
**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, 2016

(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.....	\$ 2,714,293	\$ 2,714,293	\$ 2,818,606	\$ 104,313
Income tax, individual.....	3,251,314	3,251,314	3,311,005	59,691
Income tax, corporation.....	307,791	307,791	361,808	54,017
Total income and sales tax.....	<u>6,273,398</u>	<u>6,273,398</u>	<u>6,491,419</u>	<u>218,021</u>
Admissions tax.....	31,771	31,771	30,851	(920)
Aircraft tax.....	4,536	4,536	4,124	(412)
Alcoholic liquor tax.....	72,334	72,334	73,550	1,216
Bank tax.....	28,170	28,170	29,425	1,255
Beer and wine tax.....	106,691	106,691	107,252	561
Tobacco tax.....	24,869	24,869	28,138	3,269
Coin-operated device tax.....	1,069	1,069	1,049	(20)
Corporation license tax.....	104,916	104,916	88,702	(16,214)
Departmental revenue (primarily fees for services).....	44,386	44,386	57,962	13,576
Documentary tax.....	42,638	42,638	46,164	3,526
Earned on investments.....	19,000	19,000	25,193	6,193
Insurance tax.....	205,353	205,353	212,224	6,871
Motor vehicle licenses.....	10,711	10,711	10,678	(33)
Private car lines tax.....	3,672	3,672	4,335	663
Public Service Authority.....	22,130	22,130	19,266	(2,864)
Retailers' license tax.....	755	755	930	175
Savings and loan association tax.....	2,240	2,240	(84)	(2,324)
Workers' compensation insurance tax.....	8,354	8,354	9,675	1,321
Total regular sources.....	<u>7,006,993</u>	<u>7,006,993</u>	<u>7,240,853</u>	<u>233,860</u>
Miscellaneous sources				
Circuit and family court fines.....	8,779	8,779	8,091	(688)
Debt service reimbursement.....	65	65	564	499
Indirect cost recoveries.....	11,061	11,061	12,389	1,328
Parole and probation supervision fees.....	3,393	3,393	3,393	—
Unclaimed property.....	15,000	15,000	5,750	(9,250)
Nonrecurring revenue.....	—	—	2	2
Total miscellaneous sources.....	<u>38,298</u>	<u>38,298</u>	<u>30,189</u>	<u>(8,109)</u>
Total revenues.....	<u>7,045,291</u>	<u>7,045,291</u>	<u>7,271,042</u>	<u>225,751</u>

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

BUDGETARY GENERAL FUND (Continued)

For the Fiscal Year Ended June 30, 2016

(Expressed in Thousands)

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance from Final Budget— Positive (Negative)
	Original	Final		
Expenditures:				
Legislative.....	\$ 46,898	\$ 80,069	\$ 44,304	\$ 35,765
Judicial.....	47,024	51,304	47,549	3,755
Executive and administrative.....	253,570	227,192	194,576	32,616
Educational.....	3,255,647	3,387,608	3,335,742	51,866
Health.....	1,672,172	1,866,586	1,744,335	122,251
Social rehabilitation services.....	224,382	236,691	223,572	13,119
Correctional and public safety.....	514,849	537,174	498,498	38,676
Conservation, natural resources, and development.....	223,852	292,345	239,090	53,255
Regulatory.....	67,448	71,156	69,074	2,082
Transportation.....	112,742	300,488	290,982	9,506
Debt service.....	191,630	194,406	186,715	7,691
Aid to subdivisions.....	304,028	306,669	306,633	36
Total expenditures.....	6,914,242	7,551,688	7,181,070	370,618
Excess of revenues over (under) expenditures—budgetary basis.....	131,049	(506,397)	89,972	596,369
Transfers from Litigation Settlement Account.....	—	—	77,302	77,302
Fund balance, beginning — budgetary basis.....	1,181,825	1,181,825	1,181,825	—
Fund balance, ending — budgetary basis.....	\$ 1,312,874	\$ 675,428	\$ 1,349,099	\$ 673,671
Less:				
Capital Reserve appropriation.....			(127,790)	
County Transportation Fund appropriation....			(50,000)	
Farm Bill appropriation.....			(40,000)	
Fund balance, ending — budgetary basis, after reservation.....			\$ 1,131,309	

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

OTHER BUDGETED FUNDS

For the Fiscal Year Ended June 30, 2016

(Expressed in Thousands)

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance from Final Budget— Positive (Negative)
	Original	Final		
Revenues:				
Federal.....	\$ 8,082,409	\$ 8,183,523	\$ 7,552,743	\$ (630,780)
Earmarked.....	5,508,982	5,859,490	5,796,065	(63,425)
Restricted.....	4,161,329	4,116,797	4,431,871	315,074
Total revenues.....	17,752,720	18,159,810	17,780,679	(379,131)
Expenditures:				
Legislative.....	2,794	11,555	10,283	1,272
Judicial.....	23,333	28,581	23,975	4,606
Executive and administrative.....	459,444	592,934	634,542	(41,608)
Educational.....	6,510,734	6,246,416	5,570,697	675,719
Health.....	7,510,345	7,146,268	6,606,371	539,897
Social rehabilitation services.....	2,716,601	2,717,266	1,951,452	765,814
Correctional and public safety.....	212,682	225,488	172,897	52,591
Conservation, natural resources, and development.....	401,178	340,929	341,091	(162)
Regulatory.....	436,419	479,631	366,642	112,989
Transportation.....	1,867,302	2,136,332	1,667,521	468,811
Total expenditures.....	20,140,832	19,925,400	17,345,471	2,579,929
Net decrease in fund balance— budgetary basis.....	(2,388,112)	(1,765,590)	435,208	2,200,798
Fund balance at beginning of year— budgetary basis.....	2,640,123	2,640,123	2,640,123	—
Fund balance at end of year—budgetary basis.....	\$ 252,011	\$ 874,533	\$ 3,075,331	\$ 2,200,798

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, however, 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 State Fiscal Accountability Authority, 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 State Fiscal Accountability Authority 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 State Fiscal Accountability Authority's approval. Departments and agencies also may request revisions of estimated revenues and appropriations for permanent improvement projects. The State Fiscal Accountability Authority 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 2015-16 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.

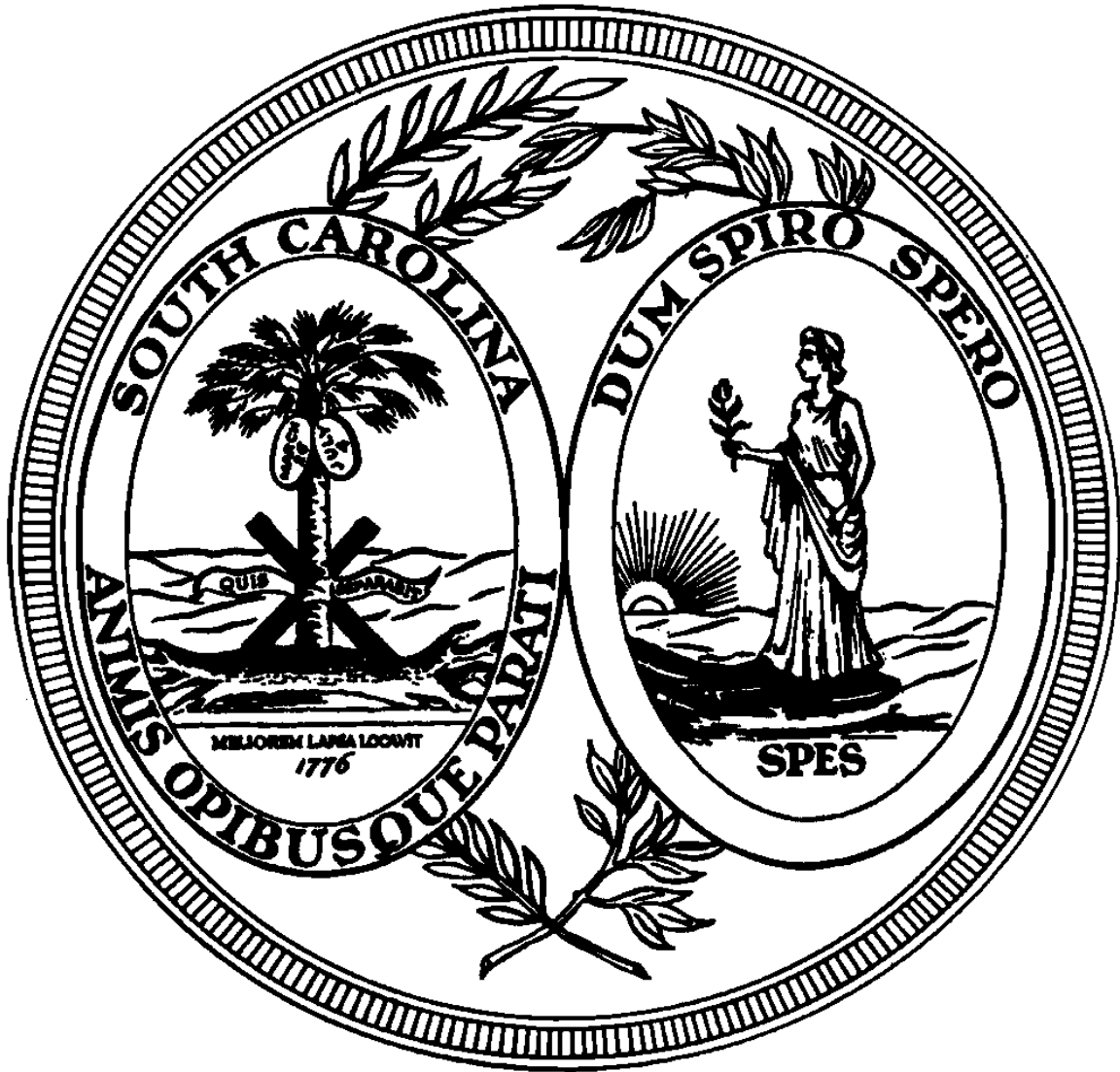
State law does not precisely define the State's basis of budgeting. In practice, however, it is the cash basis with the following exceptions:

- (i) Departments and agencies charge certain vendor and interfund payments against the preceding fiscal year's appropriations through July 14.
- (ii) Certain revenues collected in advance are recorded as liabilities (unearned 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, 2016, were as follows (expressed in thousands):

<i>Budgetary funds</i>	<i>Budgetary General Fund</i>	<i>Other Budgeted Funds</i>	Major Special Revenue Funds		
	General Fund	Not Applicable	Departmental Program Services	Local Government Infrastructure	Department of Transportation Special Revenue
<i>GAAP funds</i>					
Net increase (decrease) in					
fund balance—budgetary basis	\$ 89,972	\$ 435,208	\$ —	\$ —	\$ —
Perspective differences:					
Other Budgeted Funds attributable to nonmajor governmental and other GAAP funds	—	527,732	—	—	—
Other Budgeted Funds net increase (decrease) allocated among the State’s major governmental GAAP funds	1,504,090	(962,940)	(554,458)	13,308	—
Basis of accounting differences	(1,042,029)	—	574,042	49,050	163,084
Entity differences	1,775	—	105	—	—
Net increase in fund balance—GAAP basis	\$ 553,808	\$ —	\$ 19,689	\$ 62,358	\$ 163,084



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, 2016

(Expressed in Thousands)

Last 10 Fiscal Years*

SCRS - South Carolina Retirement System

	<u>2016</u>	<u>2015</u>	<u>2014</u>
State's Proportion of the Net Pension Liability	12.87%	12.70%	12.70%
State's Proportionate Share of the Net Pension Liability	\$ 2,441,249	\$ 2,185,979	\$ 2,277,364
State Covered-Employee Payroll	\$ 954,763	\$ 973,471	\$ 958,913
State's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	255.69%	224.56%	237.49%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	56.99%	59.92%	56.39%

PORS - South Carolina Police Officers Retirement System

State's Proportion of the Net Pension Liability	30.05%	30.37%	30.37%
State's Proportionate Share of the Net Pension Liability	\$ 654,937	\$ 581,343	\$ 629,487
State Covered-Employee Payroll	\$ 316,491	\$ 337,916	\$ 338,025
State's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	206.94%	172.04%	186.22%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	64.57%	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 three 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, 2016
(Expressed in Thousands)

Last 10 Fiscal Years*

SCRS - South Carolina Retirement System

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Contractually Required Contribution	\$ 131,856	\$ 130,062	\$ 122,348	\$ 123,651	\$ 255,277
Contributions in Relation to the Contractually Required Contribution	(131,856)	(130,062)	(122,348)	(123,651)	(255,277)
Contribution Deficiency/(Excess)	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
State Covered-Employee Payroll	\$ 954,763	\$ 973,471	\$ 958,913	\$ 956,163	\$ 2,227,527
Contributions as a Percentage of Covered-Employee Payroll	13.81%	13.36%	12.76%	12.93%	11.46%

PORS - South Carolina Police Officers Retirement System

Contractually Required Contribution	\$ 50,546	\$ 49,915	\$ 46,907	\$ 44,393	\$ 43,776
Contributions in Relation to the Contractually Required Contribution	(50,546)	(49,915)	(46,907)	(44,393)	(43,776)
Contribution Deficiency/(Excess)	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
State Covered-Employee Payroll	\$ 316,491	\$ 337,916	\$ 338,025	\$ 339,686	\$ 352,998
Contributions as a Percentage of Covered-Employee Payroll	15.97%	14.77%	13.88%	13.07%	12.40%

* - 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 - 2007 have not been restated.

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
\$ 252,814	\$ 255,653	\$ 260,536	\$ 246,172	\$ 202,865
(252,814)	(255,653)	(260,536)	(246,172)	(202,865)
<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
\$ 2,247,145	\$ 2,280,108	\$ 2,283,295	\$ 2,238,486	\$ 2,116,417
11.25%	11.21%	11.41%	11.00%	9.59%
\$ 42,699	\$ 42,268	\$ 44,566	\$ 41,962	\$ 39,589
(42,699)	(42,268)	(44,566)	(41,962)	(39,589)
<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
\$ 346,404	\$ 358,181	\$ 372,869	\$ 373,595	\$ 350,681
12.33%	11.80%	11.95%	11.23%	11.29%

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>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Contractually Required Contribution	\$ 4,501	\$ 4,275	\$ 4,063	\$ 2,831	\$ 2,532
Contributions in Relation to the Contractually Required Contribution	(4,501)	(4,275)	(4,063)	(2,831)	(2,532)
Contribution Deficiency/(Excess)	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
Covered-Employee Payroll	\$ 2,338	\$ 2,383	\$ 2,688	\$ 3,854	\$ 3,854
Contributions as a Percentage of Covered-Employee Payroll	192.51%	179.40%	151.15%	73.46%	65.70%

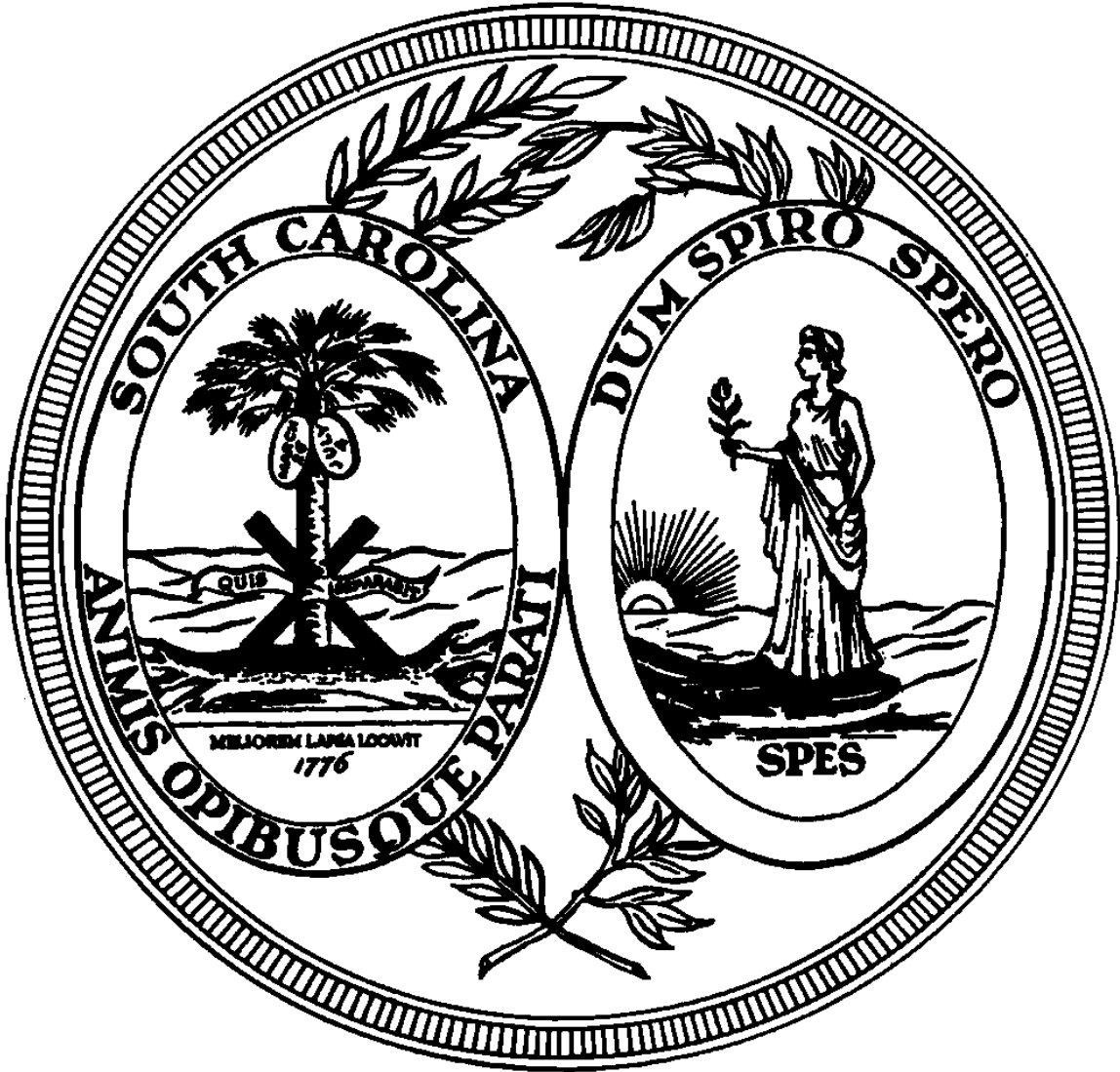
Notes to Schedule

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:	12 years
Asset Valuation Method:	20% difference recognition method
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>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
\$ 2,414	\$ 2,598	\$ 2,495	\$ 2,440	\$ 2,358
(2,414)	(2,598)	(2,495)	(2,440)	(2,358)
<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
\$ 3,854	\$ 3,854	\$ 3,854	\$ 3,854	\$ 3,854
62.64%	67.41%	64.74%	63.31%	61.18%



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>2016</u>	<u>2015</u>
Total Pension Liability		
Service Cost	\$ 553	\$ 572
Interest	5,380	5,437
Difference Between Actual and Expected Experience	(294)	(2,585)
Benefit Payments	<u>(6,660)</u>	<u>(6,861)</u>
Net Change in Total Pension Liability	(1,021)	(3,437)
Total Pension Liability - Beginning	<u>74,787</u>	<u>78,224</u>
Total Pension Liability - Ending (a)	<u><u>\$ 73,766</u></u>	<u><u>\$ 74,787</u></u>
 Plan Fiduciary Net Position		
Contributions - Employer	\$ 4,275	\$ 4,063
Contributions - Member	369	384
Refunds of Contributions to Members	—	(41)
Retirement Benefits	(6,639)	(6,799)
Death Benefits	(21)	(20)
Net Investment Income (Loss)	500	4,545
Administrative Expense	(18)	(17)
Other	<u>(18)</u>	<u>15</u>
Net Change in Plan Fiduciary Net Position	(1,552)	2,130
Plan Fiduciary Net Position - Beginning	<u>34,034</u>	<u>31,904</u>
Plan Fiduciary Net Position - Ending (b)	<u><u>\$ 32,482</u></u>	<u><u>\$ 34,034</u></u>
 Net Pension Liability - Ending (a) - (b)	<u><u>\$ 41,284</u></u>	<u><u>\$ 40,753</u></u>
 Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	44.03%	45.51%
 Covered-Employee Payroll	\$ 2,338	\$ 2,383
 Net Pension Liability as a Percentage of Covered-Employee Payroll	1765.78%	1710.16%

* - The State implemented GASB 68 in fiscal year 2015, which changed prior calculations of the total pension liabilities. As such, only the last two years' 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>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Contractually Required Contribution	\$ 10,202	\$ 10,109	\$ 9,659	\$ 8,667	\$ 8,414
Contributions in Relation to the Contractually Required Contribution	(10,202)	(10,109)	(9,659)	(8,667)	(8,414)
Contribution Deficiency/(Excess)	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
Covered-Employee Payroll	\$ 21,267	\$ 18,138	\$ 20,407	\$ 19,221	\$ 18,661
Contributions as a Percentage of Covered-Employee Payroll	47.97%	55.73%	47.33%	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:	27 years
Asset Valuation Method:	20% difference recognition method
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>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
\$ 8,414	\$ 8,414	\$ 8,414	\$ 7,613	\$ 6,706
(8,414)	(8,414)	(8,414)	(7,613)	(6,706)
<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
\$ 18,661	\$ 18,661	\$ 18,661	\$ 16,407	\$ 15,929
45.09%	45.09%	45.09%	46.40%	42.10%

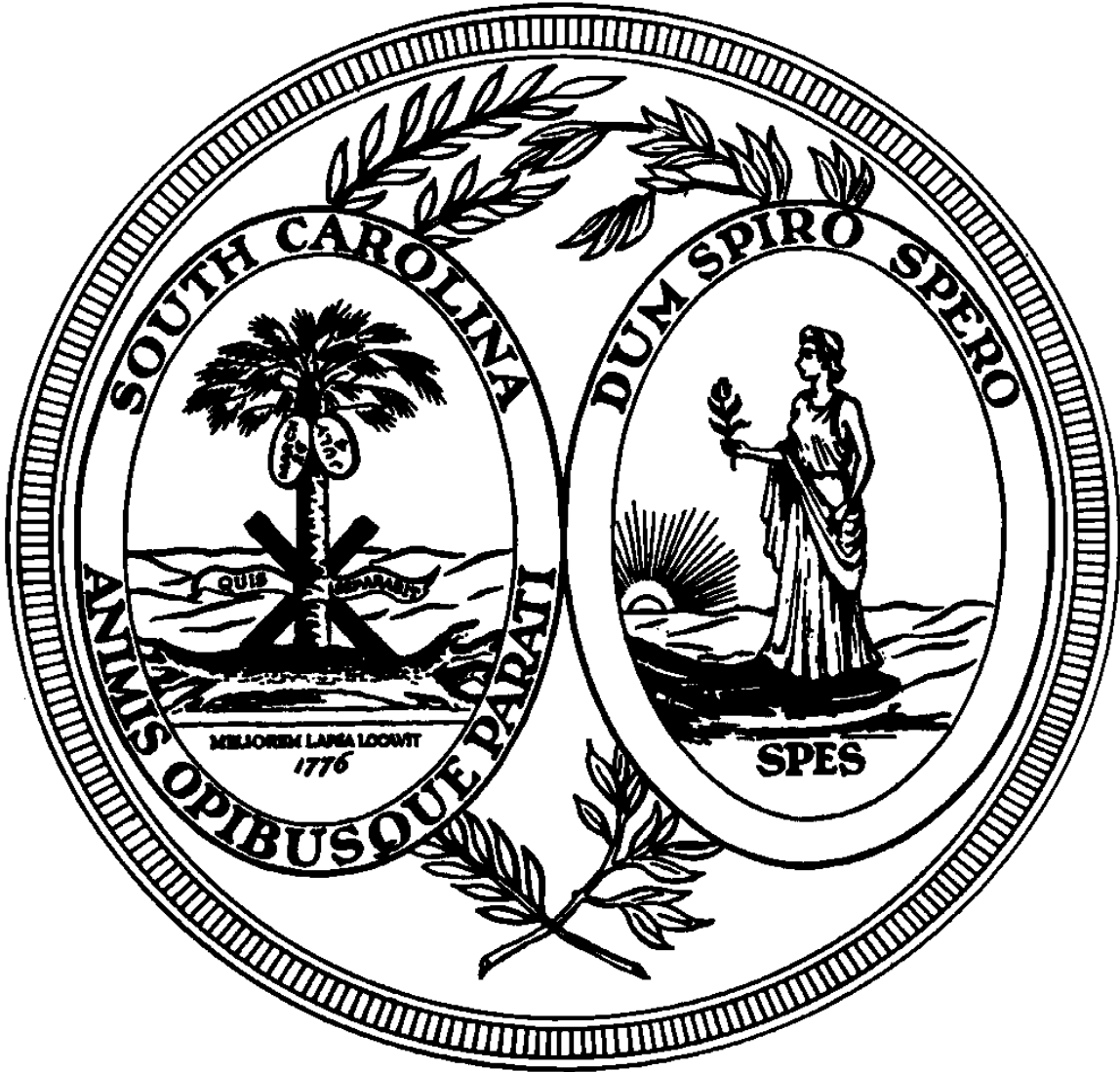
REQUIRED SUPPLEMENTARY INFORMATION
Schedule of Changes in the State of South Carolina's JSRS Net Pension Liability and Related Ratios
 (Expressed in Thousands)

Last 10 Fiscal Years*

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

	<u>2016</u>	<u>2015</u>
Total Pension Liability		
Service Cost	\$ 5,760	\$ 5,571
Interest	19,440	18,857
Benefit Changes	666	—
Difference Between Actual and Expected Experience	(1,138)	(3,240)
Benefit Payments	<u>(16,836)</u>	<u>(16,684)</u>
Net Change in Total Pension Liability	7,892	4,504
Total Pension Liability - Beginning	<u>264,732</u>	<u>260,228</u>
Total Pension Liability - Ending (a)	<u><u>\$ 272,624</u></u>	<u><u>\$ 264,732</u></u>
Plan Fiduciary Net Position		
Contributions - Employer	\$ 10,109	\$ 9,659
Contributions - Member	3,153	2,448
Retirement Benefits	(16,832)	(16,675)
Death Benefits	(4)	(10)
Net Investment Income (Loss)	2,216	19,962
Administrative Expense	(71)	(68)
Other	<u>286</u>	<u>195</u>
Net Change in Plan Fiduciary Net Position	(1,143)	15,511
Plan Fiduciary Net Position - Beginning	<u>147,496</u>	<u>131,985</u>
Plan Fiduciary Net Position - Ending (b)	<u><u>\$ 146,353</u></u>	<u><u>\$ 147,496</u></u>
Net Pension Liability - Ending (a) - (b)	<u><u>\$ 126,271</u></u>	<u><u>\$ 117,236</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	53.68%	55.72%
Covered-Employee Payroll	\$ 21,267	\$ 18,138
Net Pension Liability as a Percentage of Covered-Employee Payroll	593.74%	646.36%

* - The State implemented GASB 68 in fiscal year 2015, which changed prior calculations of the total pension liabilities. As such, only the last two years' 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>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Contractually Required Contribution	\$ 4,591	\$ 4,591	\$ 4,586	\$ 4,539	\$ 3,937
Contributions in Relation to the Contractually Required Contribution	(4,591)	(4,591)	(4,586)	(4,539)	(3,937)
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: 17 years
 Asset Valuation Method: 20% difference recognition method
 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>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
\$ 3,905	\$ 3,945	\$ 4,052	\$ 3,923	\$ 3,948
(3,905)	(3,945)	(4,052)	(3,923)	(3,948)
<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>2016</u>	<u>2015</u>
Total Pension Liability		
Service Cost	\$ 690	\$ 697
Interest	4,481	4,417
Difference Between Actual and Expected Experience	612	(262)
Benefit Payments	<u>(4,249)</u>	<u>(4,248)</u>
Net Change in Total Pension Liability	1,534	604
Total Pension Liability - Beginning	<u>61,530</u>	<u>60,926</u>
Total Pension Liability - Ending (a)	<u><u>\$ 63,064</u></u>	<u><u>\$ 61,530</u></u>
Plan Fiduciary Net Position		
Contributions - Employer	\$ 4,591	\$ 4,586
Retirement Benefits	(4,249)	(4,248)
Net Investment Income (Loss)	313	2,806
Administrative Expense	<u>(11)</u>	<u>(10)</u>
Net Change in Plan Fiduciary Net Position	644	3,134
Plan Fiduciary Net Position - Beginning	<u>22,558</u>	<u>19,424</u>
Plan Fiduciary Net Position - Ending (b)	<u><u>\$ 23,202</u></u>	<u><u>\$ 22,558</u></u>
Net Pension Liability - Ending (a) - (b)	<u><u>\$ 39,862</u></u>	<u><u>\$ 38,972</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	36.79%	36.66%
Covered-Employee Payroll	N/A	N/A
Net Pension Liability as a Percentage of Covered-Employee Payroll	N/A	N/A

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