
**REQUIRED
SUPPLEMENTARY INFORMATION—
Other than Management’s Discussion and Analysis
(Unaudited)**

REQUIRED SUPPLEMENTARY INFORMATION
Budgetary Comparison Schedule (Non-GAAP Budgetary Basis)

BUDGETARY GENERAL FUND

For the Fiscal Year Ended June 30, 2015

(Expressed in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance from Final Budget— Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Regular sources				
Retail sales tax.....	\$ 2,590,085	\$ 2,590,085	\$ 2,656,947	\$ 66,862
Income tax, individual.....	3,012,820	3,012,820	3,159,204	146,384
Income tax, corporation.....	304,299	304,299	326,968	22,669
Total income and sales tax.....	<u>5,907,204</u>	<u>5,907,204</u>	<u>6,143,119</u>	<u>235,915</u>
Admissions tax.....	29,492	29,267	32,743	3,476
Aircraft tax.....	4,700	4,700	4,492	(208)
Alcoholic liquor tax.....	67,306	67,305	70,363	3,058
Bank tax.....	40,000	40,000	31,268	(8,732)
Beer and wine tax.....	102,564	102,564	104,865	2,301
Tobacco tax.....	27,126	27,126	25,482	(1,644)
Coin-operated device tax.....	1,570	1,570	1,198	(372)
Corporation license tax.....	83,833	83,833	129,851	46,018
Departmental revenue (primarily fees for services).....	36,450	36,450	28,800	(7,650)
Documentary tax.....	32,872	32,872	40,640	7,768
Earned on investments.....	18,000	18,000	17,711	(289)
Insurance tax.....	221,492	221,492	216,590	(4,902)
Motor vehicle licenses.....	10,032	10,032	10,603	571
Private car lines tax.....	3,719	3,719	4,020	301
Public Service Authority.....	22,000	22,000	20,192	(1,808)
Retailers' license tax.....	827	827	804	(23)
Savings and loan association tax.....	3,261	3,261	1,994	(1,267)
Workers' compensation insurance tax.....	10,207	10,207	8,171	(2,036)
Total regular sources.....	<u>6,622,655</u>	<u>6,622,429</u>	<u>6,892,906</u>	<u>270,477</u>
Miscellaneous sources				
Circuit and family court fines.....	8,200	8,200	8,446	246
Debt service reimbursement.....	65	65	539	474
Indirect cost recoveries.....	11,061	11,061	13,512	2,451
Parole and probation supervision fees.....	3,393	3,393	3,393	—
Unclaimed property.....	15,000	15,000	15,000	—
Nonrecurring revenue.....	—	—	26,593	26,593
Total miscellaneous sources.....	<u>37,719</u>	<u>37,719</u>	<u>67,483</u>	<u>29,764</u>
Total revenues.....	<u>6,660,374</u>	<u>6,660,148</u>	<u>6,960,389</u>	<u>300,241</u>

REQUIRED SUPPLEMENTARY INFORMATION
Budgetary Comparison Schedule (Non-GAAP Budgetary Basis)

BUDGETARY GENERAL FUND (Continued)

For the Fiscal Year Ended June 30, 2015

(Expressed in Thousands)

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance from Final Budget— Positive (Negative)
	Original	Final		
Expenditures:				
Legislative.....	\$ 45,239	\$ 74,370	\$ 41,984	\$ 32,386
Judicial.....	45,303	50,439	47,049	3,390
Executive and administrative.....	269,688	216,348	189,995	26,353
Educational.....	3,098,044	3,269,753	3,230,230	39,523
Health.....	1,616,293	1,930,314	1,746,865	183,449
Social rehabilitation services.....	132,521	142,680	132,658	10,022
Correctional and public safety.....	571,485	601,596	586,001	15,595
Conservation, natural resources, and development.....	145,138	210,342	166,644	43,698
Regulatory.....	56,179	60,916	58,252	2,664
Transportation.....	51,891	108,642	77,695	30,947
Debt service.....	175,205	212,921	195,720	17,201
Aid to subdivisions.....	325,370	351,904	341,879	10,025
Total expenditures.....	6,532,356	7,230,225	6,814,972	415,253
Excess of revenues over (under) expenditures—budgetary basis.....	128,018	(570,077)	145,417	715,494
Fund balance, beginning — budgetary basis.....	1,163,275	1,163,275	1,163,275	—
Fund balance, ending — budgetary basis.....	\$ 1,291,293	\$ 593,198	\$ 1,308,692	\$ 715,494
Less:				
Capital Reserve appropriation.....			(114,867)	
Fund balance, ending — budgetary basis, after reservation.....			\$ 1,193,825	

REQUIRED SUPPLEMENTARY INFORMATION
Budgetary Comparison Schedule (Non-GAAP Budgetary Basis)

OTHER BUDGETED FUNDS

For the Fiscal Year Ended June 30, 2015

(Expressed in Thousands)

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance from Final Budget— Positive (Negative)
	Original	Final		
Revenues:				
Federal.....	\$ 7,910,167	\$ 8,206,544	\$ 8,050,219	\$ (156,325)
Earmarked.....	5,257,459	5,498,627	5,232,185	(266,442)
Restricted.....	3,490,475	3,513,338	3,967,910	454,572
Total revenues.....	16,658,101	17,218,509	17,250,314	31,805
Expenditures:				
Legislative.....	2,095	10,053	9,042	1,011
Judicial.....	21,447	21,732	20,257	1,475
Executive and administrative.....	459,704	709,810	740,463	(30,653)
Educational.....	6,103,223	6,391,383	5,548,230	843,153
Health.....	7,027,933	7,009,427	6,509,191	500,236
Social rehabilitation services.....	2,666,595	2,667,636	2,077,835	589,801
Correctional and public safety.....	209,005	212,857	167,061	45,796
Conservation, natural resources, and development.....	269,342	320,493	272,990	47,503
Regulatory.....	405,426	427,292	363,202	64,090
Transportation.....	1,729,702	1,868,748	1,388,472	480,276
Total expenditures.....	18,894,472	19,639,431	17,096,743	2,542,688
Net decrease in fund balance— budgetary basis.....	(2,236,371)	(2,420,922)	153,571	2,574,493
Fund balance at beginning of year— budgetary basis.....	2,486,552	2,486,552	2,486,552	—
Fund balance at end of year—budgetary basis.....	\$ 250,181	\$ 65,630	\$ 2,640,123	\$ 2,574,493

Notes to the Required Supplementary Information--Budgetary

NOTE 1: BUDGETARY FUNDS AND PERSPECTIVE DIFFERENCES

a. Budgetary Funds

South Carolina's Annual Appropriations Act, the State's legally adopted budget, does not present budgets by GAAP fund. Instead, it presents program-level budgets for the following two funds:

General Funds. These funds are general operating funds. The resources in these funds are primarily taxes. The State expends General Funds to provide traditional State government services. The General Funds column in the Appropriations Act differs somewhat from the GAAP General Fund and is referred to within these notes and in the accompanying schedule as the *Budgetary General Fund*.

Total Funds. The Total Funds column in the Appropriations Act includes all budgeted resources. Amounts in this column include General Funds as well as most, but not all, federal and department-generated resources. Total funds include portions of certain proprietary and capital project fund activities as well as most special revenue activities but, exclude the pension trust funds and some other fiduciary fund activities.

Amounts obtained by subtracting the General Funds column in the Appropriations Act from the Total Funds column in the Appropriation Act are referred to within these notes and in the accompanying schedules as *Other Budgeted Funds*.

b. Perspective Differences

Perspective differences exist when the structure of financial information for budgetary purposes differs from the fund structure that is defined by GAAP. Although there are some perspective differences between the Budgetary General Fund and the GAAP General Fund, those differences are *not* significant enough to prevent the State from preparing a budgetary comparison schedule for the Budgetary General Fund.

In contrast, there are *significant* perspective differences between the Other Budgeted Funds and the State's GAAP funds, including its major special revenue funds. These perspective differences are so significant that the State is unable to present separate budgetary comparison schedules for its major special revenue funds. Accordingly, the State instead has presented a budgetary comparison schedule for its Other Budgeted Funds in accordance with GASB Statement No. 41, *Budgetary Comparison Schedules—Perspective Differences*.

NOTE 2: ORIGINAL AND FINAL BUDGETED AMOUNTS; BASIS OF PRESENTATION

a. Budgetary General Fund

Each year, the General Assembly enacts an Appropriations Act that includes initial estimated revenue and appropriation figures for the Budgetary General Fund. The *original appropriations* presented in the accompanying schedule for the Budgetary General Fund include the amounts displayed in the Appropriations Act as well as any appropriations authorized to carry forward from the preceding fiscal year. *Original estimated revenues* in the accompanying schedule for the Budgetary General Fund include amounts displayed in Section 116 (*Revenue*) of the Appropriations Act and nonrecurring transfers from other funds that were legislatively required by various provisos within the Appropriations Act.

The accompanying schedule for the Budgetary General Fund presents a fund balance section whereas the budget document does not present fund balances; in other respects, however, the format of the accompanying schedule is substantively the same as for the legally enacted budget.

After the beginning of the fiscal year, departments and agencies may request transfers of appropriations among programs. No such transfer request may exceed 20.0% of the program budget. In addition, the Budget and Control Board, composed of five key executive and legislative officials, has the authority to approve transfers of appropriations between personal service and other operating accounts.

The authority to reduce enacted appropriations is provided to the Budget and Control Board if it is deemed necessary to prevent a deficit. Likewise, the State Board of Economic Advisors may approve revisions of estimated revenues for the Budgetary General Fund during the year.

b. Other Budgeted Funds

The *original appropriations* presented in the accompanying schedule for Other Budgeted Funds include the amounts displayed in the Appropriations Act as well as any appropriation reductions specifically authorized by law to prevent duplicate appropriations. The terminology, classifications, and format of the appropriations section of the accompanying schedule for Other Budgeted Funds is substantively the same as for the legally enacted budget.

The State's General Assembly does not approve estimated revenue or fund balance amounts for Other Budgeted Funds (or for Total Funds). However, Section 115 (*Recapitulation*) of the Appropriations Act includes net *source of funds* amounts (i.e., estimated cash brought forward from the previous fiscal year plus estimated revenue for the current fiscal year minus estimated cash to be carried forward to the following fiscal year) for three categories of Other Budgeted Funds: Federal, Earmarked, and Restricted. The *original estimated revenue* amounts in the accompanying schedule for Other Budgeted Funds were obtained from the State Budget Office's breakdown of the source of funds amounts.

As operating conditions change, departments and agencies may request revisions of budgeted amounts in Other Budgeted Funds. Such changes require the Budget and Control Board's approval. Departments and agencies also may request revisions of estimated revenues and appropriations for permanent improvement projects. The Budget and Control Board and the Joint Bond Review Committee must approve and review those changes.

NOTE 3: LEGAL LEVEL OF BUDGETARY CONTROL

The State maintains budgetary control at the level of summary object category of expenditure within each program of each department or agency. The State's Appropriation Acts for the 2014-15 fiscal year has approximately 2,500 appropriated line items. These line items constitute the level of legal control over expenditures. The level of legal control for all agencies is reported in a publication of the State Comptroller General's Office titled "A Detailed Report of Appropriations and Expenditures," not included herein.

NOTE 4: BASIS OF BUDGETING

Current legislation states that the General Assembly intends to appropriate all monies to operate State government for the current fiscal year. Unexpended appropriations lapse on July 31 unless the department or agency is given specific authorization to carry them forward to the next fiscal year. Cash-basis accounting for payroll expenditures is required.

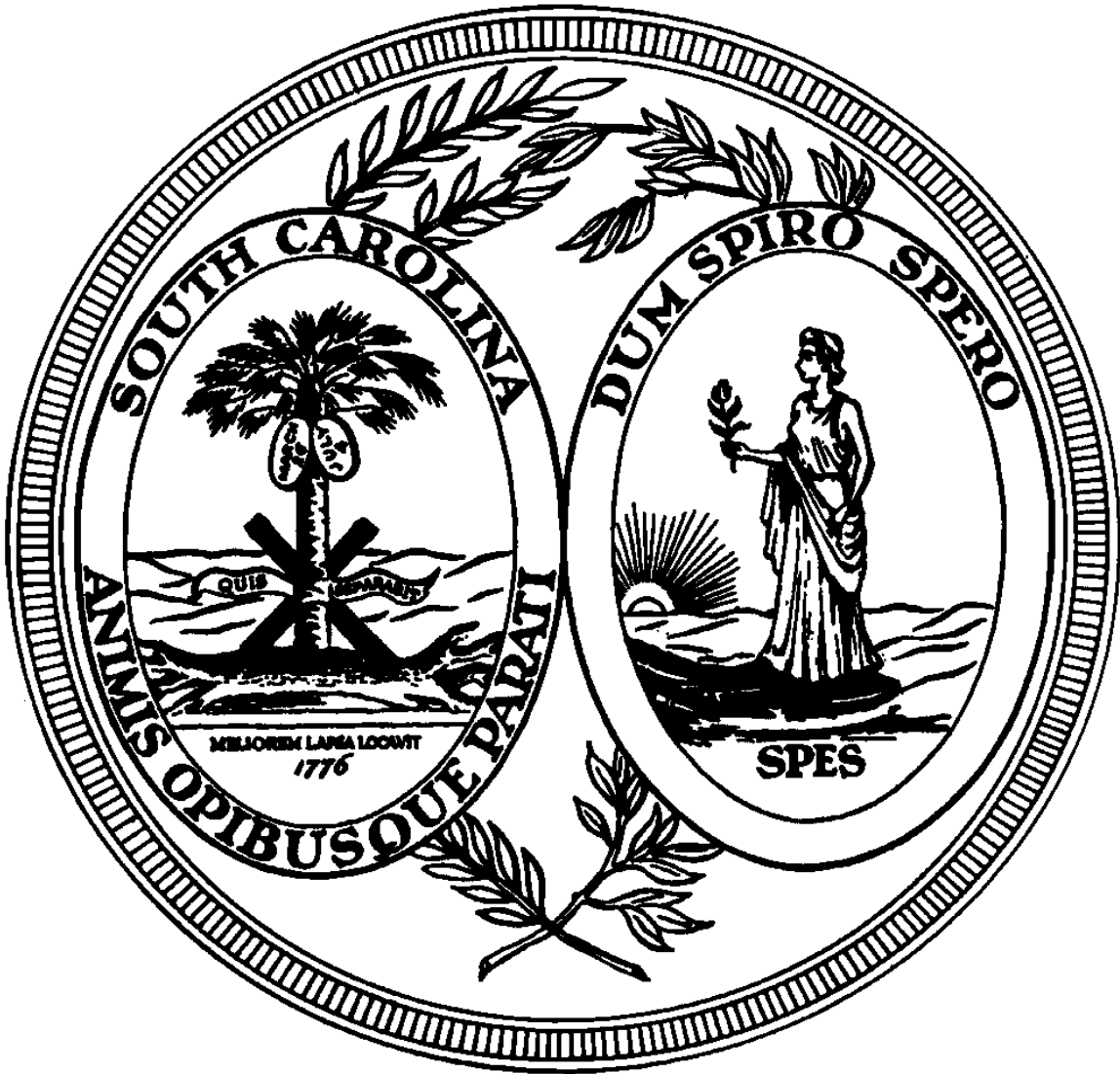
State law does not precisely define the State's basis of budgeting. In practice, however, it is the cash basis with the following exceptions:

- (i) Departments and agencies charge certain vendor and interfund payments against the preceding fiscal year's appropriations through July 13.
- (ii) Certain revenues collected in advance are recorded as liabilities (deferred revenues) rather than as revenues.
- (iii) The following taxes are recorded on the modified accrual basis in accordance with State law: admissions tax, alcoholic liquors tax, beer and wine tax, business license tax, documentary tax, electric power tax, gasoline and motor fuel taxes, and sales, use, and casual excise taxes.
- (iv) Certain non-cash activity, such as food stamp benefits, is recorded as revenue and expenditure in the fiscal year in which the resources are distributed to the beneficiaries.
- (v) All other revenues are recorded only when the State receives the related cash.

NOTE 5: RECONCILIATION OF BUDGET TO GAAP REPORTING DIFFERENCES

The accompanying budgetary comparison schedules compare the State’s legally adopted budget with actual data in accordance with the State’s basis of budgeting. Budgetary accounting principles differ significantly from GAAP accounting principles. These different accounting principles result in basis, perspective, and entity differences in the net increase in fund balance—budgetary basis. *Basis differences* arise because the basis of budgeting differs from the GAAP basis used to prepare the statement of revenues, expenditures, and changes in fund balances—governmental funds. *Perspective differences* result because the Appropriations Act’s program-oriented structure differs from the fund structure required for GAAP. *Entity differences* arise because certain activity reported within the State’s financial reporting entity for GAAP purposes is excluded from the Appropriations Act. These differences for the fiscal year ended June 30, 2015, were as follows (expressed in thousands):

<i>Budgetary funds</i>	<i>Budgetary</i>	<i>Other</i>	<i>Major Special Revenue Funds</i>		
	<i>General Fund</i>	<i>Budgeted Funds</i>	<i>Departmental Program Services</i>	<i>Local Government Infrastructure</i>	<i>Department of Transportation Special Revenue</i>
<i>GAAP funds</i>	<i>General Fund</i>	<i>Not Applicable</i>			
Net increase (decrease) in					
fund balance—budgetary basis	\$ 145,417	\$ 153,571	\$ —	\$ —	\$ —
Perspective differences:					
Other Budgeted Funds attributable to nonmajor governmental and other GAAP funds	—	993,823	—	—	—
Other Budgeted Funds net increase (decrease) allocated among the State’s major governmental GAAP funds	1,291,029	(1,147,394)	(143,086)	(549)	—
Basis of accounting differences	(1,421,140)	—	141,610	17,987	217,980
Entity differences	4,993	—	(1,484)	—	—
Net increase in fund balance—GAAP basis	\$ 20,299	\$ —	\$ (2,960)	\$ 17,438	\$ 217,980



REQUIRED SUPPLEMENTARY INFORMATION
Schedule of the State of South Carolina's Proportionate Share of the
SCRS and PORS Net Pension Liabilities
For the Fiscal Year Ended June 30, 2015
(Expressed in Thousands)

Last 10 Fiscal Years*

SCRS - South Carolina Retirement System

	<u>2015</u>	<u>2014</u>
State's Proportion of the Net Pension Liability	12.70%	12.70%
State's Proportionate Share of the Net Pension Liability	\$ 2,185,979	\$ 2,277,364
State Covered-Employee Payroll	\$ 973,471	\$ 958,913
State's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	224.56%	237.49%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	59.92%	56.39%

PORS - South Carolina Police Officers Retirement System

State's Proportion of the Net Pension Liability	30.37%	30.37%
State's Proportionate Share of the Net Pension Liability	\$ 581,343	\$ 629,487
State Covered-Employee Payroll	\$ 337,916	\$ 338,025
State's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	172.04%	186.22%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	67.55%	62.98%

* - The amounts presented for each fiscal year were determined as of July 1 of two years prior, using membership data as of that day, projected forward to June 30 of the previous year. Additionally, the State implemented GASB 68 during fiscal year 2015. As such, only the last two years of information is available.

REQUIRED SUPPLEMENTARY INFORMATION
Schedule of the State of South Carolina's SCRS and
PORS Contributions
For the Fiscal Year Ended June 30, 2015
(Expressed in Thousands)

Last 10 Fiscal Years*

SCRS - South Carolina Retirement System

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Contractually Required Contribution	\$ 130,062	\$ 122,348	\$ 123,651	\$ 255,277	\$ 252,814
Contributions in Relation to the Contractually Required Contribution	(130,062)	(122,348)	(123,651)	(255,277)	(252,814)
Contribution Deficiency/(Excess)	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
State Covered-Employee Payroll	\$ 973,471	\$ 958,913	\$ 956,163	\$ 2,227,527	\$ 2,247,145
Contributions as a Percentage of Covered-Employee Payroll	13.36%	12.76%	12.93%	11.46%	11.25%

PORS - South Carolina Police Officers Retirement System

Contractually Required Contribution	\$ 49,915	\$ 46,907	\$ 44,393	\$ 43,776	\$ 42,699
Contributions in Relation to the Contractually Required Contribution	(49,915)	(46,907)	(44,393)	(43,776)	(42,699)
Contribution Deficiency/(Excess)	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
State Covered-Employee Payroll	\$ 337,916	\$ 338,025	\$ 339,686	\$ 352,998	\$ 346,404
Contributions as a Percentage of Covered-Employee Payroll	14.77%	13.88%	13.07%	12.40%	12.33%

* - In fiscal year 2013 (2014 on this schedule due to GASB 68), the State implemented GASB Statement No. 61 (GASB 61). The implementation resulted in reclassification of state universities, state technical colleges and other state-related entities from the primary government category to the component units category. Fiscal years 2013 - 2006 have not been restated.

<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$ 255,653	\$ 260,536	\$ 246,172	\$ 202,865	\$ 184,109
(255,653)	(260,536)	(246,172)	(202,865)	(184,109)
<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
\$ 2,280,108	\$ 2,283,295	\$ 2,238,486	\$ 2,116,417	\$ 2,025,086
11.21%	11.41%	11.00%	9.59%	9.09%
\$ 42,268	\$ 44,566	\$ 41,962	\$ 39,589	\$ 37,256
(42,268)	(44,566)	(41,962)	(39,589)	(37,256)
<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
\$ 358,181	\$ 372,869	\$ 373,595	\$ 350,681	\$ 325,118
11.80%	11.95%	11.23%	11.29%	11.46%

REQUIRED SUPPLEMENTARY INFORMATION
Schedule of the State of South Carolina's GARS
Contributions
(Expressed in Thousands)

Last 10 Fiscal Years

GARS - Retirement System for the
Members of the General Assembly
of the State of South Carolina

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Contractually Required Contribution	\$ 4,275	\$ 4,063	\$ 2,831	\$ 2,532	\$ 2,414
Contributions in Relation to the Contractually Required Contribution	(4,275)	(4,063)	(2,831)	(2,532)	(2,414)
Contribution Deficiency/(Excess)	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
Covered-Employee Payroll	\$ 2,383	\$ 2,688	\$ 3,854	\$ 3,854	\$ 3,854
Contributions as a Percentage of Covered-Employee Payroll	179.40%	151.15%	73.46%	65.70%	62.64%

Notes to Schedule

Valuation Date: Actuarially determined contribution rates are calculated as of July 1, two years prior to the end of the fiscal year in which they are reported

Methods and Assumptions Used to Determine Contribution Rates:

- Actuarial Cost Method: Entry age
- Amortization Method: Level dollar, closed
- Remaining Amortization Period: 14 years
- Asset Valuation Method: 5-year smoothed market
- Inflation: 2.75%
- Salary Increases: None
- Investment Rate of Return: 7.5%, net of investment and administration expenses, including inflation
- Retirement Age: Age 60 or 30 years of service or age 70 or 30 years of service while continuing to serve in the General Assembly.
- Mortality: In the 2011 actuarial valuation, assumed life expectancies were adjusted as a result of adopting RP-2000 Healthy Annuitant Mortality Table. In prior years, those assumptions were based on UP-94 Mortality Table rates, with the female rates set back one year.
- Other Information: GARS is closed to members of the General Assembly first elected in November 2012 or after.

<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$ 2,598	\$ 2,495	\$ 2,440	\$ 2,358	\$ 2,171
(2,598)	(2,495)	(2,440)	(2,358)	(2,171)
<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
\$ 3,854	\$ 3,854	\$ 3,854	\$ 3,854	\$ 3,854
67.41%	64.74%	63.31%	61.18%	56.33%

REQUIRED SUPPLEMENTARY INFORMATION
Schedule of Changes in the State of South Carolina's
GARS Net Pension Liability and Related Ratios
(Expressed in Thousands)

Last 10 Fiscal Years*

**GARS - Retirement System for
the Members of the General
Assembly of the State of South
Carolina**

	<u>2015</u>
Total Pension Liability	
Service Cost	\$ 572
Interest	5,437
Difference Between Actual and Expected Experience	(2,585)
Benefit Payments	<u>(6,861)</u>
Net Change in Total Pension Liability	(3,437)
Total Pension Liability - Beginning	<u>78,224</u>
Total Pension Liability - Ending (a)	<u><u>\$ 74,787</u></u>

Plan Fiduciary Net Position	
Contributions - Employer	\$ 4,063
Contributions - Member	384
Refunds of Contributions to Members	(41)
Retirement Benefits	(6,799)
Death Benefits	(20)
Net Investment Income (Loss)	4,545
Administrative Expense	(17)
Other	<u>15</u>
Net Change in Plan Fiduciary Net Position	2,130
Plan Fiduciary Net Position - Beginning	<u>31,904</u>
Plan Fiduciary Net Position - Ending (b)	<u><u>\$ 34,034</u></u>

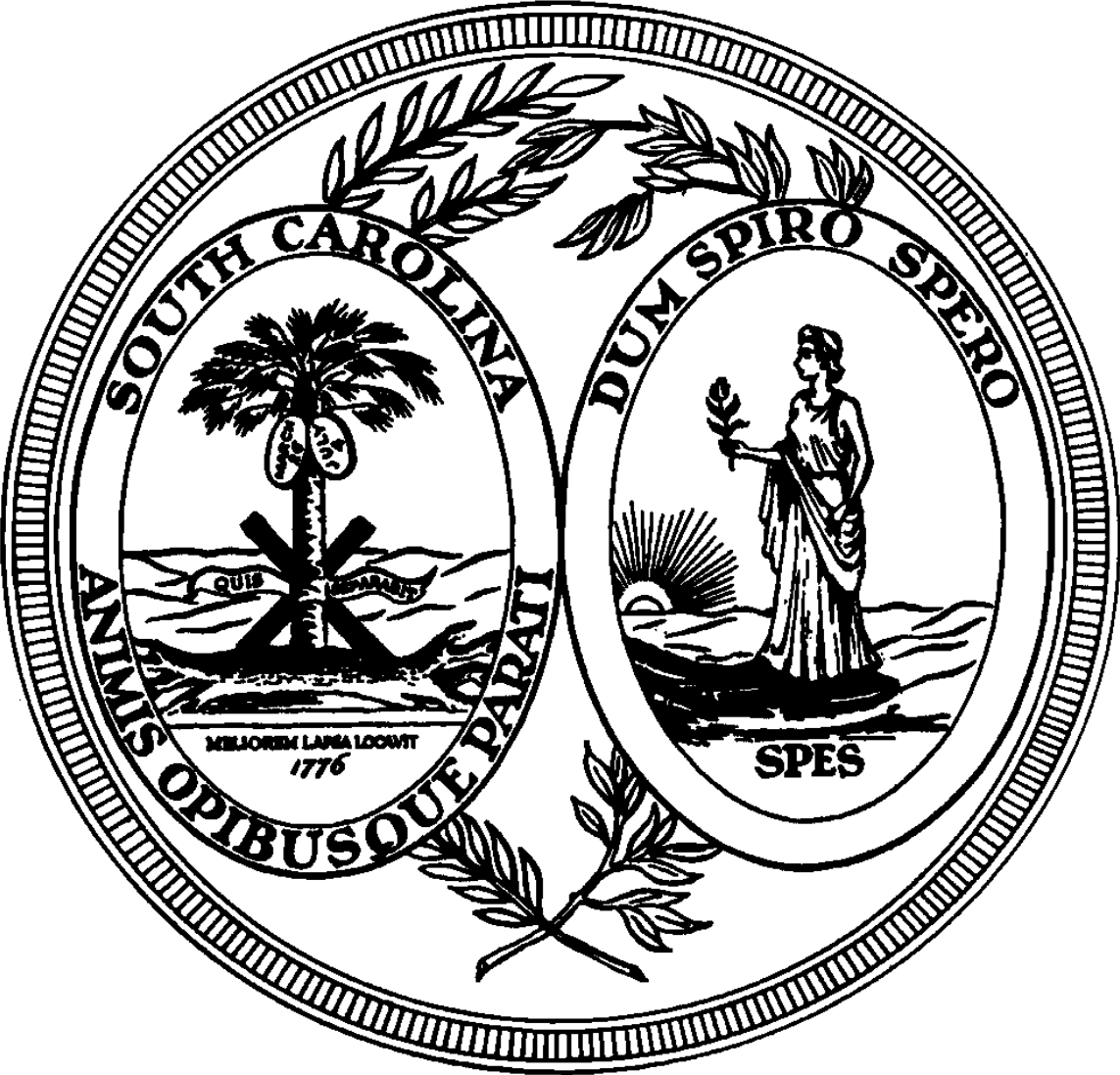
Net Pension Liability - Ending (a) - (b)	<u><u>\$ 40,753</u></u>
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Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	45.51%
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Covered-Employee Payroll	\$ 2,383
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Net Pension Liability as a Percentage of Covered-Employee Payroll	1710.16%
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* - The State implemented GASB 68 in fiscal year 2015, which changed prior calculations of the total pension liabilities. As such, only the current year's information is available.



REQUIRED SUPPLEMENTARY INFORMATION
Schedule of the State of South Carolina's JSRS
Contributions
 (Expressed in Thousands)

Last 10 Fiscal Years

JSRS - Retirement System for
Judges and Solicitors of the State
of South Carolina

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Contractually Required Contribution	\$ 10,109	\$ 9,659	\$ 8,667	\$ 8,414	\$ 8,414
Contributions in Relation to the Contractually Required Contribution	(10,109)	(9,659)	(8,667)	(8,414)	(8,414)
Contribution Deficiency/(Excess)	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
Covered-Employee Payroll	\$ 18,138	\$ 20,407	\$ 19,221	\$ 18,661	\$ 18,661
Contributions as a Percentage of Covered-Employee Payroll	55.73%	47.33%	45.09%	45.09%	45.09%

Notes to Schedule

Valuation Date: Actuarially determined contribution rates are calculated as of July 1, two years prior to the end of the fiscal year in which they are reported

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method:	Entry age
Amortization Method:	Level percent, open
Remaining Amortization Period:	28 years
Asset Valuation Method:	5-year smoothed market
Inflation:	2.75%
Salary Increases:	3.00%
Investment Rate of Return:	7.5%, net of investment and administration expenses, including inflation
Retirement Age:	In the 2008 valuation the retirement age changed from a varying formula based on years of service and age to age 60 or 25 years of service for judges and 24 years of service for solicitors or circuit public defenders regardless of age.
Mortality:	In the 2011 actuarial valuation, assumed life expectancies were adjusted as a result of adopting RP-2000 Healthy Annuitant Mortality Table. In prior years, those assumptions were based on UP-94 Mortality Table rates, with the female rates set back one year.

<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$ 8,414	\$ 8,414	\$ 7,613	\$ 6,706	\$ 6,511
(8,414)	(8,414)	(7,613)	(6,706)	(6,511)
<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
\$ 18,661	\$ 18,661	\$ 16,407	\$ 15,929	\$ 15,464
45.09%	45.09%	46.40%	42.10%	42.10%

REQUIRED SUPPLEMENTARY INFORMATION
Schedule of Changes in the State of South Carolina's JSRS
Net Pension Liability and Related Ratios
 (Expressed in Thousands)

Last 10 Fiscal Years*

**JSRS - Retirement System for
 Judges and Solicitors of the State
 of South Carolina**

	<u>2015</u>
Total Pension Liability	
Service Cost	\$ 5,571
Interest	18,857
Difference Between Actual and Expected Experience	(3,240)
Benefit Payments	<u>(16,684)</u>
Net Change in Total Pension Liability	4,504
Total Pension Liability - Beginning	<u>260,228</u>
Total Pension Liability - Ending (a)	<u><u>\$ 264,732</u></u>

Plan Fiduciary Net Position	
Contributions - Employer	\$ 9,659
Contributions - Member	2,448
Retirement Benefits	(16,675)
Death Benefits	(10)
Net Investment Income (Loss)	19,962
Administrative Expense	(68)
Other	<u>195</u>
Net Change in Plan Fiduciary Net Position	15,511
Plan Fiduciary Net Position - Beginning	<u>131,985</u>
Plan Fiduciary Net Position - Ending (b)	<u><u>\$ 147,496</u></u>

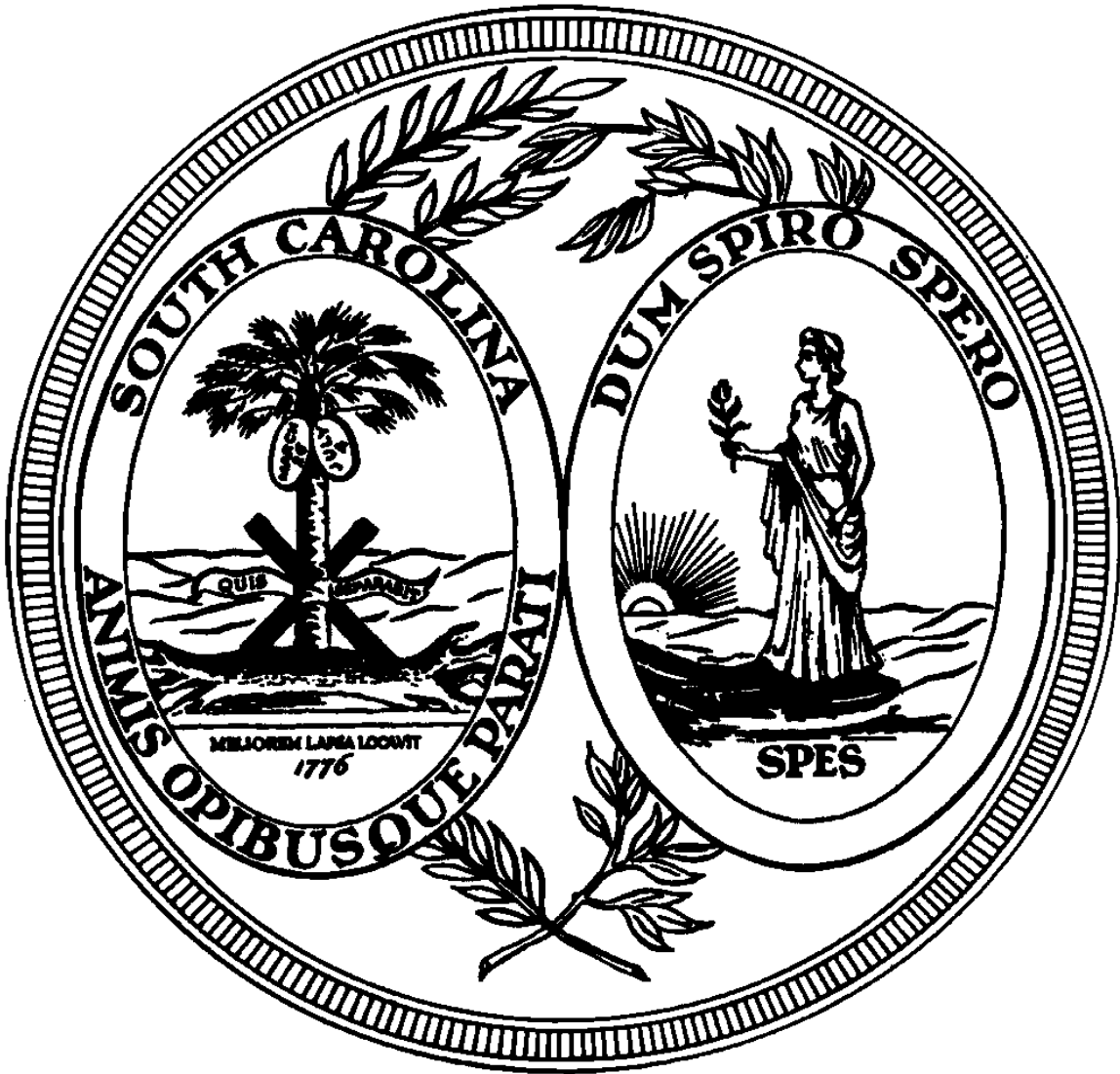
Net Pension Liability - Ending (a) - (b)	<u><u>\$ 117,236</u></u>
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Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	55.72%
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Covered-Employee Payroll	\$ 18,138
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Net Pension Liability as a Percentage of Covered-Employee Payroll	646.36%
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* - The State implemented GASB 68 in fiscal year 2015, which changed prior calculations of the total pension liabilities. As such, only the current year's information is available.



REQUIRED SUPPLEMENTARY INFORMATION
Schedule of the State of South Carolina's SCNG
Contributions
 (Expressed in Thousands)

Last 10 Fiscal Years

**SCNG - South Carolina National
 Guard Supplemental Retirement
 Plan**

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Contractually Required Contribution	\$ 4,591	\$ 4,586	\$ 4,539	\$ 3,937	\$ 3,905
Contributions in Relation to the Contractually Required Contribution	(4,591)	(4,586)	(4,539)	(3,937)	(3,905)
Contribution Deficiency/(Excess)	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
Covered-Employee Payroll	N/A	N/A	N/A	N/A	N/A
Contributions as a Percentage of Covered-Employee Payroll	N/A	N/A	N/A	N/A	N/A

Notes to Schedule

Valuation Date: Actuarially determined contribution rates are calculated as of July 1, two years prior to the end of the fiscal year in which they are reported

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method: Entry age
 Amortization Method: Level dollar, closed
 Remaining Amortization Period: 19 years
 Asset Valuation Method: 5-year smoothed market
 Inflation: 2.75%
 Salary Increases: N/A
 Investment Rate of Return: 7.5%, net of investment and administration expenses, including inflation

Retirement Age: Age 60 provided the member was honorably discharged from active duty with at least 20 years of total creditable military service. Of that 20 years of service, 15 years, and the final 10 years, must have been served in the South Carolina National Guard.

Mortality: In the 2011 actuarial valuation, assumed life expectancies were adjusted as a result of adopting RP-2000 Healthy Annuitant Mortality Table. In prior years, those assumptions were based on the 1983 Group Annuity Mortality Table rates for males.

<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$ 3,945	\$ 4,052	\$ 3,923	\$ 3,948	\$ 3,942
(3,945)	(4,052)	(3,923)	(3,948)	(3,942)
<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A

REQUIRED SUPPLEMENTARY INFORMATION
Schedule of Changes in the State of South Carolina's
SCNG Net Pension Liability and Related Ratios
(Expressed in Thousands)

Last 10 Fiscal Years*

**SCNG - South Carolina National
Guard Supplemental Retirement
Plan**

	<u>2015</u>
Total Pension Liability	
Service Cost	\$ 697
Interest	4,417
Difference Between Actual and Expected Experience	(262)
Benefit Payments	<u>(4,248)</u>
Net Change in Total Pension Liability	604
Total Pension Liability - Beginning	<u>60,926</u>
Total Pension Liability - Ending (a)	<u><u>\$ 61,530</u></u>
 Plan Fiduciary Net Position	
Contributions - Employer	\$ 4,586
Retirement Benefits	(4,248)
Net Investment Income (Loss)	2,806
Administrative Expense	<u>(10)</u>
Net Change in Plan Fiduciary Net Position	3,134
Plan Fiduciary Net Position - Beginning	<u>19,424</u>
Plan Fiduciary Net Position - Ending (b)	<u><u>\$ 22,558</u></u>
 Net Pension Liability - Ending (a) - (b)	<u><u>\$ 38,972</u></u>
 Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	36.66%
 Covered-Employee Payroll	N/A
 Net Pension Liability as a Percentage of Covered-Employee Payroll	N/A

* - The State implemented GASB 68 in fiscal year 2015, which changed prior calculations of the total pension liabilities. As such, only the current year's information is available.