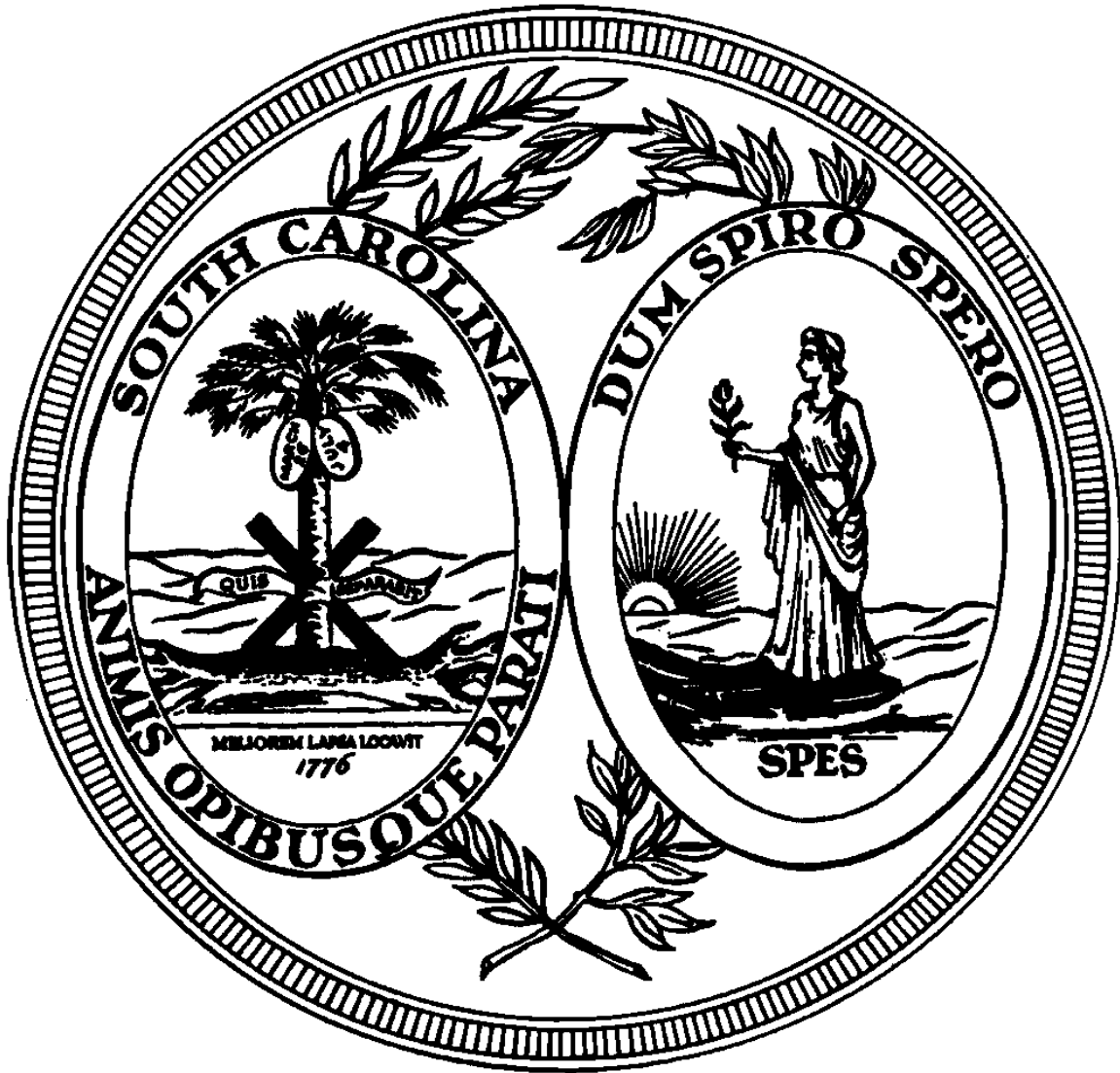

**REQUIRED
SUPPLEMENTARY INFORMATION—
Other than Management’s Discussion and Analysis
(Unaudited)**



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

BUDGETARY GENERAL FUND

For the Fiscal Year Ended June 30, 2017

(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.....	\$ 3,536,613	\$ 3,536,613	\$ 3,580,610	\$ 43,997
Sales and use tax.....	2,874,667	2,874,667	2,896,271	21,604
Corporation income tax.....	336,602	336,602	269,463	(67,139)
Insurance tax.....	240,186	240,186	237,673	(2,513)
Beer and wine tax.....	108,035	108,035	109,577	1,542
Alcoholic liquor tax.....	74,070	74,070	76,737	2,667
Corporation license tax.....	105,510	105,510	68,181	(37,329)
Bank tax.....	33,820	33,820	53,358	19,538
Documentary tax.....	47,236	47,236	51,692	4,456
Earned on investments.....	17,000	17,000	30,805	13,805
Admissions tax.....	30,893	30,893	30,444	(449)
Tobacco tax.....	24,724	24,724	26,383	1,659
Security dealer fees.....	24,000	24,000	25,649	1,649
Public Service Authority, Excess earnings from.....	20,806	20,806	17,751	(3,055)
Unclaimed property fund transfers.....	15,000	15,000	15,000	—
Indirect cost recoveries.....	14,473	14,473	14,703	230
Other revenue.....	9,648	9,648	12,954	3,306
Motor vehicle licenses.....	11,031	11,031	11,050	19
Workers' compensation insurance tax.....	8,009	8,009	9,005	996
Circuit and family court fines.....	8,616	8,616	7,888	(728)
Business filing fees.....	5,375	5,375	6,280	905
Private car lines tax.....	4,458	4,458	5,499	1,041
Record search fees.....	4,461	4,461	4,461	—
Nursing home fees.....	3,700	3,700	3,565	(135)
Uncashed checks.....	2,000	2,000	3,530	1,530
Parole and probation supervision fees.....	3,393	3,393	3,393	—
Purchasing card rebates.....	2,500	2,500	2,908	408
Surcharge on vehicle rentals.....	2,900	2,900	2,580	(320)
Aircraft tax.....	4,859	4,859	2,500	(2,359)
Savings and loan association tax.....	1,835	1,835	1,882	47
Bingo tax.....	3,110	3,110	678	(2,432)
Total revenues.....	7,579,530	7,579,530	7,582,470	2,940

State of South Carolina

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance from Final Budget— Positive (Negative)
	Original	Final		
Expenditures:				
Legislative.....	\$ 47,246	\$ 84,657	\$ 48,037	\$ 36,620
Judicial.....	47,767	53,009	49,346	3,663
Executive and administrative.....	328,573	340,229	250,807	89,422
Educational.....	3,532,739	3,758,795	3,668,329	90,466
Health.....	1,847,294	1,994,390	1,867,204	127,186
Social rehabilitation services.....	241,481	262,373	251,883	10,490
Correctional and public safety.....	541,509	596,937	548,529	48,408
Conservation, natural resources, and development.....	131,584	218,367	172,560	45,807
Regulatory.....	199,284	268,267	209,056	59,211
Transportation.....	52,087	148,886	122,480	26,406
Debt service.....	191,630	185,924	172,734	13,190
Aid to subdivisions.....	279,127	284,577	284,555	22
Total expenditures.....	7,440,321	8,196,411	7,645,520	550,891
Excess of revenues over (under) expenditures—budgetary basis.....	139,209	(616,881)	(63,050)	553,831
Transfers from Litigation Settlement Account.....	—	—	139,260	139,260
Fund balance, beginning — budgetary basis.....	1,131,309	1,131,309	1,131,309	—
Fund balance, ending — budgetary basis.....	\$ 1,270,518	\$ 514,428	\$ 1,207,519	\$ 693,091
Less:				
Capital Reserve appropriation.....			(131,048)	
Fund balance, ending — budgetary basis, after reservation.....			\$ 1,076,471	

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, 2017

(Expressed in Thousands)

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance from Final Budget— Positive (Negative)
	Original	Final		
Revenues:				
Federal.....	\$ 8,391,274	\$ 8,536,965	\$ 7,316,254	\$ (1,220,711)
Earmarked.....	6,265,894	6,267,706	5,276,362	(991,344)
Restricted.....	4,213,677	4,172,136	4,192,828	20,692
Total revenues.....	18,870,845	18,976,807	16,785,444	(2,191,363)
Expenditures:				
Legislative.....	2,793	13,159	11,607	1,552
Judicial.....	23,333	24,728	21,231	3,497
Executive and administrative.....	484,713	601,389	462,796	138,593
Educational.....	6,505,322	6,595,592	6,091,067	504,525
Health.....	7,354,208	7,372,101	6,848,232	523,869
Social rehabilitation services.....	757,908	758,682	653,103	105,579
Correctional and public safety.....	206,385	214,292	168,704	45,588
Conservation, natural resources, and development.....	279,709	362,797	301,817	60,980
Regulatory.....	324,268	329,150	223,123	106,027
Transportation.....	2,240,864	2,277,297	1,979,552	297,745
Total expenditures.....	18,179,503	18,549,187	16,761,232	1,787,955
Excess of revenues over (under) expenditures—budgetary basis.....	691,342	427,620	24,212	(403,408)
Fund balance at beginning of year— budgetary basis.....	3,075,331	3,075,331	3,075,331	—
Fund balance at end of year—budgetary basis.....	\$ 3,766,673	\$ 3,502,951	\$ 3,099,543	\$ (403,408)

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 2016-17 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, 2017, were as follows (expressed in thousands):

<i>Budgetary funds</i>	<i>Budgetary</i>	<i>Other</i>	<u>Major Special Revenue Funds</u>		
	<i>General</i>	<i>Budgeted</i>	<i>Departmental</i>	<i>Local</i>	<i>Department of</i>
	<i>Fund</i>	<i>Funds</i>	<i>Program</i>	<i>Government</i>	<i>Transportation</i>
<i>GAAP funds</i>	<i>General</i>	<i>Not</i>	<i>Services</i>	<i>Infrastructure</i>	<i>Special</i>
	<i>Fund</i>	<i>Applicable</i>			<i>Revenue</i>
Net increase (decrease) in					
fund balance—budgetary basis	\$ (63,050)	\$ 24,212	\$ —	\$ —	\$ —
Perspective differences:					
Other Budgeted Funds attributable to nonmajor					
governmental and other GAAP funds	—	1,389,661	—	—	—
Other Budgeted Funds net increase (decrease)					
allocated among the State's major governmental					
GAAP funds	(2,170,315)	9,363,908	(7,203,897)	10,304	—
Basis of accounting differences	2,433,334	—	7,349,386	(130,581)	141,306
Entity differences	3,212	—	(1,381)	—	—
Net increase (decrease) in fund balance—GAAP basis	\$ 203,181	\$ 10,777,781	\$ 144,108	\$ (120,277)	\$ 141,306

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, 2017

(Expressed in Thousands)

Last 10 Fiscal Years*

SCRS - South Carolina Retirement System

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
State's Proportion of the Net Pension Liability	12.94%	12.87%	12.70%	12.70%
State's Proportionate Share of the Net Pension Liability	\$ 2,763,455	\$ 2,441,249	\$ 2,185,979	\$ 2,277,364
State Covered-Employee Payroll	\$ 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	270.64%	255.69%	224.56%	237.49%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	52.91%	56.99%	59.92%	56.39%

PORS - South Carolina Police Officers Retirement System

State's Proportion of the Net Pension Liability	28.88%	30.05%	30.37%	30.37%
State's Proportionate Share of the Net Pension Liability	\$ 732,637	\$ 654,937	\$ 581,343	\$ 629,487
State Covered-Employee Payroll	\$ 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	223.23%	206.94%	172.04%	186.22%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	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 four 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, 2017
(Expressed in Thousands)

Last 10 Fiscal Years*

SCRS - South Carolina Retirement System

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually Required Contribution	\$ 152,191	\$ 131,856	\$ 130,062	\$ 122,348	\$ 123,651
Contributions in Relation to the Contractually Required Contribution	(152,191)	(131,856)	(130,062)	(122,348)	(123,651)
Contribution Deficiency/(Excess)	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
State Covered-Employee Payroll	\$ 1,021,083	\$ 954,763	\$ 973,471	\$ 958,913	\$ 956,163
Contributions as a Percentage of Covered-Employee Payroll	14.90%	13.81%	13.36%	12.76%	12.93%

PORS - South Carolina Police Officers Retirement System

Contractually Required Contribution	\$ 55,534	\$ 50,546	\$ 49,915	\$ 46,907	\$ 44,393
Contributions in Relation to the Contractually Required Contribution	(55,534)	(50,546)	(49,915)	(46,907)	(44,393)
Contribution Deficiency/(Excess)	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
State Covered-Employee Payroll	\$ 328,193	\$ 316,491	\$ 337,916	\$ 338,025	\$ 339,686
Contributions as a Percentage of Covered-Employee Payroll	16.92%	15.97%	14.77%	13.88%	13.07%

* - 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 - 2008 have not been restated.

<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$ 255,277	\$ 252,814	\$ 255,653	\$ 260,536	\$ 246,172
(255,277)	(252,814)	(255,653)	(260,536)	(246,172)
<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
\$ 2,227,527	\$ 2,247,145	\$ 2,280,108	\$ 2,283,295	\$ 2,238,486
11.46%	11.25%	11.21%	11.41%	11.00%
\$ 43,776	\$ 42,699	\$ 42,268	\$ 44,566	\$ 41,962
(43,776)	(42,699)	(42,268)	(44,566)	(41,962)
<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
\$ 352,998	\$ 346,404	\$ 358,181	\$ 372,869	\$ 373,595
12.40%	12.33%	11.80%	11.95%	11.23%

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>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually Required Contribution	\$ 4,539	\$ 4,501	\$ 4,275	\$ 4,063	\$ 2,831
Contributions in Relation to the Contractually Required Contribution	(4,539)	(4,501)	(4,275)	(4,063)	(2,831)
Contribution Deficiency/(Excess)	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
Covered-Employee Payroll	\$ 2,316	\$ 2,338	\$ 2,383	\$ 2,688	\$ 3,854
Contributions as a Percentage of Covered-Employee Payroll	195.98%	192.51%	179.40%	151.15%	73.46%

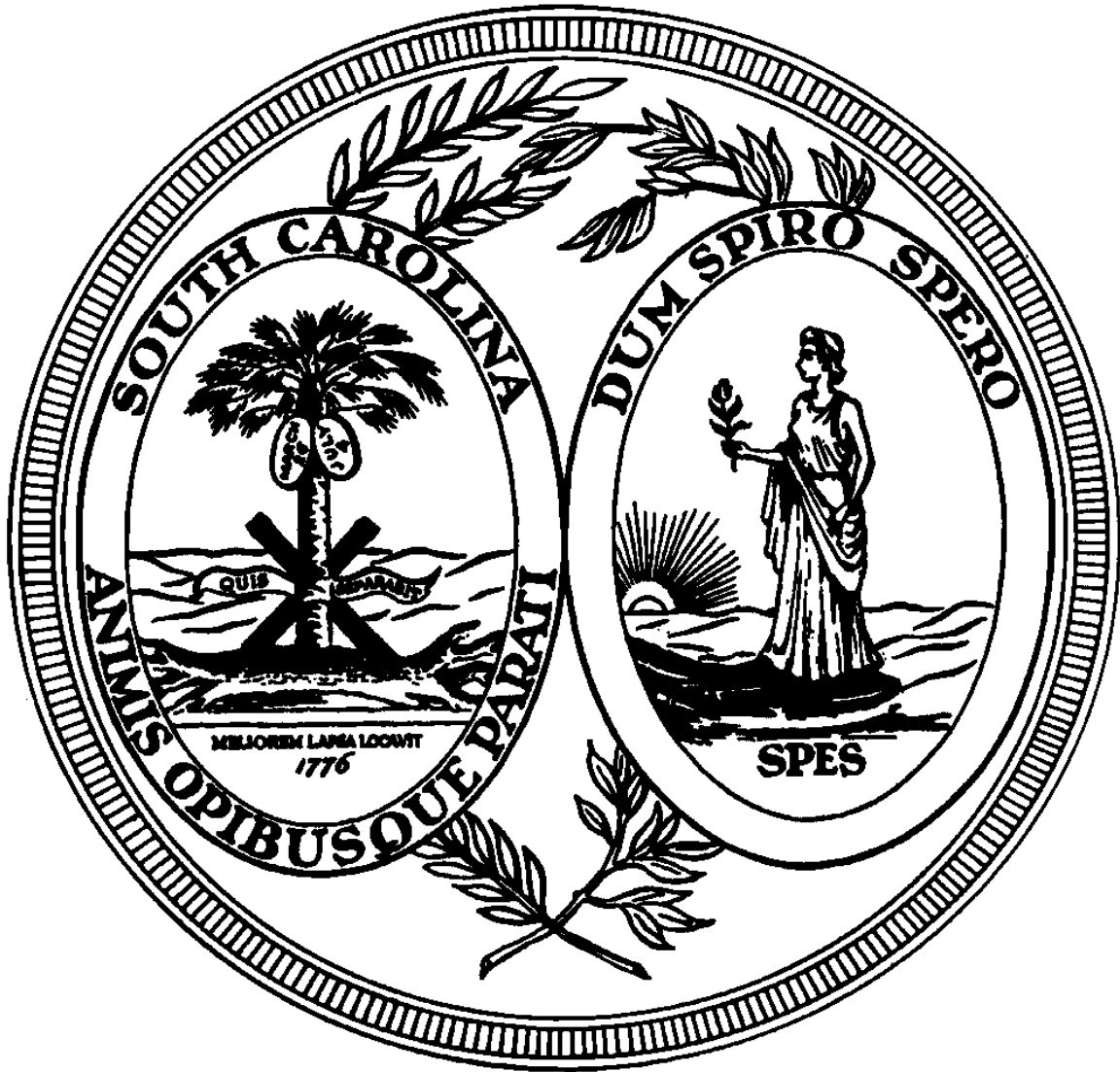
Notes to Schedule

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>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$ 2,532	\$ 2,414	\$ 2,598	\$ 2,495	\$ 2,440
(2,532)	(2,414)	(2,598)	(2,495)	(2,440)
<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
\$ 3,854	\$ 3,854	\$ 3,854	\$ 3,854	\$ 3,854
65.70%	62.64%	67.41%	64.74%	63.31%



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>2017</u>	<u>2016</u>	<u>2015</u>
Total Pension Liability			
Service Cost	\$ 493	\$ 553	\$ 572
Interest	5,301	5,380	5,437
Difference Between Actual and Expected Experience	798	(294)	(2,585)
Benefit Payments	<u>(6,656)</u>	<u>(6,660)</u>	<u>(6,861)</u>
Net Change in Total Pension Liability	(64)	(1,021)	(3,437)
Total Pension Liability - Beginning	<u>73,766</u>	<u>74,787</u>	<u>78,224</u>
Total Pension Liability - Ending (a)	<u><u>\$ 73,702</u></u>	<u><u>\$ 73,766</u></u>	<u><u>\$ 74,787</u></u>
Plan Fiduciary Net Position			
Contributions - Employer	\$ 4,501	\$ 4,275	\$ 4,063
Contributions - Member	292	369	384
Refunds of Contributions to Members	(22)	—	(41)
Retirement Benefits	(6,625)	(6,639)	(6,799)
Death Benefits	(9)	(21)	(20)
Net Investment Income (Loss)	(266)	500	4,545
Administrative Expense	(18)	(18)	(17)
Other	<u>(147)</u>	<u>(18)</u>	<u>15</u>
Net Change in Plan Fiduciary Net Position	(2,294)	(1,552)	2,130
Plan Fiduciary Net Position - Beginning	<u>32,482</u>	<u>34,034</u>	<u>31,904</u>
Plan Fiduciary Net Position - Ending (b)	<u><u>\$ 30,188</u></u>	<u><u>\$ 32,482</u></u>	<u><u>\$ 34,034</u></u>
Net Pension Liability - Ending (a) - (b)	<u><u>\$ 43,514</u></u>	<u><u>\$ 41,284</u></u>	<u><u>\$ 40,753</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	40.96%	44.03%	45.51%
Covered-Employee Payroll	\$ 2,316	\$ 2,338	\$ 2,383
Net Pension Liability as a Percentage of Covered-Employee Payroll	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 three 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>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually Required Contribution	\$ 10,534	\$ 10,202	\$ 10,109	\$ 9,659	\$ 8,667
Contributions in Relation to the Contractually Required Contribution	(10,534)	(10,202)	(10,109)	(9,659)	(8,667)
Contribution Deficiency/(Excess)	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
Covered-Employee Payroll	\$ 21,958	\$ 21,267	\$ 18,138	\$ 20,407	\$ 19,221
Contributions as a Percentage of Covered-Employee Payroll	47.97%	47.97%	55.73%	47.33%	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>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$ 8,414	\$ 8,414	\$ 8,414	\$ 8,414	\$ 7,613
(8,414)	(8,414)	(8,414)	(8,414)	(7,613)
<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
\$ 18,661	\$ 18,661	\$ 18,661	\$ 18,661	\$ 16,407
45.09%	45.09%	45.09%	45.09%	46.40%

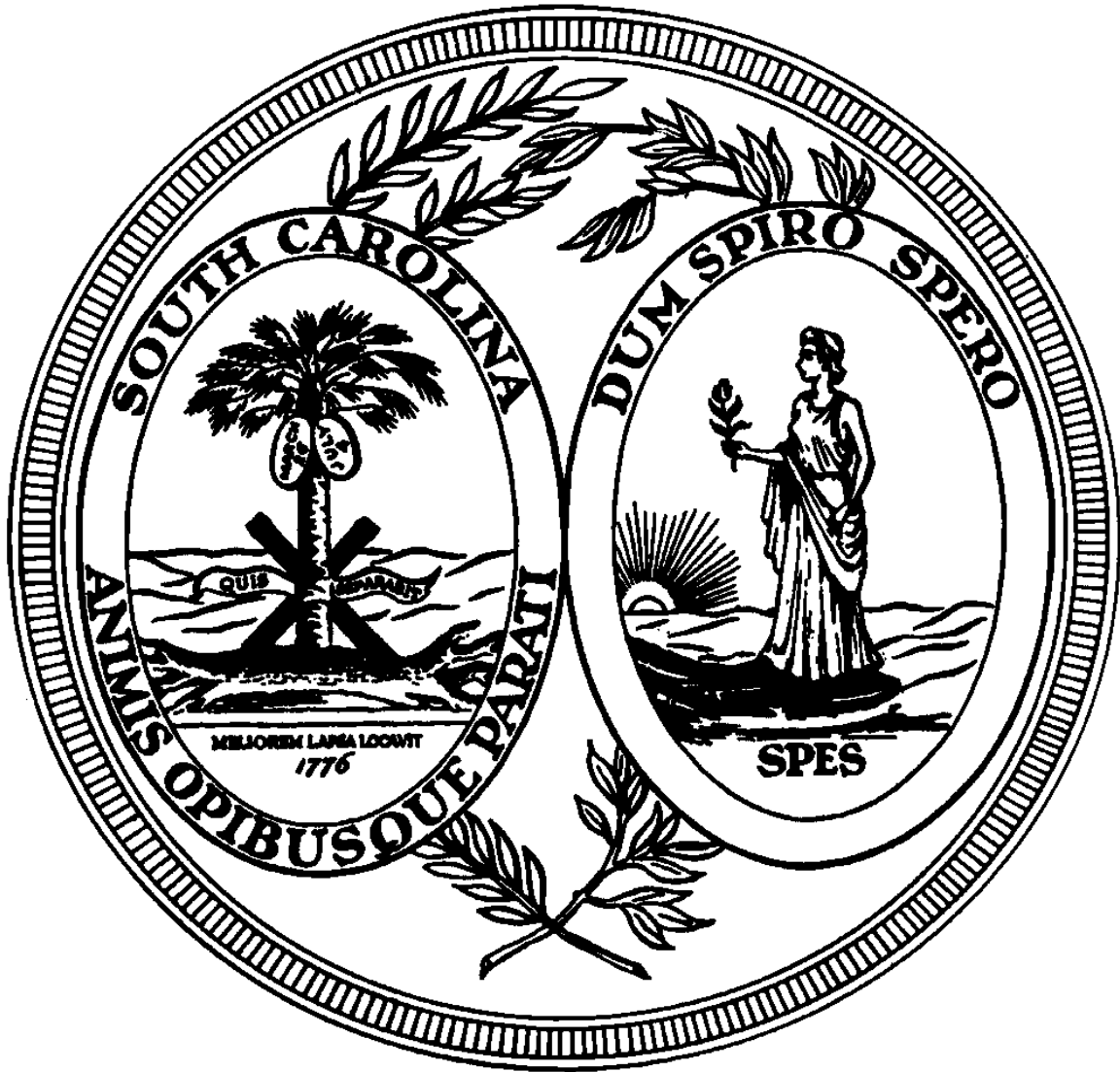
REQUIRED SUPPLEMENTARY INFORMATION
Schedule of Changes in the State of South Carolina's JSRS Net Pension Liability and Related Ratios
(Expressed in Thousands)

Last 10 Fiscal Years*

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

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total Pension Liability			
Service Cost	\$ 5,886	\$ 5,760	\$ 5,571
Interest	20,022	19,440	18,857
Benefit Changes	—	666	—
Difference Between Actual and Expected Experience	(3,085)	(1,138)	(3,240)
Benefit Payments	<u>(17,191)</u>	<u>(16,836)</u>	<u>(16,684)</u>
Net Change in Total Pension Liability	5,632	7,892	4,504
Total Pension Liability - Beginning	<u>272,624</u>	<u>264,732</u>	<u>260,228</u>
Total Pension Liability - Ending (a)	<u><u>\$ 278,256</u></u>	<u><u>\$ 272,624</u></u>	<u><u>\$ 264,732</u></u>
Plan Fiduciary Net Position			
Contributions - Employer	\$ 10,202	\$ 10,109	\$ 9,659
Contributions - Member	2,303	3,153	2,448
Refunds of Contributions to Members	(60)	—	—
Retirement Benefits	(16,989)	(16,832)	(16,675)
Death Benefits	(143)	(4)	(10)
Net Investment Income (Loss)	(871)	2,216	19,962
Administrative Expense	(75)	(71)	(68)
Other	<u>(3)</u>	<u>286</u>	<u>195</u>
Net Change in Plan Fiduciary Net Position	(5,636)	(1,143)	15,511
Plan Fiduciary Net Position - Beginning	<u>146,353</u>	<u>147,496</u>	<u>131,985</u>
Plan Fiduciary Net Position - Ending (b)	<u><u>\$ 140,717</u></u>	<u><u>\$ 146,353</u></u>	<u><u>\$ 147,496</u></u>
Net Pension Liability - Ending (a) - (b)	<u><u>\$ 137,539</u></u>	<u><u>\$ 126,271</u></u>	<u><u>\$ 117,236</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	50.57%	53.68%	55.72%
Covered-Employee Payroll	\$ 21,958	\$ 21,267	\$ 18,138
Net Pension Liability as a Percentage of Covered-Employee Payroll	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 three 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>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually Required Contribution	\$ 4,509	\$ 4,570	\$ 4,591	\$ 4,586	\$ 4,539
Contributions in Relation to the Contractually Required Contribution	(4,591)	(4,591)	(4,591)	(4,586)	(4,539)
Contribution Deficiency/(Excess)	<u>\$ (82)</u>	<u>\$ (21)</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>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$ 3,937	\$ 3,905	\$ 3,945	\$ 4,052	\$ 3,923
(3,937)	(3,905)	(3,945)	(4,052)	(3,923)
<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>2017</u>	<u>2016</u>	<u>2015</u>
Total Pension Liability			
Service Cost	\$ 689	\$ 690	\$ 697
Interest	4,594	4,481	4,417
Difference Between Actual and Expected Experience	(992)	612	(262)
Benefit Payments	<u>(4,310)</u>	<u>(4,249)</u>	<u>(4,248)</u>
Net Change in Total Pension Liability	(19)	1,534	604
Total Pension Liability - Beginning	<u>63,064</u>	<u>61,530</u>	<u>60,926</u>
Total Pension Liability - Ending (a)	<u><u>\$ 63,045</u></u>	<u><u>\$ 63,064</u></u>	<u><u>\$ 61,530</u></u>
Plan Fiduciary Net Position			
Contributions - Employer	\$ 4,591	\$ 4,591	\$ 4,586
Retirement Benefits	(4,310)	(4,249)	(4,248)
Net Investment Income (Loss)	(121)	313	2,806
Administrative Expense	<u>(12)</u>	<u>(11)</u>	<u>(10)</u>
Net Change in Plan Fiduciary Net Position	148	644	3,134
Plan Fiduciary Net Position - Beginning	<u>23,202</u>	<u>22,558</u>	<u>19,424</u>
Plan Fiduciary Net Position - Ending (b)	<u><u>\$ 23,350</u></u>	<u><u>\$ 23,202</u></u>	<u><u>\$ 22,558</u></u>
Net Pension Liability - Ending (a) - (b)	<u><u>\$ 39,695</u></u>	<u><u>\$ 39,862</u></u>	<u><u>\$ 38,972</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	37.04%	36.79%	36.66%
Covered-Employee Payroll	N/A	N/A	N/A
Net Pension Liability as a Percentage of Covered-Employee Payroll	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 three years' information is available.