

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, 2019.

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, 2018	\$ 65,670,000	\$ 34,520,000	\$ 12,025,000	\$ 231,500	\$ 3,333,046	\$ 7,584,796	\$ 8,230,092	\$ 131,594,434
Additions	-	-	-	-	-	4,000,000	8,781,924	12,781,924
Adjustments	-	-	-	-	-	-	-	-
Retirements	(6,360,000)	(4,905,000)	(2,617,000)	(80,570)	(338,846)	(3,254,338)	(7,530,289)	(25,086,043)
Balance at June 30, 2019	\$ 59,310,000	\$ 29,615,000	\$ 9,408,000	\$ 150,930	\$ 2,994,200	\$ 8,330,458	\$ 9,481,727	\$ 119,290,315

Source Greenville County Comprehensive Annual Financial Report (FY2019)

FY2019 actual expenditures are unaudited as of the printing date of this document.

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, FY2019	\$ 2,308,956
Less Manufacturer's Abatements and Properties Pledges for SSRB Security	\$ (164,456)
Constitutional Debt Limit (8%) Valuation of Taxable Property	171,560
Outstanding Debt Subject to Limit	55,350
Net Amount of Debt Applicable to Limit	55,350
Debt Margin	\$ 116,210

Note: Amounts expressed in thousands

The County’s general obligation debt service payments total \$7,693,409 for FY2020 and \$7,694,153 for FY2021. These payments include the following issues:

- \$5,615,000 issued in 2011 for Greenville Technical College
- \$3,950,000 issued in 2011 for the partial refunding of Series 2002
- \$7,700,000 issued in 2012 for the partial refunding of Series 2005
- \$20,115,000 issued in 2013 for the partial refunding of Series 2004, 2004A, and 2005A
- \$2,445,000 issued in 2013 for the partial refunding of Series 2005B
- \$25,000,000 issued in 2014 for Greenville Technical College project
- \$8,880,000 issued in 2014 for the advanced refunding of Series 2006 and 2007
- \$10,080,000 issued in 2016 for the advanced refunding of Series 2011A, 2013D, and 2008C

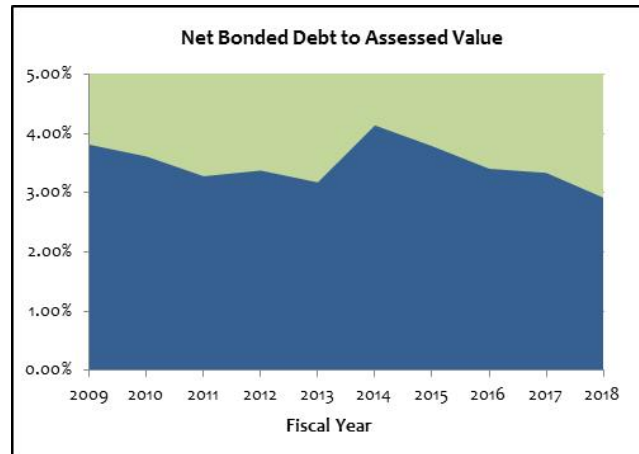
The following chart depicts the annual requirements to amortize the County’s general obligation debt.

YEAR ENDING JUNE 30	PRINCIPAL	INTEREST/FISCAL CHARGES	TOTAL
2019	\$ 5,890,000	\$ 1,832,909	\$ 7,722,909
2020	\$ 6,040,000	\$ 1,653,409	\$ 7,693,409
2021	\$ 6,230,000	\$ 1,464,153	\$ 7,694,153
2022	\$ 5,515,000	\$ 1,283,678	\$ 6,798,678
2023	\$ 5,240,000	\$ 1,097,140	\$ 6,337,140
2024-2034	\$ 31,255,000	\$ 4,209,969	\$ 35,464,969
TOTAL	\$ 60,170,000	\$ 11,541,258	\$ 71,711,258

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
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
2015	\$ 2,101,998	\$ 79,683
2016	\$ 2,184,257	\$ 74,467
2017	\$ 2,222,057	\$ 74,200
2018	\$ 2,308,955	\$ 67,417

(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
2019	\$ 4,905,000	\$ 1,241,425	\$ 6,146,425
2020	\$ 2,685,000	\$ 1,109,675	\$ 3,794,675
2021	\$ 2,775,000	\$ 1,025,650	\$ 3,800,650
2022	\$ 2,880,000	\$ 922,400	\$ 3,802,400
2023	\$ 2,975,000	\$ 827,800	\$ 3,802,800
2024-2030	\$ 18,300,000	\$ 2,296,138	\$ 20,596,138
TOTAL	\$ 34,520,000	\$ 7,423,088	\$ 41,943,088

These payments include the following issues:

- COPS10 issue of \$14,680,000 for Hospitality Tax COPs
- COPS11 issue of \$8,290,000 for refunding Series 1998 (Greenville Technical College project)
- COPS 13 issue of \$26,553,883 for Hospitality Tax COPs
- COPS14 issue of \$11,740,000 for refunding of 2015 Public Facilities Corporation refunding
- COPS15 issue of \$8,635,000 for partial refunding of Series 2010

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
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
2024-2030	\$ 1,031,000	\$ 36,650	\$ 1,067,650
TOTAL	\$ 12,025,000	\$ 1,008,109	\$ 13,033,109

Each series is outlined below:

- Series 2007 issue of \$7,545,000 for partial refunding of Series 1999 and 2001
- Series 2012 issue of \$7,835,000 for partial refunding of Series 2003
- Series 2015A issue of \$3,733,000 for refunding of Recreation District bonds
- Series 2015B issue of \$3,113,000 for Pavilion Ice Repair project

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 twenty-two leases have been issued under the Master Lease Agreement, twenty-one of which were for the acquisition of vehicles and equipment. Eighteen master leases have been retired. 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, six leases have been retired. The budget also includes projected leases for vehicle replacement and additions for both FY2020 and FY2021. The following chart reflects the projected annual requirements to amortize the capital lease agreements for FY2019-FY2030:

YEAR ENDING JUNE 30	PRINCIPAL	INTEREST/FISCAL CHARGES	TOTAL
2019	\$ 3,254,337	\$ 179,358	\$ 3,433,695
2020	\$ 3,320,368	\$ 190,081	\$ 3,510,449
2021	\$ 3,553,744	\$ 212,390	\$ 3,766,134
2022	\$ 3,763,462	\$ 214,255	\$ 3,977,717
2023	\$ 3,303,549	\$ 188,068	\$ 3,491,617
2024-2030	\$ 6,783,194	\$ 367,142	\$ 7,150,336
TOTAL	\$ 23,978,654	\$ 1,351,294	\$ 25,329,948

TOTAL DEBT SERVICE OBLIGATIONS

The following chart shows the total current debt 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					
2019	5,890,000	4,905,000	2,617,000	3,254,337	16,666,337
2020	6,040,000	2,685,000	2,257,000	3,320,368	14,302,368
2021	6,230,000	2,775,000	2,303,000	3,553,744	14,861,744
2022	5,515,000	2,880,000	1,883,000	3,763,462	14,041,462
2023	5,240,000	2,975,000	1,934,000	3,303,549	13,452,549
2024-2034	31,255,000	18,300,000	1,031,000	6,783,194	57,369,194
Total Principal	\$ 60,170,000	\$ 34,520,000	\$ 12,025,000	\$ 23,978,654	\$ 130,693,654
Interest					
2019	1,832,909	1,241,425	330,908	179,358	3,584,600
2020	1,653,409	1,109,675	252,641	190,081	3,205,806
2021	1,464,153	1,025,650	188,924	212,390	2,891,117
2022	1,283,678	922,400	123,232	214,255	2,543,565
2023	1,097,140	827,800	75,754	188,068	2,188,762
2024-2034	4,209,969	2,296,138	36,650	367,142	6,909,899
Total Interest	\$ 11,541,258	\$ 7,423,088	\$ 1,008,109	\$ 1,351,294	\$ 21,323,749
Debt Service					
2019	7,722,909	6,146,425	\$ 2,947,908	3,433,695	20,250,937
2020	7,693,409	3,794,675	\$ 2,509,641	3,510,449	17,508,174
2021	7,694,153	3,800,650	\$ 2,491,924	3,766,134	17,752,861
2022	6,798,678	3,802,400	\$ 2,006,232	3,977,717	16,585,027
2023	6,337,140	3,802,800	\$ 2,009,754	3,491,617	15,641,311
2024-2034	35,464,969	20,596,138	\$ 1,067,650	7,150,336	64,279,093
Total Debt Service	\$ 71,711,258	\$ 41,943,088	\$ 13,033,109	\$ 25,329,948	\$ 152,017,403