Series 2020 Installment Revenue Purchase Bond Anticipation Note in the amount of \$86,505,000 was issued to finance the acquisition, renovation, construction and equipment of County administrative and court facilities, as well as, various state and other county governmental offices.
- ⇒ The County received approximately \$91,000,000 in federal funding related to the COVID-19 pandemic. The CARES Act fund was created to account for the proceeds directed to the County by the Department of the U.S. Treasury under the CARES Act.
- ⇒ The County maintained its triple A bond rating that was assigned in 1999.

**Greenville County, South Carolina**  
**Management's Discussion and Analysis**  
**June 30, 2020**

## Overview of the Financial Statements

This discussion and analysis serves as an introduction to the County's basic financial statements. The County's basic financial statements consist of three components - *government-wide financial statements*, *fund financial statements*, and *notes to the financial statements* (see Figure 1). In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of the County.



## Government-wide Financial Statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

The focus of the *government-wide financial statements* is on the primary government and includes governmental and business-type activities. Financial information for two component units is presented in separate columns in the Statement of Net Position and the Statement of Activities. These component units are legally separate organizations for which the County may exercise control and/or may be obligated to provide financial subsidy.

The *Statement of Net Position* presents information on all of the County's assets, deferred outflows of resources, liabilities and deferred inflows of resources with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the County

**Greenville County, South Carolina**  
**Management's Discussion and Analysis**  
**June 30, 2020**

include general government, public safety, roads and bridges, economic development, judicial services, health and welfare, and culture and recreation. The business type activities include solid waste disposal, land development and storm water quality control and a parking garage.

**Fund Financial Statements**

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

Governmental funds. Governmental funds are used to account for essentially the same functions as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the County's near-term financing requirements.

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

The County has the following major governmental funds: General Fund, Capital Projects Fund, CARES Act Fund and the blended component unit, Greenville County Redevelopment Corporation. Information for these funds is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances. Information for the other governmental funds is combined into a single, aggregated presentation. Individual fund data for each of these non-major funds is provided in the form of combining statements elsewhere in this report.

As required, the County adopts an annual budget for its General Fund. The budget is a legally adopted document of County services and financing. The budget incorporates input from the citizens of the County, the management of the County, and County Council. It authorizes the County to obtain funds from identified sources to finance current period activities. The budgetary comparison statement has been provided for the General Fund to demonstrate compliance with the budget ordinance. Additionally, budget comparisons for all major funds with legally adopted budgets have been presented as part of the basic financial statements to demonstrate compliance with its legally adopted budgets. Unencumbered budget amounts lapse at the end of each fiscal year for the General Fund and for the Parks, Recreation and Tourism Fund's operating accounts.

Proprietary Funds. The County maintains two different types of proprietary funds. Enterprise Funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for solid waste, land development and storm water operations and the parking garage. Internal Service Funds are used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for its fleet maintenance, workers' compensation and employee health insurance. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Solid Waste, Storm Water and Parking Garage Funds. Conversely, the three internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements.

**Greenville County, South Carolina**  
**Management's Discussion and Analysis**  
**June 30, 2020**

Fiduciary Funds. Fiduciary Funds are used to account for resources held for the benefit of parties outside the government. Fiduciary Funds are not reported in the government-wide financial statements because the resources are not available to support the County's operations. The County has several fiduciary types of funds used to account for tax revenues, restitution funds, judgments and child support payments.

**Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found beginning on page 32.

**Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information, as well as, required supplementary information concerning the County's general obligation and overlapping debt, postemployment benefits and budget to actual schedules. Additional trend information about the County can be found in the Statistical Section of the report and information about federal grants can be found in the Single Audit Section.

**Government-wide Financial Analysis**

As noted earlier, net position may serve over time as one useful indicator of a government's financial position. The assets and deferred outflows of resources of the County's governmental activities exceeded liabilities and deferred inflows of resources for the governmental activities by \$315,100,403 at June 30, 2020, and by \$309,297,120 at June 30, 2019.

By far the largest portion, \$511,365,310, or 162 percent, of net position reflects the County's investment in capital assets (e.g. land, buildings, machinery, equipment, vehicles and infrastructure), less any related debt still outstanding that was issued to acquire those items. An additional portion of the County's net position, \$43,140,846, represents resources that are subject to external restrictions on how they may be used. These include infrastructure, debt service, public safety, recreation and law enforcement. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

**Greenville County Net Position  
(Recapped)**

	Governmental Activities		Business-Type Activities		Totals	
	2020	2019	2020	2019	2020	2019
Current and other assets	\$ 258,374,911	\$ 118,233,204	\$ 10,550,852	\$ 10,447,095	\$ 268,925,763	\$ 128,680,299
Capital assets	590,650,444	535,813,044	26,976,454	26,880,271	617,626,898	562,693,315
<b>Total assets</b>	<b>849,025,355</b>	<b>654,046,248</b>	<b>37,527,306</b>	<b>37,327,366</b>	<b>886,552,661</b>	<b>691,373,614</b>
Deferred outflows - unamortized amount on refunding's	4,362,645	5,342,505	-	-	4,362,645	5,342,505
Deferred outflows - pensions	30,766,105	34,833,403	786,019	877,276	31,552,124	35,710,679
Deferred outflows - OPEB	17,342,266	17,753,307	-	-	17,342,266	17,753,307
<b>Total assets and deferred outflows of resources</b>	<b>901,496,371</b>	<b>711,975,463</b>	<b>38,313,325</b>	<b>38,204,642</b>	<b>939,809,696</b>	<b>750,180,105</b>
Other liabilities	195,077,780	21,350,893	1,849,598	1,069,056	196,927,378	22,419,949
Long-term liabilities	386,338,129	378,082,549	29,990,994	12,333,804	416,329,123	390,416,353
<b>Total liabilities</b>	<b>581,415,909</b>	<b>399,433,442</b>	<b>31,840,592</b>	<b>13,402,860</b>	<b>613,256,501</b>	<b>412,836,302</b>
Deferred inflows - pensions	4,116,047	2,241,532	63,984	64,929	4,180,031	2,306,461
Deferred inflows - OPEB	864,012	1,003,369	-	-	864,012	1,003,369
<b>Total liabilities and deferred inflows of resources</b>	<b>586,395,968</b>	<b>402,678,343</b>	<b>31,904,576</b>	<b>13,467,789</b>	<b>618,300,544</b>	<b>416,146,132</b>
Net investment in capital assets	511,365,310	493,009,208	26,976,454	26,880,271	538,341,764	519,889,479
Restricted	43,140,846	42,719,563	-	-	43,140,846	42,719,563
Unrestricted (deficit)	(239,405,753)	(226,431,651)	(20,567,705)	(2,143,418)	(259,973,458)	(228,575,069)
<b>Total net position</b>	<b>\$ 315,100,403</b>	<b>\$ 309,297,120</b>	<b>\$ 6,408,749</b>	<b>\$ 24,736,853</b>	<b>\$ 321,509,152</b>	<b>\$ 334,033,973</b>

**Greenville County, South Carolina**  
**Management's Discussion and Analysis**  
**June 30, 2020**

**Greenville County Changes in Net Position**  
**June 30, 2020**  
**(Recapped)**

	Governmental Activities		Business-Type Activities		Totals	
	2020	2019	2020	2019	2020	2019
<b>Revenues:</b>						
<b>Program revenues:</b>						
Charges for services	\$ 63,117,824	\$ 61,546,437	\$ 14,925,630	\$ 14,791,627	\$ 78,043,454	\$ 76,338,064
Operating grants and contributions	32,079,298	23,604,846	-	-	32,079,298	23,604,846
Capital grants and contributions	19,116,600	10,903,981	-	-	19,116,600	10,903,981
<b>General revenues:</b>						
Property taxes	141,248,693	134,341,864	4,425,190	4,307,904	145,673,883	138,649,768
Intergovernmental revenues	26,896,425	29,298,918	-	-	26,896,425	29,298,918
Hospitality tax	8,962,915	8,994,897	-	-	8,962,915	8,994,897
Other revenue	3,996,066	4,118,402	-	-	3,996,066	4,118,402
Interest and investment income	2,568,872	3,298,520	240,314	247,125	2,809,186	3,545,645
<b>Total revenues</b>	<b>297,986,693</b>	<b>276,107,865</b>	<b>19,591,134</b>	<b>19,346,656</b>	<b>317,577,827</b>	<b>295,454,521</b>
<b>Expenses:</b>						
Administrative services	4,840,004	3,144,199	-	-	4,834,588	3,144,199
General services	38,075,145	26,192,074	-	-	38,075,145	26,192,074
Parks, recreation & tourism	17,275,931	18,704,773	-	-	17,275,931	18,704,773
Emergency medical services	17,617,685	21,202,957	-	-	17,617,685	21,202,957
Public safety	53,273,936	44,499,954	-	-	53,273,936	44,499,954
Judicial services	28,235,115	27,529,074	-	-	28,235,115	27,529,074
Community development and planning	47,599,076	46,222,508	-	-	47,604,492	46,222,508
Fiscal services	3,219,279	3,185,587	-	-	3,219,279	3,185,587
Law enforcement services	62,937,788	55,897,120	-	-	62,937,788	55,897,120
Boards, commissions & others	15,065,851	13,477,838	-	-	15,065,851	13,477,838
Interest and fiscal charges	4,782,558	3,851,810	-	-	4,782,558	3,851,810
Solid waste	-	-	29,988,848	10,478,925	29,988,848	10,478,925
Stormwater	-	-	7,137,044	8,681,964	7,137,044	8,681,964
Parking garage	-	-	54,388	48,866	54,388	48,866
<b>Total expenses</b>	<b>292,922,368</b>	<b>263,907,894</b>	<b>37,180,280</b>	<b>19,209,755</b>	<b>330,102,648</b>	<b>283,117,649</b>
Increase (decrease) in net position before transfers	5,064,325	12,637,033	(17,589,146)	136,901	(12,524,821)	12,336,872
Transfers In/Out	738,958	679,190	(738,958)	(679,190)	-	-
<b>Changes in net position</b>	<b>5,803,283</b>	<b>12,199,971</b>	<b>(18,328,104)</b>	<b>(542,289)</b>	<b>(12,524,821)</b>	<b>12,336,872</b>
Net position - beginning	309,297,120	296,417,959	24,736,853	25,279,142	334,033,973	321,697,101
<b>Net position - ending</b>	<b>\$ 315,100,403</b>	<b>\$ 309,297,120</b>	<b>\$ 6,408,749</b>	<b>\$ 24,736,853</b>	<b>\$ 321,509,152</b>	<b>\$ 334,033,973</b>

**Greenville County, South Carolina**  
**Management's Discussion and Analysis**  
**June 30, 2020**

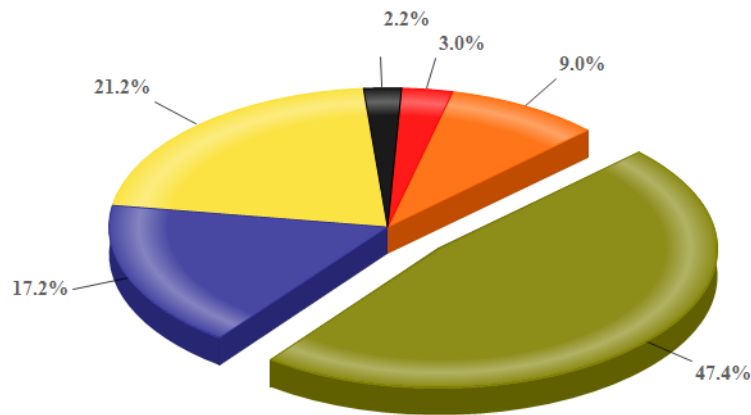
The operations of administrative services and judicial services are the only functions of the governmental activities supported by program revenues. General revenues support all other functions of the governmental activities.

**Governmental Activities**

Governmental activities change in net position was \$5,803,283 for the fiscal year ending June 30, 2020. Key elements of this increase is as follows:

The increase in net position for the primary government is mostly due to an increase in cash and cash equivalents due to the proceeds from the installment purchase revenue bond and the monies received from the CARES Act of which approximately \$48,000,000 and \$81,000,000 remain, respectively, as of June 30, 2020. The County issued the first of three installment purchase revenue bond anticipation notes in the amount of \$86,505,000 to finance the construction and renovation of the County's administration building and other county offices. The increase in net position is also due to an increase capital assets related to the construction of the new county office administration building. Additionally, operating grants and contributions increased by approximately \$8,000,000 due to various grants and contributions received mostly related to pandemic relief.

**Revenues by Source - Governmental Activities**



\* Other, Miscellaneous revenue 1.3%, Interest income 0.9%, Gain on sale 0.0%



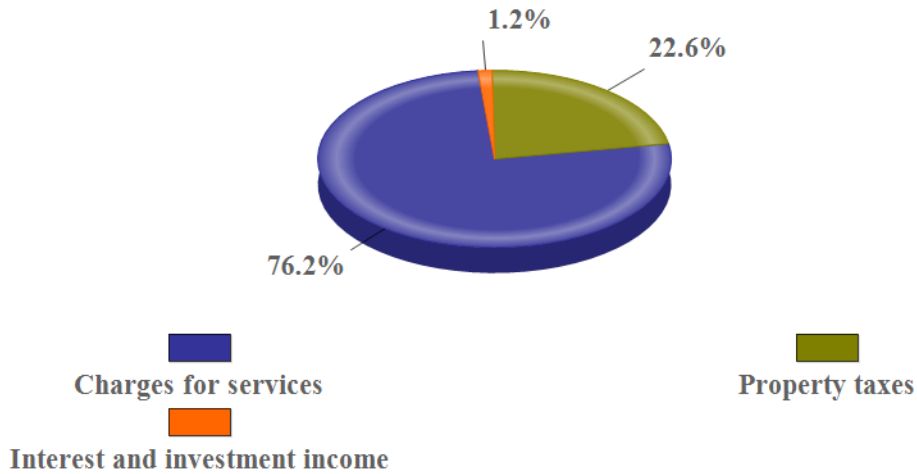
Revenue Type	Amount
Charges for services	\$ 63,117,824
Grants & contributions	51,195,898
Property taxes	141,248,693
Intergovernmental revenues	26,896,425
Hospitality tax	8,962,915
Miscellaneous revenue	3,996,066
Interest income	2,568,872
<b>Total</b>	<b>\$ 297,986,693</b>

**Greenville County, South Carolina**  
**Management's Discussion and Analysis**  
**June 30, 2020**

**Business-type Activities**

Business-type activities decreased the County's net position by \$(18,328,104) for the fiscal year ending June 30, 2020. The marked decrease in net position is due to a revised estimate for the landfill closure/post-closure liability and related expense. The County now uses a third party engineering firm to estimate landfill closure costs.

**Revenues by Source - Business-Type Activities**



Revenue Type	Amount
Charges for services	\$ 14,925,630
Property taxes	4,425,190
Interest and investment income	240,314
<b>Total</b>	<b>\$ 19,591,134</b>

**Greenville County, South Carolina**  
**Management's Discussion and Analysis**  
**June 30, 2020**

**Financial Analysis of Greenville County's Funds**

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

*Governmental funds.* The focus of the County's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the County's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As described above, as of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$56,839,077, a decrease of almost 39 percent in comparison with the prior fiscal year. The decrease is mainly due to the addition of the bond anticipation note payable in the amount of approximately \$87,000,000. The County issued installment purchase revenue bonds in the amount of \$86,505,000 to fund construction of the new office building and renovations of other county buildings. Governmental funds experienced an increase in expenditures in salary and wages for public safety and law enforcement, and expenditures related to capital outlay have increased due to the construction and renovation of various office buildings. Parks, recreation & tourism had declining revenues for the year mainly due to a shutdown and/or opening postponement of several parks, waterparks and other recreational facilities due to the pandemic. Overall, revenues increased for the governmental funds, including revenues from property taxes. The County also received federal funds related to COVID-19 (CARES Act) of which approximately \$8,000,000 was realized in fiscal year 2020. Despite the pandemic, the County enjoyed a moderately robust economy and continued growth in the area. This expansion resulted in a favorable increase in property tax revenues of approximately \$5,900,000. County office revenues related to fees and charges for services were also up due to increases in consumer spending. During fiscal year 2020, the County recorded \$3,402,958 in transfers out of the General Fund. Of this amount, \$3,072,791 was transferred to Debt Service Funds and \$330,167 was used as matching grant funds.

As noted above, approximately 2 percent, or \$1,203,608, of the combined ending fund balance is unassigned and available for future spending. Approximately 18.97 percent, or \$10,785,019, is restricted for future debt service. The deficit fund balance in capital projects will be addressed with the issuance of additional bond anticipation notes in fiscal years 2021 and 2022. Approximately \$10,000,000 is restricted for law enforcement.

The General Fund is the chief operating fund of the County. At the end of the current fiscal year 2020, unassigned fund balance of the General Fund was \$46,109,705 out of total fund balance of \$52,388,990. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance and total fund balance each represent almost 29 percent and 33 percent, respectively, of total General Fund expenditures. Nonspendable fund balance consists of prepaid items of \$2,818 of total fund balance and long-term receivables consist of \$30,367 of the total fund balance. An additional \$2,913,956 in advances to the Health and Dental Fund make up the remainder of the non-spendable fund balance. However, approximately 3 percent, or \$3,332,144 of the committed fund balance, or two percent of revenues, has been designated as a contingency to utilize during emergency situations in accordance with the County's current financial policies

Total General Fund revenues increased from approximately \$161 million in 2019 to approximately \$166 million in 2020. General fund revenues and expenditures increased from the prior fiscal year. The increase in expenditures in the general fund is mostly due to an increase in salaries and wages in public safety and law enforcement. Most revenue categories increased in the general fund in the current year with the largest being property tax revenues and other revenues due to \$3,000,000 in tax sale revenues. The General Fund reported an increase of approximately \$2.0 million in property tax revenues, as well as, a slight increase in county office revenues and intergovernmental revenues.

General Fund expenditures increased from approximately \$164 million in 2019 to approximately \$176 million in 2020. This increase in expenditures is mainly attributable to an increase in salary and wages in public safety and law enforcement services.



**Greenville County, South Carolina**  
**Management's Discussion and Analysis**  
**June 30, 2020**

The County received approximately \$91,000,000 in Cares Act funds related to COVID-19. For fiscal year 2020 approximately \$8,000,000 was expended.

The Greenville County Redevelopment Corporation is a blended component unit which had an ending fund deficit of \$(39,598,446) for 2020. The corporation was established to support certain activities of the County with respect to construction and renovation of various state and County governmental offices and court facilities. The County issued the first of three Installment Purchase Revenue Bond Anticipation Notes in the amount of \$86,505,000.

The Capital Projects Fund had an ending fund deficit of \$(3,366,976) for 2020 compared to \$(6,688,899) for 2019. The decrease in net deficit is due to a reimbursement of construction expenditures related to the redevelopment of County Square and the construction of the new office building. The County intends to issue bond anticipation notes in fiscal year 2021 and 2022 to continue to fund the ongoing construction and renovation of various state and county administration and court facilities.

### **Proprietary Funds**

The County's proprietary fund statements provide the same type of information found in the government-wide statements but in more detail.

Enterprise Funds - Total net position (deficit) of the Solid Waste Fund is \$7,111,656 for fiscal year 2019 compared to \$(11,541,777) for fiscal year 2020. Unrestricted net deficit of the Solid Waste Fund at the end of the current fiscal year amounted to \$(23,047,430), and \$11,505,653 of the total net position was net investment in capital assets. The decrease in net position for the Solid Waste Fund can mainly be contributed to an increase in the landfill closure/post-closure estimated liability. The County engaged a third party to estimate the post-closure costs resulting in an increase in the estimate by approximately \$18,000,000. Total net position of the Stormwater Fund is \$14,499,069 for fiscal year 2019 compared to \$14,831,155 for fiscal year 2020. Unrestricted net position of the Stormwater Fund at the end of the current fiscal year amounted to \$1,707,021, and \$13,124,134 of the total net position was net investment in capital assets. Most of the increase in the Stormwater Fund can be contributed to an increase in net investment in capital assets. The Parking Enterprise Fund reported net position of \$2,559,330 for fiscal year 2019 compared to \$2,552,573 for fiscal year 2020.

Internal Service Funds - The Internal Service Fund is presented in a separate column in the Statement of Fund Net Position of the Proprietary Funds. The Internal Service Fund reflects total net deficit of \$(3,410,229) for fiscal year 2019 compared to \$(2,357,193) for fiscal year 2020. The decrease in the net deficit is primarily due to approximately a \$4,000,000 reduction in claims for health care administered by the Health and Dental Fund. The Health and Dental Fund reports a net deficit of \$(4,997,952) for 2020 compared to \$(6,965,388) for 2019. The Workers' Compensation Fund reported net position of \$2,063,952 for fiscal year 2019 compared to \$1,302,732 for fiscal year 2020. The decrease in the Workers' Compensation Fund is mostly due to a \$2,000,000 transfer out to the General Fund. Total net position of the Vehicle Service Center is \$1,338,027 for fiscal year 2020 compared to \$1,491,207 for fiscal year 2019. The Vehicle Service Center reports investment in capital assets of \$186,387 and unrestricted net position of \$1,151,640 for fiscal year 2020.

### **General Fund Budgetary Highlights**

During the current fiscal year, revenues were under the budget estimate by \$2,195,027. Intergovernmental revenues were under budget estimates by \$(850,015) and county office revenues were under budget estimates by \$(1,740,400). County office revenues decreased mostly due to the reduction in certain fees and other charges during the height of the pandemic. Interest and investment income were over budget estimates by \$12,833 due to the rise in interest rates. Other revenues increased due to a \$3,000,000 surplus in tax sale revenues. Expenditures were under budget estimates by \$6,225,000.

**Greenville County, South Carolina**  
**Management's Discussion and Analysis**  
**June 30, 2020**

**Capital Asset and Debt Administration**

**Capital Assets**

The County's investment in capital assets for its governmental and business-type activities as of June 30, 2020, totals \$617,626,898 (net of accumulated depreciation). The investment in capital assets for its governmental and business-type as of June 30, 2019 was \$562,693,315 (net of accumulated depreciation). The County's capital assets include land, buildings, improvements, construction in progress, equipment, vehicles, infrastructure, right-of-way easements, software, and recreation equipment. Additions to the capital assets of the governmental activities are primarily related to the purchase of a building for the Halton Road renovation project and construction in progress for the development of County Square, including the new office building. The capital assets of the business-type activities increased by \$96,183 in the current fiscal year. The increase is mostly attributable to an increase in infrastructure assets.

**Greenville County's Capital Assets**  
**(Net of Accumulated Depreciation)**

	Governmental Activities		Business-Type Activities		Totals	
	2020	2019	2020	2019	2020	2019
Land	\$ 32,710,200	\$ 25,884,775	\$ 10,220,107	\$ 10,178,107	\$ 42,930,307	\$ 36,062,882
Construction in progress	9,831,497	7,632,831	-	-	9,831,497	7,632,831
Software	1,853,832	1,853,832	-	-	1,853,832	1,853,832
Buildings	106,544,583	81,561,541	3,651,373	3,841,150	110,195,956	85,402,691
Improvements	18,049,308	15,639,363	1,161,068	1,243,734	19,210,376	16,883,097
Equipment	11,514,872	11,350,908	2,640,464	2,789,498	14,155,336	14,140,406
Recreation equipment	2,539,170	2,890,251	-	-	2,539,170	2,890,251
Vehicles	6,702,521	6,088,864	336,461	429,796	7,038,982	6,518,660
Right-of-way easements	33,090,588	32,287,910	-	-	33,090,588	32,287,910
Infrastructure	367,813,873	350,622,769	8,966,981	8,397,986	376,780,854	359,020,755
<b>Total</b>	<b>\$ 590,650,444</b>	<b>\$ 535,813,044</b>	<b>\$ 26,976,454</b>	<b>\$ 26,880,271</b>	<b>\$ 617,626,898</b>	<b>\$ 562,693,315</b>

Please refer to the notes to the financial statements, pages 32 - 82, for additional information on the County's capital assets.

**Greenville County, South Carolina**  
**Management's Discussion and Analysis**  
**June 30, 2020**

**Long-term Debt**

As of June 30, 2020, the County had a total principal amount of bonded debt outstanding of \$95,964,000. Of this amount, \$58,450,000 are general obligation bonds, which are backed by the full faith and credit of the County. Certificates of participation total \$26,930,000 and special source revenue bonds total \$10,584,000. Revenues from various fee-in-lieu-of-tax agreements secure the special source revenue bonds.

**Greenville County's  
Outstanding Long-Term Debt**

	Governmental Activities	
	2020	2019
General obligation bonds	\$ 58,450,000	\$ 59,310,000
Certificates of participation	26,930,000	29,615,000
Special source revenue bonds	10,584,000	9,408,000
Total	\$ 95,964,000	\$ 98,333,000

As described in the financial highlights section of this document, the County maintained its Aaa bond rating from Moody's Investor Service, AAA rating from Standard and Poor's Corporation and AAA rating from Fitch Ratings. These bond ratings are a clear indication of the sound financial condition of the County. This achievement is a primary factor in keeping interest costs low on the County's outstanding debt.

South Carolina statutes limit the amount of general obligation debt that a unit of government may issue (without referendum) to eight percent of the total assessed value of taxable property located within that government's boundaries. The County's debt limit and debt margin were \$186,202,000 and \$136,759,000 respectively, for the current fiscal year.

**Economic Factors**

The unemployment rate for the County at 8.4 percent for fiscal year 2020 continues to lag behind the state level of 8.6 percent. Due to the pandemic, many businesses were temporarily shut down which resulted in their employees being furloughed. This has caused a temporary spike in the unemployment rate for Greenville County. As of August 2020, the unemployment rate for Greenville County has already decreased to 5.7 percent. The County has seen some other positive trends in the local economy and seen increases in various categories of fees and service revenue.

**Fiscal Year 2021 General Fund Budget**

The 2021 fiscal year budget for the County was prepared as part of the biennium budget process during fiscal year 2019. The budgeted revenues are projected to increase by approximately 4.37 percent and expenditures are projected to increase by 3.80 percent from fiscal year 2020. The budget does anticipate the use of the unassigned fund balance. The fiscal year 2021 budget requires no additional tax millage.

**Greenville County, South Carolina**  
**Management's Discussion and Analysis**  
**June 30, 2020**

**Contact Information**

This report is designed to provide an overview of the County's finances for those with an interest in this area. Information on the County's two component units, the Greenville County Redevelopment Authority and the Greenville County Library Systems, may be obtained at the Greenville County Finance Office. Questions concerning any of the information found in this report or requests for additional information should be directed to the Financial Operations Division, County of Greenville, 301 University Ridge, Suite 200, Greenville, South Carolina 29601. In addition, this Comprehensive Annual Financial Report may be found on the County's website at <http://www.greenvillecounty.org>.