

DEBT SERVICE FUND

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

LONG-TERM DEBT

The following is a summary of change in general long-term debt for the year ended June 30, 2015.

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

Source Greenville County Comprehensive Annual Financial Report (FY2015)

GENERAL OBLIGATION BONDS

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

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

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

COUNTY'S DEBT LIMITATION	
Assessed Value, FY2015	\$ 2,029,291
Less Manufacturer's Abatements and Properties Pledges for SSRB Security	\$ (150,342)
Constitutional Debt Limit (8%) Valuation of Taxable Property	150,316
Outstanding Debt Subject to Limit	81,807
Less Reserve for Debt Service	-
Net Amount of Debt Applicable to Limit	81,807
Debt Margin	\$ 68,509

Note: Amounts expressed in thousands

The County’s general obligation debt service payments for FY2016 total \$8,236,204 and \$8,181,963 for FY2017. These payments include the following issues:

- FY2005 issue of \$11,565,000 for Greenville Technical College
- FY2006 issue of \$7,430,000 for Greenville Technical College
- FY2006 issue of \$5,065,000 for road improvements
- FY2007 issue of \$10,085,000 for road improvements
- FY2008 issue of \$4,200,000 for Greenville Technical College
- FY2009 issue of \$10,000,000 for road improvements
- FY2012 issue of \$5,615,000 for Greenville Technical College
- FY2012 issue of \$3,950,000 for the partial refunding of Series 2002
- FY2012 issue of \$7,700,000 for the partial refunding of Series 2002
- FY2013 issue of \$20,115,000 for the partial refunding of Series 2004, 2004A, and 2005A
- FY2013 issue of \$2,445,000 for the partial refunding of Series 2005B
- FY2013 issue of \$549,000 for Parks and Recreation
- FY2013 issue of \$470,550 for Parks and Recreation
- FY2014 issue of \$25,000,000 for Greenville Technical College
- FY2015 issue of \$8,880,000 for the refunding of Series 2006 and 2007

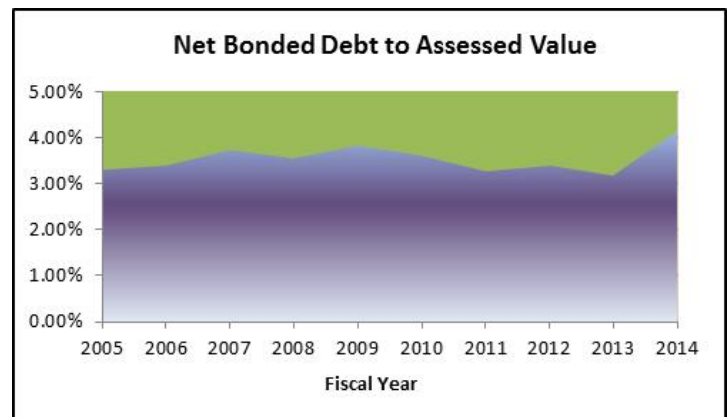
The following chart depicts the annual requirements to amortize the County’s general obligation debt.

YEAR ENDING JUNE 30	PRINCIPAL	INTEREST/FISCAL CHARGES	TOTAL
2015	\$ 5,893,670	\$ 2,328,605	\$ 8,222,275
2016	\$ 5,894,082	\$ 2,342,122	\$ 8,236,204
2017	\$ 5,953,556	\$ 2,228,407	\$ 8,181,963
2018	\$ 6,055,098	\$ 2,096,334	\$ 8,151,432
2019	\$ 5,856,712	\$ 1,917,195	\$ 7,773,907
2020	\$ 6,003,399	\$ 1,740,032	\$ 7,743,431
2021	\$ 6,195,165	\$ 1,552,010	\$ 7,747,175
2022-2030	\$ 42,022,352	\$ 7,133,442	\$ 49,155,794
TOTAL	\$ 83,874,034	\$ 21,338,147	\$ 105,212,181

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

FISCAL YEAR	ASSESSED VALUE	NET BONDED DEBT
2005	\$ 1,552,755	\$ 51,282
2006	\$ 1,570,433	\$ 53,390
2007	\$ 1,623,108	\$ 60,446
2008	\$ 1,736,662	\$ 61,838
2009	\$ 1,816,181	\$ 69,294
2010	\$ 1,848,987	\$ 66,844
2011	\$ 1,944,313	\$ 63,795
2012	\$ 1,950,976	\$ 65,900
2013	\$ 1,978,278	\$ 62,870
2014	\$ 2,029,290	\$ 84,034

(000s omitted)



CERTIFICATES OF PARTICIPATION

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

YEAR ENDING JUNE 30	PRINCIPAL	INTEREST/FISCAL CHARGES	TOTAL
2015	\$ 6,040,000	\$ 1,909,771	\$ 7,949,771
2016	\$ 6,075,000	\$ 1,827,814	\$ 7,902,814
2017	\$ 6,265,000	\$ 1,635,924	\$ 7,900,924
2018	\$ 4,730,000	\$ 1,458,044	\$ 6,188,044
2019-2030	\$ 34,680,000	\$ 8,303,089	\$ 42,983,089
TOTAL	\$ 57,790,000	\$ 15,134,642	\$ 72,924,642

These payments include the following issues:

- FY2005 issue of \$11,740,000 Series 2005 Refunding Certificates of Participation (University Center project)
- FY2008 issue of \$35,710,000 through the Greenville County Tourism Public Facilities Corporation (Hospitality Tax COPs)
- FY2010 issue of \$14,680,000 through the Greenville County Tourism Public Facilities Corporation (Hospitality Tax COPs)
- FY2011 issue of \$8,290,000 for refunding the Series 1998 Refunding Certificates of Participation (Greenville Technical College Project)
- FY2011 issue of \$9,300,000 for partial refunding of Series 2001 Refunding Certificates of Participation (Courthouse Project)
- FY2015 issue of \$26,553,583 for refunding Series 2008 Hospitality Tax COPs

SPECIAL SOURCE REVENUE BONDS

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

YEAR ENDING JUNE 30	PRINCIPAL	INTEREST/FISCAL CHARGES	TOTAL
2015	\$ 2,215,000	\$ 569,853	\$ 2,784,853
2016	\$ 2,330,000	\$ 505,526	\$ 2,835,526
2017	\$ 2,435,000	\$ 437,062	\$ 2,872,062
2018	\$ 2,435,000	\$ 364,642	\$ 2,799,642
2019-2024	\$ 9,875,000	\$ 841,831	\$ 10,716,831
TOTAL	\$ 19,290,000	\$ 2,718,914	\$ 22,008,914

Each series is outlined below:

- Series 2007 issue of \$7,545,000 for partial refunding of Series 1999 and 2001
- Series 2010 issue of \$6,770,000 for refunding in whole Series 1996, 1997, and 1998
- Series 2011 issue of \$5,330,000 for refunding of Recreation District revenue bonds
- Series 2012 issue of \$7,835,000 for partial refunding of Series 2003

CAPITAL LEASES

Greenville County's capital leases payable are a culmination of various contracts with a broad range of terms for machinery and equipment. The County's capital lease arrangement with a commercial bank was initiated in FY1993. On April 17, 1997, the County adopted a Master Lease Agreement. A total of nineteen leases have been issued under the Master Lease Agreement, eighteen of which were for the acquisition of vehicles and equipment. Twelve master leases have been retired. The biennium budget includes debt service for master leases for FY2008 – FY2015, which include: FY2008 lease of \$1,500,000; FY2009 lease of \$1,500,000; FY2012 lease of \$1,000,000; FY2013 lease of \$1,000,000; FY2014 lease of \$2,000,000; and FY2015 lease of \$2,000,000. A total of nine leases have been issued for the Parks, Recreation, and Tourism Department for various items, including land acquisition, vehicles, renovations, and equipment. Of these nine leases, one lease has been retired. The budget also includes projected leases for vehicle replacement and additions for both FY2016 and FY2017. The following chart reflects the annual requirements to amortize the current capital lease agreements for FY2015-FY2023:

YEAR ENDING JUNE 30	PRINCIPAL	INTEREST/FISCAL CHARGES	TOTAL
2015	\$ 1,825,258	\$ 97,379	\$ 1,922,637
2016	\$ 1,848,303	\$ 85,900	\$ 1,934,203
2017	\$ 1,572,544	\$ 59,065	\$ 1,631,609
2018	\$ 1,170,595	\$ 37,628	\$ 1,208,223
2019-2023	\$ 1,104,045	\$ 47,641	\$ 1,151,686
TOTAL	\$ 7,520,745	\$ 327,613	\$ 7,848,358

TOTAL DEBT SERVICE OBLIGATIONS

The following chart shows the total current debt service obligations of the County for all debt service funds.

	General Obligation Bonds	Certificates Of Participation	Special Source Revenue Bonds	Capital Leases	Total Debt Service
Principal					
2015	\$ 5,893,670	\$ 6,040,000	\$ 2,215,000	\$ 1,825,258	\$ 15,973,928
2016	5,894,082	6,075,000	2,330,000	1,848,303	16,147,385
2017	5,953,556	6,265,000	2,435,000	1,572,544	16,226,100
2018	6,055,098	4,730,000	2,435,000	1,170,595	14,390,693
2019-2030	60,077,628	34,680,000	9,875,000	1,104,045	105,736,673
Total Principal	\$ 83,874,034	\$ 57,790,000	\$ 19,290,000	\$ 7,520,745	\$ 168,474,779
Interest					
2015	\$ 2,328,605	\$ 1,909,771	\$ 569,853	\$ 97,379	\$ 4,905,608
2016	2,342,122	1,827,814	505,526	85,900	4,761,362
2017	2,228,407	1,635,924	437,062	59,065	4,360,458
2018	2,096,334	1,458,044	364,642	37,628	3,956,648
2019-2030	12,342,679	8,303,089	841,831	47,641	21,535,240
Total Interest	\$ 21,338,147	\$ 15,134,642	\$ 2,718,914	\$ 327,613	\$ 39,519,316
Debt Service					
2015	\$ 8,222,275	\$ 7,949,771	\$ 2,784,853	\$ 1,922,637	\$ 20,879,536
2016	8,236,204	7,902,814	\$ 2,835,526	1,934,203	20,908,747
2017	8,181,963	7,900,924	\$ 2,872,062	1,631,609	20,586,558
2018	8,151,432	6,188,044	\$ 2,799,642	1,208,223	18,347,341
2019-2030	72,420,307	42,983,089	\$ 10,716,831	1,151,686	127,271,913
Total Debt Service	\$ 105,212,181	\$ 72,924,642	\$ 22,008,914	\$ 7,848,358	\$ 207,994,095