
**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, 2018

(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				
Individual income tax.....	\$ 3,753,322	\$ 3,753,322	\$ 3,856,348	\$ 103,026
Sales and use tax.....	3,041,207	3,041,207	3,034,415	(6,792)
Corporation income tax.....	287,915	287,915	333,618	45,703
Insurance tax.....	242,046	242,046	227,932	(14,114)
Beer and wine tax.....	114,891	114,891	107,727	(7,164)
Alcoholic liquor tax.....	80,318	80,318	79,285	(1,033)
Corporation license tax.....	108,000	108,000	110,199	2,199
Bank tax.....	31,520	31,520	47,909	16,389
Documentary tax.....	67,899	67,899	75,625	7,726
Earned on investments.....	24,000	24,000	40,110	16,110
Admissions tax.....	29,145	29,145	30,746	1,601
Tobacco tax.....	27,411	27,411	27,209	(202)
Security dealer fees.....	26,000	26,000	26,386	386
Public Service Authority, Excess earnings from.....	19,285	19,285	17,397	(1,888)
Unclaimed property fund transfers.....	15,000	15,000	15,000	—
Indirect cost recoveries.....	12,173	12,173	16,755	4,582
Other revenue.....	9,278	9,278	14,244	4,966
Motor vehicle licenses.....	11,117	11,117	11,031	(86)
Workers' compensation insurance tax.....	9,869	9,869	9,837	(32)
Circuit and family court fines.....	7,856	7,856	7,352	(504)
Business filing fees.....	5,675	5,675	7,038	1,363
Private car lines tax.....	4,555	4,555	5,960	1,405
Record search fees.....	4,461	4,461	4,461	—
Nursing home fees.....	3,500	3,500	3,573	73
Uncashed checks.....	2,000	2,000	2,927	927
Parole and probation supervision fees.....	3,393	3,393	3,393	—
Purchasing card rebates.....	2,800	2,800	3,035	235
Surcharge on vehicle rentals.....	706	706	946	240
Aircraft tax.....	2,500	2,500	2,500	—
Savings and loan association tax.....	1,817	1,817	949	(868)
Bingo tax.....	1,055	1,055	358	(697)
Total revenues.....	7,950,714	7,950,714	8,124,265	173,551

State of South Carolina

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance from Final Budget— Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Expenditures:				
Legislative.....	\$ 48,355	\$ 85,400	\$ 50,338	\$ 35,062
Judicial.....	56,014	59,911	57,640	2,271
Executive and administrative.....	416,646	452,089	374,581	77,508
Educational.....	3,635,890	3,786,930	3,742,367	44,563
Health.....	1,939,748	2,059,310	1,926,295	133,015
Social rehabilitation services.....	269,511	281,946	267,561	14,385
Correctional and public safety.....	566,916	619,866	584,074	35,792
Conservation, natural resources, and development.....	173,573	224,220	180,286	43,934
Regulatory.....	211,450	301,624	227,399	74,225
Transportation.....	52,126	78,642	61,624	17,018
Debt service.....	191,630	188,252	180,087	8,165
Aid to subdivisions.....	243,059	243,114	242,812	302
Total expenditures.....	7,804,918	8,381,304	7,895,064	486,240
Excess of revenues over (under) expenditures—budgetary basis.....	145,796	(430,590)	229,201	659,791
Transfers from Litigation Settlement Account and Farm Aid Fund.....	—	—	20,710	20,710
Fund balance, beginning — budgetary basis.....	1,076,471	1,076,471	1,076,471	—
Fund balance, ending — budgetary basis.....	\$ 1,222,267	\$ 645,881	\$ 1,326,382	\$ 680,501
Less:				
Capital Reserve appropriation.....			<u>(139,208)</u>	
Fund balance, ending — budgetary basis, after reservation.....			<u>\$ 1,187,174</u>	

The notes to the Required Supplementary Information--Budgetary are an integral part of the schedule.

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

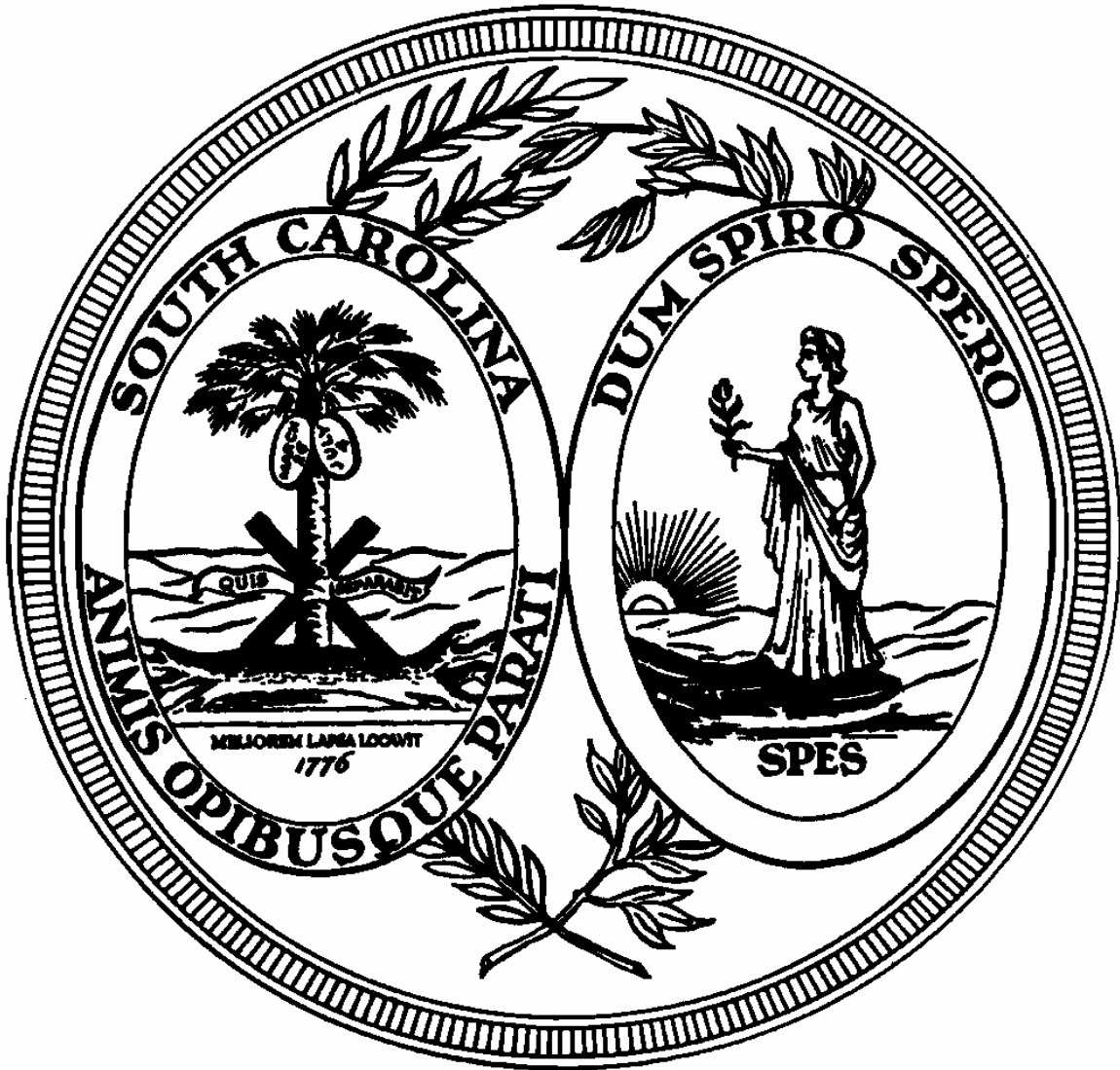
OTHER BUDGETED FUNDS

For the Fiscal Year Ended June 30, 2018

(Expressed in Thousands)

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance from Final Budget— Positive (Negative)
	Original	Final		
Revenues:				
Federal.....	\$ 8,623,470	\$ 8,894,112	\$ 7,560,717	\$ (1,333,395)
Earmarked.....	6,135,779	6,185,779	5,276,916	(908,863)
Restricted.....	4,867,521	5,029,143	4,686,429	(342,714)
Total revenues.....	19,626,770	20,109,034	17,524,062	(2,584,972)
Expenditures:				
Legislative.....	2,793	15,899	14,367	1,532
Judicial.....	23,333	23,531	13,395	10,136
Executive and administrative.....	505,359	821,392	610,059	211,333
Educational.....	6,619,097	6,739,921	6,005,703	734,218
Health.....	7,581,417	7,598,240	6,968,515	629,725
Social rehabilitation services.....	761,629	781,059	643,857	137,202
Correctional and public safety.....	217,040	188,325	146,723	41,602
Conservation, natural resources, and development.....	325,392	374,193	299,129	75,064
Regulatory.....	330,076	350,491	266,438	84,053
Transportation.....	2,529,271	2,560,786	2,038,522	522,264
Total expenditures.....	18,895,407	19,453,837	17,006,708	2,447,129
Excess of revenues over (under) expenditures—budgetary basis.....	731,363	655,197	517,354	(137,843)
Fund balance at beginning of year— budgetary basis.....	3,766,673	3,766,673	3,766,673	—
Fund balance at end of year—budgetary basis.....	\$ 4,498,036	\$ 4,421,870	\$ 4,284,027	\$ (137,843)

The notes to the Required Supplementary Information--Budgetary are an integral part of the schedule.



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 categorized by:

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 schedules 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 budgeted revenues* in the accompanying schedule for the Budgetary General Fund include amounts displayed in the Statement of Revenues at the end of Part 1A 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 Executive Budget Office within the Department of Administration, 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 Executive Budget Office 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, the *Recapitulation* section of the Appropriations Act includes net *source of funds* amounts for two categories of Other Budgeted Funds: Federal and Other. The *original budgeted revenue* amounts in the accompanying schedule for Other Budgeted Funds were obtained from the Executive 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 Executive Budget Office 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 for projects that exceed \$1.000 million.

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 2017-18 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.

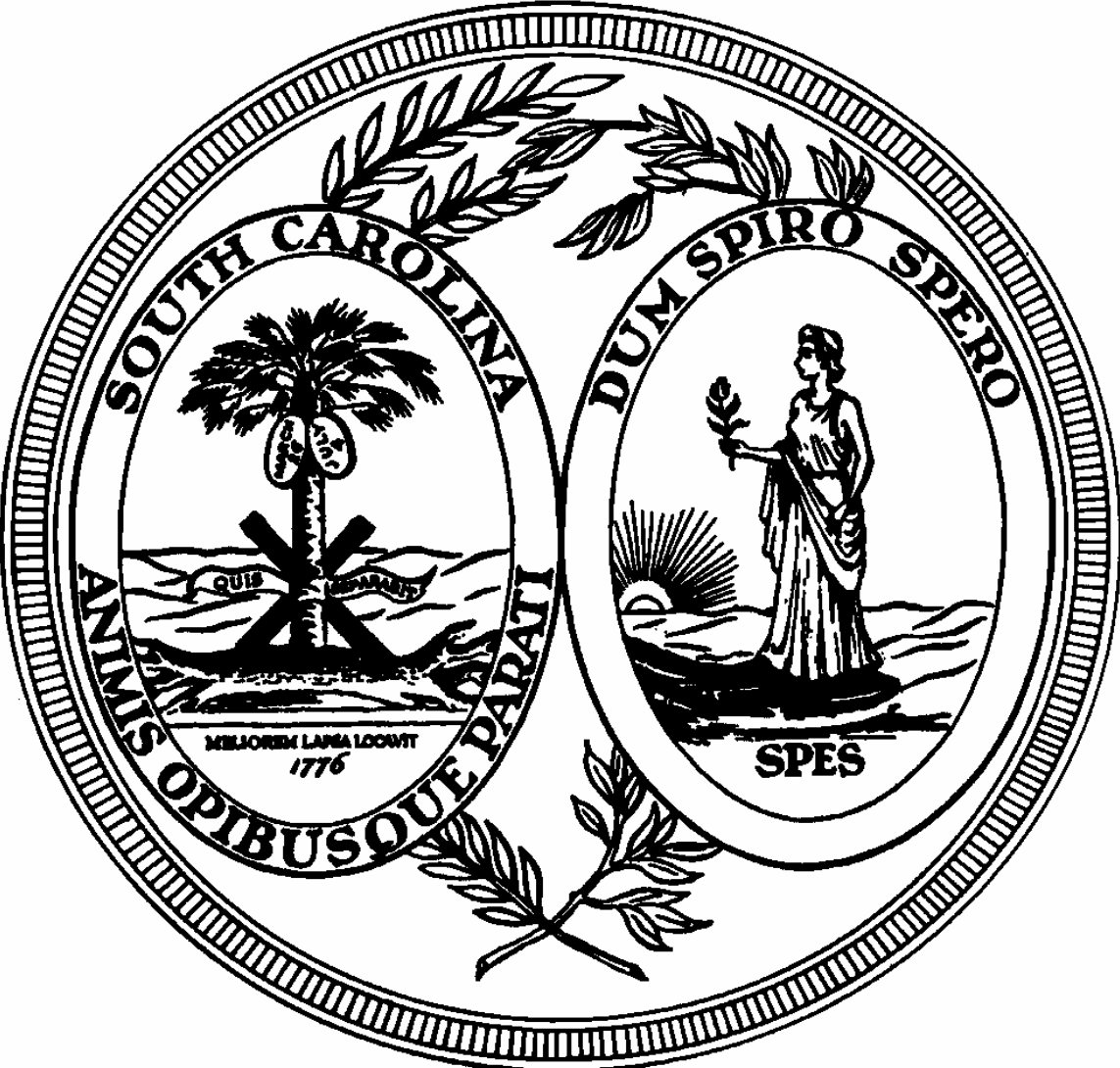
State law does not precisely define the State's basis of budgeting. In practice, however, it is the cash basis with the following exceptions:

- (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. Its 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, 2018, were as follows (expressed in thousands):

<i>Budgetary funds</i>	<i>Budgetary General Fund</i>	<i>Major Special Revenue Funds</i>		
	<i>General Fund</i>	<i>Departmental Program Services</i>	<i>Local Government Infrastructure</i>	<i>Department of Transportation Special Revenue</i>
<i>GAAP funds</i>				
Net increase (decrease) in				
fund balance—budgetary basis	\$ 229,201	\$ —	\$ —	\$ —
Perspective differences:				
Other Budgeted Funds net increase (decrease) allocated among the State's major governmental GAAP funds	37,614	(23,366)	10,581	—
Basis of accounting differences	195,484	60,844	28,616	247,090
Entity differences	3,212	1,477	—	—
Net increase (decrease) in fund balance—GAAP basis	\$ 465,511	\$ 38,955	\$ 39,197	\$ 247,090



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, 2018
(Expressed in Thousands)**

Last 10 Fiscal Years*

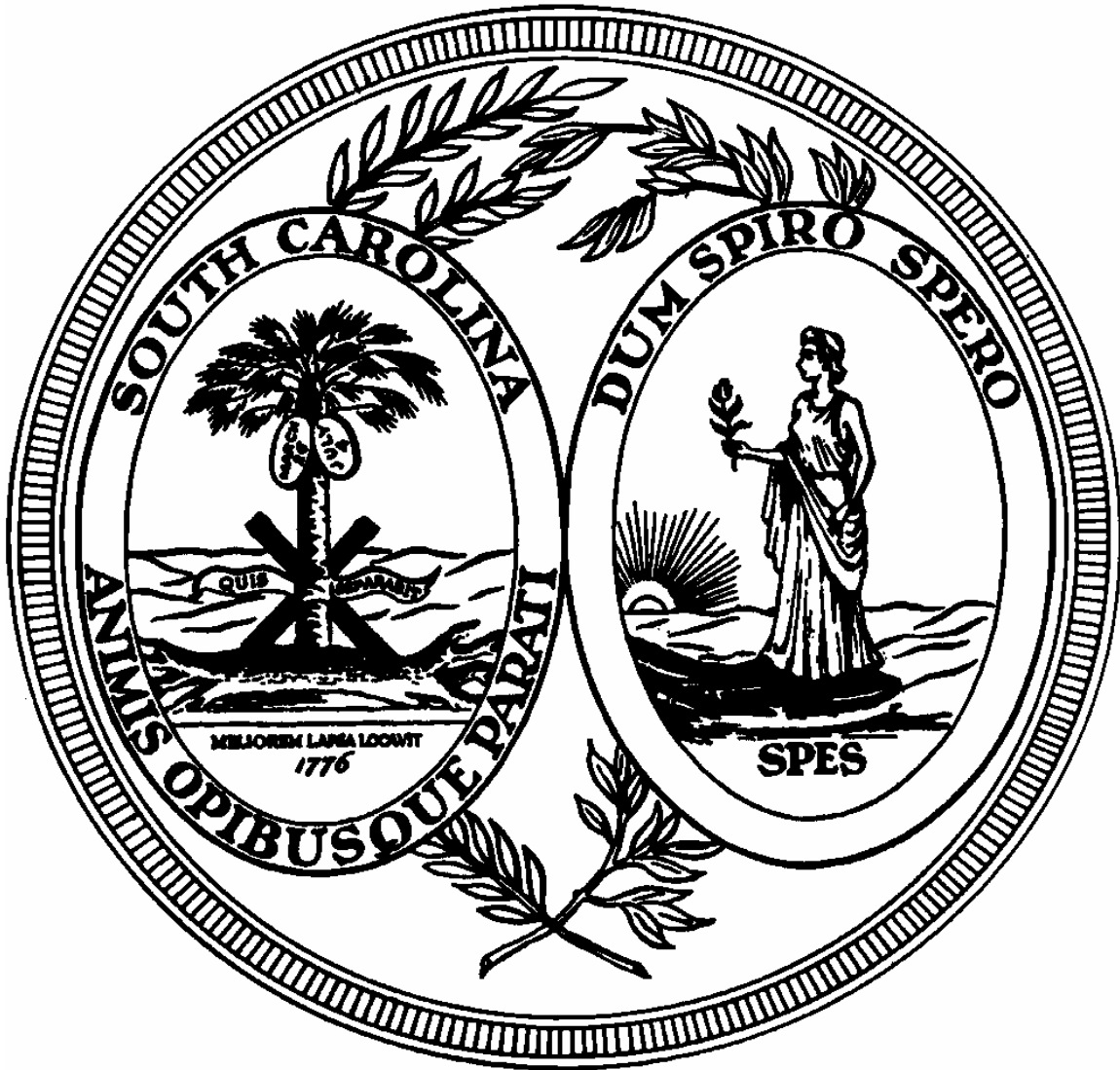
SCRS - South Carolina Retirement System

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
State's Proportion of the Net Pension Liability	13.05%	12.94%	12.87%	12.70%	12.70%
State's Proportionate Share of the Net Pension Liability	\$ 2,938,212	\$ 2,763,455	\$ 2,441,249	\$ 2,185,979	\$ 2,277,364
State Covered-Employee Payroll	\$ 1,079,349	\$ 1,021,083	\$ 954,763	\$ 973,471	\$ 958,913
State's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	272.22%	270.64%	255.69%	224.56%	237.49%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	53.30%	52.91%	56.99%	59.92%	56.39%

PORS - South Carolina Police Officers Retirement System

State's Proportion of the Net Pension Liability	28.97%	28.88%	30.05%	30.37%	30.37%
State's Proportionate Share of the Net Pension Liability	\$ 793,572	\$ 732,637	\$ 654,937	\$ 581,343	\$ 629,487
State Covered-Employee Payroll	\$ 337,092	\$ 328,193	\$ 316,491	\$ 337,916	\$ 338,025
State's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	235.42%	223.23%	206.94%	172.04%	186.22%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	60.90%	60.44%	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 five 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, 2018
(Expressed in Thousands)

Last 10 Fiscal Years*

SCRS - South Carolina Retirement System

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 168,903	\$ 152,191	\$ 131,856	\$ 130,062	\$ 122,348
Contributions in Relation to the Contractually Required Contribution	(168,903)	(152,191)	(131,856)	(130,062)	(122,348)
Contribution Deficiency/(Excess)	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
State Covered-Employee Payroll	\$ 1,079,349	\$ 1,021,083	\$ 954,763	\$ 973,471	\$ 958,913
Contributions as a Percentage of Covered-Employee Payroll	15.65%	14.90%	13.81%	13.36%	12.76%

PORS - South Carolina Police Officers Retirement System

Contractually Required Contribution	\$ 61,790	\$ 55,534	\$ 50,546	\$ 49,915	\$ 46,907
Contributions in Relation to the Contractually Required Contribution	(61,790)	(55,534)	(50,546)	(49,915)	(46,907)
Contribution Deficiency/(Excess)	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
State Covered-Employee Payroll	\$ 337,092	\$ 328,193	\$ 316,491	\$ 337,916	\$ 338,025
Contributions as a Percentage of Covered-Employee Payroll	18.33%	16.92%	15.97%	14.77%	13.88%

* - 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 - 2009 have not been restated.

<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
\$ 123,651	\$ 255,277	\$ 252,814	\$ 255,653	\$ 260,536
(123,651)	(255,277)	(252,814)	(255,653)	(260,536)
<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
\$ 956,163	\$ 2,227,527	\$ 2,247,145	\$ 2,280,108	\$ 2,283,295
12.93%	11.46%	11.25%	11.21%	11.41%
\$ 44,393	\$ 43,776	\$ 42,699	\$ 42,268	\$ 44,566
(44,393)	(43,776)	(42,699)	(42,268)	(44,566)
<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
\$ 339,686	\$ 352,998	\$ 346,404	\$ 358,181	\$ 372,869
13.07%	12.40%	12.33%	11.80%	11.95%

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>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 5,428	\$ 4,539	\$ 4,501	\$ 4,275	\$ 4,063
Contributions in Relation to the Contractually Required Contribution	(5,428)	(4,539)	(4,501)	(4,275)	(4,063)
Contribution Deficiency/(Excess)	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
Covered-Employee Payroll	\$ 1,961	\$ 2,316	\$ 2,338	\$ 2,383	\$ 2,688
Contributions as a Percentage of Covered-Employee Payroll	276.80%	195.98%	192.51%	179.40%	151.15%

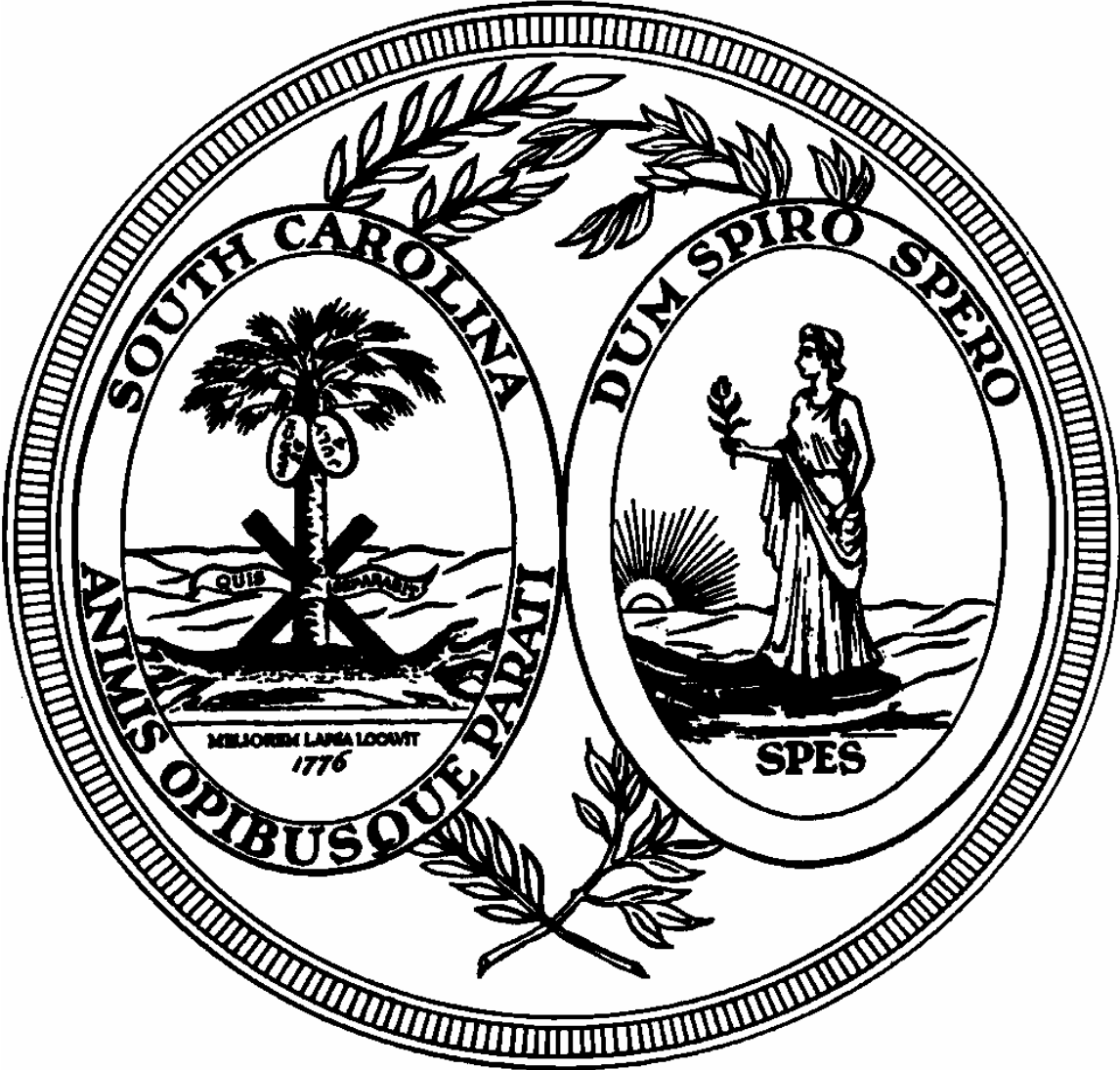
Notes to Schedule

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:	11 years
Asset Valuation Method:	5-Year Smoothed
Inflation:	2.25%
Salary Increases:	None
Investment Rate of Return:	7.25%, 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 2017 actuarial valuation, assumed life expectancies were adjusted as a result of adopting the 2016 Public Retirees of South Carolina Mortality Table. In prior years, those assumptions were based on the RP-2000 Healthy Annuitant Mortality Table.
Other Information:	GARS is closed to members of the General Assembly first elected in November 2012 or after.

<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
\$ 2,831	\$ 2,532	\$ 2,414	\$ 2,598	\$ 2,495
(2,831)	(2,532)	(2,414)	(2,598)	(2,495)
<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
\$ 3,854	\$ 3,854	\$ 3,854	\$ 3,854	\$ 3,854
73.46%	65.70%	62.64%	67.41%	64.74%



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>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total Pension Liability				
Service Cost	\$ 488	\$ 493	\$ 553	\$ 572
Interest	5,293	5,301	5,380	5,437
Difference Between Actual and Expected Experience	(348)	798	(294)	(2,585)
Assumption Changes	2,330	—	—	—
Benefit Payments	<u>(6,737)</u>	<u>(6,656)</u>	<u>(6,660)</u>	<u>(6,861)</u>
Net Change in Total Pension Liability	1,026	(64)	(1,021)	(3,437)
Total Pension Liability - Beginning	<u>73,702</u>	<u>73,766</u>	<u>74,787</u>	<u>78,224</u>
Total Pension Liability - Ending (a)	<u>\$ 74,728</u>	<u>\$ 73,702</u>	<u>\$ 73,766</u>	<u>\$ 74,787</u>
Plan Fiduciary Net Position				
Contributions - Employer	\$ 4,539	\$ 4,501	\$ 4,275	\$ 4,063
Contributions - Member	468	292	369	384
Refunds of Contributions to Members	—	(22)	—	(41)
Retirement Benefits	(6,678)	(6,625)	(6,639)	(6,799)
Death Benefits	(59)	(9)	(21)	(20)
Net Investment Income (Loss)	3,329	(266)	500	4,545
Administrative Expense	(17)	(18)	(18)	(17)
Other	19	(147)	(18)	15
Net Change in Plan Fiduciary Net Position	1,601	(2,294)	(1,552)	2,130
Plan Fiduciary Net Position - Beginning	<u>30,188</u>	<u>32,482</u>	<u>34,034</u>	<u>31,904</u>
Plan Fiduciary Net Position - Ending (b)	<u>\$ 31,789</u>	<u>\$ 30,188</u>	<u>\$ 32,482</u>	<u>\$ 34,034</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 42,939</u>	<u>\$ 43,514</u>	<u>\$ 41,284</u>	<u>\$ 40,753</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	42.54%	40.96%	44.03%	45.51%
Covered-Employee Payroll	\$ 1,961	\$ 2,316	\$ 2,338	\$ 2,383
Net Pension Liability as a Percentage of Covered-Employee Payroll	2189.65%	1878.84%	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 four 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>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 11,043	\$ 10,534	\$ 10,202	\$ 10,109	\$ 9,659
Contributions in Relation to the Contractually Required Contribution	(11,043)	(10,534)	(10,202)	(10,109)	(9,659)
Contribution Deficiency/(Excess)	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
Covered-Employee Payroll	\$ 22,347	\$ 21,958	\$ 21,267	\$ 18,138	\$ 20,407
Contributions as a Percentage of Covered-Employee Payroll	49.42%	47.97%	47.97%	55.73%	47.33%

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 of pay, open

Remaining Amortization Period: 30 years

Asset Valuation Method: 5-Year Smoothed

Inflation: 2.25%

Salary Increases: 2.75%

Investment Rate of Return: 7.25%, net of investment and administration expenses, including inflation

Retirement Age: In the 2017 valuation the retirement age changed from a varying formula based on years of service and age to age 72 or 25 years of service for judges and 24 years of service for solicitors or circuit public defenders regardless of age.

Mortality: In the 2017 actuarial valuation, assumed life expectancies were adjusted as a result of adopting the 2016 Public Retirees of South Carolina Mortality Table. In prior years, those assumptions were based on the RP-2000 Healthy Annuitant Mortality Table.

<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
\$ 8,667	\$ 8,414	\$ 8,414	\$ 8,414	\$ 8,414
(8,667)	(8,414)	(8,414)	(8,414)	(8,414)
<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
\$ 19,221	\$ 18,661	\$ 18,661	\$ 18,661	\$ 18,661
45.09%	45.09%	45.09%	45.09%	45.09%

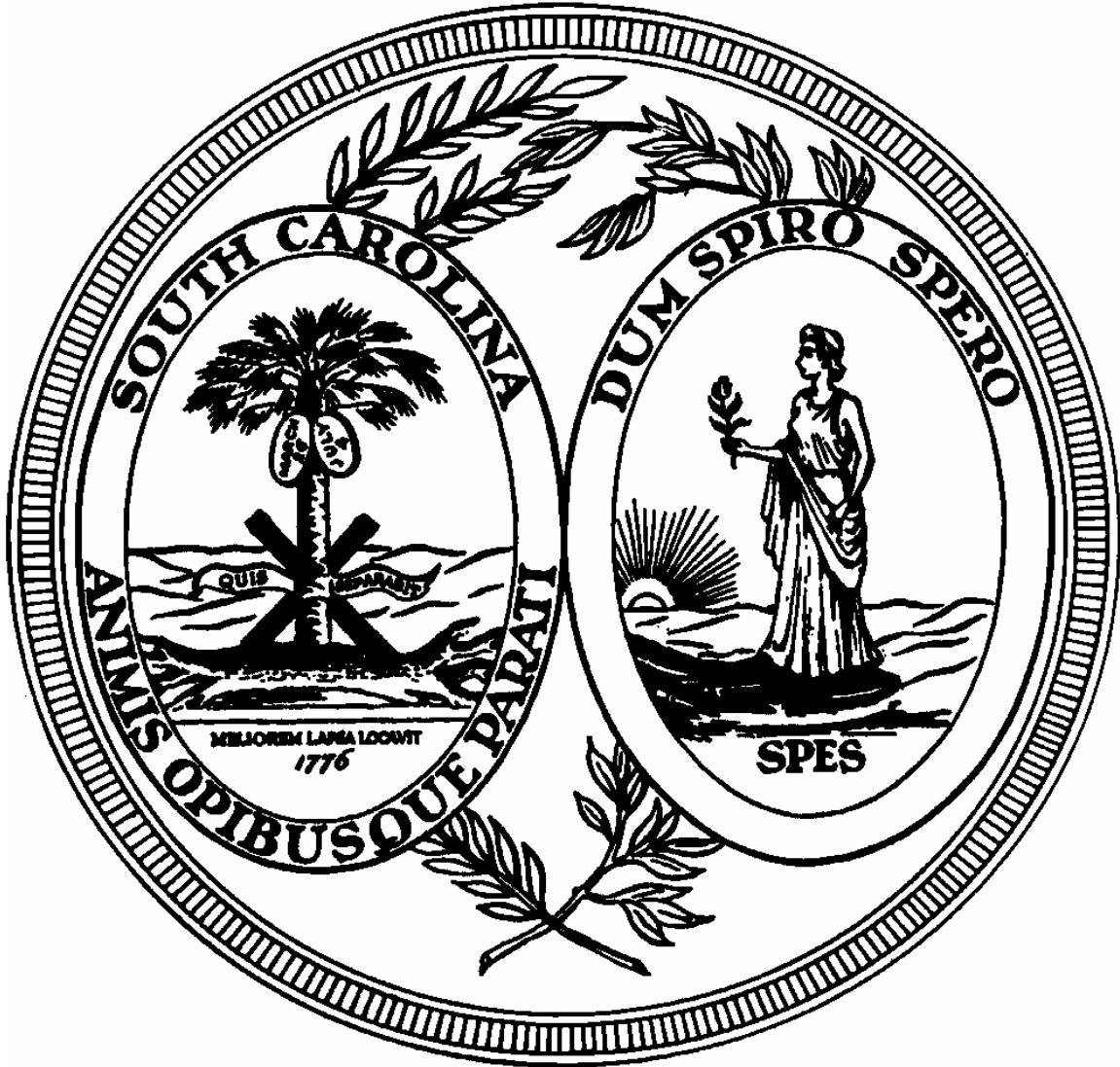
REQUIRED SUPPLEMENTARY INFORMATION
Schedule of Changes in the State of South Carolina's JSRS Net Pension Liability and Related Ratios
(Expressed in Thousands)

Last 10 Fiscal Years*

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

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total Pension Liability				
Service Cost	\$ 6,186	\$ 5,886	\$ 5,760	\$ 5,571
Interest	20,404	20,022	19,440	18,857
Benefit Changes	—	—	666	—
Difference Between Actual and Expected Experience	(995)	(3,085)	(1,138)	(3,240)
Assumption Changes	13,790	—	—	—
Benefit Payments	<u>(18,602)</u>	<u>(17,191)</u>	<u>(16,836)</u>	<u>(16,684)</u>
Net Change in Total Pension Liability	20,783	5,632	7,892	4,504
Total Pension Liability - Beginning	<u>278,256</u>	<u>272,624</u>	<u>264,732</u>	<u>260,228</u>
Total Pension Liability - Ending (a)	<u>\$ 299,039</u>	<u>\$ 278,256</u>	<u>\$ 272,624</u>	<u>\$ 264,732</u>
Plan Fiduciary Net Position				
Contributions - Employer	\$ 10,534	\$ 10,202	\$ 10,109	\$ 9,659
Contributions - Member	2,928	2,303	3,153	2,448
Refunds of Contributions to Members	(629)	(60)	—	—
Retirement Benefits	(17,679)	(16,989)	(16,832)	(16,675)
Death Benefits	(293)	(143)	(4)	(10)
Net Investment Income (Loss)	16,399	(871)	2,216	19,962
Administrative Expense	(79)	(75)	(71)	(68)
Other	<u>253</u>	<u>(3)</u>	<u>286</u>	<u>195</u>
Net Change in Plan Fiduciary Net Position	11,434	(5,636)	(1,143)	15,511
Plan Fiduciary Net Position - Beginning	<u>140,717</u>	<u>146,353</u>	<u>147,496</u>	<u>131,985</u>
Plan Fiduciary Net Position - Ending (b)	<u>\$ 152,151</u>	<u>\$ 140,717</u>	<u>\$ 146,353</u>	<u>\$ 147,496</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 146,888</u>	<u>\$ 137,539</u>	<u>\$ 126,271</u>	<u>\$ 117,236</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	50.88%	50.57%	53.68%	55.72%
Covered-Employee Payroll	\$ 22,347	\$ 21,958	\$ 21,267	\$ 18,138
Net Pension Liability as a Percentage of Covered-Employee Payroll	657.31%	626.37%	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 four 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>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 4,814	\$ 4,509	\$ 4,570	\$ 4,591	\$ 4,586
Contributions in Relation to the Contractually Required Contribution	(4,814)	(4,591)	(4,591)	(4,591)	(4,586)
Contribution Deficiency/(Excess)	<u>\$ —</u>	<u>\$ (82)</u>	<u>\$ (21)</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: 5-Year Smoothed
Inflation: 2.25%
Salary Increases: N/A
Investment Rate of Return: 7.25%, 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 2017 actuarial valuation, assumed life expectancies were adjusted as a result of adopting the 2016 Public Retirees of South Carolina Mortality Table. In prior years, those assumptions were based on the RP-2000 Healthy Annuitant Mortality Table.

<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
\$ 4,539	\$ 3,937	\$ 3,905	\$ 3,945	\$ 4,052
(4,539)	(3,937)	(3,905)	(3,945)	(4,052)
<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

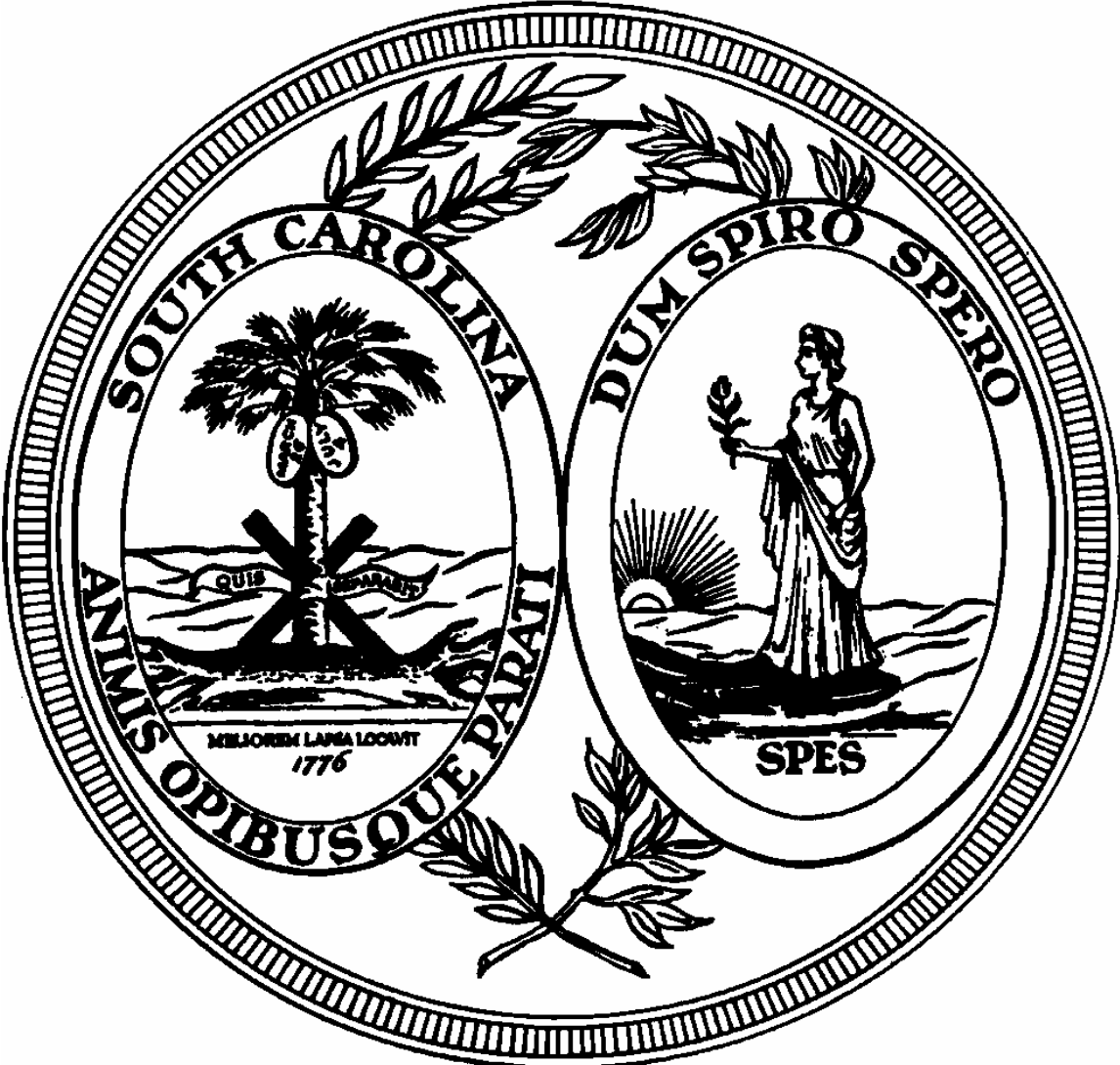
REQUIRED SUPPLEMENTARY INFORMATION
Schedule of Changes in the State of South Carolina's SCNG Net
Pension Liability and Related Ratios
(Expressed in Thousands)

Last 10 Fiscal Years*

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

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total Pension Liability				
Service Cost	\$ 696	\$ 689	\$ 690	\$ 697
Interest	4,589	4,594	4,481	4,417
Difference Between Actual and Expected Experience	(843)	(992)	612	(262)
Assumption Changes	4,161	—	—	—
Benefit Payments	<u>(4,426)</u>	<u>(4,310)</u>	<u>(4,249)</u>	<u>(4,248)</u>
Net Change in Total Pension Liability	4,177	(19)	1,534	604
Total Pension Liability - Beginning	<u>63,045</u>	<u>63,064</u>	<u>61,530</u>	<u>60,926</u>
Total Pension Liability - Ending (a)	<u>\$ 67,222</u>	<u>\$ 63,045</u>	<u>\$ 63,064</u>	<u>\$ 61,530</u>
Plan Fiduciary Net Position				
Contributions - Employer	\$ 4,591	\$ 4,591	\$ 4,591	\$ 4,586
Retirement Benefits	(4,425)	(4,310)	(4,249)	(4,248)
Net Investment Income (Loss)	2,533	(121)	313	2,806
Administrative Expense	<u>(13)</u>	<u>(12)</u>	<u>(11)</u>	<u>(10)</u>
Net Change in Plan Fiduciary Net Position	2,686	148	644	3,134
Plan Fiduciary Net Position - Beginning	<u>23,350</u>	<u>23,202</u>	<u>22,558</u>	<u>19,424</u>
Plan Fiduciary Net Position - Ending (b)	<u>\$ 26,036</u>	<u>\$ 23,350</u>	<u>\$ 23,202</u>	<u>\$ 22,558</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 41,186</u>	<u>\$ 39,695</u>	<u>\$ 39,862</u>	<u>\$ 38,972</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	38.73%	37.04%	36.79%	36.66%
Covered-Employee Payroll	N/A	N/A	N/A	N/A
Net Pension Liability as a Percentage of Covered-Employee Payroll	N/A	N/A	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 four years' information is available.



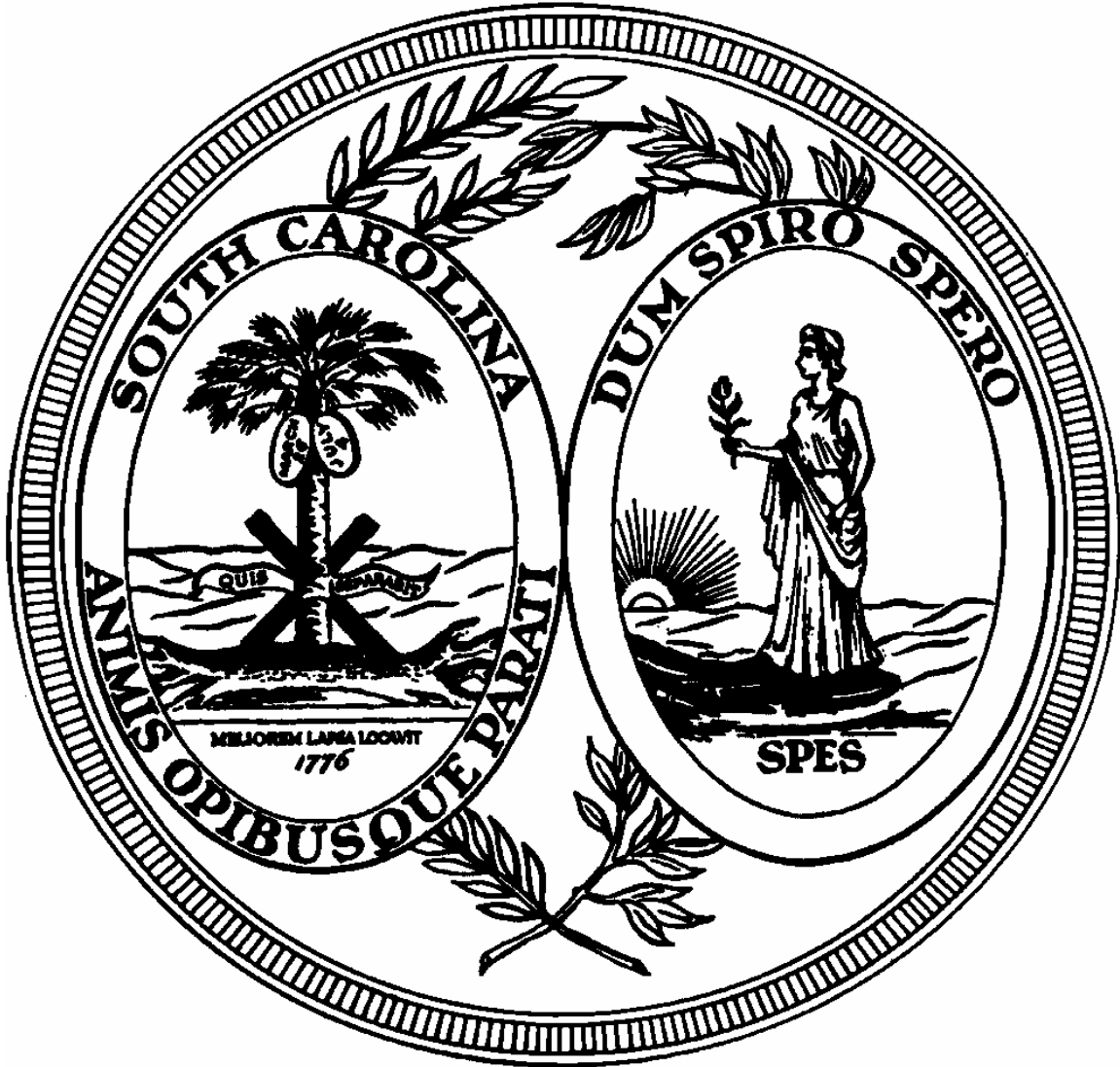
REQUIRED SUPPLEMENTARY INFORMATION
Schedule of the State of South Carolina's Proportionate
Share of the Net OPEB Liability
(Expressed in Thousands)

Last 10 Fiscal Years

SCRHI - The South Carolina
Retiree Health Insurance Trust
Fund

	<u>2018</u>	<u>2017</u>
State's Proportion of the Net OPEB Liability	20.95%	20.95%
State's Proportionate Share of the Net OPEB Liability	\$ 2,837,273	\$ 3,030,783
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	7.60%	6.62%

* - The State implemented GASB 75 in fiscal year 2018, which changed prior calculations of the total OPEB liabilities. As such, only the last two years' information is available.



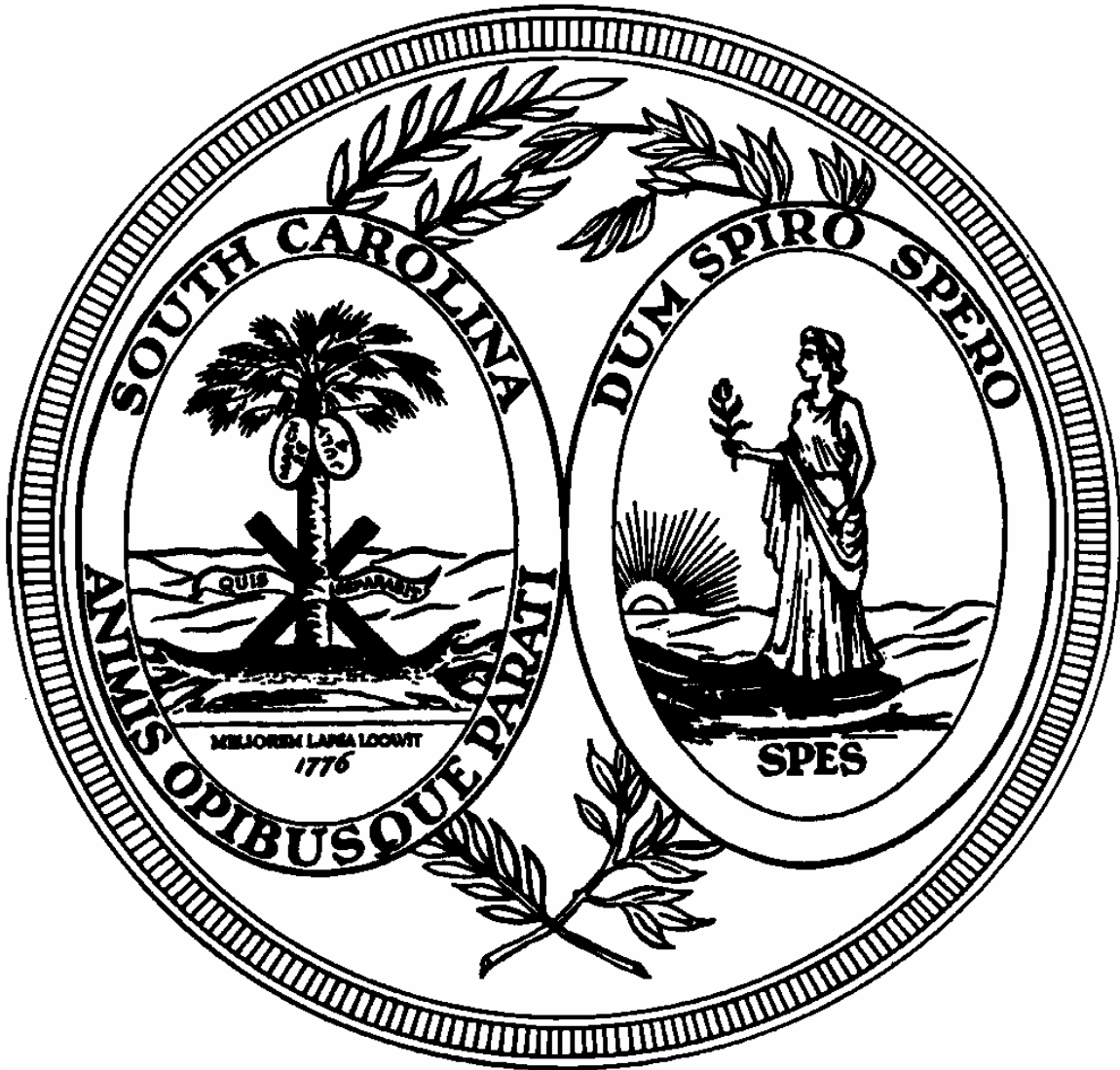
REQUIRED SUPPLEMENTARY INFORMATION
Schedule of the State of South Carolina's SCRHI
Contributions
(Expressed in Thousands)

Last 10 Fiscal Years

SCRHI - The South Carolina
Retiree Health Insurance Trust
Fund

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 102,826	\$ 166,834	\$ 157,065	\$ 156,653	\$ 163,194
Contributions in Relation to the Contractually Required Contribution	(102,826)	(102,887)	(95,903)	(119,745)	(99,102)
Contribution Deficiency/(Excess)	<u>\$ —</u>	<u>\$ 63,947</u>	<u>\$ 61,162</u>	<u>\$ 36,908</u>	<u>\$ 64,092</u>

<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
\$ 171,551	\$ 164,938	\$ 170,915	\$ 164,510	\$ 152,323
(85,810)	(87,782)	(63,427)	(62,117)	(77,482)
<u>\$ 85,741</u>	<u>\$ 77,156</u>	<u>\$ 107,488</u>	<u>\$ 102,393</u>	<u>\$ 74,841</u>



REQUIRED SUPPLEMENTARY INFORMATION
Schedule of the State of South Carolina's
Proportionate Share of the Net OPEB Liability
(Expressed in Thousands)

Last 10 Fiscal Years

LTDIHF - The Long Term
Disability Insurance Trust Fund

	<u>2018</u>	<u>2017</u>
State's Proportion of the Net OPEB Liability	21.71%	21.71%
State's Proportionate Share of the Net OPEB Liability	\$ 394	\$ 151
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	95.29%	98.15%

* - The State implemented GASB 75 in fiscal year 2018, which changed prior calculations of the total OPEB liabilities. As such, only the last two years' information is available.

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

Last 10 Fiscal Years

**LTDIHF - The Long Term
 Disability Insurance Trust Fund**

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 1,976	\$ 2,918	\$ 2,845	\$ 2,256	\$ 1,574
Contributions in Relation to the Contractually Required Contribution	(1,658)	(1,669)	(1,547)	(1,520)	(1,508)
Contribution Deficiency/(Excess)	<u>\$ 318</u>	<u>\$ 1,249</u>	<u>\$ 1,298</u>	<u>\$ 736</u>	<u>\$ 66</u>

<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
\$ 2,043	\$ 2,004	\$ 2,053	\$ 2,082	\$ 2,056
(1,476)	(1,465)	(1,465)	(1,487)	(1,512)
<u>\$ 567</u>	<u>\$ 539</u>	<u>\$ 588</u>	<u>\$ 595</u>	<u>\$ 544</u>