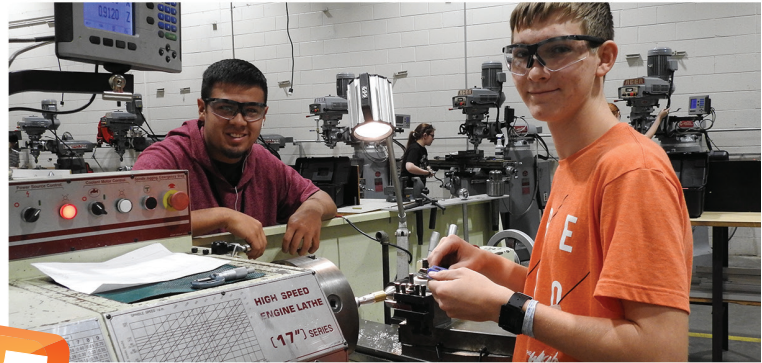


The School District of Greenville County Comprehensive Annual Financial Report 2017



Greenville, South Carolina



www.greenville.k12.sc.us

Year Ended June 30, 2017

The School District of Greenville County

Greenville, South Carolina



Where enlightening strikes

Comprehensive Annual Financial Report

Year Ended June 30, 2017

Prepared By:

The Office of the Executive Director of Finance

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

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GREENVILLE, SOUTH CAROLINA

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**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**



Board of Trustees June 30, 2017



Seated, left to right:

Joy Grayson, Lisa H. Wells, Lynda Leventis-Wells, Glenda Morrison-Fair

Standing, left to right:

Roger Meek, Debi C. Bush, Dr. Crystal Ball O'Connor, Danna Rohleder, Derek Lewis,
Michelle Goodwin-Calwile, Patrick L. Sudduth, Charles J. (Chuck) Saylors



THE SCHOOL DISTRICT OF GREENVILLE COUNTY

ADMINISTRATIVE STAFF

Superintendent

Dr. W. Burke Royster

Deputy Superintendent

Dr. Mason Gary

Assistant Superintendent for:

School Leadership – Elementary

Mrs. Brenda Byrd

School Leadership – Elementary

Dr. Michelle Meekins

School Leadership – Elementary

Dr. Megan Mitchell-Hoefer

School Leadership – Middle

Dr. David McDonald

School Leadership – High

Mr. Scott Rhymer

Associate Superintendent for Academics

Mr. Jeff McCoy

Assistant Superintendent for School Administrative Support

Mr. Phillip Davie

Assistant Superintendent for Special Education

Mrs. Traci Hogan

Executive Director of:

Academic Innovation and Technology

Dr. Charlotte McDavid

Career and Technology Education

Mr. Brooks Smith

Construction

Mr. Terry Mills

Education Technology Services

Mr. Bill Brown

Finance

Mr. Jeff Knotts

Human Resources

Mrs. Lynn Gibbs

Planning and Demographics

Mrs. Betty Farley

Strategic Communications and Engagement

Mrs. Teri Brinkman

Student Personnel Services

Mr. Kent Owens

General Counsel

Mr. Doug Webb

Director of Accountability and Quality Assurance

Dr. Jason McCreary

Director of Athletics

Mr. Darryl Nance

Director of Operations & Maintenance

Mr. Dicky McCuen

Director of Staff and Leadership Development

Mrs. Karen Kapp

Director of Transportation

Mr. Adam James

Coordinator of Community Collaboration

Mrs. Whitney Hanna

Coordinator of Government Relations

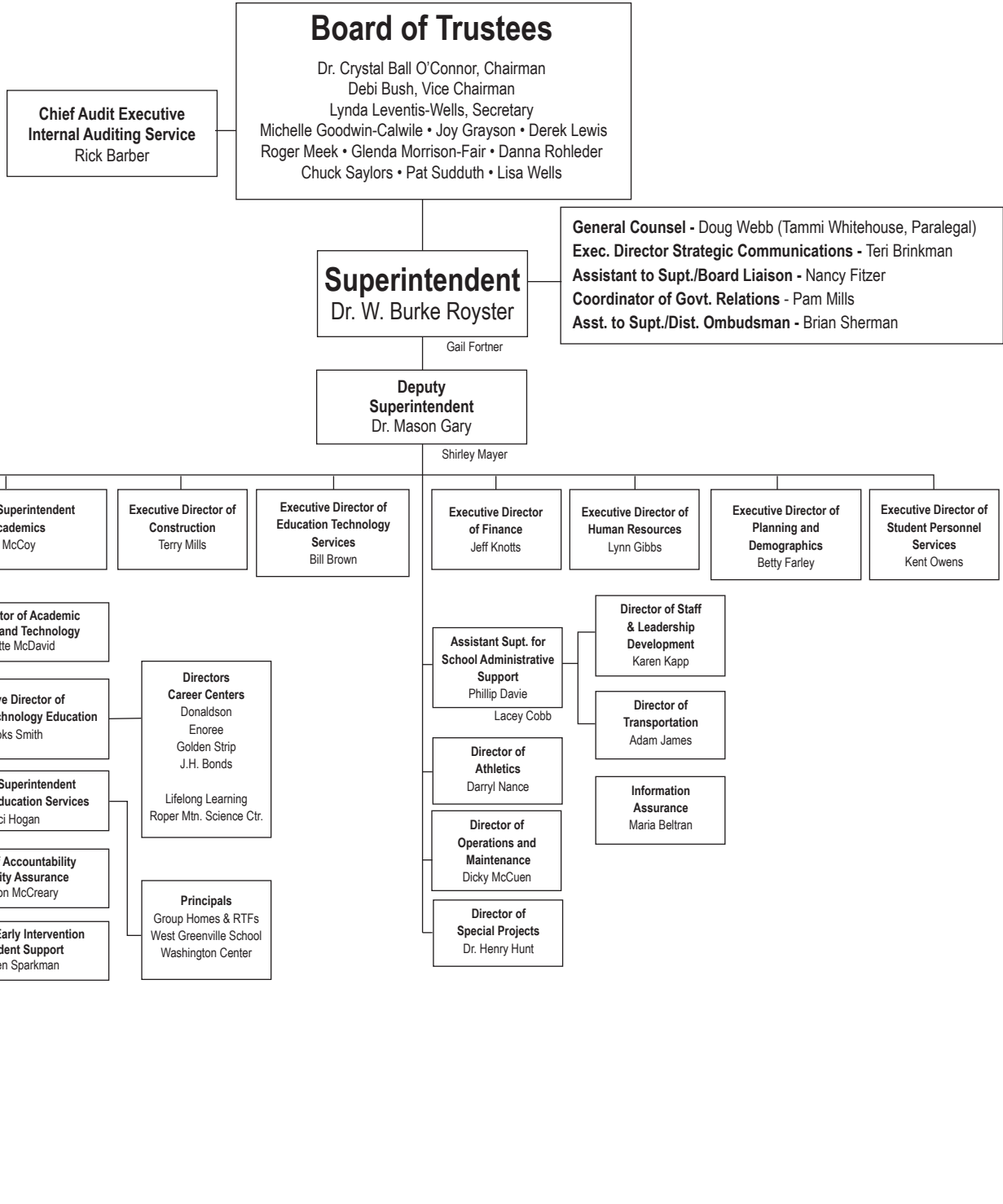
Mrs. Pam Mills

Assistant to the Superintendent and Board Liaison

Mrs. Nancy Fitzer

Assistant to the Superintendent and District Ombudsman

Mr. Brian Sherman



**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**



October 27, 2017

To the Citizens of The School District of Greenville County

We are pleased to submit to you the comprehensive annual financial report (“CAFR”) of The School District of Greenville County (“School District”) for the fiscal year ended June 30, 2017. State law requires that all school districts publish within five months of the close of each fiscal year a complete set of basic financial statements presented in conformity with accounting principles generally accepted in the United States of America (“GAAP”) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants.

This report consists of management’s representations concerning the finances of the School District. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of The School District of Greenville County has established a comprehensive internal control framework that is designed both to protect the School District’s assets from loss, theft, or misuse, and to compile sufficient reliable information for the preparation of The School District of Greenville County’s basic financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the School District’s comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the basic financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The School District of Greenville County’s basic financial statements have been audited by Greene, Finney & Horton, LLP. The goal of the independent audit was to provide reasonable assurance that the basic financial statements of The School District of Greenville County for the fiscal year ended June 30, 2017 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall basic financial statement presentation. The independent auditor concluded that there was a reasonable basis for rendering an unmodified opinion that The School District of Greenville County’s basic financial statements for the fiscal year ended June 30, 2017 are fairly presented in conformity with GAAP. The independent auditors’ report is presented as the first component of the financial section of this report.

The independent audit of the basic financial statements of The School District of Greenville County was part of a broader, federally mandated “Single Audit” designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the basic financial statements, but also on the audited government’s internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the compliance section of this comprehensive annual financial report.

The accounting principles generally accepted in the United States of America require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of management's discussion and analysis ("MD&A"). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The School District of Greenville County's MD&A can be found immediately following the report of the independent auditors.

Profile of The School District of Greenville County

Long recognized as a leader in public education, The School District of Greenville County is the largest school district in South Carolina and the 44th largest district in the nation, with approximately 76,000 students in FY 2017. It is a consolidated, unified system formed in 1951 when 82 local school districts merged. Comprised of virtually all of Greenville County and a small portion of Laurens and Spartanburg counties, the School District of Greenville County spans 789 square miles and consists of more than 100 schools and facilities that offer a large variety of excellent educational programs. The School District of Greenville County has received international recognition as a high quality school district by receiving National Accreditation from AdvancED, which provides a distinguished mark of quality for the school district, and its schools, students, teachers, and the community.

A 12-member Board of Trustees governs the School District of Greenville County. Programs and policies are established by this publicly elected Board that serves 4-year terms and meets the fourth Tuesday of each month except July. The day-to-day administration of the School District is the responsibility of the Superintendent, who is appointed by the School Board.

Each day, The School District of Greenville County challenges and inspires young people in grades Pre K-12 to meet the demands of the future. In addition to the 84 elementary, middle, and high schools, and four career centers, the School District has several special centers. These include a Fine Arts Center, Child Development Centers, Roper Mountain Science Center, and Washington Center for students with significant concurrent disabilities. The opportunity to earn an International Baccalaureate ("IB") degree is available to students in each of the four geographic areas of the county. The IB curriculum focuses on high academic standards, international understanding, citizenship, and second language proficiency. The School District is the State leader in school choice, featuring schools of various sizes in urban, suburban and rural settings, and magnet academies offering specialized studies in areas such as communications arts, global studies, engineering, languages, the arts, and science and mathematics. About 15% of our students take advantage of school choice to match their needs and interests. The District's Planning and Demographics Department has projected an enrollment increase of 850 students for FY18.

In addition, Brashier Middle College Charter High School, Greer Middle College Charter School, Langston Charter Middle School, Legacy Charter School and Meyer Center for Special Children are charter schools under legislation enacted on June 18, 1996. A charter school is considered a public school and these schools are a part of The School District of Greenville County for purposes of state law and state constitution. Because the charter schools are fiscally dependent on the School District, their exclusion would cause the School District's basic financial statements to be incomplete. Therefore, the financial statements of the charter schools are included in those of the School District as discretely presented component units. In fiscal year 2018, four of the District sponsored charter schools changed sponsorship to the State Charter School District. In addition, Building Equity Sooner for Tomorrow, Inc. ("BEST"), a not-for-profit 501 (c)(3) corporation, is also a component unit of the School District; this entity is treated as a "blended component unit" for financial statement purposes. Detailed information about BEST is described in the School District's MD&A.

Budgetary Control

The School District's annual budget process is developed using, as a foundation, the School District's Mission Statement and The Education Plan as developed by the citizens and personnel of The School District of Greenville County.

School District Mission Statement

We provide educational experiences, in cooperation with the home and community that prepare students for lifelong learning and for ethical, productive participation in a democratic society and the global community.

Education Plan Priorities for Performance

- ✓ Goal One: Raise the Academic Challenge and Performance of Each Student
 - ✓ Goal Two: Ensure Quality Personnel in All Positions
 - ✓ Goal Three: Provide a School Environment Supportive of Learning
 - ✓ Goal Four: Effectively Manage and Further Develop Necessary Financial Resources
 - ✓ Goal Five: Improve Public Understanding and Support of Public Schools
-

In the fall of each year, the School District begins its budget process for the fiscal year beginning the following July 1. After the School District's budget committee reviews all requests and allocation requirements and related revenue, it presents a tentative proposed budget to the Superintendent for review and adjustment. The Superintendent presents the resulting proposed budget to the Board of Trustees, which reviews it in a series of workshops and makes any additions or deletions it deems necessary. The final budget is adopted by the Board of Trustees for all funds except certain special revenue and fiduciary funds, prior to July 1 of each year.

The School District of Greenville County maintains budgetary control. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board of Trustees. Activities of the general fund, capital projects funds, and debt service fund are included in the annual appropriated budget. The legal level of control is at the fund level. To ensure compliance, budgetary controls are established by function and activity within each individual fund. Budgeted dollars cannot be transferred between funds without Board approval. The budgets of the School District may be amended during the year by preparing an update and submitting to the Board of Trustees for approval. The School District also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts lapse at year-end.

Factors Affecting Financial Condition

The information presented in the basic financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which The School District of Greenville County operates.

Local Economy

Greenville County is one of the premiere centers for business in the Southeast region. It serves as the service, manufacturing, and R&D center for upstate South Carolina. Greenville County cultivates a

pro-business environment with a low cost of doing business, low cost of living, skilled worker availability, exceptional quality of life and top notch educational institutions. It is the home to a diverse group of Fortune 500 Companies. The County has long been recognized as a prime location for international investment and was rated #1 in the nation for both new and expanding international firms by Site Selection Magazine. As a result of a strong business climate and a high quality of life, over 100 international firms are located in Greenville County. In an effort to continue this trend, the upstate will participate as one of only six metropolitan areas, to develop a regional plan to attract and leverage foreign direct investment, as part of the Global Cities Initiative. Greenville County is the location of many major companies, foreign and domestic. Some of the major companies located in Greenville County include, Agfa Corporation, Bosh Rexroth, Fluor Corporation, GE Power & Water, Hubbell Lighting, Michelin North America, NUTRA Mfg., ScanSource, Sealed Air Cryovac, SYNEX Corp, TD Bank and C&S Wholesale.

During the past 16 years, strong county economic planning efforts have enabled the manufacturing sector to diversify away from historically concentrated textile employment toward high technology. During the same period, the service and trade sectors have continued to expand. Greenville's economic success story continues with announcements of capital investment during 2017 of approximately \$310.47 million. Over the past five years, 2012 – 2016, announced capital investment totaled approximately \$1.78 billion and includes the addition of approximately 8,522 planned new jobs.

Capital investment in Greenville County includes the International Center for Automotive Research (“ICAR”) which serves the state’s existing automotive industries and helps attract new ones by bringing together a graduate program specializing in systems integration with commercially viable automotive and motor sports R&D, testing laboratories and other support facilities.

The county’s unemployment rate for June 2017 was 3.7%, one of the lowest in the state. Greenville was listed number 6 on Forbes Magazine's list of "America's Engineering Capitals" in 2014. For the five year period 2011-2015, the housing market experienced an increase of over 56% in residential building permit activity. The Greenville retail market continues to improve and change, attracting new retailers to the state and motivating redevelopment in the region. The recent development of Magnolia Park has proven very successful and attracted major retailers such as Cabela’s and Dave & Busters, as well as providing a new home to existing retailers such as Toys R Us and Rooms to Go.

Greenville County’s location, access to the interstate system, diverse employment base, and educational institutions, favor a continuation of this growth trend toward more economic development and new jobs.

Long-Term Financial Planning

As evidenced by the basic financial statements contained in this report, Capital Projects are one of the main focus areas of the School District’s financial planning. Prior to the adoption of the Long Range Facilities Plan, the School District sold general obligation bonds annually with eight-plus year repayment schedules. The School District restructured its debt and shortened the repayment schedule of bonds; thereby reducing interest cost and freeing up additional capacity within the constitutional 8% debt limit.

In March 2001, the School District entered into a contract with Institutional Resources to address pressing facility needs. The contract included a financing component that established a non-profit foundation, referred to as BEST. As of June 2006, the non-profit had issued four series of bonds for a total of \$1.03 billion in Installment Purchase Revenue Bonds to fund the BEST construction program. These bonds will be matured for the most part with annual general obligation debt issued by the School

District, within its 8% debt limitation, and future earnings on investments. These bonds are scheduled to be paid off in the year 2028.

The Long Range Facilities Plan and Capital Improvement Program provides for construction of additional schools to meet growth, renovation projects to extend the useful life of facilities, modifications to schools to accommodate growth and academic changes, and maintenance of facilities. Dr. Phinnize J. Fisher Middle School opened in August 2014. Previously, 70 schools and centers were constructed or renovated as part of the BEST School Construction Program. As a result of the BEST program the average age of our school facilities is 12 years.

The School District planned capital improvements will be paid for with the proceeds of general obligation bonds issued by the School District as well as qualified school construction bonds and qualified zone academy bonds. Greenville County Schools has maintained the highest credit ratings for South Carolina school districts based on statements recently released by Standard and Poor's and Moody's rating agencies. A higher credit rating for the School District results in lower interest costs when borrowing money.

As the largest school district in the State of South Carolina, enrollment for FY17 of 76,637, the School District must plan ahead for future school years. Increase in student enrollment, effect of the economy, and change in instruction delivery, i.e. technology, are all items with both current and long range impact. Planning is embedded in the budget process each year. Even though the School District presents an official budget to the Board on an annual basis, the administration reviews projected revenue and expenditure projections for the next several years. When the economic downturn began in fiscal year 2008, the School District put in place a plan to increase fund balance in order to ease the effect of the funding cliff created by the end of the government stimulus funding. By utilizing State Fiscal Stabilization funds and instituting procedures to generate additional savings within the general fund budget, the General Fund – Fund Balance increased from \$48,340,093 as of June 30, 2009 to \$80,095,291 as of June 30, 2012. Beginning in FY13, the School District included a portion of fund balance in the General Fund budget and thus began the planned usage of fund balance over the course of several years until revenues increase to a level that sustained the instructional process without budget cuts. From FY14 to FY15, the amount of fund balance assigned to fund the General Fund decreased from \$11,248,000 to \$7,057,000 with no fund balance assignment in the FY16, FY17 and FY18 budgets.

Financial Policies and Practices

The Board of Trustees policy includes a fund balance policy that requires the School District to maintain a minimum fund balance of 8.33% of total general fund expenditures. The administration utilizes this policy to assist with cash flow during the fall of the year before tax revenues are received. One half of the funds, set aside by this policy, are available to meet short term needs. Additional usage may only be made available by majority vote of the full board, and if so used, must be replaced through budgeting revenues to exceed expenditures by at least 1% until the fund is restored to the 8.33% level. Planning when large expenditures are made keeps cash needs manageable during the fall months without the expense of borrowing.

Major Initiatives

School safety is a priority and the School District has modified the main entrance to all schools to include a monitored and contained visitor entry. This adjustment requires all school visitors to enter the school in this manner before accessing the school's main hallway. As security concerns continue to grow across the nation, the School District and Greenville County Law Enforcement Agencies are partnering in a program that has significantly enhanced security across the School District. In this

program, zoned patrols utilize off-duty deputies to randomly patrol our schools and centers that do not have a School Resource Office (“SRO”) multiple times each school day. In addition, law enforcement and administrative staff members evaluate safety procedures at each school to enhance security across the School District.

Another School District priority is to fully involve technology in the learning process. The School District has upgraded the infrastructure at all schools to support a heavy wireless overlay. This allows schools to implement a Personal Learning Device technology initiative.

The Graduation Plus initiative provides our School District with a framework to help us produce high school graduates who meet the Profile of a South Carolina Graduate, as defined by the South Carolina Chamber of Commerce and the South Carolina Association of School Administrators. The goal of Graduation Plus is to ensure that all students in Greenville County graduate with a high school diploma PLUS one or more of the following: completion of a vocation/technical certificate, completion of post-secondary vocational and technical advanced certification, completion of freshman level college courses, and or significant progress toward a college major or two year degree.

Awards and Acknowledgements

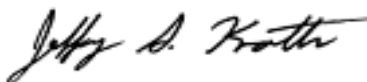
The Government Finance Officers Association of the United States and Canada (“GFOA”) awarded a Certificate of Achievement for Excellence in Financial Reporting to The School District of Greenville County for its CAFR for the fiscal year ended June 30, 2016. This was the thirty first consecutive year that the School District has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program’s requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

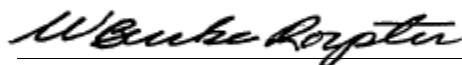
In addition, the School District was also awarded The Association of School Business Officials International Certificate of Excellence in Financial Reporting for its comprehensive annual financial report for the fiscal year ended June 30, 2016. This award is the highest form of recognition in school financial reporting issued by the Association of School Business Officials International. The School District is pleased to receive this award and we believe our current report continues to conform to the Program requirements as a Certificate of Excellence is valid for one year only.

When a project of this magnitude is undertaken, many people are deserving of thanks. Even so, sincere appreciation is expressed to the entire staff in the Finance Department who’s dedicated and efficient services have made the timely preparation of this report possible. Thanks also to The School District of Greenville County’s Board of Trustees for your support of excellence in financial reporting and fiscal integrity.

Respectfully submitted,



Jeffrey S. Knotts
Executive Director of Finance



W. Burke Royster
Superintendent



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**The School District
of Greenville County
South Carolina**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2016

Executive Director/CEO



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

**The Certificate of Excellence in Financial Reporting
is presented to**

The School District of Greenville County

**for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2016.**

The CAFR has been reviewed and met or exceeded
ASBO International's Certificate of Excellence standards.



A handwritten signature in black ink, appearing to read 'Anthony N. Dragona', written over a horizontal line.

Anthony N. Dragona, Ed.D., RSBA
President

A handwritten signature in black ink, appearing to read 'John D. Musso', written over a horizontal line.

John D. Musso, CAE
Executive Director



INDEPENDENT AUDITOR'S REPORT

The Board of Trustees
The School District of Greenville County
Greenville, South Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of The School District of Greenville County, South Carolina (the "School District"), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the discretely presented component units, with the exception of Legacy Charter School. The financial statements of the other discretely presented component units reflected \$17,465,357, \$3,552,580, and \$13,927,661, respectively, in assets, net position, and revenues. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the other discretely presented component units, is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of The School District of Greenville County, South Carolina, as of June 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Adoption of Accounting Principle

As discussed in Note I.B to the financial statements, for the year ended June 30, 2017 the School District adopted the provisions of Governmental Accounting Standards Board Statement (“GASB”) No. 77 “*Tax Abatement Disclosures*”. Our opinion is not modified with respect to this matter.

Pending Implementation of GASB Statement on Postemployment Benefits Other Than Pensions

As discussed in Note IV.J to the financial statements, the GASB issued Statement No. 75 “*Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*” (“*Statement*”) in 2015. This Statement, which will be adopted by the School District for the year ended June 30, 2018, will require the School District to report a net other postemployment benefit (“OPEB”) liability on its applicable financial statements for its participation in the South Carolina State Health Plan (“Plan”).

Based on recent information provided by the South Carolina Public Employee Benefit Authority, it is anticipated that the School District’s share of the net OPEB liability associated with this Plan will decrease its governmental activities beginning net position for the year ended June 30, 2018 by approximately \$663,000,000. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management’s discussion and analysis, the budgetary comparison schedule, and the pension plan schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the GASB who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

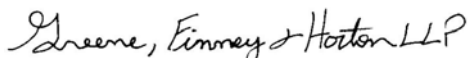
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District’s basic financial statements. The introductory section, supplementary information, statistical section, and the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, all of which can be located in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and the other auditors. In our opinion, based on our audit, the procedures performed as described above, and the reports of the other auditors, the supplementary information and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and the statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 27, 2017 on our consideration of the School District’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District’s internal control over financial reporting and compliance.



Greene, Finney & Horton, LLP
Mauldin, South Carolina
October 27, 2017

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2017

This discussion and analysis of The School District of Greenville County's ("School District") financial performance provides an overview of the School District's financial activities for the fiscal year ended June 30, 2017 ("2017" or "FY 17") as compared to fiscal year ended June 30, 2016 ("2016" or "FY 16"). The intent of management's discussion and analysis ("MD&A") is to look at the financial performance of the School District as a whole, with an emphasis on the primary government (which excludes the School District's charter schools - discretely presented component units). Readers should also review the transmittal letter, the financial statements, and the notes to the financial statements, required supplementary information, and other information to enhance their understanding of the School District's financial performance.

FINANCIAL HIGHLIGHTS

Key financial highlights for 2017 are as follows:

- In the statement of net position, the School District's liabilities and deferred inflows of resources exceeded its assets and deferred outflows of resources at the close of the most recent fiscal year by (\$22.7) million. Of this deficit amount, (\$47.3) million and \$24.7 million were related to the School District's governmental and business-type activities, respectively. In addition, the School District's total unrestricted net position was a deficit of (\$515.1) million, consisting of (\$535.8) million for governmental activities and \$20.8 million for business-type activities. This deficit in unrestricted net position was due to the net pension liability of \$802.6 million as required by Governmental Accounting Standards Board ("GASB") Statement No. 68, "*Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*" ("GASB #68"). The School District participates in the South Carolina Retirement System's (SCRS) pension plans, and the School District is required by GASB #68 to recognize its proportionate share of the SCRS' unfunded liabilities on the School District's government-wide financial statements.
- The School District's total net position increased by \$6.1 million which consisted of an increase of \$4.0 million for governmental activities and \$2.1 million in business-type activities. Total revenues were \$826.6 million for 2017 and \$785.0 million for 2016.
- The School District's total capital assets decreased in the current fiscal year by \$11.5 million to \$1.19 billion, as depreciation expense of \$46.7 million and disposals of \$0.6 million exceeded capital asset additions of \$35.8 million.
- The School District's total long term debt decreased \$32.7 million during 2017 to \$822.6 million due to scheduled principal payments and the refunding of the 2006 outstanding Building Equity Sooner for Tomorrow, Inc. ("BEST") Refunding Bonds with the 2016 BEST Refunding Bonds. Of the outstanding balance at June 30, 2017, \$759.3 million is comprised of the outstanding BEST Installment Purchase Revenue Bonds ("IPRB"). BEST is a nonprofit corporation for which the School District is financially accountable. The key factor in this amount was the School District's aggressive building fund program via the IPRB sold by BEST, to fund the BEST construction program. BEST, although a legally separate entity, is a blended component unit of the School District, and its activities and balances are included in the financial information of the School District.
- As of the close of the current fiscal year, the School District's governmental funds reported combined ending fund balances of \$265.3 million, an increase of \$4.7 million in comparison with the prior year fund balance. This is attributable to activity in several funds. The fund balance for the General Fund increased by \$1.7 million, which reflects the School District's continued effort to control expenditures and increase revenue where possible. The fund balance for the Special Revenue funds increased by \$0.5 million. The fund balance for the Debt Service – District Fund increased by \$3.9 million due to local and State revenues exceeding debt service payments during the year. The fund balance in the Capital Projects – District Fund increased by \$26.2 million and reflects the net effect of the issuance of Series 2016 QZAB, the transfer of funds from the General Fund and actual construction-related expenditures. These funds are being expended over a multi-year period as the funding source for the School District's Long Range Facilities Plan and Capital Improvement Program. These increases were partially offset by a \$27.5 million decrease in the Debt Service - BEST Fund, as debt service reserve funds were utilized in conjunction with the refunding of the Series 2006 BEST IPRB during FY 17.
- At the end of the current fiscal year, the total fund balance for the General Fund was \$119.9 million. The General Fund's unassigned fund balance was \$107.3 million, which represented 18.9% of total General Fund expenditures for 2017.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2017

OVERVIEW OF THE FINANCIAL STATEMENTS

The School District has prepared its comprehensive annual financial report using the reporting model that is a combination of both government-wide financial statements and fund financial statements.

Government-wide financial statements. The financial statements include two kinds of statements that present different views of the School District. The first two statements provide a broad overview of the School District's overall financial status, in a manner similar to a private-sector enterprise.

The *statement of net position* presents information on all of the School District's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between these items 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 School District is improving or deteriorating.

The *statement of activities* presents information showing how the government'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, for some items, revenues and expenses are reported in this statement that will only result in cash flows in future fiscal periods (e.g., unavailable taxes and earned but unused vacation leave).

The government-wide financial statements distinguish functions of the School District 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 School District include instruction, support services, and community services. The business-type activities of the School District include a food service operation.

The government-wide financial statements include not only the School District itself (known as the primary government), but also component units. The component units include several legally separate charter schools and BEST. Financial information for the charter schools is reported separately from the financial information presented for the primary government itself; this information is not significant or material to the School District as a whole. BEST is a "blended" component unit, and as such, is included in the governmental activities of the School District. Complete separately issued financial statements for the charter schools may be obtained from the administrative office of each school. See Note I.A for details about how to obtain a copy of their financial statements. Separate financial statements for BEST are not issued.

Fund financial statements. The remaining financial statements focus on *individual parts* of the School District, reporting its operations in *more detail* than the government-wide 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 School District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related requirements. All of the funds of the School District can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term uses of expendable resources, as well as on balances of expendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government'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 government'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 SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2017

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

The School District maintains five individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Special Revenue Fund, Special Revenue – Education Improvement Act (“EIA”) Fund, Debt Service Fund and Capital Projects Fund, all of which are considered to be major funds. The individual fund data for the permanent fund, a non-major fund, is provided in a separate column since it is the only non-major fund. The BEST Debt Service Fund is also a major fund and therefore shown in separate columns. The BEST Capital Projects Fund was used in prior years to account for and report capital outlay related to the BEST operations. This fund was inactive for the year ended June 30, 2017, as it expended all of its resources in prior years and did not have any operations or balances as of June 30, 2017.

Proprietary Fund. The School District maintains one type of proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The School District uses an enterprise fund to account for its food service operation. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail; therefore, the proprietary fund financial statements provide more detailed information for the food service operation, which is considered a major fund of the School District.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the School District’s own programs. The School District is the trustee, or fiduciary, for the pupil activity funds of the schools and accounts for this activity in an agency fund.

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.

Other information. In addition to the financial statements and accompanying notes, this report includes certain required supplementary information. A required budgetary comparison schedule has been provided for the General Fund which has a legally adopted budget to demonstrate its compliance with the budget. Required pension plan schedules have been included which provide relevant information regarding the School District’s participation in the South Carolina Retirement System and the South Carolina Police Officers Retirement System.

Budgets for the Special Revenue Fund and Special Revenue – EIA Fund are not legally adopted. Budgets for the Capital Projects funds and Debt Service funds are legally adopted. Budgetary comparison schedules (to demonstrate compliance with their budgets) and the combining and individual fund financial schedules are included in the supplementary information section.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

MANAGEMENT’S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2017

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Major Features of the School District’s Government-Wide and Fund Financial Statements				
		Fund Financial Statements		
	Government-Wide Financial Statements	Governmental Funds	Proprietary Funds	Fiduciary Funds
Required financial statements	<ul style="list-style-type: none"> ▪ Statement of net position. ▪ Statement of activities. 	<ul style="list-style-type: none"> ▪ Balance sheet. ▪ Statement of revenues, expenditures, and changes in fund balances. 	<ul style="list-style-type: none"> ▪ Statement of net position. ▪ Statement of revenues, expenses, and changes in net position. ▪ Statement of cash flows. 	<ul style="list-style-type: none"> ▪ Statement of assets and liabilities.
Type of balance sheet information	All balance sheet elements – both financial and capital, and short-term and long-term.	All balance sheet elements that come due during the year or shortly thereafter. No capital assets or long-term obligations are included.	All balance sheet elements – both financial and capital, and short-term and long-term.	All balance sheet elements – short-term and long-term.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2017

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the School District's primary government (which excludes discretely presented component units – charter schools), net position (deficit) was (\$22.7) million and (\$28.8) million at the close of the most recent two fiscal years. A summary of the School District's net position for the primary government for June 30, 2017 and June 30, 2016 is presented below:

	Net Position					
	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Assets						
Current and Other Assets	\$ 406,994,270	393,954,077	21,552,502	19,183,515	428,546,772	\$ 413,137,592
Capital Assets	1,189,868,051	1,201,280,701	3,864,027	3,996,062	1,193,732,078	1,205,276,763
Total Assets	<u>1,596,862,321</u>	<u>1,595,234,778</u>	<u>25,416,529</u>	<u>23,179,577</u>	<u>1,622,278,850</u>	<u>1,618,414,355</u>
Deferred Outflows of Resources						
Deferred Refunding Charges	22,285,410	33,206,805	-	-	22,285,410	33,206,805
Deferred Pension Charges	125,433,269	57,495,775	-	-	125,433,269	57,495,775
Total Deferred Outflows of Resources	<u>147,718,679</u>	<u>90,702,580</u>	<u>-</u>	<u>-</u>	<u>147,718,679</u>	<u>90,702,580</u>
Liabilities						
Other Liabilities	141,248,922	133,260,347	790,744	654,736	142,039,666	133,915,083
Net Pension Liability	802,603,738	705,983,019	-	-	802,603,738	705,983,019
Non-Current Liabilities	843,911,804	892,025,074	-	-	843,911,804	892,025,074
Total Liabilities	<u>1,787,764,464</u>	<u>1,731,268,440</u>	<u>790,744</u>	<u>654,736</u>	<u>1,788,555,208</u>	<u>1,731,923,176</u>
Deferred Inflows of Resources						
Deferred Pension Credits	4,123,833	6,017,798	-	-	4,123,833	6,017,798
Total Deferred Inflows of Resources	<u>4,123,833</u>	<u>6,017,798</u>	<u>-</u>	<u>-</u>	<u>4,123,833</u>	<u>6,017,798</u>
Net Position						
Net Investment in Capital Assets	481,095,368	466,763,906	3,864,027	3,996,062	484,959,395	470,759,968
Restricted	7,431,199	4,380,764	-	-	7,431,199	4,380,764
Unrestricted	(535,833,864)	(522,493,550)	20,761,758	18,528,779	(515,072,106)	(503,964,771)
Total Net Position	<u>\$ (47,307,297)</u>	<u>(51,348,880)</u>	<u>24,625,785</u>	<u>22,524,841</u>	<u>(22,681,512)</u>	<u>\$ (28,824,039)</u>

Governmental Activities. Current and other assets increased by \$13.0 million primarily due to revenues exceeding expenditures for FY 2017. Capital assets decreased by \$11.4 million as depreciation expense exceeded capital asset additions. Deferred outflows of resources increased by \$57.0 million primarily due to the changes in actuarial estimates regarding the School District's participation in the SCRS plans. Other liabilities increased by \$8.0 million primarily due to higher accrued salaries and benefits due to payroll and benefit increases as well as higher accounts payable for construction projects at year end. Net pension liability increased by \$96.2 million due to changes in actuarial estimates regarding the School District's participation in the SCRS plans. Non-current liabilities decreased by \$48.1 million primarily due to scheduled principal payments and the refunding of the Series 2006 BEST Refunding Bonds with the Series 2016 Best Refunding Bonds. Deferred inflows of resources decreased due to lower deferred pension credits as a result of changes in actuarial estimates regarding the School District's participation in the SCRS plans.

Business-Type Activities. The Net Position of business-type activities increased by \$2.1 million (9.3%) from \$22.5 million at June 30, 2016 to \$24.6 million at June 30, 2017, as revenues of \$38.0 million exceeded expenses of \$35.9 million.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2017

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

The following table shows the changes in net position for the primary government for 2017 compared to 2016:

	Changes in Net Position					
	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Revenues						
Program Revenues:						
Charges for Services	\$ 475,094	696,067	11,712,539	11,905,238	12,187,633	\$ 12,601,305
Operating Grants	376,565,504	351,752,299	26,184,874	24,575,147	402,750,378	376,327,446
General Revenue:						
Property Taxes	297,142,425	289,441,021	-	-	297,142,425	289,441,021
State Revenue in Lieu of Taxes	101,769,574	100,262,657	-	-	101,769,574	100,262,657
Other	12,665,854	6,350,624	60,736	34,330	12,726,590	6,384,954
Total Revenues	788,618,451	748,502,668	37,958,149	36,514,715	826,576,600	785,017,383
Program Expenses						
Instruction	453,179,640	424,430,255	-	-	453,179,640	424,430,255
Support Services	295,685,786	265,134,035	-	-	295,685,786	265,134,035
Community Services	1,657,714	1,692,029	-	-	1,657,714	1,692,029
Interest and Other Charges	36,053,430	41,754,916	-	-	36,053,430	41,754,916
Food Service	-	-	33,857,503	33,036,104	33,857,503	33,036,104
Total Expenses	786,576,570	733,011,235	33,857,503	33,036,104	820,434,073	766,047,339
Income (Loss) Before Transfers	2,041,881	15,491,433	4,100,646	3,478,611	6,142,527	18,970,044
Transfers	1,999,702	1,896,510	(1,999,702)	(1,896,510)	-	-
Change in Net Position	4,041,583	17,387,943	2,100,944	1,582,101	6,142,527	18,970,044
Net Position, Beginning of Year	(51,348,880)	(68,736,823)	22,524,841	20,942,740	(28,824,039)	(47,794,083)
Net Position, End of Year	\$ (47,307,297)	(51,348,880)	24,625,785	22,524,841	(22,681,512)	\$ (28,824,039)

Changes in Net Position. Overall, the School District's net position increased in 2017, as revenues exceeded expenses (including depreciation of \$46.7 million) by \$6.1 million. Total revenue increased by \$41.6 million. When comparing 2017 to 2016, Program Revenues, which includes Federal and State revenues, increased by \$26.0 million due to: higher allocations from the State of South Carolina in the Education Finance Act area; an increase in the School District's student enrollment of 500 students; increase in the State's allocation for Employer Fringe Benefits which are formula driven and based on student count; increase in the State's Tier III Property Tax Relief allocation, which is formula driven and takes into consideration inflation and local population growth, which also increased; increase in General Fund property taxes increased due to an increase in assessed value; increase in Debt Service property taxes due to an increase in assessed values and an increase in the Fee in lieu of Tax Revenue for both the General Fund and Debt Service.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2017

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Instruction expenses increased \$28.7 million to \$453.2 million and support services expenses increased \$30.6 million to \$295.7 million. A few of the material increases in instruction expenses were as follows: a "Step" raise (additional year of experience) for teachers, teacher certificate upgrades; an increase in State health insurance premium of 3.2% (for the January 1, 2016 to December 31, 2016 period) and 0.8% (for the January 1, 2017 to December 31, 2017 period); a 4.6% rate increase in the employer portion of the State Retirement system rates effective July 1, 2016; and an increase in the local portion of the teacher salary schedule. The net increase in support services expenses reflected a "Step" for non-teachers; the non-teacher portion of State health insurance and retirement premiums increases.

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS

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

Governmental Funds

The analysis of governmental funds serve the purpose of looking at what resources came into the funds, how they were spent and what is available for future expenditures. Did the government generate enough revenue to pay for current obligations? What is available for spending at the end of the year?

For the year ended June 30, 2017, the School District's governmental funds reported a *combined* fund balance of \$265.3 million, as compared to the prior year fund balance of \$260.6 million. This increase of \$4.7 million in fund balance is primarily attributable to an increase in the General Fund of \$1.7 million, a \$0.5 million increase in the fund balance for the Special Revenue funds, an increase in the Debt Service – District Fund of \$3.9 million, and an increase in the Capital Projects – District Fund of \$26.2 million, partially offset by a \$27.5 million decrease in the Debt Service - BEST Fund. The School District issued a short-term bond in May 2017 for \$18.0 million and it is recorded as a fund liability in the Debt Service – District Fund as it matures in March 2018.

At June 30, 2017, the School District's nonspendable fund balance was \$1.1 million which was primarily related to endowments, prepaids, and inventories. Restricted fund balance for all governmental funds was \$128.2 million, consisting of capital projects of \$101.9 million and debt service of \$26.3 million. The committed portion of fund balance was \$29.1 million for construction and special projects for school facilities. The assigned portion of fund balance was \$13.1 million for special revenue programs. The portion of fund balance that is unassigned may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. The unassigned fund balance was \$93.7 million at June 30, 2017. This includes \$49.4 million which, per Board Policy, requires the School District to have a minimum unassigned fund balance equaling 8.33% of the next year (FY 18) General Fund expenditures budget, including commitments.

The General Fund is the chief operating fund of the School District. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$107.3 million while the total fund balance for the General Fund was \$119.9 million. The total fund balance increased \$1.7 million, as revenues and other financing sources/uses of \$569.4 million exceeded expenditures of \$567.7 million.

Revenues for the General Fund increased by \$31.5 million from the prior year due to higher property taxes of \$4.8 million; in addition, state sources increased by \$22.7 million due in part to a \$9.9 million increase in the Education Finance Act allocation which reflects an increase in the School District's student enrollment of 500 students. The State's allocation for Employer Fringe Benefits increased by \$2.4 million and the State's Property Tax Relief allocation increase of \$0.9 million, which is formula driven and takes into consideration inflation and local population growth. Local revenues increased by \$4.0 million primarily due to funds received from the City of Greenville in accordance with the Tax Increment Financing District settlement agreement.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2017

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS (CONTINUED)

Governmental Funds (Continued)

Expenditures for the General Fund increased by \$35.2 million from the prior year due to a: "Step" raise (additional year of experience) for teachers, teacher certificate upgrades; an increase in State health insurance premium of 3.2% (for the January 1, 2016 to December 31, 2016 period) and .8% (for the January 1, 2017 to December 31, 2017 period); a 4.6% rate increase in the employer portion of the State Retirement system rates effective July 1, 2016; 33.5 additional Elementary Reading Interventionists; 29.5 Special Education Teachers, Psychologists and Therapists and an increase in the local portion of the teacher salary schedule. The net increase in support services expenses reflected a "Step" for non-teachers; the non-teacher portion of State health insurance and retirement premiums increases; modification to the Bus Driver Salary schedule, the academic and athletic salary supplement schedules; 51.0 additional clerk FTEs for schools; making the 14 high school Athletic Directors full time positions.

The School District's Special Revenue Fund and Special Revenue – EIA Fund are used to account for revenues derived from the state of South Carolina and the federal government. The Special Revenue Fund had an assigned fund balance of \$13.1 million at the end of the current year, which was an increase of \$0.5 million due to revenues exceeding expenditures and transfers out. Transfers out in both of these funds increased by \$2.7 million primarily due to covering Medicaid matches, indirect cost on federal programs, and the EIA raise for teachers. The Special Revenue – EIA Fund does not have a fund balance as revenues should be expended, deferred (unearned), or returned to the grantor.

Two debt service funds are shown in the accompanying financial statements of the School District, the Debt Service – District Fund and the Debt Service – BEST Fund. Both debt service funds are used to account for the accumulation of funds for debt retirement. The fund balance of the Debt Service – District Fund at the end of the current fiscal year was a deficit of (\$9.0) million. The deficit fund balance for the Debt Service – District Fund decreased by \$3.9 million primarily due to an increase in local and State revenues of \$3.2 million, which includes \$1.2 million from the City of Greenville in accordance with the Tax Increment Financing District settlement agreement. Total transfers out were \$64.8 million to the Debt Service - EST Fund and \$43.9 million to the Capital Projects – District Fund. The fund balance of the Debt Service – BEST Fund at the end of the current fiscal year was \$21.7 million and accounts for accumulated resources for payment on the BEST IPRB sold by the non-profit organization. The fund balance decreased by \$27.5 million during 2017, as the District used debt service reserves of \$27.5 million in conjunction with the refunding of the Series 2006 BEST IPRB during FY17.

The fund balance for the Capital Projects – District Fund increased by \$26.2 million during 2017 to \$119.5 million at June 30, 2017. This increase was due primarily to the issuance of the Series 2016 QZAB and the transfer of funds from the General Fund with both being partially offset by construction-related expenditures. As noted previously the BEST building program has been completed in prior years, and there was no operations or balances as of June 30, 2017 related to this program. The Capital Projects – BEST Fund is inactive and is not reflected in the financial statements for 2017.

Proprietary Funds

The School District's only Proprietary Fund (Enterprise Fund) is the Food Service Fund. This program had an increase in net position of \$2.1 million during 2017, compared to an increase of \$1.6 million in the prior year. Total revenues increased by \$1.4 million to \$38.0 million, primarily due to an increase in USDA reimbursements and commodities. Total expenses and transfers out (which includes indirect costs charged by the General Fund) were \$35.9 million for the current year, which was an increase of \$0.9 million or 3%. This increase was primarily due to an increase in salaries and food costs.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2017

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS (CONTINUED)

General Fund Budgetary Highlights

The School District's budget is prepared according to South Carolina law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The School District has a legally adopted budget for the General Fund. The key highlights for 2017 are as follows:

The General Fund expenditures budget for the fiscal year ended June 30, 2017 was approved by the Board of Trustees on June 6, 2016 in the amount of \$576.0 million, which represented a \$39.3 million increase when compared to the revised General Fund budget for the fiscal year ended June 30, 2016 of \$536.7 million. In May 2017 the Board agreed to transfer \$12.2 million to the Capital Projects Fund, and the budget was increased accordingly. There were no other significant revisions to the FY 17 General Fund budget during the year ended June 30, 2017; total revisions were \$14.2 million.

The General Fund revenue budget for the fiscal year ended June 30, 2017 of \$576.0 million (including net transfers of \$17.7 million) included an Education Finance Act Base Student Cost ("EFA BSC") allocation of \$2,350, as funded by the final State FY 17 General Fund Budget. The EFA BSC for the fiscal year ended June 30, 2017 was an increase of \$130 when compared to the EFA BSC for the fiscal year ended June 30, 2016 of \$2,220, and resulted in a projected EFA allocation of \$173.9 million for the fiscal year ended June 30, 2017. This was an increase of a \$16.2 million when compared to the actual EFA allocation of \$159.1 for the fiscal year ended June 30, 2016 and also reflected the impact of approximately 500 additional students. The projected State allocation for employer fringe benefits of \$91.0 million was an increase of \$5.9 million when compared to the actual allocation of approximately \$85.1 million for fiscal year ended June 30, 2016. The increase in payments from the State as tier three payments under Act 388 was approximately \$0.9 million. The revenue budget was used to fund State mandated and locally required costs.

For fiscal year ended June 30, 2017, Federal and State mandated expenditures required an additional \$19.5 million to cover the "Step" for teachers, teacher certificate upgrades, State health insurance premium increases ranging from 3.2% for the January 1, 2016 to December 31, 2016 period to .8% for the January 1, 2017 to December 31, 2017 period, a 4.58% increase in the Employer State Retirement rate and additional payments to charter schools. The local required cost showed an increase of \$22.5 million, of which \$11.7 million represents a Step for non-teaching personnel, the local portion of the State required "Step" for teachers, modifications to the Bus Driver, Academic and Athletic Salary schedule, additional school personnel due to student growth. The budget also included \$2.0 million for 51.0 additional clerical for the schools, \$2.2 million for 33.5 Elementary Reading Interventionists, \$1.2 million of Special Education Teachers, Psychologists and Therapists.

The actual 2017 General Fund revenues and transfers in of \$581.5 million exceeded the revenue budget by \$5.6 million or 1.0%. The three major areas in which actual revenue exceeded the budget was "Revenue in Lieu of Taxes", "Interest on Investments", and "Revenue from Other Local Sources". The \$20.4 million in "Revenue in Lieu of Taxes (FILOT)" reflects an increase of \$1.8 million (9.9%) over its budget of \$18.5 million. For FY 11 through FY13, FILOT revenue stay around the \$14.8 million range. The revenue from FILOT increased to \$17.0 million in FY 14, \$17.8 million in FY 15, \$19.2 million in FY 16, and \$20.4 million in FY 17. This revenue category has seen a three year trend of material increases. This broad based increase in tax collections reflects a sustained, multi-year improvement in the local and state economy. "Interest on Investments" exceeded budget by approximately \$1.0 million due to higher interest rates. "Revenue from Other Local Sources" exceeded budget by approximately \$3.7 million primarily due to the Tax Increment Financing District settlement agreement with the City of Greenville that was not budgeted for.

Budgeted revenues from the State of South Carolina exceeded actual by \$0.3 million or 0.08%.

The actual FY 17 General Fund Expenditures, including transfers out, of \$579.9 million were under budget by \$10.3 million, or 1.7%. The personnel and fringe expenditures were \$502.7 million (86.7%) of the total General Fund expenditures and were under budget by \$6.1 million (1.2%). The non-personnel budgets were underspent by \$4.2 million (5.1%). This category represents supplies for all locations, purchased services, contracts, travel, copier costs and utilities.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

MANAGEMENT’S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2017

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2017, the School District had \$1.19 billion in net capital assets. The School District’s capital assets include land, construction in progress, buildings, improvements, and equipment. The School District’s capital assets as of June 30, 2017 and 2016 are as follows:

Capital Assets at June 30
(Net of Depreciation)

	Government Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Land	\$ 48,418,237	48,435,681	-	-	48,418,237	\$ 48,435,681
Construction in Progress	39,195,402	7,702,393	-	-	39,195,402	7,702,393
Building, Improvements and Equipment	1,102,254,412	1,145,142,627	3,864,027	3,996,062	1,106,118,439	1,149,138,689
Totals	\$ 1,189,868,051	1,201,280,701	3,864,027	3,996,062	1,193,732,078	\$ 1,205,276,763

Major capital asset events during the current fiscal year included additions of \$35.8 million, offset by depreciation expense of \$46.7 million and disposals of \$0.6 million. Facility construction is a major component of capital asset additions; following are significant highlights from 2017:

- Construction on the JL Mann Academy addition of \$8.5 million and the Rudolph Gordon expansion of \$16.2 million and other projects totaling \$7.2 million.
- Technology, communication, and food services equipment of \$3.8 million.

Total outstanding commitments at June 30, 2017 were \$35.1 million.

More detailed information about the School District's capital assets is presented in Note III.D in the notes to the financial statements.

Debt Administration

As of June 30, 2017, the School District (including its blended component unit BEST) had total outstanding long-term debt of \$822.6 million. Of this total, \$29.3 million was general obligation bond (“GOB”) debt backed by the full faith and credit of the School District.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

MANAGEMENT’S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2017

CAPITAL ASSET AND DEBT ADMINISTRATION (CONTINUED)

Debt Administration (Continued)

The School District’s total long-term debt as of June 30, 2017 and 2016 is as follows:

Long-Term Debt at June 30

	Government Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
IPRB - BEST	\$ 759,299,000	812,125,000	-	-	759,299,000	\$ 812,125,000
GOB - School District	29,260,000	29,260,000	-	-	29,260,000	29,260,000
QZAB - School District	34,047,652	13,888,652	-	-	34,047,652	13,888,652
Totals	\$ 822,606,652	855,273,652	-	-	822,606,652	\$ 855,273,652

At year-end, the School District had \$29.3 million and \$18.0 million of long-term and short-term general obligation bonds outstanding, respectively. The State limits the amount of general obligation debt that school districts can issue to 8% of the assessed value of all taxable property within the School District's corporate limits. The School District is authorized by state statute to exceed the legal debt margin of 8%, if citizens of the School District approve such additional debt through a district-wide referendum. As of June 30, 2017, the School District does not exceed the 8% limit.

BEST (Building Equity Sooner for Tomorrow). Pursuant to a Development, Program Management, and Construction Management Agreement dated as of March 15, 2001, by and between the School District, Institutional Resources, LLC, BEST, and the Program Manager, a plan was developed to finance capital projects of the School District through proceeds of BEST Installment Purchase Revenue Bonds (“IPRB”). On March 25, 2002, BEST, a 501(c) (3) non-profit corporation, sold \$800 million of IPRB. An additional \$100.8 million was issued in September 2003; \$68.0 million was issued in September 2004 and \$61.6 million was issued in May 2006. The proceeds were used to acquire, construct and equip new school facilities, additions to, renovations of, repairs of, improvements to, and equipment for the School District’s existing facilities. The purpose of the BEST capital projects was to relieve the overcrowding of the School District’s schools, update many of the School District’s existing school facilities, reduce the need for portable classrooms and accelerate the School District’s 10-year capital improvement plans, formerly known as the Long Range Facilities Plan. All of the projects financed with BEST IPRBs have been completed.

During the year ended June 30, 2017, BEST refunded \$466.3 million of BEST Installment Purchase Revenue Refunding Bonds - Series 2006 with the issuance of \$452.5 million in BEST Installment Purchase Revenue Refunding Bonds - Series 2016 and the use of \$27.5 million in Series 2006 Installment Purchase Revenue Refunding Bonds’ reserve funds. The District entered into this transaction in order to take advantage of lower interest rates, with a total savings of \$68.7 million.

The total outstanding bonded indebtedness for BEST is \$759.3 million at June 30, 2017. The School District will annually sell general obligation bonds to make the installment payments on the BEST debt.

Subsequent to the year ended June 30, 2017, the School District issued \$104.7 million in GOBs that mature in 2018. The School District used the proceeds from the GOBs to make the BEST IPRB payments due in 2018, to provide additional funding for capital projects, and to fund required payments on the QZAB sinking funds.

Other long-term obligations include the net pension liability of \$802.6 million as required by GASB #68. The School District also recognizes an accrual for compensated absences (vacation pay and sick leave) of \$7.2 million. More detailed information about the School District's debt and other long-term obligations is presented in Note III.H, Note III.J, and Note IV.A in the notes to the financial statements.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2017

ECONOMIC FACTORS AND FY 2018 BUDGETS

Economic Factors

Greenville County has transformed over the past two decades into a center of diversified business activity. By providing a pro-business environment and all the amenities necessary for business growth, the county has grown into a large and diverse metropolitan area and one of the southeast region's premier areas for business. Greenville is known for its high level of technological sophistication and expertise with high-technology manufacturing and engineering industries having a major presence in the area. Since Greenville is situated in a strategic location, along the "I-85 Corridor" between Charlotte and Atlanta, it is an extremely attractive environment for business headquarters. There are over 180 companies that base a divisional, regional, national, international or other type of headquarters in Greenville County.

Between 2012 and 2016, Greenville County's population increased by an estimated 1.7%. Total property tax collections from fiscal year 2012 through fiscal year 2017 have experienced consistent growth with tax collections pertaining to vehicles beginning to slow in FY 17. The county's ten largest taxpayers are diverse, accounting for 4.7% of total taxable assessed value. Because of favorable tax rates, market accessibility and the quality and availability of the workforce, companies are drawn to Greenville. Total capital investments in Greenville County were \$477 million in 2014, \$395 million in 2015 and \$426 million in 2016. The County's ten largest manufacturing employers consist of internationally recognized firms such as Michelin North America, General Electric, Lockheed Martin, Mitsubishi Polyester Film and Honeywell. Retail sales increased from \$14.8 billion in 2012 to \$18 billion in 2016.

In 2007, South Carolina enacted Act 388, which was effective for the School District beginning July 1, 2007. Act 388 provides an exemption for one hundred percent of the fair market value of owner occupied residential property, to the extent not already covered by the other property tax relief exemptions, from all property taxes imposed for school operating purposes, but not including millage imposed for the repayment of general obligation debt, for property tax years beginning after January 1, 2007. Act 388 also creates a new Homestead Exemption fund (the "Homestead Exemption Fund") which will be funded from an additional 1 cent sales tax imposed by Act 388.

Act 388 created three tiers of distribution to school districts. Tier one distributions are equal to the amounts that were received by school districts for the fiscal year ended June 30, 2007, relating to an earlier property tax relief provision for owner occupied residential property. In the case of the School District, that amount is \$23.4 million. Tier two distributions are equal to the amounts that were received by school districts for the school operating portion of the homestead exemption for the elderly, disabled and blind. In the case of the School District, that amount is \$5.9 million. Tier one and tier two distributions are fixed amounts and do not change. Tier three distributions are State funded payments to school districts to replace revenues formerly derived from taxation by school districts of owner occupied residential property. For the fiscal year ended June 30, 2008, those distributions were expected to equal, dollar for dollar, the revenue that would have been collected by the school districts from property tax for school operating purposes imposed by the school districts on owner occupied residential property for that fiscal year as if no reimbursed exemptions applied. Beginning with the 2008-2009 fiscal year, the tier three distributions will be the sum of the amount of the fiscal year 2007-2008 tier three distribution plus the tier three reimbursement increases.

Act 388 requires the tier three reimbursements to be increased annually by (i) an inflation factor equal to the percentage increase in the previous year of the Consumer Price Index, Southeast Region, as published by the United States Department of Labor, Bureau of Labor Statistics, plus (ii) the percentage increase in the previous year in the population of the State as determined by the Office of Research and Statistics of the State Budget and Control Board. The tier three increases are aggregated for the entire state and the amount going to any particular school district is equal to an amount that is the school district's proportionate share of the aggregate of such funds based on the school district's weighted pupil units as a percentage of the statewide weighted pupil units as determined annually pursuant to the EFA, with an adjustment for certain poverty factors to provide programs for the affected students. There are provisions in the tier three reimbursements that could, in any given year, result in a minimum increase of four percent to the extent funds are available in the Homestead Exemption Fund. There are also provisions that require the total tier three reimbursements to the school districts in a county to be not less than \$2,500,000. If the amount of tier three distributions other than those dependent upon balances in the Homestead Exemption Fund, exceed amounts in the Homestead Exemption Fund, the excess is required to be paid from the general fund of the State.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2017

ECONOMIC FACTORS AND FY 2018 BUDGETS (CONTINUED)

Economic Factors (Continued)

The School District's reimbursement for fiscal 2017 under Act 388 was \$61.1 million. Act 388 requires that, to the extent revenues in the Homestead Exemption Fund are insufficient to pay all required reimbursements to a school district; the State will pay the difference from the State's general fund. However, there can be no assurances that such funds will be appropriated in the event that there is such an insufficiency or that the change in funding sources resulting from Act 388 will not have an adverse effect on the School District's operations. The School District recognizes that Act 388 places increased reliance on state funds to fund the General Fund. This increased reliance at the state level is being funded by the additional penny sales tax, which in the School District's opinion is not as stable as property tax revenue which the penny sales tax replaced.

The notes to the financial statements include the GASB 77 required disclosure in Note IV.H for the amount property tax revenues were reduced under tax abatement agreements. Tax abatement agreements are a popular incentive used by community and state economic development officials. In such agreements, all or part of the property that a company invests in the community is not included in the tax rolls for a period of up to 10 years. Tax abatement is viewed as "seed money" that lowers the cost of investment temporarily but eventually adds to the community's tax base. For example, tax abatement agreements helped to secure BMW's investment in the upstate which resulted in Tier 1 and Tier 2 suppliers locating in Greenville County.

FY 2018 Budgets

The general fund expenditure budget for the fiscal year ending June 30, 2018 (FY 18) was approved by the Board of Trustees on June 27, 2017 in the amount of \$592,639,000. The FY 18 General Fund Budget represents a \$16,683,000 increase when compared to the general fund budget for the fiscal year ended June 30, 2017 (FY 17) of \$575,956,000.

The FY 18 General Fund Revenue Budget of \$592,639,000 includes an increase in the operational millage of 2.3 mills and is based on an Education Finance Act (EFA) Base Student Cost (BSC) allocation of \$2,425 as approved when the State of South Carolina approved its FY 18 budget. The FY 18 EFA BSC of \$2,425 is an increase of \$75 when compared to the FY 17 EFA BSC of \$2,350 and results in a projected FY 18 EFA allocation of \$174,000,000. This is an increase of \$66,000 when compared to the projected FY 17 EFA allocation of \$173,934,000. This reflects the impact of a projected 850 additional students and the impact of the following four charter schools: Brashier; Meyers; Greer and Legacy leaving Greenville County School's sponsorship and joining the State Charter School District. The EFA allocation is a per student allocation and "follows" the student. If these four charter schools had remained with the District, the projected FY 18 EFA allocation would be approximately \$5,300,000 more. The State allocation for employer fringe benefits is also impacted by the movement of these charter schools. The projected overall financial impact of these charter schools leaving District sponsorship is a net savings of \$8,662,000.

The projected State allocation for employer fringe benefits of \$91,191,000 is an increase of \$142,000 when compared to the FY 17 allocation. This reflects the four charter schools leaving, as this allocation is also per student based. If these four charter schools had remained with the District, the project FY 18 allocation would be approximately \$2.4 million more.

The projected increase in payments from the State as tier three payments under Act 388 equal \$1,733,000. The revenue budget will be used to fund State mandated and locally-required costs.

For FY 18, State mandated expenditures will cost a projected additional \$10,717,000. This reflects the additional cost of the teacher certificate upgrades, a salary "Step" for Teachers to reflect an additional year in experience, State health insurance premium increase of .8% that went into effect on January 1, 2017, a 15% increase in State dental insurance premium effective January 1, 2017, a State health insurance increase of 3.3% effective January 1, 2018 and a 1% increase in the State Retirement Employer Rate effective July 1, 2017.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2017

ECONOMIC FACTORS AND FY 2018 BUDGETS (CONTINUED)

FY 2018 Budgets (Continued)

The local required cost shows an increase of \$22,252,000. The material portions of this increase are: A) \$4.7 million due to student growth; B) \$1.4 to increase academic FTE by .25; C) \$1.4 million to assist in the funding of the Personalized Learning program which will provide all students with a tablet device in three years; D) \$5.3 million to fund the increase in the Local portion of the State Teacher Salary Schedule by a minimum of 3%; E) \$4.2 million to fund a 3% salary increase for Support Personnel; F) \$ 801,000 to fund a District-Wide Student Assessment System; G) \$839,000 to fund 5.0 Special Education Teachers, 3.0 Psychologist & Therapists and 3.0 Instructional Specialists; H) \$150,000 for a maintenance budget for the Band and Strings instruments.

The School District has been the sponsor for the Meyer Center Charter School ("MCCS"), Brashier Middle College Charter High School ("BMCCHS"), Greer Middle College Charter High School ("GMCCHS"), and Legacy Charter School ("LCS"); however, effective July 1, 2017, MCCS, BMCCHS, GMCCHS, and LCS joined the State Charter School District. The School District therefore does not have to provide the annual local funds allocation of \$16,286,000. This allowed a reduction to the General Fund budget of \$16,286,000.

The Board of Trustees policy requires that the General Fund – Fund Balance equal 8.33% of the current year General Fund Expenditure Budget, including FY 18 commitments. For the fiscal year ended in June 30, 2018, 8.33% equals \$49.4 million. With a June 30, 2017 Fund Balance of \$119.9 million, committed fund balance of \$11.6 million, non-spendable fund balance of \$1.0 million and \$49.4 million "set aside" per Board of Trustees policy, the School District is projected to have a remaining unassigned General Fund – Fund Balance of \$57.9 million.

REQUESTS FOR INFORMATION

This financial report is designed to provide those interested with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Office of the Executive Director of Finance, at The School District of Greenville County, 301 Camperdown Way, Greenville, South Carolina, 29601. In addition, this Comprehensive Annual Financial Report may be found on the School District's website at <http://www.greenville.k12.sc.us>.

BASIC FINANCIAL STATEMENTS

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

STATEMENT OF NET POSITION

JUNE 30, 2017

	PRIMARY GOVERNMENT			COMPONENT
	Governmental Activities	Business-Type Activities	Totals	UNITS Charter Schools
ASSETS				
Cash and Cash Equivalents	\$ 229,810,851	19,467,951	249,278,802	\$ 6,927,315
Cash and Cash Equivalents, Restricted	149,674,690	-	149,674,690	-
Cash and Investments Held by County Treasurer	3,812,964	-	3,812,964	-
Investments	-	-	-	1,005,007
Investments, Restricted	140,386	-	140,386	-
Property Taxes Receivable, Net	5,309,984	-	5,309,984	-
Accounts Receivable, Net	1,269,607	-	1,269,607	779,512
Due from Other Governments	16,645,336	326,934	16,972,270	-
Internal Balances	(672,616)	672,616	-	-
Inventories and Prepaid Items	1,003,068	1,085,001	2,088,069	-
Other Assets	-	-	-	158,212
Capital Assets:				
Non-Depreciable	87,613,639	-	87,613,639	-
Depreciable, Net	1,102,254,412	3,864,027	1,106,118,439	11,514,915
TOTAL ASSETS	1,596,862,321	25,416,529	1,622,278,850	20,384,961
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Refunding Charges	22,285,410	-	22,285,410	-
Deferred Pension Charges	125,433,269	-	125,433,269	3,646,847
TOTAL DEFERRED OUTFLOWS OF RESOURCES	147,718,679	-	147,718,679	3,646,847
LIABILITIES				
Accounts Payable and Accrued Expenses	103,619,532	357,546	103,977,078	1,906,337
Accrued Interest Payable	2,528,619	-	2,528,619	-
Due to Other Governments	134,116	-	134,116	-
Unearned Revenue	16,999,655	433,198	17,432,853	609,507
Short-Term Bond Payable	17,967,000	-	17,967,000	-
Non-Current Liabilities:				
Net Pension Liability - Due in More than One Year	802,603,738	-	802,603,738	20,269,218
Due Within One Year	43,815,986	-	43,815,986	238,198
Due in More than One Year	800,095,818	-	800,095,818	6,798,174
TOTAL LIABILITIES	1,787,764,464	790,744	1,788,555,208	29,821,434
DEFERRED INFLOWS OF RESOURCES				
Deferred Pension Credits	4,123,833	-	4,123,833	228,551
TOTAL DEFERRED INFLOWS OF RESOURCES	4,123,833	-	4,123,833	228,551
NET POSITION				
Net Investment in Capital Assets	481,095,368	3,864,027	484,959,395	5,185,210
Restricted For:				
Debt Service	7,288,448	-	7,288,448	-
Permanent Fund - Nonexpendable	136,916	-	136,916	-
Permanent Fund - Expendable	5,835	-	5,835	-
Other	-	-	-	493,364
Unrestricted	(535,833,864)	20,761,758	(515,072,106)	(11,696,751)
TOTAL NET POSITION	\$ (47,307,297)	24,625,785	(22,681,512)	\$ (6,018,177)

The notes to the financial statements are an integral part of this statement.
See accompanying independent auditor's report.

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2017

FUNCTIONS/PROGRAMS	Expenses	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGE IN NET POSITION			Component Units Charter Schools
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Primary Government Business-Type Activities	Total	
PRIMARY GOVERNMENT								
Governmental Activities:								
Instruction	\$ 453,179,640	467,101	257,471,270	-	(195,241,269)		(195,241,269)	
Support Services	295,685,786	7,993	119,094,234	-	(176,583,559)		(176,583,559)	
Community Services	1,657,714	-	-	-	(1,657,714)		(1,657,714)	
Interest and Other Charges	36,053,430	-	-	-	(36,053,430)		(36,053,430)	
Total Governmental Activities	<u>786,576,570</u>	<u>475,094</u>	<u>376,565,504</u>	<u>-</u>	<u>(409,535,972)</u>		<u>(409,535,972)</u>	
Business-Type Activities:								
Food Services	33,857,503	11,712,539	26,184,874	-	-	4,039,910	4,039,910	
Total Business-Type Activities	<u>33,857,503</u>	<u>11,712,539</u>	<u>26,184,874</u>	<u>-</u>	<u>-</u>	<u>4,039,910</u>	<u>4,039,910</u>	
TOTAL PRIMARY GOVERNMENT	\$ 820,434,073	12,187,633	402,750,378	-	(409,535,972)	4,039,910	(405,496,062)	
COMPONENT UNITS								
Charter Schools	\$ 28,583,225	525,015	23,252,683	225,405				\$ (4,580,122)
TOTAL COMPONENT UNITS	\$ 28,583,225	525,015	23,252,683	225,405				(4,580,122)
GENERAL REVENUES AND TRANSFERS								
General Revenues:								
Property Taxes Levied for General Purposes					190,476,634	-	190,476,634	-
Property Taxes Levied for Debt Service					106,665,791	-	106,665,791	-
State Revenue in Lieu of Taxes					101,769,574	-	101,769,574	-
Unrestricted Intergovernmental Revenue					1,275,234	-	1,275,234	3,343,655
Grants and Contributions Not Restricted to Specific Programs					2,455	-	2,455	960,176
Unrestricted Investment Earnings					3,293,058	60,736	3,353,794	34,160
Miscellaneous					6,257,833	-	6,257,833	248,998
Gain on Disposal of Capital Assets					1,837,274	-	1,837,274	-
Transfers In (Out)					1,999,702	(1,999,702)	-	-
Total General Revenues and Transfers					<u>413,577,555</u>	<u>(1,938,966)</u>	<u>411,638,589</u>	<u>4,586,989</u>
CHANGE IN NET POSITION					4,041,583	2,100,944	6,142,527	6,867
NET POSITION, Beginning of Year, As Previously Reported					(51,348,880)	22,524,841	(28,824,039)	(8,556,177)
Change in Reporting Entity - Charter School - Note I.A					-	-	-	2,531,133
NET POSITION, Beginning of Year, As Adjusted					<u>(51,348,880)</u>	<u>22,524,841</u>	<u>(28,824,039)</u>	<u>(6,025,044)</u>
NET POSITION, End of Year					(47,307,297)	24,625,785	(22,681,512)	\$ (6,018,177)

The notes to the financial statements are an integral part of this statement.
See accompanying independent auditor's report.

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

BALANCE SHEET

GOVERNMENTAL FUNDS

JUNE 30, 2017

	GENERAL	SPECIAL REVENUE	SPECIAL REVENUE - EIA
ASSETS			
Cash and Cash Equivalents	\$ 229,810,851	-	-
Cash and Cash Equivalents, Restricted	-	-	-
Cash and Investments Held by County Treasurer	-	-	-
Investments, Restricted	-	-	-
Receivables, Net:			
Taxes	3,867,225	-	-
Accounts	1,113,497	154,110	-
Due From:			
State Agencies	15,560,048	944,619	90,019
Other Funds	1,003,638	17,148,104	11,902,545
Other Governments	-	50,650	-
Prepaid Items	143,986	-	-
Inventories	859,082	-	-
TOTAL ASSETS	\$ 252,358,327	18,297,483	11,992,564
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES:			
Accounts Payable	\$ 24,616,320	28,150	25,070
Accrued Salaries, Fringe & Benefits	75,990,241	4,151	-
Accrued Expenditures	-	16,479	6,926
Due To:			
State Agencies	56,576	12,928	64,612
Other Funds	29,725,630	-	-
Unearned Revenue	15,450	5,088,249	11,895,956
Short-Term Bonds Payable	-	-	-
TOTAL LIABILITIES	130,404,217	5,149,957	11,992,564
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue - Property Taxes	2,093,672	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	2,093,672	-	-
FUND BALANCES:			
Fund Balances			
Nonspendable:			
Endowment	-	-	-
Prepaid Items	143,986	-	-
Inventories	859,082	-	-
Restricted For:			
Debt Service	-	-	-
Construction Projects	-	-	-
Endowment	-	-	-
Committed For:			
Special Projects	11,600,499	-	-
Assigned For:			
Special Projects	-	13,147,526	-
Unassigned	107,256,871	-	-
TOTAL FUND BALANCES	119,860,438	13,147,526	-
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 252,358,327	18,297,483	11,992,564

The notes to the financial statements are an integral part of this statement.
See accompanying independent auditor's report.

DEBT SERVICE - DISTRICT	DEBT SERVICE - BEST	CAPITAL PROJECTS - DISTRICT	NON-MAJOR PERMANENT FUND	TOTAL GOVERNMENTAL FUNDS
-	-	-	-	\$ 229,810,851
8,538,250	21,704,766	119,431,674	-	149,674,690
3,812,964	-	-	-	3,812,964
-	-	-	140,386	140,386
1,442,759	-	-	-	5,309,984
-	2,000	-	-	1,269,607
-	-	-	-	16,594,686
-	-	3,976,906	2,365	34,033,558
-	-	-	-	50,650
-	-	-	-	143,986
-	-	-	-	859,082
13,793,973	21,706,766	123,408,580	142,751	\$ 441,700,444
-	-	252,887	-	\$ 24,922,427
-	-	-	-	75,994,392
-	-	2,679,308	-	2,702,713
-	-	-	-	134,116
3,976,906	-	1,003,638	-	34,706,174
-	-	-	-	16,999,655
17,967,000	-	-	-	17,967,000
21,943,906	-	3,935,833	-	173,426,477
841,940	-	-	-	2,935,612
841,940	-	-	-	2,935,612
-	-	-	136,916	136,916
-	-	-	-	143,986
-	-	-	-	859,082
4,561,344	21,706,766	-	-	26,268,110
-	-	101,933,089	-	101,933,089
-	-	-	5,835	5,835
-	-	17,539,658	-	29,140,157
-	-	-	-	13,147,526
(13,553,217)	-	-	-	93,703,654
(8,991,873)	21,706,766	119,472,747	142,751	265,338,355
13,793,973	21,706,766	123,408,580	142,751	\$ 441,700,444

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION

JUNE 30, 2017

TOTAL FUND BALANCES - GOVERNMENTAL FUNDS **\$ 265,338,355**

Amounts reported for the governmental activities in the Statement of Net Position are different because:

Property taxes receivable will be collected this year but are not available soon enough to pay for the current period's expenditures and therefore are reflected as unavailable in the funds. 2,935,612

Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of the assets was \$1,770,956,511 and the accumulated depreciation was \$581,088,460. 1,189,868,051

Deferred refunding charges are amortized over the lives of the refunding bonds in the Statement of Net Position; however, the costs are recognized in the year incurred in the governmental funds. 22,285,410

Accrued interest on outstanding bonds in governmental accounting is not due and payable in the current period and therefore has not been reported as a liability in the funds. (2,528,619)

The School District's proportionate shares of the net pension liability, deferred outflows of resources, and deferred inflows of resources related to its participation in the State retirement plans are not recorded in the governmental funds but are recorded in the Statement of Net Position. (681,294,302)

Long-term obligations, including deferred items, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term obligations consisted of:

Long-Term Debt	(822,606,652)	
Long-Term Debt Premium	(14,124,296)	
Compensated Absences	(7,180,856)	(843,911,804)

TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES **\$ (47,307,297)**

The notes to the financial statements are an integral part of this statement.
See accompanying independent auditor's report.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2017

	GENERAL	SPECIAL REVENUE	SPECIAL REVENUE - EIA
REVENUES			
Local Sources:			
Taxes	\$ 190,920,995	-	-
Investment Earnings	1,625,049	-	-
Other Local Sources	5,043,405	6,657,657	-
State Sources	365,615,231	7,441,482	46,572,214
Federal Sources	-	46,618,354	-
Intergovernmental Sources	2,473	-	-
TOTAL REVENUES	563,207,153	60,717,493	46,572,214
EXPENDITURES			
Current:			
Instruction	331,175,629	33,140,403	18,971,726
Support Services	214,743,451	20,525,569	10,584,131
Community Services	99,658	1,556,451	-
Intergovernmental	20,536,872	3,004,960	1,339,254
Capital Outlay	1,146,226	779,166	628,644
Debt Service:			
Principal Retirement	-	-	-
Interest and Fiscal Charges	-	-	-
Payment to Refunded Debt Escrow Agent	-	-	-
Other Expenditures	-	-	-
TOTAL EXPENDITURES	567,701,836	59,006,549	31,523,755
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(4,494,683)	1,710,944	15,048,459
OTHER FINANCING SOURCES (USES)			
Issuance of Long-Term General Obligation Bonds	-	-	-
Issuance of BEST Refunding Bonds	-	-	-
Sale of Capital Assets	29,072	-	-
Transfers In	18,310,680	-	-
Transfers Out	(12,169,298)	(1,258,221)	(15,048,459)
TOTAL OTHER FINANCING SOURCES (USES)	6,170,454	(1,258,221)	(15,048,459)
NET CHANGES IN FUND BALANCES	1,675,771	452,723	-
FUND BALANCES, Beginning of Year	118,184,667	12,694,803	-
FUND BALANCES, End of Year	\$ 119,860,438	13,147,526	-

The notes to the financial statements are an integral part of this statement.
See accompanying independent auditor's report.

DEBT SERVICE - DISTRICT	DEBT SERVICE - BEST	CAPITAL PROJECTS - DISTRICT	NON-MAJOR PERMANENT FUND	TOTAL GOVERNMENTAL FUNDS
106,665,791	-	-	-	\$ 297,586,786
424,745	39,166	1,202,909	1,190	3,293,059
1,160,498	-	523,431	50	13,385,041
5,438,132	-	-	-	425,067,059
1,272,762	-	-	-	47,891,116
-	-	-	-	2,473
114,961,928	39,166	1,726,340	1,240	787,225,534
-	-	-	422	383,288,180
-	-	8,624,242	605	254,477,998
-	-	-	-	1,656,109
-	-	-	-	24,881,086
-	-	45,565,637	-	48,119,673
-	39,051,000	-	-	39,051,000
2,385,523	26,154,213	-	-	28,539,736
-	477,454,473	-	-	477,454,473
-	2,138,500	-	-	2,138,500
2,385,523	544,798,186	54,189,879	1,027	1,259,606,755
112,576,405	(544,759,020)	(52,463,539)	213	(472,381,221)
-	-	20,159,000	-	20,159,000
-	452,500,000	-	-	452,500,000
-	-	2,397,295	-	2,426,367
-	64,764,400	56,098,626	-	139,173,706
(108,698,026)	-	-	-	(137,174,004)
(108,698,026)	517,264,400	78,654,921	-	477,085,069
3,878,379	(27,494,620)	26,191,382	213	4,703,848
(12,870,252)	49,201,386	93,281,365	142,538	260,634,507
(8,991,873)	21,706,766	119,472,747	142,751	\$ 265,338,355

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES**

YEAR ENDED JUNE 30, 2017

TOTAL NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS	\$ 4,703,848
Amounts reported for governmental activities in the Statement of Activities are different because:	
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	(444,358)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position	39,051,000
The payment to refunded debt escrow agent is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Activities.	477,454,473
Bond, bond premium, and other long-term debt proceeds provide current financial resources to governmental funds, but issuing debt also increases long-term liabilities in the Statement of Net Position.	(472,659,000)
Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.	3,113,218
Deferred refunding charges are expenditures the year they are incurred in governmental funds but they are amortized over the lives of the bonds in the Statement of Activities.	(10,921,395)
Bond premiums are other financing sources in the year they are received in governmental funds but they are amortized over the life of the bonds in the Statement of Activities. This amount is the amortization for the current year.	2,432,983
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.	(487,276)
In the Statement of Activities the gain on the sale of capital assets is reported, whereas in the governmental funds, proceeds from the disposal of capital assets increase financial resources. Thus, the change in net position differs from the change in fund balance by the net book value of the assets disposed.	(589,094)
Changes in the School District's proportionate share of the net pension liability, deferred outflows of resources, and deferred inflows of resources for the current year for its participation in the State retirement plans are not reported in the governmental funds but are reported in the Statement of Activities.	(26,789,260)
Governmental funds report asset additions as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense of \$45,912,856 exceeded capital asset additions of \$35,089,300 in the current year.	<u>(10,823,556)</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 4,041,583</u>

The notes to the financial statements are an integral part of this statement.
See accompanying independent auditor's report.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

STATEMENT OF NET POSITION

PROPRIETARY FUND

JUNE 30, 2017

	<u>ENTERPRISE FOOD SERVICE</u>
ASSETS	
Current Assets:	
Cash and Cash Equivalents	\$ 19,467,951
Due from State Agencies	326,934
Due from Other Funds	672,616
Inventories	1,085,001
Total Current Assets	<u>21,552,502</u>
Non-Current Assets:	
Depreciable Capital Assets	19,277,963
Less: Accumulated Depreciation	(15,413,936)
Total Non-Current Assets	<u>3,864,027</u>
TOTAL ASSETS	<u>25,416,529</u>
LIABILITIES	
Current Liabilities:	
Accounts Payable	327,584
Accrued Expenses	29,962
Unearned Revenue	433,198
Total Current Liabilities	<u>790,744</u>
TOTAL LIABILITIES	<u>790,744</u>
NET POSITION	
Net Investment in Capital Assets	3,864,027
Unrestricted	20,761,758
TOTAL NET POSITION	<u>\$ 24,625,785</u>

The notes to the financial statements are an integral part of this statement.
See accompanying independent auditor's report.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION

PROPRIETARY FUND

YEAR ENDED JUNE 30, 2017

	<u>ENTERPRISE FOOD SERVICE</u>
OPERATING REVENUES	
Proceeds from Sale of Meals	\$ 11,076,510
Other Revenue	636,029
TOTAL OPERATING REVENUES	<u>11,712,539</u>
OPERATING EXPENSES	
Salaries	11,409,112
Employee Benefits	1,117,000
Purchased Services	866,221
Food Costs and Supplies	19,086,115
Equipment - Non-capitalizable Expenses	331,927
Depreciation	792,867
Other	254,261
TOTAL OPERATING EXPENSES	<u>33,857,503</u>
OPERATING LOSS	<u>(22,144,964)</u>
NON-OPERATING REVENUES (EXPENSES)	
Commodities Received from USDA	2,465,958
USDA Reimbursements	23,511,665
USDA Fresh Fruit and Vegetable Grant	207,590
Interest	60,736
Other Revenues (Expenses), Net	(339)
TOTAL NON-OPERATING REVENUES (EXPENSES)	<u>26,245,610</u>
INCOME BEFORE TRANSFERS	4,100,646
Transfers In	4,298
Transfers Out	(2,004,000)
CHANGE IN NET POSITION	<u>2,100,944</u>
TOTAL NET POSITION, Beginning of Year	<u>22,524,841</u>
TOTAL NET POSITION, End of Year	<u>\$ 24,625,785</u>

The notes to the financial statements are an integral part of this statement.
See accompanying independent auditor's report.

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

STATEMENT OF CASH FLOWS

PROPRIETARY FUND

YEAR ENDED JUNE 30, 2017

	<u>ENTERPRISE</u> <u>FOOD SERVICE</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from Meal Sales	\$ 11,168,360
Receipts from Other Revenues	843,280
Payments to Employees for Services	(11,409,112)
Payments to Suppliers for Goods and Services	(19,622,427)
NET CASH USED IN OPERATING ACTIVITIES	<u>(19,019,899)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
USDA Reimbursement	23,515,415
Transfers from Other Funds	230,831
Transfers to Other Funds	(2,004,000)
NET CASH PROVIDED BY NON-CAPITAL FINANCING ACTIVITIES	<u>21,742,246</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Net Acquisition of Capital Assets	(660,832)
NET CASH USED IN CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(660,832)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest Income	60,736
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>60,736</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	2,122,251
CASH AND CASH EQUIVALENTS, Beginning of Year	<u>17,345,700</u>
CASH AND CASH EQUIVALENTS, End of Year	<u>\$ 19,467,951</u>
Reconciliation of Operating Loss to Net Cash Used in Operating Activities:	
Operating Loss	\$ (22,144,964)
Adjustments to Reconcile Operating Loss to Net Cash Used in Operating Activities:	
Depreciation Expense	792,867
Non-Cash USDA Commodities	2,465,958
Other Non-Operating Revenues	207,251
Change In:	
Inventories	(477,019)
Accounts Payable	44,158
Unearned Revenue	91,850
Net Cash Used in Operating Activities	<u>\$ (19,019,899)</u>
Non-Cash Transactions:	
Commodities Received from the USDA	\$ 2,465,958

The notes to the financial statements are an integral part of this statement.
See accompanying independent auditor's report.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

STATEMENT OF ASSETS AND LIABILITIES

FIDUCIARY FUND

JUNE 30, 2017

	<u>AGENCY</u>
ASSETS	
Cash and Cash Equivalents	\$ 2,666,608
Accounts Receivable	10,726,169
TOTAL ASSETS	<u><u>\$ 13,392,777</u></u>
LIABILITIES	
Accounts Payable	\$ 1,381,029
Due to Student Organizations	12,011,748
TOTAL LIABILITIES	<u><u>\$ 13,392,777</u></u>

The notes to the financial statements are an integral part of this statement.
See accompanying independent auditor's report.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2017

The School District of Greenville County (“School District”), established in 1951, is the government, which has responsibility for and control over all activities related to public school education in substantially all of Greenville County, as well as small portions of Spartanburg and Laurens Counties. The School District presently operates 51 elementary schools, 19 middle schools, 14 high schools, and 15 special program centers. The School District receives funding from local, state and federal government sources and must comply with the related requirements of these funding source entities. The School District is governed by a twelve member Board of Trustees (the “Board”).

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. The Reporting Entity

The financial statements of the School District have been prepared in conformity with accounting principles generally accepted in the United States of America (“GAAP”), as applied to governmental units. The Governmental Accounting Standards Board (“GASB”) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the School District’s accounting policies are described below.

As required by GAAP, the financial statements must present the School District’s financial information with any of its component units. The primary criterion for determining inclusion or exclusion of a legally separate entity (component unit) is financial accountability, which is presumed to exist if the School District both appoints a voting majority of the entity’s governing body, and either 1) the School District is able to impose its will on the entity or, 2) there is a potential for the entity to provide specific financial benefits to, or impose specific financial burdens on the School District. If either or both of the foregoing conditions are not met, the entity could still be considered a component unit if it is fiscally dependent on the School District and there is a potential that the entity could either provide specific financial benefits to, or to impose specific financial burdens on the School District.

In order to be considered fiscally independent, an entity must have the authority to do all of the following: (a) determine its budget without the School District having the authority to approve or modify that budget; (b) levy taxes or set rates or charges without approval by the School District; and (c) issue bonded debt without approval by the School District. An entity has a financial benefit or burden relationship with the School District if, for example, any one of the following conditions exists: (a) the School District is legally entitled to or can otherwise access the entity’s resources, (b) the School District is legally obligated or has otherwise assumed the obligation to finance the deficits or, or provide financial support to, the entity, or (c) the School District is obligated in some manner for the debt of the entity. Finally, an entity could be a component unit even if it met all the conditions described above for being fiscally independent if excluding it would cause the School District’s financial statements to be misleading.

Blended component units, although legally separate entities, are in substance, part of the government’s operations and data from these units are combined with data of the primary government in the fund financial statements. Discretely presented component units, on the other hand, are reported in a separate column in the government-wide financial statements to emphasize they are legally separate from the School District. Based on the criteria above, the School District has one blended component unit and several discretely presented component units.

Blended Component Unit

Building Equity Sooner for Tomorrow, Inc. (“BEST”) is a not-for-profit 501(c) (3) organization incorporated for the specific charitable purpose of serving as a “support organization” for capital projects of the School District. BEST board members are appointed by the Board of the School District. Because BEST exclusively benefits the School District, the BEST financial information is blended with that of the School District in these financial statements. Separate BEST financial information is included in individual columns throughout the financial statements. Separate financial statements for BEST are not issued.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2017

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. The Reporting Entity (Continued)

Discretely Presented Component Units

Meyer Center for Special Children (“MCSC”), Langston Charter Middle School (“Langston”), Brashier Middle College Charter High School (“Brashier”), Legacy Charter School (“Legacy”), and Greer Middle College Charter School (“GMCCS”) are charter schools under legislation enacted by the South Carolina state legislature on June 18, 1996. A charter school is considered a public school and these schools are a part of the School District for the purposes of state law and state constitution.

Because the charter schools are fiscally dependent on the School District and because the nature and significance of the relationship between the School District and the charter schools is such that exclusion of the charter schools would cause the School District’s financial statements to be misleading, the financial statements of the charter schools are included in those of the School District. Complete separately issued financial statements may be obtained from the administrative offices of each school as follows:

Brashier Middle College Charter High School, 1830 West Georgia Road, Simpsonville, SC 29680
Greer Middle College Charter School, 138 West McElhaney Road, Taylors, SC 29687
Langston Charter Middle School, 1950 Woodruff Road, Greenville, SC 29607
Legacy Charter School, 900 Woodside Avenue, Greenville, SC 29611
Meyer Center for Special Children, 1132 Rutherford Road, Greenville, SC 29609

Combining schedules for the discretely presented component units have been provided as Schedule G series in the supplementary information to assist in providing information to the South Carolina Department of Education (“SDE”). The information in these schedules was provided to the School District by the charter schools. The School District paid a total of approximately \$24,676,000 to the charter schools during 2017; these expenditures are included as Intergovernmental Expenditures in the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds. Beginning net position was restated in June 30, 2017 by approximately (\$2,531,000) for Greenville Technical Charter High School no longer being sponsored by the School District. Effective July 1, 2017, Brashier Middle College Charter High School, Greer Middle College Charter School, Legacy Charter School and Meyer Center for Special Children are no longer sponsored by the School District but are now sponsored by the SDE.

B. Measurement Focus, Basis of Accounting, and Basis of Presentation

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the School District (the primary government) and its component units. Interfund services provided and used are not eliminated in the process of consolidation.

Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* (the School District) is reported separately from certain legally separate *component units* (charter schools) for which the School District is financially accountable.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the School District.

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2017

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued)

The **government-wide financial statements** (which exclude fiduciary activities) are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the Proprietary Fund and Fiduciary Fund financial statements. Revenues are recognized and recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The government-wide financial statements are prepared using a different measurement focus from the manner in which governmental fund financial statements are prepared (see further details below). Governmental fund financial statements, therefore, include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the governmental funds statements.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government generally considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, with the exception of certain expenditure driven grants for which a one-year availability period is used. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, arbitrage, and claims and judgments, are recorded only when payment is due.

Fund financial statements report detailed information about the School District. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Fiduciary funds are reported by fund type.

When both restricted and unrestricted resources are available for use, it is the School District's practice to use restricted resources first, then unrestricted resources as they are needed.

The accounts of the government are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. There are a minimum number of funds maintained to keep the accounts consistent with legal and managerial requirements. The following fund types and major funds are used by the School District.

Governmental fund types are those through which most governmental functions of the School District are financed. The School District's expendable financial resources and related assets and deferred outflows of resources and liabilities and deferred inflows of resources, except for those accounted for in the Proprietary Fund, are accounted for through governmental funds. Governmental funds are accounted for using a current financial resources measurement focus and the modified accrual basis of accounting. The following are the School District's major and nonmajor governmental fund types:

The **General Fund, a major fund** and budgeted fund, is the general operating fund of the School District and accounts for all revenues and expenditures of the School District except those required to be accounted for in other funds. All general tax revenues and other receipts that (a) are not allocated by law or contractual agreement to other funds or (b) that have not been restricted, committed, or assigned to other funds are accounted for in the General Fund. General operating expenditures and the capital improvement costs that are not paid through other funds are paid from the General Fund.

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2017

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued)

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources (that are expected to continue to comprise a substantial portion of the inflows of the fund) that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The School District has the following major Special Revenue Funds:

- **The Special Revenue Fund, a major fund**, is used to account for and report financial resources provided by federal, state and local projects and grants that are restricted, committed or assigned for special programs. This fund has a management prepared budget but the budget is not legally adopted by the Board.
- **The Special Revenue - Education Improvement Act (“EIA”) Fund, a major fund**, is used to account for and report the restricted revenues from the South Carolina Education Improvement Act of 1984 (which is legally required by the state to be accounted for as a specific revenue source) which are restricted for specific programs authorized or mandated by the EIA. This fund has a management prepared budget but the budget is not legally adopted by the Board.

The *Debt Service Fund - District, a major fund* and budgeted fund is used to account for and report the accumulation of financial resources that are restricted, committed, or assigned for the payment of all long-term debt principal, interest and related costs for the School District.

The *Debt Service Fund - BEST, a major fund* and budgeted fund is used to account for and report the accumulation of financial resources that are restricted, committed, or assigned for the payment of all long-term debt principal, interest and related costs for BEST.

The *Capital Projects Fund - District, a major fund* and budgeted fund is used to account for and report financial resources that are restricted, committed, or assigned for expenditures of capital outlay related to site acquisitions, construction, equipment, and renovation of all major capital facilities of the School District except for those financed in the Enterprise Fund and the BEST Capital Projects Fund.

The *Capital Projects Fund - BEST* fund was used in prior years to account for and report financial resources that were related to site acquisitions, construction, equipment, and renovation of all major capital facilities of BEST. This fund was inactive for the year ended June 30, 2017, as it expended all of its resources in prior years and did not have any operations or balances as of June 30, 2017.

The *Permanent Fund, a nonmajor fund*, and an unbudgeted fund, is used to account for and report resources that are endowed to the School District in trust, for which only the interest earnings may be used by the School District for various restricted purposes as specified by the private donors. Since it is the only non-major governmental fund, it is shown in a separate column in the fund financial statements. The specific sub funds are as follows:

- The Neblett Library Fund was established in 1968. The expendable portion is used for library materials at Greenville High School.
- The three B. Calhoun Hipp Funds were established in 1977 and 1980. The expendable portions are to be used for elementary special education, middle and high school special education and for the education of severely handicapped school children, respectively.
- The Pat Pratt Fund was established in 1986. The expendable portion is used to purchase books for the Wade Hampton High School library.
- The Endel Fund was established in prior years. The expendable portion is used to provide awards to speech students at Greenville High School.

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2017

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued)

Proprietary fund types are accounted for based on the economic resources measurement focus and use of the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

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 enterprise fund are charges to students and teachers for breakfast, lunch and special sales. Operating expenses for the enterprise fund include the cost of sales, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Proprietary funds are made up of two classes: enterprise funds and internal service funds. The School District does not have any internal service funds and has one enterprise fund.

- The *Enterprise Fund*, a major fund and a budgeted fund, is used to account for those operations that are financed and operated in a manner similar to private business enterprises or where the School District has decided that periodic determination of revenues earned, expenses incurred, and/or net income is necessary for management accountability. The Food Service Fund is the School District's only enterprise fund and is used to account for the United States Department of Agriculture's ("USDA") approved school breakfast and lunch programs.

Fiduciary Fund types use the economic resources measurement focus and the accrual basis of accounting; they are used to account for assets held by the School District in a trustee capacity for individuals, other governments, and/or other funds and include agency funds. Fiduciary Fund types include the following fund:

- The *Agency Fund* accounts for the receipt and disbursement of monies to and from student activity organizations. These funds have no equity (assets are equal to liabilities) and do not include revenues and expenditures for general operation of the School District. This accounting reflects the agency relationship of the School District with the student activity organizations. Agency funds do not have a measurement focus.

Adoption of Accounting Principle

The School District implemented GASB Statement No. 77 "*Tax Abatement Disclosures*" ("GASB #77") for the year ended June 30, 2017. The primary objective of GASB #77 was to provide tax abatement information to financial statement users so that they could more readily evaluate a government's ability to raise resources. This includes limitations on revenue-raising capacity resulting from government programs that use tax abatements to induce behavior by individual and entities that is beneficial to the government or its citizens. Although many governments offer tax abatements, the information necessary to assess how tax abatements affect their financial position and results of operations, including their ability to raise resources in the future, is lacking. GASB #77 requires disclosures of tax abatement information about (1) a reporting government's own tax abatement agreements and (2) those that are entered into by other governments and that reduce the reporting government's tax revenues.

The adoption of GASB #77 had no impact on the School District's financial statements but did result in new and expanded note disclosure. See Note IV.H for more information regarding the School District's tax abatement disclosure.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2017

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Equity

1. Cash, Cash Equivalents, and Investments

Cash and Cash Equivalents

The School District considers all highly liquid investments (including restricted assets) with original maturities of three months or less when purchased and investments in the South Carolina Pooled Investment Fund to be cash equivalents. Securities with an initial maturity of more than three months (from when initially purchased) that are not purchased from the South Carolina Pooled Investment Fund are reported as investments.

Investments

The School District investment policy is designed to operate within existing statutes (which are identical for all funds, fund types and component units within the State of South Carolina) that authorize the School District to invest in the following:

- (a) Obligations of the United States and its agencies, the principal and interest of which is fully guaranteed by the United States;
- (b) Obligations issued by the Federal Financing Bank, Federal Farm Credit Bank, the Bank of Cooperatives, the Federal Intermediate Credit Bank, the Federal Land Banks, the Federal Home Loan Banks, the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Housing Administration, and the Farmers Home Administration, if, at the time of investment, the obligor has a long-term, unenhanced, unsecured debt rating in one of the top two ratings categories, without regard to a refinement or gradation of rating category by numerical modifier or otherwise, issued by at least two nationally recognized credit rating organizations;
- (c) (i) General obligations of the State of South Carolina or any of its political units; or (ii) revenue obligations of the State of South Carolina or its political units, if at the time of investment, the obligor has a long-term, unenhanced, unsecured debt rating in one of the top two ratings categories, without regard to a refinement or gradation of rating category by numerical modifier or otherwise, issued by at least two nationally recognized credit rating organizations.
- (d) Savings and Loan Associations to the extent that the same are insured by an agency of the Federal Government;
- (e) Certificates of deposit where the certificates are collaterally secured by securities of the type described in (a) and (b) above held by a third party as escrow agent or custodian, of a market value not less than the amount of the 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;
- (f) Repurchase agreements when collateralized by securities as set forth in this section; and
- (g) 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 (i) is limited to obligations described in items (a), (b), (c), and (f) of this subsection, and (ii) 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.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2017

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Equity (Continued)

1. Cash, Cash Equivalents, and Investments (Continued)

Investments (Continued)

The School District's cash investment objectives are preservation of capital, liquidity and yield. The School District reports its cash and investments at fair value, which is normally determined by quoted market prices (except as noted). The School District currently or in the past year has primarily used the following investments in its operating and financing activities:

- Cash and Investments held by the County Treasurer represent property taxes collected by the School District's fiscal agent that have not been remitted to the School District. The County Treasurer invests these funds in investments authorized by state statute as outlined above. All interest and other earnings gained are added back to the fund and are paid out by the County Treasurer to the respective governments on a periodic basis.
- South Carolina Local Government Investment Pool ("SC Pool" or "LGIP") investments are invested with the South Carolina State Treasurer's Office, which established the LGIP pursuant to Section 6-6-10 of the South Carolina Code. The LGIP 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. The LGIP is a 2a 7-like pool which is not registered with the Securities and Exchange Commission ("SEC") as an investment company, but has a policy that it will operate in a manner consistent with the SEC's Rule 2a 7 of the Investment Company Act of 1940. 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. The total fair value of the LGIP 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 LGIP may be obtained by writing the Office of the State Treasurer, Local Government Investment Pool, P.O. Box 11778, Columbia, SC 29211-1960.
- Repurchase agreements are a type of transaction in which a participant acquires immediately available funds by selling securities and simultaneously agreeing to repurchase the same or similar securities after a specified time at a given price, which typically includes interest at an agreed-upon rate.
- Open ended mutual funds, primarily invested in money market funds which invest in short term obligations of the United States and related agencies.
- Obligations of the United States Government.

2. Receivables and Payables

Transactions between funds that are representative of reimbursement arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds." These amounts are eliminated in the governmental and business-type activities columns of the statement of net position, except for the net residual amounts due between governmental and business-type activities, which are presented as "internal balances."

All trade and property taxes receivable are shown net of an allowance for uncollectible amounts and are expected to be collected within one year.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2017

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Equity (Continued)

3. Inventories and Prepaid Assets

Inventories, materials and supplies are carried in an inventory account at average cost, determined using the first-in, first-out method, and are subsequently charged to expenditures/expenses when consumed rather than when purchased. Inventories include plant maintenance and operating supplies as well as instructional supplies. The Enterprise Fund inventory includes an amount for commodities received from the USDA that are recorded at fair market value at the time of receipt but have not been consumed as of June 30, 2017.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

4. Restricted Assets

The School District established certain accounts for assets restricted for specific purposes, typically by outside parties or legal agreement. Certain bond indentures require the establishment of (i) maximum annual principal and interest payments; (ii) the next succeeding principal and accrued interest payment; and (iii) bond proceeds to be used for construction purposes as required in the bond agreements. Also, the principal portion of assets of the Permanent fund is classified as restricted assets because their use is restricted by donors.

5. Capital Assets

General capital assets are those assets not specifically related to activities reported in the Proprietary Fund. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the Proprietary Fund are reported both in the business-type activities column of the government-wide statement of net position and in the respective fund financial statements. All capital assets are recorded at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their estimated acquisition value (as estimated by the School District) at the date of donation. The School District maintains a capitalization threshold of \$5,000 for furniture and equipment and vehicles, and \$100,000 for land improvements and buildings and improvements. The School District's infrastructure assets are immaterial and have been reported with the buildings and improvements. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. Interest incurred during the construction of capital assets is not capitalized.

All reported capital assets except land and construction in progress are depreciated. Construction projects begin being depreciated once they are complete, at which time the total cost of the project is transferred to the appropriate capital asset category. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Land Improvements	20 years	N/A
Buildings and Improvements	25-40 years	N/A
Furniture and Equipment	5-20 years	5-20 years
Vehicles	10 years	10 years

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2017

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Equity (Continued)

6. *Compensated Absences*

School District employees are granted vacation and sick leave in varying amounts. Upon termination of employment, an employee is reimbursed for accumulated vacation days. Sick leave is generally only reimbursed for valid illness, except that at retirement an employee may have any accumulated sick leave paid out at \$10 per day of accumulated sick leave.

The School District reports compensated absences in accordance with the provisions of GASB Statement No. 16 "*Accounting for Compensated Absences.*" Accumulated vacation days are accrued based on the each employees current pay rate. Sick leave is accrued based on the termination payment method which takes accumulated sick leave at year-end multiplied by \$10 per day with the product being multiplied by an estimated percentage of those who will eventually retire (which is currently estimated at 20%). The entire compensated absence liability and expense is reported in the government-wide financial statements. The portion applicable to the Proprietary Fund is also recorded in the Proprietary Fund financial statements, if material. The governmental funds will also recognize compensated absences for terminations and retirements (matured liabilities) that occurred prior to year end that are expected to be paid within a short time subsequent to year end, if material.

7. *Accrued Liabilities and Long-Term Obligations*

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements.

In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources. However, claims and judgments (including estimated arbitrage liabilities), compensated absences, net pension liabilities, and special termination benefits that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they will be paid with current, expendable, available financial resources. In general, payments made within sixty days after year-end are considered to have been made with current available financial resources. Long-term bonds and other long-term obligations that will be paid from governmental funds are not recognized as a liability in the fund financial statements until due.

In the government-wide financial statements for the primary government, long-term debt and other long-term obligations are reported as liabilities on the statement of net position. If material, bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Amortization of premiums and discounts are included in interest expense. Bonds payable are reported net of the applicable bond premiums and discount. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenses. If applicable, accrued arbitrage payable is also reflected in long-term obligations.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of long-term debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs are reported as expenditures.

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2017

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Equity (Continued)

8. *Deferred Outflows/Inflows of Resources*

In addition to assets, the statement of net position and the balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The School District currently has two types of deferred outflows of resources: (1) The School District reports *deferred refunding charges* in its government-wide statement of net position. *Deferred refunding charges*, which are the differences between the reacquisition prices and the net carrying amount of the defeased debt, are deferred and amortized over the life of the refunding bonds, which has the same maturity as the bonds that were refunded. Amortization of *deferred refunding charges* is included in interest expense in the Statement of Activities. (2) The School District also reports *deferred pension charges* in its statement of net position in connection with its participation in the South Carolina Retirement System and the South Carolina Police Officers Retirement System. These *deferred pension charges* are either (a) recognized in the subsequent period as a reduction of the net pension liability (which includes pension contributions made after the measurement date) or (b) amortized in a systematic and rational method as pension expense in future periods in accordance with GAAP.

In addition to liabilities, the statement of net position and the balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The School District currently has two types of deferred inflows of resources: (1) The School District reports *unavailable revenue – property taxes* only in the governmental funds balance sheet; it is deferred and recognized as an inflow of resources (property tax revenues) in the period the amounts become available. (2) The School District also reports *deferred pension credits* in its statement of net position in connection with its participation in the South Carolina Retirement System and South Carolina Police Officers Retirement System. These *deferred pension credits* are amortized in a systematic and rational method and recognized as a reduction of pension expense in future periods in accordance with GAAP.

9. *Fund Balance*

In accordance with GASB Statement No. 54 “*Fund Balance Reporting and Governmental Fund Type Definitions*” (“GASB #54”), the School District classifies its governmental fund balances as follows:

Nonspendable – includes amounts that inherently cannot be spent either because it is not in spendable form (i.e. prepaids, inventories, etc.) or because of legal or contractual requirements (i.e. principal on an endowment, etc.).

Restricted – includes amounts that are constrained by specific purposes which are externally imposed by (a) other governments through laws and regulations, (b) grantors or contributions through agreements, (c) creditors through debt covenants or other contracts, or (d) imposed by law through constitutional provisions or enabling legislation.

Committed – includes amounts that are constrained for specific purposes that are internally imposed by the government through formal action made by the highest level of decision making authority (Board of Trustees) before the end of the reporting period. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. Committed amounts for the School District would consist of amounts approved by resolution by the Board of Trustees of the School District.

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2017

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Equity (Continued)

9. *Fund Balance (Continued)*

Assigned – includes amounts that are intended to be used for specific purposes that are neither considered restricted or committed and that such assignments are made before the report issuance date. Assigned fund balance for the School District consists of (a) motions approved by the Board of Trustees before the report issuance date that are for a specific purposes or (b) appropriations of current fund balance (made in the annual budget process) for the succeeding budget year.

Unassigned – includes amounts that do not qualify to be accounted for and reported in any of the other fund balance categories. This classification represents the amount of fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. The General Fund should be the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceeded the amounts of restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

The School District generally uses restricted amounts to be spent first when both restricted and unrestricted (committed, assigned, and unassigned) fund balance is available unless there are legal documents, contracts, or agreements that prohibit doing such. Additionally, the School District generally would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

The School District's Board of Trustees has formally adopted a minimum fund balance policy that requires 8.33% of the next year's General Fund appropriations be available as unassigned fund balance. The minimum fund balance amount was approximately \$49,367,000 as of June 30, 2017, which represents 8.33% of the original budget, including commitments, for the General Fund for fiscal year 2018 that was approved by the Board of Trustees in June 2017.

10. *Net Position*

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources in the statement of net position. Net position is classified as net investment in capital assets; restricted; and unrestricted. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Outstanding debt which has not been spent is included in the same net position component as the unspent proceeds. Net position is reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, contributors, or laws or regulations of other governments.

11. *Pensions*

In government-wide financial statements, pensions are required to be recognized and disclosed using the accrual basis of accounting (see Note IV.A and the required supplementary information immediately following the notes to the financial statements for more information), regardless of the amount recognized as pension expenditures on the modified accrual basis of accounting. The School District recognizes a net pension liability for each qualified pension plan in which it participates, which represents the excess of the total pension liability over the fiduciary net position of the qualified pension plan, or the School District's proportionate share thereof in the case of a cost-sharing multiple-employer plan, measured as of the School District's fiscal year-end. Changes in the net pension liability during the period are recorded as pension expense, or as deferred outflows or inflows of resources depending on the nature of the change, in the period incurred. Those changes in net pension liability that are recorded as deferred outflows or inflows of resources that arise from changes in actuarial assumptions or other inputs and differences between expected or actual experience are amortized over the weighted average remaining service life of all participants in the respective qualified pension plan and recorded as a component of pension expense beginning with the period in which they are incurred. Projected earnings on qualified pension plan investments are recognized as a component of pension expense. Differences between projected and actual investment earnings are reported as

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2017

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Equity (Continued)

11. Pensions (Continued)

deferred outflows or inflows of resources and amortized as a component of pension expense on a closed basis over a five-year period beginning with the period in which the difference occurred.

12. Fair Value

The fair value measurement and disclosure framework provides for a three-tier fair value hierarchy that gives highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the School District can access at the measurement date.

Level 2 – Inputs to the valuation methodology, other than quoted prices included in Level 1, that are observable for an asset or liability either directly or indirectly and include:

- Quoted prices for similar assets and liabilities in active markets.
- Quoted prices for identical or similar assets or liabilities in inactive markets.
- Inputs other than quoted market prices that are observable for the asset or liability.
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 – Inputs to the valuation methodology that are unobservable for an asset or liability and include:

- Fair value is often based on developed models in which there are few, if any, observable inputs.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used should maximize the use of observable inputs and minimize the use of unobservable inputs.

The valuation methodologies described above may produce a fair value calculation that may not be indicative of future net realizable values or reflective of future fair values. The School District believes that the valuation methods used are appropriate and consistent with GAAP. The use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. There have been no significant changes from the prior year in the methodologies used to measure fair value.

13. Other Postemployment Benefits

Other Postemployment Benefits ("OPEB") cost for retiree healthcare and similar, non-pension retiree benefits, is required to be measured and disclosed using the accrual basis of accounting (see Note IV.C and the required supplementary information immediately following the notes to the financial statements), regardless of the amount recognized as OPEB expense on the modified accrual basis of accounting. Annual OPEB cost is equal to the annual required contributions to the OPEB Plan, calculated in accordance with GASB Statement No. 45.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2017

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Equity (Continued)

14. Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. Those estimates and assumptions affect the reported amounts of assets and deferred outflows of resources and liabilities and deferred inflows of resources and disclosure of these balances as of the date of the financial statements. In addition, they affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates and assumptions.

15. Comparative Data

Comparative data (i.e., presentation of prior year totals by fund type) have not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Practices

A budget for the General Fund is presented in the required supplementary information section as it is major fund. Budgets for the Special Revenue Fund and the Special Revenue – EIA Fund have been prepared by management but are not legally adopted. Budgets for the Debt Service funds and the Capital Projects fund are legally adopted. Budgets are presented for these other funds in the supplementary information section. Budgets are not presented for the Enterprise Fund, as allowed by GAAP. Each budget is presented on the modified accrual basis of accounting, which is consistent with GAAP.

Each budget is prepared by function and object as dictated by the State of South Carolina adopted Program Oriented Budgeting and Accounting System and for management control purposes. The School District's policies allow funds to be transferred between functions. However, the total budget cannot be increased beyond that level without approval of the Board in supplementary action. The legal level of control is at the fund level. During the year, the Board revised the budget.

The following procedures are followed in establishing the budgetary data reflected in the financial statements:

- (1) In the fall of the preceding year, the School District begins its budget process for the next succeeding fiscal year beginning on July 1.
- (2) After the School District's budget committee reviews all requests and allocation requirements and related revenue, it presents a tentative proposed budget to the Superintendent for review and adjustment.
- (3) The Superintendent then presents a proposed budget to the Board of Trustees, which reviews the proposed budget, in a series of workshops, and makes any additions or deletions as deemed necessary.
- (4) Prior to July 1, the Board legally adopts the budget.

The administration has discretionary authority to make transfers between appropriation accounts. The revised budget amounts in the financial statements are as amended by the administration. All annual appropriations lapse at fiscal year-end.

Encumbrance accounting is utilized to assist in budgetary control through the use of purchase orders, which are recorded in order to reserve the portion of the applicable appropriation during the year. Encumbrances lapse at year-end; they are subject to reappropriation in the subsequent year and are not carried forward.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2017

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES

A. Deposits and Investments

Deposits

Custodial Credit Risk for Deposits: Custodial credit risk for deposits is the risk that, in the event of a bank failure, the School District’s deposits might not be recovered. The School District does not have a deposit policy for custodial credit risk but follows the investment policy statues of the State of South Carolina. As of June 30, 2017, none of the School District’s bank balances of approximately \$53,973,000, which had a carrying value of approximately \$49,403,000, were exposed to custodial credit risk.

Investments

As of June 30, 2017, the School District’s primary government had the following investments:

Investment Type	Fair Value Level (1)	Credit Rating ^	Fair Value	Investment Maturities in Years	
				< 1 yr	1-2 yrs
Local Government Investment Pool	N/A	NR	\$ 326,086,214	326,086,214	\$ -
Treasury Money Market Mutual Funds	Level 1	AAAm, Aaa-mf, and AAAmf	26,266,110	26,266,110	-
Cash and Investments Held by County Treasurer	N/A	NR	3,812,965	-	3,812,965
Repurchase Agreement	Level 1	*	5,535	5,535	-
Total			<u>\$ 356,170,824</u>	<u>352,357,859</u>	<u>\$ 3,812,965</u>

* U.S. government securities or investments explicitly guaranteed by the U.S government are not considered to have credit risk.

Credit ratings for these investments have not been disclosed.

^ If available, credit ratings are for Standard & Poor’s, Moody’s Investors Service and Fitch Ratings.

NR – Not rated.

N/A- Not Applicable

(1) See note I.C.12 for details of the School District’s fair value hierarchy

Interest Rate Risk: Interest rate risk for investments is the risk that changes in interest rates will adversely affect the fair value of an investment. The School District does not have a formal policy limiting investment maturities that would help manage its exposure to fair value losses from increasing interest rates.

Credit Risk for Investments: Credit risk for investments is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The School District does not have an investment policy for credit risk.

Custodial Credit Risk for Investments: Custodial credit risk for investments is the risk that, in the event of a bank failure, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The School District does not have an investment policy for custodial credit risk. As of June 30, 2017, none of the School District’s investments were exposed to custodial credit risk.

Concentration of Credit Risk for Investments: The School District places no limit on the amount it may invest in any one issuer. Investments issued or explicitly guaranteed by the U.S government and investments in mutual funds and external investment pools are excluded from this disclosure requirement. None of the School District’s other security investments exceeded 5% of the total amount invested.

The following table reconciles the carrying amount of deposits and investments to the amounts listed in the statement of net position for the primary government:

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2017

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)

A. Deposits and Investments (Continued)

Investments (Continued)

Statement of Net Position		Notes	
Unrestricted Current Assets:			
Cash and Cash Equivalents on Deposit with Financial Institutions for Governmental Activities	\$ 229,810,851	Carrying Amount of Deposits	\$ 49,402,626
Cash and Cash Equivalents on Deposit with Financial Institutions for Business-Type Activities	19,467,951	Fair Value of Investments	356,170,824
Cash and Cash Equivalents on Deposit with Financial Institutions for Fiduciary Activities	2,666,608		
Cash and Investments Held by County Treasurer	3,812,964		
Restricted Current Assets:			
Cash and Cash Equivalents on Deposit with Financial Institutions for Governmental-Type Activities	149,674,690		
Investments Held by Financial Institutions for Governmental Activities	140,386		
	<u>\$ 405,573,450</u>		<u>\$ 405,573,450</u>

Due to higher cash flows at certain times during the year, the School District's deposits and investments were often significantly higher than at year end.

B. Property Taxes and Other Receivables

Greenville, Spartanburg, and Laurens Counties, South Carolina (the "Counties") are responsible for levying and collecting sufficient property taxes to meet funding obligations for the School District. The property taxes are considered both measurable and available for purposes of recognizing revenue and a receivable from the counties at the time they are collected by the Counties.

Property taxes are usually levied and billed by the Counties on real and personal properties (excluding vehicles) on or around October 1 based on an assessed value of approximately \$2,063,111,000 at rates of 137.4 mills and 47.5 mills for the General Fund and Debt Service Fund, respectively. These taxes are due without penalty through January 15.

Penalties are added to taxes depending on the date paid as follows:

January 16 through February 1	-	3% of tax
February 2 through March 16	-	10% of tax
After March 16	-	15% of tax

Current year real and personal property taxes become delinquent on March 17. Unpaid property taxes become a lien against the property as of June 1 of the calendar year following the levy date. The levy date for motor vehicles is the first day of the month in which the motor vehicle license expires. These taxes are due by the last day of the same month.

Taxes receivable of approximately \$5,310,000 include an allowance for uncollectible amounts of approximately \$13,470,000 at June 30, 2017. Allowances for uncollectible amounts for the other receivable accounts were not necessary.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2017

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)

C. Unavailable and Unearned Revenues

Governmental funds report unavailable revenues (as a component of deferred inflows of resources) in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Also, both the government-wide financial statements and governmental funds do not recognize revenue in connection with resources that have been received, but not yet earned. At June 30, 2017, the various components of unavailable and unearned revenue were as follows:

Unavailable Revenues:

Delinquent Property Taxes Receivable (General Fund)	\$ 2,093,672
Delinquent Property Taxes Receivable (Debt Service - District Fund)	841,940
Total Unavailable Revenues for Governmental Funds	<u>\$ 2,935,612</u>

Unearned Revenues:

Revenue Collected, but Unearned (General Fund)	\$ 15,450
Revenue Collected, but Unearned (Special Revenue Fund)	5,088,249
Revenue Collected, but Unearned (Special Revenue - EIA Fund)	11,895,956
Total Unearned Revenues for both Government-wide Financial Statements and Governmental Funds	<u>\$ 16,999,655</u>

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2017

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)

D. Capital Assets

Capital asset activity for the School District's primary government for the year ended June 30, 2017, is as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental Activities:					
Capital Assets, Not Being Depreciated:					
Land	\$ 48,435,681	-	(17,444)	-	\$ 48,418,237
Construction in Progress	7,702,393	31,918,893	-	(425,884)	39,195,402
Total Capital Assets, Not Being Depreciated	<u>56,138,074</u>	<u>31,918,893</u>	<u>(17,444)</u>	<u>(425,884)</u>	<u>87,613,639</u>
Capital Assets, Being Depreciated:					
Buildings and Improvements	1,626,939,015	32,500	(2,322,647)	425,884	1,625,074,752
Furniture and Equipment	55,900,903	3,137,907	(770,690)	-	58,268,120
Total Capital Assets Being Depreciated	<u>1,682,839,918</u>	<u>3,170,407</u>	<u>(3,093,337)</u>	<u>425,884</u>	<u>1,683,342,872</u>
Less: Accumulated Depreciation for:					
Buildings	498,845,476	42,034,055	(1,835,177)	-	539,044,354
Furniture and Equipment	38,851,815	3,878,801	(686,510)	-	42,044,106
Total Accumulated Depreciation	<u>537,697,291</u>	<u>45,912,856</u>	<u>(2,521,687)</u>	<u>-</u>	<u>581,088,460</u>
Total Capital Assets, Being Depreciated, Net	<u>1,145,142,627</u>	<u>(42,742,449)</u>	<u>(571,650)</u>	<u>425,884</u>	<u>1,102,254,412</u>
Total Governmental Activities Capital Assets, Net	<u>\$ 1,201,280,701</u>	<u>(10,823,556)</u>	<u>(589,094)</u>	<u>-</u>	<u>\$ 1,189,868,051</u>
Business-Type Activities:					
Furniture and Equipment	\$ 18,794,719	671,731	(188,487)	-	\$ 19,277,963
Less: Accumulated Depreciation	14,798,657	792,867	(177,588)	-	15,413,936
Total Business-Type Activities Capital Assets, Net	<u>\$ 3,996,062</u>	<u>(121,136)</u>	<u>(10,899)</u>	<u>-</u>	<u>\$ 3,864,027</u>

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

Governmental Activities:	
Instruction	\$ 27,593,626
Support Services	18,319,230
Total - Governmental Activities	<u>\$ 45,912,856</u>
Business-Type Activities	
Food Service	\$ 792,867
Total - Business-Type Activities	<u>\$ 792,867</u>

Commitments

The School District has several ongoing construction projects as of June 30, 2017. Total outstanding commitments at June 30, 2017 were approximately \$35,123,000.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2017

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)

E. Interfund Receivables and Payables

Interfund balances at June 30, 2017 (all of which are expected to be paid or received within one year), consisted of the following individual fund receivables and payables for the primary government:

Fund	Interfund Receivables	Interfund Payables
General Fund	\$ 1,003,638	\$ 29,725,630
<u>Special Revenue Funds:</u>		
Special Revenue	17,148,104	-
EIA	11,902,545	-
Debt Service Fund	-	3,976,906
Capital Projects Fund - District	3,976,906	1,003,638
Permanent Fund (Non-Major)	2,365	-
Enterprise/Food Service Fund	672,616	-
Totals	<u>\$ 34,706,174</u>	<u>\$ 34,706,174</u>

The General Fund payable is a result of amounts due to the Special Revenue Fund, the EIA Fund, and the Food Service Fund for salaries and other expenditures; these funds were reimbursed to the respective fund subsequent to year end. The Debt Service payable is a result of General Obligation bond proceeds transferred to the Capital Projects Fund, paid subsequent to year end. The General Fund receivable is a result of amounts due from the Capital Projects fund for expenditures paid by the General Fund, reimbursed by the Capital Projects Fund subsequent to year end.

F. Transfers From and To Other Funds

Transfers from and to other funds for the year ended June 30, 2017, consisted of the following:

	<u>Transfers In</u>	<u>Transfers Out</u>
<u>Governmental Funds:</u>		
General Fund	\$ 18,310,680	\$ 12,169,298
Special Projects Fund	-	1,258,221
Special Revenue - EIA Fund	-	15,048,459
Capital Projects Fund	56,098,626	-
Debt Service Fund	-	108,698,026
Best Debt Service	64,764,400	-
<u>Property Fund:</u>		
Enterprise Fund	4,298	2,004,000
Totals	<u>\$139,178,004</u>	<u>\$ 139,178,004</u>

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2017

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)

F. Transfers From and To Other Funds (Continued)

During the course of normal operations, the District has transactions between funds to fund construction activities, service debt, required matches, supplemental funding, state cuts, and accounting practice. These transactions are generally reflected as transfers. Funds were transferred into the General Fund from the Special Revenue Fund, the EIA Fund and the Food Service Fund to cover EIA Raise for teachers, indirect costs for federal programs and food services, and the required Medicaid match. Funds were transferred from the General Fund to the Capital Projects Fund for capital outlay projects. Short term debt proceeds received and recorded in the District Debt Service Fund were transferred to the BEST Debt Service Fund to make the required BEST bond payments; funds were also transferred to the Capital Projects Fund to fund capital outlay.

G. Accounts Payable and Accrued Expenses

The significant components of accounts payable and accrued expenses for governmental activities at June 30, 2017 consisted of the following:

Accounts Payable	\$ 24,922,427
Accrued Payroll, Fringe, Withholdings and Benefits	75,994,392
Accrued Expenditures	2,702,713
Total Accounts Payable and Accrued Expenses - Governmental Activities	<u>\$ 103,619,532</u>

H. Short-Term Obligations

Changes in the School District's short-term obligations for governmental activities for the year ended June 30, 2017, were as follows:

Governmental Activities:	Beginning Balance	Additions	Reductions	Ending Balance
Series 2016A General Obligation Bonds	\$ 19,469,000	-	19,469,000	\$ -
Series 2016B General Obligation Bonds	-	6,661,000	6,661,000	-
Series 2016C General Obligation Bonds	-	84,800,000	84,800,000	-
Series 2017A General Obligation Bonds	-	17,967,000	-	17,967,000
Total Short-Term Obligations	<u>\$ 19,469,000</u>	<u>109,428,000</u>	<u>110,930,000</u>	<u>\$ 17,967,000</u>

The School District issued three short-term general obligation bonds during the year ended June 30, 2017 totaling \$109,428,000 for the purpose of making payments to BEST for its required debt service, to fund the sinking fund requirements for the QZAB debt, and to fund additional capital improvements. The School District received gross premiums of approximately \$1,002,000 and incurred issuance costs of approximately \$348,000 related to these issuances. The Series 2016A, 2016B and 2016C bonds, including interest of approximately \$461,000, \$44,000, and \$1,150,000, respectively, were repaid in March and June 2017, utilizing Debt Service – District Fund property tax revenues. The Series 2017A bonds in the amount of \$17,967,000 are not due until March 2018 with interest of approximately \$425,000. Due to the timing of the issuance and the scheduled maturity of the Series 2017A bonds being less than one year from the date there were issued, the outstanding balance of \$17,967,000 is reflected as a fund liability in the Debt Service Fund – District on the School District's balance sheet for its governmental funds at June 30, 2017. This resulted in this fund having a negative fund balance of approximately \$8,992,000 as of June 30, 2017. This bond is subject to the School District's 8% debt limit.

The premiums related to these short-term bonds have been netted against interest expenditures in the financial statements.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2017

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)

I. Food Service

Federal Guidelines

The School District's Food Service Fund administers the lunch programs in accordance with United States Department of Agriculture ("USDA") guidelines. Revenues are provided from USDA reimbursements and cash collections. Within the Food Service Fund, meals served to pupils are classified as regular, reduced or free. The type of meal served determines the amount of reimbursement received from the USDA. Reimbursements may be in the form of cash or commodities. The Food Service expenses are inclusive of approximately \$2,466,000 of commodities consumed during the year ended June 30, 2017.

J. Long-Term Obligations

The following is a summary of changes in the School District governmental activities long-term obligations for the year ended June 30, 2017:

<u>Long-Term Obligations</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Gross Debt:					
<u>BEST</u>					
2005 BEST Refunding Bond	\$ 216,525,000	-	27,070,000	189,455,000	\$ 30,320,000
2006 BEST Refunding Bond	466,275,000	-	466,275,000	-	-
2012 BEST Refunding Bond	41,835,000	-	3,745,000	38,090,000	3,030,000
2013 BEST Refunding Bond	56,720,000	-	1,535,000	55,185,000	1,495,000
2015 BEST Refunding Bond	30,770,000	-	1,000,000	29,770,000	575,000
2016 BEST Refunding Bond	-	452,500,000	5,701,000	446,799,000	5,849,000
Sub-Total - BEST	<u>812,125,000</u>	<u>452,500,000</u>	<u>505,326,000</u>	<u>759,299,000</u>	<u>41,269,000</u>
<u>School District</u>					
2009E QSCB Bonds	15,060,000	-	-	15,060,000	-
2010 QSC Bonds	14,200,000	-	-	14,200,000	-
2011 QZAB	10,080,743	-	-	10,080,743	-
2012 QZAB	3,807,909	-	-	3,807,909	-
2016 QZAB	-	20,159,000	-	20,159,000	-
Sub-Total - School District	<u>43,148,652</u>	<u>20,159,000</u>	<u>-</u>	<u>63,307,652</u>	<u>-</u>
Total Gross Debt	855,273,652	472,659,000	505,326,000	822,606,652	41,269,000
Premiums					
BEST	29,979,404	-	15,925,702	14,053,702	-
School District	78,438	-	7,844	70,594	-
Total Premiums	<u>30,057,842</u>	<u>-</u>	<u>15,933,546</u>	<u>14,124,296</u>	<u>-</u>
Total Net Debt	885,331,494	472,659,000	521,259,546	836,730,948	41,269,000
Accrued Compensated Absences	6,693,580	2,823,412	2,336,136	7,180,856	2,546,986
Total Long-Term Obligations	<u>\$ 892,025,074</u>	<u>475,482,412</u>	<u>523,595,682</u>	<u>843,911,804</u>	<u>\$ 43,815,986</u>

General Fund resources typically have been used in prior years to liquidate compensated absences payable and the Debt Service Funds have been used to liquidate all other long-term obligations.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2017

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)

J. Long-Term Obligations (Continued)

The BEST bonds were issued pursuant to a School Facilities Purchase and Occupancy Agreement (the “Facilities Agreement”) and evidence proportionate interests of the owners in certain rental payments to be made by the School District under the terms of a Base Lease Agreement between the School District and BEST dated March 15, 2002. The School District will purchase the Capital Projects from BEST pursuant to the Facilities Agreement, which will obligate the School District to make semiannual installment payments of purchase price to BEST in amounts calculated to be sufficient to enable BEST to pay the principal and interest on the outstanding bonds. The School District’s obligations under the Facilities Agreement are from year to year only and do not constitute a mandatory payment obligation of the School District in any fiscal year in which funds are not appropriated by the School District to pay the installment payments of purchase price due in such fiscal year. However, the School District would forfeit possession of the Facilities for the remainder of the term of the Lease. The BEST bonds are not an obligation or debt of the School District; however, as BEST is blended with the operations of the School District, the debt of BEST is included with the School District’s other obligations as required by GAAP.

Details for each outstanding debt issue (including those of its blended component unit – BEST) as of June 30, 2017 are as follows:

BEST Bonds

- \$216,905,000 BEST Installment Purchase Revenue Refunding Bond Series 2005 to advance refund \$192,250,000 of the BEST 2002 Series Bonds. The reacquisition price exceeded the net carrying amount of the old debt by approximately \$19,789,000; this amount is being amortized over the life of the new debt, which is the same as the life of the old debt. Bonds are due in annual installments ranging from \$380,000 to \$46,635,000 beginning December 2015 through December 2021 with interest ranging from 4.5% to 5.5%. They are not subject to redemption at BEST’s option. In connection with the BEST 2005 Bond Issue, a premium of approximately \$17,449,000 was recorded and is being amortized over the life of the bonds. The unamortized premium and deferred loss on refunding at June 30, 2017 were approximately \$4,712,000 and \$5,343,000, respectively.
- \$49,805,000 BEST Installment Purchase Revenue Refunding Bond Series 2012 to advance refund the outstanding balance of \$66,270,000 of the BEST 2003 Series Bonds. The reacquisition price exceeded the net carrying amount of the old debt by \$1,510,020; this amount is being amortized over the life of the new debt, which is shorter than the life of the old debt. Bonds are due in annual installments ranging from \$945,000 to \$9,460,000 beginning December 2014 through December 2023 with interest ranging from 2.0% to 5.0%. They are not subject to redemption at BEST’s option. In connection with the BEST 2012 Bond Issue, a premium of approximately \$9,582,000 was recorded and is being amortized over the life of the bonds. The unamortized premium and deferred loss on refunding at June 30, 2017 were approximately \$5,548,000 and \$874,000, respectively.
- \$60,000,000 BEST Installment Purchase Revenue Refunding Bonds Series 2013 to advance refund the outstanding balance of \$62,040,000 of the BEST 2004 Series Bonds. The reacquisition price exceeded the net carrying amount of the old debt by approximately \$4,522,000; this amount is being amortized over the life of the new debt, which is the same as the life of the old debt. Bonds are due in annual installments ranging from \$960,000 to \$36,480,000 beginning December 2014 through December 2028 with interest at 2.95%. They are not subject to redemption at BEST’s option. In connection with the BEST 2013 Bond Issue, a premium of \$180,000 was recorded and is being amortized over the life of the bonds. The unamortized premium and deferred loss on refunding at June 30, 2017 were approximately \$132,000 and \$3,322,000, respectively.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2017

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)

J. Long-Term Obligations (Continued)

BEST Bonds (Continued)

- \$32,125,000 BEST Installment Purchase Revenue Refunding Bond Series 2015 to advance refund the outstanding balance of \$39,440,000 of the BEST 2006 Series Installment Purchase Revenue Bonds. Bonds are due in annual installments ranging from \$310,000 to \$3,865,000 beginning December 2015 through December 2028 with interest at 2.00% to 5.00%. They are subject to redemption in 2025. In connection with the BEST 2015 Bond Issue, a premium of approximately \$4,341,000 was recorded and is being amortized over the life of the bonds. The unamortized premium at June 30, 2017 was approximately \$3,662,000. The remaining defeased balance on the BEST 2006 Series Installment Purchase Revenue Bonds of \$37,180,000 at June 30, 2016 was redeemed at its call date on December 1, 2016.
- \$452,500,000 BEST Installment Purchase Revenue Refunding Bond Series 2016 to currently refund the outstanding balance of \$466,275,000 of the BEST 2006 Series Bonds. The reacquisition price exceeded the net carrying amount of the old debt by approximately \$13,677,000; this amount is being amortized over the life of the new debt, which is the same as the life of the old debt. The District entered into this refunding to take advantage of lower interest rates, resulting in a reduction of total debt service payments of approximately \$68,698,000 and an economic gain of approximately \$56,402,000. Bonds are due in annual installments ranging from \$5,701,000 to \$68,311,000 beginning December 2016 through December 2028 with interest ranging from 2.100% to 3.475%. They are not subject to redemption prior to maturity. The deferred loss on refunding at June 30, 2017 was approximately \$12,746,000.

School District Bonds

- \$15,060,000 Qualified School Construction General Obligation Bonds, Series 2009E to finance the costs of constructing educational facilities. Semi-annual interest only payments at a rate of 1.2% are due beginning December 2009 through December 2024, with the final payment of principal and interest due June 2025. This bond is subject to the School District's 8% debt limit.
- \$14,302,000 Qualified School Construction General Obligation Bonds, Series 2010A to finance the costs of constructing educational facilities. The bonds are due in two installments of \$102,000 on June 1, 2011 and \$14,200,000 on June 1, 2026. Semi-annual interest only payments at a rate of 0.80% on the June 1, 2011 portion of the bonds and 4.87% on the June 1, 2026 portion of the bonds. The American Recovery and Reinvestment Act of 2009 allowed governments to issue taxable bonds to finance capital expenditures and to elect to receive a subsidy payment from the United States Treasury equal to 100% of the amount of each interest payment on such bonds. However, due to federal sequestration constraints, the School District is being reimbursed for only approximately 93% of the interest it is paying. The available subsidy ("Interest Subsidy") received on these bonds is included as revenue in the Debt Service Fund – District. In connection with this issue, a premium of approximately \$124,000 was recorded and is being amortized over the life of the bonds. The unamortized premium at June 30, 2017 was approximately \$71,000. This bond is subject to the School District's 8% debt limit.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2017

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)

J. Long-Term Obligations (Continued)

School District Bonds (Continued)

- \$10,080,743 Qualified Zone Academy Bond (“QZAB”), Series 2011 provided funding for a computer refresh program. The principal on the bond is due at maturity on June 1, 2021. Semi-annual interest only payments on June 1st and December 1st are due through maturity at an interest rate of 5.17%. The District established a sinking fund and is required to make annual payments to this fund ranging from \$200,000 to approximately \$2,446,000 to accumulate assets to be used for the retirement of this debt at maturity. Remaining sinking fund payments at June 30, 2017 were approximately \$6,681,000. The balance in this sinking fund account at June 30, 2017 was approximately \$3,407,000 and is included with the District’s Restricted Cash and Cash Equivalents in the Financial Statements. Interest on this bond is subject to a refundable interest credit payment from the United States Treasury equal to 100% of the amount of each interest payment on such bond. However, due to federal sequestration constraints, the School District is being reimbursed for only approximately 93% of the interest it is paying. The available subsidy (“Interest Subsidy”) received on this bond is included as revenue of the Debt Service Fund – District. This indebtedness is not subject to the District’s 8% debt limit.
- \$3,807,909 Qualified Zone Academy Bond, Series 2012 to finance HVAC modifications. The principal on the bond is due at maturity on December 1, 2022. Semi-annual interest only payments on June 1st and December 1st are due through maturity at an interest rate of 4.16%. The District established a sinking fund and is required to make annual payments to this fund ranging from \$100,000 to approximately \$453,000 to accumulate assets to be used for the retirement of this debt at maturity. Remaining sinking fund payments at June 30, 2017 were approximately \$2,263,000. The balance in this sinking fund account at June 30, 2017 was approximately \$1,155,000 and is included with the District’s Restricted Cash and Cash Equivalents in the Financial Statements. Interest on this bond is subject to a refundable interest credit payment from the United States Treasury equal to 100% of the amount of each interest payment on such bond. However, due to federal sequestration constraints, the School District is being reimbursed for only approximately 93% of the interest it is paying. The available subsidy (“Interest Subsidy”) received on this bond is included as revenue of the Debt Service Fund – District. This indebtedness is not subject to the District’s 8% debt limit.
- \$20,159,000 Qualified Zone Academy Bond, Series 2016 to finance LED lighting projects and the boiler replacement projects. The principal on the bond is due at maturity on June 15, 2031. Semi-annual interest only payments on June 15th and December 15th are due through maturity at an interest rate of 1.00%. This indebtedness is not subject to the District’s 8% debt limit.

Interest paid on the debt issued by the School District is exempt from federal income tax. The School District sometimes temporarily reinvests the proceeds of such tax-exempt debt in materially higher-yielding taxable securities, especially during construction projects. The federal tax code refers to this practice as arbitrage. Excess earnings (the difference between the interest on the debt and the investment earnings received) resulting from arbitrage must be rebated to the federal government on the fifth anniversary of the issuance of the tax-exempt debt and every five years thereafter until the debt has been repaid, in accordance with the arbitrage regulations. The School District does not believe it has any significant positive arbitrage on any of its indebtedness as of June 30, 2017.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2017

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)

J. Long-Term Obligations (Continued)

The School District is subject to a statutory millage limit on the amount of ad valorem taxes it may annually levy to fund operations and does not presently have sufficient unused capacity under its operating millage limit to levy additional ad valorem taxes to fund the installment payments of purchase price due under the Facilities Agreement. The School District is, however, authorized to levy an unlimited ad valorem tax to pay its general obligation debt and has covenanted and agreed in the Facilities Agreement to exercise its best efforts to issue its general obligation debt from time to time to provide funds to make installment payments of purchase price due under the Facilities Agreement as well as base payments.

The School District has continuous authority to issue general obligation bonds each calendar year, subject to a constitutional debt limit equal to 8% of the assessed valuation of property subject to levy by the School District, applicable to debt issued subsequent to November 30, 1982. As of November 30, 1982, the constitutional debt limit was decreased from 20% to 8% of the assessed valuation under the provisions of Section 15, Article X of the South Carolina Constitution. The School District had a total of \$47,227,000 (both long-term and short-term debt) in outstanding general obligation debt at June 30, 2017 that is subject to the 8% limitation. The legal debt margin was approximately \$138,530,000 at June 30, 2017.

Annual debt service requirements to maturity as of June 30, 2017 for BEST and the School District are as follows:

Year Ended June 30	BEST		School District		Totals
	Principal	Interest	Principal	Interest	
2018	\$ 41,269,000	28,137,811	-	1,749,401	\$ 71,156,212
2019	44,269,000	26,050,290	-	1,749,401	72,068,691
2020	47,445,000	23,796,980	-	1,749,401	72,991,381
2021	56,776,000	21,379,388	10,080,743	1,749,401	89,985,532
2022	80,970,000	18,245,994	-	1,232,259	100,448,253
2023-2027	337,206,000	54,141,102	33,067,909	4,395,475	428,810,486
2028-2031	151,364,000	4,956,718	20,159,000	806,360	177,286,078
Totals	\$ 759,299,000	176,708,283	63,307,652	13,431,698	\$ 1,012,746,633

IV. OTHER INFORMATION

A. Retirement Plans

The School District participates in the State of South Carolina’s retirement plans, which are administered by the South Carolina Public Employee Benefit Authority (“PEBA”), which was created on July 1, 2012 and administers the various retirement systems and retirement programs managed by its Retirement Division. PEBA has an 11-member Board of Directors (“PEBA Board”), 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 State Fiscal Accountability Authority (“SFAA”), 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.

The PEBA issues a Comprehensive Annual Financial Report (“CAFR”) containing financial statements and required supplementary information for the System’s Pension Trust Funds. The CAFR is publicly available through the Retirement Benefits’ link on the PEBA’s website at www.peba.sc.gov, or a copy may be obtained by submitting a request to PEBA, 202 Arbor Lake Drive, Columbia, SC 29223. The 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.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2017

IV. OTHER INFORMATION (CONTINUED)

A. Retirement Plans (Continued)

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 (“State ORP”) is a defined contribution plan that is offered as an alternative to the 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.

Plan 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 the 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 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 the 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 the SCRS for the remaining portion of the employer contribution and an incidental death benefit contribution, if applicable, which is retained by the 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.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2017

IV. OTHER INFORMATION (CONTINUED)

A. Retirement Plans (Continued)

Plan 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.

Plan 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 SFAA for approval an increase in the SCRS and PORS ("Plans") 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 the SCRS and 5 percent for the PORS. An increase in the contribution rates adopted by the PEBA 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 PEBA Board are insufficient to maintain a thirty year amortization schedule of the unfunded liabilities of the plans, the PEBA 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.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2017

IV. OTHER INFORMATION (CONTINUED)

A. Retirement Plans (Continued)

Plan Contributions (Continued)

As noted earlier, both employees and the School District are required to contribute to the Plans at rates established and as amended by the PEBA. The School District’s contributions are actuarially determined but are communicated to and paid by the School District as a percentage of the employees’ annual eligible compensation. Required employer and employee contribution rates for the past three years are as follows:

	SCRS and State ORP Rates			PORS Rates		
	2015	2016	2017	2015	2016	2017
Employer Contribution Rate: [^]						
Retirement*	10.75%	10.91%	11.41%	13.01%	13.34%	13.84%
Incidental Death Benefit	0.15%	0.15%	0.15%	0.20%	0.20%	0.20%
Accidental Death Contributions	0.00%	0.00%	0.00%	0.20%	0.20%	0.20%
	<u>10.90%</u>	<u>11.06%</u>	<u>11.56%</u>	<u>13.41%</u>	<u>13.74%</u>	<u>14.24%</u>
Employee Contribution Rate	<u>8.00%</u>	<u>8.16%</u>	<u>8.66%</u>	<u>8.41%</u>	<u>8.74%</u>	<u>9.24%</u>

[^] Calculated on earnable compensation as defined in Title 9 of the South Carolina Code of Laws.

* Of the rate for the State ORP Plan, 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.

The required contributions and percentages of amounts contributed by the School District to the Plans for the past three years were as follows:

Year Ended June 30,	SCRS Contributions		State ORP Contributions		PORS Contributions	
	Required	% Contributed	Required	% Contributed	Required	% Contributed
2017	\$ 40,445,888	100%	4,190,380	100%	\$ 49,947	100%
2016	36,645,190	100%	3,512,261	100%	42,779	100%
2015	\$ 34,857,388	100%	3,108,144	100%	\$ 33,073	100%

Eligible payrolls of the School District covered under the Plans for the past three years were as follows:

Year Ended June 30,	SCRS Payroll	State ORP Payroll	PORS Payroll	Total Payroll
2017	\$ 349,877,921	63,877,739	350,755	\$ 414,106,415
2016	331,330,833	57,958,096	311,350	389,600,279
2015	\$ 319,792,549	52,680,407	246,631	\$ 372,719,587

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2017

IV. OTHER INFORMATION (CONTINUED)

A. Retirement Plans (Continued)

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. An experience report on the Systems was most recently issued as of July 1, 2015. As a result of the experience study, the actuary recommended adjustments to the actuarial assumptions, which included salary increase, payroll growth, mortality, retirement, terminations, refunds, disability, inflation, and asset valuation method. The experience study also recommended reducing the long-term investment rate of return assumption, which is a prescribed assumption that is set in state statute by the General Assembly, from 7.50 to 7.25 percent. With the exception of the rate of return, all recommended assumption and method changes were adopted by both the PEBA Board and SFAA, as co-fiduciaries. The General Assembly did not change the assumed annual rate of return during the 2016 legislative session so that assumption currently remains at 7.50 percent. The newly adopted assumptions and methods will be first used to perform the July 1, 2016 actuarial valuation, the results of which will be used in determining the total pension liability as of the June 30, 2017 measurement date.

The June 30, 2016 total pension liability, net pension liability, and sensitivity information were determined by the System’s consulting actuary, Gabriel, Roeder, Smith and Company (“GRS”) and are based on the July 1, 2015 actuarial valuations, as adopted by the PEBA Board and the SFAA which utilized membership data as of July 1, 2015. The total pension liability was rolled-forward from the valuation date to the System’s fiscal year ended June 30, 2016 using generally accepted actuarial principles. Information included in these notes are based on the certification provided by GRS.

The following table provides a summary of the actuarial assumptions and methods used in the July 1, 2015, valuations for the SCRS and PORS.

	SCRS	PORS
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Actuarial Assumptions:		
Investment Rate of Return*	7.50%	7.50%
Projected Salary Increases*	3.5% to 12.5% (varies by service)	4.0% to 10.0% (varies by service)
Benefit Adjustments	Lesser of 1% or \$500 annually	Lesser of 1% or \$500 annually

* 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, 2015 valuations for the SCRS and PORS are as follows:

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2017

IV. OTHER INFORMATION (CONTINUED)

A. Retirement Plans (Continued)

Actuarial Assumptions and Methods (Continued)

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, 2015 actuarial valuations, was based upon the 30 year capital market outlook at the end of the third quarter 2015. The long-term expected rate of returns represent assumptions developed using an arithmetic building block approach primarily based on consensus expectations and market based inputs. Expected returns are net of investment fees.

The expected returns, along with the expected inflation rate, form the basis for the revised target asset allocation adopted beginning January 1, 2016. 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 below. For actuarial purposes, the 7.50 percent assumed annual investment rate of return 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.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2017

IV. OTHER INFORMATION (CONTINUED)

A. Retirement Plans (Continued)

Long-term Expected Rate of Return (Continued)

Asset Class	Target Allocation	Expected Arithmetic Real Rate of Return	Long-Term Expected Portfolio Real Rate of Return
Global Equity	43.0%		
Global Public Equity	34.0%	6.52%	2.22%
Private Equity	9.0%	9.30%	0.84%
Real Assets	8.0%		
Real Estate	5.0%	4.32%	0.22%
Commodities	3.0%	4.53%	0.13%
Opportunistic	20.0%		
GTAA/Risk Parity	10.0%	3.90%	0.39%
HF (Low Beta)	10.0%	3.87%	0.39%
Diversified Credit	17.0%		
Mixed Credit	5.0%	3.52%	0.17%
Emerging Markets Debt	5.0%	4.91%	0.25%
Private Debt	7.0%	4.47%	0.31%
Conservative Fixed Income	12.0%		
Core Fixed Income	10.0%	1.72%	0.17%
Cash and Short Duration (Net)	2.0%	0.71%	0.01%
Total Expected Real Return	100.0%		5.10%
Inflation for Actuarial Purposes			2.75%
Total Expected Nominal Return			7.85%

Pension Liabilities, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions

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, 2016 measurement date, for the SCRS and PORS are presented in the following table:

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	\$ 45,356,214,752	23,996,362,354	\$ 21,359,852,398	52.9%
PORS	\$ 6,412,510,458	3,876,035,732	\$ 2,536,474,726	60.4%

The total pension liability is calculated by the Systems’ actuary, and each plan’s fiduciary net position is reported in the Systems’ financial statements. The net pension liability is disclosed in accordance with the requirements of GASB No. 67 in the Systems’ 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.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2017

IV. OTHER INFORMATION (CONTINUED)

A. Retirement Plans (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

At June 30, 2017, the School District reported liabilities of approximately \$801,984,000 and \$620,000 for its proportionate share of the net pension liabilities for the SCRS and PORS (“Plans”), respectively. The net pension liabilities were measured as of June 30, 2016, and the total pension liabilities for the Plans used to calculate the net pension liabilities were determined based on the most recent actuarial valuation report as of July 1, 2015 that was projected forward to the measurement date. The School District’s proportion of the net pension liabilities were based on a projection of the School District’s long-term share of contributions to the Plans relative to the projected contributions of all participating South Carolina state and local governmental employers, actuarially determined. At the June 30, 2016 measurement date, the School District’s SCRS proportion was 3.754634 percent, which was an increase of 0.034459 from its proportion measured as of June 30, 2015. At the June 30, 2016 measurement date, the School District’s PORS proportion was 0.02442 percent, which was an increase of 0.00451 from its proportion measured as of June 30, 2015.

For the year ended June 30, 2017, the School District recognized pension expense of approximately \$71,437,000 and \$94,000 for the SCRS and PORS, respectively. At June 30, 2017, the School District reported deferred outflows of resources (deferred pension charges) and deferred inflows of resources (deferred pension credits) related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
SCRS		
Differences Between Expected and Actual Experience	\$ 8,313,509	\$ 870,958
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	67,472,647	-
Changes in Proportionate Share and Differences Between Employer Contributions and Proportionate Share of Total Plan Employer Contributions	4,788,585	3,252,875
School District Contributions Subsequent to the Measurement Date	44,636,267	-
Total SCRS	<u>125,211,008</u>	<u>4,123,833</u>
PORS		
Differences Between Expected and Actual Experience	9,192	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	70,241	-
Changes in Proportionate Share and Differences Between Employer Contributions and Proportionate Share of Total Plan Employer Contributions	92,881	-
School District Contributions Subsequent to the Measurement Date	49,947	-
Total PORS	<u>222,261</u>	<u>-</u>
Total SCRS and PORS	<u>\$ 125,433,269</u>	<u>\$ 4,123,833</u>

Approximately \$44,636,000 and \$50,000 that were reported as deferred outflows of resources related to the School District’s contributions subsequent to the measurement date to the SCRS and PORS, respectively, will be recognized as a reduction of the net pension liabilities in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources (deferred pension charges) and deferred inflows of resources (deferred pension credits) related to the SCRS and PORS will increase (decrease) pension expense as follows:

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2017

IV. OTHER INFORMATION (CONTINUED)

A. Retirement Plans (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

Year Ended June 30,	SCRS	PORS	Total
2018	\$ 18,631,243	44,752	\$ 18,675,995
2019	14,285,719	44,286	14,330,005
2020	28,183,311	53,658	28,236,969
2021	15,350,635	29,618	15,380,253
Total	<u>\$ 76,450,908</u>	<u>172,314</u>	<u>\$ 76,623,222</u>

Discount Rate

The discount rate used to measure the total pension liability was 7.50 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.

The following table presents the sensitivity of the School District’s proportionate share of the net pension liability of the Plans to changes in the discount rate, calculated using the discount rate of 7.50 percent, as well as what it 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:

System	1.00% Decrease (6.50%)	Current Discount Rate (7.50%)	1.00% Increase (8.50%)
The School District's proportionate share of the pension liability of the SCRS	\$ 1,000,453,430	801,984,280	\$ 636,766,192
The School District's proportionate share of the pension liability of the PORS	811,853	619,458	446,555
Total Pension Liability	<u>\$ 1,001,265,283</u>	<u>802,603,738</u>	<u>\$ 637,212,747</u>

Plans Fiduciary Net Position

Detailed information regarding the fiduciary net position of the Plans administered by the PEBA is available in the separately issued CAFR containing financial statements and required supplementary information. The CAFR is publicly available through the Retirement Benefits’ link on the PEBA’s website at www.peba.sc.gov, or a copy may be obtained by submitting a request to PEBA, 202 Arbor Lake Drive, Columbia, SC 29223.

Payable to Plans

The School District reported a payable of approximately \$8,674,000 to the PEBA as of June 30, 2017, representing required employer and employee contributions for the month of June 2017 for the SCRS and PORS. This amount is included in Accrued Salaries, Fringe and Benefits on the financial statements and was paid in July 2017.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2017

IV. OTHER INFORMATION (CONTINUED)

A. Retirement Plans (Continued)

Plan Developments

House Bill 3726 was signed by the Governor of the State on April 25, 2017 and is effective immediately. This new law increases the employer SCRS and PORS contribution rates to 13.56% and 16.24%, respectively, beginning July 1, 2017. Employer rates will continue to increase annually by 1% through July 1, 2022, which would result in the SCRS and PORS employer rate totaling 18.56% and 21.24%, respectively, for fiscal year 2023 and thereafter. The legislation (a) would also increase and cap the employee SCRS and PORS contribution rates to 9.00% and 9.75%, respectively, provides, after June 30, 2017 for a decrease in employer and employee contribution rates in equal amounts if the ratio between the actuarial value of assets and the actuarial value of liabilities is equal to or greater than 85%, (b) lower the assumed annual rate of return on pension investments from 7.50% to 7.25%, and (c) for some years reduce the funding period of unfunded liabilities from 30 years to 20 years.

B. Other Postemployment Benefits

In accordance with the South Carolina Code of Laws and the annual Appropriations Act, the State of South Carolina ("State") provides health, dental, and long-term disability benefits ("OPEB Plan") to retired State and school district employees and their covered dependents. The OPEB plans have been determined to be cost-sharing multiple-employer defined benefit plans and are administered by the Employee Insurance Program ("EIP"), a part of the State Budget and Control Board ("SBCB").

Generally, retirees are eligible for the health and dental benefits if they have established 10 years of retirement service credit. For new hires on or after May 2, 2008, retirees are eligible for benefits if they have established 25 years of service for 100% employer funding and 15 – 24 years of service for 50% employer funding. Benefits become effective when the former employee retirees under a state retirement system (i.e. SCRS, PORS, etc.). Basic long-term disability ("BLTD") benefits are provided to active state, school district and participating local government employees approved for disability. Complete financial statements for the OPEB plans may be obtained by writing to the PEBA Retirement Benefits and Insurance Benefits, 202 Arbor Lake Drive, Suite 360, Columbia, SC 29223.

The Code of Laws of the State, as amended, requires these post-employment healthcare and long-term disability benefits be funded through annual appropriation by the General Assembly for active employees to the EIP and participating retirees to the SBCB except for the portion funded through the pension surcharge (retiree surcharge) who are not funded by State General Fund appropriations. Employers participating in the healthcare plan are mandated by State statute to contribute at a rate assessed each year by the Office of the State Budget. The EIP sets the employer contribution rate based on a pay-as-you-go basis. The School District has no liability beyond the payment of monthly contributions.

The required employer contribution surcharge percentages were 5.33%, 5.33%, and 5.00% for the years ended June 30, 2017, 2016, and 2015, respectively. The actual required employer contribution surcharge amounts were approximately \$22,072,000, \$20,766,000, and \$18,636,000 for the years ended June 30, 2017, 2016, and 2015, respectively. The actual contribution rates and amounts were 100% of the required employer contribution surcharge percentages and amounts for the OPEB Plan for all years presented.

C. Litigation

Various claims and lawsuits are pending against the School District. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the School District's management that resolution of these matters will not have a material adverse effect on the financial condition of the School District.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2017

IV. OTHER INFORMATION (CONTINUED)

D. Grants

The School District participates in a number of federally assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The amount of program expenditures which may be disallowed by the granting agencies cannot be determined at this time although the School District expects such amounts, if any, to be immaterial.

E. Risk Management

The School District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees' and natural disasters. The School District continues to carry commercial insurance for general liability, property and casualty, employee health and dental coverage and is partially self-insured for workers' compensation. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years and there has been no significant reduction in insurance coverage.

As previously noted, the School District is partially self-insured related to risks associated with workers compensation. The School District has a \$600,000 per claim deductible with an insurance provider paying claims that are in excess of this amount per claim. The School District has recorded an estimated liability of approximately \$8,937,000 for incurred but unpaid claims at June 30, 2017, which is based on GASB Statement No. 10 which requires that a liability for claims be recorded if information prior to the issuance of the financial statements indicate that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. This amount is included in Accounts Payable and Accrued Expenses in the statement of net position as the amount is generally expected to be paid within one year.

Changes in the workers compensation liability are as follows:

Fiscal Year	Beginning of Fiscal Year Liability	Claims & Changes in Estimates	Claim Payments	End of Fiscal Year Liability
2015	\$ 7,105,132	4,096,175	3,714,422	\$ 7,486,885
2016	7,486,885	4,040,411	3,040,137	8,487,159
2017	\$ 8,487,159	4,420,594	3,970,882	\$ 8,936,871

F. Contingencies

United States Department of Justice Civil Investigation

A letter from the United States Department of the Treasury (the "Treasury") dated October 25, 2013 notified the School District that it may have violated regulations governing the use of State and Local Government Series ("SLGS") securities by impermissibly using the SLGS program to create a cost-free option. Almost three years after the initial contact, the United States Department of Justice ("DOJ") notified the School District on May 13, 2016 that it had opened a civil investigation into allegations that the School District violated the SLGS securities regulations. DOJ invited the School District to respond and to explore the possibility of resolving the matter without formal litigation. Discussions are ongoing, and the School District cannot predict the outcome, including potential monetary consequences, of the matter.

G. Related Party Transactions

A member of the Board of Trustees for the School District is a Vice President for the Construction Management Division of MB Kahn Construction, Inc. The District entered into a contract with M.B. Kahn Construction Company, Inc. in the amount of approximately \$12,909,000 for improvements at JL Mann High School. The revised contract amount at June 30, 2017 is approximately \$13,484,000, of which approximately \$13,031,000 had been expended as of June 30, 2017, with a balance of approximately \$453,000 left to complete at June 30, 2017.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2017

IV. OTHER INFORMATION (CONTINUED)

G. Related Party Transactions (Continued)

In addition, the Board Chair for the School District is an educational consultant for Craig Gaulden Davis, an architectural firm headquartered in Greenville, South Carolina. The School District paid a total of approximately \$137,000 to this firm during the year ended June 30, 2017.

H. Tax Abatements

School District's Tax Abatements

The School District does not have any of its own tax abatement agreements.

Greenville County's Abatements

The School District's property tax revenues were reduced by approximately \$30,422,000 under agreements entered into by Greenville County, South Carolina.

I. Subsequent Events

The School District announced its plans to build a new high school in Fountain Inn, South Carolina with an estimated opening date of August 2021. The new school is projected to cost a total of approximately \$67,000,000. In September 2017, the Board of Trustees gave approval to award the architectural work for the new school to Craig Gaulden Davis, for which the Board Chair is an educational consultant, in the amount of \$2,696,000.

In September 2017, the School District issued its Series 2017B General Obligation Bonds and 2017C General Obligation Bonds in the amount of \$7,084,000 and \$97,600,000, respectively. The bonds were issued primarily to provide funds (a) to pay the required sinking fund payments for the School District's QZAB indebtedness and (b) to pay the December 2017 BEST payments. The bonds carry interest at 2.0% and 5.0%, respectively. They are due in full in March 2018 and June 2018, respectively.

The School District decided to convert its Food Service operations from an Enterprise Fund to a Special Revenue Fund, effective for fiscal year 2018.

J. Pending Implementation of GASB Statement on OPEB

GASB Statement No. 75 "*Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*" ("Statement"), which was issued by the Governmental Accounting Standards Board ("GASB") in June 2015, is required to be implemented by the School District for the year ended June 30, 2018. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for OPEB. It also improves information provided by state and local government employers about financial support for OPEB that are provided by other entities. In addition, state and local governments who participate in a cost-sharing multiple employer plan will now be required to recognize a liability for its proportionate share of the net OPEB liability of that plan

In particular, the Statement will require the School District to recognize a net OPEB liability (and related deferred outflows and inflows of resources) for its participation in the State Health Plan on financial statements prepared on the economic resources measurement focus and accrual basis of accounting (i.e., the Statement of Net Position) and present more extensive note disclosures. It is anticipated that its implementation will not have a significant impact on the School District's governmental funds.

The School District has been in communications with the PEBA on the effect of implementing this Statement. Based on recent information provided by the PEBA, it is anticipated that the School District's proportionate share of the net OPEB liability associated with the State Health Plan will decrease its governmental activities beginning net position for the year ended June 30, 2018 by approximately \$663,000,000.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

REQUIRED SUPPLEMENTARY INFORMATION

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

REQUIRED SUPPLEMENTARY INFORMATION - BUDGETARY COMPARISON SCHEDULE

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - ORIGINAL AND REVISED
BUDGETS AND ACTUAL - GENERAL FUND**

YEAR ENDED JUNE 30, 2017

	BUDGETED AMOUNTS		ACTUAL (BUDGETARY BASIS)	VARIANCE WITH REVISED BUDGET- POSITIVE (NEGATIVE)
	ORIGINAL	REVISED		
REVENUES				
Local Sources:				
Taxes	\$ 190,997,000	190,997,000	190,920,995	\$ (76,005)
Investment Earnings	615,000	615,000	1,625,049	1,010,049
Other Local Sources	785,000	785,000	5,043,405	4,258,405
State Sources	365,894,000	365,894,000	365,615,231	(278,769)
Intergovernmental Sources	-	-	2,473	2,473
TOTAL REVENUES	558,291,000	558,291,000	563,207,153	4,916,153
EXPENDITURES				
Current:				
Instruction	334,819,326	334,737,638	331,175,629	3,562,009
Support Services	219,788,314	221,412,746	214,743,451	6,669,295
Community Services	75,232	96,170	99,658	(3,488)
Intergovernmental	20,191,000	20,232,296	20,536,872	(304,576)
Capital Outlay	1,082,128	1,497,608	1,146,226	351,382
TOTAL EXPENDITURES	575,956,000	577,976,458	567,701,836	10,274,622
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(17,665,000)	(19,685,458)	(4,494,683)	15,190,775
OTHER FINANCING SOURCES (USES)				
Sale of Capital Assets	-	-	29,072	29,072
Transfers In	17,665,000	17,665,000	18,310,680	645,680
Transfers Out	-	(12,169,299)	(12,169,298)	1
TOTAL OTHER FINANCING SOURCES (USES)	17,665,000	5,495,701	6,170,454	674,753
NET CHANGES IN FUND BALANCE	-	(14,189,757)	1,675,771	15,865,528
FUND BALANCE, Beginning of Year	118,184,667	118,184,667	118,184,667	-
FUND BALANCE, End of Year	\$ 118,184,667	103,994,910	119,860,438	\$ 15,865,528

Note: The budgets are presented on the modified accrual basis of accounting, which is consistent with accounting principles accepted in the United States of America.

Note: The School District's revised budget reflected the use of appropriated fund balance of \$14,189,757.

THE SCHOOL DISTRICT OF GREENVILLE COUNTY, SOUTH CAROLINA
GREENVILLE, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE SCHOOL DISTRICT'S PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY - SOUTH CAROLINA RETIREMENT SYSTEM

LAST FOUR FISCAL YEARS

	Year Ended June 30,			
	2017	2016	2015	2014
The School District of Greenville County's Proportion of the Net Pension Liability (Asset)	3.754634%	3.720175%	3.754507%	3.754507%
The School District of Greenville County's Proportionate Share of the Net Pension Liability (Asset)	\$ 801,984,280	705,549,125	646,401,635	\$ 673,424,623
The School District of Greenville County's Covered-Employee Payroll	\$ 331,330,833	319,792,549	312,979,826	\$ 307,063,476
The School District of Greenville County's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	242.05%	220.63%	206.53%	219.31%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	52.906%	56.992%	59.919%	56.388%

Notes to Schedule:

The amounts presented for each fiscal year were determined as of June 30th of the preceding year.
The School District implemented GASB #68/71 during the year ended June 30, 2015. Information before 2014 is not available.

THE SCHOOL DISTRICT OF GREENVILLE COUNTY, SOUTH CAROLINA
GREENVILLE, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE SCHOOL DISTRICT'S CONTRIBUTIONS -
SOUTH CAROLINA RETIREMENT SYSTEM

LAST FOUR FISCAL YEARS

	Year Ended June 30,			
	2017	2016	2015	2014
Contractually Required Contribution	\$ 44,636,268	40,157,451	37,965,532	\$ 35,904,463
Contributions in Relation to the Contractually Required Contribution:	44,636,268	40,157,451	37,965,532	35,904,463
Contribution Deficiency (Excess)	\$ -	-	-	\$ -
The School District of Greenville County's Covered-Employee Payroll	\$ 349,877,921	331,330,833	319,792,549	\$ 312,979,826
Contributions as a Percentage of Covered-Employee Payroll:	12.76%	12.12%	11.87%	11.47%

Notes to Schedule:

The School District implemented GASB #68/71 during the year ended June 30, 2015. Information before 2014 is not available.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY, SOUTH CAROLINA
GREENVILLE, SOUTH CAROLINA**

REQUIRED SUPPLEMENTARY INFORMATION

**SCHEDULE OF THE SCHOOL DISTRICT'S PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY - POLICE OFFICERS RETIREMENT SYSTEM**

LAST FOUR FISCAL YEARS

	Year Ended June 30,			
	2017	2016	2015	2014
The School District of Greenville County's Proportion of the Net Pension Liability (Asset)	0.02442%	0.01991%	0.01843%	0.01843%
The School District of Greenville County's Proportionate Share of the Net Pension Liability (Asset)	\$ 619,458	433,894	352,752	\$ 381,966
The School District of Greenville County's Covered-Employee Payroll	\$ 311,350	246,631	221,616	\$ 216,998
The School District of Greenville County's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	198.96%	175.93%	159.17%	176.02%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	60.44%	64.57%	67.55%	62.98%

Notes to Schedule:

The amounts presented for each fiscal year were determined as of June 30th of the preceding year. The School District implemented GASB #68/71 during the year ended June 30, 2015. Information before 2014 is not available.

THE SCHOOL DISTRICT OF GREENVILLE COUNTY, SOUTH CAROLINA
GREENVILLE, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE SCHOOL DISTRICT'S CONTRIBUTIONS -
POLICE OFFICERS RETIREMENT SYSTEM

LAST FOUR FISCAL YEARS

	Year Ended June 30,			
	2017	2016	2015	2014
Contractually Required Contribution	\$ 49,947	42,779	33,073	\$ 28,455
Contributions in Relation to the Contractually Required Contribution:	49,947	42,779	33,073	28,455
Contribution Deficiency (Excess)	\$ -	-	-	\$ -
The School District of Greenville County's Covered-Employee Payroll	\$ 350,755	311,350	246,631	\$ 221,616
Contributions as a Percentage of Covered-Employee Payroll:	14.24%	13.74%	13.41%	12.84%

Notes to Schedule:

The School District implemented GASB #68/71 during the year ended June 30, 2015. Information before 2014 is not available.

SUPPLEMENTARY INFORMATION

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
REVISED BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2017

	REVISED BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH REVISED BUDGET- POSITIVE (NEGATIVE)
REVENUES			
1000 Revenue from Local Sources:			
1100 Taxes:			
1110 Ad Valorem Taxes-Including Delinquent (Independent)	\$ 172,465,000	170,562,855	\$ (1,902,145)
1200 Revenue from Local Governmental Units Other than LEAs:			
1280 Revenue in Lieu of Taxes (Independent and Dependent)	18,532,000	20,358,140	1,826,140
1300 Tuition:			
1310 From Patrons for Regular Day School	-	163,500	163,500
1320 From Other LEAs for Regular Day School	100,000	94,834	(5,166)
1350 From Patrons for Summer School	95,000	42,300	(52,700)
1500 Earnings on Investments:			
1510 Interest on Investments	615,000	1,625,049	1,010,049
1700 Pupil Activities:			
1740 Student Fees	-	37,495	37,495
1900 Other Revenue from Local Sources:			
1910 Rentals	-	128,971	128,971
1920 Contributions & Donations Private Sources	-	2,405	2,405
1930 Medicaid	-	8,589	8,589
1950 Refund of Prior Year's Expenditures	-	2,383	2,383
1990 Miscellaneous Local Revenue:			
1993 Receipt of Insurance Proceeds	-	292,978	292,978
1999 Revenue from Other Local Sources	590,000	4,269,950	3,679,950
Total Revenue from Local Sources	<u>192,397,000</u>	<u>197,589,449</u>	<u>5,192,449</u>
2000 Intergovernmental Revenue:			
2200 Payments from Public Charter School	-	2,473	2,473
Total Intergovernmental Revenue	<u>-</u>	<u>2,473</u>	<u>2,473</u>
3000 Revenue from State Sources:			
3100 Restricted State Funding:			
3130 Special Programs:			
3131 Handicapped Transportation	114,000	56,128	(57,872)
3132 Home Schooling (No Carryover Provision)	20,000	13,513	(6,487)
3160 School Bus Driver's Salary (Includes Hazardous Condition Transp.)	4,370,000	4,839,947	469,947
3162 Transportation Workers' Compensation	200,000	207,526	7,526
3180 Fringe Benefits Employer Contributions (No Carryover Provision)	77,893,927	74,760,639	(3,133,288)
3181 Retiree Insurance (No Carryover Provision)	13,155,073	13,948,408	793,335
3199 Other Restricted State Grants	\$ -	18,160	\$ 18,160

(Continued)

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
REVISED BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2017

	REVISED BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH REVISED BUDGET- POSITIVE (NEGATIVE)
3300 Education Finance Act:			
3310 Full-Time Programs:			
3311 Kindergarten	\$ 10,108,836	8,865,174	\$ (1,243,662)
3312 Primary	29,117,429	27,455,698	(1,661,731)
3313 Elementary	43,536,260	43,771,272	235,012
3314 High School	17,814,190	17,242,121	(572,069)
3315 Trainable and Mentally Handicapped Services	536,853	506,393	(30,460)
3316 Speech Handicapped (Part-Time Program)	9,982,203	9,678,746	(303,457)
3317 Homebound	222,131	143,592	(78,539)
3320 Part-Time Programs:			
3321 Emotionally Handicapped	983,375	965,829	(17,546)
3322 Educable Mentally Handicapped	429,810	403,983	(25,827)
3323 Learning Disabilities	12,245,963	12,899,993	654,030
3324 Hearing Handicapped	245,829	236,065	(9,764)
3325 Visually Handicapped	275,858	253,368	(22,490)
3326 Orthopedically Handicapped	353,111	346,355	(6,756)
3327 Vocational	19,487,736	20,031,084	543,348
3330 Other EFA Programs:			
3331 Autism	3,379,483	3,709,121	329,638
3332 High Achieving Students	3,567,373	3,976,159	408,786
3334 Limited English Proficiency	2,617,824	2,777,982	160,158
3350 Residential Treatment Facility (RTF)	-	152,513	152,513
3351 Academic Assistance	3,602,711	5,893,975	2,291,264
3352 Pupils in Poverty	15,096,476	15,889,697	793,221
3353 Dual Credit Enrollment	330,549	240,348	(90,201)
3800 State Revenue in Lieu of Taxes:			
3810 Reimbursement for Local Residential Property Tax Relief (Tier 1)	23,410,000	23,410,334	334
3820 Homestead Exemption (Tier 2)	5,900,000	5,947,974	47,974
3825 Reimbursement for Property Tax Relief (Tier 3)	61,446,000	61,092,826	(353,174)
3830 Merchant's Inventory Tax	2,201,000	2,044,992	(156,008)
3840 Manufacturers Depreciation Reimbursement	2,900,000	3,164,028	264,028
3890 Other State Property Tax Revenues (Includes Motor Carrier Vehicle Tax)	350,000	671,288	321,288
Total Revenue from State Sources	<u>365,894,000</u>	<u>365,615,231</u>	<u>(278,769)</u>
TOTAL REVENUE ALL SOURCES	<u>558,291,000</u>	<u>563,207,153</u>	<u>4,916,153</u>

EXPENDITURES

100 Instruction:

 110 General Instruction:

 111 Kindergarten Programs:

 100 Salaries

17,580,098

17,489,367

90,731

 140 Terminal Leave

10,212

15,231

(5,019)

 200 Employee Benefits

7,361,024

7,222,346

138,678

 400 Supplies and Materials

\$

-

17,881

\$

(17,881)

(Continued)

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
REVISED BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2017

	REVISED BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH REVISED BUDGET- POSITIVE (NEGATIVE)
112 Primary Programs:			
100 Salaries	\$ 51,549,501	51,285,832	\$ 263,669
140 Terminal Leave	45,191	48,149	(2,958)
200 Employee Benefits	19,186,786	18,771,394	415,392
300 Purchased Services	488,704	651,025	(162,321)
400 Supplies and Materials	1,210,254	1,084,335	125,919
500 Capital Outlay	172,422	29,126	143,296
600 Other Objects	40,973	52,146	(11,173)
113 Elementary Programs:			
100 Salaries	66,753,348	66,426,862	326,486
140 Terminal Leave	30,492	33,144	(2,652)
150 TERI - Second Annual Leave Payout	-	-	-
200 Employee Benefits	25,036,159	24,381,146	655,013
300 Purchased Services	313,241	458,167	(144,926)
400 Supplies and Materials	814,695	590,976	223,719
500 Capital Outlay	81,832	45,251	36,581
600 Other Objects	10,279	6,036	4,243
114 High School Programs:			
100 Salaries	46,296,846	46,003,172	293,674
140 Terminal Leave	56,580	57,335	(755)
200 Employee Benefits	17,000,253	16,835,242	165,011
300 Purchased Services	710,195	773,403	(63,208)
400 Supplies and Materials	951,917	815,647	136,270
500 Capital Outlay	104,952	82,492	22,460
600 Other Objects	-	11,190	(11,190)
115 Career and Technology Education Program:			
100 Salaries	7,575,358	7,504,912	70,446
140 Terminal Leave	4,482	5,019	(537)
200 Employee Benefits	2,953,684	2,813,175	140,509
300 Purchased Services - Other than Tuition	19,526	27,502	(7,976)
400 Supplies and Materials	289,497	181,369	108,128
500 Capital Outlay	20,972	28,094	(7,122)
600 Other Objects	-	750	(750)
116 Career and Technology Education (Vocational) Programs- Middle School			
100 Salaries	1,909,560	1,894,818	14,742
140 Terminal Leave	-	253	(253)
200 Employee Benefits	678,633	682,575	(3,942)
300 Purchased Services	-	35	(35)
400 Supplies and Materials	18,950	8,480	10,470
120 Exceptional Programs:			
121 Educable Mentally-Handicapped:			
100 Salaries	3,166,185	3,141,568	24,617
140 Terminal Leave	143	2,699	(2,556)
200 Employee Benefits	1,505,391	1,476,963	28,428
300 Purchased Services	-	30	(30)
400 Supplies and Materials	\$ 42,554	10,740	\$ 31,814

(Continued)

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
REVISED BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2017

	REVISED BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH REVISED BUDGET- POSITIVE (NEGATIVE)
122 Trainable Mentally Handicapped:			
100 Salaries	\$ 3,401,156	3,375,789	\$ 25,367
140 Terminal Leave	2,378	3,393	(1,015)
200 Employee Benefits	1,393,674	1,380,083	13,591
300 Purchased Services	1,711	2,717	(1,006)
400 Supplies and Materials	7,990	4,915	3,075
123 Orthopedically Handicapped:			
100 Salaries	1,040,848	1,034,300	6,548
200 Employee Benefits	592,298	596,542	(4,244)
300 Purchased Services	2,040	-	2,040
124 Visually Handicapped:			
100 Salaries	249,814	249,814	-
200 Employee Benefits	94,434	93,646	788
300 Purchased Services	4,128	8,997	(4,869)
125 Hearing Handicapped:			
100 Salaries	724,913	716,621	8,292
140 Terminal Leave	-	311	(311)
200 Employee Benefits	305,693	270,259	35,434
300 Purchased Services	4,900	2,358	2,542
400 Supplies and Materials	12,504	11,877	627
126 Speech Handicapped:			
100 Salaries	4,360,543	4,360,543	-
140 Terminal Leave	1,874	4,328	(2,454)
200 Employee Benefits	1,554,001	1,540,459	13,542
300 Purchased Services	10,172	10,420	(248)
400 Supplies and Materials	250	-	250
127 Learning Disabilities:			
100 Salaries	15,621,989	15,500,086	121,903
140 Terminal Leave	7,726	8,828	(1,102)
200 Employee Benefits	6,115,391	5,966,866	148,525
300 Purchased Services	2,600	2,299	301
400 Supplies and Materials	14,553	12,935	1,618
128 Emotionally Handicapped:			
100 Salaries	2,156,513	2,152,115	4,398
140 Terminal Leave	6,100	6,238	(138)
200 Employee Benefits	832,189	834,330	(2,141)
300 Purchased Services	700	728	(28)
400 Supplies and Materials	2,063	658	1,405
130 Pre-School Programs:			
137 Pre-School Handicapped Self-Contained (3 & 4-Yr. Olds):			
100 Salaries	2,338,614	2,299,119	39,495
140 Terminal Leave	-	1,620	(1,620)
200 Employee Benefits	1,086,089	998,050	88,039
400 Supplies and Materials	\$ 806	8	\$ 798

(Continued)

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
REVISED BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2017

	REVISED BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH REVISED BUDGET- POSITIVE (NEGATIVE)
139 Early Childhood Programs:			
100 Salaries	\$ 415,165	415,165	\$ -
140 Terminal Leave	-	1,179	(1,179)
200 Employee Benefits	263,784	263,017	767
400 Supplies and Materials	-	53	(53)
140 Special Programs:			
141 Gifted and Talented - Academic:			
100 Salaries	3,872,671	3,871,101	1,570
140 Terminal Leave	-	879	(879)
200 Employee Benefits	1,394,347	1,390,179	4,168
300 Purchased Services	750	108	642
400 Supplies and Materials	1,292	224	1,068
143 Advanced Placement:			
300 Purchased Services	-	443	(443)
400 Supplies and Materials	45,480	39,167	6,313
144 International Baccalaureate:			
100 Salaries	275,743	274,802	941
200 Employee Benefits	99,060	98,271	789
400 Supplies and Materials	107,771	50,254	57,517
600 Other Objects	65,483	74,681	(9,198)
145 Homebound:			
100 Salaries	1,515,972	1,513,083	2,889
200 Employee Benefits	531,630	524,747	6,883
300 Purchased Services	29,307	25,312	3,995
400 Supplies and Materials	16,172	3,005	13,167
148 Gifted and Talented - Artistic:			
100 Salaries	307,710	306,140	1,570
200 Employee Benefits	276,023	279,277	(3,254)
160 Other Exceptional Programs:			
161 Autism:			
100 Salaries	2,632,636	2,601,745	30,891
140 Terminal Leave	-	859	(859)
200 Employee Benefits	1,000,840	990,394	10,446
162 Limited English Proficiency:			
100 Salaries	4,410,098	4,390,909	19,189
140 Terminal Leave	1,131	1,130	1
200 Employee Benefits	1,645,148	1,599,989	45,159
300 Purchased Services	90,588	77,625	12,963
400 Supplies and Materials	17,831	17,799	32
170 Summer School Programs:			
171 Primary Summer School:			
400 Supplies and Materials	\$ 11,643	12,177	\$ (534)

(Continued)

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
REVISED BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2017

	REVISED BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH REVISED BUDGET- POSITIVE (NEGATIVE)
172 Elementary Summer School:			
100 Salaries	\$ 35,360	35,360	\$ -
200 Employee Benefits	8,595	8,593	2
300 Purchased Services	10,000	10,000	-
175 Instructional Programs Beyond Regular School Day:			
100 Salaries	51,764	51,764	-
200 Employee Benefits	37,279	12,537	24,742
400 Supplies and Materials	2,000	-	2,000
190 Instructional Pupil Activity:			
300 Purchased Services	3,000	1,495	1,505
Total Instruction	<u>335,117,816</u>	<u>331,360,592</u>	<u>3,757,224</u>
200 Support Services:			
210 Pupil Services:			
211 Attendance and Social Work Services:			
100 Salaries	1,404,144	1,397,983	6,161
140 Terminal Leave	-	380	(380)
200 Employee Benefits	499,974	481,646	18,328
300 Purchased Services	49,877	31,341	18,536
400 Supplies and Materials	8,400	4,043	4,357
500 Capital Outlay	-	-	-
600 Other Objects	176	401	(225)
212 Guidance Services:			
100 Salaries	10,637,725	10,460,516	177,209
140 Terminal Leave	4,552	5,152	(600)
200 Employee Benefits	3,894,032	3,845,765	48,267
300 Purchased Services	9,800	15,885	(6,085)
400 Supplies and Materials	26,305	27,075	(770)
213 Health Services:			
100 Salaries	3,175,863	3,135,931	39,932
140 Terminal Leave	4,391	6,212	(1,821)
200 Employee Benefits	1,321,002	1,298,532	22,470
300 Purchased Services	55,260	37,079	18,181
400 Supplies and Materials	24,580	53,412	(28,832)
214 Psychological Services:			
100 Salaries	1,076,524	1,076,524	-
140 Terminal Leave	5,761	435	5,326
200 Employee Benefits	367,917	345,170	22,747
300 Purchased Services	23,177	25,741	(2,564)
400 Supplies and Materials	11,517	4,961	6,556
215 Exceptional Program Services:			
100 Salaries	90,858	90,857	1
140 Terminal Leave	11,177	11,177	-
200 Employee Benefits	29,615	30,665	(1,050)
217 Career Specialist Services:			
100 Salaries	28,746	28,745	1
200 Employee Benefits	\$ 5,206	6,986	\$ (1,780)

(Continued)

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
REVISED BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2017

	REVISED BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH REVISED BUDGET- POSITIVE (NEGATIVE)
220 Instructional Staff Services:			
221 Improvement of Instruction-Curriculum Development:			
100 Salaries	\$ 8,870,040	8,865,977	\$ 4,063
140 Terminal Leave	15,143	15,873	(730)
200 Employee Benefits	3,188,028	3,063,403	124,625
300 Purchased Services	206,890	206,612	278
400 Supplies and Materials	68,518	54,501	14,017
500 Capital Outlay	5,733	1,354	4,379
600 Other Objects	1,432	4,203	(2,771)
222 Library and Media Services:			
100 Salaries	7,137,625	7,116,818	20,807
140 Terminal Leave	-	484	(484)
200 Employee Benefits	2,768,958	2,707,947	61,011
300 Purchased Services	131,308	173,136	(41,828)
400 Supplies and Materials	870,962	698,093	172,869
500 Capital Outlay	10,000	14,057	(4,057)
223 Supervision of Special Programs:			
100 Salaries	109,332	109,331	1
140 Terminal Leave	-	900	(900)
200 Employee Benefits	59,063	28,635	30,428
300 Purchased Services	5,801	4,444	1,357
600 Other Objects	880	527	353
224 Improvement of Instruction-Inservice and Staff Training:			
100 Salaries	465,817	445,489	20,328
140 Terminal Leave	-	900	(900)
200 Employee Benefits	156,144	133,411	22,733
300 Purchased Services	2,778,757	2,572,856	205,901
400 Supplies and Materials	4,800	47,799	(42,999)
600 Other Objects	37,475	561	36,914
230 General Administrative Services:			
231 Board of Education:			
100 Salaries	136,931	136,739	192
200 Employee Benefits	33,603	29,373	4,230
300 Purchased Services	315,957	74,705	241,252
318 Audit Services	91,000	73,994	17,006
400 Supplies and Materials	11,427	13,108	(1,681)
600 Other Objects	85,100	70,100	15,000
232 Office of Superintendent:			
100 Salaries	1,341,346	1,341,345	1
140 Terminal Leave	10,413	10,413	-
200 Employee Benefits	467,226	444,814	22,412
300 Purchased Services	212,076	206,154	5,922
400 Supplies and Materials	28,680	43,028	(14,348)
600 Other Objects	\$ 32,580	34,765	\$ (2,185)

(Continued)

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
REVISED BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2017

	REVISED BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH REVISED BUDGET- POSITIVE (NEGATIVE)
233 School Administration:			
100 Salaries	\$ 32,677,056	32,539,565	\$ 137,491
140 Terminal Leave	178,490	159,634	18,856
200 Employee Benefits	11,608,707	11,449,924	158,783
300 Purchased Services	199,092	224,790	(25,698)
400 Supplies and Materials	482,178	417,461	64,717
500 Capital Outlay	-	17,518	(17,518)
600 Other Objects	103,228	108,298	(5,070)
250 Finance and Operations Services:			
251 Student Transportation (Federal/District Mandated):			
100 Salaries	483,413	483,411	2
200 Employee Benefits	180,096	175,549	4,547
300 Purchased Services	12,904	9,207	3,697
252 Fiscal Services:			
100 Salaries	2,416,914	2,404,444	12,470
140 Terminal Leave	11,626	11,626	-
200 Employee Benefits	1,239,860	1,063,292	176,568
300 Purchased Services	437,821	443,327	(5,506)
400 Supplies and Materials	21,640	20,984	656
500 Capital Outlay	34,080	33,110	970
600 Other Objects	613,039	604,508	8,531
254 Operation and Maintenance of Plant:			
100 Salaries	26,465,606	26,193,984	271,622
140 Terminal Leave	115,742	105,903	9,839
200 Employee Benefits	11,772,460	11,683,697	88,763
300 Purchased Services	3,500,503	3,268,027	232,476
321 Public Utilities (Excludes Gas, Oil, Elec. & Other Heating Fuels)	1,650,000	1,739,207	(89,207)
400 Supplies and Materials	4,986,448	4,831,234	155,214
470 Energy (Includes Gas, Oil, Elec. & Other Heating Fuels)	14,596,145	13,102,445	1,493,700
500 Capital Outlay	631,000	648,887	(17,887)
600 Other Objects	2,000	3,238	(1,238)
255 Student Transportation (State Mandated):			
100 Salaries	13,372,977	13,369,602	3,375
140 Terminal Leave	13,117	11,450	1,667
200 Employee Benefits	5,866,105	5,649,362	216,743
300 Purchased Services	1,214,942	918,374	296,568
400 Supplies and Materials	59,814	85,414	(25,600)
600 Other Objects	150	526	(376)
256 Food Service:			
200 Employee Benefits	\$ 6,154,227	5,210,215	\$ 944,012

(Continued)

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
REVISED BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2017

	REVISED BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH REVISED BUDGET- POSITIVE (NEGATIVE)
257 Internal Services:			
100 Salaries	\$ 1,021,308	1,014,607	\$ 6,701
140 Terminal Leave	2,700	3,200	(500)
200 Employee Benefits	387,390	372,103	15,287
300 Purchased Services	43,692	25,722	17,970
400 Supplies and Materials	135,288	92,900	42,388
500 Capital Outlay	1,600	1,416	184
600 Other Objects	90	-	90
258 Security:			
100 Salaries	691,981	691,981	-
200 Employee Benefits	276,857	267,137	9,720
300 Purchased Services	3,394,224	3,344,820	49,404
400 Supplies and Materials	63,145	68,770	(5,625)
600 Other Objects	5,061	3,609	1,452
259 Internal Auditing Services:			
100 Salaries	292,665	285,180	7,485
140 Terminal Leave	-	132	(132)
200 Employee Benefits	95,262	94,499	763
300 Purchased Services	31,600	6,328	25,272
400 Supplies and Materials	2,090	1,877	213
600 Other Objects	1,340	891	449
260 Central Support Services:			
262 Planning, Research, Development and Evaluation:			
100 Salaries	1,172,077	1,154,828	17,249
140 Terminal Leave	-	900	(900)
200 Employee Benefits	369,860	367,054	2,806
300 Purchased Services	330,065	112,097	217,968
400 Supplies and Materials	13,506	7,541	5,965
500 Capital Outlay	3,220	3,267	(47)
600 Other Objects	1,152	960	192
263 Information Services:			
100 Salaries	814,147	807,976	6,171
200 Employee Benefits	371,170	375,093	(3,923)
300 Purchased Services	57,925	63,692	(5,767)
400 Supplies and Materials	36,166	20,047	16,119
500 Capital Outlay	3,425	2,442	983
600 Other Objects	250	719	(469)
264 Staff Services:			
100 Salaries	1,792,424	1,788,290	4,134
200 Employee Benefits	620,832	593,542	27,290
300 Purchased Services	404,582	379,990	24,592
400 Supplies and Materials	63,003	47,523	15,480
600 Other Objects	\$ 17,082	8,568	\$ 8,514

(Continued)

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
REVISED BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2017

	REVISED BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH REVISED BUDGET- POSITIVE (NEGATIVE)
266 Technology and Data Processing Services:			
100 Salaries	\$ 4,320,261	4,310,110	\$ 10,151
140 Terminal Leave	19,788	19,719	69
200 Employee Benefits	1,506,117	1,497,456	8,661
300 Purchased Services	2,713,715	2,437,328	276,387
400 Supplies and Materials	323,582	272,337	51,245
500 Capital Outlay	428,372	239,214	189,158
600 Other Objects	176	176	-
270 Support Services Pupil Activity:			
271 Pupil Services Activities:			
100 Salaries (Optional)	4,607,203	4,607,203	-
200 Employee Benefits (Optional)	1,194,743	1,071,057	123,686
300 Purchased Services (Optional)	56,014	9,714	46,300
400 Supplies and Materials (Optional)	9,062	1,920	7,142
600 Other Objects (Optional)	684,980	549,362	135,618
Total Support Services	<u>221,908,196</u>	<u>215,181,973</u>	<u>6,726,223</u>
300 Community Services:			
330 Civic Services:			
100 Salaries	72,315	72,315	-
200 Employee Benefits	17,191	22,167	(4,976)
300 Purchased Services	5,960	5,000	960
400 Supplies and Materials	528	-	528
390 Other Community Services:			
600 Other Objects	176	176	-
Total Community Services	<u>96,170</u>	<u>99,658</u>	<u>(3,488)</u>
400 Other Charges:			
410 Intergovernmental Expenditures:			
411 Payments to the SDE			
720 Transits	995,000	954,166	40,834
412 Payments to Other Governmental Units			
720 Transits	191,296	191,296	-
416 Payments to Public Charter Schools			
720 Transits	19,046,000	19,391,410	(345,410)
Total Intergovernmental Expenditures	<u>20,232,296</u>	<u>20,536,872</u>	<u>(304,576)</u>
TOTAL EXPENDITURES	<u>\$ 577,354,478</u>	<u>567,179,095</u>	<u>\$ 10,175,383</u>

(Continued)

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
REVISED BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2017

	REVISED BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH REVISED BUDGET- POSITIVE (NEGATIVE)
OTHER FINANCING SOURCES (USES)			
5300 Sale of Fixed Assets	\$ -	29,072	\$ 29,072
Interfund Transfers, From (To) Other Funds:			
5220 Transfer from Special Revenue Fund (Excludes Indirect Cost)	-	1,000	1,000
5230 Transfer from Special Revenue EIA Fund	14,385,000	15,048,459	663,459
5280 Transfer from Other Funds Indirect Costs	3,280,000	3,261,221	(18,779)
424-710 Transfer to Capital Projects Fund	(12,165,000)	(12,165,000)	-
425-710 Transfer to Food Service Fund	(4,299)	(4,298)	1
426-710 Transfer to Pupil Activity Fund	(621,980)	(522,741)	99,239
TOTAL OTHER FINANCING SOURCES (USES)	4,873,721	5,647,713	773,992
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(14,189,757)	1,675,771	15,865,528
FUND BALANCE, Beginning of Year, Restated	118,184,667	118,184,667	-
FUND BALANCE, End of Year	\$ 103,994,910	119,860,438	\$ 15,865,528

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

Schedule B-1

SPECIAL REVENUE FUND

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
REVISED BUDGET AND ACTUAL**

YEAR ENDED JUNE 30, 2017

	REVISED BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH REVISED BUDGET- POSITIVE (NEGATIVE)
REVENUES			
Local Sources	\$ 7,040,691	6,657,657	\$ (383,034)
State Sources	11,619,801	7,441,482	(4,178,319)
Federal Sources	52,852,564	46,618,354	(6,234,210)
TOTAL REVENUE ALL SOURCES	71,513,056	60,717,493	(10,795,563)
EXPENDITURES			
Current:			
Instruction	41,797,831	33,140,403	8,657,428
Support Services	22,814,117	20,525,569	2,288,548
Community Services	1,783,396	1,556,451	226,945
Intergovernmental	3,021,151	3,004,960	16,191
Capital Outlay	836,820	779,166	57,654
TOTAL EXPENDITURES	70,253,315	59,006,549	11,246,766
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,259,741	1,710,944	451,203
OTHER FINANCING SOURCES (USES)			
Transfers Out	(1,536,875)	(1,258,221)	278,654
TOTAL OTHER FINANCING SOURCES (USES)	(1,536,875)	(1,258,221)	278,654
NET CHANGES IN FUND BALANCE	(277,134)	452,723	729,857
FUND BALANCE, Beginning of Year, as Previously Reported	12,694,803	12,694,803	-
Prior Period Adjustment	-	-	-
FUND BALANCE, Beginning of Year	12,694,803	12,694,803	-
FUND BALANCE, End of Year	\$ 12,417,669	13,147,526	\$ 729,857

Note: The budget is not legally adopted by the Board of Trustees for this fund. The budget is presented on the modified accrual basis of accounting, which is consistent with accounting principles generally accepted in the United States of America.

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2017

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203)
REVENUES		
1000 Revenue from Local Sources:		
1300 Tuition:		
1330 From Patrons for Adult/Continuing Education	\$ -	-
1900 Other Revenue from Local Sources:		
1930 Medicaid	-	-
1990 Miscellaneous Local Revenue:		
1999 Revenue from Other Local Sources	-	-
Total Revenue from Local Sources	-	-
3000 Revenue from State Sources:		
3100 Restricted State Funding:		
3110 Occupational Education:		
3118 EEDA Career Specialist	-	-
3120 General Education:		
3127 Student Health and Fitness - PE Teachers	-	-
3130 Special Programs:		
3136 Student Health and Fitness - Nurses	-	-
3150 Adult Education:		
3155 DSS SNAP and E&T Program	-	-
3177 Summer Reading Camps	-	-
3187 Teacher Supplies	-	-
3190 Miscellaneous Restricted State Grants:		
3193 Education License Plates	-	-
3199 Other Restricted State Grants	-	-
3600 Education Lottery Act Revenue:		
3630 K-12 Technology Initiative	-	-
3660 Mobile Device Access and Management	-	-
3900 Other State Revenue:		
3999 Revenue from Other State Sources	-	-
Total Revenue from State Sources	-	-
4000 Revenue from Federal Sources:		
4200 Occupational Education:		
4210 Perkins Aid, Title I	-	-
4300 Elementary and Secondary Education Act of 1965 (ESEA):		
4310 Perkins, Title I, Basic State Grant Program (Carryover Provision)	24,048,884	-
4341 Language Instruction for Limited English Proficient and Immigrant Students, Title III (Carryover Provision)	-	-
4342 Title II Teacher Advancement Program (TAP)	-	-
4343 McKinney-Vento Education for Homeless Children and Youth Program	-	-
4351 Improving Teacher Quality	\$ -	-

Preschool Handicapped (CG Projects) (205)	CATE (VA Projects) (207)	Adult Education* (243)	Other Designated Restricted State Grants* (800s/900s)	Other Special Revenue Programs* (200s/800s/900s)	Totals
-	-	-	-	4,312	\$ 4,312
-	-	-	-	3,830,304	3,830,304
-	-	-	-	2,823,041	2,823,041
-	-	-	-	6,657,657	6,657,657
-	-	-	617,792	-	617,792
-	-	-	563,680	-	563,680
-	-	-	1,538,787	-	1,538,787
-	-	-	25,636	-	25,636
-	-	-	651,314	-	651,314
-	-	-	149,050	-	149,050
-	-	-	8,457	-	8,457
-	-	-	626,499	-	626,499
-	-	-	2,622,441	-	2,622,441
-	-	-	613,542	-	613,542
-	-	-	-	24,284	24,284
-	-	-	7,417,198	24,284	7,441,482
-	1,029,569	-	-	-	1,029,569
-	-	-	-	303,953	24,352,837
-	-	-	-	929,216	929,216
-	-	-	-	35,000	35,000
-	-	-	-	1,861,085	\$ 1,861,085

(Continued)

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2017

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203)
4400 Adult Education:		
4410 Basic Adult Education	\$ -	-
4430 State Literacy Resource	-	-
4500 Programs for Children with Disabilities:		
4510 Individuals with Disabilities Education Act (IDEA) (Carryover Provision)	-	16,279,884
4520 Preschool Grants (IDEA) (Carryover Provision)	-	-
4900 Other Federal Sources:		
4924 21st Century Community Learning Center Program (Title IV, 21st Century Schools)	-	-
4999 Revenue from Other Federal Sources	-	-
Total Revenue from Federal Sources	<u>24,048,884</u>	<u>16,279,884</u>
TOTAL REVENUE ALL SOURCES	<u>24,048,884</u>	<u>16,279,884</u>

EXPENDITURES

100 Instruction:		
110 General Instruction:		
111 Kindergarten Programs:		
100 Salaries	198,035	-
200 Employee Benefits	64,206	-
112 Primary Programs:		
100 Salaries	2,800,434	-
200 Employee Benefits	1,023,387	-
300 Purchased Services	386,643	-
400 Supplies and Materials	1,452,953	-
500 Capital Outlay	130,210	-
113 Elementary Programs:		
100 Salaries	3,438,133	-
200 Employee Benefits	1,247,192	-
300 Purchased Services	126,066	-
400 Supplies and Materials	122,581	-
500 Capital Outlay	-	-
114 High School Programs:		
100 Salaries	-	-
200 Employee Benefits	-	-
300 Purchased Services	982	-
400 Supplies and Materials	-	-
500 Capital Outlay	-	-
600 Other Objects	-	-
115 Career and Technology Education Programs:		
100 Salaries	-	-
200 Employee Benefits	-	-
300 Purchased Services - Other Than Tuition	-	-
400 Supplies and Materials	-	-
500 Capital Outlay	-	-
	\$ -	-

Preschool Handicapped (CG Projects) (205)	CATE (VA Projects) (207)	Adult Education* (243)	Other Designated Restricted State Grants* (800s/900s)	Other Special Revenue Programs* (200s/800s/900s)	Totals
-	-	354,274	-	-	\$ 354,274
-	-	21,272	-	-	21,272
-	-	-	-	-	16,279,884
634,167	-	-	-	-	634,167
-	-	-	-	219,434	219,434
-	-	-	-	901,616	901,616
634,167	1,029,569	375,546	-	4,250,304	46,618,354
634,167	1,029,569	375,546	7,417,198	10,932,245	60,717,493
-	-	-	-	-	198,035
-	-	-	-	-	64,206
-	-	-	280,724	1,004,706	4,085,864
-	-	-	111,728	361,444	1,496,559
-	-	-	-	-	386,643
-	-	-	68	251	1,453,272
-	-	-	-	-	130,210
-	-	-	120,119	168,821	3,727,073
-	-	-	40,748	59,578	1,347,518
-	-	-	-	122,325	248,391
-	-	-	1,466,715	148,600	1,737,896
-	-	-	-	17,765	17,765
-	-	-	498	613,065	613,563
-	-	-	116	427	543
-	-	-	-	2,368	3,350
-	158	-	1,228,202	14,331	1,242,691
-	-	-	-	10,812	10,812
-	-	-	-	250	250
-	-	-	225	66,115	66,340
-	-	-	54	16,225	16,279
-	22,183	-	-	-	22,183
-	174,357	-	-	-	174,357
-	9,247	-	69	-	\$ 9,316

(Continued)

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2017

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203)
116 Career and Technology Education Programs- Middle School:		
100 Salaries	\$ -	-
200 Employee Benefits	-	-
300 Purchased Services	-	-
400 Supplies and Materials	-	-
500 Capital Outlay	-	-
600 Other Objects	-	-
120 Exceptional Programs:		
121 Educable Mentally Handicapped:		
100 Salaries	-	400,076
200 Employee Benefits	-	196,568
300 Purchased Services	-	155,356
400 Supplies and Materials	-	34,917
122 Trainable Mentally Handicapped:		
100 Salaries	-	851,507
200 Employee Benefits	-	324,957
400 Supplies and Materials	-	-
123 Orthopedically Handicapped:		
100 Salaries	-	136,709
200 Employee Benefits	-	74,064
300 Purchased Services	-	302
400 Supplies and Materials	-	19,703
124 Visually Handicapped:		
100 Salaries	-	18,337
200 Employee Benefits	-	8,779
300 Purchased Services	-	4,464
400 Supplies and Materials	-	10,546
125 Hearing Handicapped:		
100 Salaries	-	250,964
200 Employee Benefits	-	85,070
300 Purchased Services	-	9,248
400 Supplies and Materials	-	19,645
126 Speech Handicapped:		
100 Salaries	-	765,971
200 Employee Benefits	-	299,310
300 Purchased Services	-	537,241
400 Supplies and Materials	-	34,705
600 Other Objects	-	-
127 Learning Disabilities:		
100 Salaries	-	634,424
200 Employee Benefits	-	223,419
300 Purchased Services	-	198,176
400 Supplies and Materials	-	30,024
128 Emotionally Handicapped:		
100 Salaries	-	132,950
200 Employee Benefits	-	63,164
400 Supplies and Materials	-	9,530
129 Coordinated Early Intervening Services (CEIS):		
300 Purchased Services	-	11,200
130 Pre-School Programs:		
131 Pre-School Handicapped Speech (5-Yr. Olds):		
300 Purchased Services	\$ -	6,440

Preschool Handicapped (CG Projects) (205)	CATE (VA Projects) (207)	Adult Education* (243)	Other Designated Restricted State Grants* (800s/900s)	Other Special Revenue Programs* (200s/800s/900s)	Totals
-	-	-	-	6,015	\$ 6,015
-	-	-	-	1,476	1,476
-	3,010	-	-	-	3,010
-	133,056	-	-	17,642	150,698
-	261,673	-	-	40,132	301,805
-	3,000	-	-	-	3,000
-	-	-	-	-	400,076
-	-	-	-	-	196,568
-	-	-	-	-	155,356
-	-	-	-	-	34,917
-	-	-	-	-	851,507
-	-	-	-	-	324,957
-	-	-	244	-	244
-	-	-	135	-	136,844
-	-	-	30	-	74,094
-	-	-	-	-	302
-	-	-	-	-	19,703
-	-	-	-	-	18,337
-	-	-	-	-	8,779
-	-	-	-	-	4,464
-	-	-	-	-	10,546
-	-	-	-	-	250,964
-	-	-	-	-	85,070
-	-	-	-	-	9,248
-	-	-	-	-	19,645
-	-	-	-	424,577	1,190,548
-	-	-	-	104,868	404,178
-	-	-	-	53,000	590,241
-	-	-	-	-	34,705
-	-	-	-	26,095	26,095
-	-	-	-	39,803	674,227
-	-	-	-	23,492	246,911
-	-	-	-	594	198,770
-	-	-	-	1,579	31,603
-	-	-	-	-	132,950
-	-	-	-	-	63,164
-	-	-	-	-	9,530
-	-	-	-	-	11,200
-	-	-	-	-	\$ 6,440

(Continued)

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2017

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203)
135 Pre-School Handicapped Speech (3 & 4-Yr. Olds):		
100 Salaries	\$ -	-
200 Employee Benefits	-	-
137 Pre-School Handicapped Self-Contained (3 & 4-Yr. Olds):		
100 Salaries	-	464,825
200 Employee Benefits	-	183,070
300 Purchased Services	-	10,173
400 Supplies and Materials	-	12,556
139 Early Childhood Programs:		
100 Salaries	2,906,575	-
200 Employee Benefits	1,165,964	-
400 Supplies and Materials	-	-
140 Special Programs:		
145 Homebound:		
100 Salaries	-	67,454
200 Employee Benefits	-	23,769
149 Other Special Programs:		
100 Salaries	-	60,902
200 Employee Benefits	-	15,140
300 Purchased Services	-	101,278
400 Supplies and Materials	-	14,056
160 Other Exceptional Programs:		
161 Autism:		
100 Salaries	-	368,394
200 Employee Benefits	-	153,023
300 Purchased Services	-	126,618
400 Supplies and Materials	-	15,017
500 Capital Outlay	-	-
162 Limited English Proficiency:		
100 Salaries	-	-
200 Employee Benefits	-	-
300 Purchased Services	-	-
400 Supplies and Materials	-	-
170 Summer School Programs:		
171 Primary Summer School:		
100 Salaries	-	20,168
200 Employee Benefits	-	4,887
300 Purchased Services	-	-
400 Supplies and Materials	-	336
172 Elementary Summer School:		
100 Salaries	369,682	-
200 Employee Benefits	88,607	-
300 Purchased Services	70,379	-
400 Supplies and Materials	88,146	-
173 High School Summer School:		
100 Salaries	-	-
200 Employee Benefits	\$ -	-

Preschool Handicapped (CG Projects) (205)	CATE (VA Projects) (207)	Adult Education* (243)	Other Designated Restricted State Grants* (800s/900s)	Other Special Revenue Programs* (200s/800s/900s)	Totals
57,228	-	-	-	-	\$ 57,228
18,998	-	-	-	-	18,998
142,999	-	-	-	-	607,824
66,245	-	-	-	-	249,315
-	-	-	-	-	10,173
-	-	-	-	6,228	18,784
-	-	-	2,673	-	2,909,248
-	-	-	812	-	1,166,776
-	-	-	57	-	57
-	-	-	-	-	67,454
-	-	-	-	-	23,769
-	-	-	-	-	60,902
-	-	-	-	-	15,140
-	-	-	-	-	101,278
-	-	-	-	-	14,056
-	-	-	-	-	368,394
-	-	-	-	-	153,023
-	-	-	-	-	126,618
-	-	-	-	-	15,017
-	-	-	-	-	-
-	-	-	-	56,972	56,972
-	-	-	-	14,016	14,016
-	-	-	-	170,645	170,645
-	-	-	-	99,292	99,292
-	-	-	-	-	20,168
-	-	-	-	-	4,887
-	-	-	35,967	-	35,967
-	-	-	18,710	-	19,046
-	-	-	130,688	224,824	725,194
-	-	-	32,294	53,304	174,205
-	-	-	49,351	43,069	162,799
-	-	-	75,296	9,429	172,871
-	1,942	-	-	-	1,942
-	488	-	-	-	\$ 488

(Continued)

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2017

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203)
175 Instructional Programs Beyond Regular School Day:		
100 Salaries	\$ 291,806	-
200 Employee Benefits	75,336	-
300 Purchased Services	122,992	-
400 Supplies and Materials	48,425	-
180 Adult/Continuing Educational Programs:		
181 Adult Basic Education Programs:		
100 Salaries	-	-
200 Employee Benefits	-	-
182 Adult Secondary Education Programs:		
100 Salaries	-	-
200 Employee Benefits	-	-
183 Adult English Literacy (ESL):		
100 Salaries	-	-
200 Employee Benefits	-	-
188 Parenting/Family Literacy:		
100 Salaries	536,651	-
200 Employee Benefits	242,475	-
300 Purchased Services	81,804	-
400 Supplies and Materials	243,886	-
500 Capital Outlay	13,553	-
Total Instruction	<u>17,337,103</u>	<u>7,189,432</u>
200 Support Services:		
210 Pupil Services:		
211 Attendance and Social Work Services:		
100 Salaries	1,011,906	164,200
200 Employee Benefits	350,930	58,953
300 Purchased Services	12,129	-
400 Supplies and Materials	13,634	-
212 Guidance Services:		
100 Salaries	-	146,764
200 Employee Benefits	-	54,979
300 Purchased Services	-	-
400 Supplies and Materials	-	-
213 Health Services:		
100 Salaries	175,016	1,673,011
140 Terminal Leave	-	-
200 Employee Benefits	67,868	589,791
300 Purchased Services	13,040	62,171
400 Supplies and Materials	1,139	-
500 Capital Outlay	-	-
600 Other Objects	-	-
214 Psychological Services:		
100 Salaries	-	991,545
200 Employee Benefits	-	348,413
300 Purchased Services	-	17,661
400 Supplies and Materials	-	15,219
215 Exceptional Program Services:		
100 Salaries	-	319,221
200 Employee Benefits	-	110,911
300 Purchased Services	\$ -	9,030

Preschool Handicapped (CG Projects) (205)	CATE (VA Projects) (207)	Adult Education* (243)	Other Designated Restricted State Grants* (800s/900s)	Other Special Revenue Programs* (200s/800s/900s)	Totals
-	-	-	-	132,525	\$ 424,331
-	-	-	-	31,830	107,166
-	-	-	-	22,146	145,138
-	-	-	-	20,790	69,215
-	-	59,975	6,909	-	66,884
-	-	11,175	1,175	-	12,350
-	-	10,000	-	-	10,000
-	-	2,000	-	-	2,000
-	-	205,550	-	-	205,550
-	-	76,511	-	-	76,511
-	-	-	-	-	536,651
-	-	-	-	-	242,475
-	-	-	-	-	81,804
-	-	-	-	2,500	246,386
-	-	-	-	-	13,553
285,470	609,114	365,211	3,603,607	4,233,926	33,623,863
-	-	-	-	-	1,176,106
-	-	-	-	-	409,883
-	-	-	-	-	12,129
-	-	-	-	-	13,634
-	-	-	330,828	18,987	496,579
-	-	-	126,126	2,218	183,323
-	-	-	-	8,727	8,727
-	-	-	-	8,196	8,196
-	-	-	1,048,763	47,295	2,944,085
-	-	-	1,267	-	1,267
-	-	-	448,135	21,422	1,127,216
-	-	-	-	296,168	371,379
-	-	-	6,139	60,525	67,803
-	-	-	-	4,274	4,274
-	-	-	-	3,731	3,731
73,307	-	-	-	129,540	1,194,392
22,830	-	-	-	45,381	416,624
-	-	-	-	-	17,661
-	-	-	-	-	15,219
61,114	-	-	-	-	380,335
34,478	-	-	-	-	145,389
-	-	-	-	-	\$ 9,030

(Continued)

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2017

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203)
217 Career Specialists Services:		
100 Salaries	\$ -	-
200 Employee Benefits	-	-
220 Instructional Staff Services:		
221 Improvement of Instruction - Curriculum Development:		
100 Salaries	1,192,794	1,964,645
200 Employee Benefits	456,623	605,819
300 Purchased Services	6,700	66,425
400 Supplies and Materials	-	-
600 Other Objects	-	-
222 Library and Media:		
100 Salaries	-	-
200 Employee Benefits	-	-
223 Supervision of Special Programs:		
100 Salaries	270,572	395,597
200 Employee Benefits	93,339	141,714
300 Purchased Services	26,461	20,908
400 Supplies and Materials	11,488	-
600 Other Objects	59	-
224 Improvement of Instruction - Inservice and Staff Training:		
100 Salaries	117,360	114,535
200 Employee Benefits	24,066	18,156
300 Purchased Services	362,082	8,171
400 Supplies and Materials	57,756	-
600 Other Objects	-	-
230 General Administration Services:		
231 Board of Education:		
400 Supplies and Materials	-	-
232 Office of the Superintendent:		
300 Purchased Services	-	-
400 Supplies and Materials	-	-
600 Other Objects	-	-
233 School Administration:		
100 Salaries	-	-
200 Employee Benefits	-	-
300 Purchased Services	-	-
400 Supplies and Materials	-	-
250 Finance and Operations Services:		
251 Student Transportation (Federal/District Mandated):		
100 Salaries	-	200,665
200 Employee Benefits	-	79,364
300 Purchased Services	48,723	31,175
252 Fiscal Services:		
100 Salaries	-	-
140 Terminal Leave	-	-
200 Employee Benefits	-	-
300 Purchased Services	-	-
400 Supplies and Materials	-	-
500 Capital Outlay	-	-

Preschool Handicapped (CG Projects) (205)	CATE (VA Projects) (207)	Adult Education* (243)	Other Designated Restricted State Grants* (800s/900s)	Other Special Revenue Programs* (200s/800s/900s)	Totals
-	-	-	112,179	-	\$ 112,179
-	-	-	48,659	-	48,659
83,184	83,096	-	1,200	316,866	3,641,785
29,840	30,023	-	296	114,376	1,236,977
-	7,170	-	41,470	310,949	432,714
-	-	-	-	2,062	2,062
-	1,400	-	-	100	1,500
-	-	-	18,383	-	18,383
-	-	-	6,135	-	6,135
-	-	-	14,144	37,425	717,738
-	-	-	3,408	6,446	244,907
-	-	-	-	2,230	49,599
-	-	-	-	4,102	15,590
-	-	-	-	-	59
-	-	-	-	497,984	729,879
-	-	-	-	144,219	186,441
-	31,181	-	49,000	381,830	832,264
-	-	-	-	27,185	84,941
-	-	-	-	80	80
-	-	-	-	691	691
-	-	-	-	7,127	7,127
-	-	-	-	5,610	5,610
-	-	-	-	85	85
-	-	-	22,575	-	22,575
-	-	-	7,378	-	7,378
-	771	-	308	6,563	7,642
-	-	-	-	5,413	5,413
-	-	-	-	5,840	206,505
-	-	-	-	1,426	80,790
-	-	-	39,485	17,367	136,750
-	-	-	-	234,268	234,268
-	-	-	-	20	20
-	-	-	-	74,812	74,812
-	-	-	-	498,921	498,921
-	-	-	-	520	520
-	-	-	-	225,006	\$ 225,006

(Continued)

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2017

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203)
254 Operation and Maintenance of Plant:		
400 Supplies and Materials	\$ -	-
258 Security:		
500 Capital Outlay	-	-
260 Central Support Services:		
262 Planning:		
100 Salaries	37,469	-
200 Employee Benefits	11,254	-
600 Other Objects	-	-
263 Information Services:		
300 Purchased Services	-	-
400 Supplies and Materials	-	-
264 Staff Services:		
400 Supplies and Materials	-	-
600 Other Objects	-	-
266 Technology and Data Processing Services:		
300 Purchased Services	-	-
400 Supplies and Materials	-	-
270 Support Services - Pupil Activity:		
271 Pupil Services Activities:		
300 Purchased Services	-	-
400 Supplies and Materials (Optional)	-	-
600 Other Objects	-	-
Total Support Services	4,362,408	8,209,043
300 Community Services:		
350 Custody and Care of Children:		
100 Salaries	204	-
200 Employee Benefits	51	-
390 Other Community Services:		
100 Salaries	-	-
200 Employee Benefits	-	-
300 Purchased Services	-	-
400 Supplies and Materials	-	-
500 Capital Outlay	-	-
600 Other Objects	-	-
Total Community Services	255	-
410 Intergovernmental Expenditures:		
416 Payments to Public Charter Schools		
720 Transits	1,686,669	434,957
Total Intergovernmental Expenditures	1,686,669	434,957
TOTAL EXPENDITURES	\$ 23,386,435	15,833,432

Preschool Handicapped (CG Projects) (205)	CATE (VA Projects) (207)	Adult Education* (243)	Other Designated Restricted State Grants* (800s/900s)	Other Special Revenue Programs* (200s/800s/900s)	Totals
-	-	-	-	8,600	\$ 8,600
-	-	-	-	64,820	64,820
-	-	-	-	65,966	103,435
-	-	-	-	21,031	32,285
-	-	-	-	13,500	13,500
-	-	-	-	4,673	4,673
-	-	-	-	44,314	44,314
-	-	-	-	5,665	5,665
-	-	-	-	700	700
-	-	-	42,798	21,000	63,798
-	-	-	570,745	704,807	1,275,552
-	3,000	-	-	-	3,000
-	-	-	-	3,500	3,500
-	202,963	-	77,183	28,194	308,340
304,753	359,604	-	3,016,604	4,562,757	20,815,169
-	-	-	-	-	204
-	-	-	-	-	51
-	-	-	128,720	51,513	180,233
-	-	-	37,020	21,666	58,686
-	-	-	66,654	896,401	963,055
-	-	-	342,630	11,513	354,143
-	-	-	1,606	-	1,606
-	-	-	79	-	79
-	-	-	576,709	981,093	1,558,057
26,975	40,851	-	220,278	595,230	3,004,960
26,975	40,851	-	220,278	595,230	3,004,960
617,198	1,009,569	365,211	7,417,198	10,373,006	\$ 59,002,049

(Continued)

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
 GREENVILLE, SOUTH CAROLINA

SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2017

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203)
OTHER FINANCING SOURCES (USES)		
Interfund Transfers, From (To) Other Funds:		
420-710 Transfer to General Fund (Exclude Indirect Costs)	\$ -	-
426-710 Transfer to Pupil Activity Fund	-	-
431-791 Special Revenue Fund Indirect Costs for General Fund	(662,449)	(446,452)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(662,449)</u>	<u>(446,452)</u>
EXCESS/DEFICIENCY OF REVENUES AND EXPENDITURES	-	-
FUND BALANCE, Beginning of Year	<u>-</u>	<u>-</u>
FUND BALANCE, End of Year	<u><u>\$ -</u></u>	<u><u>-</u></u>

Preschool Handicapped (CG Projects) (205)	CATE (VA Projects) (207)	Adult Education* (243)	Other Designated Restricted State Grants* (800s/900s)	Other Special Revenue Programs* (200s/800s/900s)	Totals
-	-	-	-	(1,000)	\$ (1,000)
-	-	-	-	(4,500)	(4,500)
(16,969)	(20,000)	(10,335)	-	(101,016)	(1,257,221)
<u>(16,969)</u>	<u>(20,000)</u>	<u>(10,335)</u>	<u>-</u>	<u>(106,516)</u>	<u>(1,262,721)</u>
-	-	-	-	452,723	452,723
-	-	-	-	12,694,803	12,694,803
-	-	-	-	13,147,526	\$ 13,147,526

SPECIAL REVENUE FUND

SUPPLEMENTAL LISTING OF LEA SUBFUND CODES AND TITLES

YEAR ENDED JUNE 30, 2017

OTHER DESIGNATED RESTRICTED STATE GRANTS

8920	State Miscellaneous Funds
9170	Teacher Supply
9190	Education License Plates
9260	Summer Reading Camp
9280	EEDA Career Specialists
9360	Student Health and Fitness - Nurses
9370	Student Health and Fitness - PE Teachers
9550	DSS SNAP and E&T Program
9630	K-12 Technology Initiative
9660	Mobile Device Access and Management

OTHER SPECIAL REVENUE PROGRAMS

2210	Title I Neglected & Delinquent
2240	21st Century Comm Learning
2380	Title I Support
2450	Teacher Incentive Fund
2640	Title III
2670	Title II Improving Teacher Quality
2900	Naval JROTC
2900	Air Force JROTC
2900	Army JROTC
2920	Jobs for SC Graduates
2940	Social Innovation Fund
8010	Medicaid
8040	All County Band Reserve
8060	Communications - Marketing
8080	Parade - Communications
8090	SC Arts Residency
8120	Golf Tournament
8130	Agricultural Education
8150	Greenville Early College fund
8170	Teacher of the Year Reserve
8200	AOCP Math and Science Regional Center (Anderson, Oconee, Pickens and Greenville)
8240	Information Assurance Reserve
8250	Gifted and Talented - Publix Supermarket
8260	Sirrine Scholarship
8270	Summer Enrichment Program
8500	ETS E-rate Rebate
8530	ETS Technology Conference
8610	Recycling Mini Grants
8630	SC Vocational Rehabilitation
8890	Workplace Resource Fees
8900	Local Miscellaneous Funds
8910	Federal Miscellaneous Funds

(Continued)

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

Schedule B-3

SPECIAL REVENUE FUND

SUPPLEMENTAL LISTING OF LEA SUBFUND CODES AND TITLES

YEAR ENDED JUNE 30, 2017

OTHER SPECIAL REVENUE PROGRAMS (CONTINUED)

8940	Greenville Partnership for Philanthropy
8950	Scrap Metal
8970	Human Resources
8990	Beverage Fund

SPECIAL REVENUE FUND

SUMMARY SCHEDULE FOR OTHER DESIGNATED RESTRICTED STATE GRANTS

YEAR ENDED JUNE 30, 2017

Subfund	Revenue	Programs	Revenues	Expenditures	Special Revenue		Special Revenue Fund Deferred
					Interfund Transfers In (Out)	Other Fund Transfers In (Out)	
8920	3199	State Miscellaneous	\$ 626,499	626,499	-	-	\$ 170,734
9170	3187	Teacher Supply	149,050	149,050	-	-	-
9190	3193	Education License Plates	8,457	8,457	-	-	-
9260	3177	Summer Reading Camps	651,314	651,314	-	-	583,578
9280	3118	EEDA Career Specialist	617,792	617,792	-	-	-
9360	3136	Student Health and Fitness - Nurses	1,538,787	1,538,787	-	-	-
9370	3127	Student Health and Fitness - PE Teachers	563,680	563,680	-	-	574,918
9550	3155	DSS SNAP and E&T Program	25,636	25,636	-	-	-
9630	3630	K-12 Technology Initiative	2,622,441	2,622,441	-	-	2,251,270
9660	3660	Mobile Device Access and Management	613,542	613,542	-	-	592,101
Totals			\$ 7,417,198	7,417,198	-	-	\$ 4,172,601

SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
REVISED BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2017

	<u>REVISED BUDGET</u>	<u>ACTUAL (BUDGETARY BASIS)</u>	<u>VARIANCE WITH REVISED BUDGET- POSITIVE (NEGATIVE)</u>
REVENUES			
State Sources	\$ 58,530,679	46,572,214	\$ (11,958,465)
TOTAL REVENUE ALL SOURCES	<u>58,530,679</u>	<u>46,572,214</u>	<u>(11,958,465)</u>
EXPENDITURES			
Current:			
Instruction	27,041,683	18,971,726	8,069,957
Support Services	13,839,861	10,584,131	3,255,730
Intergovernmental	1,344,351	1,339,254	5,097
Capital Outlay	1,256,325	628,644	627,681
TOTAL EXPENDITURES	<u>43,482,220</u>	<u>31,523,755</u>	<u>11,958,465</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	15,048,459	15,048,459	-
OTHER FINANCING SOURCES (USES)			
Transfers Out	(15,048,459)	(15,048,459)	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(15,048,459)</u>	<u>(15,048,459)</u>	<u>-</u>
NET CHANGES IN FUND BALANCE	-	-	-
FUND BALANCE, Beginning of Year	-	-	-
FUND BALANCE, End of Year	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>

Note: The budget is not legally adopted by the Board of Trustees for this fund. The budget is presented on the modified accrual basis of accounting, which is consistent with accounting principles generally accepted in the United States of America.

SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
ALL PROGRAMS

YEAR ENDED JUNE 30, 2017

REVENUES	<u>ACTUAL</u>
3000 Revenue from State Sources:	
3500 Education Improvement Act:	
3502 ADEPT	\$ 87,323
3509 Arts in Education	16,549
3511 Professional Development	390,235
3512 Technology Professional Development	780,761
3518 Formative Assessment	407,000
3519 Grade 10 Assessments	76,181
3525 Career and Technology Education Equipment	806,912
3526 Refurbishment of K-8 Science Kits	141,378
3528 Industry Certificates	7,902
3532 National Board Certification (NBC) Salary Supplement (No Carryover Provision)	4,083,954
3533 Teacher of the Year Awards (No Carryover Provision)	1,077
3535 Reading Coaches	3,174,234
3538 Students at Risk of School Failure	8,565,677
3540 Early Childhood Program (4K Programs Serving Four-Year-Old Children)	2,636,476
3550 Teacher Salary Increase (No Carryover Provision)	13,566,039
3555 School Employer Contributions (No Carryover Provision)	1,976,699
3556 Adult Education	1,056,733
3558 Reading	313,984
3577 Teacher Supplies (No Carryover Provision)	1,275,380
3578 High Schools That Work/Making Middle Grades Work	156,402
3587 IDEA Maintenance of Effort Settlement	2,227,698
3592 Work-Based Learning	318,690
3595 EEDA Supplies and Materials - Career Awareness	122,862
3596 EEDA Career Specialists	2,551,378
3597 Aid to Districts	1,818,321
3599 Other EIA	12,369
Total Revenue from State Sources	<u>46,572,214</u>
 TOTAL REVENUE ALL SOURCES	 <u>46,572,214</u>

EXPENDITURES

100 Instruction:	
110 General Instruction:	
111 Kindergarten Programs:	
100 Salaries	140,000
200 Employee Benefits	33,737
400 Supplies and Materials	\$ 65,175

(Continued)

SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
 ALL PROGRAMS

YEAR ENDED JUNE 30, 2017

	<u>ACTUAL</u>
112 Primary Programs:	
100 Salaries	\$ 2,878,807
200 Employee Benefits	968,422
300 Purchased Services	407,000
400 Supplies and Materials	281,360
113 Elementary Programs:	
100 Salaries	1,633,530
140 Terminal Leave	1,609
200 Employee Benefits	485,387
300 Purchased Services	289,277
400 Supplies and Materials	544,915
114 High School Programs:	
100 Salaries	1,988,100
200 Employee Benefits	663,665
300 Purchased Services	239,887
400 Supplies and Materials	462,233
500 Capital Outlay	6,053
115 Career and Technology Education Program:	
100 Salaries	65,883
200 Employee Benefits	15,920
300 Purchased Services - Other than Tuition	22,188
400 Supplies and Materials	296,975
500 Capital Outlay	524,522
600 Other Objects	22,800
116 Career and Technology Education Programs Middle School:	
100 Salaries	7,500
200 Employee Benefits	1,800
300 Purchased Services - Other than Tuition	599
400 Supplies and Materials	15,415
500 Capital Outlay	50,195
600 Other Objects	9,950
120 Exceptional Programs:	
121 Educable Mentally Handicapped:	
100 Salaries	18,515
200 Employee Benefits	9,304
400 Supplies and Materials	8,800
122 Trainable Mentally Handicapped:	
100 Salaries	15,000
200 Employee Benefits	3,640
400 Supplies and Materials	\$ 10,725

(Continued)

SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
 ALL PROGRAMS

YEAR ENDED JUNE 30, 2017

	<u>ACTUAL</u>
123 Orthopedically Handicapped:	
100 Salaries	\$ 5,000
200 Employee Benefits	1,196
400 Supplies and Materials	2,475
124 Visually Handicapped:	
100 Salaries	7,500
200 Employee Benefits	1,813
400 Supplies and Materials	1,100
500 Capital Outlay	35,184
125 Hearing Handicapped:	
100 Salaries	7,500
200 Employee Benefits	1,834
400 Supplies and Materials	1,650
126 Speech Handicapped:	
400 Supplies and Materials	27,775
127 Learning Disabilities:	
100 Salaries	345,976
200 Employee Benefits	115,095
300 Purchased Services	1,522,028
400 Supplies and Materials	319,400
600 Other Objects	1,200
128 Emotionally Handicapped:	
100 Salaries	29,087
200 Employee Benefits	7,397
400 Supplies and Materials	5,500
130 Pre-School Programs:	
135 Preschool Handicapped Speech (3-and 4-Yr. Olds):	
400 Supplies and Materials	275
137 Preschool Handicapped Self-Contained (3- and 4-Yr. Olds):	
100 Salaries	7,500
200 Employee Benefits	1,822
400 Supplies and Materials	9,169
139 Early Childhood Programs:	
100 Salaries	2,787,700
140 Terminal Leave	5,841
200 Employee Benefits	1,123,169
300 Purchased Services	8,715
400 Supplies and Materials	\$ 63,838

(Continued)

SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
 ALL PROGRAMS

YEAR ENDED JUNE 30, 2017

	<u>ACTUAL</u>
140 Special Programs:	
141 Gifted and Talented - Academic:	
100 Salaries	\$ 175,750
200 Employee Benefits	42,604
400 Supplies and Materials	22,550
144 International Baccalaureate:	
100 Salaries	7,500
200 Employee Benefits	1,809
400 Supplies and Materials	825
145 Homebound:	
400 Supplies and Materials	3,025
148 Gifted and Talented - Artistic:	
400 Supplies and Materials	1,100
160 Other Exceptional Programs:	
161 Autism:	
100 Salaries	39,447
200 Employee Benefits	9,536
400 Supplies and Materials	9,350
162 Limited English Proficiency:	
100 Salaries	114,497
200 Employee Benefits	34,326
400 Supplies and Materials	23,288
170 Summer School Programs:	
172 Elementary Summer School:	
100 Salaries	26,206
200 Employee Benefits	5,586
173 High School Summer School:	
100 Salaries	16,300
200 Employee Benefits	3,962
175 Instructional Programs Beyond Regular School Day:	
100 Salaries	12,383
200 Employee Benefits	3,837
180 Adult/Continuing Educational Programs:	
181 Adult Basic Education Programs:	
100 Salaries	57,259
200 Employee Benefits	9,481
400 Supplies and Materials	877
182 Adult Secondary Education Programs:	
100 Salaries	178,375
200 Employee Benefits	48,272
400 Supplies and Materials	\$ 275

(Continued)

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

Schedule B-6

SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
ALL PROGRAMS**

YEAR ENDED JUNE 30, 2017

	<u>ACTUAL</u>
183 Adult Education Literacy (ESL):	
100 Salaries	\$ 25,000
200 Employee Benefits	102
188 Parenting/Family Literacy:	
100 Salaries	37,777
200 Employee Benefits	16,551
300 Purchased Services	22,455
400 Supplies and Materials	1,748
Total Instruction	<u>19,587,680</u>
200 Support Services:	
210 Pupil Services:	
211 Attendance and Social Work Services:	
100 Salaries	241,907
200 Employee Benefits	85,284
300 Purchased Services	14,825
400 Supplies and Materials	2,531
212 Guidance Services:	
100 Salaries	2,040,952
200 Employee Benefits	714,150
300 Purchased Services	83,094
400 Supplies and Materials	87,352
213 Health Services:	
100 Salaries	139,067
200 Employee Benefits	45,243
300 Purchased Services	10,520
400 Supplies and Materials	16,516
214 Psychological Services:	
300 Purchased Services	177,239
400 Supplies and Materials	86,936
600 Other Objects	35
215 Exceptional Program Services:	
300 Purchased Services	45,915
400 Supplies and Materials	2,347
220 Instructional Staff Services:	
221 Improvement of Instruction-Curriculum Development:	
100 Salaries	1,648,575
200 Employee Benefits	504,150
300 Purchased Services	191,596
400 Supplies and Materials	43,491
600 Other Objects	\$ 1,210

(Continued)

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

Schedule B-6

SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
ALL PROGRAMS**

YEAR ENDED JUNE 30, 2017

	<u>ACTUAL</u>
222 Library and Media:	
100 Salaries	\$ 102,500
200 Employee Benefits	24,872
300 Purchased Services	386
400 Supplies and Materials	25,575
223 Supervision of Special Programs:	
100 Salaries	449,971
140 Terminal Leave	19,577
200 Employee Benefits	156,840
300 Purchased Services	46,191
400 Supplies and Materials	10,859
600 Other Objects	5,600
224 Improvement of Instruction - Inservice and Staff Training:	
100 Salaries	317,355
200 Employee Benefits	73,165
300 Purchased Services	1,713,705
400 Supplies and Materials	171,970
500 Capital Outlay	11,639
600 Other Objects	825
230 General Administration Services:	
233 School Administration:	
100 Salaries	663,288
200 Employee Benefits	218,823
300 Purchased Services	5,958
400 Supplies and Materials	7,027
250 Finance and Operations Services:	
251 Student Transportation (Federal/District Mandated):	
100 Salaries	3,097
200 Employee Benefits	749
300 Purchased Services	32,567
400 Supplies and Materials	7,906
260 Central Support Services:	
262 Planning:	
100 Salaries	86,105
200 Employee Benefits	32,198
300 Purchased Services	134
264 Staff Services:	
100 Salaries	121,257
200 Employee Benefits	34,201
266 Technology and Data Processing Services:	
300 Purchased Services	2,173
500 Capital Outlay	\$ 1,051

(Continued)

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

Schedule B-6

SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
ALL PROGRAMS**

YEAR ENDED JUNE 30, 2017

	<u>ACTUAL</u>
271 Pupil Services Activities:	
600 Other Objects (Optional)	\$ 66,322
Total Support Services	<u>10,596,821</u>
410 Intergovernmental Expenditures:	
416 Payments to Public Charter Schools	
720 Transits	1,339,254
Total Intergovernmental Expenditures	<u>1,339,254</u>
TOTAL EXPENDITURES	<u>31,523,755</u>
OTHER FINANCING SOURCES (USES)	
Interfund Transfers, From (To) Other Funds:	
420-710 Transfer to General Fund (Exclude Indirect Costs)	(15,048,459)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(15,048,459)</u>
EXCESS/DEFICIENCY OF REVENUES AND EXPENDITURES	-
FUND BALANCE, Beginning of Year	<u>-</u>
FUND BALANCE, End of Year	<u>\$ -</u>

SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT

SUMMARY SCHEDULE BY PROGRAM

YEAR ENDED JUNE 30, 2017

Program	Revenues	Expenditures	EIA Interfund Transfers In/(Out)	Other Fund Transfers In/(Out)	EIA Fund Deferred Revenue
3500 Education Improvement Act:					
3502 ADEPT	\$ 87,323	87,323	-	-	\$ 68,700
3509 Arts in Education	16,549	16,549	-	-	134
3511 Professional Development	390,235	390,235	-	-	462,059
3512 Technology Professional Development	780,761	780,761	-	-	-
3518 Formative Assessment	407,000	407,000	-	-	210,079
3519 Grade 10 Assessments	76,181	76,181	-	-	-
3525 Career and Technology Education Equipment	806,912	806,912	-	-	452,496
3526 Refurbishment of K-8 Sciences Kits	141,378	141,378	-	-	92,895
3528 Industry Certificates	7,902	7,902	-	-	203,393
3532 National Board Certification (NBC) Salary Supplement (No Carryover Provision)	4,083,954	4,083,954	-	-	-
3533 Teacher of the Year Awards (No Carryover Provision)	1,077	1,077	-	-	-
3535 Reading Coaches	3,174,234	3,174,234	-	-	2,226
3538 Students at Risk of School Failure	8,565,677	8,565,677	-	-	4,004,010
3540 Early Childhood Programs (4K Programs Serving Four-Year Old Children)	2,636,476	2,636,476	-	-	2,422,922
3550 Teacher Salary Increase (No Carryover Provision)	13,566,039	396,884	-	(13,169,155)	-
3555 School Employer Contributions (No Carryover Provision)	1,976,699	97,395	-	(1,879,304)	-
3556 Adult Education	1,056,733	1,056,733	-	-	136,871
3558 Reading	313,984	313,984	-	-	310,420
3571 Palmetto Priority Technical Assistance	-	-	-	-	116,400
3577 Teacher Supplies (No Carryover Provision)	1,275,380	1,275,380	-	-	-
3578 High Schools That Work / Making Middle Grades Work	156,402	156,402	-	-	24,044
3581 Student Health and Fitness- Nurses					
3587 IDEA Maintenance of Effort Settlement	2,227,698	2,227,698	-	-	1,585,256
3592 Work- Based Learning	318,690	318,690	-	-	125,577
3595 EEDA Supplies and Materials - Career Awareness	122,862	122,862	-	-	231,037
3596 EEDA Career Specialists	2,551,378	2,551,378	-	-	967,954
3597 Aid to Districts	1,818,321	1,818,321	-	-	479,483
3599 Other EIA	12,369	12,369	-	-	-
Totals	\$ 46,572,214	31,523,755	-	(15,048,459)	\$ 11,895,956

DETAILED SCHEDULE OF DUE TO STATE DEPARTMENT OF EDUCATION/FEDERAL GOVERNMENT

YEAR ENDED JUNE 30, 2017

<u>Program</u>	<u>Project/Grant Number</u>	<u>Revenue & Subfund Code</u>	<u>Description</u>	<u>Amount Due to State Department of Education or Federal Government</u>	<u>Status of Amount Due to Grantors</u>
National Board Certification	N/A	3532/3320	Unexpended Funds	\$ 44,467.49	Paid After Year-End
Perkins Aid - Title I	16-VA-040	4210/2070	Unexpended Funds	12,928.05	Paid After Year-End
Teacher Supplies	N/A	3577/3770	Unexpended Funds	20,144.90	Paid After Year-End
			Total	<u>\$ 77,540.44</u>	

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

Schedule C-1

DEBT SERVICE FUND - DISTRICT

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2017

	<u>REVISED BUDGET</u>	<u>ACTUAL (BUDGETARY BASIS)</u>	<u>VARIANCE WITH REVISED BUDGET- POSITIVE (NEGATIVE)</u>
REVENUES			
1000 Revenue from Local Sources:			
1100 Taxes:			
1110 Ad Valorem Taxes-Including Delinquent (Fiscally Independent LEA)	\$ 100,215,000	99,838,430	\$ (376,570)
1200 Revenue from Local Governmental Units Other than LEAs:			
1280 Revenue in Lieu of Taxes (Dependent and Independent)	6,140,000	6,827,361	687,361
1500 Earnings on Investments:			
1510 Interest on Investments	240,000	424,745	184,745
1900 Other Revenue from Local Sources:			
1999 Revenue from Other Local Sources	-	1,160,498	1,160,498
Total Revenue from Local Sources	<u>106,595,000</u>	<u>108,251,034</u>	<u>1,656,034</u>
3000 Revenue from State Sources:			
3800 State Revenue in Lieu of Taxes:			
3820 Homestead Exemption(Tier 2)	3,311,000	3,411,115	100,115
3830 Merchant's Inventory Tax	375,000	698,922	323,922
3840 Manufacturers Depreciation Reimbursement	1,053,000	1,093,968	40,968
3890 Other State Property Tax Revenues (Includes MC Vehicle Tax)	156,000	234,127	78,127
Total Revenue from State Sources	<u>4,895,000</u>	<u>5,438,132</u>	<u>543,132</u>
4000 Revenue from Federal Sources:			
4900 Other Federal Sources:			
4999 Revenue from Other Federal Sources	1,274,130	1,272,762	(1,368)
Total Revenue from Federal Sources	<u>1,274,130</u>	<u>1,272,762</u>	<u>(1,368)</u>
TOTAL REVENUE ALL SOURCES	<u>112,764,130</u>	<u>114,961,928</u>	<u>2,197,798</u>
EXPENDITURES			
500 Debt Service:			
610 Redemption of Principal	109,897,717	-	109,897,717
620 Interest	3,097,656	2,385,523	712,133
690 Other Objects (Includes Fees for Servicing Bonds)	10,000	-	10,000
Total Debt Service	<u>113,005,373</u>	<u>2,385,523</u>	<u>110,619,850</u>
TOTAL EXPENDITURES	<u>\$ 113,005,373</u>	<u>2,385,523</u>	<u>\$ 110,619,850</u>

(Continued)

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

Schedule C-1

DEBT SERVICE FUND - DISTRICT

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2017

	REVISED BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH REVISED BUDGET- POSITIVE (NEGATIVE)
OTHER FINANCING SOURCES (USES)			
5120 Proceeds of General Obligation Bonds	\$ 109,310,989	-	\$ (109,310,989)
Interfund Transfers, From (To) Other Funds:			
423-710 Transfer to Debt Service Fund - BEST	(73,252,761)	(64,764,400)	8,488,361
424-710 Transfer to Capital Projects Fund	(34,355,452)	(43,933,626)	(9,578,174)
TOTAL OTHER FINANCING SOURCES (USES)	1,702,776	(108,698,026)	(110,400,802)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,461,533	3,878,379	2,416,846
FUND BALANCE, Beginning of Year	(12,870,252)	(12,870,252)	-
FUND BALANCE, End of Year	\$ (11,408,719)	(8,991,873)	\$ 2,416,846

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

Schedule C-2

DEBT SERVICE FUND - BEST

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2017

	REVISED BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH REVISED BUDGET- POSITIVE (NEGATIVE)
REVENUES			
1500 Earnings on Investments:			
1510 Interest on Investments	\$ 45,000	39,166	\$ (5,834)
Total Revenue from Local Sources	<u>45,000</u>	<u>39,166</u>	<u>(5,834)</u>
TOTAL REVENUE ALL SOURCES	<u>45,000</u>	<u>39,166</u>	<u>(5,834)</u>
EXPENDITURES			
500 Debt Service:			
610 Redemption of Principal	34,600,000	39,051,000	(4,451,000)
620 Interest	38,652,761	26,154,213	12,498,548
690 Other Objects (Includes Fees for Servicing Bonds)	-	2,138,500	(2,138,500)
699 Payment to Refunded Debt Escrow Agent	-	477,454,473	(477,454,473)
Total Debt Service	<u>73,252,761</u>	<u>544,798,186</u>	<u>(471,545,425)</u>
TOTAL EXPENDITURES	<u>73,252,761</u>	<u>544,798,186</u>	<u>(471,545,425)</u>
OTHER FINANCING SOURCES (USES)			
5130 Issuance of Refunding Debt	-	452,500,000	452,500,000
Interfund Transfers, From (To) Other Funds:			
5240 Transfer from Debt Service Fund - District	73,252,761	64,764,400	(8,488,361)
TOTAL OTHER FINANCING SOURCES (USES)	<u>73,252,761</u>	<u>517,264,400</u>	<u>444,011,639</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	45,000	(27,494,620)	(27,539,620)
FUND BALANCE, Beginning of Year	<u>49,201,386</u>	<u>49,201,386</u>	<u>-</u>
FUND BALANCE, End of Year	<u>\$ 49,246,386</u>	<u>21,706,766</u>	<u>\$ (27,539,620)</u>

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

Schedule D-1

CAPITAL PROJECTS FUND - DISTRICT

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2017

	REVISED BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH REVISED BUDGET- POSITIVE (NEGATIVE)
REVENUES			
1000 Revenue from Local Sources:			
1500 Earnings on Investments:			
1510 Interest on Investments	\$ 300,000	1,202,909	\$ 902,909
1900 Other Revenue from Local Sources:			
1993 Receipt of Insurance Proceeds	250,185	426,624	176,439
1999 Revenue from Other Local Sources	-	96,807	96,807
Total Revenue from Local Sources	<u>550,185</u>	<u>1,726,340</u>	<u>1,176,155</u>
TOTAL REVENUE ALL SOURCES	<u>550,185</u>	<u>1,726,340</u>	<u>1,176,155</u>
EXPENDITURES			
250 Finance and Operations:			
253 Facilities Acquisition & Construction:			
100 Salaries	1,357,169	1,345,666	11,503
200 Employee Benefits	479,286	456,153	23,133
300 Purchased Services	3,538,163	3,222,648	315,515
400 Supplies and Materials	2,342,693	3,127,095	(784,402)
500 Capital Outlay:			
510 Land	2,264,000	4,350	2,259,650
520 Construction Services	61,885,570	42,739,162	19,146,408
530 Improvements Other Than Buildings	84,268	673,865	(589,597)
540 Equipment	518,418	262,966	255,452
545 Technology, Equipment and Software	1,828,761	609,562	1,219,199
550 Vehicles	1,248,970	978,025	270,945
580 Mobile Classrooms	349,492	297,708	51,784
600 Other Objects:			
690 Other Objects	59,260	59,429	(169)
258 Security:			
300 Purchased Services	-	413,250	(413,250)
Total Support Services	<u>75,956,050</u>	<u>54,189,879</u>	<u>21,766,171</u>
TOTAL EXPENDITURES	<u>\$ 75,956,050</u>	<u>54,189,879</u>	<u>\$ 21,766,171</u>

(Continued)

CAPITAL PROJECTS FUND - DISTRICT

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2017

	<u>REVISED BUDGET</u>	<u>ACTUAL (BUDGETARY BASIS)</u>	<u>VARIANCE WITH REVISED BUDGET- POSITIVE (NEGATIVE)</u>
OTHER FINANCING SOURCES (USES)			
5120 Proceeds of General Obligation Bonds	\$ 20,159,000	20,159,000	\$ -
5300 Sale of Capital Assets	-	2,397,295	2,397,295
Interfund Transfers, From (To) Other Funds:			
5210 Transfer from General Fund (Exclude Indirect Costs)	-	12,165,000	12,165,000
5240 Transfer from Debt Service Fund	34,355,452	43,933,626	9,578,174
TOTAL OTHER FINANCING SOURCES (USES)	<u>54,514,452</u>	<u>78,654,921</u>	<u>24,140,469</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(20,891,413)	26,191,382	47,082,795
FUND BALANCE, Beginning of Year	<u>93,281,365</u>	<u>93,281,365</u>	<u>-</u>
FUND BALANCE, End of Year	<u>\$ 72,389,952</u>	<u>119,472,747</u>	<u>\$ 47,082,795</u>

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

Schedule E-1

FOOD SERVICE FUND

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

YEAR ENDED JUNE 30, 2017

	<u>ACTUAL</u>
REVENUES	
1000 Revenues from Local Sources:	
1500 Earnings on Investments:	
1510 Interest on Investments	\$ 60,736
1600 Food Service:	
1610 Lunch Sales to Pupils	4,478,672
1630 Special Sales to Pupils	5,885,801
1640 Lunch Sales to Adults	411,621
1650 Breakfast Sales to Adults	15,322
1660 Special Sales to Adults	285,094
1900 Other Revenue from Local Sources:	
1992 Canteen Operations	34,032
1999 Revenue from Other Local Sources	601,997
Total Revenue from Local Sources	<u>11,773,275</u>
3000 Revenue from State Sources:	
3100 Restricted State Funding:	
3140 School Lunch:	
3142 Program Aid	4,019
Total Revenue from State Sources	<u>4,019</u>
4000 Revenue from Federal Sources:	
4800 USDA Reimbursement:	
4810 School Lunch and After School Snacks Program	17,459,616
4830 School Breakfast Program	6,052,049
4860 Fresh Fruit and Vegetable Program (FFVP) (Carryover Provision)	207,590
4900 Other Federal Sources:	
4991 USDA Commodities (Food Distribution Program) (Carryover Provision)	2,465,958
Total Revenue from Federal Sources	<u>26,185,213</u>
TOTAL REVENUE ALL SOURCES	<u>\$ 37,962,507</u>

(Continued)

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

Schedule E-1

FOOD SERVICE FUND

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

YEAR ENDED JUNE 30, 2017

	<u>ACTUAL</u>
EXPENSES	
256 Food Service:	
100 Salaries	\$ 11,409,112
200 Employee Benefits	1,117,000
300 Purchased Services (Exclude Gas, Oil, Electricity and Other Heating Fuels)	866,221
400 Supplies and Materials (Include Gas, Oil, Electricity and Other Heating Fuels)	19,086,115
500 Capital Outlay	1,124,794
600 Other Objects	254,261
Total Food Services Expenses	<u>33,857,503</u>
TOTAL EXPENSES	<u>33,857,503</u>
OTHER FINANCING SOURCES (USES)	
5300 Sale of Capital Assets	(4,358)
Interfund Transfers, From (To) Other Funds:	
5210 Transfer from General Fund (Excludes Indirect Costs)	4,298
432-791 Food Service Fund Indirect Costs	(2,004,000)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(2,004,060)</u>
EXCESS/DEFICIENCY OF REVENUES AND EXPENDITURES	2,100,944
FUND NET POSITION, Beginning of Year	<u>22,524,841</u>
FUND NET POSITION, End of Year	<u>\$ 24,625,785</u>

PUPIL ACTIVITY FUND

SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN DUE TO STUDENT ORGANIZATIONS

YEAR ENDED JUNE 30, 2017

	<u>ACTUAL</u>
RECEIPTS	
1500 Earnings on Investments:	
1510 Interest on Investments	\$ 64,131
1700 Pupil Activities:	
1710 Admissions	1,634,460
1720 Bookstore Sales	86,243
1730 Pupil Organization Membership Dues and Fees	375,062
1740 Student Fees	293,044
1790 Other	22,342,049
1900 Other Revenue from Local Sources	
1920 Contributions and Donations Private Sources	3,050,125
Total Receipts from Local Sources	<u>27,845,114</u>
TOTAL RECEIPTS ALL SOURCES	<u>27,845,114</u>
DISBURSEMENTS	
190 Instructional Pupil Activity:	
660 Pupil Activity	1,482,134
Total Instruction	<u>1,482,134</u>
270 Support Services Pupil Activity:	
271 Pupil Service Activities:	
660 Pupil Activity	9,380,265
272 Enterprise Activities:	
660 Pupil Activity	10,464,185
273 Trust and Agency Activities:	
660 Enterprise Activity	5,494,390
Total Pupil Activity Expenditures	<u>25,338,840</u>
TOTAL DISBURSEMENTS	<u>26,820,974</u>
EXCESS/DEFICIENCY OF REVENUES AND DISBURSEMENTS	1,024,140
STUDENT ORGANIZATIONS, Beginning of Year	<u>10,987,608</u>
STUDENT ORGANIZATIONS, End of Year	<u>\$ 12,011,748</u>

PUPIL ACTIVITY FUND

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

YEAR ENDED JUNE 30, 2017

	<u>BEGINNING BALANCE</u>	<u>ADDITIONS</u>	<u>REDUCTIONS</u>	<u>ENDING BALANCE</u>
ASSETS				
Cash and Cash Equivalents	\$ 2,639,749	1,393,986	1,367,127	\$ 2,666,608
Accounts Receivable	9,744,000	982,169	-	10,726,169
TOTAL ASSETS	<u>\$ 12,383,749</u>	<u>2,376,155</u>	<u>1,367,127</u>	<u>\$ 13,392,777</u>
LIABILITIES				
Accounts Payable	\$ 1,396,141	1,381,029	1,396,141	\$ 1,381,029
Due to Student Organizations	10,987,608	1,024,140	-	12,011,748
TOTAL LIABILITIES	<u>\$ 12,383,749</u>	<u>2,405,169</u>	<u>1,396,141</u>	<u>\$ 13,392,777</u>

DISCRETELY PRESENTED COMPONENT UNITS - CHARTER SCHOOLS

COMBINING SCHEDULE OF NET POSITION

JUNE 30, 2017

	Meyer Center For Special Children	Langston Charter Middle School	Brashier Middle College Charter High School	Legacy Charter School	Greer Middle College	TOTALS
ASSETS						
Cash and Cash Equivalents	\$ 333,332	662,265	1,330,238	1,844,476	2,757,004	\$ 6,927,315
Investments	86,535	-	918,472	-	-	1,005,007
Accounts Receivable, Net	330,754	61,026	1,054	385,576	1,102	779,512
Other Assets	5,000	457	44,216	105,244	3,295	158,212
Depreciable Capital Assets, Net	2,985,721	267,645	122,422	584,308	7,554,819	11,514,915
TOTAL ASSETS	3,741,342	991,393	2,416,402	2,919,604	10,316,220	20,384,961
DEFERRED OUTFLOWS OF RESOURCES						
Deferred Pension Charges	-	-	541,894	2,592,609	512,344	3,646,847
LIABILITIES						
Accounts Payable and Accrued Expenses	66,823	325,492	302,033	982,714	229,275	1,906,337
Unearned Revenue	-	76,629	7,917	482,176	42,785	609,507
Net Pension Liabilities	-	-	3,536,337	13,450,299	3,282,582	20,269,218
Non-Current Liabilities - Due in One Year	43,198	-	-	-	195,000	238,198
Non-Current Liabilities - Due in More than One Year	435,174	-	-	-	6,363,000	6,798,174
TOTAL LIABILITIES	545,195	402,121	3,846,287	14,915,189	10,112,642	29,821,434
DEFERRED INFLOWS OF RESOURCES						
Deferred Pension Credits	-	-	39,406	167,781	21,364	228,551
NET POSITION						
Net Investment in Capital Assets	2,507,349	267,645	122,422	584,308	1,703,486	5,185,210
Restricted - Other	414,816	-	-	17,587	60,961	493,364
Unrestricted	273,982	321,627	(1,049,819)	(10,172,652)	(1,069,889)	(11,696,751)
TOTAL NET POSITION	\$ 3,196,147	589,272	(927,397)	(9,570,757)	694,558	\$ (6,018,177)

DISCRETELY PRESENTED COMPONENT UNITS - CHARTER SCHOOLS

COMBINING SCHEDULE OF ACTIVITIES

YEAR ENDED JUNE 30, 2017

FUNCTIONS/PROGRAMS	PROGRAM REVENUES				Meyer Center For Special Children	Langston Charter Middle School	Brashier Middle College Charter High School	Legacy Charter School	Greer Middle College	Total Charter Schools
	Expenses	Charges for Services	Operating Grants and Contributions	Capital						
Governmental Activities:										
Meyer Center for Special Children										
Instruction	\$ 2,226,828	87,075	2,039,051	217,896	117,194					\$ 117,194
Support Services	1,050,427	-	-	-	(1,050,427)					(1,050,427)
Interest and Other Charges	24,811	-	-	-	(24,811)					(24,811)
Depreciation - Unallocated	167,990	-	-	-	(167,990)					(167,990)
	<u>3,470,056</u>	<u>87,075</u>	<u>2,039,051</u>	<u>217,896</u>	<u>(1,126,034)</u>					
Langston Charter Middle										
Instruction	2,070,993	101,665	-	-		(1,969,328)				(1,969,328)
Support Services	1,103,232	-	-	-		(1,103,232)				(1,103,232)
Community Services	64,466	-	-	-		(64,466)				(64,466)
Depreciation - Unallocated	63,900	-	-	-		(63,900)				(63,900)
	<u>3,302,591</u>	<u>101,665</u>	<u>-</u>	<u>-</u>		<u>(3,200,926)</u>				
Brashier Middle College										
Instruction	2,226,510	14,079	2,043,803	-			(168,628)			(168,628)
Support Services	1,198,841	-	1,096,305	-			(102,536)			(102,536)
	<u>3,425,351</u>	<u>14,079</u>	<u>3,140,108</u>	<u>-</u>			<u>(271,164)</u>			
Legacy Charter School										
Instruction	7,463,191	-	6,851,654	-			(611,537)			(611,537)
Support Services	7,242,383	8,071	7,582,354	7,509			355,551			355,551
	<u>14,705,574</u>	<u>8,071</u>	<u>14,434,008</u>	<u>7,509</u>			<u>(255,986)</u>			
Greer Middle College										
Instruction	2,040,620	314,125	2,092,662	-				366,167		366,167
Support Services	1,447,194	-	1,469,518	-				22,324		22,324
Interest and other charges	191,839	-	77,336	-				(114,503)		(114,503)
	<u>3,679,653</u>	<u>314,125</u>	<u>3,639,516</u>	<u>-</u>				<u>273,988</u>		
Total Governmental Activities	<u>28,583,225</u>	<u>525,015</u>	<u>23,252,683</u>	<u>225,405</u>	<u>(1,126,034)</u>	<u>(3,200,926)</u>	<u>(271,164)</u>	<u>(255,986)</u>	<u>273,988</u>	<u>(4,580,122)</u>
Total	<u>\$ 28,583,225</u>	<u>525,015</u>	<u>23,252,683</u>	<u>225,405</u>	<u>(1,126,034)</u>	<u>(3,200,926)</u>	<u>(271,164)</u>	<u>(255,986)</u>	<u>273,988</u>	<u>(4,580,122)</u>
GENERAL REVENUES										
General Revenues:										
Grants and Contributions Not Restricted to Specific Programs					847,034	113,142	-	-	-	960,176
Unrestricted Investment Earnings					3,128	500	11,024	7,128	12,380	34,160
Miscellaneous					22,946	-	4,054	205,715	16,283	248,998
Intergovernmental Revenue					-	3,132,587	198,192	-	12,876	3,343,655
Total General Revenues and Contributions to Permanent Endowment					<u>873,108</u>	<u>3,246,229</u>	<u>213,270</u>	<u>212,843</u>	<u>41,539</u>	<u>4,586,989</u>
CHANGE IN NET POSITION					(252,926)	45,303	(57,894)	(43,143)	315,527	6,867
NET POSITION, Beginning of Year					3,449,073	543,969	(869,503)	(9,527,614)	379,031	(6,025,044)
NET POSITION, End of Year					<u>3,196,147</u>	<u>589,272</u>	<u>(927,397)</u>	<u>(9,570,757)</u>	<u>694,558</u>	<u>\$ (6,018,177)</u>

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

Schedule H-1

LOCATION RECONCILIATION SCHEDULE

YEAR ENDED JUNE 30, 2017

LOCATION ID	LOCATION DESCRIPTION	EDUCATION LEVEL	COST TYPE	TOTAL EXPENDITURES
012	Alexander Elementary School	Elementary Schools	School	\$ 4,627,810
020	Rudolph G. Gordon Elementary School	Elementary Schools	School	21,336,688
031	Armstrong Elementary School	Elementary Schools	School	4,381,067
045	Augusta Circle Elementary School	Elementary Schools	School	3,704,418
052	Buena Vista Elementary School	Elementary Schools	School	6,228,491
054	Sterling School	Elementary Schools	School	6,027,813
056	Beck Academy	Middle Schools	School	7,302,131
059	Northwest Crescent CDC	Other Schools	School	1,531,977
061	Berea Elementary School	Elementary Schools	School	4,600,375
062	Berea Middle School	Middle Schools	School	6,263,185
066	Berea High School	High Schools	School	9,074,697
068	Bryson Elementary School	Elementary Schools	School	6,274,147
072	Bryson Middle School	Middle Schools	School	6,447,737
080	Blue Ridge High School	High Schools	School	8,415,923
082	Blue Ridge Middle School	Middle Schools	School	6,415,193
086	Blythe Academy	Elementary Schools	School	6,560,876
096	Brushy Creek Elementary School	Elementary Schools	School	5,911,841
107	Carolina Academy	High Schools	School	6,797,404
108	Satellite Programs	Non-Schools	Central	2,764,278
110	Audiology Services	Non-Schools	Central	279,240
115	Crestview Elementary School	Elementary Schools	School	4,899,211
121	Chandler Creek Elementary School	Elementary Schools	School	7,872,320
123	Greer Middle School	Middle Schools	School	6,447,230
126	Activities Bus Shop / Donaldson	Non-Schools	Central	300,451
128	Donaldson Career Center	Other Schools	School	2,071,945
129	Donaldson MSAP	Alternative Schools	School	446,836
132	Meyers Center Charter	Other Schools	School	932,697
135	Heritage Elementary School	Elementary Schools	School	5,148,836
141	Duncan Chapel Elementary School	Elementary Schools	School	5,543,546
150	East Gantt	Non-Schools	Central	7,808
151	Robert E. Cashion Elementary School	Elementary Schools	School	4,873,097
153	Brook Glenn Elementary School	Elementary Schools	School	4,168,245
156	East North Street Academy	Elementary Schools	School	6,687,810
161	Eastside High School	High Schools	School	10,079,789
168	Ellen Woodside Elementary School	Elementary Schools	School	4,596,848
172	Enoree Career Center	Other Schools	School	4,732,234
174	Berea Bus Center	Non-Schools	Central	1,386,573
178	Fine Arts Center	Other Schools	School	3,317,371
181	Fork Shoals Elementary School	Elementary Schools	School	4,998,736
186	Fountain Inn Elementary School	Elementary Schools	School	5,480,409
188	Gateway Elementary School	Elementary Schools	School	5,443,285
190	Golden Strip Career Center	Other Schools	School	2,686,154
200	Greenbrier Elementary School	Elementary Schools	School	5,721,718
202	Greenview CDC	Other Schools	School	2,514,171
203	Thomas E. Kerns Elementary School	Elementary Schools	School	5,903,993
205	Greenville Middle School	Middle Schools	School	\$ 6,319,122

(Continued)

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

Schedule H-1

LOCATION RECONCILIATION SCHEDULE

YEAR ENDED JUNE 30, 2017

LOCATION ID	LOCATION DESCRIPTION	EDUCATION LEVEL	COST TYPE	TOTAL EXPENDITURES
210	Greenville High School	High Schools	School	\$ 9,994,971
214	Greer High School	High Schools	School	9,584,826
218	J.Harley Bonds Resource Center	Other Schools	School	2,690,363
232	Hillcrest High School	High Schools	School	13,527,402
240	Hughes Academy	Middle Schools	School	7,060,056
251	Hollis Academy	Elementary Schools	School	5,905,954
254	Lake Forest Elementary School	Elementary Schools	School	6,415,522
263	League Academy	Middle Schools	School	6,256,786
269	J.L. Mann Academy	High Schools	School	21,298,939
271	Bonds MSAP	Alternative Schools	School	419,252
273	Mauldin High School	High Schools	School	15,904,259
274	Mauldin Middle School	Middle Schools	School	7,522,904
275	Fisher Middle School	Middle Schools	School	6,921,169
276	Bethel Elementary School	Elementary Schools	School	6,804,176
277	Hillcrest Middle School	Middle Schools	School	8,286,012
279	Mauldin Elementary School	Elementary Schools	School	6,681,784
280	Mitchell Road Elementary School	Elementary Schools	School	4,955,110
286	Monaview Elementary School	Elementary Schools	School	5,382,006
292	Simpsonville Elementary School	Elementary Schools	School	5,616,262
296	Mountain View Elementary School	Elementary Schools	School	5,832,929
300	Overbrook CDC	Other Schools	School	1,467,974
303	Northwest Middle School	Middle Schools	School	5,457,932
308	Grove Elementary School	Elementary Schools	School	6,245,624
316	Paris Elementary School	Elementary Schools	School	5,016,778
333	Sara Collins Elementary School	Elementary Schools	School	8,300,956
336	Pelham Road Elementary School	Elementary Schools	School	5,198,319
338	Plain Elementary School	Elementary Schools	School	6,142,152
340	Marshall Pickens	Alternative Schools	School	148,107
342	Springbrook RTF	Alternative Schools	School	105,789
343	White Horse Academy	Alternative Schools	School	30,569
349	Riverside High School	High Schools	School	11,992,917
352	Riverside Middle School	Middle Schools	School	7,622,797
355	Roper Mountain Science Center	Other Schools	School	5,206,575
365	Oakview Elementary School	Elementary Schools	School	6,557,298
381	Cherrydale Elementary School	Elementary Schools	School	5,584,496
385	Lakeview Middle School	Middle Schools	School	5,408,371
386	Northwood Middle School	Middle Schools	School	6,382,096
389	Sevier Middle School	Middle Schools	School	5,375,459
396	Bells Crossing Elementary School	Elementary Schools	School	6,894,298
401	Skyland Elementary	Elementary Schools	School	6,040,040
402	Monarch Elementary	Elementary Schools	School	5,562,964
403	Ralph Chandler Middle School	Middle Schools	School	4,678,388
406	Slater-Marietta Elementary School	Elementary Schools	School	4,248,976
414	Southside High School	High Schools	School	7,439,644
415	M.T. Anderson Support Center	Non-Schools	Central	539,235
425	Stone Academy	Elementary Schools	School	\$ 4,950,949

(Continued)

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

Schedule H-1

LOCATION RECONCILIATION SCHEDULE

YEAR ENDED JUNE 30, 2017

LOCATION ID	LOCATION DESCRIPTION	EDUCATION LEVEL	COST TYPE	TOTAL EXPENDITURES
431	Sue Cleveland Elementary School	Elementary Schools	School	\$ 5,098,082
436	Sullivan Center/Alternative	Alternative Schools	School	1,970,526
441	Summit Drive Elementary School	Elementary Schools	School	4,003,620
444	Tanglewood Middle School	Middle Schools	School	6,082,044
446	Taylors Bus Center	Non-Schools	Central	9,446,436
448	Golden Strip Bus Center	Non-Schools	Central	1,776,392
449	Taylors Elementary School	Elementary Schools	School	5,374,936
451	Donaldson Bus Center	Non-Schools	Central	6,720,952
452	Transportation Special Ed	Non-Schools	Central	624,364
456	Tigerville Elementary School	Elementary Schools	School	2,695,436
462	Riley CDC	Other Schools	School	1,091,058
464	Paul Lawrence Dunbar CDC	Other Schools	School	1,725,559
466	Travelers Rest High School	High Schools	School	8,327,290
471	Waddell Road	Non-Schools	Central	51,181
475	Welcome Elementary School	Elementary Schools	School	8,517,626
476	Wade Hampton High School	High Schools	School	11,907,665
478	AJ Whittenberg Elementary School	Elementary Schools	School	4,291,128
479	Westcliffe Elementary School	Elementary Schools	School	4,007,132
501	Washington Center	Other Schools	School	4,278,493
502	Washington Center at Hollis	Other Schools	School	598,647
506	Woodland Elementary School	Elementary Schools	School	7,395,624
509	Woodmont High School	High Schools	School	12,374,085
510	Woodmont Middle School	Middle Schools	School	4,773,757
522	Legacy Charter School	Other Schools	School	12,945,977
523	Langston Charter	Other Schools	School	3,133,624
526	Brashier Middle Charter HS	Other Schools	School	3,324,907
527	Greer MS College Charter HS	Other Schools	School	3,486,631
599	Private Schools	Alternative Schools	School	158,898
701	Superintendent	Non-Schools	Central	677,512
703	Dept Supt for Operations	Non-Schools	Central	612,851
705	Communications	Non-Schools	Central	1,158,178
706	Enforce & Investigation	Non-Schools	Central	557,235
708	Sirrine Scholarship	Non-Schools	Central	1,601,233
709	District Office Operations	Non-Schools	Central	769,600
711	General Counsel	Non-Schools	Central	500,401
712	Human Resources	Non-Schools	Central	3,186,499
714	School Facilities	Non-Schools	Central	2,572,787
715	Maintenance	Non-Schools	Central	9,565,966
716	Transportation	Non-Schools	Central	1,585,042
717	Building Security	Non-Schools	Central	1,212,190
718	Social Work	Non-Schools	Central	1,440,916
720	Student Personnel Services	Non-Schools	Central	1,684,499
721	Testing and Analysis	Non-Schools	Central	210,008
724	Attendance Office	Non-Schools	Central	565,542
725	Intervention Specialist	Non-Schools	Central	277,645
728	Preschool Team	Non-Schools	Central	\$ 632,971

(Continued)

LOCATION RECONCILIATION SCHEDULE

YEAR ENDED JUNE 30, 2017

LOCATION ID	LOCATION DESCRIPTION	EDUCATION LEVEL	COST TYPE	TOTAL EXPENDITURES
729	Maintenance - Athletic Fields	Non-Schools	Central	\$ 2,448,563
730	Operations	Non-Schools	Central	1,361,501
731	Warehouse	Non-Schools	Central	1,305,099
732	Energy Management	Non-Schools	Central	210,880
733	Board Liaison	Non-Schools	Central	203,426
734	Public Policy / Comm. Relations	Non-Schools	Central	286,856
735	Research, Development and Evaluation	Non-Schools	Central	950,614
736	Asst. Superintendent - Info Assurance	Non-Schools	Central	235,931
737	Planning	Non-Schools	Central	694,359
739	Building Services	Non-Schools	Central	1,524,833
741	Finance	Non-Schools	Central	4,111,289
746	Technology Support	Non-Schools	Central	2,069,392
747	Instructional Technology	Non-Schools	Central	2,035,465
748	Information Systems	Non-Schools	Central	1,457,284
749	Food & Nutrition Services	Non-Schools	Central	6,079,337
753	Management Info Services	Non-Schools	Central	2,466,921
754	Systems Support	Non-Schools	Central	4,781,317
755	Internal Audit	Non-Schools	Central	388,907
757	Special Education Programs	Non-Schools	Central	752,783
758	Assoc Super for Academics	Non-Schools	Central	5,389,235
761	Federal Programs	Non-Schools	Central	913,303
763	Career Tech Education	Non-Schools	Central	877,682
768	Special Education Services	Non-Schools	Central	7,922,235
777	District Disbursements	Non-Schools	Central	2,563,882
778	Athletic Department	Non-Schools	Central	156,288
783	Early Childhood	Non-Schools	Central	395,502
784	Medical Health Services	Non-Schools	Central	1,054,188
785	Fine Arts	Non-Schools	Central	453,609
786	Psychological Services	Non-Schools	Central	2,984,445
787	Summer School	Non-Schools	Central	239,335
788	Speech	Non-Schools	Central	8,694,244
797	Virtual HS / Media Services	Non-Schools	Central	994,371
799	Eval. & Acct. - Elementary	Non-Schools	Central	339,080
800	Eval. & Acct. - Middle & High	Non-Schools	Central	188,450
801	Professional Growth and Leadership	Non-Schools	Central	1,190,761
805	Special Programs	Non-Schools	Central	146,745
806	Health Education Programs	Non-Schools	Central	598,189
810	Science Programs	Non-Schools	Central	116,459
816	Golden Strip HR Center	Non-Schools	Central	2,173
821	ESOL Programs	Non-Schools	Central	1,254,098
822	Golden Strip CDC	Other Schools	School	1,442,850
824	AP / IB / Magnet	Non-Schools	Central	167,776
828	Hillcrest High School Twilight	Alternative Schools	School	40,072
829	Bonds Career Twilight	Alternative Schools	School	14,426
834	Evaluation & Accountability MS	Non-Schools	Central	296,380
836	Textbook Depository	Non-Schools	Central	\$ 62,693

(Continued)

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

Schedule H-1

LOCATION RECONCILIATION SCHEDULE

YEAR ENDED JUNE 30, 2017

LOCATION ID	LOCATION DESCRIPTION	EDUCATION LEVEL	COST TYPE	TOTAL EXPENDITURES
838	Early College Program	Other Schools	School	\$ 1,653,205
840	School Administrative Support	Non-Schools	Central	15,685
900	Administration	Non-Schools	Central	3,339,689
902	Northwest Area Office	Non-Schools	Central	8,706
903	District Office Annex	Non-Schools	Central	5,453
904	Golden Strip Support	Non-Schools	Central	5,220
909	Print Shop Enoree	Non-Schools	Central	40,895
910	Procurement Department	Non-Schools	Central	358,734
929	Venice Group Home RTF	Alternative Schools	School	118,268
931	Avalonia Group Home	Alternative Schools	School	135,419
934	Crossroads Group Home	Alternative Schools	School	114,159
935	Excalibur Youth Services	Alternative Schools	School	132,966
936	Generations Group Home	Alternative Schools	School	217,764
939	Generations PRTF	Alternative Schools	School	90,178
940	Juvenile Detention Center	Alternative Schools	School	124,391
949	Teen Parent Program	Alternative Schools	School	349,760
950	West Greenville School	Alternative Schools	School	1,690,548
951	West Greenville MSAP	Alternative Schools	School	385,757
956	Pendleton Place / Smith House	Alternative Schools	School	15,429
957	Miracle Hill Boys Shelter	Alternative Schools	School	38,872
958	Group Home Services	Non-Schools	Central	919,344
970	Lifelong Learning	Alternative Schools	School	1,546,952
971	Workplace Resource Center	Other Schools	School	138,168
990	Building Equity Sooner for Tomorrow BEST	Other Schools	School	544,798,186
TOTAL EXPENDITURES / EXPENSES / DISBURSEMENTS FOR ALL FUNDS				\$ 1,320,285,232
General Fund				\$ 567,701,836
Special Revenue Fund				59,006,549
Special Revenue Fund - EIA Fund				31,523,755
Debt Service - District Fund				2,385,523
Debt Service - BEST Fund				544,798,186
Capital Projects - District Fund				54,189,879
Permanent Fund				1,027
Food Service Fund				33,857,503
Pupil Activity Fund				26,820,974
TOTAL EXPENDITURES / EXPENSES / DISBURSEMENTS FOR ALL FUNDS				\$ 1,320,285,232

STATISTICAL SECTION

This part of The School District of Greenville County’s (“School District”) comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, supplementary information, and required supplementary information says about the School District’s overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends <i>These schedules contain trend information to help the reader understand how the School District’s financial performance and well-being have changed over time.</i>	145
Revenue Capacity <i>These schedules contain information to help the reader assess the School District’s most significant local revenue source, the property tax.</i>	151
Debt Capacity <i>These schedules present information to help the reader assess the affordability of the School District’s current levels of outstanding debt and the School District’s ability to issue additional debt in the future.</i>	155
Demographic and Economic Information <i>These schedules offer demographic and economic indicators to help the reader understand the environment within the School District’s financial activities take place.</i>	159
Operating Information <i>These schedules contain service and infrastructure data to help the reader understand how the information in the School District’s financial report related to the services the School District provides and the activities it performs.</i>	161

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

Table 1

NET POSITION BY COMPONENT

LAST TEN FISCAL YEARS

(accrual basis of accounting)

UNAUDITED

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015*	2016	2017
Governmental Activities										
Net Investment in Capital Assets	\$ 486,203,030	489,390,229	486,054,515	487,718,027	474,927,052	457,356,388	450,253,532	447,051,690	466,763,906	\$ 481,095,368
Restricted	4,027,946	7,611,863	9,096,510	3,288,234	3,570,138	4,546,417	8,022,401	11,728,160	4,380,764	7,431,199
Unrestricted	49,415,789	46,926,181	51,846,591	77,961,123	77,053,972	83,831,610	100,829,079	(527,516,673)	(522,493,550)	(535,833,864)
Total Governmental Activities Net Position	<u>\$ 539,646,765</u>	<u>543,928,273</u>	<u>546,997,616</u>	<u>568,967,384</u>	<u>555,551,162</u>	<u>545,734,415</u>	<u>559,105,012</u>	<u>(68,736,823)</u>	<u>(51,348,880)</u>	<u>\$ (47,307,297)</u>
Business-Type Activities										
Net Investment in Capital Assets	\$ 6,847,163	6,258,168	5,345,741	5,274,884	4,913,335	4,642,260	4,188,513	4,064,863	3,996,062	\$ 3,864,027
Unrestricted	8,193,585	8,328,797	10,622,352	12,945,034	14,521,855	15,256,724	15,911,771	16,877,877	18,528,779	20,761,758
Total Business-Type Activities Net Position	<u>\$ 15,040,748</u>	<u>14,586,965</u>	<u>15,968,093</u>	<u>18,219,918</u>	<u>19,435,190</u>	<u>19,898,984</u>	<u>20,100,284</u>	<u>20,942,740</u>	<u>22,524,841</u>	<u>\$ 24,625,785</u>
Primary Government										
Net Investment in Capital Assets	\$ 493,050,193	495,648,397	491,400,256	492,992,911	479,840,387	461,998,648	454,442,045	451,116,553	470,759,968	\$ 484,959,395
Restricted	4,027,946	7,611,863	9,096,510	3,288,234	3,570,138	4,546,417	8,022,401	11,728,160	4,380,764	7,431,199
Unrestricted	57,609,374	55,254,978	62,468,943	90,906,157	91,575,827	99,088,334	116,740,850	(510,638,796)	(503,964,771)	(515,072,106)
Total Primary Government Net Position	<u>\$ 554,687,513</u>	<u>558,515,238</u>	<u>562,965,709</u>	<u>587,187,302</u>	<u>574,986,352</u>	<u>565,633,399</u>	<u>579,205,296</u>	<u>(47,794,083)</u>	<u>(28,824,039)</u>	<u>\$ (22,681,512)</u>

* Implemented GASB #68/71 in 2015 which significantly reduced unrestricted net position.

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

Table 2

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS
(accrual basis of accounting)

UNAUDITED

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Expenses										
Governmental Activities:										
Instruction	\$ 338,942,590	348,968,064	345,293,018	334,767,109	348,550,613	363,473,044	377,482,314	400,362,781	424,430,255	\$ 453,179,640
Support Services	223,459,573	219,231,518	208,918,608	204,117,940	226,944,532	241,550,077	245,266,793	257,684,927	265,134,035	295,685,786
Community Services	765,487	615,256	1,427,135	1,322,110	1,272,166	1,263,039	1,505,987	1,526,664	1,692,029	1,657,714
Interest And Other Charges	58,400,669	57,539,897	56,531,888	56,195,999	54,227,239	51,044,131	45,553,994	45,816,591	41,754,916	36,053,430
Total Governmental Activities Expenses	<u>621,568,319</u>	<u>626,354,735</u>	<u>612,170,649</u>	<u>596,403,158</u>	<u>630,994,550</u>	<u>657,330,291</u>	<u>669,809,088</u>	<u>705,390,963</u>	<u>733,011,235</u>	<u>786,576,570</u>
Business-Type Activities:										
Food Services	29,157,884	29,467,981	28,732,833	28,976,881	30,748,202	32,174,242	32,795,204	32,346,811	33,036,104	33,857,503
Total Business-Type Activities Expenses	<u>29,157,884</u>	<u>29,467,981</u>	<u>28,732,833</u>	<u>28,976,881</u>	<u>30,748,202</u>	<u>32,174,242</u>	<u>32,795,204</u>	<u>32,346,811</u>	<u>33,036,104</u>	<u>33,857,503</u>
Total Primary Government Expenses	<u>\$ 650,726,203</u>	<u>655,822,716</u>	<u>640,903,482</u>	<u>625,380,039</u>	<u>661,742,752</u>	<u>689,504,533</u>	<u>702,604,292</u>	<u>737,737,774</u>	<u>766,047,339</u>	<u>\$ 820,434,073</u>
Program Revenues										
Governmental Activities:										
Charges For Services:										
Instruction	\$ 1,340,758	1,059,726	1,016,603	758,867	910,380	615,780	1,026,383	620,217	696,067	\$ 467,101
Support Services	2,680,945	2,394,302	1,175,328	1,462,915	1,523,076	1,427,667	-	-	-	7,993
Operating Grants And Contributions	315,883,558	300,199,015	290,153,113	287,176,789	280,964,485	298,904,917	316,577,895	335,122,748	351,752,299	376,565,504
Capital Grants And Contributions	1,330,064	-	791,146	1,318,436	22,807	-	-	-	-	-
Total Governmental Activities Program Revenues	<u>321,235,325</u>	<u>303,653,043</u>	<u>293,136,190</u>	<u>290,717,007</u>	<u>283,420,748</u>	<u>300,948,364</u>	<u>317,604,278</u>	<u>335,742,965</u>	<u>352,448,366</u>	<u>377,040,598</u>
Business-Type Activities:										
Charges For Services:										
Food Services	12,974,062	12,906,205	12,767,383	12,129,629	12,470,466	12,824,199	13,199,498	11,939,313	11,905,238	11,712,539
Operating Grants And Contributions	15,340,136	17,147,013	18,987,497	19,809,959	20,879,664	21,427,270	21,545,646	22,779,611	24,575,147	26,184,874
Capital Grants And Contributions	1,256,397	275,980	-	-	-	-	-	-	-	-
Total Business-Type Activities Program Revenues	<u>29,570,595</u>	<u>30,329,198</u>	<u>31,754,880</u>	<u>31,939,588</u>	<u>33,350,130</u>	<u>34,251,469</u>	<u>34,745,144</u>	<u>34,718,924</u>	<u>36,480,385</u>	<u>37,897,413</u>
Total Primary Government Program Revenues	<u>\$ 350,805,920</u>	<u>333,982,241</u>	<u>324,891,070</u>	<u>322,656,595</u>	<u>316,770,878</u>	<u>335,199,833</u>	<u>352,349,422</u>	<u>370,461,889</u>	<u>388,928,751</u>	<u>\$ 414,938,011</u>
Net (Expense)/Revenue										
Governmental Activities	\$ (300,332,994)	(322,701,692)	(319,034,459)	(305,686,151)	(347,573,802)	(356,381,927)	(352,204,810)	(369,647,998)	(380,562,869)	\$ (409,535,972)
Business-Type Activities	412,711	861,217	3,022,047	2,962,707	2,601,928	2,077,227	1,949,940	2,372,113	3,444,281	4,039,910
Total Primary Government Net (Expense)/Revenue	<u>\$ (299,920,283)</u>	<u>(321,840,475)</u>	<u>(316,012,412)</u>	<u>(302,723,444)</u>	<u>(344,971,874)</u>	<u>(354,304,700)</u>	<u>(350,254,870)</u>	<u>(367,275,885)</u>	<u>(377,118,588)</u>	<u>\$ (405,496,062)</u>

(Continued)

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

Table 2

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS
(accrual basis of accounting)

UNAUDITED

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Revenues And Other Changes In Net Position										
Governmental Activities:										
Property Taxes	\$ 261,802,159	197,467,739	208,100,759	219,430,314	222,109,881	237,266,503	259,667,344	274,161,207	289,441,021	\$ 297,142,425
State Revenue in Lieu of Taxes	-	80,486,671 B	84,052,934	87,833,137	89,801,146	92,818,040	95,647,170	97,960,489	100,262,657	101,769,574
Intergovernmental Revenue	-	-	-	521,190	1,175,710	1,322,053	1,278,005	1,267,293	1,281,888	1,275,234
Unrestricted Grants And Contributions	266,183	229,075	251,722	162,698	155,386	5,027	5,268	2,000	2,831	2,455
Unrestricted Investment Earnings	27,170,846	24,702,384	32,949,534	18,149,261	18,366,628	7,715,958	2,124,717	2,698,754	3,030,211	3,293,058
Miscellaneous	180,274	355,756	313,251	816,614	1,131,849	5,796,697	713,737	1,817,121	2,035,694	6,257,833
Gain On Disposal Of Capital Assets	-	-	-	-	-	-	-	-	-	1,837,274
Transfers	1,232,000	1,172,000	1,315,000	742,705	1,416,980	1,640,902	1,761,000	1,546,241	1,896,510	1,999,702
Total Governmental Activities	<u>290,651,462</u>	<u>304,413,625</u>	<u>326,983,200</u>	<u>327,655,919</u>	<u>334,157,580</u>	<u>346,565,180</u>	<u>361,197,241</u>	<u>379,453,105</u>	<u>397,950,812</u>	<u>413,577,555</u>
Business-Type Activities:										
Unrestricted Investment Earnings	-	-	-	31,823	30,324	27,469	12,360	16,584	34,330	60,736
Transfers	(1,232,000)	(1,172,000)	(1,315,000)	(742,705)	(1,416,980)	(1,640,902)	(1,761,000)	(1,546,241)	(1,896,510)	(1,999,702)
Total Business-Type Activities	<u>(1,232,000)</u>	<u>(1,172,000)</u>	<u>(1,315,000)</u>	<u>(710,882)</u>	<u>(1,386,656)</u>	<u>(1,613,433)</u>	<u>(1,748,640)</u>	<u>(1,529,657)</u>	<u>(1,862,180)</u>	<u>(1,938,966)</u>
Total Primary Government	<u>\$ 289,419,462</u>	<u>303,241,625</u>	<u>325,668,200</u>	<u>326,945,037</u>	<u>332,770,924</u>	<u>344,951,747</u>	<u>359,448,601</u>	<u>377,923,448</u>	<u>396,088,632</u>	<u>\$ 411,638,589</u>
Change In Net Position:										
Governmental Activities	\$ (8,319,115)	(18,288,067)	7,948,741	21,969,768	(13,416,222)	(9,816,747)	8,992,431	9,805,107	17,387,943	\$ 4,041,583
Business-Type Activities	1,384,687	(310,783)	1,707,047	2,251,825	1,215,272	463,794	201,300	842,456	1,582,101	2,100,944
Total Primary Government	<u>\$ (6,934,428)</u>	<u>(18,598,850)</u>	<u>9,655,788</u>	<u>24,221,593</u>	<u>(12,200,950)</u>	<u>(9,352,953)</u>	<u>9,193,731</u>	<u>10,647,563</u>	<u>18,970,044</u>	<u>\$ 6,142,527</u>

(A) The School District settled a legal claim, receiving \$3,265,000.

(B) Owner occupied residential property exempt from property tax and replaced by state revenue from Homestead Exemption Fund.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

Table 3

GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE

LAST TEN FISCAL YEARS

(accrual basis of accounting)

UNAUDITED

	Fiscal Year									
	2008 (A)	2009	2010	2011	2012	2013	2014	2015	2016	2017
Property Tax-General Operations	\$ 123,600,499	131,372,809	134,821,203	137,024,178	139,463,265	153,010,289	164,072,921	174,756,760	185,942,949	\$ 190,476,634
Property Tax-Debt Service	\$ 73,867,240	76,727,950	78,983,736	82,406,136	82,646,616	84,256,214	95,594,423	99,404,447	103,498,072	\$ 106,665,791

(A) Owner occupied residential property exempt from property tax and replaced by state revenue from Homestead Exemption Fund.

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

Table 4

FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

(modified accrual basis of accounting)

UNAUDITED

	Fiscal Year									
	2008	2009	2010	2011 (A)	2012	2013	2014	2015	2016	2017
General Fund										
<u>Pre-GASB #54 ^A</u>										
Reserved	\$ 337,979	1,389,805	383,283	-	-	-	-	-	-	\$ -
Unreserved	50,053,111	46,950,288	51,605,098	-	-	-	-	-	-	-
<u>Post GASB #54 ^A</u>										
Nonspendable	-	-	-	1,749,933	741,374	2,283,822	2,513,645	3,922,958	1,361,849	1,003,068
Committed	-	-	-	-	-	-	-	3,592,375	13,627,536	11,600,499
Assigned	-	-	-	17,828,606	16,175,000	12,598,000	8,407,000	-	-	-
Unassigned	-	-	-	59,761,467	63,178,917	68,003,757	82,065,477	96,470,071	103,195,282	107,256,871
Total General Fund	<u>\$ 50,391,090</u>	<u>48,340,093</u>	<u>51,988,381</u>	<u>79,340,006</u>	<u>80,095,291</u>	<u>82,885,579</u>	<u>92,986,122</u>	<u>103,985,404</u>	<u>118,184,667</u>	<u>\$ 119,860,438</u>
All Other Governmental Funds										
<u>Pre-GASB #54 ^A</u>										
Reserved	\$ 227,804,646	238,955,337	238,348,299	-	-	-	-	-	-	\$ -
Unreserved, Reported In:										
Permanent Fund	6,509	6,081	6,842	-	-	-	-	-	-	-
<u>Post GASB #54 ^A</u>										
Nonspendable	-	-	-	136,261	136,261	136,261	136,261	136,261	136,261	136,916
Restricted	-	-	-	231,630,917	228,515,027	133,564,125	115,554,735	115,848,941	140,185,015	128,207,034
Committed	-	-	-	-	-	-	-	5,918,426	5,405,857	17,539,658
Assigned	-	-	-	6,786	5,368	3,630,588	10,867,505	11,269,869	12,694,804	13,147,526
Unassigned ^B	-	-	-	-	(14,875,153)	(13,960,994)	(11,740,064)	(7,329,735)	(15,972,096)	(13,553,217)
Total All Other Governmental Funds	<u>\$ 227,811,155</u>	<u>238,961,418</u>	<u>238,355,141</u>	<u>231,773,964</u>	<u>213,781,503</u>	<u>123,369,980</u>	<u>114,818,437</u>	<u>125,843,762</u>	<u>142,449,841</u>	<u>\$ 145,477,917</u>

(A) The School District implemented GASB #54 "Fund Balance Reporting and Governmental Fund Type Definitions" ("GASB #54") in 2011. GASB #54 established new fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in the governmental funds. The School District has elected to apply GASB #54 prospectively - and thus has provided fund balance information before ("Pre") and after ("Post") its implementation.

(B) The negative unassigned fund balance was due to the School District issuing a short term general obligation bond that was required to be recorded as a fund liability as of the respective fiscal year-end.

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

(modified accrual basis of accounting)

UNAUDITED

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Revenues										
Taxes:										
General Operations	\$ 122,943,560	131,534,209	133,058,264	137,113,801	142,215,688	152,341,397	163,526,270	175,359,026	186,105,130	\$ 190,920,995
Debt Service	73,654,936	76,893,468	78,265,776	82,406,136	82,646,616	84,256,214	95,594,424	99,404,446	103,498,072	106,665,791
Investment Earnings	24,767,438	34,035,535	16,920,690	18,384,262	18,150,628	7,224,958	2,124,717	2,352,253	1,858,211	3,293,059
Other Local Sources	6,632,139	6,088,706	5,831,047	5,371,828	5,757,429	4,913,049	8,037,202	8,598,988	10,699,611	13,387,514
State Sources	354,717,760	334,118,108	304,131,954	311,444,558	321,760,408	349,472,230	363,522,551	381,202,429	399,653,957	425,067,059
Federal Sources	40,967,428	48,064,136	71,567,345	63,234,259	48,167,002	41,902,528	43,624,171	47,334,953	46,543,055	47,891,116
Total Revenues	\$ 623,683,261	630,734,162	609,775,076	617,954,844	618,697,771	640,110,376	676,429,335	714,252,095	748,358,036	\$ 787,225,534
Expenditures										
Current:										
Instruction	\$ 306,917,043	315,392,403	307,900,537	292,921,846	303,241,262	317,391,227	325,799,559	339,754,656	362,047,490	\$ 383,288,180
Support Services	208,426,118	202,123,261	195,471,586	185,163,964	199,003,535	206,532,696	212,355,789	224,184,709	232,696,321	254,477,998
Community Services	760,767	615,256	1,427,136	1,322,110	1,272,166	1,263,039	1,504,762	1,524,340	1,690,274	1,656,109
Intergovernmental	7,714,672	9,322,163	11,056,779	13,676,753	16,017,874	18,792,623	23,826,020	27,039,641	27,185,377	24,881,086
Capital Outlay	88,516,892	44,166,384	45,721,302	31,617,904	39,848,135	35,464,411	51,564,136	22,793,308	21,509,059	48,119,673
Debt Service:										
Principal	11,795,000	13,735,000	21,185,000	34,052,000	38,274,945	86,664,945	27,424,945	28,805,000	33,045,000	39,051,000
Interest And Fiscal Charges	57,365,584	56,694,768	55,607,931	55,441,511	53,608,995	49,003,190	45,572,916	42,978,493	42,049,807	28,539,736
Other Expenditures	4,431,554 A	-	418,510 A	-	-	20,320,451	5,086	7,510,120	- B	479,592,973
Total Expenditures	685,927,630	642,049,235	638,788,781	614,196,088	651,266,912	735,432,582	688,053,213	694,590,267	720,223,328	1,259,606,755
Excess Of Revenues Over (Under) Expenditures	(62,244,369)	(11,315,073)	(29,013,705)	3,758,756	(32,569,141)	(95,322,206)	(11,623,878)	19,661,828	28,134,708	(472,381,221)
Other Financing Sources (Uses)										
Premium On Bonds Sold	-	853,927	431,861	123,540	-	9,762,353	-	4,341,468	-	-
Issuance Of General Obligation & Revenue Bonds/Anticipation Notes	-	15,795,000	27,860,000	14,302,000	13,888,652	-	-	-	-	20,159,000
Issuance Of Refunding Bonds	-	-	-	-	-	109,805,000	-	32,125,000	-	452,500,000
Payment To Refunded Debt Escrow Agent	-	-	-	-	-	(118,542,306)	-	(35,963,916)	-	-
Sale Of Capital Assets	560,133	2,450,412	2,089,286	973,152	26,333	225,373	24,588	66,186	774,126	2,426,367
Arbitrage Refund	-	-	-	-	-	4,602,374	64,533	-	-	-
Transfers In	140,214,120	110,937,363	117,553,385	118,104,014	117,173,170	100,538,840	109,699,536	126,281,925	131,829,310	139,173,706
Transfers Out	(139,042,120)	(109,622,363)	(115,878,816)	(116,491,014)	(115,756,190)	(98,690,663)	(107,938,536)	(124,487,884)	(129,932,802)	(137,174,004)
Total Other Financing Sources (Uses)	1,732,133	20,414,339	32,055,716	17,011,692	15,331,965	7,700,971	1,850,121	2,362,779	2,670,634	477,085,069
Net Change In Fund Balances	\$ (60,512,236)	9,099,266	3,042,011	20,770,448	(17,237,176)	(87,621,235)	(9,773,757)	22,024,607	30,805,342	\$ 4,703,848
Debt Service As A Percentage Of Noncapital Expenditures	11%	12%	13%	15%	15%	19%	11%	10%	11%	6%

(A) The School District paid arbitrage rebate.

(B) The School District currently refunded outstanding indebtedness.

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

Table 6

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

LAST TEN FISCAL YEARS

UNAUDITED

Fiscal Year Ended June 30	Real Property		Personal Property		Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Value Taxable Value	Assessed Value as a Percentage of Actual Value
	Residential Property	Commercial Property	Motor Vehicles	Other					
2008	\$ 658,330,850	615,958,470	203,817,054	219,575,220	-	\$ 1,697,681,594	150.7	\$ 31,861,865,607	5%
2009	697,714,940	663,753,000	192,593,941	247,069,119	-	1,801,131,000	156.7	33,728,363,931	5%
2010	730,707,500	681,590,820	170,849,914	359,174,818	-	1,942,323,052	156.7	34,879,363,615	6%
2011	808,811,250	716,349,790	166,267,346	351,849,013	-	2,043,277,399	157.8	37,193,084,549	5%
2012	816,058,980	703,731,150	184,188,563	332,090,892	-	2,036,069,585	162.5	37,309,222,407	5%
2013	829,023,520	708,753,330	198,416,230	327,314,925	-	2,063,508,005	168.6	37,931,749,964	5%
2014	828,905,863	732,224,830	220,896,409	329,612,265	-	2,111,639,367	177.5	38,721,845,878	5%
2015	851,075,370	753,360,810	239,677,590	347,255,417	-	2,191,369,187	182.4	40,074,919,167	5%
2016	886,594,419	783,790,035	252,700,331	335,574,196	-	2,258,658,981	184.9	41,136,333,296	5%
2017	\$ 920,668,824	801,172,180	258,860,141	341,269,520	-	\$ 2,321,970,665	184.9	\$ 42,324,710,209	5%

Source: Greenville County Assessor and Auditor Departments

Note: Property in the county was last reassessed for fiscal year 2015. Tax rates are per \$1,000 of assessed value. Beginning in fiscal year 2003, the state legislature decreased the vehicle tax assessment rate by .75% per year until the rate is lowered to 6% in fiscal year 2008.

Note: Information for Laurens and Spartanburg Counties is not included as the related property taxes applicable to the School District represents 3%

of the School District's total taxes.

PROPERTY TAX RATES DIRECT AND OVERLAPPING GOVERNMENTS

LAST TEN FISCAL YEARS

UNAUDITED

Fiscal Year	Greenville County School District			Overlapping Rates Municipalities						
	Operating Millage	Debt Service Millage	Total School Millage	Fountain Inn	Greenville	Greer	Mauldin	Simpsonville	Travelers Rest	Total Municipalities
				Overall Operating Millage	Overall Operating Millage	Overall Operating Millage	Overall Operating Millage	Overall Operating Millage	Overall Operating Millage	Overall Operating Millage
2008	108.2	42.5	150.7	52.9	89.9	93.1	51.7	48.6	86.9	423.1
2009	114.2	42.5	156.7	63.9	89.9	92.8	51.7	51.5	86.9	436.7
2010	114.2	42.5	156.7	63.9	89.9	92.8	51.7	64.3	86.9	449.5
2011	115.3	42.5	157.8	63.9	85.4	97.8	54.7	61.7	85.1	448.6
2012	120.0	42.5	162.5	63.6	85.4	97.8	56.3	61.7	85.1	449.9
2013	126.1	42.5	168.6	70.8	85.4	97.8	56.3	61.7	85.1	457.1
2014	130.0	47.5	177.5	72.6	85.4	97.8	56.3	61.7	85.1	458.9
2015	134.9	47.5	182.4	72.6	89.4	97.8	56.3	61.7	85.1	462.9
2016	137.4	47.5	184.9	76.1	85.3	97.8	56.3	63.6	85.1	464.2
2017	137.4	47.5	184.9	76.1	85.3	97.8	56.3	63.6	85.1	464.2

Fiscal Year	Overlapping Rates Greenville County										
	Operating Millage	Debt Service Millage	Other Millage	Total School Millage	Art Museum	Greenville Technical College	Greenville County Library System	Recreation	Fire District Rates	Special Purpose Districts	Sewer Rates
2008	39.5	3.5	4.6	47.6	1.1	5.3	7.0	4.4	9.5 - 73.0	.6 - 24.0	5.4 - 20.2
2009	39.5	3.5	4.6	47.6	1.2	5.3	7.4	4.5	12.5 - 77.1	.4 - 24.0	5.4 - 20.4
2010	40.5	2.5	4.6	47.6	1.2	5.3	7.4	4.7	11.1 - 77.1	.4 - 24.0	5.7 - 20.9
2011	40.3	2.5	4.5	47.3	1.2	5.3	7.4	4.7	10.5 - 77.1	.8 - 15.7	9.6 - 22.4
2012	40.3	2.5	4.5	47.3	1.2	5.3	7.4	4.7	10.5 - 77.1	.8 - 15.5	9.6 - 22.9
2013	40.3	2.5	4.5	47.3	1.2	5.3	7.4	4.7	10.5 - 77.1	.8 - 15.5	10.3 - 23.6
2014	45.1	2.6	4.2	51.9	1.2	5.3	7.4	0.0	10.5 - 83.1	.8 - 15.5	10.7 - 24.3
2015	45.1	2.6	4.2	51.9	1.2	5.3	7.4	0.0	10.5 - 83.1	.8 - 15.5	10.7 - 24.3
2016	45.6	2.1	4.2	51.9	1.2	5.3	8.5	0.0	10.5 - 83.1	.8 - 15.5	10.7 - 24.3
2017	45.6	2.1	4.2	51.9	1.2	5.3	8.5	0.0	10.5 - 83.1	.8 - 15.5	10.7 - 24.3

Note: Overlapping rates are those of local and county governments that apply to property owners within the School District of Greenville County. Not all overlapping rates apply to all School District of Greenville County property owners (i.e., the rates for special districts apply only to the proportion of the School District's property owners whose property is located within the geographic boundaries of the special district).

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

Table 8

PRINCIPAL PROPERTY TAXPAYERS

CURRENT YEAR AND NINE YEARS AGO

UNAUDITED

Taxpayer	Fiscal Year 2017 (Tax Year 2016)			Fiscal Year 2008 (Tax Year 2007)		
	Taxable Assessed Value (in 000's)	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value (in 000's)	Rank	Percentage of Total Taxable Assessed Value
Duke Energy Corporation	\$ 41,403	1	1.9%	\$ 30,519	1	1.9%
Bell South Telecommunications	13,046	2	0.6%	21,379	2	1.3%
Cellco Partnership/Verizon Wireless	11,112	3	0.5%	5,989	4	0.4%
Piedmont Natural Gas	6,326	4	0.3%	4,724	6	0.3%
Magnolia Park LLC	5,963	5	0.3%			
Simon Haywood LLC and Bellweather	5,949	6	0.3%	4,729	5	0.3%
Laurens Electric Coop Inc	5,169	7	0.2%			
Bausch & Lomb Incorporated	5,121	8	0.2%			
American Homes 4 Rent Properties	4,259	9	0.2%			
Wal-Mart Real Estate Business	3,437	10	0.2%			
Cryovac Incorporated				7,096	3	0.4%
Michelin North America				4,648	7	0.3%
Verdae Properties				3,841	8	0.2%
3M Company				3,661	9	0.2%
AirGate PCS, Inc.				2,993	10	0.2%
Totals	\$ 101,785		4.7%	\$ 89,579		5.5%

Source: Greenville County Finance Department

PROPERTY TAX LEVIES AND COLLECTIONS

LAST TEN FISCAL YEARS

UNAUDITED

Fiscal Year Ended June 30	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2008	\$ 184,719,855	\$ 165,745,712	89.7%	10,442,662	\$ 176,188,374	95.4%
2009	213,688,515	192,772,050	90.2%	6,026,255	198,798,305	93.0%
2010	219,278,173	191,353,064	87.3%	12,041,891	203,394,955	92.8%
2011	228,913,325	199,487,805	87.1%	9,164,991	208,652,796	91.1%
2012	230,545,592	203,918,130	88.5%	7,837,311	211,755,441	91.8%
2013	246,002,684	214,804,998	87.3%	9,068,530	223,873,528	91.0%
2014	270,072,979	236,972,330	87.7%	5,603,331	242,575,661	89.8%
2015	291,356,467	252,997,978	86.8%	6,013,831	259,011,809	88.9%
2016	308,522,326	266,806,415	86.5%	7,172,078	273,978,493	88.8%
2017	\$ 320,757,726	\$ 273,510,303	85.3%	-	\$ 273,510,303	85.3%

Source: Greenville County Finance Department and Greenville County Auditor

Note: The tax levies and collections represent the total county levies and collections for the School District in Greenville County only as it represents approximately 97% of the total taxes collected.

Note: Fiscal Year 2008 reflects reassessment data and tax law changes due to Act 388.

RATIOS OF OUTSTANDING DEBT BY TYPE

LAST TEN FISCAL YEARS

UNAUDITED

Fiscal Year Ended June 30	Governmental Activities			Total Primary Government	Percentage of Personal Income	Per Capita
	Long-Term General Obligation Bonds	Installment Purchase Revenue Bonds	Other Debt			
2008	\$ -	1,082,157,849	-	\$ 1,082,157,849	6.52%	\$ 2,467
2009	16,502,186	1,068,920,646	-	1,085,422,832	6.76%	2,430
2010	39,124,310	1,053,658,443	-	1,092,782,753	6.60%	2,422
2011	48,529,190	1,024,851,240	494,835	1,073,875,265	6.13%	2,339
2012	44,518,569	990,974,036	14,218,542	1,049,711,147	5.65%	2,249
2013	35,122,949	896,257,688	14,053,597	945,434,234	4.95%	1,994
2014	29,354,126	914,884,937	13,888,652	958,127,715	4.96%	1,985
2015	29,346,282	878,486,743	13,888,652	921,721,677	4.68%	1,874
2016	29,338,438	842,104,404	13,888,652	885,331,494	4.41%	1,775
2017	29,330,594	773,352,702	34,047,652	\$ 836,730,948	4.16%	\$ 1,658

Note: Debt amounts included deferred items (i.e. premiums, discounts, etc.) as applicable.

Note: Details regarding the School District's outstanding debt can be found in the notes to the financial statements. See the Schedule of Demographic and Economic Statistics for population data.

RATIOS OF GENERAL BONDED DEBT OUTSTANDING

LAST TEN FISCAL YEARS

UNAUDITED

Fiscal Year Ended June 30	Long-Term General Obligation Bonds	Less: Amounts Available in Debt Service Funds	Total	Percentage of Estimated Actual Taxable Value of Property	Per Capita
2008	\$ -	-	\$ -	-	\$ -
2009	16,502,186	10,640,449	5,861,737	0.02%	13
2010	39,124,310	11,260,598	27,863,712	0.08%	62
2011	48,529,190	5,652,106	42,877,084	0.12%	93
2012	44,518,569	6,880,849	37,637,720	0.10%	81
2013	35,122,949	7,133,646	27,989,303	0.07%	59
2014	29,354,126	8,437,443	20,916,683	0.05%	43
2015	29,346,282	11,832,277	17,514,005	0.04%	36
2016	29,338,438	3,194,231	26,144,207	0.06%	52
2017	\$ 29,330,594	3,812,964	\$ 25,517,630	0.06%	\$ 51

Note: Details regarding the School District's outstanding debt can be found in the notes to the financial statements. See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data. See the Schedule of Demographic and Economic Statistics for population data.

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

AS OF JUNE 30, 2017

UNAUDITED

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
School District:			
Greenville County	\$ 836,730,948	100.00%	\$ 836,730,948
Cities:			
Fountain Inn	11,222,760	100.00%	11,222,760
Greenville	113,960,830	100.00%	113,960,830
Greer	4,626,819	100.00%	4,626,819
Mauldin	7,946,066	100.00%	7,946,066
Simpsonville	19,218,935	100.00%	19,218,935
Travelers Rest	10,871,433	100.00%	10,871,433
Total Cities	167,846,843		167,846,843
Special purpose districts:			
Berea Public Service District	1,878,700	100.00%	1,878,700
Boiling Springs Fire District	4,122,539	100.00%	4,122,539
Canebrake Fire District	-	100.00%	-
ClearSpring (East Simpsonville) Fire District	3,875,000	100.00%	3,875,000
Donaldson Fire Service Area	-	100.00%	-
Duncan Chapel Fire District	1,465,163	100.00%	1,465,163
Dunklin Fire District	382,234	100.00%	382,234
Fountain Inn Fire Service Area	1,515,000	100.00%	1,515,000
Gantt Fire, Sewer & Police District	570,272	100.00%	570,272
Glassy Mountain Fire District	1,890,000	100.00%	1,890,000
Greenville Arena District	35,573,800	100.00%	35,573,800
Greenville County Art Museum	3,668,000	100.00%	3,668,000
Lake Cunningham Fire District	-	100.00%	-
Mauldin Fire Service Area	1,390,000	100.00%	1,390,000
North Greenville Fire District	1,270,000	100.00%	1,270,000
Piedmont Public Service District	151,502	100.00%	151,502
River Falls Fire District	271,951	100.00%	271,951
Simpsonville Fire Service Area	3,060,000	100.00%	3,060,000
South Greenville Fire & Sewer District	1,135,924	100.00%	1,135,924
Taylors Fire & Sewer District	1,975,316	100.00%	1,975,316
Tigerville Fire District	-	100.00%	-
Total special purpose districts	64,195,401		64,195,401
Greenville County	131,781,748	100.00%	131,781,748
Total overlapping debt	363,823,992		363,823,992
Total direct and overlapping debt	\$ 1,200,554,940		\$ 1,200,554,940

Source: Greenville County Treasurer, Greenville County Finance Dept. and surrounding Municipalities

Note: All governmental units listed above are included within Greenville County (the School District's geographic boundary).

Note: The gross School District debt excludes short term debt but includes BEST debt which is serviced by general obligation bonds issued by the School District on an annual basis, and all premiums.

LEGAL DEBT MARGIN INFORMATION

LAST TEN FISCAL YEARS

UNAUDITED

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Debt Limit	\$ 150,400,821	157,179,210	159,455,355	167,459,484	162,885,567	165,080,640	168,931,149	175,309,535	180,692,718	\$ 185,757,653
Total Net Debt Applicable To Limit *	-	15,795,000	38,230,000	47,785,000	66,449,000	56,575,000	50,181,000	48,971,000	48,729,000	47,227,000
Legal Debt Margin	<u>\$ 150,400,821</u>	<u>141,384,210</u>	<u>121,225,355</u>	<u>119,674,484</u>	<u>96,436,567</u>	<u>108,505,640</u>	<u>118,750,149</u>	<u>126,338,535</u>	<u>131,963,718</u>	<u>\$ 138,530,653</u>
Total Net Debt Applicable To Limit As A Percentage Of Debt Limit	0.0%	10.0%	24.0%	28.5%	40.79%	34.27%	29.71%	27.93%	26.97%	25.42%

Legal Debt Margin Calculation For Fiscal Year 2017

Total Assessed Value	<u>\$ 2,321,970,665</u>
Debt Limit-8 Percent Of Total Assessed Value	185,757,653
Amount Of Debt Applicable To Debt Limit:	
Total Bonded Debt	47,227,000
Legal Debt Margin	<u>\$ 138,530,653</u>

DEMOGRAPHIC AND ECONOMIC STATISTICS - LAST TEN FISCAL YEARS

LAST TEN FISCAL YEARS

UNAUDITED

Fiscal Year Ended June 30	(1) Population	(2) Personal Income (in 000's)	(2) Personal Income by Population	(3) Median Age	(4) Education Attainment Bachelor Degree or Higher	(5) School Enrollment	(6) Unemployment Rate
2008	438,742	\$ 16,593,643	\$ 37,821	36.9	29.3%	67,927	5.2%
2009	446,655	16,056,523	35,948	37.5	30.2%	68,453	10.4%
2010	451,225	16,554,697	36,688	37.1	30.1%	69,006	9.7%
2011	459,193	17,014,478	37,053	37.5	30.1%	69,141	10.5%
2012	466,810	18,340,965	39,290	37.2	30.0%	69,649	7.4%
2013	474,070	18,591,603	39,217	37.5	30.9%	70,607	6.1%
2014	482,577	19,971,932	41,386	37.6	31.6%	71,109	5.3%
2015	491,863	21,215,035	43,132	37.8	32.1%	72,230	5.0%
2016	498,766	21,639,336	43,386	38.1	33.1%	73,116	4.1%
2017	504,751	\$ 22,028,844	\$ 43,643	38.1	33.1%	73,992	3.7%

Data Sources:

- (1) Population figures for 2006-2015 provided by Bureau of Economic Analysis and US Census Bureau. Remaining years are estimated.
- (2) Personal income for 2006-2015 provided by Bureau of Economic Analysis, US Department of Commerce. Remaining years are estimated.
- (3) Median age for 2006-2015 provided by American Fact Finder, US Bureau of the Census. Remaining years are estimated.
- (4) Education attainment for 2006-2015 provided by American Fact Finder, US Census Bureau for ages 25 years and above. Remaining years are estimated.
- (5) Based on 135-day enrollment without charter schools.
- (6) Unemployment rates provided by the SC Department of Employment and Workforce.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

Table 15

PRINCIPAL EMPLOYERS

CURRENT YEAR AND NINE YEARS AGO

UNAUDITED

Employer	2017			2008		
	Number of Employees	Rank	Percentage of Total County Employment	Number of Employees	Rank	Percentage of Total County Employment
Greenville Hospital System	14,787	1	6.2%	7,792	2	3.7%
The School District of Greenville County	9,800	2	4.1%	8,486	1	4.0%
Bon Secours St. Francis Health	5,047	3	2.1%	2,132	6	1.0%
Michelin North America	4,100	4	1.7%	4,085	3	1.9%
General Electric Co.	3,400	5	1.4%	2,600	4	1.2%
State of South Carolina	3,036	6	1.3%	2,584	5	1.2%
Fluor Corporation	2,400	7	1.0%			
Bi Lo Supermarkets	2,089	8	0.9%			
US Government	1,835	9	0.8%			
Greenville County	2,085	10	0.9%	1,627	9	0.8%
Bob Jones University				1,795	7	0.8%
Lockheed Martin				1,300	10	0.6%
Sealed Air Corp/Cryovac				1,700	8	0.8%
Totals	48,579		20.3%	34,101		16.1%
Estimated Total County Employment	239,384			211,534		

Source: Greenville Area Development Corporation

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

Table 16

FULL-TIME EQUIVALENT SCHOOL DISTRICT EMPLOYEES BY FUNCTION

LAST TEN FISCAL YEARS

UNAUDITED

Function	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Directors/Consultants/Coordinators/Administrators	323	304	296	291	277	272	248	156	151	159
Principals	87	85	85	86	88	89	88	89	90	90
Assistant Principals	122	107	109	109	162	164	164	170	186	191
Nurses/LPNs	109	120	112	96	140	125	142	144	148	150
Secretaries/Clerical	502	495	446	408	459	477	465	462	464	508
Teachers	4,418	4,405	4,395	4,364	4,289	4,328	4,398	4,439	4,640	4,776
Aides	779	760	755	722	755	807	781	818	800	838
Food Service	615	620	610	570	498	556	525	554	545	533
Custodians	596	630	631	635	632	644	683	658	649	642
Guidance Counselors	165	157	142	149	182	183	197	195	198	212
Media Specialists	98	99	101	104	103	103	99	100	97	96
Maintenance	122	118	145	70	125	144	138	135	137	146
School Bus Drivers	402	427	428	435	468	468	518	518	528	503
Others	149	144	161	300	188	196	185	326	379	412
Total Full-Time Equivalents	8,486	8,471	8,416	8,339	8,366	8,556	8,631	8,764	9,012	9,256

Note: Adjustment to functions included in the Directors/Consultants/Coordinators/Administrators and Others categories made in FY 15.

Source: School District of Greenville County - Budget Department

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

Table 17

OPERATING INDICATORS BY FUNCTION

LAST TEN FISCAL YEARS

UNAUDITED

Fiscal Year Ended June 30	Pupil Enrollment	Modified Accrual Basis of Accounting			Teaching Staff	Pupil/ Teacher Ratio	Percentage of Students Receiving Free or Reduced Meals	Statewide Minimum Teacher Salary (A)	Statewide Maximum Teacher Salary (A)	Statewide Average Salary	Greenville Average Salary
		Operating Expenditures	Cost per Pupil	Percentage Change							
2008	67,927	\$ 523,818,600	\$ 7,711	6.0%	4,680	14.5	42.0%	\$ 27,869	59,312	45,728	\$ 44,593
2009	68,453	527,453,083	7,705	-0.1%	4,661	14.7	44.0%	28,943	61,599	47,421	46,310
2010	69,006	515,856,038	7,476	-3.0%	4,638	14.9	48.0%	28,943	61,599	47,508	46,700
2011	69,141	493,084,673	7,132	-4.6%	4,617	15.0	49.4%	28,943	61,599	47,050	46,695
2012	69,649	519,534,837	7,459	4.6%	4,574	15.2	49.1%	28,943	61,599	47,428	47,634
2013	70,607	543,979,585	7,704	3.3%	4,614	15.3	49.5%	29,523	62,834	48,375	47,417
2014	71,109	563,486,130	7,924	2.9%	4,694	15.1	50.2%	29,589	62,975	48,858	47,130
2015	72,230	592,503,346	8,203	3.5%	4,734	15.3	50.5%	29,523	62,834	48,561	47,394
2016	73,116	623,619,462	8,529	4.0%	4,935	14.8	51.9%	29,523	62,684	48,769	48,224
2017	73,992	\$ 664,303,373	\$ 8,978	5.3%	5,084	14.6	51.8%	\$ 30,113	64,731	49,013	\$ 49,785

Sources: Greenville County Schools Attendance Reports
Greenville County Schools CAFRs

Note: Operating expenditures are total expenditures in the governmental funds less debt service and capital outlay.
Teaching staff includes media specialists and guidance counselors.

(A) Statewide minimum and maximum teacher salary based on EFA required minimum and EIA supplement published by the SC State Department of Education.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROL**

Table 18

CAPITAL ASSETS INFORMATION

LAST TEN FISCAL YEARS

UNAUDITED

Schools	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Elementary										
Buildings	49	49	49	50	50	51	51	51	51	51
Square Feet	4,644,288	4,651,424	4,653,558	4,776,916	4,790,170	4,897,566	4,897,566	4,889,779	4,892,787	4,892,787
Capacity	40,130	40,480	40,530	41,505	41,505	42,505	42,505	42,505	42,505	42,505
Enrollment	33,902	34,050	34,271	34,541	34,871	35,535	36,064	36,888	37,508	37,778
Middle										
Buildings	18	18	18	18	18	18	18	19	19	19
Square Feet	2,292,264	2,292,888	2,292,888	2,282,715	2,287,687	2,287,687	2,287,687	2,468,167	2,468,167	2,468,167
Capacity	16,820	16,820	16,820	16,820	16,820	16,820	16,820	17,820	17,820	17,820
Enrollment	15,056	15,140	15,400	15,470	15,708	15,796	15,766	15,626	15,762	16,148
High										
Buildings	14	14	14	14	14	14	14	14	14	14
Square Feet	3,448,208	3,454,114	3,454,114	3,479,095	3,486,508	3,486,508	3,516,508	3,528,925	3,528,925	3,528,925
Capacity	22,064	22,064	22,064	22,064	22,064	22,064	22,064	22,064	22,064	22,064
Enrollment	18,969	19,263	19,335	19,130	19,070	19,276	19,279	19,716	19,846	20,066
Other										
Buildings	15	16	16	16	15	15	15	15	15	15
Square Feet	771,874	817,874	817,874	812,457	812,457	805,874	843,353	843,353	843,353	843,353

Sources: Various School District of Greenville County departments

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2017

LEA Subfund Code	Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass Through Grantor's Number	Federal Expenditures	Expenditures to Subrecipients
US DEPARTMENT OF AGRICULTURE					
Pass-through State Department of Education:					
6000	National School Breakfast Program	10.553	N/A	\$ 6,052,049	\$ -
6000	National School Lunch Program - Non-Cash Assistance	10.555	N/A	2,465,958	-
6000	National School Lunch Program - Cash Assistance	10.555	N/A	17,459,616	-
Total 10.553/10.555 Cluster				<u>25,977,623</u>	<u>-</u>
6000	Fresh Fruit and Vegetable Grant	10.582	N/A	207,590	-
TOTAL US DEPARTMENT OF AGRICULTURE				<u>26,185,213</u>	<u>-</u>
US DEPARTMENT OF EDUCATION					
Passed Through SC State Department of Education:					
<u>Title I:</u>					
2010	Title I - Low Income	84.010	16-BA-040	751,971	216,106
2020	Title I - Low Income	84.010	17-BA-040	23,296,913	1,483,289
2380.01	Title I Support	84.010	17-BM-040	100,000	-
Total Title I: 84.010				<u>24,148,884</u>	<u>1,699,395</u>
2210.01	Title I - Neglected and Delinquent	84.013	17-ND-040	79,593	-
2210.02	Title I - Neglected and Delinquent (Carryover)	84.013	16-ND-040	124,360	-
Total Title I: 84.013				<u>203,953</u>	<u>-</u>
<u>IDEA:</u>					
2030	Public Law 101-476 - The Individuals with Disabilities Act	84.027	FY 17 IDEA	12,495,586	386,611
2030	Public Law 101-476 - The Individuals with Disabilities Act (Carryover)	84.027	FY 16 IDEA	3,784,298	48,346
2050	Handicapped Preschool Grant	84.173	FY 17 Preschool	605,334	26,975
2050	Handicapped Preschool Grant (Carryover)	84.173	FY 16 Preschool	28,833	-
Total IDEA: 84.027 and 84.173				<u>16,914,051</u>	<u>461,932</u>
<u>Title II:</u>					
2670.01/02	Title II - Improving Teacher Quality, Reduce Class Size	84.367	17 Title II Improving Teacher Quality	1,481,756	53,220
2670.01/02	Title II - Improving Teacher Quality, Reduce Class Size (Carryover)	84.367	16 Title II Improving Teacher Quality	379,329	-
2450	Title II - SC TAP	84.367	17 Title II - SC TAP	35,000	35,000
8910.04	Title II - Teacher and Principal Training and Recruiting Fund	84.367B	N/A	13,082	-
Total Title II: 84.367				<u>1,909,167</u>	<u>88,220</u>
<u>Adult Education:</u>					
2430.01	Adult Regular	84.002	17 Adult Education	326,099	-
2430.02	English Literacy / Civics	84.002	English Literacy Civics	21,272	-
2430.03	Adult Regular (Carryover)	84.002	Adult Regular (Carryover)	28,175	-
Total 84.002				<u>375,546</u>	<u>-</u>
<u>Occupational Education:</u>					
2070.02	WBL Activities	84.048A	17 CATE Federal	132,078	-
2070.03	Technology Training	84.048A	17 CATE Federal	22,500	-
2070.04	Professional Development	84.048A	17 CATE Federal	31,308	-
2070.05	Evaluation / Assessment	84.048A	17 CATE Federal	2,400	-
2070.06	Initiate and Improve Program	84.048A	17 CATE Federal	4,400	-
2070.09	Career Guidance	84.048A	17 CATE Federal	56,513	-
2070.10	Student Organizations	84.048A	17 CATE Federal	100,000	-
2070.11	Equipment	84.048A	17 CATE Federal	614,023	40,851
2070.15	Local Administration	84.048A	17 CATE Federal	50,978	-
2070.16	Automobile Technology	84.048A	17 CATE Federal	5,369	-
2070.48	Leadership Funds	84.048A	17 CATE Federal	10,000	-
Total 84.048				<u>1,029,569</u>	<u>40,851</u>
2640.01	Title III - English Language Acquisition	84.365A	17 English Language Acquisition - Title III	308,087	-
2640.01	Title III - English Language Acquisition (Carryover)	84.365A	16 English Language Acquisition - Title III	621,129	30,045
Total 84.365				<u>\$ 929,216</u>	<u>\$ 30,045</u>

(Continued)

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2017

LEA Subfund Code	Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass Through Grantor's Number	Federal Expenditures	Expenditures to Subrecipients
US DEPARTMENT OF EDUCATION (CONTINUED)					
2240	Passed Through SC State Department of Education: (Continued) Title IV - 21st Century Community Learning Centers	84.287C	17 21st Century FY 16 21st Century Community Learning	\$ 215,206	\$ -
2240	Title IV - 21st Century Community Learning Centers (Carryover)	84.287C	Grant	4,229	-
		Total 84.287		219,435	-
8910.02	Capturing Kids Hearts Total Passed Through SC State Department of Education	N/A	N/A	58,911	-
				45,788,732	2,320,443
TOTAL US DEPARTMENT OF EDUCATION				45,788,732	2,320,443
US DEPARTMENT OF LABOR					
2920.01	Passed Through SC State Department of Commerce or other agency: Jobs for SC Graduate - Woodmont	17.259	16-JAG-114	24,377	-
TOTAL US DEPARTMENT OF LABOR				24,377	-
US DEPARTMENT OF DEFENSE					
Direct Programs:					
2900.01	Navy ROTC	12.000	N/A	83,686	-
2900.02	Air Force ROTC	12.000	N/A	343,370	-
2900.03	Army ROTC	12.000	N/A	180,702	-
TOTAL US DEPARTMENT OF DEFENSE				607,758	-
AGENCY CORPORATION FOR NATIONAL AND COMMUNITY SERVICE					
2940	Passed through the United Way: Social Innovation Fund	94.019	14SIHSC001	197,487	-
TOTAL AGENCY CORPORATION FOR NATIONAL AND COMMUNITY SERVICE				197,487	-
TOTAL FEDERAL ASSISTANCE EXPENDED				\$ 72,803,567	\$ 2,320,443

See accompanying notes to the schedule of expenditures of federal awards.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2017

A – General

The accompanying Schedule of Expenditures of Federal Awards (the “Schedule”) presents the activity of all federal award programs of the School District of Greenville County, South Carolina (the “School District”) for the year ended June 30, 2017. All federal awards received directly from the federal agencies, as well as those passed through other government agencies, are included on the Schedule.

B – Basis of Accounting

The accompanying Schedule is presented using the modified accrual basis of accounting.

C – Relationship to Financial Statements

Federal award expenditures are reported in the School District’s financial statements primarily as expenditures in the Special Revenue Fund and operating expenses in the Enterprise Fund.

D – Relationship to Federal Financial Reports

Amounts reported in the accompanying Schedule agree with the amounts reported in the related federal financial reports except for timing differences relating to expenditures made subsequent to the filing of the federal financial reports.

E – Indirect Cost Rate

The District has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**



REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

INDEPENDENT AUDITOR’S REPORT

The Board of Trustees
 The School District of Greenville County
 Greenville, South Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of The School District of Greenville County, South Carolina (“School District”), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the School District’s basic financial statements, and have issued our report thereon dated October 27, 2017. Our report includes a reference to other auditors who audited the financial statements of the discretely presented component units, with the exception of Legacy Charter School, as described in our report on the School District’s financial statements. This report does not include the results of the other auditors’ testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of the Meyer Center for Special Children were not audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School District’s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School District’s internal control. Accordingly, we do not express an opinion on the effectiveness of the School District’s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Greene, Finney & Horton, LLP
Mauldin, South Carolina
October 27, 2017



**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON
 INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

INDEPENDENT AUDITOR’S REPORT

The Board of Trustees
 The School District of Greenville County
 Greenville, South Carolina

Report on Compliance for Each Major Federal Program

We have audited The School District of Greenville County, South Carolina’s (“School District”) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the School District’s major federal programs for the year ended June 30, 2017. The School District’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

Management’s Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor’s Responsibility

Our responsibility is to express an opinion on compliance for each of the School District’s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“Uniform Guidance”). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School District’s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the School District’s compliance.

Opinion on Each Major Federal Program

In our opinion, the School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2017.

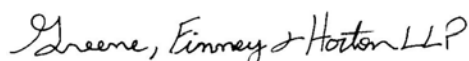
Report on Internal Control Over Compliance

Management of the School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Greene, Finney & Horton, LLP
Mauldin, South Carolina
October 27, 2017

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

YEAR ENDED JUNE 30, 2017

There were no audit findings in the prior year.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2017

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified?	_____ Yes	_____ <u>X</u> No
Significant deficiencies identified that are not considered to be material weaknesses?	_____ Yes	_____ <u>X</u> None Reported
Noncompliance material to financial statements noted?	_____ Yes	_____ <u>X</u> No

Federal Awards

Internal control over major programs:

Material weakness(es) identified?	_____ Yes	_____ <u>X</u> No
Significant deficiencies identified that are not considered to be material weaknesses?	_____ Yes	_____ <u>X</u> None Reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516 (Uniform Guidance)?	_____ Yes	_____ <u>X</u> No
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Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
10.553, 10.555	National School Breakfast and Lunch Programs Cluster

Dollar threshold used to distinguish between type A and type B programs: \$ 2,184,107

Auditee qualified as low-risk auditee?	_____ <u>X</u> Yes	_____ No
--	--------------------	----------

Section II - Findings - 2017 Financial Statement Findings

None

Section III - 2017 Federal Awards Findings and Questioned Costs

None



Where Enlightening Strikes!

301 E. Camperdown Way • P.O. Box 2848
Greenville, South Carolina 29602
864.355.3100 • greenville.k12.sc.us
W. Burke Royster, Ph.D., Superintendent