

## 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, 2012.

Governmental Activities	General Obligation Bonds	Certificates of Participation	Special Source Revenue Bonds	Debt Security Deposit Agreement	Capital Leases Payable	Compensated Absences Payable	Total
Balance at June 30, 2011	\$ 63,795,000	\$ 73,670,000	\$ 20,190,000	\$ 370,400	\$ 2,236,838	\$ 6,210,470	\$ 166,472,708
Additions	17,335,000		7,835,000		1,000,000	4,963,933	31,133,933
Adjustments	-	-	-	425,090	(5)		425,085
Retirements	(15,230,000)	(6,735,000)	(9,665,000)	(80,570)	(972,568)	(5,086,475)	(37,769,613)
Balance at June 30, 2012	\$ 65,900,000	\$ 66,935,000	\$ 18,360,000	\$ 714,920	\$ 2,264,265	\$ 6,087,928	\$ 160,262,113
Current Portion of Long-term obligations	\$ 4,070,000	\$ 5,300,000	\$ 1,635,000	\$ 80,570	\$ 905,005	\$ 547,913	\$ 12,538,488

Source Greenville County Comprehensive Annual Financial Report (FY2012)

### 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.

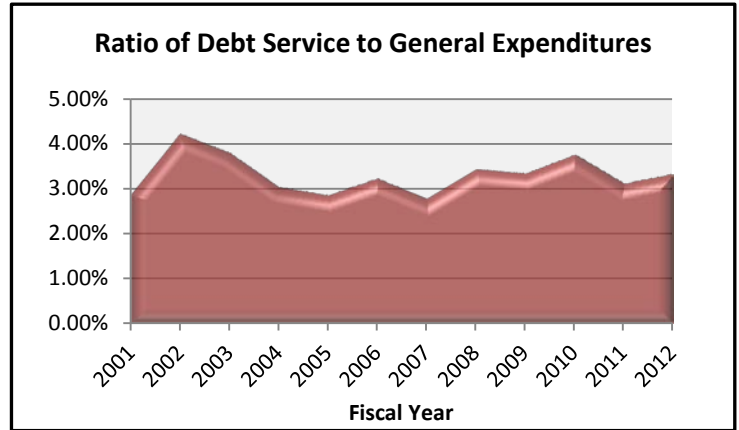
Under Article X, Section 14, of the Constitution, bonded indebtedness of the County existing on November 30, 1977, is not considered in determining the county's 8% debt limitation. General obligation debt authorized by a majority vote of the qualified electors of the county voting in a referendum may 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, FY2012	\$ 1,797,424,000
Constitutional Debt Limit (8%) Valuation of Taxable Property	143,793,920
Outstanding Debt Subject to Limit	73,830,000
Less Reserve for Debt Service	(119,000)
Net Amount of Debt Applicable to Limit	73,711,000
Debt Margin	\$ 70,082,920

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

YEAR ENDED JUNE 30	TOTAL DEBT SERVICE	TOTAL GENERAL EXPENDITURES
2001	\$ 4,334,343	\$ 150,623,519
2002	\$ 5,907,259	\$ 139,680,696
2003	\$ 5,941,396	\$ 155,787,000
2004	\$ 4,731,485	\$ 155,277,180
2005	\$ 4,567,557	\$ 159,441,000
2006	\$ 5,390,195	\$ 166,755,824
2007	\$ 5,429,498	\$ 194,609,509
2008	\$ 6,209,319	\$ 180,025,206
2009	\$ 6,325,959	\$ 188,918,019
2010	\$ 7,067,709	\$ 187,487,795
2011	\$ 7,028,828	\$ 225,603,490
2012	\$ 6,464,326	\$ 193,718,985



The County’s general obligation debt service payments for FY2014 total \$6,542,444 and \$6,445,862 for FY2015. These payments include the following issues:

- FY2004 issue of \$16,660,000 for the partial refunding of Series 2000 GO
- FY2005 issue of \$4,000,000 for the partial refunding of Series 2001 GO
- FY2005 issue of \$11,565,000 for Greenville Technical College
- FY2006 issue of \$7,430,000 for the partial refunding of Series 1998 and Series 2002
- FY2006 issue of \$5,065,000 for road improvements
- FY2007 issue of \$10,085,000 for road improvements
- FY2008 issue of \$4,200,000 for Greenville Technical College
- 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

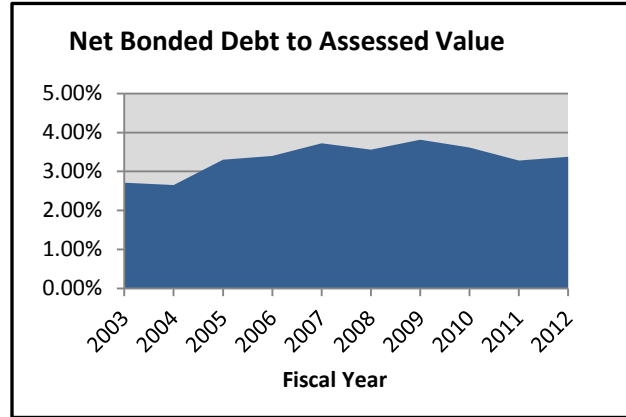
The following chart depicts the annual requirements to amortize the County’s general obligation debt.

YEAR ENDING JUNE 30	PRINCIPAL	INTEREST/FISCAL CHARGES	TOTAL
2013	\$ 4,070,000	\$ 2,553,865	\$ 6,623,865
2014	\$ 4,660,000	\$ 1,882,444	\$ 6,542,444
2015	\$ 4,715,000	\$ 1,730,862	\$ 6,445,862
2016	\$ 4,820,000	\$ 1,612,037	\$ 6,432,037
2017	\$ 4,920,000	\$ 1,509,936	\$ 6,429,936
2018	\$ 5,025,000	\$ 1,409,524	\$ 6,434,524
2019	\$ 4,800,000	\$ 1,271,799	\$ 6,071,799
2020	\$ 4,915,000	\$ 1,137,124	\$ 6,052,124
2021	\$ 5,065,000	\$ 992,868	\$ 6,057,868
2022-2030	\$ 23,950,000	\$ 3,334,692	\$ 27,284,692
<b>TOTAL</b>	<b>\$ 66,940,000</b>	<b>\$ 17,435,151</b>	<b>\$ 84,375,151</b>

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

FISCAL YEAR	ASSESSED VALUE	NET BONDED DEBT
2003	\$ 1,528,377	\$ 41,456
2004	\$ 1,546,671	\$ 41,025
2005	\$ 1,552,755	\$ 51,282
2006	\$ 1,570,433	\$ 53,390
2007	\$ 1,623,108	\$ 60,446
2008	\$ 1,736,662	\$ 61,838
2009	\$ 1,816,181	\$ 69,294
2010	\$ 1,848,987	\$ 66,844
2011	\$ 1,944,313	\$ 63,795
2012	\$ 1,950,976	\$ 65,900

(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
2013	\$ 5,300,000	\$ 2,703,198	\$ 8,003,198
2014	\$ 5,470,000	\$ 2,534,320	\$ 8,004,320
2015	\$ 5,655,000	\$ 2,355,234	\$ 8,010,234
2016	\$ 5,850,000	\$ 2,151,134	\$ 8,001,134
2017-2030	\$ 44,660,000	\$ 13,194,814	\$ 57,854,814
<b>TOTAL</b>	<b>\$ 66,935,000</b>	<b>\$ 22,938,700</b>	<b>\$ 89,873,700</b>

These payments include the following issues:

- FY2005 issue of \$11,740,000 Series 2005 Refunding Certificates of Participate (University Center project)
- FY2008 issue of \$35,710,000 through the Greenville County Tourism Public Facilities Corporation (Hospitality Tax COPs)
- 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)

## 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
2013	\$ 1,635,000	\$ 589,923	\$ 2,224,923
2014	\$ 1,775,000	\$ 490,824	\$ 2,265,824
2015	\$ 1,855,000	\$ 438,785	\$ 2,293,785
2016	\$ 1,955,000	\$ 385,330	\$ 2,340,330
2017-2023	\$ 11,140,000	\$ 1,130,588	\$ 12,270,588
<b>TOTAL</b>	<b>\$ 18,360,000</b>	<b>\$ 3,035,450</b>	<b>\$ 21,395,450</b>

Each series is outlined below:

- Series 2003 issue of \$8,990,000 for road improvements and various County projects
- Series 2007 issue of \$7,545,000 for partial refunding of Series 1999 and 2001
- Series 2010 issue of \$6,770,000 for refunding in whole Series 1996, 1997, and 2998
- 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 seventeen leases have been issued under the Master Lease Agreement, ten of which were for the acquisition of vehicles and equipment. Eleven master leases have been retired. The biennium budget includes debt service for master leases for FY2008 – FY2013, which include: FY2008 lease of \$1,500,000; FY2009 lease of \$1,500,000; FY2010 lease of \$750,000; FY2011 lease of \$750,000; FY2012 lease of \$1,000,000; FY2013 lease of \$1,000,000. The budget also includes projected leases of \$2 million for both FY2014 and FY2015. The following chart reflects the annual requirements to amortize the capital lease agreements for FY2013-FY2017:

YEAR ENDING JUNE 30	PRINCIPAL	INTEREST/FISCAL CHARGES	TOTAL
2013	\$ 1,024,981	\$ 58,064	\$ 1,083,045
2014	\$ 1,133,711	\$ 55,416	\$ 1,189,127
2015	\$ 1,425,478	\$ 58,413	\$ 1,483,890
2016	\$ 1,441,253	\$ 41,600	\$ 1,482,852
2017-2018	\$ 1,984,844	\$ 31,700	\$ 2,016,544
<b>TOTAL</b>	<b>\$ 7,010,266</b>	<b>\$ 245,192</b>	<b>\$ 7,255,458</b>

The following chart shows the total 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
<i>Principal</i>					
2013	\$ 4,070,000	\$ 5,300,000	\$ 1,635,000	\$ 1,024,981	\$ 12,029,981
2014	4,660,000	5,470,000	1,775,000	1,133,711	13,038,711
2015	4,715,000	5,655,000	1,855,000	1,425,478	13,650,478
2016	4,820,000	5,850,000	1,955,000	1,441,253	14,066,253
2017-2030	48,675,000	44,660,000	11,140,000	1,984,844	106,459,844
<b>Total Principal</b>	<b>\$ 66,940,000</b>	<b>\$ 66,935,000</b>	<b>\$ 18,360,000</b>	<b>\$ 7,010,266</b>	<b>\$ 159,245,266</b>
<i>Interest</i>					
2013	\$ 2,553,865	\$ 2,703,198	\$ 589,923	\$ 58,064	\$ 5,905,050
2014	1,882,444	2,534,320	490,824	55,416	4,963,004
2015	1,730,862	2,355,234	438,785	58,413	4,583,294
2016	1,612,037	2,151,134	385,330	41,600	4,190,101
2017-2030	9,655,943	13,194,814	1,130,588	31,700	24,013,045
<b>Total Interest</b>	<b>\$ 17,435,151</b>	<b>\$ 22,938,700</b>	<b>\$ 3,035,450</b>	<b>\$ 245,192</b>	<b>\$ 43,654,493</b>
<i>Debt Service</i>					
2013	\$ 6,623,865	\$ 8,003,198	\$ 2,224,923	\$ 1,083,045	\$ 17,935,031
2014	6,542,444	8,004,320	2,265,824	1,189,127	18,001,715
2015	6,445,862	8,010,234	2,293,785	1,483,890	18,233,771
2016	6,432,037	8,001,134	2,340,330	1,482,852	18,256,353
2017-2030	58,330,943	57,854,814	12,270,588	2,016,544	130,472,889
<b>Total Debt Service</b>	<b>\$ 84,375,151</b>	<b>\$ 89,873,700</b>	<b>\$ 21,395,450</b>	<b>\$ 7,255,458</b>	<b>\$ 202,899,759</b>

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